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A Rocky Start to April

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Stocks tumbled on Wednesday with the Dow Jones Industrial Average, the S&P 500 and the Nasdaq Composite oddly falling the exact same percentage of 4.4% -- a less than exciting start to the quarter.

Of course, investors are trying to ascertain what damage has been done to the underlying economy. It remains to be seen if the Federal Reserve's monetary support and Washington D.C's fiscal support are sufficient to continue to see the economy through the public health initiatives.

Last week we saw unemployment claims jump to over three million workers and on Friday we will see the Department of Labor's report of March's employment situation. Friday's employment numbers will be highly anticipated, but it is uncertain whether the number will take into consideration the full deterioration of jobs in the last 10 days of the month.

Today, however, we did get a bit of a read into the manufacturing sector as the Institute for Supply Management (ISM) said that its purchasing manufacturing index slipped to 49.1 in March from 50.1 in February. Readings under 50 means that the manufacturing sector is contracting, and readings over 50 means that the sector is expanding. While that headline number doesn't look too scary, the details show that new orders fell to their lowest levels since 2009. That feels scarier.

There is a real debate in the market right now about how dramatic the drop off will be in manufacturing, and how fast the sector will rebound. If we can glean any helpful information from China's manufacturing index it would be that the rebound was stronger than expected. The official China manufacturing purchasing manager's index rose from 35.7 in February to 52 in March. Again, the line of expansion/contraction demarcation is 50. It was expected that the rebound would be a much milder 45.

Of course, with all the economic numbers, it is still the public health statistics that investors and the rest of the country are watching. If investors look at Washington state and California's public health numbers, then they will feel encouraged -- not so much if they are watching NYC.