

U.S. ECONOMIC OVERVIEW

May 2020





U.S. Economic Overview - May 2020

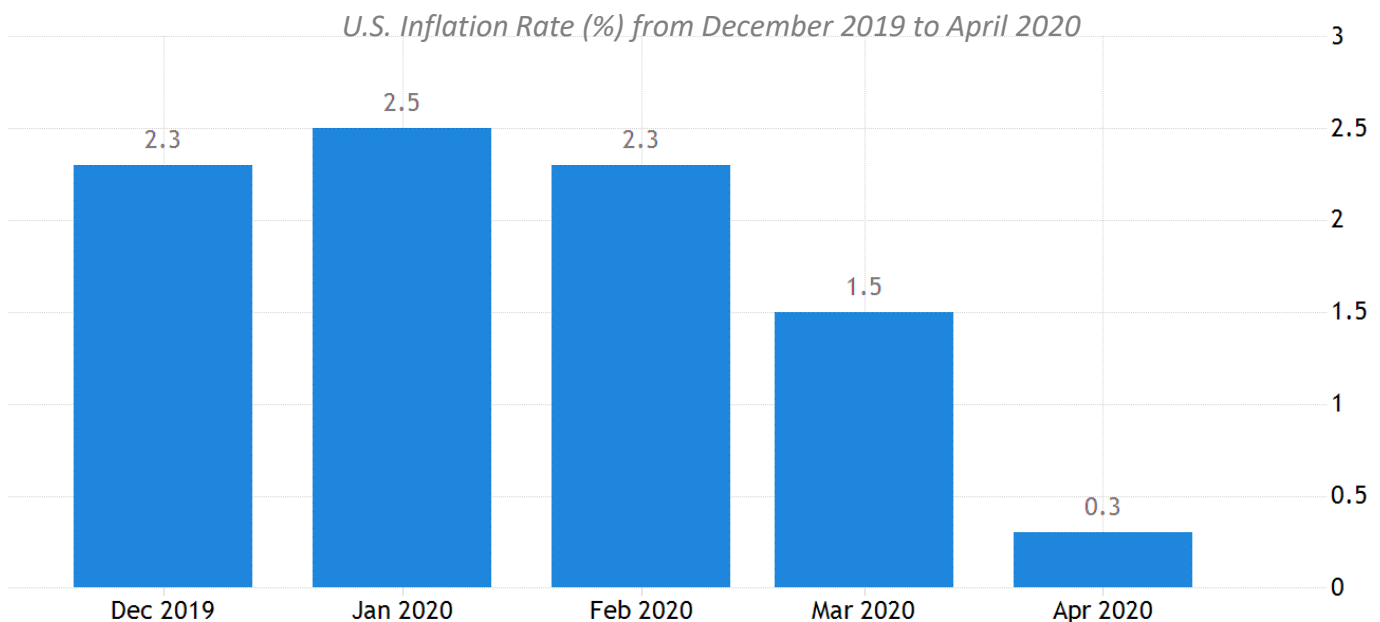
The COVID-19 pandemic shook the economy in the U.S. and the whole world. We collected some key indicators and numbers from Trading Economics (15 May 2020) to give a brief overview about the current economic situation in the U.S. The original numbers and the explanations can be found from the source tradingeconomics.com.

U.S. Economic Overview			
Indicator	Last	Reference	Trend
Inflation Rate	0.3%	April 2020	
Unemployment Rate	14.7%	April 2020	
Coronavirus Cases	1.396.732	May 2020	
Coronavirus Deaths	83.720	May 2020	
Economic Optimism Index	49.7	May 2020	
Consumer Confidence Index	71.8	April 2020	

Table: United States Economic Indicators (Source: Trading Economics, 15 May 2020)

U.S. Inflation Rate

In April 2020, the annual inflation rate in the U.S. fell to 0.3%, which is the lowest rate since October 2015. The main reason for the low inflation rate was the 32% plunge in gasoline prices. In April, oil prices turned negative for the first time in history amid storage and oversupply concerns. The coronavirus lockdown led to a 5.7% drop in cost of clothes and a 5.5% fall in cost of transportation services. On the other hand, cost of food increased 3.5%, which is the highest rate since February 2012. On a monthly basis, consumer prices declined 0.8%, which is the largest drop since December 2008. The indexes for motor vehicle insurances, airline fares, and accommodation fell sharply.



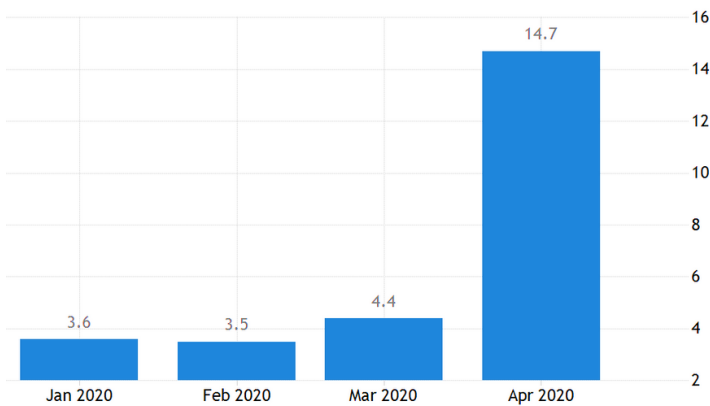
SOURCE: TRADINGECONOMICS.COM | U.S. BUREAU OF LABOR STATISTICS



U.S Unemployment Rate

The unemployment rate in the U.S. jumped to 14.7% in April 2020 due to the COVID-19 pandemic throwing millions out of work. That is one of the highest numbers in history. The number of unemployed people in the U.S. rose by 15.9 million to 23.1 million. The number of employed declined by 22.4 million to 133.4 million. The labor force participation rate decreased by 2.5 percentage points over the month to 60.2%, which is the lowest rate since January 1973.

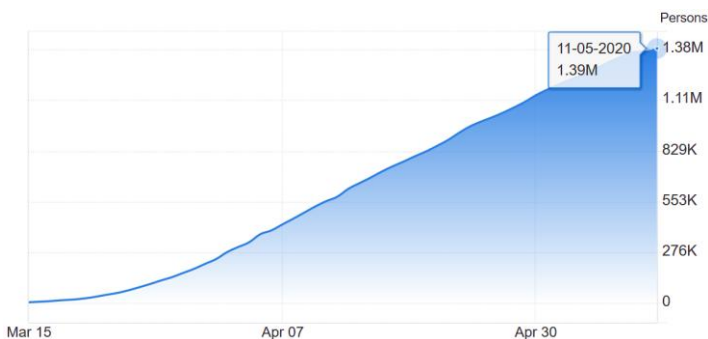
U.S. Unemployment Rate (%) in April 2020



SOURCE: TRADINGECONOMICS.COM | U.S. BUREAU OF LABOR STATISTICS

Coronavirus Situation

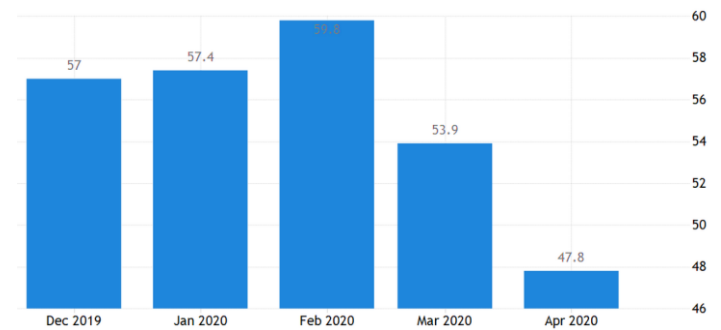
According to the World Health Organization (WHO), the United States has recorded 1.396.732 Coronavirus cases since the epidemic began. The number of reported U.S. Coronavirus deaths is 83.720 (15 May 2020). There are some concerns about a second wave of COVID-19 infections after China, South Korea and Germany saw a rise in new cases after easing lockdown restrictions. The Trump administration is in talks with Republicans and Democrats in Congress for another coronavirus stimulus package, which could include food aid and broadband access.



Economic Optimism Index

The U.S. Economic Optimism Index rose to 49.7 in May from 47.8 in April 2020. The index is remaining in negative territory for the second consecutive month. Americans continue to feel the economic fallout from the coronavirus outbreak. One of the main reasons is the rapid job losses situation.

U.S. IBD/TIPP Economic Optimism Index in 2020

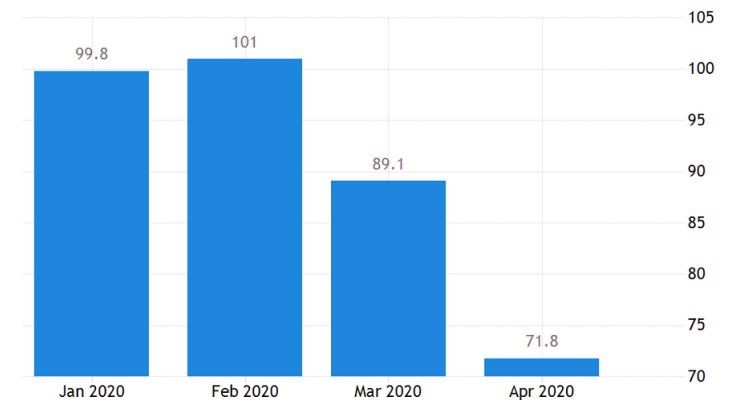


SOURCE: TRADINGECONOMICS.COM | TECHNOMETRICA MARKET INTELLIGENCE/THE INVESTOR'S BUSINESS DAILY

Consumer Confidence

The consumer confidence index in the U.S. got 71.8 points in April 2020, which is lower than the preliminary 89.1 points in March. The index is quite low, actually the lowest since December 2011. The main reason for the low consumer confidence is the COVID-19 pandemic. As several states will slowly start reopening their economies in the upcoming weeks, the numbers will probably change to more positive direction. Consumers will then receive more information if reopening will cause economic recovery.

U.S. Consumer Sentiment in April 2020



SOURCE: TRADINGECONOMICS.COM | UNIVERSITY OF MICHIGAN

Reference: Trading Economics, 15 May 2020, available: <https://tradingeconomics.com/united-states/indicators>

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Notice: This document is intended to give an overview containing short information. Therefore, it is not exhaustive. Although it was created with reasonable care, a liability for the accuracy of the content cannot be assumed.

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