Economic Outlook: Shape Shifting

Julia Coronado
Clinical Associate Professor of Finance at UT Austin
President and Founder of MacroPolicy Perspectives

July, 2020

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The recession was unusually sharp so the return to expansion is quick, but how long till we get back to prior levels of activity?
Reopening Brought a Rebound but With a Cost

The framing of the virus versus the economy wasn’t a good strategy and will ultimately slow the US recovery.
Trade Policy Uncertainty is Elevated and Weighing on Investment

• Uncertainty will rotate from trade policy to geopolitical conflict and the 2020 election
Percent Change in All Consumer Spending*

In Texas, as of July 08 2020, total spending by all consumers decreased by 7.7% compared to January 2020.

*Change in average consumer credit and debit card spending, indexed to January 4-31 2020 and seasonally adjusted.

This series is based on data from Affinity Solutions.

last updated: July 15, 2020    next update expected: July 21, 2020
Percent Change in Number of Small Businesses Open*

In Texas, as of July 08 2020, the number of small businesses open decreased by **21.3%** compared to January 2020.

- **-19%** Florida
- **-21.3%** Texas
- **-23.5%** New York

*Change in small businesses open (defined as having financial transaction activity), indexed to January 4-31 2020 and seasonally adjusted. This series is based on data from Womply. Last updated: July 14, 2020; next update expected: July 17, 2020
A deeper, longer lasting hole means more fiscal report is needed, monetary policy can mostly short circuit a financial crisis.
Service Sectors Getting Hit Hardest

- Health care and government services serve a stabilizing role against recessions