



# Coronavirus (COVID-19) Executive Briefing

Thematic Research  
GDCOV-TR-B034

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

Last Updated: 21 July 2020  
Thirty in the series

# Key Developments and Changes Since Last Update



<b>1,585,295 new cases in the past seven days; total confirmed cases exceed 14.6 million</b>	<ul style="list-style-type: none"><li>▪ The virus has now spread to 190 countries with more than 14.6 million confirmed cases and more than 600,000 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 3.8 million, with deaths exceeding 140,000.</li></ul>	Slide 7 - 9
<b>Infection peak and decline forecasts</b>	<ul style="list-style-type: none"><li>▪ Increasing uncertainty of infection rates renders forecasting impossible in the worst-hit countries.</li><li>▪ The US is seeing a surge in new cases in the Sun Belt region and outlook for South Africa, one of the most developed countries in Africa, remains unclear as COVID-19 cases continues to rise.</li></ul>	Slide 11 - 13
<b>The race for a treatment and vaccine continues</b>	<ul style="list-style-type: none"><li>▪ Currently there are 2,649 clinical trials for COVID-19 (+106 from the last update) and promising clinical data are continuing to emerge for COVID-19 vaccines.</li></ul>	Slide 14 - 15
<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 -4%.</li></ul>	Slide 19 - 21
<b>Unemployment continues to rise in all major economies</b>	<ul style="list-style-type: none"><li>▪ \$114bn SURE employment programme is central to EU recovery deal.</li><li>▪ Benefits to be a key part of the US recovery package as unemployment insurance nears close .</li></ul>	Slide 22
<b>Top countries' response to COVID-19</b>	<ul style="list-style-type: none"><li>▪ Managing lockdown and recovery measures in the world's largest economies</li></ul>	Slide 23 – 28
<b>GlobalData polls</b>	<ul style="list-style-type: none"><li>▪ Concern over the spread of COVID-19 remains volatile, business optimism trends upward</li><li>▪ Employment and hiring prospects remain largely unchanged</li><li>▪ Few employees want to return to offices full-time; most employees want to work remotely full time</li></ul>	Slide 29 -32
<b>Sector impact</b>	<ul style="list-style-type: none"><li>▪ Sector insight summaries</li><li>▪ Sector winners and losers</li></ul>	Slide 34 - 41



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- Spread of COVID-19
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- Infection trajectories
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- COVID-19 vaccine and therapeutic development

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- Stock market indices
- Unemployment
- GDP
- Policy response
- Company concerns

## **Sectoral Impact**

- Sector insight summaries
- Winners and losers



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 rectangular box on the left side, which contains the title text.

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

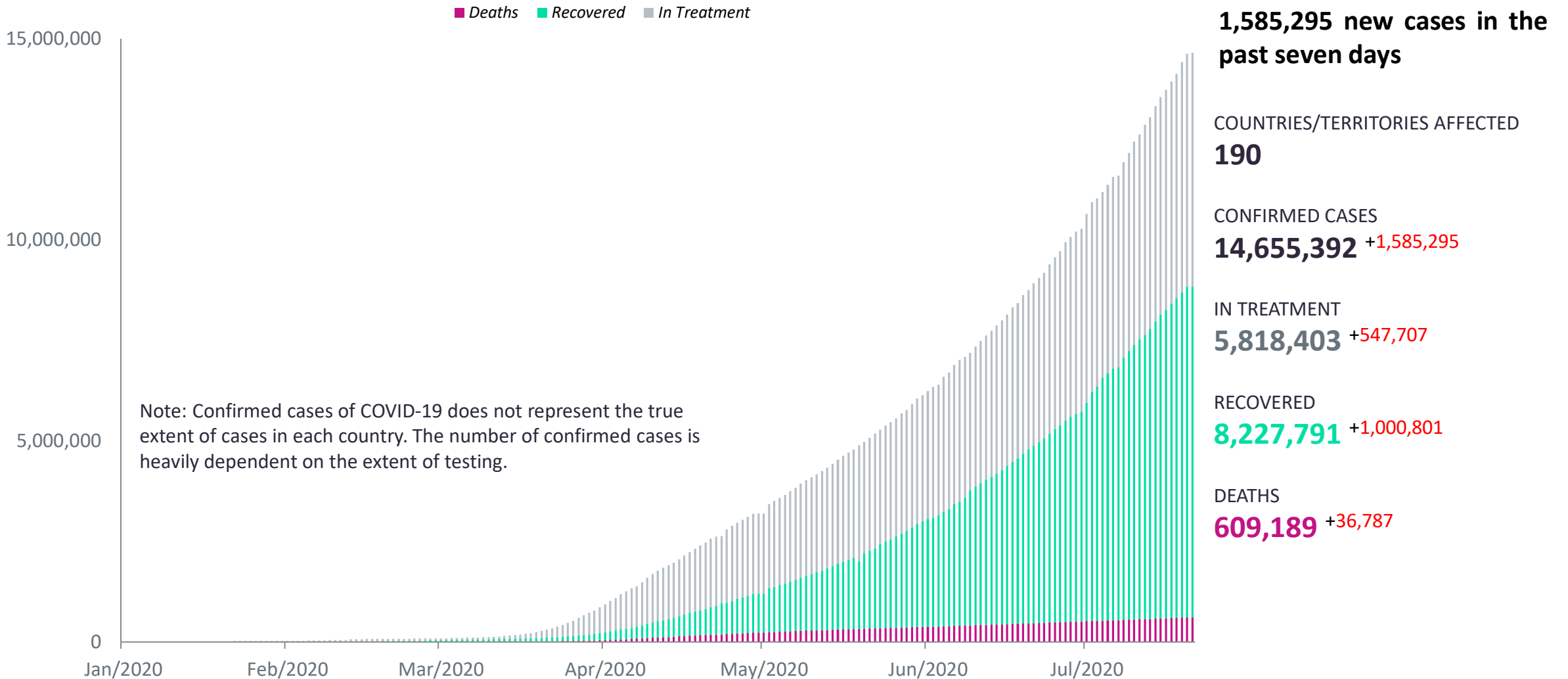


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- The virus has spread to 190 countries, with over 14 million confirmed cases
  - The highest official case counts are in the US, Brazil, India, Russia, Peru, Chile, Mexico, UK, South Africa, and Iran
  - The number of confirmed cases in the US exceeds 3.8 million
  - The US has recorded the highest number of fatalities, which exceeds 140,000
  - Death rates rising in Brazil, Mexico and India

# Infection Rates Continue to Rise



**Impact of COVID-19** +/- change between 14 Jul 2020 and 21 Jul 2020  
as of 21 Jul 2020



# COVID-19 is a Worldwide Problem



## Affected Countries

as of 21 Jul 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.

Source: GlobalData Analysis; 2019 Novel Coronavirus COVID-19 (2019-nCoV) Data Repository by Johns Hopkins CSSE; Verdict Media

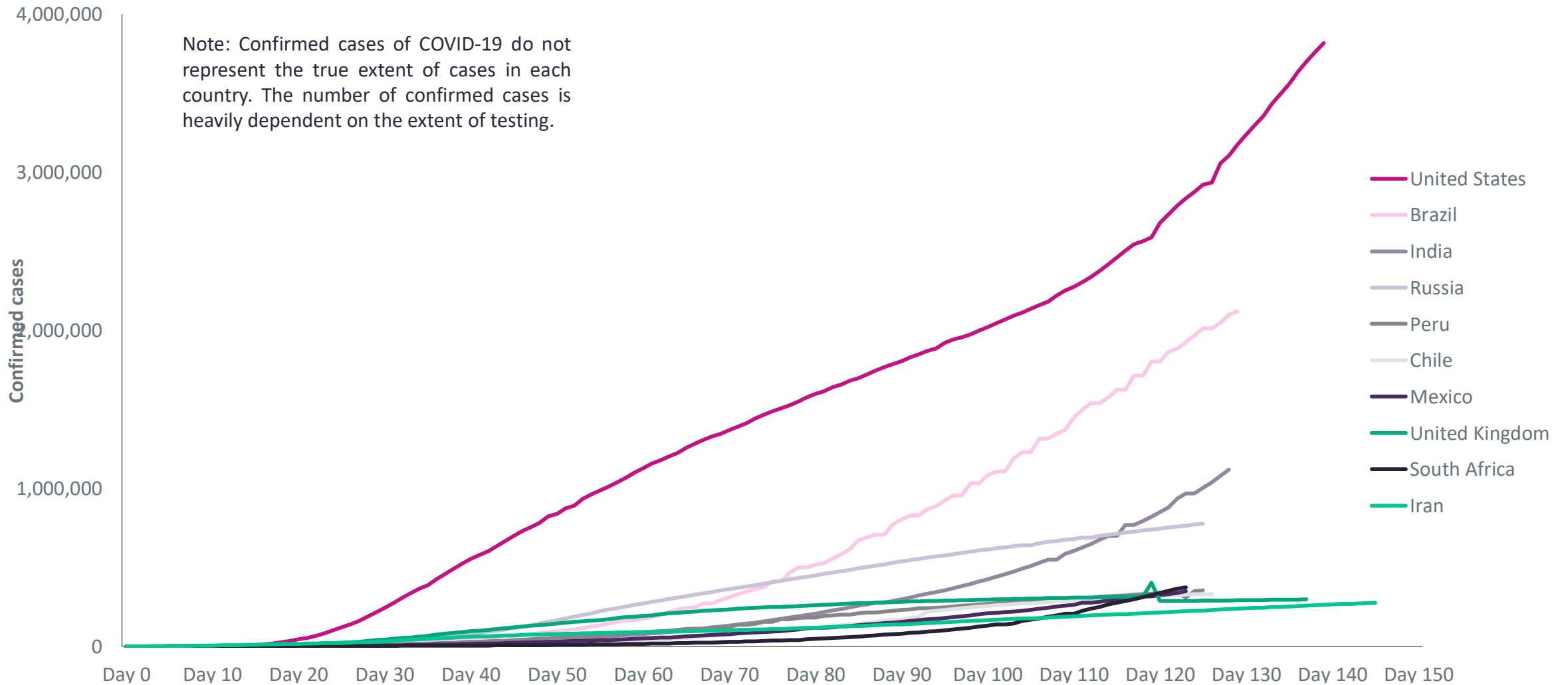
	Confirmed Cases	Recovered	Deaths
United States	3,825,153 +462,097	1,131,121 +99,265	140,957 +5,352
Brazil	2,118,646 +233,679	1,514,300 +224,549	80,120 +7,287
India	1,118,206 +239,952	700,087 +146,616	27,497 +4,323
Russia	776,212 +43,665	552,644 +49,476	12,408 +986
Peru	353,590 +23,467	245,081 +24,073	13,187 +1,133
Chile	330,930 +13,273	301,794 +15,238	8,503 +1,479
Mexico	349,396 +44,961	259,812 +19,711	39,485 +3,994
United Kingdom	296,944 +5,253	Not reported	45,397 +482
South Africa	373,628 +85,832	194,865 +56,624	5,173 +1,001
Iran	276,202 +16,550	240,087 +17,548	14,405 +1,373

# US Records the Highest Number of Infections; Brazil's Infections Rising Rapidly



## 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 150<sup>th</sup> day, as of 21 Jul 2020



Source: GlobalData Analysis; 2019 Novel Coronavirus COVID-19 (2019-nCoV) Data Repository by Johns Hopkins CSSE

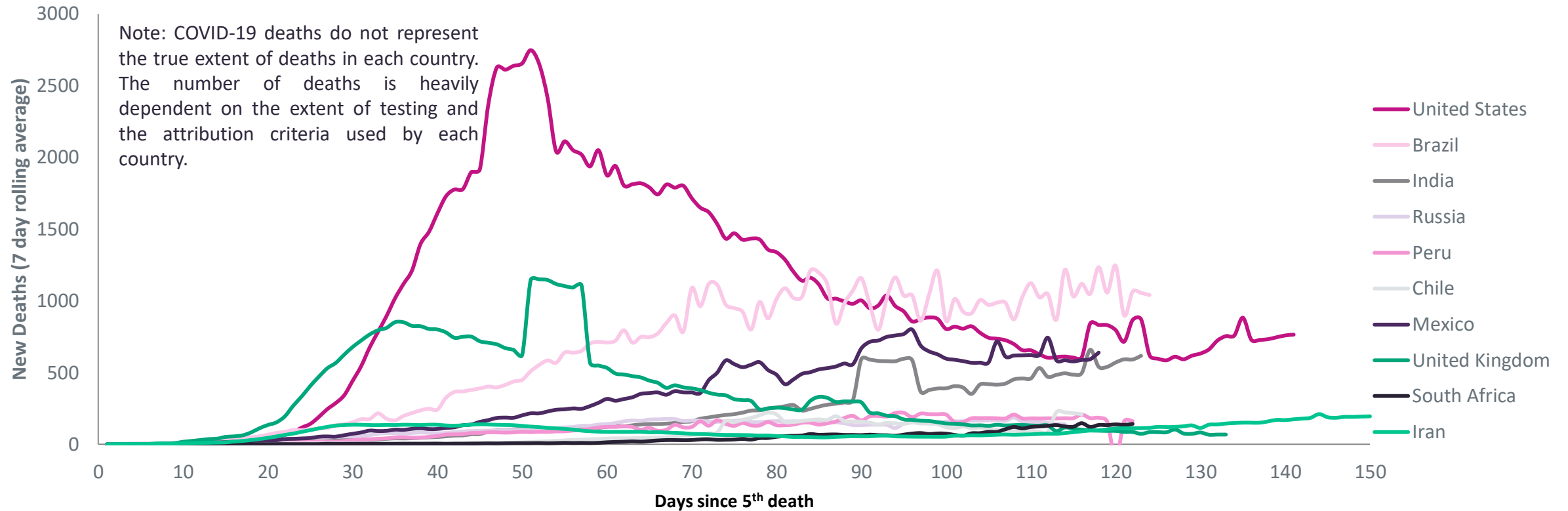


# After Months of Decline, US Death Rates Are Rising Again. Brazil, Mexico and India ALL Trend Upwards



## 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 150<sup>th</sup> day, as of 21 Jul 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



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

as of 21 Jul 2020

### Total Tests Performed

Additions to the previously reported values are in a darker shade

United States		46,469,524 <sup>+5,465,249</sup>
China		606,775
Japan		639,821 <sup>+77,716</sup>
Germany		6,884,614 <sup>+508,560</sup>
India		14,381,303 <sup>+2,288,800</sup>
United Kingdom		13,459,190 <sup>+1,330,441</sup>
France		2,764,345 <sup>+275,076</sup>
Italy		6,262,302 <sup>+299,558</sup>
Brazil		4,984,820 <sup>+97,632</sup>
Canada		3,573,554 <sup>+298,022</sup>
Russia		25,251,614 <sup>+2,051,614</sup>
South Korea		1,482,390 <sup>+61,774</sup>
Spain		6,320,836 <sup>+294,390</sup>
Australia		3,534,425 <sup>+416,637</sup>
Mexico		827,951 <sup>+88,029</sup>
Indonesia		1,235,545 <sup>+161,078</sup>
The Netherlands		764,079 <sup>+82,148</sup>
Saudi Arabia		2,728,424 <sup>+391,550</sup>
Iran		2,175,217 <sup>+177,250</sup>
Singapore		1,009,532 <sup>+143,118</sup>
<b>Total</b>		<b>145,356,261<sup>+14,508,642</sup></b>

### Total Tests Performed Per Million Population

Additions to the previously reported values are in a darker shade

United States		140,390
China		422
Japan		5,059
Germany		82,171
India		10,421
United Kingdom		198,262
France		42,350
Italy		103,574
Brazil		23,451
Canada		94,683
Russia		173,034
South Korea		28,914
Spain		135,191
Australia		138,606
Mexico		6,422
Indonesia		4,517
The Netherlands		44,592
Saudi Arabia		78,372
Iran		25,898
Singapore		172,559

Note: All the test figures except for China are updated between 14-07-2020 and 21-07-2020.

## GlobalData Pharma Analysis

- Peak and recovery curves based on GD forecast models, details on next slide.
- The US is seeing a surge in new cases in the Sun Belt region. Average number of new daily cases increased by more than 9,000 cases from June 12-19, compared with previous week.
- Brazil has seen a steady increase in the average number of new daily cases reported for the past 4 weeks. The country has yet to reach its peak.
- S. Africa moves up ahead of Peru and Chile into 5<sup>th</sup> place. In the 2 weeks leading up to June 19, the country reported 52% of its total confirmed cases.
- Recovery in the UK has been delayed to mid August as decline in new cases has slowed down.
- Current data shows Pakistan's peak week was from June 8-15.

# Increasing Uncertainty of Infection Rates Renders Forecasting Impossible in the Worst-Hit Countries



Estimated Peak Weeks and Decline to Zero New Cases Weeks for Top Infected Countries (Excluding China)  
as of 21 July 2020

Date (Weeks)	[...]	JUN					July				August				
		1	8	15	22	29	6	13	20	27	3	10	17	24	31
<b>US</b>							It is unclear when the US recovery will be.								
<b>Brazil</b>							It is unclear when Brazil's peak will be. Further monitoring of trends needed.								
<b>India</b>							It is unclear when India's peak will be. Further monitoring of trends needed.								
<b>Russia</b>															
<b>S. Africa</b>							It is unclear when S. Africa's peak will be. Further monitoring of trends needed.								
<b>Peru</b>															
<b>Mexico</b>							It is unclear when Mexico's peak will be. Further monitoring of trends needed.								
<b>Chile</b>															
<b>UK</b>															
<b>Iran</b>															
<b>Pakistan</b>															

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, an extended plateau without an 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. Column [...] corresponds to May

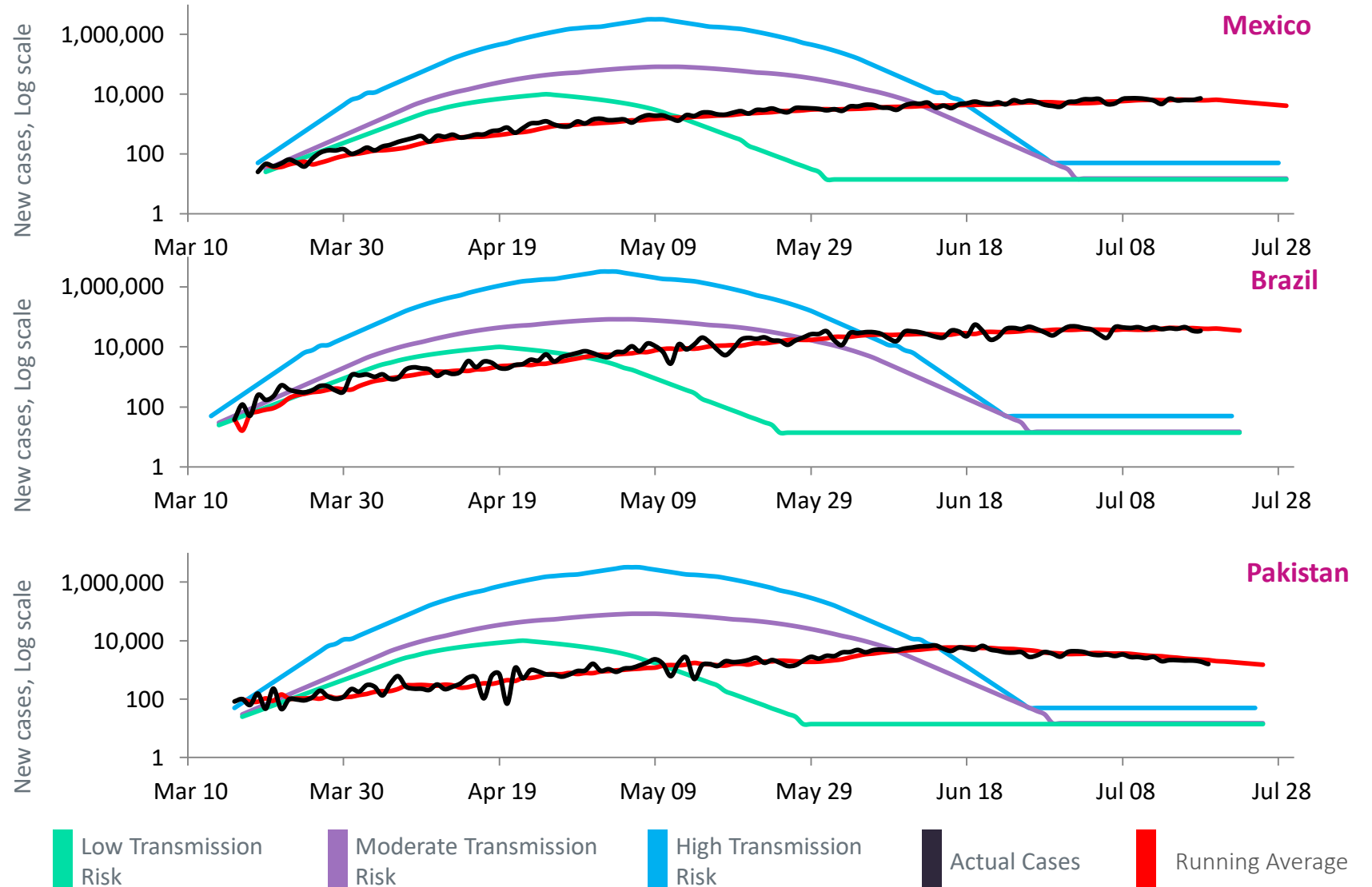
## GlobalData Pharma Analysis

- 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.

# Infection Peak and Decline Forecasts for Select Countries



Projections of Daily New Confirmed Cases for Select Countries, Since 100th Confirmed Case as of 21 July 2020



Forecast for Key Markets



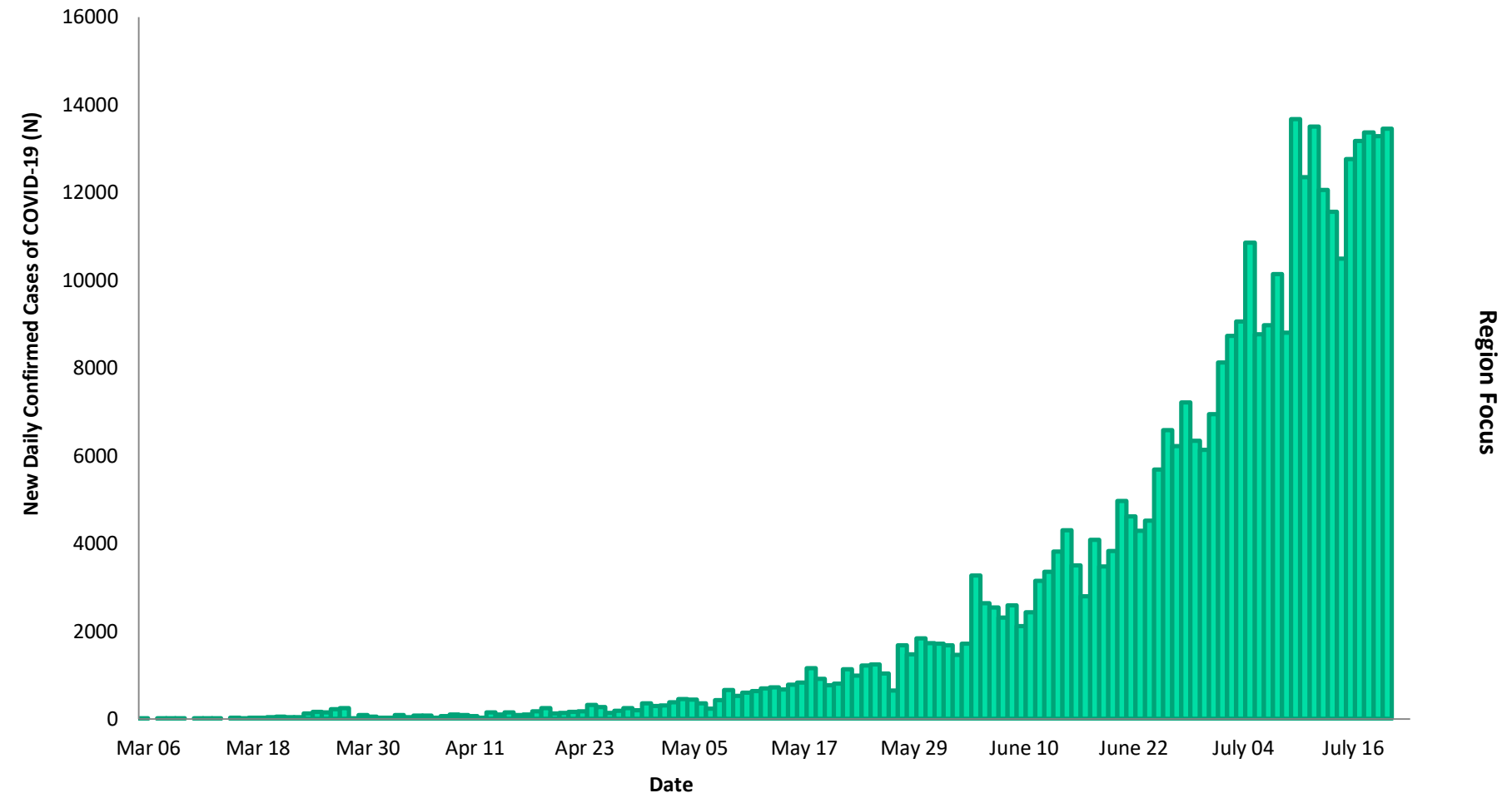


# Outlook for South Africa Remains Unclear as COVID-19 Cases Continues to Rise

South Africa, COVID-19 Daily New Cases.  
as of 21 July 2020

## GlobalData Pharma Analysis

- South Africa appears nowhere near the peak, as more than 50% of all confirmed cases were reported in the month of July.
- Average daily new cases in July is ~7,000 higher than in June.
- Increases in new cases likely to continue due to undetected domestic transmission, and inadequate testing demands.
- South Africa has imposed night-time curfew and alcohol ban to ease the burden in hospitals struggling with COVID-19 cases.
- Given that South Africa is one of the most developed countries in Africa, its struggle to control the surge of new cases does not bode well for other African countries with far fewer resources.



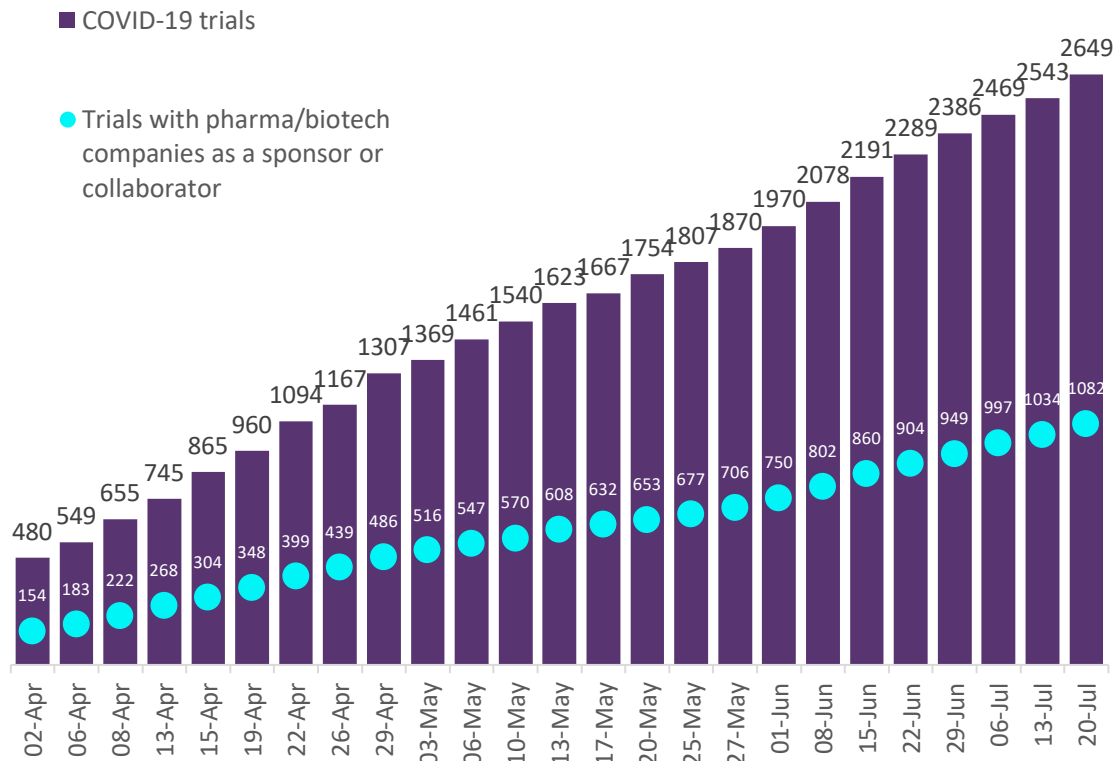
# Clinical Investigations of Novel and Existing Drugs Continuing to Grow



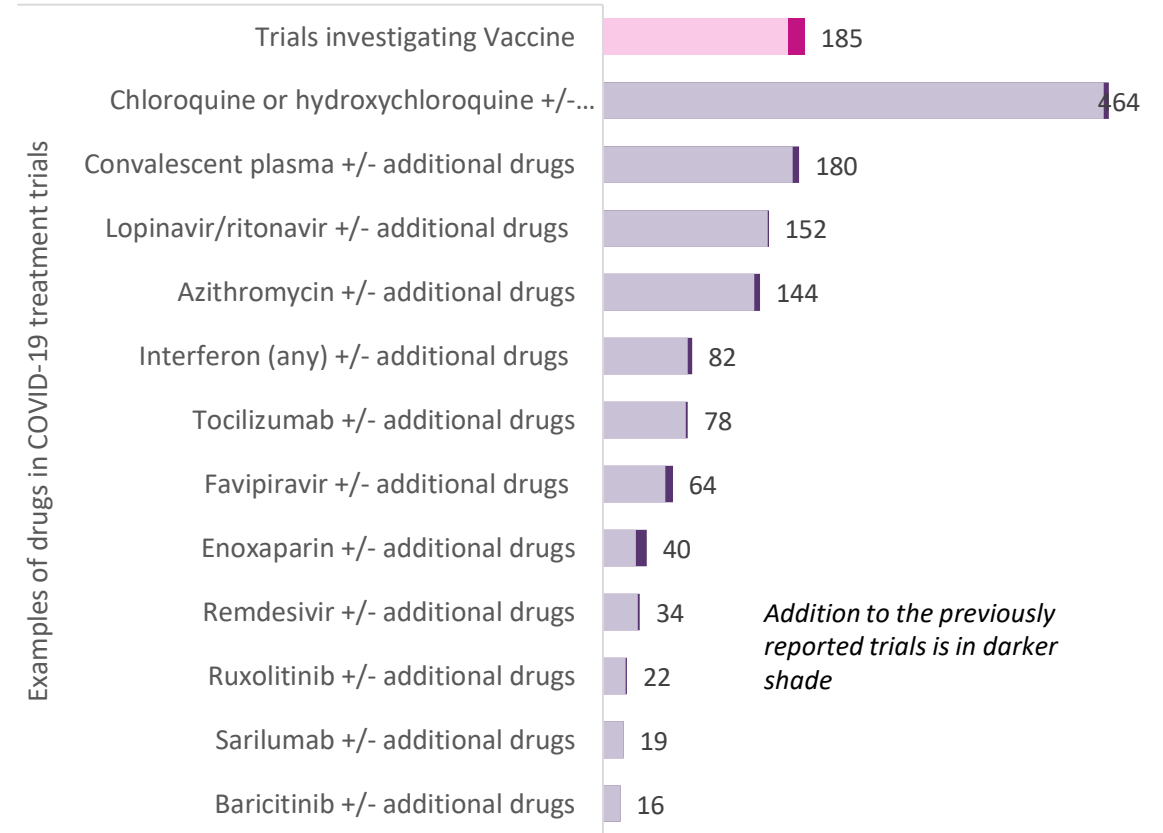
## Clinical Investigations for Therapeutics and Vaccines for COVID-19 by Numbers

as of 20 July 2020

COVID-19 Trials



Investigational Drugs in COVID-19 Trials



# COVID-19 Clinical Trials are Worldwide with Enhanced Investigations in Many Countries

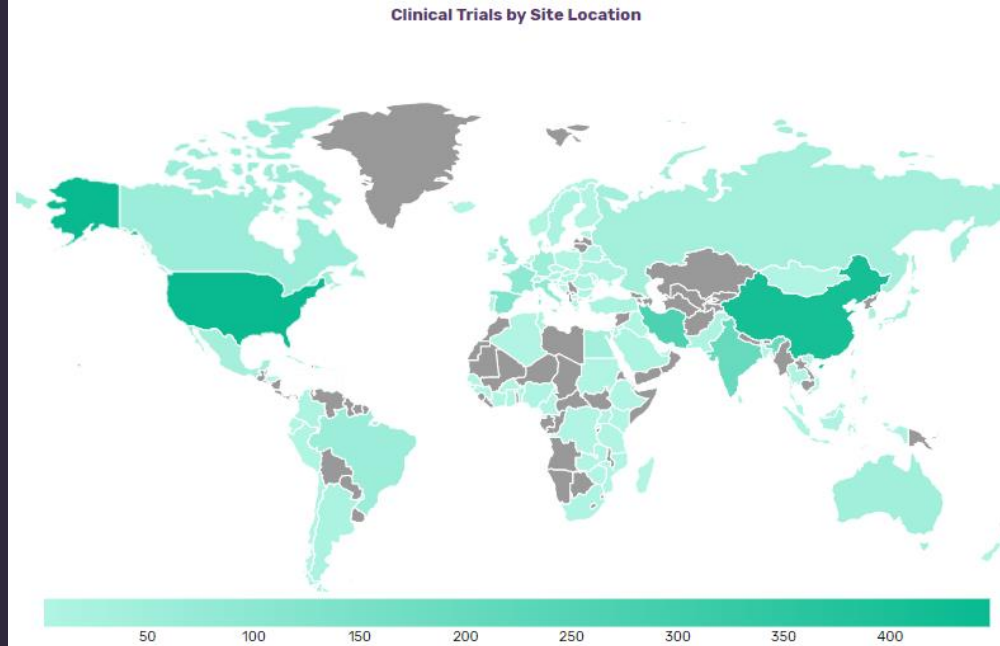


## GlobalData Insight

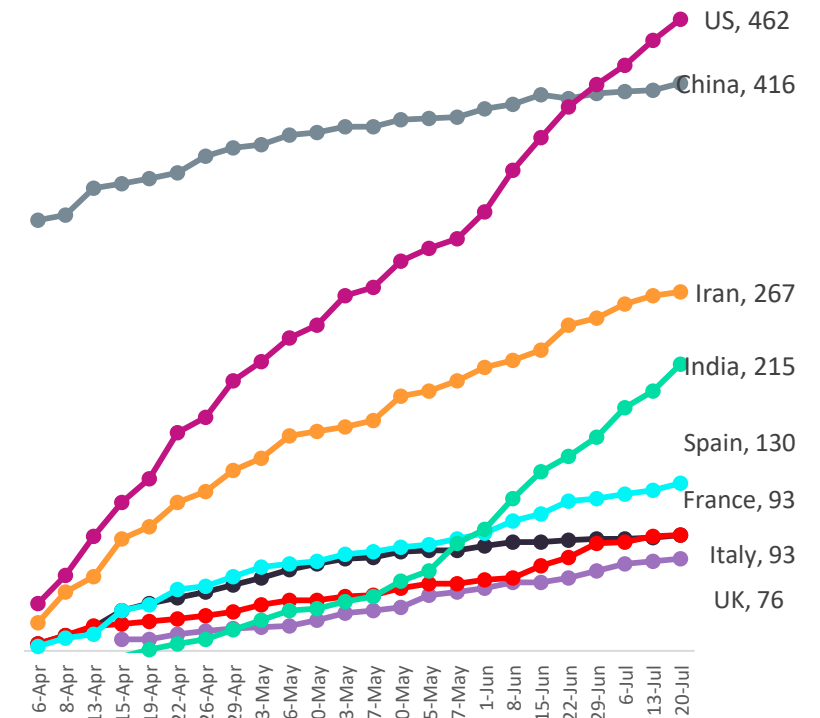
- The number of trials in the US and India have been growing at a much higher rate than other countries.
- The number of clinical trials in the US has surpassed the number of trials in China.
- Over the past two months, clinical trials in India have increased dramatically and India is now in the 4th place for COVID-19 trials.
- Increased clinical trial activity in India is consistent with increasing COVID-19 positive cases.

### Global Clinical Trials for COVID-19 as of 20 July 2020

Global Clinical Trials for COVID-19



Countries with more than 70 COVID-19 trials



117 (+5) multinational trials, 2125 (+85) single country trials (remaining trials have not disclosed locations)



## **2. Economic Impact**





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- The impact of COVID-19 on the world's top economies
  - GDP estimates of top ten economies all trend downwards, except China
  - Many economists have cut their GDP forecasts; 2020 consensus forecast for world GDP growth is -4%
  - Worldwide unemployment continues to rise
  - Governments' responses and fiscal stimulus plans
  - Concern over the spread of COVID-19 remains volatile, business optimism continues to improve
  - Hiring remains unchanged; marginal improvement in employment prospects
  - When lockdown eases, few employees want to return to offices full-time
-

# 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	3,363,056	10,160	135,605	4.0%	4,984	68.57	-2.3%	-5.9%
China	83,602	58	4,634	5.5%	588	78.1	12.0%	1.1%
Japan	22,098	175	984	4.5%	2,171	36.9	-4.5%	-5.0%
Germany	200,180	2,389	9,074	4.5%	1,388	42.86	-4.7%	-6.1%
India	878,254	636	23,174	2.6%	284	79.76	-12.8%	-3.3%
United Kingdom	291,691	4,297	44,915	15.4%	491	76.19	-18.8%	-9.8%
France	209,640	3,212	30,032	14.3%	500	55.95	-16.6%	-9.6%
Italy	243,230	4,023	34,967	14.4%	921	53.57	-15.7%	-10.9%
Brazil	1,884,967	8,868	72,833	3.9%	236	76.9	-14.7%	-6.8%
Canada	109,984	2,914	8,834	8.0%	192	70.95	-7.2%	-7.2%

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.

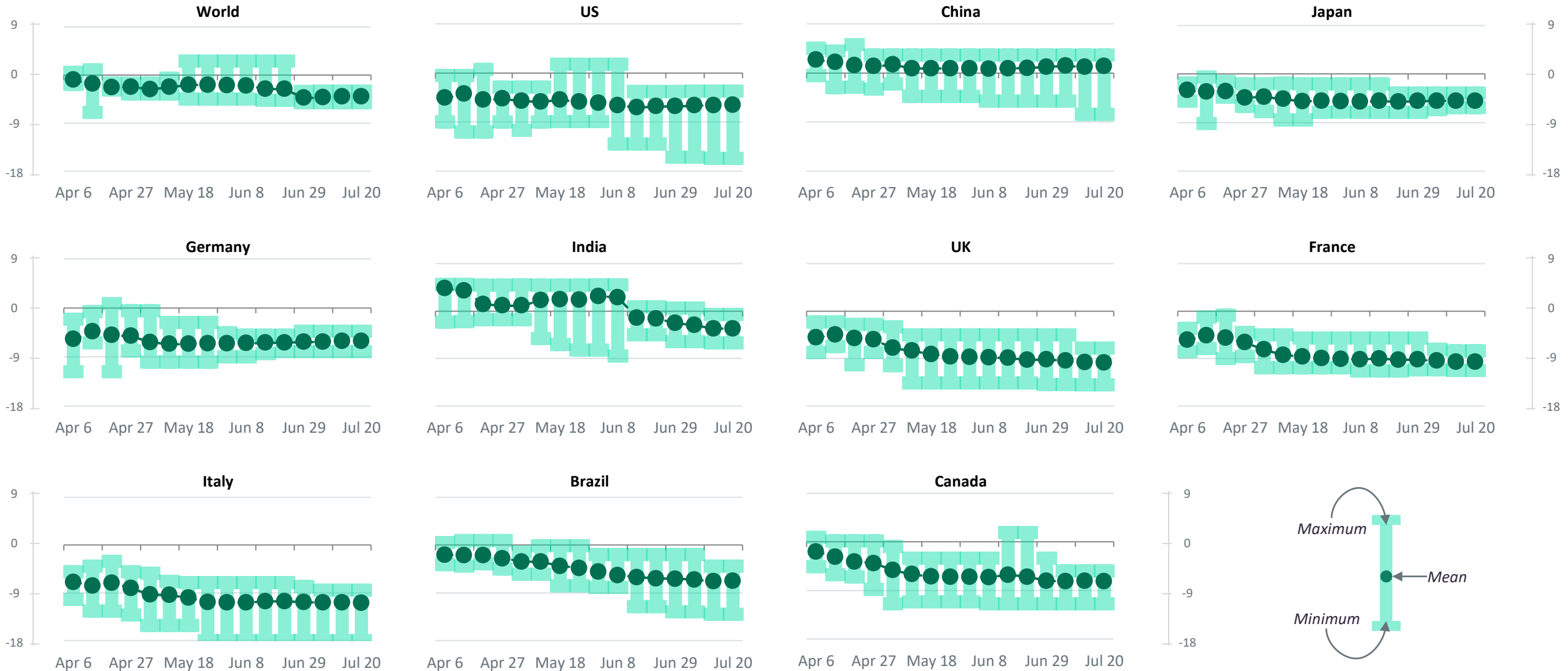
Stringency index, created by Oxford COVID-19 Government Response Tracker (OxCGRT), is the aggregated score based on several different common policy responses governments have taken, such as school and workplace closures and restrictions on travel and gatherings etc.

Source: GlobalData Analysis; Press Articles; 2019 Novel Coronavirus COVID-19 (2019-nCoV) Data Repository by Johns Hopkins CSSE; World Health Organization; Trading Economics; Investing.com; Bloomberg; Oxford COVID-19 Government Response Tracker (OxCGRT).

# Negative GDP growth is forecast in all countries except China



Maximum, Minimum and Mean of all new GDP growth estimates by week, as of 21 Jul 2020



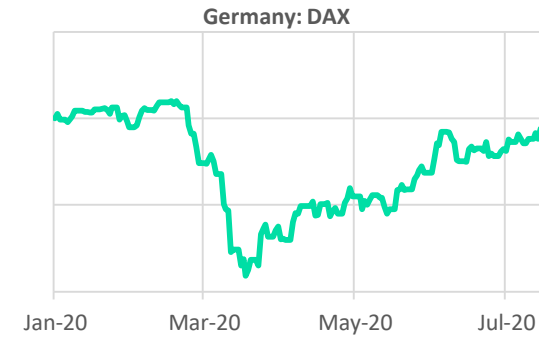
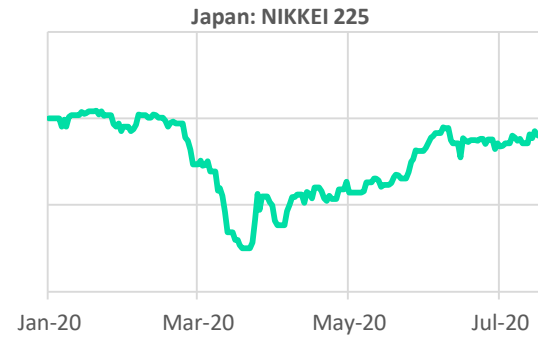
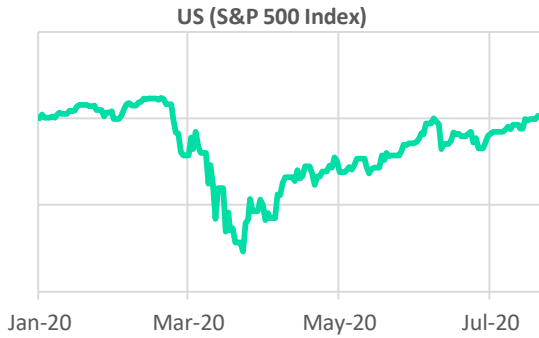
Source: GlobalData Analysis; Press Articles; Bloomberg

# Equity Indices | Most markets experienced a crash; recovery has been faster for some



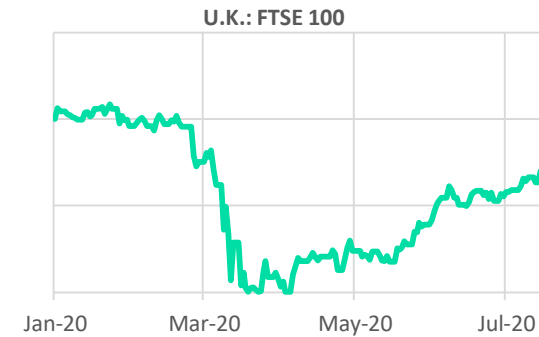
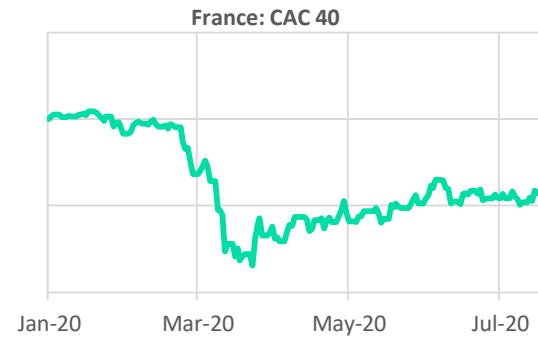
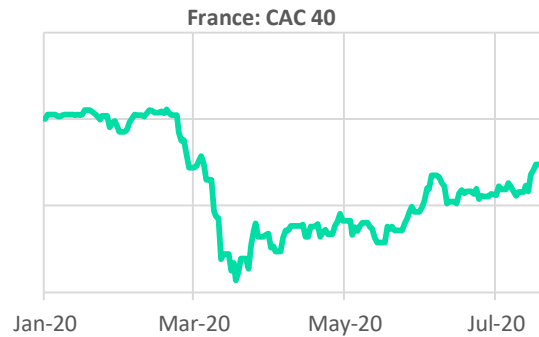
As of 21 July 2020. Indexed to 100 on 1 Jan 2020.

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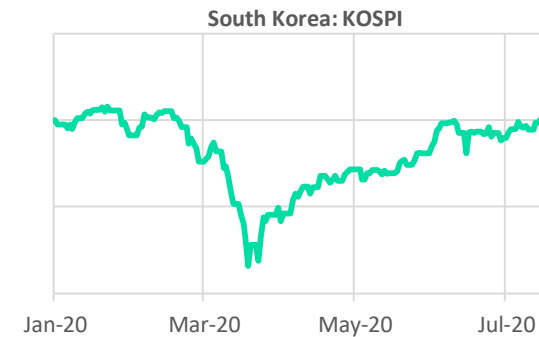
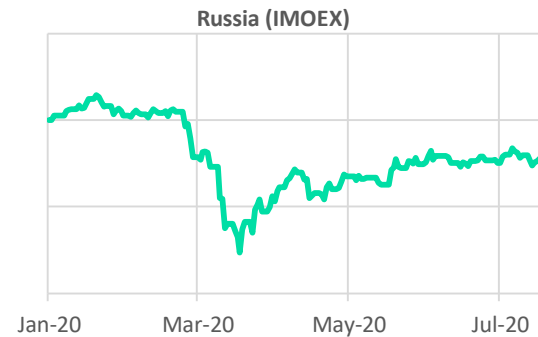
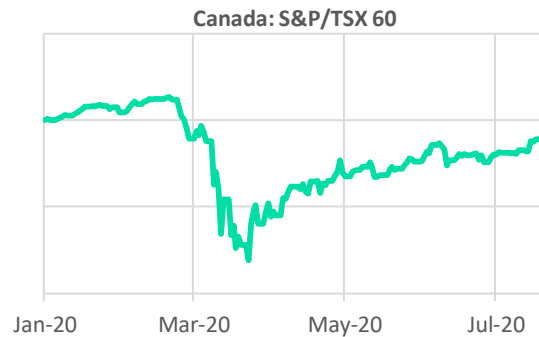
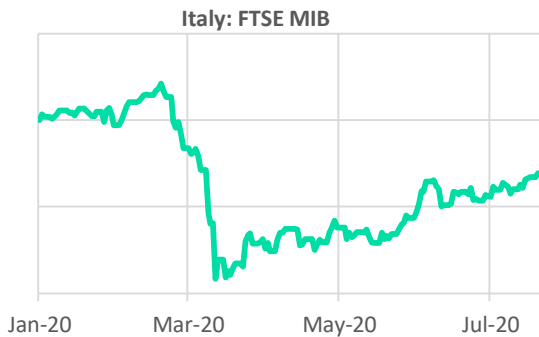
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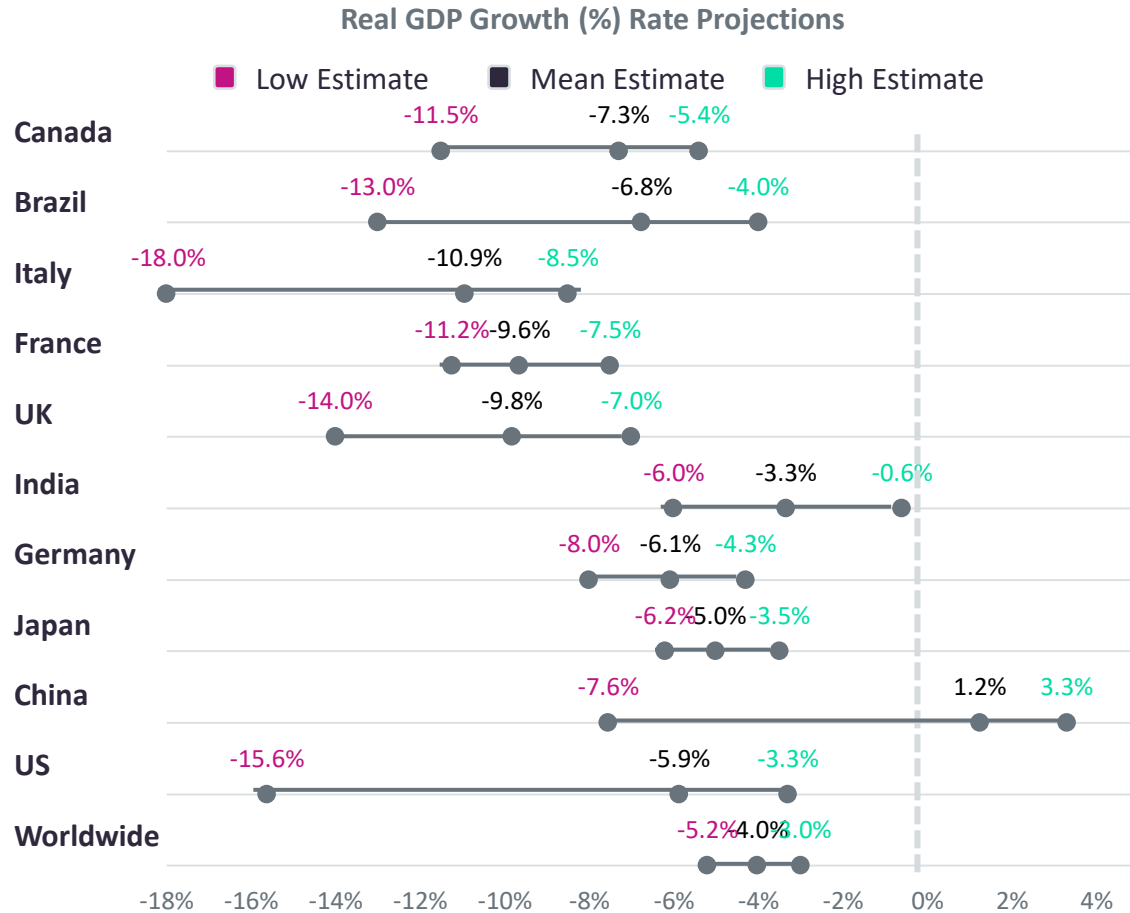


# Consensus Expects a Global Recession



## Estimated 2020 GDP Growth

GDP data as of 21 Jul 2020



## Forecasters Sound the Alarm

- The Israeli Finance Ministry expects its economy to contract by 5.9% in 2020; further lockdowns could cause the economy to fall by 7.2%. (July 20)
- The IMF estimates growth of -4.7% for the Middle East and Central Asian region. (July 17)
- Global debt reaches all time high of 331% of GDP reports IIF. (July 16)
- China reports Q2 GDP growth of 3.2%. (Jul 16)
- Industry body, FICCI, projects India's median GDP growth at -4.5% in FY21, a sharp downward revision from its previous forecast of 5.5% growth. (July 13)
- UN forecasts 9.1% contraction in GDP in Latin America and the Caribbean. (July 10)
- S&P Ratings forecasts 2020 GDP growth: global -3.8%, Eurozone -7.8%, Asia Pacific -1.3%, Latin America -7.1%, US -5%, and Canada -5.9%. (July 9)
- Italian think tank, Prometeia, forecasts GDP to contract by 10.1% in 2020. (July 9)
- The Canadian Finance Ministry forecasts the economy to shrink by 6.8% in 2020 and bounce back next year with 5.5% growth. (July 9)

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

# Unemployment Continues to Rise



## Job Trends

as of 21 Jul 2020

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### Unemployment headlines

- \$114bn SURE employment programme is central to EU recovery deal. (21 Jul)
- Benefits to be a key part of the US recovery package as unemployment insurance nears close. (Jul 20)
- Hidden unemployment in the UK is considered to be a rapidly growing problem as furlough schemes near close. (Jul 21)
- Seasonally adjusted unemployment rate in Hong Kong rose to 6.2% during April-June, highest in last 15 years. (July 20)
- Unemployment rate in Australia rose to 7.4% in June, highest since November 1998, according to Australian Bureau of Statistics. (July 16)
- 100 million workers in 35 advanced and emerging nations were unable to do jobs their remotely and are at high risk, according to the IMF. (July 9)
- The US Bureau of Labor Statistics report that 17.75 million Americans were unemployed in June 2020, with a seasonally adjusted unemployment rate of 11.1%. (July 6)
- Unemployment rate in the Euro Zone stood at 7.4% with 12.15 million unemployed in May. (July 2)
- The Japanese unemployment rate (seasonally adjusted) rose to 2.9% in May from 2.6% in April. (June 30)
- The Indian unemployment rate fell to 11.63% in the week ending June 14, compared to 17.51% in the preceding week, according to CMIE. (June 16)
- 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)

# Response to COVID-19: USA and China



## United States

Confirmed cases	3,825,153
Deaths	140,957
Recovered	1,131,121

### Managing lockdown

- Several US states have reversed their reopening plans including California, Oregon, New Mexico, and Nevada among others. (July 15)
- From July 6, New York City entered the third stage of economic reopening. (July 7)
- 14 out of 50 states have paused reopening the economy. (July 1)
- After a surge of COVID-19 cases, Florida and Texas shut bars; Texas also reduces restaurant occupancy to 50%. (June 26)
- Phase two of easing of COVID-19 restrictions implemented in New York City; offices, retail stores, outdoor dining, hair salons, businesses allowed to reopen from June 22. (June 20)
- 47 out of 50 states have either fully or partially reopened. Major restrictions still exist in New York, New Jersey and California. (June 12)

### 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)



## China

Confirmed cases	83,613
Deaths	4,634
Recovered	78,719

### Managing lockdown

- All flights cancelled to and from the capital city of Xinjiang region. (July 17)
- Beijing eases outbound travel restrictions. (July 4)
- Half a million people were put under lockdown in a province surrounding Beijing. Only one person from each family is allowed to purchase necessity items. (June 29)
- Beijing cancelled 1,200 flights and shut down schools to curb the spread of coronavirus pandemic. (June 17)
- 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)

### Recovery measures

- Overall fiscal stimulus worth \$588 billion (4% of GDP).
- 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	25,694
Deaths	988
Recovered	19,603

### Managing lockdown

- Tokyo opens door for spectators in Grand Sumo Tournament. (July 19)
- “Kanagawa Alert” issued by the prefectural government in Kanagawa urging residents to refrain from going out. (July 18)
- Tokyo urged citizens not to travel beyond the capital’s borders. (July 4)
- European Union relaxes travel restrictions from Japan. (July 1)
- Created travel bubbles with Thailand, Vietnam, Australia and New Zealand. (June 26)
- Professional baseball and soccer leagues to allow spectators in the stadium from July 10, 2020. (June 22)
- Schools to fully reopen in almost 90% of the country from June 22. (June 21)
- Allows travel to and from Tokyo, Hokkaido, and three other prefectures from June 19. (June 18)
- Tokyo lifts all restrictions on businesses from June 19. (June 19)

### 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	203,325
Deaths	9,094
Recovered	188,070

### Managing lockdown

- Plans for tougher local lockdowns that will ban travel in and out of affected areas to arrest the second wave of virus spread. (July 16)
- Lockdown restrictions eased in the district of Warendorf from June 30 but extended in the district of Gütersloh till July 7. (June 30)
- Re-imposed lockdown restrictions in two districts in the state of North Rhine-Westphalia after a sudden spike of COVID-19 cases. (June 23)
- Frankfurt Airport increases number of flights to international destinations. (June 19)
- Major public gathering events such as folk festivals, street, wine, shooting or funfair events are anticipated to remain banned until the end of October 2020. (June 17)
- 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)

### Recovery measures

- Approved a stimulus package worth \$1.39 trillion. (36% of GDP)



# Response to COVID-19: India and UK



## India

Confirmed cases	1,118,206
Deaths	27,497
Recovered	700,087

### Managing lockdown

- Lockdown re-imposed in cities in Maharashtra, Kerala, Odisha, and others. Full lockdown re-instated in Bihar and Arunachal Pradesh. (July 16-19)
- Considering a special air travel arrangement with US, France and Germany. (July 9)
- Ban on international flights extended till July 31. (July 1)
- Five States (Assam, Maharashtra, Jharkhand, Tamil Nadu and West Bengal) extended lockdown restrictions till July 31. (June 27)
- All international commercial passenger flights suspended till July 15. (June 26)
- 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)

### Recovery measures

- Approved stimulus package worth \$284.3 billion (9.7% 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	296,944
Deaths	45,397
Recovered	1,413

### Managing lockdown

- Lockdown easing will include mandatory facemasks in public places; sports facilities to reopen; conference and exhibitions to re-open in August; schools and colleges to reopen from September; audiences in stadiums allowed from October; social distancing measures relaxed in November. (July 17)
- Scotland has retained a 14-day quarantine measure for travelers arriving from Spain. (July 8)
- From July 10, passengers entering England from 59 countries will no longer have to isolate for two weeks. (July 6)
- England eases lockdown (except in Leicester) from July 4. Pubs, restaurants and hairdressers reopened with strict social distancing measures. (July 5)
- Scotland will ease restrictions on outdoor hospitality from July 6; non-essential shops to reopen from July 13, and hairdressers from July 15. (June 24)

### Recovery measures

- Stimulus package worth \$491.3 billion. (17.5% 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	214,023
Deaths	30,180
Recovered	79,668

### Managing lockdown

- Face masks made mandatory in indoor public places from August 1. (July 15)
- Eiffel Tower reopened on June 25. (June 25)
- Enters “third stage” of de-confinement plans with cinemas and casinos to reopen from June 22. (June 21)
- 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)

### Recovery measures

- Announced fiscal package of \$17 billion to rescue the aerospace sector. (June 9)
- \$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	244,624
Deaths	35,058
Recovered	197,162

### Managing lockdown

- Bans entry from 13 high risk nations from July 10 onwards. (July 10)
- Italy keeps travel ban in place as EU allowed visitors from 15 non-EU countries. (July 1)
- 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)

### 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	2,118,646
Deaths	80,120
Recovered	1,514,300

### Managing lockdown

- Lockdown restrictions eased in Sao Paulo and Rio with reopening of bars, restaurants, gyms and shopping malls. (July 7)
- Extends international travel ban till July 29. (June 30)
- Sao Paulo authorizes limited restart of commerce from June 10. (June 10)
- Sao Paulo allows car dealers and law-firms to reopen. (June 5)

### Recovery measures

- Central bank cuts policy rate by 75 bps to 2.25% on June 17. (June 18)
- Overall stimulus package worth \$236 billion (12.7% of GDP).
- Central bank policy rate (Selic) has been further reduced to 3% from its previous historic low of 3.75%. (May 6)



## Canada

Confirmed cases	112,923
Deaths	8,902
Recovered	98,962

### Managing lockdown

- Ontario province enters Stage 3 of reopening the economy. (July 13)
- Travel restrictions to stay in place until July 21 at international border crossing. (June 30)
- Saskatchewan libraries, museums, galleries and theatres to reopen from June 29. From June 26, parks and campgrounds to re-open with 100% capacity for overnight stays and limited-term campsites. (June 26 & 29)
- The Ontario government allows more businesses to reopen and moves the province to Stage 2 of lockdown easing, except in Windsor-Essex region. (June 22)
- Manitoba, Quebec and Saskatchewan allows outdoor sports along with gyms, concerts, and cinemas with a maximum of 50 people. (June 22)

### Recovery measures

- Announced total stimulus package worth \$234.6 billion (13.5% 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	776,212
Deaths	12,408
Recovered	552,664

### Managing lockdown

- Mandatory quarantine of 14 days for people entering Russia is lifted. (July 14)
- Will gradually ease restriction on air travel from July 15 onwards. (July 12)
- Beaches in Moscow closed. (July 3)
- Moscow to resume wedding registrations and ceremonies starting June 23, 2020 with social distancing measures in place. (June 19)
- 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. (June 1)

### Recovery measures

- Central Bank cuts policy rate by 100 bps to 4.5% on June 19. (June 19)
- 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).



## Spain

Confirmed cases	264,836
Deaths	28,422
Recovered	150,376

### Managing lockdown

- "Stay at Home" order issued for 4 million people in Barcelona. (July 18)
- Lockdown reinstated on 200,000 people in Catalonia and 70,000 people in Galicia. (July 6)
- Maintains a ban on cruise ships as tourism reopens. (June 28)
- Lifts nation-wide State of Emergency. (June 22). Reopens borders for tourists from other European nations. (June 21)
- To reopen its borders to most European countries from June 21. (June 14)
- All citizens allowed to move freely across 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)

### 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 Remains Volatile, Business Optimism Continues to Trends Upward

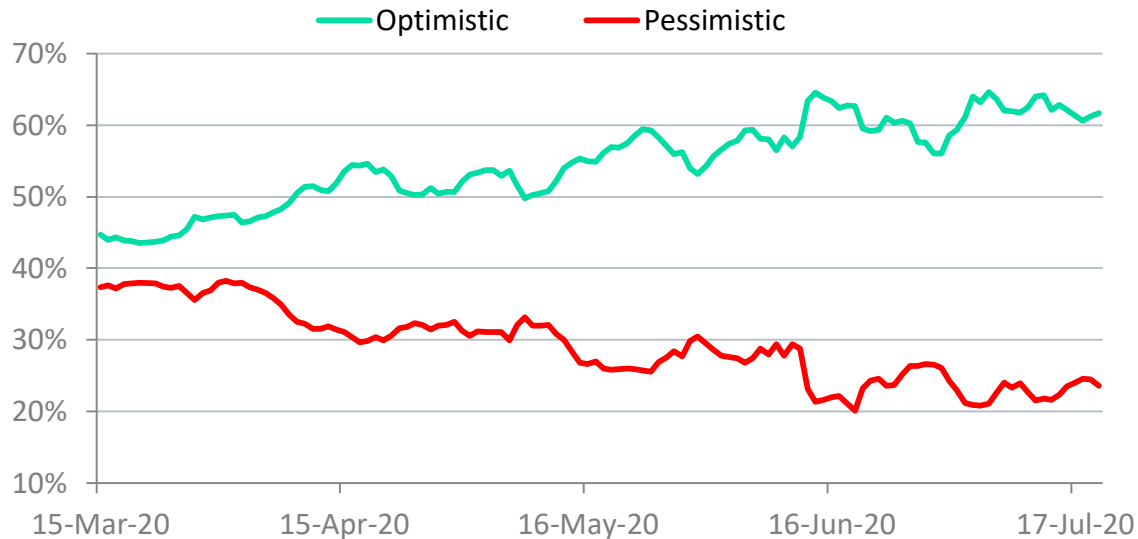


**Poll to Assess Business Sentiment**  
as of 20 Jul 2020

## 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



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. 28,499 responses were received. Calculation based on rolling 7 day average.

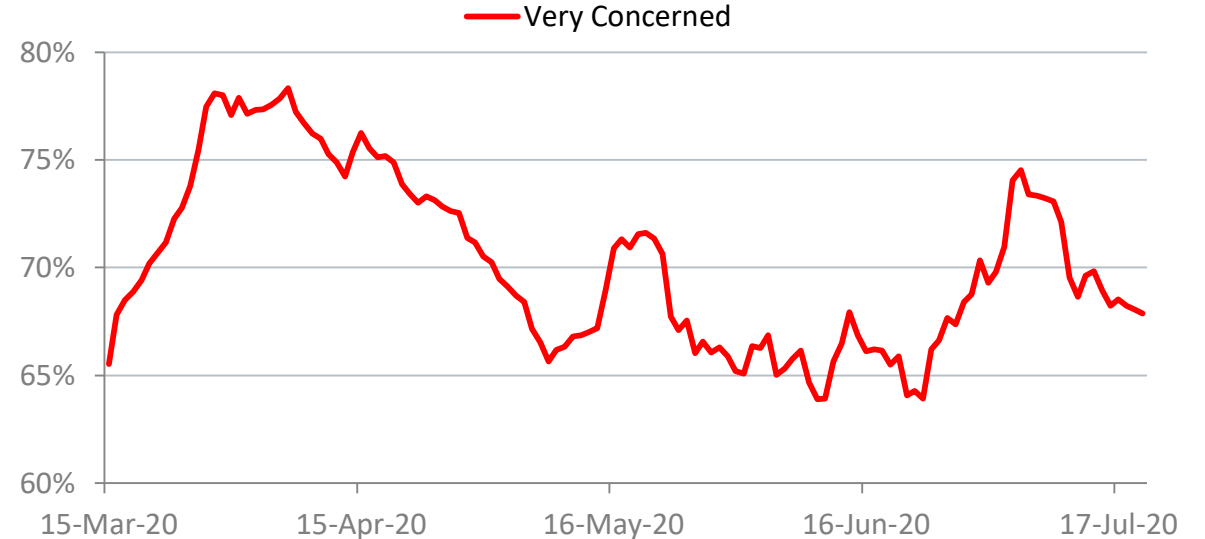
Source: GlobalData Analysis

**Poll to Assess Concern Related to Spread of COVID-19**  
as of 20 Jul 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

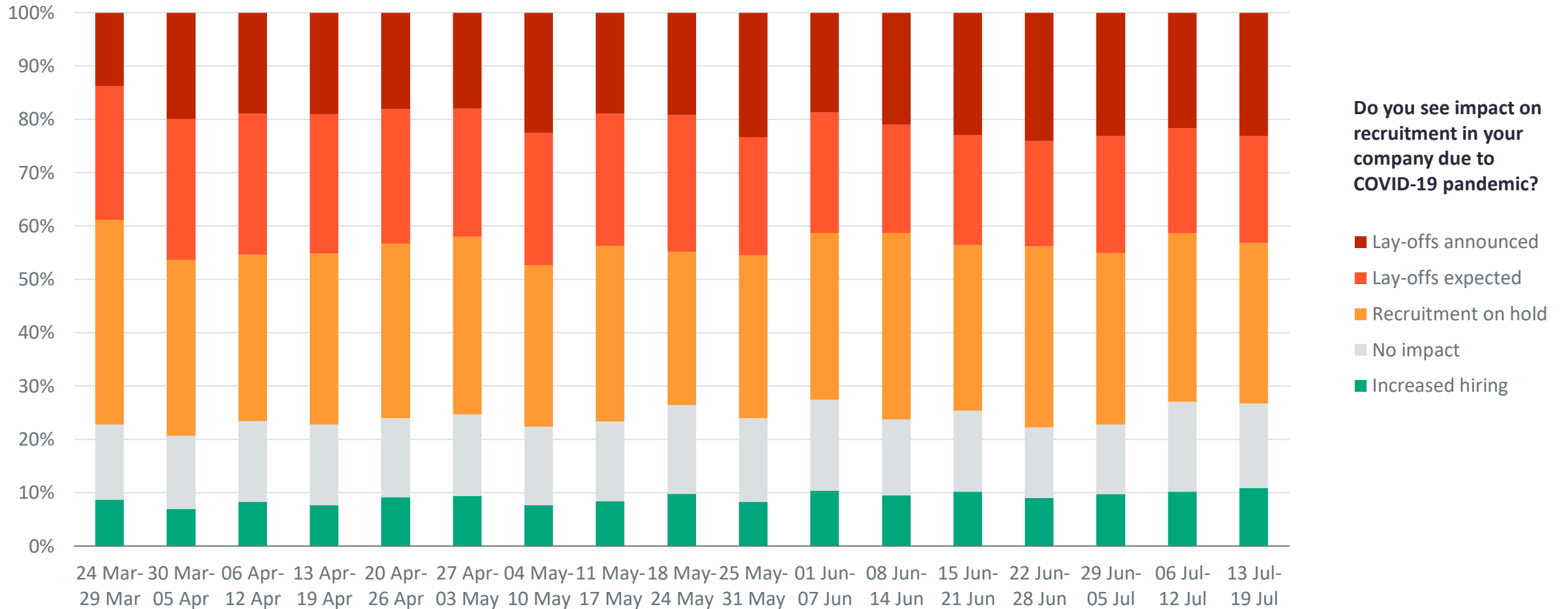


Note: Concern index is based on respondents who answered that they are “very concerned” about the spread of COVID-19. The index is based on a total of 161,038 responses. Calculation based on rolling 7 day average.

# Most of the respondents have witnessed a freeze in hiring activity



**Respondents report a slight surge in lay-offs announced as compared to the previous week**  
*as of 19 Jul 2020*



Note: Analysis based on 26,938 responses received till 19 July 2020. Data represents weekly average responses.

Source: GlobalData Analysis

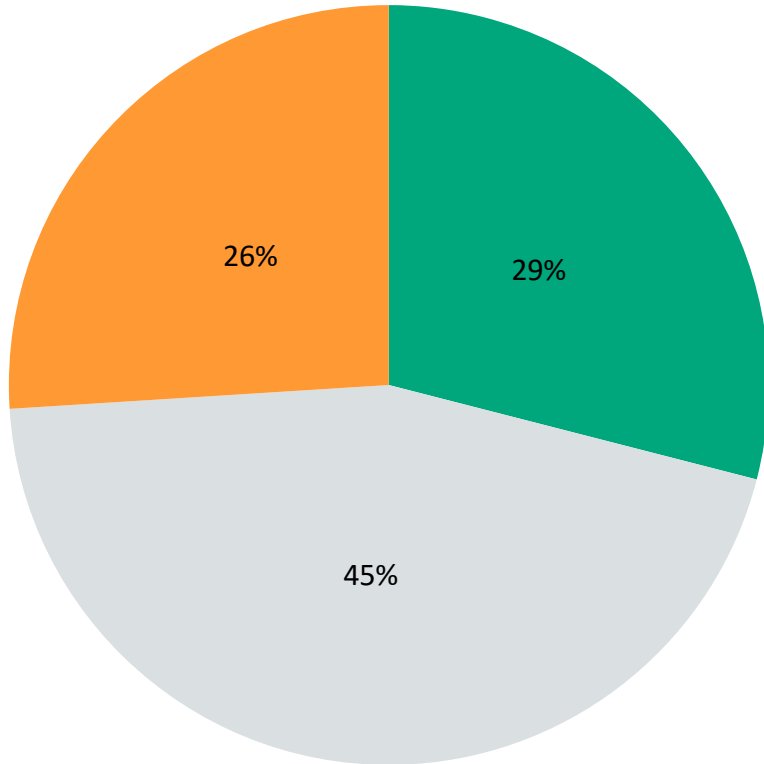


# Few employees want to return to offices full-time

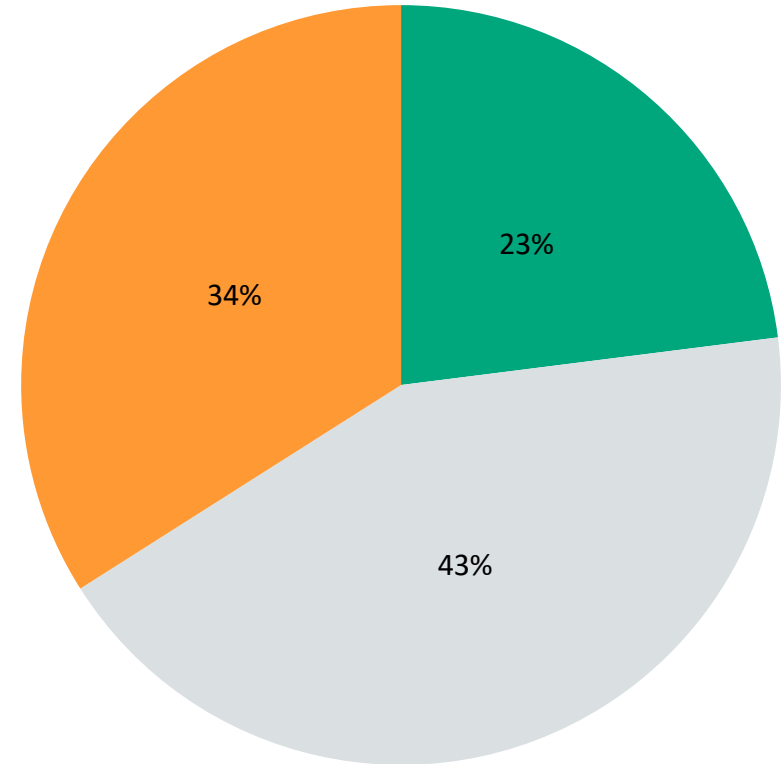


Even those who worked in offices full-time before lockdowns started, want more flexibility  
as of 19 Jul 2020

All respondents



Respondents who worked full-time in offices pre-lockdown



When lockdowns ease, if your employer lets you decide, would you prefer to:

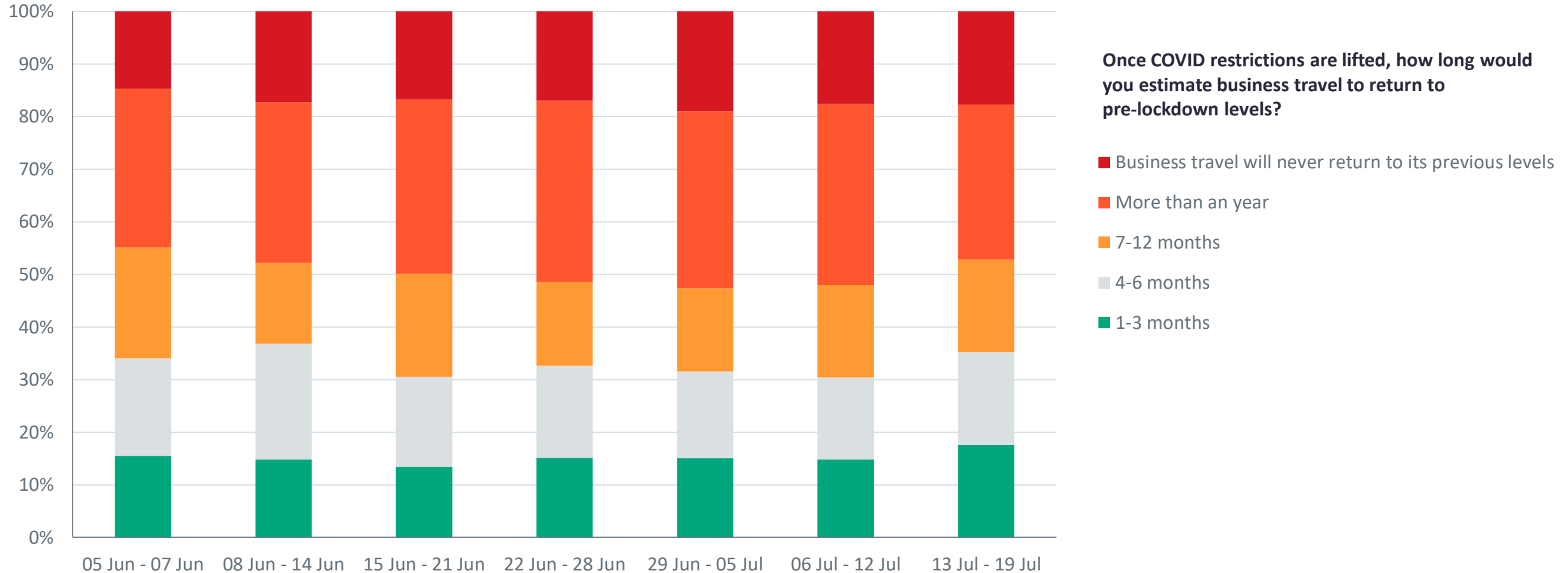
- Work remotely full time
- A mix of both
- Return to work premises full time

As of 19 July 2020, all respondents n-2714; Working in offices n-1840

Source: GlobalData Analysis

# Most respondents report it will take a year or more for business travel to return to normal

COVID-19's impact on business travel will be felt long after the pandemic is over  
as of 19 Jul 2020



Note:  
Analysis based on 10,270 responses received till 19 July 2020. Data represents weekly average responses (except during survey launch week)



## **5. Sector Impact**



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## **Aerospace, Defense & Security**

- Commercial Aerospace primes and their supply chains face the prospect of a lost decade for air passenger growth with a 50% drop in airline revenue for 2020. Prospects of a V-shaped recovery now appear slim. As strategies to exit lockdowns progress, quarantine periods for overseas visitors, travel bans and the prospect of second waves of infections will be instrumental in shaping market sentiment and valuations.

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## **Apparel**

- 16-24 year olds are the most eager group to return to physical shopping as the lockdown on non-essential retail starts to lift across the world. However, even with queues forming at young fashion retailers such as Primark and H&M, sales will not make up for those lost during lockdown. A good result appears to be achieving 80% of the corresponding week's sales in 2019 – but many cannot reach this level and there will be even more casualties.

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## **Automotive**

- June sales figures for most markets are now in. We estimate that June's global light vehicle sales declined 18% year-on-year, the best result for global markets since January. Underpinning the performance was China's market, which increased over 11%. Regionally, the South American market was most damaged with sales declining over 40%. North America's market was down 24%, while Europe fell an estimated 22%. Of the major markets India suffered most, while the markets of Turkey and South Korea exceeded all expectation.

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## **Banking & Payments**

- Banks and payment companies are accelerating digital adoption. Consumers are reducing cash usage to avoid contracting COVID-19 and, out of necessity, engaging with digital channels for their day-to-day banking and payment needs. The rapid and significant shift in channel usage is compelling banks to accelerate channel migration strategies.

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## **Construction**

- Despite the huge stimulus packages, sharp cuts in interest rates, and other unprecedented policy measures across all major markets, the construction industry is likely to be subdued beyond the immediate period of lockdowns and other containment measures. Generally, the construction industry will be heavily affected by the expected widespread disruption to economic activity and a likely drop in investment, with planned projects being delayed or cancelled.

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## **Consumer**

- Unemployment and low consumer confidence continues to affect willingness to spend, with food and household products the only sectors predicted to grow in 2020. Online delivery services and platforms continue to be leveraged by brands as risk-aversion is likely to characterize consumer behavior in future even as lockdown measures begin to ease.



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## Foodservice

- All foodservice outlet types will see double digit declines in 2020. Losses are predicted beyond this period as consumers will continue to prioritize basic food supplies over foodservice offerings despite significant developments and innovation in direct-to-consumer foodservice offerings.

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## Insurance

- There is growing pressure on reinsurance rates as the impact of COVID-19 has meant global reinsurers are unable to recover the cost of capital in 2020. Demand from primary insurers impacted by COVID-19 is also anticipated to increase the pressure on rates as the cost of claims begins to mount.

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## Medical/Healthcare

- Elective procedures are starting to recover, but revenue losses in 2020 are unavoidable.
- Pacemaker market has been particularly hard hit by COVID-19, with the loss of 50% of US revenue during 2020 expected.
- US States back-pedaling on resuming elective surgeries following surge in cases.
- Fear of infection is fueling patient demand for telemedicine services.
- Pent-up demand for replacement joints is not enough to offset negative effects of the COVID-19 crisis on the orthopedics market into 2022.

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## Mining

- As of mid-June all major mining jurisdictions had ended their lockdowns, with mining gradually resuming across the globe. As at the end of June operations at less than 100 mines were on hold due to COVID-19. However, outbreaks of the virus in major operations, such as El Teniente and Chuquicamata in Chile, have sustained concerns over supply, with copper prices touching US\$6,000/t for the first time since the start of the pandemic.

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## Oil & Gas

- Companies are bracing themselves for the prospect of weak oil demand in the near future due to the likely rise of remote workspaces and reduced business travel in the post-pandemic world. This may make operations unsustainable for some companies and lead to a wave of bankruptcies and consolidations within the industry.
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## Packaging

- Adjustments are being made to meet increased demand for more robust packaging suitable for the rising e-commerce channel. Shelf-stable food packaging is in high demand, while packaging for premium and non-essential goods has fallen out of focus. Health and safety concerns continue to heighten demand for single-use packaging formats as sustainability initiatives seemingly take a backseat.

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## Pharma

- The race for a treatment and vaccine continues. Currently there are 2,191 clinical trials for COVID-19 and promising clinical data are beginning to emerge for COVID-19 vaccines. While large trials for vaccines are being initiated, preparation is beginning for vaccine manufacturing resources. Supply chains were disrupted in China at the height of the pandemic but these have since resumed; disruption persists in Europe. At least 1,249 trials are disrupted and 583 Pharma/Biotech companies and CROs are associated with these clinical trials. The good news is that clinical trials are slowly starting to resume and 249 affected trials are back on track.

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## Power

- With the easing of lockdown restrictions, power demand is starting to return to normal. However, the extent of the demand decline can be gauged from the fact that EIA expects 2020 summer U.S. electricity demand to be the lowest since 2009. 2.6% lower in Q1 2020 than in Q1 2019

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## Retail

- Retail has moved on from frictionless shopping to contactless shopping as physical stores open and introduce social distancing and safety measures to prevent infection. Demand in non-food has yet to reach previous levels as consumers gain confidence in physical shopping again – but with footfall down and costs up, profit is hard to achieve.

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## Sports

- The energy sector has over \$280 million worth of sponsorship deals expiring in the next year-and-a-half. Disruption to both the sector and sports calendar caused by COVID-19 will make upcoming renewals less certain. However, long-term partnerships which are prevalent in the sector will help rights holders in negotiations e.g. Uefa (Gazprom – 2012), United States Olympic Committee (BP – 2013).





## Technology, Media & Telecom

- GlobalData has analyzed the impact of COVID-19 on the leading companies operating in 17 separate sectors within technology, media, and telecoms (TMT), with all TMT sectors negatively impacted by COVID-19 in 2020, although IT Services and Consumer Electronics will be the hardest hit
- Despite this, some areas — including telecom services, some telecom infrastructure, and cloud-based solutions — are holding up well or growing. Operators moved forward CAPEX to support critical connectivity requirements and are now beginning to plan to restart 5G, Edge Computing and other initiatives temporarily put on hold or slowed down.

## Travel & Tourism

- The travel & tourism industry is hoping for a marked improvement in the second half of the year and there are some encouraging signs. The UK has established a series of air bridges with other European nations, making short trips viable. Air bridge talks in other parts of the world, most notably between New Zealand and Australia, are at an advanced stage too.
- Airlines are now increasing their flight schedules, both domestically and internationally to create demand during the busy summer months. However, the number of flights operated remains well below pre-COVID levels and many airlines are warning of significant job cuts, with United saying that 36,000 employees could be furloughed from October 1 because of the slump in passenger demand.
- The recent surge in new cases in some US states could see a reintroduction of travel bans and New York state has now imposed quarantine requirements on visitors entering from 19 states.
- Southwest and Delta are operating with reduced capacity on board to implement social distancing and Royal Caribbean has extended suspensions of sailings for three of its brands until September 15, showing the struggle that lies ahead.

## Wealth Management

- Wealth managers are adapting to remote working while managing clients at a key moment of truth: portfolio losses. Millennials are experiencing their first severe market downturn. Baby boomers will appreciate help on how to manage their investments online and assurance that digital channels are effective.
- Merger and acquisition activity has slowed due to the crisis but has not derailed the giant E-Trade-Morgan Stanley or TD-Ameritrade-Charles Schwab deals and smaller robo-advisers are increasingly being targeted for acquisition.



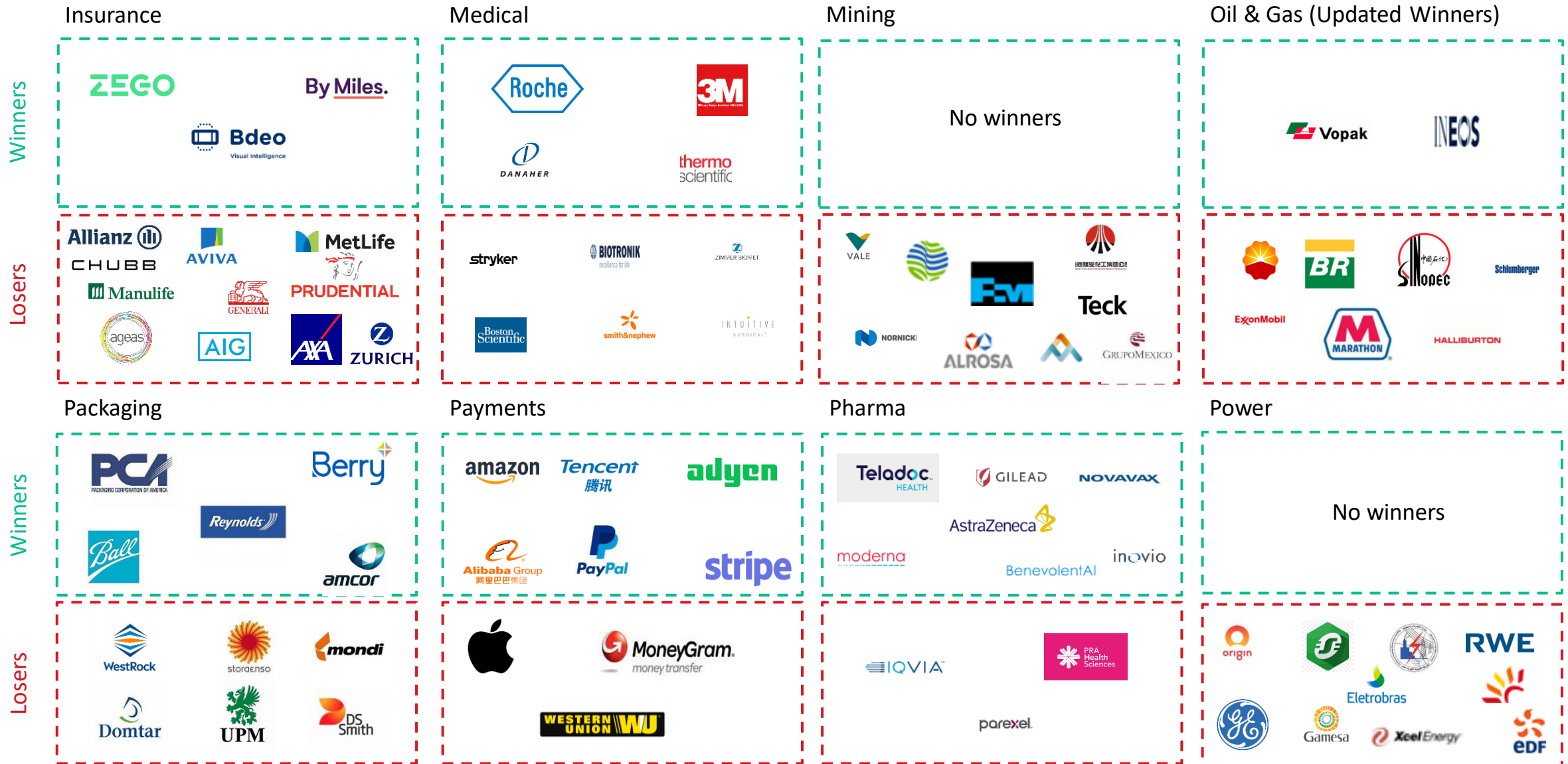
**Winners and losers**

# Sector winners and losers



Source: GlobalData Analysis. Winners score the highest (4 or 5) in their sectors in our COVID-19 thematic ranking; losers score the lowest (1 or 2)

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Source: GlobalData Analysis. Winners score the highest (4 or 5) in their sectors in our COVID-19 thematic ranking; losers score the lowest (1 or 2)



# Appendices

[Return to sector analysis index page](#)





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**Forbes**

*The New York Times*

THE WALL STREET JOURNAL.

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