

# 3 FINANCIAL INDICATORS

2008  
RECESSION



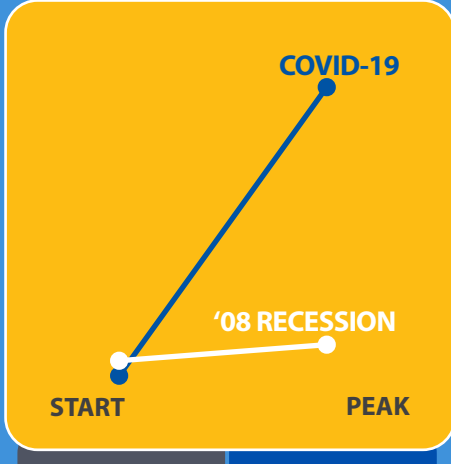
2020  
RECESSION

## 3 KEY FINANCIAL INDICATORS: 2008 VERSUS 2020

2008 (start and peak) versus 2020 (start and through April, 2020\*)

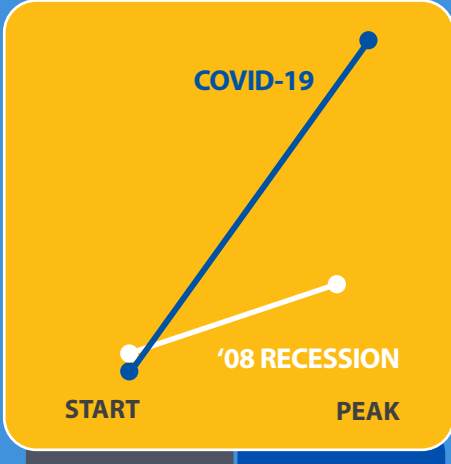
### 1 EMPLOYMENT INDICATORS:

#### NEW UI CLAIMS



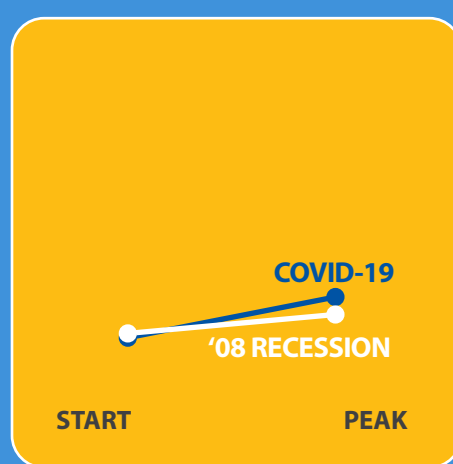
	2008 RECESSION	COVID-19
START	1,741,000 Dec. 2007	904,000 Dec. 2019
PEAK*	2,637,000 March 2009	20,140,000 April 2020
MONTHS UNTIL RECOVERY	64	?

#### TOTAL ON UNEMPLOYMENT



	2008 RECESSION	COVID-19
START	2,760,000 Dec. 2007	1,755,000 Dec. 2019
PEAK*	6,635,000 May 2009	22,647,000 April 2020
MONTHS UNTIL RECOVERY	75	?

#### UNEMPLOYMENT RATE



	2008 RECESSION	COVID-19
START	4.7% Dec. 2007	3.5% Dec. 2019
PEAK*	10% October 2009	14.7% April 2020
MONTHS UNTIL RECOVERY	93	?

#### POSITIVE Indicators Relative to 2008

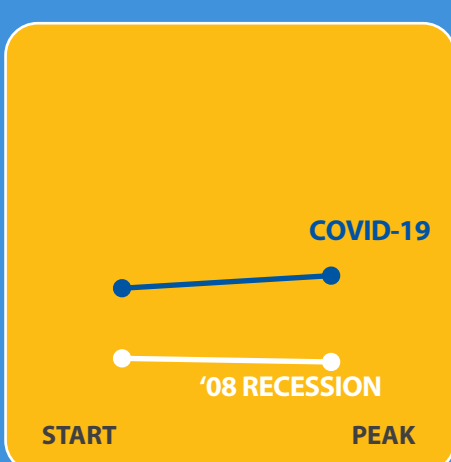
- Lower unemployment going into pandemic (even lower than 2008) and has been sustained over several years.
- Stronger government interventions. These interventions for the unemployed have been stronger and more immediate.

#### NEGATIVE Indicators Relative to 2008

- Higher UI claims. Initial claims in April are more than 7X greater than in the worst month of the 2008 recession.
- Higher total unemployed. Total number of people unemployed at once has already eclipsed 2008 recession.
- Higher unemployment rate. 14.7% rate is the highest since before World War 2.

### 2 CONSUMER INDICATORS:

#### PERSONAL SAVINGS RATE



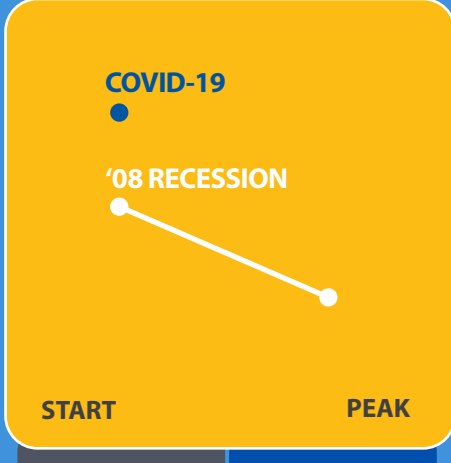
	2008 RECESSION	COVID-19
START	3.6% Dec. 2007	7.5% Dec. 2019
PEAK*	3.4% April 2008	13.1% March 2020
MONTHS UNTIL RECOVERY	N/A	?

#### CONSUMER DEBT PAYMENTS AS PERCENT OF INCOME



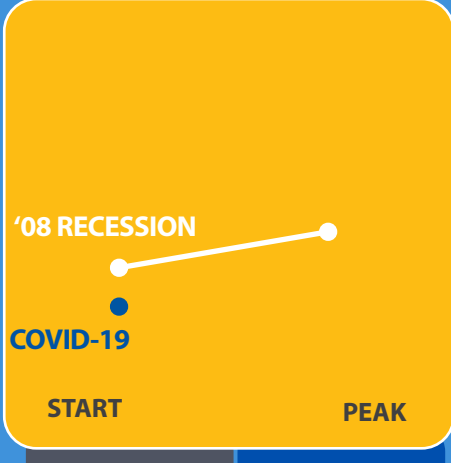
	2008 RECESSION	COVID-19
START	13.1% Dec. 2007	9.7% Dec. 2019
PEAK*	13.1% Dec. 2007	TBD
MONTHS UNTIL RECOVERY	N/A	?

#### HOME PRICE INDEX



	2008 RECESSION	COVID-19
START	174.35 Dec. 2007	213.59 Dec. 2019
PEAK*	136.53 Feb 2012	TBD
MONTHS UNTIL RECOVERY	95	?

#### CREDIT CARD DELINQUENCY RATE



	2008 RECESSION	COVID-19
START	4.8% Dec. 2007	2.6% Dec. 2019
PEAK*	6.8% April 2009	TBD
MONTHS UNTIL RECOVERY	31	?

#### POSITIVE Indicators Relative to 2008

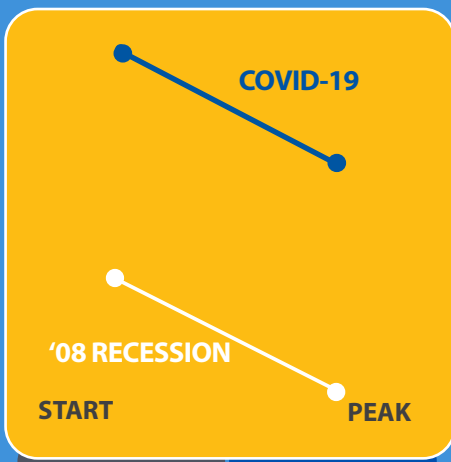
- Personal savings are high. Average personal savings rates are more than triple than what they were in 2008.
- Consumer debt is low. Consumer debt payments as a percent of income are at historic lows.
- Consumer delinquencies are very low. Consumer delinquencies going into the COVID-19 recession were significantly lower than 2008.

#### NEGATIVE Indicators Relative to 2008

- Higher home price index. Given COVID-19 restrictions, home prices may experience another significant decrease.

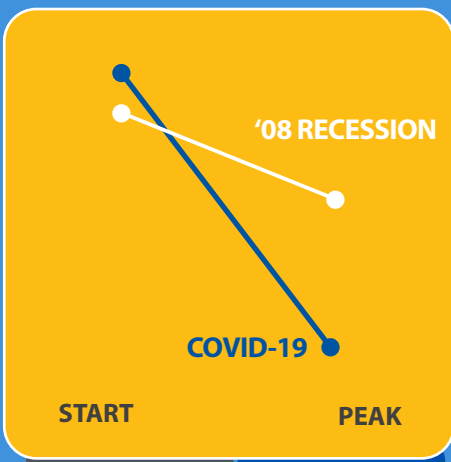
### 3 MARKET INDICATORS:

#### S&P 500



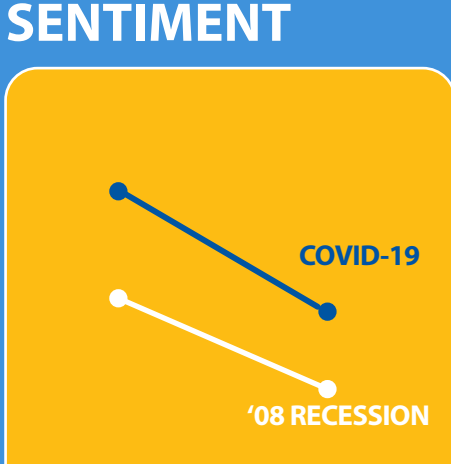
	2008 RECESSION	COVID-19
START	1468.76 Dec. 2007	3230.78 Dec. 2019
PEAK*	735.09 Feb 2009	2584.59 March 2020
MONTHS UNTIL RECOVERY	61	?

#### RETAIL SALES (PERCENT CHANGE)



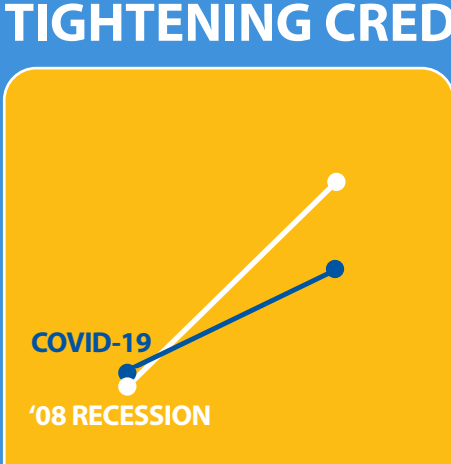
	2008 RECESSION	COVID-19
START	-1.4% Dec. 2007	-0.1% Dec. 2019
PEAK*	-4.3% Nov 2008	-16.4% April 2020
MONTHS UNTIL RECOVERY	62	?

#### CONSUMER SENTIMENT



	2008 RECESSION	COVID-19
START	75.5 Dec. 2007	99.3 Dec. 2019
PEAK*	55.3 Nov 2008	71.8 April 2020
MONTHS UNTIL RECOVERY	62	?

#### PERCENT OF BANKS TIGHTENING CREDIT



	2008 RECESSION	COVID-19
START	9.8% Dec. 2007	13.6% Dec. 2019
PEAK*	66.7% Jul 2008	38.5% April 2020
MONTHS UNTIL RECOVERY	31	?

#### POSITIVE Indicators Relative to 2008

- Credit standards were already tightened. Banks were tightening credit standards in the run up to the COVID-19 crisis, and were loosening them in the run up to 2008.
- Consumer sentiment was very high. Consumer sentiment was at record levels coming into the COVID-19 crisis.
- Quicker S&P Recovery. S&P recovery quicker and steeper than 2008.

#### NEGATIVE Indicators Relative to 2008

- Unprecedented hit to retail sales. Retail sales experienced sharpest drop in history.

Not all is lost in today's environment. While several indicators point to unprecedented challenges, in many ways, financial institutions are more strongly positioned today than in 2008 to help their customers. A successful way forward will leverage the important lessons that government and institutions learned from past downturns, and tailor tools to assist consumers impacted by today's global health crisis.

\* COVID-19 Peak: TBD

## Contact Bridgeforce to find your balance.

Bridgeforce is uniquely positioned to find the right way to balance your organization's loss prevention strategy with customer assistance and shareholder value.

To find the opportunity that exists in the risks we see today, email [impact@bridgeforce.com](mailto:impact@bridgeforce.com) or call 610-228-4508.