

# Global Stocks Climb on Asian Recovery Hopes and Comment U.S. Won't Enter Lockdown Next Year

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Barron's Newsletters

## The Barron's Daily

A morning briefing on what you need to know in the day ahead, including exclusive commentary from Barron's and MarketWatch writers.



Wind turbine blades wait for export at a port in Lianyungang in China's eastern Jiangsu province on May 7, 2020.

Photograph by STR/AFP via Getty Images

Global stocks rose on Monday, buoyed by strong economic data out of Asia and indications the incoming Biden administration doesn't want a national lockdown.

The recovery in the world's number-two economy seems to be accelerating, with China's industrial production jumping 6.9% in the 12 months to October and retail sales rising 4.3%. Japan's third-quarter gross domestic product rose a stronger-than-forecast 5% in the third quarter. China and Japan also were among the signatories to the Regional Comprehensive Economic Partnership, a free-trade pact cover 15 key Asian countries apart from India.

"With RCEP, this region is now largely pivoted away from the United States and Europe into a self-sustainable trading sphere dominated by China," said Carl Weinberg, chief economist at High Frequency Economics.

The Nikkei 225 jumped 2.1% in Tokyo, and the Kospi Composite rose 2% in Seoul. The Hang Seng rose 0.9% in Hong Kong. The Stoxx Europe 600, which climbed 5% last week, rose 0.7%.

Atul Gawande, a member of President-elect Joe Biden's Covid-19 advisory board, told ABC News that "we are not in favor of a national lockdown." He spoke of widespread testing and moving capacity restrictions up and down on a localized basis.

U.S. hospitalizations for Covid-19 reached a record high on Sunday, according to data from the Covid-19 project, as various regional restrictions begin to kick in. U.K. Prime Minister Boris Johnson, who has suffered from Covid-19 before, is now self-isolating after meeting a member of parliament who contracted the virus, though he isn't reported to be showing any symptoms.

"While last week's vaccine announcement renewed bullish sentiment on most stock markets, another boost has been given over the weekend with the signing of the Asian trade deal on Sunday," said Pierre Veyret, technical analyst at ActivTrades. "Investors were also glad to see President-Elect Joe Biden's advisor oppose a national U.S. lockdown, despite surging virus cases."