

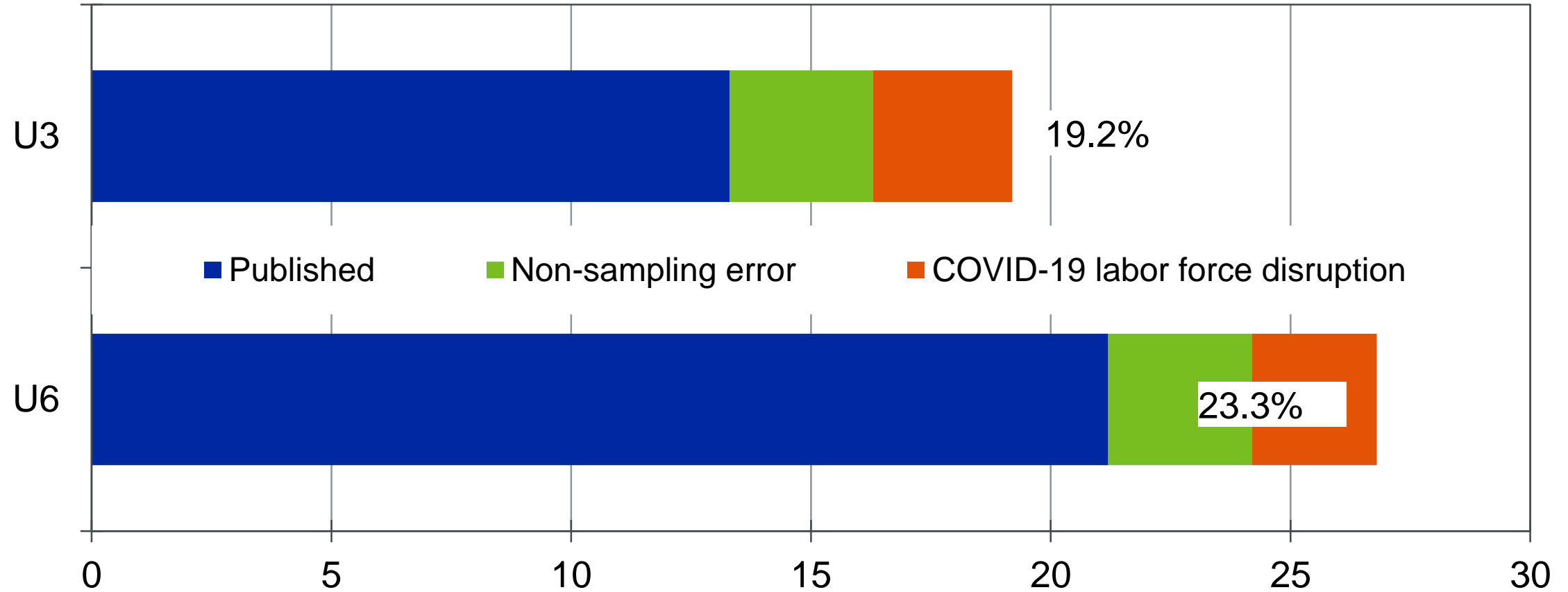
# Pandemic Economy

1

The Recession Is Over...

# Cataclysmic Economic Shock

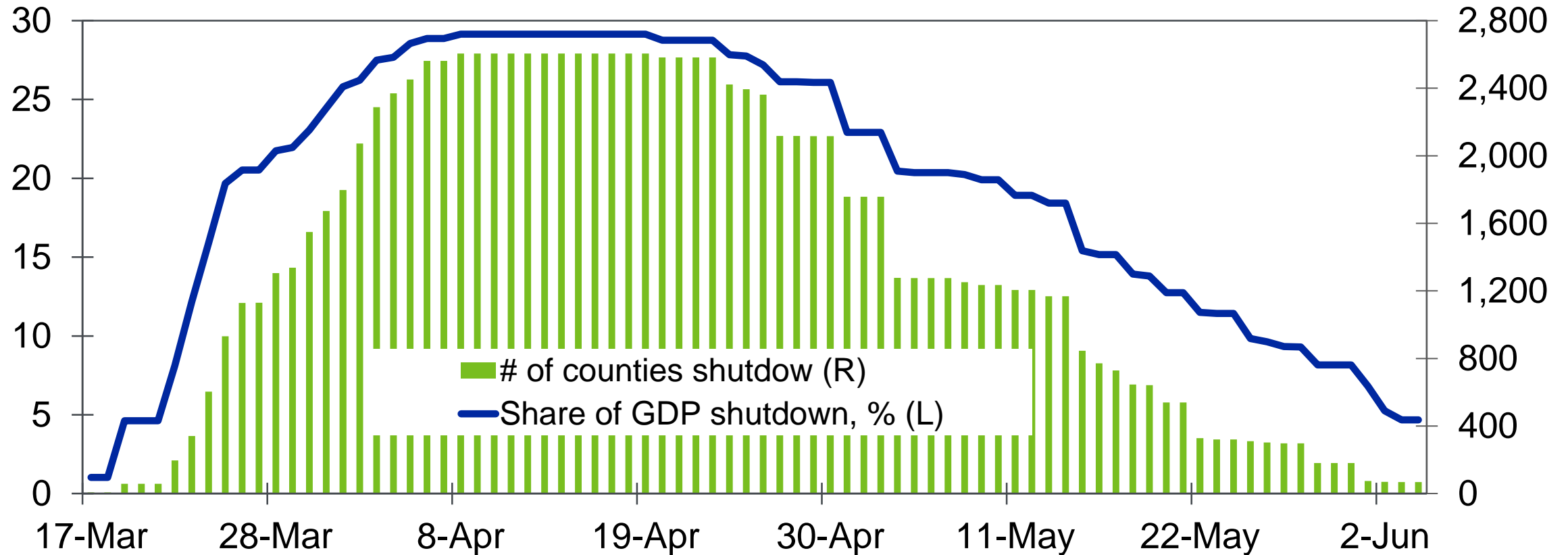
May 2020, corrected for measurement problems, %



Sources: BLS, Moody's Analytics

# U.S. Lockdowns Winding Down

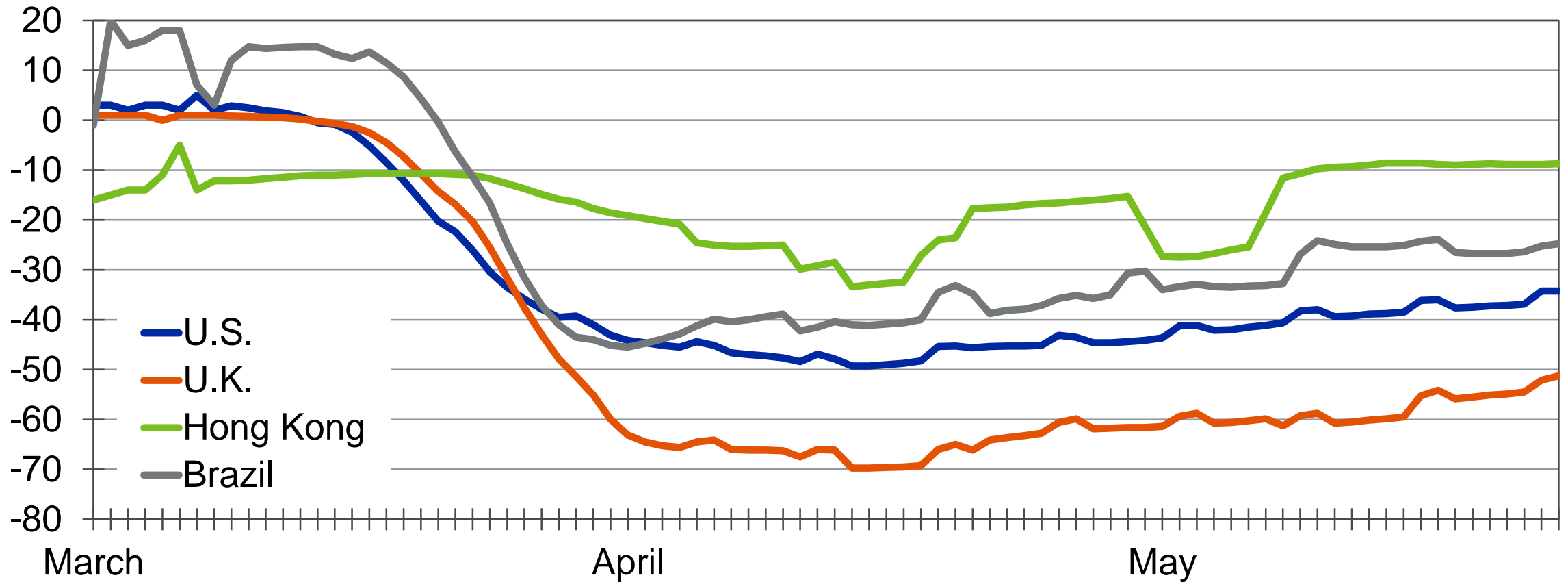
Share of GDP and # of counties shutdown



Sources: BEA, NY Times, Moody's Analytics

# Global Businesses Re-Open

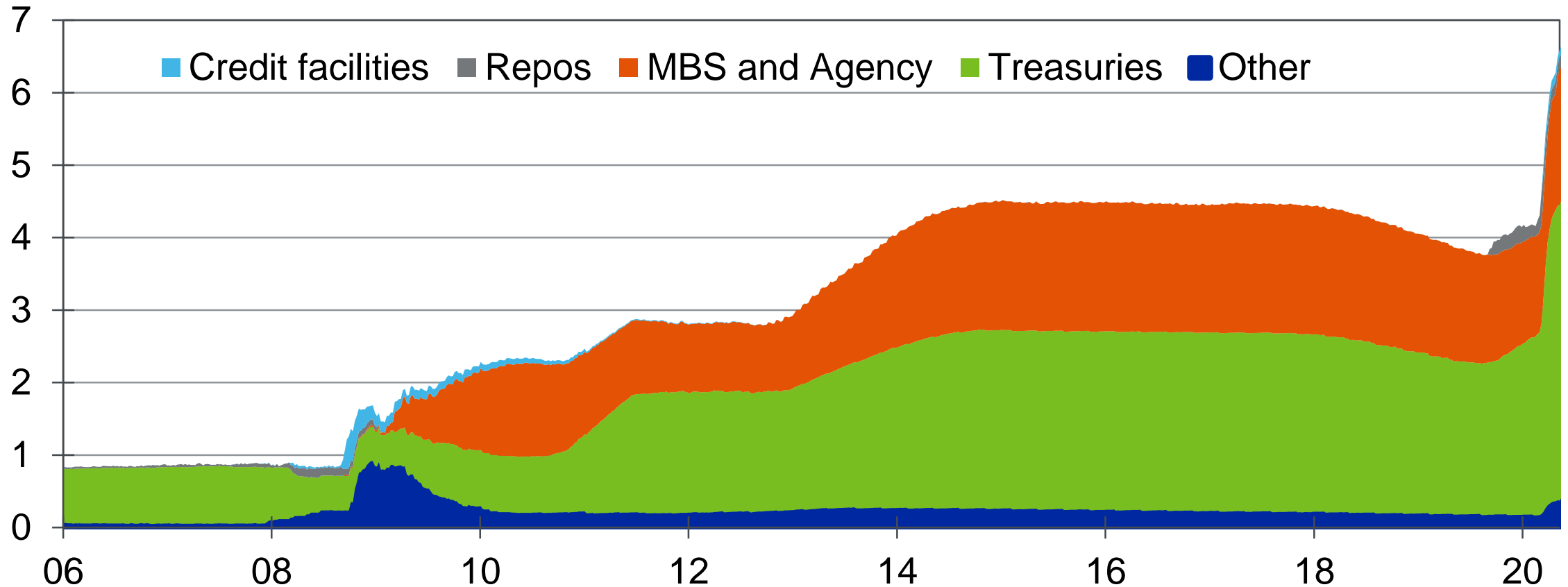
Google mobility for the workplace, 7-day moving average, 0 = pre-COVID



Sources: Google, Moody's Analytics

# Fed Erects a Firewall

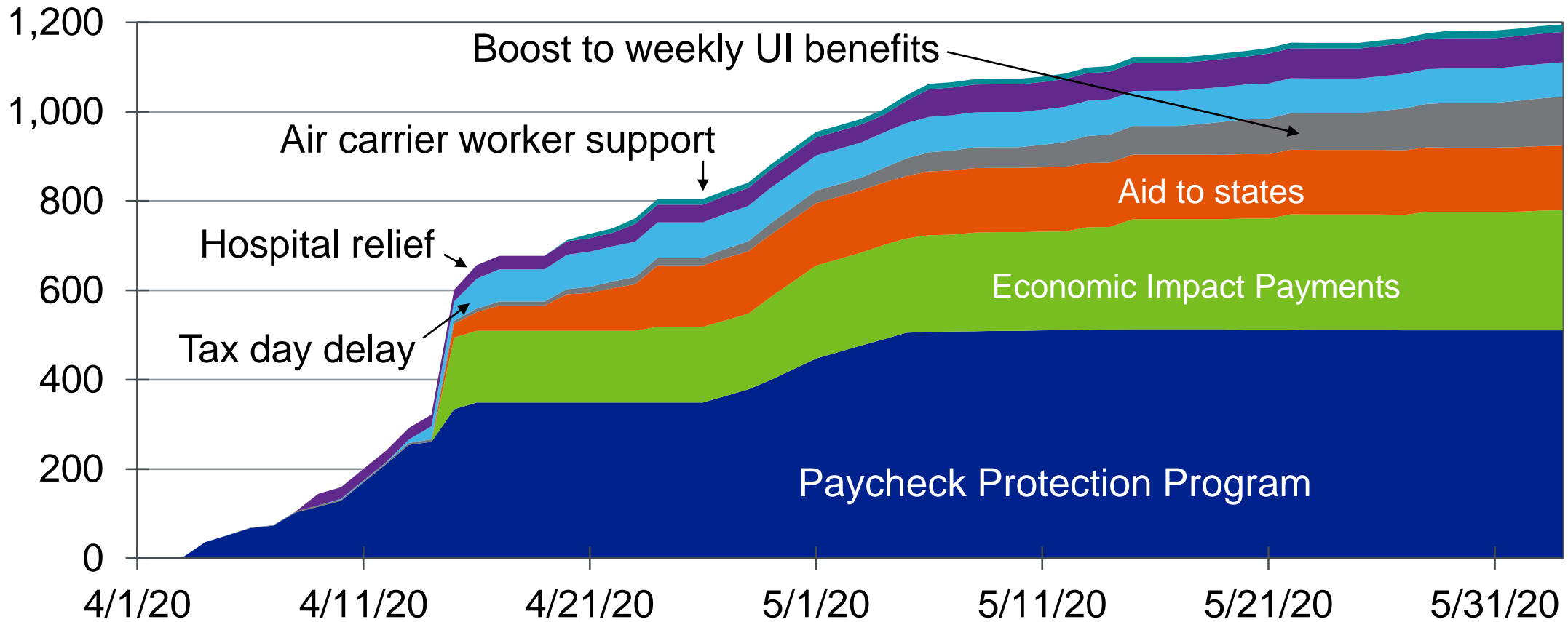
Assets held outright on the Fed's balance sheet, \$ tril



Sources: Federal Reserve, Moody's Analytics

# Fiscal Rescue Ramps Up...

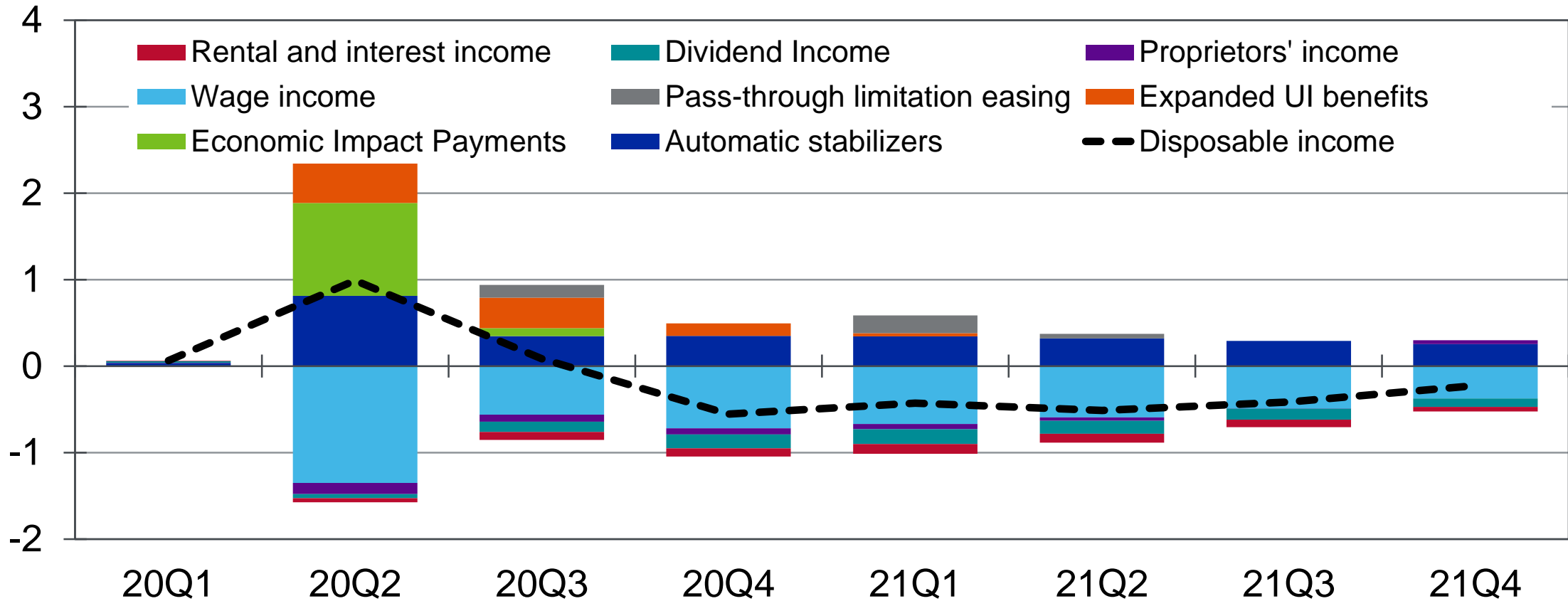
Cumulative federal pandemic relief support, \$ bil



Sources: CRFB, SBA, U.S. Treasury, Moody's Analytics

# ...Cushioning the Blow

Personal income, \$ tril, SAAR, change from 2019Q4



Sources: BEA, CBO, Moody's Analytics

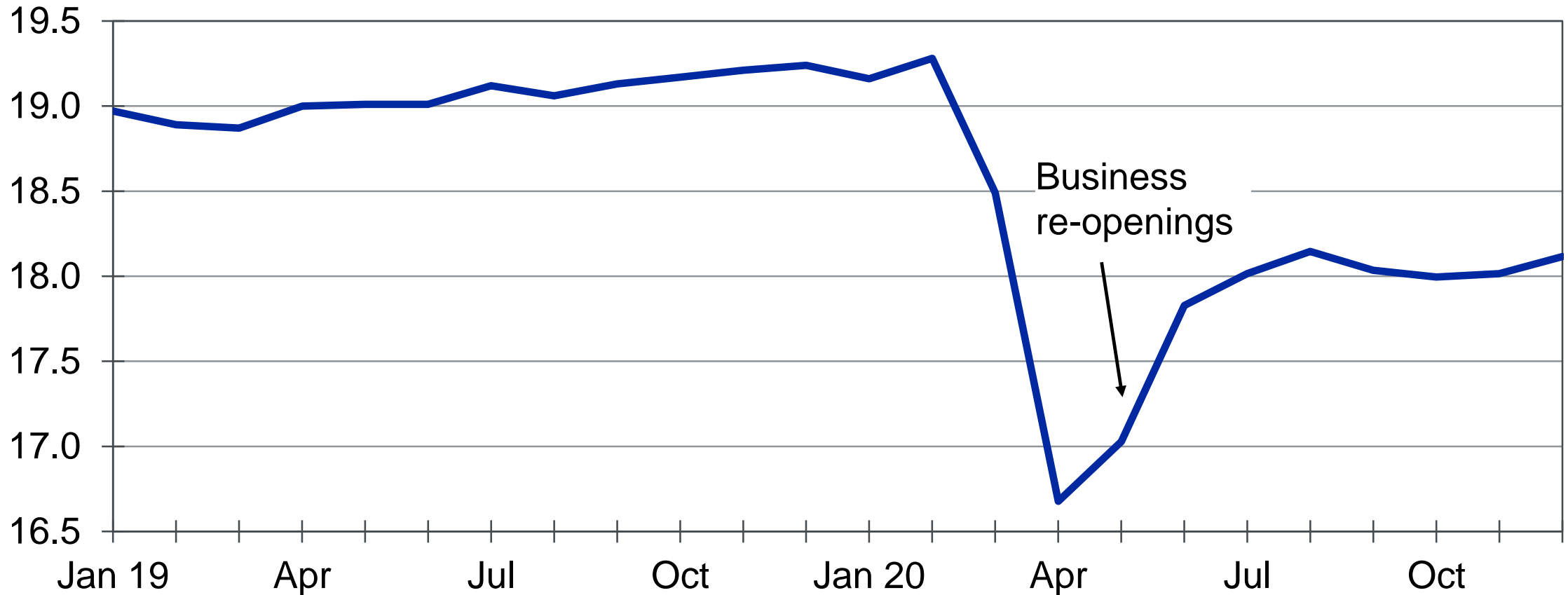


2

...But a Weak Recovery...

# Coming Economic Rebound Will Fall Well Short

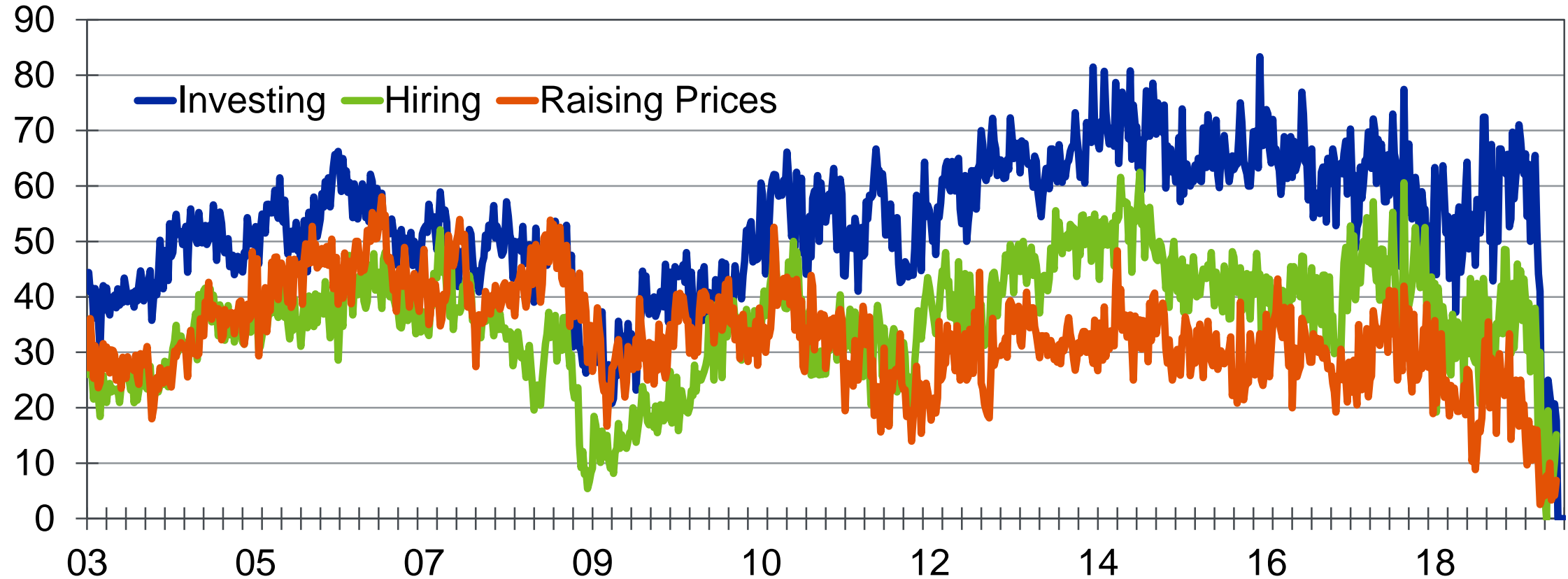
U.S. Real GDP, trillions 2012\$



Sources: BEA, Moody's Analytics

# Businesses Are Shell Shocked...

% of respondents to Moody's Analytics global business survey that are ...



Source: Moody's Analytics

# ...and Paying Their Bills Increasingly Late

Top 10 weakest and strongest 3-digit NAICS, April 2020

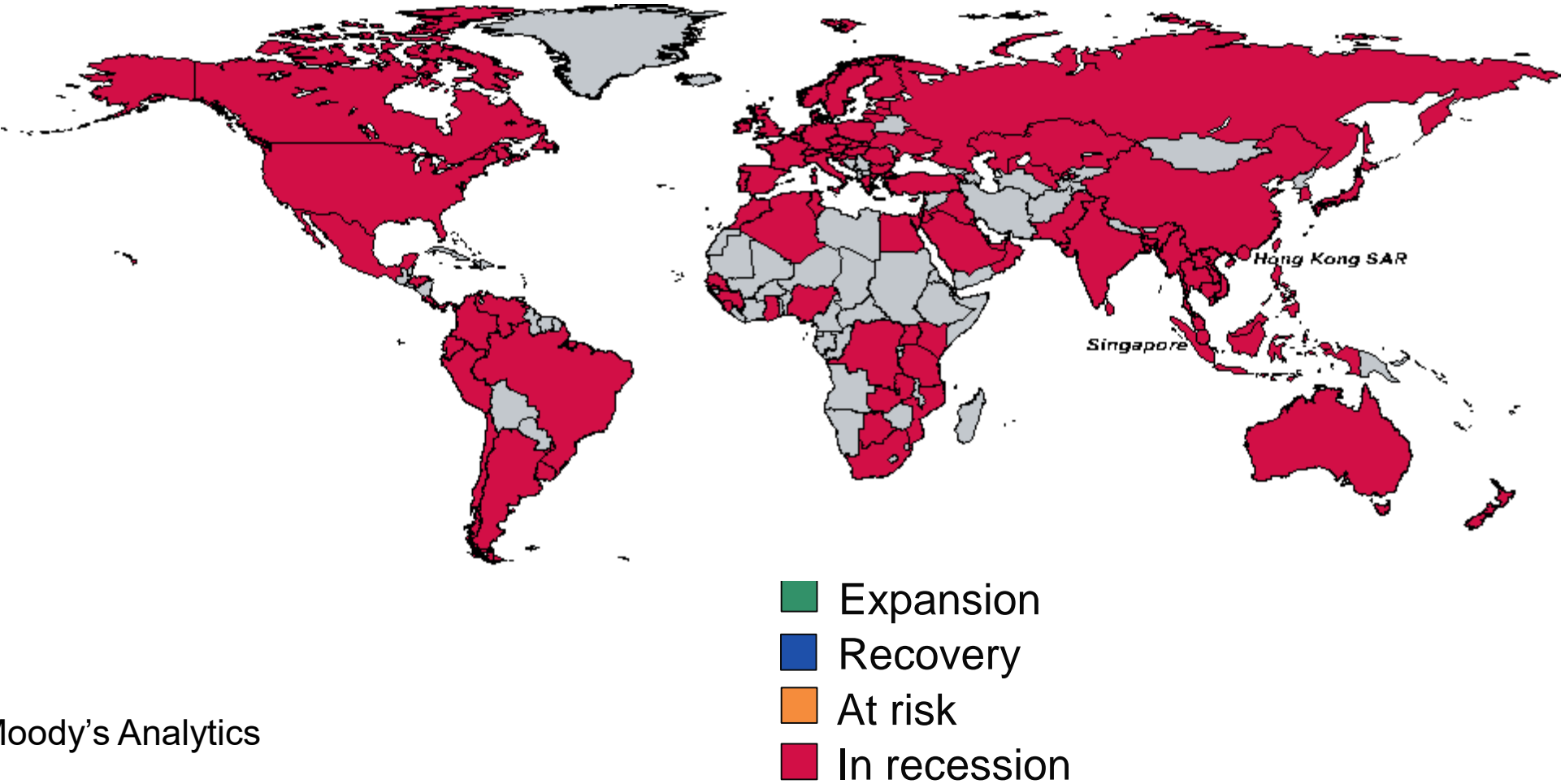
NAIC	Industry	Employment	B2B Spending	
		2019, ths	% Late	Change yr ago
721	Accommodation	2,077.4	69.0	44.5
512	Motion picture and sound recording	442.8	54.0	32.8
711	Performing arts, spectator sports and related	516.7	49.2	24.1
722	Food services and drinking places	12,068.7	47.6	22.7
712	Museums, historical sites; and similar	173.0	46.4	24.1
448	Clothing and clothing accessories stores	1,299.2	45.3	19.1
315	Apparel manufacturing	110.4	44.7	18.0
323	Printing and related support activities	424.7	38.8	9.5
482	Rail transportation	174.5	38.2	2.3
481	Air Transportation	503.3	37.6	9.6
	Total	150,935.4	29.4	7.5
454	Nonstore retailers	562.7	26.0	8.2
522	Credit intermediation and related activities	2,651.2	25.9	6.2
425	Wholesale electronic markets and agents and brokers	530.9	25.8	3.7
452	General merchandise stores	3,037.8	24.1	5.2
321	Wood product manufacturing	409.0	23.4	2.0
811	Repair and maintenance	1,352.2	22.1	3.6
444	Building material and garden equip. and supplies dealers	1,296.4	20.7	2.3
524	Insurance carriers and related activities	2,790.1	20.6	4.0
623	Nursing and residential care facilities	3,378.6	20.1	1.9
441	Motor vehicle and parts dealers	2,034.9	18.9	4.5

Note: Excludes NAICs with fewer than 25,000 employees in 2019 and in public administration and agriculture

Sources: Cortera, Moody's Analytics

# COVID-Crisis Slams the Global Economy

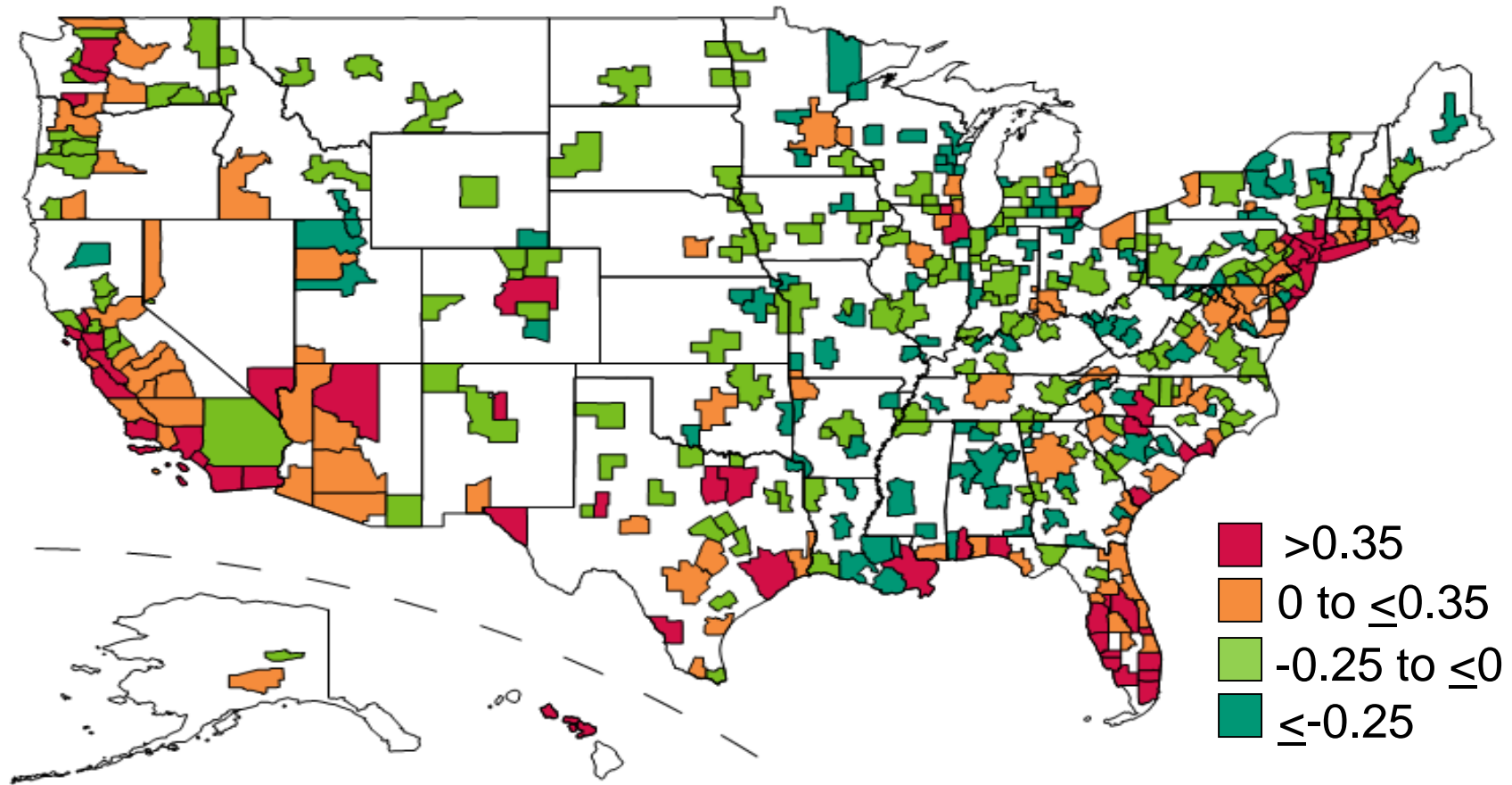
Global business cycle status



Source: Moody's Analytics

# Large Urban Areas Will Be Hit Hardest

COVID-19 Risk Index, average z-score across rankings, 0 = metro area average



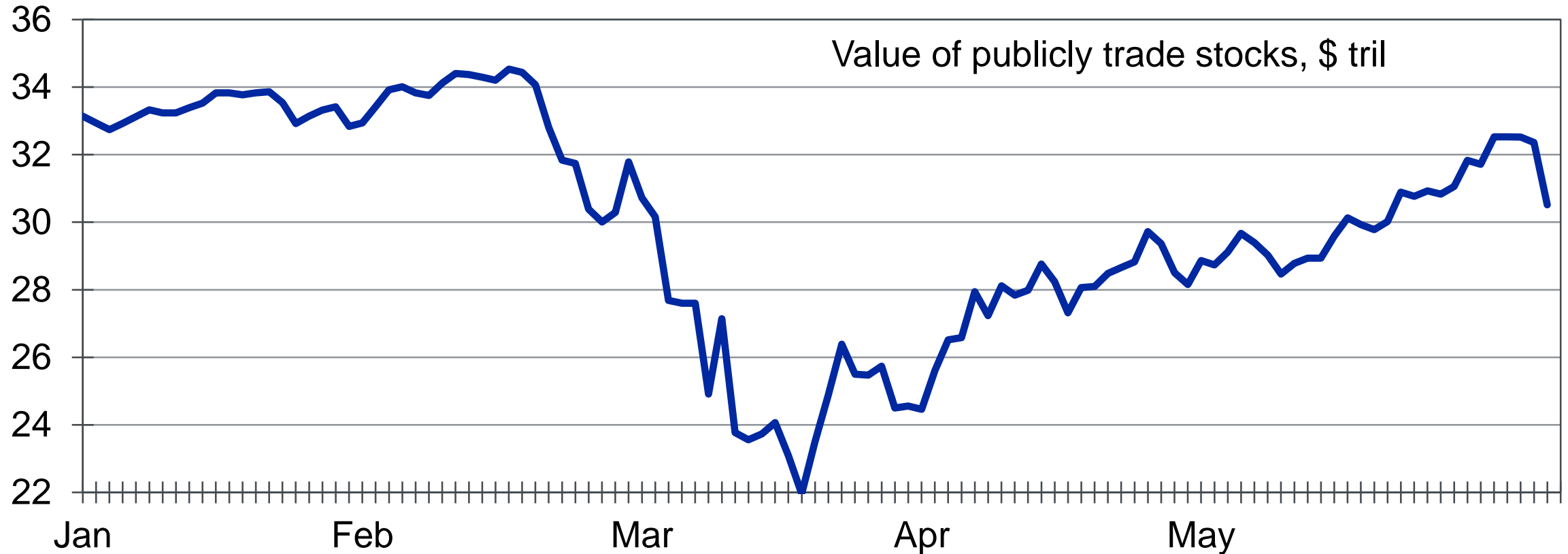
Source: Moody's Analytics

3

...Weaker Asset Prices...

# Bear Market Is Not Over

Wilshire 5000

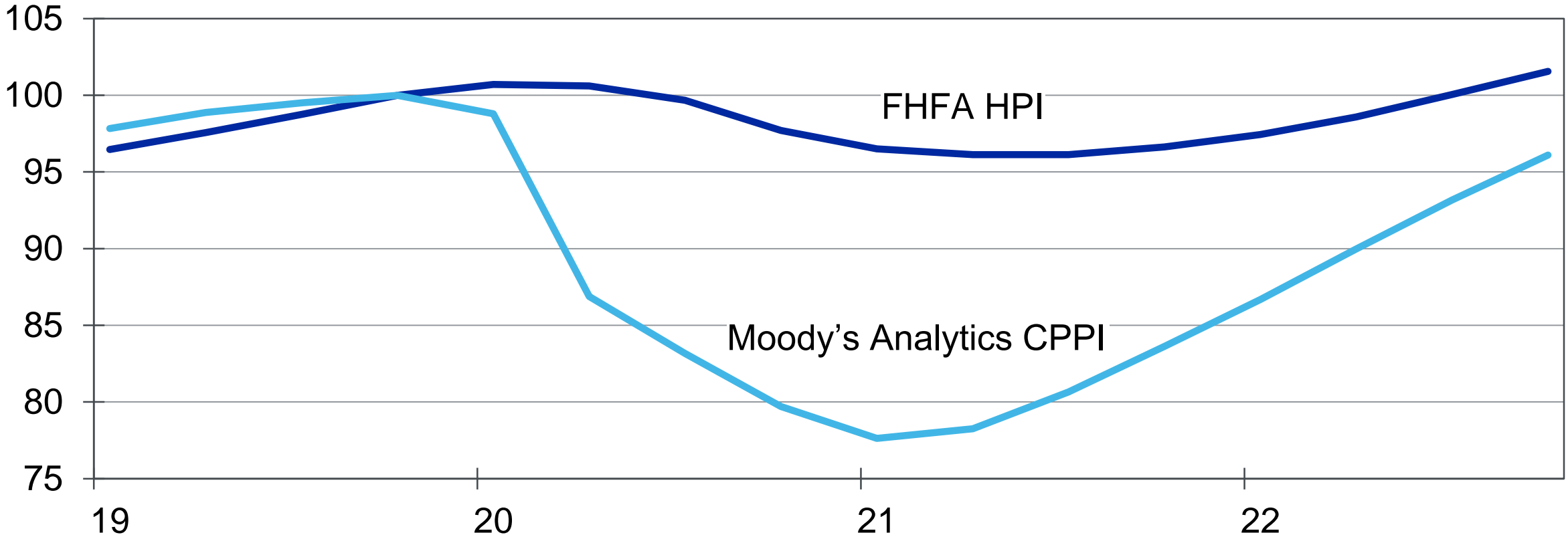


Sources: Wilshire 5000, Federal Reserve, Moody's Analytics



# U.S. Real Estate Prices Slump

Index: 2019Q4 = 100, April baseline



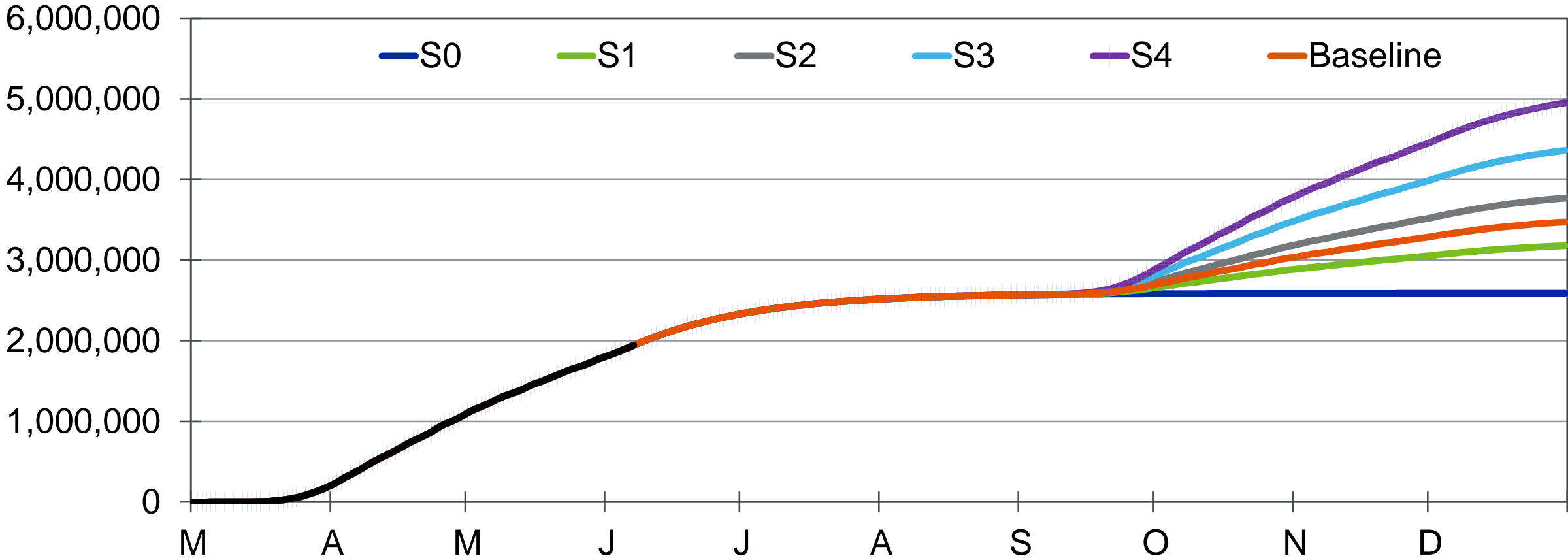
Sources: FHFA, Moody's Analytics

4

...and Downside Threats

# Much Depends on the EPI of the Virus

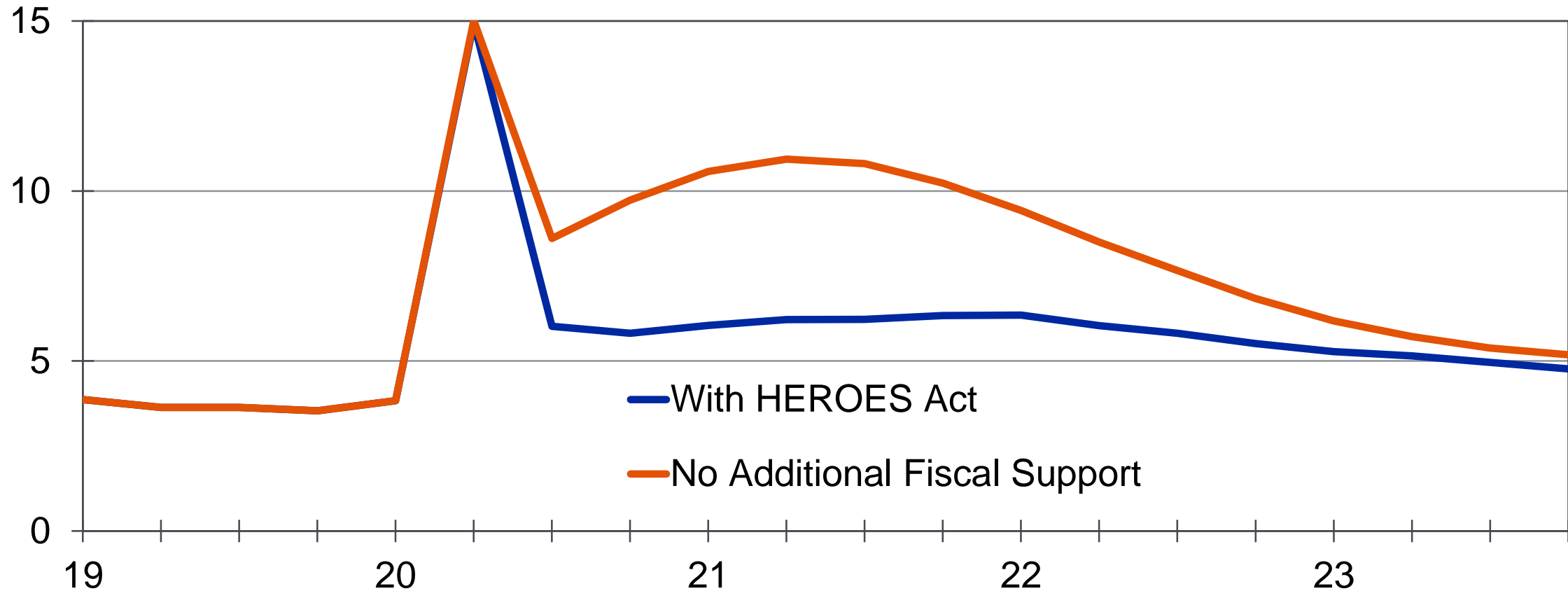
Number of COVID-19 cases, days since 100 confirmed cases



Sources: [Johns Hopkins CSSE COVID-19 Data Repository](#), Moody's Analytics

# More Fiscal Support Needed

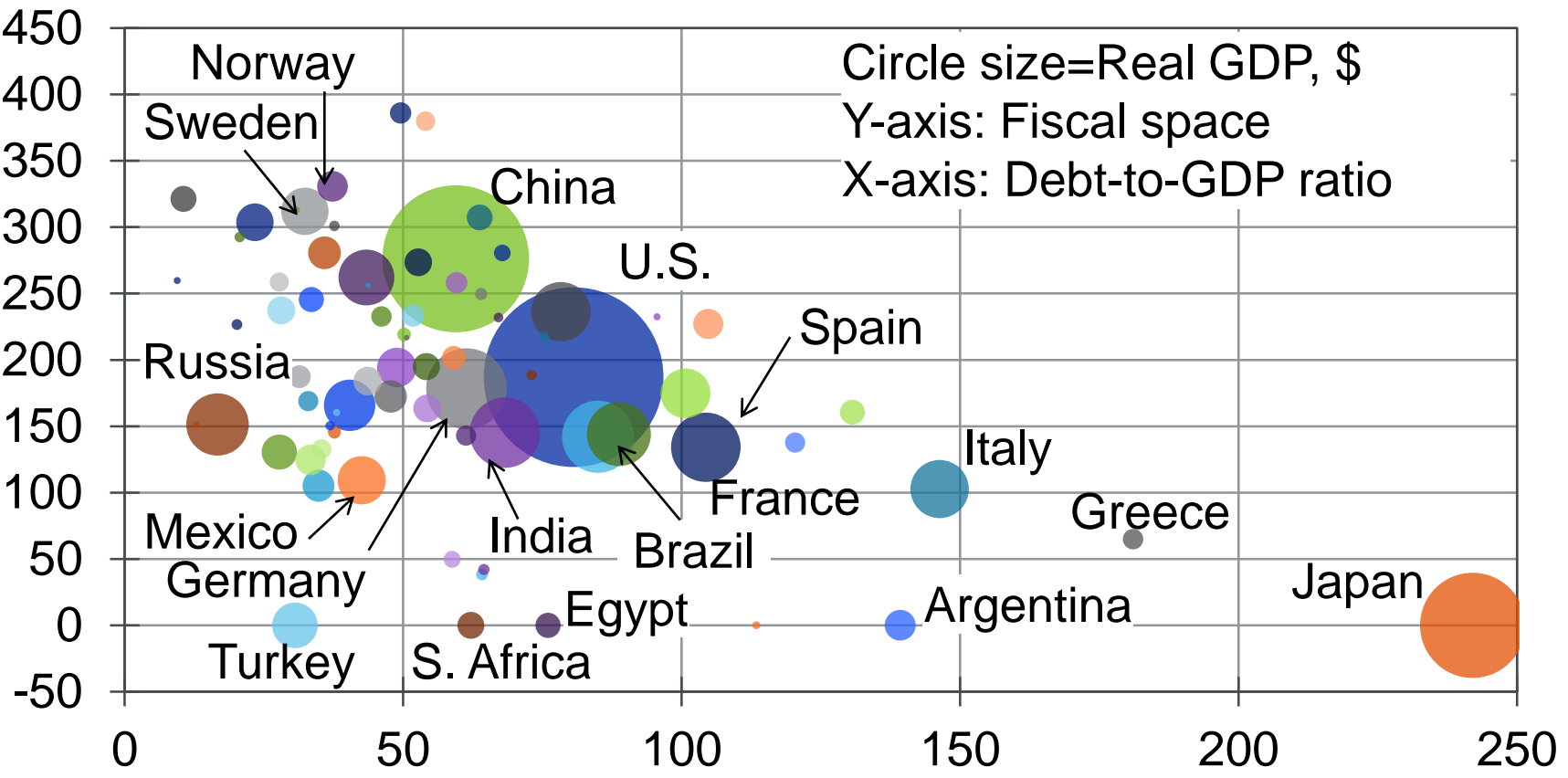
Unemployment rate, %



Sources: BLS, Moody's Analytics

# Running Out of Fiscal Space

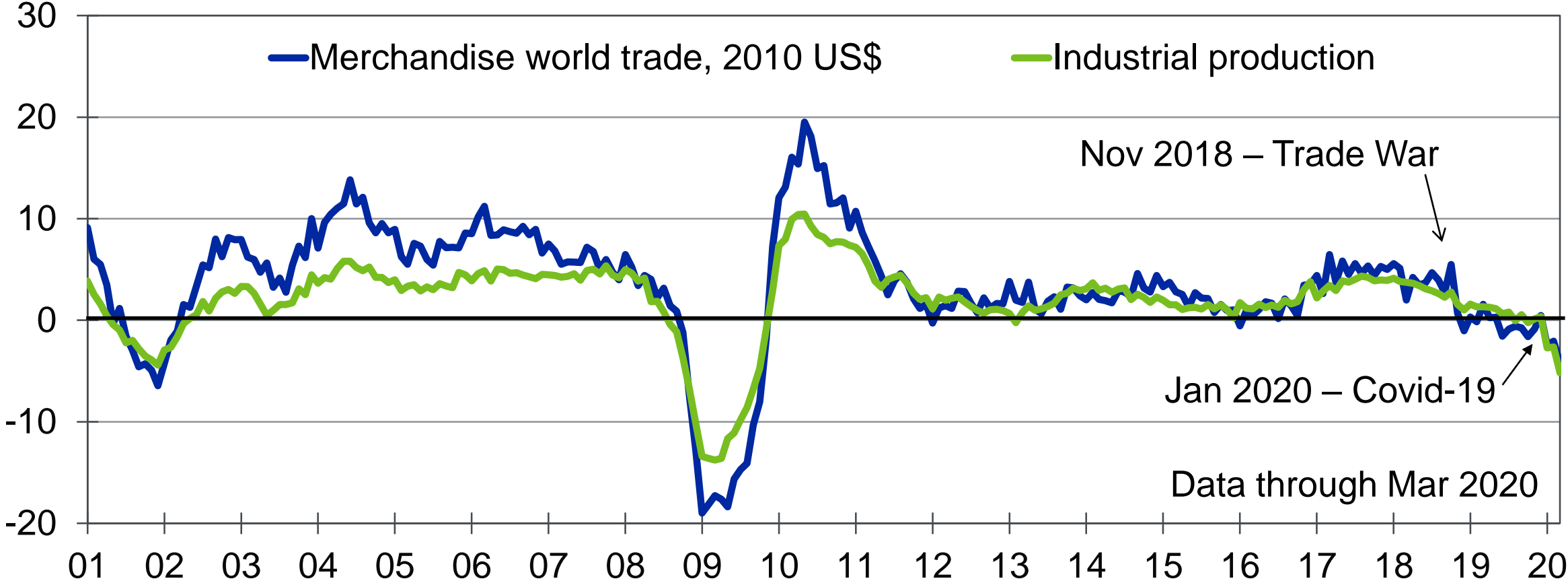
Sovereign borrowing capacity given current yields



Source: Moody's Analytics

# Globalization Will Be Impaired

Global trade and industrial production, % change yr ago



Sources: CPB World Trade Monitor, Moody's Analytics

# Questions & Answers

Questions? Contact us at [help@economy.com](mailto:help@economy.com)

## Contact Us: Economics & Business Analytics Offices

### West Chester, EBA-HQ

+1.610.235.5299  
121 North Walnut Street, Suite 500  
West Chester PA 19380  
USA

### New York, Corporate-HQ

+1.212.553.1653  
7 World Trade Center, 14th Floor  
250 Greenwich Street  
New York, NY 10007  
USA

### London

+44.20.7772.5454  
One Canada Square  
Canary Wharf  
London E14 5FA  
United Kingdom

### Toronto

416.681.2133  
200 Wellington Street West, 15th Floor  
Toronto ON M5V 3C7  
Canada

### Prague

+420.22.422.2929  
Washingtonova 17  
110 00 Prague 1  
Czech Republic

### Sydney

+61.2.9270.8111  
Level 10  
1 O'Connell Street  
Sydney, NSW, 2000  
Australia

### Singapore

+65.6511.4400  
6 Shenton Way  
#14-08 OUE Downtown 2  
Singapore 068809

### Shanghai

+86.21.6101.0172  
Unit 2306, Citigroup Tower  
33 Huayuanshiqiao Road  
Pudong New Area, 200120  
China



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