

The effects of novel coronavirus  
pneumonia of East-Asia on global  
economy

## sub-questions:

- Great loss of consumption in China?
- Decreasing investment rate in East Asia?
- Reduction in financial transactions?
- Huge impacts on service industry? ( hotels, airplane companies, etc.)
- Changes in supply chains from East Asia?
- Asian oil and Gold price fall and finally lead to global oil and gold price fall as well?
- Hong Kong stocks, A shares and B shares and American stocks, which is affected the most?
- Price of government bonds rise?
- stocks of drugs and healthcare industry rise?

# Specification

- Research direction

## **Finance**

- Research topic

**changes in supply chains away from East Asia  
brought by NCP (novel coronavirus pneumonia)**

# Main strategy

- Empirical: Looking for “stylized effect”:

---compare the new coronavirus to SARS in 2003

The most comparable case of the novel coronavirus pneumonia was SARS in 2003. On November 16, 2002, a man in Guangdong became ill with fever and respiratory symptoms. Ten days later, a doctor from Guangdong travelled to HK, unknowingly infected with the virus. There he infects people who then board international flights. He dies on March 4th. After 5 months of campaign, the outbreak was almost over in June. Overall, the economic impact of the 2003 epidemic was visible, the background was similar though there exists a bunch of differences. Hence, we could compare, analyze, and further forecast the impacts of the new coronavirus to SARS for our research.

# timeline

SARS



NCP



# Country

China Japan Korea Singapore (compare)

Relevant data:

# Supply line:

- Factories of Hyundai Group was forced to shut down due to lack of accessories from China



# content

## Introduction

Aim: 先缩小范围提一个问题

Method: 具体的可以问asad 或者问其他的老师、看paper

Results

Conclusion

Reference

acknowledge

### Banking:

- A considerable cost for the aid on credit
- E.g. cutting interest rates and fees for enterprises in epidemic-stricken area
  - A decline in effective credit demand
- --> slow down the bank's quarterly report expansions and revenue growth
  - Causes pressure on the economy and interest was forced to fall
  - Accelerating trend of narrowing **interest margin** of the banks
  - Deteriorated of the quality of bank credit assets
- --> unhealthy cash flow maybe struggle to repay
- Exchange rate

### Securities market:

#### Regions: A shares, B shares, Hong Kong stocks, America Stocks

- A shares and Hong Kong stocks-->证券公司官网, 财经网站, 交易所官网
- Bonds: Treasury 国债, monetary policy
- Commodity sector: **copper**, iron, aluminum, steel, **oil**, etc.
- Specialize: service industry(hotels, travelling companies, airplane company..)
- CPI (part of GDP)