

A background image showing four people (three women and one man) sitting around a wooden table in a meeting. They are looking at laptops and papers. The image is dimmed and has white curved lines overlaid on the right side.

# **Webinar 5**

## **World's status : Asia**

**28/05/2020**

# Program:

- 14:00 - 14:10: **South East Asia: Business impacts and opportunities** by Chrysoline Monnier, Area Manager – India, ASEAN & Pacific
- 14:10 – 14:20: **East Asia : Business impacts and opportunities** by Victor Dulait, Area Manager – East Asia
- 14:20 – 14:35: **East Asia : Business impacts and opportunities: focus on Shanghai** Mattias Debroyer, Trade Commissionner in Shanghai, China
- 14:35 – 14:50: **Economic crise analysis** by Bruno Colmant, CEO Degroof Petercam
- 14:50 – 15:00: Q&A

Table 1. Summary of ASEAN Member States' country categorization, IDVI value, and COVID-19 cases per 1,000 population as of 28 April 2020

| Country     | COVID-19 Category<br>As of May 15 <sup>1</sup> | COVID-19 Category<br>As of May 20 <sup>1</sup> | COVID-19 Category<br>As of May 22 <sup>1</sup> | IDVI Score | Doubling<br>Time<br>(days) <sup>4</sup> | Confirmed COVID-19 cases<br>per 1,000 Population |
|-------------|--|--|--|------------|---|--|
| Brunei      | B  | B  | E  | 0.763      | 50                                      | 0.357  |
| Cambodia    | B  | E  | E  | 0.355      | 21                                      | 0.008  |
| Indonesia   | B  | B  | B  | 0.563      | 22                                      | 0.083  |
| Laos        | A  | A  | A  | 0.355      | 13                                      | 0.003  |
| Malaysia    | B  | B  | B  | 0.761      | 47                                      | 0.250  |
| Myanmar     | B  | B  | B  | 0.448      | 33                                      | 0.004  |
| Philippines | B  | B  | B  | 0.545      | 29                                      | 0.134  |
| Singapore   | B  | B  | B  | 0.878      | 24                                      | 8.403  |
| Thailand    | B  | B  | B  | 0.711      | 53                                      | 0.045  |
| Vietnam     | B  | B  | B  | 0.626      | 53                                      | 0.004  |

## GDP GROWTH AND PROJECTED GROWTH RATES FOR SOUTHEAST ASIA, % PER YEAR

|                       | 2018 | 2019 | 2020 forecast |      |             |               | 2021 forecast |     |
|-----------------------|------|------|---------------|------|-------------|---------------|---------------|-----|
|                       |      |      | IMF           | ADB  | WB Baseline | WB Lower-case | IMF           | ADB |
| <b>Southeast Asia</b> | 5.1  | 4.4  |               | 1.0  |             |               |               | 4.7 |
| <b>ASEAN-5*</b>       |      | 4.8  | -0.6          |      |             |               | 7.8           |     |
| <b>Brunei</b>         | 0.1  | 3.9  |               | 2.0  |             |               |               | 3.0 |
| <b>Cambodia</b>       | 7.5  | 7.1  |               | 2.3  | 2.5         | 1.0           |               | 5.7 |
| <b>Indonesia</b>      | 5.2  | 5.0  | 0.5           | 2.5  | 2.1         | -3.5          | 8.2           | 5.0 |
| <b>Lao</b>            | 6.2  | 5.0  |               | 3.5  | 3.6         | 2.2           |               | 6.0 |
| <b>Malaysia</b>       | 4.7  | 4.3  | -1.7          | 0.5  | -0.1        | -4.6          | 9.0           | 5.5 |
| <b>Myanmar</b>        | 6.4  | 6.8  |               | 4.2  | 3.0         | 2.0           |               | 6.8 |
| <b>Philippines</b>    | 6.2  | 5.9  | 0.6           | 2.0  | 3.0         | -0.5          | 7.6           | 6.5 |
| <b>Singapore</b>      | 3.4  | 0.7  | -3.5          | 0.2  |             |               | 3.0           | 2.0 |
| <b>Thailand</b>       | 4.2  | 2.4  | -6.7          | -4.8 | -3.0        | -5.0          | 6.1           | 2.5 |
| <b>Vietnam</b>        | 7.1  | 7.0  | 2.7           | 4.8  | 4.9         | 1.5           | 7.0           | 6.8 |

\*The ASEAN-5 is Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Sources: International Monetary Fund, *World Economic Outlook, April 2020*, (Washington, D.C.: IMF, 2020), <https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>; Asian Development Bank, *Asian Development Outlook (ADO) 2020: What Drives Innovation in Asia?* (Manila: ADB, 2020), <https://www.adb.org/sites/default/files/publication/575626/ado2020.pdf>; World Bank, *East Asia and Pacific Economic Update, April 2020: East Asia and Pacific in the Time of COVID-19*, (Washington, D.C.: World Bank, 2020), <https://openknowledge.worldbank.org/handle/10986/33477>.

# Global economic impact in South Asia [1/2]:

- ASEAN has been facing negative growth rate during the first 2 quarters of this year. Asia and Australia are expected to contract by 0.7% this year
- In mid-May, India, Pakistan, Bangladesh, Singapore and Indonesia recorded a rise in Covid-19 cases with new restriction being re-imposed. Border controls and some form of social-distancing measures are likely to remain in place across the region for the foreseeable future
- To deal with the adverse economic effects of Covid-19, policymakers are increasingly looking for creative ways to fund relief measures. On May 1st the Bank of Papua New Guinea successfully sold Kina1bn (US\$290m) of so-called Covid bonds. Bank Indonesia purchased around US\$11bn worth of government bonds from primary and secondary markets in late April in an attempt to support the government's financing needs.

# Global economic impact in South Asia [2/2]:

- World Bank Group will provide **up to \$160 billion** to finance the **health, economic and social sectors**
- **According to ADB**, SEA economy could suffer over \$ 100 trillion (equivalent to 3.4% to 4.7% GDP), so the bank as developed a \$ 20 billion support package and is working on different measures to assist its members,

# Focus on 3 South Asian countries [1/2]:

**INDIA:** still facing economic lockdown and unemployment is increasing by 7 to 8%. Protectionism is increasing. Opportunities in fintech, cybersecurity and e-commerce.

**VIETNAM :** eased restrictions as no new cases have been recorded for a month. Internal travelling is allowed but international travelling is still banned. Expecting GDP growth for this year is 3.82% (the lowest growth for over a decade). The government is taking fiscal and financial measures to boost the economy for a quick recovery. Opportunities in the digital industry for digital transformation in public sector but also fintech, food delivery, e-learning and e-commerce. Manufacturing is also a growing sector in Vietnam as hub for the SEA.

# Focus on 3 South Asian countries [2/2]:

**SINGAPORE:** GDP has decreased by 2.2% as Singapore relays on international trade through its port, airport and trade services. Singapore is looking for a diversification of its international trade opening up to the West while keeping tied relationship with China. On June 2, ease on business restriction but no mass gathering until vaccine or treatment is found. Opportunities in innovative technology (robotic for supply chain, fintech, health management and pharmaceuticals).



# Trade commissioners in South Asia:

**<https://hub.brussels/en/complete-list-of-economic-and-commercial-attaches/>**

# Next webinars:

- 02/06 14.00-14.45 Webinar 6 : World's status : Americas
- 04/06 14.00-14.45 Webinar 7 : World's status : Africa sub-Saharan
- 09/06 14.00-14.45 Webinar 8 : World's status : North Africa and Middle-East

# Thank you for your attention

Register to our next webinar:

➤ **02/06 14.00-14.45 Webinar 6 : World's status : Americas**

- Sophie D'haemer, Area Manager ALENA Zone
- Kathlijn Fruithof, Trade Commissioner in New-York
- Eric Gabrys, Trade Commissioner in San Francisco
- Jimena Villar, Trade Commissioner in Montevideo

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**Registration** : <https://www.flexmail.eu/f-7e62632557e294fc>