

## NEWSROOM SERIES: 2





DUNKIN'  
DONUTS



MCDONALD'S, CHIPOTLE AND DOMINO'S ARE  
BOOMING DURING CORONAVIRUS WHILE YOUR  
NEIGHBORHOOD RESTAURANT STRUGGLES

THE WALL STREET JOURNAL  
HEATHER HADDON



SUBWAY



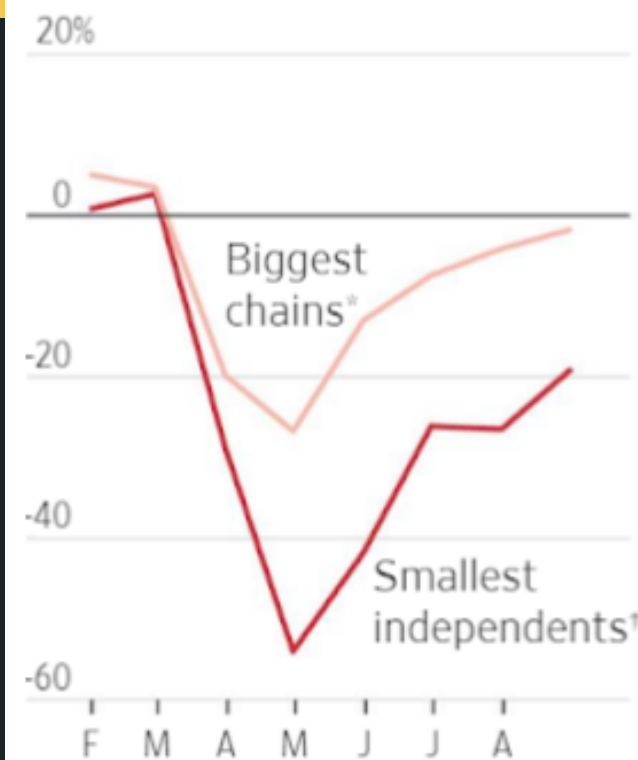
# WINNERS

-Chipotle more than tripled its online business sales in the second quarter

-Domino's, Papa John's and Wingstop reported double-digit same-stores sales increases in the third quarter.

-McDonald's also increased same-store sales by 4.6%, including a rise by low-double digits in the third quarter which is a decade record

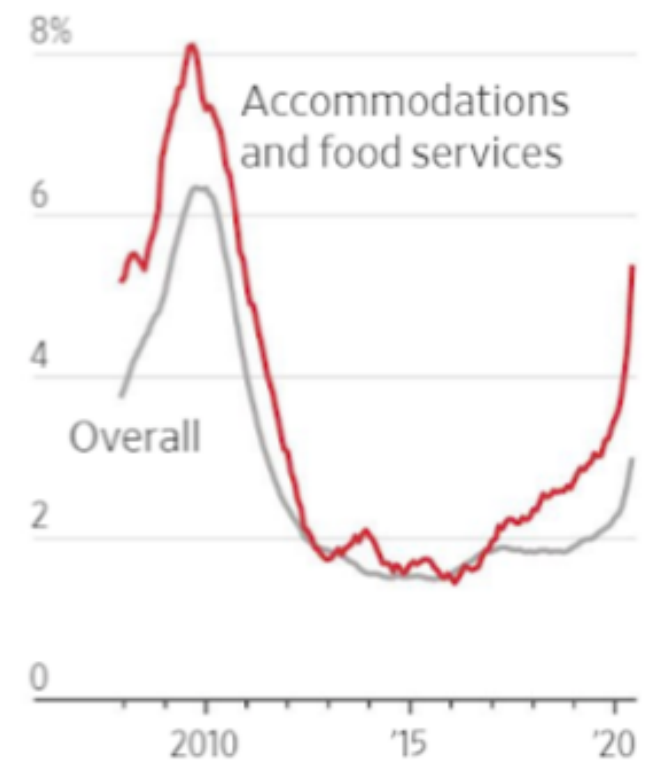
U.S. restaurant consumer spending, change from previous year



U.S. food service sales, change from previous year



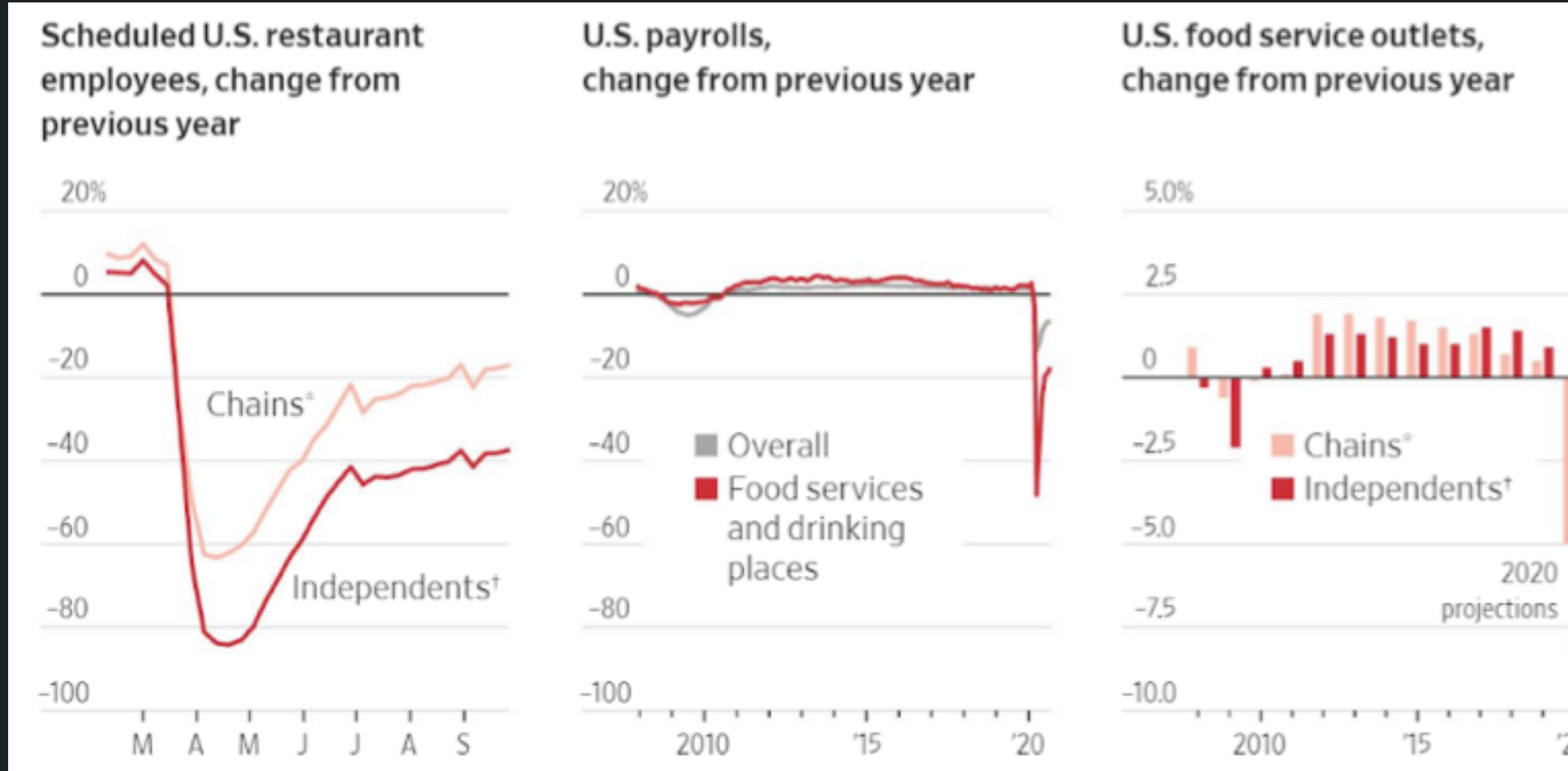
Small U.S. businesses' default rate on loans and leases



How big does a company have to be for you to consider it large?

# LOSERS

- According to Yelp, 3/4 of the 22,000 restaurants closed between March 1 and September 30 had fewer than 5 locations
- Employment at restaurant and bars had dropped by 2.3 million jobs from a total of over 12 million before the pandemic.
- Supply chains are distributed... Kate McClendon, co-owner of McClendon's Select organic farms in Arizona, said 95% of her restaurant orders vanished when the state shut down dine-in restaurant service in March



Not all large restaurants are spared... Ruby Tuesday, Shake Shack, California Pizza all reported double digits decline in sales. Many of which filed for bankruptcy protection (meant for smaller businesses) and are closing stores (Starbucks and Dunkin Donuts closing 1,500 stores in 18 months)

The background image shows the interior of a grand theater. The foreground is filled with rows of plush red seats. In the center, a stage is visible, framed by a large, ornate arched window with intricate tracery. The walls are made of dark wood and brick, and the ceiling features exposed wooden beams. The lighting is warm and focused on the stage area.

# BROADWAY WILL REMAIN CLOSED AT LEAST THROUGH MAY

THE NEW YORK TIMES  
MICHAEL PAULSON

IN 2019, BROADWAY BROUGHT IN 14.6 MILLION THEATERGOERS AND \$1.8 BILLION IN DIRECT REVENUE IN TICKET SALES ALONE. IN 2020, THERE IS NO REOPENING PLAN IN SIGHT.

## CANCELATIONS

All Broadway theaters closed on March 12th and only intended to be closed until April 12th but have repeated extended the cancelations until most recently January 3rd

## IMPLICATIONS

Restaurants and hotels that around Broadway lose business

Lost Tax Revenue

Theaters all across the nation are in a similar predicament.

## LOOKING FORWARD

Charlotte St. Martin (president of the Broadway League) says they will not wait to reopen Broadway until after everyone is vaccinated.

Despite Theaters opening in Europe, Broadway Producers say that it isn't economically feasible here.

# DISCUSSION

IS THERE A WAY IN WHICH LOCAL ECONOMY SUCH AS THE RESTAURANT AND HOTEL INDUSTRIES CAN BE STIMULATED WITHOUT BROADWAY IN THE EVENT OF A CONTINUED PROLONGED OPENING OR A PERMANENT NEGATIVE IMPACT ON THE PERFORMING ARTS INDUSTRY?

IS THERE A WAY IN WHICH THE GREATER INDUSTRY OF PERFORMING ARTS CAN BE STIMULATED WITHOUT REOPENING (LIKE HOW MOVIES SET TO BE RELEASED IN THEATERS DURING THE PANDEMIC RELEASED AT A HIGHER PRICE THROUGH STREAMING SERVICES)?

WITH THE DIGITAL SHIFT CAUSED BY THE PANDEMIC WILL WE STILL SEE INCREASED DEMAND FOR LIVE PERFORMANCES OR WILL THIS CAUSE A NEGATIVE LONG TERM IMPACT ON THE INDUSTRY?



# WHEAT PRICES SKYROCKET AFTER DRY WEATHER

THE WALL STREET JOURNAL  
KIRK MALTAIS & WILL HORNER



General Mills Inc.  
GIS

U.S.: NYSE

AT CLOSE 4:00 PM EDT 10/09/20

61.87 USD

0.48 0.78% ▲

Volume 3,061,548

65 Day Avg Vol 3,242,817

Key Quote Data

1D 5D 1M 3M YTD 1Y 5Y



LATEST NEWS GIS

People Are Eating Healthier and Cooking More,

**THE INCREASE IN WHEAT PRICES IS ATTRACTING INVESTORS BECAUSE SOME BELIEVE THE PRICE WILL KEEP RAISING EXPONENTIALLY.**

**WHEAT PRICES ARE HITTING AN ALL-TIME HIGH. PARIS TRADED EUROPEAN WHEAT THAT INCREASED IN PRICE BY 9.5% SINCE AUGUST 1ST. THE CLIMATES ARE GETTING SO DRY IN THE UNITED STATES, RUSSIA AND UKRAINE THAT IT IS DECREASING THE SUPPLY AND AMOUNT OF WHEAT PRODUCED.**

**THE FOOD PRICE INDEX HAS RISEN TO A SEVEN-MONTH HIGH. THE FOOD PRICE INDEX IS MADE UP OF BASIC FOODSTUFFS. THIS ALSO CORRELATES TO THE FOOD CRISIS AMID THE CORONAVIRUS PANDEMIC.**

**COUNTRIES LIKE THE UNITED STATES, UKRAINE AND RUSSIA ARE GETTING HIT THE HARDEST WITH THE HOT WEATHER AND LOW PRECIPITATION RATES. IT IS AFFECTING THE AMOUNT THEY ARE WHEAT EXPORTING WHICH ALSO HAS SPILLOVER EFFECTS INTO EACH COUNTRY'S GDP AND IMPORTS.**

**THERE ARE EXPORTING ISSUES BETWEEN RUSSIA AND THE UNITED STATES. THE RUSSIAN RUBLE IS 79.10 TO THE U.S. DOLLAR. THE WEAK CURRENCY SHOULD CAUSE RUSSIAN FARMERS TO EXPORT MORE WHEAT TO TAKE ADVANTAGE OF HIGHER PRICES IN DOLLARS. OTHER COUNTRIES LIKE EGYPT AND CHINA HAVE INCREASED THEIR WHEAT IMPORTS MORE THIS YEAR THAN RECENT YEARS**

# DISCUSSION

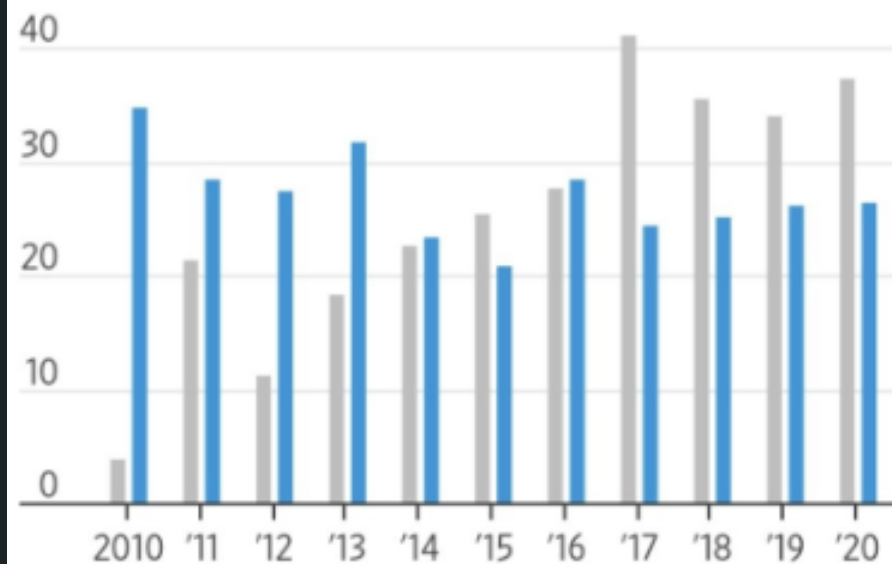
## Russian Dominance

Russia has overtaken the U.S. as the world's largest exporter of wheat.

### Wheat exports

■ Russia ■ U.S.

50 million metric tons



Note: Figures for most recent year are estimates

Source: U.S. Department of Agriculture

## Getting a Lift

The Chicago wheat contract has risen over 15% since August due to dry weather in wheat-growing areas.

### Wheat futures prices

\$6.25 a bushel



Source: FactSet

WHAT OTHER MARKETS WILL THE INCREASE IN WHEAT PRICE AFFECT?

DO YOU THINK THE WHEAT PRICES WILL KEEP INCREASING OR STAY STAGNANT?

WHAT ARE INNOVATIVE WAYS THAT COUNTRIES CAN PRODUCE WHEAT TO AVOID THE HEAT AND SOLVE THE PROBLEM OF LITTLE PRECIPITATION?

WHY DOES THE INCREASE IN WHEAT MATTER TO THE ECONOMY AS A WHOLE AND WHY SHOULD WE CARE ABOUT IT?



# WHAT'S THE STATUS OF A SECOND \$1,200 STIMULUS

**CHECK?**  
CBS NEWS

AIMEE PICCHI

ACCORDING TO WHITE HOUSE ECONOMIC ADVISER LARRY KUDLOW, PRESIDENT TRUMP IS BACKING A REVISED STIMULUS PACKAGE.

FOR MONTHS, MILLIONS OF AMERICANS DEALING WITH THE ECONOMIC FALLOUT OF THE CORONAVIRUS PANDEMIC HAVE BEEN HOPING FOR ANOTHER ROUND OF FINANCIAL RELIEF. THE PRESIDENT HAD SAID THAT HE WOULD WAIT UNTIL AFTER THE ELECTION TO WORK ON A SECOND RELIEF PACKAGE, BUT NOW THAT DOOR HAS BEEN NUDGED OPEN.

"WITHOUT FASTER JOB GROWTH – UNLIKELY AT THIS STAGE OF THE RECOVERY – OR INCREASED FISCAL AID, HOUSEHOLDS, BUSINESSES, AND STATE AND LOCAL GOVERNMENTS WILL BE INCREASINGLY SUSCEPTIBLE TO A DETERIORATION OF THE HEALTH SITUATION," NOTED GREGORY DACO, CHIEF U.S. ECONOMIST AT OXFORD

ECONOMISTS WARN THAT FAILING TO INJECT ANOTHER DOSE OF FISCAL STIMULUS COULD STALL THE RECOVERY, GIVEN THE ONGOING PANDEMIC AND ECONOMIC HEADWINDS. JOB GROWTH AROUND THE U.S. IS SLOWING AS BIG BUSINESSES CONTINUE TO LAY OFF WORKERS, WITH THE AIRLINE INDUSTRY CUTTING TENS OF THOUSANDS OF JOBS THIS MONTH

A POTENTIAL CHANGE BEING NEGOTIATED IS THE DEFINITION OF WHO COUNTS AS A DEPENDENT. THERE IS A POSSIBILITY THAT FAMILIES COULD RECEIVE \$500 PER PERSON YOU CLAIM ON YOUR TAXES, REGARDLESS OF THE PERSON'S AGE. OR AS THE WHITE HOUSE HAS CONSIDERED, KEEPING THE DEFINITION OF A DEPENDENT TO "CHILDREN" AND RAISES THE VALUE TO \$1000.

# ECN 465

THIS COURSE INTRODUCES ANALYTICAL FRAMEWORKS FOR UNDERSTANDING INTERNATIONAL TRADE. THE FIRST HALF OF THIS COURSE WILL USE TRADE MODELS TO STUDY THE CAUSES AND CONSEQUENCES OF INTERNATIONAL TRADE. THE SECOND HALF OF THIS COURSE FOCUSES ON ISSUES RELATED TO TRADE POLICIES AND TRADE ORGANIZATIONS.

## AFTER TAKING THIS COURSE, STUDENTS WILL:

**KNOW THE MAIN FACTS ABOUT INTERNATIONAL TRADE**

**UNDERSTAND THE MAIN DETERMINANTS OF OBSERVED TRADE FLOWS**

**BE ABLE TO PERFORM QUANTITATIVE AND QUALITATIVE ANALYSES OF VARIOUS ISSUES RELATED TO INTERNATIONAL TRADE INCLUDING GAINS FROM TRADE, TRADE POLICY DISPUTES, AND TRADE AND INEQUALITY;**

**EVALUATE THE IMPLICATIONS OF VARIOUS TRADE POLICIES UNDER GIVEN ECONOMIC CONTEXTS.**

# THANKS FOR COMING!

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