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## Weekly Economic News & Updates

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### THE WEEK ON WALL STREET

Stocks were mixed last week as worries that stretched from Washington D.C., where prospects of a new fiscal stimulus bill dimmed, to Europe, which saw an increase of new COVID-19 cases.

The Dow Jones Industrial Average declined 1.75%, while the Standard & Poor's 500 fell 0.63%. The Nasdaq Composite index gained 1.11% for the week. The MSCI EAFE index, which tracks developed overseas stock markets, slumped 4.20%.<sup>1-3</sup>

### Late Friday Rally Pares Losses

Dwindling chances of a federal fiscal stimulus, pre-election jitters, and worries over a second wave of coronavirus infections in Europe weighed heavily on investors.

The weakness in technology persisted. The Department of Justice proposal to curb legal protections for internet companies and require them to take greater responsibility for the content on their sites adding to that sector's woes.<sup>4</sup>

Energy stocks were also hit hard on concerns of a slowdown in economic growth hurting oil demand.

The week wasn't entirely absent of good news. Investors focused on reports of new progress in developing a vaccine and the passage in the House of Representatives of a bipartisan continuing resolution bill to fund the government through December 11th.<sup>5</sup>

Absent any apparent catalyst, stocks rallied in the final days of the week, cutting losses on major indices and powering the NASDAQ Composite to a weekly gain.

### Fiscal Stimulus on Life Support

Market hopes for an additional fiscal stimulus bill, which were already fading, suffered another setback as events in Washington, D.C., appeared to make it more unlikely that lawmakers and the president could come together to fashion a compromise spending bill.

### Lobbies are open!

#### WEEKLY QUOTE

*"Live out of your imagination, not your history."*

*DR. STEPHEN COVEY*

#### WEEKLY TIP

*Applying for a mortgage online could save you some money in terms of closing costs, origination fees and interest rates as the online application cost is less for the lender to bear.*

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#### WEEKLY RIDDLE

*A supermarket sign says you can buy energy bars at \$12 a dozen. At that price, how much would it cost you to buy 100 energy bars?*

#### Last week's answer:

*Seven people - each of the daughters have one brother, there is not one brother for each daughter.*

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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In the week's non-statistical news, discussions reportedly continue between Congressional leaders and administration officials over the size and content of what may or may not be the next phase of fiscal stimulus. The volume of those discussions has not been reported, but equity markets have loudly made their preferences known as prospects for more relief either brighten or dim, and volatility rules the day. Soft-spoken Fed Chairman Jerome Powell has also expressed his desire for more aid from fiscal sources, but it's unclear if anyone heard him.

### **Other News**

Yesterday, we also learned that Construction Spending has been a little more vivacious of late with an August rise of 1.4%; double the expected growth. That verve did not, however, extend to the Institute of Supply Management's Manufacturing Index. For September, that measure, still in the "above 50" expansion zone with a reading of 55.4, is less than the prior month's 56 and below the forecast of 56.5. Investors also learned this week that Factory Orders rose by 0.7% in August in a big slowdown from July's gain of 6.5%. Core Capital Goods Orders did a little better with an August boost of 1.9% that slightly beat estimates.

Have a great, uninterrupted weekend; be careful out there.