



# UPDATE COVID 19

April 6, 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](mailto:mhiebert@bowergroupasia.com).



Best Regards,

Murray Hiebert  
Director of Research, BowerGroupAsia

*Snapshot 4.6.2020*

1,341,749

confirmed cases worldwide

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

10%

Idle Container Fleet Share

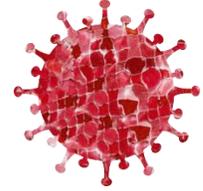
Source: South China Morning Post, April 3, 2020

74,169 deaths

2.2%

2020 Asian Growth (est.)

Source: Asian Development Bank



# Covid-2019 and its Effects in the Asia-Pacific

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

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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

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- The International Monetary Fund (IMF) said it would set aside \$100 billion in fast-disbursing funds to lend to emerging economies that are facing serious economic crisis resulting from Covid-19.
- The World Bank announced it would roll out a \$14 billion package to help developing economies respond to the pandemic, while its International Finance Corporation is providing \$8 billion in financing to help companies affected by the virus. As countries need more support, the bank said it would deploy up to \$160 billion over 15 months to protect vulnerable populations, support businesses and boost economic recovery.
- The World Bank and IMF have proposed a suspension of debt payments for the poorest countries, but this is still only a proposal.
- The U.S. Federal Reserve has activated bilateral swap lines with central banks in several countries. In Asia, this included Australia, Korea and Singapore. Japan already had one.
- The U.S. Fed announced that it is establishing an overnight repo facility that will allow central banks to access temporary U.S. dollar liquidity using their existing U.S. Treasuries held at the New York Fed as backing. This lets economies to quickly access liquidity if they need it without having to sell underlying securities.



## Australia



**5,795**  
Confirmed Cases

**39**  
Deaths Reported

**2,432**  
Recoveries

- Prime Minister Scott Morrison continues to resist a total lockdown to minimize the economic impact from the Covid-19 pandemic. However, state and local authorities are prohibiting travel to vacation destination areas ahead of the Easter holiday (April 12). Newspoll reports high approval ratings for the government’s responses to the pandemic.
- Banks throughout the country are receiving a flurry of loan requests from SMEs. Universities that are registered as charities will not receive increased funding apportioned to charities from the AUD 130 billion (\$79.3 billion) JobKeeper grant. Despite mounting losses due to the decrease in foreign students, universities do not meet the 30 percent lost income threshold to qualify for JobKeeper aid.
- Aside from tourism and education, smaller businesses that are working-capital dependent are the most affected. Agricultural exports to China are being held up at docks, awaiting clearance from its destination port. Mining, construction and manufacturing are also seeing the effects. The Grattan Institute predicts that the three-month lockdown could wipe out 15 percent of Australia’s annual GDP and leave millions unemployed. Bloomberg predicted it will take three years for Australia to return to its pre-coronavirus level of activity.

## Bangladesh



**123**  
Confirmed Cases

**12**  
Deaths Reported

**33**  
Recoveries

- The government has extended its social distancing policy by closing all offices and institutions until April 14 (Bengali New Year) through the deployment of law enforcement agencies, including the armed forces. Confusion however persists over garment factories; some are working while others are closed.
- The government on April 5 announced four fresh stimulus packages worth BDT 677.5 million (\$8 million) in an effort to overcome the economic losses caused by the coronavirus. The programs aim to increase public expenditure, formulate a stimulus package, widen social safety net coverage and increase monetary supply.
- The Asian Development Bank (ADB) has forecasted 7.8 percent GDP growth for Bangladesh, highest among the Asian countries, for the fiscal year 2019-2020. The ADB predicts a return to 8 percent growth in 2021.



## Brunei



135

Confirmed Cases

1

Deaths Reported

82

Recoveries

- Those who enter the country are now required to isolate at government-designated locations. The Ministry of Health is mandating that recovered patients complete seven days of self-isolation. Markets and some public parks remain open, though social distancing measures are encouraged. The government is closely monitoring food supply and prices, which remain stable.
- China's Nanjing municipal government has donated medical supplies to help healthcare professionals combat the spread of COVID-19. Chinese officials have pledged their continued support for Brunei throughout the pandemic.
- The Asian Development Bank predicts 2020 GDP growth will drop to 2 percent from 3.9 percent in 2020. It expects growth will rebound to 3 percent in 2021 as fuel demand increases and the oil and gas industry recovers.

## Cambodia



114

Confirmed Cases

0

Deaths Reported

53

Recoveries

- The National Assembly will open a plenary session on April 7 to approve the State of Emergency Bill that will allow the prime minister to announce a state of emergency anytime to fight the spread of Covid-19.
- The Ministry of Economy and Finance established an ad-hoc working group to manage social support mechanisms to help impoverished people and marginalized groups. It also established another ad hoc working group to identify strategic and staple goods in order to monitor supply, demand and prices.
- The World Bank approved \$20 million for Cambodia to achieve its strategic plan in combating Covid-19. The Asian Development Bank urged the government to draw on its region-wide \$6.5 billion Covid-19 response package. The ADB aims to meet the immediate needs of its developing member countries to stimulate their economies and provide social protection.



## China



82,665

Confirmed Cases

3,335

Deaths Reported

77,310

Recoveries

- On April 5, the World Health Organization announced that China had moved into the mitigation stage of the outbreak. However, concern is rising about a second wave outbreak from overseas travelers and asymptomatic patients, particularly in areas previously lightly affected, like the Pearl River Delta. China will further tighten control at its borders to prevent imported cases.
- The World Bank lowered the growth forecast for China from the previous 5.9 percent to 2.3 percent in 2020. The 2.3 percent scenario is based on an assumption that the shock is short-lived, but if it is protracted, GDP growth could be limited to just 0.1 percent.
- The People’s Bank of China will cut 100 basis points from the required reserve ratio (RRR) for about 4,000 rural and regional banks. This cut will lower the RRR to 6 percent which can provide 400 billion yuan (\$56 billion) in liquidity. The People’s Bank of China will lower interest rates on additional reserves to 0.35 percent from 0.72 percent, effective April 7.

## Hong Kong



914

Confirmed Cases

4

Deaths Reported

216

Recoveries

- An elderly stroke victim in a hospital in recent days contracted Covid-19, making it the first incidence of possible transmission within a hospital in the city. More than 200 patients and medical staff at the public hospital who were deemed at risk were tested, with nearly all returning a negative result.
- Malik Peiris, professor of virology at the University of Hong Kong, has said that he believes the actual number of Covid-19 cases in Hong Kong could be higher than the official numbers. He has called on the government to offer a large-scale antibody study to gauge the true number of Covid-19 infections.
- Government officials have warned that tougher measures might be required to limit the spread of the virus, and the public should brace for a long period of uncertainty because it is unclear when the pandemic could be contained.



## India



4,314

Confirmed Cases

118

Deaths Reported

328

Recoveries

- The government has drafted a cluster containment strategy to contain the spread of Covid-19. The strategy aims to contain the disease within a defined geographic area by early detection, therefore breaking the chain of infection and preventing its spread. The government suggests that the transmission of Covid-19 mimics the geographic distribution of H1N1 and is limited to urban centers.
- The Finance Ministry released additional resources totaling INR 173 million (\$2.2 million) to the State Disaster Response Mitigation Fund. This will likely expand the financial resources of states, which have asked for additional funds from the center.
- Millions across the country heeded the prime minister's call on April 5 to light candles in support of efforts to combat the ongoing crisis. Leading up to the event, concerns were raised about the capability of the power grids to support the mass fluctuation in electricity resulting from the switching off and on of lights in a short span of time.

## Indonesia



2,491

Confirmed Cases

209

Deaths Reported

192

Recoveries

- The reliability of government figures continues to be questioned by the general public, regional governments and the medical community. There was a 40 percent increase in burials in March with 401 burials using Covid-19 protocols in Jakarta alone.
- The Ministry of Health has issued technical procedures that clarify the president's approval for large scale social restrictions. The regulation stipulates that if a regional government wishes to impose strict social distancing and other public health measures, authority rests with the Ministry of Health or the head of the Covid-19 National Task Force. Regional governments see central government policy on social restrictions as hindering their ability to move quickly to implement measures to slow the spread of the virus.
- The World Bank predicts Indonesia's economic growth this year will be between -3.5 percent to 2.1 percent. Minister of Finance Sri Mulyani projected on April 6 that state revenue would plunge 21.2 percent, while expenditure will increase by at least 3 percent. The state budget deficit will expand from 1.8 percent to 6 percent of GDP.



## Japan



3,654

Confirmed Cases

85

Deaths Reported

575

Recoveries

- With increasing cases in major cities, Prime Minister Shinzo Abe will declare a state of emergency on April 7 to cover Tokyo, Kanagawa, Saitama, Chiba, Osaka, Hyogo and Fukuoka prefectures for about a month. Local governments will implement restrictions on movement and business activity, though most will come as advisories rather than mandates. The estimated impact to the economy may reach a total of 4 trillion to 6 trillion yen (\$37 billion to \$55 billion).
- Tokyo plans to request most entertainment facilities, nurseries, schools and universities and daycare facilities be closed. Basic social infrastructure such as hospitals, supermarkets, public transport, banks and restaurants would remain open.
- Abe has announced a revised coronavirus stimulus package of 108 trillion yen (\$989 billion), 20 percent of GDP, with details to be communicated later in the week.

## Laos



12

Confirmed Cases

0

Deaths Reported

0

Recoveries

- The prime minister issued a travel restriction order effective from April 1 to 19 (which includes the Lao New Year from April 13 to 15) and has encouraged the public to stay at home. On April 6, he closed all mining and hydropower operations in Laos. The Ministry of Health amended an April 1 order to close all private clinics and is now allowing specialized clinics to remain open provided they do not treat Covid-19 cases.
- Migrant workers continue to cross land borders into Laos, with nearly 4,000 entering the country on April 3. Authorities are concerned that workers who enter Laos illegally will complicate contact tracing and outbreak prevention efforts. Officials are screening all entrants for symptoms, registering all workers who enter the country, and imposing a mandatory 14-day self-quarantine.
- The ADB has revised Laos's 2020 GDP growth rate to 3.5 percent from its previous 6.2 percent projection. It expects growth to climb to 6 percent in 2021 as the economy recovers.



## Malaysia



3,793

Confirmed Cases

62

Deaths Reported

1,241

Recoveries

- Prime Minister Muhyiddin Yassin unveiled a special stimulus package worth RM 10 billion (\$2.3 billion) for SMEs. RM 7.9 billion (\$1.8 billion) has been allocated for the wage subsidy program (WSP). The remaining RM 2.1 billion (\$480 million) will be in the form of grants that will be channeled to micro businesses registered with Inland Revenue Board.
- WSP benefits are tiered depending on company size. For those with more than 200 employees, workers will be eligible for a RM 600 (\$138) subsidy. For those with 76 to 200 employees, workers are eligible for a RM 800 (\$183) subsidy. For those with 1 to 75 employees, workers are eligible for a RM 1,200 (\$275) subsidy.
- Bank Negara Malaysia has downgraded Malaysia's GDP growth to between -2 percent and 0.5 percent in 2020 due to the pandemic, declining crude oil prices and continued supply disruption in the commodities sector. Malaysia's unemployment rate is expected to shoot up to 4 percent this year, from 3.3 percent in 2019.

## Mongolia



15

Confirmed Cases

0

Deaths Reported

2

Recoveries

- Since the case number is quite low and there is no community spread, life is continuing almost as normal and there is widespread hope that the borders will be opened on May 1.
- Borders and airports are still closed, but there are otherwise no limits on domestic travel. The capital city is again having traffic jams with an increased number of people and cars on the street.
- The Asian Development Bank projects Mongolia's GDP growth to slow to 2.1 percent this year from 5.1 percent last year.



## Myanmar



21

Confirmed Cases

1

Deaths Reported

0

Recoveries

- All 14 states and region governments announced a partial “community quarantine” during the New Year (Thingyan or Water Festival) holidays from April 10 to 19, though some regions are in lockdown from April 7 to April 21.
- China halted the bilateral agreement on border crossing at the border town of Muse on April 1, leaving thousands of migrant workers out of jobs. Only cargo trucks can cross. Daily border trade volume with China has increased to \$15 million while trade with other neighboring countries continues to decline. Special air cargo trade with Thailand is allowed for essential goods and products.
- Covid-19 has further delayed five emergency power projects (generating 1072.1 MW) awarded to Chinese companies in 2019, which were originally to be completed in mid-2020.

## Nepal



9

Confirmed Cases

0

Deaths Reported

1

Recoveries

- The nationwide lockdown, which has just passed the two-week mark, has been extended until April 15 by the Cabinet.
- After several cases were detected among recently returned migrants from India, the government has announced that all returned migrants must be tested for Covid-19.
- The government is reallocating NPR 136 billion (\$1.2 billion) from its annual budget to combat Covid-19 and its effects. These funds were previously allocated to several key projects, including land acquisition for major infrastructure programs such as dams and highways.



## New Zealand



1,106

Confirmed Cases

1

Deaths Reported

176

Recoveries

- The New Zealand government is gathering as much information as possible to be able to update the public about whether the Level 4 alert will be extended beyond April 22. The prime minister has been clear that the lockdown will not be lifted early.
- There are very limited numbers of flights available for international visitors in New Zealand to return to their home countries; some of these are charter flights from various European countries. New Zealand has also been able to repatriate several hundred citizens who were 'stuck' overseas, through government charter flights and other means.

## Pakistan



3,277

Confirmed Cases

50

Deaths Reported

257

Recoveries

- The government of Pakistan has extended its lockdown of the country until April 14 and will likely extend it beyond that date. Because the wheat harvesting season is imminent, the government will need to make critical decisions on managing wheat procurement, storage and transportation over the next two months.
- Various economic sectors have started to feel the impact of the lockdown and economic depression in the world. Dairy consumption, a critical component of the country's agrarian economy, has seen a significant drop. Export order cancellations are being reported by the textile sector, the country's largest export sector. Local energy and power companies have asked the prime minister to immediately stop the import of energy (both fuel for vehicles and LNG) as local production will have to be halted if imports continue despite low demand of fuel.
- Prime Minister Imran Khan has announced a stimulus package for the construction industry, allowing tax cuts and reducing oversight on funding for projects launched this year and PKR 30 billion (\$180 million) in government spending for low cost housing.



## Papua New Guinea



**2**  
Confirmed Cases

**0**  
Deaths Reported

**0**  
Recoveries

- Parliament voted to extend the state of emergency for two months on April 3. In the provincial center of Daru, the local Covid-19 taskforce has imposed a nightly curfew.
- Despite the extension of the state of emergency, the nationwide lockdown is being partially lifted on April 7. International flights are still restricted but limited domestic flights and ground travel will be allowed to resume, albeit with restrictions on passenger numbers.
- Treasurer Ian Ling-Stuckey announced a \$1.6 billion (PGK 5.6 billion) stimulus package. The stimulus includes borrowing to support health services, a line of credit to support businesses and individuals, allowing members who pay into a retirement fund to draw on their balances for extra health spending. Australia is promising an announcement soon on its coronavirus support for the Pacific region, and Canberra is reported to be preparing a bailout package of up to AUD 3.3 billion (\$2 billion).

## Philippines



**3,660**  
Confirmed Cases

**163**  
Deaths Reported

**73**  
Recoveries

- On April 6, President Rodrigo Duterte issued an order that allows national or local government agencies and state-owned enterprises to grant a one-time Covid-19 special risk allowance equivalent to a maximum of 25 percent of the monthly basic salary of public health workers exposed to risks or physical hardships in the line of duty during the pandemic.
- The central bank issued the implementing rules and regulations of the “Bayanihan to Heal as One Act.” It mandates all covered institutions to implement a 30-day grace period on all loans with principal and/or interest falling due within the enhanced community quarantine period, without incurring interest. Covered institutions shall not charge or apply interest during the 30-day grace period to future payments of borrowers.
- The central bank issued a circular that authorizes a reduction in the reserve requirement ratios of deposit and deposit substitute liabilities of universal and commercial banks and non-bank financial institutions with quasi-banking functions.



## Singapore



1,309

Confirmed Cases

6

Deaths Reported

320

Recoveries

- There were 120 new cases reported on April 5, a large increase from the previous range of the last two weeks of 40 to 72 new cases per day. The new cases are largely from clusters in worker dormitories, two of which are now quarantining their 20,000 foreign workers for 14 days.
- All workplace premises, other than those in essential services and key economic sectors, will have to close from April 7 to May 4, and all schools will move to full home-based learning. Persons have been urged to stay home as much as possible and not socialize outside their immediate household.
- The deputy prime minister and finance minister announced an additional SGD 5.1 billion (\$3.5 billion) of support funding on April 6, including cash handouts to Singaporeans. To help businesses, the government is increasing its share of risk for new bank loans from 80 percent to 90 percent and increasing the government wage subsidy in April to 75 percent of SGD 4,600 (\$3,200), the median wage.

## South Korea



10,284

Confirmed Cases

186

Deaths Reported

6,598

Recoveries

- With about half of recent cases originating from overseas travel, the government continues to face ever-growing pressure to declare a full entry ban. However, officials continue to resist this move because most of those entering the country are Koreans returning home.
- On April 4, despite the stabilizing situation, the government extended the “intensive social distancing campaign” that started on March 22 until April 19, two weeks beyond the initial ending date of April 5. Under this campaign, various events and businesses where people gather face an administrative ban.
- On April 5, the Export-Import Bank of Korea announced KRW 200 billion (\$163 million) in special expedited lending to SMEs. The maximum lending for each business in most industries is KRW 3 billion (\$2.5 million), while that for those in the materials, parts and equipment industries is KRW 10 billion (\$8.2 million).



## Sri Lanka



178

Confirmed Cases

5

Deaths Reported

34

Recoveries

- Stringent measures taken to counter the spread of Covid-19 in Sri Lanka are likely to continue until after the Sinhala and Tamil New Year (April 13). Constant evaluation of the situation will continue with the support of medical, security and legal expertise.
- Despite calls for more testing, Health Ministry guidelines restrict testing to those showing symptoms and those in high risk groups. Specialists have called for more testing, citing WHO recommendations. Testing is currently limited to those who show symptoms of the disease such as acute respiratory infection, healthcare workers exposed to patients and those who have travelled from overseas. A little over 3,200 tests have been conducted in Sri Lanka until now, a rate of 97 per one million residents.
- Only flights departing with passengers originating from Colombo will be allowed to operate during the lockdown period. Emergency diversions, freighter operations and technical landings will be allowed. This is an extension of the previous ban that was put into force on April 7.

## Taiwan



373

Confirmed Cases

5

Deaths Reported

57

Recoveries

- The Central Epidemic Command Center (CECC) plans to promote "flexible working hours" to reduce rush hour crowding conditions. In response to crowded conditions during the tomb sweeping holiday (April 4), the CECC announced on April 6 that people who had been in crowds for 15 minutes or longer are to work from home for 14 days.
- On April 6, Premier Su Tseng-chang instructed ministries to be expeditious in distributing relief to businesses and individuals. The Ministry of Finance and the Financial Supervisory Commission announced a reduction of interest on mortgage loans and credit card debt for individuals from April 1 to September 30.
- The government on April 1 announced its Covid-19 economic response package to total nearly NT\$1.1 trillion (\$31.7 billion), which will include increased disaster relief of NT\$350 billion (\$11.6 billion) for businesses and individuals affected by Covid-19.



## Thailand



2,220

Confirmed Cases

26

Deaths Reported

793

Recoveries

- The Civil Aviation Authority of Thailand imposed another ban on all inbound passenger flights from April 7 until April 18. Those who boarded flights bound for Thailand before the order will be subject to a 14-day mandatory quarantine upon arrival.
- Provincial restrictions on entry have proliferated over the past few days. On April 5, the Interior Ministry issued an internal directive to provincial authorities, hinting that more stringent measures could be rolled out soon to curb the infection numbers across the country.
- The government plans to present details of the third-phase relief package for the Cabinet’s consideration on April 7. The stimulus is expected to be larger than the first two combined to cushion more sectors. The Bank of Thailand downgraded the country’s 2020 economic growth forecast to -5.3 percent, while saying the financial sector has enough capacity to cushion against an upsurge in non-performing loans and debt restructuring.

## United States



362,759

Confirmed Cases

10,689

Deaths Reported

18,999

Recoveries

- President Donald Trump’s administration is forecasting that this week will likely be the deadliest of this wave of the outbreak, with an expected peak in both hospitalizations and deaths in the New York area. As emerging hotspots in states like Texas and Florida begin to worsen, the administration is promising to continue social distancing measures at least through the end of April.
- As the crisis draws down the U.S. strategic reserves of personal protective equipment and medicine to historic lows, there are increasing calls across the political spectrum to reduce the United States’ dependence on foreign, particularly Chinese, manufacturers.
- The \$350 billion Small Business Administration loan program has been beset by rollout challenges, as banks have been criticized for adding restrictions and online portals are failing due to high demand.



## Vietnam



245

Confirmed Cases

0

Deaths Reported

91

Recoveries

- The prime minister's mandate of nationwide social distancing does not mean an absolute ban on travel or a national lockdown. Instead, it aims to require people to stay at home and suspend outdoor activities, except for certain cases of extreme necessity and emergency. Manufacturing facilities and various essential services can operate, subject to strict health guidelines.
- The government aims to expedite the finalization and promulgation of a resolution on comprehensive measures to ensure public health and social welfare, support for business activities, accelerate capital disbursement of public investment and maintain public order and security. The resolution is expected to introduce an emergency fiscal package of VND 61.5 trillion (\$2.7 billion) to support about 20 million people who are affected.
- Although the government has targeted keeping GDP growth in 2020 unchanged at 6.8 percent, both the World Bank and the Asian Development Bank have projected slower growth of the country's economy at 4.9 percent and 4.8 percent, respectively.