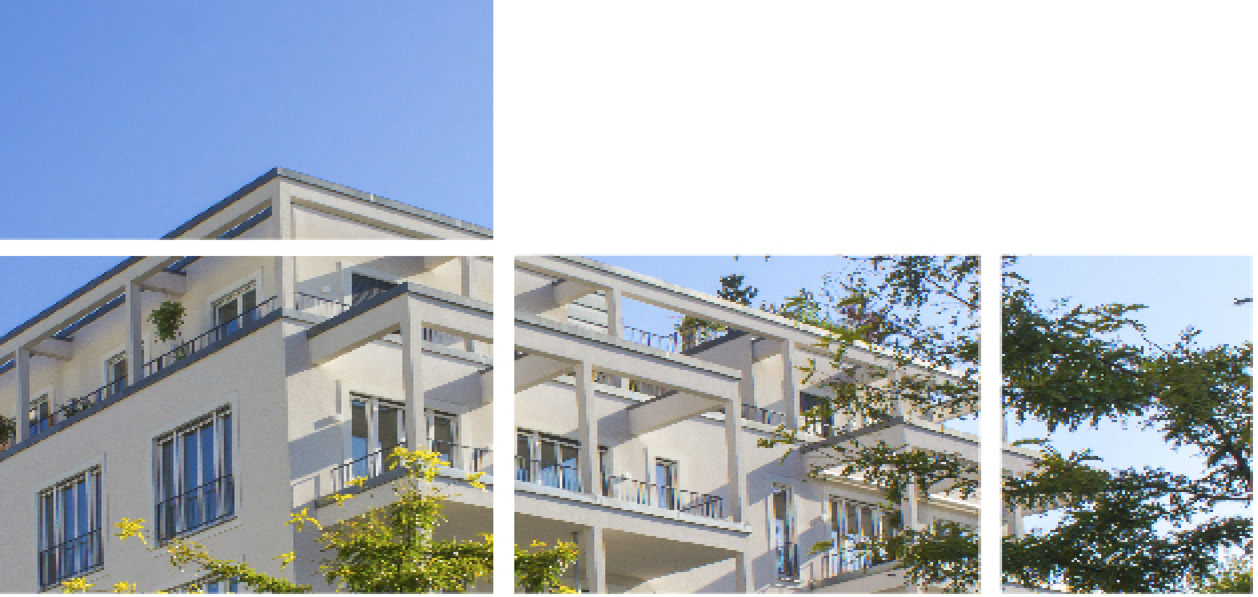
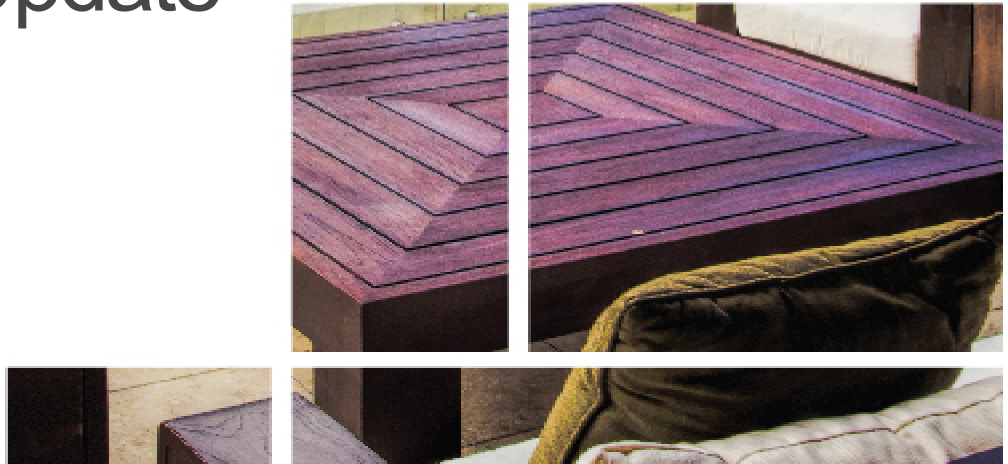


March 19, 2020

Covid-19 Economic Update



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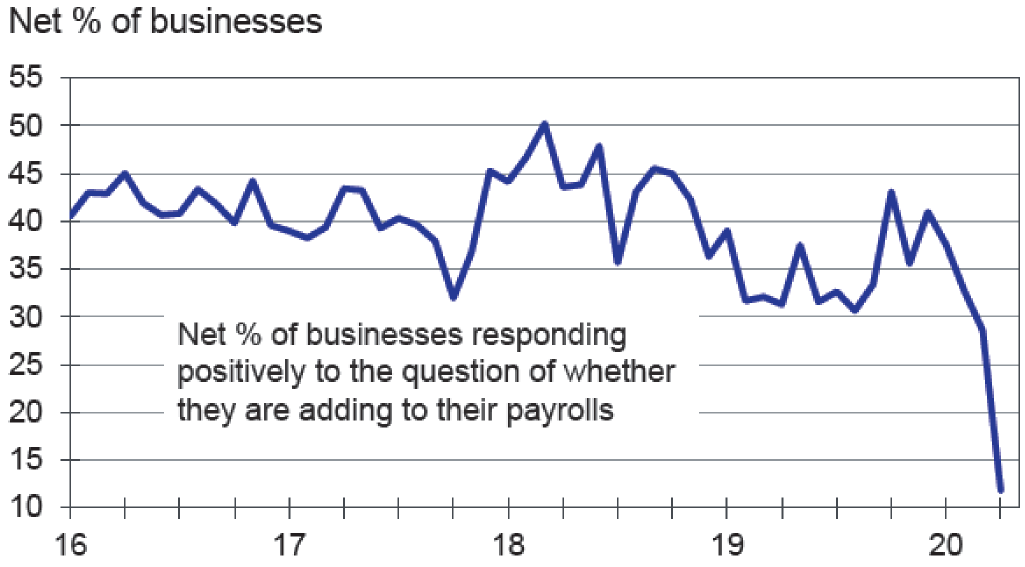
Coronavirus Economic Impacts

- Happening Now
  - Travel/events/educational institution disruptions: $17B GDP loss through March 13
  - $120B if it continues through end of March
  - 2.3% of GDP
  - Hiring has come to a halt
  - Jobless claims spike

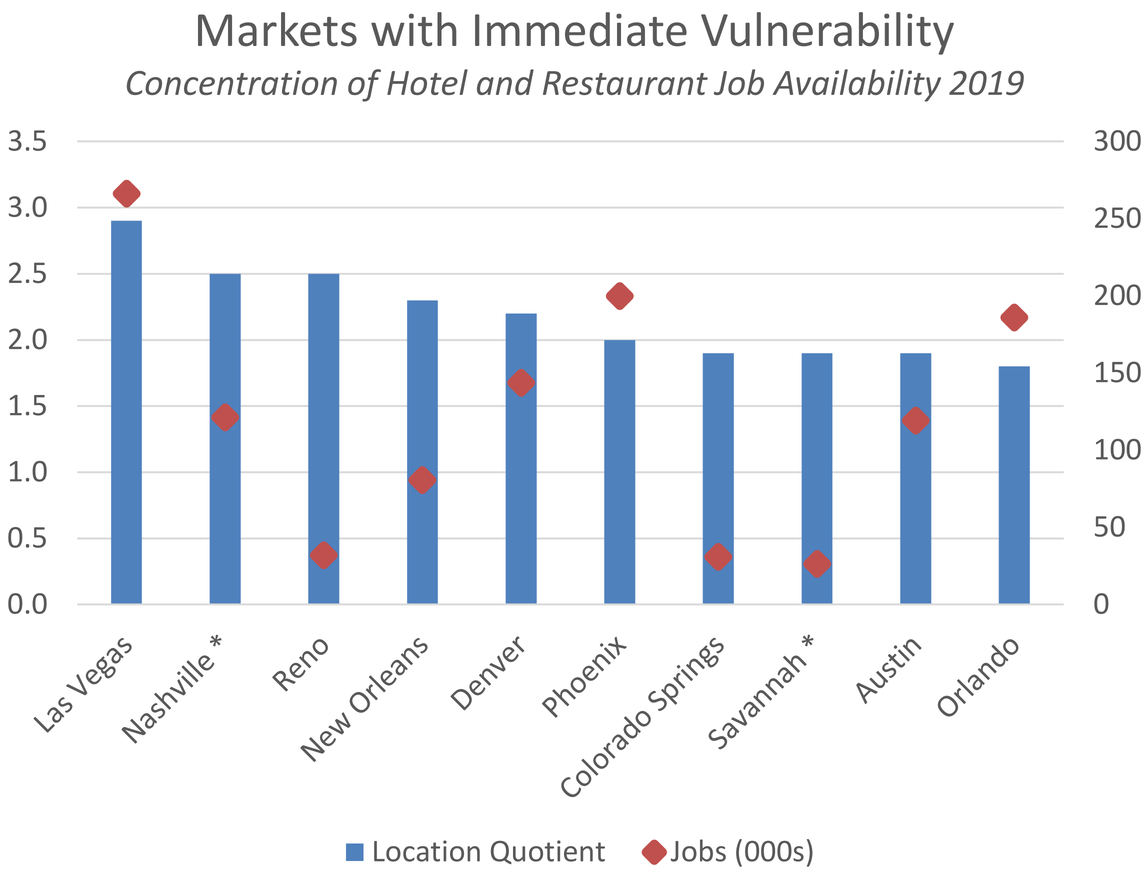
Moody's Analytics Weekly Business Survey



Source: Moody's Analytics

Coronavirus Economic Impacts

- Short-term
  - Industries at greatest risks: travel, transportation, leisure, hospitality, employment services, mining
  - Furloughed employees included in BLS unemployment rate



Source: Burning Glass Technologies; Bureau of Labor Statistics; Moody's Analytics
** Includes entire Leisure & Hospitality Sector; Job figures as of January 2020; Markets with 5,000 or more job postings in 2019.*
Location quotients display concentrations of demand within MSAs. U.S-wide average demand equals 1.0; a location quotient of 1.5 indicates 50% higher demand than the US average.

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Coronavirus Economic Impacts

- Longer-term
  - Broad-based job losses across all industries except government and healthcare
  - Corporate debt, already a risk prior to Covid-19, could exacerbate impacts
  - Many economists forecasting greater impact than Great Recession
  - Split on V-shape (steep decline followed by fast recovery) vs. longer time to recover
  - Severity and duration based on containment of the virus
  - GDP contraction forecasts as of March 19 range from -3% (Moody's Analytics) to -14% in Q2 2020 (JP Morgan) – many unknowns

Coronavirus Economic Impacts

- The Bright Side
  - The U.S. economy was in far better shape in early 2020 than leading up to the Great Recession
  - More money in consumers' pockets due to lower oil prices and lower interest rates
  - Fed has room in its QE toolkit (increased liquidity in the market)
  - Fiscal stimulus packages soften the blow