



UPDATE COVID 19

May 14, 2020

Dear BGA Clients,

This report analyzes the impact of Covid-19 on the nations in the Asia-Pacific where BGA operates and surveys what they are doing to curtail the virus' spread. Some countries have reached the peak of their infections, have flattened the curve and are beginning to reopen their markets and economies. Others are still battling to get the pandemic under control. This report reviews the impact of the virus on the countries' economies and their populations' health and examines what governments are doing to bolster economic recovery.

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

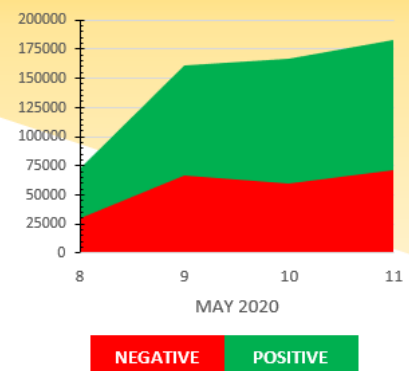


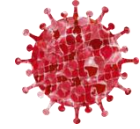
Social Intelligence Spotlight: India

Social intelligence findings uncovered divided public sentiment on central and state government lockdown policies. Though social media users considered lockdowns a necessary step to save lives and contain the transmission of Covid-19, a majority agreed on lifting restrictions and reopening the economy. In particular, the public urged the government to reopen transportation services, especially commuter trains, to support workers across all sectors. There were additional users who approved easing lockdown restrictions, provided the government clearly defines a strategy and criteria before reopening.

Both positive and negative sentiment during the coverage period highlighted Prime Minister Narendra Modi's recent address to the nation on the government's plan to extend lockdown measures. Several key policy observers urged the central government to present a clear policy framework to help India's poorest. There was an uptick of negative sentiment after sixteen migrant workers were killed in train crash on May 8 following a sudden easing of lockdown restrictions, but there was also an uptick in positive sentiment relating to the government's plans.

Public Sentiment on Government Lockdown Policy May 2020





Covid-2019 and its Effects in the Asia-Pacific

		Covid-19		% GROWTH				Covid-19		% GROWTH		
		Cases	Deaths	GDP 2019	Est. GDP 2020	Cases	Deaths	GDP 2019	Est. GDP 2020			
	Australia	6,975	98	1.8	-6.7		Myanmar	180	6	6.5	1.8	
	Bangladesh	17,822	269	7.9	2.0		Nepal	243	0	7.1	2.5	
	Brunei	141	1	3.9	1.3		New Zealand	1,147	21	2.2	-7.2	
	Cambodia	122	0	7.0	-1.6		Pakistan	34,336	737	3.3	-1.5	
	China	84,464	4,644	6.1	1.2		PNG	8	0	5.0	-1.0	
	Fiji	18	0	0.5	-5.8		Philippines	11,618	772	5.9	0.6	
	Hong Kong*	1,052	4	-1.2	-4.8		Singapore	25,346	21	0.7	-3.5	
	India	74,281	2,415	4.2	1.9		South Korea	10,991	260	2.0	-1.2	
	Indonesia	15,438	1,028	5.0	0.5		Sri Lanka	893	9	2.3	-0.5	
	Japan	16,079	687	0.7	-5.2		Taiwan**	440	7	2.7	-4.0	
	Laos	19	0	4.7	0.7		Thailand	3,017	56	2.4	-6.7	
	Malaysia	6,779	111	4.3	-1.7		U.S.A.***	1,384,930	83,947	2.3	-5.9	
	Mongolia	42	0	5.1	-1.0		Vietnam	288	0	7.0	2.7	
Sources:		(WHO)	(WHO)	(IMF)	(IMF)			(WHO)	(WHO)	(IMF)	(IMF)	(WHO)

Covid-19 Data (except as noted): *World Health Organization*; *Government of Hong Kong SAR; **Taiwan Centers for Disease Control, ***U.S. Centers for Disease Control and Prevention
 GDP: *International Monetary Fund*



"At such a time, we must exhibit the strength that comes out of our smallness, remain united and support one another. During such exceptional circumstances, the government will take the responsibility of alleviating any suffering to the people due to the virus."

Jigme Khesar Namgyel Wangchuck, King of Bhutan

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| Vietnam | | | | |



Australia

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	6,975	98		1.8%	-6.7%

- Prime Minister Scott Morrison laid out a three-step plan to reopen Australia by July. States and territories have followed suit with their own timelines for easing restrictions. Step one includes lifting restrictions on close social interactions, such as connecting with friends and family, and allowing businesses, educational campuses and sporting facilities to reopen with restrictions on the numbers of people. The second step is a doubling of the number of people allowed to gather in most circumstances. The final step will involve resuming interstate travel and considering trans-Tasman travel and Pacific Island travel. Each state has outlined different rules, but broadly, they will all be in line with Morrison’s three-step plan by the end of May.
- The Reserve Bank of Australia has forecast the economy will record a contraction in GDP of around 10 percent over the first half of 2020. Total hours worked are expected to decline by around 20 percent and the unemployment rate is forecast to rise to 10 percent in the quarter ending in June. The Reserve Bank is hoping that unemployment can fall back to 6.5 percent in two years.
- China has suspended imports of red meat from four Australian abattoirs and imposed bans on other flagged goods. The ban follows Beijing’s warning last week that it is considering imposing punitive tariffs in response to Canberra’s call for an independent inquiry into the origin of the coronavirus.



Bangladesh

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	17,822	269		7.9%	2.0%

- The government had aimed to lift its extended “government holiday” period beginning on May 16 and had begun lifting social distancing measures. However, after the government’s easing of restrictions led to an increase in Covid-19 cases, the holiday period was extended until May 30. The Civil Aviation Authority of Bangladesh on May 14 extended the suspension of all international and domestic flights until May 30, and the government is unlikely to lift international movement restrictions until after an extended decrease in cases.
- The government on May 14 announced an additional BDT 20 billion (\$240 million) stimulus package to assist migrant workers, unemployed youth and those living in rural areas. This additional package will be given to four state entities: Palli Shanchay Bank, Probashi Kalyan Bank, Karmasangsthan Bank and the Palli Karma-Sahayak Foundation. Each entity will receive BDT 5 billion (\$60 billion) for distribution as loans among those vulnerable groups. The additional package takes the total stimulus package to over BDT 1 trillion (\$11.8 billion), equivalent to 3.6 percent of Bangladesh’s gross domestic product.
- Bangladesh Bank (BB) has introduced a special repurchase agreement for one year to help the banks and non-bank financial institutions (NBFIs) provide loans under the government’s stimulus packages for coronavirus-hit industries. Banks and NBFIs can take this fund by submitting their extra securities of statutorily liquidity reserve to the central bank as lien, according to a BB circular issued on May 13.



Brunei

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	141	1		3.9%	1.3%

- Brunei has not reported any new Covid-19 cases since May 8, when the 28-day virus-free countdown to end the state of emergency was last reset. Travel restrictions remain in place, and roadblocks are still erected throughout the country.
- According to the Ministry of Health, business activity will resume in phases and employers are advised to follow business continuity plans in the event of a second outbreak. Officials are preparing to reopen certain business activities and have indicated certain restrictions will still be in place to limit people-to-people contact and reduce transmission risks. The government announced it will release an app called BruHealth to limit the number of patrons visiting business establishments at any time. To rekindle economic activity, the government is now granting tax breaks to commercial building owners who agree to reduce rent by at least 10 percent for six months.
- Imports and exports remain among Brunei’s hardest hit sectors, as grounded flights continue to limit cargo capacity. A recent report from the International Air Transport Association projects Brunei’s airline industry will suffer \$114 million in losses and drop 8,500 jobs.



Cambodia

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	122	0		7.0%	-1.6%

- The National Committee for Combating Covid-19 is seeking to ease coronavirus restrictions and reopen businesses in priority sectors in a bid to boost the national economy. The Ministry of Health wanted to introduce corrective measures as the public resumes its normal routines. The meeting covered discussions on which service sectors must be allowed to reopen, such as restaurants, entertainment establishments and schools and has considered reopening casinos, which are critical to the tourist industry.
- Cambodia exported \$3.1 billion worth of garment, textile and footwear products in the first four months of this year, up 1.7 percent compared to the same period last year despite supply chain disruptions from Covid-19. According to the Garment Manufacturers Association in Cambodia (GMAC), the increase was driven by buyer orders before the virus outbreak. However, export figures will drop in the coming months as major buyers in the United States and EU have suspended orders from Cambodia.
- To mitigate losses from the pandemic, GMAC on April 10 sent a letter to landlords asking for consideration in reducing rental fees by at least 30 percent for three to six months. It said some 180 factories have suspended production, with 60 more in the pipeline, due to their inability to cover operational costs as their incomes plummet during the pandemic. The Ministry of Labor and Vocational Training launched training for more than 400 suspended garment workers. It focused on improving the workers' communication and negotiation skills, teamwork, dispute resolution and knowledge of labor laws and rights, benefits of the National Social Security Fund and occupational health and safety measures.



China

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	84,464	4,644		6.1%	1.2%

- As China seeks to restart its economy and public health measures are relaxed, clusters of new Covid-19 cases continue to pop up. Over the weekend of May 10 to 11, a new cluster emerged in Wuhan among individuals who lived in the same residential compound. Following the emergence of the Covid-19 cases, local authorities launched a campaign to test all of Wuhan's 11 million residents in a "10-day battle." In Shulan City in Jilin province, a laundry woman spread the virus to 21 people, sending the entire city back into lockdown.
- China is laying the groundwork for mass testing by making nucleic acid Covid-19 tests widely available and affordable. The government pandemic task force led by Premier Li Keqiang has pledged to expand testing access to ensure that all people who need the tests can get them. Major Chinese cities and provinces have published lists of hospitals and clinics that are authorized to perform tests and can return results within hours. In April, the Ministry of Industry and Information Technology said that China was able to produce 5 million test kits per day.



Fiji

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	18	0		0.5%	-5.8%

- Fiji’s first recorded case was found on March 19 and its most recent, the eighteenth, on April 20. Health services took immediate action to prepare for the epidemic by assigning staff and facilities to receive infected patients. A local testing laboratory was set up to expedite the results of suspected coronavirus infections. Infected persons were quarantined, their localities were placed under lockdown and all contacts were traced and monitored. The borders were closed to non-citizens. Restrictions on movement and gatherings were imposed and social distancing was introduced. A nationwide curfew from 10 pm to 5 am was imposed on March 30, except for essential services. Schools are closed until June 15.
- The government introduced a Covid-19 Supplementary Budget of FJD 1 billion (\$444 million), equivalent to 8.7 percent of GDP, along with other fiscal and financial measures on March 26. Tourism generates about 40 percent of GDP and suffered a precipitous loss of jobs. The government partnered with the Fiji National Provident Fund to provide FJD 1000 (\$444) to those who had lost their jobs. Cyclone Harold swept through the region in early April, complicating Covid-19 control measures and causing an estimated FJD 100 million (\$44 million) in damage.
- Tax collections are expected to be down 34 percent, equivalent to FJD 1 billion (\$444 million). Covid-19 and cyclone relief has been received from Fiji's traditional development partners: Australia, New Zealand, the United States, China and the UK as well as UN agencies and the ADB.
- Fiji is hopeful of joining Australia and New Zealand's "bubble" when those countries begin to open their borders and Fiji maintains its Covid-19-free status. Over 70 percent of Fiji's visitors are from these two countries. Teams have been activated to begin planning for economic recovery. Health officials are confident they have the pandemic under control.



Hong Kong

COVID19 DATA (HKSAR)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	1,052	4		-1.2%	-4.8%

- On May 12, a 66-year-old-woman without a recent travel history tested positive for Covid-19, ending a 23-day streak without any locally transmitted infections. The next day, the patient’s granddaughter also tested positive. Public health advisors have said that the city can continue with relaxed social distancing measures as long as the new cases do not erupt into a wider community outbreak. However, they have warned that it is going to be a long battle against Covid-19, and the government will continue with a strategy of “suppress and lift.”
- Experts are urging the government to increase the scale of testing to 7,500 people daily, up from about 3,000 per day currently. To date, large scale testing has not taken place in Hong Kong, but health authorities are increasing testing to cover hundreds of workers at the airport, elderly home residents with mild symptoms and 860 households where the recent local cases were found.



India

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	74,281	2,415		4.2%	1.9%

- As the country heads toward the end of the third phase of the national lockdown, Prime Minister Narendra Modi held discussions with various state chief ministers on May 11. Most states asked for greater autonomy in determining district categorization and flexibility to modify lockdown guidelines as required for on-ground implementation. State governments have been asked to submit overarching strategies for dealing with the next phase of the lockdown by May 15.
- Modi addressed the nation on May 12, stating the need for self-reliance, expressing an appetite for structural reforms and announcing an extension of the lockdown with significant relaxations. Modi's speech signals India's intention to reinvigorate its flagship campaigns, especially Make in India. Pertinent guidelines regarding "lockdown 4.0" are expected to be released in the coming days.
- Modi announced that the government will spend a total of INR 20 trillion (\$266 billion), 10 percent of GDP, to support the economy. The finance minister announced details of the first installment, targeted at micro, small and medium enterprises (MSMEs): \$40 billion will be government-guaranteed credit provided to 4.5 million small firms, \$10 billion is earmarked to backstop non-banking financial companies and \$12 billion will be provided to power utilities to clear their bills to producers. MSMEs employ 110 million Indians and contribute 29 percent to the country's GDP. The government will disallow global tenders for goods and services below \$25 million.



Indonesia

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	15,438	1,028		5.0%	0.5%

- The government is considering plans to ease restrictions on movement and commercial activity starting in June. President Joko Widodo has asked cabinet members to ensure that the pandemic's curve flattens this month. National and local governments, however, continue to have differing perceptions and strategies on when to relax the large-scale social restrictions (PSBB). While Health Minister Terawan Putranto continues to approve PSBB requests from regional leaders, the government claims that PSBB has already successfully contained the spread of the virus. It is now looking to relax some of the restrictions, including allowing places of worship to reopen and permitting workers under the age of 45 in the 11 exempted sectors to resume normal activities.
- Public health experts forecast a peak of the virus between the end of May or possibly as late as early July. Officials fear a new wave, or additional clusters, of Covid-19 infections as more than 34,000 migrant workers are expected to return to Indonesia in the coming weeks.
- The government has enacted a regulation which lays out measures to be taken to achieve national economic recovery. Programs include capital injection for state-owned enterprises impacted by Covid-19, government deposits for commercial banks that meet certain criteria and interest rate subsidies for micro-small business debtors, financing firms and government credit agents meeting certain requirements. Parliament and the government also continue to deliberate on the omnibus bill on job creation, which contains numerous measures to improve the investment climate.



Japan

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	16,463	687		0.7%	-5.2%

- The Japanese government plans to lift the state of emergency declared in response to the outbreak in 39 of the country's 47 prefectures. The government will continue to request that people avoid travel between areas that are still under the state of emergency and those that are not and will also ask people to avoid confined and crowded places and close contact with others. As for the eight other prefectures, the government will revisit the situation on May 21 based on input from the Covid-19 expert committee ahead of the interim deadline for the declared emergency at the end of the month.
- A second supplemental budget is being discussed between the government and the ruling coalition, which would include measures such as capital injection into troubled companies using subordinated loans and preferred stocks with no voting rights, rent subsidies, student support and an increase in employment subsidies for furloughed workers. The cabinet will draw up a budget by May 27, which will be submitted to the Diet in early June for approval.



Laos

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	19	0		4.7%	0.7%

- Laos has not reported any new Covid-19 cases in 30 days and is preparing to discharge its remaining six patients soon. The government partially lifted its lockdown restrictions on May 4 after successfully flattening the curve. As the country maintains this momentum, retail stores are gradually reopening, though employers have been instructed to rotate shifts. Following the release of a notification on April 22, businesses that have not paid taxes since January have been relieved from paying penalties; they may take advantage of the grace period until May 29. Businesses that have not filed taxes for April, May and June are also exempted from penalties.
- Schools remain closed throughout the country with distance learning preparations in place. Laos is also forging ahead with the Sanakham hydropower project on the Mekong River. Construction is scheduled to begin later this year after a six-month consultation process with the Mekong River Commission, and officials expect to complete the project by 2028.
- Although border checkpoints remain closed throughout the country, officials are making exceptions for travelers who have received special permission, tested negative for Covid-19 within 72 hours of traveling and undergone 14 days of quarantine upon entry.



Malaysia

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	6,779	111		4.3%	-1.7%

- The government has extended the Conditional Movement Control Order (CMCO) another month, from May 13 to June 9. Under the CMCO, almost all economic and social activities can operate with the condition that they adhere to the stringent standard operating procedures.
- On May 5, Bank Negara Malaysia (BNM) cut its overnight policy rate (OPR) by 50 basis points to 2 percent, the lowest level since 2010. As a result, the ceiling and floor rates for the OPR have been reduced to 2.25 percent and 1.75 percent, respectively. The decision to cut the OPR was made in direct response to the unprecedented economic challenges that Malaysia has faced due to Covid-19 and the resulting CMCO put in place to curb its spread. The interest rate cut is expected to reduce the economic impact on businesses and households and bolster the economy.
- Bank Negara Malaysia (BNM) reported on May 13 that the economy grew moderately at 0.7 percent in the first quarter of 2020, compared to 3.6 percent growth in the fourth quarter of last year. This first quarter of the GDP growth was affected by the global Covid-19 pandemic and the implementation of the CMCO, which only allowed essential goods and services and the industries integral to supply chain economic activities to operate. With the transition to the less-restrictive CMCO implemented on May 4, which allowed almost all economic activities to operate, the economy is expected to gradually pick up in the second half of this year. BNM projects that the economy will recover to grow in 2021.



Mongolia

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	42	0		5.1%	-1.0%

- With the continued rise of imported Covid-19 cases, restrictions will not likely be eased soon. Limited repatriations of Mongolians stuck abroad continue, but many criticize the government for the slow repatriation of citizens. Thousands are still unable to get on the few government-chartered flights.
- The government has estimated that 20 percent of the population is at high risk of Covid-19 infection, including the elderly and those with chronic diseases. Only 11,000 out of 3.4 million residents have been tested since February. Since the country remains one of the few places in the world without local transmission, a suspicion of undetected cases is growing. The evacuation of hundreds of students from virus-stricken Russia stoked public fears that imported cases would further rise, posing a risk for local transmission.
- The ADB approved a \$100 million loan to help Mongolia's severe economic slowdown. According to the ADB, Mongolia's economy remains vulnerable to swings in commodity prices. To shore up its commodity prices, Mongolia has been pushing a tariff-free export of cashmere and wool clothes to the United States and accelerating the shift of textile supply chains out of China.



Myanmar

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	180	6		6.5%	1.8%

- Very few positive cases were reported during the past week. The government has increased testing in high-risk areas in Yangon and some border gateways. The Covid-19 curfew has been extended by another month, though it will be reduced from 10 PM to 4 AM starting May 16. Some businesses, including factories, have partially resumed operations under the government’s safety guidelines.
- The government is helping business recovery through the purchase of 50,000 tons of rice and 12,000 tons of cooking oil as basic food reserves for the most vulnerable groups of the country affected by Covid-19.
- International donor partners have agreed to provide a total of \$2 billion in financial support to implement the Covid-19 Economic Relief Plan. Some of the fund will be donated under the government budget as “budget support” to allow the government more flexibility in deciding future use of the resources.



Nepal

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	243	0		7.1%	2.5%

- The economy began to gradually reopen on May 8 when restrictions on 44 industries and services were relaxed. However, the number of Covid-19 cases has increased after people traveling from rural districts to Kathmandu began testing positive. Nepal is only now beginning to see wider community spread despite the lockdown having been in place for over 50 days.
- Nepal’s lockdown is likely to track India’s and may be extended until May 31. International travel will remain restricted because Kathmandu’s international airport is likely to remain closed through the end of June.



New Zealand

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	1,147	21		2.2%	-7.2%

- New Zealand moved to Level 2 of its movement restrictions on May 14, but with the easing of restrictions, the government has passed laws granting police warrantless entry to premises if they believe virus-related orders are being breached. The Human Rights Commission expressed concern about the rushed process and lack of scrutiny.
- Finance Minister Grant Robertson announced in the budget, released on May 14, that the government will spend NZD 50 billion (\$30 billion) over the next four years to get the economy moving again. NZD 16 billion (\$9.5 billion) is to be spent on the immediate response to kickstart the economy and NZD 20 billion (\$12 billion) has been put aside for future investment.
- According to government estimates, New Zealand will not record a surplus until 2028, by which time the Treasury forecasts a surplus of 0.1 percent of GDP. New Zealand's 2019 NZD 7.4 billion (\$4.4 billion) surplus will evaporate into a deficit of NZD 28 billion (\$16.7 billion) in 2020, or 9.6 percent of GDP, followed by an NZD 28.7 billion (\$17.1 billion) deficit in 2021.



Pakistan

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	34,336	737		3.3%	-1.5%

- Lockdown restrictions were eased across the country on May 9. Many businesses and shops can operate between 5 am and 5 pm, though operations are limited to five days a week. Parks and public spaces are now open to the public; however, large gatherings are not allowed. Grocery stores, pharmacies and other essential services will continue to be allowed to function outside the designated hours and weekdays. The new protocols also allow for factories in certain sectors to operate. Provincial governments and the district administration in Islamabad have extended this new, less-restrictive lockdown until the end of May.
- There has been a surge in the number of cases across Pakistan over the last week, and many public health experts believe that the real impact of easing the lockdown will not be seen until the end of May. Pakistan's virus infections are projected to peak between mid-June to mid-July, and the government believes the numbers will reach 150,000 to 200,000 in the same period.
- The government is planning to put forward next year's budget. It must fulfill its commitments with the IMF to increase revenue — an onerous demand for the already-weakened and contracting Pakistani economy. The government does not want to introduce new taxes to support the economy but may be forced to increase revenues to meet its IMF obligations.



Papua New Guinea

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	8	0		5.0%	-1.0%

- Parliament is expected to meet late this month to decide on whether to extend the country's coronavirus state of emergency. The country has limited health resources and the restrictions on people movement is essential to contain the virus, as the health challenge in Papua New Guinea is far greater than Covid-19 alone.
- The Cabinet has not yet approved Prime Minister Marape's PGK 5.7 billion (\$1.6 billion) coronavirus stimulus package. Once approved, \$79 million will go toward health and security measures and \$91.2 will be spent on supporting agriculture, households and business sectors.
- Papua New Guinea is likely to go further into debt due to the shocks of the Covid-19 virus and a sharp drop in oil and gas prices. A report by ANZ Bank predicts that the PNG economy will fall into recession in 2020, contracting by 2.6 percent.



Philippines

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	11,618	772		5.9%	0.6%

- The entire Philippines will be under General Community Quarantine from May 16 to 31, except for Laguna, the National Capital Region, the municipality of Pateros and Cebu City, which will be placed under modified Enhanced Community Quarantine (ECQ). Under modified ECQ, some industries will be allowed to operate. There will be limited movement within zones to obtain essential services and work. Select manufacturing and processing plants will be allowed to operate with up to a maximum of 50 percent of the workforce. ECQ also permits limited transportation services, though school classes will remain suspended.
- Starting May 11 until June 10, all inbound international chartered and commercial flights will be allowed to land at Ninoy Aquino International Airport (NAIA) on their assigned days. Inbound international chartered flights will only be allowed to land on Mondays and Thursdays, provided they secure clearance from the Department of Foreign Affairs and Civil Aviation Authority of the Philippines (CAAP) for slotting purposes. Scheduled inbound international commercial flights are allowed on Tuesdays, Wednesdays, Fridays, Saturdays and Sundays, provided they secure approval from CAAP 48 hours before the scheduled departure from the airport of origin.
- The government is pushing for a measure that would immediately reduce corporate income tax from 30 percent to 25 percent, but this would be at the expense of at least PHP 260 billion (\$5.1 billion) in expected revenue until 2022. The repackaged Corporate Income Tax and Incentives Rationalization Act (Citira) will now be called Corporate Recovery and Tax Incentives for Enterprises Act, or CREATE.



Singapore

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	25,346	21		0.7%	-3.5%

- The Ministry of Manpower issued guidelines outlining requirements for safe management measures at workplaces after the “circuit breaker” period, which is scheduled to end on June 1. While the multi-ministry taskforce on Covid-19 has yet to announce which businesses will be allowed to reopen on June 1, the initial phase of easing will focus on more essential services that are critical to keep the economy running and keep life as normal as possible, with more details to be announced next week.
- Singapore is in talks with other countries on lifting border and travel restrictions and the safeguards that need to be in place for that to take place. These discussions are at the bilateral and regional level, and Singapore is exploring how green lanes might be put in place for travelers with the necessary safeguards in place, such as Covid-19 testing before departure or upon arrival.
- While the circuit breaker period is still on track to be lifted on June 1, some measures will remain – including safe distancing and safe management at workplaces – which underscores officials’ concerns about new waves of infection. The taskforce is also closely watching possible second waves of infections in other countries where social distancing measures have been relaxed recently. Should the number of Covid-19 cases surge after the initial opening of the circuit breaker, the government may decide to reintroduce some restrictions.
- The Emerging Stronger Taskforce (EST), co-chaired by Minister for Social and Family Development and Second Minister for National Development Desmond Lee and PSA International Group CEO Tan Chong Meng, convened its first meeting on May 6 and will provide recommendations to the Future Economy Council on how Singapore should reimagine or reset its economic strategies to stay economically resilient in the post-pandemic period.



South Korea

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	10,991	260		2.0%	-1.2%

- Since May 10, the daily growth rate in cases has increased to 30 per day. This followed several weeks of near zero local infections. The latest jump stems from a single nightclub-based case in Seoul’s Itaewon area. As of May 14, over 120 new infections have been traced to this single exposure. Because of the surge, students’ return to class has been delayed for an additional week. The Seoul city government made it mandatory to wear masks at crowded subways. However, the third relaxed phase of the social distancing campaign that had started from May 6 remains in place.
- On May 13, the government’s statistics office released April’s unemployment numbers, showing 476,000 fewer jobs year-on-year. This was the biggest monthly drop since February 1999, during Korea’s most severe economic contraction to date. Lodging, dining and education services experienced the largest drops. The government is reportedly working on drawing up a plan to add more than 550,000 new jobs to the shrinking labor supply.



Sri Lanka

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	893	9		2.3%	-0.5%

- Much of the private and public sectors began returning to work on May 11, though curfew measures restricting movement and economic activity from 8 pm to 5 am will remain in effect until at least May 23. The government is watching case numbers in the aftermath of the return to work to gauge whether it is also appropriate for students to begin returning to their classrooms.
- Sri Lanka is looking to reopen its international airport, contingent on meeting future targets, including the construction of a Covid-19 testing lab on the airport's premises and providing disinfection stations for all inbound travelers. Thousands of foreign citizens and tourists remain on the island following the closure of borders in late March.
- The Central Bank of Sri Lanka (CBSL) announced a series of measures on May 13 to increase liquidity in the economy, including by providing additional funding to banks through an LKR 50 billion refinancing scheme. Through June 2021, CBSL's Monetary Board will also ease liquidity requirements for banks, including by allowing banks to reconsider some assets as liquid, reducing the minimum requirements for the liquidity coverage ratio and net stable funding ratios and expanding loans and advances in the form of Sri Lankan rupees to licensed banks.



Taiwan

COVID19 DATA (TCDC)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	440	7		2.7%	-4.0%

- On May 14, Taiwan reported a record seven consecutive days of zero new cases and 32 consecutive days of no indigenous cases. With limited domestic spread of the disease but a continued rampant outbreak overseas, Taiwan's disease control strategy is changing gears to relax some domestic measures. Border control measures, however, will not be relaxed until spread of the disease subsides overseas. Taiwan's Central Epidemic Control Center issued new guidance on May 8 to allow shops and venues with more than 100 people indoors or 500 people outdoors to resume operation if they can meet requirements for safe distancing, personal hygiene measures and have the ability to trace and track attendees. Taiwan also plans to relax controls on business travel, tourism, cultural and sport events when relevant disease control measures are in place. Taiwan's Ministry of Transportation and Communications plans to promote domestic group tours with safety measures.
- On May 9, Taiwan's legislature approved an NTD 150 billion (\$5 billion) special budget to finance the Covid-19 pandemic-related relief programs. The budget, which builds on an earlier NTD 60 billion (\$2 billion) in stimulus funding passed on February 25, allocates NTD 133.5 billion (\$4.5 billion) for economic stimulus measures and the remaining NTD 16.5 billion (\$550 million) for the government's epidemic prevention efforts.



Thailand

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	3,017	56		2.4%	-6.7%

- On May 13, for the first time since the pandemic began to spread in January, there were no new infections reported in Thailand. The Center for Covid-19 Situation Administration (CCSA) announced that the second phase of reopening is expected to start on May 17, with a possibility of shortening the nationwide curfew by one hour to between 11 pm to 4 am. A new list of store and business categories allowed to resume operation will be made available by May 15. A “full return” is currently earmarked for mid-June. The international inbound flight ban is still in place until May 31, exempting repatriation and cargo flights, among others.
- Recovery plans are being drafted and will be proposed to the Cabinet for approval. The government is eyeing programs, including domestic travel promotion, business liquidity injection and community-level development, as key drivers to solve unemployment and reboot the economy. The government aims for 100 million domestic trips within a year, and is also considering a tax of THB 300 (\$9.30 USD) or less per person for foreign arrivals once inbound flights and tourism activities resume.
- A Cabinet reshuffle remains a possibility but is likely to be postponed until after the conclusion of the Covid-19 response. Increasingly evident disunity within the coalition may suggest an ineffectual leadership in the post-crisis period, despite weak and minimal opposition pressure. Nonetheless, a worsening economy in the second half of 2020 could ignite public protests.



United States

COVID19 DATA (CDC)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	1,384,930	83,947		2.3%	-5.9%

- The United States continues to move haltingly out of lockdowns, as most states have now either lifted their most stringent requirements or have clearly outlined dates for future easing. However, major metropolitan areas are expected to remain under constraints until at least the summer. Despite continued restrictions, researchers using cellphone data to track movement have registered that increasing amounts of Americans are, if not disregarding these restrictions, at least moving more than they were earlier in the crisis.
- Speaker of the House of Representatives Nancy Pelosi unveiled a \$3 trillion follow-up stimulus package aimed largely at helping refill exhausted state coffers, provide additional funding to healthcare systems and restore the State and Local Tax credit that helps high-income earners in high-tax states reduce their tax burden. Pelosi’s Democratic colleagues in the House have largely indicated their support for the bill, but the Republican-controlled Senate has identified the bill as a non-starter, as it does not contain provisions to fund the Paycheck Protection Program aimed at protecting SMEs.
- Though the administration of President Donald Trump had optimistically revised its original death projections to under 100,000 in 2020, a wide range of both government and university models now project that anywhere from 100,000 to 200,000 Americans may die this year. While cases may have peaked, models now anticipate a plateau and slow decline rather than sharp decreases in cases.



Vietnam

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	288	0		7.0%	2.7%

- Vietnam has recorded no new Covid-19 cases since preventive measures were loosened nationwide one week ago and social and economic activities resumed in a “new normal” manner. May 14 marked the day when Vietnam’s last local lockdown was lifted, and the country had gone through 28 consecutive days without a single case of community transmission. Ninety percent of Covid-19 patients in Vietnam have recovered, and so far, there have been no reported deaths.
- The government has been focusing on economic recovery with specific actions. Five industries (banking, construction, tourism, securities and water resources) have been granted 20 to 50 percent reductions of certain license and administrative fees from May 5 until December 31, 2020. On May 13, the State Bank cut several key interest rates by another 0.5 percent to further boost economic growth amid the pandemic. More auxiliary border gates and entrances on the Vietnam-China border have been reopened to promote bilateral trade between the two countries.
- The teleconference between the prime minister and businesses on May 9 showcased the Vietnamese government’s willingness to listen and take action to support domestic and foreign businesses impacted by the pandemic. At the event, while the local business community requested more incentives in tax and credit lines, foreign business associations and chambers of commerce focused their recommendations on operational issues, such as visas and work permits for expatriates, licensing for products and incentive policies for IT companies. The government will consider these proposals to finalize another resolution on further measures to ease businesses’ difficulties in their production and business activities.