This Recession will End in 7 Months
I hope this Duke Professor is Right

Written by Jeff Siegel
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Opinion: Economic expert with perfect record calling recessions is betting this one will be over by the end of 2020
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By Howard Gold
Duke professor Harvey says coronavirus vaccine will end U.S. downturn and the positive yield curve is an upbeat sign

According to Duke professor Campbell Harvey, a coronavirus vaccine will end the U.S. downturn and the positive yield curve is an upbeat sign.

Now I'm not an economics expert. And my knowledge of economics is significantly inferior to that of Professor Harvey, but I just don't see it.
Even if we do get a vaccine by the end of the year, how does that make up for the increased debt burden that has been placed upon our nation?

How will that bring back businesses that have gone under already, and the thousands more that will go under in the coming days, weeks, and months?

Well, it turns out that Harvey was already calling for a 2020 / 2021 recession, anyway - before COVID came on the scene.

According to the Duke professor, the coronavirus has simply served as an accelerant of underlying trends that were already pointing towards a new recession. So the argument is that we're basically just going through the worst of it right now ...

“Think of the second quarter as the worst quarter of [GDP] growth that the U.S. has ever experienced, historically. It could be 30% negative on an annualized basis. The third quarter, it's hard to imagine getting worse than where we are.”

Again, I'm no expert. But there could be some real truth to this. Instead of slowly pulling off that band-aid, COVID forced us to rip it off. And if it is true that this pandemic has accelerated a coming recession, the question now is, where should investors be putting their money?

For me, I'm pretty bullish on Teladoc Health, Inc. (NYSE: TDOC), Verizon (NYSE: VZ), and Johnson & Johnson (NYSE: JNJ).

Certainly there are plenty more, but these are just no-brainers for me.

Look, the bottom line is that this pandemic will run its course, and the economy will eventually stabilize and start growing again. When that will happen is still up in the air. Maybe Professor Harvey is right, maybe he's not. Either way, just like recessions of the past, they don't last forever. So keep your powder dry, because there are plenty of bargains to be had.

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