

## **ShadowStats Flash Economic Commentary, Issue No. 1452**

**October Cass Freight Index®, Production, Retail Sales and Housing Starts**

**November 23, 2020**

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**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,\*](#)

[Issue No. 1445](#) reviewed the GDP annual benchmarking and an updated outlook for Gold and Silver following the August 11th sell-off. [Special Economic Commentary, Issue No. 1446](#) assessed current and prospective economic and inflation conditions, with initial *ShadowStats* GDP forecasts for the balance of 2020. [Flash Commentary, Issue No. 1447](#) reviewed and updated ongoing statistical shenanigans with the New Claims for Unemployment Insurance for the week ended August 29th, and assessed economic implications of the August 2020 Payrolls and Unemployment and Employment reporting, along with the July 2020 Merchandise Trade Deficit. [Flash Commentary, Issue No. 1448](#) reviewed the New Claims for Unemployment, August 2020 CPI- and PPI-Inflation and the Money Supply. [Flash Commentary, Issue No. 1449](#) reviewed developments from the September 2020 FOMC Meeting, with [Flash Commentary, Issue No. 1450](#) covering the Third-Quarter 2020 GDP and related unfolding economic circumstances, with [Flash Commentary, Issue No. 1451](#) updating the November FOMC and latest economic and inflation reporting and reviewing rapidly changing U.S. political and Pandemic circumstances.

## **ShadowStats 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](mailto: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<sup>®</sup>, 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](#)



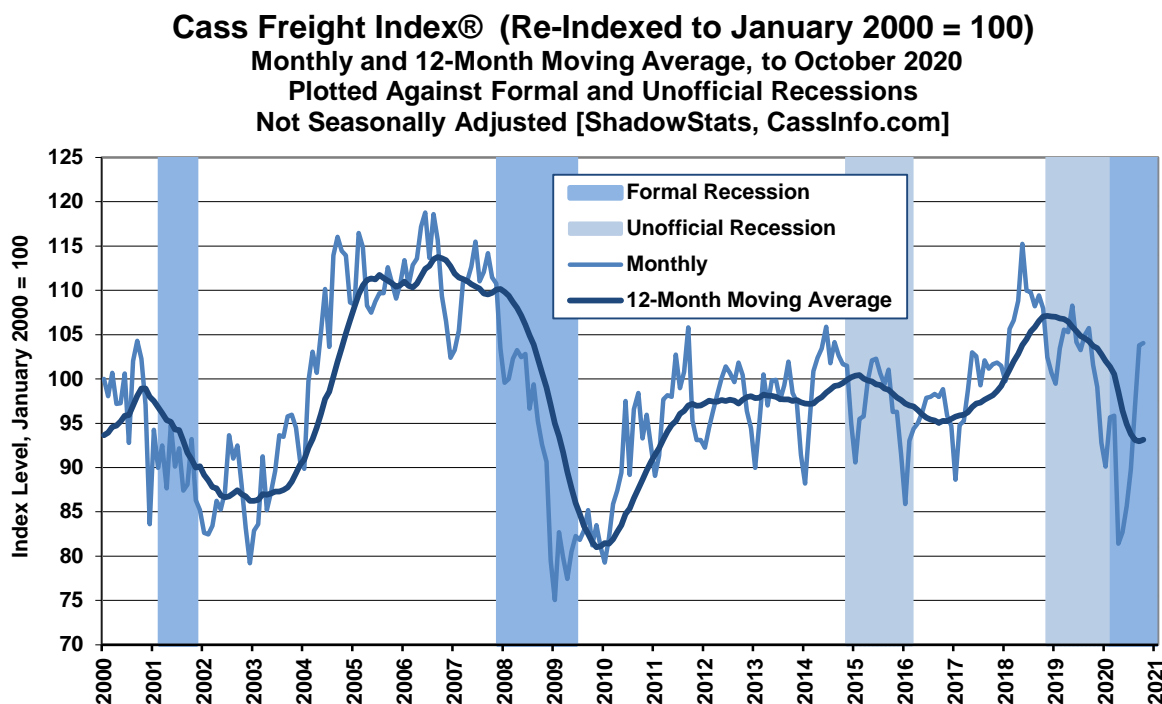
[2020 Cass Freight Index](https://www.cassinfo.com/freight-audit-payment/cass-transportation-indexes/october-2020), otherwise at <https://www.cassinfo.com/freight-audit-payment/cass-transportation-indexes/october-2020>.

**Graphs 1 to 2** plot the level of the Cass Freight Index<sup>®</sup>, 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.

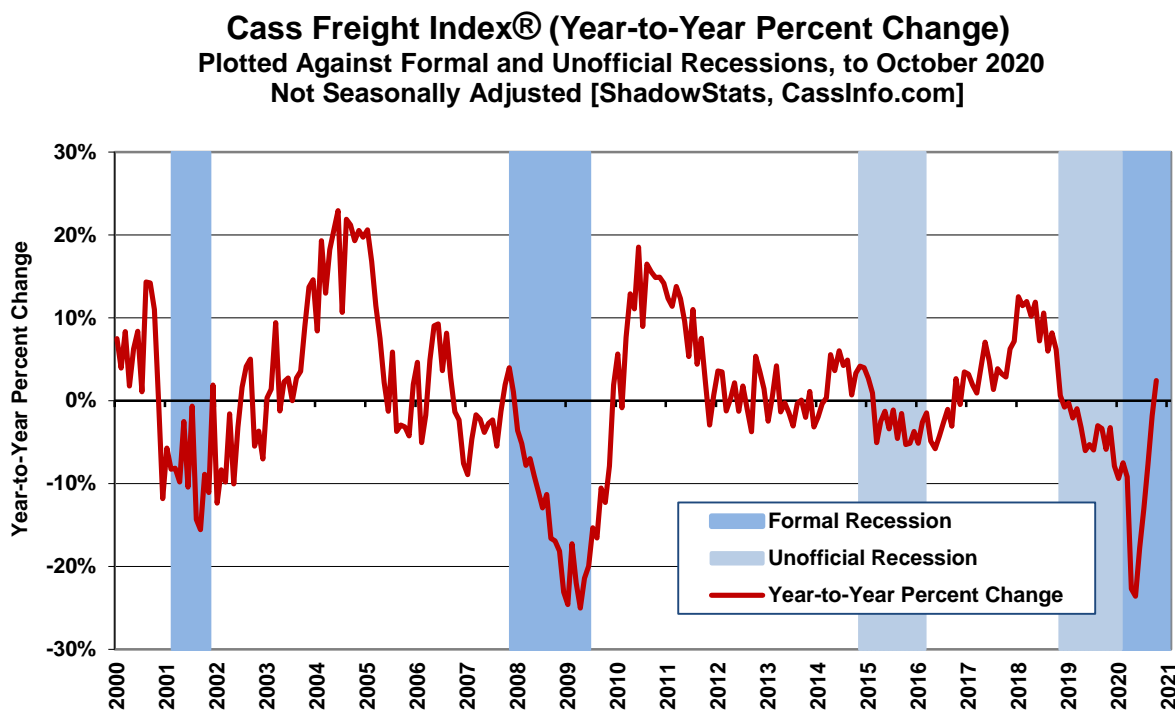
ShadowStats regularly follows and analyzes the Cass Index<sup>®</sup> as a highest-quality coincident and leading indicator of underlying economic reality. We thank Cass for their permission to graph and to use their numbers in our Commentaries.

**[Graphs 1 to 6 begin on the next page.]**

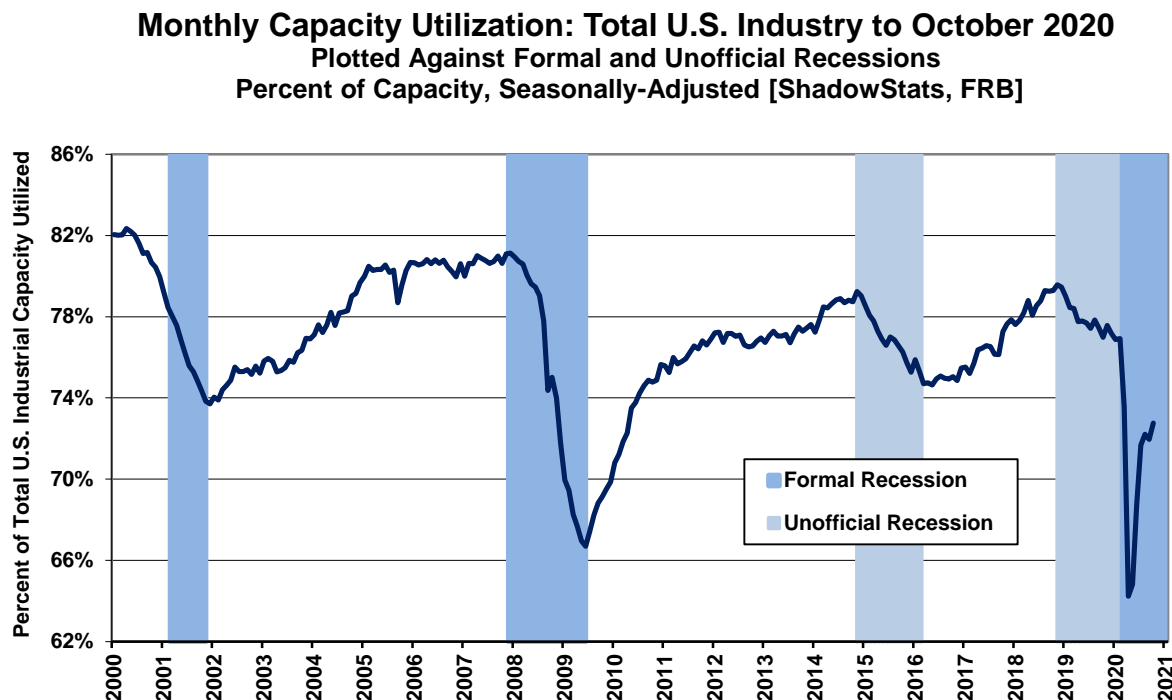
**Graph 1: Cass Freight Index, Re-Indexed to January 2000 = 100 (2000 to October 2020)**



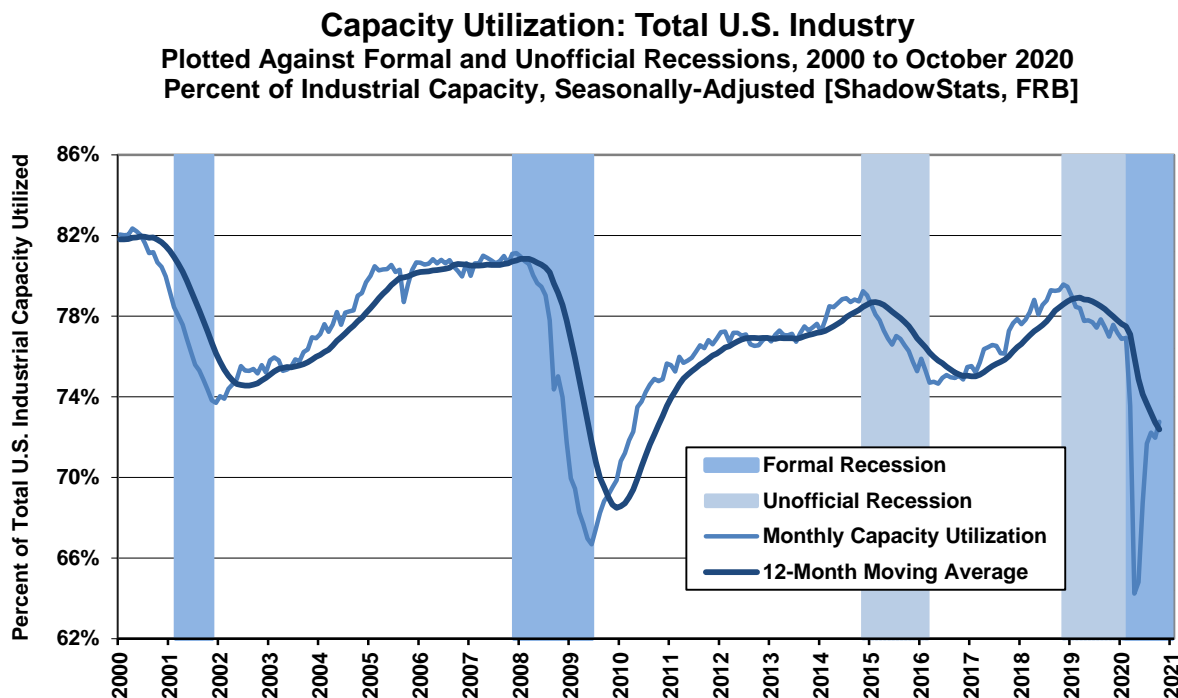
**Graph 2: Cass Freight Index, Year-to-Year Percent Change (2000 to October 2020)**



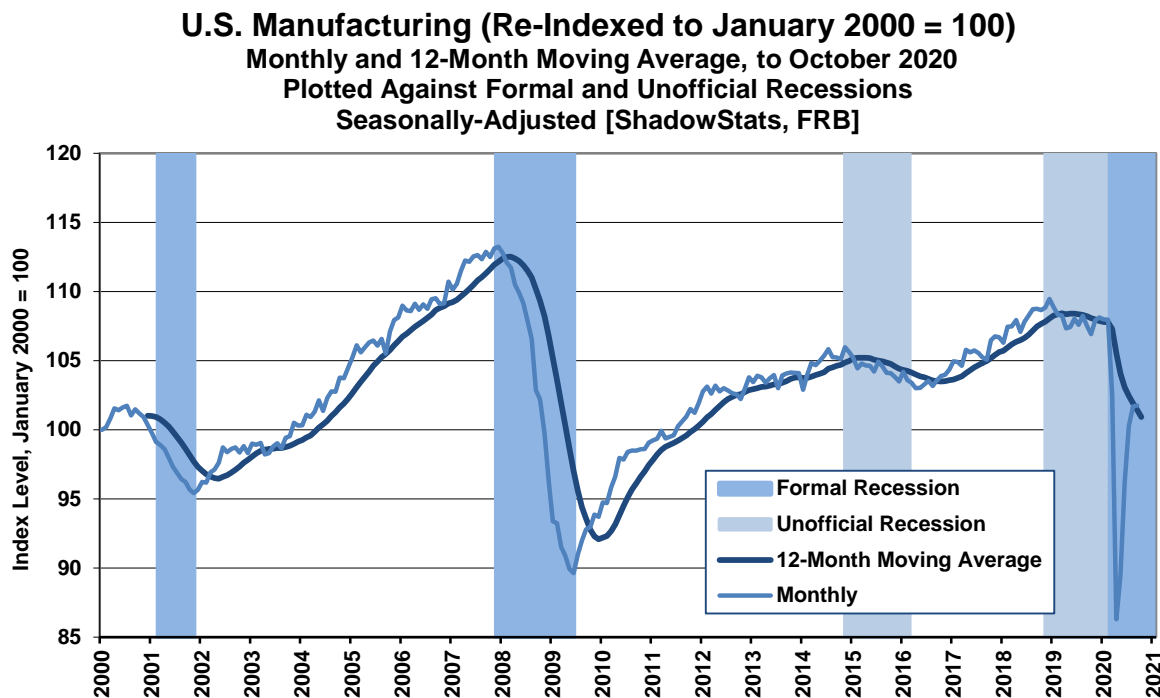
**Graph 3: Capacity Utilization (2000 to October 2020)**



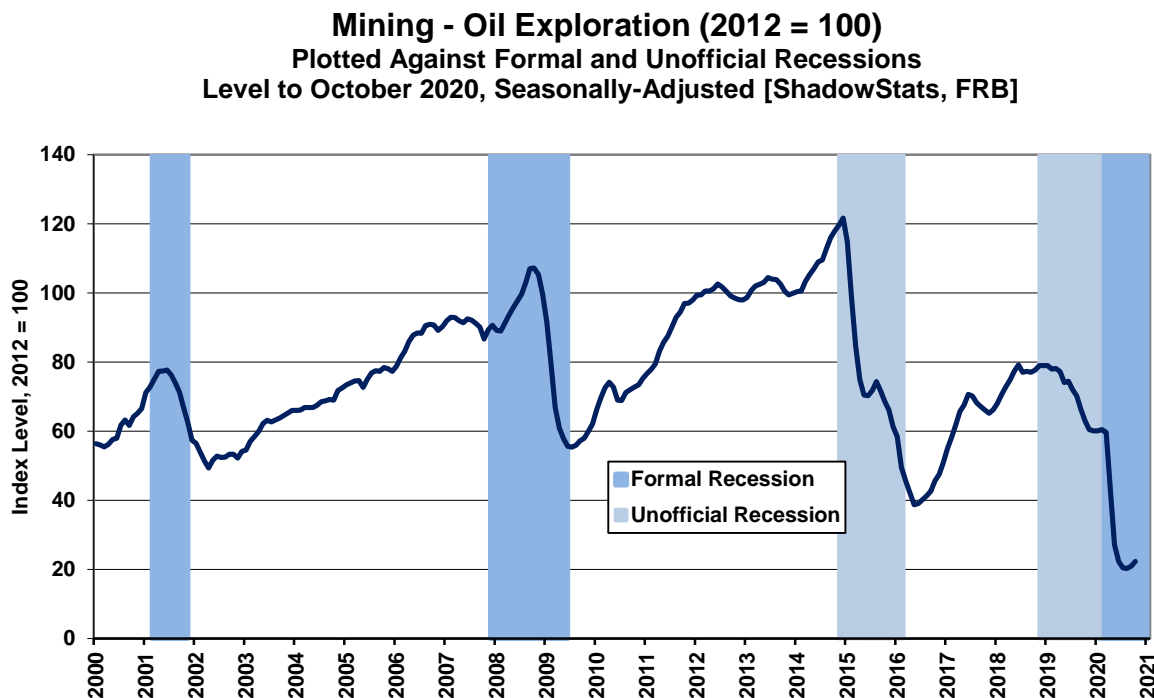
**Graph 4: Capacity Utilization, Headline and Smoothed 12-Month Moving Average (2000 to October 2020)**



**Graph 5: Manufacturing, Headline and Smoothed 12-Month Moving Average (2000 to October 2020)**



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



## 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.**

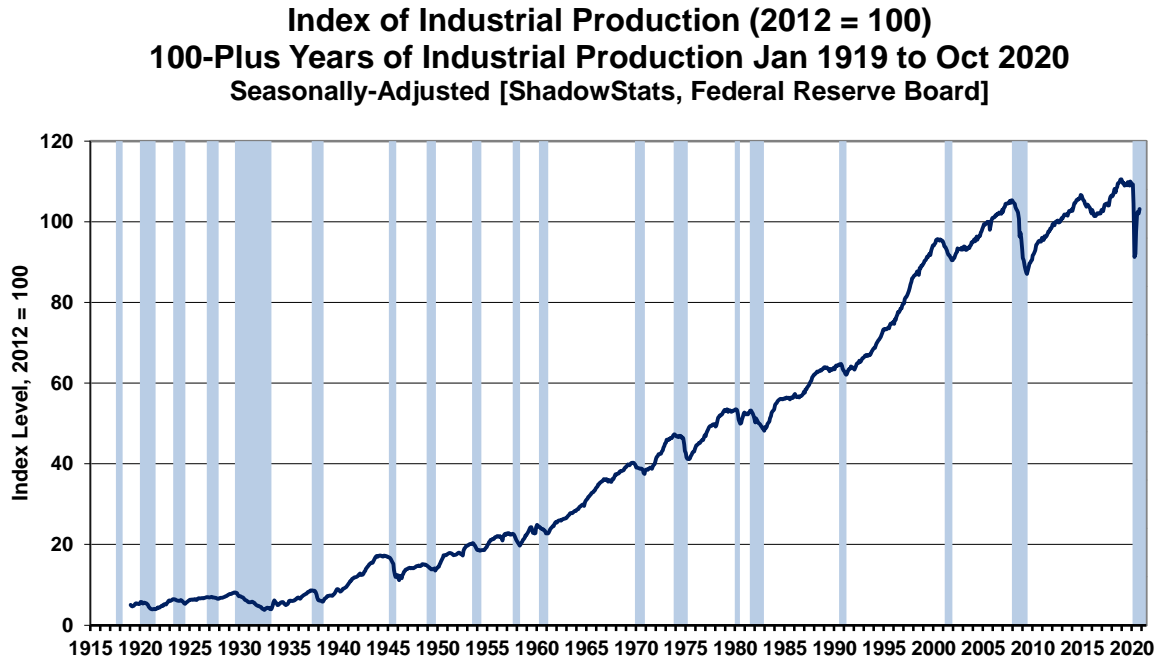
Reported November 17th by the Federal Reserve Board, October Production gained 1.08% in the month, having declined by a revised 0.37% (-0.37%) [previously 0.63% (-0.63%)] in September with a gain of 0.73% [previously 0.44%] in August. Over the same period, October 2020 Production declined year-to-year 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*).

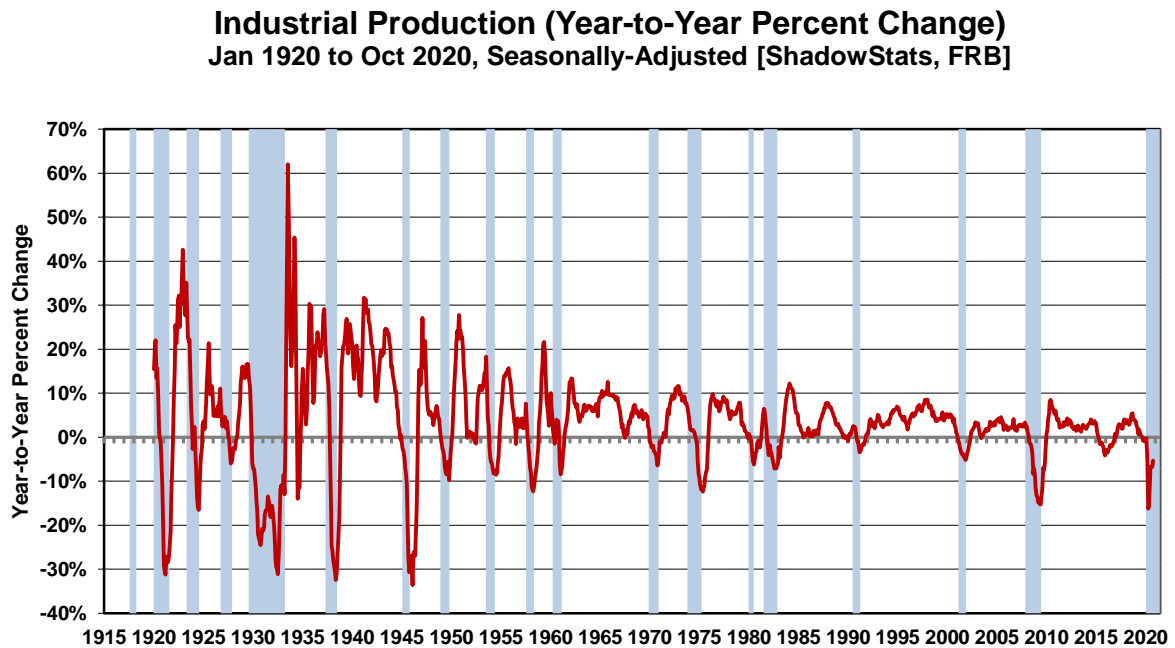
The Mining Sector was down by 0.63% (-0.63%) in the month of October, down year-to-year by 14.45% (-14.45%), its seventh straight monthly annual drop since the Oil Price War (see *Graphs 19* to *20*). The Utilities Sector remains randomly volatile with shifting weather patterns (see *Graphs 21* to *22*).

**[Graphs 7 to 22 begin on the next page.]**

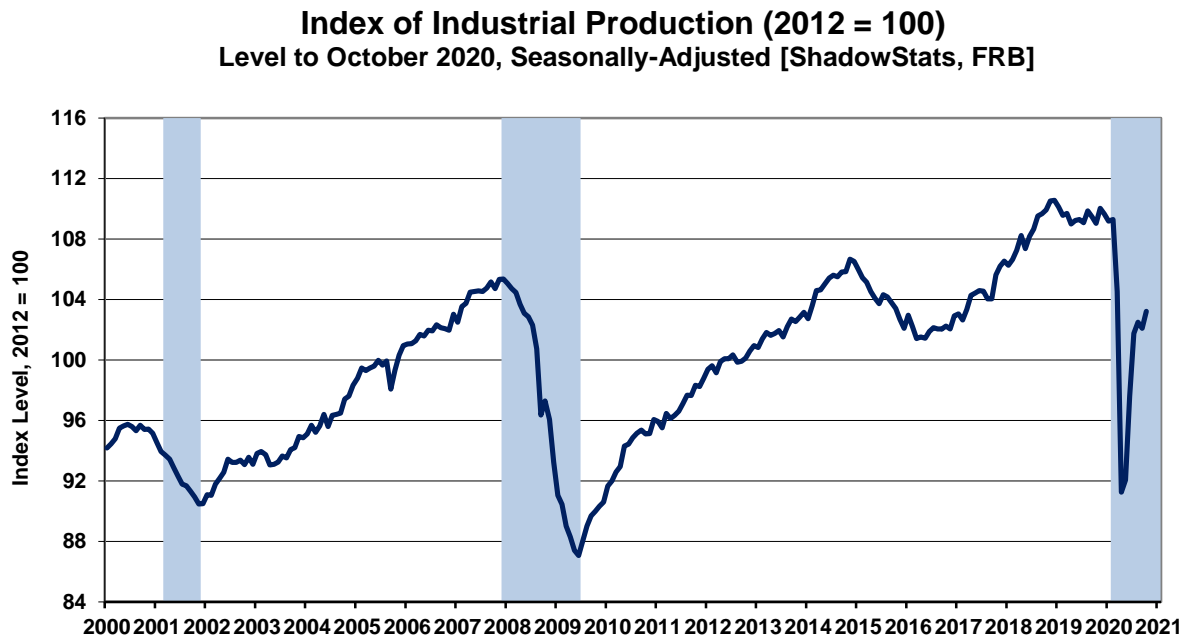
**Graph 7: Industrial Production (1919 to October 2020)**



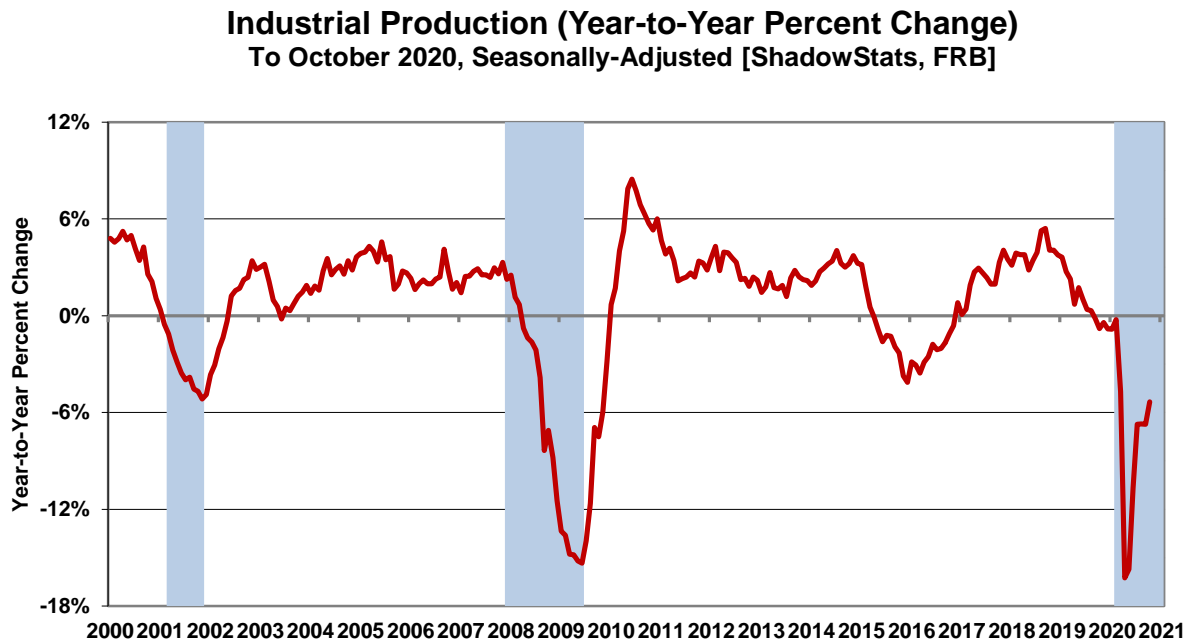
**Graph 8: Industrial Production, Year-to-Year Percent Change (1920 to October 2020)**



**Graph 9: Industrial Production (2000 to October 2020)**

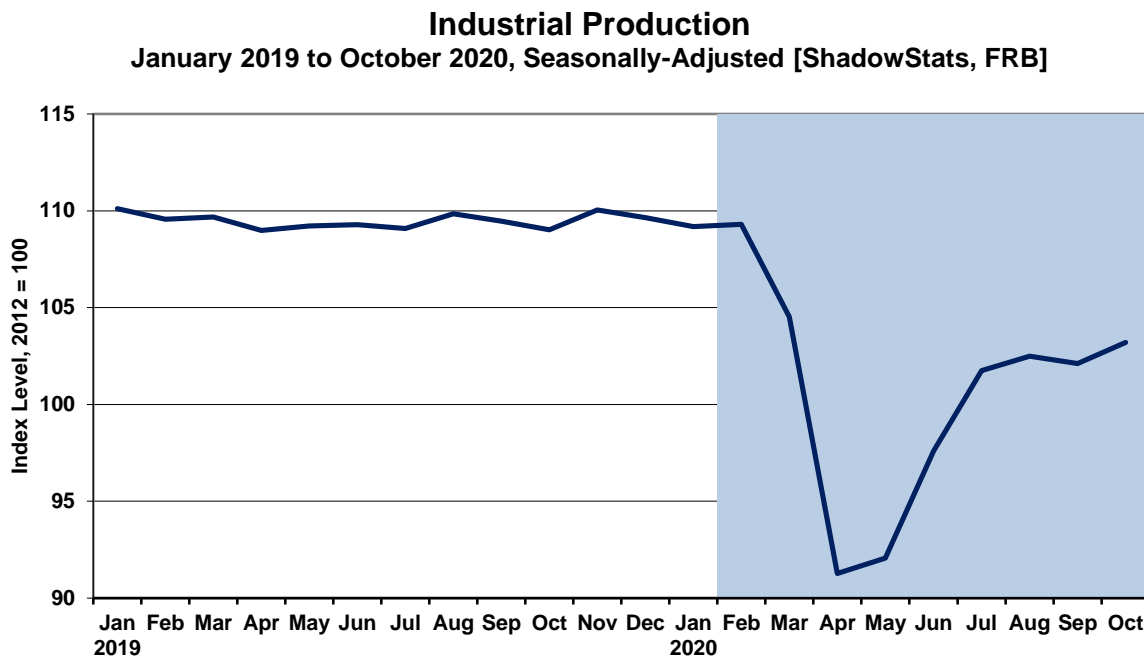


**Graph 10: Industrial Production, Year-to-Year Change (2000 to October 2020)**

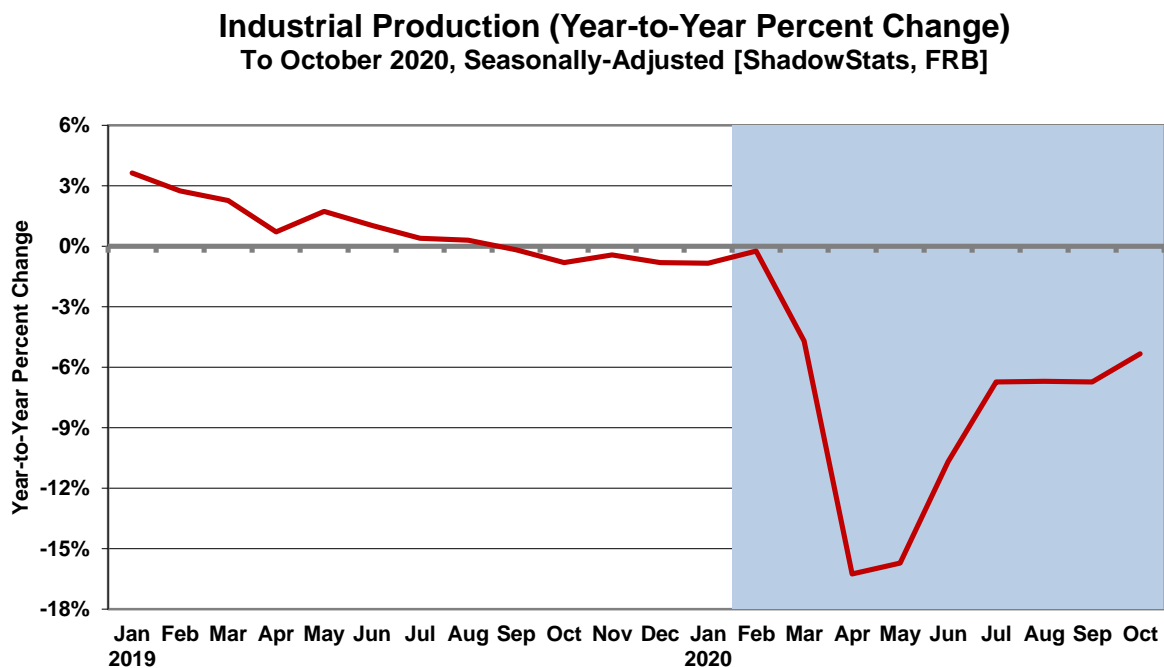




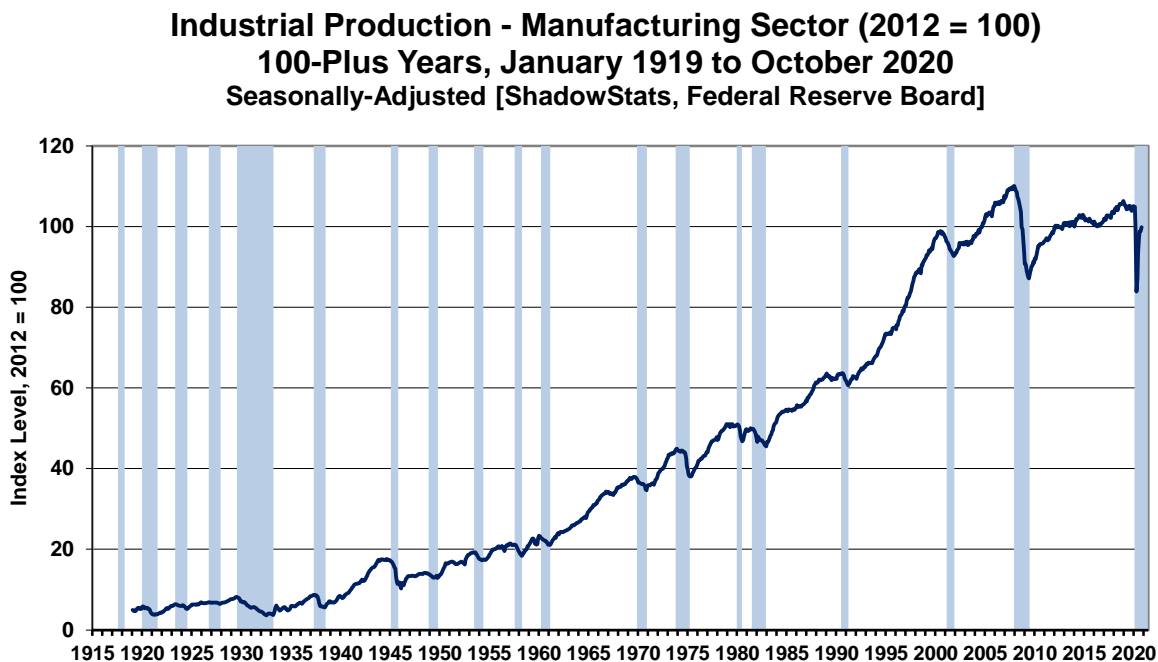
**Graph 11: Industrial Production (January 2019 to October 2020)**



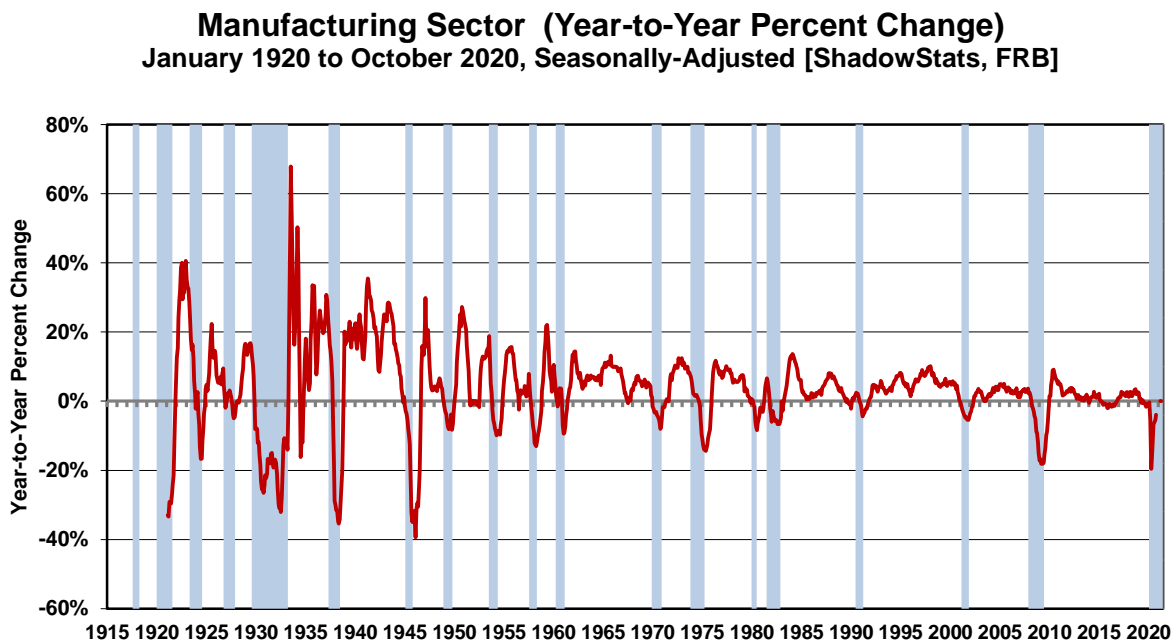
**Graph 12: Industrial Production, Year-to-Year Change (January 2019 to October 2020)**



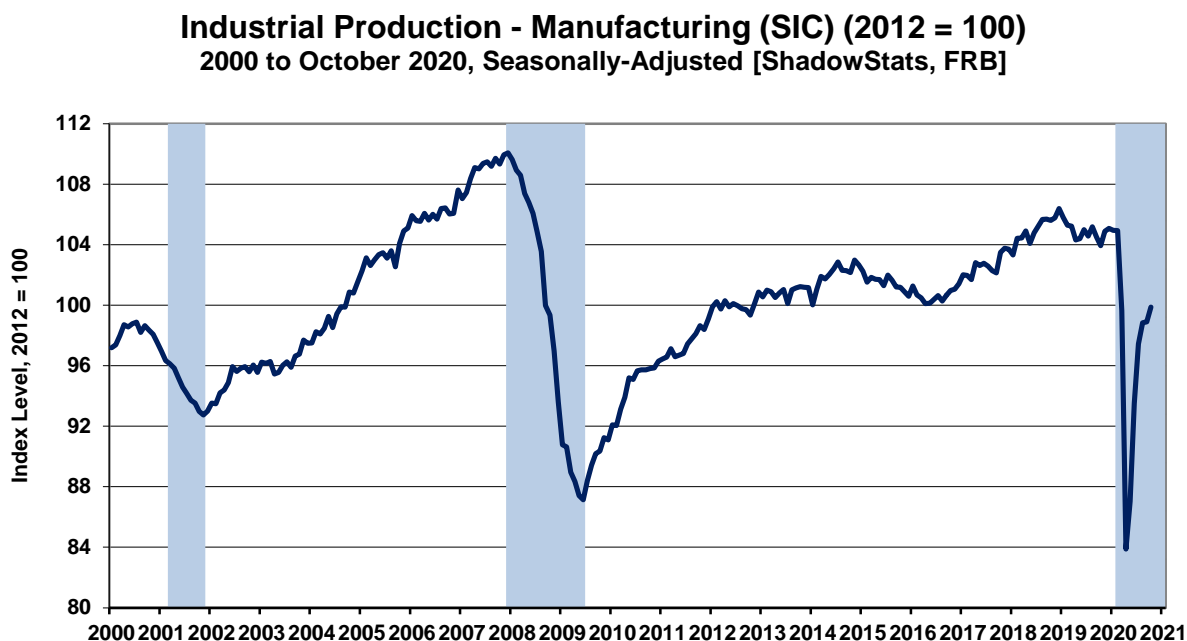
**Graph 13: Manufacturing Level (1919 to October 2020)**



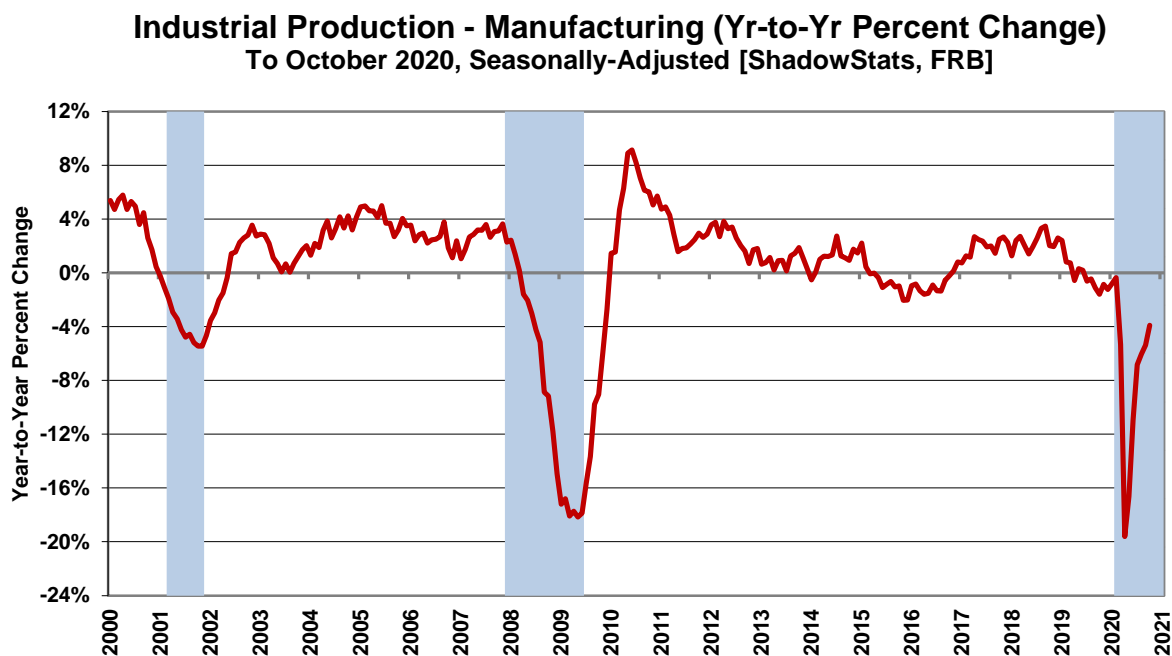
**Graph 14: Manufacturing, Year-to-Year Percent Change (1920 to October 2020)**



**Graph 15: Manufacturing Level (2000 to October 2020)**



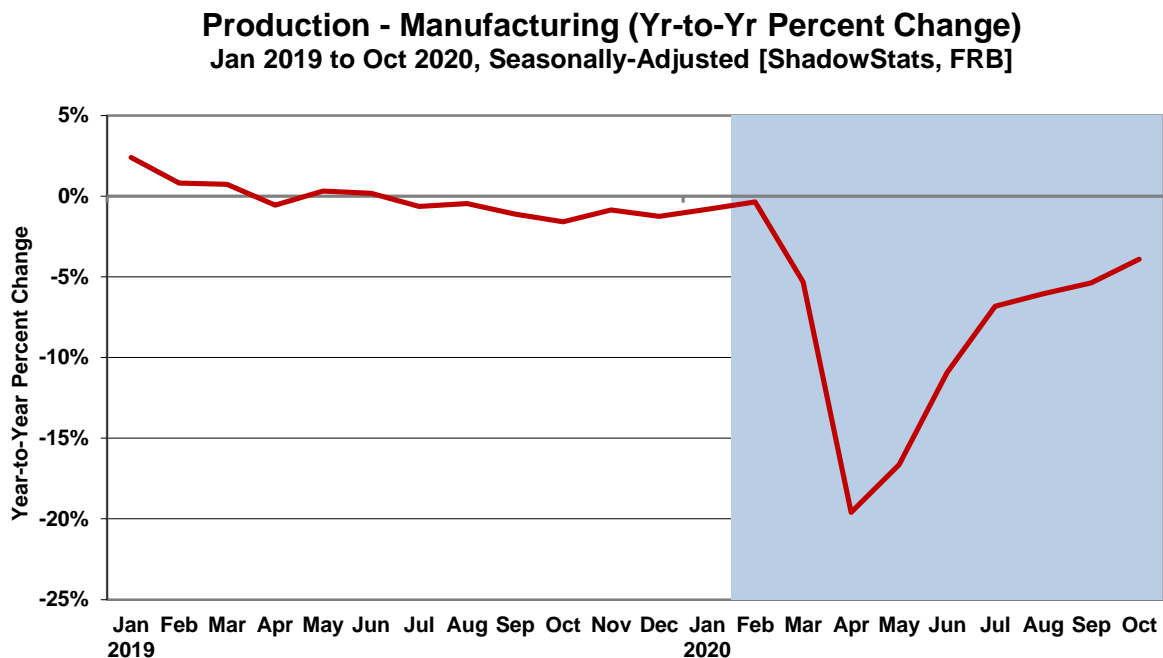
**Graph 16: Manufacturing, Year-to-Year Percent Change (2000 to October 2020)**



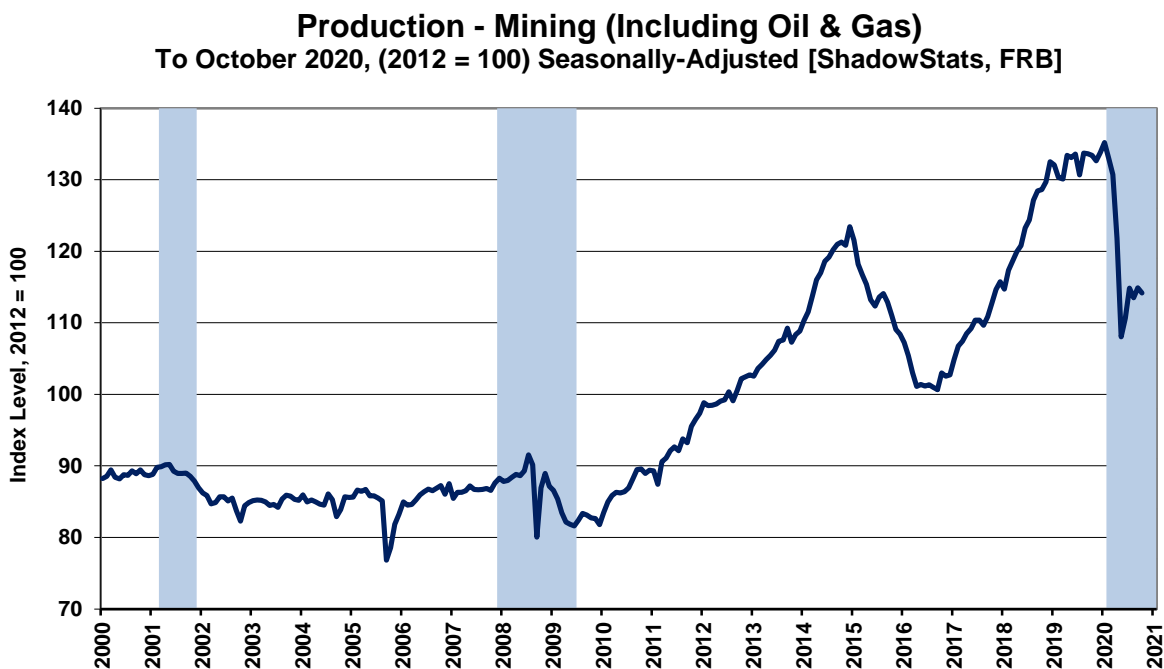
**Graph 17: Manufacturing Level (January 2019 to October 2020)**



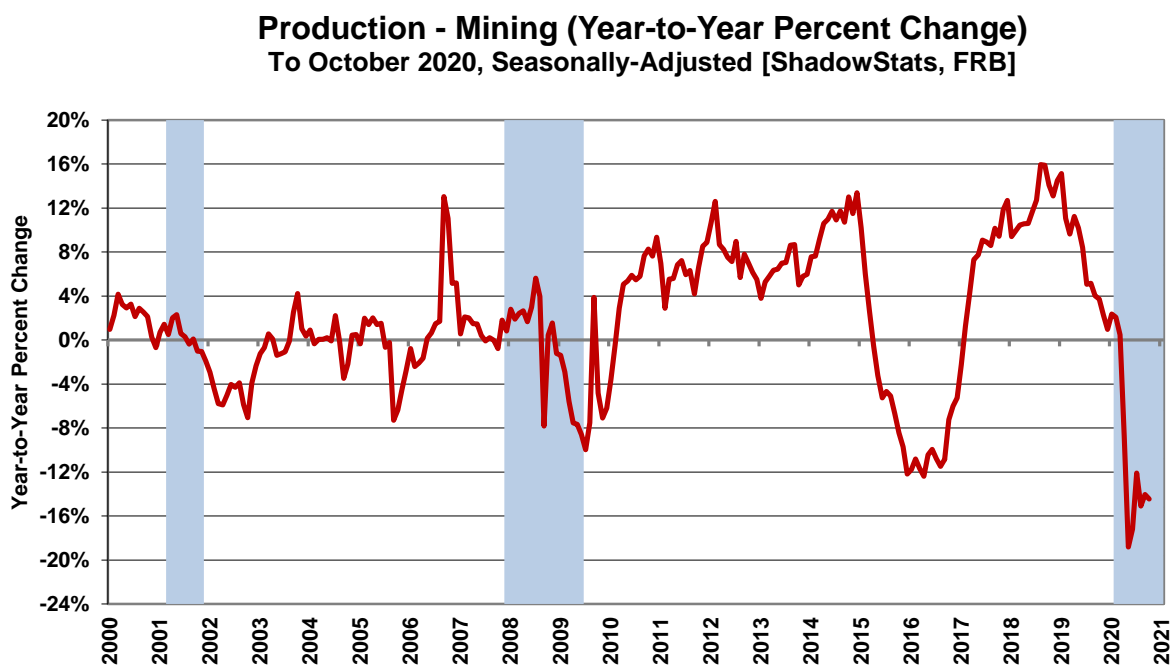
**Graph 18: Manufacturing, Year-to-Year Percent Change (January 2019 to October 2020)**



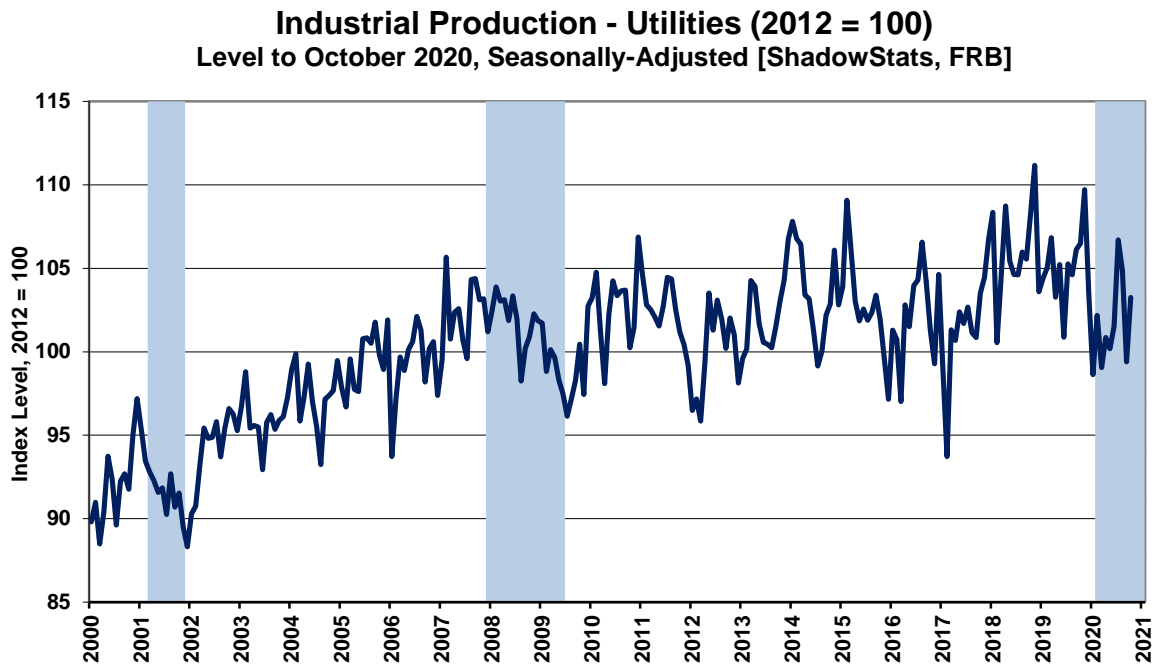
**Graph 19: Mining Level (2000 to October 2020)**



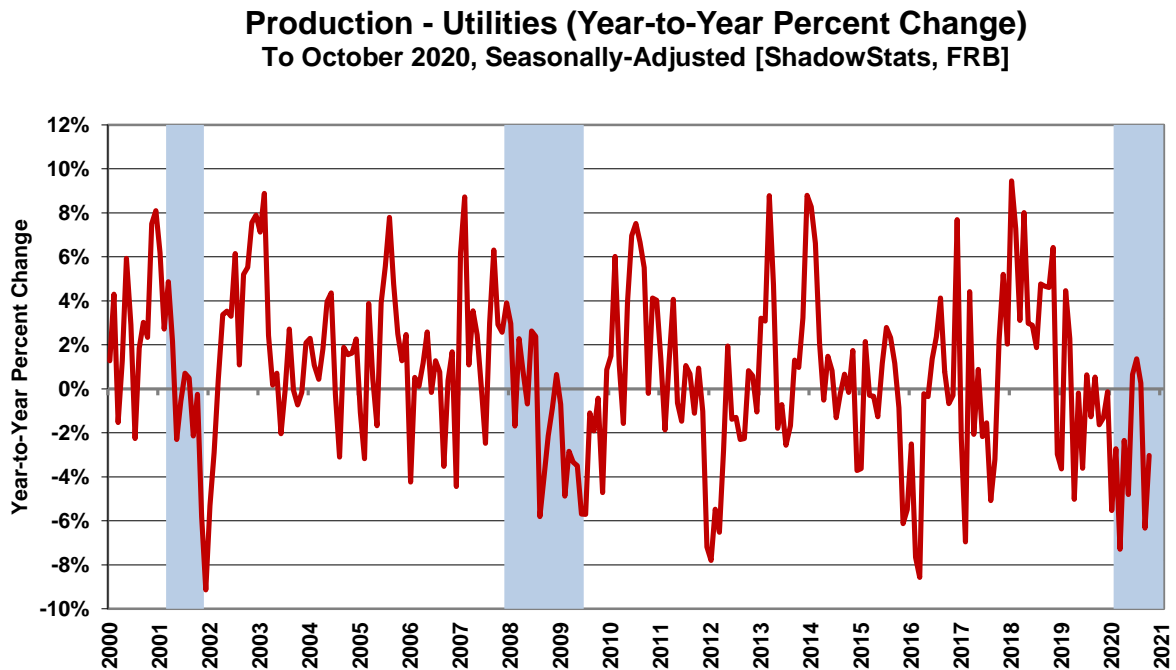
**Graph 20: Mining, Year-to-Year Percent Change (2000 to October 2020)**



**Graph 21: Utilities (2000 to October 2020)**



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



## **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.

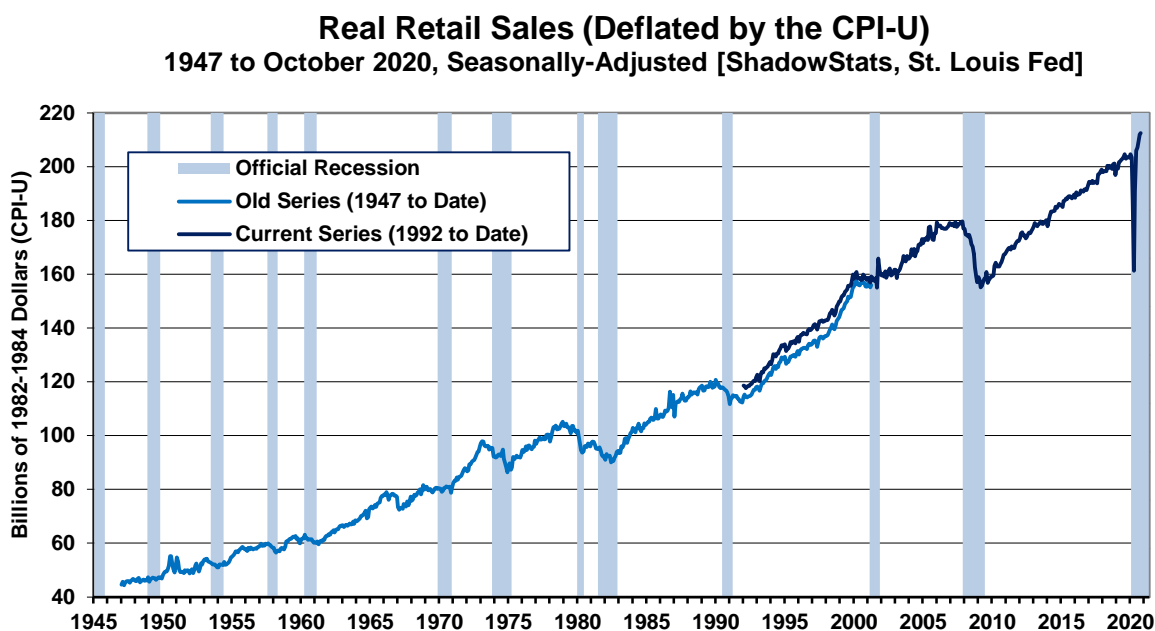
ShadowStats assesses Retail Sales in “real” terms, net of growth due to CPI-U inflation, and as otherwise calculated by the St. Louis Fed. October 2020 Real Retail Sales rose by 0.2% in month, versus 1.4% [previously 1.7%] in September and 1.0% [previously 0.2%] in August, with respective real annual 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.

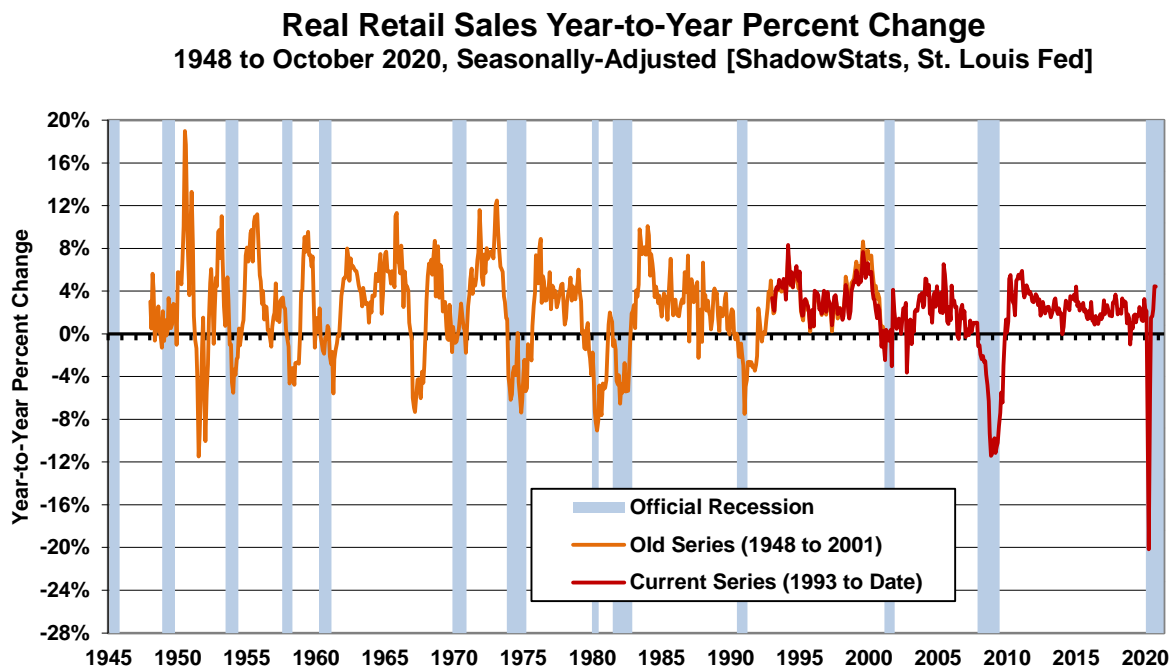
**[Graphs 23 to 28 begin on the next page.]**



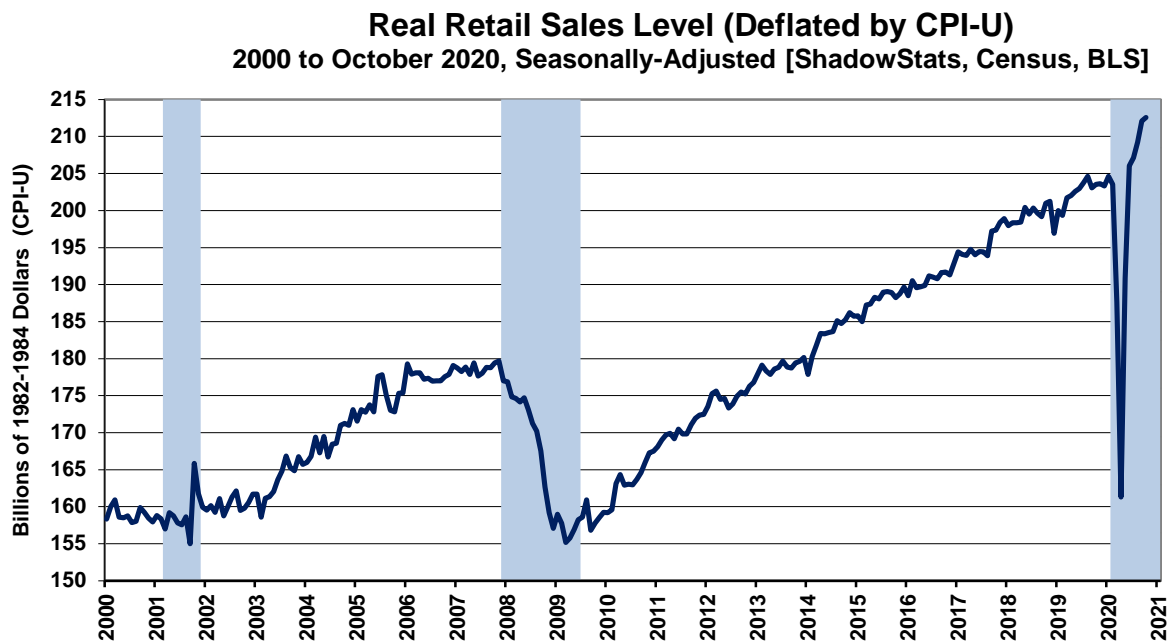
**Graph 23: Real Retail Sales (1947 to October 2020)**



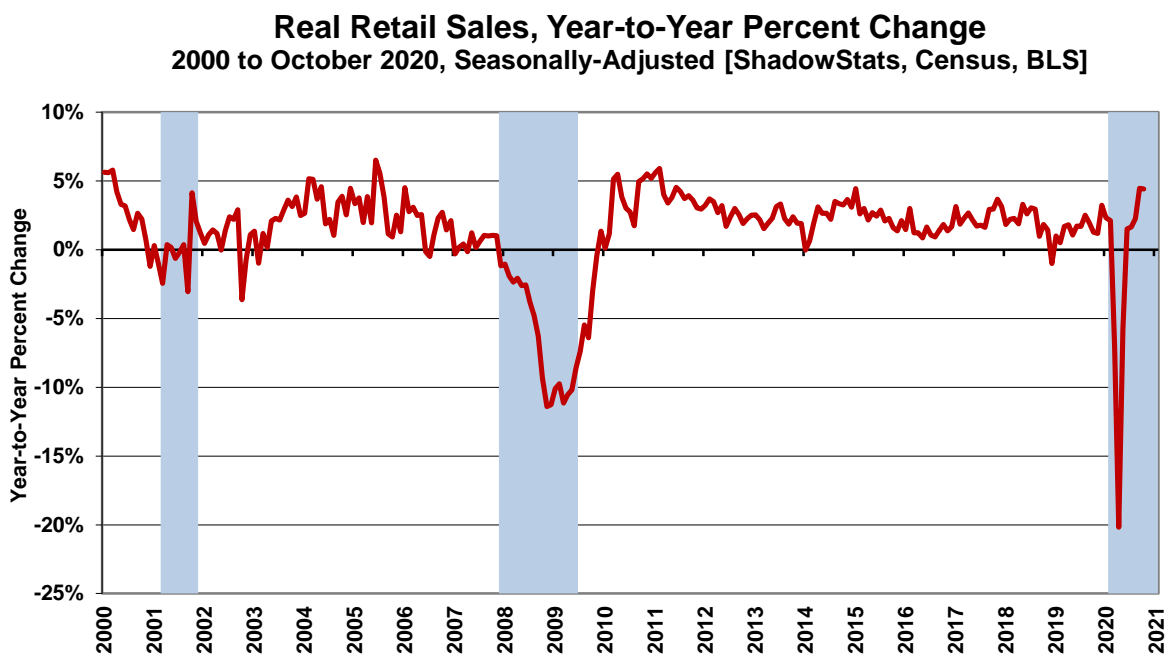
**Graph 24: Real Retail Sales, Year-to-Year Change (1948 to October 2020)**



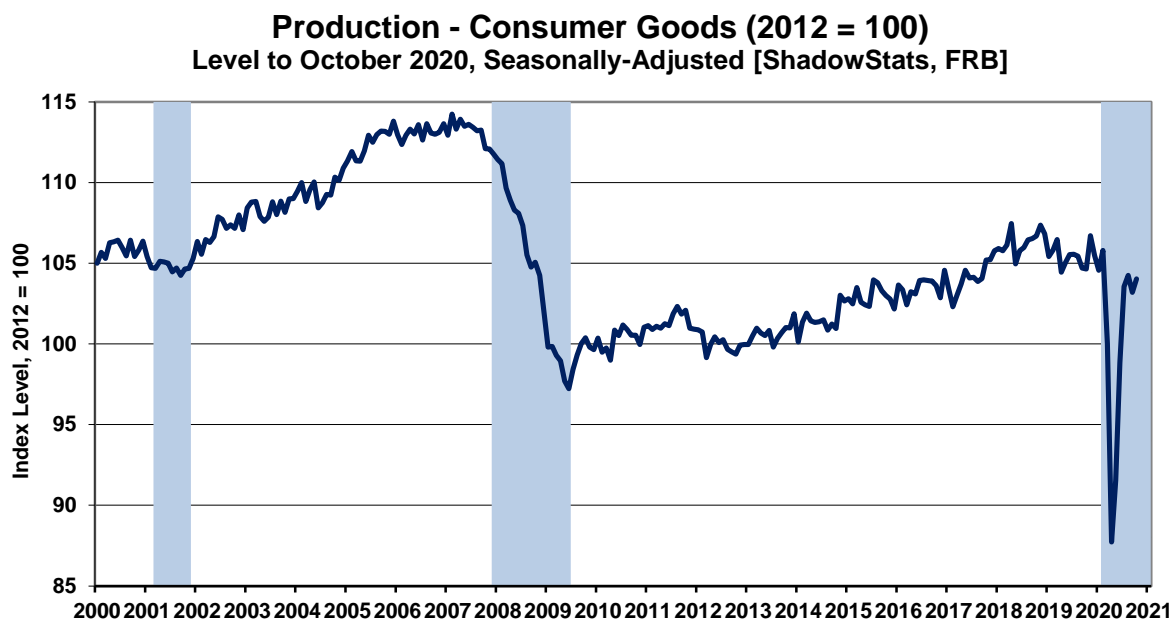
**Graph 25: Real Retail Sales (2000 to October 2020)**



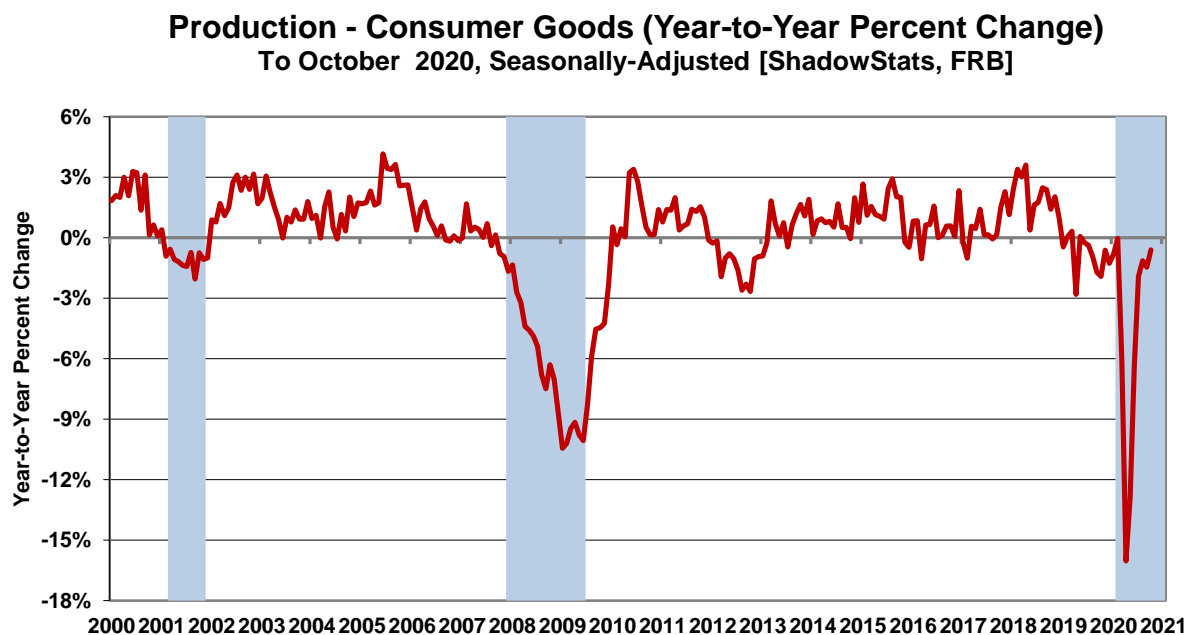
**Graph 26: Real Retail Sales, Year-to-Year Percent Change (2000 to October 2020)**



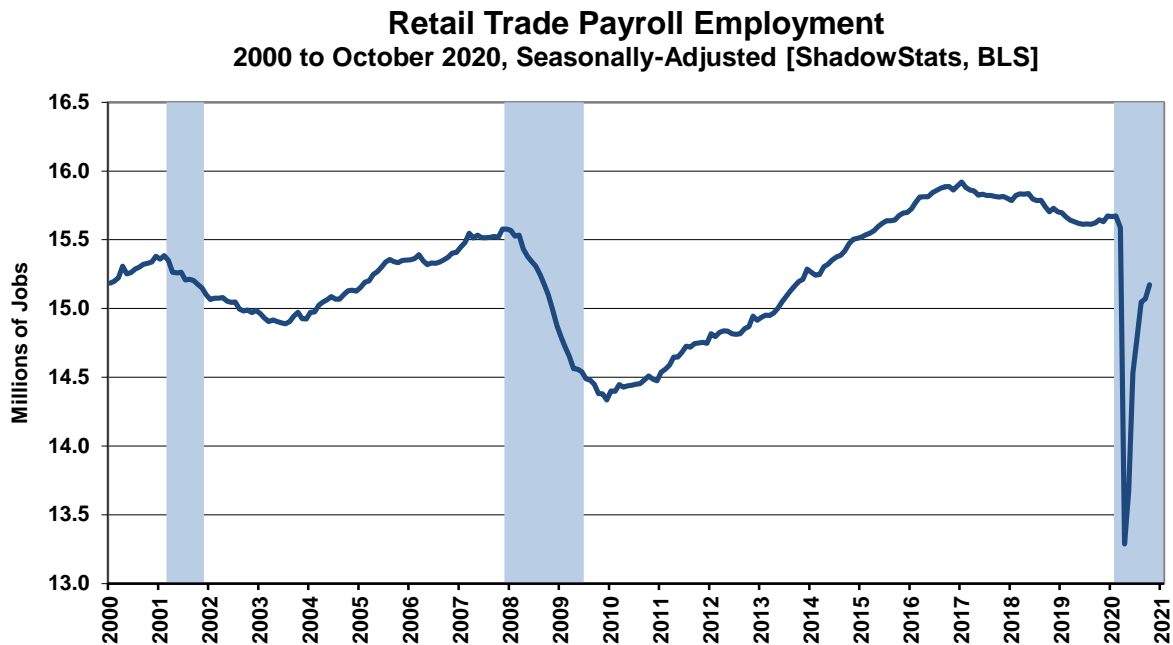
**Graph 27: Production of Consumer Goods (2000 to October 2020)**



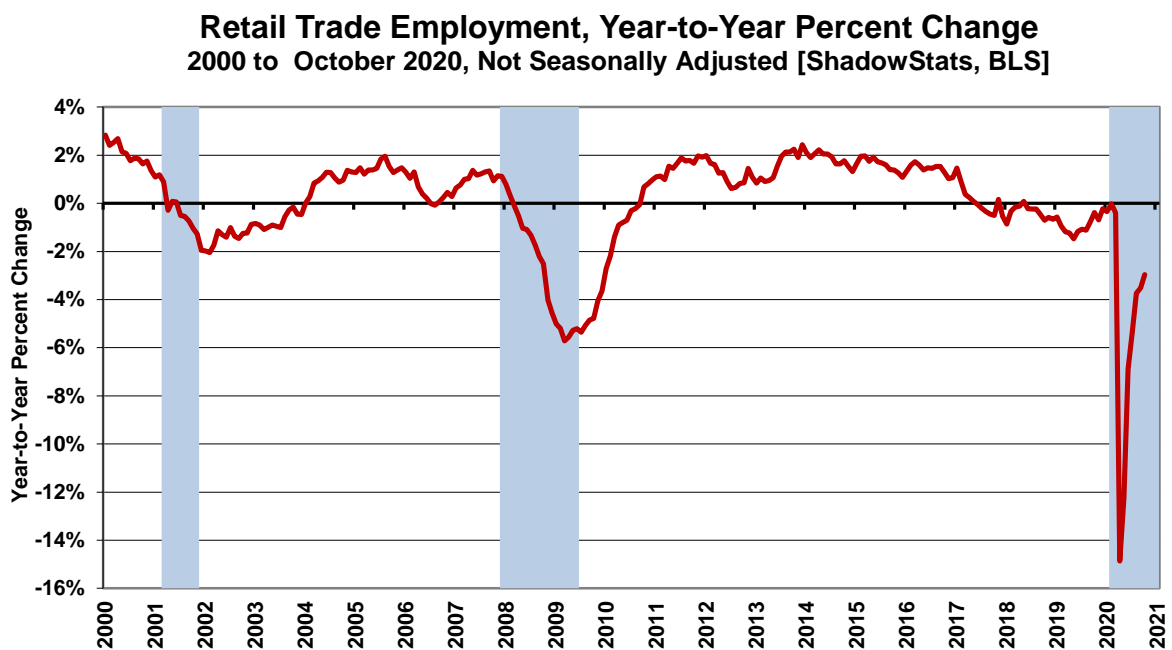
**Graph 28: Production of Consumer Goods, Year-to-Year Percent Change (2000 to October 2020)**



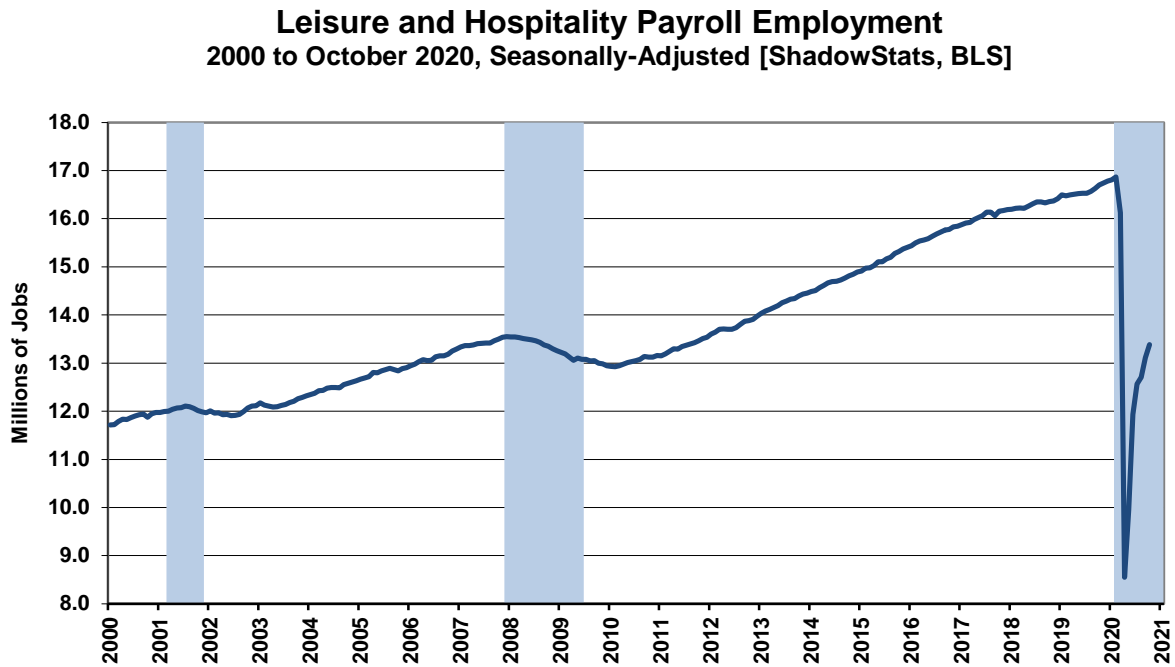
**Graph 29: Retail Trade Payroll Employment (2000 to October 2020)**



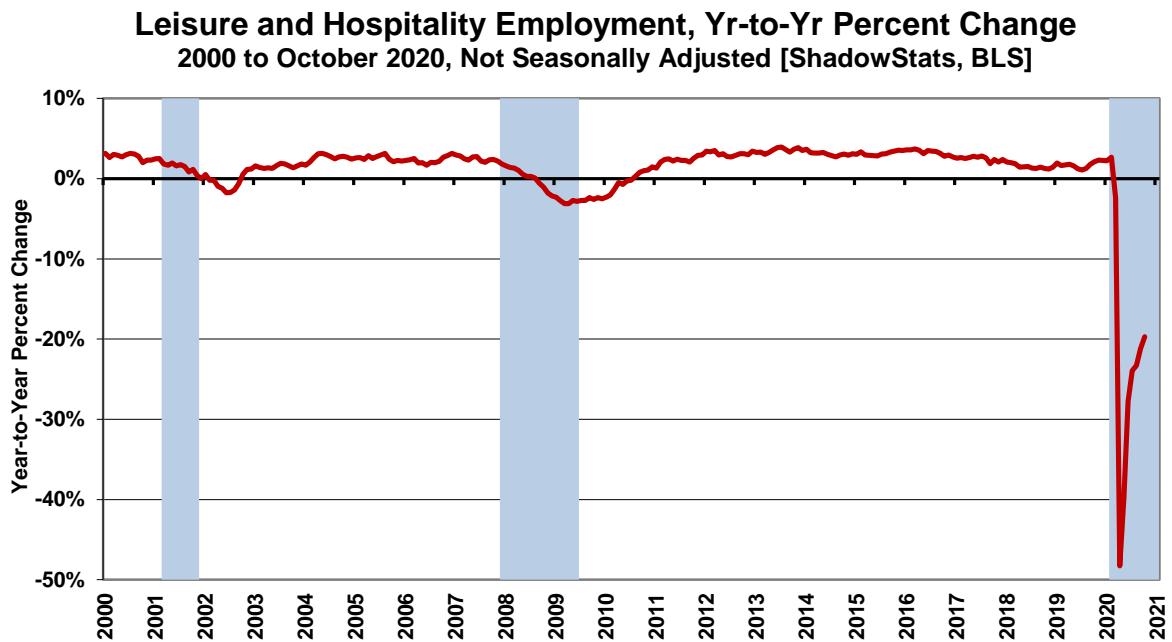
**Graph 30: Retail Trade Payroll Employment, Year-to-Year Percent Change (2000 to October 2020)**



**Graph 31: Leisure and Hospitality Payroll Employment (2000 to October 2020)**



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



## **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**

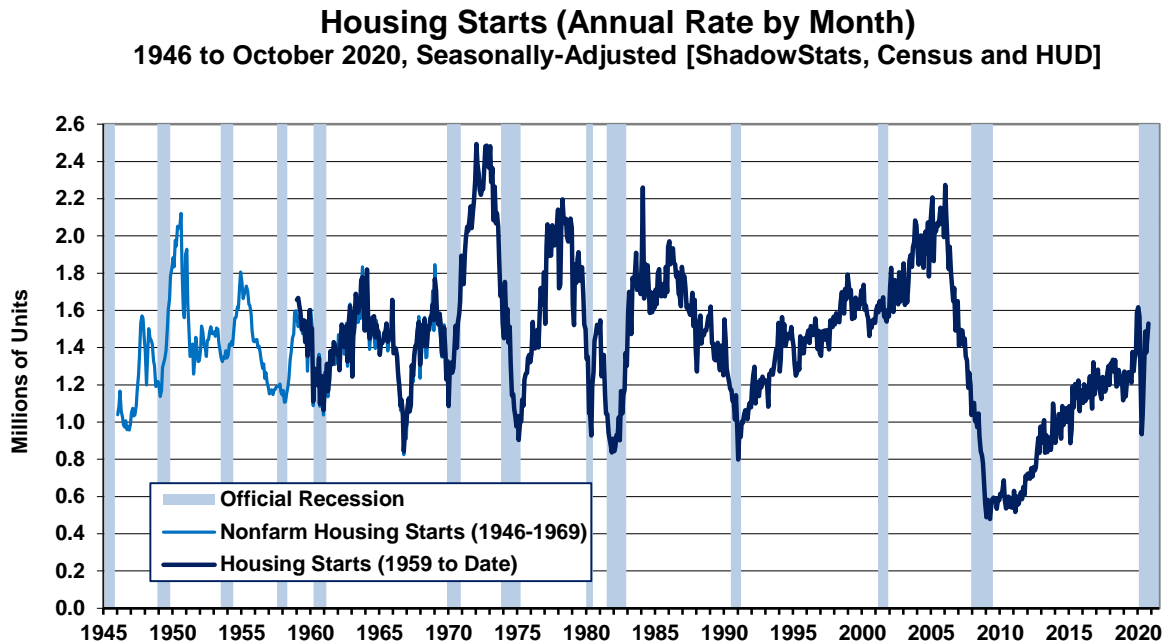
**October 2020 Building Permits Flattened Out on Top of a Downside Revision, While Housing Starts Jumped a Statistically Insignificant 4.9% on Top of an Upside Revision.** Reported November 20th by the Census Bureau, in context of a relatively minor downside revision to September activity, October 2020 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*).

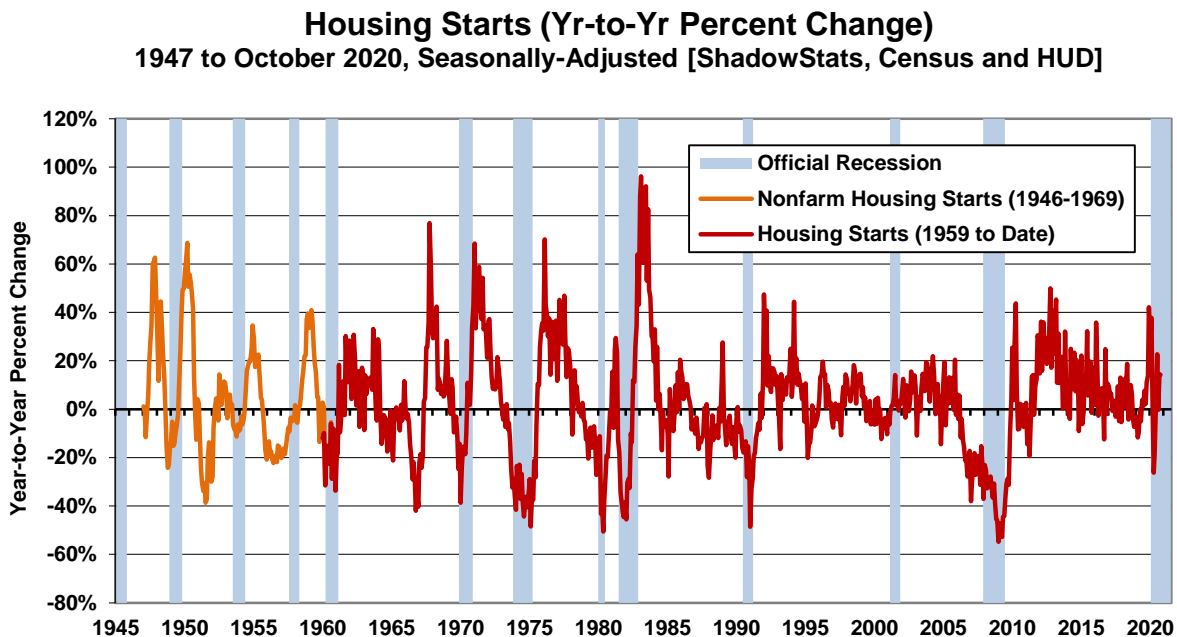
Where the headline level of October 2020 Building Permits has rebounded by 44.9% from its Pandemic-driven April 2020 trough, it also now stands at 0.6% above its January 2020 pre-Pandemic peak. The headline level of October 2020 Housing Starts has rebounded by 63.8% from its Pandemic-driven April 2020 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)**

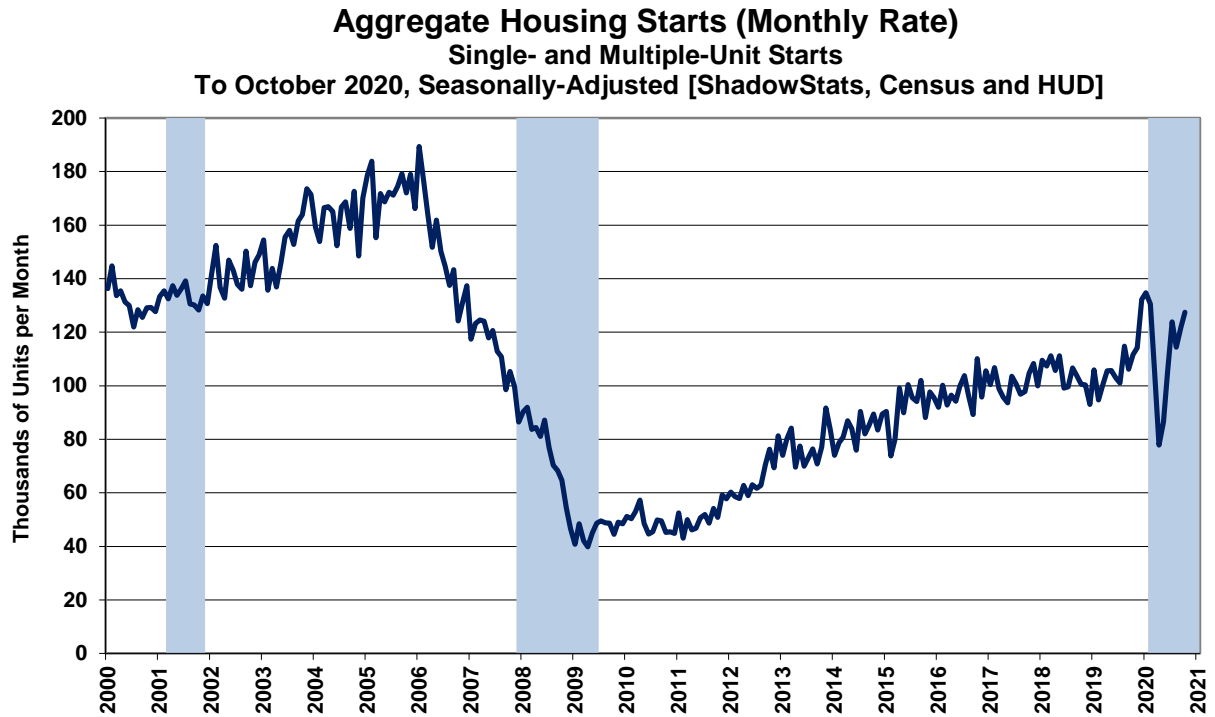


**Graph 34: Housing Starts, Year-to-Year Change (1947 to October 2020)**

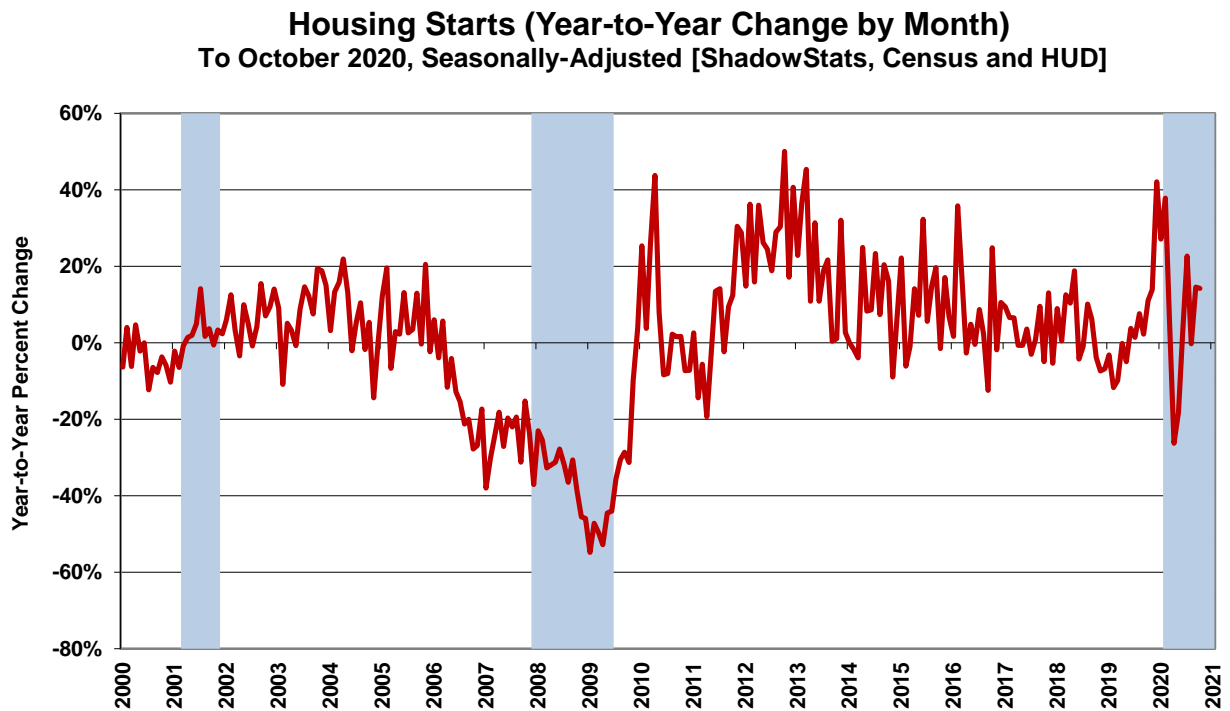




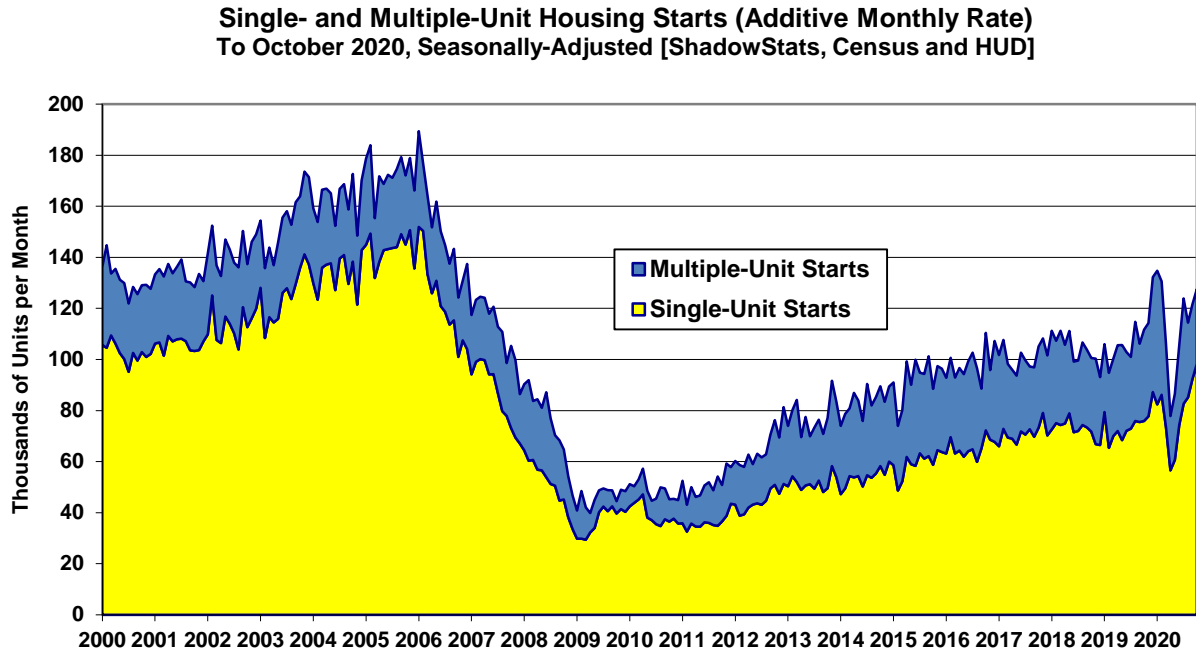
**Graph 35: Housing Starts, Monthly Rate (2000 to October 2020)**



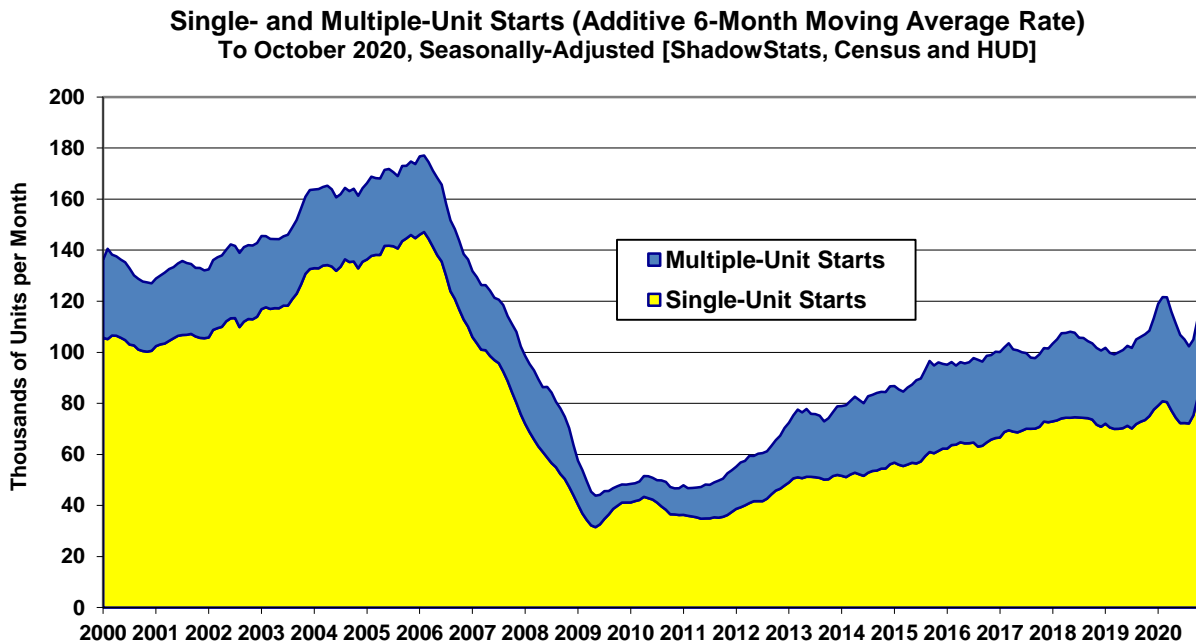
**Graph 36: Housing Starts, Year-to-Year Change (2000 to October 2020)**



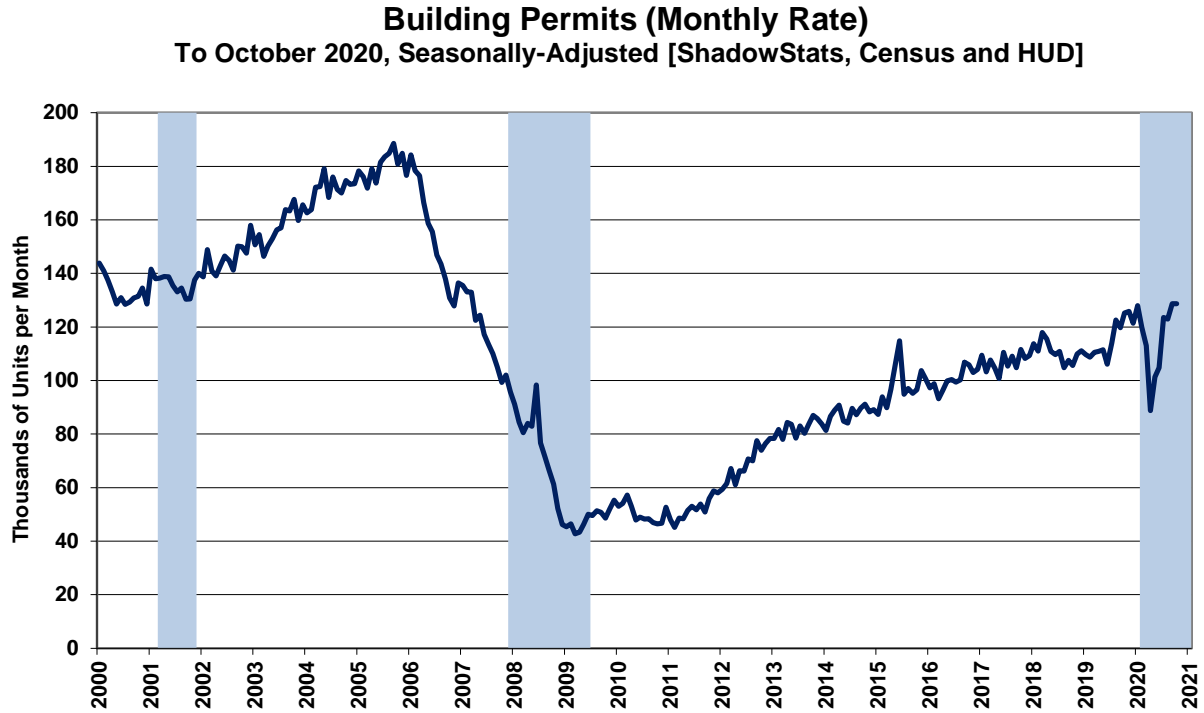
**Graph 37: Single- and Multiple-Unit Housing Starts (Monthly Rate)**



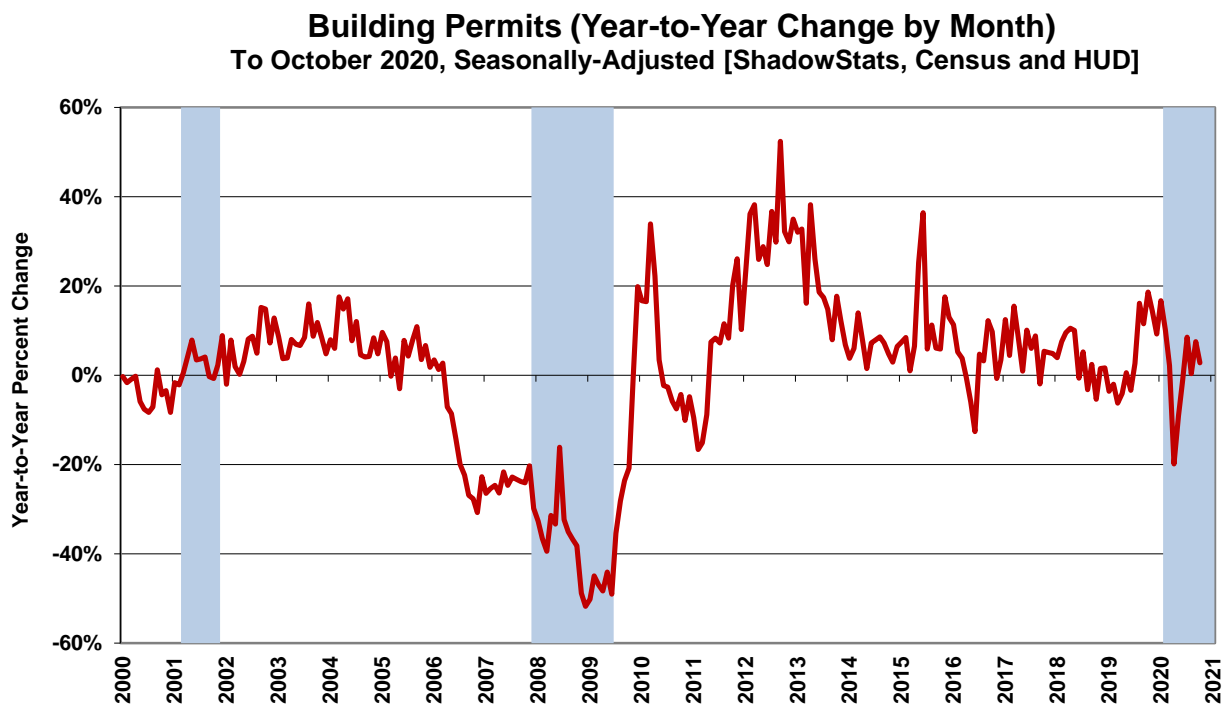
**Graph 38: Single- and Multiple-Unit Housing Starts (Six-Month Moving Average)**



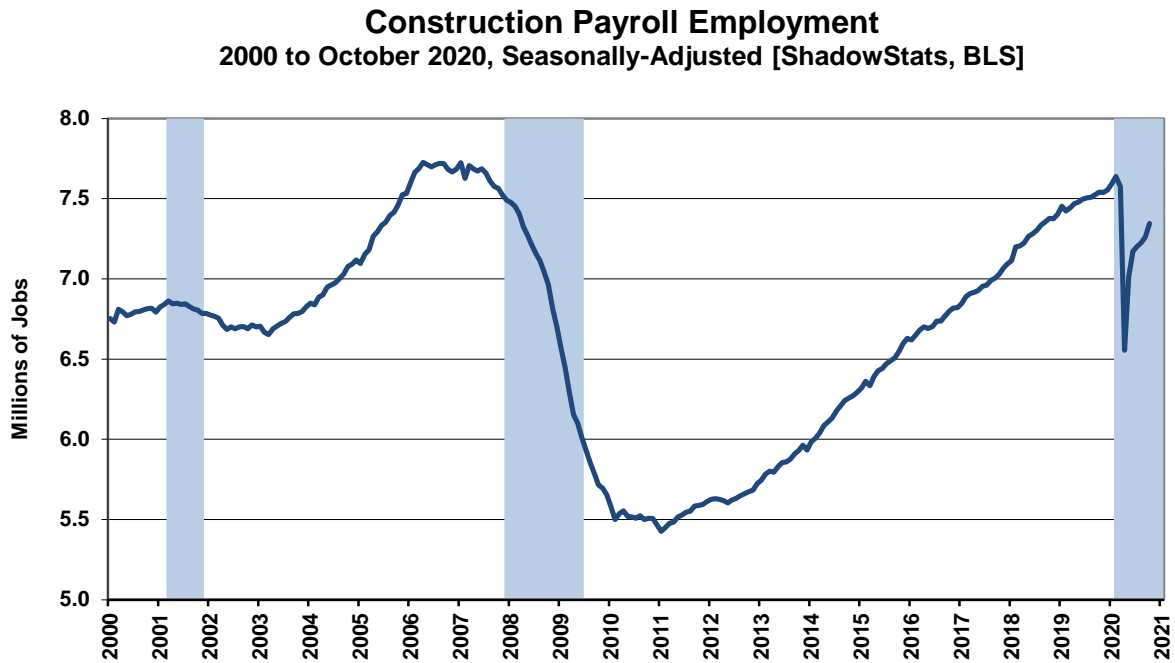
**Graph 39: Building Permits, Monthly Rate (2000 to October 2020)**



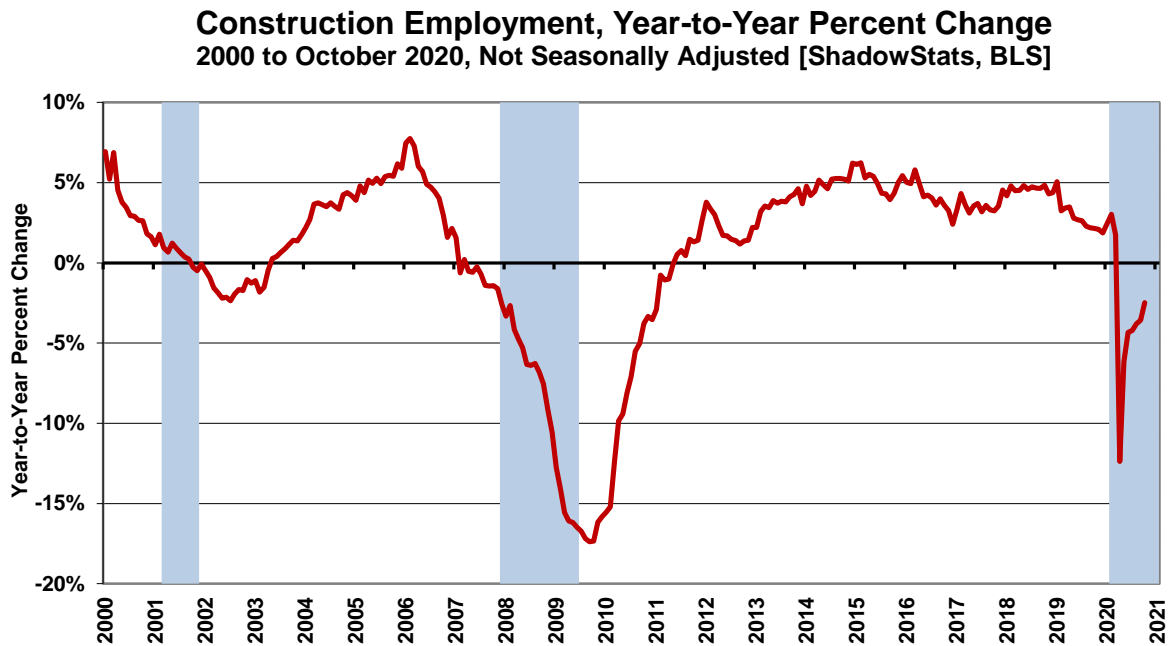
**Graph 40: Building Permits Monthly, Year-to-Year Change (2000 to October 2020)**



**Graph 41: Construction Payroll Employment (2000 to October 2020)**



**Graph 42: Construction Payroll Employment, Year-to-Year Percent Change (2000 to October 2020)**



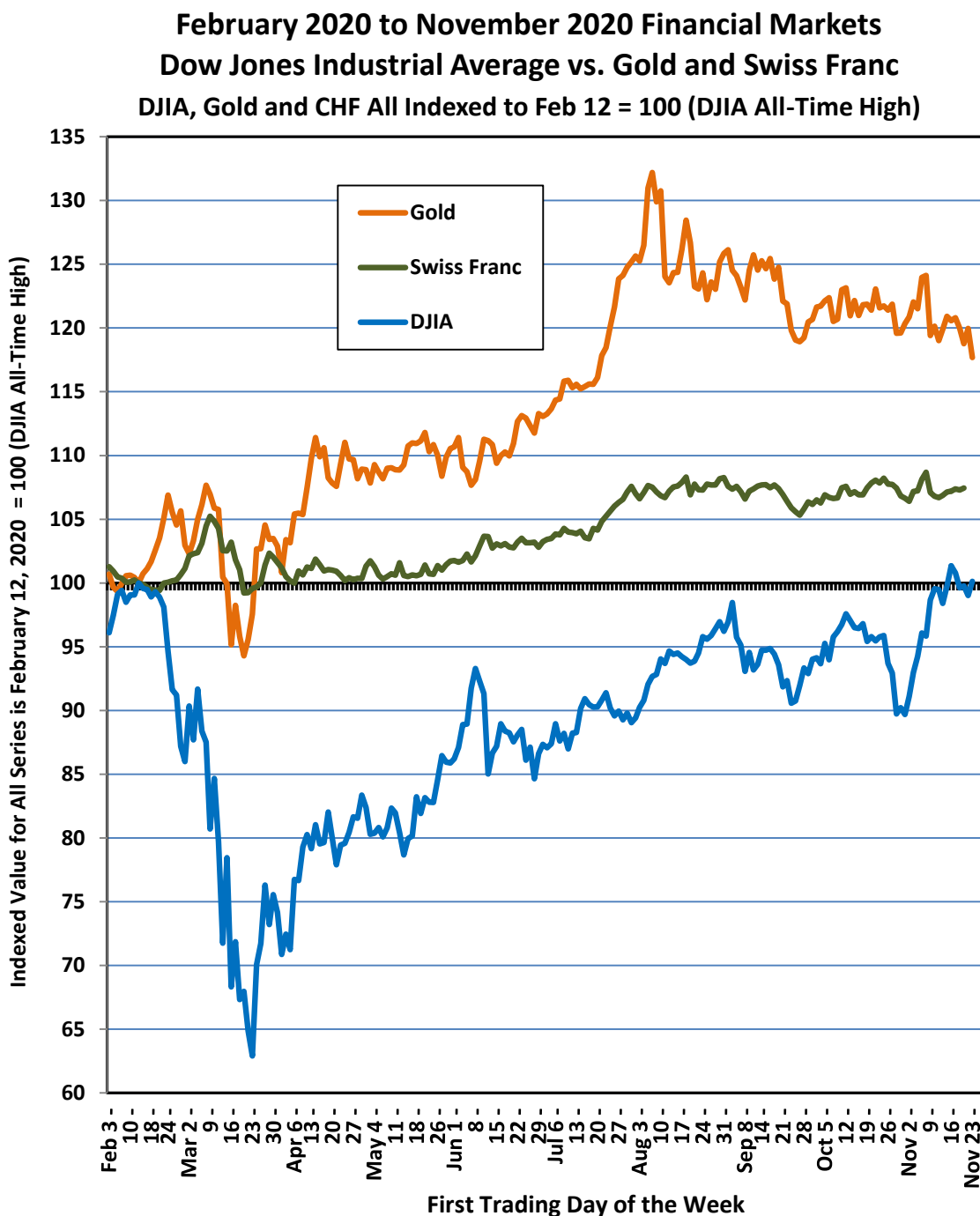
[Financial Market Graphs 43 to 51 begin on the next page.]

## 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)**

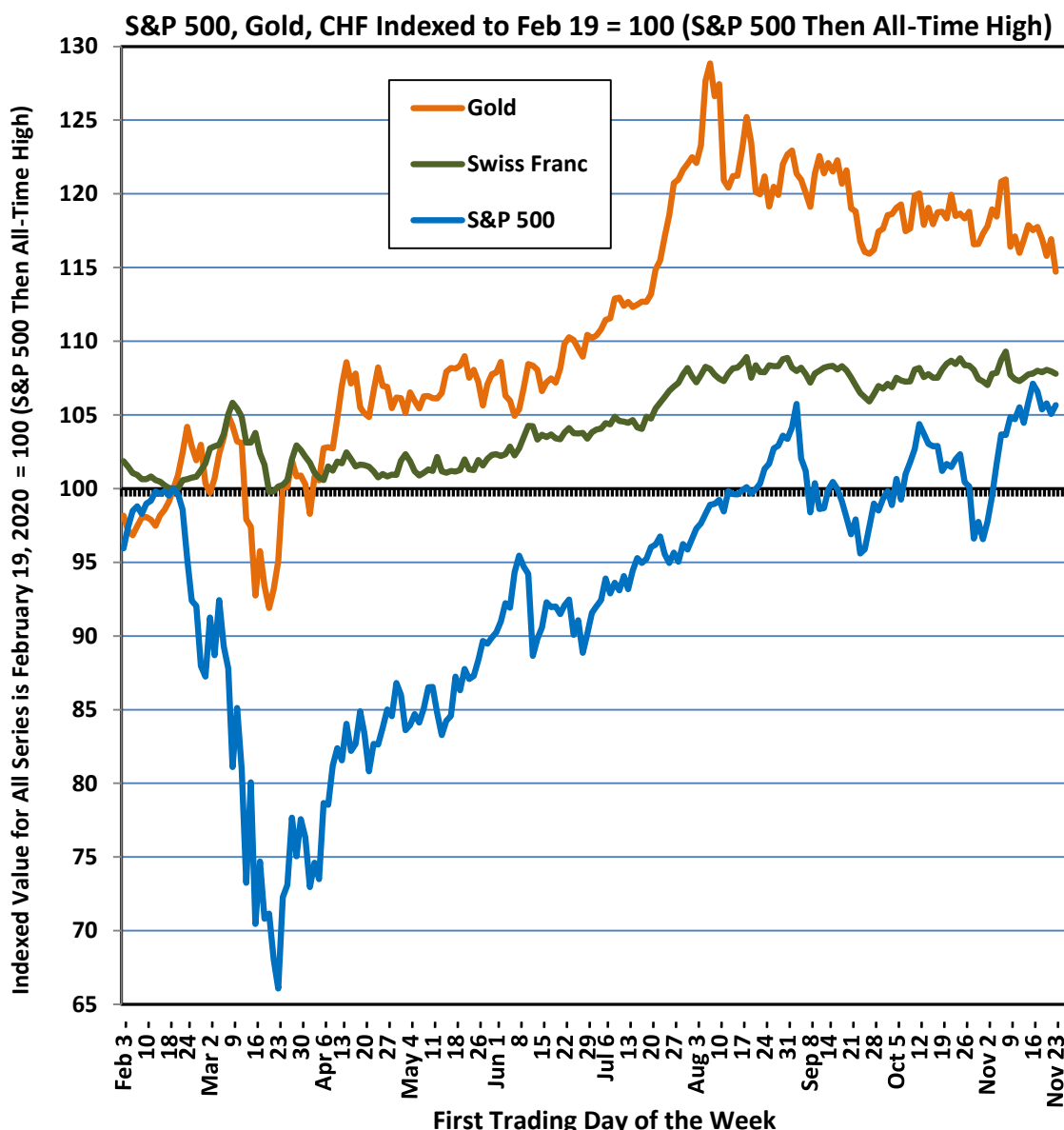


### DJIA and S&P 500 Hold Near Recent Peak Levels

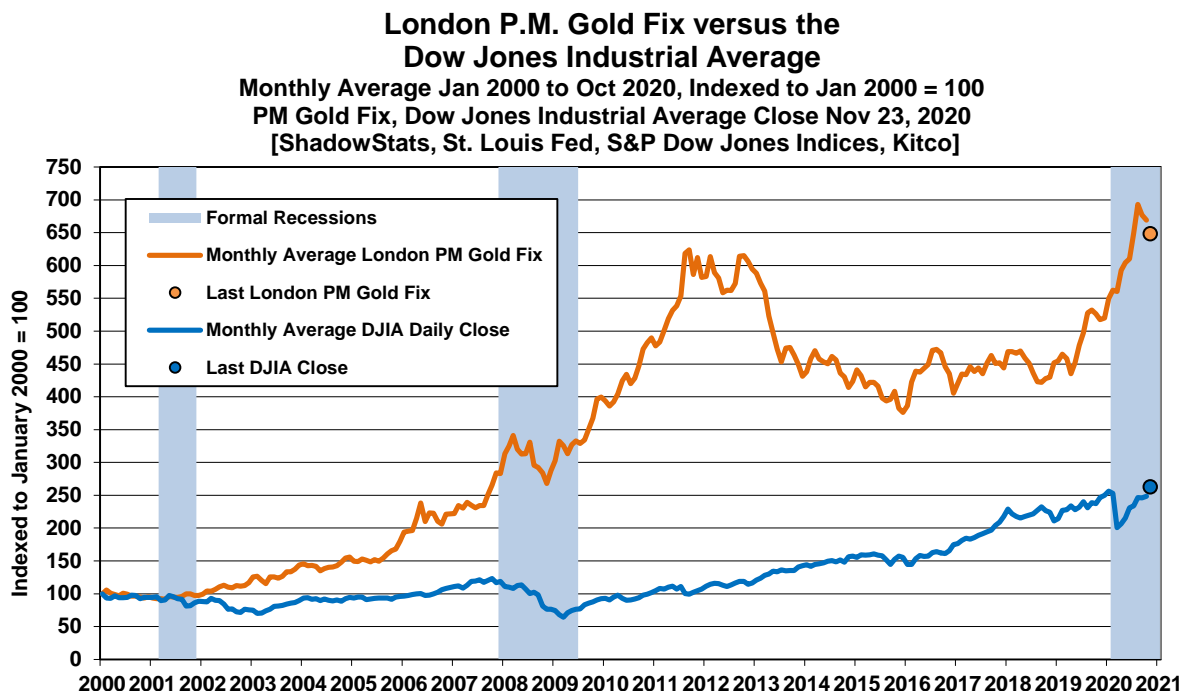
**Graphs 43 and 44** plot the Dow Jones Industrial Average and the S&P 500 against Gold (London PM Fix) and the Swiss Franc (CHF, 4 PM New York), with each instrument set equal to 100.0 at the pre-Coronavirus stock market peak level of February 2020. Discussed in today's **OPENING COMMENTS** and detailed 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)**

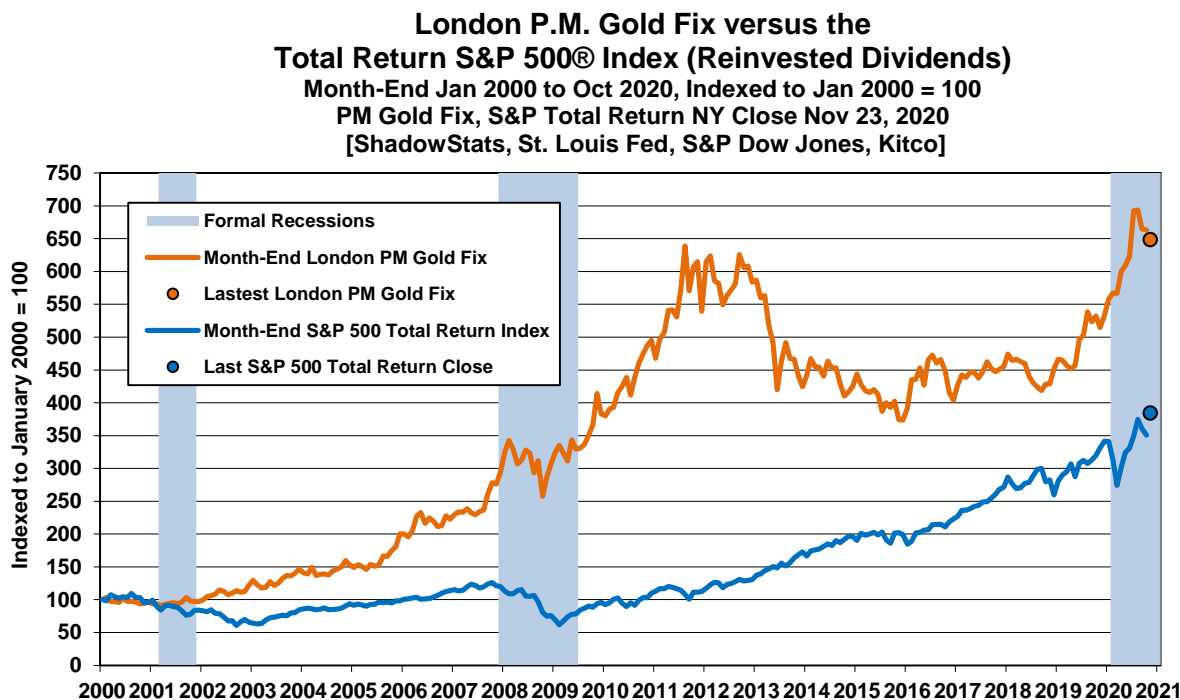
#### February 2020 to November 2020 Financial Markets S&P 500 vs. Gold and Swiss Franc



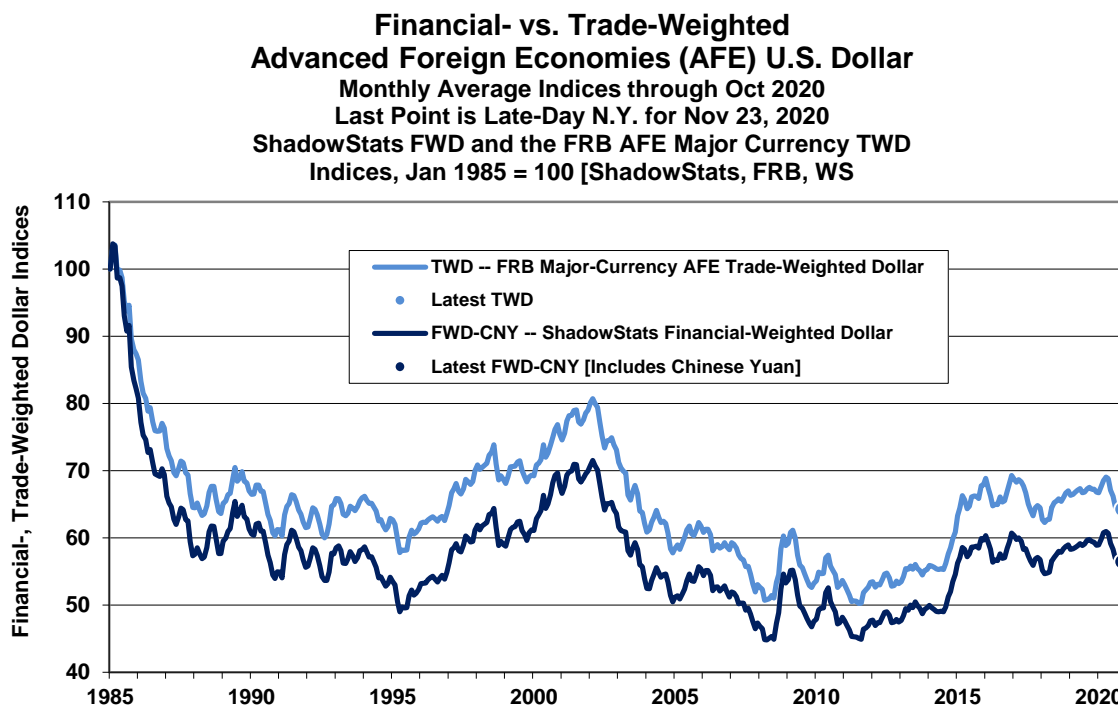
**Graph 45: Dow Jones Industrial Average versus Gold (Monthly Average and Latest)**



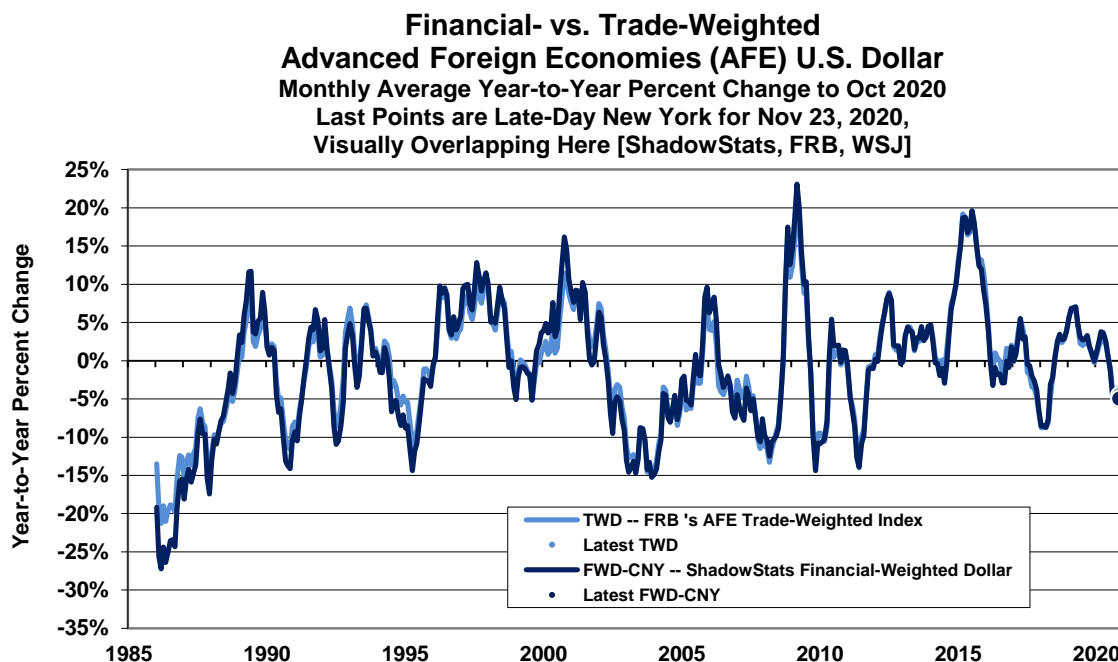
**Graph 46: Total Return S&P 500® versus Gold (Month-End and Latest)**



**Graph 47: U.S. Financial- vs. Trade-Weighted U.S. Dollar**

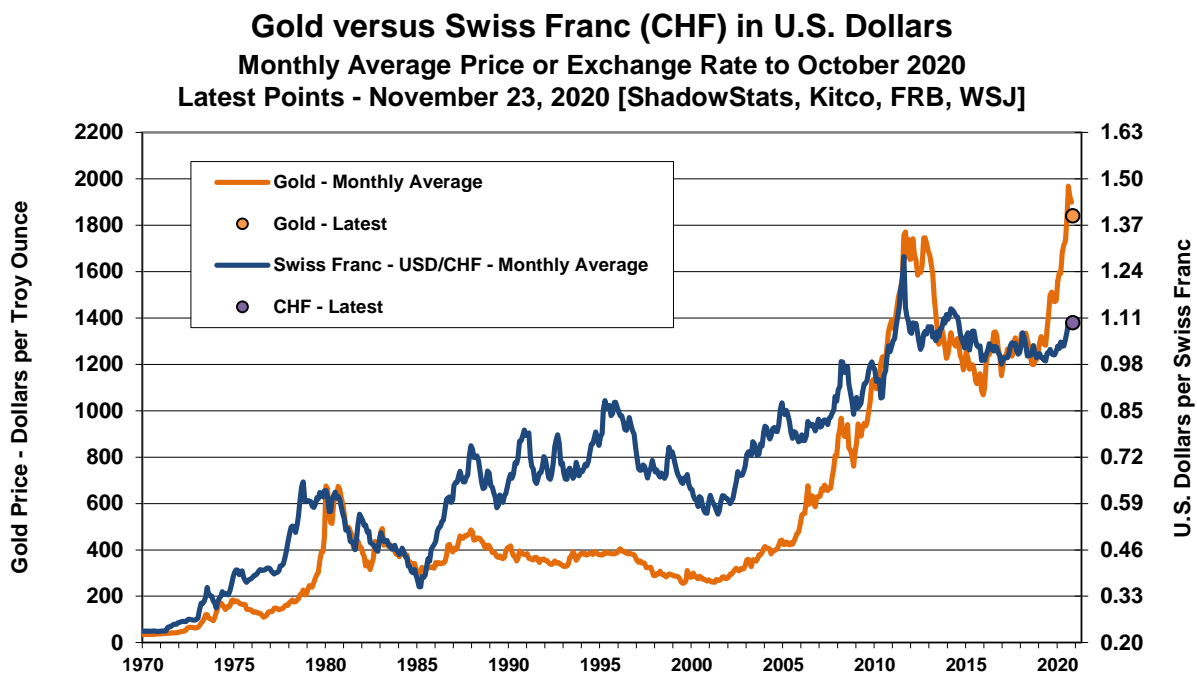


**Graph 48: U.S. Financial- vs. Trade-Weighted U.S. Dollar, Year-to-Year Change**

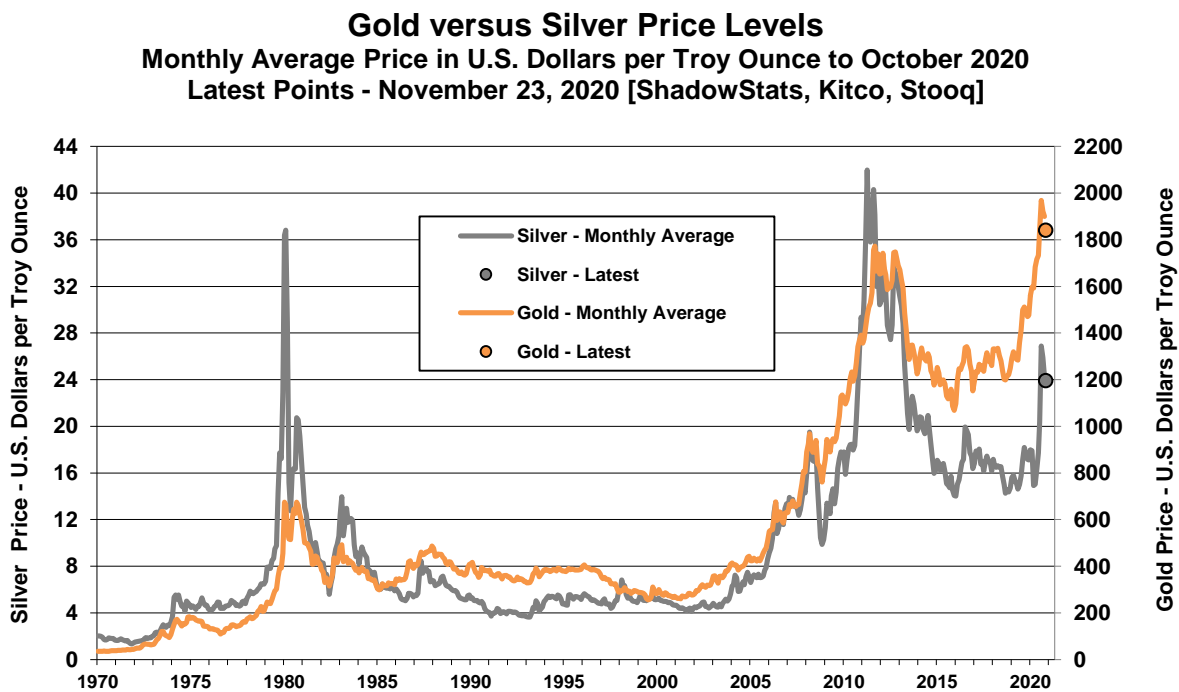




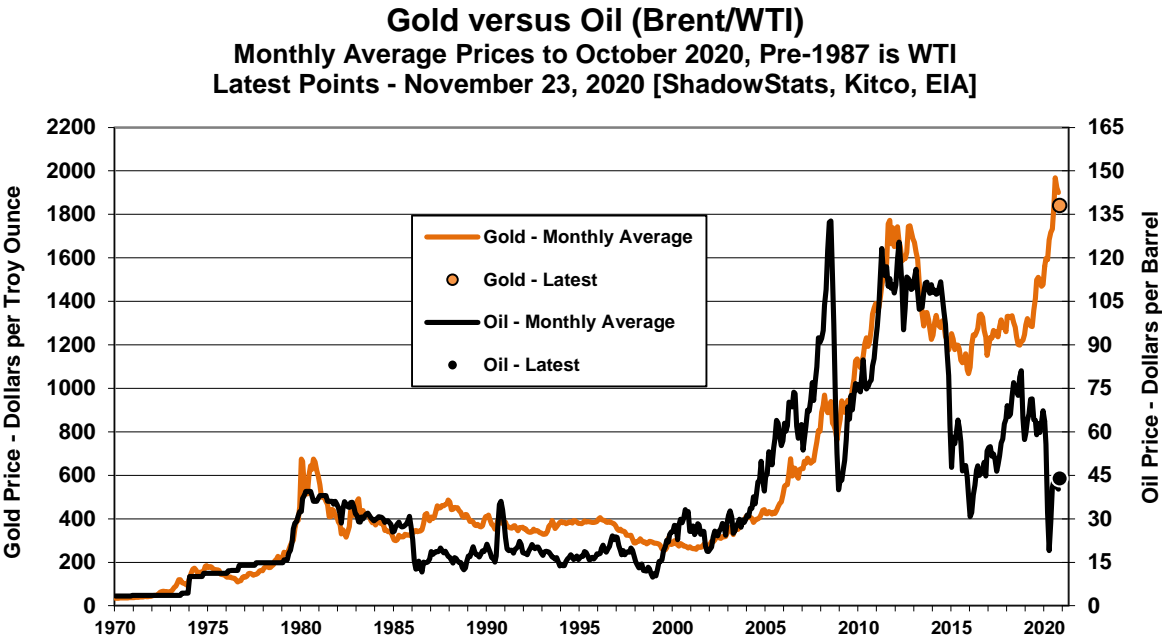
**Graph 49: Gold versus Swiss Franc**



**Graph 50: Gold versus Silver**



Graph 51: Gold versus Oil



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