



Basis Points – November 19, 2020

 westwoodgroup.com/weeklyblog/basis-points-november-19-2020/

Above the Fold

Can Black Friday Still Be “a Thing?”

For those of us brave enough, Black Friday has historically been the day when millions of shoppers would converge on stores and malls in order to be the first to capture the best deals before they were gone. Many would even camp outside retailers like Walmart and Best Buy so they could grab those doorbusters (literally) when the store opened, sometimes as early as midnight. But with COVID-19 cases skyrocketing and states like Pennsylvania, New York and others clamping down on any kind of gatherings (including large [Thanksgiving](#) dinners), those scenes of thousands of shoppers climbing over one another for that new flat screen may be a thing of the past (at least for now).

Even when the pandemic ends and consumers are once again free to fight over parking spaces on Black Friday, it's more likely that this boon for retailers will be more of a prolonged, virtual exercise, than a one-day physical event. The fight for your Black Friday dollars has already begun for most big name retailers, and you don't even have to leave your keyboard. Several retail analysts do believe that the 2020 retail season will be a strong one, with CBRE (Coldwell Banker Richard Ellis) [projecting](#) a 40% jump in ecommerce, while brick and mortar sales are expected to remain sluggish at just 2% growth over 2019. Most believe that the Black Friday period will still remain critical for retailers, but that the one-day physical urgency is likely to become less critical as legacy retailers fight for your virtual attention and look to reduce costs like store employees and big rents.

Three Things

1. *Welcome to Your Friendly Neighborhood Pharmacy, Amazon* – Amazon just took its biggest health care step forward with the launch of Amazon Pharmacy, a new service that will offer fast home delivery for prescription medication. Prime members will also receive script perks like discounts and free two-day delivery on most items. Schedule II medications, like opioids, will not be sold initially.
2. *GM to Deliver “Smart Insurance” With OnStar* – General Motors is getting back into the insurance business with its OnStar software. Through its new OnStar Insurance Service, the company believes that by tracking and gathering drivers' habits, it can help safe drivers reduce their insurance rates. With OnStar installed on all GM vehicles sold in North America, GM can more precisely track a myriad of inputs to help determine just how “safe” a driver is. They may also use the system to warn drivers of potential danger, like low tire pressure, to help prevent accidents.
3. *Baking Bonanza and Chinese Pigs Benefit American Farmers* – The prices for corn, soybeans and hard red winter wheat (a baking favorite) have all soared by more than 30% since beginning a unified rally in early August. Soft red winter wheat, used as livestock feed, is up more than 22% in the same period. The gains can be attributed to a baking boom by locked-down consumers globally, and the need for China to rebuild its pork stockpiles after culling millions of pigs last year after an outbreak of African swine fever.

Did You Know?

Black Friday Facts

While historians attribute the “Black Friday” name to a gold market crash in 1869, the association with shopping originated in 1950s Philadelphia. The annual Army-Navy football game held (on Saturdays) in the city of brotherly love brought hoards of tourists, shoppers and shoplifters. With most fans piling into the city the day before the game, Philadelphia police, who struggled to

maintain order in many stores, began calling the chaotic event Black Friday. It wasn't until the 1980s that retailers across the country decided to shift the moniker away from its not-so-sunny past and into something positive.

The information contained herein represents the views of Westwood Wealth Management at a specific point in time and is based on information believed to be reliable. No representation or warranty is made concerning the accuracy or completeness of any data compiled herein. Any statements non-factual in nature constitute only current opinion, which is subject to change. Any statements concerning financial market trends are based on current market conditions, which will fluctuate. Past performance is not indicative of future results. All information provided herein is for informational purposes only and is not intended to be, and should not be interpreted as, an offer, solicitation, or recommendation to buy or sell or otherwise invest in any of the securities/sectors/countries that may be mentioned.