some inflation in the future from several sources.

Bullard also discussed the increase in federal debt as a result of pandemic relief to households and businesses, Fed actions aimed at keeping the U.S. out of a financial crisis on top of the pandemic, and continued adjustments made by businesses to provide their products and services safely.

Having trouble with the video? [Watch it here.](https://www.youtube.com/watch?v=c9-rWqi7AIE)

- **August 3, 2020**. Remarks. Bullard Speaks at Memphis Branch Virtual Event.

Bullard Speaks at Memphis Branch Virtual Event

August 3, 2020

St. Louis Fed President James Bullard gave an overview of how the U.S. economy is interacting with the progress of the COVID-19 pandemic during a virtual event hosted by the St. Louis Fed's Memphis Branch. He also outlined a scenario for how to stabilize the economy by the end of the year.

Bullard noted that the U.S. economy surprised to the upside in May and June, but that he would expect less upside surprise with July data. However, the basic story that April was way down and that May and June came back is encouraging and is something to build on in trying to stabilize the economy, he said.

He also talked about how the economy is continuing to adapt to the new mortality risk posed by COVID-19, and about the use of some basic risk mitigation strategies. Another development that likely will help is better therapeutics for treating the disease, he added.

"All of this suggests a path going forward that can lead to stabilization in the U.S. economy by the end of the year," he said. However, he cautioned that there are downside risks, which is the nature of being in a crisis.

(For additional remarks on managing the mortality risk, see Bullard's July

14 presentation, “ [The State of the COVID-19 Crisis in the U.S.](https://www.stlouisfed.org/from-the-president/speeches-and-presentations/2020/the-state-of-the-covid-19-crisis)”)

- **July 17, 2020**. Article. "The State of the COVID-19 Crisis in the U.S.," Federal Reserve Bank of St. Louis *Regional Economist*, Third Quarter 2020.

  The State of the COVID-19 Crisis in the U.S.

  As the COVID-19 pandemic spread throughout the U.S. during early spring, public-health concerns led to a partial economic shutdown. Not surprisingly, this shutdown has been reflected in macroeconomic data—for example, we saw a record surge in the unemployment rate for April. Following the initial shock period, macroeconomic news has been stronger than expected in May and June.This column is based on my remarks given July 14, 2020, “ [The State of the COVID-19 Crisis in the U.S.](https://www.stlouisfed.org/from-the-president/speeches-and-presentations/2020/the-state-of-the-covid-19-crisis),” during an Economic Club of New York webinar.

  Progress in managing the health crisis has been substantial, but COVID-19 has proved to be more persistent than many had expected back in March and April. However, the experience during the second quarter of 2020 suggests that simple risk mitigation measures may be used to effectively manage the disease going forward.

  This suggests a base case in which the macroeconomy will continue to build on its momentum from May and June in the second half of 2020. Things could change, however, given the volatility of the virus situation. Tremendous uncertainty still exists in the U.S. economy, and the downside risk remains substantial. We need better execution of a granular, risk-based health policy, which will be critical to keep the economy out of depression.

  Upside Surprise for the Macroeconomy
  Given the macroeconomic news for May and June, April may prove to be the lowest point of the crisis. The Citigroup Economic Surprise Index, for example, indicates substantial upside surprise in recent data releases.