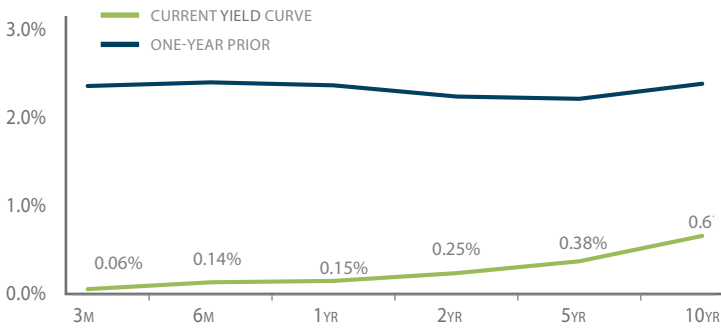




# SD FIT MARKET UPDATE

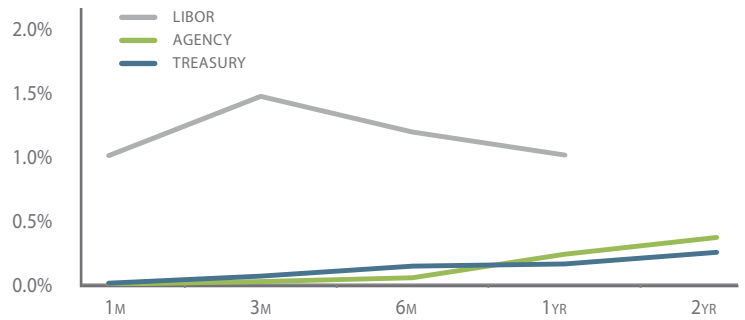
APRIL 2020

## Historical Yield Curve



Source: Bloomberg Finance L.P. 3/31/20

## Indicative Rates



Source: Bloomberg Finance L.P. 3/31/20. Rates do not reflect transaction fees.

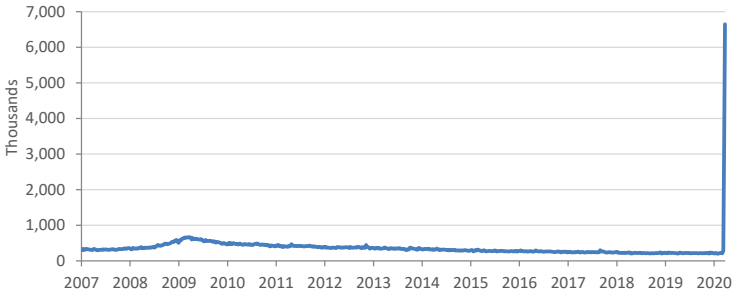
### FEATURED MARKET DATA

## Initial Unemployment Claims Soar

A record 6.6 million workers applied for unemployment benefits in the week of March 22-28, a level nearly 10 times greater than the peak level of claims reported in 2009 during the Great Recession. This report follows 3.3 million claims in the prior week's report, as the novel coronavirus brought the U.S. economy to a near stop. Markets have been expecting poor economic news. In March, the S&P 500 stock index dropped more than 20% from its peak, falling into a bear market. Corporate spreads, a market measure of credit risk, widened sharply during March. Both stocks and bonds have improved from their weakest levels following multiple actions by the Federal Reserve and Congress to alleviate market strains.

Source: Bloomberg, Wall Street Journal

### UNEMPLOYMENT CLAIMS



Source: Bloomberg

### RECENT NEWS

## More Difficult Times Ahead

As of April 1, the global coronavirus death toll topped 44,000 and cases passed 880,000. The U.S. has more confirmed cases than any other country and experts now project the U.S. could suffer up to 240,000 deaths. These grim numbers are frightening and sad. We believe the impact on the psyche of consumers and businesses may be long-lasting. GDP and corporate earnings are projected to plunge in the second quarter and the recovery may be slower than initially projected. The increasing toll of the virus on the U.S. health system and the extended timeframe for sheltering in place may result in another significant market downturn in the weeks ahead.

Source: Bloomberg

## U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
CPI (YoY)	03/11/20	FEB	2.2%	2.3%	2.5%
Core CPI (YoY)	03/11/20	FEB	2.3%	2.4%	2.3%
Chicago Fed National Activity Index	03/23/20	FEB	-0.35	0.16	-0.33 (R)
Markit US Services PMI	03/24/20	MAR*	42.0	39.1	49.4
Durable Goods Orders Ex. Transportation (MoM)	03/25/20	FEB*	-0.4%	-0.6%	0.6% (R)
U of M Consumer Sentiment	03/27/20	MAR*	90.0	89.1	95.9
ISM Manufacturing	04/01/20	MAR	44.5	49.1	50.1
Initial Jobless Claims	04/02/20	MAR 28	3,500K	6,648K	3,307K (R)

\*Preliminary.

Source: Bloomberg Finance L.P. 4/2/20

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