

▲ DOW 31,041.13 +211.73	▲ NASDAQ 13,067.48 +326.69	▲ S&P 500 3,803.79 +55.65	▲ 30-YR T-BOND 1.84% +0.2	▲ CRUDE OIL \$50.83 +2.0	▲ GOLD \$1,912.30 +5.40	▲ SILVER \$27.20 +.23	▼ EURO \$1.2268 -0.0039
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CANNABIS IN 2020

\$1 billion-plus: State marijuana sales soared

The Associated Press
Oregon recreational-cannabis sales soared in 2020, peaking during a challenging summer of racial justice protests and coronavirus lockdowns.

The result was a record year of business for the state's marijuana purveyors, based on data from the Oregon Liquor Control Commission, which oversees marijuana sales, The Oregonian reported.

Total marijuana sales in Oregon jumped from \$795 million in 2019 to more than \$1 billion for the year that just ended.

Oregonians began buying a lot more recreational cannabis in March when Gov. Kate Brown instituted a stay-at-home order and other restrictions in an attempt to slow the spread of the coronavi-

rus pandemic.

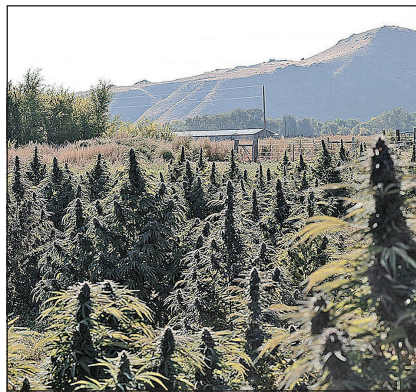
Sales numbers for marijuana spiked about 20% in March and kept climbing in the following months.

In May, Oregon marijuana sales topped \$100 million in a single month for the first time. Sales then surpassed \$100 million in each of the three months that followed as well, with a high of more than \$106 million in July.

In 2014, Oregon voters approved Measure 91, which legalized the recreational use of marijuana. Regulated sales began the following year.

State tax revenue from marijuana sales in 2020 likely will exceed \$150 million. Much of that will go toward substance-abuse screening and programs to address addiction.

DEA seeks dismissal of lawsuit about its authority over hemp



Fletcher Farms Hemp Co. via Capital Press

A field of hemp grows in Oregon. The U.S. Drug Enforcement Agency has requested that a judge throw out a lawsuit challenging its regulations for the crop.

BY MATEUSZ PERKOWSKI
Capital Press

The U.S. Drug Enforcement Agency is asking a federal judge to dismiss a lawsuit that accuses the agency of exceeding its authority with new regulations on hemp products.

The DEA states the Hemp Industries Association's complaint follows the wrong procedural path for challenging the regulations, which may limit the amount of psychoactive THC in hemp extracts.

The agency recently scored a legal victory in the case after U.S. District Judge James Boasberg refused to order the DEA to clarify the meaning of the rules, which the hemp industry argues have threatened its survival.

Hemp stopped being regulated as a

controlled substance under the 2018 farm bill, while marijuana, the mind-altering form of cannabis, remains illegal under federal law.

In recent years, CBD extracts have become a major reason that farmers have planted the crop, as they're touted for having anti-inflammatory benefits and other healthful properties.

According to the Hemp Industries Association, the DEA's regulations would criminalize CBD extracts during the manufacturing process, which would "effectively destroy the burgeoning hemp industry."

The lawsuit states that DEA lacks the authority to regulate intermediate hemp materials this way under the Controlled Substances Act and the 2018 farm bill.

BRIEFING

Services sector growth continues

The U.S. services sector, where most Americans work, grew for the seventh consecutive month in December even as coronavirus cases surged through the holidays.

The Institute for Supply Management reported Thursday that its index of services activity grew slightly to a reading of 57.2 last month, from a reading of 55.9 in November. Readings above 50 represent expansion in services industries such as restaurants and bars, retail stores and delivery companies.

Respondents to the December ISM survey continued to express anxiety about the ongoing ramifications of COVID-19.

Out of the 18 service sector categories, 14 reported growth in December, including management and support services, wholesale and retail trade, health care, and transportation and warehousing. Industries reporting contraction in December were arts, entertainment and recreation, accommodation and food services and real estate rental and leasing.

Trade deficit jumps to \$68.1B

The U.S. trade deficit jumped to \$68.1 billion in November, the highest monthly deficit in 14 years, as a surge in imports overwhelmed a smaller increase in exports.

The November gap between what America buys from abroad compared to what it sells abroad rose by 8% from the October deficit of \$63.1 billion, the Commerce Department said Thursday.

The increase reflected a 2.9% increase in imports of goods and services to \$252.3 billion on a seasonally adjusted basis. That jump swamped a 1.2% rise in exports which totaled \$184.2 billion in November.

Through the first 11 months of 2020, the deficit stands at \$604.8 billion, 13.9% higher than the same period in 2019. President Donald Trump has insisted that his get-tough trade policies with the rest of the world would shrink the deficit and bring back American jobs.

— Bulletin wire reports



787,000 UNEMPLOYED

Douglas R. Clifford/Tampa Bay Times
Zeida Hernandez, left, makes Factory Throwout cigars using an antique hand-operated cigar machine last month at the J.C. Newman Cigar Co., Tampa, Florida's last cigar factory. American factories grew in December at the fastest pace in more than two years as manufacturing continued to weather the pandemic better than the battered services sector.

HILLSBORO

170 jobs lost at former SolarWorld factory

SunPower said Thursday it will close the former SolarWorld factory in Hillsboro, eliminating 170 jobs in the latest in a long string of manufacturing setbacks at the 47-acre site.

Japanese semiconductor producer Komatsu Silicon America spent \$500 million to build the 480,000-square-foot plant during the 1990s but never opened it. The factory sat idle for a decade until a German company, SolarWorld, began manufacturing solar panels there with help from \$100 million in Oregon tax breaks.

But Chinese rivals, backed by government subsidies, outflanked SolarWorld, and the company laid off most of its Oregon workers in 2017. The plant appeared doomed until SunPower, based in Silicon Valley, bought it three years ago.

SunPower began production there in 2018 but, amid shifting dynamics in the highly competitive solar industry, began scaling back its aspirations almost immediately. Last year it announced plans to sell the Hillsboro property to Japanese technology giant NTT, which said it would build a 1 million-square-foot server farm on the site.

SunPower said at the time that it planned to continue making solar products on a portion of the site, but said Thursday it has changed its mind after spinning off a portion of its business that manufactured solar panels.

SunPower plans to cease operating in Hillsboro by March and clear out by June.

— The Oregonian

Last week's jobless claims slipped but remain historically high amid virus surge

BY CHRISTOPHER RUGABER
The Associated Press

The number of Americans seeking unemployment aid fell slightly last week to 787,000, a historically high number that points to a weak job market held back by the viral pandemic.

Thursday's figure from the Labor Department, a slight decline from the previous week, shows that even with the pandemic recession in its 10th month, many businesses are still laying off workers. Before the recession, weekly jobless claims typically numbered around 225,000.

The renewed surge in virus cases has caused millions of consumers to avoid eating out, shopping and traveling. And states have imposed new restrictions on restaurants, bars and other businesses. Economists at TD Securities estimate that more than half of states are now restricting gatherings to 10 people or fewer, up from roughly a quarter in September.

Those restrictions are forcing many companies, having run through much of their cash reserves, to cut more jobs.

"Unemployment remains extremely high, al-

though not nearly as bad as it was in the spring, and the pace of improvement in the job market has slowed dramatically from the summer," said Gus Faucher, an economist at PNC Financial. "Job growth should pick up in the spring as vaccine distribution continues, better weather allows for more outdoor activities and states gradually loosen restrictions."

Many economists, along with the Federal Reserve's policymakers, say they're hopeful that once the coronavirus vaccines are more widely distributed, the economy will achieve a broader recovery in the second half of the year.

Thursday's report also showed that the number of people who are receiving regular state unemployment aid fell 125,000 to 5.1 million. And fewer people were on extended unemployment benefit programs. Those declines suggested that many of those people have used up all the benefits available to them, including extended federal aid. They can re-apply, though, now that more weeks of aid are available. Overall, more than 19 million people are still receiving some form of unemployment benefit.

How the pandemic altered what Oregonians eat

BY SIERRA DAWN MCCLAIN
Capital Press

A new survey found that COVID-19 dramatically altered how people in Oregon's Linn, Benton and Lincoln counties eat and think about food.

- Among respondents in the three counties:
- 75% said they prepared more meals at home.
 - 59% said the pandemic changed how they think about food.
 - 44% said they changed how they shop.
 - 43% said they've become interested in gardening.
 - 35% said they eat more local food.

These findings were not surprising, because farmers and supermarkets reported many of these trends anecdotally, but this is the first time the region has substantial data to back up stories.

The survey was done by Ten Rivers Food Web, an Oregon group dedicated to fighting food insecurity

and supporting local food systems. The surveyors, according to Heidi Noordjik, a small farms coordinator at Oregon State University, received 624 responses.

"What we found encouraging was the shift in how people think about their food because of COVID-19, their deeper understanding of the difference between a global and local food system and their commitment to supporting our local food economy," the survey's leaders said in a statement.

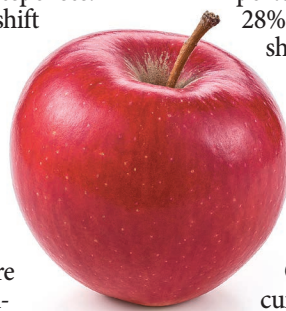
During the year, residents of Linn, Benton and Lincoln counties bought more food from community-supported agriculture, shopped more at farmers markets and sought out local food co-ops.

In community supported agriculture, customers pre-pay for crops that will be available in weekly in-

stallments through the harvest season.

Shopping habits changed, too. Of those who reported changes in their shopping behavior, 28% avoided big or crowded stores, 12% shopped by delivery or curbside pickup only and 8% limited their weekly shopping to one or a few stores.

The pandemic also changed the way nearly 60% of respondents think about food. Many said they thought more about where their food comes from and considered supporting local producers. Others became more aware of food insecurity because they or their friends had to use food pantries for the first time. Another 14% said the pandemic highlighted to them "the fragility and complexity of global food supply chains" in ways they hadn't thought about before.



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