

Pandemic Economy

Mark Zandi, Chief Economist
Eric Gaus, Senior Economist

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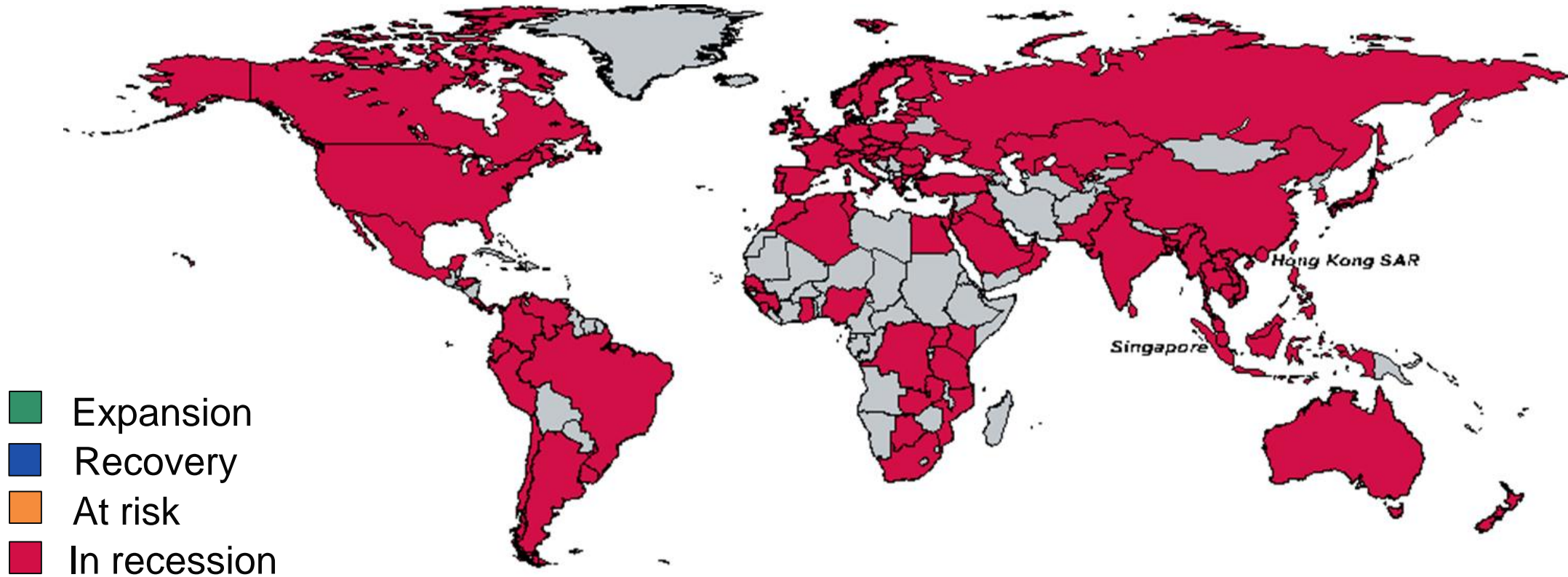
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1

Massive Shock, But Worse Is Over

COVID-19 Pandemic Upends Global Economy

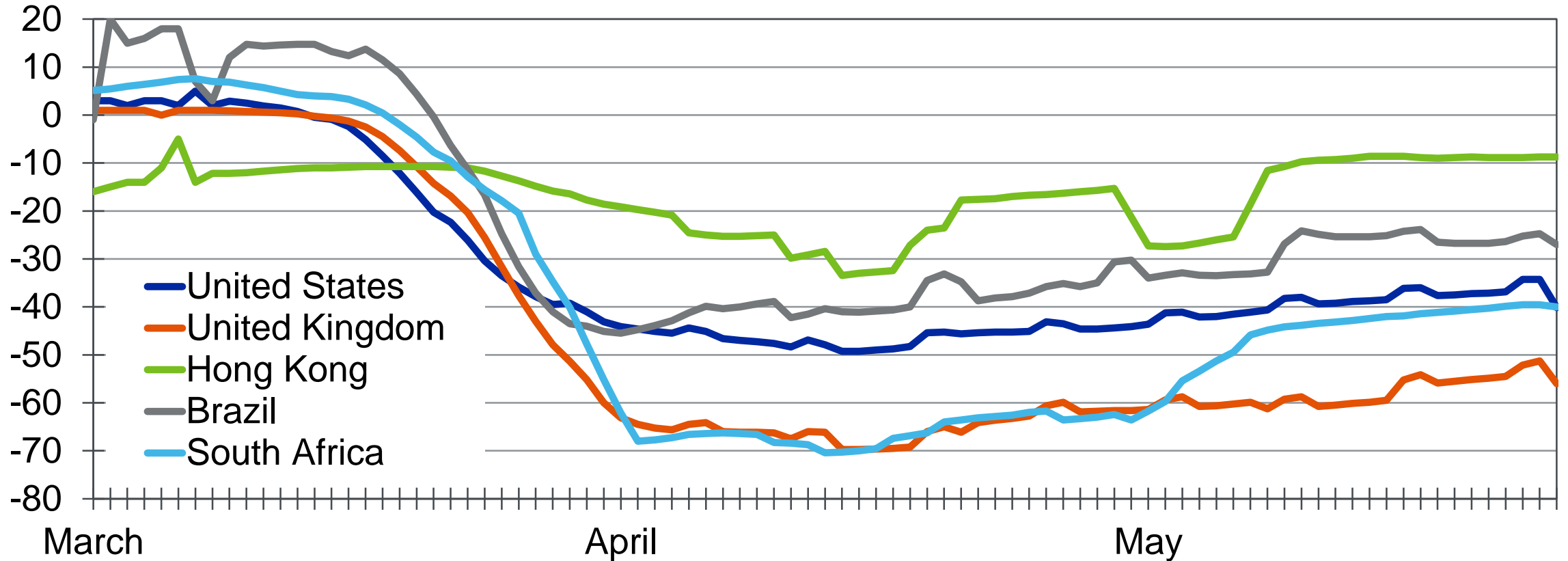
Business cycle status as of May 2020



Source: Moody's Analytics

Global Businesses Re-Open

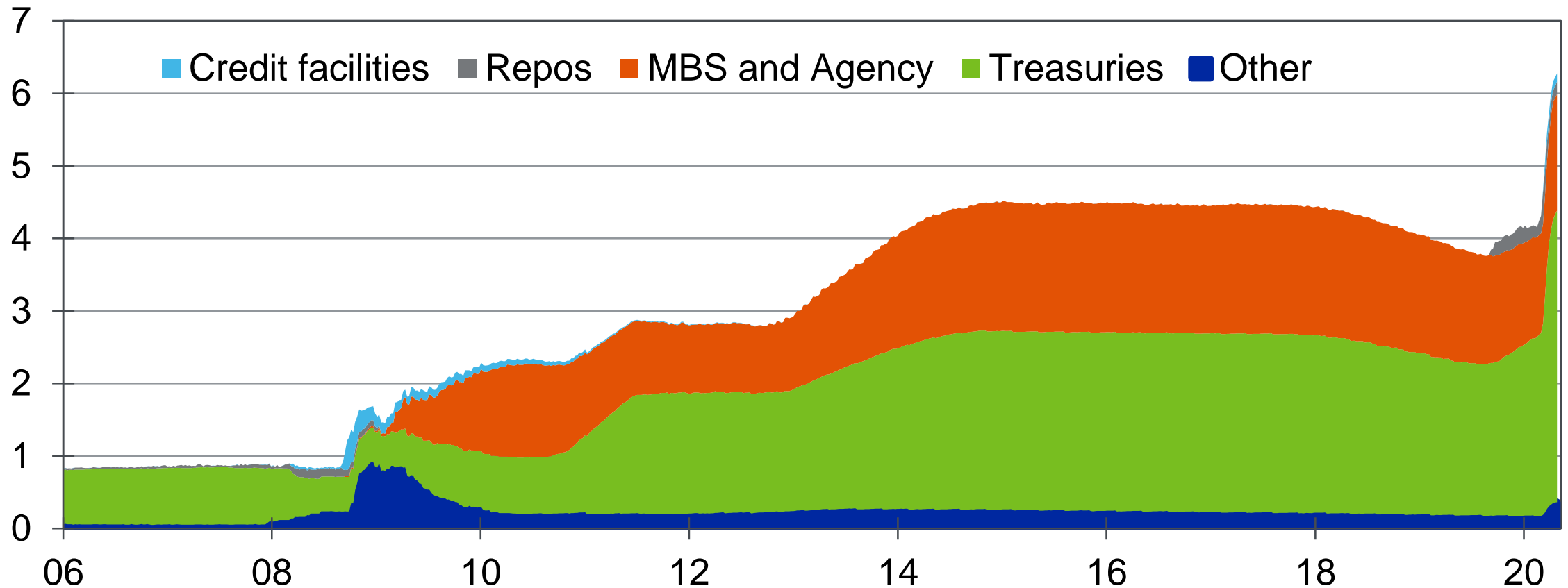
Google mobility for the workplace, 7-day moving average, 0 = pre-COVID



Sources: Google, Moody's Analytics

Central Banks Erect a Firewall

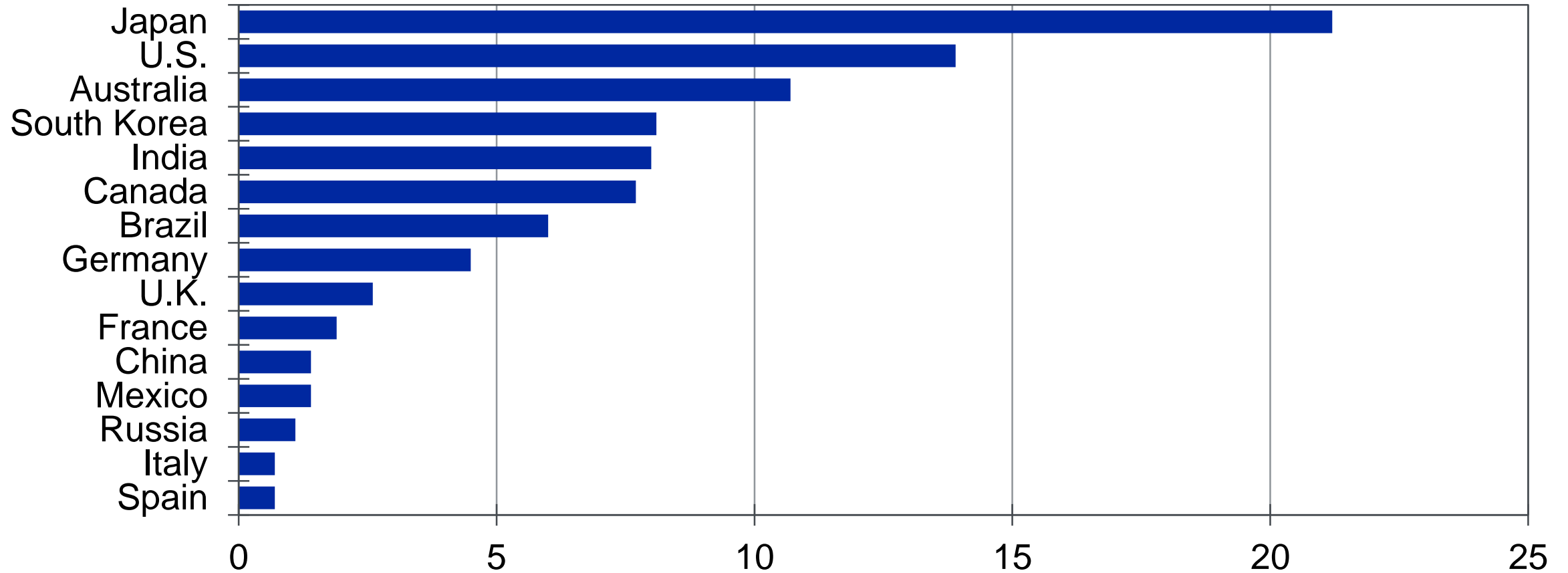
Assets held outright on the Federal Reserve's balance sheet, \$ tril



Sources: Federal Reserve, Moody's Analytics

Aggressive Global Fiscal Policy Response

Fiscal support as of Apr 2020, % of 2019 GDP



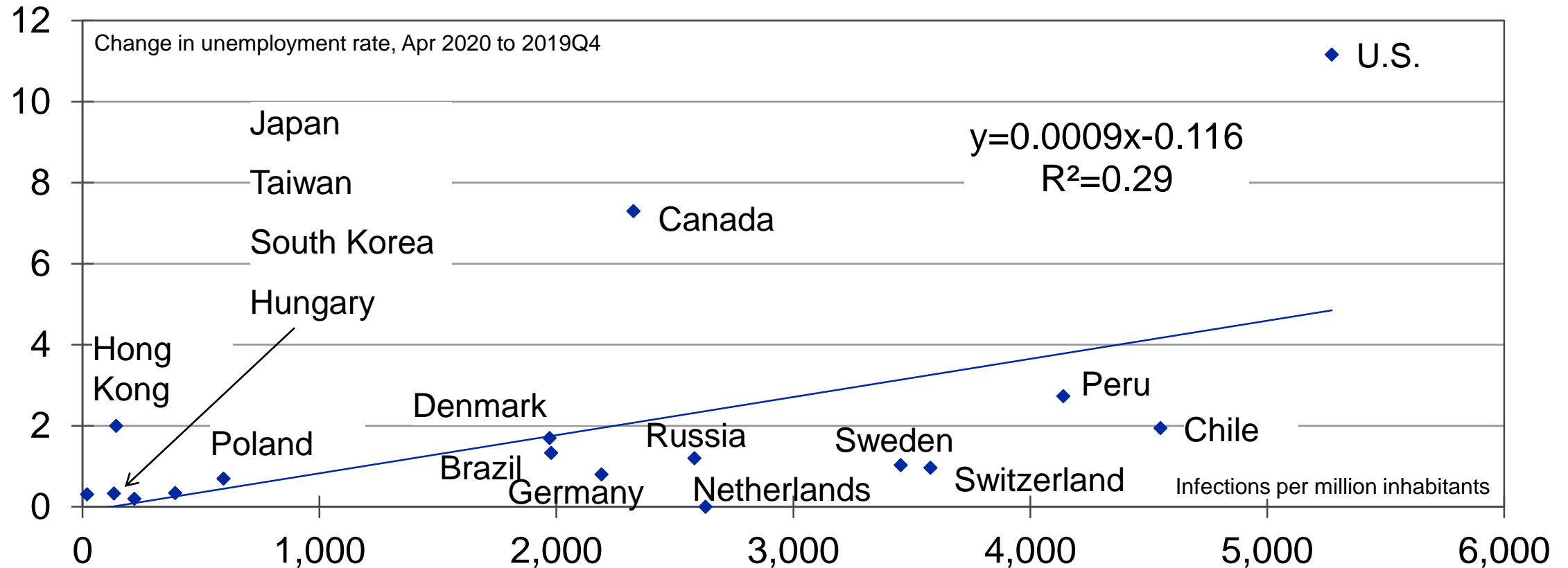
Source: Moody's Analytics

2

Pandemic Rages on in Africa...

More Infections, Worse Downturn

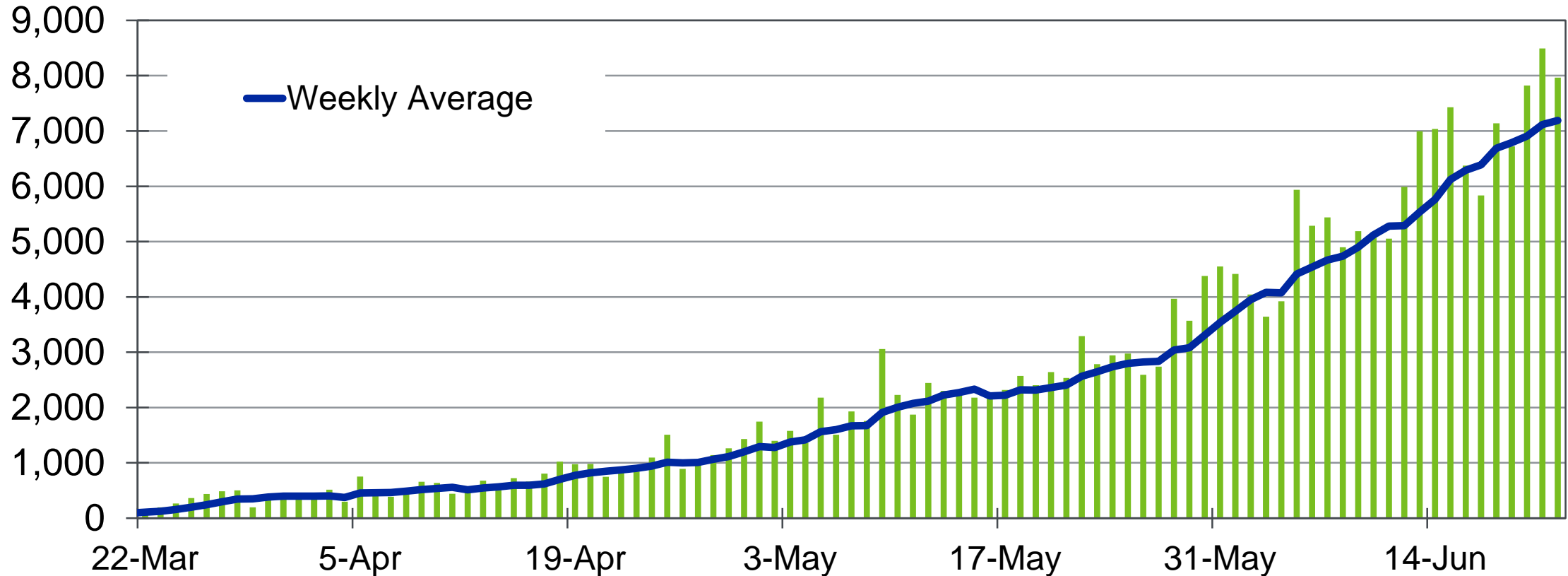
Confirmed infections per mil inhabitants. For countries with unemployment rate data available for Apr 2020



Sources: WHO, Government sources, Moody's Analytics

Pace of New Infections Climbing in Africa...

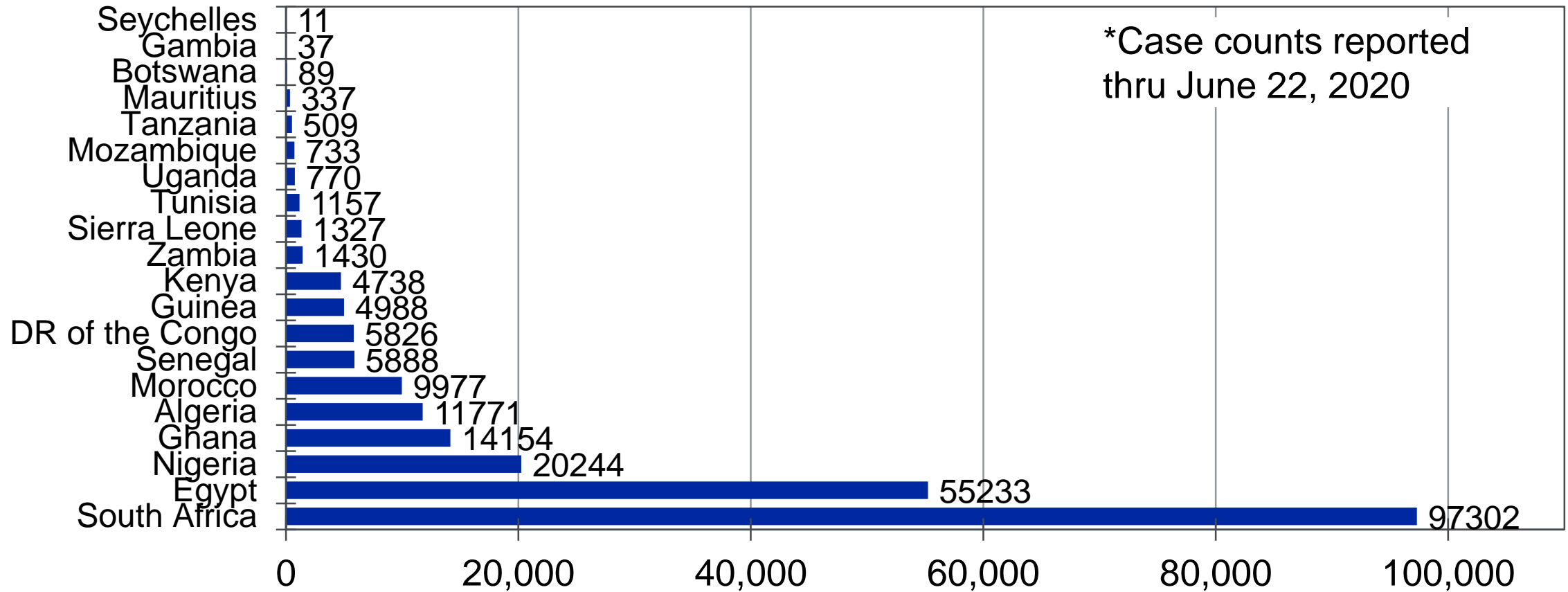
COVID-19 confirmed cases, daily change



Sources: European CDC, Moody's Analytics

...With One-Third of Cases in South Africa

of Reported Cases



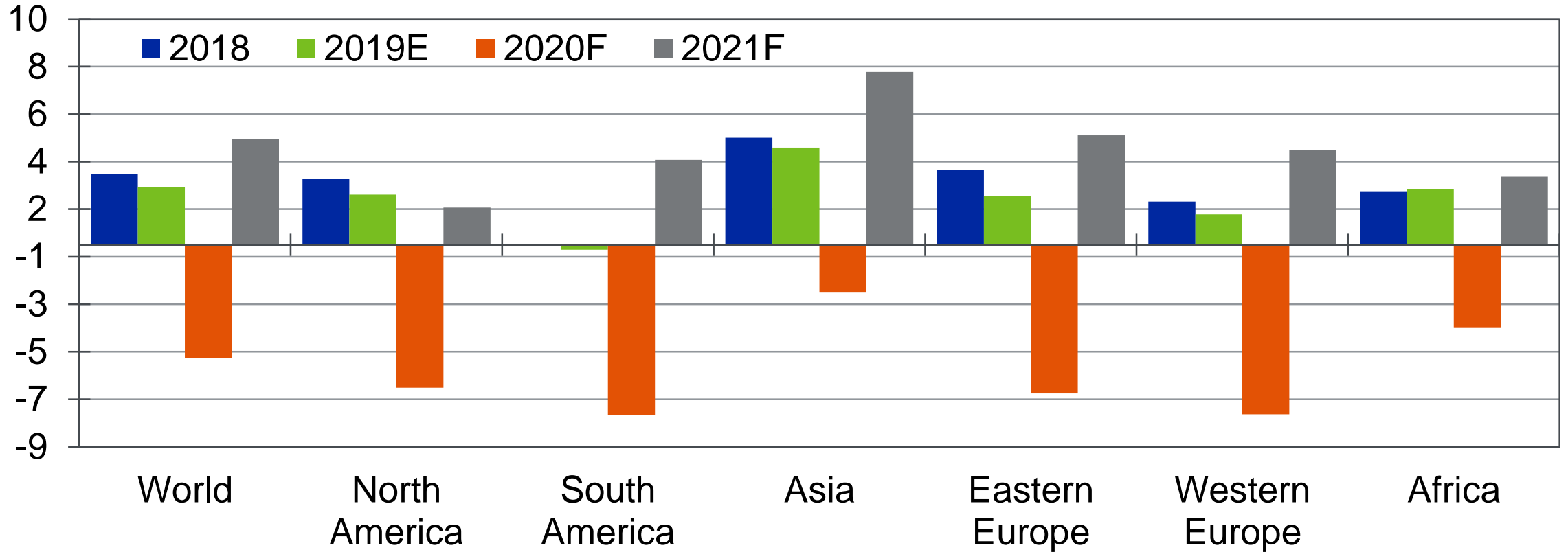
Sources: European CDC, Moody's Analytics

3

Economic Headwinds

Challenging Economic Outlook

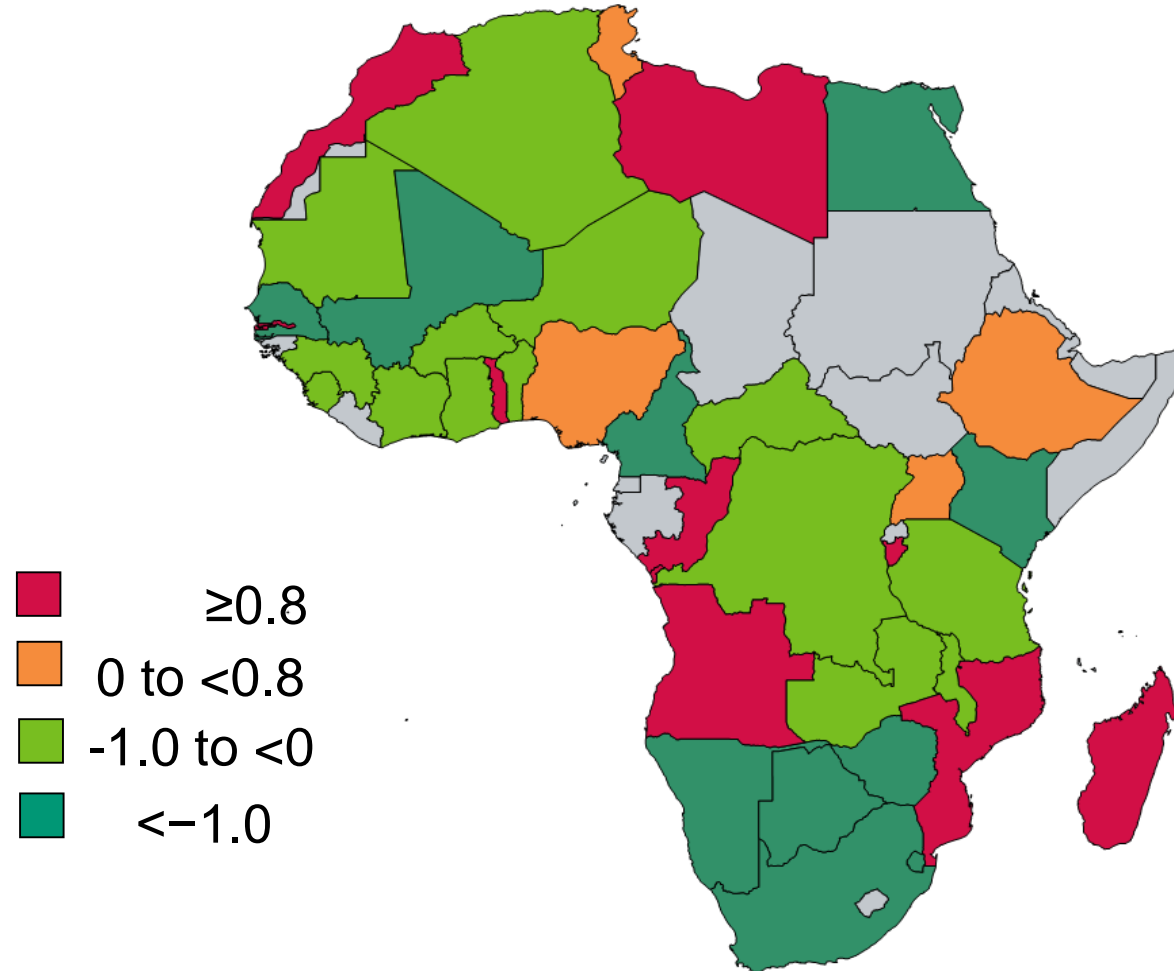
Real GDP growth, %



Source: Moody's Analytics

Exposed Countries Face Domestic Slow-down...

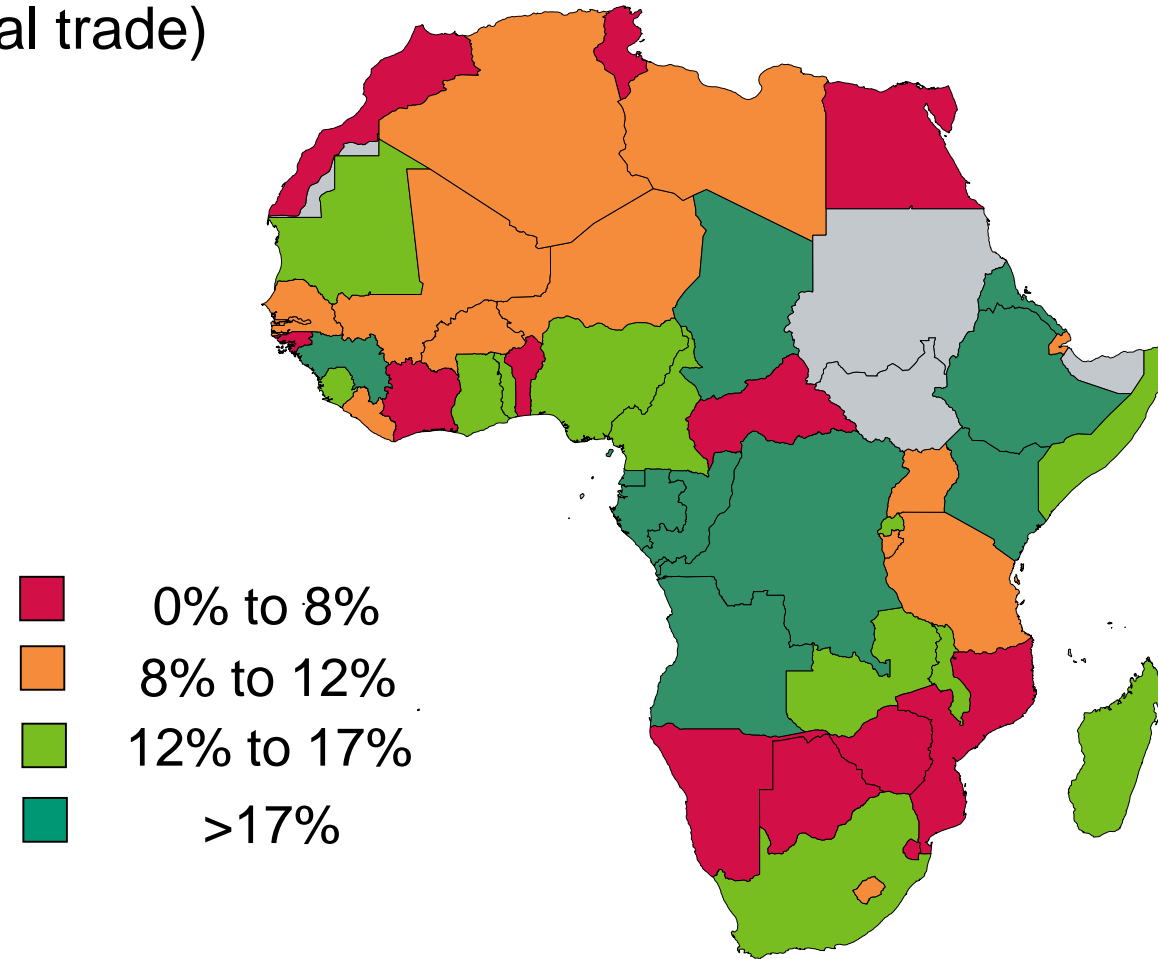
Z-Scores, 0 = Average



Sources: European Centre for Disease Prevention and Control, World Bank, Moody's Analytics

...And Trade With China Will Be a Weight

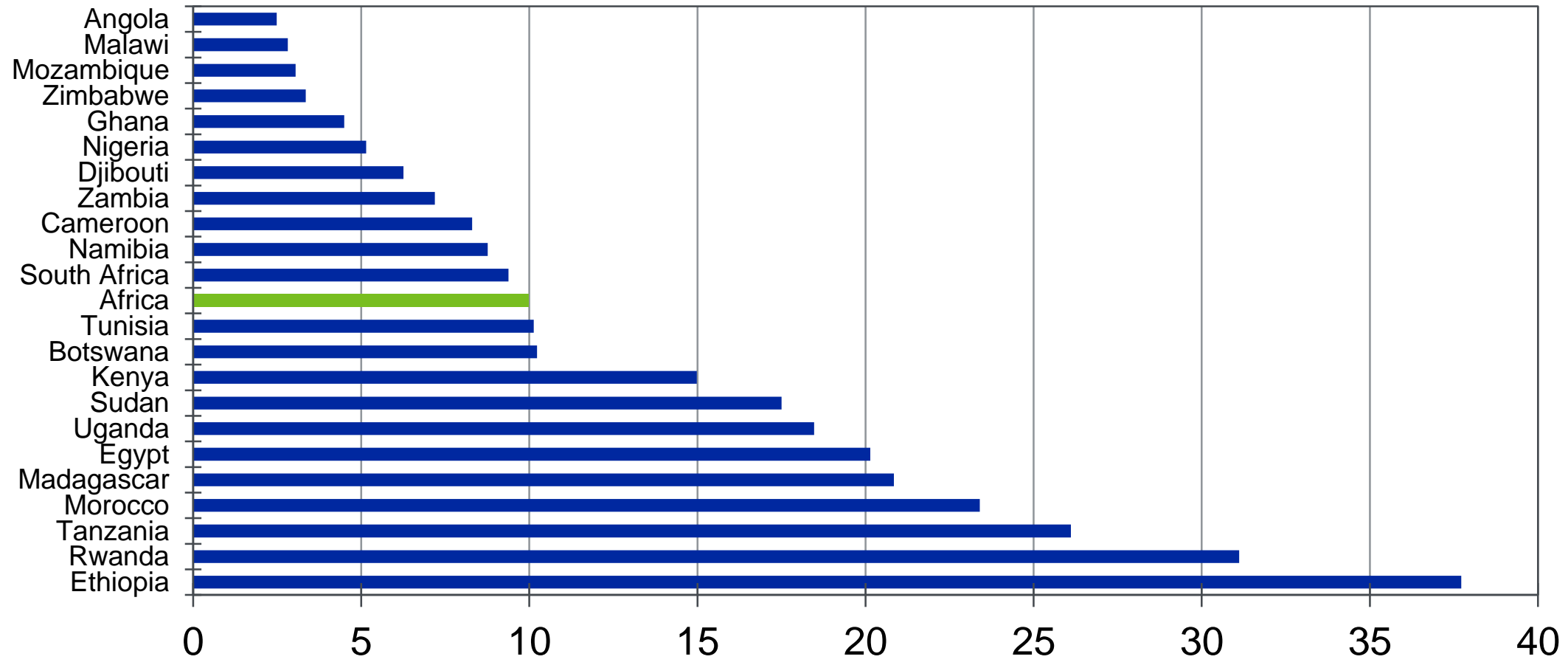
Trade with China (% total trade)



Sources: World Bank, Moody's Analytics

Tourism Key To Some Economies...

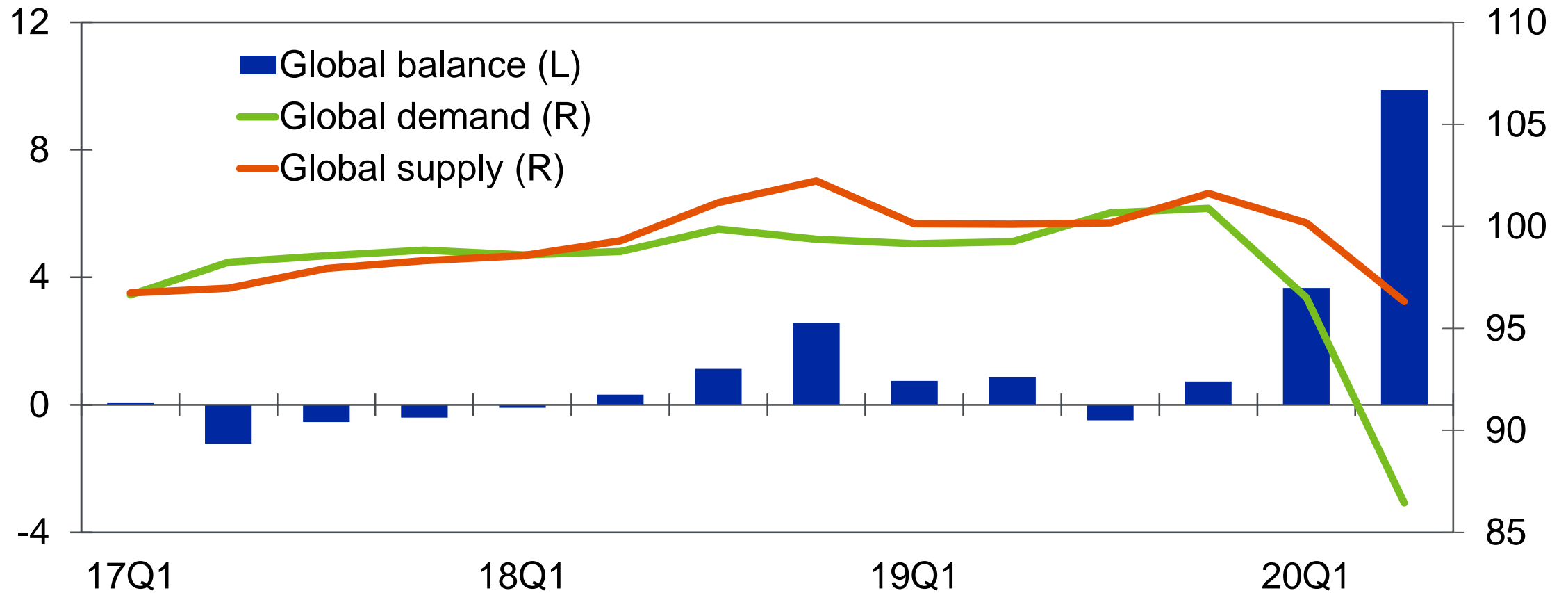
International Tourism Receipt, % of exports



Sources: World Bank, Moody's Analytics

...and Oil to Others

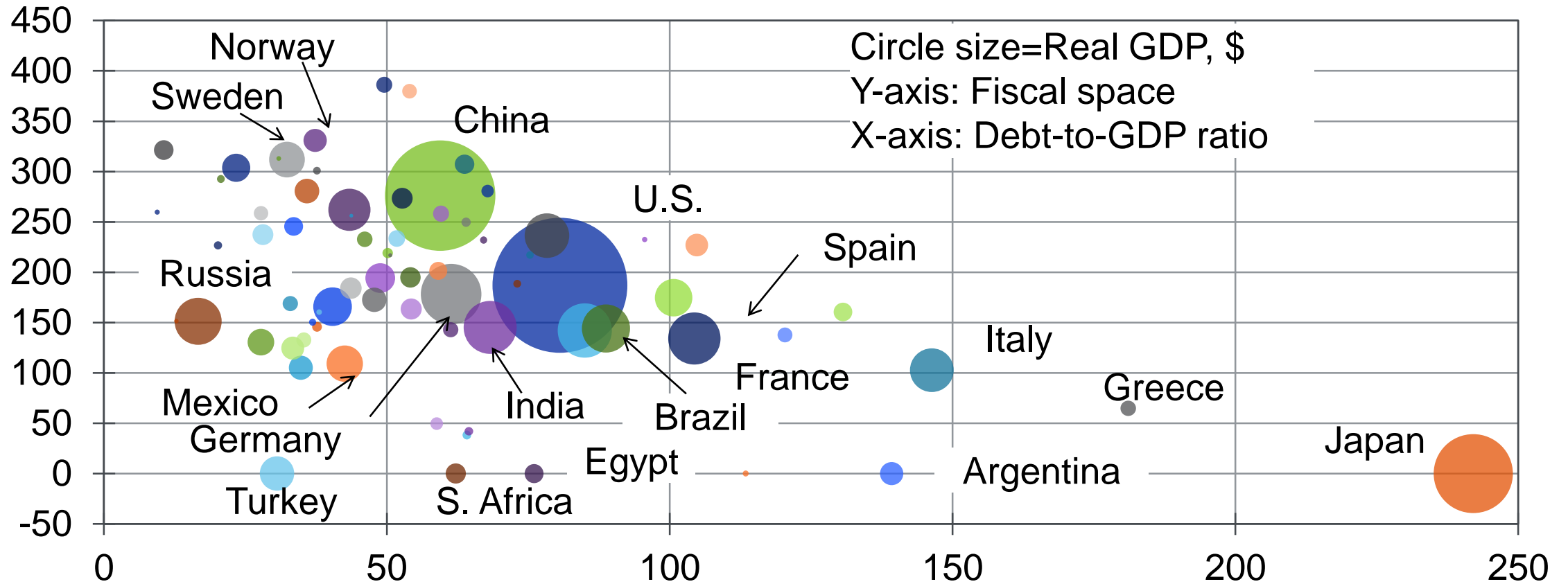
Mil barrels per day



Sources: International Energy Agency, Moody's Analytics

Running Out of Fiscal Space

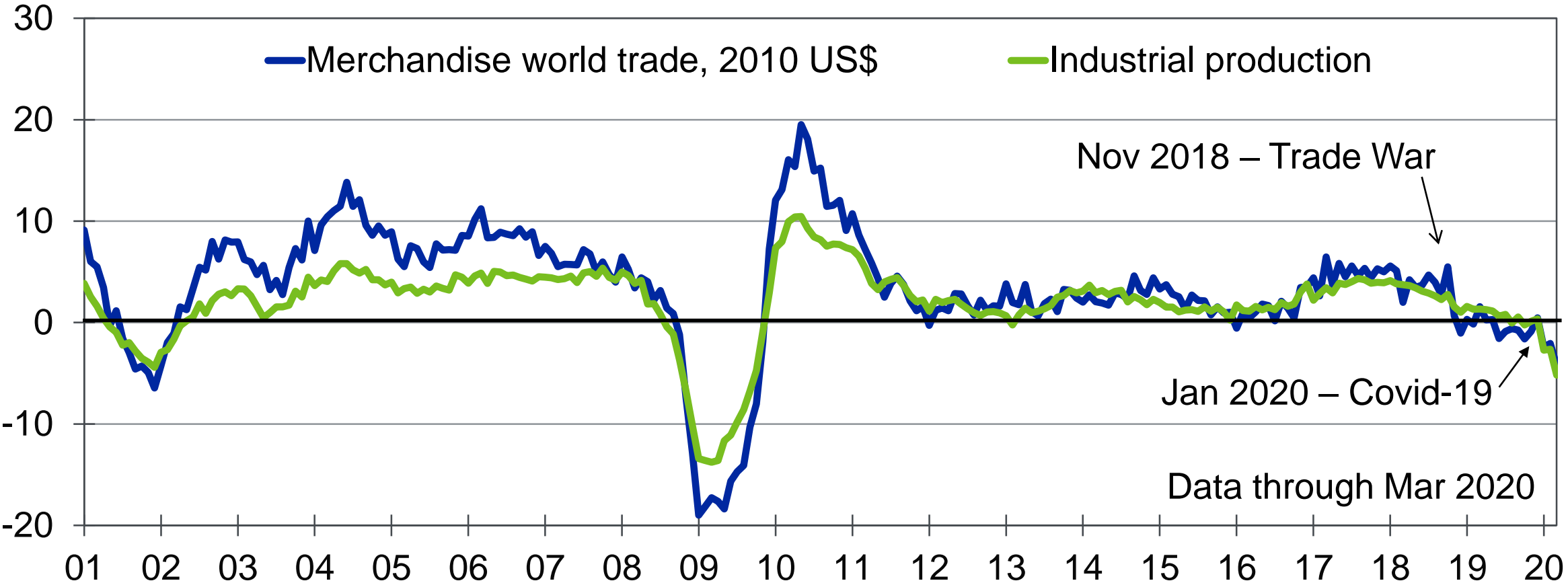
Sovereign borrowing capacity given current yields



Source: Moody's Analytics

Globalization Will Be Diminished

Global trade and industrial production, % change yr ago



Sources: CPB World Trade Monitor, Moody's Analytics

Q&A

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Contact Us: Economics & Business Analytics Offices

West Chester, EBA-HQ

+1.610.235.5299
121 North Walnut Street, Suite 500
West Chester PA 19380
USA

New York, Corporate-HQ

+1.212.553.1653
7 World Trade Center, 14th Floor
250 Greenwich Street
New York, NY 10007
USA

London

+44.20.7772.5454
One Canada Square
Canary Wharf
London E14 5FA
United Kingdom

Toronto

416.681.2133
200 Wellington Street West, 15th Floor
Toronto ON M5V 3C7
Canada

Prague

+420.22.422.2929
Washingtonova 17
110 00 Prague 1
Czech Republic

Sydney

+61.2.9270.8111
Level 10
1 O'Connell Street
Sydney, NSW, 2000
Australia

Singapore

+65.6511.4400
6 Shenton Way
#14-08 OUE Downtown 2
Singapore 068809

Shanghai

+86.21.6101.0172
Unit 2306, Citigroup Tower
33 Huayuanshiqiao Road
Pudong New Area, 200120
China

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