

ECONOMIC PULSE

A RESURGENCE OF THE PANDEMIC AGAINST THE BACKGROUND OF A TWO-SPEED VACCINATION CAMPAIGN

According to data from Johns Hopkins University, the number of Covid-19 cases worldwide continues to rise. This fresh surge in cases has been seen in Europe, Asia (with the exception of China) and in the American continent as a whole (chart 1). However, the United States and the United Kingdom have seen notable falls in case numbers since mid-January.

This latest wave of infection has forced certain countries to tighten the health restrictions introduced in recent months. For example, Italy and France introduced tougher measures at a regional level on 15 March and 20 March respectively. The negative impact of this tightening of controls is evident in the latest Google Mobility Report. Italy and France saw falls in footfall to retail and recreation relative to their baseline level of -49% and -41% respectively on a seven-day moving average* (chart 3). Conversely, footfall continued to improve in Germany, and is now -39% below the baseline. Despite a slight improvement, visits to retail and leisure facilities in the UK remain amongst the hardest hit, at around -52% below the baseline.

In spite of a poor health environment, the OECD Weekly Tracker of year-on-year GDP growth continues to improve. This indicator is based on Google Trends resulting from queries on consumption, the labour market, housing, industrial activity as well as uncertainty. Note, however, that these calculations may partly reflect a base effect (chart 3).

Lastly, the vaccine roll-out is a key factor in a return to normal for the global economy. Over the past month, the number of doses administered per 100 people worldwide has increased by 2 points: thus 3.7% of the global population has now received at least one dose (chart 2), from 1.7% a month ago. This figure remains very low, and the data also show a mixed picture when it comes to national vaccination campaigns. When it comes to country performances, Israel continues to lead the way, with 60.1% of its population having received at least one dose, a 7.2 points increase over the month. Next come the UK (42.2%), Chile (31.1%) and the USA (25.6%). These three countries have seen the biggest change over the past month, with increases of 15.3 points, 14.7 points and 12.0 points respectively. The vaccination picture in the European Union is very mixed. Only 9.7% of the EU population has received at least one dose, putting it far behind the UK and the US.

Tarik Rharrab

DAILY CONFIRMED COVID-19 CASES (7-DAY MOVING AVERAGE)

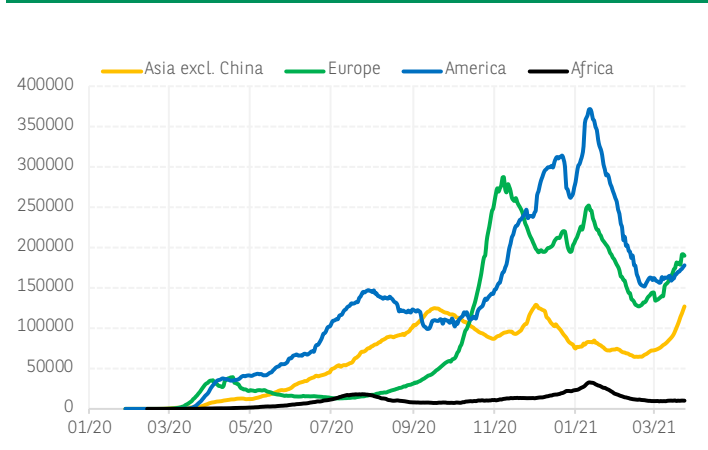


CHART 1

SHARE OF PEOPLE WHO RECEIVED AT LEAST ONE DOSE OF VACCIN

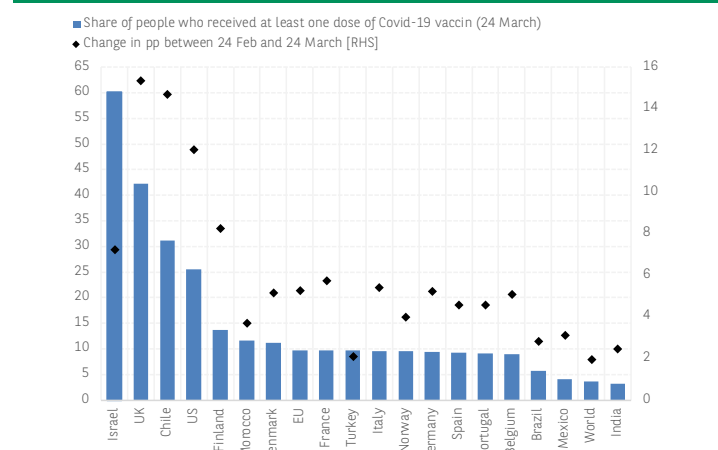


CHART 2

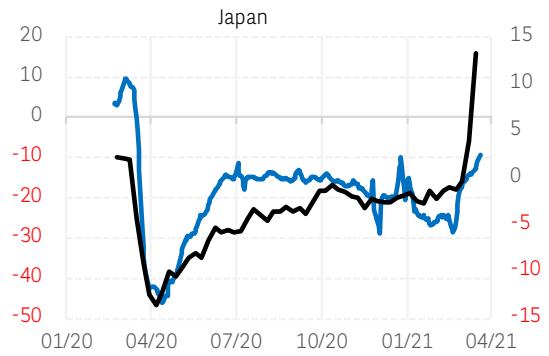
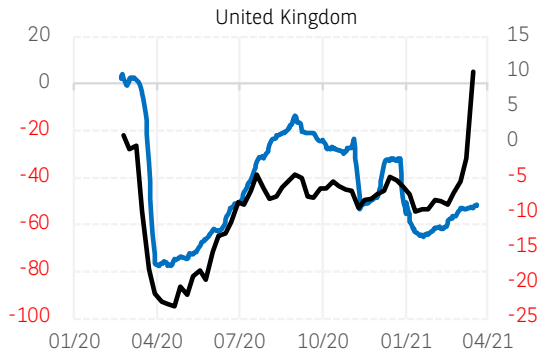
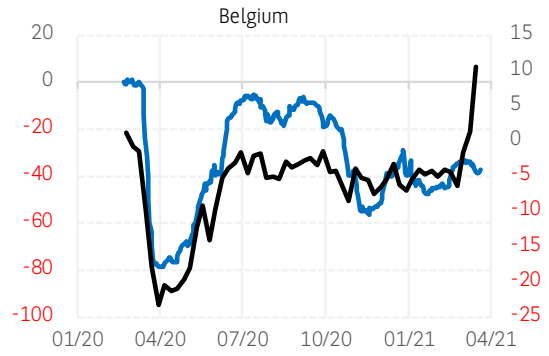
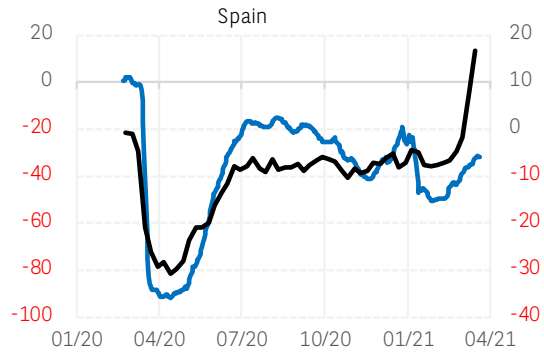
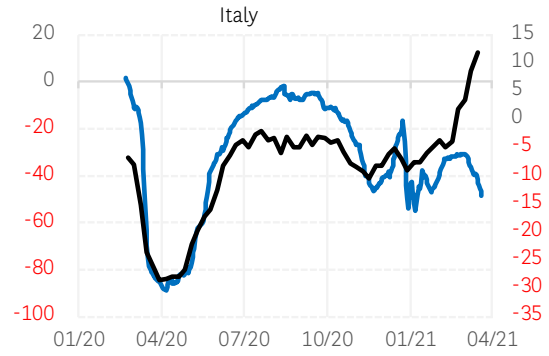
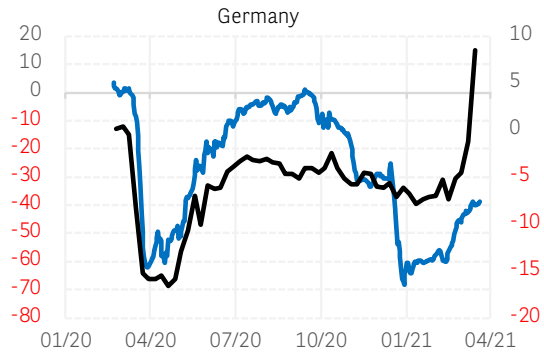
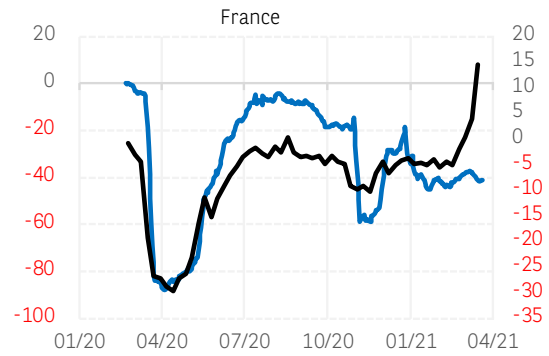
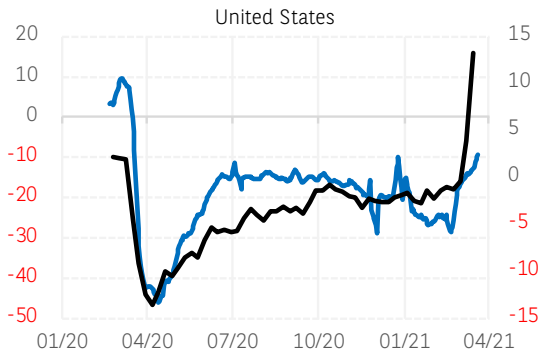
SOURCE: JOHNS-HOPKINS UNIVERSITY (03/24/2021), BNP PARIBAS

* Google Mobility Reports show how visits and length of stay at different places change compared to a baseline. The baseline is the median value, for the corresponding day of the week, during the 5-week period Jan 3–Feb 6, 2020. A figure of negative 30% indicates that traffic was down 30% compared to a baseline. The reports show trends over several weeks with the most recent data representing approximately 2-3 days ago—this is how long it takes to produce the reports. In order to smooth the series, we use a seven-day moving average of the raw data in the Google Mobility Reports. Source: Google.

RETAIL AND RECREATION MOBILITY & OECD WEEKLY TRACKER

— Retail and recreation mobility (7-day moving average, % from baseline*)

— OECD Weekly tracker, y/y GDP growth [RHS]



SOURCE: OECD (03/24/2021), GOOGLE (03/23/2021), BNP PARIBAS

