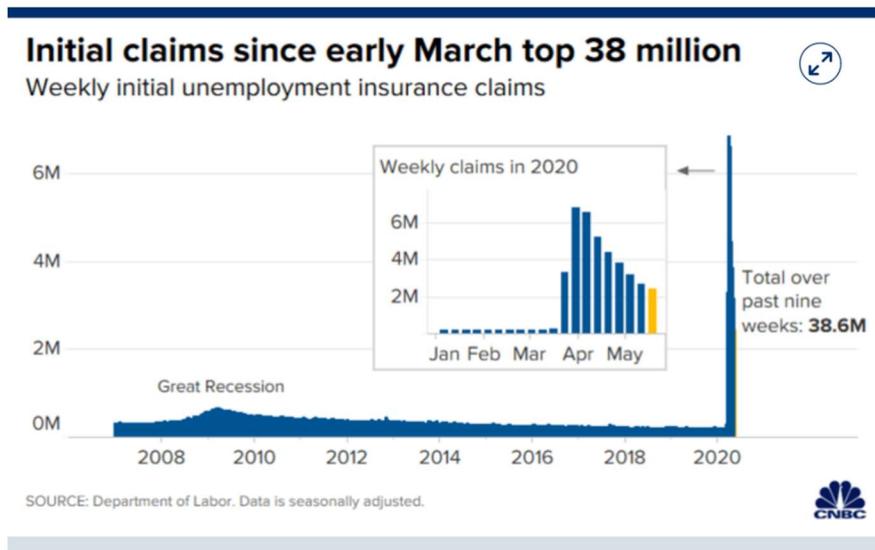


**Unemployment Roles Rising**  
May 21, 2020



The stock market slid throughout the day to finish lower for the session. The S&P 500 sunk 23 points, or -0.78% to close at 2949 and the Dow Jones Industrial Average dropped 102 points, or -0.41% to close at 24,474. The Nasdaq Composite fell 91 points, or -0.97%, closing at 2985 and finally the Russell 2000 rose 3 points or 0.25% to close at 1350. It has been rare indeed to see the small cap index perform better than its large cap counterparts.

The always anticipated weekly unemployment claims was released this morning by the Department of Labor. New filings for unemployment insurance totaled 2.44 million in the week ending May 9<sup>th</sup> which was about inline with analysts estimates. The weekly report represents the seventh consecutive week where new clames have declined from the prior week. All total since the pandemic started, there have been over 38 million Americans file for new unemployment benefits. Continuing unemployment claims disappointed



with the total rising to 25.1 million Americans on unemployment roles an increase of 2.5 million. While the decline in new claims in encouraging the continuing claims definitely disappointed the market.

While the country wrestles with the impact of the coronavirus, political rhetoric between China and the United States have wratched up. The U.S. is not alone as it has been joined by many nations, including European countries, Australia and Taiwan, who have questioned China’s initial response to the virus. With the backdrop of the political tension, the United States and China are still moving forward on their Phase-1 trade deal negotiated at the end of 2019. It was reported by the Wall Street Journal that U.S. Secretary Mnuchin and U.S. Trade Representative Robert Lighthizer had spoken by phone with Chinease Vice Premier Liu He, China’s chief negotiator on the agreement and were reassured that China has every intent of implementing the trade agreement. We are glad to see both countries implementing the trade agreement to support global economic growth.