|  |  |
| --- | --- |
| JUN 2020 | [Midwest Money Management Inc.](http://email.midwestmoneymanagement.com/c/eJxNkEFrxCAQhX_NejPoxGg8eNgtW9hD-x8mOibCmoRoCfvvaymUwpyGefO-94KzInpULKaj1E_M5K4BM_OYd0zz-ggOAITWmiUHAoTQYgQpBehOdqMwt_tVvvXaqJsy94sSOYWTSs3bSq-MK86Uaa2d3zJbHAYDQUcPwRCGYDHiGKVWZKz2AujP9oNKadJHaNoUEx0OAukIxnDv0XJCKTnaOPARNY3KmGg1sadbat0v_fUC723O8-xink-aSqpUfiDaFgcfpZQjR5g8VySBT4NCrgxKPSDGvvftjO3HNh-YWwP9wI7GjnnBo36tc4v5TPNSpyeW2q1Umd_Wir7-46WWM1hBvFfQc7K_vMCjINPshG6dsb39ezUDKVu13-woezU) |

|  |  |  |  |
| --- | --- | --- | --- |
|  |

|  |
| --- |
| Commentary |

 |  |



|  |
| --- |
| June 8, 2020**The Markets**The employment report electrified U.S. stock markets last week.American stock markets responded enthusiastically to the news U.S. unemployment was 13.3 percent in May. If it seems inexplicable double-digit unemployment would thrill investors, there is a reason. The unemployment rate in April was higher at 14.7 percent, and analysts had forecast the rate in May would jump to 19.1 percent. All in all, that makes 13.3 percent look pretty attractive.There were some caveats. First, “If the workers who were recorded as employed but absent from work due to ‘other reasons’… had been classified as unemployed on temporary layoff, the overall unemployment rate would have been about 3 percentage points higher than reported,” explained the *Bureau of Labor Statistics (BLS)*. The same would have been true of April’s numbers, so it’s a wash. Month-to-month, the numbers dropped.Second, there is more than one measure of unemployment. U3 measures people who are unemployed and seeking work. U6 includes unemployed, underemployed (part-time workers who want to be working full-time), and discouraged workers. It’s usually a higher number. The *May Employment Summary Report* showed U6 unemployment was 21.2 percent, down from 22.8 percent in April. That suggests about one-in-five Americans is not working as much as they would like to be.The *BLS* wrote the improvement in unemployment reflected, “…a limited resumption of economic activity that had been curtailed in March and April due to the coronavirus (COVID-19) pandemic and efforts to contain it.” The biggest job gains were in leisure and hospitality, construction, education and health services, and retail trade.The lower month-to-month numbers may be a sign the Paycheck Protection Program (PPP) worked:“…give some credit to the government relief efforts, especially the [PPP], for bringing back jobs. The program gave relief to small businesses…through loans that would not have to be paid back if most of the money went to rehire and pay employees. PPP money had to be used right away, and a lot of it started hitting small businesses’ bank accounts in late April and early May, which ended up triggering a net gain of 2.5 million jobs in May,” reported Heather Long of *The Washington Post*.Eurozone stocks rallied last week, too, after the European Central Bank increased its quantitative easing program and extended support to June 2021, reported Dhara Ranasinghe and Yoruk Bahceli of *Reuters*.Major U.S. indices and U.S. Treasury yields finished the week higher.**NECESSITY IS THE MOTHER OF INVENTION.** The silver lining of the COVID-19 cloud may be innovation. From healthcare to retail, people and companies have been identifying problems and finding ways to solve them:**• How much toilet paper is enough toilet paper?** As consumers cleared shelves of toilet paper, a company in Germany developed a toilet paper calculator to help determine how much is enough. “A person with a stockpile of 10 rolls, who uses the typical amount of paper three times a day, should survive for 53 days…39 days longer than the recommended 14-day quarantine for those with symptoms,” reported *Reuters*.**• Ingenious respirator solutions.** Early in the crisis a dearth of respirators handicapped healthcare workers’ ability to support patients with serious cases of COVID-19. Many companies developed alternatives. One company, “…built a simple but effective ventilator from a windshield wiper motor and a pliable [hand-operated resuscitator],” reported Eric Haseltine in *Psychology Today*.**• Where’s Waldo’s fever?** An artificial intelligence firm that creates tools to detect threats of violence revamped its analytics software so thermal cameras can measure the temperature of a person’s forehead and send out an alarm when a fever is detected.**• Gear ‘Q’ would have loved.** A California company held a month-long contest, asking participants to suggest practical devices for a COVID-19 world. Entries “…poured in, including a wrist-mounted disinfectant sprayer, half gloves for knuckle-pushing of buttons and a device that lets you open car doors without touching the handle, aimed at cab users,” reported *Reuters*.**Weekly Focus – Think About It**“A rock pile ceases to be a rock pile the moment a single man contemplates it, bearing within him the image of a cathedral.”-*-Antoine de Saint-Exupéry, writer and poet*\* These views are those of Carson Coaching, and not the presenting Representative, the Representative’s Broker/Dealer, or Registered Investment Advisor, and should not be construed as investment advice.\* This newsletter was prepared by Carson Coaching. Carson Coaching is not affiliated with the named firm or broker/dealer.\* Government bonds and Treasury Bills are guaranteed by the U.S. government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value.  However, the value of fund shares is not guaranteed and will fluctuate.\* Corporate bonds are considered higher risk than government bonds but normally offer a higher yield and are subject to market, interest rate and credit risk as well as additional risks based on the quality of issuer coupon rate, price, yield, maturity, and redemption features.\* The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. You cannot invest directly in this index.\* All indexes referenced are unmanaged. The volatility of indexes could be materially different from that of a client’s portfolio. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. You cannot invest directly in an index.\* The Dow Jones Global ex-U.S. Index covers approximately 95% of the market capitalization of the 45 developed and emerging countries included in the Index.\* The 10-year Treasury Note represents debt owed by the United States Treasury to the public. Since the U.S. Government is seen as a risk-free borrower, investors use the 10-year Treasury Note as a benchmark for the long-term bond market.\* Gold represents the afternoon gold price as reported by the London Bullion Market Association. The gold price is set twice daily by the London Gold Fixing Company at 10:30 and 15:00 and is expressed in U.S. dollars per fine troy ounce.\* The Bloomberg Commodity Index is designed to be a highly liquid and diversified benchmark for the commodity futures market. The Index is composed of futures contracts on 19 physical commodities and was launched on July 14, 1998.\* The DJ Equity All REIT Total Return Index measures the total return performance of the equity subcategory of the Real Estate Investment Trust (REIT) industry as calculated by Dow Jones.\* The Dow Jones Industrial Average (DJIA), commonly known as “The Dow,” is an index representing 30 stock of companies maintained and reviewed by the editors of The Wall Street Journal.\* The NASDAQ Composite is an unmanaged index of securities traded on the NASDAQ system.\* International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors. These risks are often heightened for investments in emerging markets.\* Yahoo! Finance is the source for any reference to the performance of an index between two specific periods.\* Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance.\* Economic forecasts set forth may not develop as predicted and there can be no guarantee that strategies promoted will be successful.\* Past performance does not guarantee future results. Investing involves risk, including loss of principal.\* The foregoing information has been obtained from sources considered to be reliable, but we do not guarantee it is accurate or complete.\* There is no guarantee a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.\* Asset allocation does not ensure a profit or protect against a loss.\* Consult your financial professional before making any investment decision.Sources:https://www.barrons.com/articles/why-the-jobs-report-isnt-quite-as-good-as-it-seems-51591407548?mod=hp\_DAY\_6 (or go to https://peakcontent.s3-us-west-2.amazonaws.com/+Peak+Commentary/06-08-20\_Barrons-Why\_the\_Jobs\_Report\_Isnt\_Quite\_as\_Good\_as\_It\_Seems-Footnote\_1.pdf)https://www.bls.gov/news.release/empsit.nr0.htmhttps://www.investopedia.com/articles/investing/080415/true-unemployment-rate-u6-vs-u3.asphttps://www.bls.gov/news.release/empsit.t15.htmhttps://www.washingtonpost.com/business/2020/06/05/unemployment-rate-wrong/ (or go to https://peakcontent.s3-us-west-2.amazonaws.com/+Peak+Commentary/06-08-20\_TheWashingtonPost-Economists\_Predicted\_20\_Percent\_Unemployment\_in\_May-Footnote\_5.pdf)https://www.reuters.com/article/us-eurozone-markets-ecb/euro-hits-three-month-high-italys-bonds-rally-as-ecb-ramps-up-stimulus-idUSKBN23B2D6?il=0https://www.barrons.com/market-data (or go to https://peakcontent.s3-us-west-2.amazonaws.com/+Peak+Commentary/06-08-20\_Barrons-Market\_Data-Footnote\_7.pdf)https://www.reuters.com/article/us-health-coronavirus-germany-toilet-pap/bought-enough-toilet-paper-check-this-online-calculator-idUSKBN21A1YMhttps://www.psychologytoday.com/us/blog/long-fuse-big-bang/202004/7-great-innovations-responding-the-coronavirushttps://www.reuters.com/article/us-health-coronavirus-invention-insight/mother-of-invention-the-new-gadgets-dreamt-up-to-fight-coronavirus-idUSKBN21J4BGhttps://www.goodreads.com/quotes/121975-a-rock-pile-ceases-to-be-a-rock-pile-the |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|

|  |
| --- |
|  |

 | [Email Me About This Topic](http://email.midwestmoneymanagement.com/c/eJxNkMFuxCAMRL9muRGBIRAOHHarrdRD-w8OmARpSaKEKtq_L1WrqpJPlscz86J3IgXULOX9qB9YyF8jFhawbJin5S16ABDGGJY9CBDCiAGkFGA62Q3C3u5X-aKM1Tdt7xctSo4nHbWsCz0LLjhRoaV2YS1s9oKSInAOB5KRRhl7kIFojIBqNAb_bN_pOJr0LTZtTpl2D5FMAmt5COg4oZQcXer5gIYGbW1yhtjDz7VuF3W9wGub8zy7VKaTxiNXOr5DtC32IUkpB44wBq5JAh97jVxblKZHTEqFdhbWpWKobNvXacfSQKie7R4bnRn3-rlMre0jT3MdH3jUbqHKfjX_YlM0KTpBXGlQnNxPbOBJkG2uwjR0bGv_ns1Aykb4C4C7fgw)Or feel free to email me about anything that I can assist you with. |  |

|  |
| --- |
|  |

 | [Schedule an Appointment](http://email.midwestmoneymanagement.com/c/eJxNkMFuxCAMRL9muRGBIRAOHHarrdRD-w8OmARpSaKEKtq_L1WrqpJPlscz86J3IgXULOX9qB9YyF8jFhawbJin5S16ABDGGJY9CBDCiAGkFGA62Q3C3u5X-aKM1Tdt7xctSo4nHbWsCz0LLjhRoaV2YS1s9oKSInAOB5KRRhl7kIFojIBqNAb_bN_pOJr0LTZtTpl2D5FMAmt5COg4oZQcXer5gIYGbW1yhtjDz7VuF3W9wGub8zy7VKaTxiNXOr5DtC32IUkpB44wBq5JAh97jVxblKZHTEqFdhbWpWKobNvXacfSQKie7R4bnRn3-rlMre0jT3MdH3jUbqHKfjX_YlM0KTpBXGlQnNxPbOBJkG2uwjR0bGv_ns1Aykb4C4C7fgw)Let's get together and work on your life and financial plans. |



|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |

|  |
| --- |
| Midwest Money Management Inc.17316 Kenyon AveSuite 104Lakeville, MN55044[http://www.MidwestMoneyManagement.com](http://email.midwestmoneymanagement.com/c/eJxVkM1qxCAUhZ9m3Bn8i8aFi5kyhVmk73Cj10QYTUgsYd6-lkJp4W7PPd93grMselAkpv2oH5DRXQNk4iFvkObyCE4IwbTWJDnBBGOaDYJzJnTHu4GZ2_3K36Q26qbM_aJYTuHEo-a14CtDgRkzltr5NZPFmeCDx2kStvf9oGSveVTWBMn54NWgfmtHPI4WfYSWTTHh7kRAHYUx1HuwFIFzCjb2dACNgzImWo3k6ZZat4u8XsR7u_M8u_GHZ_zmGf_zbPs675CbouzJ7qB5L7DXzzI3j2ealzo94ahdwUr8Wir4-gcIg47BMqRSCUnR_gAJGhmaqVdMt1HI1v69WgHnbbsv_9Bzag) |
| [Unsubscribe](http://email.midwestmoneymanagement.com/c/eJyNkcFuwyAMhp-m3IgwEAiHHNqpk3rY3sEBkyCVpApUUd9-TJOmHSf5Ysu_P_t3GJ2IHjWLaS_1EzON54CZecwPTPN6C6OUUhhjWBqlkEIYMUgAIU0H3SDs5XqGN2Wsvmh7PWmRUzio1Lyt9Mq44kyZ1tr5LbNlBD8YHBwIa3vVR3KkvCczBQ8GFPW_2A8qpUlvoWlTTLSPMpCJ0lruPTpOCMDRxZ4PaGjQ1kZniN3HpdbHSZ1P8r3FcRxdzPNBU0mVyvcSrYq9jwAwcJST55pA8qnXyLVFMD1iVMq3tudanlPxe5qoZRRMDE4QV1oqTu4HL3kUZJtamGYBe-zbvGNunqme7SM2Ixfc63OdmzH3NC91umOp3UqV-W2t6OufC_-HaPNeDQDQnvEFoOWI0w) |

 |  | Securities offered through Parkland Securities, LLC., Member FINRA and SIPC.Fee-based investment advisory services offered through Sigma Planning Corporation, a registered investment advisor.Midwest Money Management Inc. is independent of Parkland Securities, LLC and SPC. |
| 06-08-2020 |