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# COVID19 Snapshot

## Road Deaths and Influenza Both Declining

Daily Summary					
New Cases of COVID19	3-May-20	2-May-20	1-May-20	30-Apr-20	29-Apr-20
Global	78,752	79,062	94,550	85,213	80,803
# countries >500 new	11	12	12	16	14
Most new infections	USA	USA	USA	USA	USA
#	24,511	26,391	36,007	30,270	27,586
Countries recording fewer new cases than the previous day	13	19	8	11	12
<b>Active Cases (total infections less deaths and clearances)</b>					
Global	2,158,685	2,125,068	2,078,571	2,031,075	1,989,668
Countries with fewer active cases than the previous day	-	12	14	14	12
<b>Top 5 Countries with active case load</b>					
USA	938,559	929,621	903,714	878,819	854,619
United Kingdom	157,809	153,785	149,600	144,138	138,780
Italy	100,179	100,704	100,943	101,551	104,657
France	93,014	93,074	92,540	93,326	94,105
Russia	116,768	107,809	100,042	93,806	88,141
<b>Fewest Active Cases</b>					
Malaysia	1,780	1,747	1,758	1,729	1,758
South Korea	1,360	1,407	1,454	1,459	1,593
<b>Australia Active Cases</b>					
New Infections	20	16	13	7	8
Active cases	889	901	929	947	990

SOURCE: WORLDOMETER

Sydney, some signs of life returning to normal with a noticeable increase in the level of pedestrian activity on the streets of the CBD this morning.

Australian Banking Association data shows 320,000 households around the country have been approved for a deferral on their mortgages. Some of these at least would have been ahead on mortgage repayments, while for others the interest will simply compile on the loan principle.

Despite a string of ordinary results from the major banks in recent days, there is still ample liquidity for new loans. Since the COVID19 crisis began, banks have collectively provided \$45b in new loans to businesses including nearly \$8.5b to 23,000 SME customers.

Not so great was the credit card data from the CBA for April. Unsurprisingly data for the week commencing April 17 showed an 18% decline in spending relative to the same week a year ago. This is a massive decline which if repeated around the world and sustained for more than a few months would be very painful. Meanwhile ABS data showed that wages paid by business for the period March 14 – April 4 declined by a mere 6.7%.

Collectively the data shows an increase in household savings over recent weeks which is good news for those with jobs and minimal household debt, not so great for households with one or both wages earners out of work and bills mounting.

Elsewhere and some of the indirect consequences of COVID19 provide for interesting reading. Fewer cars on the road means few road deaths. In NSW YTD road deaths declined by 24 compared to the same period in 2019, while reported cases of influenza are down by 50% this year. These statistics and others like them are all almost certainly related to social distancing and working from home. Unfortunately both are likely to bounce back when normal activities of daily life resume.

**Recommendation structure**

**Buy:** Expect >15% total return on a 12 month view. For stocks regarded as 'Speculative' a return of >30% is expected.

**Hold:** Expect total return between -5% and 15% on a 12 month view

**Sell:** Expect <-5% total return on a 12 month view

*Speculative Investments are either start-up enterprises with nil or only prospective operations or recently commenced operations with only forecast cash flows, or companies that have commenced operations or have been in operation for some time but have only forecast cash flows and/or a stressed balance sheet.*

*Such investments may carry an exceptionally high level of capital risk and volatility of returns.*

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