DATE: March 12, 2020

Period: March 1, 2020 to March 8, 2020

Very little data for the period March 1 - 8 is in so far and much of the response to the Covid-19 emergency was just beginning to take place in that period. Ridership indicators for Metro and Sound Transit showed a drop in ridership particularly later in the week as businesses and governments began working remotely. The timeliest economic data is the level of initial unemployment claims that come out on a weekly basis and are posted by the State Employment Security Department. Generally, the values vary by time of year and period to period. Total King County claims rose 20% from a week prior. Washington state claims are also published by industry which will allow us to look for impacts in specific sectors going forward. So far the only one that looks elevated relative to what one would expect is in accommodation and food services employment which saw initial claims rise by 65% from the prior week. It is likely we’ll see greater impacts next week. We’ll also get some important national indicators and the Federal Open Market Committee (FOMC) is meeting Tuesday and Wednesday and many believe they will cut the federal funds rate 100 basis points back to the 0%-25% range we had during and after the 2007-2009 recession.

Anecdotal information continues to be the best information available for selected sectors in terms of revenue and sales impact. Tourism has been impacted significantly with many meetings and conventions cancelled or postponed (e.g. Comic Con), huge drops in airline bookings, and the first two cruises from Seattle cancelled yesterday. Hotels are reporting 20%-50% drops in revenues, theatres are selling only 50% of their tickets to provide space between patrons, and many restaurants are reducing hours or closing in downtown Seattle.



**Anecdotal by Industry**

Retail

•Down 50% for some members of the Downtown Seattle Association (PS Business Journal 3-11-20)

•Car dealership owner in Shoreline reports that it is down in service and sales significantly (3-11-20)

Hotels

•Five large hotel general managers in Bellevue projected 35%-45% year over year reduction in March revenues (Bellevue)

•Seattle Downtown (58 hotels, 14,408 rooms): Revenue down 46.2% (Visit Seattle, 3-11-20)

•King County (353 hotels/ 43,667 rooms): Revenue down 35.2% (Visit Seattle, 3-11-20)

•Hyatt Place less than 50% occupancy (normal is 80%) (Seattle Times, 3-8-20)

Restaurants

• Downtown restaurant owners noted 50%-60% revenue declines over weekend (Bellevue, Feb. 28-Mar. 1)

• Restaurants reporting drop in revenues between 10% and 50% (Visit Seattle, 3-11-20)

• Multiple downtown Seattle restaurants are closing temporarily (Seattle Times, 3-12-20)

Tourism

•Multiple meetings and conventions postponed or canceled including at the Washington State Convention Center including Emerald City Comic Con, Interventional Radiology, Osseointegration, and Government Social Media (Visit Seattle, 3-11-20)

•Visitor attractions reporting 10-15% drop in visitation compared with last year (Visit Seattle, 3-11-20)