



Date: Monday, April 13, 2020

RE: “Global Fiscal Actions Total \$8T” (summary of third-party economic research and perspectives to foster communication with business and economic development stakeholders during the COVID19 crisis.)

Key Takeaways

- **Global:** The IMF counts that global fiscal actions to counter COVID-19 now total \$8 trillion.
- **U.S.:** Amazon adds 75,000 job openings on top of the 100,000 it already filled in a month.
- **Ohio:** [House Task Force](#) considering how to reopen economy.

Global

The IMF counts that global fiscal actions in light of the COVID-19 pandemic [total \\$8 trillion](#). The [WHO warns](#) nations against easing coronavirus restrictions too early, though some [Italian and Spanish](#) non-essential workers are returning to work this week. There are [181 drugs in development](#) to treat and/ or prevent COVID-19. [Flipkart and Tata](#) have announced a partnership to enable access to food in India in the nationwide lockdown due to the coronavirus. Oil prices moved higher today stateside after [OPEC](#) and its allies agreed to cut production by 9.7M barrels per day - the single largest output cut in history.

[General Motors](#) will be extending its Brazil production shutdown by 60 days with potential for up to 90 days. [Ford Motor](#) expects a pre-tax loss of \$600M for Q1 2020 resulting in a 21% drop in vehicle sales to dealers versus the same quarter 2019. Currently only Ford’s joint-ventures in China are producing vehicles. [Fiat Chrysler and Peugeot](#) work to close the merger despite the coronavirus crisis, halted production, and low demand.

U.S.

In “[Lives and livelihoods: Assessing the near-term impact of COVID-19 on US workers](#),” McKinsey & Co. found that lockdowns disproportionately affect low-income workers and that up to one-third of U.S. jobs are vulnerable to reduced income, furloughs, or even layoffs. The [CDC director](#) calls for swift testing before reopening the country, in a reference to [Test and Trace](#). Governor [Cuomo of New York](#) believes “the worst is over...if we continue to be smart going forward,” referencing an apparent plateau in the curve. Moody’s revised the outlook on the State of Illinois to negative, while affirming the rating at Baa3.

[Ventilator machines](#) typically are assembled at the rate of dozens a week, but GM and Ford plan to produce 80,000 by late summer, more than the estimated total number now in U.S. hospitals. [The U.S. Chamber](#) is asking the Congress to bolster funding for SBA programs since the Paycheck Protection Program (PPP) is on target to reach its \$349B limit and Economic Injury Disaster Loans (EIDL) are being limited to \$15,000 despite the typical request being \$200,000.

U.S. [defense contractors](#) and their suppliers will seek some of the \$17B pool of federal money for companies vital to national security. [PayPal](#) has been approved to provide access to the PPP Loans. [Chime](#), a digital bank, has begun offering an advance on stimulus checks. [Tech giants](#) including Apple, Google, Amazon, and Facebook remain on the hunt for cybersecurity experts and engineers, with Facebook filling 10,000 roles in 2020. [Amazon](#) is planning to add 75,000 more jobs in its warehouse, grocery stores and delivery network, on top of the 100,000 it already hired in less than a month. [Boeing](#) will restart limited local work on jets.

[Hotel industry](#) performance for the week ended April 4 had revenue per room sliding 81.6% year over year to \$16.50, according to STR data. Full service casual dining chains are struggling with [franchisee Darden Restaurants](#) reporting same store sales declines of 71.2%. [Total U.S. rail traffic](#) was down 16.2% year-over-year for the week ended April 4 with motor vehicles and parts making up the largest decline at -81.9%, followed by coal at -23.4%. [The CDC](#) announced an extension of its No Sail Order for cruise ships. [Toast](#), the fintech



company that makes point-of-sale software for restaurants, laid off 50% of its workforce. There's been a spike in coronavirus cases at [meat plants](#), with hundreds of reported infections in just the last week – adding to questions over the fragility of the food-supply chain and raising concerns over worker safety.

[Natural gas consumption](#) in the U.S. dropped by 6% as seasonal spring temperatures drove demand down. [The EIA](#) forecasts that U.S. coal production will be down 22% from 2019 and that energy-related CO2 emissions will decrease by 7.5% in 2020. It also stated that the U.S. will return to be a net importer of crude oil and petroleum.

Ohio

[Battelle](#) will offer decontamination services at no charge to healthcare providers, as the cost will be funded by up to \$400M in federal contracts across 60 deployment sites. [Steris](#) announced an FDA emergency use authorization for a decontamination solution for respiratory masks. The [Ohio Amish community](#) has mobilized to help hospitals with medical supplies, even as it struggles with reconciling its communal way of life with the dictates of social distancing. [Union Hall in Over-the-Rhine](#) has been turned into a small-scale manufacturing center over the past few days with 3D printers cranking out hundreds of masks. [AES Controls](#) has created a device to convert machines used by people with sleep apnea into affordable ventilators.

[The Ohio Bureau of Workers Compensation](#) approved sending \$1.6B in dividends to employers by the end of spring to help ease impacts of the pandemic. [Ohio Department of Transportation](#) reported a sharp decline in traffic on roads statewide. For March 29 to April 4, the state saw traffic decline 47.5% compared to last year.

<i>Positive Company-Specific News</i>	<i>Negative Company-Specific News</i>
<ul style="list-style-type: none"> - Updax and Central Ohio Primary Care announced a partnership to provide virtual care. COPC will immediately use Updax's Video Chat solution initially within the respiratory therapy department. - Goldman Sachs will offer \$20M in low-interest, emergency loans to Ohio small businesses - Medline is hiring 100 workers to increase shipping to customers throughout Ohio, West Virginia, and Pennsylvania - Elyria-based medical equipment provider Invacare Corporation is adding shifts to satisfy a huge demand for the oxygen concentrators and medical beds it produces. - The FDA authorized Cleveland-based Athersys to initiate a Phase 2/3 study to assess their MuliStem therapy in patients with respiratory distressed induced by COVID-19. - Fidelity Investments will accelerate the hiring of 2,000 people including hundreds at its Covington, KY campus in the Cincinnati MSA. - Ottawa Rubber in Holland, Ohio shifted production to making face shield straps and other PPEs. - Scotts Miracle-Gro expects company-wide sales to rise 16-17% year over year in the fiscal second quarter. 	<ul style="list-style-type: none"> - WARN notices and count impacted: JSW Steel USA – 162; VSPOne – 184; Agrati, Inc. – 220 - Libbey, one of the world's largest glass tableware manufacturers, headquartered in Toledo, is implementing pay reductions, temporary furloughs, and suspending 401(k) matches in the US and Canada - Macy's hired investment bank Lazard to explore options for bolstering its finances. - Fitch downgrades General Electric as improvements to the company's credit profile will be constrained by the COVID economic impact. The company announced it would be undertaking refinancing and launching a tender offer for up to \$9bn in debt. - Mettler-Toledo is withdrawing its 2020 guidance as sales for Q1 to have fallen by 4%.

Resources

- Ohio Department of Health's COVID-19 Website: www.coronavirus.ohio.gov
- JobsOhio's resource portal remains available at: <https://www.jobsohio.com/ohio-safe-ohio-working/>

###