

CHAPTER 2

Global Economic Outlook

41 OVERVIEW

42 GLOBAL ECONOMY

Information Box 2.1 - Response to the
COVID-19 Pandemic by Selected Multilateral
Development Banks

59 CONCLUSION

60 REFERENCES

GLOBAL ECONOMIC OUTLOOK

2020 DISMAL GROWTH



The Impact of COVID-19 Pandemic

- Restricted movement
- Forced lockdowns
- Business closures

Negative Global Growth Anticipated in 2020

ADVANCED
ECONOMIES

-5.8%

EMDEs

-3.3%

Unfavourable performance in advanced economies and EMDEs due to fall in domestic demand, particularly private consumption and investment, coupled with dismal trade growth

China to cushion decline in EMDEs

- Decelerated activities
- Economic disruptions
- FDI declines 40% in 2020
- World trade plummets 10.4% in 2020
- Debt crisis

2021 PROMISING GLOBAL PROSPECTS

GLOBAL GROWTH

5.2%

ADVANCED
ECONOMIES

3.9%

EMDEs

6%

Global Economy to Rebound in 2021

INFLATION

GLOBAL

3.4%

ADVANCED
ECONOMIES

1.6%

EMDEs

4.7%

8.3%
2021

WORLD
TRADE

-10.4%
2020

To decline further in 2021 as
restrictive investment policy
measures affect cross-border
M&A activities

FDI

Silver Lining

- ☀ Effective implementation of fiscal and monetary measures
- ☀ COVID-19 vaccine discovery and containment of pandemic
- ☀ Opportunities to institute reforms towards accelerating digitalisation and pursuing sustainable growth

Risks to global economy persists:

- US-China trade tensions
- Low oil prices
- Uncertainties surrounding Brexit
- Climate crisis
- Geopolitical tensions
- Increase in government debts

CHAPTER 2

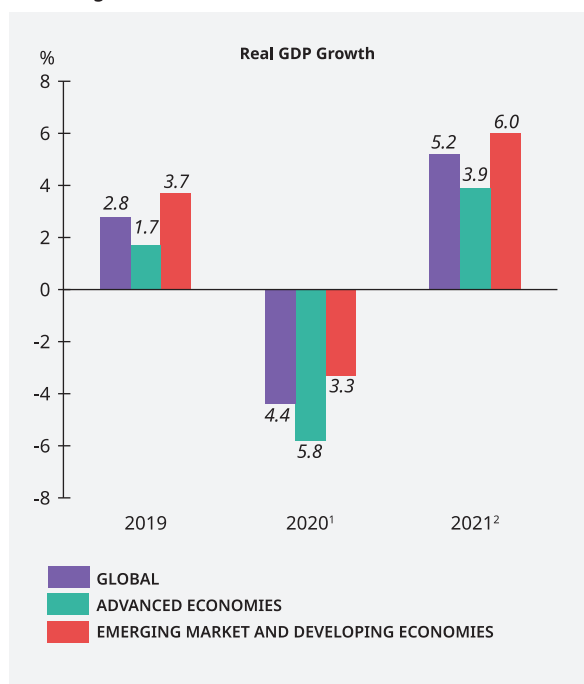
Global Economic Outlook

Overview

A rebound after dismal growth

The **global economy** is projected to contract by 4.4% in 2020 (2019: 2.8%). This anticipated negative growth is due to unfavourable performance in both the advanced economies and the emerging market and developing economies (EMDEs), mainly resulting from the adverse impact of the COVID-19 pandemic. On the contrary, robust growth in the advanced economies and the EMDEs is expected to spearhead global growth by 5.2% in 2021.

FIGURE 2.1. Real GDP Growth for Global, Advanced Economies, and Emerging Market and Developing Economies, 2019 – 2021 (% change)



¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

In 2020, the gross domestic product (GDP) in the advanced economies is expected to decline by 5.8% (2019: 1.7%), while the GDP in the EMDEs is anticipated to contract by 3.3% (2019: 3.7%). This is mainly due to a fall in domestic demand, particularly private consumption and investment, coupled with dismal trade growth. The decline in the growth of the EMDEs is expected to be cushioned by favourable growth in China. Among the advanced economies, the euro area is anticipated to register the sharpest downturn in comparison with the previous year.

In 2021, the advanced economies is forecast to rebound by 3.9%, spurred by improved domestic demand and increased trade activities. Growth in the US is expected to improve by 3.1%, backed by a recovery in private consumption and favourable investment. The GDP in the euro area is anticipated to turn around by 5.2% in 2021, supported by improved domestic demand following accommodative fiscal and monetary policies. The economy of the UK is envisaged to record a stellar growth of 5.9%, driven by a recovery in the services sector. The GDP of Japan is projected to pick up by 2.3%, boosted by an increase in private consumption and a recovery in exports.

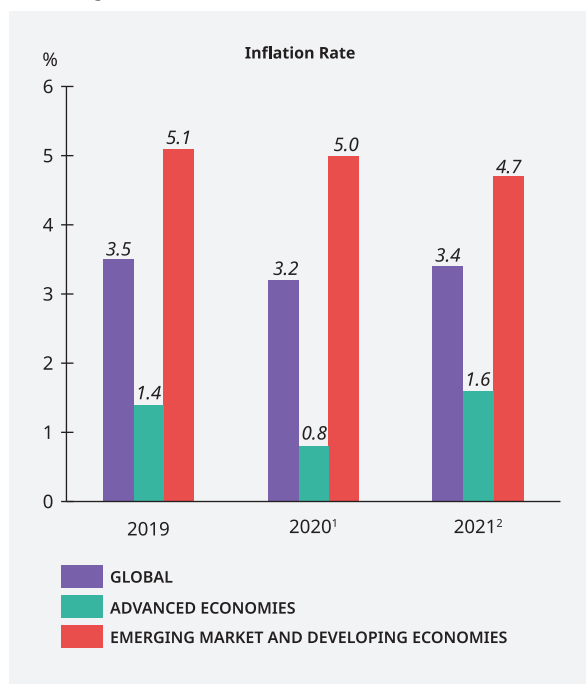
The GDP of the EMDEs in 2021 is expected to bounce back by 6%, buoyed by solid domestic demand and higher exports. China is envisaged to lead the recovery in the region, with a sturdy growth of 8.2%. Likewise, the economy of India is projected to rebound by 8.8% on the back of strong consumer demand. The GDP of ASEAN-5¹ is anticipated to turn around by 6.2%, on account of robust domestic consumption, higher investment and a favourable trade environment.

¹ ASEAN-5 comprises Indonesia, Malaysia, the Philippines, Thailand and Viet Nam.

World trade is set to plummet by 10.4% in 2020 (2019: 1%), owing to subdued demand for goods and services, compounded by the COVID-19 pandemic. Lacklustre demand for goods is expected, despite rising needs for medical equipment and supplies, amid volatile commodity markets as well as escalating trade and trade-related tensions, particularly between the US and China. The demand for services is also anticipated to fall, with cross-border tourism activities adversely affected. Nevertheless, global trade is projected to turn around by 8.3% in 2021 as economic activities gain momentum.

Global foreign direct investment (FDI) is expected to decline up to 40% in 2020 (2019: 13%), dragging the FDI below USD1 trillion for the first time since 2005. This drop is due to heightened uncertainties concerning the pandemic, which may continue to slow down the implementation of existing projects

FIGURE 2.2. *Inflation Rate for Global, Advanced Economies, and Emerging Market and Developing Economies, 2019 – 2021 (% change)*



¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

and approval of new investments. In 2021, the FDI is projected to further decline by 5% to 10%, as new restrictive investment policy measures affect cross-border merger and acquisition (M&A) activities.

Global inflation is expected to be mild at 3.2% in 2020 (2019: 3.5%). Inflation is on a downward trend in advanced economies at 0.8% (2019: 1.4%), while inflation in the EMDEs is anticipated to remain at 5% (2019: 5.1%), resulting from low oil prices. In 2021, global inflation is expected to slightly increase to 3.4%. Inflation in the advanced economies is anticipated to increase to 1.6%. In comparison, inflation in the EMDEs is forecast to be at 4.7%.

Risks to the global outlook are mainly due to the impact and severity of the COVID-19 crisis, compounded by the uncertainty in discovering a vaccine. A protracted economic slowdown may result in a vicious cycle, where financial distress may expose borrowers to vulnerabilities. Subsequently, this will drag economies into debt crises and decelerate activities even more. In addition, cross-border spillovers from weaker external demand could further magnify the impact of country- or region-specific shocks on global growth. Strained relationships among the coalition of oil producers of the Organization of the Petroleum Exporting Countries Plus (OPEC+)² and widespread social unrest may pose additional headwinds to the global economy. Furthermore, uncertainties surrounding the Brexit outcomes, rising government debts and unemployment, as well as climate crisis, are among the major factors that could impede future growth.

Global Economy

Navigating unprecedented challenges

The **US'** economy contracted by 4.4% in the first half of 2020, resulting from a decline in consumer spending, as the economy struggled with the COVID-19 pandemic. Personal

² OPEC+ comprises 13 members of OPEC, namely Algeria, Angola, the Republic of the Congo, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Saudi Arabia, United Arab Emirates and Venezuela as well as 10 of the world's major non-OPEC oil-exporting nations, namely Azerbaijan, Bahrain, Brunei Darussalam, Kazakhstan, Malaysia, Mexico, Oman, Russia, South Sudan and Sudan.

consumption expenditure, which contributes 67.1% to total GDP, plummeted by 5%, particularly in the health care as well as food services and accommodation sectors. Private investment fell by 10.6% following a sharp decline in transportation equipment as well as a decrease in mining structures, resulting from subdued oil and gas production activities.

In the same period, the US recorded a trade deficit of 7.5%, amounting to USD50.7 billion, as exports declined following subdued demand, particularly in petroleum products and fuel oil. Likewise, imports decreased, as a result of sluggish demand, particularly in automotive vehicles and machinery. The unemployment rate jumped to 8.4%, owing to heavy job losses in the leisure and hospitality sector. Inflation moderated to 1.2% following lower oil prices, despite high food costs.

Overall, in 2020, the US' GDP is expected to contract by 4.3% (2019: 2.2%), as a result of weakened private consumption and external demand. Private consumption is anticipated to shrink by 4.9% (2019: 2.4%) due to the phasing out of earlier Government stimulus packages as well as a significant rise in household savings. Similarly, the federal balance is expected to worsen, largely due to spending for the stimulus packages, coupled with the presidential election in November. Exports are anticipated to dip, amid the ongoing trade tensions, exacerbated by the pandemic.

As of August 2020, four stimulus packages, amounting to USD2.3 trillion, have been announced. These include cash payments and expanded unemployment benefits to households, support to the health care system and assistance to severely distressed sectors. The unemployment rate is expected to spike to 8.9% (2019: 3.7%), with the leisure and hospitality sector being the most affected. Inflation is expected to moderate to 1.5% (2019: 1.8%) following lower oil prices. In March 2020, the US Federal Reserve (Fed) lowered its funds rate target range to between 0.00% and 0.25%. The Fed indicated to maintain the rates at this level until the economy has stabilised.

TABLE 2.1. *Selected Indicators for the United States, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	2.2	-4.3	3.1
Inflation (% p.a.)	1.8	1.5	2.8
Current Account of BOP (% of GDP)	-2.2	-2.1	-2.1
Unemployment Rate (%)	3.7	8.9	7.3

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

In 2021, the US' growth is projected to rebound by 3.1%, driven by domestic demand, particularly private consumption, which is anticipated to surge by 2.8%. Investment is expected to bounce back by 2.8%, underpinned by higher private fixed investment. Both exports and imports are forecast to rebound significantly, on the back of a favourable global trade environment. The unemployment rate is expected to improve to 7.3%, while inflation is anticipated to rise to 2.8%.

Risks to the US include a prolonged COVID-19 pandemic as the intensity and duration of the outbreak would further disrupt domestic demand and the global value chain. These deteriorating economic fundamentals may result in financial distress, leading to refinancing difficulties for both corporates and households. In addition, continued low oil prices would lead to subdued investment spending in non-residential structures. Consequently, firms, particularly in the energy sector, may face higher costs with an increased number of bankruptcies. On the trade front, broader protectionist measures, including export controls, may affect business confidence and hamper growth.

The GDP for the **UK** contracted by 11.8% in the first half of 2020, the largest recession on record, resulting from a drastic decline in the services sector. The services sector, which contributes approximately 80% to total GDP, plunged by 11.3%, primarily due to a decline of 48.3% in the accommodation and food services subsector. In addition, the distribution,

hotels and restaurants subsector declined by 20.9%. Likewise, the production and construction sectors contracted by 11.5% and 21.1%, respectively, following strict lockdowns beginning at the end of March 2020. The unemployment rate remained at 4% following the Government's furlough scheme, which allows workers affected by the pandemic to be absent temporarily from work. Inflation was registered at 1.7%, owing to low oil prices.

The economy is projected to decline by 9.8% in 2020 (2019: 1.5%), as the services sector continues to contract following prolonged lockdowns imposed by the Government. Several schemes have been announced to stimulate demand in sectors affected by the pandemic, particularly in hospitality and tourism. The UK announced various stimulus and relief packages since March 2020, including the Coronavirus Job Retention Scheme, which helped pay the wages of people in 9.6 million jobs. In addition, the Eat Out to Help Out Scheme boosted hospitality-related activities. As of September 2020, the Bank of England maintained the policy rate at 0.10%, after reducing the rate twice in March by a total of 65 basis points to bolster the economy. The unemployment rate is projected to register 5.4% (2019: 3.8%) as the Government's furlough scheme is expected to be discontinued by the end of the year.

Inflation is anticipated to moderate to 0.8% (2019: 1.8%), mainly due to lower oil and service prices.

TABLE 2.2. *Selected Indicators for the United Kingdom, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	1.5	-9.8	5.9
Inflation (% p.a.)	1.8	0.8	1.2
Current Account of BOP (% of GDP)	-4.0	-2.0	-3.8
Unemployment Rate (%)	3.8	5.4	7.4

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

In 2021, the UK's economic growth is forecast to bounce back by 5.9%, largely contributed by a recovery in the services sector. The resumption of retail- and hospitality-related activities is likely to support the recovery, boosted by stimulus measures aimed at consumers. The conclusion of the negotiation of the Comprehensive Free Trade Agreement (CFTA) between the UK and the EU and a smooth post-Brexit transition are expected to support growth. The unemployment rate is

INFORMATION BOX 2.1

Response to the COVID-19 Pandemic by Selected Multilateral Development Banks

Introduction

The COVID-19 outbreak began at end-2019 and was declared as a pandemic in March 2020 by the World Health Organization. The pandemic has affected people worldwide, and to date, has resulted in over 1.1 million fatalities out of 40.7 million confirmed cases (World Health Organization, 2020). The rising trend of positive cases, coupled with the uncertainty surrounding the discovery of a vaccine, signal that a protracted pandemic may be probable. In containing the spread of this virus, governments have imposed lockdowns, enforced business closures, limited international travels and restricted individuals from their usual physical and social activities. These containment measures have resulted in severe economic disruptions. Amid an already softening world economic growth and volatile commodity prices, the added economic impact of the pandemic is expected to lead to the worst global economic crisis ever recorded in recent times. To mitigate the socioeconomic impact of the pandemic and the containment measures, governments have implemented stimulus measures to protect lives and livelihoods as well as support businesses to remain afloat. These stimulus measures include additional health expenditure as well as assistance in the form of cash transfers, loan moratoriums, credit guarantees and tax incentives.

However, the limited fiscal space of many governments may not be able to sustain the provision of the relief and recovery assistance for long due to the existing economic conditions amid the pandemic. The adverse impact of COVID-19 on economies is evidenced in shrinking tax revenues, decreased gross domestic product (GDP) growth, volatile private capital flows, declining exports and falling remittances. Middle- and low-income countries that are constrained by limited financial resources and weak health systems are particularly vulnerable and slow to recover. Projections by the International Monetary Fund (IMF) for 2020 reflects that as GDP contracts and public expenditures expand, the share of gross public debt will generally rise to a record high. This is especially so for the middle-income countries whose debt is projected to rise to 62.2% of GDP (2019: 52.6%) with an expected fiscal deficit of 10.7% of GDP (2019: 4.9%). Likewise, the share of gross public debt in low-income countries is expected to increase to 48.8% of GDP (2019: 43.3%), with their fiscal deficit increasing to 6.2% of GDP (2019: 4%).

The Role of Multilateral Development Banks during the COVID-19 Crisis

Against this backdrop of uncertainty and vulnerability of the current economic situation, multilateral development banks (MDBs) can play a critical role in the overall global economic recovery. MDBs are generally recognised as international financial institutions that have been commissioned by countries to promote inclusive and sustainable economic development. There are more than 20 MDBs worldwide with various roles and functions. The unique structure of MDBs allows them to tackle challenges that cross national borders, including global pandemics, which demand cross-border solutions (Maasdorp, 2020). Malaysia is a member of five of these institutions, namely the World Bank Group (WBG), the IMF, the Asian Development Bank (ADB), the Islamic Development Bank (IsDB) and the Asian Infrastructure Investment Bank (AIIB).

The challenge to manage the impact of the COVID-19 pandemic has triggered an increasing need of many developing countries in seeking financial support from the MDBs. This has led to the MDBs expediting the disbursement of loans and expanding concessional financial assistance through existing resources. The additional obligation is imposed on their existing roles in supporting the reconstruction and development of member countries as well as mobilising resources for infrastructure and sustainable development.

COVID-19-Related Assistances by MDBs

The COVID-19 response initiatives by the MDBs include expanding the allocation of existing assistance, extending assistance to wider recipients and expediting the process of disbursement. The forms of assistance provided by the five MDBs, of which Malaysia is a member of, are listed in Table 2.1.1.

TABLE 2.1.1. COVID-19-Related Assistances Provided by Selected MDBs

PROGRAMME/INITIATIVE	MDBs				
	WBG	IMF	ADB	IsDB	AIIB
Financial Support Programme	√	√	√	√	√
Debt Relief Programme	√	√			
Trade Finance	√			√	
Guarantees	√			√	
Technical Assistance/Policy Advice	√	√	√	√	√
Other Initiatives	√		√		
Total Assistance (USD billion)	160.0	100.0	20.0	2.3	10.0

Sources: World Bank Group (2020), International Monetary Fund (2020), Asian Development Bank (2020), Islamic Development Bank (2020) and Asian Infrastructure Investment Bank (2020)

(i) Financial Support Programmes

The MDBs provide financial support to fund infrastructure and development projects in member countries. The MDBs also allocate special funding, in the form of loans and grants, to help member countries mitigate the impact of health-related crises, especially pandemics, on the economy. Loans are provided on a market or concessional basis, while grants are only provided for limited purposes, based on specific terms and conditions. Details of these programmes are listed in Table 2.1.2.

TABLE 2.1.2. COVID-19-Related Financial Support Programmes

MDB	PROGRAMME/INITIATIVE	DESCRIPTION	AMOUNT/SOURCE
WBG ¹	COVID-19 Initial Response Package	Financing to strengthen health systems and disease surveillance.	IBRD and IDA: USD6 billion
	Fast Track COVID-19 Facility	Investment Project Financing is prepared on a fast-track basis comprising up to 40% of retroactive financing for physical or social infrastructure to reduce poverty and ensure sustainable development.	IBRD: USD2.7 billion IDA: USD1.3 billion
	Program-for-Result (PforR)	PforR can be restructured for prompt response with funds disbursed directly for the delivery of defined results in the health sector.	Financing from IDA
	Contingent Emergency Response Component	Contingent windows to escalate the emergency response for provision of additional financing to existing investment projects after a crisis has or is about to occur.	Financing from the IBRD, IDA or trust funds
	Catastrophe Deferred Drawdown Option	Contingent financing line providing immediate liquidity to address shocks following a natural disaster and/or health-related event.	Financing from IDA
	Real Sector Crisis Response Facility	Support existing clients in the infrastructure, manufacturing, agriculture and services industries vulnerable to the pandemic by offering loans to companies and investing in equity.	IFC: USD2 billion
	Working Capital Solutions Programme	Funding to emerging market banks to extend credit in helping businesses shore up working capital as well as the pool of funds that firms use to pay their bills and employees' salaries.	IFC: USD2 billion
	Global Trade Liquidity Programme and Critical Commodities Finance Programme	Shoring up local banks through funding and risk-sharing support to continue financing companies in emerging markets.	IFC: USD2 billion
IMF	Rapid Financing Instrument (RFI) Rapid Credit Facility (RCF)	Increase access limits of the emergency financial facilities of RFI and RCF (rapid, low-access and one-off) without the need to have a full-fledged programme in place. RFI is available to all Fund members, while RCF is available to Poverty Reduction and Growth Trust-eligible (PRGT) members only.	The amount for both RFI and RCF is close to SDR20 billion
	Short-term Liquidity Line (SLL)	Enhance liquidity through SLL for member countries with strong policies and fundamentals in need of short-term moderate balance of payment support to further strengthen global financial safety.	—
	Augmented Lending Programme	Augment existing lending programmes to accommodate urgent new needs arising from the COVID-19 crisis.	—

¹ The World Bank Group (WBG) consists of five unique agencies – the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for Settlement of Investment Disputes (ICSID).

continued

TABLE 2.1.2. COVID-19-Related Financial Support Programmes

MDB	PROGRAMME/INITIATIVE	DESCRIPTION	AMOUNT/SOURCE
ADB	COVID-19 Response Options	Address the social and economic consequences of the pandemic through sovereign and non-sovereign operations.	Sovereign: USD18.2 billion Non-Sovereign: USD1.8 billion
IsDB ²	Strategic Preparedness and Response Programme for the COVID-19 Pandemic	Reallocation of existing funds under IsDB in supporting member countries' efforts to prevent, contain, mitigate and recover from the impact of the COVID-19 pandemic.	USD2.3 billion
AIIB	COVID-19 Crisis Recovery Facility	Financing for both public and private sector entities in member countries to alleviate and mitigate economic, financial and public health pressures arising from adverse impacts of the COVID-19 pandemic.	USD10 billion
	Special Fund Window	Interest rate buy-down on sovereign-backed financing for lower-income members.	USD10 million per country

Sources: World Bank Group (2020), International Monetary Fund (2020), Asian Development Bank (2020), Islamic Development Bank (2020) and Asian Infrastructure Investment Bank (2020)

(ii) Debt Relief Programmes

Debt relief programmes provided by the MDBs include debt restructuring and debt service suspension. During this challenging period, these programmes are particularly helpful for the poor and vulnerable countries to manage their debt burden and sustain their economies with adequate resources at the same time. Details of programmes are listed in Table 2.1.3.

TABLE 2.1.3. COVID-19-Related Debt Relief Programmes

MDB	PROGRAMME/INITIATIVE	DESCRIPTION	AMOUNT/SOURCE
WBG	Debt Service Suspension Initiative	Available to IDA-eligible countries and the United Nations' (UN) least developed countries.	Approximately USD5 billion disbursed as of mid-September 2020
IMF	Catastrophe Containment and Relief Trust	Provides grants for the PRGT-eligible member countries to cover IMF debt service. This helps countries channel their financial resources towards vital emergency medical and relief efforts during most catastrophic of natural disasters and public health disasters.	SDR700 million

Sources: World Bank Group (2020) and International Monetary Fund (2020)

(iii) Trade Finance

Trade finance provides credit as well as payment guarantees and insurance to businesses. This facility allows businesses to manage fluctuating exchange rates and mitigate other risks. Assistance from the MDBs for companies involved in cross-border transactions is critical, particularly those in low-income countries, especially during crisis periods. Details of this facility are listed in Table 2.1.4.

² The Islamic Development Bank Group (IsDBG) consists of the Islamic Development Bank (IsDB), the Islamic Research and Training Institute (IRTI), the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), the Islamic Corporation for the Development of the Private Sector (ICD) and the International Islamic Trade Finance Corporation (ITFC).

TABLE 2.1.4. COVID-19-Related Trade Finance Facilities

MDB	PROGRAMME/INITIATIVE	DESCRIPTION	AMOUNT/SOURCE
WBG	Global Trade Finance Programme	Cover payment risks of financial institutions by providing additional allocation for trade financing to companies that import and export goods, particularly the small and medium enterprises (SMEs) involved in global supply chains during the pandemic.	IFC: USD2 billion
IsDB	Strategic Preparedness and Response Programme	Trade finance to support least developed member countries (LDMCs) and severely affected non-LDMCs to purchase emergency COVID-19 preparedness-related medical equipment and supplies.	ITFC: USD300 million

Sources: World Bank Group (2020) and Islamic Development Bank (2020)

(iv) Guarantees

Guarantees by the MDBs are made available to eligible member countries to back financial obligations such as loans and bonds issuance in both domestic and international markets. These guarantees address both political and credit risks. Details of this assistance are listed in Table 2.1.5.

TABLE 2.1.5. COVID-19-Related Guarantees

MDB	PROGRAMME/INITIATIVE	DESCRIPTION	AMOUNT/SOURCE
WBG	MIGA Fast-Track Facility	Issuance of guarantees through streamlined and expedited procedures through credit enhancement, de-risking solutions and supporting trade finance.	MIGA: USD6.5 billion
IsDB	Strategic Preparedness and Response Programme	Provision of credit and political risk insurance to sustain imports of strategic commodities, protect investment and minimise volatility in mitigating negative health and socioeconomic impact.	ICIEC: USD150 million for insurance coverage

Sources: World Bank Group (2020) and Islamic Development Bank (2020)

(v) Technical Assistance and Policy Advice

Technical assistance and policy advice are made available to all member countries through capacity building and training as well as consultation and research. These assistances are focused on fulfilling developing countries' needs to improve and implement policies as well as strengthen institutions to support further development and growth. In the wake of the COVID-19 pandemic, the MDBs offer policy analyses and recommendations to governments, on request, in formulating measures to mitigate and recover from the impact of the crisis. The MDBs also provide a platform for the sharing of good practices among member countries in addressing the effects of the crisis on respective economies.

(vi) Other Initiatives

The MDBs also assist member countries in procuring medical equipment and supplies in light of the COVID-19 pandemic. Through this assistance, member countries are able to acquire the equipment and supplies at the earliest possible time and at economical prices. The WBG and ADB facilitate their member countries through a streamlined and fast-track procedure as well as help create a sizeable order volume to support countries' procurement in these items.

In the period between April and September 2020, the five MDBs have cumulatively approved almost USD132.6 billion in the form of loans, guarantees and grants for debt relief. Approximately 138 countries have received these assistances to implement measures in containing the outbreak, resume development projects and enable local banks to continue supporting businesses. To date, most recipients are the middle- and low-income member countries (Center for Strategic and International Studies, 2020).

The MDBs recognise the continued need for assistance by member countries, especially during this challenging period. Presently, their focus is to build the countries' resilience once the pandemic subsides. The MDBs remain committed to easing the burden of member countries in their endeavour towards sustainable and inclusive growth.

Malaysia fully recognises the importance of the MDBs in providing support to vulnerable countries, particularly during this challenging time and supporting member countries' journeys towards sustainable growth. Thus, Malaysia remains supportive of the efforts by the MDBs in aiding countries in need through its existing contributions to the MDBs. The country will continue to benefit from the continuous engagement with the MDBs to formulate policy measures in responding to the COVID-19 crisis.

Conclusion

The COVID-19 pandemic has brought about global challenges that have never been experienced before. Governments have had to carry out unprecedented measures in addressing the impacts of the pandemic on their economies. Notwithstanding the various measures undertaken by governments, much remains uncertain regarding a full economic recovery in the near term. The MDBs play an important role in partnering with governments towards achieving a rapid recovery and return to a more resilient and sustainable growth trajectory.

forecast to worsen to 7.4%, while inflation is projected to rise to 1.2%. Risks to the UK's GDP forecast include the dual-threat of prolonged COVID-19 infections and Brexit uncertainties. The slow progress of Brexit negotiations will affect the execution of the CFTA, which is scheduled to enter into force at the beginning of 2021.

The GDP growth in the **euro area** contracted by 9% in the first half of 2020 as domestic demand was severely affected by the COVID-19 pandemic. Household consumption plummeted by 9.8% due to lower spending following temporary closures of shops, restaurants and other services-providing businesses, as most European governments imposed lockdowns within the period of March until June 2020. Similarly, business investment plunged by 9.6%, resulting from factory shutdowns, which affected production. The labour market remained stable, with the unemployment rate at 7.5%, largely supported by the implementation of short-term work schemes in

many countries to protect jobs. Inflation was lower at 0.7%, owing to significantly low oil prices, despite higher food prices.

Growth in the euro area is projected to shrink by 8.3% in 2020 (2019: 1.3%), mainly dragged by weak household consumption and business investment. Household consumption is expected to remain sluggish, primarily due to elevated precautionary savings amid uncertainties concerning job and income prospects. Investment is expected to slump as companies, particularly those with larger debt burdens, are anticipated to suspend their investment plans. The European Commission has announced a package of safety nets amounting to EUR540 billion, which includes providing support for euro area countries in health-related spending. In addition, the package allows the European Investment Bank to finance companies, especially the small and medium enterprises (SMEs) as well as for EU member countries to protect jobs and incomes. The unemployment rate is expected to be higher at 8.9% (2019: 7.6%) following the

gradual phasing out of the furlough scheme. Inflation is anticipated to be subdued at 0.4% (2019: 1.2%), reflecting continued low oil prices.

TABLE 2.3. *Selected Indicators for the Euro Area, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	1.3	-8.3	5.2
Inflation (% p.a.)	1.2	0.4	0.9
Current Account of BOP (% of GDP)	2.7	1.9	2.4
Unemployment Rate (%)	7.6	8.9	9.1

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

Growth in 2021 for the euro area is forecast to rebound by 5.2%, mainly supported by favourable domestic demand. The long-term EU budget plan, totalling EUR1,824.3 billion, is expected to support public investment from 2021 until 2027, with a focus on green and digital transformations. The plan also includes a EUR750 billion recovery package to tackle socioeconomic consequences of the pandemic. The European Central Bank (ECB) has expanded the asset purchase programme by EUR1,350 billion through the Pandemic Emergency Purchase Programme. This programme is set to continue until at least June 2021 to lower borrowing costs and increase lending. The unemployment rate is anticipated to worsen to 9.1%, while inflation is forecast to rise to 0.9%.

Growth in the euro area is exposed to several risks. The high cost of fiscal policy measures may lead to a spike in government debts and subsequently, increase the risk of sovereign debt crises in the medium term. On the external front, a disorderly Brexit continues to be a major cause of uncertainty in the region, as the UK and the EU are scheduled to conclude the CFTA before the transition period ends in December 2020.

The GDP for **Germany** contracted by 6.6% in the first half of 2020 as the decline in household consumption, private investment and exports affected growth. Household

consumption plummeted by 7.3%, mainly due to lower spending on services following lockdown measures from 23 March to 10 May 2020. Private investment slumped by 4.3%, as a result of a disruption in the supply chains and weak global demand, particularly in the automotive subsector as major car manufacturers temporarily shut down operations. Likewise, exports plunged by 13.4%, largely due to reduced demand for motor vehicles as well as machinery and equipment. The unemployment rate was recorded at 4%, while inflation eased to 1.2%, owing to low oil prices.

Growth in Germany is anticipated to contract by 6% in 2020 (2019: 0.6%), weighed down by sluggish domestic demand, despite the announcement of fiscal stimulus packages amounting to EUR130 billion. Household consumption is expected to remain weak following increasing precautionary savings. Private investment is expected to plummet, largely due to a slowdown in manufacturing activities, amid unfavourable external demand. However, various Government measures, including emergency loans, credit guarantees and tax breaks are expected to cushion excessive cutbacks on business investment. Exports are expected to dampen following sluggish demand from major trading partners, particularly the US, France and the UK. The labour market is projected to remain stable, with the unemployment rate at 4.3% (2019: 3.1%), as Kurzarbeit, Germany's short-time work programme, is instrumental in containing further job losses. Inflation is forecast to ease further to 0.5% (2019: 1.3%), owing to falling oil prices.

TABLE 2.4. *Selected Indicators for Germany, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	0.6	-6.0	4.2
Inflation (% p.a.)	1.3	0.5	1.1
Current Account of BOP (% of GDP)	7.1	5.8	6.8
Unemployment Rate (%)	3.1	4.3	4.2

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

In 2021, growth in Germany is envisaged to expand by 4.2%, primarily supported by a recovery in domestic demand. Household consumption is expected to rebound, attributed to higher disposable income, with increased income tax allowance and reduced social security contribution levels. Private investment is anticipated to turn around, driven by investment in machinery and equipment following improved confidence, amid recovering global demand. Likewise, public investment is expected to increase, with a comprehensive EUR50 billion package focusing on public transport, electric mobility, green technology, digital infrastructure, education as well as research and development (R&D). The unemployment rate is anticipated to slightly improve at 4.2%, backed by favourable outcomes of the Kurzarbeit, which is scheduled to end in December 2021. Inflation is forecast to be higher at 1.1%.

Risks to the economy include labour market disruptions, stemming from the acceleration of the automation technologies' development and implementation, due to the COVID-19 pandemic. Additionally, unfavourable demographic trends, amid a declining working population, will increasingly constrain productivity and potential economic growth. On the external front, prolonged supply chain disruptions and challenges among main trading partners in curtailing the pandemic may weigh on growth prospects of the export-oriented economy. Additional risks include possible retaliation from the country's largest trading partner, which will depend on the Government's decision related to partnership in the country's 5G network infrastructure development. Subsequently, this may also adversely affect trade, particularly auto exports.

The economy of **France** contracted by 12.3% in the first six months of 2020 due to weak domestic demand. Household consumption plummeted by 10.4%, with a significant reduction in spending on energy, engineered goods as well as transportation, accommodation and food services. Private investment slumped by 13.9%, with the suspension of building constructions following lockdown measures from March until May 2020. The unemployment rate improved

slightly to 8% as the Government widened the coverage of the short-term activity scheme to include the self-employed and small business owners. Inflation eased to 0.9%, with lower oil prices.

Overall, the GDP of France is forecast to shrink by 9.8% in 2020 (2019: 1.5%), mainly dragged by household consumption and private investment. Household consumption is expected to plunge, as a result of lower income levels following a reduction in working hours, coupled with increasing precautionary savings. Private investment is projected to remain sluggish due to decreased profit margins, as businesses are expected to operate below full capacity, amid the pandemic. The labour market outlook remains stable, with the unemployment rate at 8.9% (2019: 8.5%). Inflation is forecast to be lower at 0.5% (2019: 1.3%), owing to falling oil prices.

TABLE 2.5. *Selected Indicators for France, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	1.5	-9.8	6.0
Inflation (% p.a.)	1.3	0.5	0.6
Current Account of BOP (% of GDP)	-0.7	-1.9	-1.8
Unemployment Rate (%)	8.5	8.9	10.2

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

For 2021, growth in France is projected to expand by 6%, mainly supported by a recovery in domestic demand. Household consumption is expected to turn around, backed by higher spending as consumer confidence is restored. Likewise, private investment is anticipated to rebound, spurred by the Government's support in the form of state-guaranteed loans and tax breaks. Public investment is expected to rise, in line with the EUR100 billion recovery plan to support green and digital transitions as well as improve the competitiveness of French companies. In addition, the recovery plan also aims to strengthen the resilience of strategic sectors, particularly aeronautics,

automobile, construction and tourism. However, France is anticipated to register a double-digit unemployment rate at 10.2% as the Government is expected to progressively reduce coverage of the short-term activity scheme. Inflation is expected to be at 0.6%.

Risks to the economy include widening fiscal deficit, with a reduction in tax revenues and higher social transfer expenditure following a sizeable drop in economic activities, amid the COVID-19 pandemic. The general escape clause in the EU fiscal rules allows more fiscal space for the Government to address the impact of the pandemic. The activation of this clause will lead to a sharp expansion in the country's fiscal deficit. In addition, possible new tariffs imposed by the US on a broader range of imported items from France, amid re-escalating trade tensions over the digital services tax levied by France and aerospace subsidies, could adversely affect business investment plans and undermine exports.

Japan's economy contracted by 5.9% in the first half of 2020, mainly due to a decline in private consumption and exports, which were severely affected by the pandemic. Private consumption decreased significantly by 10.9%, as a result of services-related businesses closure and the implementation of voluntary emergency measures. Likewise, exports shrunk by 23.3%, owing to low shipments of transport equipment and machinery, amid deteriorating global demand. The unemployment rate slightly rose to 2.7%, while inflation was lower at 0.1%.

Growth in Japan is forecast to decline by 5.3% in 2020 (2019: 0.7%), mainly due to worsening private consumption and exports. Private consumption, which deteriorated in the first few months of the year, is expected to rise gradually with the reopening of businesses in late May. Exports are anticipated to remain sluggish due to the ongoing trade tensions with the Republic of Korea and the US, and uncertainty in the outlook of global demand. In May 2020, the Government announced a second stimulus package amounting to USD1.1 trillion to provide relief to people and businesses affected by the pandemic. Fiscal

support of the same amount was earlier rolled out in April. The Government plans to announce additional economic stimulus measures in early 2021 to boost the economy. The unemployment rate is anticipated to be at 3.3% (2019: 2.4%). Meanwhile, deflation is projected to register 0.1% (2019: 0.5%) due to a drop in oil prices.

TABLE 2.6. *Selected Indicators for Japan, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	0.7	-5.3	2.3
Inflation (% p.a.)	0.5	-0.1	0.3
Current Account of BOP (% of GDP)	3.6	2.9	3.2
Unemployment Rate (%)	2.4	3.3	2.8

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

The GDP is forecast to turn around by 2.3% in 2021, supported by a rebound in private consumption, private investment and exports. Private consumption is expected to be buoyed by the Tokyo Olympic Games, scheduled in the summer of the year. Private investment is expected to increase due to higher usage of automation and digitisation, which will enable companies to lower costs and boost productivity. This is in line with the Government's plans to automate 27% of existing work tasks by 2030 to address a shrinking workforce due to the ageing population. The unemployment rate is projected to be lower at 2.8%, while inflation is expected to remain at 0.3%.

Risks to the economy include continued recession brought about by the pandemic, escalating trade tensions and an unfavourable fiscal outlook due to the high level of government debts. Risks also stem from macro-financial vulnerabilities and limited monetary policy space, which make the country more vulnerable to shocks. The ageing population may slow down growth and remains one of the major challenges for the economy.

The GDP of **Australia** fell by 2.4% in the first half of 2020, mainly due to weak private consumption and exports. Private consumption plunged by 6.5%, as a result of a large decline in household expenditure, particularly in transport services, recreation as well as hotels, cafes and restaurants. Exports plummeted by 6.3%, largely due to significantly lower demand for metal ores and minerals, particularly from China and Japan. The unemployment rate was registered at 5.9% following job losses in the accommodation and food services, retail trade industries as well as arts and recreation services. Inflation was recorded at 1%, with lower oil prices.

Overall, Australia's GDP growth is expected to contract by 4.2% in 2020 (2019: 1.8%) as private consumption and exports declined. Private consumption is anticipated to shrink following massive job losses and lower income levels, coupled with higher savings. Exports are forecast to fall by 5.4% (2019: 3.1%) due to sluggish demand from China, amid heightening trade tensions between the two nations. Public consumption is projected to increase by 5.4% (2019: 5.3%) following the announcement of four stimulus packages amounting to AUD17.6 billion. These include tax-free cash payments and wage subsidies to support households and small- and medium-sized businesses. The unemployment rate is forecast to register 6.9% (2019: 5.2%) due to job losses in industries affected by movement restrictions, particularly in accommodation and food services. Inflation is anticipated to record 0.7% (2019: 1.6%). The Reserve Bank of Australia reduced its policy

rate twice in March, by a total of 50 basis points, from 0.75% to 0.25% to support the economy.

Australia's economy is forecast to turn around by 3% in 2021, attributed to robust domestic demand and a recovery in exports. Private consumption is expected to gain momentum, with a growth of 5.7%, backed by improved consumer confidence, amid the recovery in employment prospects. Public investment is forecast at 3.3%, with higher spending on transport infrastructure, health care and other essential services. Exports are projected to pick up by 5.1% due to rising demand for liquefied natural gas (LNG). The unemployment rate is anticipated to register 7.7%, while inflation is expected to record 1.3%. Risks to the economy include a resurgence of the COVID-19 pandemic, re-intensification of trade tensions and a cold war over technology with China as well as volatile commodity prices.

The **Republic of Korea's** economy contracted by 1.5% during the first six months of 2020, mainly due to weak private consumption and a plunge in exports, particularly in the second quarter. Private consumption decreased by 4.5%, mainly in services-related activities, owing to a reduction of income and self-isolation measures encouraged by the Government. Exports dropped by 8%, particularly in automotive products and semiconductors, as a result of slower demand from advanced economies and the temporary shutdown of factories. Public consumption, which expanded by 6.4%, has helped the economy from shrinking further. The unemployment rate was registered at 4.3%, while inflation remained at 0.6%.

In response to the pandemic crisis, the Government rolled out three stimulus packages amounting to USD222 billion, which focused on urgent relief measures, particularly for the vulnerable sectors, SMEs and the self-employed. Additionally, a five-year New Deal programme, with a total of USD133 billion, was announced in June 2020. The programme aims to create 1.9 million new jobs in the digital and green sectors as well as spur the economy, to cushion the impact of the crisis. Hence, the GDP in 2020 is expected to only contract

TABLE 2.7. *Selected Indicators for Australia, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	1.8	-4.2	3.0
Inflation (% p.a.)	1.6	0.7	1.3
Current Account of BOP (% of GDP)	0.6	1.8	-0.1
Unemployment Rate (%)	5.2	6.9	7.7

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

by 1.9% (2019: 2%), owing to sluggish private consumption and exports. Private consumption is forecast to remain weak at 3.2% (2019: 1.9%), as a result of a decline in household incomes and low consumer confidence. Exports are projected to fall by 5.1% (2019: 1.5%), with slow demand from major trading partners. The unemployment rate is forecast to increase to 4.1% (2019: 3.8%), while inflation is projected to register 0.5% (2019: 0.4%).

TABLE 2.8. *Selected Indicators for the Republic of Korea, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	2.0	-1.9	2.9
Inflation (% p.a.)	0.4	0.5	0.9
Current Account of BOP (% of GDP)	3.6	3.3	3.4
Unemployment Rate (%)	3.8	4.1	4.1

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

The economy of Korea is forecast to rebound by 2.9% in 2021, driven by private consumption and exports. Private consumption and exports are expected to turn around as the impact of the pandemic outbreak eases. The unemployment rate is projected to remain unchanged at 4.1%, while inflation is anticipated to record 0.9%. Risks to the economy include a prolonged spread of the pandemic, deepening of the US-China trade dispute, trade tension with Japan and a delay in the recovery of the semiconductor industry.

China's economy fell by 1.6% in the first half of 2020 due to a drop in both private consumption and investment as well as unfavourable external demand. Private consumption plunged by 11.4% as the lockdown, which was announced on the eve of Chinese New Year, weakened consumer confidence. Similarly, private investment declined by 7.3%, particularly in infrastructure and manufacturing activities following the closure of factories. Exports fell by 3% due to slower demand, mainly in mechanical and electronic products. The unemployment rate

was recorded at 3.8%. Meanwhile, inflation registered 3.9%, with higher prices of food, tobacco and liquor.

The economy is expected to expand by 1.9% in 2020 (2019: 6.1%) as economic activities recover in the second half of the year. Private consumption is projected to increase by 0.8% (2019: 7.4%), especially in non-essential items following the distribution of vouchers and coupons for in-store purchases. Private investment is projected to improve by 1.7% (2019: 4.4%), with an expected increase in infrastructure and manufacturing activities as well as real estate development. The Government announced the New Infrastructure plan for 2020 until 2025 to accelerate infrastructure development. The plan comprises seven focus areas, including 5G networks, artificial intelligence and intercity high-speed rail. A fiscal stimulus package totalling USD500 billion was introduced in May 2020 to counter the adverse effects of the pandemic. Measures in the package include tax cuts, lower interest rates, reduced utility prices and employment support. The unemployment rate is expected to record 3.8% (2019: 3.6%), while inflation is anticipated to remain at 2.9% (2019: 2.9%).

TABLE 2.9. *Selected Indicators for China, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	6.1	1.9	8.2
Inflation (% p.a.)	2.9	2.9	2.7
Current Account of BOP (% of GDP)	1.0	1.3	0.7
Unemployment Rate (%)	3.6	3.8	3.6

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

In 2021, the growth in China is forecast to lead the recovery in the EMDEs, with a rapid growth of 8.2%, supported by strong domestic demand and favourable exports. The Government is expected to unveil a five-year plan in the first quarter of 2021, which will, among others, set the economic direction for 2021 until 2025. The unemployment rate is projected to moderate to 3.6%, while inflation is expected to be lower

at 2.7%. Risks to the economy emanate from rising asset price inflation, continued supply chain disruptions, broad global recession and heightening trade tensions with the US. A resurgence of the COVID-19 pandemic and emergence of new epidemics may also pose risks to the economy.

During the first half of 2020, **India's** GDP plummeted by 10.1% due to a decline in the services and manufacturing sectors. The services sector recorded a drop of 8.5% due to a sharp contraction in the trade, hotels, transport, communication and broadcasting-related services subsector. Likewise, the manufacturing sector plunged significantly by 19.8%, largely attributed to a reduction in the production of motor vehicles, trailers and semi-trailers. Inflation, as indicated by the wholesale price index, recorded a deflation of 0.1% due to a fall in the prices of crude petroleum, petrol and high speed diesel.

India's GDP is projected to plunge by 10.3% in 2020 (2019: 4.2%) due to contractions in the services, manufacturing and construction sectors. The services sector is expected to slip due to a decline in travel-, tourism- and hospitality-related activities. Similarly, the manufacturing sector is anticipated to shrink, owing to less production of passenger vehicles. The construction sector is expected to contract, as a result of declining new residential building projects and the impact of the liquidity crunch on construction developers. On 12 May 2020, the Government announced a relief package of around 10% of GDP, amounting to INR20 trillion, which included key direct spending measures such as cash transfers to households. Additionally, the Government announced a stimulus package on 12 October 2020 amounting to INR730 billion. The package included partial advance payments of federal government employees' wages and further capital spending on infrastructure projects. The Reserve Bank of India (RBI) reduced its key policy repo rate twice in March and May 2020, by a total of 115 basis points, to 4.00%. This action by the RBI is to revive growth and mitigate the impact of the COVID-19 pandemic, while ensuring inflation remains within the target range of 2% to 6%. Inflation is estimated at 4.9% (2019: 4.8%), achieving the target range.

TABLE 2.10. *Selected Indicators for India, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	4.2	-10.3	8.8
Inflation (% p.a.)	4.8	4.9	3.7
Current Account of BOP (% of GDP)	-0.9	0.3	-0.9
Unemployment Rate (%)	–	–	–

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

The GDP of India in 2021 is projected to rebound by 8.8%, largely supported by a recovery in the services and manufacturing sectors, coupled with resilient growth in the agriculture sector. The anticipated growth in the agriculture sector is a result of higher Rabi and Kharif crops output as well as the likelihood of a normal monsoon season. Inflation is expected to record 3.7%, still within the target range of the RBI. Growth in India is exposed to several risks. A serious local transmission of COVID-19 to the rural areas, continuing financial and corporate distress, particularly in the non-banking financial sector as well as a prolonged global economic downturn may hamper growth.

The GDP of the **ASEAN-5** economies recorded a weak growth in the first half of 2020, mainly due to sluggish private consumption and exports, as these economies grappled with the COVID-19 pandemic. The ASEAN-5 is anticipated to contract by 3.4% in 2020 (2019: 4.9%) due to a plunge in private consumption. The decline is mainly due to a fall in household incomes and an increase in precautionary savings. Trade is expected to remain unfavourable due to disruptions in the supply chains among key trading partners, particularly the US and euro area. For 2021, the ASEAN-5 economies are expected to expand significantly by 6.2%, driven by domestic demand and exports. These economies may continue to encounter numerous challenges, including prolonged disruptions in highly integrated regional supply chains, sluggish commodity prices and financial market volatility.

TABLE 2.11. *Selected Indicators for ASEAN-5, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	4.9	-3.4	6.2
Inflation (% p.a.)	2.1	1.5	2.3
Current Account of BOP (% of GDP)	1.1	0.8	0.1
Unemployment Rate (%)	-	-	-

¹ Estimate² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

Indonesia's GDP deteriorated by 1.2% in the first half of 2020 due to a drop in private consumption, private investment and exports. Private consumption fell by 1.3%, owing to reduced spending on restaurant and hotel as well as transportation services, along with a rise in precautionary savings. Similarly, private investment dropped by 3.5% due to a contraction of investment in capital goods, machinery and equipment as well as vehicles. Meanwhile, exports plunged further by 5.7% due to lower demand, particularly for oil and gas, manufactured goods and mining products. Inflation was recorded at 2.6%.

Overall, the economy is projected to contract by 1.5% in 2020 (2019: 5%), mainly due to weak domestic demand. Private consumption is projected to decline, as a result of a substantial decrease in spending on restaurant and hotel as well as transportation services. Likewise, private investment is anticipated to fall due to supply and labour disruptions following the implementation of lockdown measures, which has caused major infrastructure projects to be delayed. Public expenditure is expected to increase, resulting from the stimulus measures totalling IDR695.2 trillion, to boost economic growth and strengthen the health care system. Bank Indonesia lowered its key policy rate by 25 basis points, each in March, May, June and July 2020 to 4.00% to support the economy. The unemployment rate is anticipated to rise to 8% (2019: 5.3%), partly due to job losses resulting from the closure of restaurants and hotels, while inflation is forecast to record 2.1% (2019: 2.8%).

TABLE 2.12. *Selected Indicators for Indonesia, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	5.0	-1.5	6.1
Inflation (% p.a.)	2.8	2.1	1.6
Current Account of BOP (% of GDP)	-2.7	-1.3	-2.4
Unemployment Rate (%)	5.3	8.0	6.8

¹ Estimate² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

Indonesia's GDP is expected to grow at a fast pace of 6.1% in 2021, led by both private consumption and investment as well as external demand. The increase in private consumption is expected to be supported by higher purchases of durable goods as well as rising confidence in income prospects and job security. Likewise, private investment is expected to improve, particularly in the information and communication sector following the completion of the Palapa Ring Project, which aims to provide 4G internet access nationwide. Exports are anticipated to be higher, supported by robust demand for gold, metal ore as well as iron and steel. The unemployment rate is forecast at 6.8%, while inflation is expected to record 1.6%. Risks for Indonesia include subdued trade and investment activity following ongoing trade tensions between the US and China as well as a prolonged depreciation of the rupiah.

The economy of **Thailand** plunged by 7.1% in the first half of 2020 due to a decline in private consumption, private investment and exports. Private consumption slipped by 2%, owing to lower spending on alcoholic beverages and transportation. Private investment dropped by 7.3% following a decline of investment in machinery and equipment as well as construction. Similarly, exports worsened by 17.8%, mainly due to lower demand for vehicles and disruptions in the production of agricultural goods, particularly rice. The unemployment rate rose to 2% following job losses in the tourism and agriculture industries. Deflation was recorded at 1.9% as oil prices were low.

The Government announced four stimulus packages from March until September, amounting to approximately THB2.1 trillion or 14.5% of the GDP, to mitigate the economic impact of the pandemic. The Bank of Thailand also reduced the policy rate four times, amounting to 75 basis points, to 0.50% to sustain the economy. The GDP growth in 2020 is anticipated to contract by 7.1% (2019: 2.4%), as a result of sluggish private consumption and exports. Private consumption is expected to be subdued, mainly due to lower spending in the tourism-related industry and transportation. Exports are anticipated to plunge, resulting from lower demand, particularly in automotive and tourism services. The unemployment rate is expected to remain at 1% (2019: 1%), while deflation is estimated to record 0.4% (2019: 0.7%).

TABLE 2.13. *Selected Indicators for Thailand, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	2.4	-7.1	4.0
Inflation (% p.a.)	0.7	-0.4	1.8
Current Account of BOP (% of GDP)	7.1	4.2	4.6
Unemployment Rate (%)	1.0	1.0	1.0

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

The GDP of Thailand is projected to rebound by 4% in 2021, largely supported by robust domestic demand and a recovery in exports. Private consumption is expected to pick up, contributed by higher online spending, particularly on electronics and media as well as digital products. Private investment is forecast to expand as tax incentives offered by the Government are projected to encourage companies to invest in automation in projects, particularly for medical equipment and food security. Similarly, exports are envisaged to improve, with higher demand for manufactured goods, primarily electronics, vehicles and machinery. The unemployment rate is expected to remain steady at 1%, while inflation is

anticipated to record 1.8%. Risks to the economy include weak investor confidence due to uncertainties in the domestic political atmosphere, further disruptions in the supply chains as well as subdued tourism activities.

The economy of **Singapore** plummeted by 6.7% in the first half of 2020 due to a decrease in the services producing industries. The services producing industries contracted by 7.9%, particularly in the wholesale and retail trade, business services as well as accommodation and food services sectors, as a result of weaker global demand and disruptions in supply chains due to the pandemic. The unemployment rate was marginally higher at 2.5%, mainly due to layoffs in the tourism-related services sectors. Deflation was recorded at 0.2%, owing to lower housing and utility prices as well as transport costs.

The Government announced four stimulus packages from February until May 2020, namely the Unity Budget, Resilience Budget, Solidarity Budget and Fortitude Budget, with a total of approximately SGD100 billion. In August 2020, the Government announced an additional allocation of SGD8 billion. These budgetary measures are expected to cushion the fall in employment and economic output as well as to support economic, social and public health management. The economy is projected to contract by 6% in 2020 (2019: 0.7%), with a decline in the wholesale and retail trade, business services as well as transport and storage services subsectors.

TABLE 2.14. *Selected Indicators for Singapore, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	0.7	-6.0	5.0
Inflation (% p.a.)	0.6	-0.4	0.3
Current Account of BOP (% of GDP)	17.0	15.0	14.5
Unemployment Rate (%)	2.3	3.0	2.6

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

Likewise, sectors that are reliant on tourism and foreign workers are anticipated to shrink due to the lingering pandemic situation. The expected recovery in the manufacturing and financial services subsectors, in the second half of 2020, is projected to support the economy from a further decline. The unemployment rate is forecast at 3% (2019: 2.3%), while deflation is expected to register 0.4% (2019: 0.6%) due to declining oil prices.

The GDP is projected to rebound by 5% in 2021, spearheaded by the services producing industries and manufacturing subsector. The services producing industries are expected to gradually recover, driven by the finance and insurance services subsector. Similarly, the manufacturing subsector is expected to expand, supported by higher production of pharmaceutical and biological products. The unemployment rate is forecast at 2.6%, while inflation is anticipated to record 0.3%. Risks to the economy include uncertainties over the pandemic, which may continue to drag several outward-oriented sectors, particularly manufacturing and wholesale trade. Likewise, domestically-oriented sectors, namely construction and real estate, may be severely affected by a further downturn in the domestic economy.

The economy of the **Philippines** contracted by 9% in the first half of 2020 due to weak household consumption, private investment and exports. Household consumption contracted by 7.8% due to reduced spending on expenditure items services, particularly restaurants and hotels as well as transport. Private investment shrank by 22.3%, resulting from lower investment in durable equipment and construction. Exports plunged by 17.6% due to sluggish demand for electronic products, manufactured goods as well as machinery and transport equipment. Bangko Sentral ng Pilipinas cut its policy rate four times, from 4.00% to 2.25%, between March and June 2020. The unemployment rate increased significantly to 11.5% due to drastic job losses in services-related sectors following business closures and layoffs. Inflation eased to 2.5%, owing to a fall in oil prices.

In 2020, the economy is expected to decline by 8.3% (2019: 6%), weighed down by a drop in household consumption and exports. Household consumption is projected to weaken following lower spending, particularly on restaurants and hotels as well as transport categories, amid uncertainties over job prospects. Public spending is expected to accelerate as the Government announced programmes, amounting to approximately PHP1.7 trillion, to stimulate the economy. Exports are anticipated to be sluggish due to lower demand for electronic products, particularly semiconductors and electronics. The unemployment rate is forecast to rise to 10.4% (2019: 5.1%) following job losses in the services sector, particularly in wholesale and retail trade as well as repair of motor vehicles and motorcycles services. Inflation is expected to moderate to 2.4% (2019: 2.5%) due to lower oil prices.

TABLE 2.15. *Selected Indicators for the Philippines, 2019 – 2021*

INDICATOR	2019	2020 ¹	2021 ²
Real GDP (% p.a.)	6.0	-8.3	7.4
Inflation (% p.a.)	2.5	2.4	3.0
Current Account of BOP (% of GDP)	-0.1	1.6	-1.5
Unemployment Rate (%)	5.1	10.4	7.4

¹ Estimate

² Forecast

Source: International Monetary Fund, World Economic Outlook (October 2020)

In 2021, growth in the Philippines is expected to rebound by 7.4%, spurred by domestic demand. Household consumption is forecast to recover, backed by an increase in remittance inflows and improved consumer confidence. Public spending is anticipated to increase following the proposed 2021 Budget, amounting to PHP4.5 trillion, to stimulate growth and create jobs. This is coupled with annual spending of PHP1 trillion for its Build, Build, Build programme. The unemployment rate is projected to moderate to 7.4%, while

inflation is anticipated to be higher at 3%. Risks to the economy include a widening fiscal deficit. A slower-than-expected global recovery following a prolonged pandemic may also weigh on trade and investment as well as foreign remittances.

Conclusion

Promising global prospects amid uncertainties

The global economy is forecast to record a solid rebound in 2021. The turnaround is expected to be buoyed by robust domestic demand and exports in the advanced economies and the EMDEs. However, risks to the global economy persist. Growth may be hampered by the re-intensification of trade tensions between the US and China, uncertainties surrounding the Brexit outcomes

and widespread geopolitical tensions. Continued low oil prices and deepening climate crisis may also derail the recovery. In addition, limited fiscal space and a further spike in government debts may also impede growth. The global economy, however, is envisaged to remain on a positive growth trajectory, with the implementation of fiscal and monetary measures to boost consumer and investor confidence. The successful development of an effective and accessible COVID-19 vaccine, coupled with the containment of the spread of the pandemic in the near term, may further stimulate global growth. While the pandemic poses multifaceted challenges to countries, especially in amplifying existing socioeconomic gaps, the COVID-19 pandemic also presents opportunities for economies to institute reforms, towards accelerating digitalisation and pursuing sustainable growth.

References

- ASEAN+3 Macroeconomic Research Office (AMRO). (2020). *Another “Unprecedented” Crisis? This, Too, Shall Pass, September 2020*. Retrieved from https://www.amro-asia.org/wp-content/uploads/2020/09/AMRO-Analytical-Note_Another-Unprecedented-Crisis-v2_Sep-18-2020.pdf
- ASEAN+3 Macroeconomic Research Office (AMRO). (2020). *ASEAN Regional Economic Outlook (AREO) Update, August 2020*. Retrieved from https://www.amro-asia.org/wp-content/uploads/2020/08/AREO_Update_August-2020_For-posting_12August.pdf
- ASEAN+3 Macroeconomic Research Office (AMRO). (2020). *COVID, Credit, and Contagion Risks to ASEAN+3 Financial Systems, June 2020*. Retrieved from https://www.amro-asia.org/wp-content/uploads/2020/06/AMRO-Analytical-Note_Covid-Credit-and-Contagion-Risks-to-ASEAN3-Financial-Systems_9-June-2020.pdf
- ASEAN Economic Integration Brief. (2020). Retrieved from [https:// asean.org/asean-economic-community/aec-monitoring/asean-economic-integration-brief/](https://asean.org/asean-economic-community/aec-monitoring/asean-economic-integration-brief/)
- ASEAN Policy Brief, April 2020. Retrieved from https://asean.org/storage/2020/04/ASEAN-Policy-Brief-April-2020_FINAL.pdf
- Asian Development Bank. (2020). *ADB Triples COVID-19 Response Package to \$20 Billion*. Retrieved from <https://www.adb.org/news/adb-triples-covid-19-response-package-20-billion>
- Asian Development Bank. (2020). *Joint Statement by Heads of Multilateral Development Banks and the WTO on Supporting Trade Finance during the COVID-19 crisis*. Retrieved from <https://www.adb.org/news/joint-statement-heads-multilateral-development-banks-and-wto-supporting-trade-finance-during>
- Asian Infrastructure Investment Bank. (2020). *AIIB Doubles COVID-19 Crisis Response to USD10 Billion*. Retrieved from <https://www.aiib.org/en/news-events/news/2020/AIIB-Doubles-COVID-19-Crisis-Response-to-USD10-Billion.html>
- Australia Bureau of Statistics. (2020). *Australian National Accounts: National Income, Expenditure and Product*. Retrieved from <https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-national-income-expenditure-and-product>
- Australia Bureau of Statistics. (2020). *Employment and Unemployment Labour Force, Australia*. Retrieved from <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia>
- Australia Bureau of Statistics. (2020). *Price Indexes and Inflation Consumer Price Index, Australia*. Retrieved from <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia>
- Bank of England. (2020). *Bank Rate Maintained at 0.1% – September 2020*. Retrieved from <https://www.bankofengland.co.uk/>
- Bank Indonesia. (2020). *Inflation Report*. Retrieved from <https://www.bi.go.id/en/moneter/inflasi/data/Default.aspx>
- Bank of Korea. (2020). *Economic Outlook, August 2020*. Retrieved from <http://www.bok.or.kr/eng/bbs/E0000634/view.do?nttId=10059976&menuNo=400069&pageIndex=2>
- Bank of Korea. (2020). *Real Gross Domestic Product: 2nd Quarter of 2020 (Advance Estimate)*. Retrieved from <http://www.bok.or.kr/eng/bbs/E0000634/view.do?nttId=10059416&menuNo=400069&pageIndex=4>
- Bank of Thailand. (2020). *Inflation*. Retrieved from <https://www.bot.or.th/English/MonetaryPolicy/MonetPolicyComittee/MPR/Pages/default.aspx>
- Banque de France. (2020). Retrieved from <https://www.banque-france.fr/en>
- British Broadcasting Corporation (BBC). (2020). *Eat Out to Help Out: More Than 10.5m Meals Claimed In First Week*. Retrieved from <https://www.bbc.com/news/business-53731002>

- Bureau of Economic Analysis, Washington: US Department of Commerce. (2020). *News Release, 30 September 2020: Gross Domestic Product: Second Quarter 2020 (Third Estimates)*. Retrieved from https://www.bea.gov/site/default/files/2020-09/gdp2q20_3rd_0.pdf
- Bureau of Labor Statistics, Washington: US Department of Labor. (2020). *Press Release, 11 September 2020: Consumer Price Index – August 2020*. Retrieved from <http://www.bls.gov/news.release/pdf/cpi.pdf>
- Bureau of Labor Statistics, Washington: US Department of Labor. (2020). *Press Release, 2 October 2020: The Employment Situation – September 2020*. Retrieved from <http://www.bls.gov/news.release/pdf/empstat.pdf>
- Cabinet Office Japan. (2020). *Quarterly Estimates of GDP for April-June 2020 (The Second Preliminary Estimates)*. Retrieved from https://www.esri.cao.go.jp/en/sna/data/sokuhou/files/2020/toukei_2020.html
- Cabinet Office Japan. (2020). *Recent Economic Developments*. Retrieved from <https://www5.cao.go.jp/keizai3/getsurei-e/reference/reference20200903.pdf>
- Central Bank of the Philippines. (2020). *Inflation*. Retrieved from http://www.bsp.gov.ph/downloads/Publications/2020/IR2qtr_2020.pdf
- Center for Strategic and International Studies (CSIS). (2020). *CSIS IFI COVID-19 Response Tracker, CSIS Economic Program*. Retrieved from <https://www.csis.org/analysis/tracking-international-financial-institutions-covid-19-response>.
- Centre for Strategic International Studies (CSIS). (2020). *The Economic Toll of Covid-19 on Southeast Asia: Recession Looms as Growth Prospects Dim, April 2020*. Retrieved from <https://www.csis.org/analysis/economic-toll-covid-19-southeast-asia-recession-looms-growth-prospects-dim>
- Coralde, J.L. & Tamonan, M.A. (2020). *MDBs: Fast-Tracking Procurement in the Time of COVID-19*. Retrieved from <https://www.devex.com/news/mdbs-fast-tracking-procurement-in-the-time-of-covid-19-97635>
- Department of Finance. (2020). *Economic Bulletin*. Retrieved from <https://www.dof.gov.ph/data/economic-bulletin/>
- Department of Statistics, Singapore. (2020). *CPI for August 2020*. Retrieved from <https://www.singstat.gov.sg/-/media/files/news/cpiaug2020.pdf>
- Department of Statistics, Singapore. (2020). *Data and News*. Retrieved from <https://www.singstat.gov.sg/>
- Economic Intelligence Center. (2020). *Thailand's Growth in Q1 2020*. Retrieved from https://www.scbeic.com/en/detail/file/product/6843/fnqybahpf/EICFlash_GDP_Q1_2020_EN_20200525.pdf
- European Central Bank. (2020). Retrieved from <https://www.ecb.europa.eu/home/html/index.en.html>
- European Commission. (2020). Retrieved from https://ec.europa.eu/info/index_en
- European Economic Forecast, Spring 2020. (2020). Retrieved from https://ec.europa.eu/info/sites/info/files/economy-finance/ip125_en.pdf
- Eurostat. (2020). Retrieved from <https://ec.europa.eu/eurostat/web/main/home>
- Evans, D. & Over, M. (2020). *The Economic Impact of COVID-19 in Low-and Middle-Income Countries*. Retrieved from <https://www.cgdev.org/blog/economic-impact-covid-19-low-and-middle-income-countries>
- Focus Economics. (2020). *UK Economic Forecast*. Retrieved from <https://www.focus-economics.com/countries/united-kingdom>

- France National Institute of Statistics and Economic Studies (Insee). (2020). Retrieved from <https://insee.fr/en/accueil>
- Germany Federal Ministry of Finance. (2020). Retrieved from <https://www.bundesfinanzministerium.de/Web/EN/Home/home.html>
- Germany Federal Statistical Office (Destatis). (2020). Retrieved from https://www.destatis.de/EN/Home/_node.html
- Gopinath, G. (2020). *The Great Lockdown: Worst Economic Downturn since the Great Depression*. Retrieved from <https://blogs.imf.org/2020/04/14/the-great-lockdown-worst-economic-downturn-since-the-great-depression/>
- Humphrey, C. & Annalisa, P. (2014). *Guarantees for Development: A Review of Multilateral Development Bank Operations*. Retrieved from <https://www.odi.org/publications/9130-guarantees-development-review-multilateral-development-bank-operations>
- International Monetary Fund. (2020). *Fiscal Monitor: Policies for the Recovery*. Retrieved from <https://www.imf.org/en/Publications/FM/Issues/2020/09/30/october-2020-fiscal-monitor>
- International Monetary Fund. (2020). *Germany's Short-Time Work Benefit*. Retrieved from <https://www.imf.org/en/News/Articles/2020/06/11/na061120-kurzarbeit-germanys-short-time-work-benefit>
- International Monetary Fund. (2020). *IMF Staff Country Report. United States: 2020 Article IV Consultation-Press Release; Staff Report; and Statement by the Executive Director for United States*. Retrieved from <https://www.imf.org>
- International Monetary Fund. (2020). *Monetary and Financial Policy Responses for Emerging Market and Developing Economies*. 8 June 2020. Retrieved from <https://www.imf.org/en/Publications/SPROLLS/covid19-special-notes>
- International Monetary Fund. (2020). *Policy Tracker, United States of America*. Retrieved from <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#U>
- International Monetary Fund. (2020). *Speech on the Global and Asia Economic Outlook: Greater Bay Area Chief Economist Forum*. Retrieved from <https://www.imf.org/en/News/Articles/2020/07/10/sp071020-speech-on-the-global-and-asia-economic-outlook>
- International Monetary Fund. (2020). *World Economic Outlook, April 2020: The Great Lockdown*. Retrieved from <https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>
- International Monetary Fund. (2020). *World Economic Outlook, Update June 2020: A Crisis Like No Other, An Uncertain Recovery*. Retrieved from <https://www.imf.org/en/Publications/WEO/Issues/2020/06/24/WEOUpdateJune2020>
- Islamic Development Bank. (2020). *As part of the US\$23 Billion Package, IsDB Provides US\$1.86 Billion to 27 Member Countries to Contain COVID-19*. Retrieved from <https://www.isdb.org/news/as-part-of-the-us-23-billion-package-isdb-provides-us-186-billion-to-27-member-countries-to-contain-covid-19>
- Kassim, H. (2020). *The Latest on the UK-EU Negotiations*. Retrieved from <https://ukandeu.ac.uk/explainers/the-latest-on-the-uk-eu-negotiations/>
- Lee, N. (2020). *Restructuring Sovereign Debt to Private Creditors in Poor Countries: What's Broken?* Retrieved from <https://www.cgdev.org/publication/restructuring-sovereign-debt-private-creditors-poor-countries-whats-broken>
- Maasdorp, L. (2020). *COVID-19: How Multilateral Development Banks can Lead through a Crisis*. Retrieved from <https://www.weforum.org/agenda/2020/07/brics-new-development-bank-leads-member-states-through-the-covid-19-crisis/>
- McKinsey & Company. (2020). *The Coronavirus Effect on Economic Sentiment*. Retrieved from <https://www.mckinsey.com>
- Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade, Office of the Economics Adviser. (2020). *Wholesale Price Index Press Release Archive*. Retrieved from https://eaindustry.nic.in/wpi_press_release_archive.asp

- Ministry of Manpower. (2020). *Summary Table: Unemployment*. Retrieved from <https://stats.mom.gov.sg/Pages/Unemployment-Summary-Table.aspx>
- Ministry of Statistics and Programme Implementation. (2020). *Press Note on Estimates of Gross Domestic Product for the First Quarter (April – June) 2020 – 2021*. Retrieved from http://mospi.gov.in/sites/default/files/press_release/PRESS_NOTE-Q1_2020-21.pdf
- Ministry of Statistics and Programme Implementation. (2020). *Quick Estimates of Index of Industrial Production*. Retrieved from <http://mospi.gov.in/iip>
- Ministry of the Economy, Finance and Recovery, France. (2020). Retrieved from <https://www.economie.gouv.fr/>
- Ministry of Trade and Industry of Singapore. (2020). *Economic Survey of Singapore Second Quarter 2020*. Retrieved from https://www.mti.gov.sg/-/media/MTI/Resources/Economic-Survey-of-Singapore/2020/Economic-Survey-of-Singapore-Second-Quarter-2020/FullReport_2Q20.pdf
- Monetary Authority of Singapore. (2020). *Recent Economic Development in Singapore, July 2020*. Retrieved from <https://www.mas.gov.sg/publications/recent-economic-developments/recent-economic-developments-in-singapore-july-2020>
- Moody's Investors Service. (2020). *Coronavirus – ASEAN-5: Policy Response Provides Some Support but Unlikely to Offset Rising Credit Risk, 25 June 2020*. Retrieved from https://www.moody's.com/research/Moodys-ASEAN-5-face-rising-credit-risk-as-stimulus-measures--PBC_1235355?showPdf=true
- Morris, S. (2020). *Coronavirus Response: Addressing the Near-Term Financing Needs of Low-Income Countries*. Retrieved from <https://www.cgdev.org/blog/coronavirus-response-addressing-near-term-financing-needs-low-income-countries>
- National Bureau of Statistics of China. (2020). *Preliminary Accounting Results of GDP for the Second Quarter and the First Half Year of 2020*. Retrieved from http://www.stats.gov.cn/english/PressRelease/202007/t20200717_1776596.html
- National Bureau of Statistics of China. (2020). *The National Economy Sustained Steady Recovery in August*. Retrieved from http://www.stats.gov.cn/english/PressRelease/202009/t20200915_1789533.html
- National Informatics Centre, Ministry of Electronics & Information Technology. (2020). Retrieved from <https://aatmanirbharbharat.mygov.in>
- Nelson, R.M. & Weiss, M.A. (2020). *COVID-19: Role of the International Financial Institutions*. (Report Number R46342). Retrieved from <https://www.everycrsreport.com/reports/R46342.html>
- Office for National Statistics. (2020). Retrieved from <https://www.ons.gov.uk/>
- Office for National Statistics. (2020). *GDP Quarterly National Accounts, UK: April to June 2020*. Retrieved from <https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/quarterlynationalaccounts/apriltojune2020>
- Office for National Statistics. (2020). *Inflation and Price Indices*. Retrieved from <https://www.ons.gov.uk/economy/inflationandpriceindices>
- Office for National Statistics. (2020). *Unemployment*. Retrieved from <https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment>
- Office of the National Economic and Social Development Council, Thailand. (2020). *Economic Report Quarterly Statistics*. Retrieved from https://www.nesdc.go.th/nesdb_en/article_attach/article_file_20200525140723.pdf
- Organisation for Economic Co-operation and Development. (2020). *Business Insights on Emerging Markets*. Retrieved from <https://www.oecd.org/dev/EMnet-Business-Insights-2020.pdf>
- Organisation for Economic Co-operation and Development. (2020). *Economic Outlook, Interim Report. Coronavirus (COVID-19): Living With Uncertainty, Sept. 2020*. Retrieved from <https://www.oecd-ilibrary.org>

- Organisation for Economic Co-operation and Development. (2020) *Economic Outlook Volume 2020 Issue 1: The World Economy on a Tightrope*. Retrieved from <http://www.oecd.org/economic-outlook/june-2020/>
- Organisation for Economic Co-operation and Development. (2020). *Interim Report: Coronavirus (COVID-19)- Living With Uncertainty, Sept. 2020*. Retrieved from <https://www.oecd-ilibrary.org>
- Pettinger, T. (2020). *Threats to UK Economy*. Retrieved from <https://www.economicshelp.org>
- Pettinger, T. (2020). *UK Unemployment Stats and Graphs*. Retrieved from <https://www.economicshelp.org/stats>
- Philippines News Agency. (2020). *CITIRA Passage, BBB to Help Economic Recovery: Dominguea*. Retrieved from <https://www.pna.gov.ph/articles/1102563>
- Philippines Statistics Authority. (2020). *Press Release*. Retrieved from <http://www.psa.gov.ph/national-accounts/base-2018/estimates>
- Philippines Statistics Authority. (2020). *Special Release-Merchandise Trade*. Retrieved from <http://www.psa.gov.ph>
- PwC. (2020). *UK Economic Update, September 2020*. Retrieved from <https://pwc.co.uk/premium/covid-19/uk-economic-update-covid-19.pdf>
- Read, S. (2020). *Coronavirus Furlough Scheme to Finish at End of October, says Chancellor*, BBC. Retrieved from <https://www.bbc.com/news/business-52853333>
- Reserve Bank of Australia. (2020). *Statement on Monetary Policy*. Retrieved from <https://www.rba.gov.au/publications/smp/2020>
- Reserve Bank of India. (2020). *Minutes of the Monetary Policy Committee Meeting May 20 to 22, 2020*. Retrieved from <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR24591AE8154A8C00484D85E29CA51184761D.PDF>
- Societe Generale. (2020). *Country Risk of the United Kingdom: Economy*. Retrieved from <https://import-export.societegenerale.fr/en/country/united-kingdom/economy-country-risk>
- Statistics Indonesia. (2020). *Data and News*. Retrieved from <https://www.bps.go.id/>
- Statistics Indonesia. (2020). *Economic Growth of Indonesia Second Quarter 2020*. Retrieved from <https://www.bps.go.id/pressrelease>
- The Economist Intelligence Unit. (2020). *Country Report on France*. Retrieved from http://www.eiu.com/index.asp?layout=country&geography_id=1350000135
- The Economist Intelligence Unit. (2020). *Country Report on Germany*. Retrieved from http://www.eiu.com/index.asp?layout=country&geography_id=1360000136
- The Economic Intelligence Unit. (2020). *Country Report on United Kingdom*. Retrieved from <http://www.eiu.com/index.asp?layout=displayIssue&publicationid=1700000970>
- The Economist. (2020). *The Geopolitics of 5G: America's War on Huawei Nears its Endgame*. Retrieved from <https://www.economist.com/briefing/2020/07/16/americas-war-on-huawei-nears-its-endgame>
- The Straits Times. (2020). *Coronavirus Pandemic to Bring Asia's Growth to a Halt for 1st Time in 60 Years: IMF Press Release, 16 April 2020*: <https://www.straitstimes.com/business/economy/pandemic-to-bring-asias-growth-to-a-halt-for-1st-time-in-60-years-imf>
- World Bank. (2020). *Global Economic Outlook, June 2020, Pandemic, Recession: The Global Economy In Crisis*. Retrieved from <https://www.worldbank.org/en/publication/global-economic-prospects>
- World Bank. (2020). *Global Economic Prospects*. Retrieved from <https://www.worldbank.org/en/publication/global-economic-prospects>

World Bank. (2020). *Global Economic Prospects, June 2020*. Retrieved from <https://openknowledge.worldbank.org/handle/10986/33748>

World Bank. (2019). *The World Bank Group's Response to the COVID-19 Pandemic*. Retrieved from <https://www.worldbank.org/en/who-we-are/news/coronavirus-covid19>

World Health Organization (WHO). (2020). *Coronavirus Disease Dashboard*. Retrieved from <https://covid19.who.int/>

World Trade Organization. 2016. *Trade Finance and SMEs: Bridging the Gaps in Provision*. Retrieved from https://www.wto.org/english/res_e/publications_e/tradefinsme_e.htm