

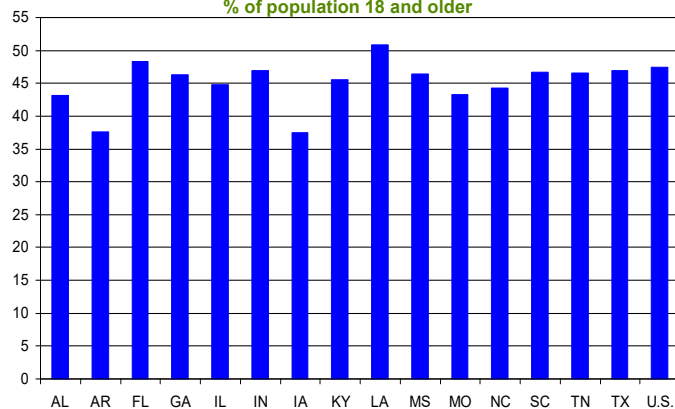
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## Household Pulse Survey: Regions Footprint

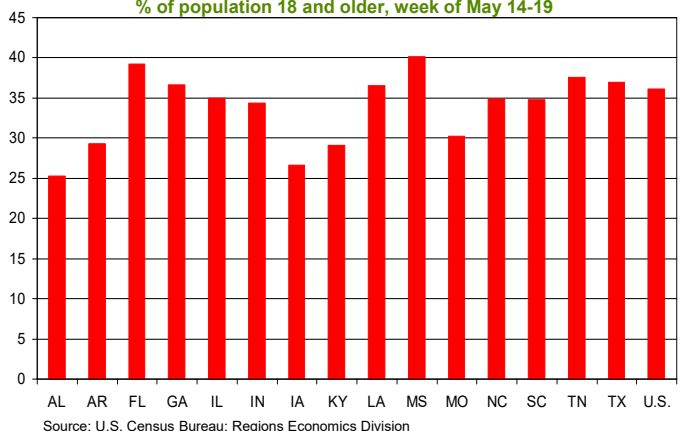
The U.S. Census Bureau has released the latest weekly installment of its *Household Pulse Survey*, a new survey designed to measure the experiences of U.S. households during the COVID-19 pandemic. Census is conducting weekly surveys, which began on April 23, 2020, asking respondents a host of questions to assess the impact of the shutdown of a wide swath of economic activity stemming from the COVID-19 virus and the efforts to stem its spread. Questions cover the loss of employment income, expected loss of employment income, food scarcity, delayed medical care, housing insecurity, and K-12 educational changes. The most recent surveys were conducted over the May 14 – May 19 period.

Over the most recent survey period, 48.2 percent of all respondents reported a loss of employment-based income since March 13. For the Regions footprint as a whole, 46.7 percent of all respondents reported a loss of employment-based income (the survey covers those aged 18 or above). The May 14 - May 19 period is the third survey period, and over the entire survey period, 47.4 percent nationally and 46.0 percent within the Regions footprint reported a loss of employment-based income. Note that a loss of employment-based income could include the loss of a job, having weekly hours cut back, having wages/salaries reduced, or a combination of the latter two. Census does not provide data on the extent – full or partial – degree of income loss, though the data on nonfarm employment and the data on claims for Unemployment Insurance strongly suggest job losses are the primary cause of the loss of employment-based income. It should also be noted that, while the survey asks about the loss of employment income, it does not account for the various forms of aid that have been provided in response to the crisis, such as the "rebate" checks, the supplemental Unemployment Insurance benefits being paid by the federal government, and various food assistance programs. The first chart below shows the percentage of the 18-and-over population in each state reporting a loss of employment-based income (results are over the life of the survey). At 50.8 percent, Louisiana has the highest incidence of employment-based income loss in the Regions footprint, followed by Florida (48.3 percent), while Iowa (37.5 percent) and Arkansas (37.6 percent) have the lowest incidence.

**REGIONS**  
**Experienced Loss Of Employment Income Since March 13:**  
 % of population 18 and older



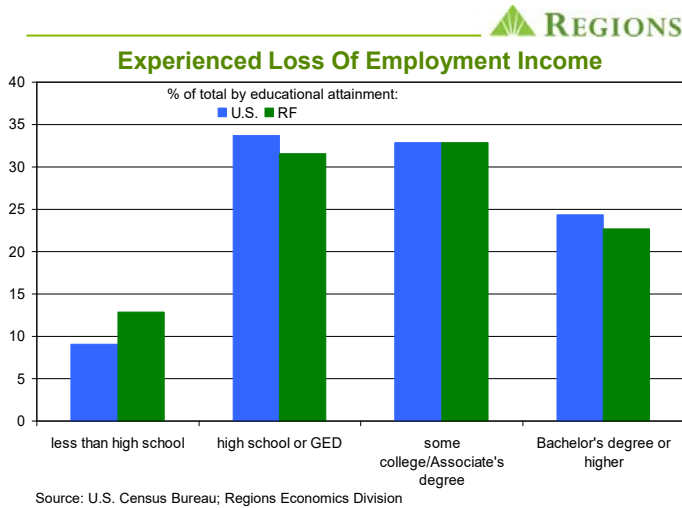
**REGIONS**  
**Expected Loss Of Employment Income Next Four Weeks:**  
 % of population 18 and older, week of May 14-19



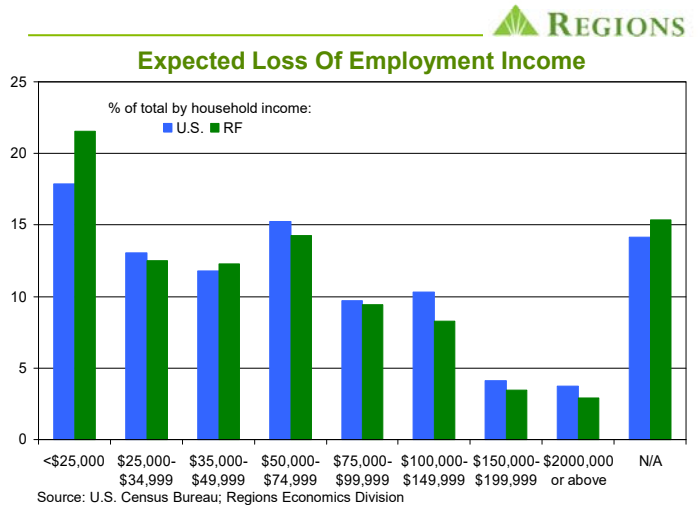
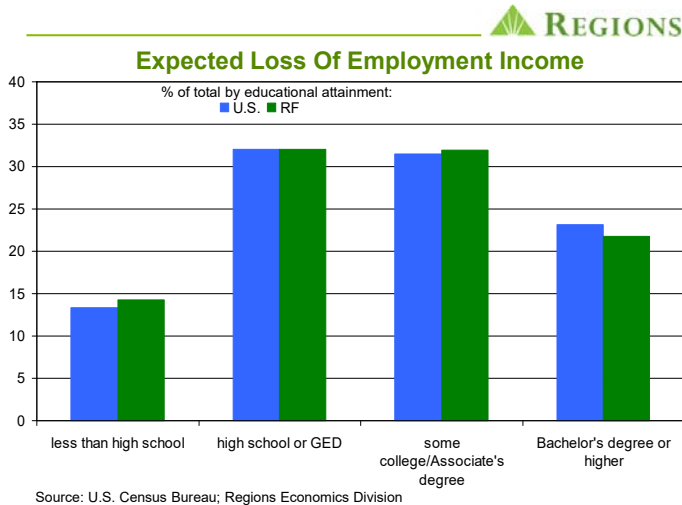
In addition to accounting for those who have already experienced a loss of employment-based income, the Household Pulse Survey also accounts for those who expect to experience a loss of employment-based income over the next four-week period. We show the results from the most recent period in the second chart above. Nationally, 36.1 percent of respondents reported that they expect to lose employment income over the coming four-week period, while for the Regions footprint the share was 35.4 percent. At 40.2 percent, Mississippi had the highest share of those expecting a loss of employment related income, followed by Florida (39.2 percent), while Alabama (25.3 percent) and Iowa (26.6 percent) had the lowest shares. One interesting pattern in this series is that in most states, and nationally, the share of respondents expecting a loss of employment-based income has declined, with the highest shares coming in the first weekly survey period (April 23 – May 5). The exceptions within the footprint are Mississippi, North Carolina, and Tennessee. It makes sense that this share has declined, even if only modestly, as the first weekly survey period covered the period seeing the worst of the declines in economic activity, while by the most recent survey period states had, to varying degrees, begun to ease restrictions on economic activity. Going forward, we think this will be a key data point to track – expectations about one's job and income prospects are typically a primary factor in decisions about spending – how much and what types. That said, someone being less fearful of losing

a job or all or part of their income does not necessarily make them more willing to spend, and whether/to what extent consumer attitudes have changed will play a key role in what the rebound in the broader economy ultimately looks like. Still, feeling less uneasy about one's income flow is an important first step.

With the release of the third week of survey data, Census presented more detailed state-by-state results than had been available in the first two survey periods. For instance, results for most of the questions are broken down by various demographic cuts, i.e., age, income, educational attainment, and gender, among others. We thought it would be interesting to compare the Regions footprint with the national averages on a couple of these cuts, and the results are summarized in the following sets of charts.



Nationally, 40.7 percent of those who have experienced the loss of all or part of their employment-based income had a household income of less than \$50,000, for the Regions footprint as a whole the share is 44.4 percent. Mississippi (62.0 percent), Arkansas (55.2 percent), and South Carolina (51.0 percent) have the highest concentration amongst this income group of the in-footprint states, while Alabama (36.3 percent), Tennessee (38.2 percent), and Iowa (39.4 percent) have the lowest. Nationally, 19.6 percent of those who have experienced the loss of all or part of their employment-based income had a household income of \$100,000 or more, while for the Regions footprint this share is 15.6 percent. In terms of educational attainment, for the U.S. as a whole those with no more than a high school diploma/GED account for 42.8 percent of all of those who have experienced the loss of all or part of their employment-based income; for the Regions footprint, this share is 44.5 percent. The following charts show the same demographic profiles of those who in the latest survey period (May 14 – May 19) expected a loss of employment-based income over the next four weeks.



To some extent, the demographic profile of those impacted by the shutdowns associated with the COVID-19 virus and the efforts to stem its spread will resemble the underlying demographic profile of the individual states, i.e., traits such as educational attainment and household income. The industrial profile of a given state or metro area will also play a role. For instance, losses of labor income related to the COVID-19 virus would be expected to be more concentrated amongst lower household incomes in those areas with higher concentrations of nonfarm employment in leisure and hospitality services and retail trade. Additionally, it could be that the relatively

higher concentration of losses of employment-based income in the \$50,000 - \$74,999 income cohort could reflect the loss of manufacturing jobs, another industry group that has been hit hard by the shutdowns stemming from the COVID-19 virus. The Regions footprint has higher concentrations of nonfarm employment in leisure and hospitality services and in manufacturing than is the case for the U.S. as a whole, which likely helps account for the disparities across income brackets.

It is too soon to know the extent to which the losses of jobs/incomes associated with the COVID-19 virus and the efforts to stem its spread will ultimately prove to be transitory or permanent. It is, however, reasonable to assume that the drag on the economy should begin to fade as states take steps to reopen their economies. If so, that should be apparent in the weekly releases of the Household Pulse Survey results in the weeks ahead. We'd expect the shares reporting a loss of employment-based income would begin to decline, and we'd further expect the shares reporting they expect a loss of employment-based income would begin to decline more rapidly. That states are taking varying steps to varying degrees should also be apparent when comparing results across individual states, and the underlying industrial profile of an individual state will also come into play. For instance, those states with higher shares of employment in or related to manufacturing might be expected to show faster improvement than those states with higher shares of employment in leisure and hospitality services and retail trade, industry groups in which higher shares of what started out as transitory job losses may prove to be permanent.

While all of this will play out in the regular economic data, that will take time to see given the lags in the collection and reporting of the data, lags that are longer in the state level and metro area level data. As such, the weekly Household Pulse Survey data and the weekly Small Business Pulse survey data (we sent out a summary of the first batch of data earlier this week) will be valuable and timely gauges of the extent to which economies across the Regions footprint are recovering. We will of course continue to monitor the data from both surveys and provide summaries for the duration of the surveys.