

COVID-19 Risk Management

Daily News Flash
May 04, 2020

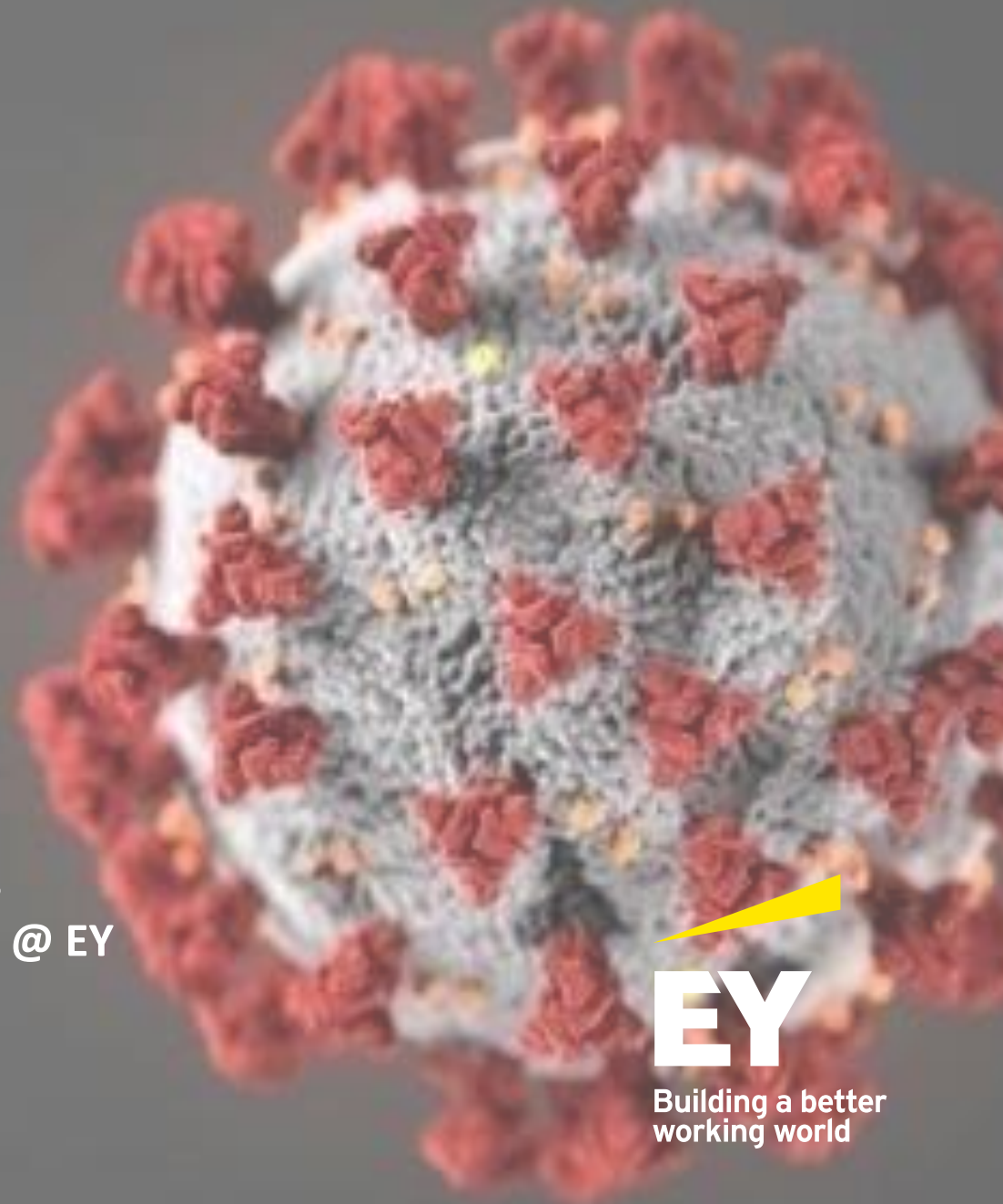
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Partner | Strategy & Operations @ EY

The better the question. The better the answer.
The better the world works.

The EY logo consists of the letters 'EY' in a bold, white, sans-serif font. A yellow triangle is positioned above the 'Y', pointing downwards towards the letter.

Building a better
working world



COVID-19: News Flash contents

- ▶ World health status and public health overview
- ▶ Global economic outlook
- ▶ Government actions to combat COVID-19 & financial support, including re-opening activities

- ▶ Progress on testing & cures/ contact tracing updates
- ▶ Continued company announcements and sector updates
 - ▶ Layoffs/Furloughs/Execs forgoing pay: company announcements
 - ▶ Corporate innovation to fight COVID-19
 - ▶ Return to work / how the workplace will look different
 - ▶ MIT study on future workplace automation
 - ▶ Ongoing issues re: employer-employee relations
- ▶ How can EY help / upcoming webinars

**New
slides**

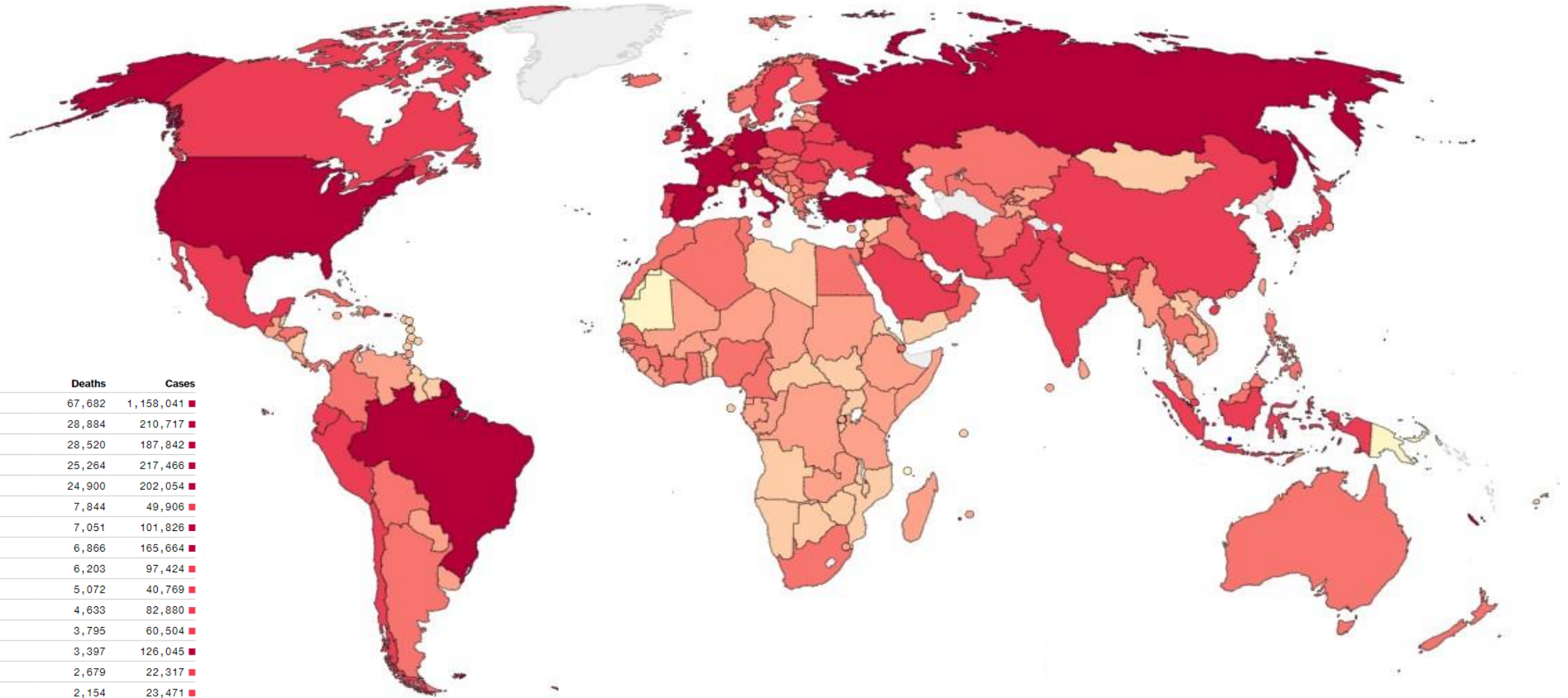
**New
content**

**No
changes**

World Health Status Overview: 3,553,000+ cases with over 247,670 deaths



Jurisdictions with cases confirmed as of May 4, 2020, 2:11 PM GMT+5:30
 1-9 10-99 100-999 1,000-9,999 10,000-99,999 100,000 or more



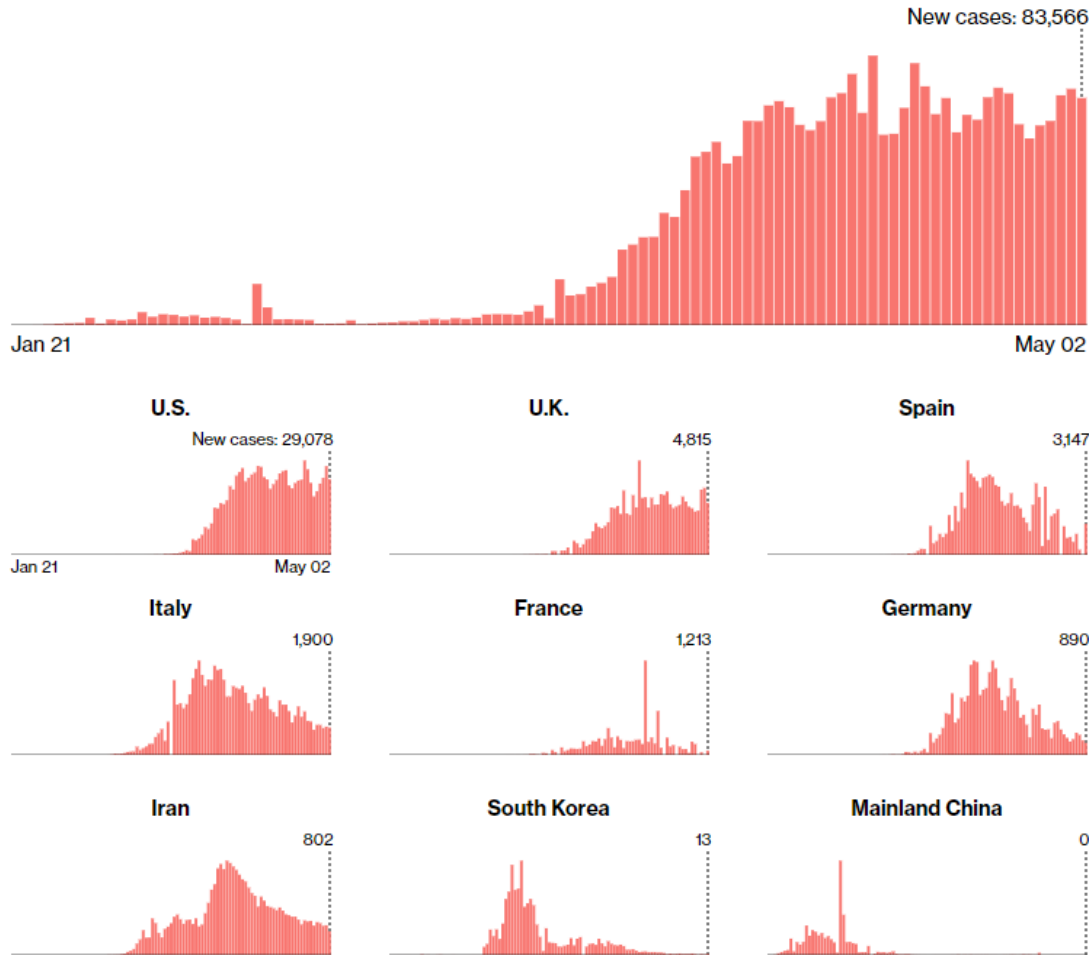
Where deaths have occurred	Deaths	Cases
U.S.	67,682	1,158,041
Italy	28,884	210,717
U.K.	28,520	187,842
Spain	25,264	217,466
France	24,900	202,054
Belgium	7,844	49,906
Brazil	7,051	101,826
Germany	6,866	165,664
Iran	6,203	97,424
Netherlands	5,072	40,769
Mainland China	4,633	82,880
Canada	3,795	60,504
Turkey	3,397	126,045
Sweden	2,679	22,317
Mexico	2,154	23,471

World Health Status Overview: Some countries have managed to flatten the curve



New content

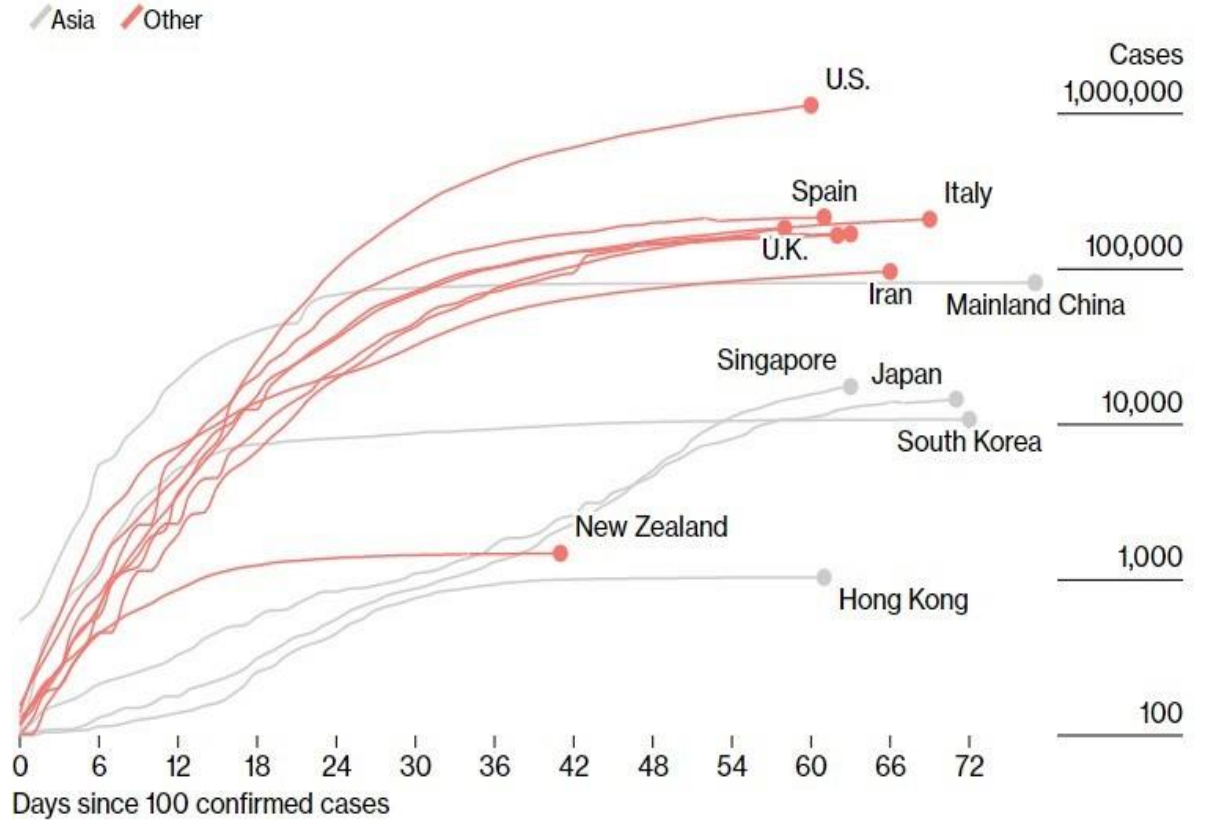
Global Cases Added Per Day



Some Have Managed to Flatten the Curve

The first 78 days with more than 100 confirmed cases

Show deaths



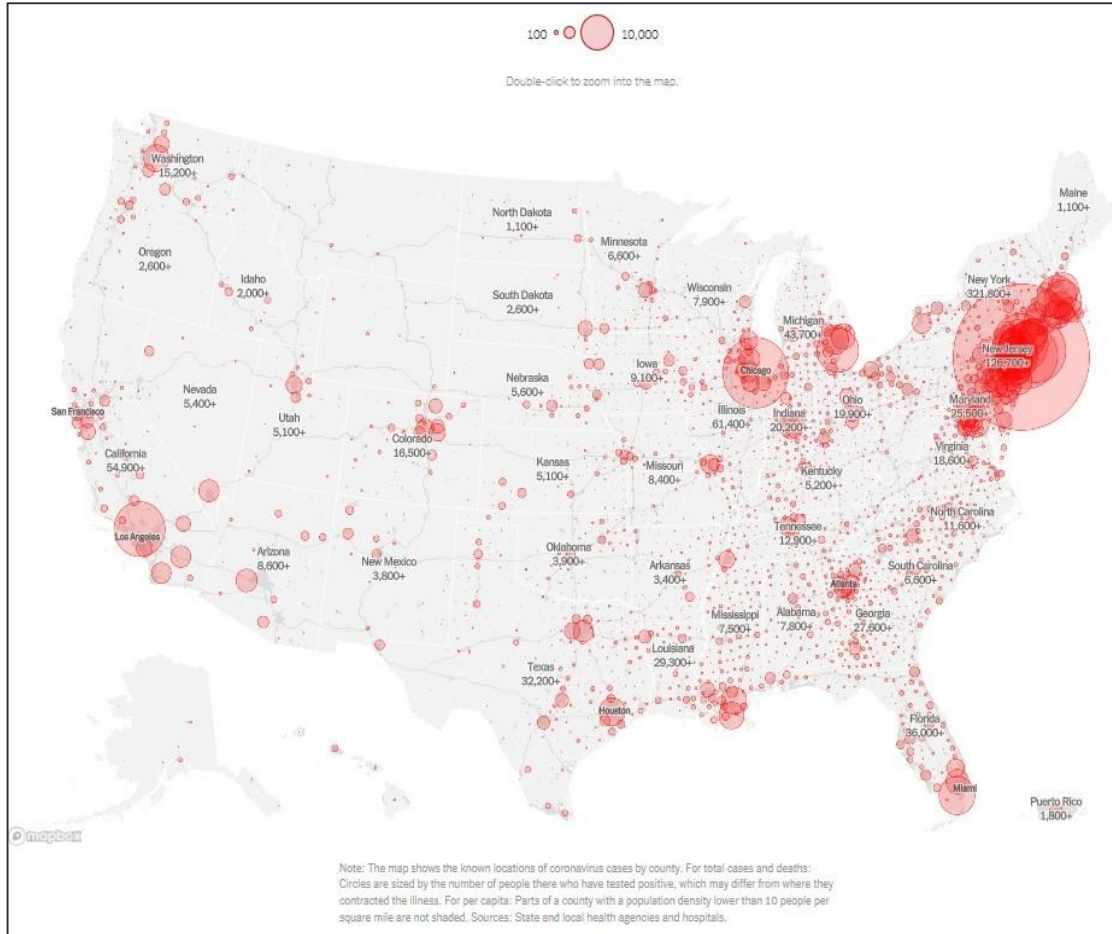
Note: On February 14, Hubei officials changed their diagnostic criteria, resulting in a spike in reported cases.

US COVID-19 cases and deaths per state

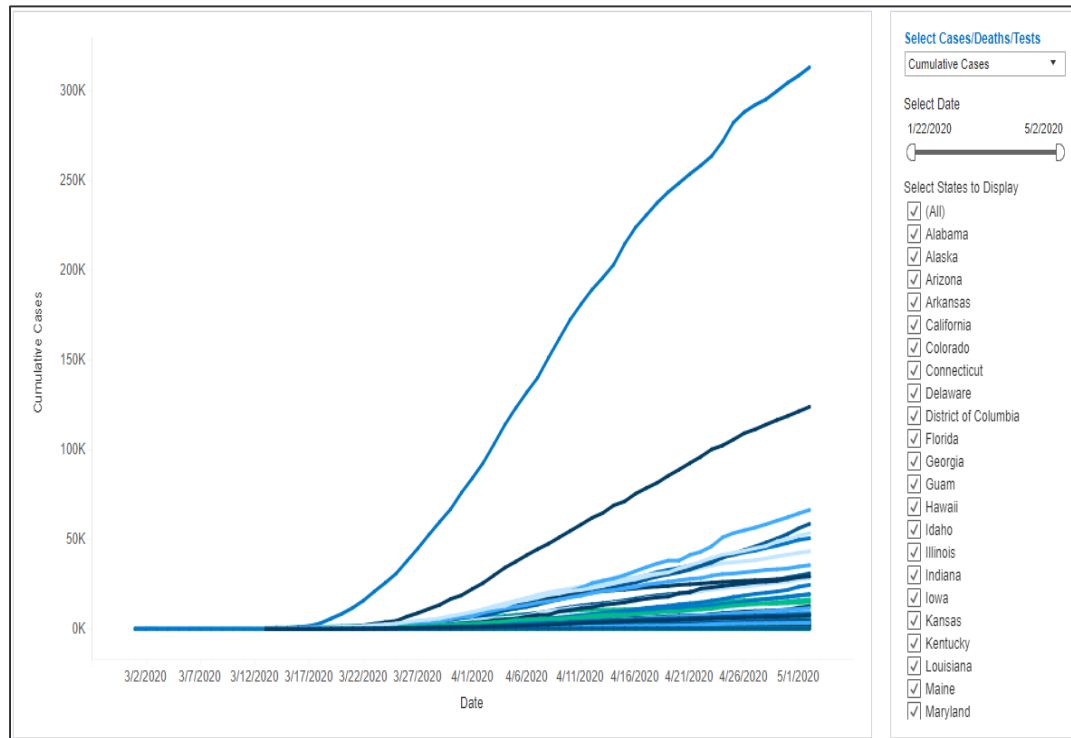


US Confirmed COVID-19 Cases (1.1m+)

US Confirmed COVID-19 Deaths (67k+)



State analysis: Most cases per population and deaths

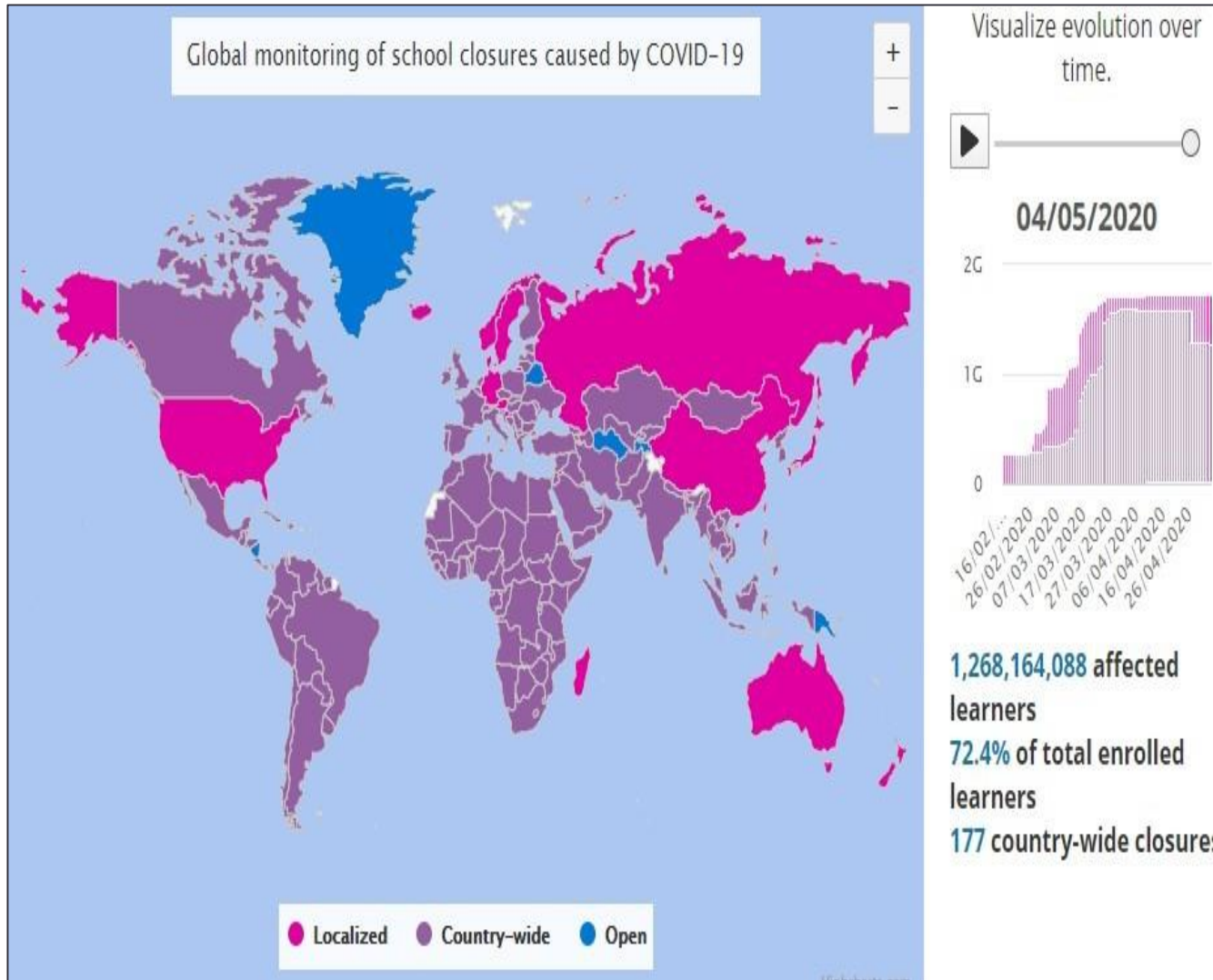


	Cumulative Cases	Cases per Million Population	Cumulative Deaths	Deaths per Million Population	Fatality Rate
US Total	1,127,712	3,435.6	66,082	201.3	5.9%
New York	316,415	16,265.1	24,535	1,261.2	7.8%
New Jersey	126,744	14,269.5	7,871	886.2	6.2%
Massachusetts	66,263	9,613.8	3,846	558.0	5.8%
Rhode Island	9,477	8,946.0	320	302.1	3.4%
Connecticut	29,287	8,214.5	2,436	683.3	8.3%
District of Columbia	5,016	7,107.3	251	355.7	5.0%
Louisiana	29,340	6,311.3	2,012	432.8	6.9%
Delaware	5,208	5,348.3	177	181.8	3.4%
Illinois	58,505	4,616.9	2,559	201.9	4.4%
Michigan	43,811	4,386.9	4,054	405.9	9.3%
Maryland	25,462	4,211.6	1,281	211.9	5.0%
Pennsylvania	51,225	4,001.3	2,720	212.5	5.3%
South Dakota	2,631	2,974.0	21	23.7	0.8%
Indiana	19,933	2,960.8	1,132	168.1	5.7%
Iowa	9,175	2,908.0	184	58.3	2.0%
Colorado	16,225	2,817.5	832	144.5	5.1%

- ▶ NY, NJ, MA, RI and CT have the most cases relative to population.
- ▶ NY, NJ, CT, MA, and LA have the most deaths relative to population.
- ▶ NY still has highest growth rate of cases. The graph is beginning to show a slowing infection rate.

Source: <https://www.kff.org/health-costs/issue-brief/state-data-and-policy-actions-to-address-coronavirus/>

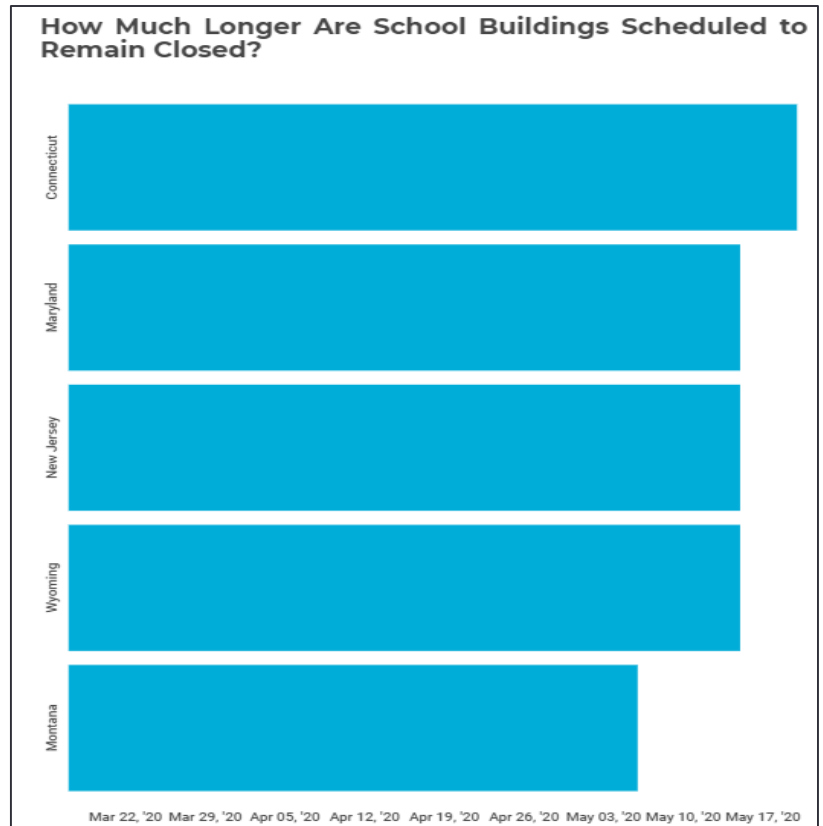
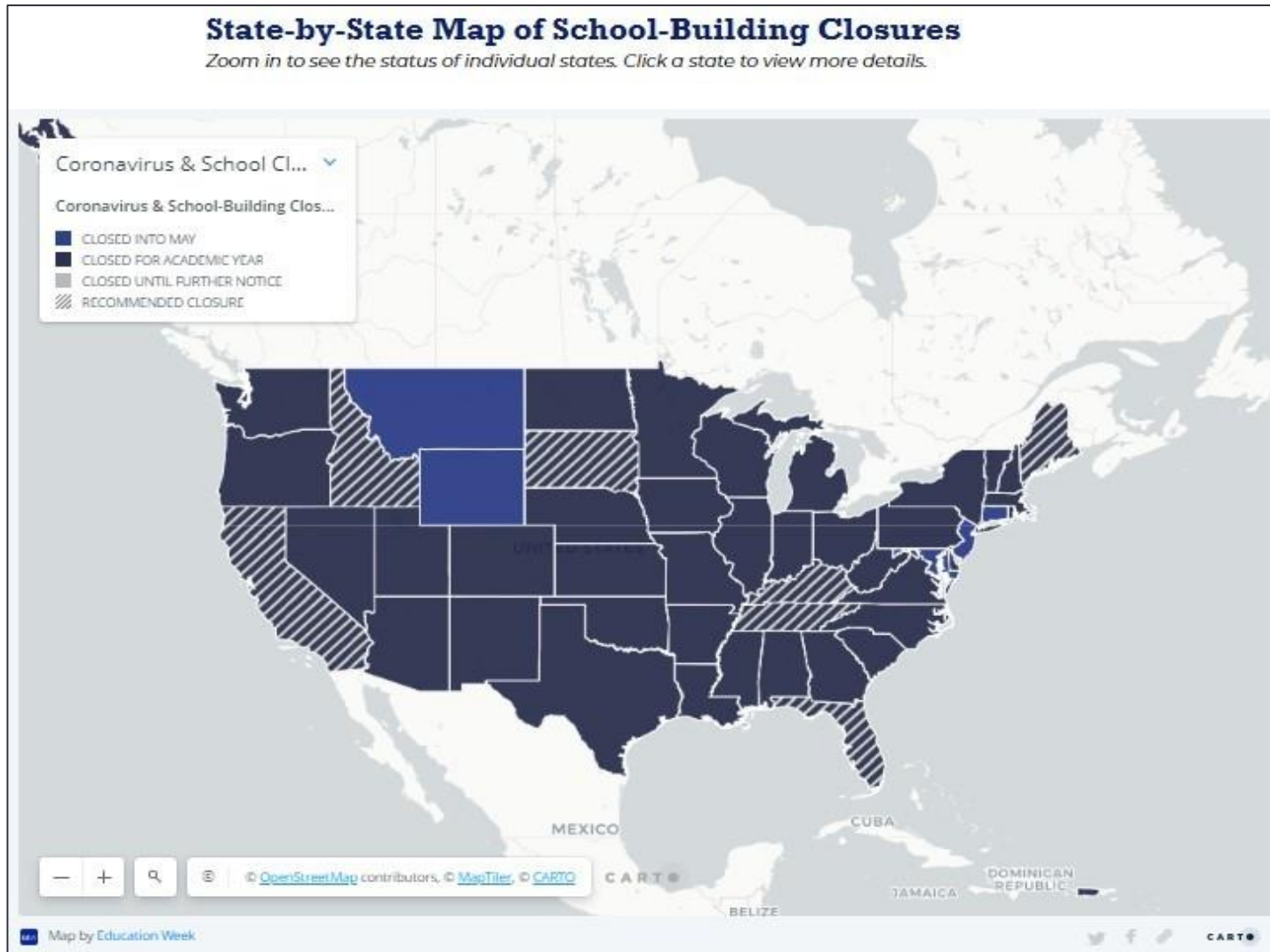
Overview of global school closures: still 73.8% closed globally



- ▶ Denmark is the first country in Europe to reopen schools, which the country began April 20 with nurseries, kindergartens and primary schools.
- ▶ Norway re-opened kindergarten on April 20, and grades 1-4 on April 27.
- ▶ Czech Republic reopened universities on April 27.
- ▶ Netherlands primary schools and day-care centres will begin reopening part-time on May 11. The remaining students will return on June 1.
- ▶ Australian students will return to school in a staggered approach beginning May 11 and concluding May 25.
- ▶ Finland will begin gradually reopening schools on May 14, with students returning for a little more than 2 weeks before summer vacation begins in June. Secondary students will continue studying remotely.
- ▶ French schools will begin reopening on May 12. Students aged 5 to 11 will return first, with selected older students in middle/high schools the following week. All classes will be back by May 25. Class sizes will be limited to 15 students.
- ▶ Schools in Italy and Spain are tentatively planned to reopen in September.
- ▶ Switzerland will reopen its schools and universities on May 11.
- ▶ Primary schools in Quebec, Canada will reopen by May 19. High schools and universities will remain closed until September.
- ▶ Germany partially reopened schools for final exams.
- ▶ Headteachers union in UK said it does not think schools can reopen until June 1 at the earliest.
- ▶ Schools across China are now mostly open, except Hubei, where Wuhan is located, which will open on May 6.
- ▶ Hong Kong allowed students to sit for exams on April 24.
- ▶ Australia students are beginning to return to school starting May 11th on a staggered basis with a full reopening in July
- ▶ Israel announced a phased reopening starting Sunday May 3 if the COVID-19 curve permits for first three years of primary school with reduced class size of 15 students max.
- ▶ Canada: Quebec elementary schools will return on May 11, outside Montreal, which will return on May 19. High schools in September. Nova Scotia schools will reopen on May 19, and Ontario on May 31. The remaining provinces have not yet set a reopening date.

Source: <https://en.unesco.org/covid19/educationresponse>

When will schools start to reopen?



- ▶ 45 states 4 territories and district of Columbia have ordered/ recommended school closure for the rest of the academic school year - 47.9m public school students affected.
- ▶ Montana schools will be allowed to reopen on May 7 at the discretion of local school boards.

Source: <https://www.edweek.org/ew/section/multimedia/map-coronavirus-and-school-closures.html>



- ▶ A study by Don't Forget The Bubbles, a pediatric blog that provides online medical education, found that children contract COVID-19 less often and with less severity than the general population.
- ▶ There is limited evidence so far that children pass the disease to others in significant numbers.
- ▶ Many infected children may stay asymptomatic, but cases of them becoming critically ill from COVID-19 remain rare.

Among the study's key findings are:

- ▶ A China/WHO joint commission could not find a single case of a child passing the virus to an adult.
- ▶ Low case rates among children may be due more to higher numbers remaining asymptomatic, rather than a lower infection rate.
- ▶ Analysis of Chinese data in confirmed and suspected cases showed that 32% of affected children aged 6-10 years were asymptomatic.
- ▶ Precise details regarding pediatric transmission remain unclear.
- ▶ To date, only a handful of COVID-19 deaths have been reported in children.
- ▶ Very few newborns or infants contract COVID-19; generally, they do well in overcoming the virus.

Source: [Bloomberg](#)

[Click here](#) to read the full report.

Weekly JPMorgan Update: US Q1 4.8% GDP contraction marks the start of a “steep” recession, signaling U-shaped recovery



Growth

- ▶ Q1 4.8% GDP contraction marks the start of a sharp recession from a halt in economic activity. The fall in economic growth reflected negative contributions from consumption, business fixed investment, exports and inventories, but positive contributions from housing and government spending.
- ▶ The decline in GDP is consistent with JPMorgan’s forecast of a U-shaped recession, i.e., a fall, a stall and a surge.



Jobs

- ▶ Nonfarm payrolls fell by 701,000 in March, which was an unexpected decline since the impacts of social distancing were less widespread when the data were collected. Over the last 6 weeks, initial jobless claims totaled a cumulative 30m, erasing all job gains made during the last decade. This suggests that the unemployment rate, which was 4.4% in March, could rise to the mid-teens in the April report due out May 8.
- ▶ Wages rose 0.4% m/m for all workers and for production and nonsupervisory workers, 3.1% y/y and 3.4% y/y respectively, likely given that job losses were concentrated in lower wage industries.



Profits

- ▶ Revenues and margins will drag on profit growth but buybacks may provide a minimal positive contribution. The halt in economic activity in March is the primary cause of the earnings slide (EPS growth declined 23.6% y/y), although oil prices, which were down 16% on average during the quarter, will also have contributed to earnings weakness.
- ▶ Consumer discretionary, energy, financials and industrial sectors are expected to have the sharpest declines in earnings, which health care and info tech could product positive growth.



Inflation

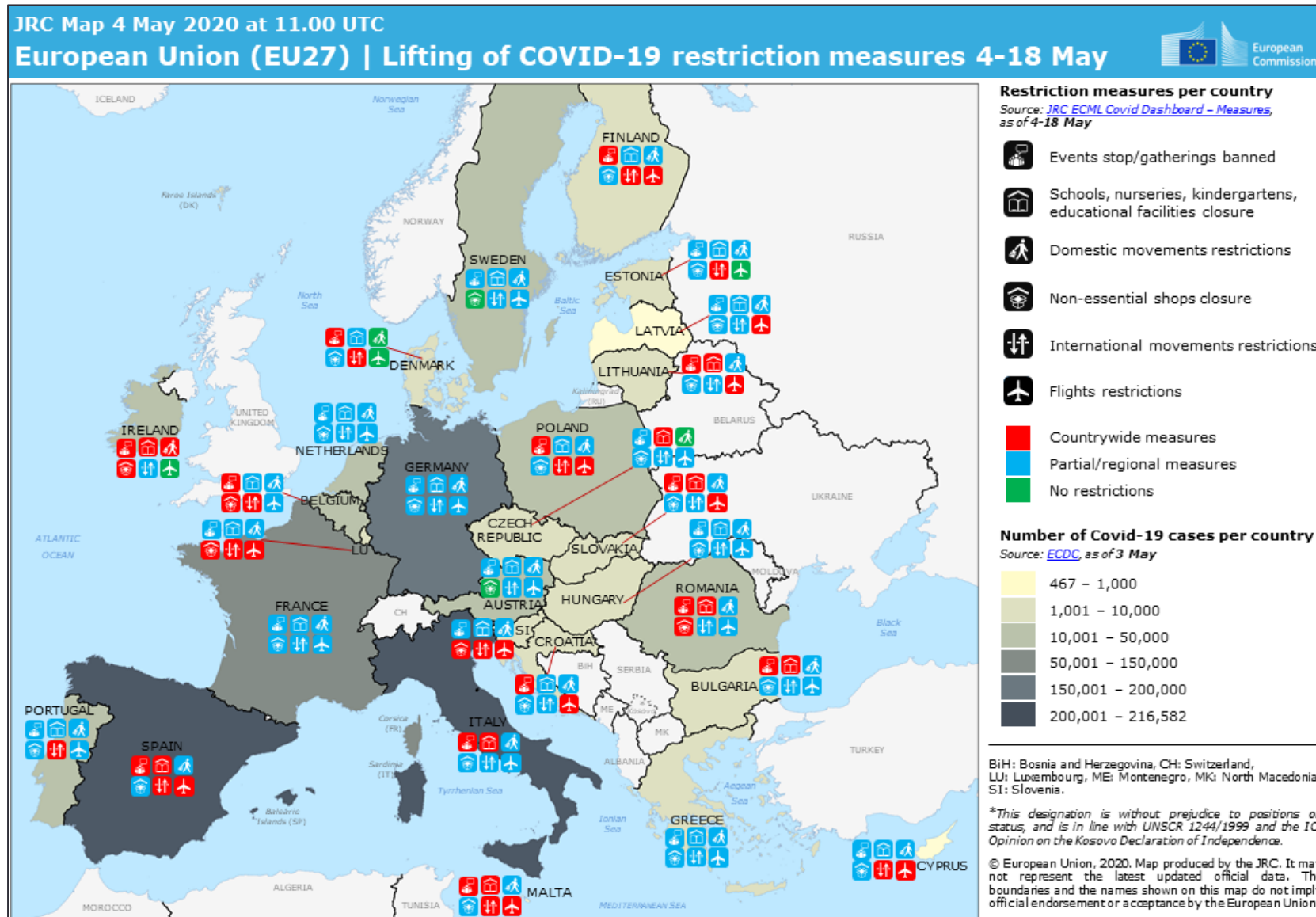
- ▶ March headline PCE fell 0.3% m/m and core PCE fell 0.1% m/m, rising 1.3% and 1.7% y/y, respectively.
- ▶ Headline CPI, which includes food and energy, fell 0.4% m/m in March, increasing 1.5% y/y. Core CPI (ex-food and energy) fell 0.1% m/m, increasing 2.1% y/y. the significant decline in energy prices and growth puts downward pressure on inflation in the short-term, although monetary and fiscal support should push it up in the medium-term.



Rates

- ▶ The FOMC maintained the federal funds target rate at a range of 0.00%-0.25%. The Committee said it “expects to maintain this target range until it is confident that the economy has weathered recent events and is on track to achieve its maximum employment and price stability goals.”
- ▶ The Feds seek to store market functionality, ease financial conditions in the broad economy and support the flow of credit through asset purchases and the range of credit facilities established.

EU Activity - European countries continue easing lockdown



Other updates this week

- ▶ Czech Republic will reopen cinemas on May 11 with 100-person capacity, 2 weeks ahead of schedule. Norway will reopen cinemas on May 7, with a cap of 50 people per screening.
- ▶ 3 border crossings between Italy and Switzerland reopened on May 4. They are open M-F only, with restricted hours, and are intended primarily for cross-border workers from Italy who commute to their Swiss jobs.



Immigration and travel

- ▶ April 30: Italy is considering permits for hundreds of thousands undocumented immigrants to fill a farmworker gap. (NPR)
- ▶ April 30: Italy is reopening 2 airports next on May 4–Rome and Florence—when the lockdown expires. The airports will implement COVID-19 screening measures. (Reuters)



Spend and public policy

- ▶ April 29: Italy will give state lender Cassa Depositi e Prestiti (CDP) the financial power to help companies raise capital and strengthen their balance sheets. (Reuters)
- ▶ April 4: Minister of Economic Development says the government may extend the liquidity measures introduced last month to companies whose debts are classified by banks as likely defaults. (Reuters)



Quarantine restrictions

- ▶ May 1: More than a third of people in Lombardy have had COVID-19 over the last 2 months, according to a COVID-19 tracking app Italy released in April. (Euronews)
- ▶ May 4: About 180 migrants rescued at sea and held in isolation on an Italian ferry off the coast of Sicily will be disembarked in Palermo. (The Local)



Business/economic news/other

- ▶ April 30: Italy's unemployment rate dropped steeply to 8.4% in March, the lowest in ~9 years. The rate of people neither working nor looking for work posted a "strong increase." (Reuters)
- ▶ May 4: Conte apologized to the Italian people for the economic hardship caused by coronavirus. The government expects the Italian economy to shrink by about 8% this year, slightly less than the 9.1% projected by the IMF. (The Local)



Reopening Activity

Italy eyes plans for kids to go to micro-nurseries and have lessons in the forest. (The Local)

- ▶ Italy has closed its schools until September, but is developing plans to reopen nurseries and hold mini summer schools outdoors for children.
- ▶ Kindergartens and day nurseries may be used for small groups of children aged 0-6 from June onwards, according to plans under development by the education ministry.
- ▶ The proposals are based on strict systems used in Denmark and Norway and will need approval from the scientific community.
- ▶ PM Conte has insisted that children carry a very high risk of contagion.
- ▶ Education minister Lucia Azzolina said playgrounds and gyms of primary and secondary schools could also be used.

Rome to reopen Ciampino and Florence airport as Italy eases lockdown. (Reuters/NYT)

- ▶ Both airports will resume full operations from 4 May "to meet the increased traffic needs and at the same time allow the testing of a covid-19 screening system", according to a statement released by Italy's transport ministry.
- ▶ Italy's airport lobby says social distancing on planes is not sustainable, and that keeping some seats empty would be not feasible unless adopted widely by other countries.

Timeline and details of Italy's "Phase 2" lockdown from May 4-18. (The Local)

- ▶ Conte said the permission form for movement outside "will remain as long as there are limitations." The government will release a new version of the form to reflect new restrictions. People can move within their regions, but not between different regions. They can visit "*congiunti*," which loosely means family, but Italians question who counts as family, where the concept of family embraces extended clans linked by blood or marriage.
- ▶ Conte said that some regions may be able to ease lockdown measures more rapidly than others, warning against removing restrictions at the same time across the board.
- ▶ Funerals are set to resume, but with a maximum of 15 people in attendance, and outdoors.
- ▶ **May 4:** Bars & restaurants will reopen for takeout but food to be consumed indoors.
- ▶ **May 18:** More retail shops not already opened will reopen, along with museums and libraries. Sports teams can also hold group training.
- ▶ **June 1 (tentative):** Hairdressers, salons, bars and restaurants to reopen for dine-in service.
- ▶ **September (tentative):** Schools reopen.
- ▶ Public transport will have a max number of passengers set during peak traffic times to maintain social distancing. There will be markers added to seats to indicate those that cannot be used.



Immigration and travel

- ▶ April 22: The government has extended temporary travel restrictions for non EU citizens coming to Spain to May 15. Diplomatic staff, long-term residents, cross-border workers, healthcare professionals and flight personnel are exempt. (The olive press)
- ▶ May 1: Some migrant workers on Spanish farms during lockdown have been reported as living in cardboard and plastic shelters without food or running water. (Guardian)



Spend and public policy

- ▶ May 4: Spain makes masks compulsory on public transport. (BBC)
- ▶ May 4: Government wants to extend state of emergency, saying a failure to do so could "bring chaos." Transport and Mobility Minister says the measure is the "most effective legal instrument" to fight the new coronavirus because it grants authorities the exceptional power to restrict freedom of movement. (LA Times)



Quarantine restrictions

- ▶ April 21: Spain cancels annual Running of the Bulls in Pamplona. (LA Times)
- ▶ April 22: Spanish government agreed with the country's football league and federation for teams to return to practice. The exact timeline is not yet public. (Republic)
- ▶ May 4: Spain recorded its lowest daily coronavirus deaths (163) in 6 weeks. (BBC)



Business/economic news/other

- ▶ April 30: Spain's jobless rate jumped to 14.4% amid COVID-19 crisis. (The Local)
- ▶ April 30: Spanish economy contracted by 5.2% in Q1, the fastest rate on record. In comparison, Q4 contraction was 0.4% after strong export performance. (The Local)
- ▶ April 30: Madrid's Barajas airport decreased in daily passengers from 170,000 to as low as 500 during the lockdown. (El Pais)



Reopening Activity

Spain makes masks mandatory on all public transit. (The Local)

- ▶ The government had previously "highly recommended," but not required, the use of masks.
- ▶ Government will distribute 6m masks across the country's main transport hubs and supply another 7m to local authorities. An additional 7m will be given to the Spanish Federation of Municipalities and Provinces (FEMP), and 1.5m to various charities.

Spain plans return to "new normal" by end of June. (BBC/The Local)

- ▶ Small businesses and hotels can open from May 11, with social distancing.
- ▶ Initial plan included restaurants and bars opening outdoor terraces on May 11 with 30% capacity. However, the government raised that capacity cap to 50% after complaints from bar and restaurant owners who said it would bankrupt them to open with 30% capacity.
- ▶ Religious services can resume on May 11, with 33% capacity.
- ▶ Theaters and cinemas will reopen in late May, with 33% capacity.
- ▶ Shops can open at 50% capacity at end of June, with 6ft between shoppers.
- ▶ Beaches are expected to reopen in late June. However, Valencia defied government orders and reopened its beaches this week.

Sun, sand and social distancing: What lies ahead for tourism in Spain. (The Local)

- ▶ The Exceltur tourism association warned that Spain's tourism industry, which accounts for 12% of GDP and 13% of employment, is set to lose up to 60% of its annual income.
- ▶ The industry has made a number of proposals, such as police monitoring beaches.
- ▶ On the east coast, Gandia is looking to recruit extra lifeguards to enforce social distancing. It is also considering separate hours when children can go to the beach to protect elderly population.
- ▶ Bars and restaurants will reduce capacity by 50%. Some towns will expand outdoor terrace sizes to allow restaurants and bars to set out more tables. They will also make menus available online. Restaurants will also have less sharing, and more individual portions.
- ▶ Hotels will consider using ultra-violet light and bleach on carpets.

Spain outlines new rules and time slots for leaving the house from May 2. (The Local)

- ▶ Adults can walk outside from 6am-10am and from 8pm-11pm.
- ▶ Those considered more vulnerable or who have to go outside with a caregiver can walk between 10am-12pm and between 7pm-8pm. Those over 70 are also encouraged to use this time slot.
- ▶ Children are allowed outside between 12pm-7pm.



Immigration and travel

- ▶ May 4: France set to impose 14-day COVID-19 quarantine for travellers, but the plan will exclude passengers coming from the UK, the EU or Schengen area. (CNA)



Spend and public policy

- ▶ April 29: >11m private sector workers now benefit from partial unemployment benefits implemented to avoid layoffs. Originally covered through the end of May, France will extend the benefits. However, from June 1, parents who choose to stay at home with their children when schools reopen could lose access to unemployment. (Reuters/The Local)
- ▶ May 1: France introduces €20m scheme to encourage people to cycle to keep pollution levels low once lockdown ends, including €50 per person for bike repairs. (Reuters/BBC)
- ▶ May 1: Government will cap the price of surgical masks at 95 cents per unit. (Reuters)



Quarantine restrictions

- ▶ April 30: A new study shows the COVID-19 strain in France may not have originated in China, and may have been circulating locally and unrecognized before the global outbreak. (Rifi)
- ▶ May 4: France's COVID-19 daily death toll hit new 5-week low (166 deaths). (BBC)
- ▶ May 4: France to extend COVID-19 health emergency until July 24. (Aljazeera)



Business/economic news/other

- ▶ April 30: France enters recession as GDP falls by record 5.8% in Q1.
- ▶ May 1: France will sell some of the nation's antique furniture to support hospitals. (Guardian)
- ▶ May 4: France's state rail company to seek virus bailout, may cut jobs. (France24)
- ▶ May 4: France posted a record drop in manufacturing in April, with PMI falling to 31.5 from 43.2 in March. (New York Times)



Reopening Activity

France must drastically reduce transport demand in peak hours, says Minister. (NYT)

- ▶ French state will help national railway firm SNCF survive the coronavirus crisis, but Environment Minister Borne says France must drastically reduce demand for transport, adding that Paris' second airport, Orly, will not reopen any time soon.
- ▶ Borne wants to reduce demand for transport during peak hours by encouraging employers to allow as many workers as possible to work from home, and by introducing staggered starting times for those who do return to work after May 11.

Red & green departments: Map for how each area of France can lift its lockdown. (The Local)

- ▶ The federal government will issue Each of France's 96 mainland departments as well as its overseas territories a designation of red or green, beginning May 7. Three criteria are used to apply the rating: (1) # new cases diagnosed; (2) capacity in local ICUs; and (3) whether local authorities have a comprehensive testing and tracing program in place.
- ▶ Even with the mapping system, local officials will still have the authority to add extra measures.

Details of France's post-lockdown plan after May 11. (The Local)

- ▶ The plan depends on there being no more than 3,000 new cases per day by May 11. Masks are mandatory in schools and on public transit.
- ▶ **Phase 1 (May 11-June 2):**
 - ▶ The permission form people must take with them outside will not be needed, except for journeys over 100km. Journeys over 100km are discouraged and will only be allowed for essential reasons. Family visits do not qualify.
 - ▶ The majority of people will be able to go back to work after May 11. Anyone who can work from home is asked to continue doing so. People who cannot work from home will start to return to work, but employers must put in place social distancing measures.
 - ▶ All shops will be able to reopen on May 11, but must put in place social distancing measures, including limiting capacity, using markers to indicate distances when queuing and providing protective equipment such as masks for staff. Local officials will have the power to prevent a shop reopening if they judge it cannot operate safely. Masks are recommended and shops can require their customers to wear masks.
 - ▶ Domestic travel permitted but only within 100km. The country's high-speed TGV trains will be running but at a reduced capacity and by reservation only to discourage travel.
 - ▶ EU borders to non-EU countries will not reopen on May 11.
- ▶ Details for phase 2 will be outlined later and will depend on how phase 1 goes. A decision will be made at the end of May when restaurants and bars can reopen. Beaches will remain closed until at least June 1. Large public gatherings will not be allowed before September.



Immigration and travel

- ▶ April 29: German government is extending its global travel warning until mid-June, advising against non-essential travel abroad, especially tourism. The warning is extended “until further notice” but at least until June 14. (The Local)



Spend and public policy

- ▶ April 27: Germany will extend payment of wages to parents who are unable to work due to a lack of childcare. The government is paying 67% of wages, up to a maximum of €2,016 for an initial period of 6 weeks. (The Local)
- ▶ April 27: Government will provide €550m in loans to Condor Airlines to keep it afloat during the COVID-19 pandemic. (DW)
- ▶ April 28: In coordination with the UK, Germany has called for a “green recovery” from COVID-19 that helps the world tackle climate change. (ABC News)
- ▶ April 30: German companies have applied for state aid to cover the salaries of a record 10.1m workers on shorter hours.



Quarantine restrictions

- ▶ May 1: Germany’s new COVID-19 cases declined on April 30, holding below 2,000. (Bloomberg)
- ▶ May 4: Researchers say German COVID-19 cases could be 10x higher than official figures, highlighting the high number of asymptomatic cases. (Guardian)



Business/economic news/other

- ▶ April 29: German employment survey declines to a “historic low,” where all 4 sectors (manufacturing, construction, services and trade) faced sharply lower employment. (CNBC)
- ▶ April 30: Unemployment in Germany increased by 13.2% in April to more than 2.6m, as Germany braces for “worst recession” in post-war history. (The Local)



Reopening Activity

How Germany's states are pushing to relax coronavirus lockdown measures. (The Local)

- ▶ Merkel will meet with the leaders of Germany’s 16 states again on May 6.
- ▶ One topic likely to be under debate is Germany’s nationwide “contact ban,” with gatherings of more than 2 people prohibited. Many states want to ease this rule to allow more people to meet with each other.
- ▶ Saxony-Anhalt is already allowing people to meet in groups of up to 5 as of May 4. The state government said the easing is particularly aimed at families not living together. The state also allowed all shops to open regardless of size on May 4, despite federal guidelines allowing only for shops less than 800 sq meters.
- ▶ Saxony-Anhalt also wants to reopen restaurants and cafes on May 22. The local government says this is possible because it is the least affected state.
- ▶ Other states in east Germany, where there are less infections, are also pushing to reopen. In Mecklenburg-Western Pomerania, the state is currently planning how to resurrect the tourist industry.
- ▶ In Saxony, economics minister Martin Dulig proposed the opening of outdoor restaurant areas from May 15 under strict conditions.

Germany extends social distancing measures until May 10. (The Local)

- ▶ The no-contact measures, which include a ban on gatherings of more than 2 in public, were extended until May 10 after leaders from Germany’s 16 states met with Merkel on April 30 to discuss further COVID-19 plans.

Hair salons in Germany reopen on May 4 but with strict rules. (The Local)

- ▶ Customers must receive a hair wash in order to kill off possible viruses. Race-related services such as eyebrow and eyelash tinting, shaving and beard thins are strongly discouraged. Salons are also advised to avoid blow drying hair, and to only accept appointments online or over the phone.
- ▶ Hairdressers must wear disposable gloves and face masks.



Immigration and travel

- ▶ April 27: Anyone flying into the UK will have to quarantine for two weeks: Returning Britons and foreigners will have to self isolate in 'phase two' of COVID-19 plan. (Daily mail)
- ▶ April 30: First UK airport–Bournemouth Airport–gets fever detection camera to screen passengers. (Metro)



Spend and public policy

- ▶ May 1: UK is still optimistic about a trade deal with the EU but has warned that talks could collapse in June unless Brussels abandons its demand for common fisheries policy and a level playing field. (Guardian)
- ▶ May 4: Government refused multi-billion pound bailout for universities. Instead, institutions are allowed to charge full tuition fees during lockdown, while £2.6b will be paid early.



Quarantine restrictions

- ▶ May 1: Statistics show death rate among British black Africans and British Pakistanis is more than 2.5x that of the white population. It is also 1.7x higher for black Caribbeans. (Guardian)
- ▶ May 4: The UK's death toll is set to overtake Italy's, with exit strategy still unknown. Given that the UK is seen to be 1-2 weeks behind Italy in the pace of the outbreak, some feel the death toll could still be much higher. CNBC)



Business/economic news/other

- ▶ April 28: Britons spent £524m more on groceries in April, along with a 40% increase in convenience store sales. (Guardian)
- ▶ May 1: Hundreds of ventilators UK bought from China 'are wrong type and could kill patients if used'. (Sky news)



Reopening Activity

Possible post-lockdown workplace rules revealed. (BBC/Evening Standard)

- ▶ A draft government plan to ease coronavirus restrictions urges employers to minimize the number of employees using equipment, stagger shift times, and maximize work-from-home.
- ▶ Additional hygiene procedures, physical screens and the use of protective equipment should be considered where maintaining 6 feet between workers is not possible.
- ▶ Unions and industry bodies are concerned about companies' ability to source PPE.
- ▶ Ministers are in talks with technology firms over the creation of "health passports" which use "coronavirus testing and facial recognition" to prove which workers had COVID-19. Such passports are supposedly possible within a few months.
- ▶ Firms will also be told to provide more parking spaces to discourage carpooling.
- ▶ Staggered shift times are also in consideration.
- ▶ Britain's trade union body warned the government's draft guidelines will put people's health at risk and cannot be supported in their current form. The TUC criticized the non-binding guidelines for letting employers decide what is safe when it comes to distance between workers, cleaning practices and the use of PPE.

Ministers under fire as COVID-19 testing drops back below 100,000 daily target. (FT)

- ▶ 76,000 tests were performed in the 24 hours up to 9am on May 3, compared to the 122,347 tests carried out in the 24 hours to 9am on May 1 and 105,937 tests to May 2.
- ▶ Ministers face ongoing criticism over coronavirus testing. Transport Secretary Grant Shapps admitted that more lives could have been saved if the UK had been able to test on a large scale at an earlier date.

Heathrow chief says social distancing at airports is "physically impossible." (Telegraph)

- ▶ CEO Holland-Kaye said a "better solution" is needed to make air travel safe as he called for the UK to lead the way in developing a common international standard of measures, which could include temperature checks for all passengers.
- ▶ He said social distancing does not work "in any form" of public transit.
- ▶ Social distancing on planes would reduce capacity by >50%, causing prices to increase.

Johnson promises to have a plan next week for return to schools and work. (Guardian)

- ▶ Johnson says the UK is past its peak at his first press conference since being discharged from the hospital.
- ▶ Johnson says the government will present a "comprehensive plan" setting out how the UK can continue to suppress the disease while restarting the economy.
- ▶ However, he stressed that any changes would only be enacted once the government was confident the outbreak was under control.



Immigration and travel

- ▶ April 28: Chinese tourist trips during Labor Day weekend are expected to drop by 50%. Overseas holidays are not popular, as most turn to domestic travel. (SCMP)
- ▶ April 29: Over 30% of China domestic air travel capacity returns in last two months. (Euro news)
- ▶ April 30: China agreed to "fast-track" entry of South Koreans for business travel. (Bloomberg)
- ▶ May 4: China's first major holiday since COVID-19 rules relaxed sees domestic travel rise. (Global news)



Spend and public policy

- ▶ April 27: China-Uzbekistan telemedicine system put into operation to carry out medical consultations and remote diagnoses in Uzbekistan. (Xinhuanet)
- ▶ May 1: China has kept the WHO out of its investigations into the origins of COVID-19 despite repeated requests by the WHO to be involved. (Sky)



Quarantine restrictions

- ▶ April 23: New study shows China COVID-19 cases may have been 4x official figure. More than 232,000 could have been infected in the first wave compared with then-official total of 55,000. (Guardian)
- ▶ April 27: Inner Mongolia tightens quarantine rules as fears of second wave of cases grows. (SCMP)
- ▶ May 1: 60% of new cases in China are asymptomatic. (FT)



Business/economic news/other

- ▶ April 30: China markets close up for first month of gains since start of COVID-19. (SCMP)
- ▶ May 1: China cancels high-profile Boao Forum annual meeting. (SCMP)
- ▶ May 4: Hong Kong economy slumps by a worst-ever 8.9% amid pandemic. The previous record was 8.3% in 1998 after the Asian financial crisis. (SCMP)



Reopening Activity

Hong Kong to relax rules on public gatherings. (SCMP)

- ▶ Public gatherings of up to 8 people will be permitted, double the number previously allowed. The plan is expected to be put before the Executive Council on May 5 for endorsement following its approval by the city's public health advisers.
- ▶ Hong Kong has recorded no local infections for 2 weeks, with only sporadic cases involving people who have returned to the city from abroad.
- ▶ The move is part of a wider relaxation of social-distancing rules, which also include allowing people to sit together in a restaurant in groups of up to 8.
- ▶ Rules governing the closure of cinemas, gyms, bars, pubs, public facilities and sports venues are due to expire on May 7.

China economy facing uneven recovery, 3 months after lockdown. (SCMP/Market Watch)

- ▶ National Bureau of Statistics' manufacturing purchasing managers' index (PMI) stood at 50.8 in April, above 50 that separates growth from contraction. However, it shows that economic recovery is not consistent.
- ▶ The new export orders sub-index sank to 33.5 from 46.4 in March, signifying the anxiety in China about the negative global economic picture.
- ▶ However, 91% of the more than 500 Chinese companies surveyed had reopened by late April, and about 75% were working on-site again.

China's Parliament to hold key annual session on May 22. (NBC)

- ▶ The session, originally scheduled over two months earlier for March 5, was postponed due to the spread of COVID-19.

Schools start reopening in China's biggest cities. (BBC)

- ▶ Shanghai welcomed students back in their final years of middle and high school, while Beijing allowed students preparing for China's university entrance exam in July.

Selected COVID-19 news in the rest of the world



Australia



- ▶ Victoria and Tasmania are the only states not to announce an easing of restrictions. Victoria's stay-at-home orders are set to expire on May 11.
- ▶ Tasmania will keep existing restrictions until at least May 15.
- ▶ Australia's Prime Minister and the National Cabinet will decide whether to ease restrictions on May 8 as the rate of new infections remains flat. Decision was previously not expected until May 11. Capital city Canberra and the surrounding territory have become free of all known COVID-19 infections.
- ▶ Queensland premier announced that schools will gradually return to onsite learning from May 11 in a staggered return. Kindy, prep and years 11-12 will return on May 11, then years 2-10 will return on May 25.

Japan



- ▶ Japan said the Olympic Games could be canceled if they cannot take place in 2021.
- ▶ Japan passes \$240b COVID-19 plan with cash for households.
- ▶ Retail sales in Japan decreased by 4.6% YoY in March.
- ▶ March factory output fell at the fastest pace in 5 months.
- ▶ Japan extended state of emergency to May 31 amid fears second wave could cripple Tokyo hospitals.

Singapore



- ▶ Singapore extends stay-at-home notice for construction workers by 2 weeks. Work permit, S-pass holders and their dependents must stay home until May 18.
- ▶ Straits Times reports that it may take a few weeks to curb COVID-19 spread in worker dorms.
- ▶ Home-based food businesses, selected food retail outlets, hairdressers and pet supplies stores can reopen from May 12. TCM (traditional Chinese medicine) halls can open from May 5.
- ▶ Singapore plans 500% increase in virus-testing capacity.
- ▶ Government minister says the country has not yet reached the halfway point in its battle with coronavirus.

South Africa



- ▶ Lockdown restrictions began lifting on May 1. Masks are mandatory.
- ▶ Many mines, factories and agricultural businesses can resume work in phases, starting with one third of employees. Restaurants can reopen for deliveries only.
- ▶ People can leave home from 6am to 9am for exercise. Night curfew is in place from 8pm to 5am.
- ▶ Health Minister urged citizens over age 63 and those who live with hypertension, diabetes and cardiac disease to be extra cautious as the national lockdown is eased.

India



- ▶ Shops will be allowed to reopen in staggered rotation for 4 hours at a time every morning beginning May 4. However, lockdown will continue in metropolitan cities like Mumbai, Delhi, Chennai, Kolkata, Hyderabad, Bengaluru and Ahmedabad.
- ▶ Movement for non-essential purposes are now allowed except between 7pm-7am. Domestic help can resume work subject to RWA permission and provided employers arrange for transportation.
- ▶ India asked migrant workers seeking to return to their home states to pay their own train fare, causing outrage in the country after daily-wage earners were stranded with no means of income. India's main opposition Congress party said it will pay the fares.

Brazil



- ▶ Unemployment in Brazil stood at 12.2% in Q1, versus predicted 12.5%.
- ▶ Brazil's surge in COVID-19 cases, open borders, and lack of quarantines or curfews has caused great concern among neighboring countries. Brazil, with a population of 211m people, surpassed China in the official number of COVID-19 deaths this week.
- ▶ Brazil president still telling people to 'ignore lockdown' despite 6,000 COVID-19 deaths.

Mexico



- ▶ Manufacturers want to reopen, and some 28 factories deemed nonessential continue to operate in border city Ciudad Juarez.
- ▶ Yucatan government extended prohibition on alcohol sales until May 15 in an effort to mitigate virus spread.
- ▶ Economy contracted 2.4% in Q1, its worst showing since 2009.
- ▶ IMSS will open its doors to non-beneficiaries in Mexico City with COVID-19.
- ▶ Cancun hotels announced an aggressive new campaign to attract visitors to the region, offering two-for-one hotel stays. Other destinations could follow, pending approval by Quintana Roo Tourism Promotion Council.

South Korea



- ▶ Exports dived 24.3% YoY in April because of COVID-19 and plunging oil prices.
- ▶ South Korea to relax COVID-19 social distancing rules further from May 6. Parks, museums, and schools are set to gradually reopen. The government's guidelines will continue to recommend that people stay home for 3-4 days if they feel sick, wash their hands frequently, and keep an arms-length distance from others. Professional baseball and soccer matches are expected to resume this week, but without in-person audiences.



Immigration and travel

- ▶ April 22: Air Canada suspending flights to US for 4 weeks after April 26. (global news)
- ▶ April 28: Porter Airlines extended its temporary suspension of all flights until June 29.



Spend and public policy

- ▶ April 27: British Columbia is providing an additional \$500,000 to help support caregivers and seniors. (CBC)
- ▶ April 29: Cash-strapped cities ask federal government for \$10b to run essential services. (National Post)
- ▶ May 1: Canada's public health officials are leaving the decision on closing meat plants to the companies, even though authorities have the power to mandate closure. (NYT)
- ▶ May 4: Health Canada is limiting the use of a rapid COVID-19 test to research purposes only after the National Microbiology Laboratory found the device did not perform well with patients. (CBC)



Quarantine restrictions

- ▶ May 4: New poll shows that less than half of Canadians wear masks and gloves when in public. (Globe and Mail)
- ▶ May 4: Trudeau says NHL players entering Canada are subject to quarantine if they arrive while the border remains closed. (ESPN)
- ▶ May 4: Quebec and Ontario account for 92% of coronavirus deaths in Canada. (Global News)



Business/economic news/other

- ▶ April 30: >50% of Canadian businesses saw revenue cut by at least 20% in Q1 (Globe and Mail)
- ▶ May 1: COVID-19 may cause temporary meat shortages, but higher prices are expected to last longer. (Global news)
- ▶ May 4: New apps such as Tock To Go are emerging to compete with Uber Eats, with lower commissions. (CTV News)



Reopening Activity

Cargill meat plant, site of Canada's largest COVID-19 outbreak, prepares to reopen. (Globe & Mail)

- ▶ Talks between Cargill and the union representing its workers are in progress as the company prepares to reopen its slaughterhouse in High River, Alberta.
- ▶ 935 employees at the facility, which accounts for 36% of the country's beef production, had tested positive by May 3.
- ▶ Cargill had announced it would resume operations on May 4, after which the union sought a stop-work order and filed an unfair labor practice complaint.

Provinces set to relax certain restrictions this week. (CBC)

- ▶ **British Columbia:** "Close" to lifting some restrictions mid-May using a "made-in-BC" approach.
- ▶ **Alberta:** Golf courses currently open. Non-urgent surgeries, dentists, physiotherapists, speech and respiratory therapists, social workers, dieticians to reopen on May 4.
- ▶ **Saskatchewan:** Medical services, boating, fishing and associated facilities, and online reservations for campgrounds to reopen on May 4.
- ▶ **Manitoba:** Non-urgent surgery and diagnostic procedures, therapeutic and medical services, retail businesses, restaurants (patios and walk-up only), hair salons, museums, galleries and libraries, and seasonal day camps to reopen on May 4
- ▶ **Ontario:** Garden centers and plant nurseries (curbside pickup or delivery), lawn care and landscaping companies, some essential construction projects, particularly public projects, car dealerships (by appointment), automated car washes, golf courses and marinas (for preparation only) to reopen on May 4.
- ▶ **Quebec:** Retail stores with outdoor entrance, except those in Montreal, to reopen on May 4.
- ▶ **New Brunswick:** Residents told to create a "bubble" with one other household. They can currently visit camps and cottages, carpool if the other passenger rides in the back, and boat with the others in the two-household bubble.
- ▶ **Nova Scotia:** Provincial and municipal parks (excl. playgrounds and beaches), visiting RVs and cottages (one family at a time), garden centers and nurseries, fishing, golf driving ranges, and drive-thru religious services are all currently permitted.
- ▶ **Prince Edward Island:** Groups of no more than 5 allowed on decks and driveways; fishing, golf, marinas and yacht clubs open; landscaping and some construction projects permitted; certain elective surgeries and some health-care providers are open.
- ▶ **Newfoundland:** Households may expand their bubbles to include 1 other household.



Immigration and travel

- ▶ April 22: Trump signed an Executive Order temporarily banning immigration. The order does not impact those in the country on a temporary basis and only applies to those looking for green cards in hopes of staying. (AP)
- ▶ April 30: Trump administration has no immediate plans to reopen the country's borders after imposing a travel ban on travellers from the EU and UK last month.



Spend and public policy

- ▶ May 4: White House economic adviser Hassett says additional coronavirus stimulus package might not be necessary. Democrats are pushing for Congress to provide more federal funding to state and local governments. Hassett says that since more states are reopening their economies, the fourth stimulus package may be geared more toward "growth and taking off and recovering, rather than just building a bridge to recovery." White House said the administration is in no rush to push forward with another financial aid package, saying the government is "in a pause period." (CNN/NYT)



Quarantine restrictions

- ▶ April 27: Hawaii's stay at home order extended to May 31. (ABC News)
- ▶ April 28: New York state cancels presidential primary over COVID-19 risk. (Reuters)
- ▶ May 1: United, Delta and American join JetBlue in requiring passengers to wear masks or face coverings in-flight. (CNBC)



Business/economic news/other

- ▶ April 30: Consumer spending, the economy's key driver, fell 7.5% in March, the steepest monthly decline in records dating back to 1959. (WSJ)
- ▶ May 4: Health and Human Services started distributing funds to COVID-19 hotspots and rural areas. (Fierce Healthcare)



Reopening Activity

Trump raises death toll forecast to 80,000-90,000. (CNN)

- ▶ Less than 2 weeks ago, Trump projected between 50,000-60,000 deaths at a White House briefing.
- ▶ Dr. Deborah Brix maintains her forecast of between 100,000-240,000 deaths.

Los Angeles website quickly swamped after offering countywide testing. (NYT)

- ▶ Website set up by Los Angeles for residents to get tested, regardless of whether they have symptoms, quickly filled all available appointments. Other residents said they could not access the website.

CDC issues 17-page reopening guidance. (CNN)

- ▶ The document provides guidance under 6 categories: child care programs, schools and day camps, communities of faith, employers with vulnerable workers, restaurants and bars, and mass transit.
- ▶ In general, the CDC recommends opening in stages, limiting large gatherings and encouraging limited capacities in places like restaurants.
- ▶ In schools that reopen, students are encouraged to sit 6 feet apart.
- ▶ In restaurants, the CDC recommends disposable menus, plates and utensils, and discourages the use of self-serve drink machines.

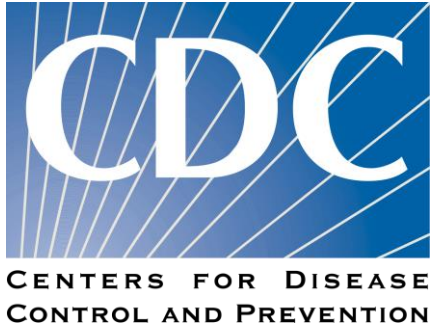
Senate eyes return by next week. (CNN)

- ▶ Senate hopes to return to the Hill by the middle of next week. Democrats say the decision is unpopular, with some saying it is still too risky.
- ▶ McConnell wants to discuss the next economic funding bill and work on confirming more of Trump's judicial nominees.
- ▶ Senate offices will take precautions to limit the number of people in the chamber. However, the Capitol's attending physician says they still lack the capacity to regularly test all senators for the disease. Only people feeling ill will be able to get tested.

Expert report predicts up to 2 more years of pandemic mystery. (CNN)

- ▶ A new report provides several model scenarios, all of which conclude with about 60-70% OF THE US population contracting the virus.
- ▶ They recommended that the US prepare for a worst-case scenario that includes a second big wave of infections in the fall and winter.

CDC's 17-page draft guidance for reopening includes spaced-out seating in schools and disposable menus in restaurants



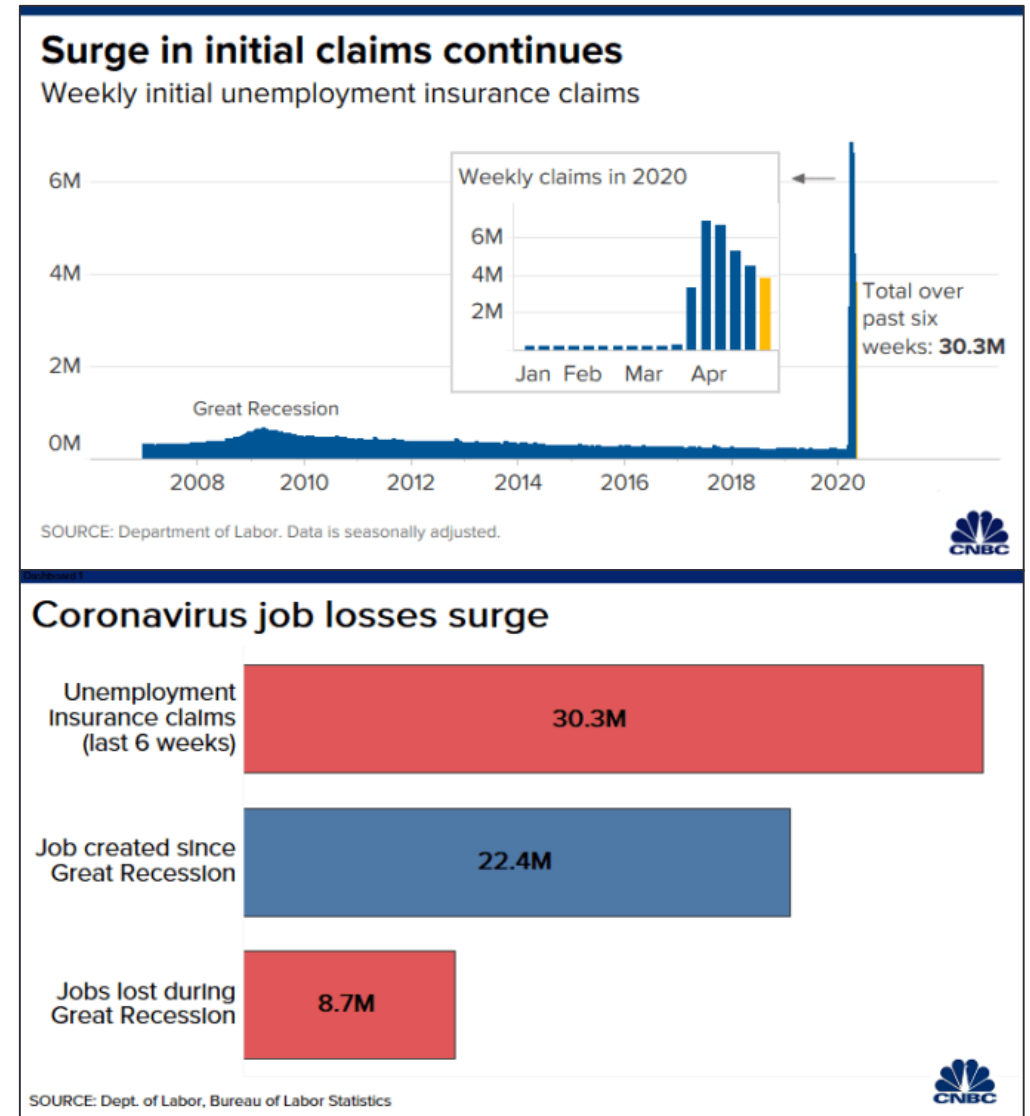
- ▶ The draft guidance, which was sent to Washington this week, is still under review by the Trump administration and could change.
- ▶ The document includes specific guidance for 6 categories:
 1. Childcare programs
 2. Schools and day camps
 3. Communities of faith
 4. Employers with vulnerable workers
 5. Restaurants and bars
 6. Mass transit administrators
- ▶ For each category, the document notes reopening in phases. People familiar with the deliberations said the recommendations are still under consideration by the White House. President Trump signaled he may be unlikely to sign off on the guidelines that recommend a return to an altered way of life.
- ▶ **"I see the new normal being what it was 3 months ago," said Trump** at a meeting with representatives from the restaurant and hospitality industries.
- ▶ Industry groups have been pressuring the administration to issue national standards for businesses so a consistent set of advice exists across states.
- ▶ For **schools**, the document recommends to consider **keeping classes together in order to include the same group of children** each day and avoid mixing between groups, while also spacing out seating and bedding to 6 feet apart where possible, avoid nonessential assemblies and field trips, and have students eat lunch in classrooms rather than cafeterias.
- ▶ For **faith-based organizations**, the document encourages limiting large gatherings, relying on virtual or outdoor services where possible, using a stationary collection box and promoting the use of face coverings at all gatherings. It also suggests **avoiding choir or musical ensembles**.
- ▶ For **mass transit**, the document suggests **restricting routes between areas experiencing different levels of transmission** and to intensify cleaning, disinfection and ventilation.
- ▶ CDC recommends that **restaurants and bars** reopen with limited capacity, and move towards **disposable menus, plates and utensils**; switch to single-use condiments; install sneeze guards at cash registers; and avoid salad bars, buffets and self-serve drink stations.

MarketWatch Opinion: “Why millions of older workers will pay a big financial price—forever—from COVID-19”

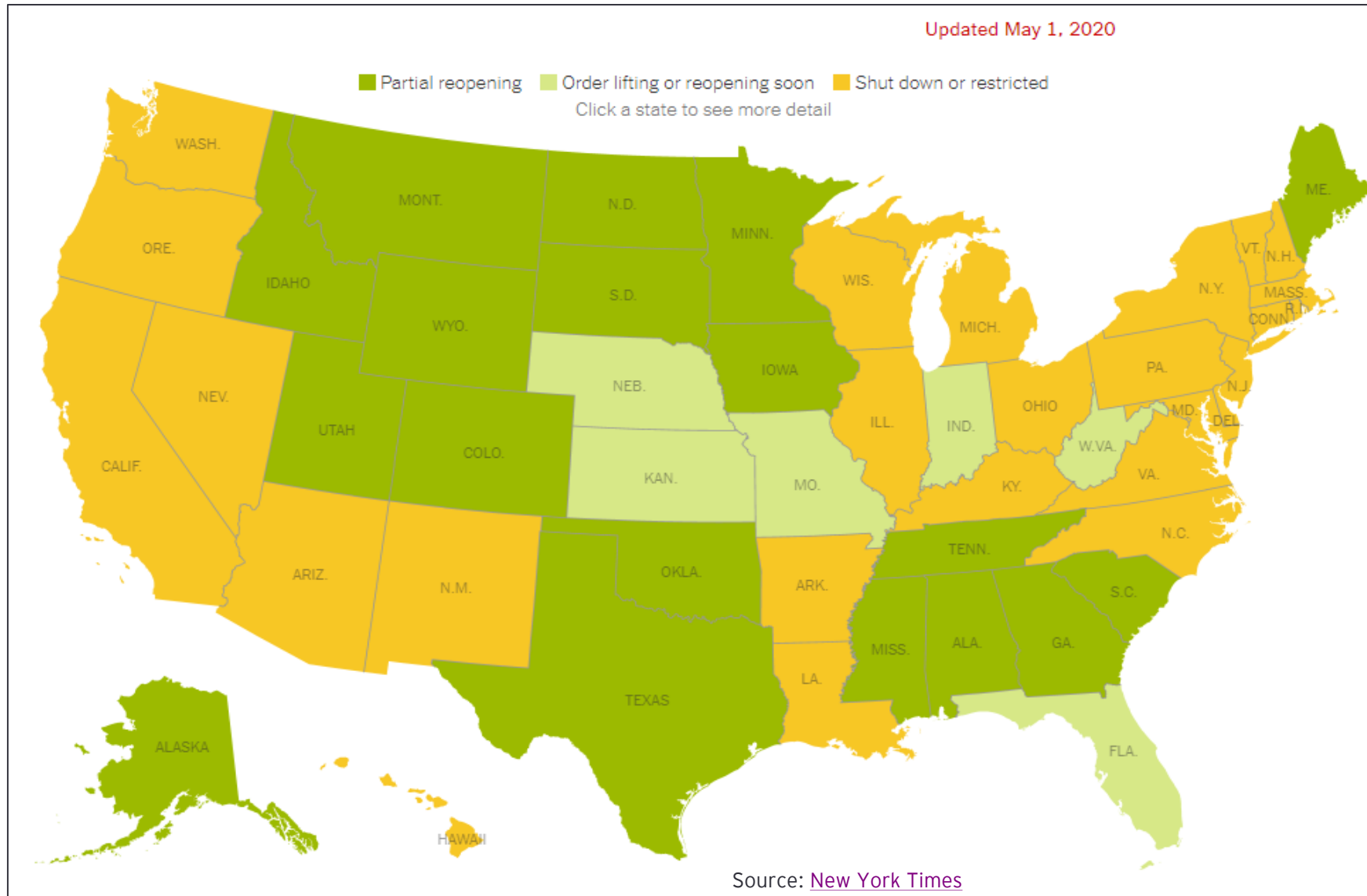


By Paul Brandus

- ▶ While layoffs have hit both younger and older workers, Brandus feels that when Americans go back to work, ages 50 and over will be less in demand.
- ▶ After job losses in the Great Recession, a study by the Urban Institute said that although older workers generally experienced [lower unemployment than their workers aged 25-34, it took twice as long to find work. 34% of older job seekers were still looking after a year, and 41% were still searching after 1.5 years. After finding new work, they took on average a 23% pay cut, compared to an 11% cut for workers aged 25-34.
- ▶ The lost 401(k) or IRA contributions and potential company matches also amplify the greater impact on older workers, who are closer to retirement. Since Social Security is based on an average of long-term earnings, pay cuts will cause eventual retirement payments to decline.



COVID-19: State reopening map



COVID-19: States with partial reopening



State	Overview	Reopened	Reopening Soon
Alabama	<p>Stay at home began April 4 and expired April 30.</p> <ul style="list-style-type: none"> Gov. Ivey has allowed retail stores to open at 50% capacity; other businesses remained closed. Ivey's stay-at-home order was set to expire on April 30, with the state transitioning to a "safer at home" model. 	<ul style="list-style-type: none"> Outdoor and recreation: Beaches Retail and beauty: Retail stores 	
Alaska	<p>Stay at home in effect since March 28.</p> <ul style="list-style-type: none"> Gov. Dunleavy eased restrictions on several kinds of businesses starting April 24. the restart, which came with certain requirements, was among the first in the nation. 	<ul style="list-style-type: none"> Food and drink: Restaurant dining Retail and beauty: Retail stores, hair salons, barbershops, nail salons, etc. 	
Colorado	<p>Stay at home began March 26 and expired April 26.</p> <ul style="list-style-type: none"> Gov. Polis asked CO to transition to a "safer at home" approach, in which retail businesses could open for curbside pickup and real estate showings could resume. On May 1, personal care businesses can open with restrictions. Polis said he still expected people to maintain 60-65% physical distancing. 	<ul style="list-style-type: none"> Retail and beauty: Retail stores open to curbside pickup; salons and personal services 	<ul style="list-style-type: none"> Industries: Offices
Georgia	<p>Shelter in place began on April 3 and expired on April 30.</p> <ul style="list-style-type: none"> Gov. Kemp went toe-to-toe with White House and local mayors over his decision to reopen large parts of Georgia's economy ahead of other states, starting April 24. Kemp laid out certain requirements, including screening workers for fever, and said it would not be "business as usual." 	<ul style="list-style-type: none"> Outdoor and recreation: Gyms Entertainment: Bowling alleys, theaters, social clubs Retail and beauty: Hair salons, barbershops, etc. Food and drink: Restaurant dining 	
Idaho	<p>Stay at home began on March 25 and expired on April 30.</p> <ul style="list-style-type: none"> Gov. Little outlined a 4-stage plan for reopening, expected to begin with daycares and houses of worship on May 1. Restaurants, gyms and salons remain closed until phase 2, and recreational venues—like nightclubs and movie theaters—are expected to remain closed until summer. 	<ul style="list-style-type: none"> Houses of worship 	
Iowa	<p>No stay-at-home order statewide, but other restrictions in place.</p> <ul style="list-style-type: none"> Gov. Reynolds plans to loosen restrictions in 77 counties starting May 1. the changes do not apply to the state's most populous areas or certain counties that are hotspots for the outbreak. 	<ul style="list-style-type: none"> Food and drink: Restaurant dining in certain counties Outdoor and recreation: Gyms Retail and beauty: Malls & stores in certain counties Entertainment: Libraries in certain counties 	
Maine	<p>Stay at home began April 2 and expired April 30.</p> <ul style="list-style-type: none"> Gov. Mills told residents to stay at home under a "safer at home" order but will allow personal care businesses to begin reopening May 1. More expansive reopening tentatively scheduled for June, when restaurants, fitness centers & retail stores can reopen. 	<ul style="list-style-type: none"> Retail and beauty: Salons, barbershops, pet groomers Outdoor and recreation: State parks, hunting, fishing, limited golfing 	
Minnesota	<p>Stay at home effect since March 27 and set to expire May 18.</p> <ul style="list-style-type: none"> Gov. Walz allowed employees in certain agriculture, industrial and office settings to return to work starting April 27. His office estimated the move would allow as many as 100,000 residents to return to work. 	<ul style="list-style-type: none"> Industries: Industrial and manufacturing businesses; offices 	<ul style="list-style-type: none"> Retail and beauty: Retail stores open to curbside pickup
Mississippi	<p>Shelter in place began on April 3 and expired on April 27.</p> <ul style="list-style-type: none"> Gov. Reeves lifted restrictions on retail stores, which could open at limited capacity. He said the changes are not a return to normal, and other businesses, including gyms and spas, remain closed. 	<ul style="list-style-type: none"> Retail and beauty: Retail stores 	
Montana	<p>Stay at home began March 28 and expired April 26.</p> <ul style="list-style-type: none"> Gov. Bullock allowed reopening in phases, beginning with houses of worship on April 26 and retail stores on April 27. Restaurants and bars are expected to reopen in some form beginning May 4. Montana is also one of the few states where schools have the option to reopen in the spring, although some districts have already rejected the idea. 	<ul style="list-style-type: none"> Houses of worship Retail and beauty: Retail stores 	<ul style="list-style-type: none"> Food and drink: Restaurant dining, bars, breweries & distilleries
North Dakota	<p>No stay-at-home order statewide, but other restrictions in place.</p> <ul style="list-style-type: none"> Gov. Burgum plans to allow a variety of businesses to reopen starting May 1. 	<ul style="list-style-type: none"> Food and drink: Restaurant dining, bars Outdoor and recreation: Gyms Retail and beauty: Salons, tattoo parlors Entertainment; Movie theaters 	

COVID-19: States with partial reopening



State	Overview	Reopened	Reopening Soon
Oklahoma	<p>No stay-at-home order statewide, but other restrictions in place.</p> <ul style="list-style-type: none"> ▶ Gov. Sitt lifted restrictions on businesses starting with salons, barbers and pet groomers on April 24. ▶ Restaurant dining, movie theaters, gyms, houses of worship and sporting venues are expected to reopen statewide starting May 1. 	<ul style="list-style-type: none"> ▶ Retail and beauty: Salons, pet groomers, tattoo ▶ Outdoor and recreation: State parks, movie theaters, gyms and sporting venues ▶ Food and drink: Restaurant dining ▶ Houses of worship 	
South Carolina	<p>Stay at home in effect since April 7</p> <ul style="list-style-type: none"> ▶ Gov. McMaster was among the last to issue a stay-at-home order and was also among the first to begin reopening the state, starting April 20. the reopening began with retail stores, which are under instructions to operate at 20% capacity. 	<ul style="list-style-type: none"> ▶ Outdoor and recreation: Beaches, piers, docks, etc. ▶ Retail and beauty: Retail stores 	<ul style="list-style-type: none"> ▶ Food and drink: Restaurants for outdoor service only
South Dakota	<p>No stay-at-home order statewide, but other restrictions in place.</p> <ul style="list-style-type: none"> ▶ Gov. Noem announced a “back to normal” plan offering guidelines for businesses to reopen if the surrounding area had seen a downward trend in cases for 14 days. She said the approach “put the power of decision-making into the hands of the people—where it belongs.” 		
Tennessee	<p>Stay at home began on March 31 and expired on April 30.</p> <ul style="list-style-type: none"> ▶ Gov. Lee announced reopening plans for most counties in the state, starting with restaurants on April 27. retail stores followed on April 29 and gyms on May 1, all under restrictions for social distancing. 	<ul style="list-style-type: none"> ▶ Outdoor and recreation: State parks, gyms in most counties ▶ Food and drink: Restaurant dining in most counties ▶ Retail and beauty: Retail stores in most counties 	<ul style="list-style-type: none"> ▶ Retail and beauty: Salons, barbers, etc. in most counties
Texas	<p>Stay at home began on April 2 and expired on April 30.</p> <ul style="list-style-type: none"> ▶ Gov. Abbott said he would allow his stay-at-home order to lapse on April 30, a move that would give Texas, the nation’s second-largest state, one of the shortest such orders in the country. Abbott said Texas had expanded testing and stocked up on PPE. All retail stores, restaurants, movie theaters and malls can reopen on May 1, with limited capacity. 	<ul style="list-style-type: none"> ▶ Outdoor and recreation: State parks, outdoor sports ▶ Retail and beauty: Retail stores, malls ▶ Food and drink: Restaurant dining ▶ Entertainment: Movie theaters, museums, libraries 	
Utah	<p>No stay-at-home order statewide, but other restrictions in place.</p> <ul style="list-style-type: none"> ▶ Gov. Herbert downgraded the state’s risk to “orange,” or moderate risk, allowing restaurant dining, gyms and salons to reopen with precautions starting May 1. 	<ul style="list-style-type: none"> ▶ Food and drink: Restaurant dining ▶ Retail and beauty: Salons, personal care businesses ▶ Outdoor and recreation: Gyms 	
Wyoming	<p>No stay-at-home order statewide, but other restrictions in place.</p> <ul style="list-style-type: none"> ▶ Gov.. Gordon plans to lift restrictions on May 1. 	<ul style="list-style-type: none"> ▶ Outdoor and recreation: Gyms ▶ Retail and beauty: Hair salons, tattoo, massage, etc. 	

COVID-19: States with order lifting or reopening in the next week



State	Overview	Reopening Soon
Florida	<p>Stay at home in effect since April 3 and set to expire May 4.</p> <ul style="list-style-type: none"> ▶ Gov. DeSantis will allow restaurants and stores to operate at 25% capacity starting May 4. The reopening excludes Miami-Dade, Broward and Palm Beach counties, the state's most populous, which have seen a majority of COVID-19 cases. 	<ul style="list-style-type: none"> ▶ Food and drink: Restaurant dining ▶ Retail and beauty: Retail stores
Indiana	<p>Stay at home in effect since March 24 and set to expire May 1.</p> <ul style="list-style-type: none"> ▶ Gov. Holcomb is expected to announce whether he will extend the stay-at-home order on May 1. 	<ul style="list-style-type: none"> ▶ Retail and beauty: Retail stores
Kansas	<p>Stay at home in effect since March 30 and set to expire May 3.</p>	
Missouri	<p>Stay at home in effect since April 6 and set to expire May 3.</p> <ul style="list-style-type: none"> ▶ Gov. Parson outlined a plan to reopen the economy starting May 4. 	<ul style="list-style-type: none"> ▶ Food and drink: Restaurant dining ▶ Retail and beauty: Salons, barbers, tattoo parlors, etc.
Nebraska	<p>No stay-at-home order statewide, but other restrictions in place.</p> <ul style="list-style-type: none"> ▶ Gov. Ricketts plans to reopen restaurants and salons in certain regions starting May 4. 	<ul style="list-style-type: none"> ▶ Houses of worship ▶ Retail and beauty: Salons, barbershops, tattoo parlors, etc. in certain areas ▶ Food and drink: Restaurant dining in certain areas
West Virginia	<p>Stay-at-home in effect since March 24 and set to expire May 4.</p> <ul style="list-style-type: none"> ▶ Gov. Justice lifted restrictions on certain businesses starting May 4 while encouraging people to stay at home. 	<ul style="list-style-type: none"> ▶ Food and drink: Restaurants open for outdoor dining ▶ Retail and beauty: Salons, barbers, pet groomers

COVID-19: States still shut down or restricted



State	Overview	Reopened	Reopening Soon
Arizona	<p>Stay at home in effect since March 31 and set to expire May 15.</p> <ul style="list-style-type: none"> ▶ Gov. Ducey extended the state's stay-at-home order through May 15 but outlined a plan for retail stores to begin opening sooner. 		<ul style="list-style-type: none"> ▶ Retail and beauty: Retail stores curbside pickup
Arkansas	<p>No stay-at-home order statewide, but other restrictions in place.</p> <ul style="list-style-type: none"> ▶ Gov. Hutchinson announced some changes would come to state parks starting May 1. more substantial changes are expected later, including restaurants reopening for dining at reduced capacity on May 11. 	<ul style="list-style-type: none"> ▶ Outdoor and recreation: State park camping 	<ul style="list-style-type: none"> ▶ Outdoor and recreation: Gyms ▶ Retail and beauty: Hair salons, barbershops, nail salons etc. ▶ Houses of worship
California	<p>Stay at home in effect since March 19.</p> <ul style="list-style-type: none"> ▶ CA was the first state in the nation to issue a shelter in place order. Gov. Newsom said CA is weeks away from beginning to reopen, and that the order will likely not life for months. In a warning against beachgoers, Newsom closed beaches in Orange County. 		
Connecticut	<p>Stay at home in effect since March 23 and set to expire May 20.</p>		
Delaware	<p>Shelter in place in effect since March 24 and set to expire May 15.</p>		
D.C.	<p>Stay at home in effect since April 1 and set to expire May 15.</p>		
Hawaii	<p>Stay at home in effect since March 25 and set to expire May 31.</p>	<ul style="list-style-type: none"> ▶ Outdoor and recreation: Beaches, piers, docks, etc. 	
Illinois	<p>Stay at home in effect since March 21 and set to expire May 30.</p> <ul style="list-style-type: none"> ▶ Gov. Pritzker extended the stay at home order through the end of May but loosened restrictions on certain outdoor activities starting May 1. ▶ Residents must wear masks in public. 	<ul style="list-style-type: none"> ▶ Outdoor and recreation: State parks, fishing, boating, golfing ▶ Retail and beauty: Retail stores curbside pickup 	
Kentucky	<p>Healthy at home in effect since March 26.</p> <ul style="list-style-type: none"> ▶ Gov. Beshar announced a tentative plan to reopen certain industries, horse racing, retail stores, houses of worship and salons later in May. Other businesses, including restaurants and gyms, are expected to reopen at a later date. 		
Louisiana	<p>Stay-at-home in effect since March 23 and set to expire May 15.</p>		
Maryland	<p>Stay at home in effect since March 30.</p>		
Massachusetts	<p>Stay at home in effect since March 24 and set to expire May 18.</p>		
Michigan	<p>Stay at home in effect since March 24 and set to expire May 15.</p>	<ul style="list-style-type: none"> ▶ Outdoor and recreation: Golfing ▶ Retail and beauty: Retail stores open to curbside pickup 	
Nevada	<p>Stay at home in effect since April 1 and set to expire May 15.</p>	<ul style="list-style-type: none"> ▶ Retail and beauty: Retail stores open to curbside pickup ▶ Outdoor and recreation: Golf pickleball and tennis 	

COVID-19: States still shut down or restricted



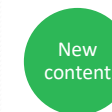
State	Overview	Reopened	Reopening Soon
New Hampshire	Stay-at-home in effect since March 27 and set to expire May 31.		
New Jersey	Stay at home in effect since March 21.		► Outdoor and recreation: State parks, golf courses
New Mexico	Stay at home in effect since March 24 and set to expire May 15.	<ul style="list-style-type: none"> ► Retail and beauty: Retail stores open to curbside pickup and delivery; Pet services ► Outdoor and recreation: State parks; Golf 	
New York	<p>Stay at home in effect since March 22 and set to expire May 15.</p> <ul style="list-style-type: none"> ► Gov. Cuomo laid out a broad outline for a gradual restart in NY, allowing some “low-risk” businesses upstate to reopen as soon as mid-May. ► He did not speculate about when restrictions would be eased in NYC and its surrounding suburbs, which have been hardest hit. 		
North Carolina	Stay at home in effect since March 30 and set to expire May 8.		
Ohio	<p>Stay at home in effect since March 23 and set to expire May 1.</p> <ul style="list-style-type: none"> ► Gov. DeWine, whose lockdown approach has been among the most aggressive, plans to extend the stay at home order in some capacity after the current version expires on May 1. His reopening plan begins with certain industries, and allows retail stores to reopen starting May 12. Other businesses, including restaurants and salons, will have to wait. 		► Industries: Manufacturing, distribution and construction businesses; Offices
Oregon	Stay at home in effect since March 23.		
Pennsylvania	<p>Stay at home in effect since April 1 and set to expire May 8.</p> <ul style="list-style-type: none"> ► Gov. Wolf, who took a county-by-county approach to restrictions before issuing a statewide order on April 1, said he will take a similar approach to reopening. His plan for reopening will be color-coded and come in phases - red, yellow, green - starting with northwestern and central PA. 	► Outdoor and recreation: Golf courses, marinas, guided fishing trips, privately owned campground	
Rhode Island	Stay at home in effect since March 28 and set to expire May 8.		
Vermont	Stay at home in effect since March 25 and set to expire May 15.	► Industries: Some construction	
Virginia	Stay at home in effect since March 30 and set to expire June 10.		
Washington	<p>Stay at home in effect since March 23 and set to expire May 4.</p> <ul style="list-style-type: none"> ► Gov. Inslee said he plans to extend Washington’s stay-at-home order beyond May 4. 	► Industries: Some construction	► Outdoor and recreation: Fishing, hunting, golfing, state parks
Wisconsin	Stay at home in effect since March 25 and set to expire May 26.	► Outdoor and recreation: Golfing; Recreational equipment, inc. boats, golf carts, kayaks; State parks	



Provision / Issue	Description
<p>Federal Reserve Main Street Lending Program/ Update</p>	<ul style="list-style-type: none"> ▶ More details of the Federal Reserve's Main Street Lending Program (Program) are available. The Program will operate through three facilities: the Main Street New Loan Facility (MSNLF), the Main Street Priority Loan Facility (MSPLF), and the Main Street Expanded Loan Facility (MSELF). Links to term sheets for each facility and Frequently Asked Questions (FAQs) providing more information regarding eligibility and conditions are below. ▶ All facilities used the same Eligible Borrower criteria. Section E.1. under Lender Information on page 9 lists the 7 criteria for eligibility, which are: <ul style="list-style-type: none"> ▶ The Business must have been established prior to March 13, 2020. ▶ The Business must not be an Ineligible Business. ▶ The Business must meet at least 1 of the following 2 conditions: a) has 15,000 employees or fewer, or b) has 2019 annual revenues of \$5 billion or less. The Business does not need to meet both conditions. ▶ The Business must be a U.S. Business. ▶ The Business may only participate in one of the 3 facilities (MSNLF, MSPLF, or MSELF) and must not also participate in the Primary Market Corporate Credit Facility (PMCCF). ▶ The Business must not have received specific support pursuant to the Coronavirus Economic Stabilization Act of 2020 (Subtitle A of Title IV of the CARES Act). ▶ The Business must be able to make all of the certifications and covenants required under the Program. <p>Link to Main Street Program site: https://www.federalreserve.gov/monetarypolicy/mainstreetlending.htm</p> <p>Links to Facility term sheets:</p> <p>MSNLF: https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200430a1.pdf</p> <p>MSPLF: https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200430a2.pdf</p> <p>MSELF: https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200430a3.pdf</p> <p>Link to Program FAQs: https://www.federalreserve.gov/monetarypolicy/files/main-street-lending-faqs.pdf</p>

US SBA has processed over 3.8m loans, totaling over \$500b, since the launch of the Paycheck Protection Program on April 3. (Reuters)

- ▶ In the second round of funding since April 27, SBA has processed ~2.2m loans, whose value is over \$175b.
- ▶ The average loan size in the second round has been \$79,000.



Alberta



Alberta releases COVID-19 contact tracing app 'ABTraceTogether'

- ▶ Alberta has become the first province in Canada to launch a contact tracing app. The 'ABTraceTogether' app will help Alberta Health Services trace the contacts of people infected with COVID-19.
- ▶ The process should help health authorities manage the spread of the virus as the province slowly restarts its economy.
- ▶ The method that Alberta uses with ABTraceTogether is Bluetooth. Instead of tracking users' physical location, smartphones trade encrypted codes over Bluetooth.
- ▶ Once a person becomes infected with COVID-19, Alberta Health Services will ask the person to upload that data, which will allow tracing workers to reach others who were in close contact with the infected individual.
- ▶ Available now for both iOS and Android users.

Singapore



Singapore to require smartphone check-ins at all businesses and will log visitors' national identify numbers

- ▶ From May 12, Singapore will require all businesses to adopt a system that checks visitors into and out of their premises using their smartphones. The system is already compulsory before entering some venues.
- ▶ Called "SafeEntry," the system is designed to enhance Singapore's contact-tracing capabilities and requires visitors to either scan a QR code or allow their phones to be scanned to record a barcode in the national e-services app.

UK



Contact tracing app to be trialled on Isle of Wight

- ▶ The UK will trial a new COVID-19 tracing programme next week on the Isle of Wight.
- ▶ It will be the first place where the new contact-tracing app will be used before being rolled out more widely this month, said transport secretary Grant Shapps.
- ▶ At the government's daily briefing, Cabinet Minister Michael Gove said he hoped more than half of the 80,000 households on the Isle of Wight would download the app.
- ▶ Epidemiologists advise that 56% of the UK population, equating to 80% of smartphone owners, need to use the app in order to suppress the virus.



FDA Authorizes Emergency Use of Gilead Drug for Covid-19 Patients

Action comes after research shows Remdesivir shortened recovery times in patients

- ▶ FDA action limits the use of the drug for only through the duration of the pandemic, but health regulators could grant full approval if more benefits emerge from a large study by the National Institute of Allergy and Infectious Diseases and other clinical trials underway.
- ▶ Institute said that a preliminary analysis of its study showed that hospitalized COVID-19 patients taking remdesivir had a speedier recovery than patients taking placebo, though the reported benefit was moderate, with remdesivir patients recovering 4 days faster than the placebo group.
- ▶ Remdesivir was previously tested as a treatment for Ebola.

AstraZeneca teams up with Oxford University to develop coronavirus vaccine — first results from human trials expected in June or July

- ▶ Human trials entered phase 1 testing last week, with hundreds of people aged 18-55 volunteering across 5 trial centers in southern England.
- ▶ Professor John Bell at Oxford said that even if the vaccine is effective and is approved by regulators, the ability to manufacture at scale will be a challenge.

Northeast governors banding together to buy medical supplies

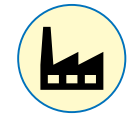
- ▶ The governors, who are already coordinating plans to reopen their states, hope to give states more sway in the international marketplace by forming a consortium. Gov. Cuomo said it will increase their market power.
- ▶ The group includes NY, NJ, CT, MA, RI, PA, and DE.

Company actions: Overview of business actions (Week of April 27)



Sector	Draw down on credit	Expanded/new credit	Layoffs	Furloughs	Halted debt service/Standstill Agreement	Stopped transactions	COVID-19 Bankruptcy filings ⁽¹⁾	Going concern warnings ⁽²⁾	Total
Aerospace and Defense	13	15	11	10	0	2	2	1	54
Automotive	27	12	14	16	0	1	0	2	72
Communication Services	0	0	0	0	0	0	0	0	0
Educational Services	1	0	7	15	1	0	0	2	26
Entertainment	3	5	17	13	0	0	1	2	41
Financials	14	27	6	1	2	0	0	1	51
Healthcare	10	9	20	73	1	2	2	6	123
Hotels & leisure	43	11	66	49	0	2	1	4	176
Industrials	43	27	18	10	3	4	1	8	114
Life sciences	2	5	3	2	0	3	1	22	38
Logistics	4	4	10	2	0	1	0	0	21
Management services	12	6	18	15	0	1	2	4	58
Media	12	2	26	23	0	1	0	1	65
Metals and mining	15	10	8	2	0	1	1	16	53
Multi-sector conglomerates	2	3	1	0	0	0	0	0	6
Oil & Gas	14	11	11	6	6	4	5	18	75
Real estate	30	14	12	5	1	2	2	1	67
Retail & CP	126	29	71	80	2	5	7	11	331
Technology	20	7	24	3	0	1	0	8	63
Telecom Services	5	4	2	1	2	0	2	2	18
Utilities	6	10	0	0	2	0	1	2	21
Other	1	2	30	20	0	0	1	0	54
Total	403	213	375	346	20	30	29	111	1,527

New announcements: Furloughs/layoffs



Professional Services

MEDIALINK

- ▶ MediaLink announces staff reduction, furloughs and exec pay cuts.

Casinos and Gaming



- ▶ IPI furloughs over 500 employees.

Professional Services



- ▶ Furloughs of an undisclosed number of support staff.

Automotive



- ▶ Tesla to extend furlough for some employees by another week.

Retail

PRETTYLITTLETHING.COM

- ▶ Placed 86 employees into furlough.

Sports



- ▶ Dallas Stars furlough 20% of staff for 60 days.

Education



- ▶ Furloughed nearly 350 employees in several auxiliary operations groups.

Travel



- ▶ Flynote laid off most of its 130-strong staff citing lack of funds.

Travel



- ▶ Sheraton hotel in Milwaukee has furloughed 101 employees.



- ▶ Mohawk Valley Health System to lay off 79 nurses.

Health Care

- ▶ MU Health Care lays off 32 employees.

New announcements: Workforce and/or executive pay cuts



Professional Services

MEDIALINK

- ▶ Voluntary pay cuts by executive leadership.

Professional Services



- ▶ Reduction in profit distribution for partners.
- ▶ Associates will see salaries cut by 20%.

Entertainment



- ▶ CEO to take 50% pay cut.
- ▶ Executives to take 20% pay cut.

Auto Components



- ▶ Senior executives take 100% pay cut for 3 months.

Healthcare



- ▶ Directors to take 5% pay cut.
- ▶ VP's and above to take 10% pay cut.

Travel



- ▶ Lufthansa's pilots offered to sacrifice up to 45% of their salaries over the next two years in exchange for no layoffs.

Casinos and Gaming



- ▶ Executives to take 20% voluntary pay cut and will forego planned bonuses.

Healthcare



- ▶ Administrators and managers took a 20% pay cut.

Energy



- ▶ Centennial's board to take a 25% pay cut.
- ▶ CFO to take 15% pay cut.
- ▶ Other officers to take 10% pay cut.

Telecommunication



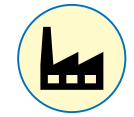
- ▶ Managers will get a 20% pay cut.
- ▶ The chairman and all non-executive directors to forego salaries for the first quarter.

Education



- ▶ UVA Virginia Athletics director, coaches and additional staff to take voluntary salary cuts for the remainder of 2020.

Conference Board: COVID-19 pay cuts extend beyond C-suite and devastated business sectors



To date, 11 percent of the Russell 3000 have announced executive base pay cuts in light of COVID-19. The number of announcements peaked in early April and softened in recent weeks.

- ▶ 342 companies had announced some type of base salary reduction for their leaders as of April 19.

More than 60% of the announcements came from hard-hit industries such as hospitality and retail.

- ▶ Consumer discretionary sector, including industries such as specialty retail and hospitality, is by far the most represented among companies announcing leadership pay cuts (40.4% of the total). Second-most is the industrials sector, including airlines and aerospace industries (21.6%).
- ▶ The sectors that have not, to date, announced a significant number of executive pay reductions include materials, consumer staples, and financials. The current list also includes no utilities companies.

Most of the pay reductions have been announced at mid-market companies.

- ▶ 43% of the announcements were made by companies with annual revenue between \$1b-\$4.9b. 2% of the pay cut filings came from the largest companies in the Russell 3000 (with annual turnover exceeding \$50b), and another 2% by the second-largest company size groups.
- ▶ The analysis of financial and real estate companies by asset value shows that most announcements were made by hospitality-focused REITs in the \$1-9.9b asset value group.

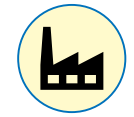
Among those that announced pay cuts, one-third of CEOs won't collect a base salary this year.

- ▶ Only 6% of the Russell 3000 companies announcing reductions applied a cut of 20% or less.
- ▶ Communications services companies reported the largest median CEO pay cut (55%), followed by consumer discretionary, industrials, and real estate (each with a 50% CEO median pay cut).
- ▶ The least affected CEOs are those in consumer staples (25% median pay cut) and energy companies (20%).

In most cases, executives beyond the C-suite are receiving pay cuts.

- ▶ 61% of the companies announcing compensation reductions are applying them to senior managers beyond the top five highest-paid executives.

Corporate innovation and supply chain transformation to fight COVID-19



Salesforce Announces Work.com to Help Businesses and Communities Safely Reopen

- ▶ Salesforce announced Work.com - new technology solutions and resources to help business and community leaders around the world reopen safely, re-skill employees and respond efficiently on the heels of the COVID-19 pandemic.
- ▶ The Work.com Command Center brings all data streams together so that businesses and communities can make more informed decisions.
- ▶ In addition, Work.com brings together the full power of health experts, business leaders and the Salesforce ecosystem in a resource center informed by the Business Roundtable and the University of California San Francisco (UCSF) with insights from business, health and government leaders as well as analysis, best practices and recovery stories from our trusted partner ecosystem.
- ▶ Work.com solutions enable organizations to reopen safely and manage the logistics of returning to work while putting employee and visitor health and safety first.



- ▶ Scottish textiles business Don & Low is to manufacture filters used in the production of the highest quality face masks recommended by the World Health Organisation and NHS.



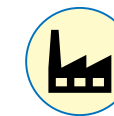
- ▶ The company has invested more than \$21m in projects that will lead to the production in Canada of critically needed technologies, equipment, and medical devices to aid in the fight against COVID-19.



- ▶ The company recently made and donated approximately 240 gallons of hand sanitizer to Matagorda and Harrison Counties, after learning several counties were facing severe shortages.



- ▶ Alexandra and its global supply chain partner, SEKO Logistics, have together supported the donation of Personal Protective Equipment (PPE), including protective gloves, face masks and aprons, for frontline staff working in a British care home group.



Six Flags rolls out plan for post-COVID-19 'new normal'

- ▶ The new normal at Six Flags will include face masks, temperature checks, reduced attendance, virtual queuing, mobile ordering, cashless transactions, social distancing and constant sanitization.
- ▶ Six Flags Magic Mountain closed in mid-March but expects to re-open in mid-May "or as soon as possible thereafter," said the CEO.
- ▶ Six Flags passholders and members have given the company important feedback on customer expectations: **50% said they would visit the parks today if they were open. 80% said they would visit the parks if the company implemented health and safety measures.**
- ▶ Preparing the parks to reopen will take 2-3 weeks. Survey respondents indicated they would feel comfortable returning to a Six Flags park operating at **25% normal capacity** once closures are lifted. Six Flags would ramp up attendance based on state and local guidelines.
- ▶ Protective face masks and temperature checks will be standard, and sanitization will be a top priority. Once parks reopen, rides will be wiped down throughout the day and hand-washing and hand-sanitizing stations will be installed throughout the parks.
- ▶ Social distancing will be continually enforced, from parking lots and queues to rides and dining areas. Employees will be assigned to coach and direct visitors to maintain 6 feet of separation at all times.
- ▶ Six Flags will limit the number of riders waiting in queues and boarding coasters and rides. Markers painted on the ground will indicate the spots in line where riders should stand to encourage social distancing. The company is testing virtual queuing, mobile ordering, cashless transactions and other technology to help move toward a contactless environment.



How will movie theaters make customers feel safe after coronavirus?

- ▶ There is rising hope that movie theaters will begin returning by mid-June, but even if they do, it is unclear when people will feel safe returning.
- ▶ Analysts expect it will take 18 months to 2 years for the filmgoing sector, which generates \$15b in ticket and concession sales a year in the US and employs 150,000 people, to fully recover.
- ▶ Texas allowed movie theaters to reopen on May 1 but with 25% capacity, while California Gov. Newsom said it will be "months, not weeks" before theaters reopen.
- ▶ Most cinemas could not open right away even if they wanted to. They will not only have to rehire workers but also train them in strict social distancing and sanitary standards. Auditoriums will likely be thoroughly cleaned between screenings, which could cut down the number of showtimes.
- ▶ Theaters will need to block seats to create enough space between patrons, making every other row available or eliminating chairs in a checkerboard pattern. Some have even considered temperature checks for customers.
- ▶ Most theaters have said it is too early to make firm decisions about how to proceed.



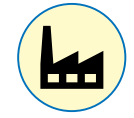
- ▶ Stein Mart has announced enhanced safety and cleaning measures as stores begin to reopen after being closed due to Covid-19.
- ▶ In addition to reopening stores, Stein Mart will also launch contactless curbside pickup.
- ▶ Stein Mart said during its closure, it implemented "a number of precautionary measures to ensure a safe working and shopping environment."
- ▶ New in-store measures include marking floors at checkout and removing product from aisles, more frequent cleaning of restrooms, sanitizing checkout lanes, and cleaning carts.
- ▶ Store associates are required to wear masks.
- ▶ Fitting rooms are temporarily closed, but the company has extended its return policy and enhanced how returns are processed.
- ▶ Store hours are limited to 11am-6pm during the initial phase of reopening.



- ▶ Rochelle Foods, LLC announced that it will reopen as scheduled Monday, May 4, following a 14-day voluntary closure.
- ▶ Enhanced safety procedures were implemented including deep cleaning of high-touch areas, reconfiguration of common areas and workstations, revised shift scheduling, new guidelines on carpooling and more extensive social distancing measures.
- ▶ Rochelle Foods will be moving forward with a reopening plan that exceeds CDC and OSHA guidelines, outlines procedures for continued team member safety and raises the bar on best practices in the food industry.



- ▶ TK Maxx has reopened its **online operations** with a daily order limit to protect warehouse workers.
- ▶ Once the limit is reached, customers will only be able to browse the site for the rest of that day.



Increased remote work

- ▶ President of Crescendo Strategies Cara Silletto firmly believes more people will be working from home. She says that the biggest hurdle most companies faced before the pandemic were technology and mindset barriers. Leaders have been forced to overcome both during the COVID-19 pandemic. While some leaders will want to return face-to-face, others will question **“why they’re paying so much rent for office space and devise an effective remote working plan.”**
- ▶ Robert Half surveyed workers in January 2020 before COVID-19, and only 47% reported that their employers permitted remote work. Paul McDonald of Robert Half views **COVID-19 as the “trial run that sets a change in motion.”**



End of open office concept, but more office sharing in a growing gig economy

- ▶ Ramon Peralta, founder of Peralta Design, says that they are considering designing plexiglass dividers to serve as cough shields in their open floor plan office. Employees who feel uncomfortable coming into the office will be allowed to continue working from home.
- ▶ While open floor plans may be less common, companies may be more inclined to co-inhabit office space as they reduce their square footage when they renew commercial real estate leases, allowing workers to stay at home when desired. It will also enable employers to hire talent outside their geographic area, Peralta said.



(Slightly) more casual dress code

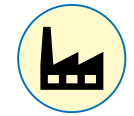
- ▶ Robert Half’s pre-pandemic research found that casual attire has already become more acceptable at work, with 34% of respondents saying casual attire was problematic 10 years ago but is no longer a problem.
- ▶ However, McDonald feels that the ultra-casual dress code will fade, and that companies will return to business/smart casual.



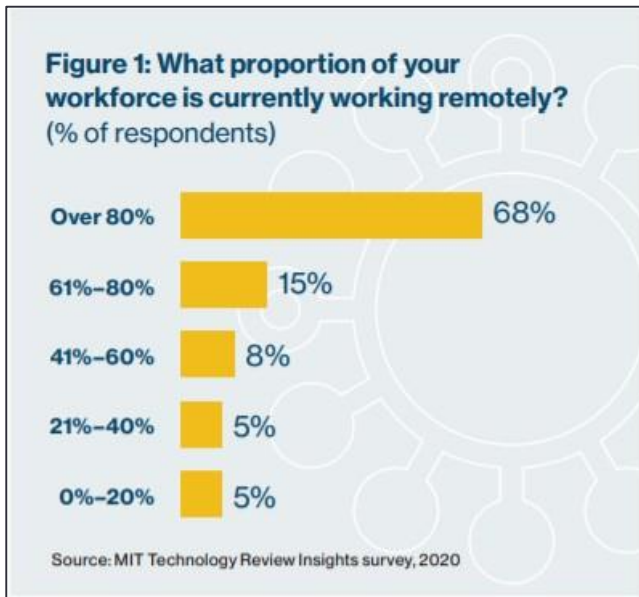
Return of the handshake?

- ▶ Silletto believes the handshake is “over for 2020,” but doubts it will be gone for good, adding that it is “too deeply ingrained in our culture and behavior” for it to permanently leave workplace etiquette.

[Click here](#) to read the full article.

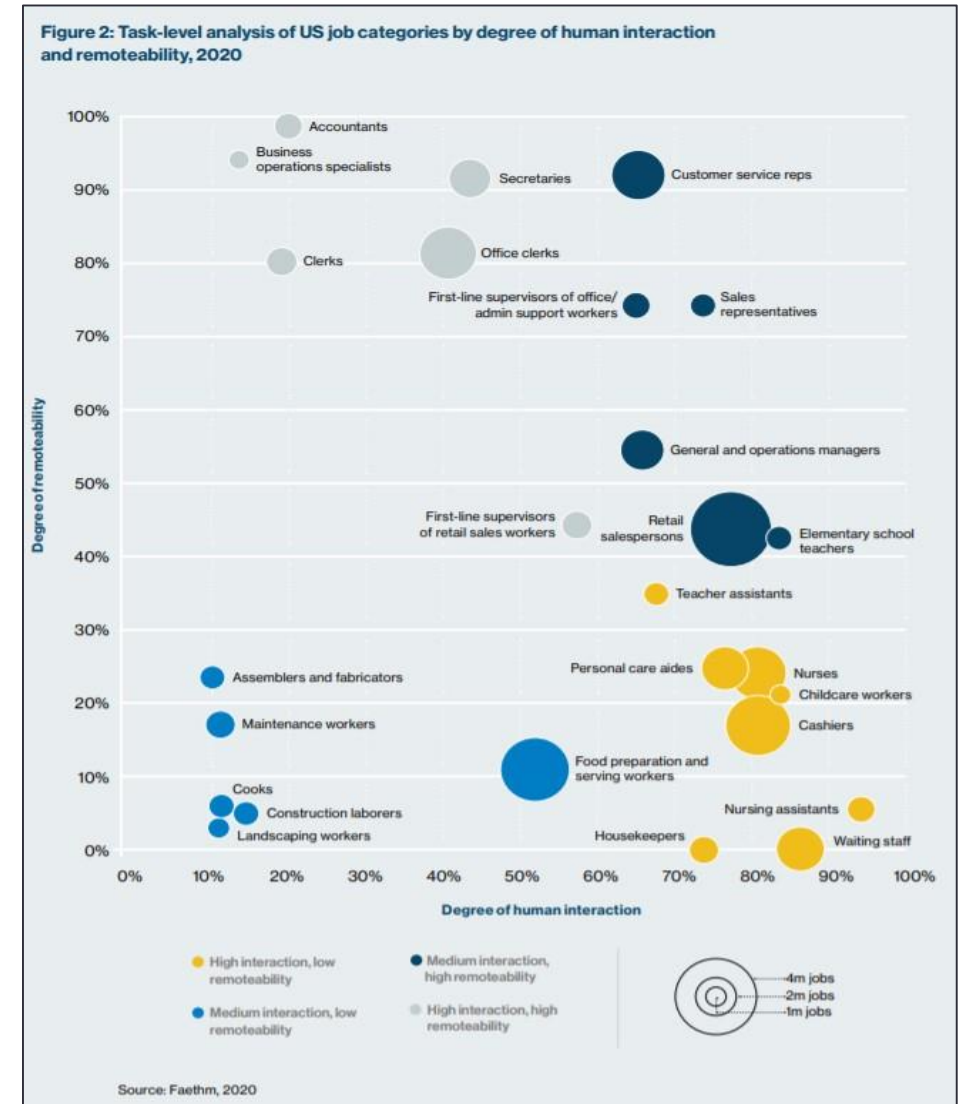


“More than 22 million US workers are performing essential services during the COVID-19 pandemic, with more than half in health care alone. These jobs may be first to benefit from AI as businesses build resilience for the future.”

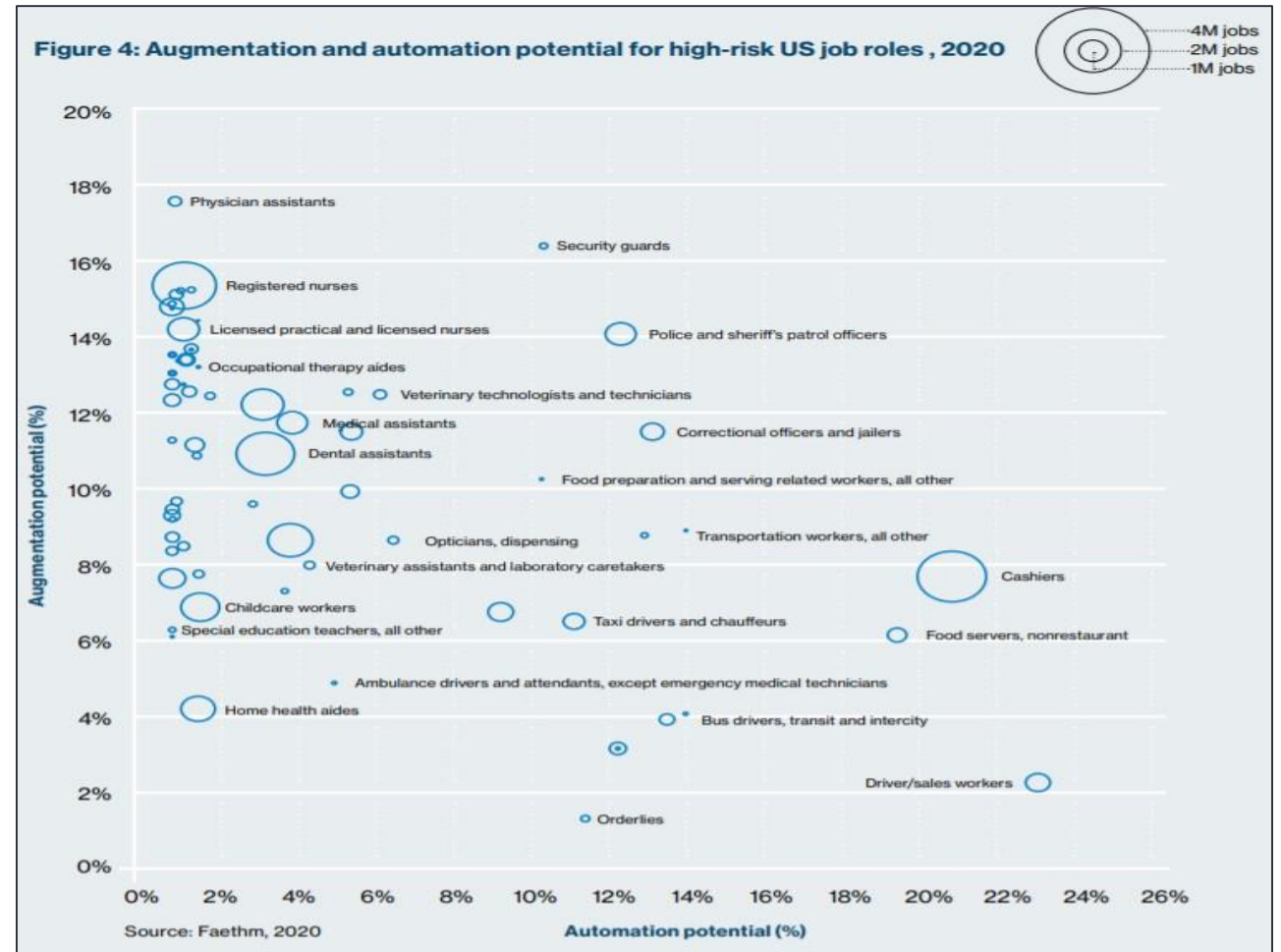
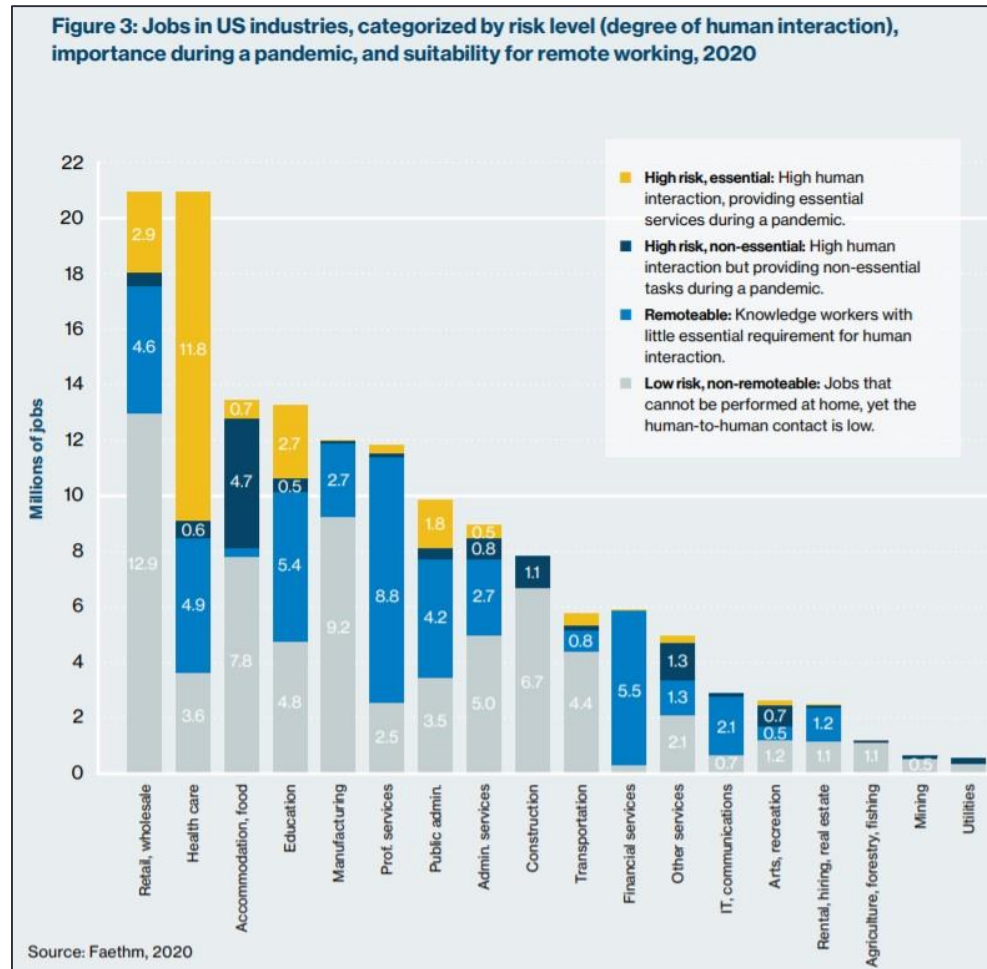
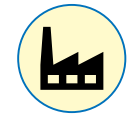


- ▶ Many specialist jobs can benefit from greater augmentation with AI. These include specialist medical roles such as anesthesiologists, nurses, and health technologists. Increased use of technology to augment those roles will likely make them more valuable and resilient in any future pandemic.

- ▶ Jobs where AI assistance is currently less feasible may be targets for innovation. Roles such as cashiers, servers, and drivers, whose constituent tasks can be fully automated, may be at risk as retailers and restaurants will over time seek to operate with fewer staff.



[Click here](#) to read the full report.



- ▶ Directly related to the COVID-19 pandemic, between 32-50m US jobs could be increasingly assisted by technology to reduce health risks posed by human interaction and safeguard productivity in a time of crisis.

[Click here](#) to read the full report.

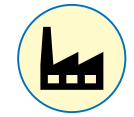


Department of Labor to host national online dialogue on opening America's workplaces again

- ▶ Goal is to solicit ideas from the public on how best to help employers and workers reopen America's workplaces safely. The dialogue will run from Thursday, April 30 through Thursday, May 7, 2020, and will include a one-hour Twitter chat on Friday, May 1, 2020, at 2:00 p.m. EDT.
- ▶ As the department continues to develop guidance and information to assist workers and employers, it seeks to draw on the public's ideas about challenges that may be faced as businesses re-open. Thousands of workers and employers have been in communication with the department since the start of the crisis, and this dialogue provides an opportunity for even more voices to contribute to the department's ongoing response as circumstances on the ground continue to change.
- ▶ The public - including employers, workers, local authorities and advocacy groups - is invited to share ideas on six topics:
 - ▶ Reopening businesses;
 - ▶ Commuting safely;
 - ▶ Working safely;
 - ▶ Accommodating members of vulnerable populations;
 - ▶ Supporting America's families; and
 - ▶ Reducing regulatory burdens.

White House, Congress clash over liability protections for businesses as firms weigh virus reopening plans

- ▶ Congressional leaders are girding for a huge fight over the re-entry of millions of Americans to the workplace, with Senate Majority Leader Mitch McConnell, R-Ky., insisting that employers be shielded from liability if their workers contract the COVID-19.
- ▶ Democratic leaders have declared they will oppose such blanket protections.
- ▶ The clash is a sharp departure from the past six weeks, when lawmakers from both parties came together to swiftly approve nearly \$3t in emergency funds as Americans hunkered down during the pandemic.
- ▶ Cornyn is working on legislation that would shield businesses from liability over COVID-19 related claims as long as they comply with government guidelines.



AFL-CIO's Trumka, Labor's Scalia clash over workplace safety

Union chief says the federal government has failed to protect workers with chaotic, inadequate action on COVID-19

- ▶ The toll of COVID-19 infections among workers in health care, meatpacking and other occupations erupted into a sharp exchange between AFL-CIO President Richard L. Trumka and Labor Secretary Eugene Scalia.
- ▶ Scalia responded Thursday, thanking Trumka and saying that the department would consider his proposals, but then accusing him of mischaracterizing OSHA's performance.
- ▶ The gravity of the AFL-CIO charges was highlighted by an attachment to Trumka's letter that listed more than 300 union members who have died of COVID-19 infections.

Cargill, plant's employees clash over resuming work

- ▶ Discussions continued between Cargill and its union over the weekend after the union launched legal action to stop the planned reopening of the meat-packing facility on May 4.
- ▶ The plant was set to reopen with health measures like temperature checks, mandatory face masks and other PPE, enhanced sanitizing and increased social distancing. Cargill said Alberta Health Services and Occupational Health and Safety have reviewed its safety measures and support its reopening.
- ▶ Mediation is ongoing, and Cargill said it will not publicly share whether it reopens until the dispute is resolved.

Call It Hero Pay or Hazard Pay, Essential Workers Want More of It

As states reopen after coronavirus restrictions, some companies are ending bonus pay for hourly workers

- ▶ As businesses across two dozen states start to reopen after coronavirus shutdowns, some companies are reassessing the bonus pay for hourly employees who have been working through the pandemic. Many companies paid an additional \$2 per hour.
- ▶ At protests last Friday for protection in the workplace, organizers said workers staffing essential businesses are due more from employers.
- ▶ Democrats in Congress, along with Republican Sen. Romney, are pushing for money for essential workers, potentially in the form of a "heroes fund" for hospital and grocery workers as part of the next coronavirus relief package.
- ▶ New York City Council introduced a COVID-19 relief package in April that would require companies with >100 workers to pay non-salaried staff an extra \$30 for shifts up to 4 hours, \$60 for shifts up to 8 hours and \$75 for shifts longer than 8 hours.

How EY can help: Navigating the physical return to work

A two-gear approach is needed to drive a **trusted** transition and **future-focused** transformation.

Gear 1: Transition

Take thoughtful steps to return to the workplace by thinking holistically about operational continuity considering technology, security, productivity, wellness and engagement

- 01 Consider policy, health and risk scenarios to develop a comprehensive, prioritized and sequenced plan to return to normal
- 02 Take actionable steps to ensure the safety of your employees and customers as they return to the workplace
- 03 Ensure that operational capacity across processes, space, technology and people is enabled for managing a hybrid working model focused on continuity

Gear 2: Transformation

Capitalize on this moment to reimagine your organization and approach this event as an inflection point to redefine the way your organization operates

- 01 Understand the long-term behavioral impacts of COVID-19 on customer habits – and the resulting impacts this may have on the market
- 02 Identify vulnerabilities highlighted by COVID-19 in your operations, processes, space and technology to prioritize your digital strategy
- 03 Hit reset on your market brand through thoughtful actions that provide value to your customers, employees, shareholders and communities

For more information, including how to use EY's **Physical Return to Work Preparedness Tool**, please ask an EY team member.

Executing a two-gear approach requires a **command center structure** to drive an agile process that is tightly coordinated across the organization

