



Global

Cross-Discipline

# Thematic Research

Date

30 March 2020

## Corona Crisis Daily

### How cases have developed globally

- Global cases have risen to over 700,000, with the US (over 142,000 cases) driving the bulk of the recent growth rate. However, over the last 24 hours the global growth rate has dipped below 10 per cent after trending in a low double digit range for the past ten days. The peak of 14 per cent occurred last Sunday (March 22). Will that be the high watermark?
- In the US, new cases started to slow slightly over the weekend and in percentage growth terms are now in the teens not the twenties. This week will be important as today marks two weeks since New York City – the clear epicentre of the virus in the US, with nearly 24 per cent of total cases – closed all restaurants and bars and started to implement shutdown conditions. More alarmingly for the US, number of deaths have more than tripled over the last five days.
- Germany saw new case numbers increase 8.2 per cent over the last 24 hours. German case growth has fallen out of the mid-teen range it had been in for the last eight days. Meanwhile, newly reported death growth remains in the mid-20 per cent range for a second day, after it had been in a narrow range around 30 per cent for five days.
- Italy saw its number of fatalities pass 10,000 over the weekend - over three times that seen in China. Along with Spain (6,803 deaths), they have seen the most pressure on their healthcare systems, with deaths per 1m of the population at 178 and 146 respectively. China is at 2 on this measure. The next closest nation of those most adversely affected is France with 40.
- The good news for Italy is that its new case growth rate has been in the single digits for seven days in a row now, with yesterday the lowest at 5.6 per cent. Similarly three of the last four days have seen a sub-ten per cent growth rate in fatalities, indicating that Italy's containment may be working in flattening the curve.
- There are also indications that improvements are being seen in Spain too. New case growth has dipped under ten per cent for the first time with the growth in deaths (13.7 per cent) the lowest in over two weeks.
- One concern to keep an eye on are the increasing new case growth rates in Asia. Over the weekend, Japan posted a double digit new case growth rate for the first time since March 13. Furthermore, the Philippines saw two days of 30 per cent case growth rate over the weekend for the first time.
- In our tables and charts (click "View report"), we see that most of Europe has seen downward trajectories in the growth rate of new cases over the weekend. We have also included Open Table data for cities and countries

Jim Reid

Strategist

+44-20-754-72943

Karthik Nagalingam

Research Associate

+1-212-250-0521

Luke Templeman, CPA

Research Analyst

+44-20-754-17373

Marion Laboure, Ph.D.

Research Analyst

+44-207-545-0679

Henry Allen

Research Analyst

+44-20-754-11149



around the world to show the drop in restaurant business, which is a proxy for when lockdowns went in place effectively. We also show as much virus mortality rates by age as we can get at the moment. We'll try to add new graphs each day so keep clicking back to see them alongside the updated regulars.

Figure 1: Change in coronavirus cases over the last five days across major affected areas the world

Country/Territory	Confirmed Cases	Cases/1M Population	Last 5 Days Daily Rate of Change					Rate of Change 14 days ago
			T-1	T-2	T-3	T-4	T-5	
United States	142,178	430	15.1%	18.7%	21.9%	25.3%	24.2%	67.4%
Italy	97,689	1,616	5.6%	6.9%	7.3%	8.3%	7.5%	13.1%
China	81,470	57	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%
Hubei	67,801	1,159	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ex-Hubei	13,669	10	0.2%	0.3%	0.4%	0.4%	0.5%	0.1%
Spain	80,110	1,713	9.4%	11.4%	13.7%	16.7%	17.7%	18.5%
Germany	62,435	745	8.2%	13.4%	15.8%	17.7%	13.1%	24.3%
France	40,174	615	6.9%	14.0%	13.1%	15.5%	13.1%	22.8%
Iran	38,309	456	8.2%	9.5%	10.0%	8.8%	8.9%	7.6%
Switzerland	14,829	1,713	5.3%	8.9%	9.5%	8.4%	10.3%	7.5%
United Kingdom	19,522	288	14.2%	17.5%	24.7%	22.3%	18.0%	10.9%
South Korea	9,661	188	1.9%	1.6%	1.0%	1.1%	0.0%	0.9%
Japan	1,866	15	10.2%	11.0%	9.0%	7.0%	9.6%	4.6%
Worldwide	722,196	92.59	8.9%	11.2%	12.1%	13.5%	10.7%	6.9%

Source : Deutsche Bank, WHO, CDC, ECDC

Figure 2: Change in coronavirus fatalities over the last five days across major affected areas the world

Country/Territory	Confirmed Deaths	Deaths/1M Population	Last 5 Days Daily Rate of Change					Rate of Change 14 days ago
			T-1	T-2	T-3	T-4	T-5	
United States	2,484	8	11.8%	31.0%	31.0%	38.5%	19.3%	22.4%
Italy	10,779	178	7.5%	9.7%	11.2%	9.5%	10.0%	19.3%
China	3,304	2	0.1%	0.2%	0.1%	0.2%	0.2%	1.1%
Spain	6,803	146	13.7%	16.4%	17.7%	19.7%	21.9%	7.3%
Germany	541	6	24.9%	23.4%	31.5%	29.6%	29.6%	0.0%
France	2,606	40	12.6%	16.0%	17.6%	27.4%	21.0%	23.3%
Iran	2,640	31	4.9%	5.8%	6.4%	7.6%	7.4%	17.8%
Switzerland	300	35	13.6%	14.3%	20.3%	25.5%	25.4%	35.7%
United Kingdom	1,228	18	20.5%	34.3%	31.3%	24.8%	9.7%	0.0%
South Korea	158	3	9.7%	3.6%	6.1%	4.0%	5.0%	4.2%
Japan	54	0	3.8%	6.1%	4.3%	4.4%	4.7%	16.7%
Worldwide	33,976	663	10.1%	12.9%	13.6%	13.6%	12.1%	12.4%

Source : Deutsche Bank, WHO, CDC, ECDC

### Medical updates

- Germany is set to launch a large-scale coronavirus antibody test, with the aim of gaining a better understanding of how far the virus has spread across the population. According to the Helmholtz Center, "This will allow us to develop a clearer picture of immunity and the spread of the pandemic."
- A vaccine used to prevent tuberculosis, which can boost the immune system to defend against a range of infections, has been given to healthcare workers in Australia to test for its potential to protect from covid-19.

### Major virus updates over the past day

- China's National Health Commission said the domestic transmission of covid-19 has "basically stopped".
- US: President Trump extended the guidelines for social distancing to 30



April. That came as one of his top medical advisors warned the number of US fatalities could reach 100,000-200,000.

- US: The CDC issued a domestic travel advisory on Saturday for residents of New York, New Jersey and Connecticut “to refrain from non-essential domestic travel for 14 days effective immediately.”
- US: New York Governor Cuomo delayed the state’s presidential primary from April 28th until June 23rd.
- Iran: President Rouhani said on Sunday that people will have to adopt a “new way of life” until a treatment of vaccine is discovered. Estimates on the timeline for a vaccine range from six months to over a year
- France: The Prime Minister said that the lockdown measures will be extended until April 15th
- UK: The government warned on Sunday that the national lockdown may continue beyond the current three-week period and suggested the possibility of stricter restrictions. That came as the UK’s deputy chief medical officer warned it could be six months or longer before ‘normal’ lives are resumed
- Australia: Public gatherings have been limited to 2 people. Those aged over 70 have been asked to stay at home, while outdoor gyms, and many parks and beaches have been closed.
- Japan: Prime Minister Abe is considering reopening schools next month following their closure at the beginning of March.
- Spain: The government banned all non-essential work for two weeks despite the country’s biggest employers federation warning of “massive destruction” of jobs and businesses.
- Ireland: A two-week lockdown was announced with all public and private gatherings banned, as well as visits to hospitals
- Mexico: The president shifted tack and advised people to stay home and practise social distancing, although he stopped short of curfews and mandatory stay-at-home orders.
- Russia: The country is temporarily closing its borders from March 30 while the mayor of Moscow has ordered a full quarantine of citizens from Monday
- Turkey: President Erdogan said that the country should observe a “voluntary quarantine”, and also stopped all international flights.
- UK: Prime Minister Boris Johnson has become the first world leader to test positive for the coronavirus, it was announced on Friday. He is self-isolating and continuing to lead the UK government. The country’s Health Secretary, Matt Hancock, also tested positive, while the Chief Medical Officer said he was experiencing symptoms and self-isolating.
- US: New York Mayor de Blasio promised to work with the state to implement a rent freeze for 1m rent stabilised units.
- UK: Gatwick Airport – the country’s second busiest – is closing its north terminal and reducing runway hours from April 1 for at least one month



### Interesting Data

- A study last week from Imperial College found that in the absence of any preventative measures, COVID-19 would likely have infected 7bn people (90 per cent of the world's population) and caused 40m deaths this year. However, if suppression strategies are implemented early and sustained, then 38.7m lives could be saved. The study also said the social and economic costs "will be high and may be disproportionately so in lower income settings".
- Data from the Copernicus Sentinel-5P satellite showed that air pollution in Rome, Madrid and Paris had dropped significantly in late-March compared with the previous year. The data looks at the change in nitrogen dioxide concentrations.

### Company Updates

- Some US states are threatening to force the insurance industry to honour virus-related claims that some insurers insist are excluded from their policies. Counsel for Chubb said "the losses involved would simply swamp the ability to pay".
- The UK government proposed a suspension of the 'wrongful trading' insolvency provisions such that businesses will still be able to pay staff and suppliers even if management believes the company could be insolvent.
- Tui received a commitment from the German federal government for a €1.8bn KfW loan.
- The chief executive of Qatar Airways said the airline has case for "a very short period" and will "go to our government eventually for equity".
- Ceconomy, the German electronics retailer, has also sought help from the state bank KfW, it was reported by Bloomberg.
- Deutsche Lufthansa has applied for subsidies from the German Kurzarbeit program, which helps offset lost wages
- The French government renewed its call for companies to cut or suspend dividend payments as they battle with the economic fallout from the coronavirus
- The UK government has in effect suspended the country's property market, stopping estate agents from marketing new homes and banning visits to those already for sale.
- The ECB told Eurozone banks on Friday to skip dividend payments and share buybacks until at least October.
- President Trump has ordered General Motors to immediately begin making ventilators, invoking the Defense Production Act in order to compel the automaker to meet the production demands that the nation is likely to face.
- Along similar lines, but without presidential decree, Toyota announced that its idle manufacturing facilities in the US will now make face shields and masks as the Japanese automaker closes on deals with medical-device makers to help them boost production.
- Jefferies announced on Sunday that its CFO, Peg Broadbent, has died of covid-19 complications

### Economic Data Highlights

- Measures taken to contain the spread of the new coronavirus could lower



economic activity in the US and other developed countries by a quarter, and lower annual output by 6 per cent if they are sustained for three months, according to the OECD.

- US: The University of Michigan's final consumer sentiment reading came in at 89.1, below the preliminary 95.9 reading, and down from February's 101.0 reading. The 11.9 point fall from last month is the biggest monthly decline in the reading since October 2008.
- Italy: ISTAT's consumer confidence indicator fell to 101.0 in March, down from February's 110.9 and the lowest reading since January 2015.
- France: The INSEE's consumer confidence reading fell to 103 in March, down from 104 in February. However, the survey was conducted from February 26th until March 17th, so mostly before a lockdown was announced on March 16th

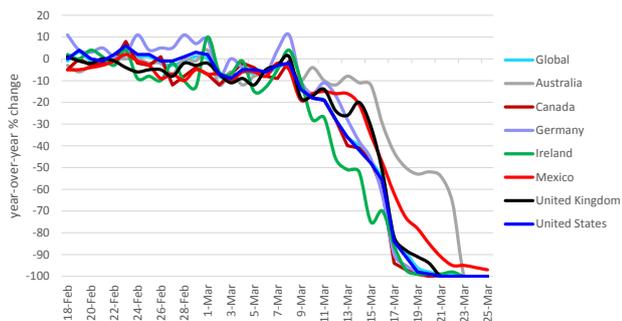
#### Fiscal and Monetary Updates:

- US: The House of Representatives passed the \$2tn coronavirus stimulus package and President Trump signed the legislation into effect after US markets closed on Friday. The package's major items includes a \$500bn corporate assistance fund, \$377bn of funds for small businesses, \$150bn for local governments, \$100bn for hospitals, and direct payments of \$1,200 to millions of Americans, including those earning up to \$75,000, and an additional \$500 per child.
- US: The Federal Reserve announced that banks which are required to adopt an updated accounting requirement in 2020, which makes them partially incur losses when they make a loan, can now hold off on implementing "the estimated cumulative regulatory capital effects for up to two years."
- US: Dallas Fed President Kaplan said that the US could see the unemployment rate peak "in the low to mid-teens", before declining back to 7-8 per cent by the end of 2020. However, he also said that "We were strong before we went into this, and we believe that we've got a great chance to come out of this very strong".
- Japan: Prime Minister Abe announced an economic package of "unprecedented scale" will be compiled in the next ten days.
- UK: Late Friday, Fitch Ratings cut Britain's credit rating from AA to AA-, citing the weakening of public finances caused by the Covid-19 outbreak.
- Germany: The Bundesrat (upper house) voted in favour of the €750bn coronavirus rescue package, following the Bundestag's vote in favour on Wednesday.
- Canada: In an unscheduled move, the Bank of Canada lowered its target for the overnight rate by 50 basis points to 0.25 per cent. In other measures, the central bank launched a Commercial Paper Purchase Program, and also said it will begin purchasing Canadian government securities in the secondary market, starting with a minimum of \$5bn per week. It said purchases "will continue until the economic recovery is well underway."
- China: Xinhua reported on Friday that China will raise its fiscal deficit in order to deal with the economic impact of the coronavirus.
- Israel: The government is preparing a \$22.4bn stimulus package to be unveiled within the coming days. In addition, the Bank of Israel announced on Sunday that it will lower the capital requirements of commercial banks by one percentage point. Banks boards were also instructed to re-examine their dividend distribution and share buy-back policies.



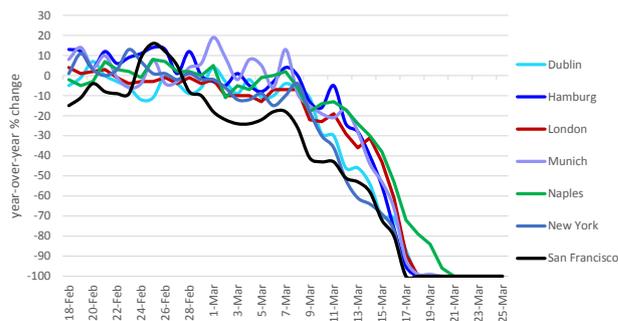
- Africa: The African Development Bank has raised \$3bn in a three-year bond paying 0.75 per cent annual interest to help alleviate the social and economic impact of the Covid-19 pandemic in African countries.
- Global: The Basel Committee’s oversight body, the Group of Central Bank Governors and Heads of Supervision, agreed to defer the introduction of new capital requirements by a year

Figure 3: Year-over-year % change of seated diners at restaurants across countries on the OpenTable network



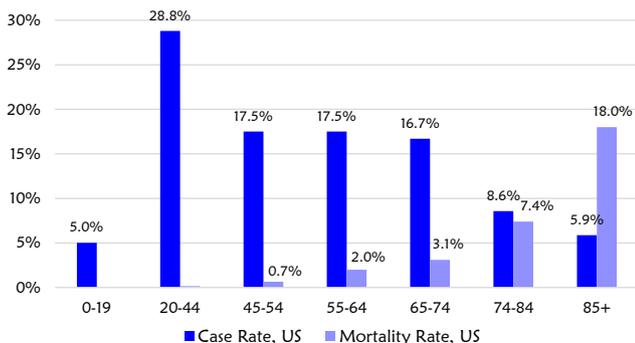
Source : Deutsche Bank, OpenTable

Figure 4: Year-over-year % change of seated diners at restaurants across major cities on the OpenTable network



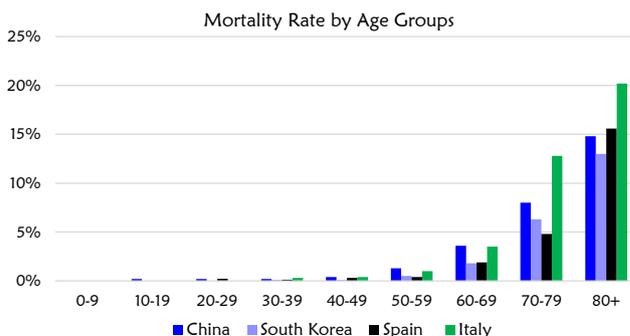
Source : Deutsche Bank, OpenTable

Figure 5: CDC Data of how the virus affects different ages across the US



Source : Deutsche Bank, CDC study through March 13

Figure 6: How the virus affects different ages across some of the most affected countries

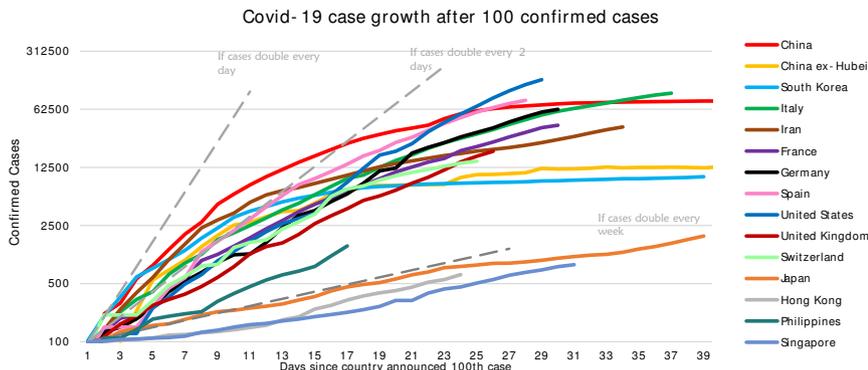


Source : Deutsche Bank, CCDC, ECDC, OurWorldinData

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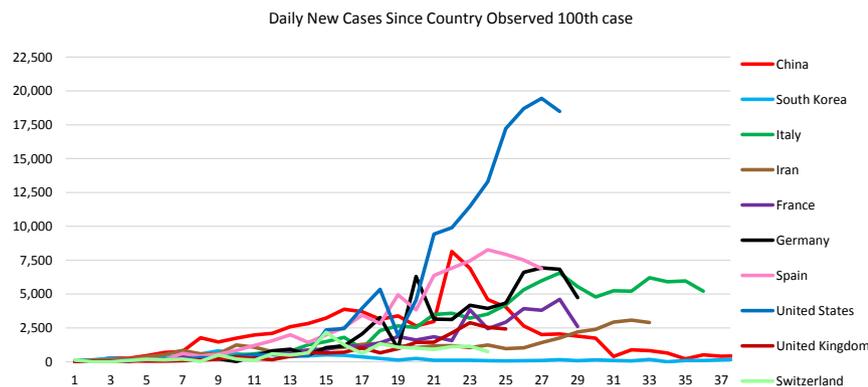


Figure 7: The US is now ahead of the rest of the world at the same point of the curve, growth rates continue to double every 2.5 days on average in Europe



Source : Deutsche Bank, WHO, CDC, Worldometer

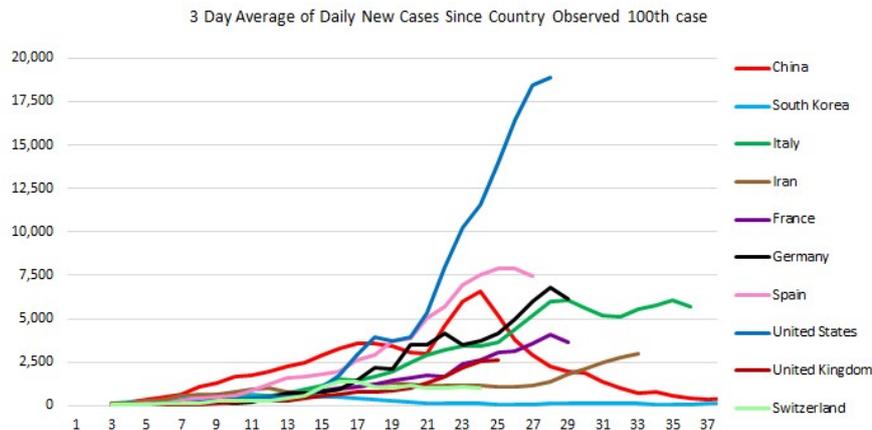
Figure 8: Cases in Europe and the US may be peaking a little later than China did at the same stage of the crisis



Source : Deutsche Bank, WHO, CDC, Worldometer

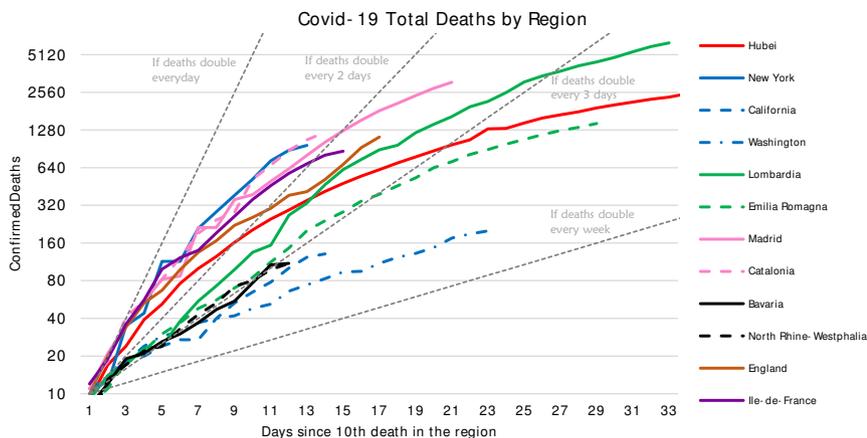


Figure 9: New cases in Europe on a 3 day average basis seem to be flattening and rolling a few days after China's curve did



Source : Deutsche Bank, WHO, CDC, Worldometer

Figure 10: The regions with most fatalities in the US have very different growth rates, compared to Germany, where the two most affected regions are mostly in-line

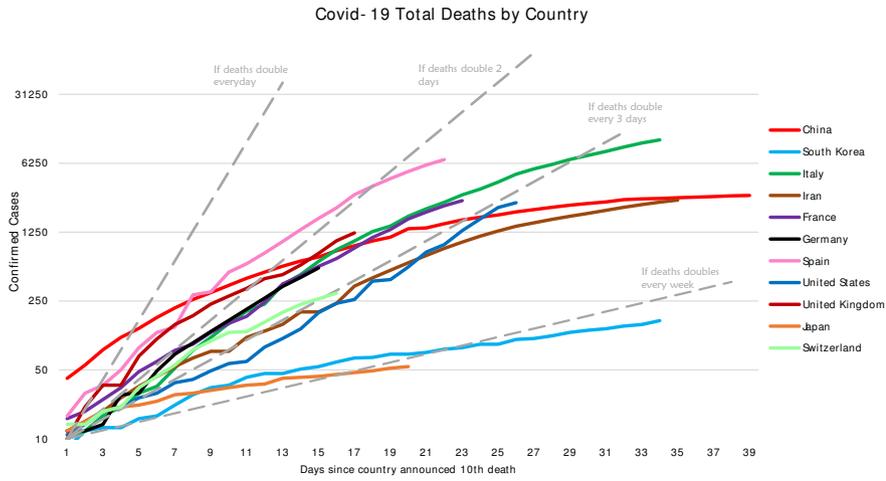


Source : Deutsche Bank, NHS, Covid Tracking Project, ECDC, Santepubliquefrance, Interaktiv.morgenpost

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Figure 11: Spain's and Italian growth rate of fatalities have started to flatten over the past week





# Appendix 1

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## David Folkerts-Landau

Group Chief Economist and Global Head of Research

Pam Finelli  
Global Chief Operating Officer  
Research

Anthony Klarman  
Global Head of  
Debt Research

Michael Spencer  
Head of APAC Research

Steve Pollard  
Head of Americas Research  
Global Head of Company  
Research

Gerry Gallagher  
Head of European  
Company Research

Andreas Neubauer  
Head of Germany Research

Peter Milliken  
Head of APAC  
Company Research

Jim Reid  
Global Head of  
Thematic Research

Francis Yared  
Global Head of Rates Research

George Saravelos  
Global Head of FX Research

Peter Hooper  
Global Head of  
Economic Research

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## International Production Locations

### Deutsche Bank AG

Deutsche Bank Place  
Level 16  
Corner of Hunter & Phillip Streets  
Sydney, NSW 2000  
Australia  
Tel: (61) 2 8258 1234

### Deutsche Bank AG

Equity Research  
Mainzer Landstrasse 11-17  
60329 Frankfurt am Main  
Germany  
Tel: (49) 69 910 00

### Deutsche Bank AG

Filiale Hongkong  
International Commerce Centre,  
1 Austin Road West, Kowloon,  
Hong Kong  
Tel: (852) 2203 8888

### Deutsche Securities Inc.

2-11-1 Nagatacho  
Sanno Park Tower  
Chiyoda-ku, Tokyo 100-6171  
Japan  
Tel: (81) 3 5156 6000

### Deutsche Bank AG London

1 Great Winchester Street  
London EC2N 2EQ  
United Kingdom  
Tel: (44) 20 7545 8000

### Deutsche Bank Securities Inc.

60 Wall Street  
New York, NY 10005  
United States of America  
Tel: (1) 212 250 2500

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