



MARKETS

Treasury Secretary Mnuchin tells Cramer there will be a lot of 'pent-up demand' when crisis ends

PUBLISHED MON, MAR 16 2020 9:05 AM EDT UPDATED 31 MIN AGO



Thomas Franck
@TOMWFRANCK

SHARE    

KEY POINTS

Treasury Secretary Steven Mnuchin told CNBC on Monday there will be a surge in demand for stocks once the coronavirus threat abates.

“Look for companies that have a ton of liquidity. An Apple will have customers,” Mnuchin said. “That’s just a given.”

Mnuchin also said he believes the nation’s largest banks will be able to handle this market downturn.



VIDEO 01:10

Jim Cramer details his conversation with Treasury Secretary Steven Mnuchin on



demand for stocks once the corona virus threat abates.

“There will be a huge amount of pent-up demand when this is done. And it will be done,” the Treasury secretary told CNBC’s [Jim Cramer](#).

“Look for companies that have a ton of liquidity. An Apple will have customers,” Mnuchin added. “That’s just a given. The goal is not to bail out companies.”

His comments, which Cramer read on the air, came minutes before another swoon on Wall Street. The major indexes fell more than 10% within the first minutes of trading, triggering a Level 1 circuit breaker that halted trading for 15 minutes. Before Monday’s moves, the Dow and the S&P 500 were down more than 20% from their respective intraday records hit in February.

Mnuchin also told Cramer he believes the nation’s largest banks will be able to handle this market downturn, unlike how they fared during the 2008 financial crisis.

“The banking system can handle this after the Fed’s actions. Now it is a question of liquidity for those who need it... To keep entities from closing ... and help the working person,” he said. “Our stimulus is designed to let small businesses keep people on payroll. ... We’ll always be thinking about what happens after we get through this.”

He also lauded the [Federal Reserve](#) and its [decisive action on Sunday to cut U.S. interest rates to zero](#).

“The Fed is ahead of the issues and I’m grateful; nobody has to pull money out of the banks,” he said. “Liquidity for small businesses is chief priority. ... Restaurant and bar owners, for example — we’re trying to get money to them to tide them over.”

The Fed [on Sunday cut interest rates down to basically zero](#) and launched a massive \$700 billion quantitative easing program. President [Donald Trump](#) said he was “very happy” with the announcement, adding: “I think that people in the markets should be very thrilled.”

Subscribe to [CNBC PRO](#) for exclusive insights and analysis, and live business day programming from around the world.



S&P 500 recovers some of its steep losses after halt, now down 8%



Coronavirus forces airlines to consider a once unthinkable possibility — halting US flights



Millions of Americans could lose their jobs in a coronavirus recession. Many won't get severance



Coronavirus live updates: Workday to give employees cash bonuses, Germany seals off its borders



Peter Navarro to bring executive order to Trump to reduce US foreign dependency on medicines



[Subscribe to CNBC PRO](#)

[CNBC Councils](#)

[Advertise With Us](#)

[Digital Products](#)

[Closed Captioning](#)

[About CNBC](#)

[Site Map](#)

[Careers](#)

[Contact](#)

[Licensing & Reprints](#)

[Supply Chain Values](#)

[Join the CNBC Panel](#)

[News Releases](#)

[Corrections](#)

[Internships](#)

[AdChoices](#)

[Help](#)

