Markets and Careers in a Post-COVID World

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MIT Sloan CDO Town Hall
COVID, Crises, and...

My Current Perspective

Long Run (24 to 60 months)
- Period of strong growth ("adaptive radiation")
- New species (industries) emerge, old ones adapt
- Concerns:
  - Potential problems with inflation
  - Inequality; impact of automation on workforce
  - Seeds of new financial crisis will be sprouting

My Current Perspective

Medium Run (6 months)
- Treatments (MRI, CT Scanner, etc.)
- Counting (three months to get it on the books)
- Stock (three months to track)
- New winners and losers
- Stakeholders will adapt to the new normal
Recap of the Last 2.5 Years

1. Public health crisis, not a financial crisis
2. We put the global economy into a medically induced coma for two years
3. Coming out of the coma is not trivial; side effects
4. We need PT
5. New career opportunities are being created
Recap of the Last 2.5 Years

S&P 500, 2 Jan 20 to 22 Sep 22

- March 13, 2020: State of Emergency
- June 1, 2021: Delta
- Dec 1, 2021: Omicron
- February 24, 2022: Ukraine
- March 16, 2022: Fed Hike

S&P 500 Index Level

Cumulative U.S. COVID Cases (in millions)


Inflation

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Historical Perspective

U.S. Inflation Rates, 1914–2022
Historical Perspective

A Timeline of the Roaring '20s

- 1923: Stock market begins a six-year bull run
- 1926: The Air Commerce Act authorizes commercial airlines
- 1928: Stock prices rise to 39%; Fed raises discount rate from 3.5% to 5% to stop speculation
- 1929: Number of people flying increases from 4,000 to 173,000 from 1926
- 1929: Great Depression begins in August
- 1929: Stock market crashes in October

Source: https://www.thebalancemoney.com/roaring-twenties-4060511
Aug 16 (Reuters) - Carnival Cruise Line said booking activity nearly doubled pre-pandemic levels on Monday after it announced an ease in COVID-19 testing requirements for passengers, sending its shares more than 3% higher.
Looking Forward

Strong-growth sectors post-COVID (5–10 years):

- Electric vehicles
- Autonomous vehicles
- Healthcare
- Technology
- Consulting
Conclusion

“If you’re going through hell, keep going.”
– Winston Churchill

“We should take comfort that while we may have more still to endure, better days will return.”
– HMTQ
Thank You!