



Basis Points – March 26, 2020

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Above the Fold

Economic Vaccine: Unprecedented Aid Coming for Americans

Despite increasingly tenuous, and even frantic negotiations over the last few days, the Trump administration and lawmakers reached an agreement on a bipartisan, landmark stimulus bill estimated at \$2 trillion, which is roughly 10% of our country's annual GDP. The package (the third stimulus bill approved since the outbreak) will include hard-cash payments for a majority of Americans, along with hundreds of billions in loans to small and large businesses. A key portion of the stimulus will fund a massive expansion of the unemployment insurance program, which will also be extended, for the first time in history, to non-traditional, "gig," and freelance workers. Other provisions include hundreds of billions of dollars in corporate aid and roughly \$150 billion of

investments into our health care system, which is already feeling the strain of the pandemic. Markets reacted positively to the news and to President Trump's optimistic goal of getting the country back open (at least partially) by Easter.

Three Things

1. *Scooter Saga Leads to Lawsuit* – The City of Los Angeles says they need real-time data of Uber's scooter locations (and who is renting them) to better manage traffic and reduce potential hazards, but Uber says no. Uber Technologies Inc. is suing the LA Department of Transportation in an effort to protect its proprietary information and potentially your data, from being misused or hacked. Uber competitor Lyft currently provides this data, but is growing increasingly skeptical as well.
2. *Social Media Use Exploding, but Spending Lags* – Another byproduct of remote work and "shelter in place" orders has been an increased use of social media. Facebook said total messaging jumped 50% and video messaging doubled in countries affected by the coronavirus (COVID-19). Some countries like Italy are seeing 1,000% jumps in video chat usage on Facebook platforms, including WhatsApp. Despite the rise in global usage, Facebook still expects declines in digital advertising revenue as businesses scale back.
3. *2020 Olympics Will Take Place in 2021* – The International Olympic Committee and Japan both decided to postpone the games set to begin on July 24, for about a year. No specific date has been set yet, and the change is likely to have a dramatic impact on athletes' participation. Some estimate that 1 in 5 competitors will be severely affected and may not even compete when the games resume next year. The setback is also estimated to [cost Japan](#) up to \$5.7 billion alone.

Did You Know?

COVID-19 Positives

- Harvard Medical School believes that the COVID-19 pandemic is likely to have great, positive effects on our future response to outbreaks. The recent crisis has exposed specific shortcomings in global health care systems and policies — experts should be able to use these data to improve those deficits (hopefully).
- A team of infectious disease experts recently calculated a much more accurate, and [dramatically lower](#), fatality rate of 1.4% for those affected by COVID-19 in Wuhan.
- The U.S. Food and Drug Administration (FDA) is [expediting](#) (allowing in the case of emergency) the use of blood plasma treatment for critical COVID-19 patients. Also, an increasing number of doctors and health systems are advising the use of chloroquine and its less toxic cousin, hydroxychloroquine, for treating the virus in certain cases.

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