

03/23/2020 12:17:22 [BN] Bloomberg News

### Merkel's First Test Negative; Vaccine Fast Track: Virus Update

By Bloomberg News

(Bloomberg) -- An experimental coronavirus vaccine could be available to health-care workers as soon as late 2020 on an emergency basis. New York City may lose as much as \$6 billion in tax revenue over the next 15 months, the comptroller said.

Governors of Michigan, Massachusetts and Wisconsin implemented stay-at-home policies. The Federal Reserve announced a second wave of initiatives to support the U.S. economy after Democrats blocked the Senate from advancing a rescue plan.

Finance ministers and central bank governors from the Group of 20 nations joined an emergency call to discuss their response to the pandemic. Germany approved an \$800 billion package, and Chancellor Angela Merkel's first coronavirus test came back negative.

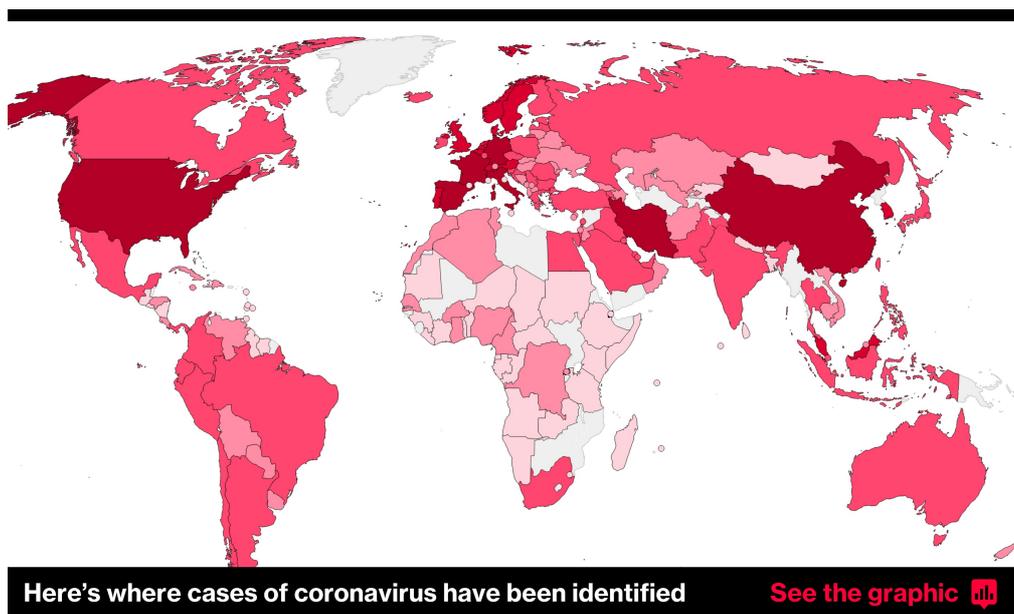
Japanese Prime Minister Shinzo Abe said a postponement of the Olympics may be inevitable.

#### Key Developments:

- Cases near 355,000 and 15,436 dead: Johns Hopkins tally
- Crisis in aviation industry deepens
- CVS to hire 50,000 workers to meet demand
- Cases in New Jersey rise almost 1,000 overnight to 2,884
- Fed's Bullard says U.S. unemployment may hit 30% in 2Q
- Johnson threatens U.K. lockdown as public ignores warnings
- HK bans non-residents, India locks down most urban areas

Subscribe to a daily update on the virus from Bloomberg's Prognosis team [here](#).

Click [VRUS](#) on the terminal for news and data on the coronavirus and [here](#) for maps and charts. For analysis of the impact from Bloomberg Economics, [click here](#). To see the impact on oil and commodities demand, [click here](#).



## Dow Loses Gains Under Trump (12:02 p.m. NY)

The Dow Jones Industrial Average has lost more than 30% of its value in just over a month, wiping out all of its gains since Donald Trump was elected on Nov. 8, 2016. The S&P 500 Index isn't too far behind, while the Nasdaq Composite Index's return remains in the green -- albeit on a downward trajectory with the rest.

## New Cases May Be Slowing in Germany (10:25 a.m. NY)

Germany's public health authority has seen a trend toward the exponential growth in new cases flattening out and expects to see by Wednesday whether this is the case, Lothar Wieler, president of the authority, said at a press conference earlier on Monday. "I am optimistic."

RKI repeated that many local health agencies don't report over the weekend and that those numbers will trickle in during the course of the week.

## NYC May Lose \$6 Billion in Tax Revenue (10:21 a.m. NY)

New York City is "staring down a fiscal emergency" and may lose as much as \$6 billion in tax revenue over the next 15 months, as the the Covid-19 epidemic shuts down a broad swath of the city's economy, comptroller Scott Stringer said.

## Moderna's Vaccine May Reach Some This Fall (10:10 a.m. NY)

Moderna Inc.'s experimental vaccine for the new coronavirus could be available to a select few as soon as this fall. That's ahead of expectations for a commercial launch in another year.

Stephane Bancel, the biotech's chief executive, told Goldman Sachs representatives on Friday that the vaccine could be made available to a few, potentially health-care workers under emergency-use authorization. Moderna has been working with the National Institute of Allergy and Infectious Diseases on the vaccine and just started testing in humans earlier this month.

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A potential vaccine isn't expected to be commercially available for at least a year. Moderna is also scaling up manufacturing so that the company can produce millions of doses each month, according to a company statement.

### GE Aviation to Cut About 10% of U.S. Workforce (9:27 a.m. NY)

GE Aviation plans to cut about 10% of its total U.S. workforce, its chairman said in a message to employees. There will be a temporary lack of work impacting approximately half of its U.S. maintenance, repair and overhaul employees for 90 days.

### Merkel Is Tested, Awaiting Results (9:16 a.m. NY)

German Chancellor Angela Merkel was tested today for the coronavirus and is awaiting the results, her spokesman said at a news conference. He said the chancellor is in good health and continuing with her work. The German leader quarantined herself at home on Sunday following earlier contact with a doctor who later tested positive.

The government has signed off on taking on billions in new debt as part of an unprecedented package totaling 750 billion euros (\$800 billion).

### Trump Weighs Easing Curbs (8:50 a.m. NY)

President Trump began talking privately late last week about reopening the nation, despite the swiftly rising number of coronavirus cases and against the advice of health professionals, because he's worried about the economic damage from an extended shutdown, according to people familiar with his thinking.



WATCH: Adam Posen of the Peterson Institute says any plan to ease stay-at-home rules for Americans is "irresponsible."

(Source: Bloomberg)

He earlier retweeted several posts calling for healthy people to return to work after 15 days of precautions. "The fear of the virus cannot collapse our economy that President Trump has built up," says a post retweeted by Trump. "Flatten the curve NOT the Economy," another says.

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### **Russia Expects 10% Slump This Year in Worst-Case Scenario (8:45 a.m. NY)**

Russia's economy could shrink by as much as 10% this year if the spread of coronavirus requires a full lockdown, according to a worst-case scenario being discussed by the government.

Forecasts show the contraction could be around 5%–10%, according to people familiar with the estimates, who asked to remain unidentified since discussions are ongoing. That would be as deep as the 7.8% contraction Russia suffered in 2009.

### **Singapore Sees Largest Daily Increase (8:35 a.m. NY)**

Singapore reported its biggest one-day jump in coronavirus infections with 54 new cases, of which 48 were imported. Earlier, Malaysia confirmed 212 new cases, the biggest daily jump, bringing the total to 1,518 despite imposing a lockdown that began on March 18.

### **U.K. Won't Hesitate to Take Further Measures (8:22 a.m. NY)**

U.K. will take further measures "quickly" to restrict movement of people if there's evidence current steps aren't working, Prime Minister Boris Johnson's spokesman, James Slack tells reporters on a conference call on Monday.

The U.K. economy will contract at least 10% in the first half of the year as the fallout from the coronavirus hammers output, according to Bloomberg Economics' estimates. In a report released Monday, senior U.K. economist Dan Hanson said support provided by the Bank of England and the Treasury should prompt a turnaround in the second half of the year if the outbreak is contained by the summer.

### **H&M Warns It May Need to Cut Thousands of Jobs (8:22 a.m. NY)**

H&M has already temporarily closed all stores in several of its biggest markets including Germany and the U.S. and during the last few days also closed all its stores in the U.K. That means 3,441 of the group's 5,062 stores are now shuttered. The Swedish fashion retailer said its response to the crisis is "likely to affect tens of thousands of employees in all parts of the business" across the globe.

### **U.K. in Talks to Increase Delivery of Virus Tests (8:05 a.m. NY)**

The U.K. is in talks with firms to boost delivery of coronavirus tests to front line health and social care staff, the FT reports, citing two people familiar. Sending test kits to people at home is also being explored, the paper said.



WATCH: BlackRock's Rupert Harrison examines the U.K. policy response to the coronavirus pandemic.

Source: Bloomberg

## **Fed Signals Unlimited QE (8 a.m. NY)**

The Federal Reserve on Monday announced a second wave of initiatives, including buying an unlimited amount of bonds to keep borrowing costs low and setting up programs to ensure credit flows to corporations and state and local governments.

The Fed will buy Treasuries and agency mortgage-backed securities "in the amounts needed to support smooth market functioning and effective transmission of monetary policy to broader financial conditions and the economy," and will also buy agency commercial mortgage-backed securities, according to a statement.

## **CVS Health to Hire 50,000 (8 a.m. NY)**

CVS Health Corp. said it plans to hire 50,000 people in full-time, part-time and temporary jobs to tackle surging demand for drugstore services and health goods. The drugstore chain said it plans to hire store workers, delivery drivers, distribution center workers and customer service employees. Rival drugstore chain Walgreens Boots Alliance Inc. on Sunday said it plans to hire more than 9,500 people, while Amazon.com Inc. plans to hire 100,000, and Walmart Inc. 150,000.

## **New Jersey Unemployment Has 'Gone up Dramatically' (7:41 a.m. NY)**

New Jersey unemployment has "gone up dramatically" as a result of the coronavirus pandemic, Governor Phil Murphy said. The state will report labor statistics today, according to an interview on CNN. States need a "huge amount" of direct cash assistance, and they're also looking for equipment and other help from the federal government, Murphy said.

## **Mizuho Financial Says Two New York Staff Infected (7:27 a.m. NY)**

Two staff members in company's New York area office were confirmed positive, Mizuho Financial Group said. The

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two employees were not in contact with clients and Mizuho employees in direct contact with the infected staff are now in self-isolation. The New York office has been through disinfection procedures, and is continuing operations as of Monday.

### **Australia Passes Massive Stimulus Measures (7:22 a.m. NY)**

Australia's parliament rushed through more than \$46.3 billion in fiscal stimulus for the coronavirus-stricken economy at a special sitting on Monday. Lawmakers passed the Coronavirus Economic Response Package Omnibus Bill 2020, legislation aimed at saving businesses and jobs as the nation lurches toward its first recession since 1991. As the crisis continues, another injection is likely from the government

### **Danaher Jumps; New Test to See 'Strong Demand' (7:21 a.m. NY)**

Danaher jumped 13% pre-market after its Cepheid unit received FDA Emergency Use Authorization (EUA) for its COVID-19 assay over the weekend. Cowen's Doug Schenkel said the test is the first point-of-care assay to receive EUA.

### **Iran, Spain Cases Rise (6:40 a.m. NY)**

The number of deaths from coronavirus in Spain rose to 2,182 on Monday from 1,720 and the number of confirmed cases rose by 4,517 cases to 33,089. First Deputy Prime Minister Carmen Calvo is being treated in hospital for a respiratory infection. Calvo checked in to hospital March 22 and she is being tested for coronavirus. Two cabinet ministers have already tested positive, as has Begona Gomez, Prime Minister Pedro Sanchez's wife.

Iran reported 1,411 new cases and 127 new deaths in the past 24 hours. The country has 23,049 total cases and 1,812 people have died, while more than 8,000 have recovered so far. The health ministry said the average age of Iran's coronavirus patients was 59, and the average age of those who died was 64. About 60% of the reported cases and deaths were men, the ministry reported.

### **Deutsche Bank Closes Branches (6:34 a.m. NY)**

Deutsche Bank AG will temporarily close more than 200 branches in response to the coronavirus pandemic, joining other lenders in reducing physical contact between employees and customers. The measures will keep about 290 branches still open for business, down from more than 500.

Germany's largest lender last week stopped short of closing branches even as other domestic rivals took the unprecedented measure in a race to contain the outbreak.

### **Russia Halts War Games on NATO Borders (6:34 a.m. NY)**

The Russian military ended war games near its western borders as the country ramps up preventative measures. The drills had been ordered following plans for a NATO exercise that was billed as the biggest deployment of U.S.-based troops in Europe since the Cold War. Those plans, which were shelved last week on coronavirus fears, had been regularly criticized by the Kremlin and Foreign Minister Sergei Lavrov said in February that Russia would respond with reciprocal measures.

### **India's Stocks Post Record Losses as Lockdown Kicks In (6:15 a.m. NY)**

India's stock indexes posted their worst losses on record, as the world's second-most populous nation went into a lockdown after the number of coronavirus cases in the country surpassed 400. The S&P BSE Sensex Index tumbled

13%, its biggest one-day drop ever since data going back to 1979. The gauges triggered a trading halt earlier in the day, after a 10% fall within minutes of the opening bell tripped circuit breaker.

Prime Minister Narendra Modi and state leaders over the weekend imposed an almost-complete lockdown, which will probably worsen an economy already set to slow to an 11-year low. While the spread of the coronavirus pandemic has so far been slow in India, T. Jacob John, the former head of the Indian Council for Medical Research's Centre for Advanced Research in Virology, warned the virus could spread to as much as 10% of India's 1.3 billion population.

### **ECB's Costa Says Euro Area Should Mull 'Coronabonds' Issue (5:24 p.m. HK)**

ECB policy maker Carlos Costa said Euro area governments should consider the issuance of common coronabonds, Reuters reports. The bonds could be repayable through the European Union's long-term budget and have a maturity of several decades. He welcomed flexibility measure taken by the European Commission, but said more had to be done.

### **Tokyo Games Could Be Delayed (4:54 p.m. HK)**

The Japanese government has decided to tell the International Olympic Committee soon that it will accept if the IOC decides to postpone the Tokyo Olympics planned for this summer, Kyodo reported, citing an unidentified Japanese government official.

The Tokyo Olympics looked likely to be the first games postponed since the modern games were launched in 19th century, as national teams pulled out and Japan's leader acknowledged a delay may be unavoidable due to the coronavirus.



**WATCH:** The IOC made its most public step yet toward delaying the world's biggest sporting event.

(Source: Bloomberg)

Prime Minister Shinzo Abe told parliament Monday that the Olympics, set to start in July, will have to be postponed if safety can't be guaranteed for spectators and athletes due to the pandemic. Separately, Abe said

tackling the economic crisis caused by the coronavirus may require a bigger economic package than was compiled to take on the Lehman shock.

### **Wuhan Still Finding Symptom-Free Virus Cases (4:42 p.m. HK)**

People are still testing positive for the new coronavirus in Wuhan four days after China said there have been no new cases at the epicenter of its outbreak, a local magazine reported, raising concerns that the virus could still be spreading in the city.

### **Italy to Start Production Shutdown as Deeper Recession Looms (4:20 p.m. HK)**

Italy is being dragged deeper into a recession after the coronavirus outbreak that's crippling its northern regions forced the government to ban movement inside the country and shutter almost all industrial production.

The impact of virus on the economy will be strong even as measures by the European Central Bank and European governments help limit the intensity and length of the slump, Bank of Italy chief Ignazio Visco and Prime Minister Giuseppe Conte said in separate interviews in La Stampa newspaper.

Conte called for a new financial architecture centered on joint European Union debt issuances, or at least a guarantee fund to safeguard the European economy. European finance ministers are due to discuss their response to the crisis later on Monday amid comments from multiple officials that dramatic steps are needed.

### **U.K. FRC Urges Delay of Corporate Reports (3:12 p.m. HK)**

The U.K.'s Financial Reporting Council said companies should consider delaying all non-essential corporate reports for the next two weeks. The FRC will soon announce measures to ensure companies and auditors "take the necessary time in these uncertain times to prepare appropriate disclosures and address current practical challenges."

### **Emirates, Singapore Air Ground Flights (1:25 p.m. HK)**

The world's biggest international carriers continued to announce drastic measures to cope with the coronavirus outbreak, with giants Emirates and Singapore Airlines Ltd. among the latest to slash flights.

Dubai-based Emirates, the world's largest long-haul airline, is suspending passenger flights to most destinations from Wednesday because travel restrictions imposed by governments have put many nations off limits to visitors. Singapore Airlines said it's cutting 96% of its capacity through April, mirroring an announcement by Hong Kong's Cathay Pacific Airways Ltd. on Friday.

Airbus SE said it's withdrawing its earnings guidance and proposed dividend payout as part of a range of measures to bolster liquidity as the coronavirus pandemic rips through the aviation industry.

### **Trump to Make Decision on Measures After 15 Days (12:33 p.m. HK)**

U.S. President Donald Trump said his administration will make a decision as to "which way we want to go" regarding coronavirus measures after a 15-day period. "WE CANNOT LET THE CURE BE WORSE THAN THE PROBLEM ITSELF," Trump said in a tweet.

### **Amazon Delivery Delays on Many Products Extended (11:38 a.m. HK)**

Amazon.com Inc.'s delivery delays of non-essential goods will extend for at least another month for many customers in the U.S. and Europe, stirring panic among online merchants who rely on the web retailer for business. The lengthening delivery times come on top of confusion over how the company identifies essential products, a task that appears to be performed by algorithms with little human oversight.

(A previous version was corrected to fix the number of new cases in Spain)

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