

COVID-19 Daily Digest



Vice President Pence speaking at the Air Force Academy's socially distanced commencement ceremony this weekend.

Today's News: Monday, April 20

COVID-19 Update: Where We Stand

In an effort not to depress our readers, we are limiting the inclusion of coronavirus statistics to just one update a week. Here is how we stand as of publication:

- Worldwide, there are over 2,432,092 confirmed COVID-19 cases and 166,794 confirmed deaths. Both are almost certainly an undercount, as many countries have offered incomplete datasets.
- There 761,991 confirmed cases of coronavirus in the United States and 40,724 deaths. Of the 40,724 U.S. deaths recorded, 14,451 have occurred in New York alone.

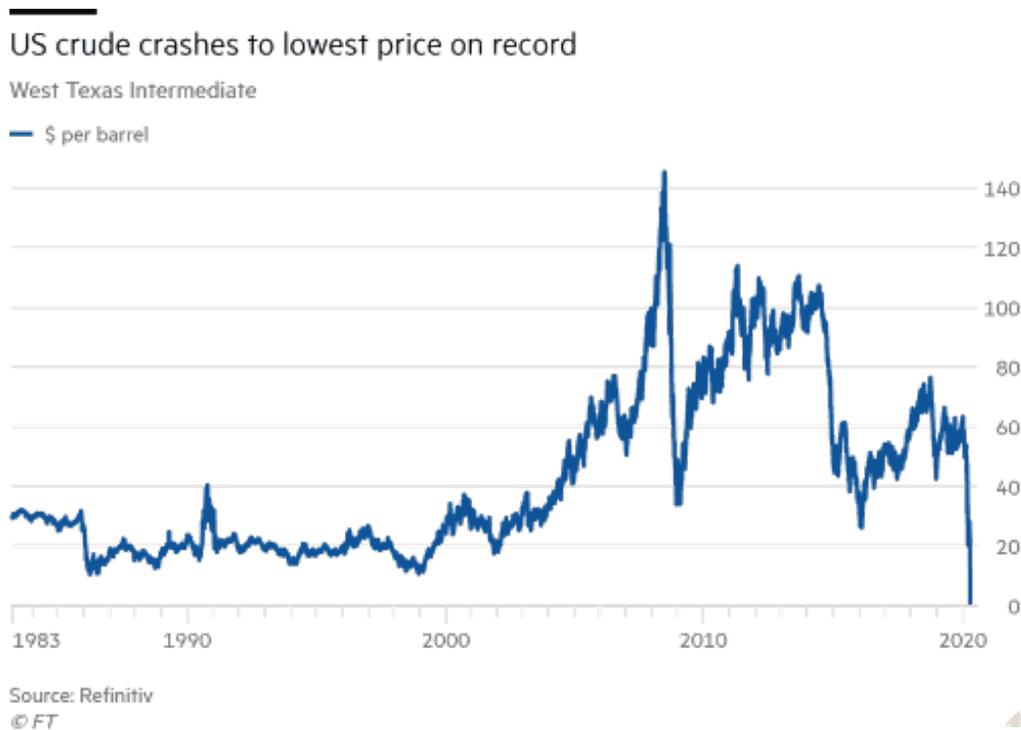
Oil Drops Below Zero Cents (!!) a Barrel

I got 99 Problems, but a contractual obligation to take thousands of oil barrels to Cushing, Oklahoma ain't one.

Today, U.S. crude oil futures settled at -\$37.63, dropping below \$0 for the first time in history due to an almost unimaginable decrease in physical demand. The cratering price of the West Texas Intermediate (WTI) contract for May, which expires tomorrow, is a direct result of producers facing a dearth of storage capacity. The projected decrease in demand for the summer months, traditionally when it is highest, has led to crude oil superfluity and

producers are running out of places to put it. While it may seem counterintuitive, the cost of either leasing or building the short-term storage capacity needed actually *exceeds* that of simply giving it away.

To further complicate things, producers who still hold the May contract upon its expiration will be contractually obligated to ship their barrels of oil, in units of 1,000, to Cushing, Oklahoma for storage. And, since it cost money to pay someone to come take away your free oil, producers are doing whatever they can do rid themselves of the May contract, thus pushing the price below \$0.



Deal Stuck on Funding for Small Business Lending Program

This week, Congress is expected to pass additional funding for the Paycheck Protection Program (PPP) after reaching a tentative deal. However, it appears that more negotiations are needed before a deal can conclusively be reached, as Democrats are not backing down on demands for more funding for state and local governments and differences remain between the parties over specific language involving testing funding. The Senate has set up an additional pro forma session for tomorrow so that if a deal is reached soon, they can vote on the package as early as tomorrow. An additional pro forma session planned for Thursday, as well, in case it's needed. Even if a deal is passed through Congress, the PPP will likely run out lending authority in a week or two, so expect another fight to follow about an additional round of funding in the coming weeks.

USDA Outlines Relief Package

This weekend, the Department of Agriculture outlined its \$19 billion Coronavirus Food Assistance Program that seeks to support farmers and ranchers during the coronavirus pandemic. The program will provide:

- \$9.6 billion in direct payments to farmers and ranchers in the livestock industry with \$5.1 billion towards cattle, \$2.9 billion for dairy, and \$1.6 billion for hogs.
- \$3.9 billion for row crop producers.
- \$2.1 billion for specialty crops producers.
- \$500 million for other crops

The payment limit to farmers and ranchers will be determined using two calculations and they will be given \$125,000 per commodity with an overall limit of \$250,000 for each

individual or entity. USDA expects to start enrollment for the program in early May and payments to producers by the end of May or June.

U.S. Temporarily Postpones Certain Tariff Payments for 90 days

This weekend, President Trump signed an [Executive Order](#) that would allow for the 90-day deferment of tariffs and related fees and taxes. However, the deferment *does not* apply to tariffs related to Section 232, Section 201, or Section 301. Businesses that are allowed to defer payments will not be required to pay interest. According to the [interim final rule](#) that was published by CBP, in order to qualify for the deferral, "an importer must demonstrate a significant financial hardship" with "gross receipts [of the importer are] less than 60 percent of the gross receipts of the comparable period in 2019." Although there are questions surrounding how CBP will implement the deferral, the rule makes clear that "an importer need not file additional documentation with CBP to be eligible for this relief but must maintain documentation as part of its books and records establishing that it meets the requirements for relief."

Biden vs. Trump 2020: The Year of the Digital Campaign

While national [polling](#) shows former Vice President Joe Biden leading President Trump, the incumbent president's reelection campaign has one major advantage - a massive disparity exists between his superior online campaign capabilities and his challenger's. As the coronavirus pandemic continues and campaigns can't hold in-person rallies, digital campaigning has become even more important, and the Trump campaign undoubtedly has the upper hand. President Trump's reelection campaign has formed a robust digital team that has launched virtual rallies and targeted events to specific constituencies including Black Voices for Trump, Latinos for Trump, and Women for Trump, and the Trump campaign has doubled the Biden campaign's spending on software and data services.

Moving onto social media:

- On Twitter, Biden has only 4.9 million followers while Trump has 77 million;
- On Instagram, Biden has 17 million fewer followers;
- On Facebook, Biden has 24 million fewer likes than Trump; and
- On YouTube, Biden has roughly 300,000 fewer followers on his channel than President Trump.

A divide also exists between their campaign mobile apps; the Trump campaign mobile app promotes virtual events and has been downloaded between 100,000 and 500,000 times on the Android store, while the Biden campaign mobile app lacks the ability to take donations and has only been downloaded 5,000 times. In an effort to grow its digital footprint, the Biden campaign has held virtual townhalls in recent weeks, created a new podcast, and is increasing production of video content.

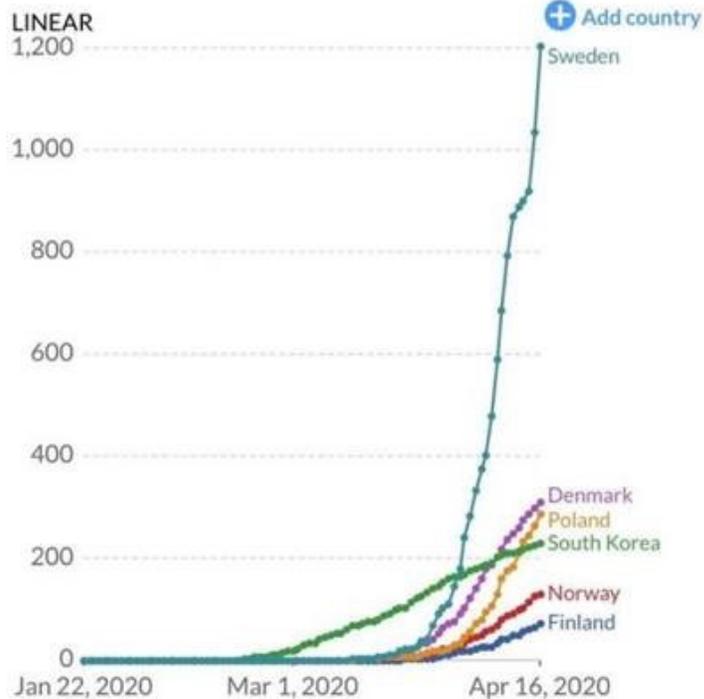
Sweden Update

As previously outlined in the Daily Digest, Sweden has taken a much different approach to combatting COVID-19 - opting for a low-scale locking that leaves gyms, cafes, bars, and restaurants open to the public - which officials there, argue is more sustainable in the long run. So far, Sweden has reported 1,540 deaths, a number considerably higher than other Scandinavian countries.

Confirmed COVID-19 deaths

Our World
in Data

Limited testing and challenges in the attribution of the cause of death means that the number of confirmed deaths may not be an accurate count of the true number of deaths from COVID-19.



Source: European CDC - Situation Update Worldwide - Last updated 16th April, 11:30 (London time)
OurWorldInData.org/coronavirus • CC BY

These higher death statistics have left Swedish public health officials undeterred - in fact, they believe their approach is starting to yield results. Sweden's chief epidemiologist Andres Tengell said this weekend that the latest numbers show the fatality and infection rates are beginning to plateau and stabilize. Sweden's counter-intuitive approach will be one to watch as countries draft plans to end quarantines.

Last Dance Cameo

Last night, the first two episodes of the highly anticipated 10-part Michael Jordan documentary aired on ESPN. The documentary included dozens of interviews with former players, announcers, general managers, coaches, and Chicago sports writers. However, one cameo in particular, stuck with us; a seemingly random interview of a former Chicago resident that appeared to have little to no relation to the Chicago Bulls. With all the talent at their disposal, we find this inclusion to be a bizarre editorial choice.



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