

# Taking Care of Main Street, Not Wall Street.

Community Banking

Here at Citizens FSB, we know the best investments yield a high return. That's why we're investing time and money into the communities we serve. We're a part of our communities as a neighbor, a friend, and as family.



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## Weekly Economic News & Updates

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### THE WEEK ON WALL STREET

Stock prices notched solid gains last week, looking past an increase in COVID-19 cases and any potential economic concerns raised by the trend.

The Dow Jones Industrial Average increased by 0.96%, while the Standard & Poor's 500 climbed 1.76%. The Nasdaq Composite Index bounded 4.01% higher for the week. The MSCI EAFE Index, which tracks developed stock markets overseas, gained just 0.07%.<sup>1,2,3</sup>

### Virus Concerns

Stocks experienced a volatile week as investors negotiated the crosswinds of encouraging overseas economic data with an accelerating number of COVID-19 cases in several states. Ongoing support of the financial markets by the Federal Reserve appeared to offset any concerns about an economic rebound.

The big technology companies continued to shine, leading the Nasdaq Composite to multiple new record highs. News of positive trial results for a potential COVID-19 treatment boosted stocks on the final trading day, closing the week on an encouraging note.

### On the Record

Regional Federal Reserve presidents had several speaking engagements last week, and the message was a consistent one: expect the economic recovery to remain bumpy.

Cleveland Fed President Loretta Mester said that the economy in her region is slowing due to rising COVID-19 cases. She linked gains in combating the virus with further economic progress. She also echoed earlier comments by Fed Chairman Powell that more fiscal support is necessary.<sup>4</sup>

Meanwhile, San Francisco Fed President Mary Daly observed that it was unlikely many companies would be rehiring all their employees. Thomas Barkin, president of Richmond Federal Reserve, reiterated the challenges of a labor recovery, but also spoke of the strain on local and state governments.<sup>5,6</sup>

### Jobs

The Jobless Claims totals also come out on Thursday and for the week ending July 11<sup>th</sup>, new filings are expected to have fallen to 1.25M from the prior week's 1.31M. Continuing Claims for the week ending July 4<sup>th</sup> should show a drop to 17.55M from the prior week's 18.1M. Also on Thursday, the National Association of Home Builders is expected to report that its Housing Market Index rose to 60 this month after June's reading of 58. Housing is hanging in there. In fact, a report on Friday from the Census Bureau is expected to show a whopping 21.2% leap in June's Housing Starts and a

*Lobbies are open by appointment*

### WEEKLY QUOTE

*"The longer I live, the more I realize the impact of attitude on life."*

MARK TWAIN

### WEEKLY TIP

*Ramp up your college savings with rewards programs. There are credit cards and online shopping programs that can allow you to direct a steady stream of rebates toward your education fund.*

### WEEKLY RIDDLE

*A parking lot has 1,000 parking spaces, 40% of them for compact cars. There are 200 compact cars and some standard-size cars in the lot, which is 75% full. How many standard-size cars are in the lot?*

### Last week's answer:

*James Buchanan.*

Sources: MarketingPro, Financial Strategies Group, The Baker Group, wsj.com, bigcharts.com, treasury.gov, Randy Baker and Chris Low and Rebecca Kooshak FTN Financial

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6.1% jump in new Building Permits. There are at least some consumers out there who are feeling pretty good.