October 2020 Cass Freight Index® Turned Positive Year-to-Year, Gaining 2.4% Against an Unusually Sharp, Unseasonable Decline the Year Before

Such Was the First Annual Gain in Freight Activity Since November 2018, When Excessive Fed Tightening Was Being Used to Constrain Consumer Liquidity and Domestic Economic Growth

Where Pandemic Forced the Shutdown of the U.S. Economy in March 2020, FOMC Rate Hikes Already Had Strangled Business Activity

October Industrial Production Continued in L-Shaped Recovery, With Annual Change Flattening Out in Negative Territory

Annual Boom of 5.7% in October Real Retail Sales Was Not Credible; Related Retail Employment and Consumer Goods Production Continued in Annual Decline, Despite the Gain in Freight Activity

On Top of an Upside Revision, Housing Starts Gained 4.9% in the Month; This Was Not Statistically Significant at the 90% Confidence Interval

On Top of a Downside Revision, October Building Permits Monthly Change Flattened Out at a Statistically Significant 0.0%
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Note to Subscribers

Flash Commentary, Issue No. 1452 goes to press amidst a still-unsettled U.S. Election, and evolving Coronavirus Pandemic and Vaccine/Treatment circumstances. ShadowStats comments in Flash No. 1451 on the Pandemic and Political circumstances remain play and are summarized in today’s Opening Comments.

Pending ShadowStats Special Benchmark Commentary, Issue No. 1453 (renumbered from 1452), updating the broad economic and inflation outlook in the United States for the year ahead, will publish following the Thanksgiving Weekend. I had hoped that the pending grand missive would reflect the outcome of the 2020 U.S. Elections, but that does not appear to be likely. With the effective nature and control of the U.S. Government to be determined in January, combined with a purportedly deteriorating Pandemic conditions and some renewed local shutdowns, amidst happy developments in play for COVID-19 vaccines and treatments, the ShadowStats Outlook will update as circumstances dictate.

The broad ShadowStats Outlook continues to evolve, but it has not changed dramatically. The general themes and elements of the ShadowStats outlook for the U.S. Economy, Inflation and Financial Markets, including Federal Reserve Monetary and Federal Government Fiscal Policies, still foreshadow rapidly escalating risk of an evolving Hyperinflationary Great Depression. The Pandemic has inflicted massive structural damage on the United States’ economy and on the lives and psyche of its people. While economic recovery indeed should accelerate with effective vaccines and treatments, continued major, expansive Federal Reserve Monetary and Federal Government Fiscal Policies likely also will remain in place for some time, well into 2021. – WJW

New Circumstances, Breaking Economic News and ShadowStats Schedule Changes Are Highlighted, as They Happen, in the Daily Update Section of the ShadowStats Home Page. Rapidly shifting headlines, reporting details, intervening events, unusual developments in the markets, with the FOMC or the economy, and ShadowStats scheduling—all are covered in the Daily Update. Initial assessments of headline details and any unusual twists in regular economic reporting or FOMC announcements also are reviewed in the Daily Update, standardly within a couple hours of the official posting of a given news release.

General background to the current ShadowStats outlook includes key economic, market and systemic assessments of recent months, including Special Commentary, Issue No. 1429 (FOMC Panic), Special Commentary, Issue No. 1430 (Systemic Solvency), Flash Commentary, Issue No. 1433 (Retail Sales Benchmarking), Flash Commentary No. 1434 (1q2000 GDP), Special Economic Commentary, Issue No. 1437 (Economic Update), Special Hyperinflation Commentary, Issue No. 1438 (Risks of a Hyperinflationary Economic Collapse), Flash Commentary No. 1439 (Distorted May Labor Conditions, NBER Recession Call, FOMC Outlook), Economic Commentary, Issue No. 1441 (Economic Update).

Consider as well, Special Economic Commentary, Issue No. 1444, which examined Systemic, Economic and Financial-system disruptions, particularly as reflected in the price of Gold. Flash Commentary.
Shadow Stats Broad Outlook for the Economy, Inflation and the Markets

With minimal evolution, and in context of the latest developments in the U.S. 2020 Elections and the COVID-19 crisis, the ShadowStats broad outlook in the weeks and months ahead remains for:

- A continuing and potentially hyperinflationary U.S. economic collapse, with significant bottom bouncing and an unfolding, troubled and protracted “L”-shaped recovery, reflected in
- Continued flight to safety in precious metals, with accelerating upside pressures on gold and silver prices, likely headed for new record high levels, irrespective of any temporary market interventions, machinations or corrections to the contrary,
- Mounting selling pressure on the U.S. dollar, against the Swiss Franc and as more broadly measured by the ShadowStats Financial-Weighted Dollar (FWD) and the Federal Reserve’s Trade-Weighted Advanced-Foreign-Economies (AFE) Dollar.
- Despite recent extreme Stock Market volatility, continuing high risk of major instabilities and a pending massive liquidation of U.S. equities,
- Complicated by ongoing direct, supportive market interventions arranged by the U.S. Treasury Secretary, as head of the President's Working Group on Financial Markets (a.k.a. the “Plunge Protection Team”), and/or as otherwise gamed by the FOMC.

Your questions and comments always are welcomed. Please call or e-mail me any time. Leave a message if your call goes to Voicemail. I shall be back to you.

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OVERVIEW

October Economic Numbers Were Mixed But Still in Deep Trouble

Far from Full Recovery and Normal Functioning, the U.S. Economy and Financially Impaired Consumers and Businesses Require Massive Stimulus in the Year Ahead

Such Is Irrespective of the Administration in Power, COVID-19 Advances and Includes Continued and Expanded Federal Reserve Action

Magnitude of and Specific Actions Taken Would Vary By the Controlling Administration, But the U.S. Dollar Faces Debasement

Holdings of Physical Gold and Silver Will Help Investors Maintain the Purchasing Power of Their U.S. Dollars

No Economic Recovery Yet. In line with the discussion in prior Flash Commentary, Issue No. 1451, while longer range economic fundamentals appear more positive, given continuing good news on COVID-19 vaccines and treatments, something close to a full economic recovery in the United States remains beyond 2021, given the amount of structural damage that has been inflicted on the economy and on people’s lives and emotional states. Where the political environment is headed in the near-term remains up in the air due to the still-unresolved issues of the contested Presidential race, including which Party will end up controlling the Senate. Those issues likely will not be answered before January. Nonetheless, I shall examine several scenarios in the post-Thanksgiving Weekend publication of long-pending ShadowsStats Special Benchmark Commentary, Issue No. 1453, which will preview recent and developing economic and inflation issues, with assessment of likely conditions into 2021. Let me know by e-mail (johnwilliams@shadowstats.com) if you have any specific questions or issues you would like to have reviewed.

Today’s relatively short Flash Commentary, Issue No. 1452 reviews the October 2020 economic releases of the last week, including the Cass Freight Index®, which showed its first annual gain in two years; Industrial Production which continued in a flattening “L”-shaped recovery, stuck in continuing year-to-year contraction; Real Retail Sales that continued to boom along, if only the numbers were credible; and New Residential Construction, which remained highly unstable month-to-month for Starts, saw monthly change in Building Permits flattening out meaningfully at “no growth.” The regular Financial Markets Graphs Section has been updated for today’s (November 23rd) market activity.
Section 1 – Cass Freight Index – October 2020

October 2020 Year-to-Year Freight Activity Increased for the First Time Since November 2018, Albeit Against a Sharp, Unseasonable Decline in 2019

Twelve-Month Moving Average, Which Also Turned Down in November 2018, Notched Higher, Albeit Still Deep in Recession Territory

Excessive FOMC Tightening in 2018 Pummeled Consumer Liquidity and the Economy for the 15 Months Preceding the March 2020 Pandemic-Driven Collapse

Other Than for Real Retail Sales, All Other Key Economic Indicators Remain in Annual Contraction

On a Positive Note, October 2020 Cass Freight Index® Rallied 2.4% Year-to-Year, Its First Annual Gain Since November 2018, When Federal Reserve Tightening Was Strangling U.S. Economic Activity. Reported November 19th by CassInfo.com, annual change in the October Cass Freight Index® turned positive for the first time in two years. Increasingly less negative, now positive annual growth in freight activity usually signals positive economic growth in the broad economy. That said, the annual gain in October 2020 was against an unseasonably sharp decline in October 2019, which reflected the unfolding economic downturn induced by excessive Federal Reserve tightening in 2018. That FOMC action was intended to tighten consumer liquidity and to slow what the Fed considered an overheating economy. Where the October 2020 annual gain in the freight numbers coincided with an upturn in annual growth for Real Retail Sales, it still ran counter to continued declining annual activity in Industrial Production and most other economic series.

At the same time as the October 2020 annual change in freight activity turned positive, the prior 12-month moving average of the Cass Freight Index® notched higher. Those year-to-year and 12-month-moving-average metrics tend to neutralize seasonality in this unadjusted series. Both of those measures first turned negative in December 2018, when the excessive FOMC tightening and rate hikes were being used to drive the U.S. economy into an economic downturn. The March 2020 Pandemic-driven economic collapse overtook, dominated and supplanted what already was an unfolding recession.

Nonetheless, with both freight metrics having begun to reverse their recession signals, circumstances suggest the Pandemic-collapsed economy is bottoming out. See detail in the full reporting of the October

*Graphs 1 to 2* plot the level of the Cass Freight Index®, along with its 12-month trailing or moving average, plus the year-to-year change in the Index, against formal recessions since 2000 (darker-blue shading), as well as against prospective or “missed” recessions (lighter-blue shading) of recent decades, discussed frequently here. *Graphs 3 to 6* plot a variety of measures tied to Industrial Production and related Capacity Utilization, where peaks and troughs in Utilization traditionally have been used to establish the timing of the U.S. business cycle, specifically recessions.

ShadowStats regularly follows and analyzes the Cass Index® as a highest-quality coincident and leading indicator of underlying economic reality. We thank Cass for their permission to graph and to use their numbers in our Commentaries.

[Graphs 1 to 6 begin on the next page.]
Graph 1: Cass Freight Index, Re-Indexed to January 2000 = 100 (2000 to October 2020)

Cass Freight Index® (Re-Indexed to January 2000 = 100)
Monthly and 12-Month Moving Average, to October 2020
Plotted Against Formal and Unofficial Recessions
Not Seasonally Adjusted [ShadowStats, CassInfo.com]

Graph 2: Cass Freight Index, Year-to-Year Percent Change (2000 to October 2020)

Cass Freight Index® (Year-to-Year Percent Change)
Plotted Against Formal and Unofficial Recessions, to October 2020
Not Seasonally Adjusted [ShadowStats, CassInfo.com]
Graph 3: Capacity Utilization (2000 to October 2020)

Monthly Capacity Utilization: Total U.S. Industry to October 2020
Plotted Against Formal and Unofficial Recessions
Percent of Capacity, Seasonally-Adjusted [ShadowStats, FRB]

Graph 4: Capacity Utilization, Headline and Smoothed 12-Month Moving Average (2000 to October 2020)

Capacity Utilization: Total U.S. Industry
Plotted Against Formal and Unofficial Recessions, 2000 to October 2020
Percent of Industrial Capacity, Seasonally-Adjusted [ShadowStats, FRB]
Graph 5: Manufacturing, Headline and Smoothed 12-Month Moving Average (2000 to October 2020)

U.S. Manufacturing (Re-Indexed to January 2000 = 100)
Monthly and 12-Month Moving Average, to October 2020
Plotted Against Formal and Unofficial Recessions
Seasonally-Adjusted [ShadowStats, FRB]

Graph 6: Mining – Oil Exploration (2000 to October 2020)

Mining - Oil Exploration (2012 = 100)
Plotted Against Formal and Unofficial Recessions
Level to October 2020, Seasonally-Adjusted [ShadowStats, FRB]
Section 2 – Industrial Production – October 2020

October Production Gained 1.1% On Top of Upside Revisions, Yet Annual Change Held Negative at 5.3% (-5.3%), Its 14th Straight Year-to-Year Decline

Annual Decline Continues Settling Into an “L”-Shaped Recovery

Monthly October 2020 Industrial Production gained 1.08%, on top of upside revisions, yet it was down by 5.34% (-5.34%) year-to-year, still far from escaping the Pandemic-induced collapse, on top of the economic downturn that had been induced by excessive FOMC tightening in 2019. Reported November 17th by the Federal Reserve Board, October Production gained 1.08% in the month, having declined by a revised 0.37% (-0.37%) [previously 0.63% (-0.63%)] in September with a gain of 0.73% [previously 0.44%] in August. Over the same period, October 2020 Production declined year-to-year by 5.34% (-5.34%), September dropped 6.73% (-6.73%) [previously 7.28% (-7.28%)] with August down by 6.71% (-6.71%) [previously 7.01% (-7.01%)]. Industrial Production has been in annual decline since September 2019, for thirteen straight months, currently reflecting an “L”-shaped economic recovery that is flattening out, leveling off in negative territory as to year-to-year change (see Graphs 10 and 11 (further discussion and examples of the “L”-shaped recovery are found in earlier Flash Commentary, Issue No. 1450, beginning there on page 12). Graphs 7 to 12 show the aggregate Production series as to level and as to year-to-year percent change, over successive narrowing timeframes.

The dominant Manufacturing sector gained 0.99% for the month of October, against a revised gain of 0.07% [previously a 0.29% (-0.29%) decline] in September. In annual decline since July 2019, Manufacturing was down year-to-year by 3.90% (-3.90%) in October 2020, versus a revised 5.37% (-5.37%) [previously 5.99% (-5.99%)] drop in September, all consistent with annual declines in Manufacturing payrolls (see Graphs 13 to 18).

The Mining Sector was down by 0.63% (-0.63%) in the month of October, down year-to-year by 14.45% (-14.45%), its seventh straight monthly annual drop since the Oil Price War (see Graphs 19 to 20). The Utilities Sector remains randomly volatile with shifting weather patterns (see Graphs 21 to 22).

[Graphs 7 to 22 begin on the next page.]
Graph 7: Industrial Production (1919 to October 2020)

Index of Industrial Production (2012 = 100)
100-Plus Years of Industrial Production Jan 1919 to Oct 2020
Seasonally-Adjusted [ShadowStats, Federal Reserve Board]

Graph 8: Industrial Production, Year-to-Year Percent Change (1920 to October 2020)

Industrial Production (Year-to-Year Percent Change)
Jan 1920 to Oct 2020, Seasonally-Adjusted [ShadowStats, FRB]
Graph 9: Industrial Production (2000 to October 2020)

Index of Industrial Production (2012 = 100)
Level to October 2020, Seasonally-Adjusted [ShadowStats, FRB]

Graph 10: Industrial Production, Year-to-Year Change (2000 to October 2020)

Industrial Production (Year-to-Year Percent Change)
To October 2020, Seasonally-Adjusted [ShadowStats, FRB]
Graph 11: Industrial Production (January 2019 to October 2020)

Graph 12: Industrial Production, Year-to-Year Change (January 2019 to October 2020)
**Graph 13: Manufacturing Level (1919 to October 2020)**

Industrial Production - Manufacturing Sector \((2012 = 100)\)

100-Plus Years, January 1919 to October 2020

Seasonally-Adjusted [ShadowStats, Federal Reserve Board]

**Graph 14: Manufacturing, Year-to-Year Percent Change (1920 to October 2020)**

Manufacturing Sector (Year-to-Year Percent Change)

January 1920 to October 2020, Seasonally-Adjusted [ShadowStats, FRB]
Graph 15: Manufacturing Level (2000 to October 2020)

Industrial Production - Manufacturing (SIC) (2012 = 100)
2000 to October 2020, Seasonally-Adjusted [ShadowStats, FRB]

Graph 16: Manufacturing, Year-to-Year Percent Change (2000 to October 2020)

Industrial Production - Manufacturing (Yr-to-Yr Percent Change)
To October 2020, Seasonally-Adjusted [ShadowStats, FRB]
Graph 17: Manufacturing Level (January 2019 to October 2020)

Production - Manufacturing (SIC) (2012 = 100)
January 2019 to October 2020, Seasonally-Adjusted [ShadowStats, FRB]

Graph 18: Manufacturing, Year-to-Year Percent Change (January 2019 to October 2020)

Production - Manufacturing (Yr-to-Yr Percent Change)
Jan 2019 to Oct 2020, Seasonally-Adjusted [ShadowStats, FRB]
Graph 19: Mining Level (2000 to October 2020)

Production - Mining (Including Oil & Gas)
To October 2020, (2012 = 100) Seasonally-Adjusted [ShadowStats, FRB]

Graph 20: Mining, Year-to-Year Percent Change (2000 to October 2020)

Production - Mining (Year-to-Year Percent Change)
To October 2020, Seasonally-Adjusted [ShadowStats, FRB]
Graph 21: Utilities (2000 to October 2020)

Industrial Production - Utilities (2012 = 100)
Level to October 2020, Seasonally-Adjusted [ShadowStats, FRB]

Graph 22: Utilities, Year-to-Year Percent Change (2000 to October 2020)

Production - Utilities (Year-to-Year Percent Change)
To October 2020, Seasonally-Adjusted [ShadowStats, FRB]
Section 3 – Retail Sales – October 2020

Amidst Seasonal Adjustment Games, October Real Retail Sales Boomed 5.7% Year-to-Year on Top of Upside Prior-Period Revisions

Jump in Annual Freight Activity Offers Potential Confirmation of Surging Annual Sales

Annual Declines in Related Retail Trade and Leisure and Hospitality Employment, and Consumer Goods Production Continue to Offer Counter Points

Heavily Gamed and Otherwise Not Credible, Headline Nominal October 2020 Retail Sales Gained 0.3% (0.25%) in the Month and 5.7% (5.68%) Year-to-Year, on Top of Upside Revisions. Reflected in the November 17th reporting by the Census Bureau of October 2020 Retail Sales, numbers gaming was evident where the unadjusted September 2019 data were not revised, yet the adjusted numbers were lowered for September 2019, and increased for September 2020, exaggerating the pace of annual growth.

ShadowStats assesses Retail Sales in “real” terms, net of growth due to CPI-U inflation, and as otherwise calculated by the St. Louis Fed. October 2020 Real Retail Sales rose by 0.2% in month, versus 1.4% [previously 1.7%] in September and 1.0% [previously 0.2%] in August, with respective real annual growth of 4.4% in October 2020, 4.5% [previously 3.9%] in September, and 2.3% [previously 1.4%] in August. Plots of the level of Real Retail Sales Activity and Year-to-Year change in same are shown, over different periods in Graphs 23 to 26.

Separately, the booming annual real growth of 4.4% in October 2020 Retail Sales was not credible against ongoing annual declines in related, and more-stable, Payroll and Production reporting. Combined, year-to-year, related Retail Trade and Leisure and Hospitality payrolls were down by 11.6% (-11.6%) in October (see Graphs 29 to 32). At the same time, domestic production of Consumer Goods in October was down by 0.60% (-0.60%) year-to-year, the 17th straight month of annual decline, as reflected in Graphs 27 and 28). Net imports do appear enough to swing the difference.

[Graphs 23 to 28 begin on the next page.]
Graph 23: Real Retail Sales (1947 to October 2020)

Real Retail Sales (Deflated by the CPI-U)
1947 to October 2020, Seasonally-Adjusted [ShadowStats, St. Louis Fed]

Graph 24: Real Retail Sales, Year-to-Year Change (1948 to October 2020)

Real Retail Sales Year-to-Year Percent Change
1948 to October 2020, Seasonally-Adjusted [ShadowStats, St. Louis Fed]
Graph 25: Real Retail Sales (2000 to October 2020)

Real Retail Sales Level (Deflated by CPI-U)
2000 to October 2020, Seasonally-Adjusted [ShadowStats, Census, BLS]

Graph 26: Real Retail Sales, Year-to-Year Percent Change (2000 to October 2020)

Real Retail Sales, Year-to-Year Percent Change
2000 to October 2020, Seasonally-Adjusted [ShadowStats, Census, BLS]
Graph 27: Production of Consumer Goods (2000 to October 2020)

Graph 28: Production of Consumer Goods, Year-to-Year Percent Change (2000 to October 2020)
Graph 29: Retail Trade Payroll Employment (2000 to October 2020)

Retail Trade Payroll Employment
2000 to October 2020, Seasonally-Adjusted [ShadowStats, BLS]

Millions of Jobs

Graph 30: Retail Trade Payroll Employment, Year-to-Year Percent Change (2000 to October 2020)

Retail Trade Employment, Year-to-Year Percent Change
2000 to October 2020, Not Seasonally Adjusted [ShadowStats, BLS]
Graph 31: Leisure and Hospitality Payroll Employment (2000 to October 2020)

Leisure and Hospitality Payroll Employment
2000 to October 2020, Seasonally-Adjusted [ShadowStats, BLS]

Graph 32: Leisure and Hospitality Payroll Employment, Yr to Yr Percent Change (2000 to Oct 2020)

Leisure and Hospitality Employment, Yr-to-Yr Percent Change
2000 to October 2020, Not Seasonally Adjusted [ShadowStats, BLS]
Section 4 – New Residential Construction – October 2020

Building Permits Flattened Out on Top of a Downside Revision

Housing Starts Gained on Top of Unstable Prior Reporting

October 2020 Building Permits Flattened Out on Top of a Downside Revision, While Housing Starts Jumped a Statistically Insignificant 4.9% on Top of an Upside Revision. Reported November 20th by the Census Bureau, in context of a relatively minor downside revision to September activity, October 2020 Building Permits were unchanged for the month at a statistically meaningful 0.0%, and gained a statistically meaningful 2.8% year-to-year.

In contrast, October Housing Starts gained a statistically meaningless 4.9% in the month at the 90% confidence interval, which would have been a still statistically meaningless gain of 8.1%, net of an upside revision of 3.1% to the level of September activity, which followed a downside revision of 1.1% (-1.1%) to the previously reported level of August activity. The October year-to-year gain of 14.2%, however, was meaningful, but not supported by underlying construction payroll levels, which continue to be non-recovered and down year-to-year (see Graphs 40 to 41).

Where the headline level of October 2020 Building Permits has rebounded by 44.9% from its Pandemic-driven April 2020 trough, it also now stands at 0.6% above its January 2020 pre-Pandemic peak. The headline level of October 2020 Housing Starts has rebounded by 63.8% from its Pandemic-driven April 2020 trough, yet it stands at 5.4% (-5.4%) below its January 2020 pre-Pandemic peak. That said, both headline October 2020 Permits and Starts still held shy of ever recovering their pre-Great Recession (2005/2006) peak levels of activity, respectively by 31.7% (-31.7%) and 32.7% (-32.7%).

[Graphs 33 to 42 begin on the next page.]
Graph 33: Housing Starts, Monthly Rate (1946 to October 2020)

Housing Starts (Annual Rate by Month)
1946 to October 2020, Seasonally-Adjusted [ShadowStats, Census and HUD]

Graph 34: Housing Starts, Year-to-Year Change (1947 to October 2020)

Housing Starts (Yr-to-Yr Percent Change)
1947 to October 2020, Seasonally-Adjusted [ShadowStats, Census and HUD]
Graph 35: Housing Starts, Monthly Rate (2000 to October 2020)

Aggregate Housing Starts (Monthly Rate)
Single- and Multiple-Unit Starts
To October 2020, Seasonally-Adjusted [ShadowStats, Census and HUD]

Graph 36: Housing Starts, Year-to-Year Change (2000 to October 2020)

Housing Starts (Year-to-Year Change by Month)
To October 2020, Seasonally-Adjusted [ShadowStats, Census and HUD]
Graph 37: Single- and Multiple-Unit Housing Starts (Monthly Rate)

Single- and Multiple-Unit Housing Starts (Additive Monthly Rate)
To October 2020, Seasonally-Adjusted [ShadowStats, Census and HUD]

Graph 38: Single- and Multiple-Unit Housing Starts (Six-Month Moving Average)

Single- and Multiple-Unit Starts (Additive 6-Month Moving Average Rate)
To October 2020, Seasonally-Adjusted [ShadowStats, Census and HUD]
Graph 39: Building Permits, Monthly Rate (2000 to October 2020)

Building Permits (Monthly Rate)
To October 2020, Seasonally-Adjusted [ShadowStats, Census and HUD]

Graph 40: Building Permits Monthly, Year-to-Year Change (2000 to October 2020)

Building Permits (Year-to-Year Change by Month)
To October 2020, Seasonally-Adjusted [ShadowStats, Census and HUD]
Graph 41: Construction Payroll Employment (2000 to October 2020)

Graph 42: Construction Payroll Employment, Year-to-Year Percent Change (2000 to October 2020)
Section 5 - Financial Market Graphs Updated to November 23, 2020

Irrespective of Any Massive Economic Stimulus, Major Dollar Debasement Lies Ahead in 2021

Holding Physical Gold and the Swiss Francs Protects U.S. Dollar Purchasing Power

Graph 43: February 3 to November 23, 2020 Daily Financial Markets (Dow Jones Industrial Average)

February 2020 to November 2020 Financial Markets
Dow Jones Industrial Average vs. Gold and Swiss Franc
DJIA, Gold and CHF All Indexed to Feb 12 = 100 (DJIA All-Time High)
DJIA and S&P 500 Hold Near Recent Peak Levels

*Graphs 43 and 44* plot the Dow Jones Industrial Average and the S&P 500 against Gold (London PM Fix) and the Swiss Franc (CHF, 4 PM New York), with each instrument set equal to 100.0 at the pre-Coronavirus stock market peak level of February 2020. Discussed in today’s *OPENING COMMENTS* and detailed in pending *Special Benchmark Commentary, Issue No. 1453*, massive new fiscal and monetary stimulus looms for the United States economy and markets in the year ahead, and both Gold and the CHF should continue helping to preserve the purchasing power of Investors’ dollars in the months and year ahead. Where the DJIA and S&P 500 pre-Pandemic peaks were a week apart, indexing of the pre-Pandemic peak close, and same-day Gold and Swiss Franc levels all to 100, varies slightly between the graphs.

*Graph 44: February 3 to November 23, 2020 Daily Financial Markets (S&P 500)*

February 2020 to November 2020 Financial Markets
S&P 500 vs. Gold and Swiss Franc

S&P 500, Gold, CHF Indexed to Feb 19 = 100 (S&P 500 Then All-Time High)
Graph 45: Dow Jones Industrial Average versus Gold (Monthly Average and Latest)

London P.M. Gold Fix versus the Dow Jones Industrial Average
Monthly Average Jan 2000 to Oct 2020, Indexed to Jan 2000 = 100
PM Gold Fix, Dow Jones Industrial Average Close Nov 23, 2020
[ShadowStats, St. Louis Fed, S&P Dow Jones Indices, Kitco]

Formal Recessions
Monthly Average London PM Gold Fix
Last London PM Gold Fix
Monthly Average DJIA Daily Close
Last DJIA Close

Graph 46: Total Return S&P 500® versus Gold (Month-End and Latest)

London P.M. Gold Fix versus the Total Return S&P 500® Index (Reinvested Dividends)
Month-End Jan 2000 to Oct 2020, Indexed to Jan 2000 = 100
PM Gold Fix, S&P Total Return NY Close Nov 23, 2020
[ShadowStats, St. Louis Fed, S&P Dow Jones, Kitco]
Graph 47: U.S. Financial- vs. Trade-Weighted U.S. Dollar

Financial- vs. Trade-Weighted
Advanced Foreign Economies (AFE) U.S. Dollar
Monthly Average Indices through Oct 2020
Last Point is Late-Day N.Y. for Nov 23, 2020
ShadowStats FWD and the FRB AFE Major Currency TWD
Indices, Jan 1985 = 100 [ShadowStats, FRB, WS]

Graph 48: U.S. Financial- vs. Trade-Weighted U.S. Dollar, Year-to-Year Change

Financial- vs. Trade-Weighted
Advanced Foreign Economies (AFE) U.S. Dollar
Monthly Average Year-to-Year Percent Change to Oct 2020
Last Points are Late-Day New York for Nov 23, 2020,
Visually Overlapping Here [ShadowStats, FRB, WSJ]
Graph 49: Gold versus Swiss Franc

Gold versus Swiss Franc (CHF) in U.S. Dollars
Monthly Average Price or Exchange Rate to October 2020
Latest Points - November 23, 2020 [ShadowStats, Kitco, FRB, WSJ]

Graph 50: Gold versus Silver

Gold versus Silver Price Levels
Monthly Average Price in U.S. Dollars per Troy Ounce to October 2020
Latest Points - November 23, 2020 [ShadowStats, Kitco, Stooq]
Graph 51: Gold versus Oil

Gold versus Oil (Brent/WTI)
Monthly Average Prices to October 2020, Pre-1987 is WTI
Latest Points - November 23, 2020 [ShadowStats, Kitco, EIA]