

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.



Weekly Economic News & Updates

www.citizensfsb.bank

In this week's recap: Powell paints a somber picture for recovery, and the markets slip in reaction.

THE WEEK ON WALL STREET

Investors were greeted this morning by the news that early clinical trials conducted by Moderna on a potential coronavirus vaccine have produced hopeful results. Heartened by these reports, the DJIA is up over 700 points in early trading as Treasury bonds sell-off. The yield on the Ten-Year is up to around 69 basis points. Also, over the weekend, comments by Fed Chairman Jerome Powell intimating that the Fed has more ammunition left has also proven constructive to investor attitudes.

HOUSING

For today, the National Association of Home Builders announced that its Housing Market Index improved more than expected to a new value of 37 in May from April's level of 30. Pre-release estimates only expected a rise to 35. More housing news will come our way tomorrow when a report on April's Housing Starts is expected to show a decline of just over 25%. New Building Permits, also scheduled for release tomorrow, are expected to show a similar decline. No surprises there.

Stocks Pull Back

Stocks moved lower throughout most of last week on worries that the emerging economic reopening might accelerate the spread of COVID-19. Comments by Fed Chair Powell added to the downside pressure when he expressed concern about the path ahead for the U.S. economy. The stock market managed to find some firmer footing, posting a strong gain on Thursday. Stocks rallied again on Friday, overcoming headlines that suggested a souring relationship with China and a report that showed U.S. retail sales had dropped 16.4% in April.⁴

Lobbies are open by appointment only. Our drive thru's will be open. You may email your representative or call the mainline 913-727-1040 to schedule an appointment. Appointments will be made for loan application, loan closings, opening a new deposit account or access to your safe deposit box. Lobbies will reopen May 26th, customer must wear a mask.

Need help with the CARES Act, PPP Funding still available. [Learn More](#)

WEEKLY QUOTE

"It is characteristic of wisdom not to do desperate things."
HENRY DAVID THOREAU

WEEKLY TIP

Have you had the same internet passwords for years? Change them! To keep accounts secure, try to change your passwords often, never share them or write them down, and make them difficult to figure out. Never use your birth or anniversary date as a password.

WEEKLY RIDDLE

It has keys that open no locks. Yet it lets you enter and create spaces. What is it?

Last week's answer:

Draw a 5-pointed star. Plant one tree at each point and one tree where the sides intersect.

Sources: MarketingPro, Financial Strategies Group, The Baker Group, wsj.com, bigcharts.com, treasury.gov, Randy Baker and Chris Low and Rebecca Kooshak FTN Financial
Please feel free to forward this newsletter to friends, family and colleagues.



Powell Speaks

Fed Chair Powell spoke last Wednesday and painted a somber economic outlook, remarking that “the path ahead is highly uncertain and subject to significant downside risks.” He urged the White House and Congress to pass additional financial relief to help the economic recovery, adding that there was no plan on the Fed’s part to cut the federal funds rate to below zero. More from the Chairman will be heard later this week as he presents testimony to Congress regarding economic conditions and monetary policy. He will appear before the Senate Banking Committee tomorrow.