

The Colliers Index has been downgraded to a 3 from a 6 in March. This score reflects the continued effects of COVID-19 upon economic conditions in the United States. Atlanta is no exception to the negative circumstances; however, its industry diversity and significance as a regional distribution hub will help the area recover quicker than most other major metros.

CURRENT MARKET CONDITIONS

Where to even begin? The economy has basically shut down and remains in flux. A recession is likely, if not already here. And the March jobs report reflected the beginnings of the impact of COVID-19 to the nation's employment situation. The indicators remain discouraging. It's not pretty!

ATLANTA: Metro Atlanta is beginning to see a hit to its economy. The restaurant and hospitality sectors have been crushed. Job numbers from the latest data (February) are already showing losses. If not for positive Q1 office and industrial data, the index would be lower.

STOCKS: Stocks are in bear market territory, hitting levels not seen since 2017. Signs of revival have sprung up as of late, but the market will remain volatile until a promising end to the pandemic.

OIL: As anticipated, oil has dipped into the \$20s and nations are running out of storage options as surpluses increase. OPEC is expected to make major cuts to production levels in the coming months.

FED: The Fed slashed its benchmark interest rate to zero in March, and plans to keep it at this level until the economy has 'weathered' the COVID-19 pandemic. Quantitative easing of \$700B is expected to be the first installment of more moves later to help keep markets calm.

GDP: Forecasted GDP from multiple sources show a bloodbath. Q1 is anticipated to be positive given productivity in the first 2 months of the year; however, Q2 projections of -34% are staggering.

MONTHLY ECONOMIC INDICATORS	PRIOR AVAILABLE DATA	CURRENT AVAILABLE DATA	M-O-M Change	Y-O-Y Change
Interest Rates	March	April		
10-year Treasury Rate	0.74	0.75	1.4%	-70%
LIBOR (1 month)	0.86	0.99	15.1%	-59.9%
Jobs (Metro Atlanta)	January	February		
Employment (thousands)	2862.6	2861.7	-0.9	54.4
Unemployment Rate	Feb./Jan.	Mar./Feb.		
U.S.	3.5%	4.4%	0.9	0.6
Atlanta	3.2%	3.3%	0.1	-0.5
GDP	Q3 2019	Q4 2019		
U.S.	2.1%	2.1%		
Oil	March	April		
Crude (Nymex)	\$31.55	\$25.72	-18.5%	-59.9%
Mo. Building Permits (ATL)	January	February	3 Mo. Avg	6 Mo. Avg
Single Family	1,959	2,107	2,085	2,029
YTD	1,959	4,132		
Multi-Family	953	635	596	688
YTD	953	1,529		

FOR MORE INFORMATION

Scott Amoson
VP, Director of Research | Atlanta
+1 404 877 9286
scott.amoson@colliers.com

Colliers International | Atlanta
Promenade | Suite 800 | 1230 Peachtree Street, NE
Atlanta, Georgia, 30309 | +1 404 888 9000
colliers.com/atlanta



Accelerating success.

The Colliers Index is a 1-10 scale assessing Atlanta CRE as measured by key economic indicators, current and projected market fundamentals, and overall industry sentiment.

LAST MONTH: 6

-701,000
U.S. JOBS LOST IN MAR.

-417,000
IN FOOD SERVICES &
DRINKING PLACES

-50,000
IN TEMP SERVICES

-46,000
IN RETAIL TRADE

16.8M
RECORD UNEMPLOYMENT
CLAIMS LAST 3 WEEKS

4.4%
NATIONAL
UNEMPLOYMENT RATE

1.3%
Q1 2020 GDP
PROJECTION