



Basis Points – October 13, 2020

 westwoodgroup.com/weeklyblog/basis-points-october-13-2020/

Above the Fold

Will America Go Back Into Lockdown?

Some nations around the world, including England, France and Israel, are tightening restrictions at the highest levels of government, or going into full lockdown to stem a renewed wave of COVID-19 cases. The U.S. is also experiencing an uptick in positive tests, but most states are actually [easing restrictions](#) at the local level. Here, the federal government has issued [infection risk guidelines](#) and travel restrictions, but has allowed the states to dictate their level of lockdown or restriction.

Across the pond, Boris Johnson is [announcing](#) a three-tiered lockdown system that will mandate different levels of restriction depending on their “local COVID alert level,” while France has [closed bars](#) and set its virus alert to maximum. A recent study of 175,000 people in the U.K. revealed that one in every 170 were positive for the virus between Sept. 8 and Oct. 9, 2020. And while the data is ominous, deaths from the virus remain near the lowest levels in both nations since testing began, according to The New York Times.

Domestically, we could certainly see a shift in how Washington involves itself in addressing the pandemic. Obviously, a regime change at the top or changes in local leadership could increase restrictions or even send some areas back into lockdown. Most states seem to have a good handle on how to deal with the ebb and flow of COVID-19 data and have developed regional plans to deal with their own unique struggles around the pandemic. But if our economic recovery is to continue, we believe it would depend heavily on progressive improvements in consumer confidence and stability in commerce, which could easily be disrupted by another widespread lockdown.

Three Things

1. *Apparently “Airplane Food” Is Now a Thing ... Even if the Plane Doesn’t Actually Fly* – In an effort to replace revenues lost by a lack of travel, Singapore Airlines is turning some of their planes into pop-up restaurants. The Asian airline parked two Airbus A380s at Changi Airport and offered customers the chance to board, eat, drink and leave ... without leaving the ground. The deal, where customers paid anywhere from \$39 for an economy experience to \$474 for first-class, was sold out in 30 minutes.
2. *Time to Load Up on Hardware* – When the pandemic first hit, it was near impossible to get your hands on PCs, laptops, webcams and other remote-work-related hardware. Now that most manufacturers have caught up to demand, industry experts say that they are ready to meet the growing need and then some — and with Amazon Prime Day starting today, you might just get a good deal as well.
3. *Apple’s New Delivery Strategy* – Instead of shipping directly from China or warehouses scattered around the U.S., Apple will now use its vast network of retail stores (which have been at limited capacity or shuttered altogether) to get products, like the new iPhone expected today, into the hands of customers faster.

Did You Know?

Why You Should Like Tuesdays

Aside from receiving your first biweekly issue of Basis Points, Tuesday also happens to be a statistically good day for the markets. It was the best-performing day for the S&P 500 during the downturn between 2007 and 2009. And since the March 2009 bottom, Tuesday (and Wednesday

just behind it) has been the best-performing day for the index, according to the Stock Trader's Almanac.

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