

WEEKLY OUTLOOK

U.S ECONOMY

Money, money, money

On the 27th of February, President Biden's \$1.9 trillion American Rescue Plan, designed to stabilize the economy and curb the spread of coronavirus, was approved by the House of Representatives in a 219-212 vote. The bill includes \$350 billion for state and local governments; \$130 billion for K-12 schools; \$50 billion for coronavirus testing and tracing; \$1,400 direct payments to Americans making less than \$75,000 annually; expanded federal benefits of \$400 per week through the end of August; and a major expansion of the child tax credit. There are also billions of dollars for vaccine distribution, small business relief, rental assistance, and nutrition assistance.

EUROPEAN ECONOMY

Things aren't easy

There is no good news for the Italian economy as the seasonally and working days adjusted GDP contracted by 1.9% quarter-on-quarter (QoQ) and by 6.6% year-on-year (YoY), confirming the preliminary release. For the fiscal year of 2020, the Italian economy contracted by 8.9%, registering the worst number on record in peace times. When talking about Italy, one must consider that it is the second-largest manufacturing economy in Europe and the third-largest economy in the Euro Area. With this said, Mr. Draghi now has a lot to consider...

CLIMATE

China's attempt for a greener economy

Ever since 1953, China has produced a planning document that sets out the general direction of national economic development over the next 5 years. The main question that arises whenever this 5-Year Plan is released is if the country can keep the economy growing while limiting warming gases.

The plan for 2021-2025 is expected to guarantee that China will reach net-zero emissions (cut greenhouse gas as far as possible and balance further releases by removing an equivalent amount of the atmosphere) by 2060 and that carbon use will peak before 2030. China wants to become the "global supplier of low-carbon goods for a carbon-constrained world."

BANKING

Goldman Sachs investment recommendation

On March 4th, Goldman Sachs recommended 5 Chinese tech companies to invest in, which, over the next 5 years, will have potential increases between 37% and 91%. These picks are all on software because, according to Goldman, it's the sector with the most potential for stronger earnings growth.

This Top 5 is composed by: ThunderSoft, Desay SV, Arcsoft, YJK and Thunisoft. These, according to Goldman, are all leaders in their main businesses and their new products and expansion into larger markets are what makes them especially attractive in the years to come.

COVID-19

The challenge of remote learning

On March 4th, Henrietta Fore, head of UNICEF, announced that the global inequality in terms of access to technology needs to be tackled right now. In the pandemic period we're living, remote learning needs to be a common practice worldwide and not a privilege. Every child deserves the chance to learn and, so far, roughly half of the world is still not connected to the internet. The ones who are more affected by this are girls, poor populations, and marginalized groups.

This situation causes an imbalance in the basis of our world and might have a devastating economic impact for the next few decades.

POLITICS

US vs China: Biden bets on alliances to push back against Beijing

President Joe Biden has been restless to deliver the message that when it comes to China, he will not be a fool. This month, Biden stated that the US and its allies face a longstanding competition with China and need to "push back" against Beijing's "economic abuses and coercion that undercut the foundations of the international economic system". The US president even pointed out that he has no plan to remove the tariffs imposed by Donald Trump on imports from China during his trade war. Biden officials believe Trump was correct to take a harsher stance towards China, and the current president is facing the challenge that, its European partners are reluctant to get involved in a "cold war-style" confrontation with China.

CRYPTOCURRENCY

Bitfinex Pay launches as a cryptocurrency payment system

The cryptocurrency exchange Bitfinex has announced the launch of its new payment technology Bitfinex Pay that will allow online sellers to receive contactless and borderless cryptocurrency payments. Using an integrated widget, Bitfinex aims to appeal to both small and large businesses by providing a way to receive digital payments. The Bitfinex Pay widget can be integrated onto the seller's website facilitating online payments, users can then pay with Ethereum (ETH), Bitcoin (BTC), Lightning Network BTC (LN-BTC), and Tether tokens (USDt). Customers of a merchant that has the integrated payment technology can simply click on the Bitfinex Pay button and be directed to the payment gateway. After payment is made using one of the cryptocurrencies accepted by the merchant, the client will be redirected back to the merchant's website, working similarly to the known PayPal.

In a world more and more open to cryptocurrency (with even giants such as PwC accepting their first Bitcoin payments), this new technology has the potential to make cryptocurrency something even more accessible and ordinary for the average person.



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