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# COVID-19 COST BURDEN

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Malaysia Indicator

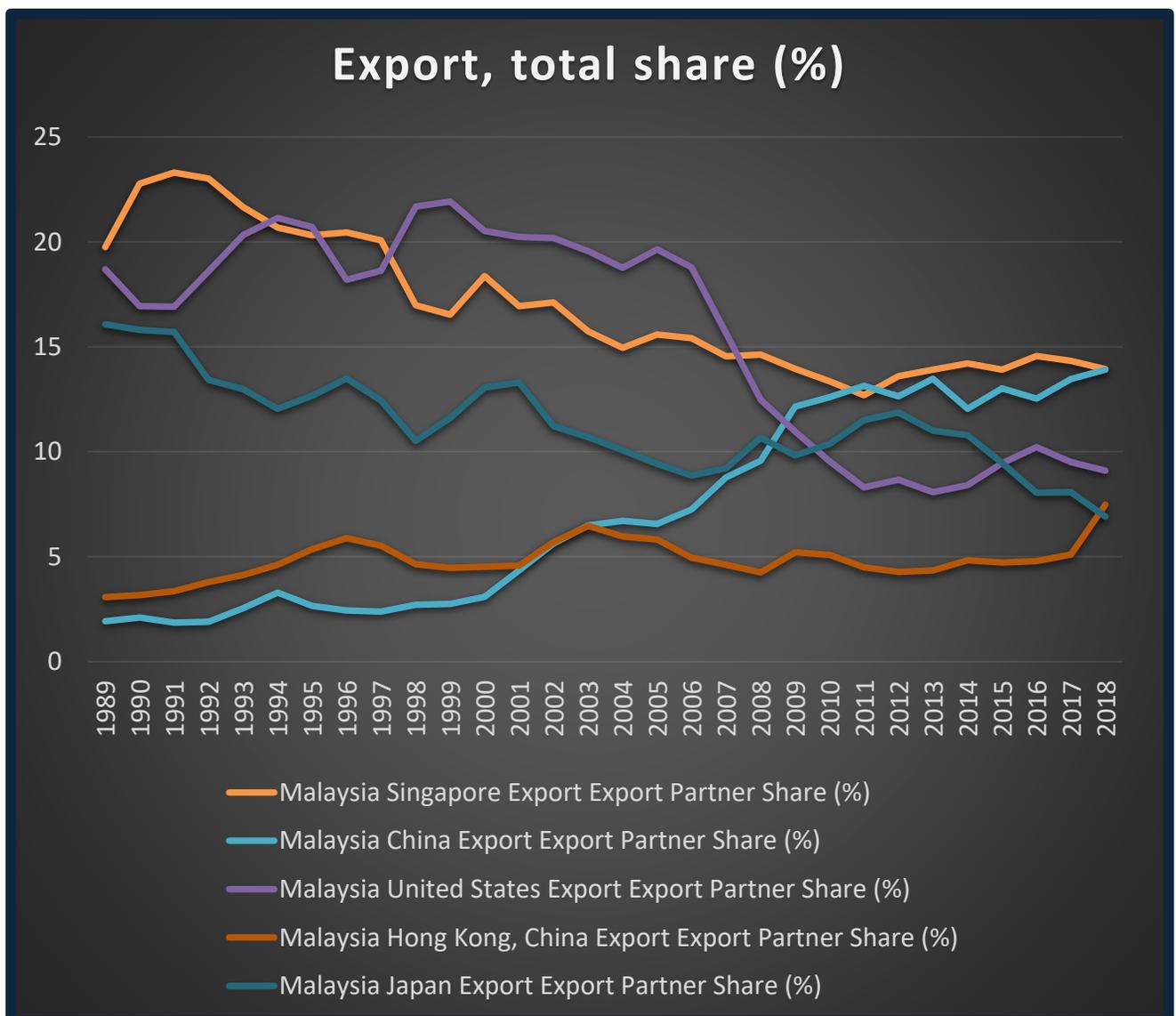
26<sup>th</sup> March 2020

Disclaimer: This media intelligence overview is based on known public media outlet coverage. All opinions published in the report were meant to reflect the media sentiment but in no circumstances to be taken as a direct statement from Malaysia Indicator. Any inquires please reach out to [editor@malaysiaindicator.com](mailto:editor@malaysiaindicator.com)

# MADE IN CHINA

COVID-19 is predicted to do much more damage than its predecessor. Having met the criteria of a pandemic, its economic consequences are likely to be compounded by unfavorable conditions beginning with China's increased economic vulnerability. As the world economy is more dependent on China than ever, its economic disruption will have a domino effects to others.

In 2003, China constituted only four percent of global GDP; today, that figure stands at 17 percent. The disruption of the nation that is known as global supply-chain hub will undermine output elsewhere. Commodity exporters including Malaysia are likely to be affected the most as China tends to be their largest customer. Over a course of a decade, China had become Malaysia biggest export market.

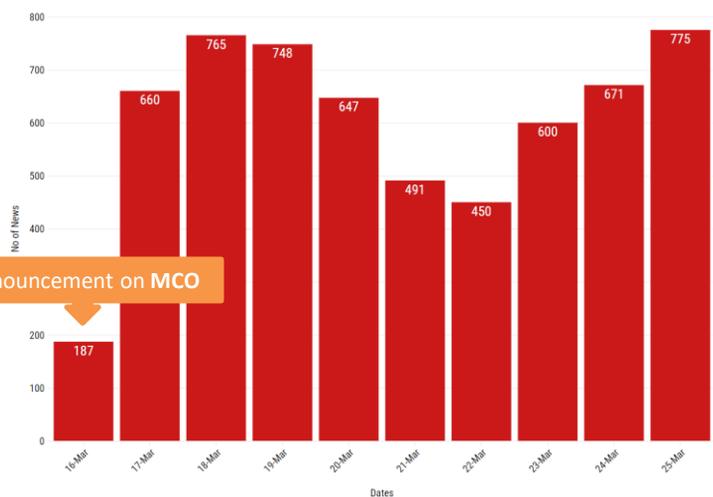


# WHAT IT MEANS FOR MALAYSIA

In response to the alarming number of cases, Malaysia was declared to be under a nationwide **Movement Control Order (MCO)** starting from March 18 to March 31, 2020 following the surge in the number of positive cases and was later extended till 14<sup>th</sup> April.

The COVID-19 pandemic is arguably the most disruptive global event recent times. It is unprecedented in magnitude and has direct impact on the economy and the quality of life of the general population. While the exact extend of the impact of this pandemic is unknow, it may well continue to linger around for another 12-18 months.

Media Coverage of Movement Control Order (MCO) by Date



Announcement on MCO

## THE IMPACT

lower tourism and business travel

health effects

sharp declines in domestic demand

supply disruption

trade and production disruption

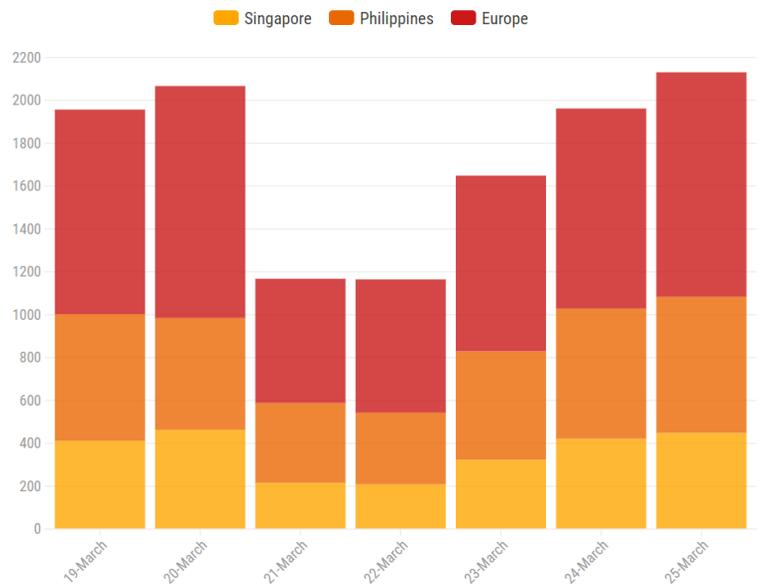
With the unprecedented quarantining of huge subsets of the population, COVID-19 is bound to disrupt economic activity in Malaysia. For developing Asian economies, sharp declines in domestic demand, lower tourism and business travel, trade and production linkages, supply disruptions, and health effects are among the concerning impact as reported by the Asian Development Bank (ADB). Coupled with the fact that Malaysia is highly dependent on China, economic concern is a real threat due to the pandemic.

# MEDIA COVERAGE

The heat is not only felt in Malaysia. Across ASEAN and in Europe, the media coverage has also intensified with the increase in cases and the drastic measure taken by each government.

As the number of deaths in Italy reach 7,503 people on 25<sup>th</sup> March, the growing concern is depicted in the media as Europe become the new epicenter of the pandemic.

Media Coverage of COVID-19 by Dates



## TOP ISSUES COVERED IN THE MEDIA

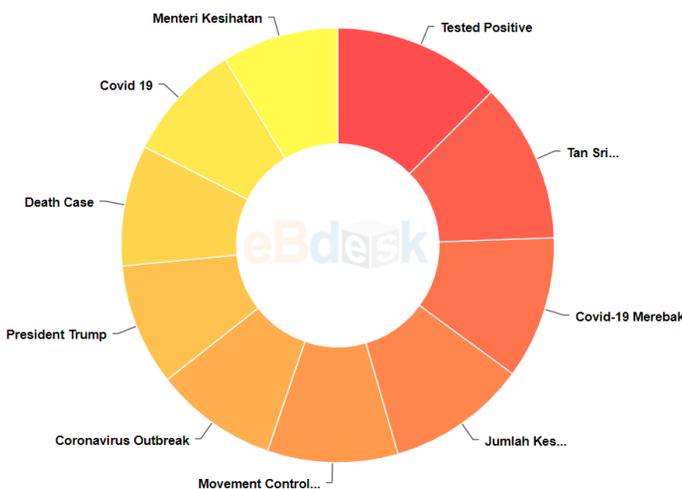
## TOP ISSUE

### Top Issues - COVID 19 - MY | actual | history | comparison |

News | Twitter | Facebook

Top issues

All issues



Following the spike of cases and the restriction of movement by the government, the news coverage in Malaysia continue to escalate with the top issues mainly on the cases and death as well as the statements by political figures.

Being the worst-hit country in Southeast Asia and continue to climb the rank in Asia, the number of positive cases continue to be closely monitored by the media. As Malaysia reach more than 1,000 positive cases in 20<sup>th</sup> March, the number of deaths have continued to climb, with the latest figure at 20 deaths on 26<sup>th</sup> March.

# THE CHRONOLOGY

Top Issues - COVID 19 - MY | actual | history | comparison |

H DISCOVER ANALYZE ACTION

News

Mar 2020

◀ January 2020

February 2020

March 2020 ▶

Virus Corona
Novel Coronavirus
Death Toll
Case in Thailand of a New Virus
Originated in Wuhan
Chinese Health Officials said as Authorities
Health Experts
Killed 17
Fake News
New Year

Covid-19 Official Name for 2019...
Number of People Infected
Named Covid-19
Consensus that Covid-19 is Airborne
Covid-19 Infections
Vaksin Koronavirus Dijangka Siap Lebih Awal
Chinese City
Covid-19 Case
Deadly Coronavirus
Covid-19 Weekly Round-up Recovery Rate Gaining ...

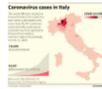
Wabak COVID-19
World Health Organization
Rakyat Malaysia
Public Health
Reported no New
Jumlah Kes di Malaysia terus Melonjak
Novel Coronavirus
Cases as at the Time of Writing
Second Wave
Menteri Malaysia

Found 9 Related News :



**Kronologi COVID-19 di Malaysia** sehingga 16 Mac 2020  
Mar 17th · Astro Awani

▶ Berikut ialah kronologi penularan wabak COVID-19 di Malaysia. 23 Jan 2020: - Kementerian Kesihatan (KKM) melalui Pusat Kesiapsiagaan dan Tindak Cepat Krisis Kebangsaan (CPRC) terima ...



**Covid-19, Rayuan Kepada Rakyat Malaysia, Jangan Ulangi Kesilapan Rakyat Itali**  
Mar 21st · SnapShot

Rakyat Itali sudah melalui 6 Fasa wabak Covid-19. Wabak Covid-19 di Malaysia kini berada pada Fasa 3. Hadamkan betul-betul apa yang rakyat Itali telah lalui dan apa yang bakal rakyat ...



**Situasi Sebenar Khemah Saringan COVID-19 Di Malaysia Yang Ramai Tidak Tahu**  
Mar 11th · The Vocket

Dalam menghadapi bencana penularan wabak Covid-19, mereka yang berada di barisan paling hadapan seperti doktor dan petugas-petugas kesihatan adalah mereka yang paling arif untuk bercerita ...

The chronological evolution of the top issue in the media coverage in Malaysia shows how the global outbreak slowly becomes a local one. In January, the media coverage mainly evolved around the global **cases in China** and neighboring country as **Thailand**. While the first case was reported on 25<sup>th</sup> January, the patients are mostly of Chinese nationalities.

As the number of patients infected grow, the media coverage in February also increase on the issue. Especially as the new patient on 4<sup>th</sup> February is of **Malaysian nationality**.

While Malaysia recorded an absence of new cases for two-week period in February, the temporal victory was rather short lived as **the second wave** emerged from the Tabligh gathering that took place at the Sri Petaling Mosque, Kuala Lumpur from February 21 to March 1. The gathering has brought together an estimated 16,000 attendees from different parts of the world. Since then, **the number of cases continue to soar** as reported in March.

# GROWING ECONOMIC CONCERN

19th – 25th March 2020

Dependency | index | vol | influencers | media | sentiment | maps | ontology |

H DISCOVER ANALYZE ACTION

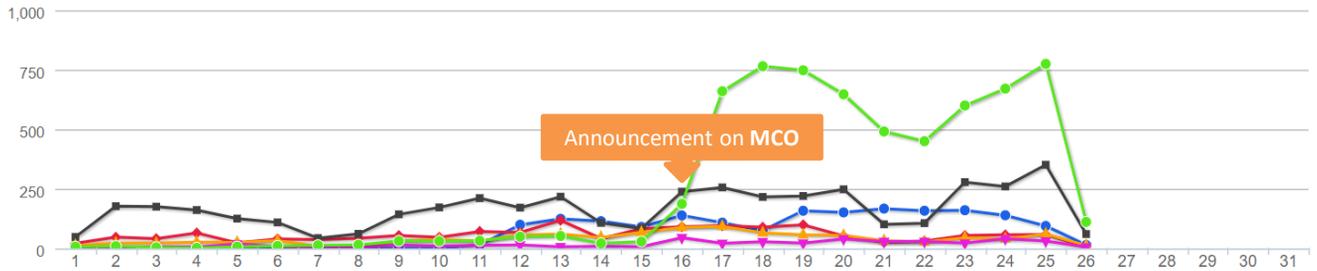
## Coronavirus Impact

Covid 19 - Tabligh COVID 19 - TOURISM COVID 19 - ECONOMY COVID 19 - SCHOOL COVID 19 - HOAX Covid 19 - Lockdown

news statements opinions

Mar 2020

bar line area



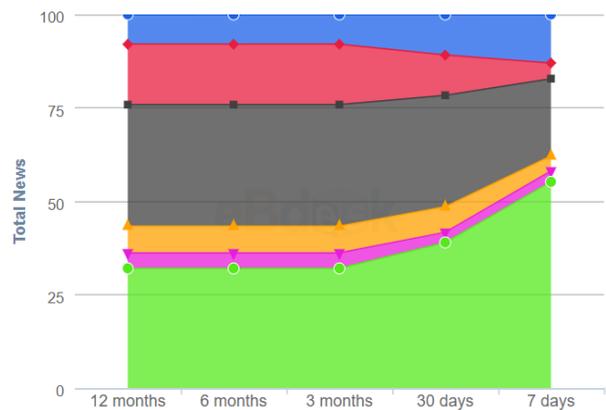
NEWS SHARE OF VOICE

Topic	12 months	6 months	3 months	30 days	7 days
Covid 19 - Tabligh	1,804	1,804	1,804	1,804	883
COVID 19 - TOURISM	3,652	3,652	3,652	1,782	284
COVID 19 - ECONOMY	7,347	7,347	7,347	4,945	1,404
COVID 19 - SCHOOL	1,608	1,608	1,608	1,127	270
COVID 19 - HOAX	942	942	942	452	198
Covid 19 - Lockdown	7,232	7,232	7,232	6,453	3,745
<b>Total</b>	<b>22,585</b>	<b>22,585</b>	<b>22,585</b>	<b>16,563</b>	<b>6,784</b>

Topic	12 months	6 months	3 months	30 days	7 days
Covid 19 - Tabligh	7.99%	7.99%	7.99%	10.89%	13.02%
COVID 19 - TOURISM	16.17%	16.17%	16.17%	10.76%	4.19%
COVID 19 - ECONOMY	32.53%	32.53%	32.53%	29.86%	20.7%
COVID 19 - SCHOOL	7.12%	7.12%	7.12%	6.8%	3.98%
COVID 19 - HOAX	4.17%	4.17%	4.17%	2.73%	2.92%
Covid 19 - Lockdown	32.02%	32.02%	32.02%	38.96%	55.2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Trend Area

pie line area



As such, the **economical impact** of Coronavirus pandemic has been an ongoing concern in the media throughout the outbreak. With 1,404 news on the impact over the last one week period, the growing economic concern on COVID-19 impact is far surpassing that of **tourism**, statements from **World Health Organisation (WHO)**, **school** and the circulating **hoax** and fake news.

As the Movement Control Order was announced and implemented, the media coverage focused more on the **partial lockdown** instead. Yet the number of news on economy continue to have substantial presence given the growing concern on the impact of the partial lockdown on economic activities in Malaysia.

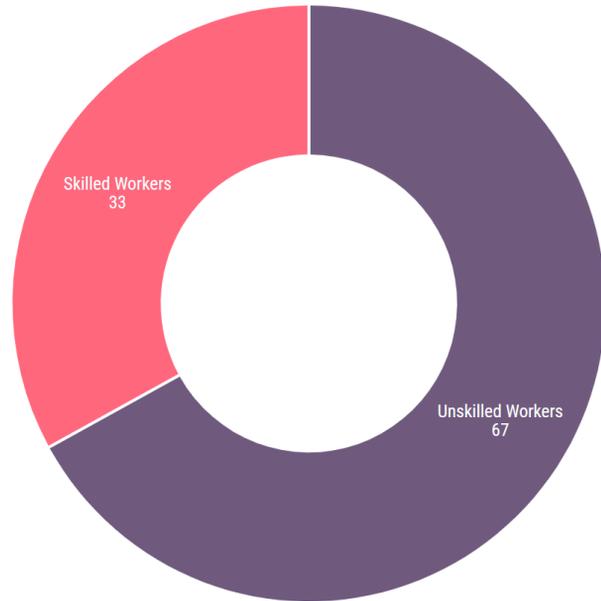
# RIISING UNEMPLOYMENT

In the current situation, business closure or downsizing due to the pandemic will see a shrink in labor force. With the decline in demand for certain commodities, related firms may start to lay off workers too.

If the MCO is extended by another 2 weeks in order to achieve full compliance, the Malaysia Institute of Economic Research (MIER) predicted that the number of job losses could be in the region of **2.4 million**, **67% of which are unskilled workers** and presumably affected mainly non salaried jobs.

## Composition of Job Losses (%)

based on projection by Malaysia Institute of Economic Research



## B40 HOUSEHOLD

Household income less than RM 4,306

INCOME SHARE

16.4%

## M40 HOUSEHOLD

Household income between RM 4,306 - RM 9,619

INCOME SHARE

37.4%

## T20 HOUSEHOLD

Household income more than RM 9,619

INCOME SHARE

46.2%

# FALLING HOUSEHOLD INCOME

Unemployment is not the only threat. Other forms of labour reduction measures that will be undertaken by company such as reduction in hours or wages may also occurred.

The falling of household incomes is projected to fall by **12% relative to baseline**, which amounts to RM95 billion as reported by MIER. The fate of the B40 who earns less than RM4,306 per month will be the most concerning.

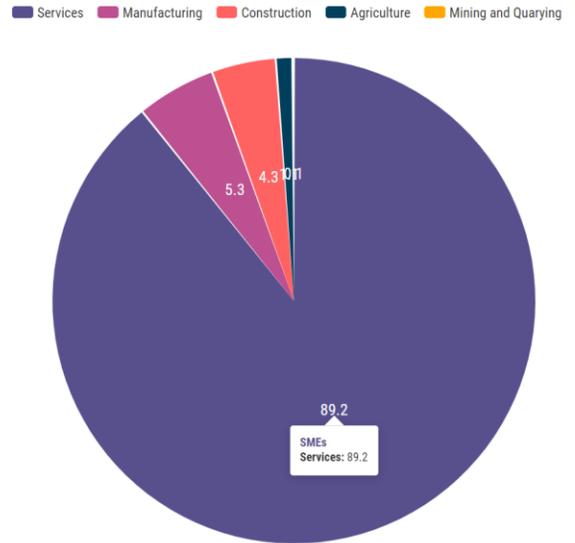
# DECLINE IN CONSUMPTION & DEMAND

In the time of uncertainties, the public will tend to save money as there is a fall in consumer confidence. As people expect to be made unemployed or fear unemployment, saving appear more attractive. The sharp decline in consumer spending is expected to be around 11%. Hence the paradox of thrift will occur.

The reduction of consumption will inevitably affect business and employment. **Small and medium enterprise** that made up **98.5% of the business establishment** in Malaysia may be affected the most. Especially as it is mainly concentrated in the **services sector**, with **89.2% of the SMEs** participated in the sector.

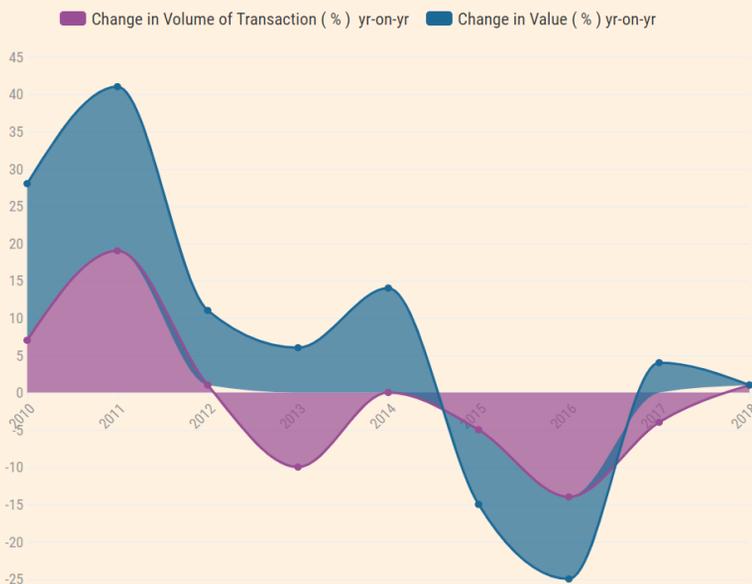
Composition of SMEs in Malaysia (%)

Department of Statistics, 2016



# HOME REPOSSESSIONS

Percentage Changes in Volume and Value of Residential Property Transaction  
2010-2018



In an expected consequent with rising unemployment, many may not be able to afford their property loan and so home repossessions may increase.

This will lead to an increase in the supply of housing and less demand. Malaysia's property market is already in a stifle over the past few years. The lack of growth in volume and value of residential property transaction is becoming more prominent over the year.

## A glimpse of rainbow after the rain?

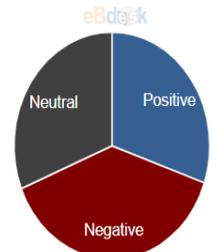
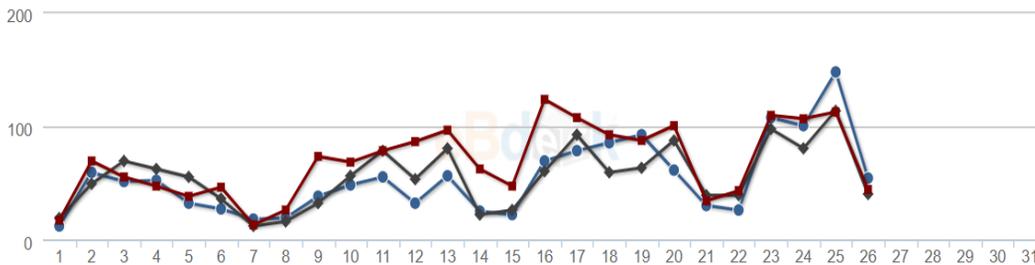
### Sentiment - COVID 19 - ECONOMY | contents | influencers |

H DISCOVER ANALYZE ACTION

News | Twitter | Facebook

Sentiment on News News Title ▾

△ Mar 2020



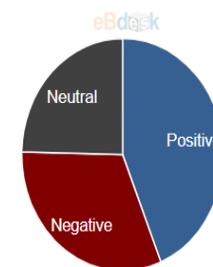
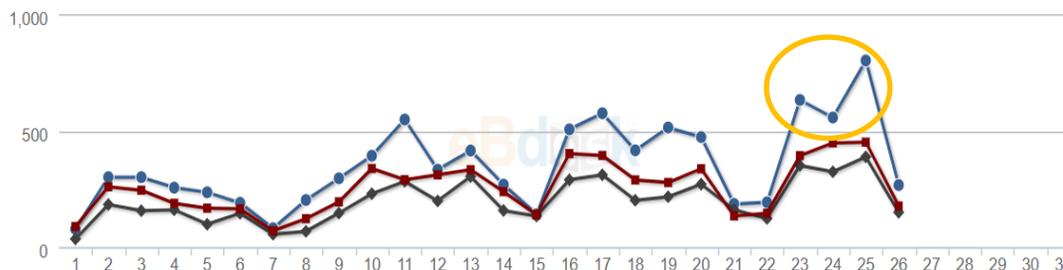
Sentiment for Mar 2020

Positive statements surrounding the economy in recent week

News | Twitter | Facebook

Sentiment on News Statements ▾

△ Mar 2020



Sentiment for Mar 2020

While the economic impact seems to be bleak and media headlines are mainly negative, the statements surrounding the economy has grew more optimistic thanks to the announcement of **stimulus package**. Governments and central banks all over the world have enacted fiscal and monetary stimulus measures to counteract the disruption caused by COVID-19. The US stimulus package of \$2 trillion dollar, the biggest in American history, will bolster the hope of the market worldwide as the ripple effect of the giant economy on other countries are expected.

Malaysia has announced RM20 billion package on federal level while state government has also followed suit with the announcement of stimulus package or incentives for the local. Penang has unveiled a RM75mil Covid-19 economic stimulus on March 25 while Johor government announces 15 new incentives totalling RM17.5mil to help frontline workers and the people of Johor. Sarawakku Sayang Covid-19 special incentives package is also among the incentives launched.

# MITIGATING THE IMPACT

i-Lestari

Loss of  
Income  
pay-out

Electricity

PTPTN  
deferment

Loan  
repayment

In order to mitigate the impact expected from COVID-19, the government has announced several initiatives, among which are directed towards the public's economic concern:

## 1. i-Lestari

Starting April 1, contributors below the age of 55 will be allowed to withdraw a maximum of RM500 monthly for 12 months period from their Account 2 savings, which will cost the EPF up to RM40 billion.

## 2. Loss of income pay-out

RM600/month given to employees who are forced to take unpaid leave and RM100/day for those who loss income during the MCO or not paid while undergoing treatment.

## 3. Electricity

2% discount for domestic and commercial users, 15% discount for affected businesses.

## 4. PTPTN

6 month loan repayment deferment until 30<sup>th</sup> September.

## 5. Loan repayment postponement

A six-month postponement of loan repayment, restructuring of credit card balance and business loans following the COVID-19 outbreak.

19<sup>th</sup> – 25<sup>th</sup> March 2020

# TOP INFLUENCERS

**Tan Sri Muhyiddin Yassin** as the Prime Minister appeared as the main figure in handling public reaction to the economic impact of COVID-19. The first-round economic stimulus was announced as a RM20b package from Federal Government expenditure, Bank Negara Malaysia (BNM) and Employee Provident Fund (EPF). As the government set to unveil its second economic stimulus package to mitigate the effects of the Covid-19, the upcoming April economic stimulus package is now anticipated by many.

**Zafrul Aziz**, the newly elected Finance Minister has less visible presence, with only 106 statements made over the week. Known for being a banker and corporate figure, his presence in the cabinet is hoped to further strengthen the economic direction to be taken in the time of crisis. Yet his media presence is quite low, while that of **Mohd Afzanizam**, the chief economist of Bank Islam seems to be dominating the media more as a reference on the current economic situation.



**Muhyiddin Yassin**  
428 statements



**Mohd Afzanizam Abdul...**  
181 statements



**Donald Trump**  
151 statements



**Alexander Nanta Linggi**  
148 statements



**Shamsul Anuar Nasarah**  
116 statements



**Chow Kon Yeow**  
115 statements



**Zafrul Aziz**  
106 statements



**Johari Openg**  
103 statements



**Ismail Sabri Yaakob**  
99 statements



**Mahathir Mohamad**  
82 statements

## PUBLIC PERCEPTION

19<sup>th</sup> – 25<sup>th</sup> March 2020



**Ranny Nur**

Mar 23rd · Comment

Siapa peduli hari tua seseorang rakyat. Menteri Menteri diutamakan kerana mereka gaji besar. Rakyat miskin dan kebuluran di benarkan keluar RM500...



**Mi\$cha Selamat #REVOLUSIS #Aka**

@Michellelanious

RT @zedadam: Ramai orang kita yang privileged tak sedar bukan semua orang ada #KWSP, macam peniaga kecil tepi jalan, abang burger, freelanc...

Yesterday



**Gang Utara Fan Club**

Yesterday · Photo

Siapakah yang mampu mengeluarkan duit KWSP daripada akaun 2 sebanyak RM500 sebulan? Berdasarkan laporan yang dikeluarkan DOSM, 50% daripada pekerja...



**MA Murano**

Mar 23rd · Comment

Ko tahu tak B40 tu berapa kerat je yg ada akaun kwsp .. yg ada akaun kwsp tu hampir 90% tak memerlukan utk beli barang makanan (WAKTU PKP) setakat...



**Chong Wai Chung**

Yesterday · Comment

Bagaimana jika orang itu tidak mempunyai akaun KWSP? Apa yang perlu dilakukan jika akaun kedua tidak mempunyai wang? Dan tidak semua orang akan...



**Kembara Alam**

Mar 23rd · Comment

Bagi yg tiada akaun Kwsp bagaimana? Tiada bantuan ke, dari kerajaan?



**Aiman@nraimano**

RT @khalidkarim: Muhyiddin....stop dilly dallying pls. Get cash out to those who need it badly pls. Most of them takde EPF lah. Tolong l...

Yesterday



**Mapuza Mapuza**

Yesterday · Comment

pengeluaran kwsp ni untuk orang<sup>2</sup> yang ada duit kat account 2 je. yang x ada duit kat account 2 tu x ada lh. kerajaan bagi kelonggaran pengeluaran...

While the government initiatives aim to provide relief to help households weather through the ongoing Covid-19 pandemic, the i-Lestari initiative drew criticism the most in social media. The question on who will benefited the most from it, how far could it sustain their living and how will it effect them later in life has been circulating the social media platform.

Many has called the government to provide cash handouts instead of allowing withdrawals from the Employees Provident Fund (EPF). While the government did announce the loss of income pay out, the initiative was less publicized in the media than the i-Lestari initiative. As such, public response has been negative due to the lack of knowledge on the other initiative.

# PROTECTING THE VULNERABLES

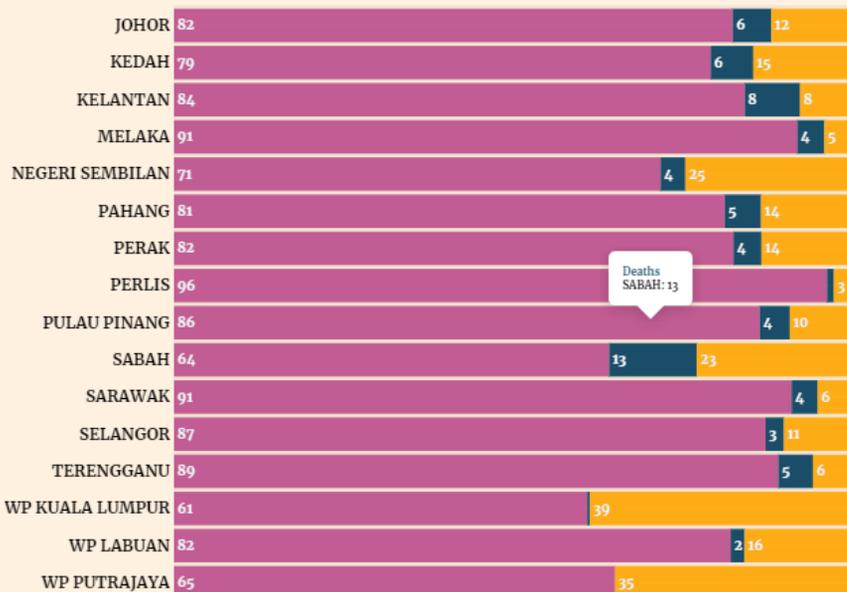
#		TOTAL	DEATHS
Selangor	↗54	435	0
Kuala Lumpur	↗13	270	3
Johor	↗34	196	6
<b>Sabah</b>		170	1
Perak	↗30	128	0
Negeri Sembilan	↗14	123	0
Sarawak	↗2	85	5
Kelantan	↗6	84	2
Penang	↗2	70	1
Kedah	↗5	69	0
Pahang	↗8	64	0
Terengganu		38	0
Melaka	↗2	33	1
Putrajaya	↗1	16	0
Perlis	↗1	10	1
Sarawak (SDMC)	↗6	6	0
Labuan		5	0
Total		1802	20

With the number of cases and death has continue to climb over the course of this week, Sabah has now become among the top afflicted state.

As economic deprivation will be amplified during the time of lockdown, proper allocation of the government's welfare and social assistance may help prevent the poorest community to be in neglect due to poor access to healthcare.

Causes of 'Escaped Poverty' (%)  
Year 2017

Income Increase Deaths Others



Sabah and Kelantan is the only states with significant percentage of the poor is classified as 'hardcore poor'. However, in Sabah, the percentage of individuals that 'escaped poverty' due to death is the highest at 13%.

For the privilege, the restriction of movement is just a minor adjustment in their daily life. Yet, for most of the poor, the partial lockdown may be a deprivation of income or even a matter of life and death.

# Malaysia Indicator



We are research-based entity focusing on open source data intelligence. Leveraging on Big Data and Artificial Intelligence, we establish various data storytelling in many context such as price intelligence, social listening and media monitoring.

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