



PIDE COVID-19 Newsletter

21st March, 2020

No.1

Expert's Advice:

The State Bank of Pakistan needs to figure out the possibility of an advice to the banks for forgiving late payments and suspending penalties.

Expert's Opinion: Future in the Making

Eichengreen, who specializes in economic history and is the author of more than a dozen books, including a highly regarded *'History of the Great Depression'*, said that he is working on the assumption that consumer spending will fall about thirty percent in the second quarter of 2020 which would be unprecedented.

Highest cases (134) reported on 16th March 2020, two deaths were reported on 18th March 2020 in KP and one death is reported on 20th March 2020 in Sindh. (See Chart 3).

Chart.3: COVID-19 Cases and Deaths in Pakistan

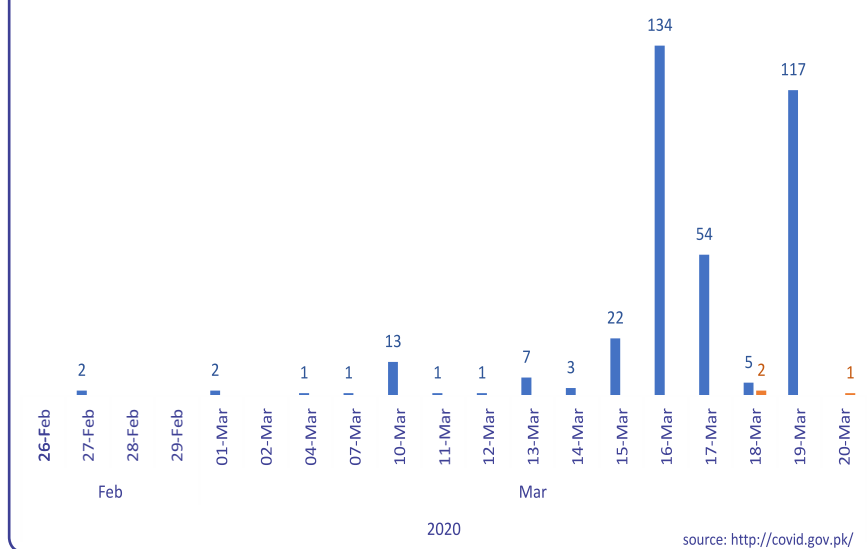
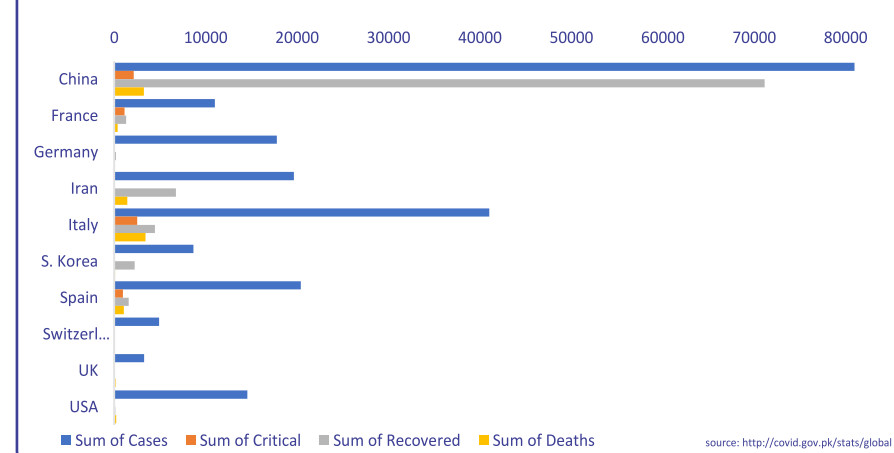


Chart.4 presents the top ten up to date COVID-19 spread in the whole world. So far a total of 177 countries have confirmed cases of COVID-19 with China having maximum number of cases i.e 80967 with 2136 number of deaths. However, Italy has reported most number of deaths i.e. 2498 with a total 41035 registered affected cases.

Chart 4: COVID-19 World's most affected countries



Global News

- Germany's strict no-debt (black zero) policy is at stake due to COVID-19 outbreak.
- Germany has high infection rates but few deaths. There are 17742 cases with the highest number of new cases i.e. 2422 on 20th March. Merkel expects that up to 70% of Germans might become infected with COVID-19.
- French police handed out over 4,000 fines on the first day of a nationwide lockdown.
- The European Central Bank launched a €750 billion (\$820 billion) emergency bond purchase scheme. The Pandemic Emergency Purchase Programme should push down borrowing costs and help counter the economic slowdown in the bloc caused by the virus.

Global Response

- China will provide the EU with 2 million surgical masks, 200,000 more specialized N95 respirator masks and 50,000 testing kits, said the head of the EU Commission, Ursula von der Leyen.
- India sets up task force to tackle economic impact from coronavirus. The task force will take continuous feedback and suggestions from the industry stakeholders. Aviation and hospitality industry have been hit the hardest by coronavirus. It is estimated that India's travel and hospitality industry is expected to take a revenue hit of around INR 8500 Cr due to the suspension of travel plans in the wake of the coronavirus outbreak.

Local News

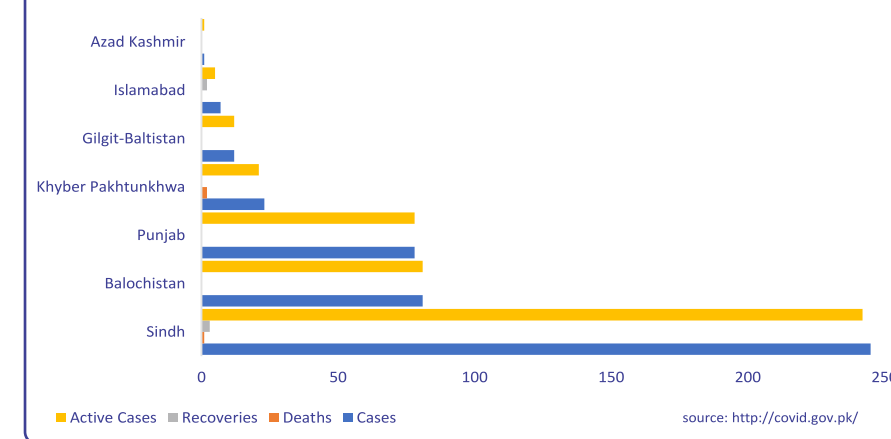
- Friday's death of a 77-year old man brings the total number of deaths in Pakistan to three. The country has 447 COVID-19 infected patients with 11 new cases reported on 20th March, 2020.
- PKR 1.3 trillion damage is expected due to COVID-19 outbreak in Pakistan.

Local Response

- The citizens of Karachi are advised to self-isolate and stay home for coming three days.
- PM to personally look after the developments on COVID-19 on daily basis.

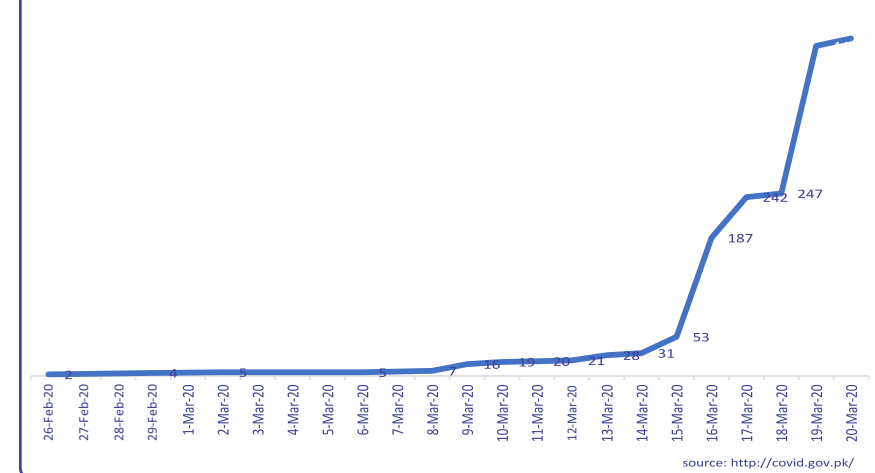
The segregated prevalence of COVID-19 in Pakistan is presented in chart 1. About 55% of cases in Sindh and only one case has been reported in AJK. Three deaths, two in KP and one in Sindh have been stated so far. Five recovered cases have also been reported. According to medical experts, every Virus has bell shape life cycle, if confined the infection rate decreases to zero; COVID-19 is not an exception. Almost all the infected have travelling history, local spread of infection is minimal till now, timely social distancing strategy seems paying off.

Chart.1: COVID-19 Prevalence in Pakistan



First case was reported on 27th February 2020, the figure remained single digit for about 10 days and reported initially within few areas then start increasing rapidly. The count increases exponentially after mid-March 2020. Chart.2 presents the cumulative cases of infected persons.

Chart.2: Increase of COVID-19 cases in Pakistan



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