



UPDATE COVID 19

May 28, 2020

Dear BGA Clients,

This report surveys the steps by countries in the Asia-Pacific to reopen their economies and societies. From China to New Zealand and Vietnam, some have opened quite substantially, while others are still facing Covid-19 infections and are fighting to rein them in. Countries like Australia and India are exploring how to use the tragedy of the pandemic to reform their economies and make them more efficient. Many of the Southeast Asian nations are looking to attract more foreign investment to jump-start 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

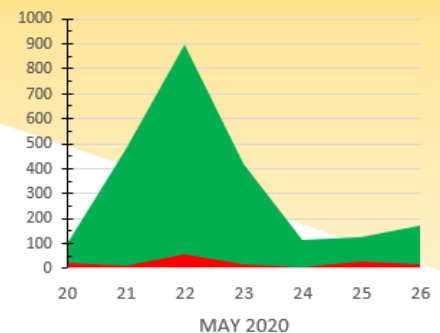


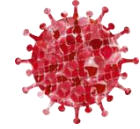
Social Intelligence Spotlight: Malaysia

As Malaysia continues to be under a Conditional Movement Control Order (CMCO) extended to June 9, public sentiment among Malaysians with respect to the government's handling of Covid-19 trended quite positively during the reporting period. While lingering concerns did remain on some fronts, including a new spike of cases, this overall positive sentiment was due to a confluence of factors, including the government response which has managed the economic fallout thus far and the perceived performance of technocrats, such as the Director General of Health Noor Hisham Abdullah who has emerged as a popular figure during Covid-19.

Negative sentiment remained quite low throughout the reporting period. Where negative sentiment did exist, this was due to more specific aspects of Covid-19 in Malaysia, be it the emergence of new cases and clusters, the treatment of migrant workers, or the continued sorting of political dynamics as opponents of the Perikatan Nasional government led by Muhyiddin Yassin continue to challenge the fragile ruling coalition in the middle of the global pandemic.

Public Sentiment on Government Covid-19 Policy
May 2020





Covid-2019 and its Effects in the Asia-Pacific

Covid-19					% GROWTH				
									
	Cases	Deaths	GDP 2019	Est. GDP 2020		Cases	Deaths	GDP 2019	Est. GDP 2020
 Australia	7,139	103	1.8	-6.7	 Nepal	886	4	7.1	2.5
 Bangladesh	38,292	544	7.9	2.0	 New Zealand	1,154	22	2.2	-7.2
 Brunei	141	2	3.9	1.3	 Pakistan	59,151	1,225	3.3	-1.5
 Cambodia	124	0	7.0	-1.6	 PNG	8	0	5.0	-1.0
 China	84,547	4,645	6.1	1.2	 Philippines	15,049	904	5.9	0.6
 Hong Kong*	1,067	4	-1.2	-4.8	 Singapore	32,876	23	0.7	-3.5
 India	151,767	4,337	4.2	1.9	 South Korea	11,344	269	2.0	-1.2
 Indonesia	23,851	1,473	5.0	0.5	 Sri Lanka	1,425	10	2.3	-0.5
 Japan	16,683	867	0.7	-5.2	 Taiwan**	441	7	2.7	-4.0
 Laos	19	0	4.7	0.7	 Thailand	3,054	57	2.4	-6.7
 Malaysia	7,619	115	4.3	-1.7	 U.S.A.***	1,698,523	100,446	2.3	-5.9
 Mongolia	148	0	5.1	-1.0	 Vietnam	327	0	7.0	2.7
 Myanmar	206	6	6.5	1.8					
Sources:	(WHO)	(WHO)	(IMF)	(IMF)		(WHO)	(WHO)	(IMF)	(IMF)

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*



"Building a resilient society requires our collective ideas and energy. It is about knowing who we are as a people and what we stand for. In these trying times, we must take special care of the more vulnerable members of our society, be they seniors, individuals with special needs or those who lost their jobs."

Heng Swee Keat, Deputy Prime Minister of Singapore

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- | | | | | |
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| Australia | Bangladesh | Brunei | Cambodia | China |
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| Malaysia | Mongolia | Myanmar | Nepal | New Zealand |
| Pakistan | PNG | Philippines | Singapore | South Korea |
| Sri Lanka | Taiwan | Thailand | U.S. | Vietnam |

	Australia	COVID19 DATA (WHO)	7,139	103	GDP Growth (IMF)	2019 1.8%	2020 est. -6.7%
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- Several states and territories are planning to gradually ease restrictions, with changes coming into effect this week. All states are out of lockdown. With high levels of testing in place and active responses to outbreaks, case numbers have so far remained very low.
- Sweeping economic reforms are on the horizon. In a bid to repair the economy, Prime Minister Scott Morrison has announced a major industrial relations overhaul. Business groups and unions have been brought together to try to change a system that Morrison says is “not fit for purpose.” Morrison announced five priority areas to reform workplace pay and conditions: collective bargaining for workplace pay deals, casual and fixed-term employment, compliance and enforcement to ensure fair pay and greenfield agreements for new projects. Federation reform that could drive productive gains is also on the agenda, and tax reform is possible.
- Australia’s coronavirus stimulus package, Jobkeeper, will cost AUD 60 billion (\$39.6 billion) less than forecast because the wage subsidy will cover 3.5 million people rather than the anticipated 6.5 million. This means that the fiscal stimulus will be 3 percent of GDP less than originally announced.



Bangladesh

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	38,292	544		7.9%	2.0%

- The “government holidays,” which have brought much of public life to a halt in the face of the pandemic, are not being extended beyond May 30. The government issued a gazette notification on May 28 allowing the limited operation of public transport and offices from May 31 to June 15 amid the continuing Covid-19 outbreak. The government had earlier decided to allow people to use personal cars and minibuses to leave Dhaka for Eid holidays on May 21. It is too early to assess the impact of the easing of movement restrictions; however, with public transportation being allowed to resume from May 31, it is likely to compound the Covid-19 outbreak situation further.
- The government will outline the steps that will have to be taken to resume public transport services between May 31 and June 15. The government decided to allow public transport services such as buses, trains and ships to restart operations with a fixed number of passengers from May 31, though services must strictly comply with health directives. The aviation authority will also consider resuming domestic flights under its management between May 31 and June 15; however, the embargo on international flights will be in place until June 15.
- The FY 2020-21 budget is likely to be officially announced by the finance minister on June 11, and any major economic reforms outside what has been indicated earlier can be shared after that date.



Brunei

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	141	2		3.9%	1.3%

- Brunei has not reported any new Covid-19 cases since May 8. The Brunei health minister confirmed that a second person had died of Covid-19 complications on May 27, nearly two months after being admitted to the National Isolation Center (NIC). Another patient was discharged from the NIC on May 24, leaving only two cases remaining under observation.
- Mosques are preparing to reopen for Friday prayers on May 29, although attendance will be subject to strict guidelines and reservations must be made using the BruHealth app. This is the first of four phases of reopening and is expected to last through June 12. Businesses have been permitted to reopen since May 16, and schools will reopen on June 2.



Cambodia

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	124	0		7.0%	-1.6%

- Cambodia confirmed the first two new cases of Covid-19 in more than a month, both of which were found in citizens returning from overseas. The Ministry of Health announced strict measures to prevent Covid-19 from being imported from abroad, including strict quarantining and testing for all passengers arriving at airports. While the tourism sector has been hit hard by Covid-19 – with the number of international arrivals declining by as much as 65 percent – the tourism minister hopes to attract more Chinese tourists to revive the industry after the coronavirus is contained.
- On May 26, the government introduced the fourth round of stimulus measures aimed at ensuring economic and social stability. The Ministry of Economy and Finance will set up a "Credit Guarantee Fund" with a budget of \$200 million to alleviate cash flow issues and working capital bottlenecks for businesses in all sectors and will also allocate \$300 million in additional financing to act as a catalyst for boosting growth in key sectors during the crisis and after. The government also decided to expand the coverage and budget volume for the "Cash for Work" program in 2020 to \$100 million to absorb unemployed workers. A social assistance program to help poor families and vulnerable groups with equity cards throughout the country is also underway, with a special focus on children under the age of five, disabled people, people 60 years and older and those living with HIV.



China

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	84,547	4,645		6.1%	1.2%

- During the annual "Two Sessions" meetings on May 22, China announced the details of its economic recovery strategy, which is likely to involve piecemeal fiscal stimuli as the crisis unfolds and damage becomes more apparent. The newest measures to kickstart the economy include a stimulus package of CNY 3.6 trillion (\$506 billion), an unprecedented increase in the budget fiscal deficit ratio to above 3 percent of GDP, deferments on loan and interest repayments, and additional tax cuts for businesses. China has also offered CNY 1 trillion (\$139.5 billion) in treasury bonds to assist local governments in the fight against Covid-19.
- Authorities have introduced sweeping lockdown measures in parts of northern China following fresh Covid-19 outbreaks in Jilin in the northeast, where over 100 cases have been reported. To curb transmission, the city has imposed mandatory testing, quarantines and restrictions on movement. The new outbreaks and suspension of business and industrial activity come at an inopportune time as China looks to reopen the economy and recoup from heavy losses sustained earlier in the year.
- Separately, the Supreme People's Court has vowed to protect Chinese companies from international lawsuits — particularly from the United States — on China's handling of the pandemic and has pledged support to businesses on the verge of bankruptcy.



Hong Kong

COVID19 DATA (HKSAR)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	1,067	4		-1.2%	-4.8%

- In Hong Kong, there have been no recorded cases of community transmission for two weeks. There continues to be a low number of imported infections, as returning residents are tested on their arrival, quarantined for 14 days and then tested again at the end of their quarantine. The last case — a 27-year-old man who had returned from the United States — was recorded on May 27.
- Two health experts have suggested that the government could relax restrictions on public gatherings as the situation improves, with one advisor to the government saying it was likely the government would extend the public gathering restrictions from 8 people to 12 or 16 people when the ban expires on June 4. With the resumption of anti-government gatherings over the past few weeks, the government is expected to keep public gathering restrictions in place for “public health” reasons and allow the police to selectively enforce the law.



India

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	151,767	4,337		4.2%	1.9%

- Indian banks are expected to face an increase in stressed assets as loan defaults rise from businesses that are severely hit by the nationwide lockdown. Public sector banks, which had already been suffering, will likely need \$13 billion in capital infusion. The extension of loan moratoriums by the government will impact the financial health of banks in the country. So far, the government has not budgeted a capital infusion for banks; however, as the crisis evolves, this may become necessary.
- The Reserve Bank of India (RBI) on May 22 announced a further cut in the repurchase agreement rate by 40 basis points, taking the rate to 4 percent in a bid to boost credit flows in the economy. The central bank also extended a previously announced loan moratorium by another three months. RBI Governor Shaktikanta Das acknowledged that the domestic economy has been severely impacted by the two-month lockdown.
- Domestic air travel has resumed since May 25, with several states releasing guidelines for quarantining passengers. Passengers will be expected to quarantine for 14 days on arriving at various destinations. Flights to certain states like Maharashtra, West Bengal and Tamil Nadu will be limited as some state governments had raised objections to resuming services from May 25. Passenger rail services will begin from June 1, with 200 trains traveling through various destinations across the country. The government is expected to announce further relaxations as “Lockdown 4.0” comes to an end on May 31, though it is expected that restrictions will remain in containment zones.



Indonesia

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	23,851	1,473		5.0%	0.5%

- The national government intends to allow many restrictions to expire or ease in coming weeks. In anticipation of reopening workplaces, the Ministry of Health has set out guidelines on resuming workplace activities. The Ministry of State-Owned Enterprises (SOEs) is also drafting required internal health protocols that will allow SOE employees under 45 years old to return to their offices while continuing to follow the required health protocols. The Indonesian Shopping Centre Association (APPBI) has said that 60 shopping malls in Jakarta are set to open on June 5.
- Foreigners who are KITAS/KITAP holders, diplomatic passport holders, medical personnel and foreigners working in national strategic projects are permitted to enter Indonesia through Soekarno Hatta Airport (Jakarta) and Juanda Airport (Surabaya). However, strict protocols have been put in place, including a requirement to provide health certificates with negative Covid-19 test results, additional health checks upon arrival and a mandatory 14-day self-quarantine.
- 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 cluster of Covid-19 infections as more than 34,000 migrant workers are expected to return to Indonesia in coming weeks following the expiration of their work contracts overseas.



Japan

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	16,683	867		0.7%	-5.2%

- The Japanese government approved a JPY 31.9 trillion (\$296 billion) draft second supplementary budget for FY2020 as part of another relief package worth about JPY 117 trillion (\$1.1 trillion). This approval follows the JPY 25.7 trillion (\$238.9 billion) first extra budget that was passed for the fiscal year that started in April and aims at extending support for small businesses and individuals suffering from the coronavirus through rent subsidizing measures as well as front-line workers at hospitals and furloughed workers. The supplementary budget will be financed entirely by issuing government bonds, which would push the country's debt dependency ratio beyond 50 percent.
- On May 25, Prime Minister Shinzo Abe announced the easing of restrictions in the five remaining prefectures, including Tokyo, and announced the lifting of the nationwide state of emergency that had been implemented since early April. The government has also announced a phased road map for reopening the economy, with restrictions on domestic travel and large-scale events gradually eased every three weeks upon assessing the evolving situation. Local governments have also disclosed their own guidelines on reopening the economy, with Tokyo announcing a staged approach based on business type.
- A wide-ranging travel entry ban has been extended to India and 10 additional nations – including Afghanistan, Argentina, Bangladesh, South Africa and Pakistan – bringing the total number of banned countries to 111. Foreign nationals who have been to those countries within the last 14 days will be turned away upon arrival.



Laos

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

- On May 18, the government eased restrictions on industry, construction, travel and service-sector businesses. The government will now also permit students, Lao citizens, experts and diplomats to enter or exit Laos with government authorization. Laos also officially discharged two Covid-19 patients from the hospital on May 27, leaving only three cases remaining under observation.
- Work on the China-Laos railway has continued throughout the crisis. On May 23, the project marked a major milestone with the completion of tracks through a tunnel in northern Vientiane Province. Labor recruitment for the project continues and is expected to be a major driver of growth.
- On May 22, the U.S. Ambassador to Laos announced a \$3 million grant from the U.S. Centers for Disease Control and Prevention to aid Laos's fight against Covid-19, which follows a March donation of \$2 million from the U.S. Agency for International Development. On May 25, the Asian Development Bank also approved a \$20 million loan to support Laos's Covid-19 response. Despite this assistance, the country continues to face challenges. As a case in point, the World Bank's biannual Lao Economic Monitor report, released May 20, signaled its concerns about the Lao government's rising fiscal deficits and falling reserve buffers.



Malaysia

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	7,619	115		4.3%	-1.7%

- On June 1, a new amendment to the Minimum Standards of Housing and Amenities (Amendment) Act, which requires employers in Malaysia to provide accommodations for foreign workers in all sectors, was scheduled to come into effect. However, Minister of Human Resources M. Saravanan said that the government will provide employers with a three-month grace period until August 31 to give them time to make the necessary arrangements for their foreign employees. Prior to the amendment, which was officially gazetted last year, the act only covered accommodation and housing for foreign workers at large plantations and in the mining sector. This move is expected to help improve health conditions in high-risk sectors like construction, where many foreign workers live together in crowded housing.
- The Ministry of Entrepreneur Development Cooperative (Medac) will soon begin implementing the Entrepreneur and Cooperative Recovery Plan (ECRP) to assist entrepreneurs negatively impacted by Covid-19. The recovery plan aims to further support the country's entrepreneur ecosystem and revitalize entrepreneurs' business operations so they can remain competitive and sustainable. The ECRP will offer 30 different programs to entrepreneurs that will be implemented in two six-month phases beginning this month. Medac has allocated MYR 452.8 million (\$104.2 million) for the ECRP, and the programs are expected to benefit nearly 22,000 entrepreneurs and cooperatives. Medac is continuing to work closely with the Ministry of Finance to develop a post-Covid-19 economic recovery and restart plan. Medac is also proposing an additional entrepreneurship restart plan with a budget allocation of MYR 261.21 million (\$60.1 million).



Mongolia

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	148	0		5.1%	-1.0%

- Restrictions have been extended until the end of June, though the parliamentary election will be held on schedule on June 24. The border has been closed and mass gatherings banned since late January. The prime minister announced that border closure will not be lifted until "the vaccine is found," which has enraged around 10,000 Mongolians stuck abroad since January. Only vulnerable groups — including pregnant women, seniors, children with their parents, and people with serious health issues — can return due to insufficient quarantine facilities. Repatriation of citizens and preventing local outbreak are going to be hot button issue as the pre-election campaign kicks off next week.
- Since Parliament went into recess until the end of June, there has no major decision-making in the country. An extraordinary session is possible, but parliamentarians are expected to be busier with reelection campaigns.
- The central bank's gold reserves increased to 23 metric tons in Q1 2020 from 18 metric tons in Q4 2019 since gold exports almost halted due to border closure with China. Purchasing gold continues to be the central bank's key instrument to increase its official foreign exchange reserves, which has now reached \$4.1 billion — enough to cover nine months of imports.



Myanmar

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	206	6		6.5%	1.8%

- Since May 18, all new cases were of travelers from abroad and no local transmissions were reported. Covid-19 prevention measures are now focused on international entry points, where 4,785 people are under quarantine and observation status. State and regional governments are easing restrictions with guidelines for domestic travelers and for reopening of more factories, markets and food stores.
- The government believes the agriculture and livestock sector has the most potential to revive the economy and is therefore planning to implement a National Food and Agriculture System Project. Over 25 percent of the World Bank loan of \$200 million for this project will be used to standardize and improve the quality of agricultural produce in line with international markets.
- For the first time since it took office in 2016, the National League for Democracy-dominated Parliament cut 5.4 percent of the total supplementary defense budget for FY 2019-2020. On May 27, Parliament reached a consensus to deduct MMK 10.6 billion (\$ 7.6 million) from the Ministry of Defense's requested amount of MMK 197.7 billion (\$141.2 million) for military personnel, operation and security.



Nepal

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	886	4		7.1%	2.5%

- Nepal’s lockdown is currently scheduled to end on June 2 but has been repeatedly extended. Case spread is accelerating, with numbers doubling in the past week. All international airports are closed until June 15.
- Tensions with neighboring India are complicating Nepal’s efforts to resuscitate the economy. While the government has requested India to allow Nepali exports of tea and refined palm oil, the Indian government has not moved quickly to answer Nepal’s request.
- Planning for next year’s budget is in its incipient stages, but it will certainly focus on reviving economic activity. Parliament’s finance committee recommended at least 5 percent of the country’s GDP, worth NPR 188 billion (\$1.5 billion), be allocated for the stimulus package.



New Zealand

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	1,154	22		2.2%	-7.2%

- Prime Minister Jacinda Ardern announced that a trans-Tasman bubble with Australia could realistically be in place by September. Ardern and Australian Prime Minister Scott Morrison said that it will open once health officials and epidemiologists have deemed it safe and the two countries do not pose a risk to each other.
- As part of its fiscal stimulus, the New Zealand government is pouring NZD 700 million (\$433 million) into cleaning up its waterways. This will help create jobs and keep funding flowing toward rural communities.
- Estimates from the Reserve Bank show New Zealand will this year experience the largest decline in annual GDP in 160 years. National Finance Spokesperson Paul Goldsmith called on the prime minister to move to level 1 and open the economy quickly.



Pakistan

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	59,151	1,225		3.3%	-1.5%

- No new easing of restrictions has been announced, as almost all businesses are open already in line with government-mandated standard operating procedures. Further guidance from the government is expected in the next week. Some government officials have indicated that if people and businesses do not follow regulations, the government may consider a stricter lockdown. Some of the restrictions are expected to return in any case as these were eased off to facilitate Eid shopping.
- The government of Pakistan is now developing the budget for FY 2020-2021, and most of the budget is expected to focus on mitigating the impact of Covid-19 for the masses. However, Pakistan is facing significant fiscal constraints due to IMF obligations and the economic slowdown caused by the pandemic, which is expected to plunge the economy into its first long-term contraction in decades. To help meet projected budget shortfalls, the World Bank has approved a policy loan of \$500 million to help the country mitigate the adverse impacts of the coronavirus pandemic. The Asian Development Bank estimates that Pakistan will need an additional PKR 100 billion (\$6.2 million) in foreign funding by December to tackle the effects of Covid-19.



Papua New Guinea

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

- Prime Minister James Marape hinted that the government is likely to extend the state of emergency until the end of 2020. However, Papua New Guinea's opposition says it will not support any extension of the country's coronavirus state of emergency beyond June 2.
- Papua New Guinea's National Research Institute report on international trade has reported a drop in commodity prices due to the Covid-19 pandemic and corresponding restrictions on the movement of goods and services out of Papua New Guinea, especially to China.
- Papua New Guinea's secretary of health has raised concerns about the daily increase in Covid-19 cases in neighboring West Papua as a great threat to the country. Although this border is closed, there is plenty of informal movement between the two countries.



Philippines

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	15,049	904		5.9%	0.6%

- The Air Carriers Association of the Philippines – comprising Philippine Airlines, Cebu Pacific and Air Asia Philippines -- said in a statement that member airlines have prepared a host of safety measures as they hope to win back flyers after strict quarantine measures are lifted, potentially by the end of the month. Specific measures will vary by airline, but these will include minimized contact between passengers and airline staff, increased use of online and digital check-in and boarding, and intensified cleaning and disinfection of all aircraft and facilities.
- On May 26, a House of Representatives' committee approved a PHP 1.3 trillion (\$25.7 billion) economic stimulus package to aid the government's response to the Covid-19 crisis. Under the proposed Philippine Economic Stimulus Act, or PESA, a PHP 568 billion (\$11.2 billion) package for 2020 focuses on several key areas, including the immediate employment protection stimulus for affected workers; massive testing through local government units and agencies; loans for micro, small and medium enterprises; and assistance to critically impacted industries. For 2021, PHP 80 billion (\$1.6 billion) will be allocated to general government intervention, while a PHP 650 billion (\$12.8 billion) budget for the "Build, Build, Build" infrastructure program is to be spread over three years and will cover projects supporting health care, education and food security.



Singapore

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	32,876	23		0.7%	-3.5%

- Singapore remains on track for the “circuit breaker” period to be lifted on June 1, and the government will reopen the economy in a gradual and calibrated manner in the coming months. Singapore is currently in discussions with Australia, Canada, China, New Zealand and South Korea on the safe and gradual reopening of borders. This will entail the creation of a green lane as well as the development of common standards.
- Deputy Prime Minister Heng Swee Keat delivered a record fourth budget statement in Parliament on May 26. The “fortitude” budget will inject a further SGD 33 billion (\$23.3 billion) to focus on protecting jobs as well as support businesses and workers, as general elections loom closer than ever. The Job Support Scheme (JSS) will be extended by one month until November 2020 for all companies, while businesses that are unable to resume operations immediately after June 1 will continue to receive wage support of 75 percent until August 2020 or when they can reopen, whichever is earlier. Under the SGUnited Jobs and Skills Package, the government will commit SGD 2.7 billion (\$1.9 billion) to create around 100,000 jobs, training opportunities and traineeships.
- The announcement of the “fortitude” budget – Singapore’s fourth since February this year – means the government will now commit a total of SGD 92.9 billion (\$65.4 billion) across all four budgets to combat Covid-19. This figure is equivalent to 19.2 percent of Singapore’s GDP. The government will now draw an unprecedented total amount of SGD 52 billion (\$36.6 billion) from past reserves this financial year. It will also set aside an additional SGD 13 billion (\$9.2 billion) in the Contingencies Funds to be able to respond quickly in the event of urgent developments.



South Korea

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	11,344	269		2.0%	-1.2%

- From June 1, foreigners with permanent resident and immigrant statuses are required to apply for reentry permits before overseas trips. On May 24, the Ministry of Justice justified this decision by highlighting recent infections found among those who returned to Korea. Korean “globalists” have criticized this action as unnecessarily nationalistic and potentially counterproductive. They point out this goes against the Ministry of Foreign Affairs’ recent actions to fight against Covid-19-driven discrimination, including the May 26 launching of “the Group of Friends for Solidarity and Inclusion with Global Citizenship Education” with 11 UNESCO member countries.
- On May 23, the Ministry of Foreign Affairs extended its global special travel advisory until June 19. The special advisory was put in place on March 23 and extended once before in April. Under existing law, this is the last extension allowed.



Sri Lanka

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	1,425	10		2.3%	-0.5%

- The government began easing restrictions starting May 26 and has relaxed the curfew which is now in effect from 10 pm to 4 am throughout the country. The exceptions are Colombo and Gampaha Districts, where movement is restricted to within the respective districts with no movement in or out. Movement between other districts is allowed. The relaxation has prompted a gradual resumption of all business activities, though they are still subject to strict sectoral guidelines issued by the health officials and the presidential task force.
- The relaxation of the curfew nationwide is an indication that officials consider the peak of the first wave of the virus has likely been reached. However, there are concerns that a second or third wave could occur if the public does not follow the required health and safety measures. Overall, there seems to be widespread adherence to social distancing and the wearing of masks, which is now a mandatory requirement.
- On May 24, Sri Lanka appealed to India to extend a \$1.1 billion special swap facility, which would top up \$400 million under a South Asian Association for Regional Cooperation facility. The move underlined the country’s need for urgent financing support to manage the economic impact of the Covid-19 pandemic.



Taiwan

COVID19 DATA (TCDC)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	441	7		2.7%	-4.0%

- Taiwan has not reported any additional Covid-19 cases since May 21, and the government has eased restrictions on public venues, cultural events, and visits to hospitals and long-term care facilities. The Taiwan Central Epidemic Command Center (CECC) will loosen epidemic control measures after June 7, provided no new indigenous cases or community transmissions are recorded.
- The CECC released guidelines for businesses and public venues that collect personal data for contact tracing, mandating informed consent, sole use by public health authorities and automatic deletion of the data after 28 days. Taiwan's government may allow exports of surgical masks and other Covid-19 response products, as production can now satisfy domestic demand. The CECC expects to decide on the export ban later this week.
- National Development Council Minister Kung Ming-hsin announced that the government is examining a plan that would release shopping vouchers to stimulate domestic consumption. The plan, set to launch July 15, would allow people to pay NTD 1,000 (\$33) and receive NTD 3,000 (\$100) worth in vouchers for spending at stores or on public transit. The Ministry of Economic Affairs confirmed that the voucher plan is part of the NTD 210 billion (\$7 billion) special budget that has been allocated for Taiwan's Covid-19 response.



Thailand

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	3,054	57		2.4%	-6.7%

- Following a decline in the number of Covid-19 cases and relaxation of lockdown measures, Parliament has reconvened for meetings. The government extended the state of emergency decree for a second time, with the opposition seeing the extension as an unchecked power grab. Opposition parties demanded greater scrutiny over three executive decrees that would authorize the government to borrow THB 1.9 billion (\$59.6 billion) to combat the pandemic. A five-day debate on the decrees will run from May 28 to May 31, during which the prime minister and his cabinet are expected to offer clarifications to Parliament.
- New cases reported in Thailand are now increasingly returnees from overseas. On May 29, the third stage of easing the lockdown will be proposed to the Center for Covid-19 Situation Administration (CCSA) for a decision. The conditions are expected to include shortening the curfew period to a 11 pm to 3 am window in June and extending department store opening hours until 9 pm. The government will likely permit cinemas, gyms, zoos and meeting venues to fully reopen. High-risk venues such as boxing stadiums, pubs, water parks and amusement parks will remain closed.
- THB 39 billion (\$1.2 billion) has been set aside to fund a new cash handout program to help around 13 million people impacted by the virus, including the elderly, young children and the disabled. Additionally, the prime minister has instructed state agencies to increase their preferential support to SMEs through public procurement. A stimulus to promote domestic travel is being considered by the government and is expected to be introduced in the third quarter of 2020.



United States

COVID19 DATA (CDC)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	1,698,523	100,446		2.3%	-5.9%

- The United States passed a grim milestone of 100,000 confirmed deaths from Covid-19 on May 28, with 29,000 in New York and 11,000 in New Jersey accounting for 40 percent of the total death toll. However, progress has been made in containing the outbreak nationwide; though increases in diagnosed cases have been seen in parts of the country, such as in the southern states as well as California, nationwide deaths and diagnoses have continued their near month-long decline. Weekly average death tolls have declined to around 1,000 per day, and much of the new diagnoses can be attributed to increased testing capabilities. With even the most cautious areas of the country moving to reopen, these numbers are likely to fluctuate throughout the summer. While the worst of the “first wave” appears past, experts caution the summer will see a persistent if lower and declining “plateau” of cases and deaths.
- Unemployment figures look to be gradually bottoming out. All told, more than 40 million Americans have claimed unemployment benefits since the beginning of the pandemic crisis in March, and a further 2.1 million claimed benefits in the week of May 18, according to Department of Labor statistics. But in positive news, the number of Americans claiming unemployment benefits in subsequent weeks declined to 21.1 million, the first decline since mid-March. Optimists note that this number could reflect that the labor market has “bottomed out” as economies reopen and summer seasonal employment picks up.



Vietnam

COVID19 DATA (WHO)	CASES	DEATHS	GDP Growth (IMF)	2019	2020 est.
	327	0		7.0%	2.7%

- As of May 28, Vietnam has experienced 42 continuous days without any cases of community transmission. While the government maintains strict entry controls to avoid a new wave of infections, the possibility of reopening certain international air routes has been considered, especially on a bilateral basis with countries that have contained the pandemic well thus far. Since March 25, when all international flights were suspended, Vietnam has only granted permission for flights from countries where Vietnamese citizens are looking to return home. A plan to reopen borders to foreign tourists has been devised but is not yet fixed.
- To help businesses overcome difficulties caused by the Covid-19 pandemic, the government has decided to temporarily slash several charges and fees in the aviation sector by 10-20 percent from May 27 until the end of 2020. Additionally, a 30 percent corporate income tax reduction has also been considered for small and micro enterprises in 2020, which will result in a loss of approximately VND 16 trillion (\$679 million) in the state budget if approved by the National Assembly.