



# Coronavirus (COVID-19) Executive Briefing

Thematic Research  
GDCOV-TR-B025

Understand the COVID-19 outbreak and its impact  
on the global economy

Last Updated: 16 June 2020  
Twenty-fifth in the series

# Key Developments and Changes Since Last Update



<b>901,698 new cases in the past 7 days; total confirmed cases exceed 8 million</b>	<ul style="list-style-type: none"><li>▪ The virus has now spread to 190 countries with more than 8 million confirmed cases and more than 430,000 deaths.</li></ul>	Slide 6
<b>The US records the highest number of infections, but recorded death rates decline</b>	<ul style="list-style-type: none"><li>▪ The number of confirmed cases in the US exceeds 2 million, with deaths exceeding 110,000.</li></ul>	Slide 7 - 9
<b>Infection peak and decline forecasts</b>	<ul style="list-style-type: none"><li>▪ Infection peak weeks and decline forecasts for countries with the most infections.</li><li>▪ Risk of COVID-19 surge in India as outlook for the future remains uncertain.</li></ul>	Slide 11 - 13
<b>No therapeutic or preventative options are available, but the pipeline is crowded</b>	<ul style="list-style-type: none"><li>• Currently there are 2,191 clinical trials for COVID-19 (+113 from the last update).</li></ul>	Slide 14
<b>Worldwide GDP forecast to contract</b>	<ul style="list-style-type: none"><li>▪ GDP estimates of top ten economies all trend downwards; 2020 consensus forecast for GDP growth is currently -2.6%.</li></ul>	Slide 18 – 19
<b>In the short-term, unemployment will rise in all major economies</b>	<ul style="list-style-type: none"><li>▪ 1.5 million Americans filed for unemployment insurance in the week ending June 6. The total new claims over the past 12 weeks stand at 44.1 million.</li><li>▪ Indian unemployment declines to 11.63% in the week ending June 14, as compared to 17.51% in the preceding week.</li></ul>	Slide 21
<b>Top 10 countries' response to COVID-19</b>	<ul style="list-style-type: none"><li>▪ Managing lockdown and recovery measures.</li></ul>	Slide 22 – 27
<b>GlobalData polls</b>	<ul style="list-style-type: none"><li>▪ Concern over the spread of COVID-19 follows a downward trend, business optimism trends upward.</li></ul>	Slide 28 - 30
<b>Sector impact</b>	<ul style="list-style-type: none"><li>▪ Sector insight summaries and sector-by-sector performance of equity indices, monthly M&amp;A volumes, active jobs, news sentiment, and quarterly filings sentiment</li></ul>	Slide 32 - 39



# Contents



## **COVID-19 Infection Update**

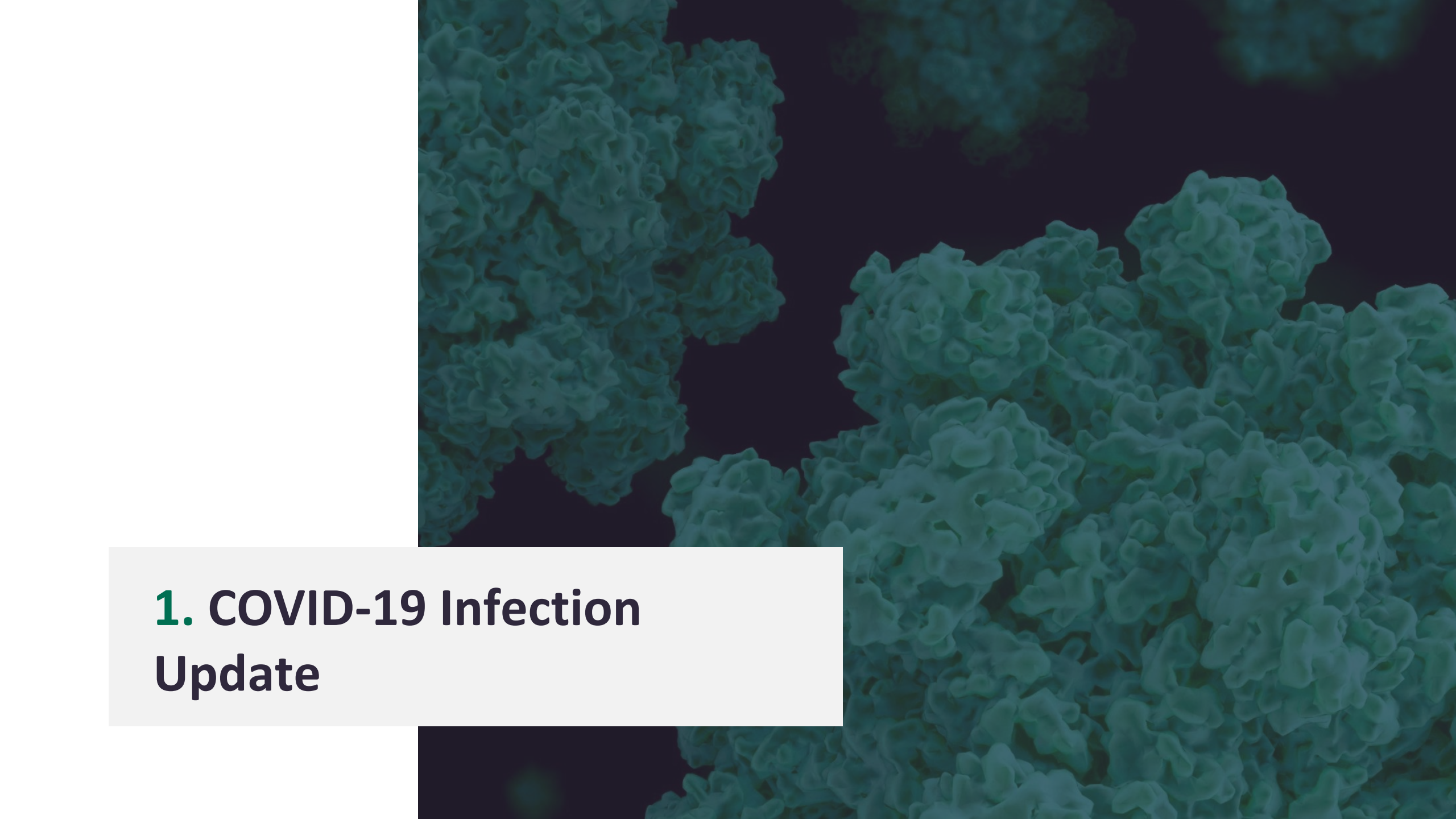
- Spread of COVID-19
- US records the highest number of infections
- Infection trajectories
- Testing statistics by country
- COVID-19 vaccine and therapeutic development

## **Economic Impact**

- Overview of Top Economies
- Stock Market Indices
- Unemployment
- GDP
- Policy Response
- Company Concerns

## **Sectoral Impact**

- Equity indices
- Monthly M&A volumes
- Active jobs
- News sentiments
- Quarterly filings sentiment

A microscopic view of COVID-19 virus particles, showing their characteristic spherical shape and surface texture. The particles are rendered in a teal color against a dark background. The image is partially obscured by a white box containing text on the left side.

# **1. COVID-19 Infection Update**

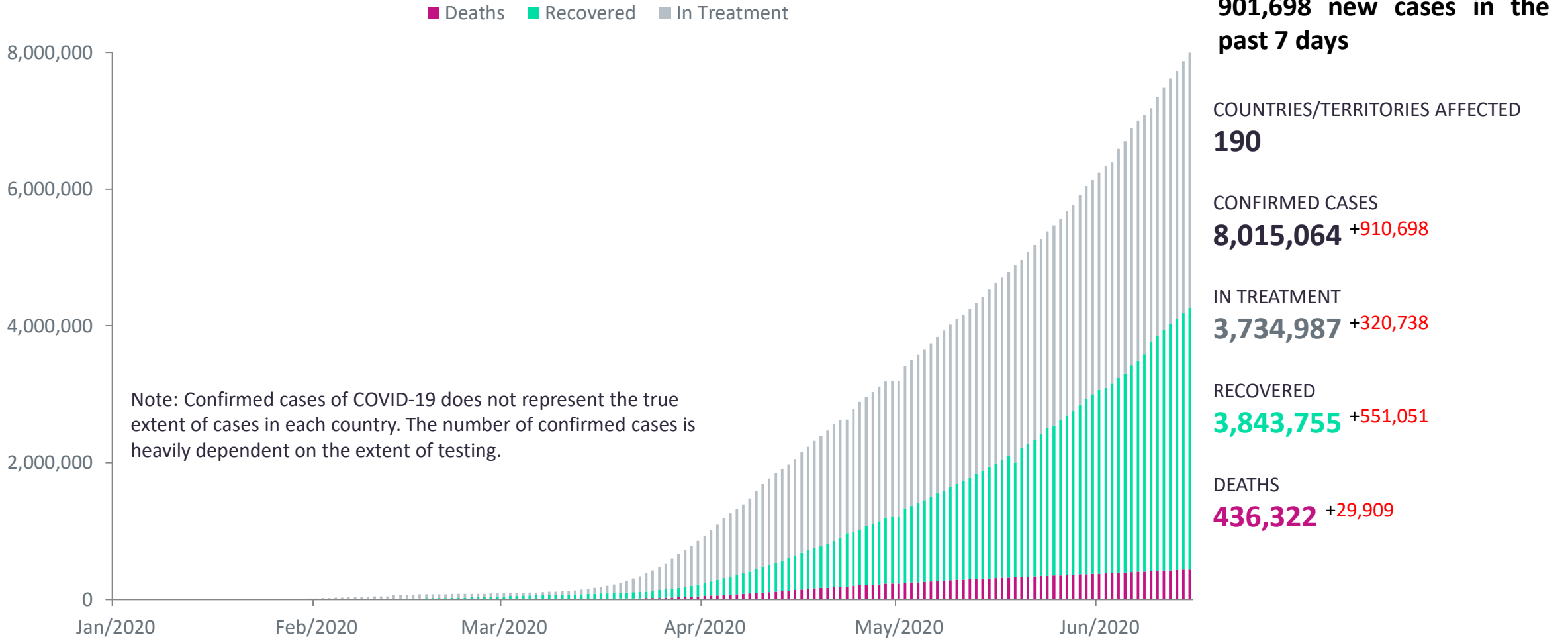


- 
- The virus has spread to 190 countries, with over 8 million confirmed cases
  - The highest official case counts are in the US, Brazil, Russia, India, UK, Spain, Italy, Peru, France, and Iran
  - The number of confirmed cases in the US exceed 2 million
  - The US has recorded the highest number of fatalities, which exceeds 115,000
  - Worldwide recorded deaths decline

# Infection Rates Continue to Rise



**Impact of COVID-19** +/- change between 9 Jun 2020 and 16 Jun 2020  
as of 16 Jun 2020



# COVID-19 is a Worldwide Problem



## Affected Countries

as of 16 Jun 2020



### Note:

Confirmed cases of COVID-19 do not represent the true extent of cases in each country. The number of confirmed cases is heavily dependent on the extent of testing.

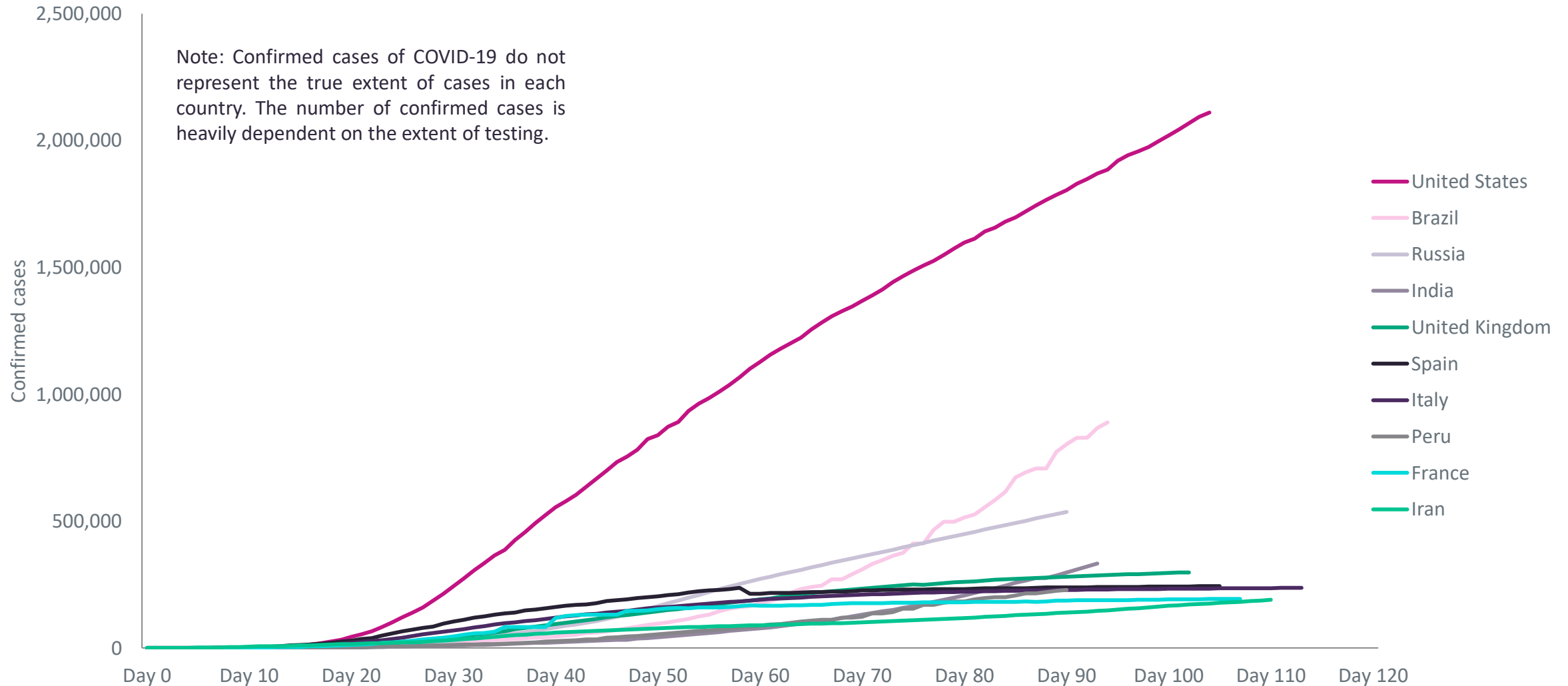
	Confirmed Cases	Recovered	Deaths
United States	2,113,372 <i>+152,730</i>	576,334 <i>+57,812</i>	116,135 <i>+5,145</i>
Brazil	888,271 <i>+180,859</i>	477,580 <i>+99,363</i>	43,959 <i>+6,825</i>
Russia	536,484 <i>+60,441</i>	284,021 <i>+53,795</i>	7,081 <i>+1,118</i>
India	332,424 <i>+66,496</i>	169,798 <i>+40,703</i>	9,520 <i>+2,047</i>
United Kingdom	298,315 <i>+9,481</i>	1,284 <i>+29</i>	41,821 <i>+1,141</i>
Spain	244,109 <i>+2,392</i>	150,376	27,136
Italy	237,290 <i>+2,012</i>	177,010 <i>+10,426</i>	34,371 <i>+407</i>
Peru	232,992 <i>+33,296</i>	119,409 <i>+29,853</i>	6,860 <i>+1,289</i>
France	194,305 <i>+2,992</i>	73,167 <i>+1,985</i>	29,439 <i>+227</i>
Iran	189,876 <i>+16,044</i>	150,590 <i>+14,230</i>	8,950 <i>+599</i>

# US Records the Highest Number of Infections



## COVID-19 Confirmed Case Trajectories for Countries With The Highest Infection Numbers

Cumulative confirmed cases, by days since 100<sup>th</sup> case for top 10 countries by confirmed cases till the 120<sup>th</sup> day, as of 16 Jun 2020



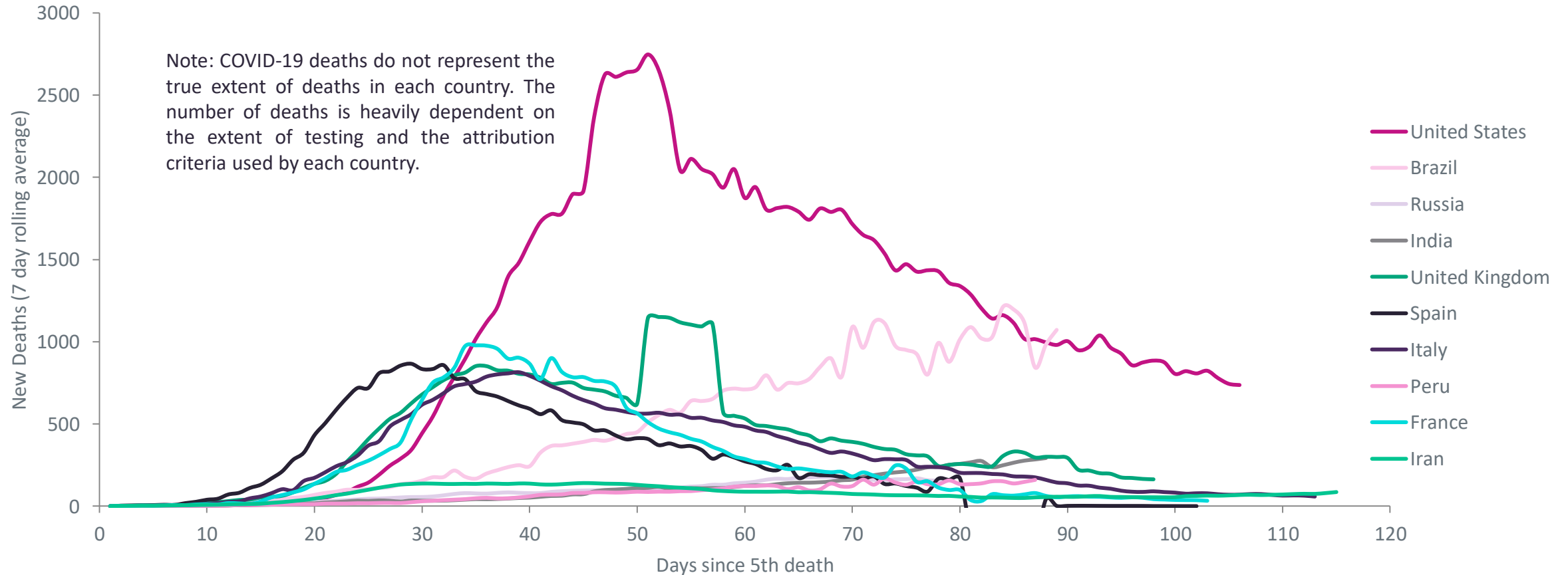


# Recorded Deaths Decline; An Upward Trend is Still Recorded in Brazil



## COVID-19 Death Trajectories for Select Countries

7 day rolling average of new deaths, by days since 5<sup>th</sup> death for top 10 countries by confirmed cases till the 120<sup>th</sup> day, as of 16 Jun 2020



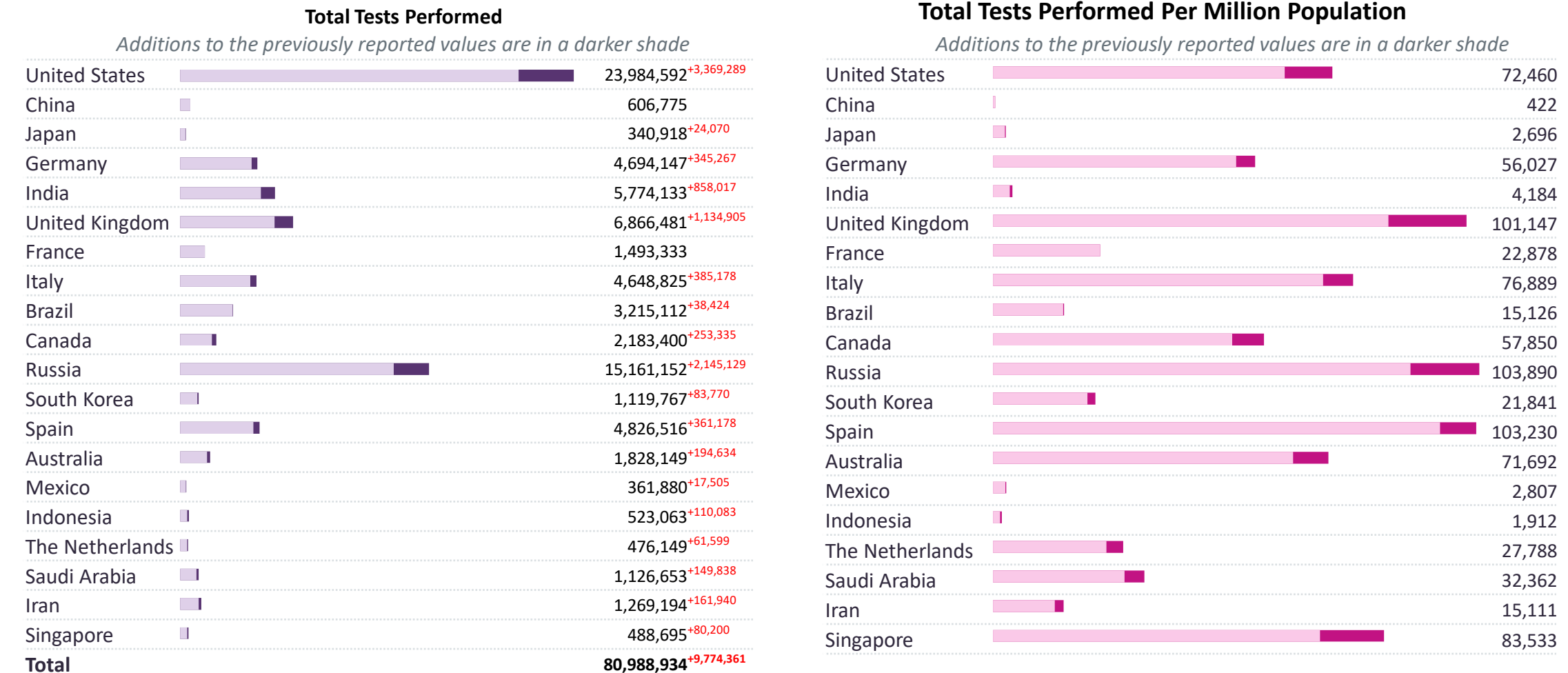
Note: On 29 April, the UK changed its reporting policy to include COVID-19 deaths outside hospitals. The sudden spike is caused by the retrospective inclusion of all deaths prior to this date. The 7-day average figure used in this chart reflects this spike over a week-long period, before dropping to the long-term trend.

# Testing for COVID-19 is Gathering Pace In Many Countries



## Total Tests and Tests Per Million of Population for Top Economies

as of 16 Jun 2020



Note: The last known test counts taken for China (27-04-2020) and France (02-06-2020). Other figures updated between 09-06-2020 and 16-06-2020.

# Infection Peak and Decline Forecasts for Select Countries



## GlobalData Pharma Analysis

- Peak and recovery curves based on GD forecast models, details on next slide.
- The US has reported more than 2 million total confirmed cases, approximately six weeks after it reached 1 million cases. New cases are remaining steady instead of decreasing and it is unclear when first wave will end.
- France and Germany reopened borders after three months of lockdown. Spain will reopen borders on June 21<sup>st</sup>.
- Cases in India continue to rise after loosening lockdown restrictions. However, officials in Chennai will re-impose a regional lockdown on Friday. Current data shows India has not reached its peak.
- China reported another cluster of local transmission in the capital, Beijing. The situation needs to be closely monitored.

### Estimated Peak Weeks and Decline to Zero New Cases Weeks for Top Infected Countries (Excluding China)

as of 16 Jun 2020

Date (Weeks)	MAR	APR					MAY				JUN					July			
	30	6	13	20	27	4	11	18	25	1	8	15	22	29	6	13	20	27	
US		Peak	Peak	Peak															
Brazil										Peak	Peak								
Russia										Peak	Peak								
India															Peak	Peak			
UK			Peak															Recovery	
Spain	Peak	Peak													Recovery	Recovery			
Italy	Peak	Peak												Recovery	Recovery	Recovery			
Peru										Peak	Peak								
France		Peak	Peak												Recovery	Recovery			
Iran		Peak	Peak							Peak									
Germany	Peak														Recovery				

Note: Trends from China showed a steep drop after reaching peak. However, recent trends from US, UK, Italy, Spain, and other markets showed slower declines after peak than China, and in some markets, a long extended plateau without obvious peak or decline. Recovery forecast will now be trended along the new running average model taking into account the more drawn out recovery observed in recent weeks unless data suggests otherwise. Additional surges after initial peak are also likely due to countries opening up.

Peak weeks in pink; recovery weeks with decline in daily new cases close to 0 in green. Lighter shaded squares represent more uncertain estimates.

Source: GlobalData Analysis, JHU COVID-19 Database, WHO COVID-19 Situation Reports

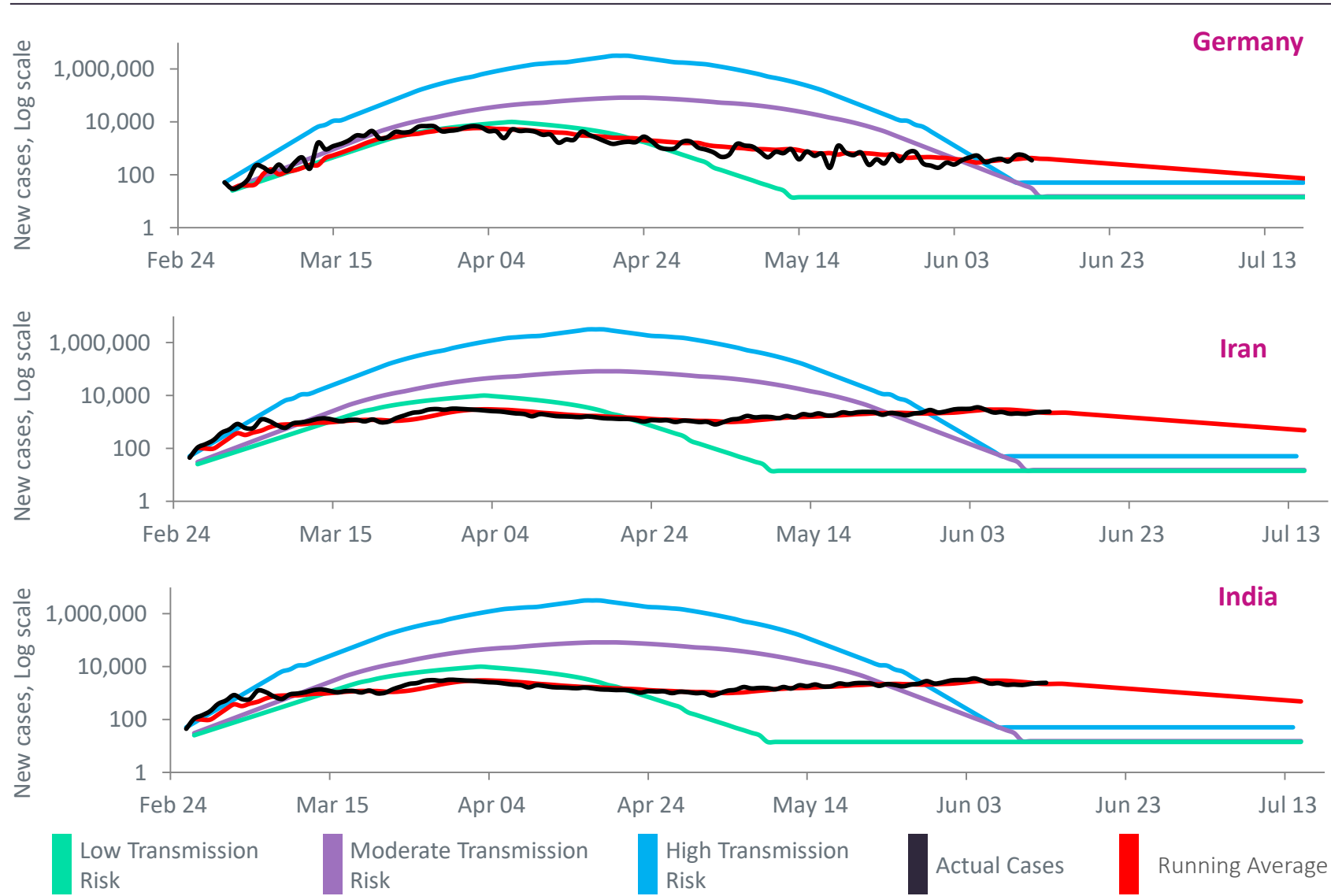


# Infection Peak and Decline Forecasts for Select Countries

## GlobalData Pharma Analysis

- Peak transmissions & potential dates for return to normal in the countries are limited by the testing and reporting capabilities.
- Trajectory dependent on continued implementation of social distancing, testing and contact tracing, isolation of infected patients, and prevention of travel-related second-wave transmissions.
- GlobalData will monitor the situation for second, third, or seasonal outbreaks, which can be expected based on global trends.
- New model Running Average (red line): potential COVID-19 outlook with slower decline rate observed in several markets such as Canada and Italy.

Projections of Daily New Confirmed Cases for Select Countries, Since 100th Confirmed Case as of 16 Jun 2020



Forecast for Key Markets

Source: GlobalData Analysis

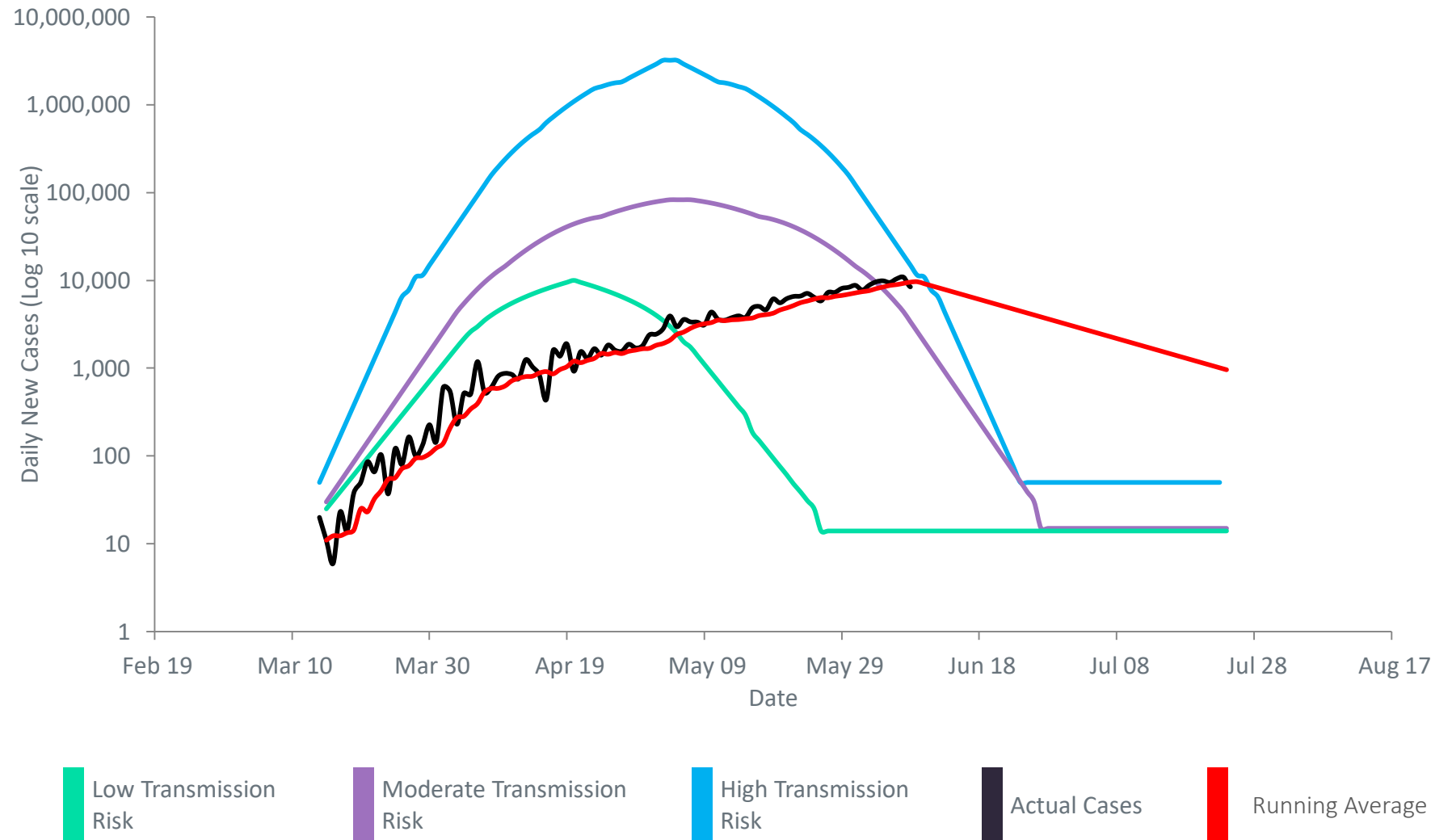
# Risk of COVID-19 Surge in India as Outlook for the Future Remains Uncertain



## GlobalData Pharma Analysis

- India has not reached its peak, approximately 50% of all confirmed cases were reported in the last two weeks.
- Average daily new cases from June 2nd to 9th is around 1,500 cases higher than the week before.
- Increases in new cases likely to continue due to undetected domestic transmission, and failure to meet testing demands.
- India has started to reopen the economy amid the rapidly rising cases.
- India needs to remain vigilant, develop an effective test and contact-tracing policy, and be prepared to shut down geographical areas where outbreak hotspots occur.

**India, Modeled Forecast of COVID-19 Trajectory of New Cases**  
as of 16 Jun 2020



Region Focus

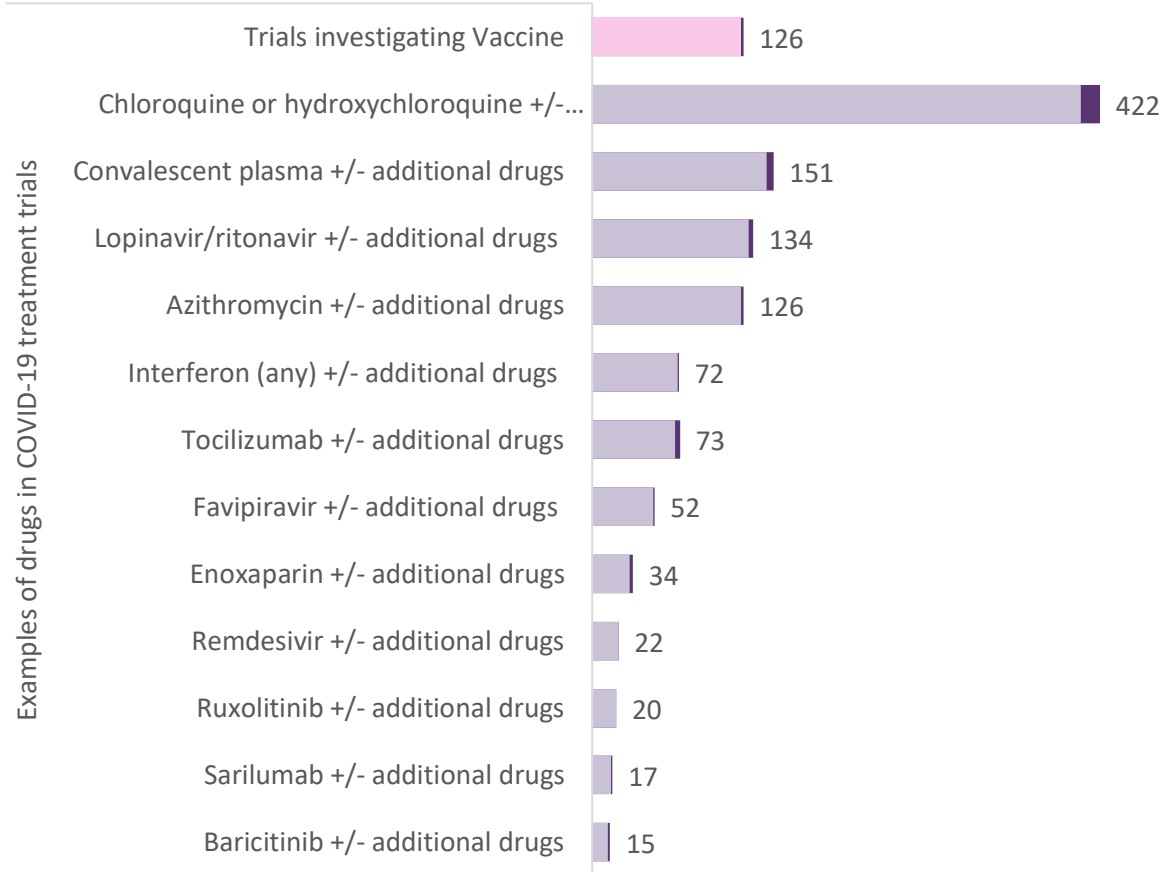
# Clinical Investigations of Novel and Existing Drugs Continue to Grow



## Clinical Investigations for Therapeutics and Vaccines for COVID-19 by Numbers

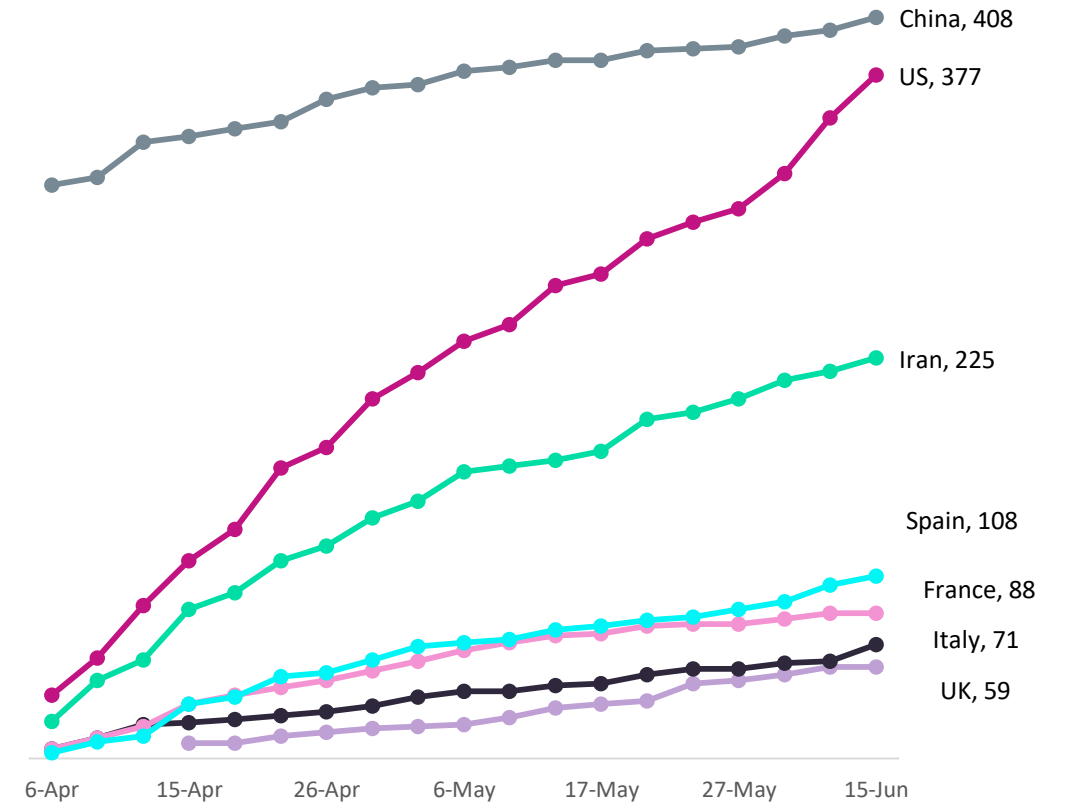
as of 15 Jun 2020

### Investigational Drugs in COVID-19 Trials



### Where is the trials activity?

Number of trials in the US and Iran are growing at a much higher rate than other countries





## **2. Economic Impact**



- 
- The impact of COVID-19 on the world's top economies
  - GDP estimates of top ten economies all trend downwards; consensus expects a global recession
  - Major market indices are improving; oil price dips below zero but rebounds quickly
  - Many economists have cut their GDP forecasts; 2020 consensus forecast for world GDP growth is currently -2.6%
  - Historic numbers of people apply for unemployment benefits in the US; unemployment continues to rise
  - Governments' responses and fiscal stimulus plans
  - Concern over the spread of COVID-19 follows a downward trend, business optimism trends upward
  - Hiring remains subdued; increase in lays-offs announced



# COVID-19 has Impacted the World's Top Economies



Countries	Confirmed Cases	Cases per Million Capita	Deaths	Case Fatality Rate	Stimulus (\$ Billion)	Stringency Index	Market Index (YTD Change)	GDP Growth (2020 Estimate)
United States	2,113,372	6,385	116,135	5.5%	4,984	72.14	1.2%	-6.4%
China	83,221	58	4,634	5.6%	504	74.52	0.6%	0.8%
Japan	17,439	138	929	5.3%	2,171	36.9	-3.7%	-5.0%
Germany	187,682	2,240	8,807	4.7%	1,378	53.57	-5.3%	-6.4%
India	332,424	241	9,520	2.9%	273	76.19	-13.6%	-1.3%
United Kingdom	298,315	4,394	41,821	14.0%	452	76.19	-15.0%	-8.9%
France	194,305	2,977	29,439	15.2%	500	69.05	-12.7%	-9.0%
Italy	237,290	3,925	34,371	14.5%	921	53.57	-15.6%	-10.6%
Brazil	888,271	4,179	43,959	4.9%	236	76.9	-31.3%	-6.1%
Canada	100,763	2,670	8,228	8.2%	144	70.95	-7.2%	-6.1%

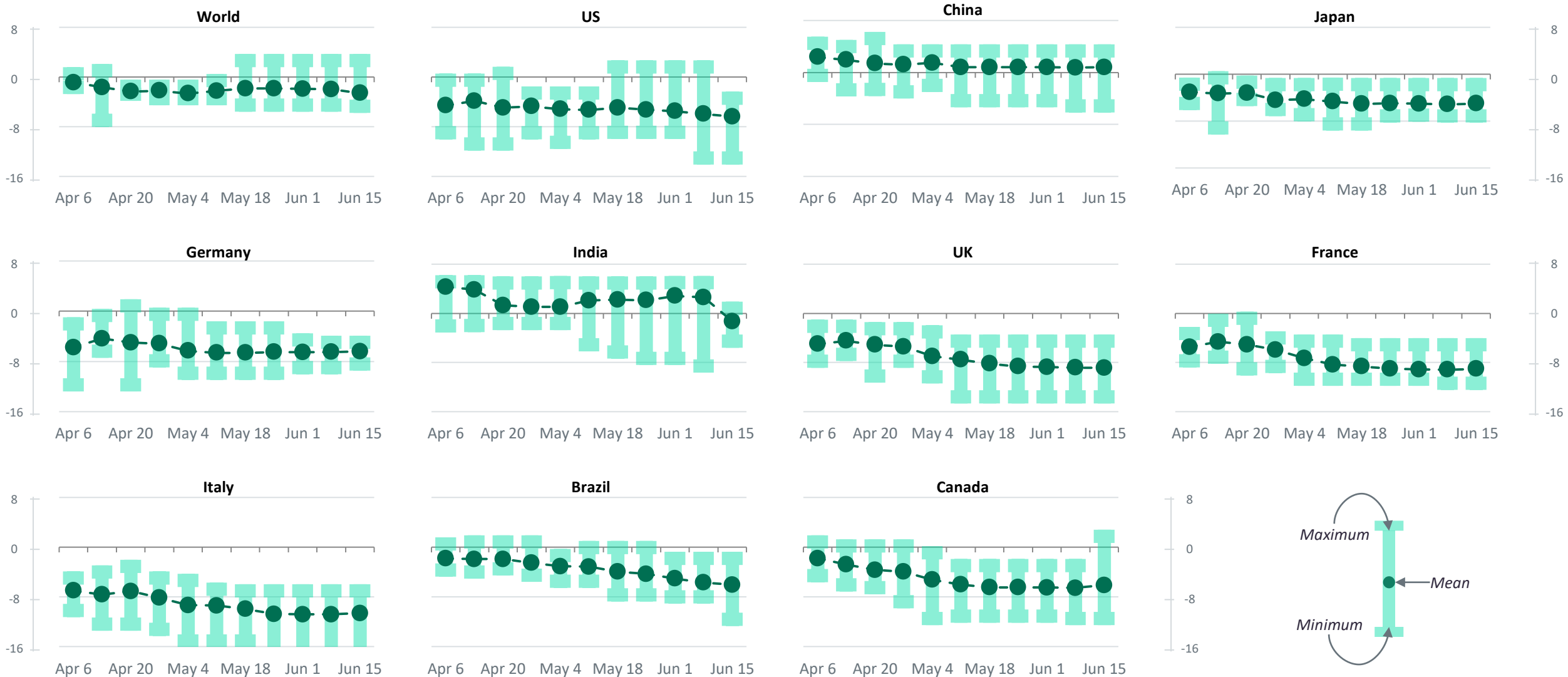
Note: Case Fatality Rate is the ratio of total death to total confirmed case. Market Index data is based on MSCI index of respective country. GDP growth estimates are based on consensus data from various analysts and firms.

Stringency index, created by Oxford COVID-19 Government Response Tracker (OxCGRT), is the aggregated score based on several different common policy responses governments have taken, such as school and workplace closures and restrictions on travel and gatherings etc.

# Outlook in India turns negative due to monsoon, rising infections, low consumer confidence, high unemployment, and pressure to reinstate lockdown



Maximum, Minimum and Mean of all new GDP growth estimates by week, as of 15 Jun 2020



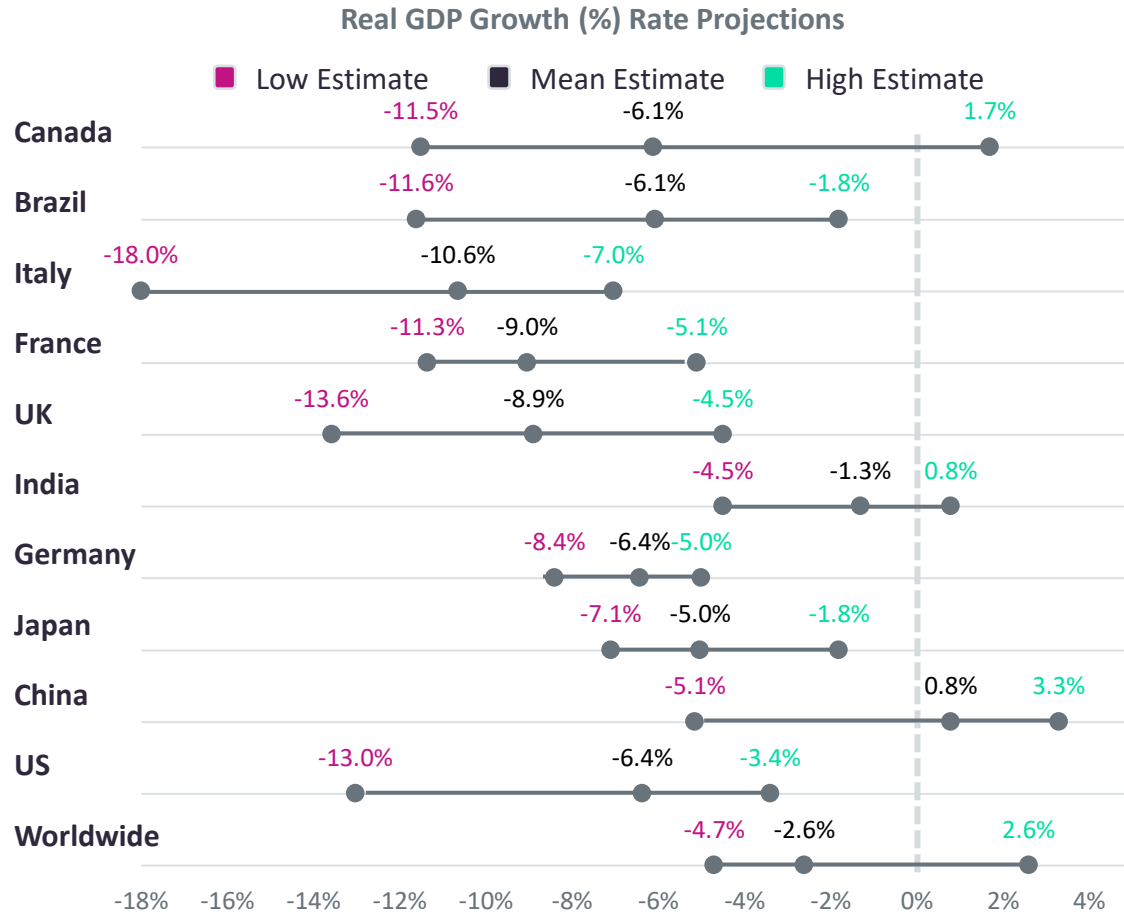
Source: GlobalData Analysis; Press Articles; Bloomberg

# Consensus Expects a Global Recession



## Estimated 2020 GDP Growth

GDP data as of 15 Jun 2020



Note: Estimates on 2020 GDP growth based on multiple broker projections

Source: GlobalData Analysis; National Statistics Office; The World Bank; Broker Estimates; BBC; Twitter; Reuters

## Forecasters Sound the Alarm

- Global foreign direct investment flows are forecast to fall by up to 40% in 2020, from a value of \$1.54 trillion in 2019, according to UNCTAD. (16 June)
- Morgan Stanley foresees a V-shaped recovery of the world economy. Global economic growth is forecasted to contract by 8.6% (YoY) in Q2 and bounce back to record a 3% growth in Q1 2021. (June 15)
- The British economy contracted sharply by 20.5% in April compared to 5.8% decline in March, according to the Office for National Statistics. (June 13)
- Fitch revised its 2020 forecast for world economic growth to -4.6% from -3.9%. Its forecast for emerging economies (ex. China) dropped to -4.5% from -1.9%. (May 27)
- Singapore's real GDP is forecasted to contract within a range of 4% to 7% in 2020, according to the Ministry of Trade and Industry. (May 26)
- The Congressional Budget Office of the US foresees economic growth to contract by 11% in Q2 2020 and deficit to swell to \$2 trillion in 2020. (May 19)
- Deloitte has downgraded its 2020 UK GDP forecast, with an expected contraction of 11.7% compared to its previous estimate of 6.8%. (May 19)
- HSBC revised its global economic growth forecast for 2020 to -4.8% in May from -3.3% in April. The bank downgraded estimates for both developed (-7.1% from -5.9%) and emerging nations (-1.7% from 0.5%). It forecasts the US to contract by 7% and China to grow at a slower pace of 1.7%. (May 15)
- Goldman Sachs estimates the US economy to shrink by 39% in Q2 2020. (May 14)

# Major Markets are Improving; Oil Price Dips Below Zero but Rebounds Quickly



## Impact of COVID-19 on Asset Prices

Year-to-date performance, Indexed to 100 as of 15 Jun 2020



All indices rebased to 100 on 1 January 2020

Source: GlobalData Analysis; Yahoo Finance; Investing.com; Bloomberg

# Unemployment Continues to Rise



## Job Trends

as of 15 Jun 2020

---

### Unemployment headlines

- Indian unemployment declines to 11.63% in the week ending June 14, compared to 17.51% in the preceding week, according to CMIE. (June 16)
- Unemployment rate in Malaysia rose to a 30 year high of 5% in April. (June 15)
- 1.5 million filed for US unemployment insurance in the week ending 6 June. 44.1 million new claims were filed over the past 12 weeks. (June 11)
- 2.5 million jobs were restored in the US in the last month, which resulted in the unemployment rate declining to 13.3% in May, from 14.7% in April, according to the Bureau of Labor Statistics. (June 5)
- According to the International Labor Organization (ILO), more than one in six young people worldwide have stopped working since the COVID-19 outbreak. (May 29)
- According to the UK's Office for National Statistics, 856,500 people claimed unemployment benefits in April, up 69% in a single month. (May 20)
- Around 600,000 people lost their jobs in Australia; April unemployment rate stood at 6.2%. (May 14)
- Global economic output will fall by \$8.5 trillion over next 2 years, according to the UN's World Economic Situation and Prospects report (May 13)
- According to Statistics Canada, around 3 million Canadians lost their jobs in April and March. Unemployment is now 13%. (May 8)

# Response to COVID-19: USA and China



## United States

Confirmed cases	2,113,372
Deaths	116,135
Recovered	576,334

### Managing lockdown

- 47 out of 50 states have either fully or partially reopened. Major restrictions still exist in New York, New Jersey and California. (June 12)
- The New York Stock Exchange (NYSE) reopens trading floor. (May 26)
- The California governor allows hair salons and barber shops to reopen. (May 26)
- US bans flights from Brazil. (May 24). All states opened partially. (May 19)
- US President urges state governors to reopen schools. (May 14)
- California and New York ease restrictions; however county level governments, such as Los Angeles, extend restrictions by three months. (May 13)
- Temporarily banned issuance of work-based visas due to unemployment. (May 9)

### Recovery measures

- Overall stimulus package worth \$4.98 trillion (23.26% of GDP).
- A relief package worth \$484 billion was signed off (April 23)
- Trump announced a \$19 billion bailout package for ailing farmers. (April 17)
- Unveiled an additional stimulus measure worth \$2.3. (April 9)
- Approved a \$2.2 trillion fiscal stimulus package. (March 27)



## China

Confirmed cases	83,221
Deaths	4,634
Recovered	78,377

### Managing lockdown

- Tightens lockdown measures in parts of Beijing amid surge in coronavirus cases. (June 15)
- Authorities in China eased international travel restrictions from June 8. (June 7)
- Essential travel allowed between China and Singapore from early June. (May 30)
- Lockdown re-imposed in the province of northeast China near Russia, which is home to 25 million people. (May 19)
- Beijing eased travel restrictions on domestic travelers from April 30. (May 1)
- Lockdown lifted from Wuhan, rail and road connectivity re-established. (April 7)

### Recovery measures

- Overall fiscal stimulus worth \$504 billion.
- Will spend \$205 billion in 2020 on 5G network, power grid and upgrade of railways. (May 14)
- Approved fiscal measures worth \$368 billion.
- People's Bank of China reduced its 7 days reverse repurchase rate to a record low of 2.2% and injected \$7 billion into the financial system . (March 30)

# Response to COVID-19: Japan and Germany



## Japan

Confirmed cases	17,439
Deaths	929
Recovered	15,567

### Managing lockdown

- Allows 250 foreign travelers per day from Australia, New Zealand, Thailand and Vietnam. (June 11)
- 'Stay at home' order issued in the city of Tokyo with spike in new cases. (June 2)
- Tourist spots across Japan reopen from June 1; considers easing ban on entry from Thailand, Australia, New Zealand and Vietnam. (June 1)
- Japan ends nationwide state of emergency; businesses reopen. (May 25)
- Expands entry ban to 13 more nations. Foreign travelers, including Japan residents who have been to any of these countries in last two weeks, will be denied entry. (May 16)
- Eased 'state of emergency' in 39 out of 47 prefectures with a decline in new infections. Tokyo, Osaka and northern island of Hokkaido still under restriction. (May 14)
- Japan opens businesses such as restaurants, cafes, sports clubs and bars. (May 8)

### Recovery measures

- Total stimulus package worth \$2.17 trillion (42.56% of GDP).
- Approved a new stimulus package worth \$1.1 trillion. (May 27)
- Bank of Japan decides to buy bonds to keep borrowing costs low. (April 27)



## Germany

Confirmed cases	187,682
Deaths	8,807
Recovered	172,692

### Managing lockdown

- Extended travel warnings for 160 countries until the end of August. (June 10)
- Will lift travel ban on 31 European Union countries including the UK from June 15. (June 4)
- German government to extend social distancing rules until July 5. (May 25)
- German Chancellor urged all 16 states to gradually lift restrictions. (May 20)
- Plans to lift quarantine rules for travelers from neighboring countries; restarts football league. (May 15)
- Regional government of North Rhine-Westphalia postponed plan to reopen business and public venues that was scheduled for May 11, amid a spike in cases. (May 8)
- Allowed reopening of all shops. Schools for older children reopened. (May 6)
- Larger events such as football matches, festivals and concerts to be allowed after August 31. (May 5)
- Extends ban on tourists until mid-June. (April 29)

### Recovery measures

- Approved a stimulus package worth \$1.38 trillion. (35.8% of GDP)

# Response to COVID-19: India and UK



## India

Confirmed cases	332,424
Deaths	9,520
Recovered	169,798

### Managing lockdown

- Allows Overseas Citizen of India cardholders to enter the country. (June 13)
- Allows certain category of foreign nationals to enter India including foreign healthcare professionals, businessmen, engineers, or technical specialists. (June 3)
- Shopping malls, hotels and hospitality sector, and places of worship to reopen from June 8. Night curfew to stay from 9pm to 5am. (May 30)
- Extended lockdown till June 30 in containment zones. Phased reopening in non-containment zones. (May 30)
- Hundreds of students and migrants in other states boarded flights home when India resumed domestic services on May 25. (May 25)
- 200 non-AC passenger trains to start from June 1. (May 20)

### Recovery measures

- Approved stimulus package worth \$272.6 billion (9.3% of GDP).
- The RBI further reduced the report rate by 40 bps to 4% and extended moratorium on loan repayments by three more months till August 31. (May 23)
- Structural reforms announced for 8 key sectors including airports, MROs, power, coal, mineral, defense, space and atomic energy. (May 16)



## United Kingdom

Confirmed cases	298,315
Deaths	41,821
Recovered	1,284

### Managing lockdown

- England reopens non-essential shops. Outdoor attractions like drive-in cinemas, zoos, farms and safari parks will reopen from June 15. (June 13)
- To reopen places of worship from June 15 onwards. (June 7)
- England starts reopening schools; groups of six people allowed to meet outdoors. (June 1)
- UK government in its stage two guidelines allows close contact training for elite athletes. (May 25)
- Allows furniture stores to restart trade. (May 20). Tourist attractions, holiday parks, hotels and campsites to reopen in July. (May 17)
- Housing market reopens. (May 13)
- Unveiled 'conditional plan' to ease lockdown and allow workers to return to work from May 13 onwards. Also plans to reopen primary schools and shops on June 1. (May 11)

### Recovery measures

- Stimulus package worth \$451.5 billion. (16.1% of GDP)
- Bank of England has slashed interest rates to all time low of 0.1% and increased holding of bonds (government and corporate) by £200 billion. (March 19)



# Response to COVID-19: France and Italy



## France

Confirmed cases	194,305
Deaths	29,439
Recovered	73,167

### Managing lockdown

- Schools to reopen fully from June 22. (June 14)
- All of mainland France declared “green zone”. In Paris, bars, restaurants and pools to reopen from June 15. (June 14)
- Travel restriction eased from most European countries from June 15; to ease travel restriction from non-EU nations from July 1. (June 13)
- Restaurants, bars and cafes to reopen from June 1. (May 28)
- Plans to reopen swimming pools from June 2. (May 27)
- Churches and mosques reopened across France after two months. (May 24)
- France’s highest administrative court ordered government to lift ban on religious meetings. (May 19)
- Imposed a ‘State of Health Emergency’ for two months till July 24. (May 2)

### Recovery measures

- The overall French stimulus package is worth \$500.5 billion (18.5% of GDP).
- \$19.4 billion stimulus announced for the tourism and hospitality sector. (May 14)
- The overall French stimulus package is worth \$483.5 billion (17.8% of GDP).



## Italy

Confirmed cases	237,290
Deaths	34,371
Recovered	177,010

### Managing lockdown

- Cinemas and theatres reopen from June 15; contact sports to be allowed from June 25, nightclubs authorized to reopen from July 14, 2020. (June 11)
- Travel between regions allowed; opens border for tourists from other European nations. (June 3)
- Italy reopens tourist attractions with precautionary measures such as temperature checks and mandatory wearing of masks. (June 1)
- Begins to reopen museums and churches maintaining social distancing. (May 21)
- Shops, restaurants, cafes, bars, hair salons and churches reopened. (May 18)
- To reopen borders for European travelers from June 3. (May 16)
- Plans to reopen schools from September onwards. (May 13)

### Recovery measures

- Announced stimulus package worth \$921.3 billion. (46% of GDP)
- A moratorium on loan repayments for some households and SMEs, including mortgages and overdrafts; state guarantees on loans to SMEs; incentives for financial and non-financial companies in the form of Deferred Tax Activities. (March 10)

# Response to COVID-19: Brazil and Canada



## Brazil

Confirmed cases	888,271
Deaths	43,959
Recovered	477,580

### Managing lockdown

- Sao Paulo authorizes limited restart of commerce from June 10. (June 10)
- Sao Paulo allows car dealers and law-firms to reopen. (June 5)
- Extends border closures by 30 days, until June 21. (May 22)
- Essential services such as gyms and hair salons were allowed to reopen. (May 11)
- Sao Luis and three other municipalities in Maranhao state announced a complete lockdown amid growing number of cases. (May 6)
- Malls and stores resumes activities in some cities (April 24)

### Recovery measures

- Overall stimulus package worth \$236 billion (12.7% of GDP).
- Plans additional measures to support business including tax exemptions. (May 12)
- Central bank policy rate (Selic) has been further reduced to 3% from its previous historic low of 3.75%. (May 6)
- Central excise tax and import duty reduced to zero until September 30 on transactions on medical products. Taxes on any financial transaction during April 3 to July 3 have been reduced to zero. (April 16)



## Canada

Confirmed cases	100,763
Deaths	8,228
Recovered	61,466

### Managing lockdown

- Ontario moved to “Stage 2” of reopening - people are allowed to gather in groups of 10, places of worship reopened with physical distancing measures. (June 8)
- Newfoundland and Labrador permitted gatherings of more than 20 people from June 8; Quebec allowed outdoor activities from June 8 (June 6) Nova Scotia allowed businesses to reopen. (June 5)
- Greater Montreal area reopens retail stores. (May 25)
- Ontario announced easing of lockdown with reopening of retail stores except in malls, pet services, and household maintenance on May 19. (May 14)
- National parks and historical sites to reopen partially from June 1. (May 14)
- Canada-US border to remain closed until June 21. (May 13)

### Recovery measures

- Announced total stimulus package worth \$143.5 billion (8.27% of GDP).
- Announced support to farmers and agri-food businesses by an emergency fund, launching AgriRecovery initiatives and Surplus Food Purchase Program. (May 5)

# Response to COVID-19: Russia and Spain



## Russia

Confirmed cases	536,484
Deaths	7,081
Recovered	284,021

### Managing lockdown

- Libraries, real estate agencies, rental services, advertising, and consulting business services allowed to resume from June 16 in Moscow; which will lift restrictions on sports activities from June 23. (June 8)
- To resume international flights to and from 15 countries, starting mid-July. (June 7)
- Parks and shopping malls reopen in Moscow despite high number of COVID-19 cases. (June 1)
- With spike in cases, the Saratov region in Southern Russia has re-imposed ban on outdoor activities. (May 19)
- Eases business restrictions. (May 13)
- Lockdown in Moscow extended till May 31. (May 7)

### Recovery measures

- Earmarked \$329 million for domestic air carriers to compensate losses. (May 14)
- Russian government's overall stimulus package worth \$50.1 billion (3% of GDP).
- Russian government adopted a stimulus package worth \$49.8 billion.
- Central Bank of Russia has cut its policy rate to 5.5% from 6.0%. (April 24)



## Spain

Confirmed cases	244,109
Deaths	27,136
Recovered	150,376

### Managing lockdown

- To reopen its borders to most European countries from June 21. (June 14)
- All citizens allowed to move freely across and between all regions from June 21. (June 12)
- State of emergency extended until June 21. (June 3)
- Spain bans British tourists until virus recedes in UK. (May 31)
- Quarantine restrictions for foreign travelers will be eased from July 1. (May 26)
- Football league restarts on June 8 and international tourism from July. (May 24)
- Announced to lift lockdown in phases (Preparatory: 4-11 May, Phase 1: two weeks from May 11, Phase 2: two weeks from late May, Phase 3: end of June). (April 29)

### Recovery measures

- Announced a stimulus of \$224.2 billion, equivalent to 16.1% of the country's GDP.
- SMEs and the self-employed allowed to delay tax payment over the next six months. (April 23)

# Concern Over the Spread of COVID-19 Continues a Downward Trend, Business Optimism Trends Upward



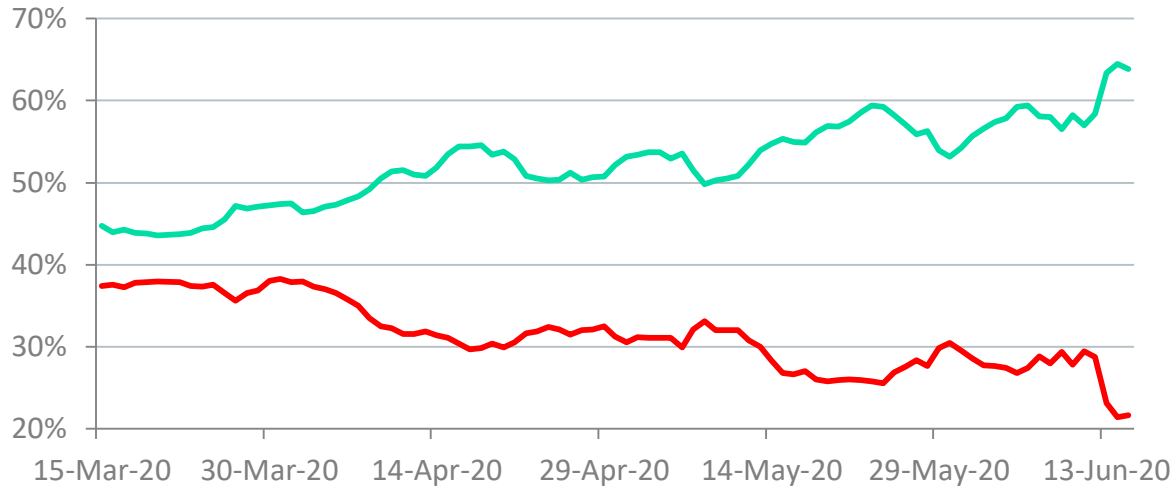
**Poll to Assess Business Sentiment**  
as of 15 Jun 2020

## How optimistic are you about your company's growth prospects?

- Very optimistic
- Optimistic
- Neither optimistic or pessimistic
- Pessimistic
- Very pessimistic

**Companies' View on Future Growth Prospects**

— Optimistic — Pessimistic



Note: Optimistic includes respondents with response as “very optimistic” and “optimistic”. Pessimistic includes respondents with response as “pessimistic” and “very pessimistic”. Neutral respondents were discounted from the analysis. 24,834 responses were received. Calculation based on rolling 7 day average.

Source: GlobalData Analysis

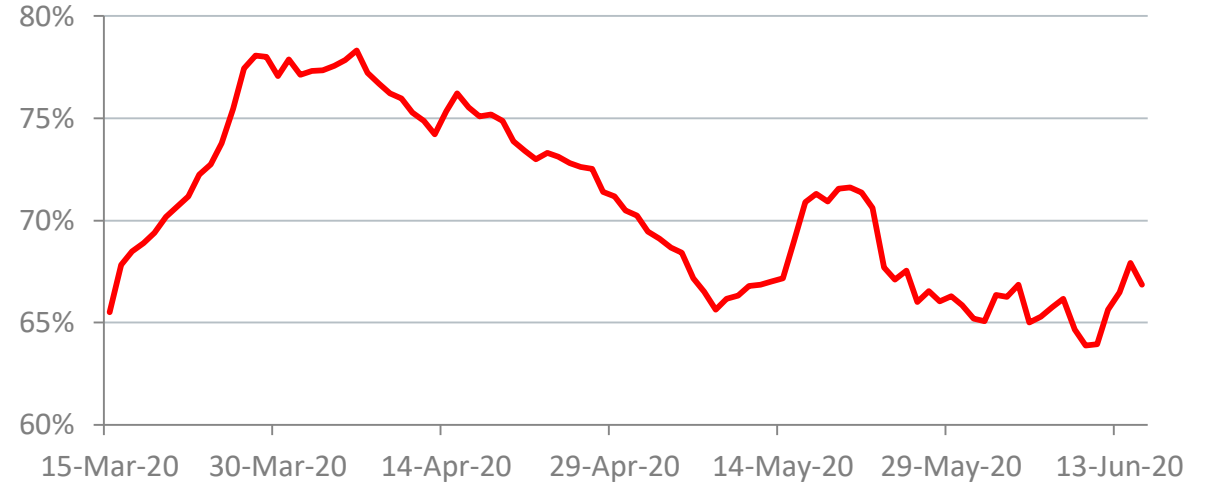
**Poll to Assess Concern Related to Spread of COVID-19**  
as of 15 Jun 2020

## How concerned are you about the spread of coronavirus?

- Very concerned
- Slightly concerned
- Neither concerned nor unconcerned
- Not very concerned
- Not concerned

**COVID-19 Concern Index**

— Very Concerned

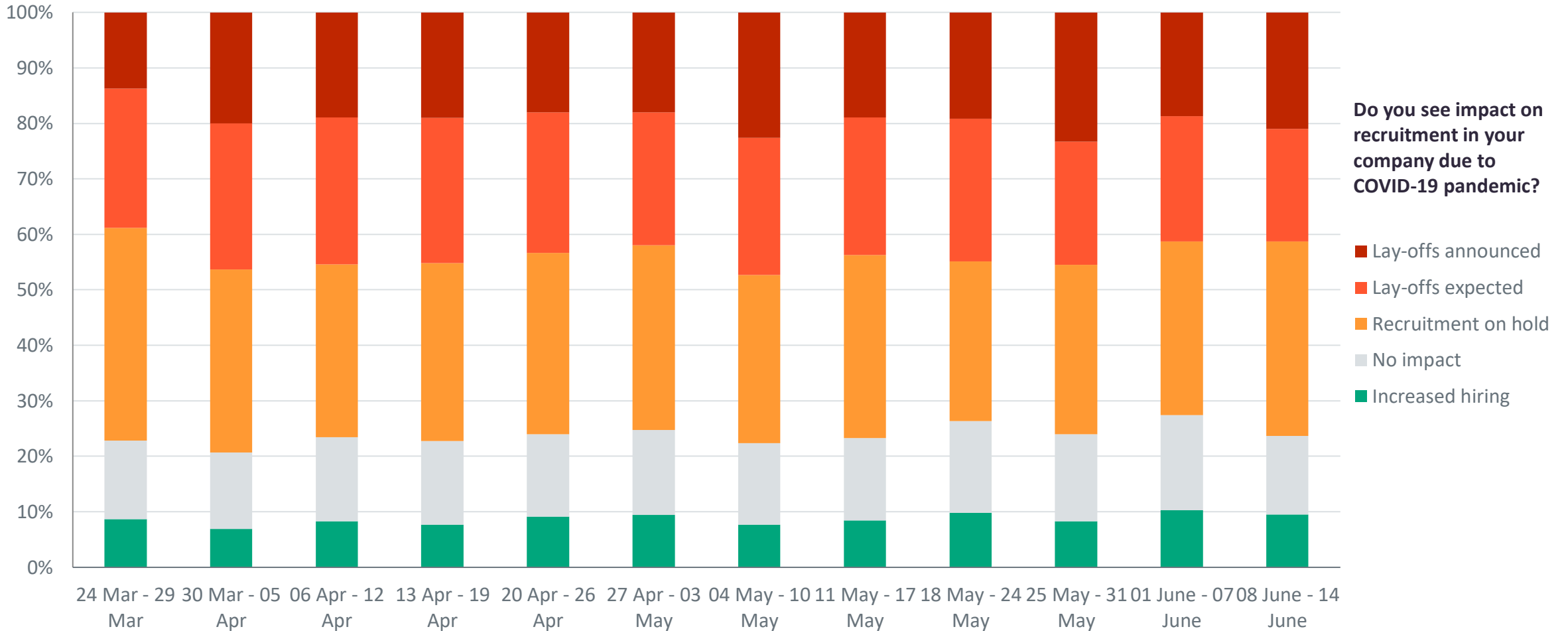


Note: Concern index is based on respondents who answered that they are “very concerned” about the spread of COVID-19. The index is based on a total of 149,226 responses. Calculation based on rolling 7 day average.

# Hiring Remains Subdued; But Situation Marginally Improves



Respondents continue to report layoffs over the last few weeks  
as of 14 Jun 2020



Note: Analysis based on 22,548 responses received till 14 Jun 2020. Data represents weekly average responses.

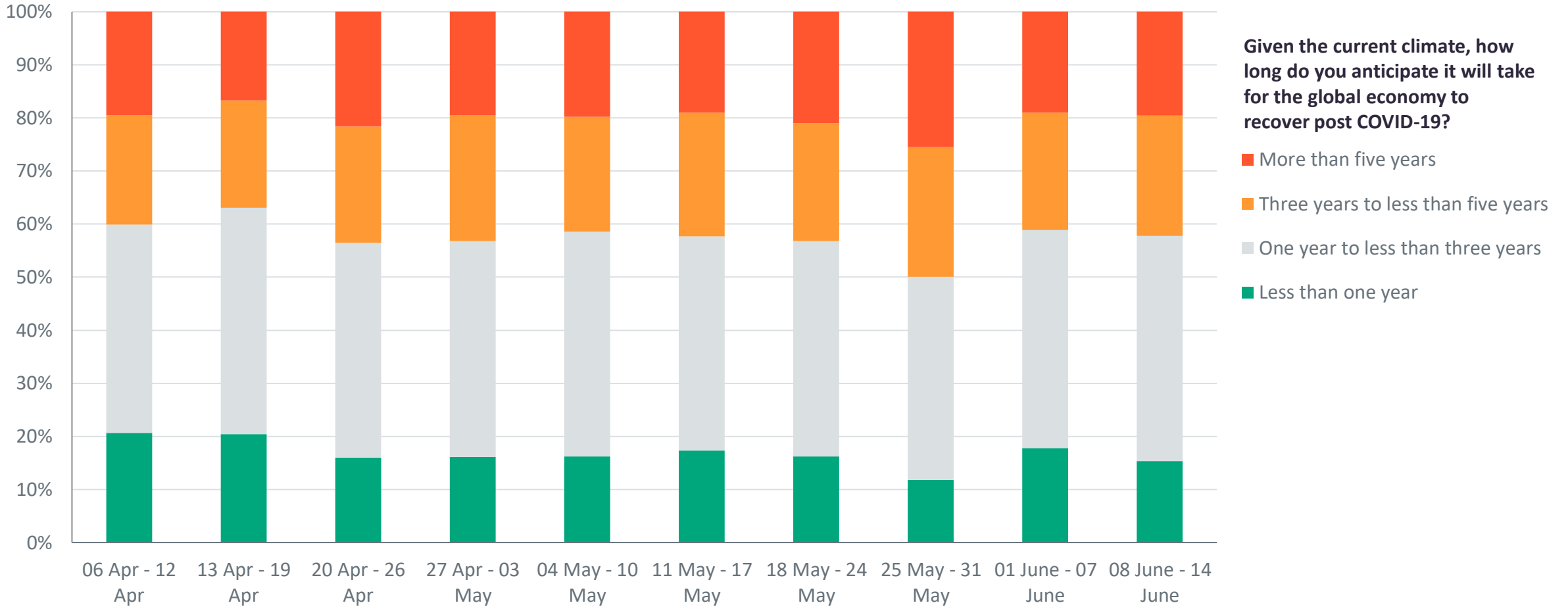
Source: GlobalData Analysis

# Global Economic Recovery Post COVID-19



Responses remain consistent each time the survey is run

as of 14 Jun 2020



Note: Analysis based on 51,338 responses received till 14 Jun 2020. Data represents weekly average responses.

Source: GlobalData Analysis



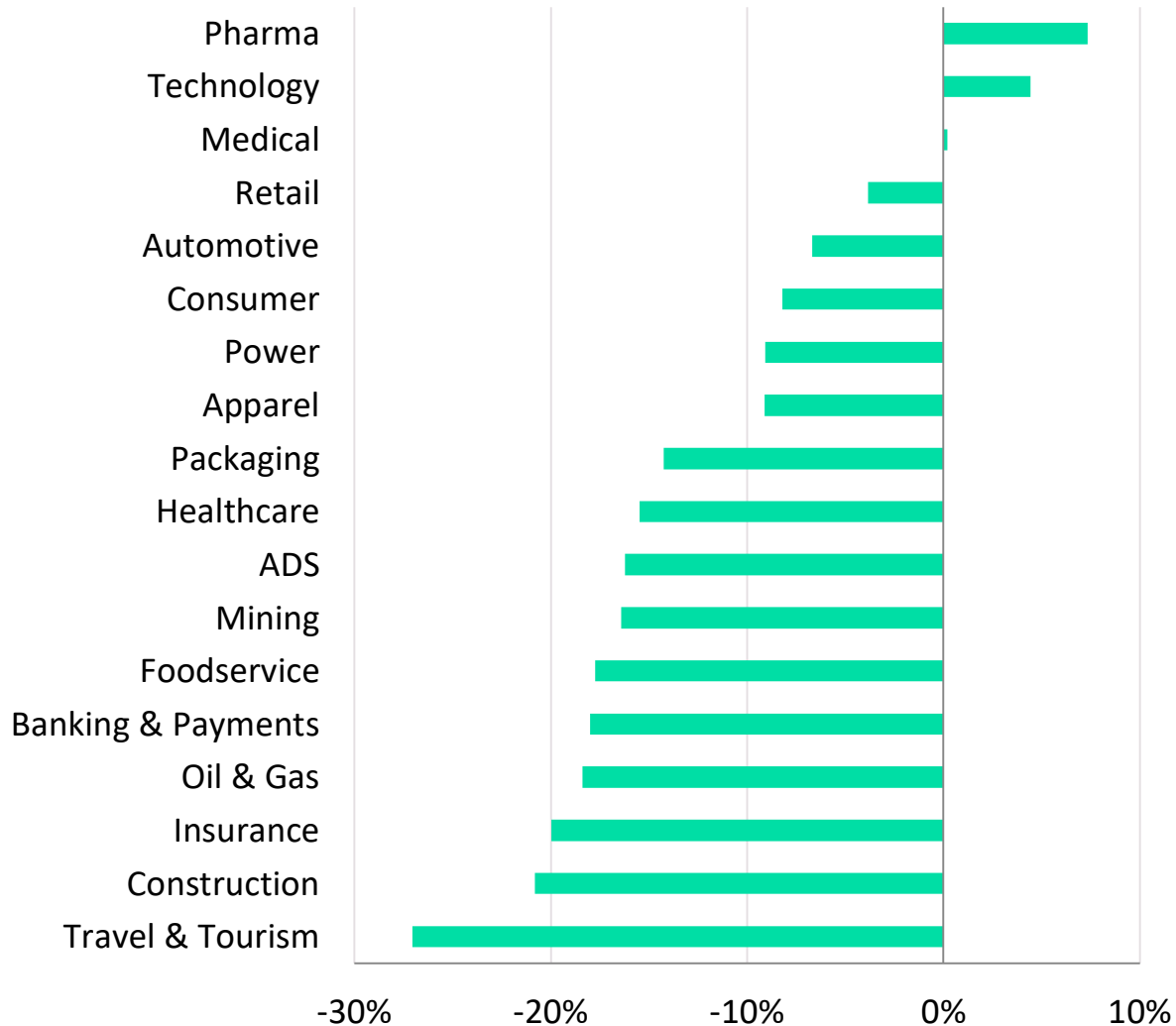
## **5. Sectoral Impact**

# Pharma, Medical and Technology indices grow since January; others face long-term pain



Comparison of GlobalData's sector indices since 2 January 2020

## YTD Change in Equity Index



- **Pharma and Medical's** recovery is based on a swift resumption of elective surgical procedures and restoration of home healthcare.
- The **Tech** industry is buoyed by increased demand for telecoms services, cloud and collaboration tools, and speculation that the recovery will drive significant technology adoption.
- **Retail and Consumer** stock prices are holding up better than others; markets expect a quicker return to normal than other sectors.
- In energy markets, **Power** has fared much better than **Oil & Gas**. Sustainable energy use increased as a proportion of total power during the lockdown and may feature in many stimulus packages. Oil & Gas's short-term woes may continue long into the future if this shift to renewables materialises.
- Continued economic uncertainty could have profound effects on global **Construction**. Although construction work is resuming in most major markets, many issues, including social distancing measures and lingering supply-chain disruptions, prevent activity from proceeding at full pace. There is also the potential for the commencement of new projects to be pushed back or delayed indefinitely.
- **Insurance** is similarly affected. The industry will be impacted on two main fronts, the first being an increased cost of claims stemming from COVID-19. The second will be through economic recession reducing new business opportunities and impacting solvency ratios through capital market volatility.
- **Travel & Tourism** is hardest hit of all sectors, despite increasingly positive news flow.



# Equity indices show markedly different performance across the sectors



COVID-19 hit all sectors, but recoveries take different trajectories.



as of 12 Jun 2020, indexed to 100 on 2 Jan 2020

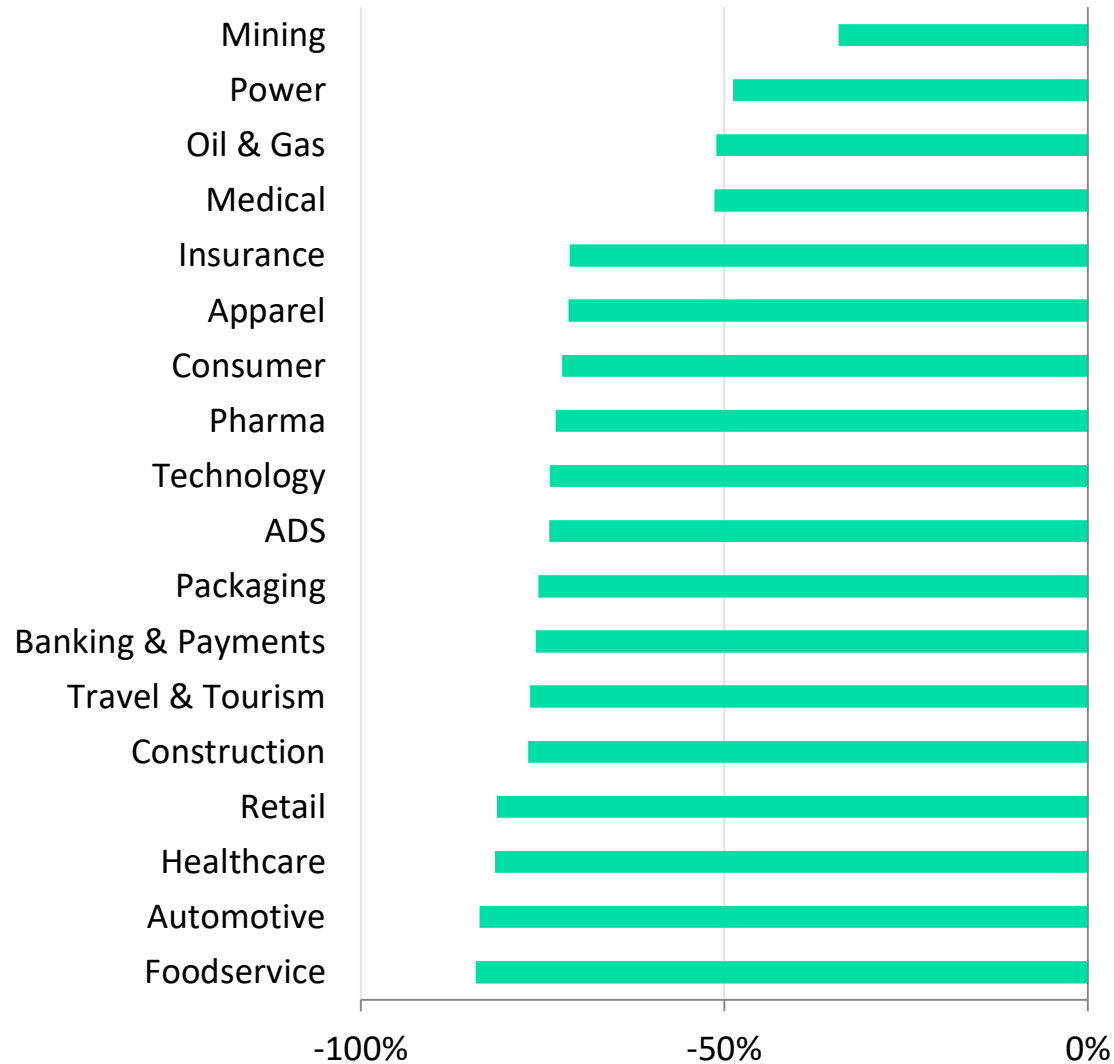
Source: GlobalData Analysis; Bloomberg

# Since January 2020, M&A volumes have fallen off a cliff



Technology acquisitions will lead the recovery in H2 2020.

## YTD Change in M&A Index



- The M&A index shows the steepest decline of all our indices, since January 2020.
- No sector stands out, with volumes crashing across the board. Extensive lockdowns in major economies made deal-making particularly difficult.
- However, the M&A market will recover.
- Business priorities have changed and this will impact acquirers' M&A strategy. Expect more investments in weak business areas highlighted by COVID-19 crisis, e.g. digitalization and cybersecurity.
- Well-capitalised US and Chinese big tech firms will likely go on a spending spree in H2 2020. China's plans would be hindered due to increased scrutiny by regulators.
- There will be an increase in carve-out deals to divest non-core business units across sectors, as most enterprises focus on profitability.
- As company valuations drop further, many targets will become more attractive.
- If start-ups fail to secure essential funding in 2020, expect a round of fire-sale acquisitions.
- Expect fewer deals over \$1bn in the short-term.

as of 12 Jun 2020. ADS= Aerospace, Defense & Security

Source: GlobalData Analysis; Press Articles; Company Announcements; Company Websites

# Active jobs

Jobs index represents adjusted active jobs per company.



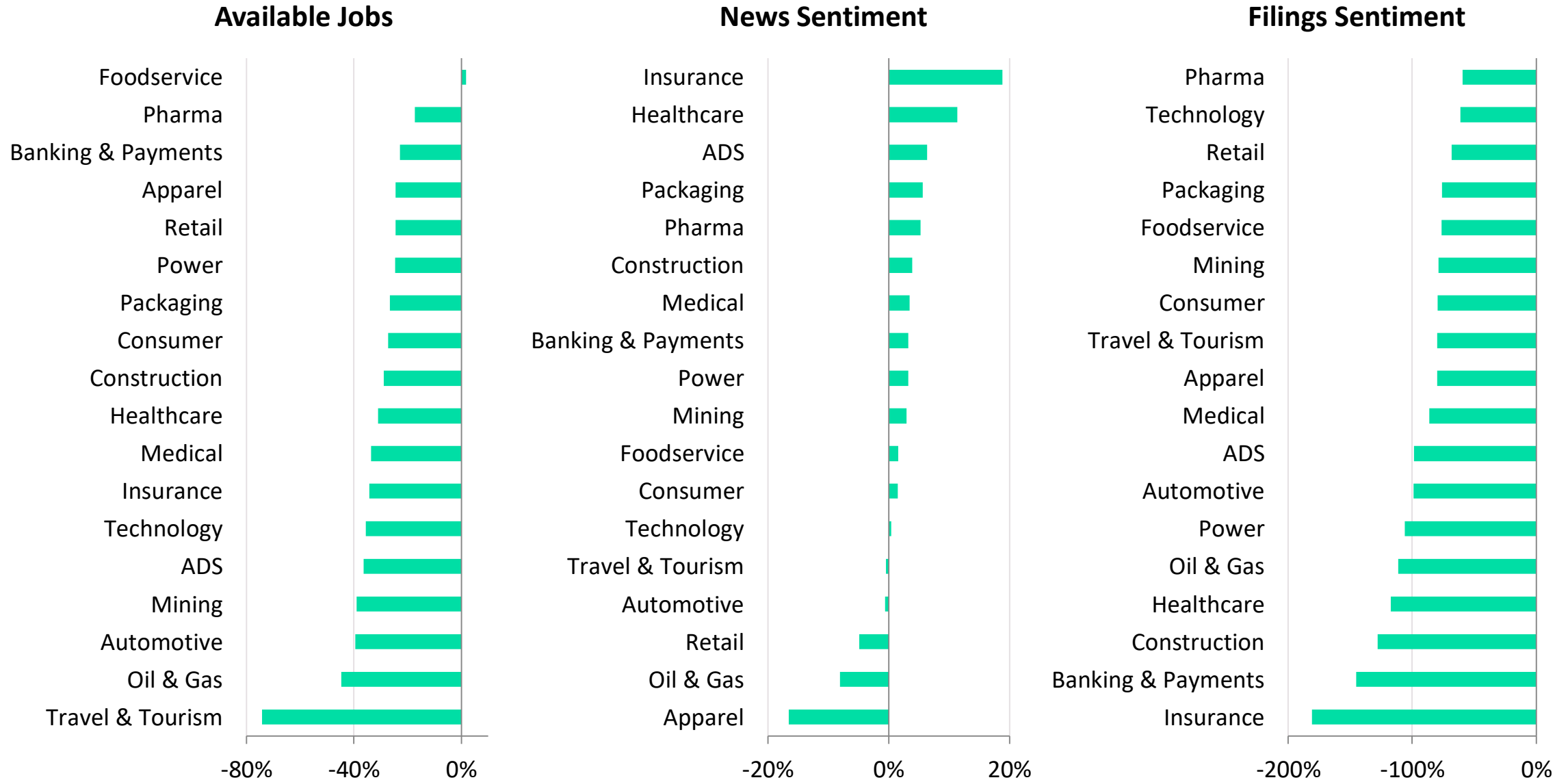
as of 11 Jun 2020, indexed to 100 on 1 Jan 2020. \*Despite widespread restaurant closures during lockdown, there has been increased recruitment activity amongst some major US fast food chains.

Source: GlobalData Analysis; Press Articles; Company Announcements; Company Websites

# Positive sentiment in news is not matched in other alternative data sets



YTD change in our unique alternative data indices show a downward trend for all sectors, but not all are equal.



as of 12 Jun 2020; ADS= Aerospace, Defense & Security

Source: GlobalData Analysis; Press Articles; Company Announcements; Company Websites

# Monthly M&A Volumes



Deals index represents volume of completed or announced deals on a monthly basis, indexed to 100 in Jan 2019.



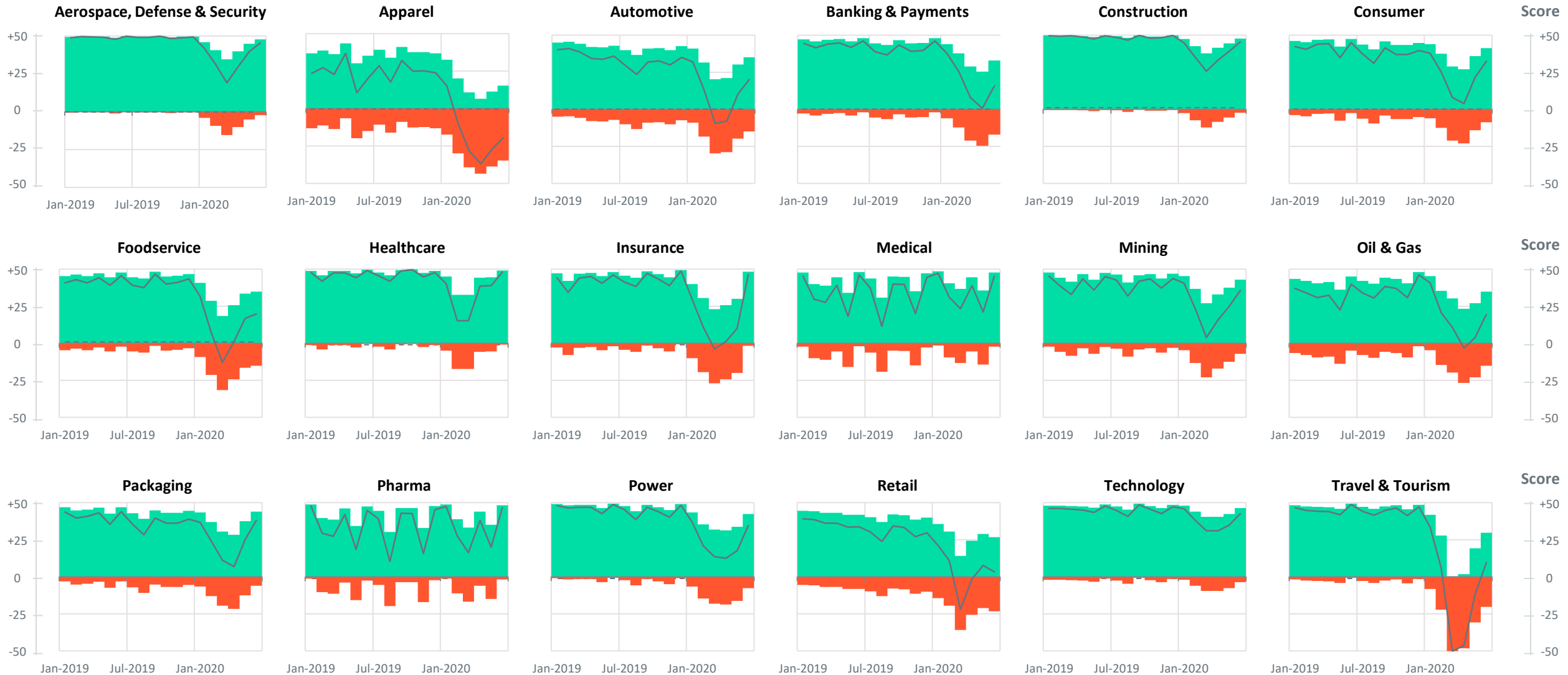
as of 12 Jun 2020

Source: GlobalData Analysis; Press Articles; Company Announcements; Company Websites

# News Sentiment



News sentiment index represents average news sentiment by month. Green represents positive sentiment, red represents negative sentiment. Grey line represents net sentiment.



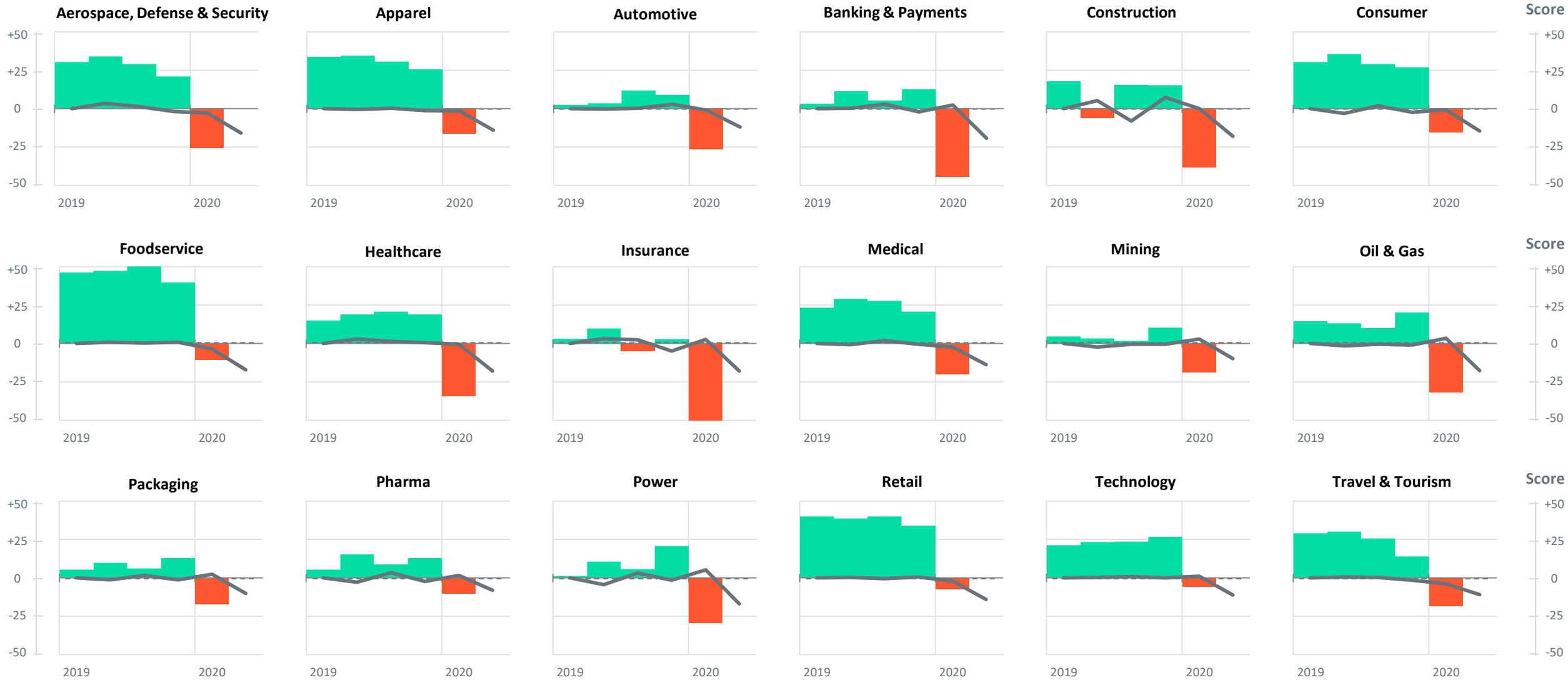
as of 12 Jun 2020

Source: GlobalData Analysis; Press Articles

# Quarterly filings sentiment



Filings sentiment by quarter. Green represents positive sentiment, red represents negative sentiment. Grey line represents sentiment change.



as of 12 Jun 2020

Source: GlobalData Analysis; Company Filings

For any questions or further enquiries please contact us at:  
[covid@globaldata.com](mailto:covid@globaldata.com)

### Disclaimer

All Rights Reserved.

No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the publisher, GlobalData.

The facts of this report are believed to be correct at the time of publication but cannot be guaranteed. Please note that the findings, conclusions and recommendations that GlobalData delivers will be based on information gathered in good faith from both primary and secondary sources, whose accuracy we are not always in a position to guarantee. As such, GlobalData can accept no liability whatsoever for actions taken based on any information that may subsequently prove to be incorrect.