



# The Lyttle Company

Registered Investment Advisory LLC

## NEWSLETTER

Spring 2020-  
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### Summary

- Economic News –  
Coronavirus has devastated lives both directly and indirectly. Inflation target remains 2% and President Trump and the Federal Reserve is attempting to stabilize the US.
- Market Events – S&P 500 lost .39% over past year.

[www.thelyttlecompany.com](http://www.thelyttlecompany.com)

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### Disclaimer:

The information provided here is not to be relied on as investment advice. It is purely educational. Although best efforts are made to ensure all information is accurate and up to date, occasionally unintended errors and misprints may occur.

### Economic News

The US Real GDP declined at an annual rate of -4.8% in the first quarter of 2020.

Inflation measured in the 12-month Consumer Price Index (CPI) percentage change was 1.5% in March 2020. The Personal Consumption Expenditure Price Index (PCE) change was 1.3% in March 2020. The Fed's objective for inflation remains at 2 percent.

The Fed maintained the federal funds rate to a target range of 0 to 1/4 percent.

Coronavirus spread over the winter months and has shut down countries across the globe. This new virus has devastated lives both directly and indirectly and continues to wreak havoc. The US has taken a state by state approach in controlling the spread.

The US dollar in the last few months has strengthened, but was more volatile. Oil prices have sunk to around \$18.84 a barrel with forceful oversupply and hindered demand.

### Market Events

The S&P 500 closed today .39% lower from a year ago. The 10-year treasury rate is at .65%. This is down almost 74% from a year ago.

President Trump is working to utilize fiscal policy in curbing the economic carnage caused by the coronavirus. This includes grants and loans that continue to arrive in weekly phases. The Federal Reserve is ramping up current monetary policy to encourage economic stability and cushion the severely impacted labor market.