



This Publication Brought To You Courtesy Of:

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CLIENT BULLETIN

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➤ *Open for Business*

The transition of Carter Financial, LLC to a remote work environment as a result of the COVID-19 situation has been nearly seamless. We are fully functional with the same phone and email contact information. Please do not hesitate to contact us if we can be of assistance.

➤ *Information Security*

Clients trust us to safeguard their personal information, especially during this period of remote work and we are doing just that. We are using a virtual private network (VPN) that our IT firm had in place long before COVID-19 hit as part of our overall business continuity plan. This system ensures that data security is just as strong when we are working remotely as it is in the office. It includes continually updated software that requires multifactor authentication, encrypted information and top of the line antivirus protection against spyware, malware and other threats.

➤ *Not Very Stimulating*

Many are referring to the recent CARES Act (and a likely CARES Act II and Act III) as “fiscal stimulus” packages, but with stay at home orders designed to keep us safe, stimulating the economy is not the government’s focus. The current and coming declines in economic activity are the result of a planned, self-induced economic coma. Government financial assistance during this coronavirus situation is more of an “economic stabilization” package meant to get people and businesses through this ordeal so they can return to normal economic activity.

➤ *Bad Day for Uncle Sam*

While April 15 is typically a red letter day for the IRS, the year 2020 was a different story. The government delayed the individual tax deadline until July 15, meaning that none of the usual income tax payments came into government coffers. Couple that with one-time economic stabilization payments of \$1,200 for most adults and \$500 per child, and the tax system ran in reverse this April 15th, with only \$17 billion coming in while \$151 billion was paid out (source: Internal Revenue Service).

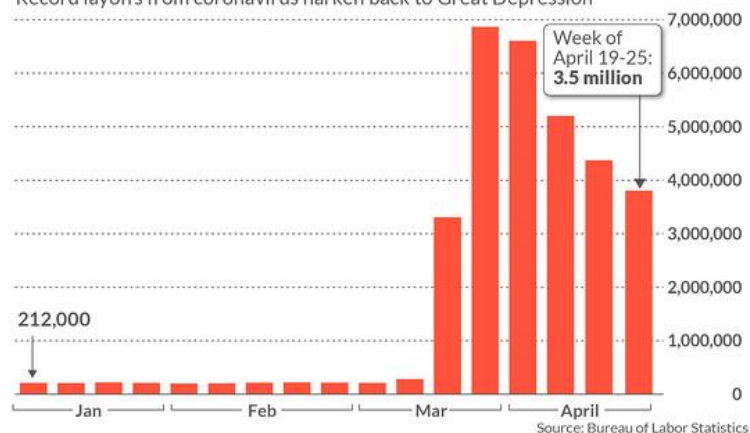
➤ *Unforgettable Charts*

Recessions usually roll through our economy in waves, but the coronavirus situation is different. Due to the almost immediate shutdown of a good chunk of the economy, we experienced a sudden shift from expansion to contraction. As a result, we will see economic numbers like we have never experienced before. A sampling of charts on the next page tells the story best.

Weekly Jobless Claims

New jobless claims top 30 million during pandemic

Record layoffs from coronavirus harken back to Great Depression



Jobless Benefits Paid

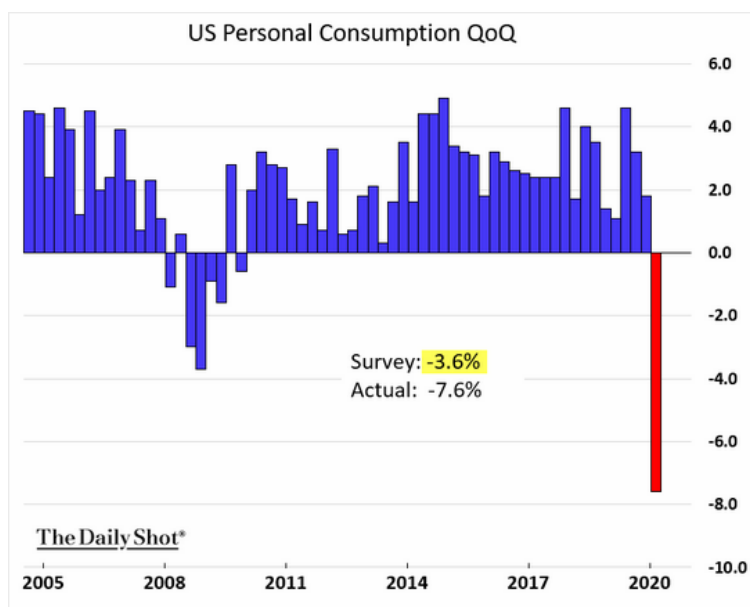
Unemployment Check

Jobless benefits are paid through a combination of state and federal funds. Federal spending exceeded \$15 billion last week.

Federal unemployment benefit payments, by week



Personal Consumption



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