



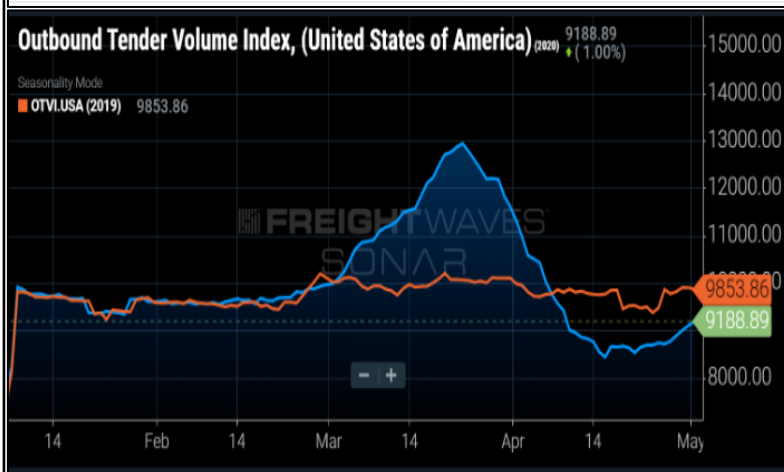
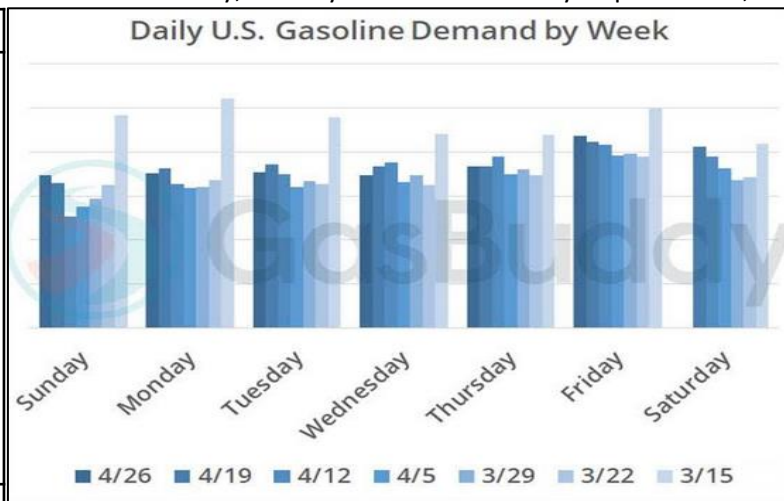
## NBEOC Lifeline Snapshot Coronavirus (COVID-19) – Report #62 May 3, 2020 – 18:00 p.m. EDT

## Business & Industry - Domestic Supply Chains

**Background:** Trucking freight volumes are rising. 31 US states will begin phased plans to reopen by the end of the week which will likely prompt increased commodity demand and freight volumes nationally. GasBuddy gasoline demand data shows Friday demand hits highest daily level since March 20, up 3% from last Friday and 12% higher than the weakest Friday (3/27). [Maritime shipments from China have nearly doubled in the past two weeks. However, many of these orders were placed over a month ago when freight volumes were peaking, before demand had greatly declined. Many of these orders may end cancelled or unused for a significant amount of time. The largest monthly growth from imports has come out of manufacturing and durable goods orders. Freight transportation will benefit as this is a signal that the industrial side of the economy may be recovering faster than anticipated. Freight transportation relies on industrial production, as many of those goods require multiple legs from various plants to complete. Many retail goods such as clothing and electronics only require one to two moves domestically on a truck prior to final consumption. Most of the retail goods arrive from overseas and are transloaded into a warehouse or distribution center one time prior to final delivery.](#)

**NBEOC Priorities:** Support COVID-19 activities to understand resilience concerns of industry, identify business continuity requirements, and align activities between private and public sectors.

Lifeline		Status
Safety and Security	US	<ul style="list-style-type: none"> <li>3.84 million new jobless claims were filed for the week ending April 25<sup>th</sup> bringing the total number of claims filed in the last 6 weeks to over 30 million.</li> <li>Analysts suggest that unemployment rate is currently 17-20% and could exceed 32.1% in the second quarter.</li> <li>The US economy shrank 4.8% in the first 3 months of 2020 and may contract at an annualized rate of 40% in the second quarter reflecting the decline of goods and services within the economy.</li> <li>In the month of March, the top job loss sectors were leisure and hospitality (-459K), education and health care (-76K), business services (-52K), and manufacturing (-49.5K).</li> </ul>
	US	<ul style="list-style-type: none"> <li>With recent pork processing closures, 43% of US pork capacity is off-line. Slaughter numbers were down by approximately 170,000 animals for May 1 (280,000 head) as compared to a year ago (460,000 head) and to the Wednesday of the week ending April 10 (428,000 head). Processing capacity is approximately 500,000 hogs/day.</li> <li>Overstock estimates of above market weight hogs range between 1.6MM to 1.8MM, on average, with uncertainty ranges from 1.3MM to 2.3MM that must be culled</li> <li>Cold storage red meat supplies were down 2%, frozen pork down 4%, and frozen poultry supplies were up 4% from March. This suggests that there is enough frozen supply to meet normal real demand vice panic driven artificial demand.</li> </ul>

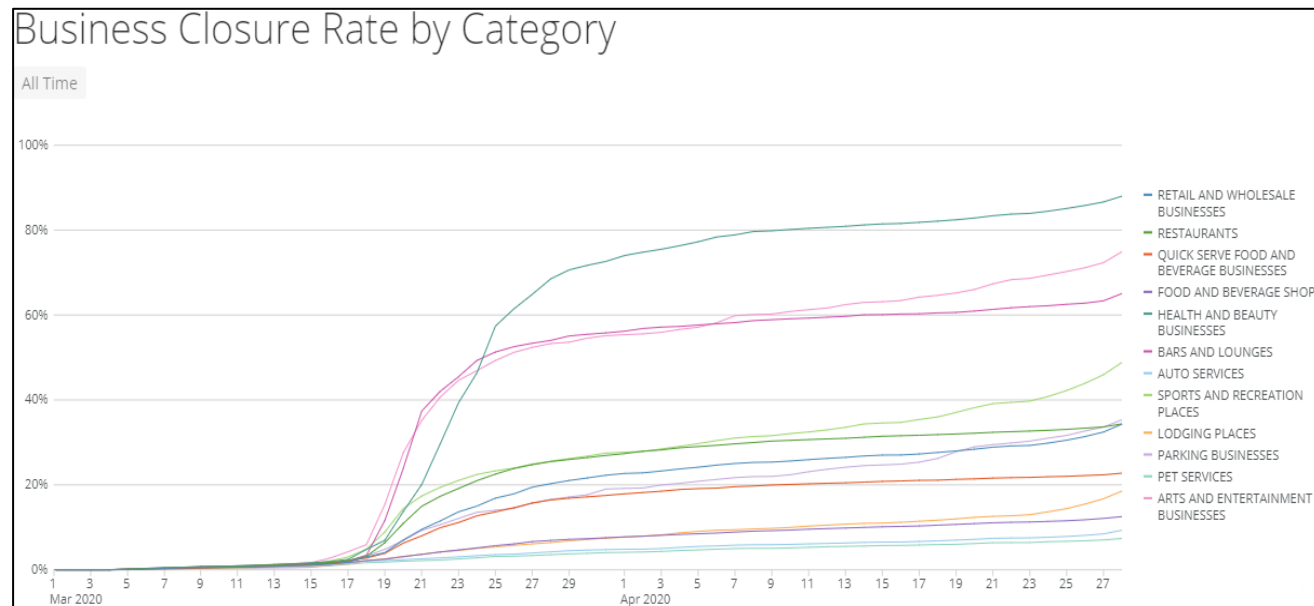
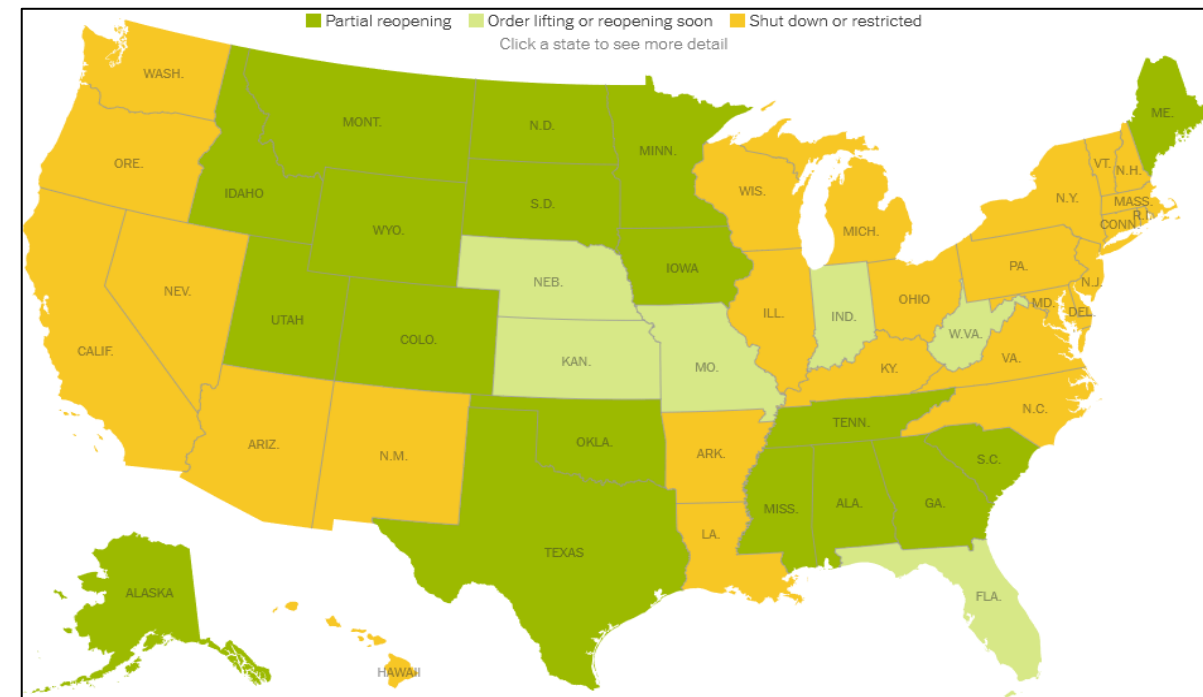


Lifeline		Status
Health and Medical	US	<ul style="list-style-type: none"> <li>Industry still reports issues with procurement of PPE due to limited supply, elevated prices and risk of counterfeits.</li> <li>Shortages of PPE are still prevalent within infection hotspots; particularly in acute medical care uses.</li> </ul>
	Ground	<ul style="list-style-type: none"> <li>Outbound tender volumes have risen 6.1% over the past two weeks—still 7% lower than the same time last year. It is expected that this trend will continue as more states reopen for business.</li> <li>Tender rejections have hit a new record low with less than 2.5% of contracted loads being rejected. Trucking capacity remains high and carriers are moving any freight they can find. Small carriers are not competitive in this market and will continue to exit it if spot rates do not rise.</li> <li>Reopening of some industries and the produce harvests will tighten capacity in some regions, but not on a national level.</li> </ul>
Transportation	Maritime	<ul style="list-style-type: none"> <li>Maritime shipments from China have doubled</li> <li>Imports at major U.S. retail container ports continue to experience the impacts of lowered demand.</li> <li>Some ports are temporarily closing due to low volumes. This is leading to fewer available empty containers to backhaul goods. Analysts suggest that container shortages will continue to until consumer demand returns.</li> </ul>



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## National Impacts on Business Revenue



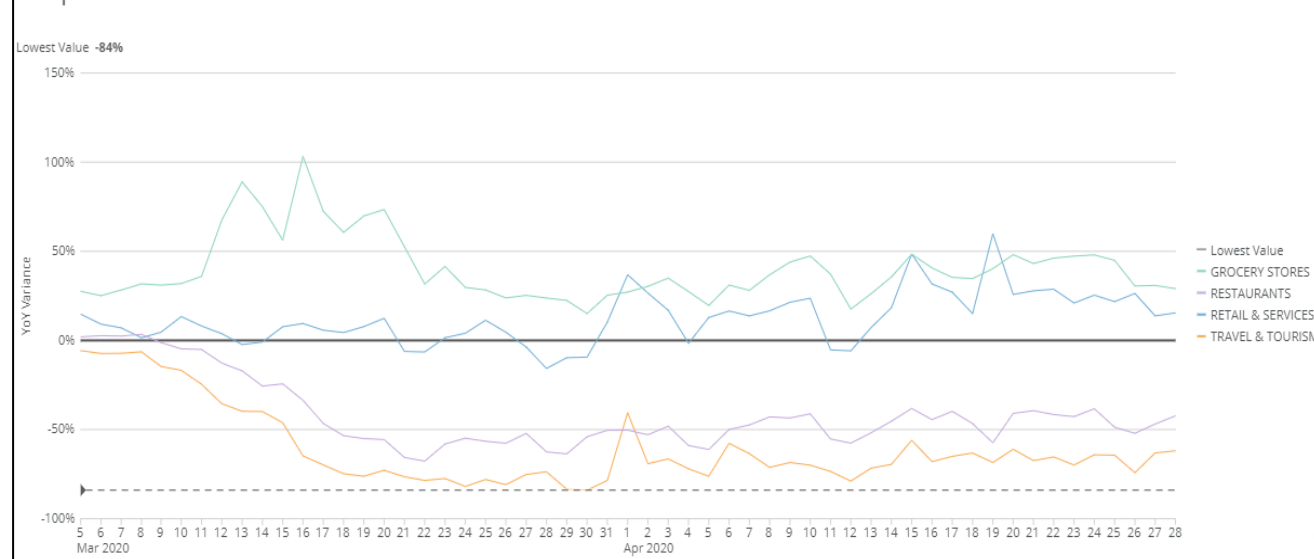
### The big picture

Table 1: Aggregated daily spending by major category (% year-over-year growth)

	4/23	4/22	4/21	4/20	4/19 (Easter base effects)	4/18	4/17	4/16	4/15
Airlines	-106%	-99%	-102%	-106%	-89%	-109%	-103%	-102%	-99%
Lodging	-92%	-91%	-92%	-95%	-86%	-94%	-93%	-94%	-94%
Entertainment	-96%	-94%	-93%	-99%	-94%	-100%	-96%	-83%	-91%
Restaurants	-45%	-43%	-42%	-43%	-51%	-52%	-48%	-47%	-44%
Transit	-61%	-65%	-63%	-69%	-67%	-62%	-61%	-57%	-61%
Gas	-48%	-47%	-47%	-50%	-48%	-49%	-47%	-47%	-44%
Clothing	-46%	-44%	-44%	-46%	-36%	-73%	-62%	-49%	-46%
Furniture	-18%	-9%	-15%	-11%	60%	-45%	-18%	-14%	-5%
Department store	-50%	-48%	-44%	-41%	33%	-77%	-83%	-51%	-50%
Online electronics	117%	116%	135%	116%	168%	160%	158%	160%	150%
Grocery	34%	30%	28%	15%	32%	-9%	6%	25%	38%
General Merchandise	12%	11%	13%	1%	206%	-25%	-13%	11%	16%
Health, personal & beauty store	-3%	-5%	-5%	-5%	-7%	-27%	-12%	-8%	-3%
Home improvement	12%	12%	11%	15%	159%	16%	20%	23%	13%
Retail ex auto	-3%	-2%	-1%	-6%	9%	-26%	-15%	-3%	2%
Total online retail	77%	76%	72%	74%	119%	103%	88%	86%	79%
Total card spending	-18%	-16%	-16%	-17%	-1%	-30%	-20%	-11%	-6%

Source: BAC internal data; Note: > 100% decline reflects refunds. We advise taking a moving average to decipher the underlying trend.  
Note: 4/19 % yoy data was boosted by weak spending a year ago due to Easter holiday. We advise looking past one day and focus on underlying trend in spending.

### Top Level Industries - YoY Variance



Charts from <https://www.womply.com/blog/data-dashboard-how-coronavirus-covid-19-is-impacting-local-business-revenue-across-the-u-s/>; <https://www.freightwaves.com/news/volumes-showing-signs-of-life-but-it-doesnt-help-the-carriers-much/>;

<https://www.nvtimes.com/interactive/2020/us/states-reopen-map-coronavirus.html>

**TODAY- 10 PROCESSED**

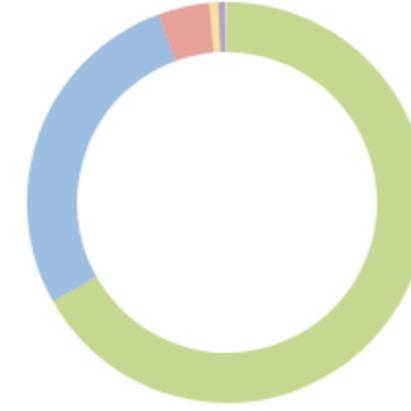
**TOTAL TICKETS- 6164 PROCESSED**



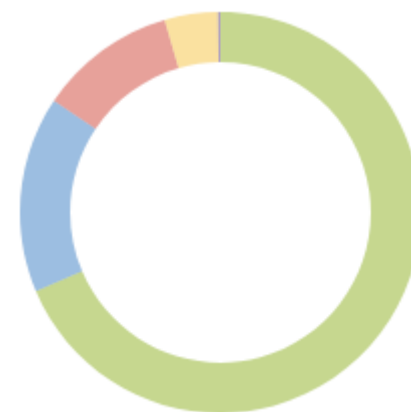
**TYPES OF INQUIRIES**  
7 (70%) Request for Information  
2 (20%) Offer of Support  
1 (10%) Status Update



**STATUS OF TICKETS**  
4 (40%) Waiting For Support  
3 (30%) In Progress  
3 (30%) Resolved



**TYPES OF INQUIRIES**  
4146 (67%) Offers of Support  
1609 (26%) Requests for Information  
273 (4%) NBEOC Membership Request  
103 (2%) Status Update  
44 (1%) Meeting Request



**STATUS OF TICKETS**  
4591 (74%) Resolved  
1100 (18%) In Progress  
301 (5%) Waiting For Support  
177 (3%) Waiting For Customer  
6 (1%) Closed