Business & Industry - Domestic Supply Chains

Background: 1.87M Americans filed for unemployment benefits for the week ending May 30, down from the 2.12M new claims the prior week. Filings under the Pandemic Unemployment Assistance program totaled 623K. Continuing claims which represents how many Americans remain unemployed rose 649K over the past week, totaling 21.5M. The unemployment rate fell to 13.3 percent from 14.7 percent in April. However, a misclassification error from the Bureau of Labor Statistics (BLS) means that overall unemployment should be around 17.3%. This means 1 in 6 working age adults cannot find work. Due to the difficulties of collecting data, it is likely real unemployment is even higher.

Industry expects reaching and maintaining 90% capacity or greater by the week of June 8th. Weekly slaughter numbers for week ending June 5 down approximately 4.6% Total slaughter numbers are down 17% to date starting from the week ending April 11. Total hog overstock projections through December 2020 are expected to peak at about 7.5M market weight (previously 10M) hogs due to unanticipated recovery during the week of June 5.

<table>
<thead>
<tr>
<th>Lifeline</th>
<th>Safety and Security</th>
<th>Food, Water, Shelter</th>
<th>Health and Medical</th>
<th>Transportation</th>
<th>Rail</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>• 1.87M new jobless claims were filed for the week ending May 30th. More than 42 million Americans have applied for unemployment in the last eleven weeks. • The unemployment rate rose to 17.3%. Analysts suggest the unofficial real rate is between 20% and 30%. • US GDP contracted by 4% in the first quarter of 2020 and is estimated to fall -53.8% in the second quarter. • Civil unrest continues to negatively impact business activities in some parts of the country, however disturbances nationwide appear to be trending downward and curfews have begun to expire without any move towards reinstatement in many jurisdictions.</td>
<td>• US pork processing capacity increased to 89%. Overstock estimates of above market weight hogs decreased to 3.5M. Total overstock is projected to peak at 7.5M hogs by December. • Overstock cattle projections remained steady at 1.2M with an uncertainty range of 900K-1.5M. • Total frozen red meat and commodity supplies was down approximately .5% from last month, poultry supplies were up 3 percent from the previous month, and frozen vegetable stocks were down 6% from last month. Cold storage stockpiles have remained largely intact.</td>
<td>• Shortages of gowns continue to be cited as one of the most needed items of PPE. • Procurement of PPE due to limited supply and virtually unlimited demand for PPE related to Covid-19 mitigation is still an issue.</td>
<td>• Tender volumes continue tracking positive and have risen another 4% since Memorial Day and more than 21% since the bottom on April 16th. The rate of volume acceleration is likely from demand spurred by the holiday and states reopening. There is an expectation that volume will continue to rise in the coming weeks as it is spurred on by agricultural harvests, reopening of automotive and manufacturing as well as restarts of retail and restaurant businesses.</td>
<td>• Intermodal volumes continue to improve, down 10.6% YoY but beating the trailing four-week average as they have in prior weeks. In it expected that this rise will continue albeit slowly as trucking volumes pickup.</td>
</tr>
</tbody>
</table>
NBEOC Lifeline Snapshot
Coronavirus (COVID-19) – Report #90
June 5, 2020

NBEOC State Re-Openings

Re-Opening Status by State
Status
- Open 46
- Opening Soon 7
- Essential Industry Only 2
- Regional Reopening 2

Collected by NBEOC(DB3I) Information Management Branch - Contact Nathan Head (Nathan.Head@fema.dhs.gov) with questions
Google Users Mobility Trends

May 25 to May 29, 2020  \( \Delta \) From Last Week

<table>
<thead>
<tr>
<th>Category</th>
<th>% Change</th>
<th>( \Delta )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail &amp; Recreation</td>
<td>-28% → -23%</td>
<td>↑5%</td>
</tr>
<tr>
<td>Grocery &amp; Pharmacy</td>
<td>-8% → -5%</td>
<td>↑3%</td>
</tr>
<tr>
<td>Parks</td>
<td>60% → 29%</td>
<td>↓31%</td>
</tr>
<tr>
<td>Transit Stations</td>
<td>-48% → -36%</td>
<td>↑12%</td>
</tr>
<tr>
<td>Workplaces</td>
<td>-72% → -37%</td>
<td>↑35%</td>
</tr>
<tr>
<td>Residential</td>
<td>20% → 14%</td>
<td>↓6%</td>
</tr>
</tbody>
</table>

*As of 11/2020 Google Maps (154.4 million) and Apple Maps (23.3 million) had over 177.7 million unique users a month. By recognizing trends over time across different categories of places and modalities of travel a better understanding of how and when Americans are transitioning from a shelter-at-home posture to more normal day-to-day activities is possible. This data should be used in conjunction with other sources, reports and analyses to generate a holistic view of mobility trends and not in isolation. Google mobility data is also provided state by state and may be found at [https://www.google.com/covid19/mobility/](https://www.google.com/covid19/mobility/). Information from Google is lagging data. Apple mobility data is located at [https://www.apple.com/covid19/mobility?utm_source=morning_brew](https://www.apple.com/covid19/mobility?utm_source=morning_brew).
For the week ending 5/24/20, Total CPG demand levels remain elevated vs. Year At a Glance (YAG) (112) with the Edible department (118) outpacing Non-Edible (105) and Fresh Foods (112).

While still elevated vs. YAG, Total Edible demand growth slowed for the fourth consecutive week, with each category down slightly on a sequential basis.

Frozen (129) and Beverage Alcohol (124) led the Edible department. However, demand for Beverage Alcohol slowed significantly against the prior week (130).

Fresh Foods demand (112) was up just slightly from the prior week as demand growth flattened or slowed across most categories. However, demand for Floral was up 4% vs. YAG and grew significantly over the prior week (down 23% vs. YAG).

Seafood (150) and Meat (121) significantly outpaced the rest of the Fresh Foods department.

Grocery channel demand (120) for the week ending 5/24/20 remains strong and continues to outperform Multi-Outlet (114) and Convenience (105).

For week ending 5/24/20, Total Edible demand growth remained elevated vs. YAG, but slowed for the fourth consecutive week, with each Edible category down slightly on a sequential basis.

Within the Edible department, demand for Frozen Snacks (151), Baking (151) and Refrigerated Dough (160) was all up more than 50% vs. YAG. Seafood (151) and Meat (121) continue to dominate demand for Fresh Foods. Overall, the Fresh Foods department was up 14% vs. YAG, consistent with the previous week. Deli Prep remains a weak spot within the Fresh Foods department with demand down 27% vs. YAG.

*The IRI CPG Demand Index is calculated weekly from point of sales data of measured retail channels which include convenience and multi-outlets (food, drug, mass, club, dollar, military), including click-and-collect orders for all brick-and-mortar stores, as well as delivery services like Instacart. IRI CPG Demand Index also includes insights into changes in weekly dollar sales by U.S. state and region as well as changes in basket size (the average spending per trip) and trip frequency (how often the shopper makes a purchase in a store or for online orders picked up at the store). Dynamic charts from IRI may be found at https://advantage.iriworldwide.com/Engineering/covid19/.
**Consumer Packaged Goods (CPG) Inflation Trends**

For the week ending 5/24/20, Total CPG inflation remains consistent with the previous three weeks, up 7% vs. Year At a Glance (YAG).

- Edible inflation (108) continues to outpace Non-Edible inflation (104), as it has every week since the beginning of March.
- Floral (99) and Produce (99) are the only categories to experience deflation vs. YAG.
- Meat (114) had the largest price per unit increase vs. YAG at the category level, largely driven by the Frankfurters (123) and Fresh Beef (120) sub-categories.
- Frozen Snacks has the highest inflation vs. YAG of any sub-category, up 38%.

For the week ending 5/24/20, Total CPG average price per unit was up 9% vs. YAG, slightly lower than inflation recorded during the week ending 5/17/20.

- The rate of inflation in both the Edible (109) and Non-Edible (108) departments declined slightly from the prior week but increased in Fresh Foods (106).
- Meat (117) had the largest price unit increases vs. YAG at the category level, largely driven by the Frankfurters (131) and Fresh Beef (123) sub-categories.
- Deli Prep and Floral were the only categories to experience deflation, with price per unit declining 2% vs. YAG in each.

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**CPG Inflation: Multi-Outlet and Convenience Stores (May 17, 2020)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Total CPG</th>
<th>Edible</th>
<th>Non-Edible</th>
<th>Floral</th>
<th>Produce</th>
<th>Meat</th>
<th>Frozen Snacks</th>
</tr>
</thead>
<tbody>
<tr>
<td>YAG</td>
<td>104</td>
<td>108</td>
<td>104</td>
<td>99</td>
<td>99</td>
<td>114</td>
<td>108</td>
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<tr>
<td>Week 15</td>
<td>105</td>
<td>107</td>
<td>107</td>
<td>103</td>
<td>103</td>
<td>116</td>
<td>108</td>
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<tr>
<td>Week 16</td>
<td>106</td>
<td>108</td>
<td>109</td>
<td>104</td>
<td>104</td>
<td>118</td>
<td>110</td>
</tr>
</tbody>
</table>

**CPG Inflation: Grocery (May 17, 2020)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Total CPG</th>
<th>Edible</th>
<th>Non-Edible</th>
<th>Floral</th>
<th>Produce</th>
<th>Meat</th>
<th>Frozen Snacks</th>
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</thead>
<tbody>
<tr>
<td>YAG</td>
<td>104</td>
<td>108</td>
<td>104</td>
<td>99</td>
<td>99</td>
<td>114</td>
<td>108</td>
</tr>
<tr>
<td>Week 15</td>
<td>105</td>
<td>107</td>
<td>107</td>
<td>103</td>
<td>103</td>
<td>116</td>
<td>108</td>
</tr>
<tr>
<td>Week 16</td>
<td>106</td>
<td>108</td>
<td>109</td>
<td>104</td>
<td>104</td>
<td>118</td>
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</tr>
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*The IRI CPG Inflation Tracker™ provides the well-known price per unit metric for tracking changes in pricing of consumer packaged goods. It provides weekly changes in consumer prices, price per unit against the year-ago period across departments including fixed and random weight products, grocery aisles and retail formats. Price per unit changes can be due to one or more of four factors: list price changes, changes in price promotions, trading up or down to higher or lower priced products, and finally, purchasing of larger or smaller packages. The IRI CPG Inflation Tracker™ is calculated from point of sales data of measured retail channels which include convenience and multi-outlets (food, drug, mass, club, dollar, military), including click-and-collect orders for all brick-and-mortar stores, as well as delivery services like Instacart. Dynamic charts from IRI may be found at https://advantage.iriworldwide.com/Engineering/covid19/.*
The impact of coronavirus on local businesses by daily revenue

Impact of coronavirus on daily revenue at open grocery stores

Impact of coronavirus on daily revenue at open restaurants

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MAX Dashboard Ticket Results

TODAY - 29 PROCESSED

TYPES OF INQUIRIES
- 16 (55%) Request for Information
- 8 (28%) Offer of Support
- 5 (17%) Status Update

STATUS OF TICKETS
- 15 (52%) Waiting For Support
- 6 (21%) Resolved
- 4 (14%) Waiting For Customer
- 4 (14%) In Progress

TOTAL TICKETS - 6624 PROCESSED

TYPES OF INQUIRIES
- 4372 (66%) Offers of Support
- 1565 (24%) Requests for Information
- 332 (5%) NBEOC Membership Request
- 298 (4%) Status Update
- 57 (1%) Meeting Request

STATUS OF TICKETS
- 6398 (97%) Resolved
- 108 (2%) Waiting For Support
- 97 (1%) In Progress
- 13 (1%) Waiting For Customer
- 8 (1%) Closed