
Transcript

You already know about the troubling economic numbers coming out. We break down how this looks from state to state. The results of the Community Bank Sentiment Index arrived today, and the numbers are, as expected, way down. We'll explain how community bankers provide a perspective job numbers cannot and how the sentiment of community bankers declined each week. After that, we focus consumer resources: as you prepare to collect payment from the federal government, as you look out for increased unemployment checks, and as you consider loans or financial products to help you get through these unprecedented times, we've got resources to help you avoid getting scammed.

It’s Friday, April 3, this is Matt Longacre, and here’s the latest as of 2 p.m. Eastern:

Headline News Today

The U.S. Department of Labor announced today that weekly initial jobless claims increased to 6.6 million. The previous week of initial jobless claims, 3.3 million, already represented five times the record for weekly claims in U.S. history.

CSBS published a blog this morning showing the impact of those claims to unemployment on a state-by-state basis. Through March, the states with the largest projected increases in state-level unemployment rates are expected to be Pennsylvania (4.7% to 16.7%), Rhode Island (3.4% to 14.8%), Nevada (3.6% to 14.2%), and Michigan (3.8% to 12.7%). For the most populous states, the projected unemployment rates are as follows: California (9.3%), Texas (6.5%), Florida (5.7%) and New York (8.5%)
Another way of measuring the performance of a local economy is to listen to the people who provide the financing for businesses and consumers. Community bankers have a special insight into local economies; not only do they see the financial condition of businesses on a more local, granular basis, they also talk directly to business owners and consumers in need.

The Community Bank Sentiment Index captures the outlook of local economies based on the view of those community bankers. The Index is presented in a single number, where 100 means a neutral sentiment, and below 100 would be a negative sentiment. In Quarter 1 2020, the Sentiment Index number was 91, a 34 point drop from Quarter 4 2019. And, if you only account for submissions at the end of March, the Sentiment Index number would have been 71.

We have included charts, interactives, and more to see what Community Bankers think in the show notes.

**An Advisory for Consumers**

State regulators have warned consumers about a surge in scams related to the COVID-19 pandemic. Scammers have posed as medical authorities offering prevention or treatment for COVID-19, as charities offering assistance to those affected by the virus, as debt counselors or attorneys, and even as mortgage or student loan servicers.

Agencies and consumer advocates are collecting information on these common scams and how to spot early warning signs. You can learn how to better protect yourself by visiting the CSBS COVID-19 Consumer Resources page linked in the show notes, which details the most common types of scams, provides information on government relief to consumers, and links to useful resources for those economically impacted by the virus.

Some common scams to be aware of:
● **Advance Fee Loan Scam** – In times of need, consumers may shop for various loans to extend their financial flexibility. Scammers may ask consumers to pay fees upfront for nonexistent loans, and once the consumer provides the payment, they never hear from the scammer again.

● **Imposter scams** – Be aware of imposter scams, especially during times of crisis. These scams come in many varieties but ultimately the scammer impersonates someone you trust in order to convince you to send them money. Relevant examples include family emergency scams and government imposter scams.

● **Bailout Anticipation Loans** – Congress has passed laws providing financial relief for those in need. It will take time for the government to process the relief coming from these programs. Scammers may prey on those who need immediate assistance by offering short-term loans.

In addition to CSBS resources, you can check the IRS.gov homepage to learn more about the upcoming economic relief checks and see if you need to take any action to receive it. Also, if you are struggling to make on-time payments on your mortgage, the CFPB has provided a helpful video to explain how to take advantage of mortgage forbearance, or the ability to pause or delay payments on your mortgage during the pandemic.

As you navigate this difficult financial time, put your trust in state and federal regulators – in your home state, at the CFPB, at the IRS, and at other federal agencies – to provide you accurate and timely information. Be wary of imposters of these agencies, and make sure you are on a legitimate government website when entering information.

That’s all for today.

If your state or federal agency is taking action, if you’ve got a consumer resource, or if you’ve got financial news, please share it with us. You can send your news and activity to newsroom@csbs.org, and we will go through responses to share the most relevant news.
Thank you. Please stay tuned, and bear with us as we work to bring all the news to you in the coming weeks.

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Podcast Length
5:29

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