

Band Together

We're all in this together. The entire world is in the throes of a pandemic, the likes of which we have never before experienced. The U.S. now has more confirmed cases of COVID-19 than any other country. Yesterday the White House projected we could see 100,000 to 240,000 deaths. A likely outcome as the trajectory of this tragedy is undeniable. Dr. Anthony Fauci advocated for persistent, protective social-distancing to prevent the worst-case scenario. By the time you read this his warning that things would get much worse before they get better will be evident, but he assured us that "...mitigation is actually working, and will work."

We must **band together** to support our friends and family over the next weeks while this unprecedented crisis ravages throughout our communities. It is urgently imperative to mitigate the rapid spread of this insidious disease -

- ⇒ Social distancing is most effective as this deadly respiratory virus spreads primarily through droplets from an infected person's cough or sneeze.
- ⇒ Avoid touching eyes, nose, or mouth to avoid transmission from contaminated surfaces.
- ⇒ Wash hands frequently as soap and water kills the virus.

At the beginning of March, the U.S. had less than 100 confirmed cases. Now in just one month, we have 190,000 with half clustered in New York and New Jersey. New York is now in the midst of the crisis. The health care system is overwhelmed — field hospital tents sprang up in Central Park, U.S. Navy medical ship sailed into the harbor, 1.8 million-square-foot Javits convention center turned into a makeshift hospital. Overworked medical professionals lack adequate medical equipment and supplies hampering, even preventing, patient care. In all this chaos, our health-care heroes on the front lines are **banding together** to conquer this medical crisis.

The "stay-at-home orders" across the nation have placed the U.S. economy into the equivalent of a medically induced coma. More than 80% of American's are on lockdown. The coronavirus stopped the economy in its tracks. The surreal picture of unoccupied restaurants, deserted streets, and empty athletic stadiums is the stuff movies are made of, but today it's our reality.

This unforeseen and unannounced coronavirus derailed the longest bull market in history. U.S. stocks were on a tear for most of last year. Pundits were predicting sustained growth here at home and a modest global



rebound. Then COVID-19 hit and stocks posted their worst quarter since the Great Recession and corporate bonds followed suit. The astonishing volatility in both the bond and stock markets stunned investors. The panic selling was immediate and indiscriminate. Like a major earthquake, we are now feeling the aftershocks.

The dim economic landscape has forged a team of our nation's leaders who have **banded together** to cushion the American peoples' financial hardship -

- ⇒ Federal Reserve cuts rates to zero,
- ⇒ Congress, in unanimous, bipartisan cooperation, unleashes a **\$2 trillion** stimulus package, the largest in history.
- ⇒ Congress arms Fed with emergency lending program to ensure cash keeps flowing through the financial system.
- ⇒ Foreign governments and central banks around the globe have joined in to ease the economic fallout.

Our leaders are delivering massive stimulus to cushion the fiscal damage. Congress is already working on additional relief. Have faith in our capitalist system. Long-term retirement plan investors should take solace in the resilience of the U.S. stock market as shown in the graph above of the S&P 500 over the last 25 years. The collapse of the Tech Bubble in 2000-02 and the stock market crash during the Great Recession devastated portfolios. But the longest bull market in history healed those old wounds.

The wounds of the coronavirus will be deep, but Americans are strong and we will survive. Brace for the onslaught by **banding together** with compassion and understanding. Be strong for those who are afraid.

