



Dear Valued Client,

We at White Pine Wealth Management wanted to take a moment to comment on the economic impact of the coronavirus as seen in the recent market decline. COVID-2019 (also known as “nCov” or “coronavirus”) first gained public attention in the United States on January 17, when select U.S. airports started screening passengers arriving from Wuhan, what is known to be the epicenter of the disease.

Over the weekend of February 22, there was a significant rise in cases outside of China, most specifically in South Korea and Italy. While the total number of cases in Italy is small, the spread of cases to Europe significantly accelerated fears of a global pandemic. After increased cases in Italy and fears related to the economic impact on the global economy, from February 24 through February 27th, the S&P 500 suffered significant losses, declining by over 10% as of Thursday’s close. The market initially underreacted to concerns related to the economic impact of COVID-2019 and when fears accelerated, the market quickly overreacted. Currently, as we do not see a significant and persistent negative impact to the global economy, particularly to the United States economy, we are not advising to take action.

With that view in mind, we will closely monitor data related to the number of cases and deaths around the world, as this data will be far timelier and more frequent than typical economic data that operates at a four- to eight-week lag.

As always, we are here for our clients. If you have any questions or concerns, please call or email us.

White Pine Wealth Management
info@whitepinewm.com 207-781-5800