



Economics Group

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COVID-19 Shut Down Seattle’s Red-Hot Economy in March

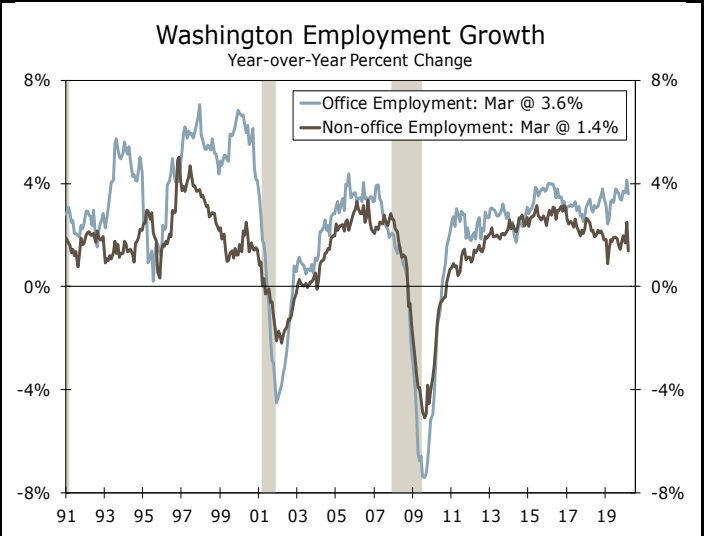
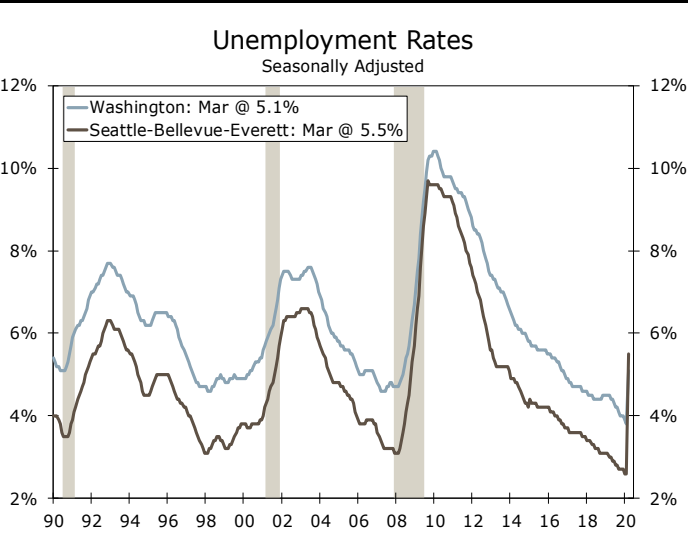
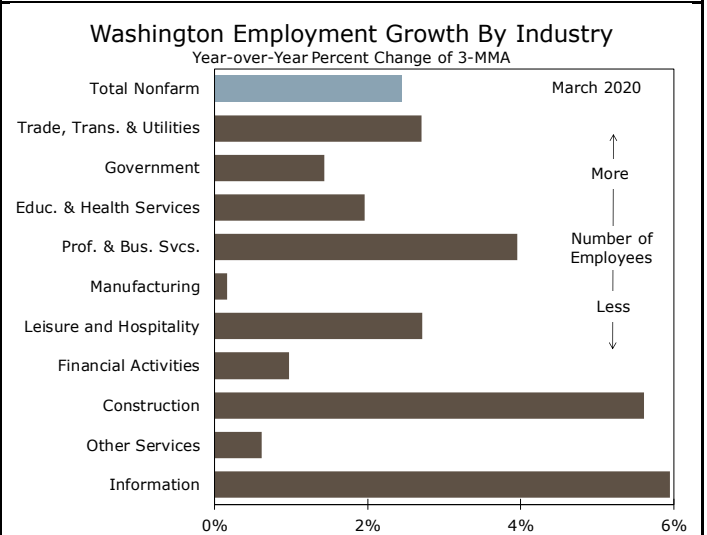
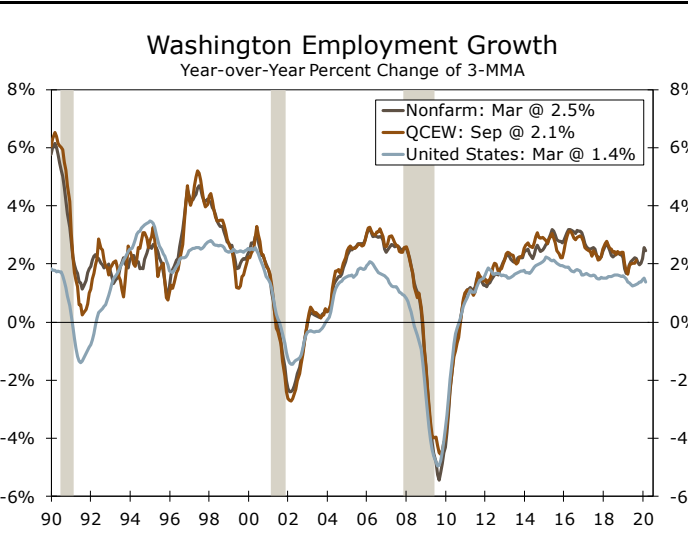
Greater Seattle and Washington State saw unemployment jump sharply, as social distancing efforts led to a sharp pullback in economic activity. Seattle’s unemployment rate more than doubled to 5.5%.

Seattle Has Been At The Forefront of the Outbreak...

- Washington was one of the first areas to see a COVID-19 outbreak and one of the first to implement aggressive mitigation to slow its spread. Those efforts caused economic activity to pull back sharply in March, sending the unemployment rate up 1.3 points statewide and 2.9 points higher in greater Seattle to 5.5%.
- Despite the spike in unemployment, nonfarm employment fell only modestly, dropping 0.3%, or by 11,100 jobs statewide.

...And May Also Recover A Little Sooner

- As in most parts of the country, leisure & hospitality accounted for the vast majority of job losses (-12,300). Employment also fell slightly in manufacturing, although the bulk of Boeing’s cuts will likely to show up in the April report, before rebounding in May.
- Nonfarm payrolls may be holding up because a large proportion of Seattle-area jobs can be done remotely. Microsoft, Amazon and Seattle’s life sciences sector are also some powerful offsets to have.



Source: U.S. Department of Labor, U.S. Department of Commerce and Wells Fargo Securities

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