



During the month of April 2019, an average of 2.34 million passengers were screened each day by the TSA at airports across the United States. Within days of President Trump's declaration of a national emergency on 3/13/20, the airline industry went the way of the entire business world – almost a complete shutdown. The low point for air travelers was just 87,534 flyers on 4/14/20, off 96% from the April 2019 daily average. As states have hit the “reboot button,” airline passenger traffic has inched upward, reaching 250,467 last Friday 4/15/20. The airlines are now debating their options for a future business model: do they stop booking passengers into “middle seats” and lose a third of their pre-pandemic revenue, or do they book full flights and risk alienating regular flyers? (source: Transportation Security Administration).

The House of Representatives passed the \$3 trillion, 1,815-page HEROES Act (Health and Economic Recovery Omnibus Emergency Solutions Act) late last Friday night (5/15/20). The latest stimulus package comes on the heels of 4 previous bills (totaling \$2.8 trillion of spending) passed by Congress and signed into law by President Trump between 3/06/20 and 4/24/20 to counter the economic impact of the COVID-19 pandemic. The HEROES Act now goes onto the Senate for debate (source: Congress).

The Consumer Price Index (CPI) fell 0.8% on a month-over-month basis in April 2020, its largest monthly decline since December 2008. The last calendar year in which inflation was negative, i.e., deflation, was 1954 or 66 years ago. Retailers recognize the difficulty of increasing prices when 23 million Americans are out of work (source: Bureau of Labor Statistics).

Notable Numbers for the Week:

1. **STUDENT LOANS** - On **page 1,400** of the 1,815-page HEROES Act is a provision that would **forgive up to \$10,000 of every federal student loan** (source: HEROES Act).
2. **NEVER GOING BACK** - Before President Trump declared a **national emergency** to combat the **COVID-19 virus** on Friday 3/13/20, **just 3.6%** of American wage and salaried employees **worked from home** 5 days a week (source: Department of Labor).
3. **SOCIAL DISTANCING ALREADY** - 35 million Americans live alone, i.e., **28% of the households** in the United States have just **a single person** living in the house/apartment (source: Census Bureau).

4. **WE NEED A WINNER NOW** - 88% of the drugs that enter clinical trials **do not receive FDA approval** and never come to market for **sale to the general public** (source: Tufts Center for the Study of Drug Development).

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Private Capital Group, LLC ("PCG"), or any non-investment related content, made reference to directly or indirectly in this communication will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Information contained in this communication is based on data gathered from what we believe are reliable sources. It is not guaranteed by PCG as to accuracy, does not purport to be complete, and is not intended to be used as a primary basis for investment decisions. Further, you should not assume that any discussion or information contained in this communication serves as the receipt of, or as a substitute for, personalized investment advice from PCG. To the extent discussed herein, investment indices are unmanaged and cannot be purchased directly. Historical performance results for investment indexes and/or categories are included for informational purposes only and generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment-management fee, the incurrence of which would have the effect of decreasing historical performance results. The S&P 500 is an unmanaged index of 500 widely held stocks that is generally considered representative of the US stock market. To the extent that a reader has any questions regarding the applicability of any specific issue discussed above to his/her individual situation, he/she is encouraged to consult with the professional advisor of his/her choosing. PCG is neither a law firm nor a certified public accounting firm and no portion of the communication should be construed as legal or accounting advice. A copy of the PCG's current written disclosure Brochure discussing our advisory services and fees is available upon request.

Please Note: If you are a PCG client, please remember to contact PCG, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services, or if you would like to impose, add, or to modify any reasonable restrictions to our investment advisory services. PCG shall continue to rely on the accuracy of information that you have provided.

Disclosure from our Author:

Investment advisory services offered through PCG, a registered investment advisor. This e-mail may include forward-looking statements that are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied. The above communication is written by Michael A. Higley. Any comments, opinions or facts listed are those of Mr. Higley.

If you do not want to receive further editions of this weekly newsletter, please contact Private Capital Group at 860.561.1162, or e-mail: privatecapitalgroup@pcgct.com, or write to us at Private Capital Group, LLC, 29 S. Main Street, West Hartford, CT 06107.