Quoted In The Press

March 5, 2020

THE WALL STREET JOURNAL

Stocks Close Sharply Lower as Anxiety About Virus Returns

Yield on 10-year Treasury note remains below 1%, signaling investors' concerns about growth

By Gunjan Banerji

Painful market turbulence resumed Thursday, pulling major stock indexes down more than 3% and government-bond yields to record lows as fears grew over the spread of the coronavirus in the U.S.

The declines continued what has been a dizzying two weeks on Wall Street as investors tried to gauge how the epidemic will affect global growth and whether governments would be able to combat it. The S&P 500 has risen or fallen at least 2% for four consecutive sessions, the longest such stretch since August 2011—when the European debt crisis rocked markets—according to Dow Jones Market Data.

This week's wild swings followed a seven-session losing streak for the S&P 500, leaving the broad index down nearly 11% from its Feb. 19 high. That volatility has been a wake-up call for many investors accustomed to years of steadily climbing markets.

< … >

In one warning sign, some of the recent stock declines suggest investors are skeptical of how much the Federal Reserve and U.S. lawmakers can contain the negative effects of the virus. The Federal Reserve executed an emergency half-percentage-point rate cut earlier this week, its first such move since the 2008 financial crisis.

< … >

"You can cut rates to zero and the virus could continue to spread," said Amy Kong, chief investment officer at Barrett Asset Management. "They can't control the virus."

< … >

To read the full article online, click HERE.

90 Park Avenue, 34th Floor • New York, NY 10016 • (212) 983-5080
www.barrettasset.com