

MNI POLITICAL RISK ANALYSIS – Global COVID-19 Tracker – Aug 13

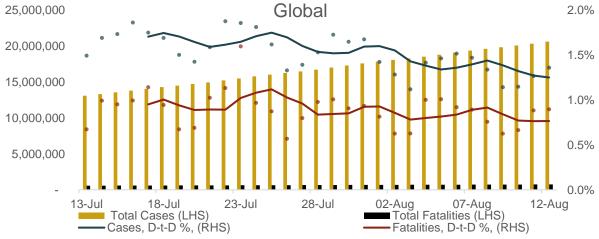
by Tom Lake

Today's Major COVID-19 Headlines And Latest Data

- In their first joint campaign event with Democratic presidential nominee Joe Biden since her announcement as his vice-presidential pick, Kamala Harris said the scale of the outbreak in the US was "because of Trump's failure to take it seriously from the start,". Harris went onto say Trump's "delusional belief that he knows better than the experts". Harris' immediate attack on Trump's handling of COVID-19 is likely a sign of the Democrats making it a primary issue in the election campaign.
- A third Indian Cabinet minister has tested positive for COVID-19, with Minister of State for Defence Shripad Naik announcing he would self-isolate at home. Follows on from Home Minister Amit Shah and Minister for Petroleum Dharmendra Pradhan who are both confirmed cases. Comes on the day that fatalities from the virus in India reached 47,000, giving it the fourth-highest total worldwide behind the US, Brazil and Mexico, overtaking the UK.
- The Spanish region of Galicia has banned smoking in public areas or the street
 where social distancing cannot be managed. Regional government adviser
 Fernández Villar said, "We know that this is an unpopular measure for smokers, but I
 believe we are in an exceptional situation." This is the first measure of its kind in
 Europe and comes as new cases averaging over 1,000 per day in Spain in August.
- Global increase in cases (daily) Yesterday: 1.4%. Seven-day average: 1.3%
- Global increase in fatalities (daily) Yesterday: 0.9%. Seven-day average: 0.8%

MNI POLICY: Daly Says Stronger Fed Guidance Needed Eventually – San Francisco Fed President Mary Daly said Wednesday it's a matter of time before stronger forward guidance will be needed that ties interest rates to economic outcomes, while for now monetary policy has created clear expectations that help sustain the economy through the choppy path out of the pandemic. On MNI Policy Main Wire and email now - for more details please contact sales@marketnews.com

Chart 1. COVID-19 Cases and Fatalities, Nominal and % Chg Day-to-Day (5dma)

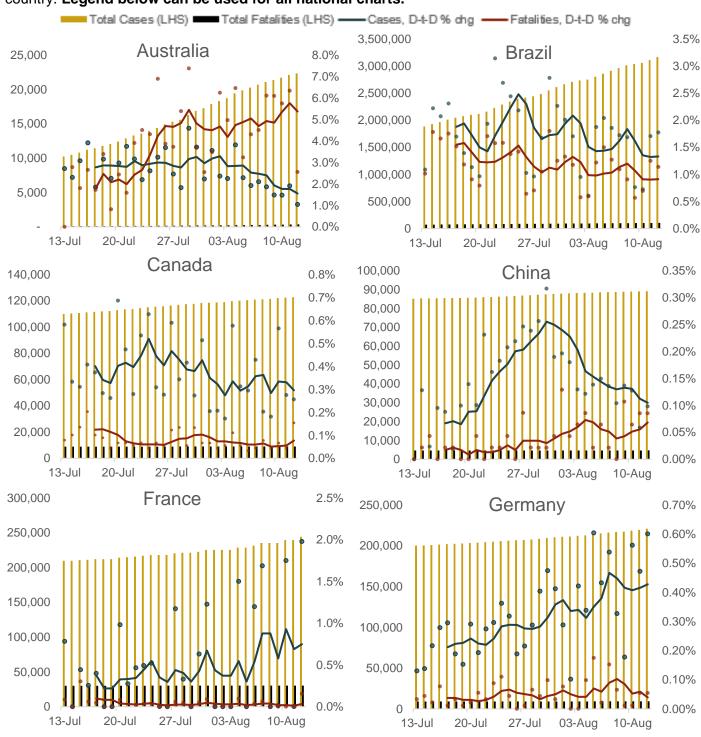


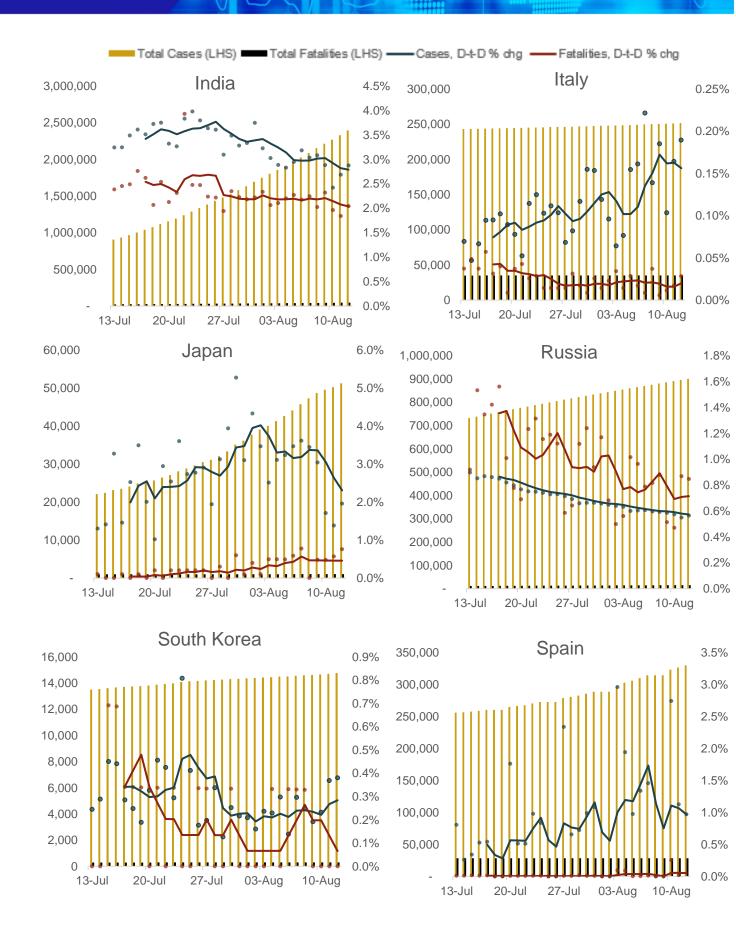
Source: JHU, MNI. As of 0600BST August 13. N.b. Each dot represents a single day's figures, data for past month

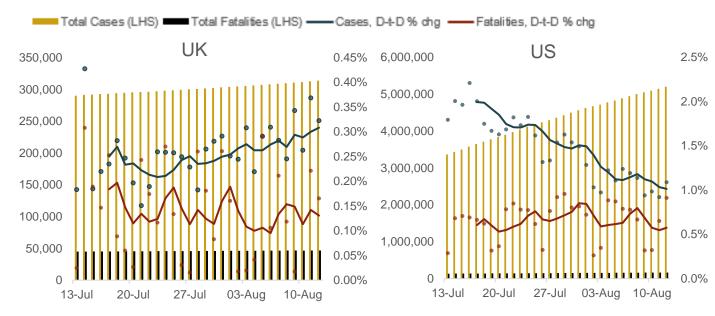




Chart Pack 1 – Short-Term COVID-19 Cases and Fatalities, Nominal and % Chg Day-to-Day (5dma) The chart pack below records the number of COVID-19 cases and fatalities resulting from COVID-19 recorded in key economies over the past month in each respective country. The charts also display the rate of increase in recorded cases and fatalities in each country. Legend below can be used for all national charts.







Source: JHU, MNI. N.b. Global legend applies to all charts. All data correct as of 0600BST August 13, and represents full-day data submissions, rather than intra-day figures. Each dot indicates the data from a single day.

Table 1. COVID-19 Data Table

Country	Confirmed Cases	New Cases Last 24hrs	Recovered	Deceased	Tests Carried Out, Date in ()	Mortality Rate (per 100 recorded cases)	Rate of Increase in cases (5-day average)
Global	20,634,064	276,659	12,841,273	749,358	N/A	3.6	1.29%
Australia	22,358	231	13,001	361	5,041,344 (12/8)	1.6	1.65%
Brazil	3,164,785	55,155	2,506,228	104,201	13,464,336 (12/8)	3.3	1.40%
Canada	122,389	314	108,829	9,052	4,581,083 (12/8)	7.4	0.32%
China	89,045	87	82,635	4,697	N/A	5.3	0.11%
France	239,355	4,733	83,609	30,375	3,510,897 (21/7)	12.7	0.90%
Germany	219,623	1,319	199,441	9,213	9,265,361 (11/8)	4.2	0.45%
India	2,329,638	66,999	1,695,982	47,033	26,845,688 (12/8)	2.0	2.83%
Italy	251,713	476	202,697	35,225	7,369,576 (12/8)	14.0	0.17%
Japan	50,589	986	34,969	1,066	1,405,649 (11/8)	2.1	2.53%
Russia	900,745	5,054	714,934	15,231	31,598,302 (12/8)	1.7	0.58%
South Korea	14,770	56	13,817	305	1,637,100 (13/8)	2.1	0.29%
Spain	329,784	3,172	N/A	28,579	6,678,414 (29/7)	8.7	1.05%
Sweden	83,455	329	N/A	5,774	917,036 (11/8)	6.9	0.30%
United Kingdom	313,402	1,009	N/A	46,706	13,785,297 (12/8)	14.9	0.30%
United States	5,141,208	55,910	1,755,225	166,026	63,731,305 (12/8)	3.2	1.04%

Source: JHU, State.au, Government of Canada, Center for Disease Control and Prevention, Ministeiro de Sanidad, COVID Tracking Project, Public Health Agency of Sweden, Robert Koch Institute, Japanese Ministry of Health, Labor, and Welfare, Department for Health and Social Services, Ministerio da Saude, Sante Publique France, Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing, Indian Council of Medical Research, MNI. As of 1020BST August 13. Test numbers for China, and recovery numbers for UK, Spain and Sweden not available. PCR and Rapid tests for Brazil and Spain. Completed test numbers for UK rather than completed and distributed.





Sell-Side COVID-19 Comments:

In this section we include selected comments from various sell-side outlets from the last day that relate to the COVID-19 outbreak, either providing updates on policy responses, interesting data points, changes to forecasts, market moves, or the analyst's outlook for the virus itself, various economies, or asset classes.

ANZ:

- "The positivity rates of COVID testing in the US, Japan and Spain are elevated suggesting that the virus remains a clear and present threat. More testing and social distancing measures are required to contain the spread of the coronavirus in these countries."
- "In the US, the recovery has cooled amid new restrictions and heightened consumer apprehension. The Japanese government is focusing on an economic recovery and is reluctant to impose restrictions in the face of a resurgence in cases; but, this may matter little if consumers remain cautious. Meanwhile the recovery in Europe is encouraging, though a spike in cases gives some grounds for caution."

Deutsche Bank:

"As for the latest on the virus, overnight New Zealand saw another 13 new cases in its fresh outbreak while Singapore quarantined 800 migrant workers after a case was discovered in a dormitory that had been cleared. Meanwhile, in the US, new cases grew by 1.1% in the past 24 hours. Hospitalizations in Texas dropped to a six week low and in New Jersey, Governor Murphy gave the state's public schools the option of all-remote classes."

Goldman Sachs:

• "While the trajectory of the coronavirus and the severity of its economic impact remain highly uncertain, our base case assumes that the path of new infections does not prevent a continued gradual recovery in global economic activity. We expect the FDA will approve at least one vaccine this year and that large shares of the US and European populations will be vaccinated by the end of Q2 and Q3 2021, respectively, though risks to this baseline are skewed to the downside."

National Australia Bank:

- "How the virus spreads, and how countries respond to any future uplift in cases, is likely to remain a key driver of economies. Even absent further spikes in COVID-19, a full recovery is likely to take an extended time. This is because many business closures will be permanent, the uncertainty around COVID-19 will engender business and household caution (particularly for major investments), damaged balance sheets, tighter financial conditions and the time needed to adjust to structural changes accelerated by the virus (e.g. on-line retail, work from home)."
- "Risks of fresh outbreaks of COVID-19 remain a significant concern. Although there appears a low probability of the large scale, country wide lockdowns seen during the first wave of outbreaks, localised hard countermeasures such as those currently



imposed in Melbourne and others recently imposed in parts of China, India and the United States – remain a risk, and could disrupt a smooth path to recovery."

Nomura:

- "The emergence of a significant COVID-19 second wave [in Australia] centred in Melbourne and worse than the first – is expected to impact output in Victoria and consumer and business sentiment across the nation. JobKeeper (wage subsidy) and JobSeeker (boosted unemployment benefit) payments are set to reduce over Q4 and Q1, in net terms, providing another headwind."
- "One of our risks a COVID-19 second wave has been realised. Our base case is that lockdowns in Victoria do not extend to New South Wales, but this is a possibility. Upside risks include COVID-19 vaccine progress, while Australia may also benefit from the relatively greater COVID-19 misfortunes of other commodity exporters."

Table 2. Social Policy Responses to COVID-19 in Selected Countries

Country	Government Social Responses – Text in red indicates measures imposed or topics discussed in last 24hrs
Australia	 Ban on entry to non-residents (doesn't extend to citizens, permanent residents, or their families). All foreign arrivals will be quarantined in hotels for 14 days The city of Melbourne has re-entered a state of full lockdown for the next six weeks following a spike in cases in Australia's second-largest city. Individuals will be restricted to their homes, with work, food shopping and exercise the only reasons people will be able to leave. Schools, non-essential shops and bars will all be closed, while restaurants will only be able to offer takeaway. Australia has postponed the opening of parliament for several weeks from Aug 4 to Aug 24 due to the continued spread of COVID-19 in the country's two most populous states. From July 22, individuals will only able to cross the Victoria-NSW border due to essential work, health, or education reasons. NSW brings in new restrictions following a cluster of outbreaks around Sydney. Group bookings to be limited to 10, a cap of 300 individuals allowed in each venue, and weddings and corporate events limited to 150 attendees. Face masks mandatory in Victoria, and individuals can no longer visit family or friends as of July 30. Victoria enters a 'state of disaster', with shops, factories and non-essential businesses closed as of August 3. A night-time curfew will be in place between 8pm and 5am for six weeks, with only those working or seeking/providing medical care allowed to leave their homes. 500 military personnel deployed in Victoria from August 4 to enforce lockdown. Fine for breaking self-isolation orders rise to AUD5,000 (USD3,559). Queensland closes its entire border with New South Wales as of August 5 following a spike in cases in and around Sydney. PM Scott Morrison said on August 10 that he said it was unlikely that Australia's international borders would reopen before 2021.





	 The Northern Territory has said that it will close its borders to Australia's most affected states until at least 2022 according to Chief Minister Michael Gunner. The sparsely-populated region has not had an infection since May. South Australia has raised the number of people allowed to attend a gathering from 10 to 20, but has tightened its border controls with neighbouring Victoria.
Canada	 As of April 14, all citizens and residents returning from abroad will have to be quarantined in a hotel unless they have an alternative self-quarantine plan with access to food and medicine and are forbidden9 to live with vulnerable people. Canada and US extend border restrictions to July 21. Only essential workers and those with special family dispensation allowed to cross at present. Businesses in Toronto able to open as of June 24, with malls and restaurants able to open on terraces. Travel ban on most foreign travellers extended to July 31, apart from those from US who are not Canadian citizens, permanent residents, or have an essential reason for travel. Ontario has introduced legislation to allow for a monthly extension of some pandemic emergency measures for the next year, after which it will expire. The current state of emergency will expire on July 15. Chief public health officer Dr Theresa Tam raises prospect of tighter restrictions speaking on July 27 following a creep-up in new cases, especially in the West of the country. Nova Scotia Premier Stephen McNeil states on August 3 that the province is not yet ready to open up to the rest of the country without a 14 day quarantine period in place, saying "I am looking at possible options for us as a province to start opening up but we're not there yet."
China	 Beijing has announced new regulations on "encouraging civilised behaviour" in an attempt to stop any second-wave outbreak. Tourist sites allowed to return to 50% of daily capacity, from 30%, in an attempt to support the tourism sector. Tour agencies allowed to run local group tours across provinces, although foreign tourists are still banned. Travel restrictions tightened in Urumqi, capital of Xinjiang province, after 5 new cases were recorded on July 17. The city recorded its first new case in 5 months on July 16. The city's subway line has been shut and 200 flights cancelled at the international airport. "Wartime state" declared in Urumqi following a spike in cases. Visits to other households are limited alongside large gatherings, testing has been dramatically increased, and residents have been encouraged not to leave the city. All passengers travelling to China by air now required to provide a negative COVID-19 test in advance, taken a maximum 5 days before boarding. Residents of Urumqi, Xinjiang will have to test negative in both PCR and antibody tests before being allowed to leave the city if they have been there for 14 days or more. A 14-day quarantine will be imposed on those travelling to the city from other high-risk areas. Authorities mandate local bodies must engage in regular COVID-19 tests at wholesale markets to avoid an outbreak similar to that recorded in Beijing in June.





	 China has relaxed its restrictions on South Korean students and workers as of August 5, allowing visa applications for the first time since March.
France	 Temporary unemployment' scheme extended for up to two years to allow people to retain their jobs during the course of a full economic recovery after COVID-19 according to labour minister Muriel Pénicaud. All bars, cafes and restaurants nationwide are allowed to open as of June 15, and the second round of municipal elections will take place on June 28 following their delay from March. Entry ban for EU and Schengen citizens lifted from June 15 with no quarantine or health certificate required. France enters third phase of lockdown unwinding on June 22, with schools reopening and children required to return, as well as cinemas, sports halls, holiday parks, and casinos. In France wearing face masks in enclosed public spaces is mandatory nationwide as of July 20. Authorities in some areas have been given powers to make the wearing of face masks mandatory outdoors as of August 4. Nice, Biarritz, Bayonne, Orleans, and the region of Mayenne all have orders forcing individuals to wear masks outdoors in certain areas. Authorities in Paris have introduced new rules requiring the wearing of face masks in certain outdoor areas in busy parts of the city as of August 10, primarily along the River Seine and in tourist hotspots. PM Jean Castex announced on August 11 that local authorities across France will be given powers to create local plans for containing the virus following a spike in cases. The ban on events of more than 5,000 people will remain in place until Oct 30, while police will be given powers to enforce rules on social distancing and wearing face masks in busy areas.
Germany	 All shops allowed to reopen as of May 18, as long as social distancing measures are observed. Border controls and travel ban with EEA countries (EU+UK, Switzerland, Norway, Iceland, Liechtenstein) removed as of June 15. 'Big events' are set to remain banned until the end of October Lockdown in the district of Gütersloh, surrounding the Tönnies meat processing plant, lifted as of July 7 following an order from North Rhine-Westphalia's Higher Administrative Court. The district will revert to the unwinding measures in place across the nation. Agreement reached between federal and state governments on local lockdowns, with tightly limited hotspots to be put into lockdown rather than entire districts. Local travel bans will be brought in if cases continue to spike in any area. Government issues warning against visiting certain areas of Spain that have recorded a spike in new cases in recent days. Catalonia, Navarre, and Aragon on the list of regions. Around 15,000 children in the northern state of Mecklenburg-Western Pomerania returned to school on August 4, making them the first in Europe to start a new school year. The state has been Germany's least-affected by





	COVID-19. Hamburg followed suit on August 6, and Berlin, Brandenburg, and
	North Rhine-Westphalia the week after.
	German Health Minister Jens Spahn announced on August 6 that all
	individuals travelling to Germany from high-risk countries will be required to
	take a COVID-19 test on entry from August 8 onwards.
	Schools will not reopen until the new school year in September.
	As of June 1 some major tourist sites, such as the Colosseum and the Leaning Traver of Piece, have been allowed to read as
	Tower of Pisa, have been allowed to reopen.
	 As of June 3, borders have been opened without quarantine and individuals are allowed to travel between different regions.
	 The Italian government has opted out of the lifting of a travel ban on 15 non-
	EU 'safe' countries as listed by the EU. As such the country's quarantine rule will remain in place for non-EU travellers.
	 Confirmed on July 14 by Health Minister Roberto Speranza that the restrictions
Italy	on public gatherings and obligations to wear face masks in public will be extended to July 31 at the earliest.
	 New 'emergency decree' running from August 10 to September 7 sees restrictions on travel and rules on face masks and social distancing remain in
	place. Cruise ships will be allowed to resume travel as of August 15, as long
	as they only travel to other EU states. The employee furlough scheme remains
	in place, and tax collections can be deferred.
	A 14 day quarantine introduced for those returning from Spain, Greece or
	Malta as of August 12.
	Government lifts state of emergency across Japan on May 25.
	On June 19 government lifts internal travel restrictions that prohibited non- acceptible to and from Talaya and its averaged in a professional and the
	essential travel to and from Tokyo and its surrounding prefectures, and the island of Hokkaido.
	 Japanese government spokesman Yoshihide Suga stated on July 9 that there is no need to reintroduce a state of emergency in any prefecture despite a
	record increase in cases in Tokyo on July 8.
	 Government looking to relaunch business travel between Japan and 10 Asian
	countries that have largely suppressed the spread of COVID-19. Government
	will allow those with a negative COVID-19 test to enter the country as long as
	they submit an itinerary of their trip to authorities.
Japan	Government confirms on July 22 that its planned easing of restrictions to allow
'	spectators at large-scale events will be delayed. The cap on attendees at
	5,000 will now be maintained until the end of August at the earliest.
	Government announces plan to partially roll back restrictions on foreign
	nationals, allowing around 200,000 foreign residents to be gradually
	readmitted to the country.
	 Minister in charge of COVID-19 response says nightlife businesses that do not
	following coronavirus guidelines could be named and shamed as the number
	of new cases recorded from outbreaks at hostess bars increases.
	 Government mulling the introduction of punishments for businesses not
	abiding by COVID-19 restrictions according to economic revitalisation minister
i .	Yasutoshi Nishimura on August 2.



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	 Those returning to Japan from Bangladesh, Pakistan, the Philippines and Peru face stricter procedures from August 7. Permanent residents and long-term visa holders will need to provide a negative PCR test taken before departure to re-enter the country. Japanese Prime Minister Shinzo Abe reiterated his stance that the reintroduction of a state of emergency was not necessary, despite a continued spike in new cases in the country. Abe said a state of emergency was not required as the number of severe cases and fatalities has been far lower than during the country's first wave outbreak in April and May.
New Zealand	 Everyone coming to New Zealand (except those from Pacific Islands) will be required to self-isolate for 14 days. Ban on entry to non-residents. New Zealand military has been put in charge of the country's quarantine programme and border operations. PM Ardern on June 30 rebuffed calls to reopen the country's borders, saying that to do so would be "dangerous" with the rate of infection still increasing worldwide. Government has reached a deal with Air New Zealand to restrict the number of places available for international arrivals to ease the pressure on isolation facilities. These restrictions apply to New Zealand permanent residents and citizens. Has sparked a major backlash, with critics arguing the restriction is in breach of the country's bill of rights. PM Jacinda Ardern announced on August 10 the formation of a 'travel bubble' with the Cook Islands in the South Pacific by end-2020. New Zealand has recorded its first cases of community-transmitted COVID-19 in 102 days, with a family of 4 infected by an unknown source. In response, PM Jacinda Ardern placed the city of Auckland into IvI.3 lockdown (staying home encouraged) until midnight Friday, and the rest of the country into IvI.2 (social distancing required).
Spain	 On June 9 the government announced that the wearing of face masks will remain compulsory for an unlimited amount of time until a vaccine for COVID-19 is found. Spain's COVID-19 state of emergency has come to an end, while the country's borders have reopened to tourists from EU members, Schengen states, and the UK, who will not have to quarantine having come to the country. Restrictions re-imposed around the A Marina district in Galicia in NW Spain following a spike in cases. Around 70,000 individuals are subject to the restrictions that will be in place for at least 5 days. Individuals are by and large not allowed to leave the area, and gatherings will be limited to 10. In Spain's autonomous community of Catalonia restrictions were introduced in in areas including Barcelona following a spike of 1,226 cases on July 18. Tighter restrictions banning meetings of more than 10 people or leaving the home for non-essential activities are in place for at least 15 days. Catalan authorities have ruled out the imposition of mandatory lockdown restrictions across the autonomous community as the number of new cases recorded has declined in recent days.





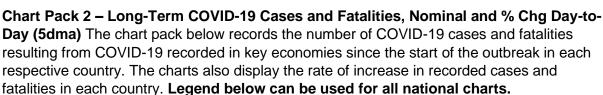
	 Face masks compulsory in public indoors or outdoors in Madrid as of July 28, with bars forced to close at 1am and gatherings on restaurant terraces limited to 10. Checks on travellers at Madrid airport set to increase as well. Catalonian regional leader announces the likelihood of stricter lockdown measures should the number of new cases fail to decrease in the next 10 days. Galicia has banned smoking in public areas or the street where social distancing cannot be managed. Regional government adviser Fernández Villar said, "We know that this is an unpopular measure for smokers, but I believe we are in an exceptional situation." This is the first measure of its kind in Europe.
United Kingdom	 As of June 1, individuals in England allowed to meet in groups of up to six, including with those from outside their household. Primary schools in England have also re-opened for some pupils. All shops selling non-essential items in England allowed to re-open as of June 15. Anyone in England travelling on public transport is required to wear a mask or face covering as of June 15. The UK has lowered its COIVD-19 alert level from four (the second highest) to three (the third highest) following what the chief medical officers have deemed a steady decrease in cases. COVID-19 restrictions have been significantly relaxed as of July 4. Pubs, restaurants, hairdressers, hotels, cinemas, places of worship, museums and a number of other hospitality, tourist, and cultural areas allowed to reopen. The social distancing rules have been changed to guidelines, with the distance reduced from 2 metres to '1 metre plus'. Scotland lifts 5-mile travel limit on July 3, allow the meeting of other households indoors from July 10, and reopened pubs, restaurants, and hairdressers from July 15. Further relaxation of lockdown restrictions announced July 17, with individuals encouraged return to return to working in offices as of August 1 if it is deemed safe to do. Non-essential travel on public transport is allowed as of July 17. The wearing of face coverings in shops is mandatory in England as of July 24, with the measure including banks, post offices, and takeaway food outlets. Masks have been mandatory in shops in Scotland since July 10, but are not required in outlets in Wales or Northern Ireland. UK government added Spain back onto the list of countries where travellers returning from are required to quarantine for 14 days following a spike in cases. This caused an immediate backlash from the Spanish government and travel companies. Swaths of northern England put under a local lockdown on August 1 following a spike in cases. The restrictions ar

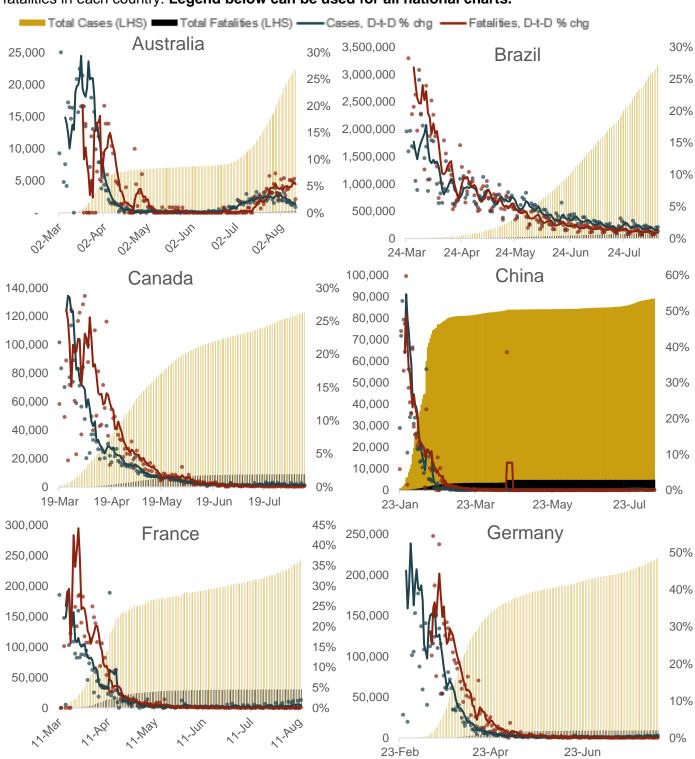


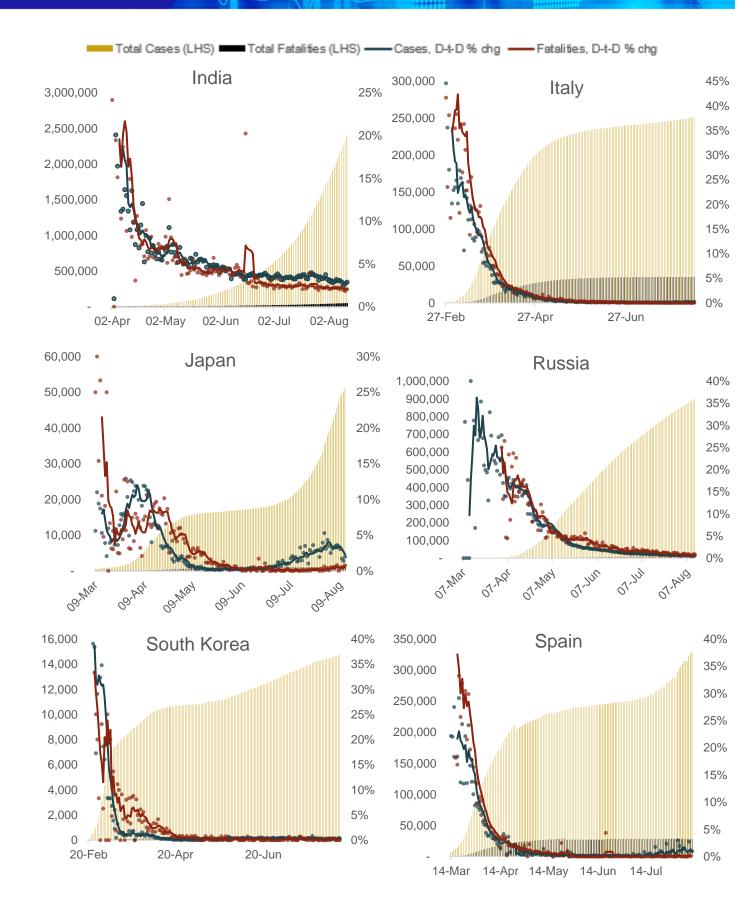


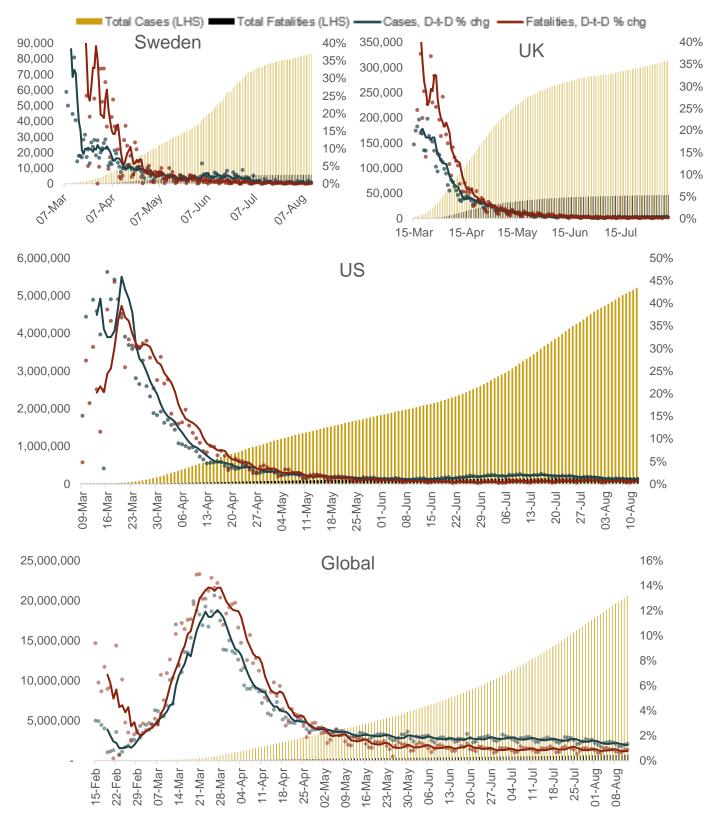
	Preston the latest English town to enter a local lockdown following a spike in
	cases.
United States	 Ban on travel from 28 European countries. Border with Canada to shut to non-essential transit. State Department warned citizens not to travel abroad, issuing the highest possible level of travel advisory. Level 4: Do Not Travel advisory "advises U.S. citizens to avoid all international travel due to the global impact of COVID-19." New York, New Jersey and Connecticut have enlarged a quarantine for individuals coming from 34 states. Those arriving will be asked to self-isolate for 14 days, with a potential fine of USD1,000 for breaking of quarantine. Other states, including Alaska, Florida, Hawaii, Illinois, Kansas, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Mexico, New Jersey, Ohio, Pennsylvania, Rhode Island, South Carolina and Vermont all requiring or recommending a quarantine period after visiting certain states. In Florida, beaches have been closed, while bars across the state are also closed. In Texas, bars are also closed while limiting indoor seating at restaurants. Arizona has joined others in re-imposing lockdown conditions, with bars, cinemas, gyms and other public meeting areas closed. Wearing of face masks mandated in public in Texas, Louisiana, and Mississippi. Bars also closed in Louisiana, Colorado, and Michigan. In California indoor activity at restaurants, bars, entertainment venues, zoos and museums has been halted immediately state-wide, while churches, gyms and hairdressers are closed in the worst-affected counties. Chicago Mayor Lori Lightfoot confirms that local officials are re-tightening COVID-19 restrictions in the city on restaurants, bars, gyms and other personal services from July 24. First presidential debate due to be held on September 29 moved from Indiana to Ohio due to COVID-19 precautions. Original host Notre Dame University said the social distancing restrictions "would have greatly diminished the educational value of hosting the debate on our campus".
	 Florida Governor Ron De Santis has removed restrictions on those travelling to the state from New York, New Jersey, and Connecticut.











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