

Dow drops more than 1,000 as outbreak threatens the economy

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The Dow Jones Industrial Average slumped more than 1,000 points Monday in the worst day for the stock market in two years as investors worry that the spread of a viral outbreak that began in China will weaken global economic growth.

Traders sought safety in U.S. government bonds, gold and high-dividend stocks like utilities and real estate. The yield on the 10-year Treasury fell to the lowest level in more than three years.

Technology companies, whose supply chains have been disrupted, accounted for much of the broad market slide, which wiped out all of the Dow's and S&P 500's gains for the year.

More than 79,000 people worldwide have been infected by the new coronavirus. China, where the virus originated, still has the majority of cases and deaths. The country's economy has been hardest hit as businesses and factories lie idle and people remain homebound because the government has severely restricted travel and imposed strict quarantine



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Trader Gregory Rowe works on the floor of the New York Stock Exchange on Monday. The Dow Jones Industrial Average slumped more than 1,000 points Monday in the worst day for the stock market in two years.

measures to stop the virus from spreading. Economists have cut growth estimates for the Chinese economy.

The ripple effects of the outbreak are being felt all around the world, as China is both a major importer of goods as well as a source of parts through intricate supply chains.

China's government promised tax cuts and other aid Monday to help companies recover despite anti-disease controls that shut down much of the world's second-largest economy last month. Forecasters say it is likely to be at least mid-March before automakers and other companies return to full production.