

# ENVIRONMENT FOR ELECTRONICS

## Covid-19

HONEYCOMB GLOBAL HCG ELECTRONICS HUB

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Contact [info@honeycombglobal.com](mailto:info@honeycombglobal.com) if you have any queries.

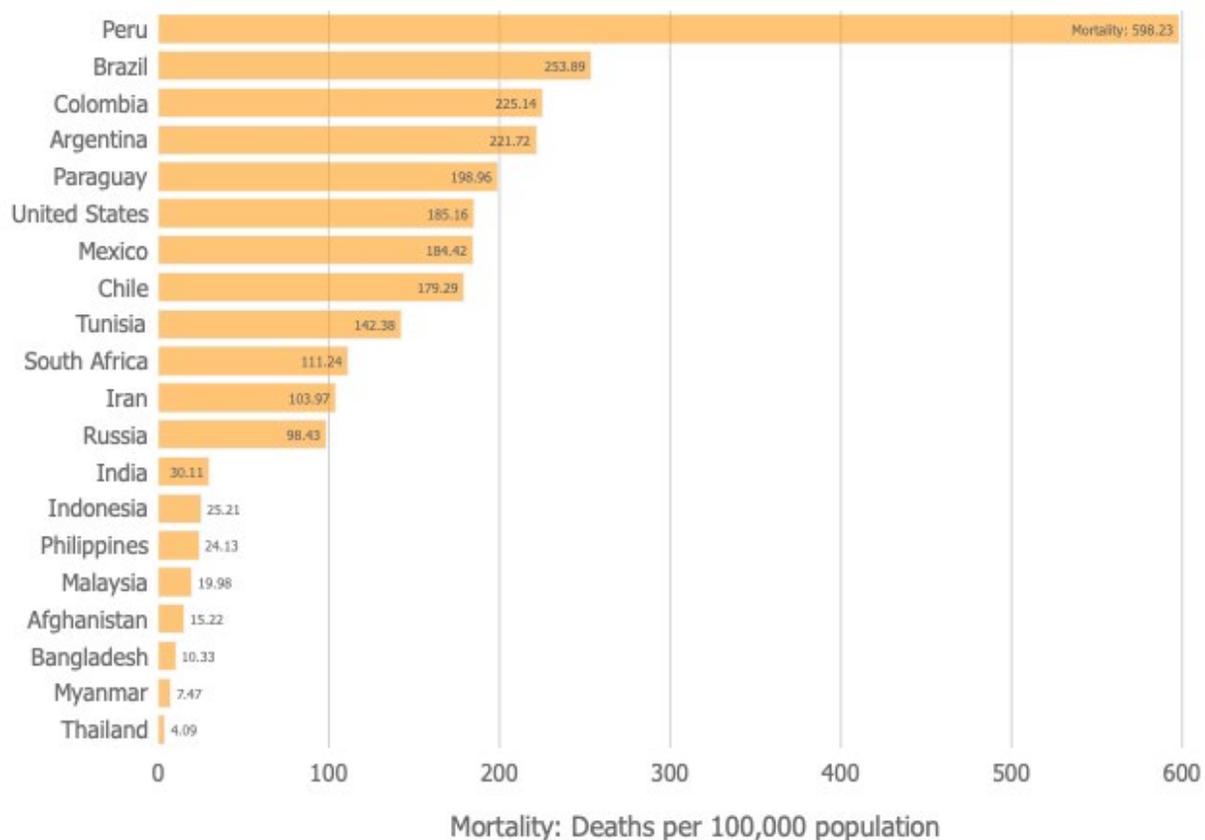
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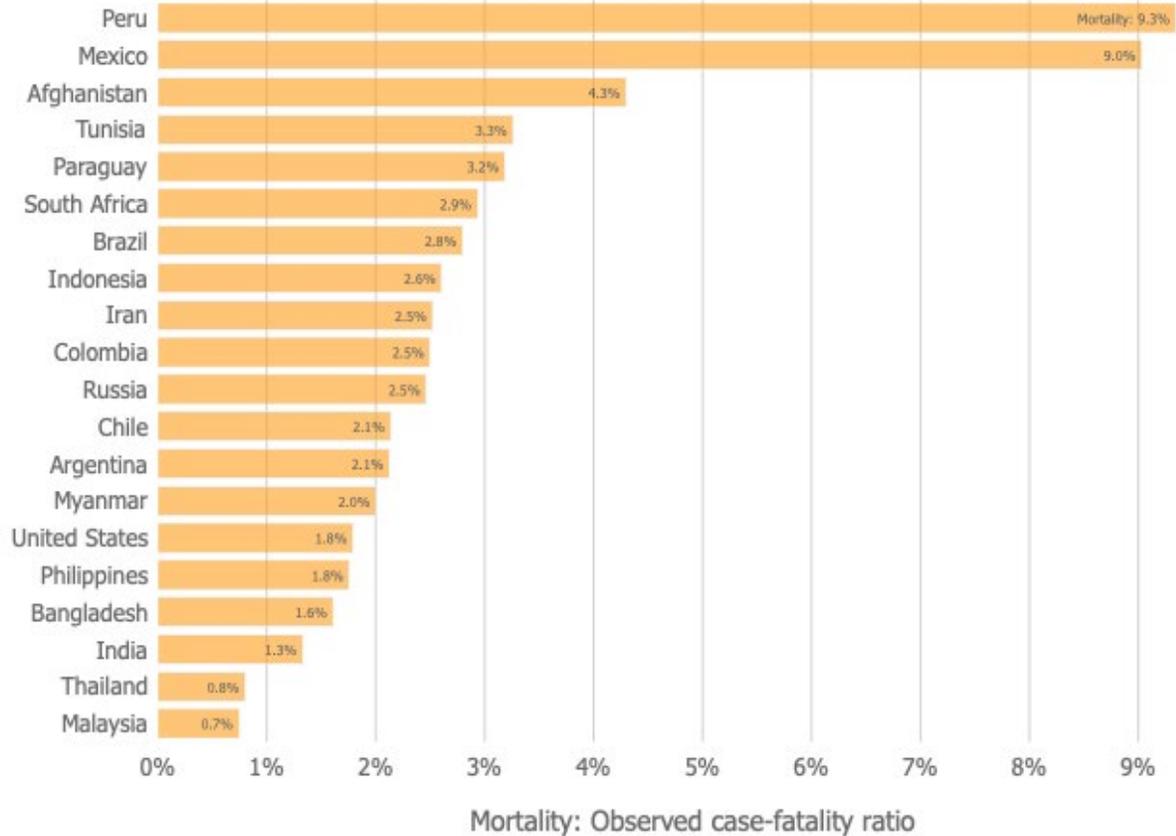
## Covid 19 country comparisons

Assessing the impacts of Covid-19 and comparing country by country is difficult due to differences in the integrity of reporting and methods used, so this information should be seen only as a rough guide and certainly not conclusive. India currently has an observed high rate of Covid 19 as a pure number, but the size of the population has to be taken into account to make any real comparisons.

## Johns Hopkins University

Johns Hopkins lists the 20 most effected countries with various measures, such as the deaths per 100,000 population and observed case mortality rate (%). Although appearing in the top 20, India is the 8<sup>th</sup> lowest in deaths per 100,000 cases and third lowest in the observed case fatality ratio (<https://coronavirus.jhu.edu/data/mortality>), and notably lower than many other major developing (and developed) regions.





Johns Hopkins report there to be many reasons for differences, such as the number of people tested, state of the healthcare system, vaccination drive rollout and demographic. Although India has the second highest number of confirmed cases at around 31 million (compared to US with the highest at 33 million), the deaths per 100,000 of the population is 30.11, compared to the US at 185.16. India has a population approximately four times that of the US.

### Other supporting information

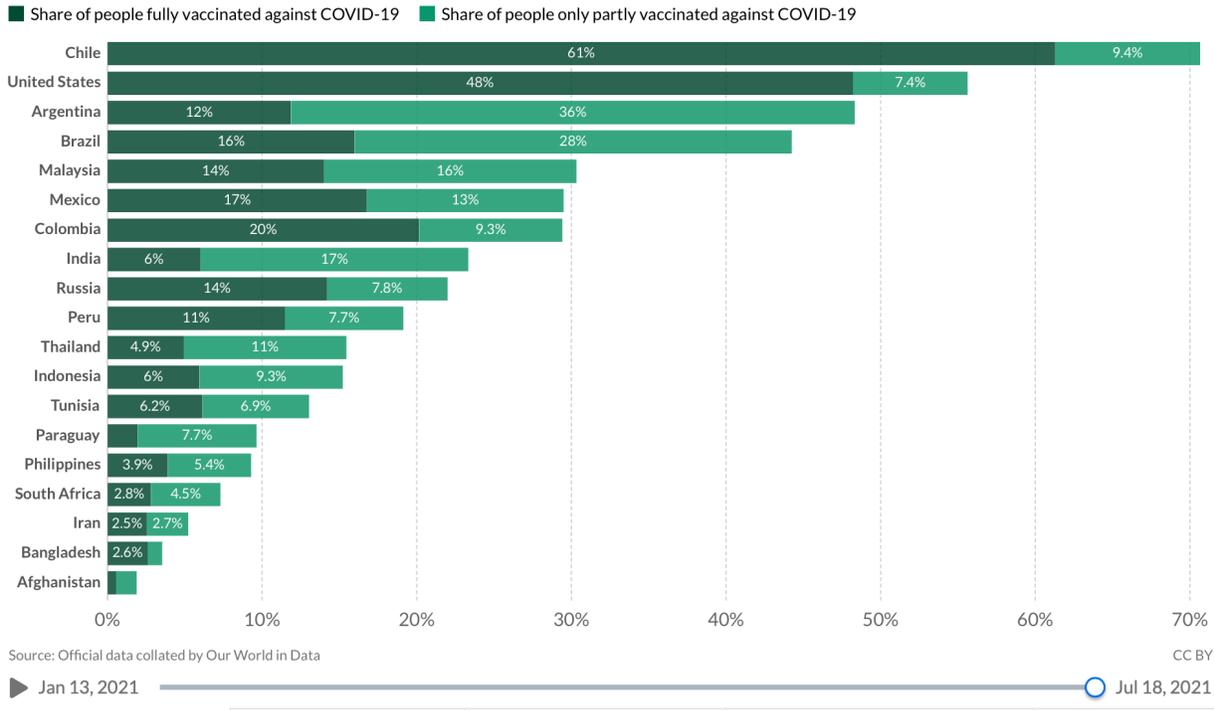
Demographics are likely to play a part in the much lower mortality rate, with India having a median age of 28.4 compared to USA at 38.1, UK 40.5, France 41.4, China 37.4, Germany 47.1 and South Korea 41.4 years (World Population Review).

Due to India's vast population and infrastructure, it is always going to be difficult to carry out mass-testing and mass-vaccination. The Government of India has stepped up and is now reported to be achieving daily testing rates of approx. 315 tests per thousand, in comparison with 1,433 per thousand in the US. This is a little below 1/4<sup>th</sup> of the rate of testing achieved in the US.

The share of India's population vaccinated is at 23% (at least one dose administered), in comparison with 55% of the US population (one dose at least).

## Share of people vaccinated against COVID-19, Jul 18, 2021

This data is only available for countries which report the breakdown of doses administered by first and second doses.



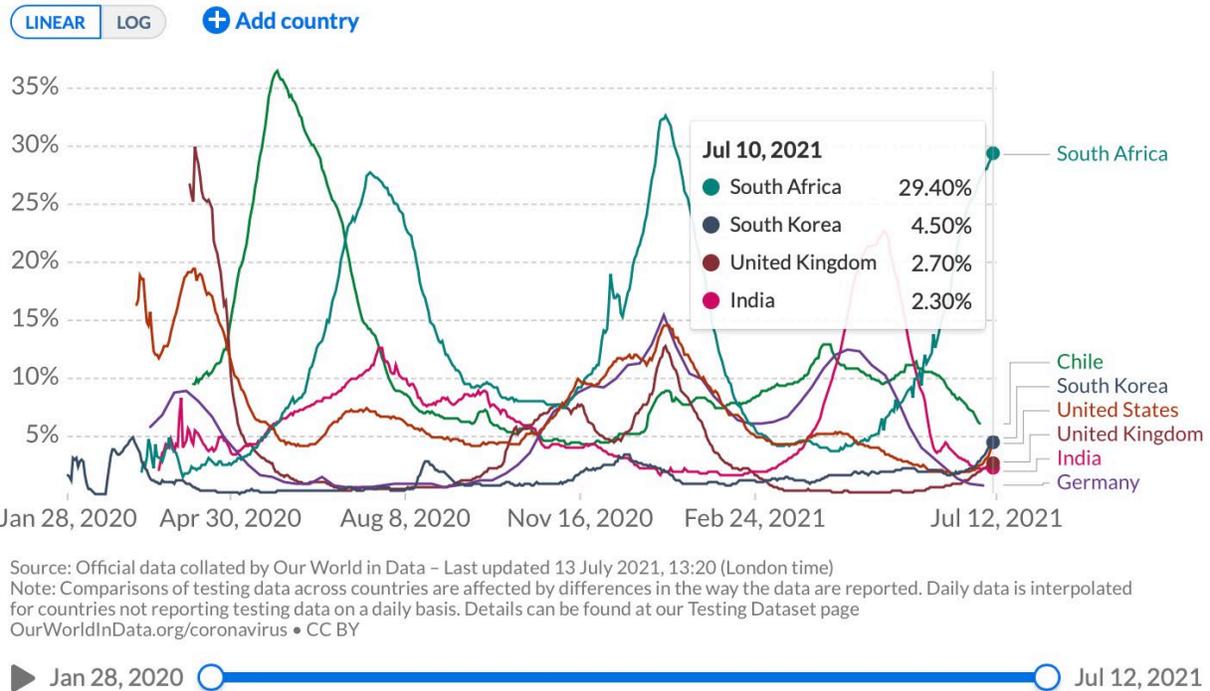
In terms of pure numbers, this equates to 405 million doses administered in India, in comparison to 338 million doses in the United States, and 82.3 million doses in the United Kingdom (Our World in Data).

## Conclusion

The indications are that the infection rates, although tragic, are not out of line with those of many other developed and developing countries. And the vaccination efforts are on par with efforts in other countries (taking into account the vast domestic population).

## The share of COVID-19 tests that are positive

The daily positive rate, given as a rolling 7-day average.



Source: ourworldindata.org

The official data published by the Ministry of Health and Family Welfare of the Government of India (2.37% positivity rate), appear to be largely consistent with the numbers reported by other independent organisations, suggesting a good degree of transparency in the reporting.

## Effects on the economy

Unemployment peaked at 23.5% in April, falling to 14.73% in May, and further reducing to 10.07% in June even as lock-down continued (Centre for Monitoring Indian Economic). Although the opening up of the economy presents a risk of infection rates increasing, the official statistics from the Govt. of India website showcases over 4.2 million vaccination doses administered, which is twice that of the testing numbers for July 16<sup>th</sup>. A strong indicator of a bounce back.

The Economic Times reports US\$266 billion has been set aside by the Government for “rescue spending”, supported by the Reserve Bank of India “slashing interest rates” by 1.15%, with further cuts likely. From a pole of 36 economists, 30 considered it likely that GDP would gradually recover to pre-Covid 19 levels over the next 12 to 24 months. (The Economic Times)

On the 31<sup>st</sup> August 2020, The Financial Times reported the Indian economy to have contracted by 23.9% year-on year in the quarter ending in June, more than expected, as a result of the rapid and extreme action taken at the start of the pandemic by Prime Minister Narendra Modi. Although the lockdown was eased in May, estimated aggregate demand in July was 67% of pre-pandemic levels (Nomura).

Earlier in August, The Economic Times carried a report on the Dun & Bradstreet Global Outlook Report, predicting a 4.5% decline of the economy for the full year of 2020, but expecting a 6.3% growth rate in 2021.

However, in May 2021, The Indian government's data indicated that the GDP for the financial year 2020-2021 contracted by 7.3%, the lowest slump since India got its independence, due to pandemic related lockdowns and unemployment. For the current year, RBI has anticipated a growth of 10.5%. Moody's initially predicted 12.7% bounce back growth rate, but later lowered it to 9.3% in anticipation of a third wave (Financial Express). The second wave saw a much lower impact due to less strict and localised lockdowns, and the increasing number of vaccinated people.

In short, the country is in the same situation as the rest of the world in being able to predict the future, but more comparable to more developed regions in terms of its ability to recover, with a strong underlying economy and relatively good credit rating: Moody's Baa3; S&P BBB Stable; Fitch BBB - Stable.

All predictions and reports are, of course, subject to on-going progress in tackling Covid-19.