

## ASG Update: Covid-19 Global Progression and Response

August 12, 2020

*Please note that information regarding the pandemic is quickly dated, and that statistics included in this update were current at the time of writing.*

### ***A note from ASG's Chief Medical Officer:***

Although we know far more today than we did seven months ago, Covid-19 largely remains a medical enigma. A recent German clinical study showed cardiac changes in the majority of recovered Covid-19 patients, raising concerns about potential long-term impact, even in those with mild infections. Studies have also shown that asymptomatic carriers constitute between 40 percent and 55 percent of those who test positive. These asymptomatic and pre-symptomatic patients are driving a majority of new global cases.

Testing is increasing across the world, driven by the widespread use of rRT-PCR tests. Many countries are adopting another test, the Covid-19 Rapid Antigen Test (RAT), as well. Fast, cheap, and scalable, the RAT can help organizations ensure that their work and business interactions are safer -- but repeat testing in a short period of time is recommended due to the test's lower specificity and sensitivity. Encouragingly, the Massachusetts Institute of Technology (MIT) and the Broad Institute have developed a fast, highly accurate, single-step test that has obtained emergency approval from the U.S. Food and Drug Administration (FDA).

Three major vaccine candidates have moved to Phase III clinical trials. The Phase II trials showed that all three vaccines produced antibody levels seen in matched convalescent plasma and both a B and T cell response. However, a booster dose within a month was required. If this finding holds, vaccine production will need to fundamentally double to meet global vaccination needs. The ability to scale production and ramp up distribution in an equitable and cost-effective manner remains a global challenge for all manufacturers. Bottlenecks, like the availability of medical-grade glass for vaccine vials, are still major issues.

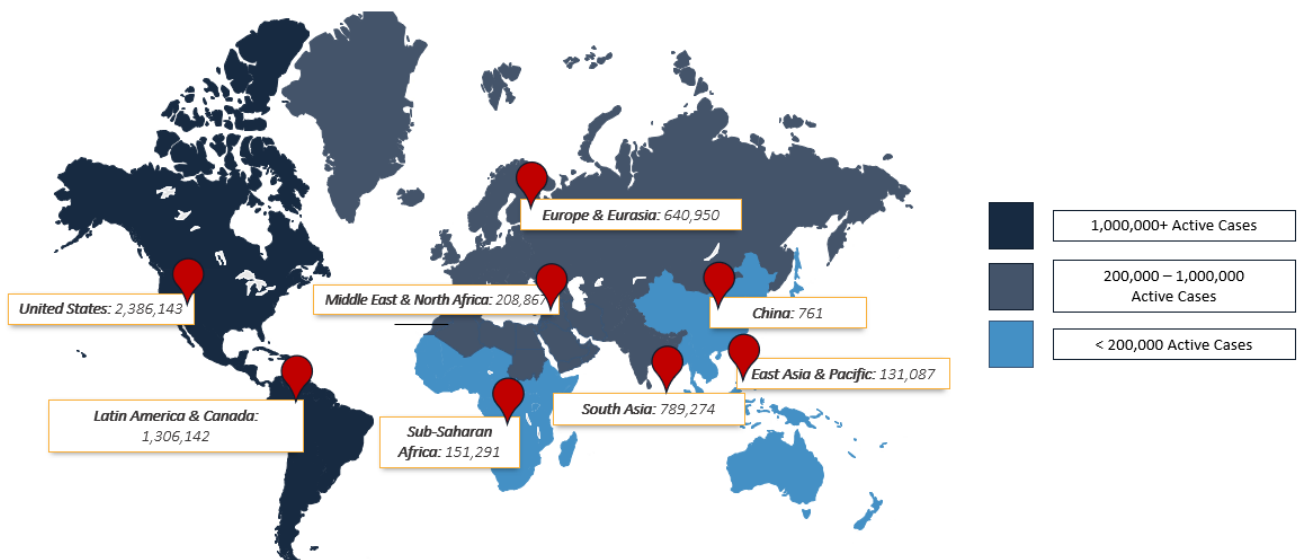
Based on serological prevalence data, the actual number of Covid-19 cases is estimated to be 10 to 20 times higher than confirmed case numbers. A winter Covid-19 resurgence is still expected, and many countries have started to prepare. The pandemic is unfortunately still far from over.

**Mehul Mehta, MD, ASG Chief Medical Officer**

## Key Takeaways

- Countries which appeared to have controlled the virus continue to see new outbreaks and to reimpose lockdowns, including Australia, Japan, and Vietnam. It is likely that this pattern will continue until there is a vaccine.
- Latin America leads the world in Covid-19 cases and fatalities, and the region's outbreak appears to be accelerating. Economies in the region will likely be among the hardest-hit in the world – regional trade is expected to fall by 23 percent in 2020.
- The impact of already-devastating global events – including the horrific explosion in Lebanon and widespread flooding across Southeast Asia – has been magnified by ongoing Covid-19 concerns, as displaced people overwhelm hospitals and crowd into evacuee camps.
- Several countries, especially in Africa, have taken the pandemic as an opportunity to circumvent democratic norms by postponing elections and cracking down on dissidents and activists.
- Three vaccine candidates are in all-important Phase III trials. The effective production and distribution of an eventual vaccine remains a major global challenge.

## Map of Active Covid-19 Cases



Data from Coronavirus COVID-19 Global Cases by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

## CHINA, EAST ASIA, & THE PACIFIC

**Government Response:** **Japan** is in the midst of a second wave of Covid-19 cases, which began in early July, and has been reporting over 1,000 new cases a day. Prime Minister Abe has so far declined to declare a second national state of emergency, but the governors of Aichi and Okinawa prefectures have declared regional states of emergency ahead of next week's Obon holiday.

**Chinese** health authorities reported 37 new cases on August 6, about the same daily number reported throughout recent weeks. About one third of the daily cases were imported. The Chinese government was able to successfully contain a localized outbreak in Beijing in June and is now focusing on new Covid-19 clusters in western Xinjiang province and Dalian, a major port city in Liaoning province.

Covid-19 mortality rates in **Indonesia** and the **Philippines** continue to rise. The Philippines has been experiencing a surge of cases since lifting its lockdown in May, and this month it surpassed Indonesia in total cases, reaching 119,460 on August 6. Returning Filipino workers from overseas have also exacerbated the Philippines' case count. Indonesia's new case numbers also continue to rise, with the country reporting 1,882 new cases on August 6, but President Jokowi has pivoted towards prioritizing the economy ahead of extreme measures to contain the virus. Indonesia began lifting shutdown measures in July, with Bali set to reopen for international tourists in September. **Vietnam**, which had been arguably the world's most successful country in containing the virus with no deaths and less than 500 cumulative cases as late as the end of July, is battling a new outbreak.

**Australia** is still struggling to contain a cluster of infections in its second largest city of Melbourne, which has been in its second lockdown since August 4 after reaching a daily death toll high of 15 people. The same day, the country reported 725 new infections. New South Wales and Queensland have also enacted measures to control the spread of the virus, limiting some interstate travel and mandating social distancing measures.

**South Korea** reported 43 new Covid-19 cases on August 6, and has maintained a low transmission rate for the last several weeks. Over the last two weeks, two thirds of South Korea's new cases have been imported, suggesting low levels of local transmission. The South Korean government attributes its success so far to social distancing, masks, and an effective contact tracing system.

**The Economy: China's** economic recovery continued this month, buoying quarterly performance metrics for several multinationals struggling with economic stagnation at home. Economists now predict China's retail sales to achieve 1 percent growth in the third quarter following a milder-than-expected decline in GDP of 3.9 percent in the second quarter. China's overall economic recovery also continued, after the country achieved 3.2 percent year-on-year growth in the second quarter. China's Purchasing Managers Index also marked its fifth month of expansion in July.

This week **Japan** will likely report its sharpest economic decline on record for Q2, with GDP likely contracting 27.2 percent between April and June. Prime Minister Abe is reportedly considering an additional stimulus package on top of the \$2.2 trillion in stimulus measures already taken this year. Prime Minister Abe's approval numbers have fallen to a record low of 35 percent, leading to speculation that he may soon face an interparty leadership challenge.

Active cases in **China & EAP**  
as of **8/12/2020**

**China** | 761  
**Korea** | 623  
**Malaysia** | 172  
**Japan** | 13,901  
**Thailand** | 129  
**Indonesia** | 39,017  
**Philippines** | 72,348  
**Singapore** | 4,848  
**Cambodia** | 48  
**Laos** | 1

Data from Coronavirus COVID-19 Global Cases by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

In late July, the governments of **Singapore** and **South Korea** reported that they had entered recessions in Q2, and Indonesia reported its first quarterly contraction in 20 years. Singapore recorded a 12.6 percent GDP contraction in Q2, while South Korea shrank 2.9 percent. **Indonesia's** GDP shrank 5.3 percent in Q2. Singapore and South Korea were impacted because their economies are highly dependent on exports and international logistics, while other Southeast Asian countries are also heavily dependent on tourism, which has been sharply reduced.

**Looking Ahead:** On August 6, the **Australian** Treasury predicted that unemployment would reach 10 percent by the end of the year and cost the economy up to \$12 billion. The JobKeeper Program, which has provided subsidies to keep employees on payroll, has been extended through March 2021, but rate cuts are expected at the end of September.

This month an economic think tank predicted the **South Korean** economy would shrink 1 percent in 2020, but that the economy would recover in 2021 with an estimated 2.5 percent GDP growth rate.

Both South Korea and southern **China** are experiencing severe flooding, which could exacerbate Covid-19 transmission in displaced communities. Covid-19 health measures at rescue sites will be important to ensure continued low rates of transmission in both countries. The flooding may also slow economic recovery in both countries.

## EUROPE

**Government Response:** EU leaders met in Brussels July 17-21 to discuss the Covid-19 recovery fund and the EU budget for 2021-2027. The Special European Council reached a deal on a groundbreaking €750 billion recovery fund and €1.74 trillion Multiannual Financial Framework (MFF) for the next seven years.

The EU will establish a new Recovery and Resilience Facility (RRF), which will distribute €312.5 billion in grants linked to specific economic and reform targets. The remaining €77.5 billion in grants will be used to top up normal EU budgetary programs. The long-term budget includes measures related to climate, health, infrastructure, and research and innovation.

The EU continues to restrict travel from non-EU/Schengen/EEA countries not on its “safe list” (reviewed every two weeks), with some exemptions granted on a country-by-country basis. The current safe list, updated July 30, includes Australia, Canada, and China (subject to confirmation of reciprocity). Travel from the United States remains largely banned. **Russia** resumed international flights for select countries, including the U.K., on August 1.

In response to recent case increases in several Western European countries, some governments have imposed new restrictions while avoiding large-scale lockdowns. All travelers entering **Germany** from high-

### Active cases in Europe as of 8/12/2020

<b>Italy</b>	13,791
<b>Spain</b>	151,325
<b>Germany</b>	10,479
<b>France</b>	92,583
<b>Switzerland</b>	2,478
<b>United Kingdom</b>	267,092
<b>Netherlands</b>	53,814
<b>Austria</b>	1,447
<b>Belgium</b>	47,282
<b>Norway</b>	659

Data from Coronavirus COVID-19 Global Cases by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

risk areas will now receive mandatory Covid-19 testing. Local officials in Catalonia, **Spain** are recommending that citizens in Barcelona remain indoors. The **U.K.** governments has implemented city-wide lockdowns in Leicester and Aberdeen in response to localized outbreaks.

The European Commission concluded initial negotiations with pharmaceutical company Sanofi on July 31, moving toward a contractual framework for the EU to purchase 300 million doses of a potential Covid-19 vaccine. The EU has reached a similar preliminary agreement with AstraZeneca. The European Investment Bank has provided €100 million in debt financing to Biotech and a €75 million loan to German biopharmaceutical company CureVac for vaccine development. The EU has also signed a €63 million contract with U.S. biopharmaceutical company Gilead for supplies of the company's antiviral drug remdesivir, which is being used to treat Covid-19.

**The Economy:** The European Commission released updated economic estimates for Q2 2020 on July 31. The EU's GDP fell 11.9 percent over the past quarter, with tourism-reliant **Spain** recording the largest decline (18.5 percent) among member states. However, a recent poll of EU economists points to a slightly rosier outlook for next year after the EU Commission's passage of the €750 billion recovery fund.

**Looking Ahead:** As cases continue to rise throughout Europe, we expect countries to further tighten local restrictions and to impose quarantine requirements on travelers from high-risk areas. The **U.K.** already mandates a 14-day quarantine for travelers from **Spain** and **Portugal**, and is considering adding **France** and 13 other countries with similar or higher infection rates to that of the U.K.

**Russia's** early approval of a Covid-19 vaccine raised questions from healthcare authorities around the world. The country's candidate skipped large-scale clinical trials and ignored WHO procedures, among other safety and efficacy criteria normally required for vaccine approval. The announcement further escalates a race between the U.S., EU, China, and Russia to develop a successful vaccine.

## MIDDLE EAST & NORTH AFRICA

**Government Response:** Despite earlier fears of a spike in case numbers following the Eid Al-Adha holidays at the end of July, the number of new infections has continued to decline across much of the region. This has emboldened GCC states to press ahead with their reopening plans. **Saudi Arabia** reopened its borders with the **UAE, Kuwait,** and **Bahrain** after Eid, after following through with plans to dramatically scale back the *Hajj* pilgrimage to just 1,000 domestic visitors. **Dubai** reopened its borders to international travel last month, although **Abu Dhabi** remains closed except to citizens and residents. Foreigners visiting or transiting through the UAE must provide proof of a negative Covid-19 test result. **Oman** has relaxed some of its internal travel restrictions, but unnecessary travel is still prohibited from 9:00pm-5:00am. Bahrain, which resumed flights to several international destinations last month, has announced that some businesses, including restaurants, will reopen in September. Saudi Arabia and the UAE have both

### Active cases in MENA as of 8/12/2020

<b>Iran</b>	24,467
<b>Israel</b>	25,614
<b>Saudi Arabia</b>	32,499
<b>Qatar</b>	3,121
<b>Egypt</b>	35,887
<b>Bahrain</b>	3,134
<b>Lebanon</b>	4,917
<b>UAE</b>	5,661
<b>Algeria</b>	9,739
<b>Iraq</b>	40,307
<b>Morocco</b>	10,461
<b>Jordan</b>	77
<b>Kuwait</b>	7,845
<b>Tunisia</b>	450
<b>Oman</b>	4,688

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announced the start of Phase III trials for Chinese-developed vaccines.

With certain exceptions, countries across the rest of the region are also reopening. Last month, **Iraq** reopened its airports to international flights and several of its border crossings with **Iran**. The Iranian government continues to struggle to control new infections and was hit this month with a data breach suggesting that the true number of coronavirus-related deaths is nearly three times the official tally. **Jordan**, which has kept its case numbers low throughout the pandemic, continues to take a cautious approach to reopening. Last week, it postponed a planned resumption of international flights in response to the surge in cases internationally. **Egypt** will continue to allow international flights after reopening travel on July 1 but will require all travelers to present test results starting August 15, unless they are flying directly or transiting to the coastal tourism destinations of South Sinai, the Red Sea, and Marsa Matrouh. On Sunday, **Algeria** reduced its curfew hours and allowed certain businesses to reopen. In contrast to the trend across much of the region, **Lebanon** has seen a worrying surge in infections and hospitalizations. This prompted the government to reimpose many coronavirus-related restrictions in late July. Hospitals were already at a breaking point even before the flood of patients injured in the explosion that devastated much of Beirut last week.

**The Economy:** Despite many countries reopening, economic fallout from the pandemic continues across the region. While the recovery in global oil prices has relieved some of the immediate pressure on their finances, the Gulf Cooperation Council (GCC) countries will likely continue to balance short-term stimulus measures with longer-term austerity. In an interview last month, **Saudi** Finance Minister Mohammed Al-Jadaan indicated that the budget for 2020 will likely exceed SAR 1 trillion (~\$267 billion), roughly on par with last year. Given the substantial increase in spending on healthcare and economic stimulus amid the pandemic, this would suggest substantial cuts in other areas. Minister Al-Jadaan also suggested that the government would accelerate its efforts to privatize education and healthcare. Meanwhile, the **UAE** has announced a three-phase plan to reset its economy. The first phase will focus on supporting sectors most affected by the pandemic, such as tourism, while the second and third phases will focus on longer-term priorities such as productivity, digital transformation, and sustainability.

In contrast, many non-GCC countries have been focused mainly on securing international aid to cover short-term financing gaps, and have largely avoided announcing major austerity measures or economic reforms out of concern for political stability. Last month, **Egypt** enacted a modest 1 percent surtax on all monthly salaries greater than EGP 2,000 (~\$125), but avoided major tax or fee increases. The House also passed a new law on entrepreneurship and microbusinesses that includes special tax cuts and monetary incentives for SMEs and their investors. Meanwhile, **Morocco** announced that it will begin work to expand social security to cover all Moroccans in the new year, in what some experts have characterized as an attempt to pacify rising public discontent with the economy.

**Looking Ahead:** In the coming weeks, we expect most countries across the region to continue to reopen their economies, barring a substantial and sustained resurgence in case numbers. We will be watching closely whether governments that have been especially cautious about reopening, such as **Jordan** and **Abu Dhabi**, relax their restrictions on international travel and other activities, or keep them in place into the fall. We will also be monitoring the situation in **Lebanon**, where the government resigned on Tuesday, one week after the explosion in Beirut. This has left Lebanon in political limbo, paused negotiations over a badly needed International Monetary Fund (IMF) rescue package, and put the country at risk of descending further into political and economic chaos.

## LATIN AMERICA

**Government Response:** Latin America leads the world in Covid-19 cases and fatalities, with more than 5.4 million cases and 210,000 deaths. The region's outbreak appears to be accelerating, with the three-day new case average reaching 67,325 on August 4, up from 55,379 on July 15. Governments in the region have oscillated between loosening and reimposing restrictions on business activity and mobility as they struggle to manage dual health and economic crises.

**Brazil** passed the grim milestone of 100,000 deaths this week, and trails only the U.S. in total cases and deaths. President Jair Bolsonaro, his wife Michele, and at least 8 cabinet members have tested positive for the virus. The federal government response to the crisis remains lackluster, placing the onus on state governments to define reopening plans. **Mexico** now has the sixth-highest Covid-19 caseload and the third-highest death toll in the world. Many states have continued to relax restrictions and permit the resumption of some non-essential activities at a limited capacity. **Chile** commenced a new reopening plan called "Step by Step" and passed a bill allowing workers to withdraw up to 10 percent from their pension funds to offset Covid-19-related economic hardship. Despite **Colombia's** strong initial response, the virus spread has accelerated, now with the highest per-capita fatalities in the world. Bogotá and Medellín have imposed new quarantine restrictions, and the national shelter-in-place order will remain in effect until August 30.

Against this backdrop, political turmoil continues to spread throughout the region, with more cabinet shakeups in **Peru** and Chile, and the departure of two senior members of Brazil's economic team. Citing the virus, **Bolivia** delayed its election again, sparking a wave of mass protests around the country.

**The Economy:** Reopening has led to some modest improvements in economic performance. **Brazil's** industrial activity increased by 8.9 percent from May to June and business confidence has risen, contributing to slightly improved GDP forecasts in the last several Central Bank surveys of economists. The most recent survey projects a drop of 5.62 percent in 2020. However, the government has warned it does not have the resources to indefinitely maintain a key cash transfer program that has helped stave off a deeper economic crisis. **Mexico** reported a record downturn for Q2 2020, but trade data from June showed a return to near-normal export levels and industrial output increased by 17.9 percent from May to June.

Nonetheless, the region's economies will likely be among the hardest-hit in the world. The UN Economic Commission for Latin America and Caribbean (ECLAC) anticipates that regional trade will fall by 23 percent in 2020 and regional unemployment is expected to be around 13.5 percent by the end of 2020, an increase by 5.4 points from 2019. Inequality is also a concern, with the GINI index estimated to increase by 1-8 percent in 17 countries.

**Looking Ahead:** While the reopening trend across the region has helped to provide some short-term economic relief, risks of a renewed deterioration remain high. As the pandemic drags on, public budgets

### Active cases in Latin America as of 8/12/2020

**Brazil** | 776,564  
**Ecuador** | 11,002  
**Chile** | 16,544  
**Panama** | 24,119  
**Peru** | 132,423  
**Mexico** | 105,793  
**Colombia** | 166,551  
**Argentina** | 68,540

Data from Coronavirus COVID-19 Global Cases by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

are growing increasingly constrained, leaving little room for additional stimulus or support programs. The region's precarious economic position had already convinced some governments to begin reopening their economies even as the initial outbreak peaked, creating the conditions for continued spread. We expect this tension between public health and economic necessity to become more pronounced should a second wave take hold in the region.

## SUB-SAHARAN AFRICA

**Government Response:** African states are continuing to push forward with limited economic reopenings, balanced with concerns over rising Covid-19 caseloads. In **Kenya**, Kenya Airways resumed international flights on August 1, ferrying passengers to and from 30 destinations. Nevertheless, President Uhuru Kenyatta announced on July 27 that the country will enforce a nighttime curfew for an additional 30 days, and that alcohol sales in restaurants will be prohibited. Additionally, the Kenyan government decided to annul the 2020 school year, causing concern domestically as the backlog of students in the public school system could prevent new pupils from beginning school in 2021. In **South Africa**, while domestic flights resumed as of June 15, the country is still short of reopening international air traffic. Moreover, President Cyril Ramaphosa on July 12 reintroduced certain lockdown measures in response to surging case numbers. The government mandated mask-wearing in public places, reinstated a nightly curfew, and revived a ban on the sale of alcohol—a measure designed to reduce the number of non-Covid hospitalizations.

### Active cases in **Sub-Saharan Africa** as of **8/12/2020**

**South Africa** | 129,233  
**Senegal** | 3,822  
**Ghana** | 2,029  
**Dem. Rep. Congo** | 2,060  
**Nigeria** | 12,725  
**Tanzania** | 305  
**Angola** | 1,080  
**Eritrea** | 37

Data from Coronavirus COVID-19 Global Cases by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

African countries are also stressing the reinforcement of testing capacity as a key to controlling the pandemic domestically. **Ghana**, which has the second-highest testing rate of any African country, had conducted 12.3 tests per 1,000 people as of July 26, which analysts attribute to its widespread adoption of pooled testing. In **Ethiopia**, the government commenced a nationwide Covid-19 testing campaign on August 2 in response to rising caseloads. Prime Minister Abiy Ahmed, in an address launching the campaign, outlined a goal of conducting 200,000 tests in two weeks. Covid-19 testing across the continent, however, remains highly concentrated; ten countries account for nearly 80 percent of all tests conducted.

**The Economy:** Concerns are growing that many countries could see a rise in poverty due to the pandemic's ongoing impact. According to new estimates from the World Bank, poverty rates in sub-Saharan Africa could rise as much as 2 percentage points post-Covid, translating into an additional 50 million sub-Saharan Africans in poverty. In **Nigeria**, 79 percent of respondents in a phone survey reported a loss in income, with the effects being particularly acute in urban areas which were more directly impacted by restrictive lockdown measures. This loss of income could trigger a host of downstream consequences for African economies, such as a further contraction of the informal economy and aggravated food security problems.

A resurgence of cases in countries like **South Africa** is endangering the prospect of an economic rebound in late 2020 and early 2021. South Africa, where the caseload recently surpassed 500,000, could see an economic contraction as large as 8.2 percent in 2020, according to new estimates from the Organization



for Economic Co-operation and Development (OECD). The government’s reimposed lockdown restrictions and curfew constrained economic activity and contributed to the third-largest monthly reduction in employment ever recorded.

**Looking Ahead:** The Covid-19 pandemic is posing acute challenges for democracy and governance across Africa, as countries restrict civil liberties in the name of pandemic response. In **Uganda**, concerns over the pandemic have led authorities to mandate that upcoming 2021 general election campaigns be conducted solely through social and traditional media. Security forces have created a new “Violence Suppression Unit” to guard media houses hosting political figures, a move that activists warn is designed to chill political expression in the run-up to the elections. In **Tanzania**, a set of newly approved communication regulations forbids the publication of information concerning the Covid-19 pandemic without prior government approval. The restrictions, which also prohibit organizing protests via social media, are the latest restrictions related to Covid-19 after the government stopped publishing case statistics earlier this year.

## SOUTH ASIA

**Government Response:** The number of Covid-19 cases in **India** and **Bangladesh** continues to surge at alarming rates. India has reported over 2 million cases and remains the third-worst-hit country in the world after the U.S. and Brazil, with recent antibody test results finding that almost one in four New Delhi residents has likely been infected. **Pakistan** and Bangladesh have each reported well over a quarter of a million cases. Other South Asian nations have reported far fewer. The region continues to report low fatality rates, with India registering a 44 percent decline in fatalities from June to July and Pakistan recently noting a three-month record for the fewest fatalities. However, testing across the region remains insufficient, and in the case of Pakistan, is declining at a rate that calls into question the veracity of falling case numbers.

### Active cases in South Asia as of 8/12/2020

**Pakistan** | 16,599  
**India** | 652,473  
**Sri Lanka** | 232  
**Bangladesh** | 109,896  
**Maldives** | 2,461  
**Nepal** | 7,613

Data from Coronavirus COVID-19 Global Cases by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)

Many governments across the region have proceeded with their reopening plans despite ongoing health concerns. Pakistan removed restrictions on the restaurant, transportation, and tourism sectors, as well as most remaining businesses and public gathering places, prompting concern from medical professionals within the country. India is currently in the third phase of its reopening, dubbed “Unlock 3,” which will continue until August 31. While the lockdown was eased in areas other than designated “containment zones,” several state governments in India extended their lockdowns through the end of August. Bangladesh has maintained lockdowns in designated containment zones, and the government is seeking to restructure its health services after a hospital owner sold thousands of negative Covid-19 tests results, causing an international scandal and sowing distrust among Bangladeshis. **Nepal** lifted its nationwide lockdown on July 21 in response to public pressure and in order to revive its tourism sector, but local governments have recently begun re-enforcing selective lockdowns amid rising cases. **Maldives** and **Sri Lanka** have not yet been forced to reimpose their lockdowns but maintain restrictions.

**The Economy:** The economic impacts of Covid-19 have been compounded by severe monsoon flooding in **India, Nepal, and Bangladesh**. Floods in India and Nepal have displaced millions of people so far and will likely continue over the coming weeks, while flooding in Bangladesh has submerged close to 40 percent of the country – in the north, northeast, and central Bangladesh – and affected more than 5.5 million people. Many of those evacuated in the three countries are housed in cramped conditions inside relief camps, which seems likely to lead to further spread of Covid-19. The floods have dealt a double blow to daily wage earners struggling to make a living during the pandemic and have damaged millions of dollars' worth of crops, which is likely to lead to temporary food shortages. Unemployment also remains high across the region. India's unemployment reached a five-week high at 8.7 percent, with rural unemployment even higher as the crop sowing season comes to an end. The Reserve Bank of India (RBI), the country's central bank, announced a debt restructuring scheme this week. Coupled with an extension of an ongoing debt moratorium, the RBI hopes the moves will encourage banks to continue lending to businesses.

**Looking Ahead:** Public officials in **India and Pakistan** have quickly turned from concerns over Covid-19 spikes after the Eid holiday to concerns about Covid-19 spikes after Independence Day on August 14 in Pakistan and August 15 in India. India has canceled large traditional Independence Day events and themed this year's events as "Freedom from Covid," during which the country will celebrate those who have recovered from the disease.

## UNITED STATES

**Government Response:** Six months into the pandemic, the U.S. is still failing to contain the virus and has accounted for more than 5 million Covid-19 cases, or roughly a quarter of all infections confirmed across the world. After the height of the summer saw a resurgence of cases in the Sunbelt states, U.S. health officials now fear that the virus is widely circulating in parts of the Midwest, particularly in Ohio, Tennessee, Kentucky, and Indiana.

Active cases in the **United States**  
as of **8/12/2020**

**USA** | 2,386,143

Data from Coronavirus COVID-19 Global Cases by the  
Center for Systems Science and Engineering (CSSE) at  
Johns Hopkins University (JHU)

The country's predicament has been blamed on the government's fragmented approach to controlling the spread of the virus, a lack of contact tracing, and persistent shortcomings around access to fast and reliable testing. As U.S. states continue to report resurgences, experts warn that the country may be headed into another wave of damaging economic shutdowns. Nevertheless, the federal government continues to press states to reopen, and has shifted its attention to ensuring that special attention is placed on keeping older Americans safe while the rest of the population goes back to work and school.

Perhaps one of the most pressing questions facing state and local lawmakers is that of reopening schools in the fall. As of last week, 13 of the 15 largest school districts in the country had opted to begin the school year with online learning only.

**The Economy:** According to the U.S. Labor Department's monthly jobs report released last week, the American economy lost 2.9 million jobs permanently in July. Permanent job losses have made up only a small percentage of all job loss since the pandemic began in March, with a vast majority of unemployed workers classified as on temporary layoff. However, permanent layoffs are now moving beyond the service industry, which was the earliest and hardest hit sector.

Continued job losses and economic shutdowns raise pressure on Congress to agree on a next stimulus package. Despite the pressure to reach a deal as quickly as possible, Republicans and Democrats remain fiercely divided on the terms of the next round of relief. Democrats stand by the \$3 trillion HEROES Act that House Democrats approved in May, which would extend the \$600 per week federal benefits into next year. The Republican Party, in contrast, released their proposed HEALS relief bill earlier this week, which calls for lowering federal unemployment benefits to around \$200 per week.

**Looking Ahead:** Less than four months from the U.S. presidential election, recent events have sparked worry that many states still aren't prepared to deal with election-related chaos the pandemic could cause in November. Experts continue to warn that in order to safely hold elections in the middle of the pandemic, states need to focus on voting solutions that will reduce crowds, minimize direct personal contact, and limit common access to high-touch surfaces. The Republican Party still plans to hold an in-person national convention, albeit scaled back, later this month in Charlotte, North Carolina. The party has mandated that delegates wear masks, and plans to track attendees' movement with badges equipped with Bluetooth technology, which will make it easier to conduct contact tracing should someone test positive for Covid-19. Democrats have moved their convention entirely online.

## VACCINES & THERAPEUTICS

Three major vaccine candidates – all using different platforms – have moved to Phase III clinical trials. **Oxford-AstraZeneca** is using a chimpanzee adenovirus vector, **Moderna** is using an mRNA vaccine platform, and **CanSino Biologics** is using a human adenovirus vector. Phase II results showed both B and T cell responses in all three trials without major complications, which is positive news. However, re-vaccinations were required to get the immunological response desired, which suggests that global production would have to double to achieve the required dosing.

In other news Russia continues to push forward with its **Gamaleya** vaccine, a viral vectored vaccine, with greatly truncated clinical trials. Russia has announced plans to move to production by September 2020 and mass inoculation the following month. These truncated trials, coupled with a lack of transparency around clinical trial data or results, has caused widespread concern within the global scientific community.

The **Serum Institute of India**, a privately owned and well-established vaccine manufacturer in India, is primed to become a major Covid-19 vaccine producer at scale. It is ramping up to produce 5 billion units, 50 percent of which it has committed to export. The company has entered into production agreements with major vaccine development groups including Oxford-AstraZeneca.

Still, the ability to scale production and ramp up distribution in an equitable and cost-effective manner remains a global challenge for all manufacturers. Bottlenecks, like the availability of medical grade glass for vaccine vials, are still major issues.

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## About ASG

Albright Stonebridge Group (ASG) is the premier global strategy and commercial diplomacy firm. We help clients understand and successfully navigate the intersection of public, private, and social sectors in international markets. ASG's worldwide team has served clients in more than 120 countries.

For questions or to arrange a follow-up conversation please contact [Anthony Cino](#). More information about ASG's support for companies and organizations during the pandemic is available [here](#).