



UPDATE COVID 19

April 13, 2020

Dear BGA Clients,

This report surveys the key countries in the Asia-Pacific where BGA operates and how they are seeking to slow the virus's spread. It reviews how individual economies have been affected and what steps their governments are taking to avoid a sharp economic downturn.

BGA will continue to monitor regional reactions to the outbreak across the region as they unfold. Questions and comments are welcome, and can be directed to BGA Head of Research Murray Hiebert at mhiebert@bowergroupasia.com.



Best Regards,

Murray Hiebert
Director of Research, BowerGroupAsia

Snapshot 4.13.2020

1,911,407

confirmed cases worldwide

118,966 deaths

Source: Center for Systems Science and Engineering (CSSE)
at Johns Hopkins University

↓ GDP 4.5%

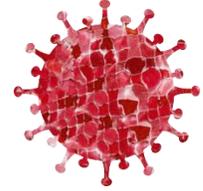
Reduction in Growth Forecast for South Asia

Source: World Bank, April 12

🛢️ \$22/bbl

WTI Crude Price Post-OPEC Deal

Source: Bloomberg, April 13



Covid-2019 and its Effects in the Asia-Pacific

Click to jump to a particular country or scroll down to see all:

 Australia	 Bangladesh	 Brunei	 Cambodia	 China
 Hong Kong	 India	 Indonesia	 Japan	 Laos
 Malaysia	 Mongolia	 Myanmar	 Nepal	 New Zealand
 Pakistan	 PNG	 Philippines	 Singapore	 South Korea
 Sri Lanka	 Taiwan	 Thailand	 U.S.	 Vietnam

International Economic Response

- The IMF has created an External Advisory Group to gather input on international COVID-19 policies. The group will share best practices to help members better manage pandemic response.
- The World Bank is aiding 52 countries and plans to make \$160 billion available to members over the next 15 months. The World Bank and IMF continued to call for the suspension of debt payments for International Development Association members.
- On April 13, the Asian Development Bank (ADB) increased its assistance package to \$20 billion. The aid is intended to help members ramp up Covid-19 response measures, source medical equipment, strengthen supply chains and address economic impacts.
- Eurogroup finance ministers have agreed to contribute EUR 25 billion (\$27.3 billion) through a European Guarantee Fund. The aid will complement the European Investment Bank (EIB) fund worth EUR 200 billion (\$218.3 billion) in assistance to SMEs.



Australia



6,351

Confirmed Cases

61

Deaths Reported

1,806

Recoveries

- Health Minister Greg Hunt has confirmed that Australia is flattening the curve, with a consistent growth of new cases below 2 percent a day, and that the government may consider easing restrictions in the coming weeks. The government is likely to reopen schools and allow public gatherings once medical experts are satisfied community transmission is under control.
- The tertiary education sector has become reliant on international students, including 100,000 Chinese students unable to enter Australia, who account for almost a quarter of the revenue at Australian universities. The Education Ministry announced a coronavirus relief package for higher education that guarantees projected enrolment figures. The package focuses on domestic students by funding short courses for the unemployed, a guaranteed AUD 18 billion (\$11 billion) for domestic students regardless of enrolment numbers and AUD 100 million (\$63 million) in regulatory relief for education providers.
- The coronavirus pandemic has exposed Australia’s vulnerability to trade interruptions. The Industry, Innovation and Science Ministry has announced that action will be taken to build the capacity of the pharmaceutical industry to manufacture medicines on shore.

Bangladesh



803

Confirmed Cases

39

Deaths Reported

42

Recoveries

- The government has extended social distancing policies by closing all offices and institutions until April 25 and has deployed law enforcement and the armed forces to carry out the policy. Most cities are already under lockdown. In Dhaka, the police put 54 areas under lockdown following a virus outbreak over the weekend.
- On April 12, the World Bank forecast that Bangladesh’s 2020 GDP growth would fall to 2 percent to 3 percent, over 5 percent lower than pre-pandemic estimates. This decrease in growth is driven by widespread economic slowdown, most notably in the key export readymade garment industry.
- The government has sought \$500 million in budgetary support from the World Bank to help finance annual public expenditure. Bangladesh is also seeking \$700 million in financial assistance from the International Monetary Fund to mitigate the economic impact of the coronavirus crisis.



Brunei



136

Confirmed Cases

1

Deaths Reported

107

Recoveries

- The Ministry of Health is requiring that all recovered Covid-19 patients self-isolate for 14 days at home after seven recovered patients retested positive during the isolation period. Health officials announced they would also administer random tests to migrant workers to determine whether they were infected before travel suspensions.
- The government has warned against spreading misinformation related to the Covid-19 pandemic and has threatened three years of imprisonment and a fine of BND 3,000 (\$2,125) for violators.

Cambodia



122

Confirmed Cases

0

Deaths Reported

77

Recoveries

- The Senate permanent committee met on April 13 to discuss implementation of the law on the state emergency passed by the National Assembly on April 10. The Senate plenary session will be held on April 17 to pass the bill.
- The Ministry of Agriculture has ordered all departments in the ministry to take measures to secure food supplies during the Covid-19 outbreak.
- On April 13, the Ministry of Commerce called on international buyers of garment, footwear and travel goods sourced from Cambodia to stay committed to the country. The ministry appealed to buyers to abide by their contracts and not cancel orders that have been placed for goods that have already been produced or are currently in production.



China



83,213

Confirmed Cases

3,345

Deaths Reported

78,036

Recoveries

- China will implement new rules to intensify the detection of asymptomatic cases. On April 12, China reported 108 cases of the virus in just two provinces, Guangdong and Heilongjiang, of which 98 were inbound travelers. The 10 new cases represent a spike in the official statistics – the highest domestic transmission figure in a month. About 1,064 asymptomatic patients are under medical observation in China.
- The Ministry of Human Resources and Social Security launched online application platforms for unemployment insurance in 297 cities. By the end of March, China issued RMB 9.3 billion (\$1.3 billion) in unemployment insurance payouts to 2.3 million people who lost their jobs due to the Covid-19 outbreak and RMB 410 million (\$58.1 million) to 67,000 unemployed migrant workers.

Hong Kong



1,009

Confirmed Cases

4

Deaths Reported

396

Recoveries

- Health officials and experts continue to warn citizens not to become complacent and to take social distancing measures seriously. There is concern that there could be a “third wave” of transmissions as lockdowns and travel restrictions are lifted in mainland China. About 1,700 warnings have been given to restaurants for failing to follow social distancing rules, according to the Food and Environmental Hygiene Department Director.
- All travelers arriving at the airport and those who have visited Hubei Province in the past 14 days must submit saliva samples to be tested for Covid-19 before going straight into mandatory 14-day self-isolation. Travelers arriving from the UK, United States and Europe are being tested at a temporary facility near the airport and must remain there until the results are ready. Individuals arriving from other parts of the mainland and entering through land checkpoints are not being tested.



India



9,240

Confirmed Cases

315

Deaths Reported

1,096

Recoveries

- The states of Maharashtra, Odisha, Punjab, Telangana, West Bengal, Tamil Nadu and Delhi have extended the lockdown until the end of April. Prime Minister Narendra Modi met with the chief ministers on April 11 to discuss an extension of the lockdown. An official announcement by the central government has not yet been made.
- There are expectations that while the lockdown will be extended, certain key sectors will be allowed to operate with strict social distancing. The Ministry of Commerce has submitted a list of sectors to the home ministry for consideration, including telecom equipment manufacturers, steel, defense, food and beverages, automotive units, repair services and e-commerce services.
- According to recent World Bank estimates, India's economy is expected to grow at 1.5 percent to 2.8 percent in the 2020-21 fiscal year, which would be the worst growth performance since the 1991 liberalization reforms.

Indonesia



4,557

Confirmed Cases

315

Deaths Reported

380

Recoveries

- The Ministry of Health has approved the expansion of the large-scale social restrictions (PSBB) to include the satellite cities of Jakarta in Banten and West Java Province (nine in total) to slow the spread of Covid-19. West Java will start to impose PSBB for Bekasi, Bogor and Depok starting 15 April, while Banten is still formulating the guidelines for PSBB in the Tangerang area. We expect to see better coordination of policy and enforcement of the restrictions in the greater Jakarta area.
- Under PSBB, all businesses and offices must be closed, except for eleven sectors and industries. These sectors and industries include health, food, energy, communication, finance and banking, logistics/distribution of goods, daily needs and retail, security services and strategic industries. Gatherings of more than five people will also be prohibited. PSBB is legally binding. Any individuals or companies caught violating PSBB measures can be charged as stipulated under Article 93 the 2018 Health Quarantine Law.



Japan



7,370

Confirmed Cases

123

Deaths Reported

784

Recoveries

- Tokyo and six other prefectures entered their first weekend under a state of emergency on April 11, with authorities strengthening calls for people to stay home and for nonessential businesses to temporarily shutter. Tokyo had a record 197 new confirmed cases on Saturday, topping the previous day's single-day record of 189. On Sunday Tokyo recorded 166 cases, marking the first drop in five days. The emergency declaration will last until May 6.
- A survey conducted among economists shows that Japan's economy in the April-June period is projected to shrink an annualized real 11.1 percent from the previous quarter, marking the third consecutive quarter of contraction and the largest drop in over 11 years.
- The Bank of Japan downgraded its assessments of all the country's nine regional economies for the first time in over 11 years.

Laos



19

Confirmed Cases

0

Deaths Reported

0

Recoveries

- The Ministry of Public Works and Transport issued further guidelines on the import and domestic transportation of goods to contain the spread of Covid-19. Health authorities are requiring drivers to wear masks and undergo temperature screenings at checkpoints.
- The Ministry of Finance released a notification asking departments throughout the country to spend budgets wisely and suspend non-essential expenditures.
- Authorities in Salavan in the south are coordinating with Vietnamese counterparts in neighboring Quang Tri to monitor border crossings and ensure steady trade flows. Vietnam is taking steps to strengthen bilateral relations with Laos, to which it has donated around 340,000 masks.



Malaysia



4,817
Confirmed Cases

77
Deaths Reported

2,276
Recoveries

- Based on the advice of the Ministry of Health and in accordance with WHO guidelines, Prime Minister Muhyiddin Yassin announced on April 10 that the current Movement Control Order (MCO) would be extended by another two weeks from April 15 until April 28.
- The Ministry of International Trade and Industry (MITI) will now allow additional sectors of the economy to start operating during the MCO phase 3 period (April 15 to April 28). Companies that fall within the listed sectors can apply directly to MITI via an online portal and submit their applications beginning April 13.
- The following sectors will now be allowed to operate on a limited basis, subject to some restrictions: automotive industry (limited to the export of finished units, parts, accessories and after-sales and maintenance services), machinery and equipment manufacturing, aerospace industry, certain specified construction projects and construction-related services, science, professional and technical services, limited legal services, oil and gas services, R&D activities relating to Covid-19 and testing laboratories for sectors permitted to operate, social health services, including registered traditional and complementary medicine (TCM) or TCM practitioners, wholesale and retail hardware, electrical and electronic sellers and launderettes.

Mongolia



17
Confirmed Cases

0
Deaths Reported

4
Recoveries

- The central bank is optimistic that this year's economic growth will be 1.8 percent. Q1 exports fell by 41 percent as copper exports decreased by 30 percent and coal by 60 percent year-on-year. Some coal extractors furloughed their workers, and one of largest private coal extractors suspended its operations beginning April 10.
- Mortgage payment (interests and principal) deferrals have been extended from three to six months. Additionally, public health and emergency workers will receive special mortgage relief. Small businesses require less collateral to get a loan, while gold extractors would receive lower credits.
- The central bank cut interest rates from 10 percent to 9 percent and extended current consumer loans by 12 months.



Myanmar



41

Confirmed Cases

4

Deaths Reported

2

Recoveries

- Myanmar Investment Commission (MIC) will prioritize and approve investments in labor-intensive industries, infrastructure and pharmaceutical or health-related projects to create more jobs and help ease the economic impact of Covid-19.
- On April 9, Livelihoods and Food Security Fund-LIFT (Myanmar) announced a \$15.8 million fund for the country's Covid-19 preparedness and response to benefit a population of 5.9 million, including migrants and internally displaced people.
- To shore up the financial sector under strain due to the virus, the government granted licenses to seven foreign banks to commence operations and allowed Thai Kasikorn Bank to take an equity stake in a local bank.

Nepal



14

Confirmed Cases

0

Deaths Reported

1

Recoveries

- While Nepal had been bullish on achieving over 8 percent growth this year, the World Bank released a forecast on April 12 that predicted a growth rate of 1.5 percent to 2.8 percent.
- Prime Minister KP Sharma Oli has donated his salary to the government's coronavirus fund, and high-ranking government officials, including many of Nepal's ambassadors, have followed his lead.
- Nepal's army is working closely with its Indian and Chinese counterparts to source essential medical equipment and supplies to help provide support to the country's health system.



New Zealand



1,349

Confirmed Cases

5

Deaths Reported

546

Recoveries

- Prime Minister Jacinda Ardern has reiterated that the decision to move back to alert level 3 will not be made until April 20. Even if the government does move to alert level 3, there will be significant restrictions. Officials will be setting out details for each alert level this week.
- Constrained logistics, travel restrictions and a shortage of labor in China have led to difficulties for most manufacturing sectors in New Zealand. Stats NZ said the virus may have cost as much as NZD 300 million (\$182 million) in lost exports to China just in January 2020. Supply chain disruption has also impacted New Zealand’s manufacturing firms that rely on parts imported from China.
- China is New Zealand’s largest trading partner. Trade between the two countries is worth an estimated NZD 30 billion (\$18.2 billion) per year. Operators in the transport, postal and warehousing sectors generate a significant proportion of their revenue transporting products to and from export markets. Although logistics and freight transport services are considered essential in New Zealand, demand has contracted.

Pakistan



5,493

Confirmed Cases

93

Deaths Reported

1,095

Recoveries

- The lockdown in Pakistan continues and is likely to extend to the end of the month. Some major decisions are expected to be announced when the National Coordination Committee meets again on April 14. The government wants to open some sectors of the economy. Wheat harvesting has already been allowed and the prime minister is bullish on opening the construction sector.
- The World Bank predicts that Pakistan’s 2020 GDP growth rate will be -1 percent in best case scenario and could go as low as -2.2 percent.
- The State Bank of Pakistan has introduced a plan for commercial banks to extend credit to small and medium enterprises to match three months of their payroll at a markup of 4 percent to 5 percent, with the principal payable in 2.5 years.



Papua New Guinea



2
Confirmed Cases

0
Deaths Reported

0
Recoveries

- Australia’s Covid-19 support to Papua New Guinea so far includes establishing quarantine facilities, providing virus testing and putting in place protocols to ensure the clearance of flights carrying food and medical supplies. The AUD 580 million (\$368 million) a year in development assistance is insufficient for the country that has just 500 doctors and is dealing with outbreaks of malaria, dengue fever, drug-resistance tuberculosis and polio.
- Bougainville’s House of Representatives has voted to extend the state of emergency in the Autonomous Region. The motion to extend the declaration for an additional two months was passed unanimously. A parliamentary emergency committee will oversee the implementation of the extension.
- Leaders from the Pacific Islands Forum have agreed to establish a coordination mechanism to ensure medical and humanitarian assistance can be delivered to member states dealing with the coronavirus pandemic.

Philippines



4,932
Confirmed Cases

315
Deaths Reported

242
Recoveries

- The Department of Trade and Industry issued a memorandum circular (MC) on April 11 to ensure enhanced operations for business process outsourcing (BPO) companies and export enterprises. It allows export enterprises to enhance their operations by deploying workers under an on-site or near-site accommodation arrangement or by providing point-to-point transportation services.
- The Covid-19 response package consists of four pillars. PHP 830.47 billion (\$16.4 billion) will be allocated for fiscal and monetary action, PHP 305.218 billion (\$6 billion) for emergency support to vulnerable sectors and PHP 35.722 billion (\$707.4 million) to fund medical expenses. The last pillar is the economic recovery plan, for which the funding level has yet to be determined.
- On April 9, the World Bank’s Board of Executive Directors approved PHP 25 billion (\$500 million) in financing to help strengthen the Philippine government’s natural disaster capacity. The financing will also support urgent needs created by the Covid-19 crisis.



Singapore



2,532

Confirmed Cases

8

Deaths Reported

560

Recoveries

- From March 30 to April 12, the spread within foreign workers' dormitories contributed to about 46 percent of total cases. The ballooning infection rate in these dormitories led the government to form a dedicated strategy to tackle the spread. Essential workers living in these dormitories who are not infected will be housed separately. Eight foreign workers' dormitories were listed for isolation, and measures were put in place to ensure that the needs of sick and isolated foreign workers are met. Employers are still responsible for paying the salaries of isolated foreign workers.
- Singapore stepped up safe distancing measures, including by mandating the wearing of masks on public transport and in malls, supermarkets and wet markets. Public beaches and stadiums were also closed. The government will no longer issue warning letters. Instead, offenders will be immediately charged SGD 300 (\$211).
- On April 14, 90 percent of Singaporeans will receive SGD 600 (\$423) each. Singapore permanent residents and long-term visit pass plus holders, who are members of Singaporean families and aged 21 and above in 2020, will also receive SGD 300 (\$211).

South Korea



10,537

Confirmed Cases

217

Deaths Reported

7,447

Recoveries

- From April 13, those coming from the United States will be required to take an infection test within the initial three-day self-quarantine. This follows the same measure for those coming from Europe. This was decided after nearly half of new daily numbers of confirmed cases were found among those who arrived from the United States.
- On April 13, the Korea Financial Investment Association released its finding showing that 1Q 2020 marked a 30 percent year-on-year jump in Korea's treasury bond issuance. Issuance totaled KRW 62.4 trillion (\$51.2 billion), the largest ever since 2006.
- The Presidential Office announced that the pan-governmental support team will be launched this week to support developing a vaccine and a cure for Covid-19. The team will include private sector experts and officials from the ministries of Health, Science, SMEs, Food and Drug Safety and the Center for Disease Control.



Sri Lanka



217

Confirmed Cases

7

Deaths Reported

56

Recoveries

- Director-General of Health Services Anil Jasinghe said on April 12 that the government aims to lift curfews in lightly affected areas by the end of the month, though he cautioned that these moves would be predicated on some form of social distancing.
- On April 13, the government indicated that the countrywide “Work from Home Period” would be extended until at least April 20, though schools are still scheduled to re-open on May 11.
- Continued instability due to the Covid-19 pandemic has heightened political uncertainty, as the opposition United National Party has urged the president to clarify whether an election will be held this spring. Parliamentary elections, which had previously been scheduled for April 25, must be held by the end of the year.

Taiwan



393

Confirmed Cases

6

Deaths Reported

109

Recoveries

- The Central Epidemic Command Center (CECC) said there is currently little likelihood of community spread in Taiwan. It will continue targeted testing and contact tracing to stop any infection chains. To counter potential community spread, CECC’s key objectives are to reduce the fatality rate, expedite the search for new drugs and reduce hospitalization days of Covid-19 patients, which average around 30 days.
- Taiwan extended its requisition order and export ban on face masks from April 30 to the end of June
- On April 10, the Executive Yuan approved a plan for an Infectious Disease Prevention Center, which will consolidate the National Health Command Center with laboratories to handle infectious disease control, biosafety and domestic and international disease monitoring. The consolidation will begin in 2021 and is expected to be complete in 2027.



Thailand



2,579

Confirmed Cases

40

Deaths Reported

1,288

Recoveries

- In March, 144,861 people applied for unemployment benefits, a 72 percent increase from February. The University of the Thai Chamber of Commerce reported that the March consumer confidence index fell to 50.3 from 64.8 in February, its lowest level since April 1999.
- The Tourism Council of Thailand (TCT) claims that 80 to 90 percent of its members do not have access to the soft loans announced by the government, because they do not qualify for the conditions set out by the commercial banks. The president of TCT accused the banks of using the same conditions for big businesses as they do for tourism SMEs.
- According to the Health Support Department, about 130 hotels with 16,000 rooms have offered to function as state quarantine facilities. The criteria set for hotels joining the scheme are that they must have over 100 rooms, an up-to-date hotel license, safe building structure, no carpets, isolated air conditioners, a waste management and wastewater treatment system and a friendly community.

United States



577,307

Confirmed Cases

23,078

Deaths Reported

42,924

Recoveries

- Officials in New York are projecting cautious optimism that they have passed through the peak of the current outbreak, as hospitalizations and deaths have decreased over the past few days. Coronavirus deaths and hospitalization rates are peaking nationwide, though some states are expected to see increases over the next month.
- Progress on the “Phase IV” stimulus plan has stalled as congressional Republicans and Democrats continue to be at loggerheads over the contours of the next package. While Republicans remain laser-focused on funding for small businesses, Democrats are expanding their demands to include wider state support and hospital funding.
- President Donald Trump backed a truce in the oil price war between Saudi Arabia and Russia to help embattled American producers. However, due to the wider pandemic oil prices have remained low despite the agreement, threatening the vital U.S. industry.



Vietnam



265

Confirmed Cases

0

Deaths Reported

145

Recoveries

- Vietnam will continue to strictly implement the nationwide social distancing mandate and other preventive measures until April 15, which has resulted in a recent decline in the number of new cases. The government is mulling extending the period of the social distancing mandate as well as narrowing its geographical scope of application after April 15.
- On April 9, the government officially introduced a resolution endorsing a social welfare package of VND 61.5 trillion (\$2.7 billion) to support about 20 million people affected by the Covid-19 pandemic from April to June 2020. The resolution covers seven groups of beneficiaries, including affected employees and employers, poor households, individual business households and other social protection beneficiaries.
- On April 14, Vietnam will chair a special ASEAN+3 Summit via videoconference to discuss measures to cope with the Covid-19 pandemic. The summit is expected to approve a joint statement on responses to the Covid-19 pandemic, confirming the commitments and efforts of ASEAN members and partners to prevent the spread of Covid-19 and to stabilize the socio-economic situation in the region.