



Survey: The Business Impact of Coronavirus disease (COVID-19) Outbreak

AmCham Vietnam-HCMC launched a 36-hour flash survey of its members from February 18-20 to measure the business impact in Vietnam of the Coronavirus disease (COVID-19) outbreak. Over 170 AmCham Vietnam-HCMC members participated; 140 responded to the manufacturing survey questions. Key takeaways below:

More concerned now about economic than health impact: While the overwhelming majority of AmCham members are concerned about both health and economic impacts of the coronavirus outbreak in Vietnam, almost 50% are extremely concerned about the economic impact, whereas 25% were extremely concerned about the health impact.

Health Protocols in Workplace: About 90% of members focused on good hygiene, particularly handwashing, and providing hand sanitizer, with 70% also focused on through surface cleaning. More than 75% encouraged employees to stay home if sick or had a sick family member, with 38% allowing optional work from home. About 50% provided links for healthcare updates and/or advice from healthcare providers.

Projected 2020 revenue down: Over 60% expect lower 2020 revenues (with another 28% unable to estimate the impact). One-third expected between 10-20+% decreases.

Expect Vietnam's 2020 GDP to Drop at least 1%: Almost 3/4 of members expect a negative impact, with half expecting more than a 1% drop.

Biggest challenges: decreased demand, supply chain/logistics issues, cash flow.

Manufacturing Sector: Production Down: About 70% of members in the manufacturing sector currently are operating at or above 70% of normal capacity and 17% are operating between 50-70%. 13% are operating below 50% of normal capacity.

Supply Chain Disruption Key: Almost 35% of manufacturing sector members report global operations already are "seriously impacted" by supply chain disruptions. An additional 40% expect serious impact on global operations if supply chain disruptions continue for another month.

Travel restrictions in place/meetings and events canceled: Almost half of members have travel restrictions in place for domestic travel with 60% having restrictions on international travel. Almost 70% of members have canceled or postponed meetings or events, while over 40% report difficulty getting people to Vietnam.

School re-opening supported, particularly for international schools: About 2/3 of members believe that, based on publicly available information, schools in HCMC/Hanoi should reopen, and should not continue to stay closed another 6 weeks through the end of March, citing the negative impacts to families and business operations from prolonged school closure, and the effect on the business climate.