



Basis Points – April 23, 2020

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Above the Fold

Another Round of Stimulus Likely; but Much More Needs to Be Done

Less than a month ago, the Paycheck Protection Program (PPP), a \$349 billion part of the \$2.2 trillion Coronavirus Aid, Relief, and Economic Security Act (CARES Act), was rolled out under the Small Business Administration. Loans began processing on April 3, but funds had already depleted by April 16. A few large corporations, like Shake Shack, will return their loans to free up much-needed capital for smaller businesses who may not have access to other credit or cash flow, but the quick liquidation of the cash shows just how desperate many businesses are.

Just yesterday, congressional lawmakers approved another round of stimulus that adds another \$320 billion into the PPP and is expected to be signed by President Trump once it clears the house. This bill will also allocate funds to testing and community leaders. There are also three more stimulus proposals currently being considered:

1. The Emergency Money for the People Act – would provide a \$2,000 monthly stimulus check for up to one year.
2. The Rent and Mortgage Cancellation Act – would cancel rent and mortgage payments for up to one year.
3. The Getting America Back to Work Act – would provide for a payroll tax rebate that covers 80% of payroll expenses, enabling businesses to more easily hire and retain employees.

Three Things

1. *Netflix Winning at Social Distancing* – Netflix was able to gain roughly 16 million new subscribers globally as many countries remain under at least partial stay-at-home orders. The new customers were more than double expectations, with total subscribers nearing 183 million. Netflix did note that coronavirus (COVID-19)-related growth was unlikely to continue.
2. *Thank the Pandemic for Faster Internet?* – The COVID-19 crisis is driving bipartisan momentum to improve internet quality and access across the nation. While many Americans enjoy high-speed access, there are still millions with little or no access at all, either due to cost or infrastructure.
3. *Maven Takes Its Last Bow* – General Motors' car-sharing service, Maven, was shuttered as effects from COVID-19 overcame an already struggling platform. Other car-share competitors have also either closed their doors or [exited](#) the North American market.

Did You Know?

The Latest (Fact-Checked) COVID-19 Positives

- Texas, Georgia, South Carolina and Tennessee began to “reopen” their economies this week, with several states prepared to follow, in their own way, after the federal lockdown expires May 1.
- In what seems to be positive progression, volunteers in Seattle received their second round of a new potential coronavirus vaccine. Experts say that adverse events after the first shots would have ended the study. Called mRNA-1273, the vaccine was developed by scientists at the National Institute of Allergy and Infectious Diseases.

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