



PUBLIC RELATIONS

Vision Group[®]

CORONAVIRUS REPORT:

LOCAL PROBLEM, GLOBAL IMPLICATIONS

APRIL 2020

CONTENTS



Executive Summary

An overview of the key political, financial and social implications of the COVID-19 crisis



Why is efficient communication now more important than ever?

An insight from Małgorzata Bogusz, Partner & Public Affairs Director, Vision Group



The future of the PR & PA sector: an overview of key trends and challenges

Comments & opinions from international PR & PA experts



Poland & Eastern Europe

What business sectors are most affected and which ones continue to grow? What aid packages does the Government plan to deploy to minimize the impact of the crisis?



USA & Western Europe

How is the world reacting to the crisis? What will the global consequences of the crisis be? What state aid packages are introduced in the US and Western Europe?

EXECUTIVE SUMMARY

POLITICS

Governments around the world have responded to the Covid-19 threat with different attention and precautions, which directly reflect in the scale of the economic and healthcare consequences that we can observe today. Countries of Eastern Europe seem to cope with the healthcare and social aspects of the crisis reasonably well but feel the heavy financial burden that the crisis places on their national economies.

FINANCE & ECONOMY

Global leaders use different financial strategies to minimize the impact of the Covid-19 crisis on their national economies, and especially on the key sectors of such economies. Most of the EU have reacted to quickly rising unemployment rates and the major loss of profits by introducing monetary and fiscal solutions and direct financial support for the SME sector.

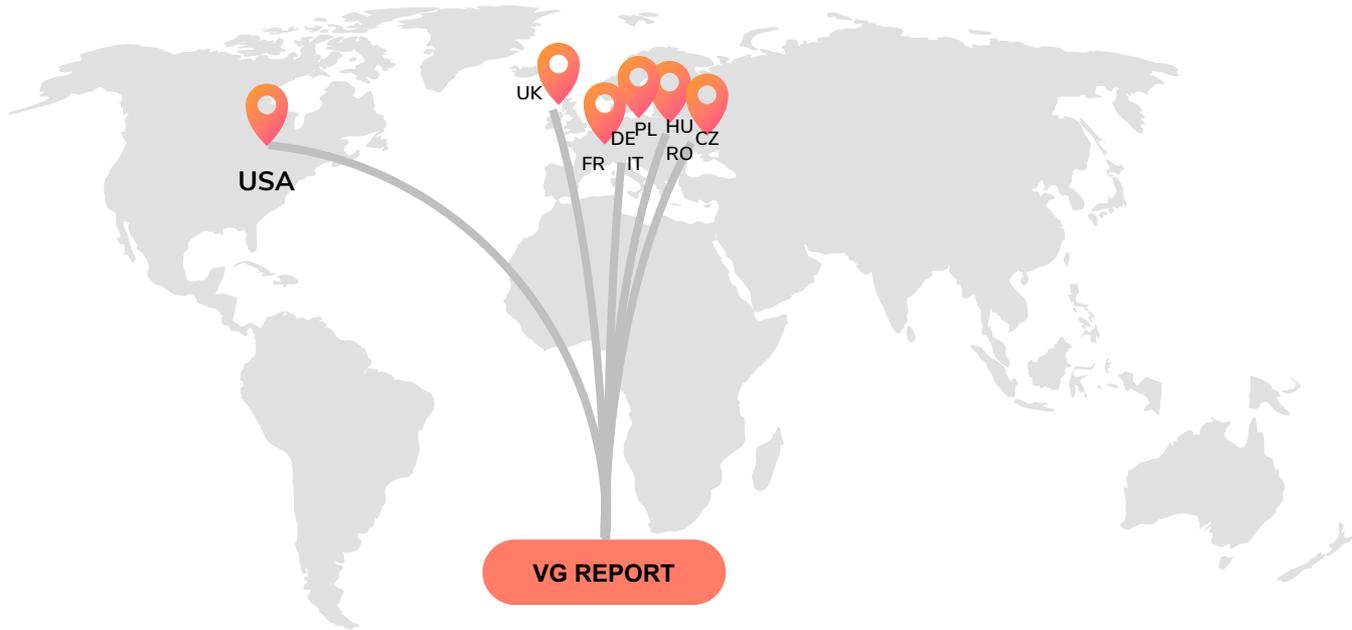
THE MOST AFFECTED BUSINESS SECTORS

According to experts, different sectors present different resistance to the current crisis. The industries most vulnerable to rapid changes are retail, restaurant and catering, transportation, hospitality and leisure, beauty-care, automotive, sports and traditional entertainment including theatres and cinemas. Most of those sectors have already recorded severe downfalls in revenue levels or even bankruptcies.

GROWING INDUSTRIES

Despite the upcoming recession, certain sectors of the economy have recorded a steep growth in revenues driven by the nature of the crisis. The biggest revenue increases are observed in the online entertainment, digital communications, e-commerce, online learning and mobile payments sectors.

GEOGRAPHICAL RANGE OF THE REPORT



WHY IS EFFICIENT COMMUNICATION NOW MORE IMPORTANT THAN EVER?



MAŁGORZATA BOGUSZ

PARTNER & PUBLIC AFFAIRS DIRECTOR, VISION GROUP

The unprecedented, rapid expansion of the COVID-19 crisis is yet another proof that globalization is a double-edged sword. We all enjoy the benefits of unrestricted international communication, open markets, easy worldwide travel and rapid economic growth without thinking about the risks associated with such a high level of global interconnection.

In effect, we are now living in a world full of paradoxes: a world where we are digitally united but physically isolated. At first glance, everything seems to be in a complete standstill, yet when examined closely, many elements move much faster than ever before. As most of us decide to **#stayathome**, the sectors like remote communications, digital media, e-commerce or online entertainment experience a true Golden Age, quickly adapting to the new shape of the world. At the same time, many industries such as HoReCa or tourism are going to suffer unprecedented losses.

Whatever our strategy of tackling the pandemic is, today we all ask ourselves several key questions: When will the crisis end? How severe will its consequences be? **Will the PR & PA sector adapt and survive?** What factors will influence this sector the most? We will address those questions in the following pages of the report, so read on!

KEY CHALLENGES & TRENDS AHEAD THE PR & PA SECTORS

Source: The Holmes Report (PRovoke)



- **Refocusing the tonality of a brand's narrative** to embrace its commitment to the global fight against COVID-19
- **Triggering positive responses from the staff and business partners of an organization** by providing them with resources and tools that make them feel safe and secure in times of crisis
- **Unifying the voice of the organization's management** in times of crisis



- **Engaging public health experts** and decisionmakers to utilize the know-how and resources provided by the business (pharma, healthcare)
- **Distributing reliable information** to own employees and third party private & public stakeholders
- **Clearly communicating what kind of public help is essential for a business sector** to survive and jump-start after the crisis eases

KEY TRENDS IN COMMUNICATION

Source: The Holmes Report (PProvoke)

DIGITAL IS THE NEW BLACK

Most businesses and government institutions have quickly (but not necessarily smoothly) adapted to the new digital world. To preserve at least some of the dynamics of the pre-crisis business (particularly in areas such as Government Relations or Event Management) the PA/PR sector must find innovative ways of adapting to the new reality. A mere change from offline to online won't do the trick. As the immediate crisis response phase has passed through, government stakeholders are actively seeking business partners able to quickly explain to them which of their products & services may solve the urgent needs of the government.

ACTING IN SOLIDARITY WITH THE SOCIETY

In turbulent times, actions speak louder than words. CSR declarations of business leaders will only be meaningful if followed by genuine commitments and addressing the needs that the government cannot address. Thanks to this, the goodwill a business receives from its customers and partners will live long after the crisis fades. The CSR narrative has also changed from "a crisis mode" to the "sharing of practices" on how to smoothly adapt to the new difficult circumstances.

THE END OF CORPO SPEAK AND OVERENGINEERED COMMUNICATION

The general public has positively reacted to the "casual" shift in the behaviour of top business CEOs. Business leaders have also become more open to the concept of cross-sector collaboration, having embraced the value of "greater good" such collaboration can bring for the business and society.

REPORT PARTNERS

The report was prepared with the generous contribution from Vision Group's partner agencies from the following networks:



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Vision Group is founding member of Nextlaw by Dentons.



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Vision Group is founding member of The Ecosystem.



ecosystem

The multi-local independent PR network

hanover

Brussels, Dublin & London offices

MARKET INSIGHTS POLAND AND EASTERN EUROPE

Key impact factors and estimates

1

KEY ECONOMIC INDICATORS

A GDP decline and a rise of the unemployment rate are serious threats with long lasting consequences.

2

CEE GOVERNMENTS' RESPONSE TO THE CRISIS

How have different governments reacted to the financial and social crisis caused by the Coronavirus?

3

HOW THE BUSINESS REACTS TO THE CRISIS?

Which sectors of the CEE national economies suffer the most? How the business and governments respond to the crisis?

4

WHICH BUSINESS SECTORS WILL GROW?

Which sectors of the economy record a constant growth amid the coronavirus crisis?

CEE COUNTRIES ARE PROJECTED TO EXPERIENCE MAJOR GDP DECLINES

SOURCE: BLOOMBERG, HAVER, IIF

* Projection before the crisis outbreak

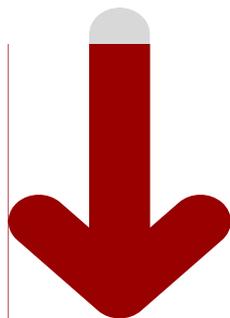
** Projection after the crisis outbreak

	2017	2018	2019	2020*	2020**	PROJECTION DIFFERENCE
CZECHIA	4.3%	2.8%	2.4%	2.6%	-2.8%	-5.4%
HUNGARY	4.4%	5.1%	4.9%	3.0%	-3.0%	-6.0%
POLAND	4.9%	5.2%	4.2%	3.9%	-2.5%	-6.4%
ROMANIA	7.1%	4.4%	4.1%	3.4%	-2.7%	-6.1%

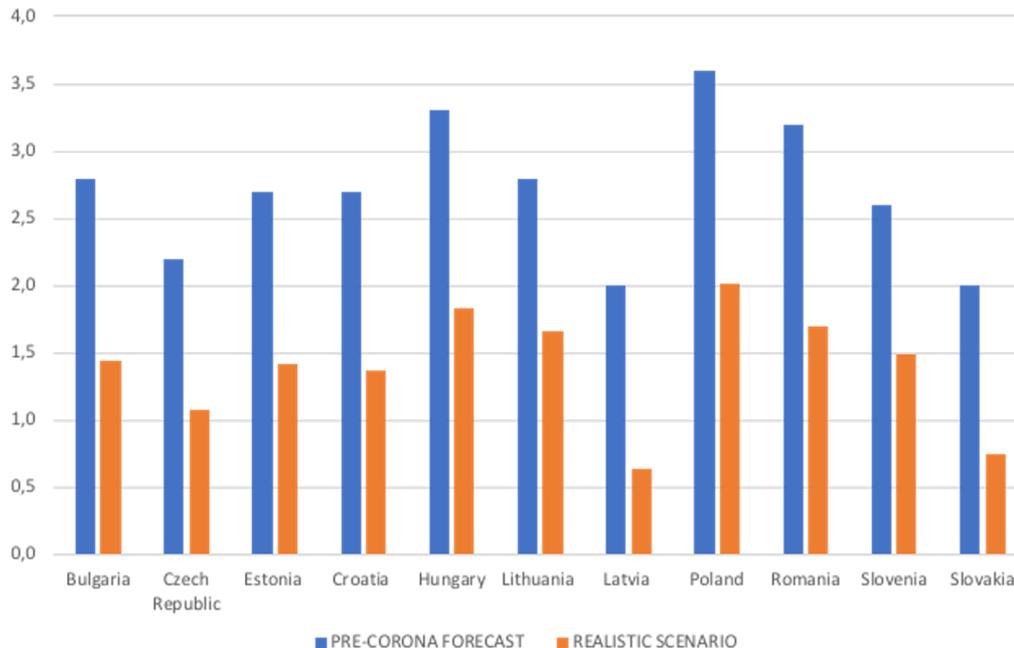
THE ECONOMIC IMPACT OF THE CORONAVIRUS IN THE CEE REGION

Source: Vienna Institute for Intercontinental Economic Studies, Overview 2018-2019 and outlook 2020-2022
<https://wiiw.ac.at/overview-2018-2019-and-outlook-2020-2022-dlp-5270.xlsx>

2020 GDP GROWTH FORECASTS, PRE- AND AFTER CRISIS

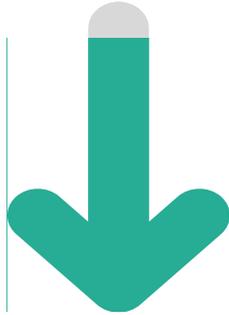


**AN AVERAGE
DECREASE OF
GDP LEVELS BY
1.5%**



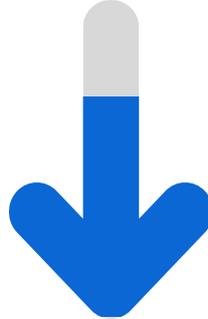
SECTOR SENSITIVITY TO REVENUE LEVEL SHIFTS DUE TO COVID-19 CRISIS

Source: S&P Global, Global Credit Conditions. Triple trouble: Virus, Oil, Volatility, April 2020, https://www.spglobal.com/_assets/documents/ratings/research/global-credit-conditions-triple-trouble-virus-oil-and-volatility.pdf



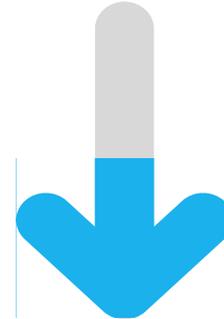
HIGH SENSITIVITY SECTORS

AVIATION
TRANSPORTATION
AUTOMOTIVE PRODUCTION
GAMING, LEISURE & LODGING
RETAIL & RESTAURANTS



MEDIUM SENSITIVITY SECTORS

CONSUMER PRODUCTS
INFRASTRUCTURE
REAL ESTATE
BUSINESS SERVICES
CAPITAL GOODS
CHEMICALS



LOW SENSITIVITY SECTORS

HEALTHCARE & PHARMA
MEDIA & TELECOMS
PACKAGINGS
UTILITIES

KEY ELEMENTS OF THE ANTI-CRISIS SHIELD

SOURCE: POLISH MINISTRY OF FINANCE

1

SECURING THE CONTINUITY OF EMPLOYMENT

To protect Polish employees, the Government will pay 40% of employee salaries during economic downtime, which will enable the workforce to keep full-time jobs.

2

FINANCIAL AID FOR BUSINESSES

The Government has prepared instruments that will help entrepreneurs survive the time after the Coronavirus (e.g. micro-enterprises will be exempt from social security contributions)

3

HEALTHCARE SYSTEM PROTECTION

Polish Government will spend PLN 7.5 billion on healthcare, focusing on the assets at the frontline of the fight against the Coronavirus.

4

SPECIAL MONETARY AND FISCAL MEASURES

The Coronavirus pandemic will negatively affect the financial sector. The Anti-Crisis Shield provides specialized, dedicated instruments for the financial market.

5

PUBLIC INVESTMENTS SCHEME

To ameliorate the expected absence of private investments during the crisis, the Government-created Public Investment Fund will allocate an additional PLN 30 billion for investments.



PLN 212,000,000,000

GOVERNMENT AID IN RELATION TO COVID-19 ACROSS EU COUNTRIES

SOURCE: DENTONS: Retail: Country-by-Country Summary of the impact of COVID-19
<https://www.dentons.com/en/insights/alerts/2020/march/30/covid-19-retail-country-by-country-summary>

CENTRAL EUROPE

POLAND

Employers affected by COVID-19 can apply for three months' wage subsidies of up to 50% of the national minimum wage for employees affected by "economic stoppage" (i.e. those unable to work for reasons beyond their control); a subsidy of 40% of the average monthly wage will be available for the businesses that **have reduced working hours of their employees** (an employer can reduce the working hours by up to 20% as long as the wage will not fall below the national minimum). Employers with nine or fewer employees **may be exempt from social security contributions** for March-May 2020.

HUNGARY

Commercial leases of companies from the tourism, HoReCa, entertainment, gambling, film, performing arts, event organization and sports sectors cannot **be unilaterally terminated by a party until 30 June 2020**. The Government may extend the ban as long as the state of emergency is in place.

The above law does not differentiate between termination without and for a cause (e.g. breach of contract). The law does not specifically define the said business sectors.

CZECHIA

Czech Government introduced a draft law under which the **leases of retail premises that are currently closed due to the Government measures** cannot be terminated by the landlord due to a default in the payment of rent that has arisen during the period from 12 March 2020 and 30 June 2020. This period can be extended by another three months, i.e. until 30 September 2020, depending on the situation.

The outstanding part of the rent must be paid within 24 months from the end of the above period.

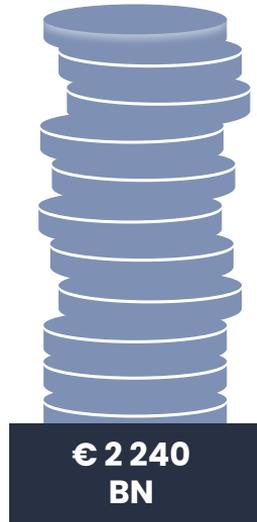
ROMANIA

If certain conditions are fulfilled, tenants may be entitled to **request a postponement of the rent for the duration of the state of emergency**:

- the tenant qualifies as a small- or medium-sized enterprise (SME);
- its business was interrupted (in full or in part) as a consequence of the decisions made by the authorities during the state of emergency
- the tenant holds an emergency certificate; the leased premises are used by the tenant for its main / secondary headquarters.

EUROPEAN UNION'S ECONOMIC RESPONSE TO THE COVID-19 CRISIS

Source: European Commission, https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response/economy_en



National liquidity measures, schemes approved under temporary, flexible, EU state aid rules



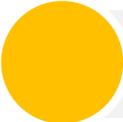
SURE - EU funding for short time work schemes



National measures taken under the flexibility of EU budgetary rules (general escape clauses)

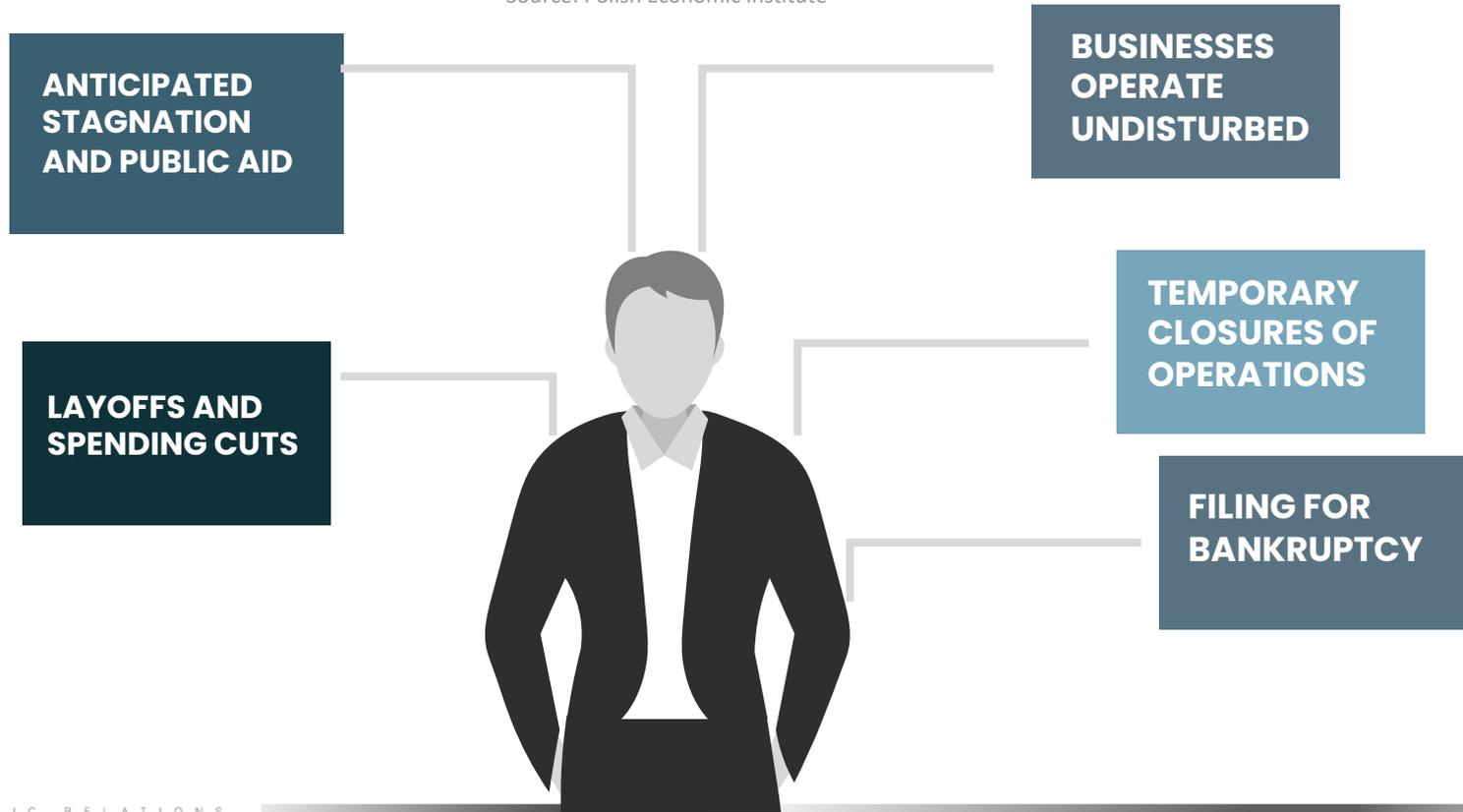
CENTRAL EUROPEAN MONETARY AND FISCAL POLICY RESPONSES TO THE CORONAVIRUS CRISIS (MARCH 2020)

Source: Institute of International Finance, <https://www.iif.com/Publications/ID/3814/Macro-Notes-COVID19-Induced-Recession-in-CEEMEA>

	MONETARY	FISCAL
 CZECHIA	Policy rate cut by 50 bps, to 1.75%.	Pledged CZK100 bn (2% of GDP) in direct financial support and CZK900 bn (16% of GDP) in guarantees
 HUNGARY	Announced grace period for loan repayments under FGS+, increased FX swaps by HUF150 bn	Promised tax relief consisting of deferred payments and reduction in tax advances for affected companies
 POLAND	Policy rate cut by 50 bps, to 1.00%, a lowered repo rate and the start of large scale purchases of Treasuries	Announced fiscal package totaling 9% of GDP, focusing on mitigating the crisis impact on labor market and consumption
 ROMANIA	Policy rate cut by 50 bps, to 2.00%	Gov. approved package (1-2% of GDP), including sick leave, tax relief and higher loan guarantees to SMEs.

HOW DOES THE POLISH BUSINESS APPROACH THE CRISIS?

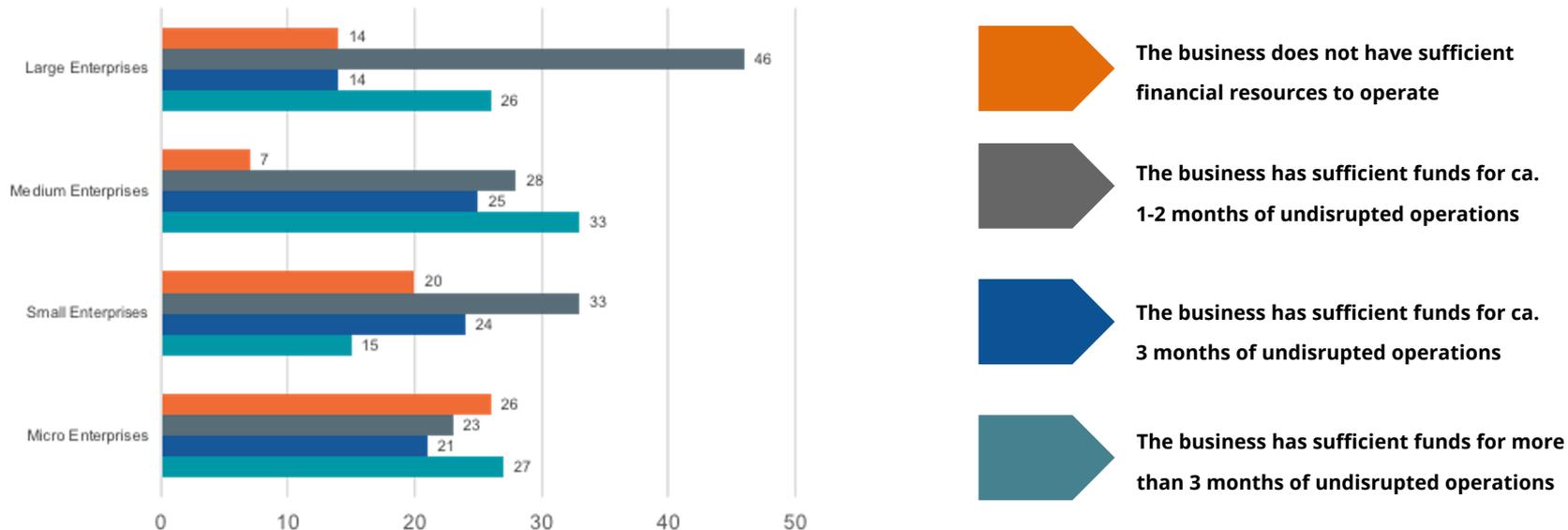
Source: Polish Economic Institute



FINANCIAL CONDITION OF POLISH BUSINESSES DURING THE CRISIS

Source: Polish Economic Institute, <http://pie.net.pl/obnizki-wynagrodzen-w-polowie-firm-i-zwolnienia-w-co-czwartej-to-strategie-przedsiębiorstw-na-pandemie/>

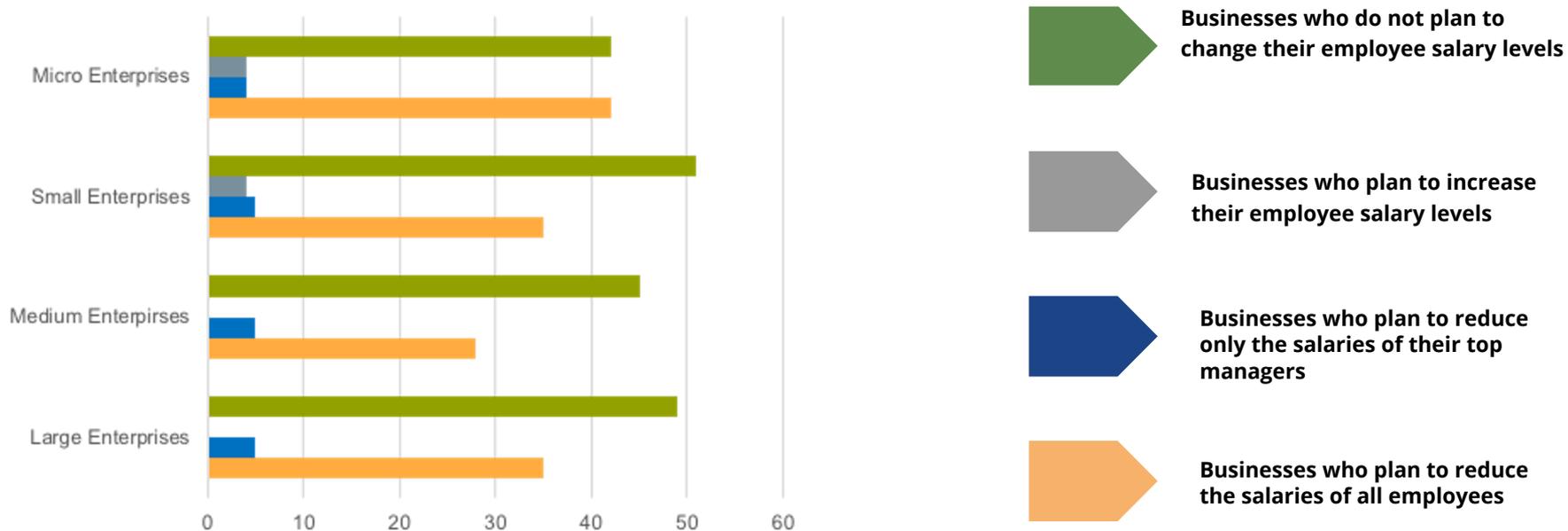
SELF-ASSESSMENT OF A COMPANY'S FINANCIAL CONDITION



SALARIES IN POLISH BUSINESSES DURING THE CRISIS

Source: Polish Economic Institute,

<http://pie.net.pl/obnizki-wynagrodzen-w-polowie-firm-i-zwolnienia-w-co-czwartej-to-strategie-przedsiębiorstw-na-pandemie/>



THE UNCERTAIN FUTURE OF EMPLOYEES

Source: Polish Economic Institute <http://pie.net.pl/obnizki-wynagrodzen-w-polowie-firm-i-zwolnienia-w-co-czwartej-to-strategie-przedsiębiorstw-na-pandemie/>

28%

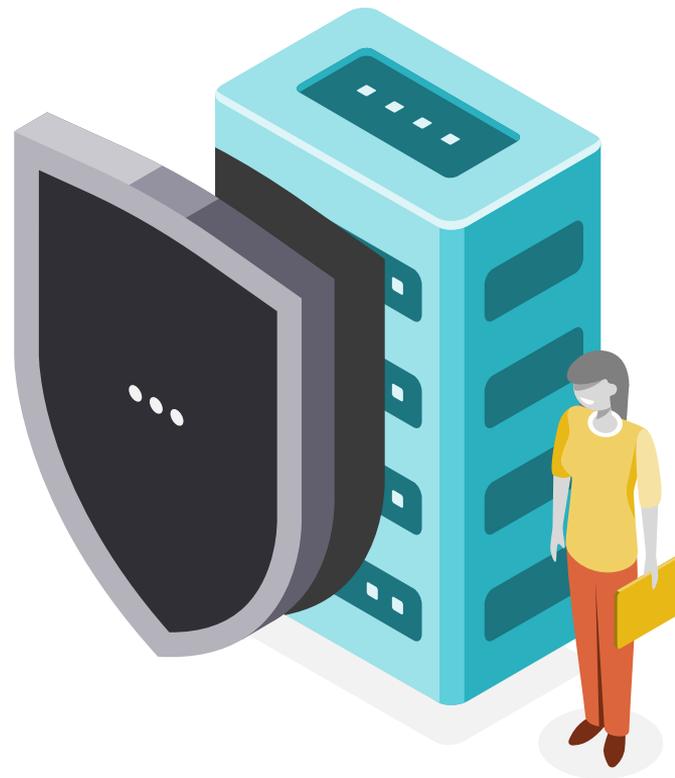
of businesses operating in Poland have announced a reduction of workforce

350%

by this much, the rate of group layoffs in February, March and April increased in 2020, compared year-over-year to 2019

62%

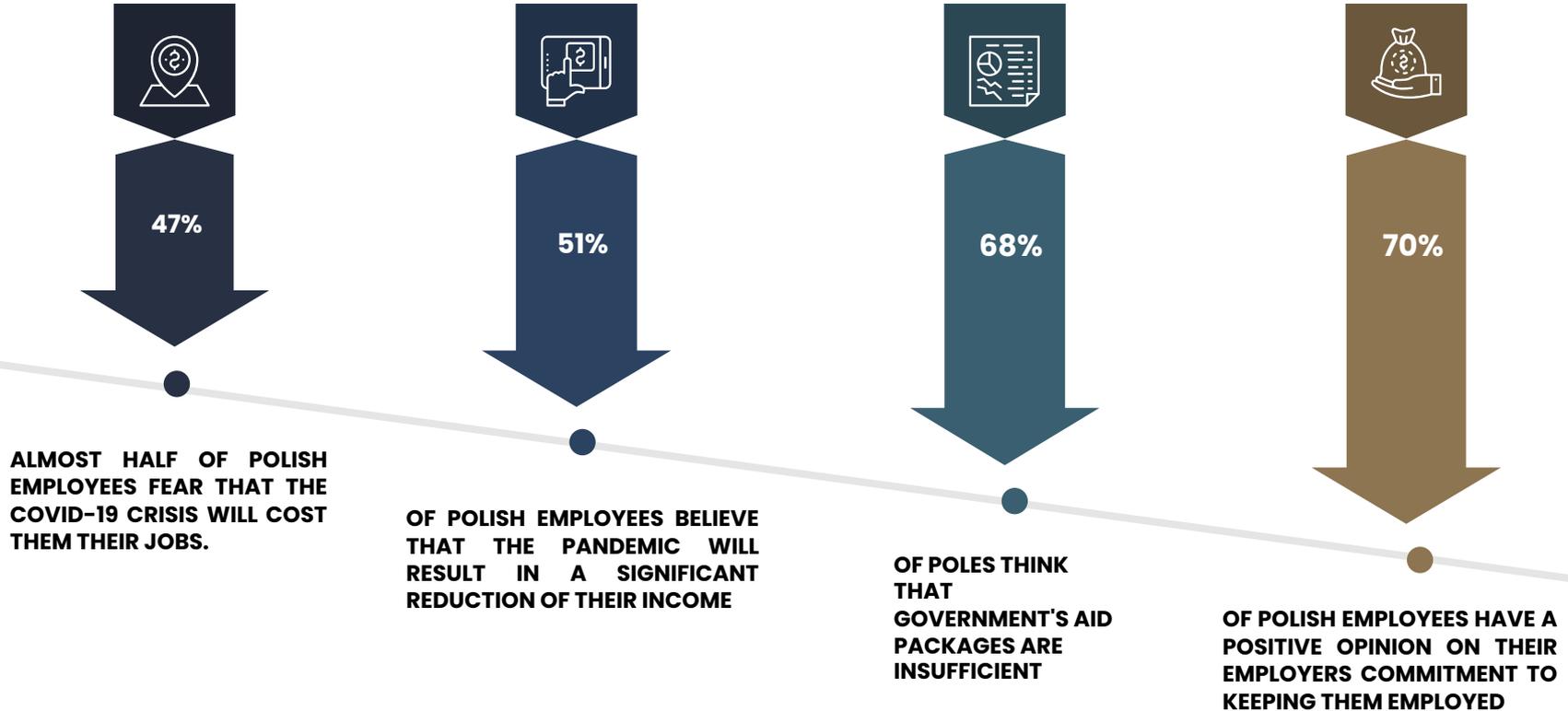
of businesses in Poland declare they do not intend to reduce their workforce



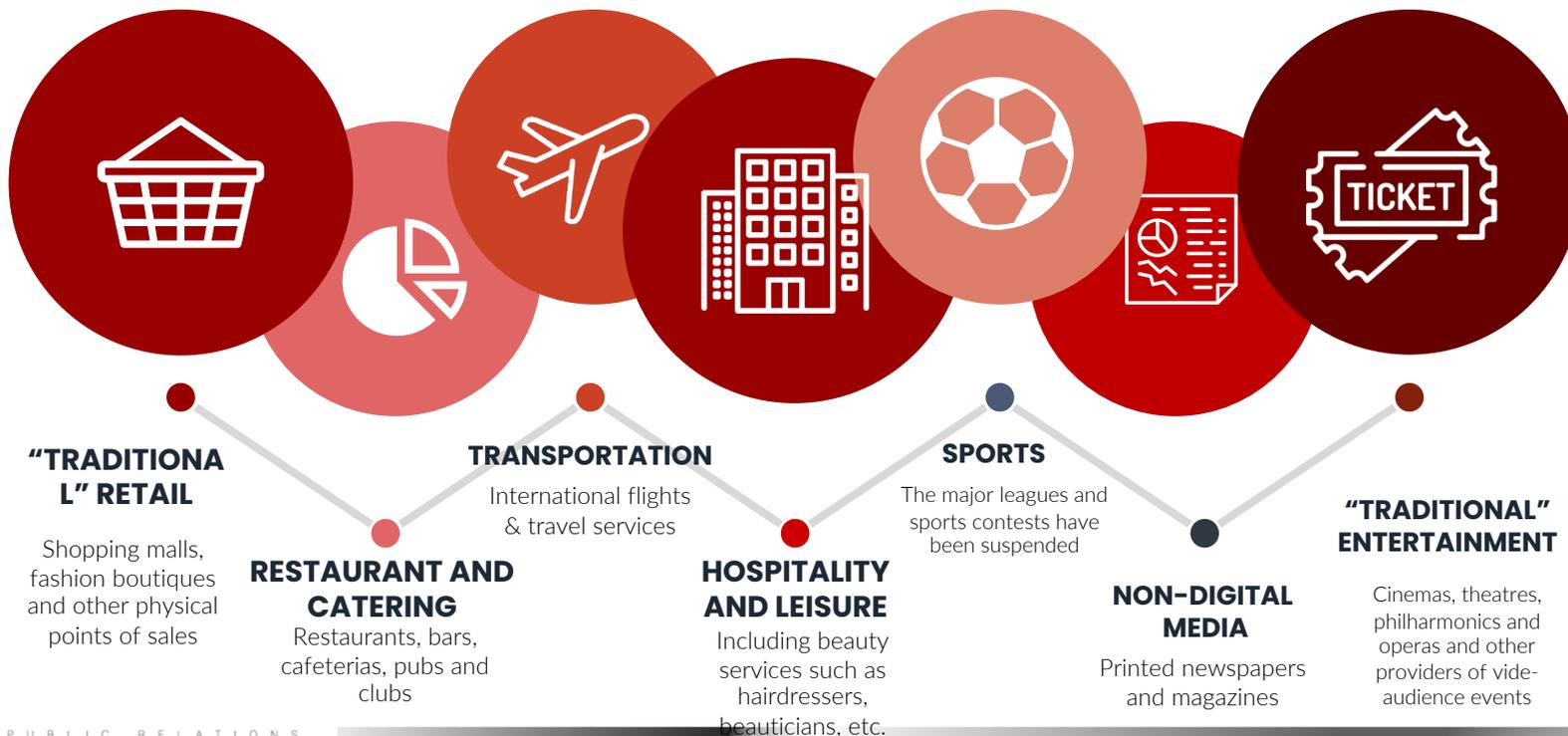
WORKPLACE ASSUMPTIONS – POLAND

Source: Polish Economic Institute,

<http://pie.net.pl/obnizki-wynagrodzen-w-polowie-firm-i-zwolnienia-w-co-czwartej-to-strategie-przedsiębiorstw-na-pandemie/>



MOST AFFECTED BUSINESS SECTORS IN POLAND



CRISIS IMPLICATIONS FOR THE RETAIL SEGMENT

SOURCE: DENTONS: Retail: Country-by-Country Summary of the impact of COVID-19

<https://www.dentons.com/en/insights/alerts/2020/march/30/covid-19-retail-country-by-country-summary>

RETAIL SEGMENTS STILL IN OPERATION

- Grocery stores
- Pharmacies
- Chemists' shops, press kiosks and newsagent's shops, pet supplies shops, hardware shops and petrol stations
- Post offices
- Dry cleaners and laundrettes
- Medical services, banking and insurance services,
- Catering and food delivery

RETAIL SEGMENTS NO LONGER IN OPERATION

- Restaurants (apart from take-aways and delivery services)
- Hotels
- Cinemas, theaters, operas & philharmonics
- Gyms and fitness clubs
- Hairdressers, spa and beauty parlors
- Hardware shops (on weekends)
- Shopping centers



FORECAST DOWNFALL OF REVENUE IN THE TRAVEL AND TOURISM INDUSTRIES

Source: COVID-19 Unprecedented Decline in Air Traffic, <https://www.statista.com/chart/21288/flights-tracked-daily-worldwide/>

REVENUE FROM TRAVEL
AND TOURISM IN 2019

\$211, 972 MLN



\$124, 209 MLN
FORECAST REVENUE IN 2020

DECREASE IN THE GLOBAL NUMBER
OF COMMERCIAL FLIGHTS



DOWNFALL IN RESTAURANT SERVICES AND BOOKINGS IN THE CEE REGION

Source: Dotykacka Polska sp. z o.o.

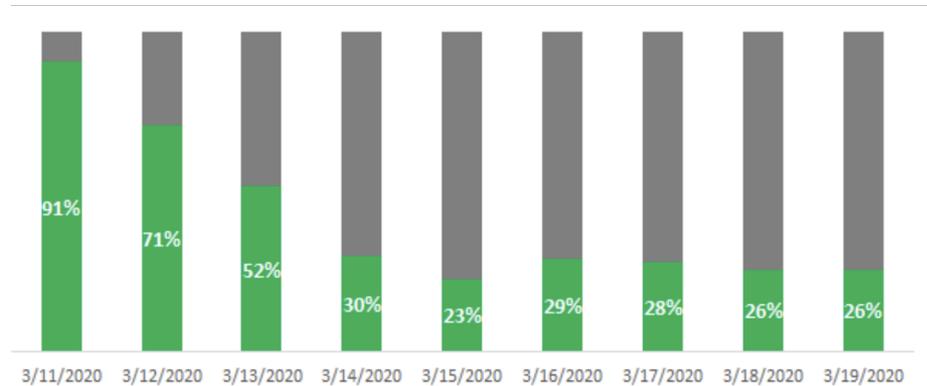
77%

THE PERCENTAGE OF THE RESTAURANTS IN POLAND THAT TEMPORARILY SHUT DOWN THEIR OPERATIONS DUE TO THE COVID-19 CRISIS

71%

AN AVERAGE REVENUE DROP IN MARCH 2020 FOR RESTAURANTS THAT SWITCHED TO A "TAKE AWAY ONLY" MODEL OF OPERATION

THE CRISIS-INDUCED DROP IN RESTAURANTS' REVENUE
(as compared to the revenue in the previous month)



SECTORS RISING THROUGH THE CRISIS - POLAND

E-COMMERCE LOGISTICS FOOD DELIVERY

The Government ordered the closing of stationary sales, forcing restaurants and non-essential shops to switch to e-commerce sales models.

REMOTE COMMUNICATION

MOBILE PAYMENTS

IT & SAAS

Over 80% of Polish customers choose contactless payments as a default method of money transfers.



DIGITAL ENTERTAINMENT

There has been a surge in the number of users of online music streaming platforms (e.g. Tidal, Spotify) as well as video streaming platforms (e.g. YouTube or Netflix). The latter were forced by the European Commission to reduce the quality of streamed video in order to reduce online traffic).

ONLINE EDUCATION

Schools and universities were obliged to provide their students with efficient remote learning solutions. Also, many elite universities began to offer free courses, which attracted significant nationwide interest.



E-COMMERCE KEY TRENDS – POLISH MARKET



MID-SIZE GROCERY CHAINS START FOOD DELIVERIES

More and more mid-size grocery chains (Biedronka, Carrefour Express, Żabka) start to partner up with delivery companies (Glovo, Uber Eats), enabling their local customers to benefit from door-to-door grocery deliveries, for a fee of ca. \$3.

CHOOSE AND PAY ONLINE, PICK UP AT A PHYSICAL STORE

Following the Government's recommendation to reduce cash payments, shops and restaurants offer online payment options for their customers.

FREE DELIVERY POLICY

In an attempt to boost their sales, online stores are massively expanding their free shipping policies.

OPENING ONLINE SALES

Shops that previously operated only in shopping centers and other physical locations (such as fashion boutiques) are switching to an e-commerce model.

MARKET INSIGHTS USA AND WESTERN EUROPE

Key impact factors and estimates

1

**CRISIS EXPANSION
TIMELINE**

2

KEY INDICATORS
(GDP, unemployment)

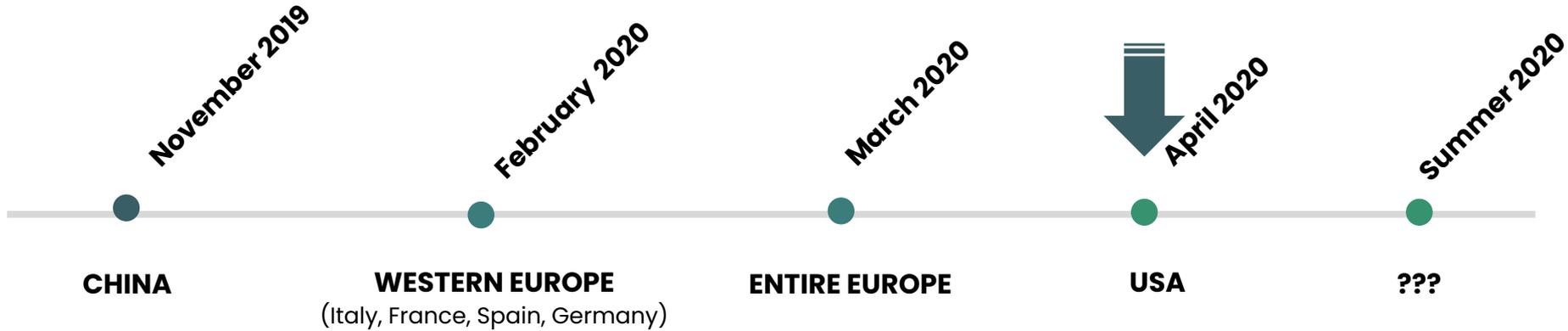
3

**MOST AFFECTED
BUSINESS SECTORS**

4

**GROWING
BUSINESS SECTORS**

CRISIS EVOLUTION TIMELINE



ESTIMATED DECLINE IN GLOBAL LABOUR INCOME IN 2020 DUE TO THE CORONAVIRUS PANDEMIC

Source: International Labour Organization, COVID-19 and the world of work: Impact and policy responses, 18 March 2020,
https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_738742/lang--en/index.htm



-\$860 bn

LOW ESTIMATE



-\$1,720 bn

**MEDIUM
ESTIMATE**

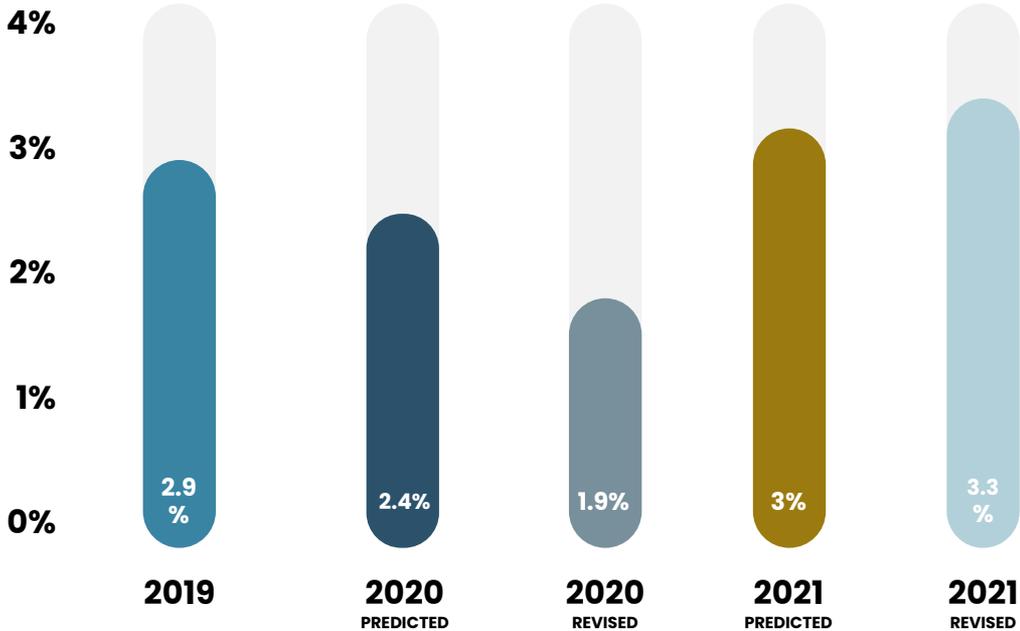


-\$3,440 bn

HIGH ESTIMATE

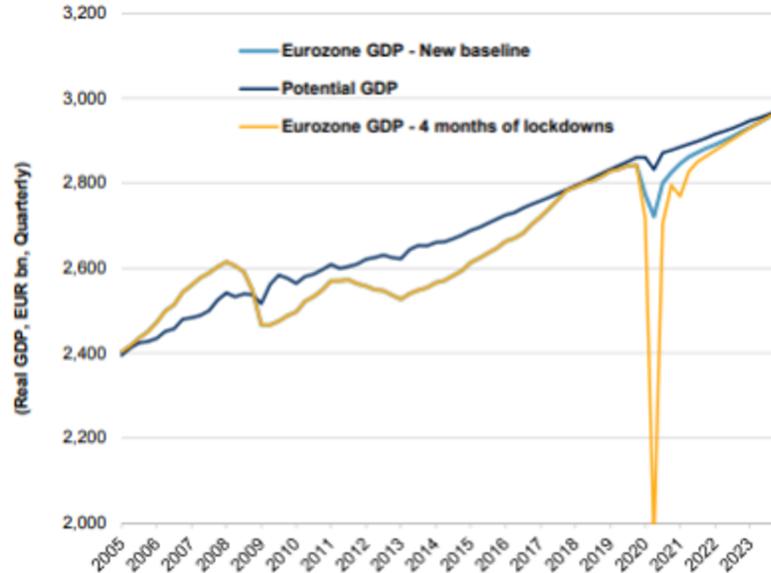
GDP GROWTH FOR 2019-2021 – PREDICTED AND REVISED AFTER COVID-19 OUTBREAK

SOURCE: OECD (2020), OECD Economic Outlook, Interim Report March 2020, OECD Publishing, Paris, <https://doi.org/10.1787/7969896b-en>



4 MONTHS OF LOCKDOWN WOULD SHAVE 10% OF THIS YEAR'S GDP

Source: Source: S&P Global, Global Credit Conditions. Triple trouble: Virus, Oil, Volatility, April 2020, https://www.spglobal.com/_assets/documents/ratings/research/global-credit-conditions-triple-trouble-virus-oil-and-volatility.pdf



GROWTH. We now expect GDP to fall around 2% this year in the EMU and the UK due to economic fallout from the pandemic, which represents a €420 billion loss in 2020, as compared with our previous baseline. We expect a gradual rebound of 3% in 2021.

POLICY. A flurry of large fiscal and monetary policy packages have been deployed to help workers and companies bridge the gap to recovery. Swift and bold policy responses taken now are key to avoiding permanent losses to GDP later.

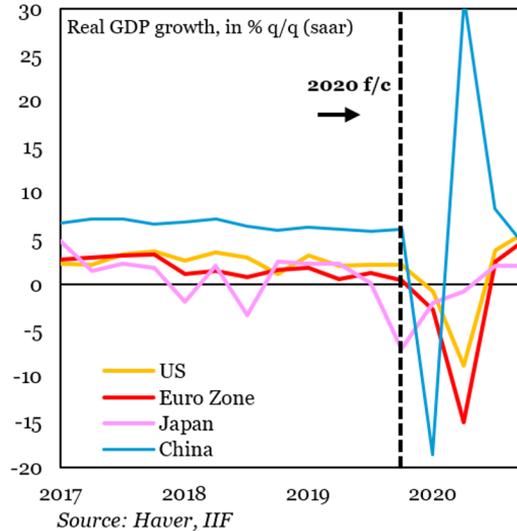
RISKS. Further spread of the virus is the chief risk. For example, we estimate a lockdown of four months could lower eurozone GDP by up to 10% this year.

GLOBAL GDP LEVELS REBOUND TIMELINE – ESTIMATES

Source: Institute of International Finance, https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response/economy_en

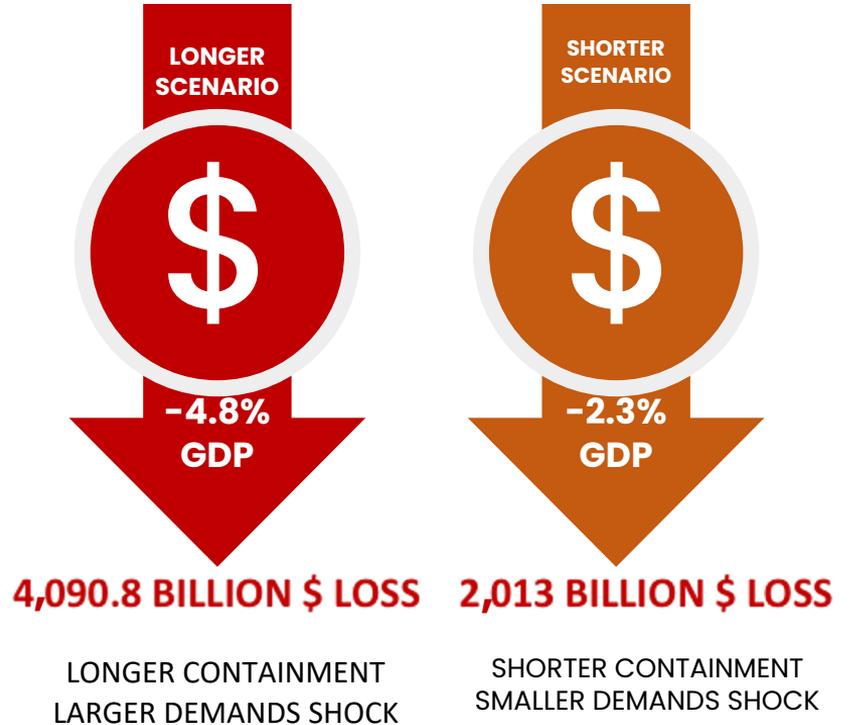
**IN 2020, WE
OBSERVE THE
SLOWEST
GDP GROWTH
LEVELS
SINCE 2009**

**GLOBAL GDP IS EXPECTED
TO START TO REBOUNCE
IN Q2 2020**



ESTIMATED GLOBAL IMPACT OF THE COVID-19 OUTBREAK FOR 2020'S GDP

Source: Asian Development Outlook (ADO) 2020: What Drives Innovation in Asia?, April 2020, <https://www.adb.org/sites/default/files/publication/575626/ado2020.pdf>.



LONG TERM CREDIT RATINGS – DIFFERENCES BETWEEN EU AND NON-EU COUNTRIES

Source: Emerging Europe, wiiw: Eastern European economies could be set for their worst year since the global financial crisis <https://emerging-europe.com/news/wiiw-eastern-european-economies-could-be-set-for-their-worst-year-since-the-global-financial-crisis>

	Moody's	S&P		Moody's	S&P
BG	Baa2	BBB	AL	B1	B+
CZ	Aa3	AA-	BA	B3	B
EE	A1	AA-	ME	B1	B+
HR	Ba2	BBB-	MK	-	BB-
HU	Baa3	BBB-	RS	Ba3	BB+
LT	A3	A+			
LV	A3	A+	MD	B3	-
PL	A2	A-	KZ	Baa3	BBB-
RO	Baa3	BBB-	RU	Baa4	BBB-
SI	Baa1	A+	BY	B3	B
SK	A2	A+	UA	Caa1	B
			TR	B1	B+

AS LONG-TERM CREDIT RATINGS BY MOODY'S AND S&P SHOW, NON-EU COUNTRIES ARE EXPECTED TO BE IN A FAR WORSE POSITION.



GOVERNMENT COVID-19 AID ACROSS THE EU

SOURCE: DENTONS: Retail: Country-by-Country Summary of the impact of COVID-19
<https://www.dentons.com/en/insights/alerts/2020/march/30/covid-19-retail-country-by-country-summary>

WESTERN EUROPE

GERMANY

According to a new law, which will enter into force on 1 April 2020, the **non-payment of rents** due for April, May and June 2020 does not entitle the landlord to terminate the lease until 30 June 2022, provided that the non-performance is due to the effects of the COVID-19 pandemic. Although the non-payment does not give the landlord the right to terminate the lease, the landlord may still claim the unpaid rent.

UK

Landlords are prevented by law from evicting tenants for non-payment of rent under emergency COVID-19 legislation. Also, voluntary **rent-free periods** have been introduced for businesses.

The government will pay up to 80 percent of workers' wages, up to a maximum of **£2,500 per month**.

ITALY

Business operators are granted a **tax credit to for an amount equal to 60%** of the lease rent paid for March 2020 by shops and workshops, except for the establishments conducting certain specific activities that are deemed essential.

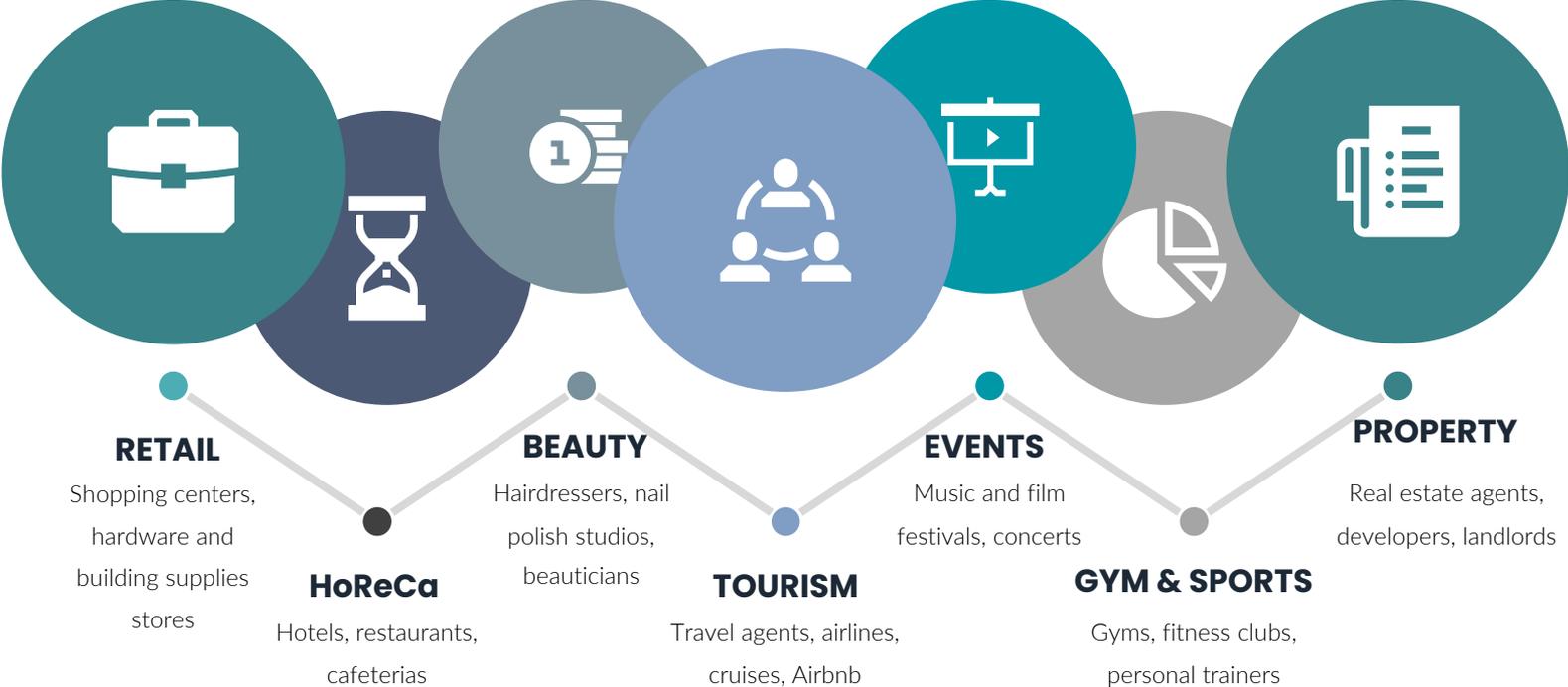
If a debtor fails to perform a contract due to the debtor's compliance with any containment measures adopted by the Government, such measures shall be deemed a force majeure event for the purpose of assessing the debtor's liability for breach.

SPAIN

Under specific conditions, tax payers (most likely SMEs) can request the **deferral of the payment of taxes**.

Pending **tax procedures have been suspended** (the new deadline will depend on the date when the relevant act was notified).

THE MOST AFFECTED BUSINESS SECTORS GLOBALLY

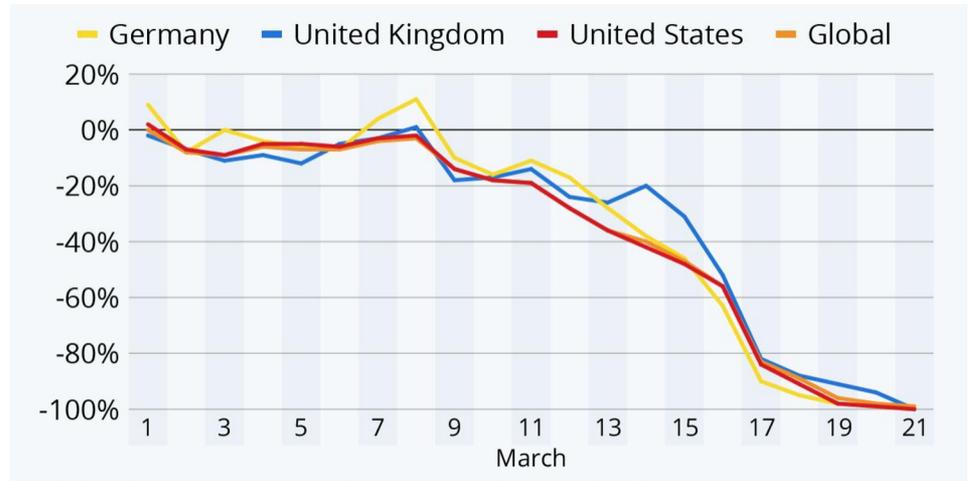


RESTAURANT SECTOR – A DRASTIC DROP IN BOOKINGS

Source: Restaurant Industry Collapses Due to Widespread Shutdowns, <https://www.statista.com/chart/21203/decline-in-restaurant-traffic-due-to-coronavirus/>



YEAR-OVER-YEAR CHANGE IN DINER BOOKINGS VIA THE OPEN TABLE NETWORK

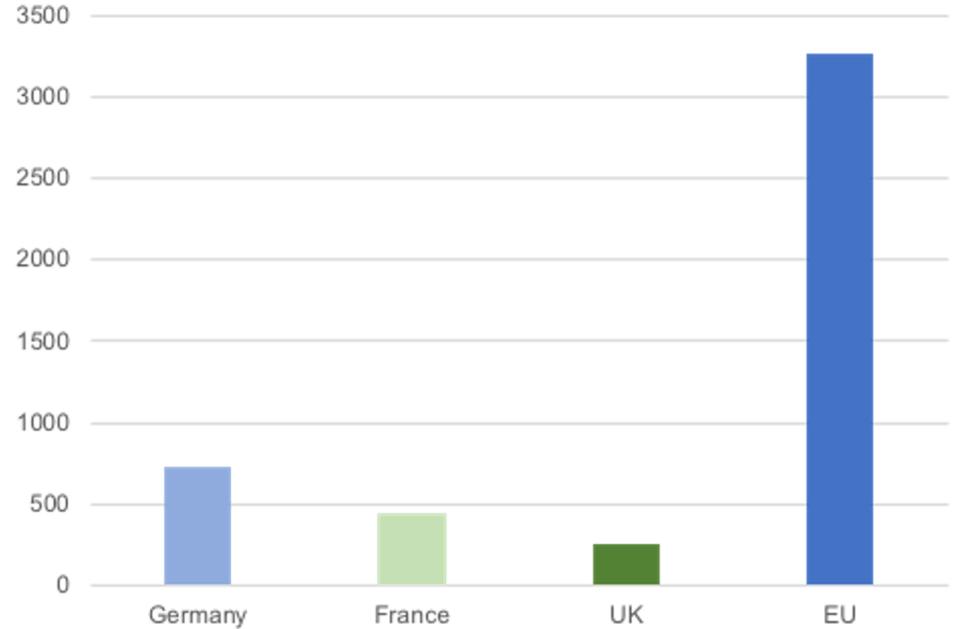


EXPECTED CUMULATIVE GLOBAL IMPACT OF LOST RETAIL SALES

Source: Statista, <https://www.statista.com/statistics/1102658/coronavirus-lost-sales-impact-for-retailers-europe/>

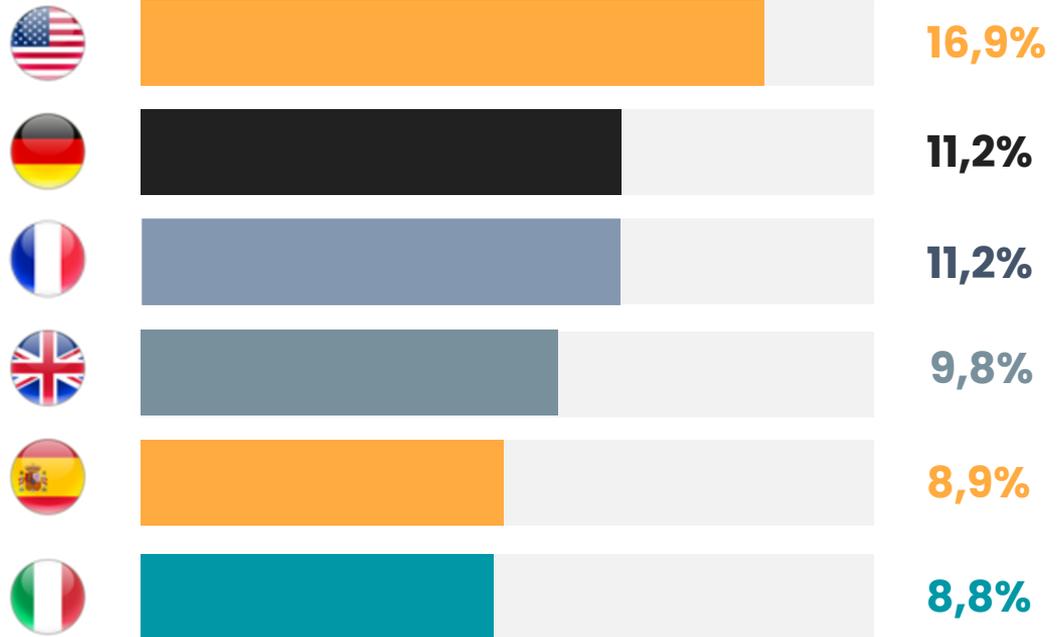


LOST RETAIL SALES CAUSED BY THE
CORONAVIRUS OUTBREAK IN THE UK, GERMANY
AND
FRANCE FROM 9 MARCH 2020 TO 20 APRIL 2020
(IN MILLION GBP)



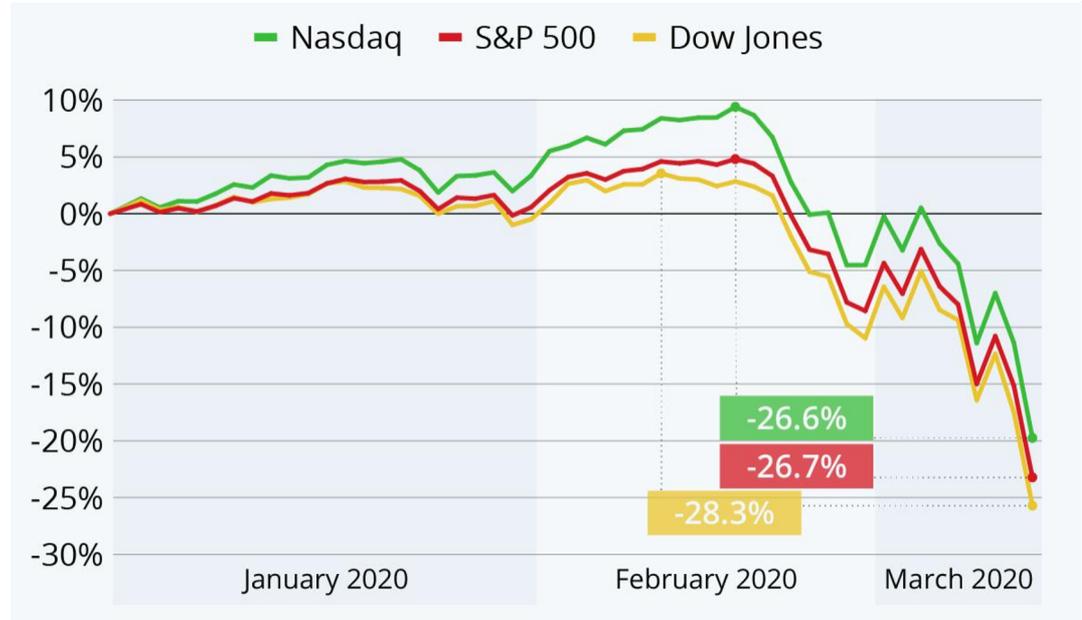
CRISIS READINESS – HEALTH EXPENDITURE OF GDP FOR 2018

SOURCE: OECD (2019), Health at the Glance 2019: OECD Indicators, OECD Publishing, Paris



YEAR-TO-DATE PERFORMANCE OF MAJOR U.S. STOCK MARKET INDICES AS OF 12 MARCH 2020

Source: Markets Tumble Into Bear Market in Record Time (Statista)<https://www.statista.com/chart/20939/year-to-date-performance-of-major-us-stock-market-indices/>



THE ECONOMIC SENTIMENT INDICATOR AND EMPLOYMENT EXPECTATIONS INDICATORS

Source: March 2020: Euro area and EU Economic Sentiment falls dramatically – Employment Expectations plummet

https://ec.europa.eu/info/business-economy-euro/indicators-statistics/economic-databases/business-and-consumer-surveys/latest-business-and-consumer-surveys_pl

THE ECONOMIC SENTIMENT INDICATOR (ESI) is a composite indicator made up of five sectoral confidence indicators with different weights: industrial confidence indicator, services confidence indicator, consumer confidence indicator, construction confidence indicator and retail trade confidence indicator.

**-8.2
pp**

**DECREASE OF THE ECONOMIC
SENTIMENT INDICATOR (ESI) IN THE
EU**

**-9.7
pp**

**DECREASE OF THE EMPLOYMENT
EXPECTATIONS INDICATOR (EEI) IN THE
EU**

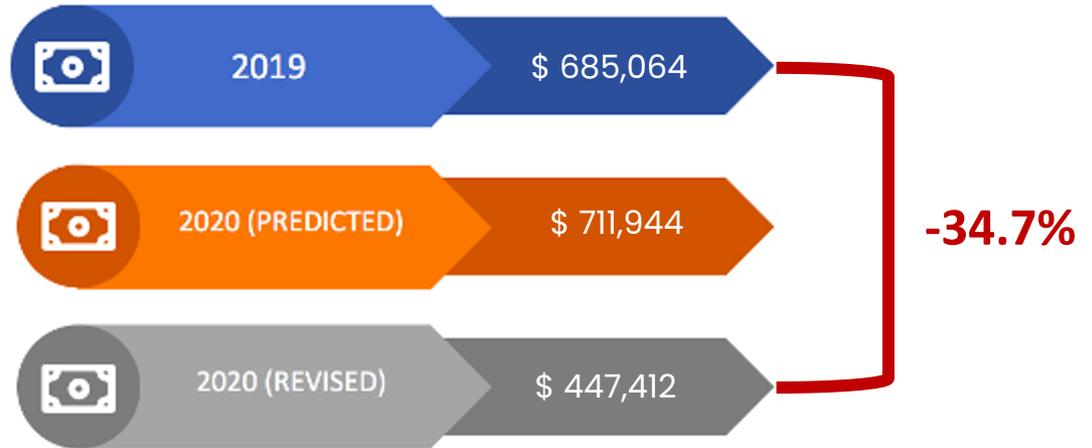


LOSSES IN TRAVEL AND TOURISM DUE TO THE COVID-19 OUTBREAK

Source: Statista, COVID-19. Statista Mobility Market Outlook – Trend Whitepaper <https://www.statista.com/study/71360/covid-19/>



GLOBAL REVENUE OF THE TRAVEL AND TOURISM INDUSTRY FROM 2019 TO 2020 (IN MILLION USD)

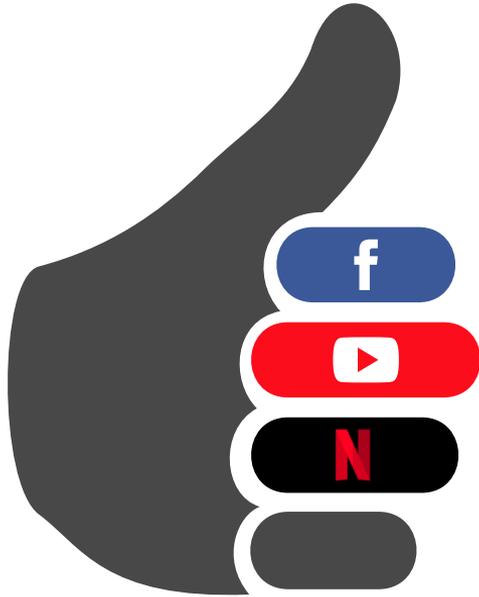


SECTORS RISING THROUGH THE CRISIS GLOBALLY



DIGITAL ENTERTAINMENT – THE GROWTH OF US WEBSITES

Source: The New York Times: <https://www.nytimes.com/interactive/2020/04/07/technology/coronavirus-internet-use.html>



Increase in the website traffic, digital entertainment and services, USA (from 21 January to 24 March 2020)



FACEBOOK
+27%



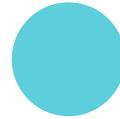
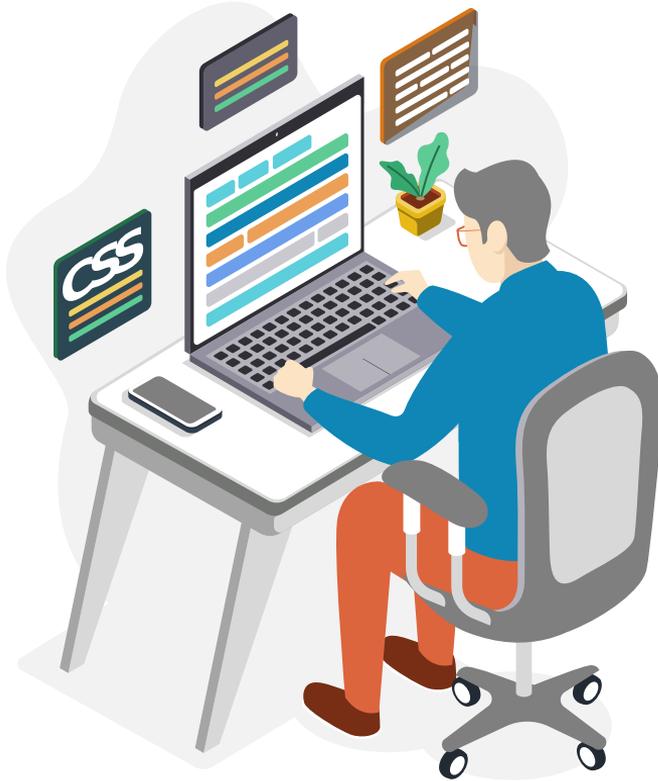
YOUTUBE
+15.3%



NETFLIX
+16%

ZOOM AND MICROSOFT TEAMS FIGURES

SOURCE: BUSINESS INSIDER <https://www.businessinsider.com/microsoft-teams-coronavirus-daily-active-users-2020-3?IR=T>
VOX.COM <https://www.vox.com/recode/2020/3/11/21173449/microsoft-google-zoom-slack-increased-demand-free-work-from-home-software>



Zoom has gained 135% users through March 23 as the coronavirus pandemic effect.



Zoom stock are up more than 20 percent in March



Microsoft Teams added 12 million daily active users in a single week bringing it up to 44 million total amid the Coronavirus crisis



Microsoft Teams usage among Productiv clients is up 20 percent in the first week of March compared to the first week of February.

We are looking forward to your questions!

ul. J.P. Woronicza 3 lok. 254

02-640 Warszawa

tel./fax: +48 22 749 13 13

e-mail: visiongroup@visiongroup.pl

www.visiongroup.pl



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Vision Group Sp. z o.o. S.K.A., ul. J.P. Woronicza 31 lok. 254, 02-640 Warszawa, tel. +48 22 749 13 13, tel./fax: +48 22 749 13 10, e-mail: visiongroup@visiongroup.pl, www.visiongroup.pl, KRS 0000368032, NIP: 7010103001, Sąd Rejonowy dla m.st. Warszawy, XIII Wydział Gospodarczy KRS, Kapitał zakładowy: 120000 PLN