

Coronavirus - COVID-19

Monitoring the situation internationally - USA

November 20, 2020

This report provides DI's members with a selection of information on essential developments related to the Corona crisis in the US. As for now, reports are also available on the situation in China, United Kingdom, Germany, France and Sweden. For comments and further information about the situation in the US please contact: Louis Funder, US General Manager, +1 202 813 2276, lfk@di.dk

SITUATION SUMMARY	1
MACROECONOMIC DEVELOPMENT	2
OPERATIONAL RESTRICTIONS	6
GUIDES	6
STATE AND LOCAL RELIEF MEASURES	6

Situation Summary

The US is seeing the worst rate of coronavirus infections since the pandemic began, and hospitalizations are soaring. Some cities and states have reinstate their economic restrictions. So far, it has not translated into extensive laid-offs, but there has been a slight upturn in the number of temporarily furloughed and laid off workers. More could come in the next couple of weeks especially without new federal relief. On the positive side the prospective vaccine down the line has given a lot of optimism among business and investors.

Joe Biden will be the next US president early next year, and he is expected to nationalize mask wearing, increase Covid-19 testing, and step up PPE procurement. In terms of financial stimuli he is dependent on negotiating a deal with the republicans in the Senate.



USA

Coronavirus - COVID-19

Monitoring the situation internationally - USA

Macroeconomic Development

In the following is an overview of key indicators for a few main markets for Danish companies. The figures provide an indication of the direction in which the economies are moving during the Corona Pandemic. The figures are the most frequently updated macro indicators and are comparable across the chosen countries. The indicators cover both consumers and companies.

Oxford Economics has made a forecast for the economic growth after the spread of the Corona virus in Europe¹.

Real growth in GDP in 2020									
	January	February	March	April	May	June	August	September	October
World	2,5	2,3	0,0	-2,8	-5,1	-5,0	-4,4	-4,4	-4,2
US	1,7	1,6	-0,2	-4,1	-6,1	-6,1	-4,0	-3,7	-3,5
China	6,0	5,4	1,0	-0,2	0,8	2,0	2,5	2,3	2,3
Eurozonen	1,0	0,8	-2,2	-5,1	-7,8	-8,0	-7,8	-7,9	-7,5
- France	1,2	0,9	-3,1	-5,3	-9,8	-10,6	-10,1	-10,1	-9,0
- Germany	0,7	0,5	-2,1	-3,9	-6,1	-6,1	-6,3	-5,8	-5,3
- Sweden	1,2	1,0	-1,9	-4,7	-3,6	-3,6	-4,0	-4,0	-4,0
UK	1,0	1,0	-1,4	-5,1	-8,3	-10,8	-10,9	-9,7	-9,6

Purchasing Managers' Index

The PMI index is a survey asking senior executives at private sector companies. The manufacturing companies are asked on their view on output, new orders, employment, future activity, etc. and services companies on business activity, employment, new business².

¹ Oxford Economics, March 2020

² Further information on PMI: <https://ihsmarkit.com/products/pmi.html>

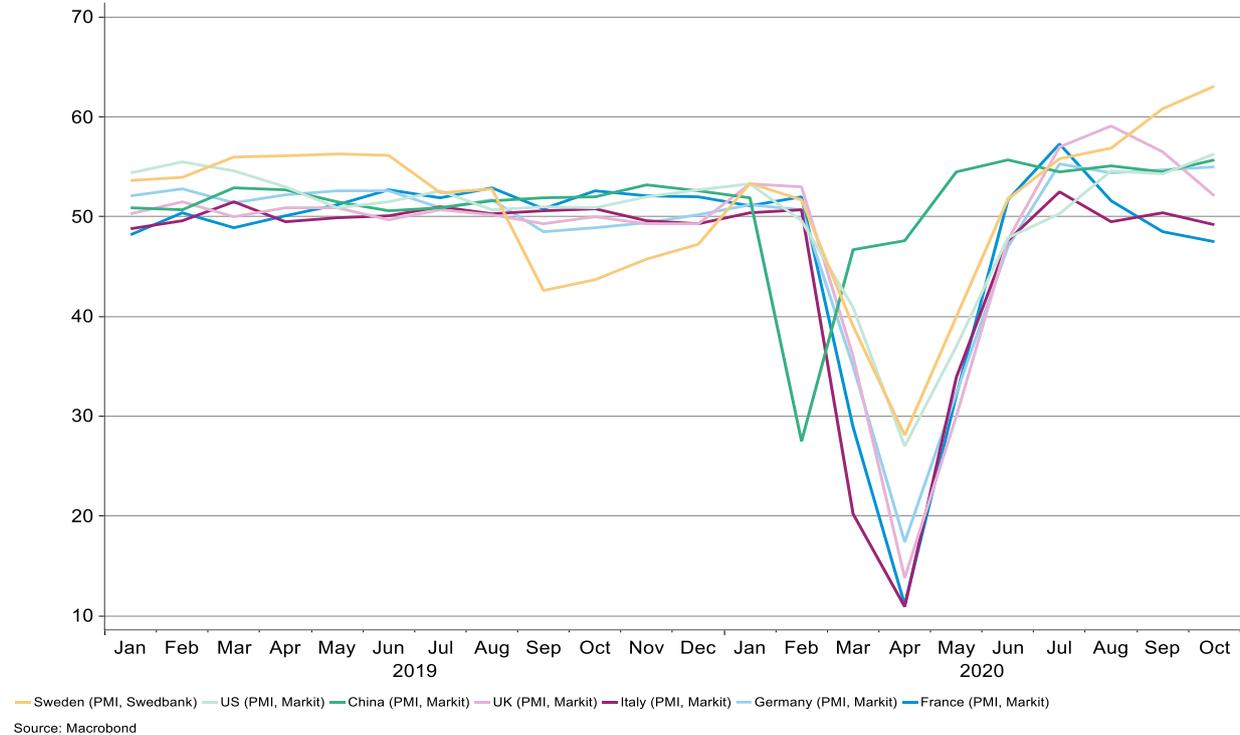
Coronavirus - COVID-19

Monitoring the situation internationally - USA



Purchasing Managers' Index

Index, seasonally



Consumer Confidence

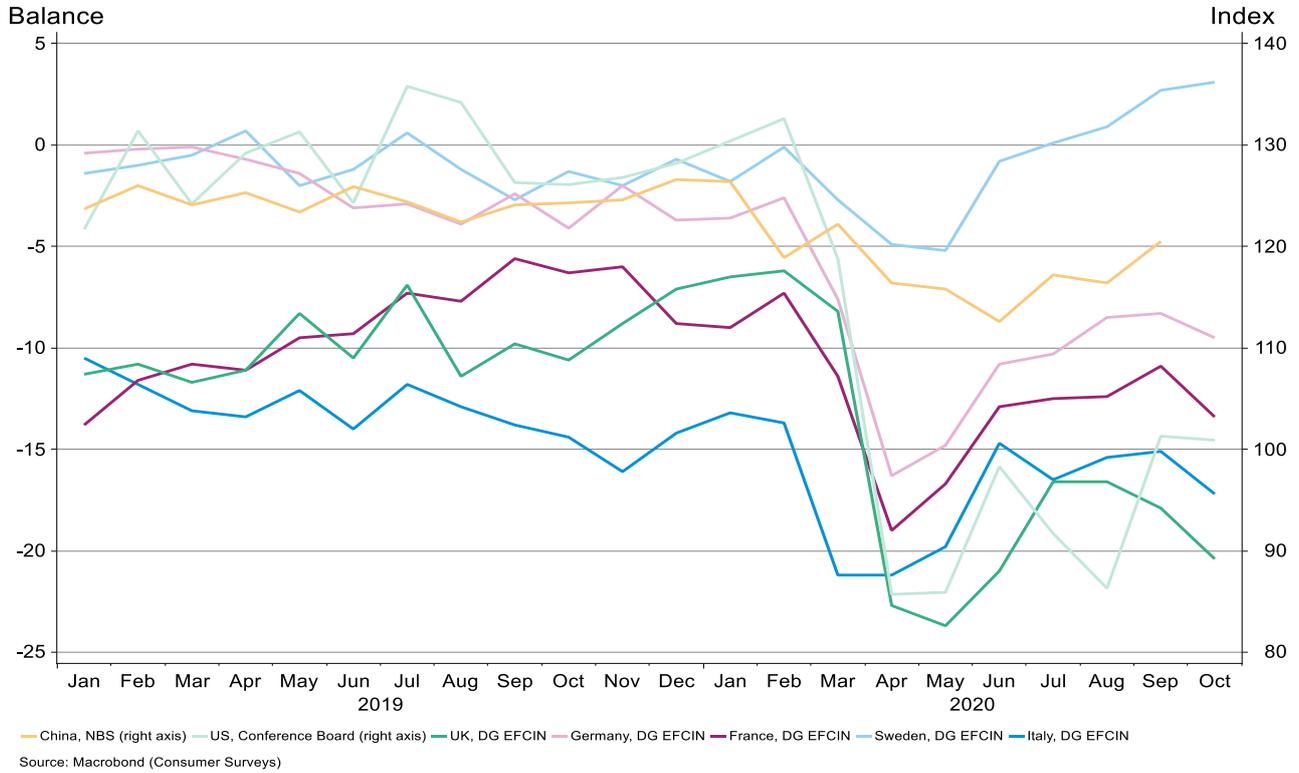
The consumer confidence is a survey among consumers asking their view on both the current and future general economic situation and the household financial situation. Combined with a question on their current purchase on larger goods. It provides information on optimism among consumers which influences the house consumption.

Coronavirus - COVID-19

Monitoring the situation internationally - USA



Consumer confidence



International Stock Markets

The movement in the stock market indexes provides information regarding the investor view of the future expected income of companies. We look at the indexes for most traded stocks (the larger companies) in the main countries.

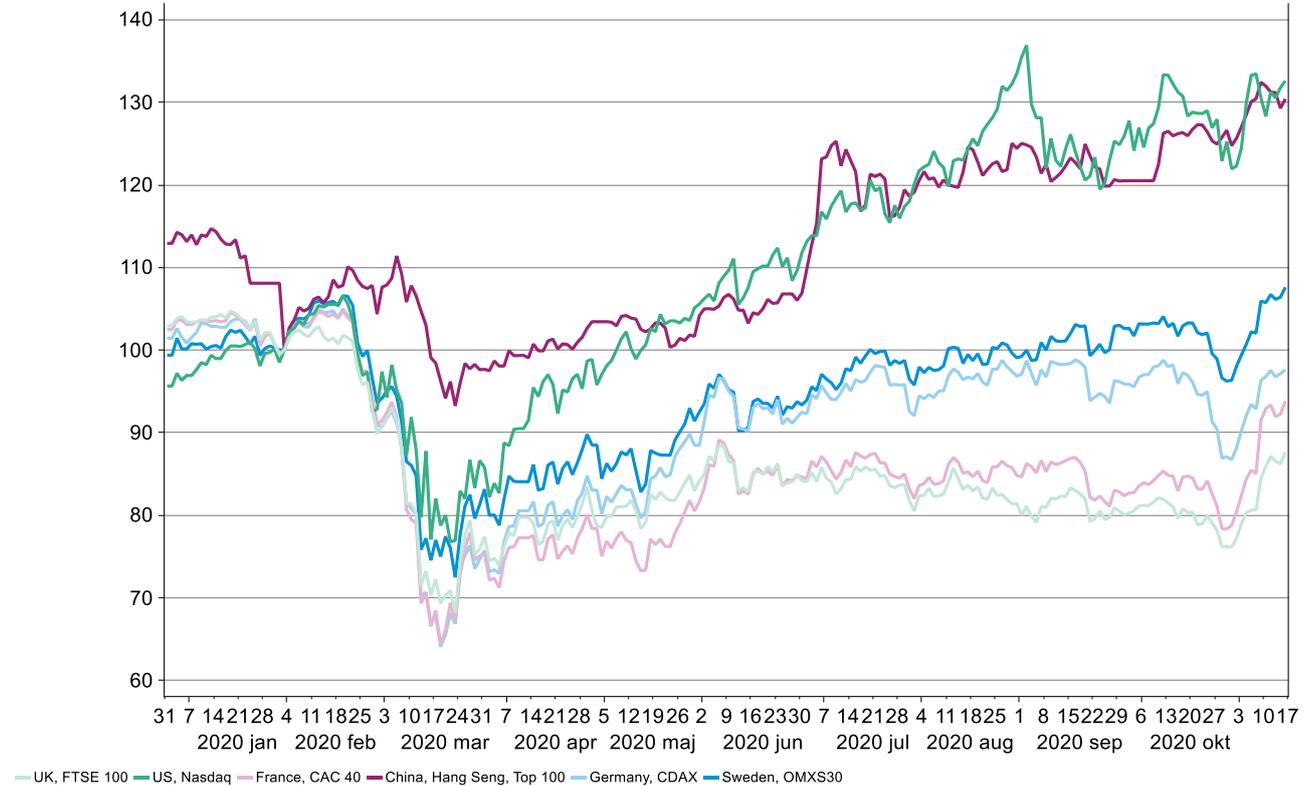
Coronavirus - COVID-19

Monitoring the situation internationally - USA



International stock index

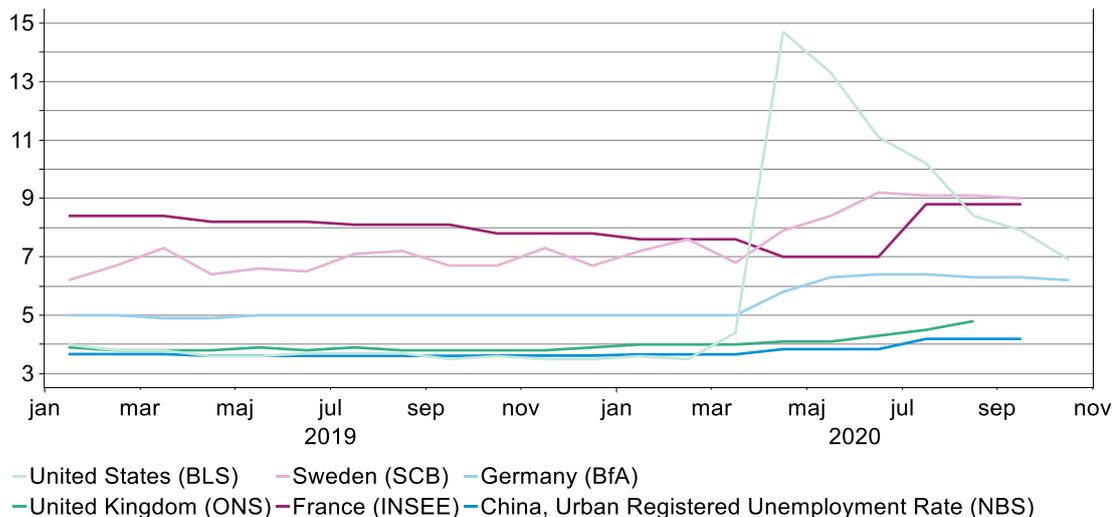
Index (February 3rd = 100)



Source: Macrobond

Unemployment

Percent of labour force, seasonally adjusted



Kilde: Macrobond

Coronavirus - COVID-19

Monitoring the situation internationally - USA



Operational Restrictions

- Foreign nationals who within the past 14 days have visited among other the European Schengen Area, China, or United Kingdom may not, as a starting point, enter the United States.
- **BUT** certain business travelers, investors, treaty traders, academics, and students may qualify for national interest exceptions (NIE) which the US Embassy in Copenhagen are now processing. If qualified, business and student travelers who are applying for or have valid visas or ESTA authorization may travel to the United States even as the travel ban remain in effect.
- On June 22, 2020, President Trump issued a Presidential Proclamation titled *Suspending Entry of Immigrants Who Present Risk to the US Labor Market During the Economic Recovery Following the COVID-19 Outbreak*, that suspends entry of certain new immigrants who do not already have an approved immigrant visa. Effective June 24, 2020, the proclamation suspends "entry into the United States of any alien seeking entry pursuant to any of the following nonimmigrant visas" until December 31, 2020, subject to section 3 of the proclamation:
 - "an H-1B or H-2B visa, and any alien accompanying or following to join such alien;"
 - "a J visa, to the extent the alien is participating in an intern, trainee, teacher, camp counselor, au pair, or summer work travel program, and any alien accompanying or following to join such alien;"
 - "an L visa, and any alien accompanying or following to join such alien"

Guides

- DI's American sister organization, US Chamber of Commerce, has developed [this](#) COVID-19 Policy Tracker outlining the variety of policies that States and localities are pursuing a to respond to the coronavirus pandemic.

State and Local Relief Measures

Coronavirus - COVID-19

Monitoring the situation internationally - USA

Several States and Local Governments have created their own relief measures.

- KPMG International produces guidelines of State and Local Tax Extensions in response to COVID-19. The latest [guidance](#) is from 26 October.
 - For the latest updates on national guard activations, restricted travel and other state-specific resources and actions, see the [National Governors Association webpage](#).
-