An interesting snapshot of the impact of the Pandemic on the economy is that according to the New York Times, those people who have either a 401k or 403b retirement account, two and a half times the normal amount, accessed those funds through the emergency declaration from last year’s Cares Act. Normally 2.2% would seek some amount of funds and in 2020, 5.6% took advantage of this. The chart on the right is a survey of the characteristics of those who did. The real issue is that most people did not have a savings account of any kind to access in the current emergency. After 10 years of an expanding economy, half the country did not have an emergency fund. More on this in future editions of Pulse.

JOINT POLL BY KIPLINGER AND PERSONAL CAPITAL: AMERICANS ARE WITHDRAWING SIGNIFICANT AMOUNTS FROM RETIREMENT ACCOUNTS...

What did you use the money for?*

- Living Expenses: 63%
- Medical Bills: 41%
- Home Repairs: 32%
- Auto: 26%
- College Tuition: 23%
- Helping Family Members: 21%

*Respondents were asked to choose all applicable options

Source: https://www.kiplinger.com/web_docs/kiplinger/KPF%20Feb%202021_spread.pdf

WEAK JOBS REPORT


Cumulative change in jobs since before the pandemic

WEAK JOBS REPORT

# of jobs added in January = 49,000

Over Recent Months | Percent (GDP Growth Units)

The WEI is an index of ten daily and weekly indicators of real economic activity scaled to align with the four-quarter GDP growth rate.

Source: Authors calculations based on data from Haver Analytics, Redbook Research, Rasmussen Reports, The American Association Railroads and Booth Financial Consulting

COVID IN THE U.S.A.: LATEST COUNT

On Feb. 5

New Change

Sources: