

## For the Record Books

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*A viral tsunami of historic proportions continues to ravage global economies. This once-in-a-century pandemic is shredding the record books by any economic or social measure. A tug-of-war between public health concerns and economic reality is having a far-reaching impact on people's lives and livelihoods. The continued shelter-in-place restrictions and the gradual reopening of the U.S. economy have created a twilight zone of social, economic, health, and market anomalies. The equity and credit markets snapped back in April despite the fact that the outlook for unemployment, GDP, and earnings looks grim in the near-term. Meanwhile, the scale of government intervention has been unprecedented, with \$6 trillion of monetary and fiscal stimulus serving as a liquidity bridge until the economy stabilizes. Credit markets not only rebounded, but also saw a wave of new issuance as this exogenous recession smashes all historical norms, including the Fed providing a structure to backstop certain segments of the high yield market with moral hazard implications.*

***SPECIAL NOTE:  
We hope all of our  
clients and friends of  
the firm are safe and  
well during these  
trying times.***

Please Contact [Marketing@ShenkmanCapital.com](mailto:Marketing@ShenkmanCapital.com) for the full letter.