



April 6, 2020

Hello, here is my newsletter entering the 1st quarter of 2020.

If you enjoy this, please let me know. If there is a topic or question you have about anything in this newsletter or in general, please let me know. Lastly if you don't wish to receive this in the future please advise and I will remove you from future distributions.

MARKET RESULTS (see footnotes) and OUTLOOK

	YTD (w/e 3/27/2020)	1-Year
S&P 500	-21.0	-7.6%
DJIA	-23.7%	-13.5%
NASDAQ	-16.2%	--0.8%
Foreign Stocks	-23.5%	--14.7%
Emerging Markets	-24.2%	-16.9%
10-Yr Treasury	9.9%	15.6%
US Bonds	2.7%	8.3%
Global Bonds	-0.3%	4.0%
Munis	-0.3%	4.3%
Fed Funds Target	0.25% As of 3/27/2020	
Inflation	2.40% As of 1/31/2020	
Unemployment	3.50% As of 1/31/2020	
GDP	2.10% As of 09/30/2019	

The first quarter of 2020 was one for the record books. Governments around the world engineered a massive contraction in the global economy while working to slow the spread of the coronavirus. Equity markets did not yet understand the full impact of the measures, but knew enough to drive the fastest, most volatile bear market in history. After reaching an all-time high on February 19, the S&P 500 Index fell by 34% over the subsequent 23 trading days. In response to massive monetary and fiscal stimulus, the S&P 500 then experienced the sharpest three-day rally since 1933 ultimately finishing the quarter 16% above the recent low. A number of well-known equity strategists have opined that the bear market is over and unlikely to revisit the lows of March.

The global economy is in the early stages of an unprecedented contraction. But the contraction has happened so quickly that it is not fully apparent in official economic data. In the first clear sign, a (then) record 3.3 million workers applied for initial unemployment benefits during the week ending March 20. The following week (ending March 28) set another record, 6.6 million initial claims. Estimates for a peak unemployment rate range from mid-teens to twenty percent; that range is 40-85% higher than the highest reading since 1948 (10.8% in November 1982).

Profound uncertainty remains about the path of the economy and the markets. The past two weeks have seen a steady stream of negative revisions to economic growth expectations. As the duration of the contraction extends, the question of valuation turns to a question of individual and corporate solvency and ultimately, because the slowdown is government-mandated, to a question of justice. (Copied from a newsletter from Jason Thomas, Ph.D., CFA, Chief Economist, AssetMark, Inc.)

FINANCIAL CONCEPT – DEFERRED TO NEXT QUARTER:

Resources for you, your loved ones, and great information to share with family and friends. Yes, I'm aware that not all of you are in Georgia!

Grocery Delivery Services:

Publix Grocery Delivery

<https://delivery.publix.com/>

Kroger Grocery Delivery

<https://www.kroger.com/i/ways-to-shop/delivery>

Wal-Mart Grocery Delivery

<https://grocery.walmart.com/>

Amazon Prime Now Grocery Delivery

<https://primenow.amazon.com/>

Con't

Food Delivery Services:

Uber Eats <https://www.ubereats.com/>
DoorDash <https://www.doordash.com/>
GrubHub <https://www.grubhub.com/>
Postmates <https://postmates.com/>

CDC's Official Website for COVID-19 Updates:

<https://www.cdc.gov/coronavirus/2019-ncov/index.html>

State of Georgia's Official COVID-19 Webpage:

<https://dph.georgia.gov/novelcoronavirus>

Tips for Working at Home:

<https://www.npr.org/2020/03/15/815549926/8-tips-to-make-working-from-home-work-for-you>
<https://www.businessinsider.com/how-to-work-from-home-during-the-coronavirus-outbreak-2020-3>
<https://www.cbsnews.com/news/coronavirus-pandemic-tips-for-working-from-home/>

Ideas and Free Educational Materials for Kids at Home:

Scholastic's Free Learn at Home Program <https://classroommagazines.scholastic.com/support/learnathome.html>

Khan Academy Free Learning https://docs.google.com/document/u/1/d/e/2PACX-1vSZhOdEPAWjUQpqDkVAJrFwxxZ9Sa6zGOq0CNRms6Z7DZNq-tQWS3OhuVCUbh_-P-WmksHAzbsrk9d/pub

Crash Course YouTube Channel <https://thecrashcourse.com/>

I sincerely hope you and those you care about have a healthy 2nd quarter, and that globally, we all experience more leadership, and less politics.

Regards,
Jim

Important information

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Footnotes:

Source: FactSet. S&P 500 is represented by the S&P 500 Index, DJIA is represented by the Dow Jones Industrial Average, NASDAQ is represented by the NASDAQ Composite Index, Foreign Stocks are represented by the MSCI EAFE Index and Emerging Markets are represented by the MSCI Emerging Markets Index. 10-Yr Treasury is represented by the FTSE 10-Year Treasury Bond Index, US Bonds are represented by the Bloomberg Barclays US Aggregate Index, Global Bonds are represented by the Bloomberg Barclays Global Aggregate Index and Munis are represented by Bloomberg Barclays Municipal Bond Index. Fed Funds Rate, Federal Reserve; Inflation and Unemployment, US Department of Labor; and GDP, US Bureau of Economic Analysis.

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