

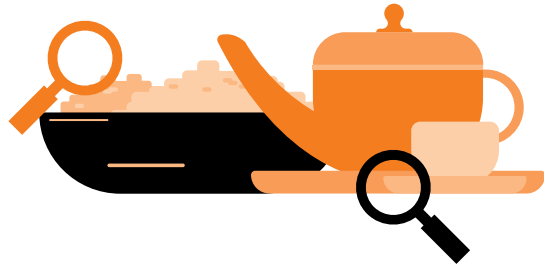
Myanmar High-frequency Monitoring of COVID-19 Impacts



Survey Firms

May - August Comparison

The only nationally representative survey of firms in Myanmar



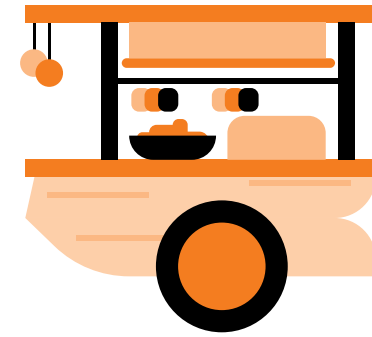
500 firms
8 rounds

The survey also covers all of Myanmar and is divided into 5 zones (**Yangon**, **Mandalay**, **Chin** and **Dry Zone**, **Delta** and **Costal Lowland**, and the **Hilly** zone).



12 sectors

The survey is nationally representative and is the only enterprise survey that also covers the **Agriculture** sector (17%). The other sectors surveyed are **Manufacturing** (33%), **Retail** (17%) and **Services** (32%).



Micro &
Informal too

The survey also covered **micro** and **small** firms and not just large and formal firms. 35% of the sample were micro firms and 40% were small firms. Medium firms were 19% and large firms 6%.

Key Findings

- ❖ Firm **closures** slightly increased in **August** prior to the second-wave
- ❖ More firms expected to **fall into arrears**, including half of agriculture firms right before the new lockdown
- ❖ **Optimism** of a recovery improved immediately prior to second-wave
- ❖ Firms continue to **adapt**

SECTION 1

SECTION 2

SECTION 3

SECTION 4

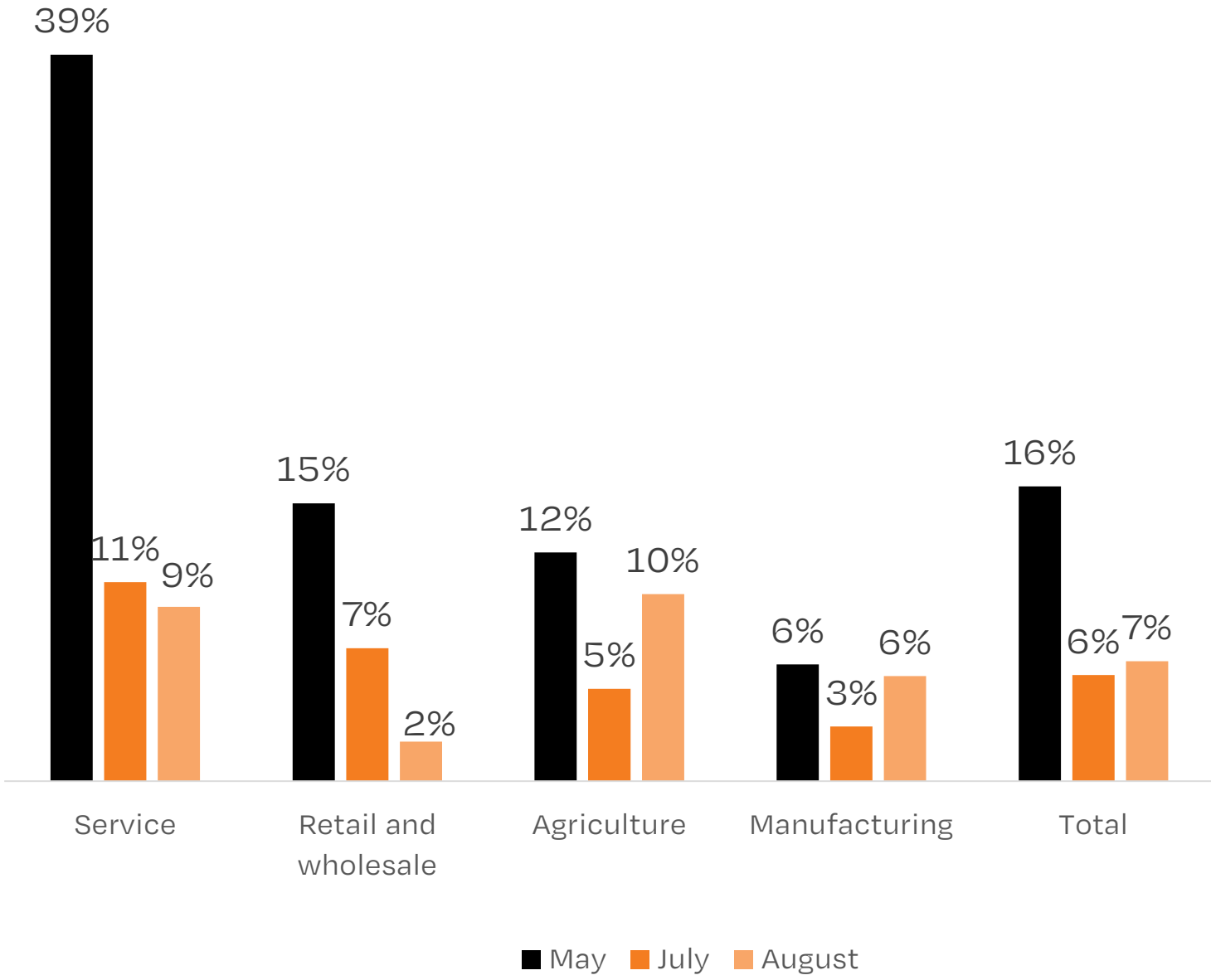
**OPERATIONAL
STATUS**

**BUSINESS
PERFORMANCE**

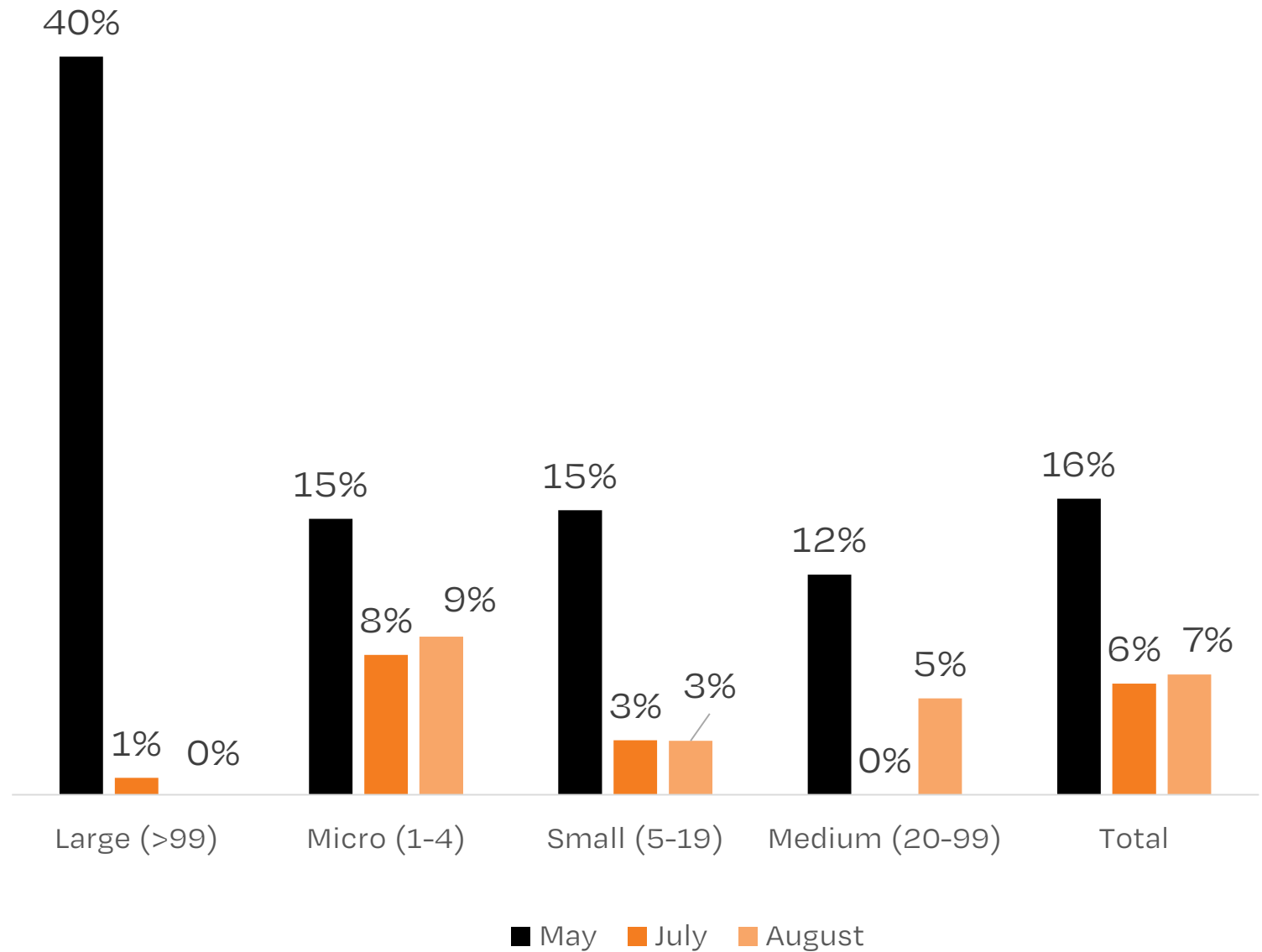
**BUSINESS
EXPECTATIONS**

**POLICY AND
ADAPTATION**

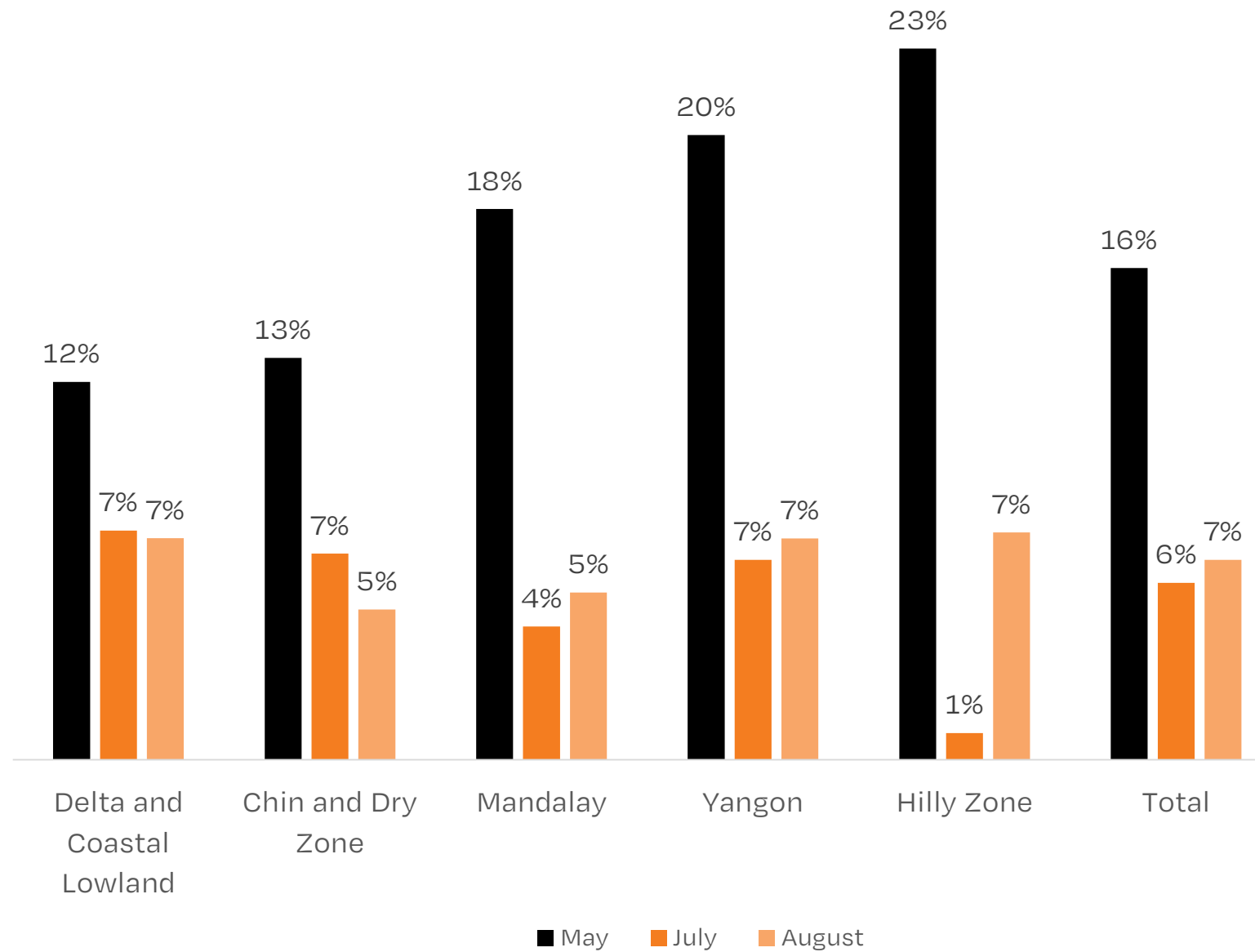
Service and Retail firms continued to re-open while Agriculture and Manufacturing firms saw an increase in temporary closures



Medium sized firms saw an increase in temporary closures



Firms in Chin and the Dry Zone have recovered the most but those in the Hilly zone saw an increase in temporary closures



SECTION 1

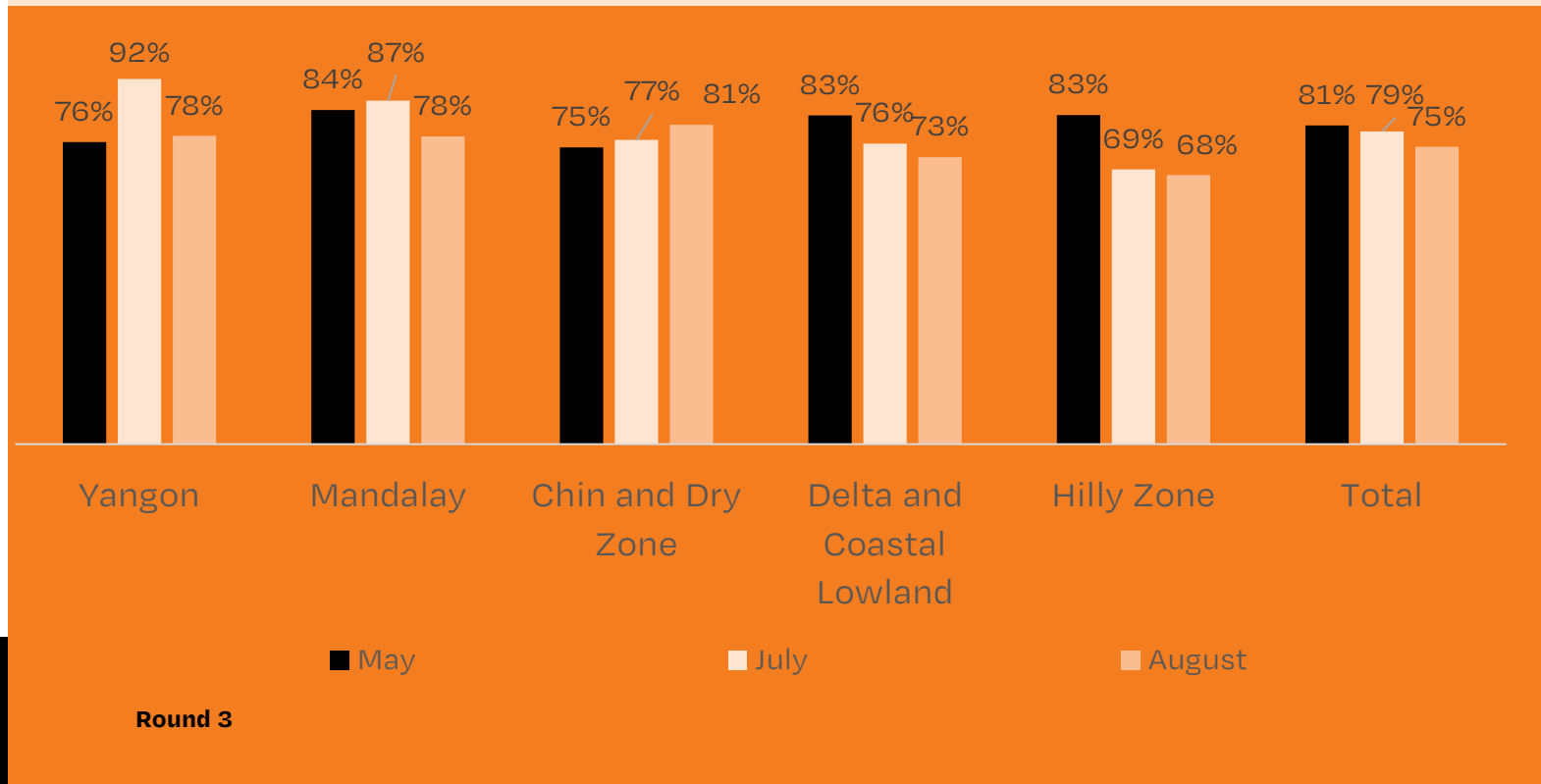
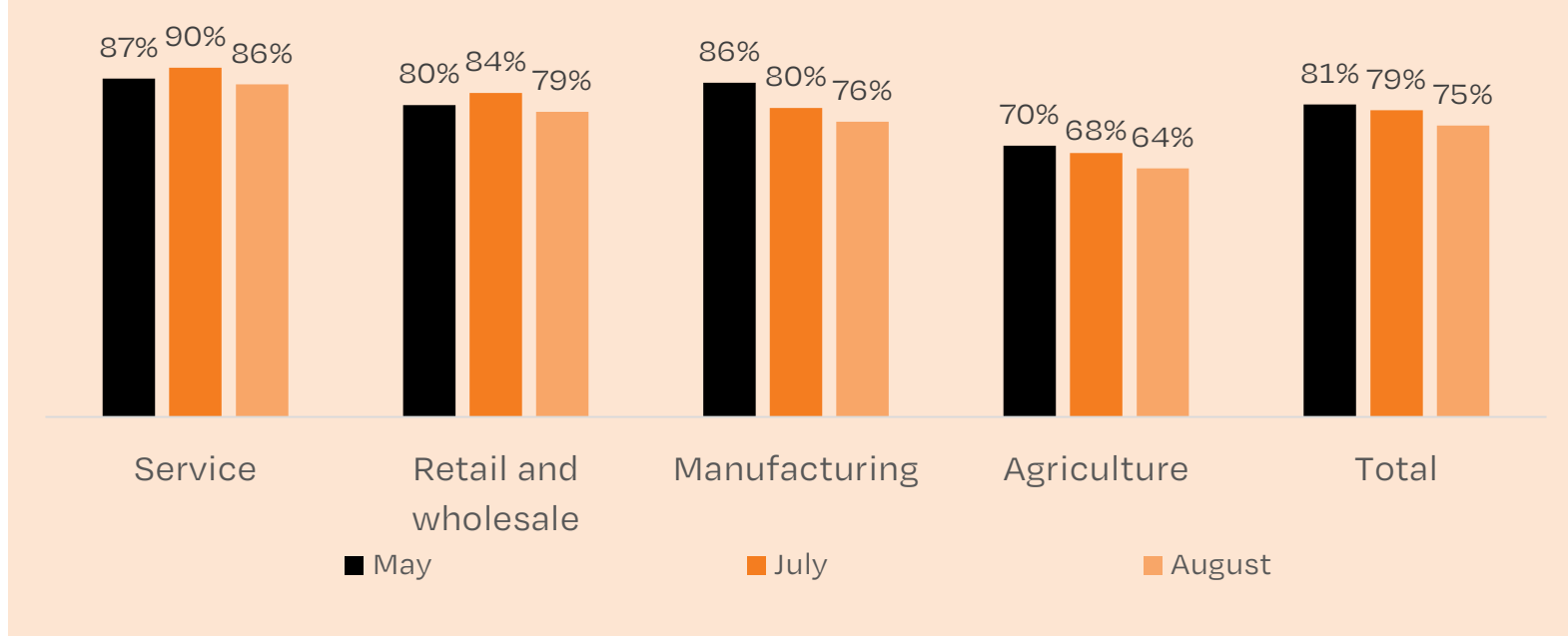
SECTION 2

SECTION 3

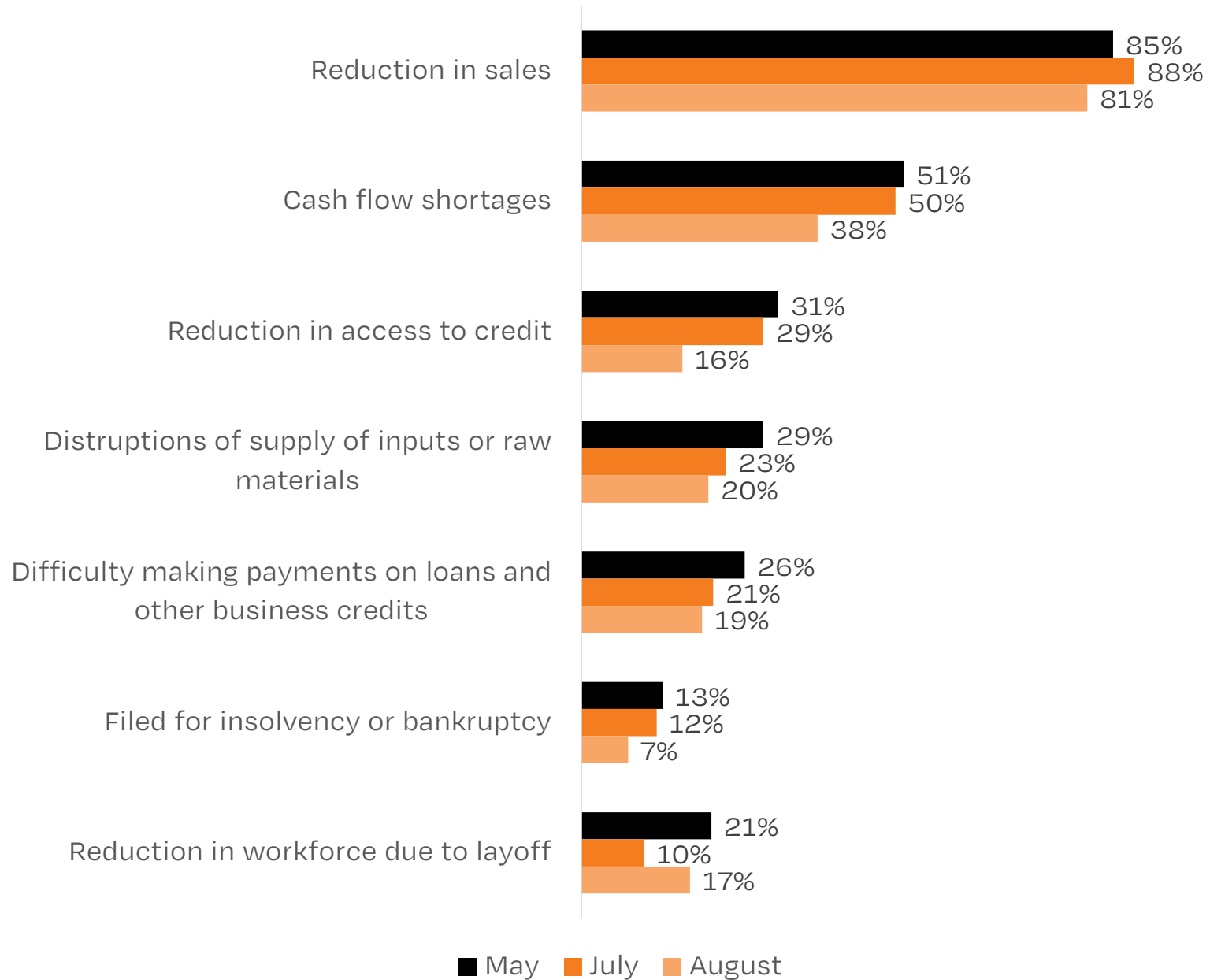
SECTION 4

**BUSINESS
PERFORMANCE**

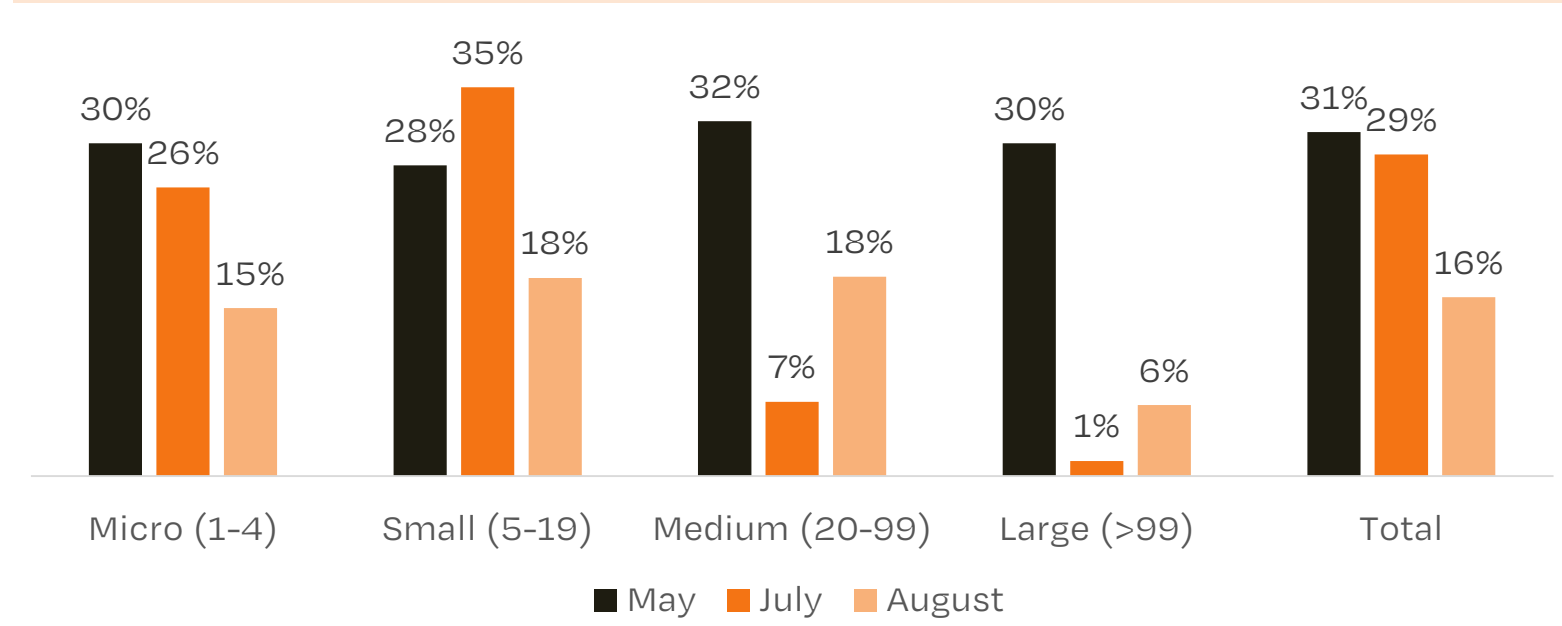
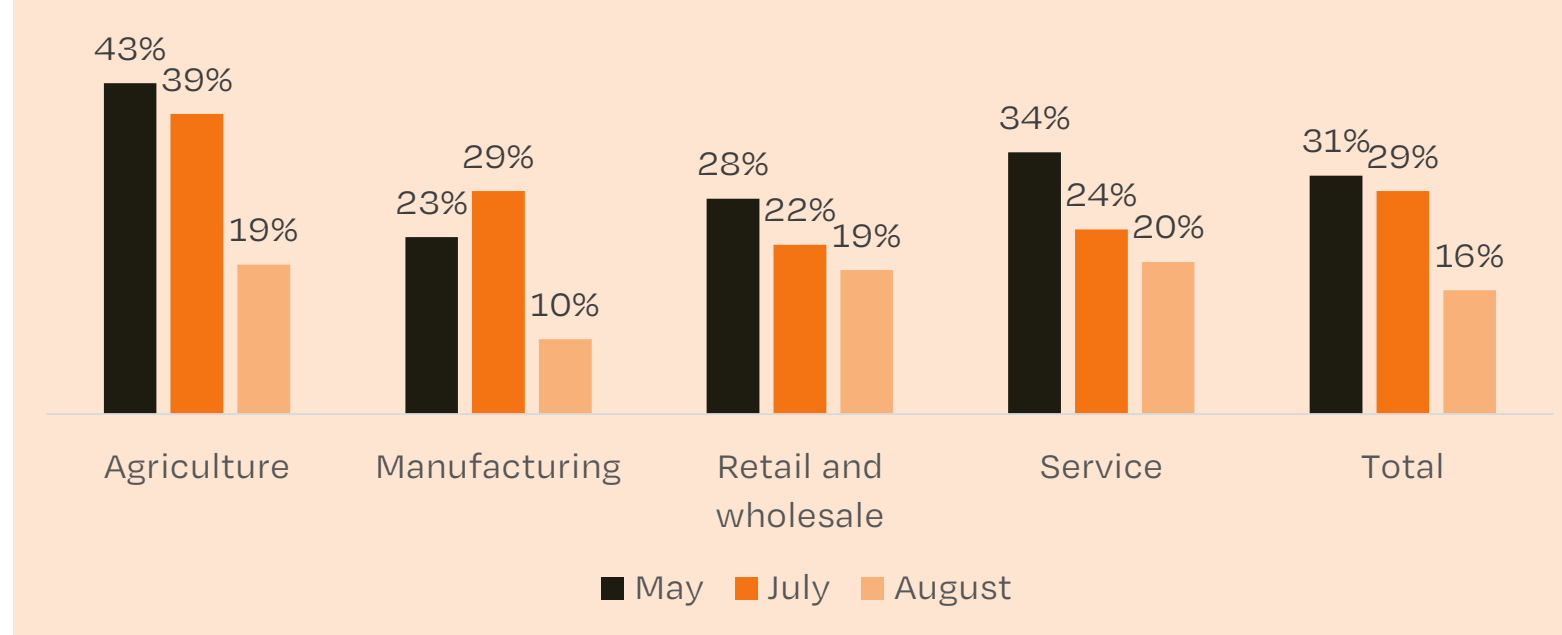
75% of firms continue to report an overall negative impact of COVID-19



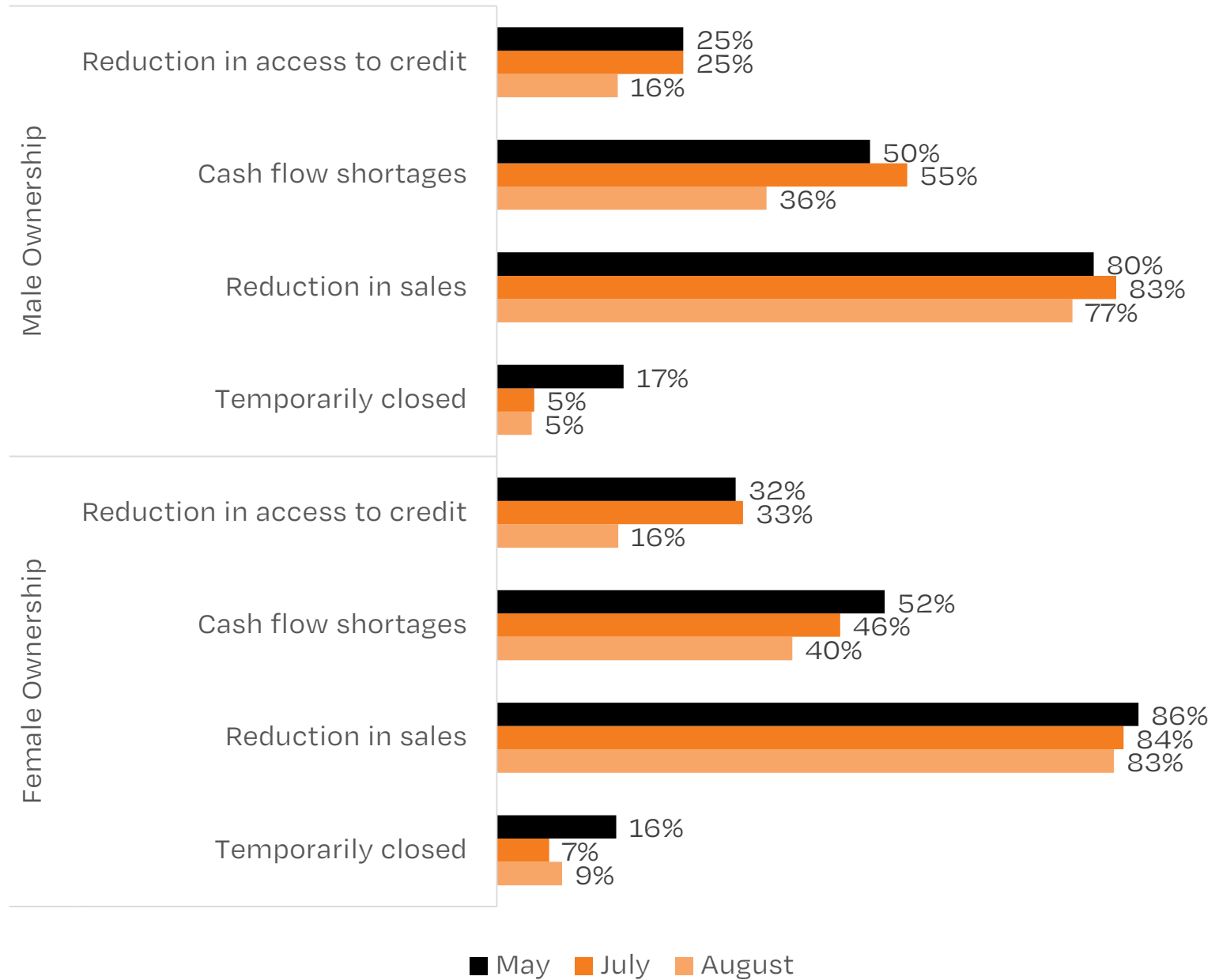
81% of firms report a reduction in sales, but cash flow shortages improved in August



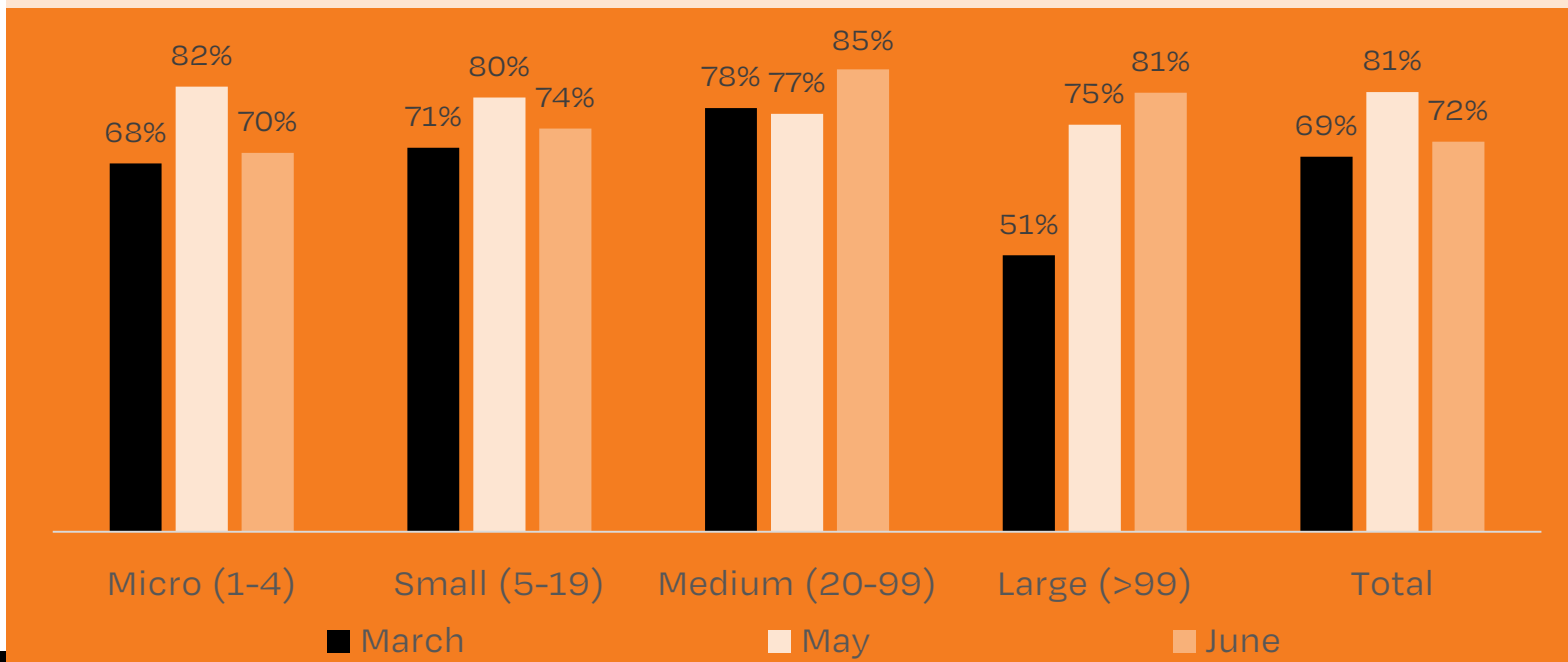
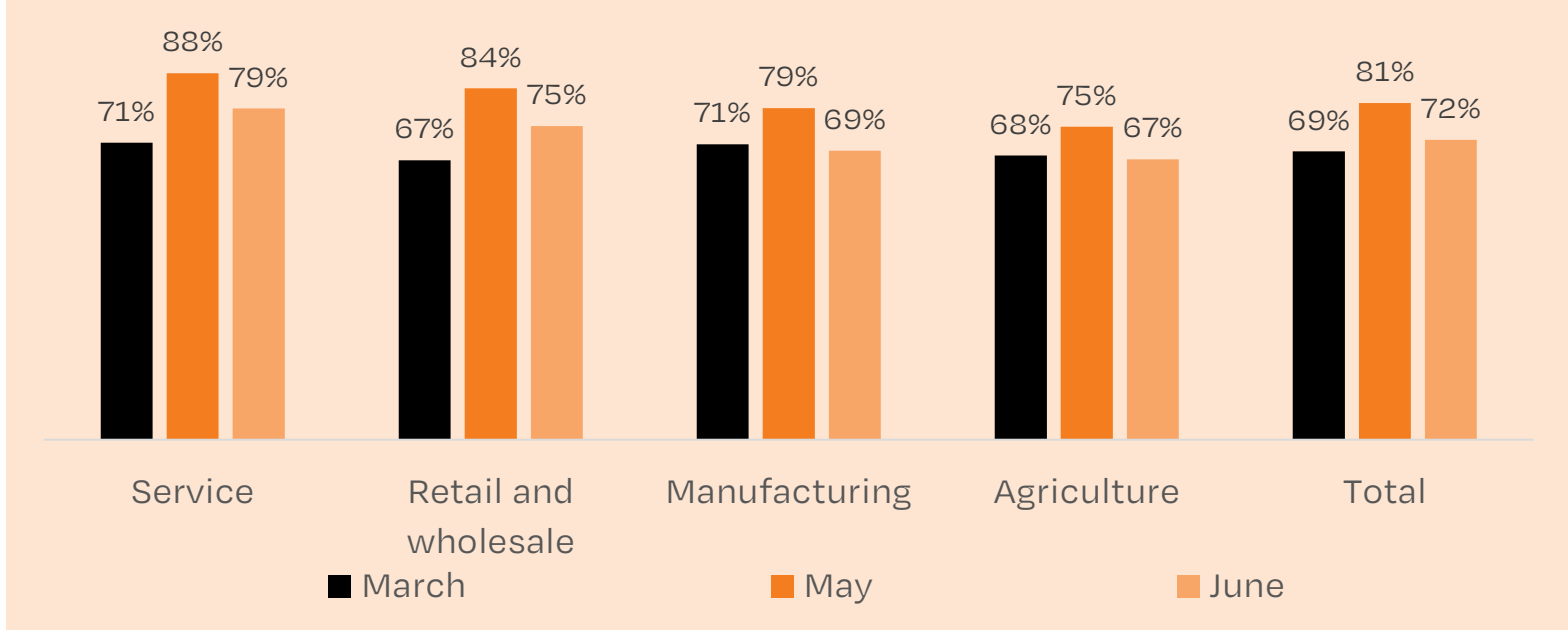
The improvement in firms reporting a reduction in access to credit in August, was led by firms in agriculture...



...and female-owned firms which saw an improvement in accessing credit and cash flow shortages but a larger share remain closed

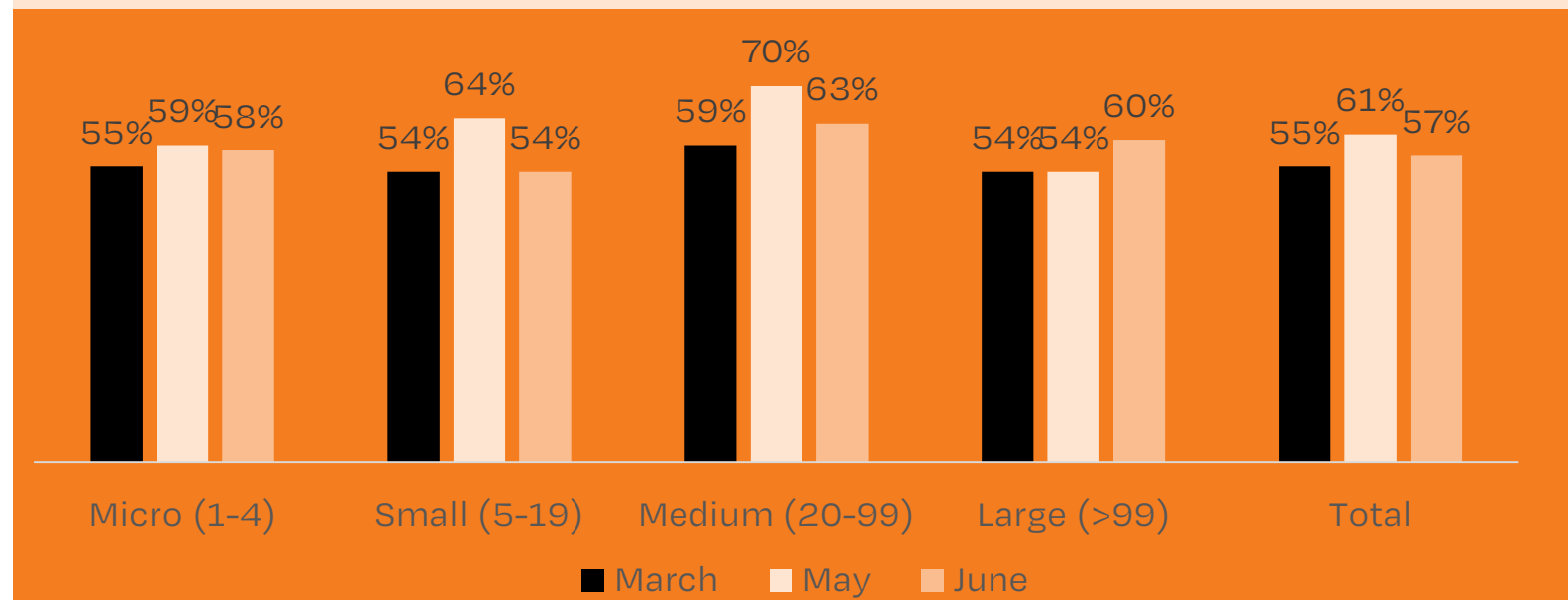
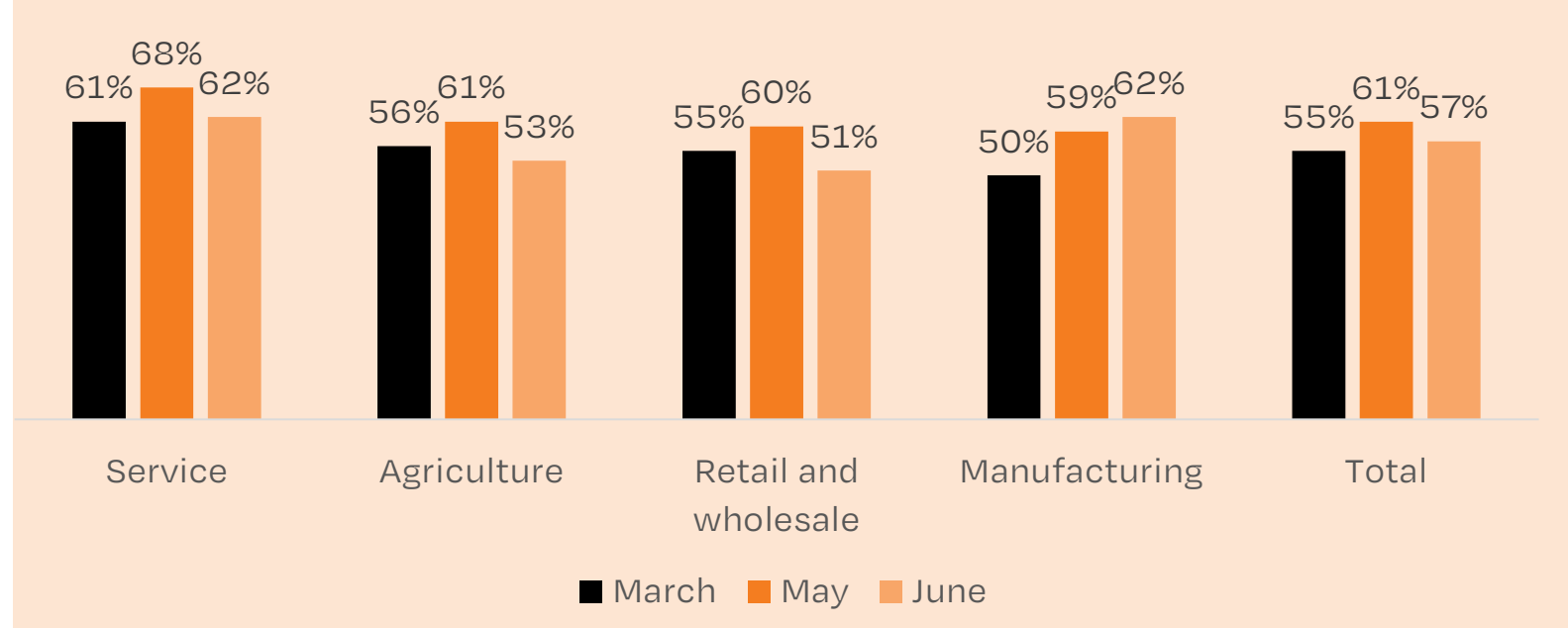


In June, 72% of firms reported a decrease in profits (compared to the same period last year) with the service sector and medium-sized firms worst hit



Round 3 Note: For questions on sales, profits, loans and delays the recall period is lagged so firms have time to have completed their bookkeeping accounts and for Round 3 they were asked to answer for June. All other questions are contemporaneously asked and are reported as August for Round 3.

The average decline in profits (compared to the same period last year) was 57% with service and manufacturing sector firms worst affected



33%

of firms have
outstanding loans

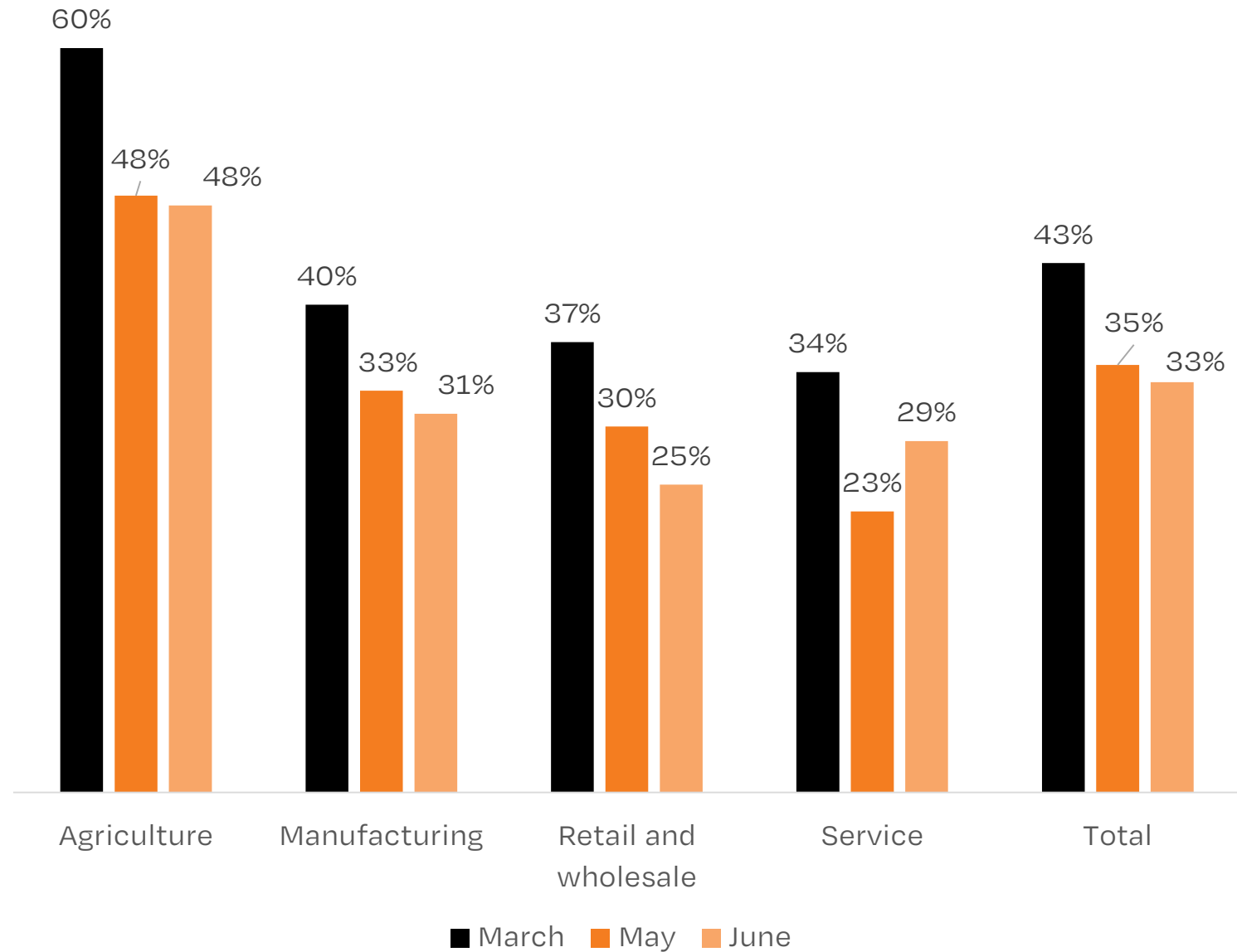
18%

of firms **delayed payments to
their suppliers**

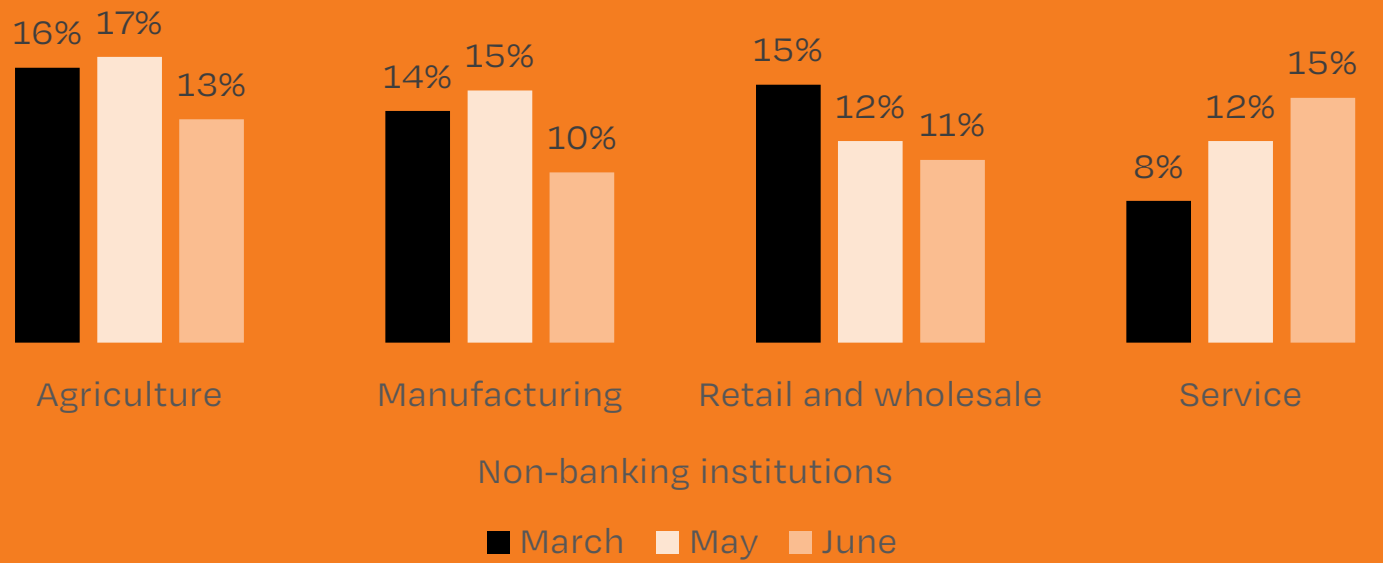
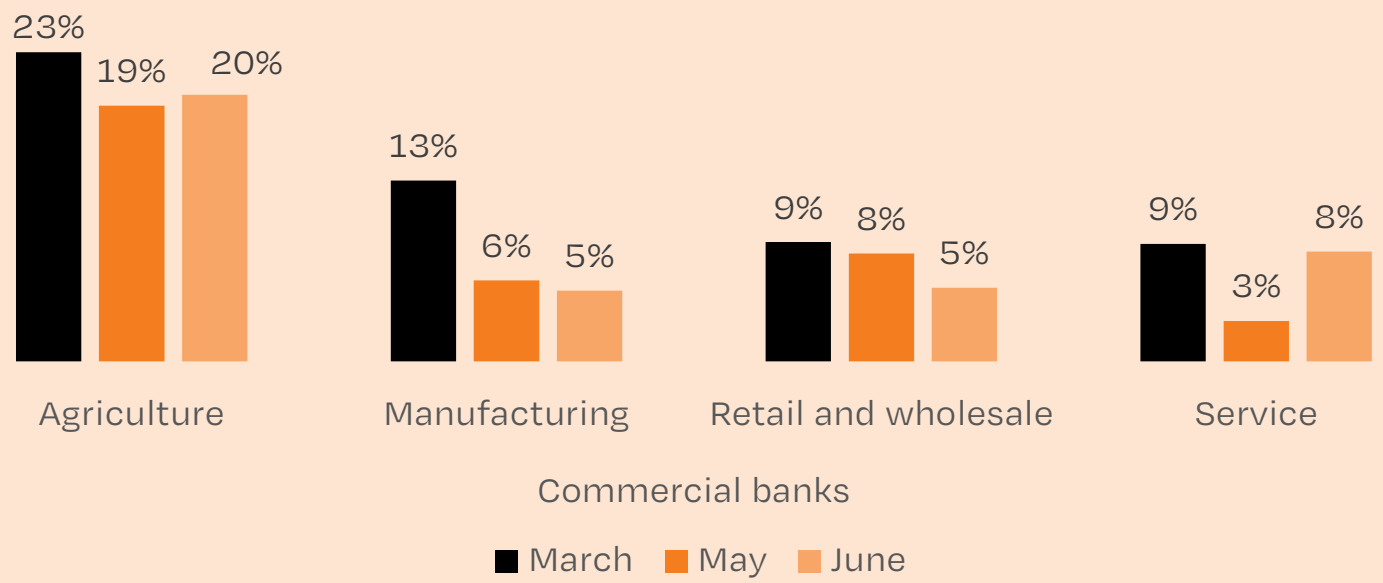
5%

of firms **delayed
payments to
their employees**

Fewer firms have outstanding loans

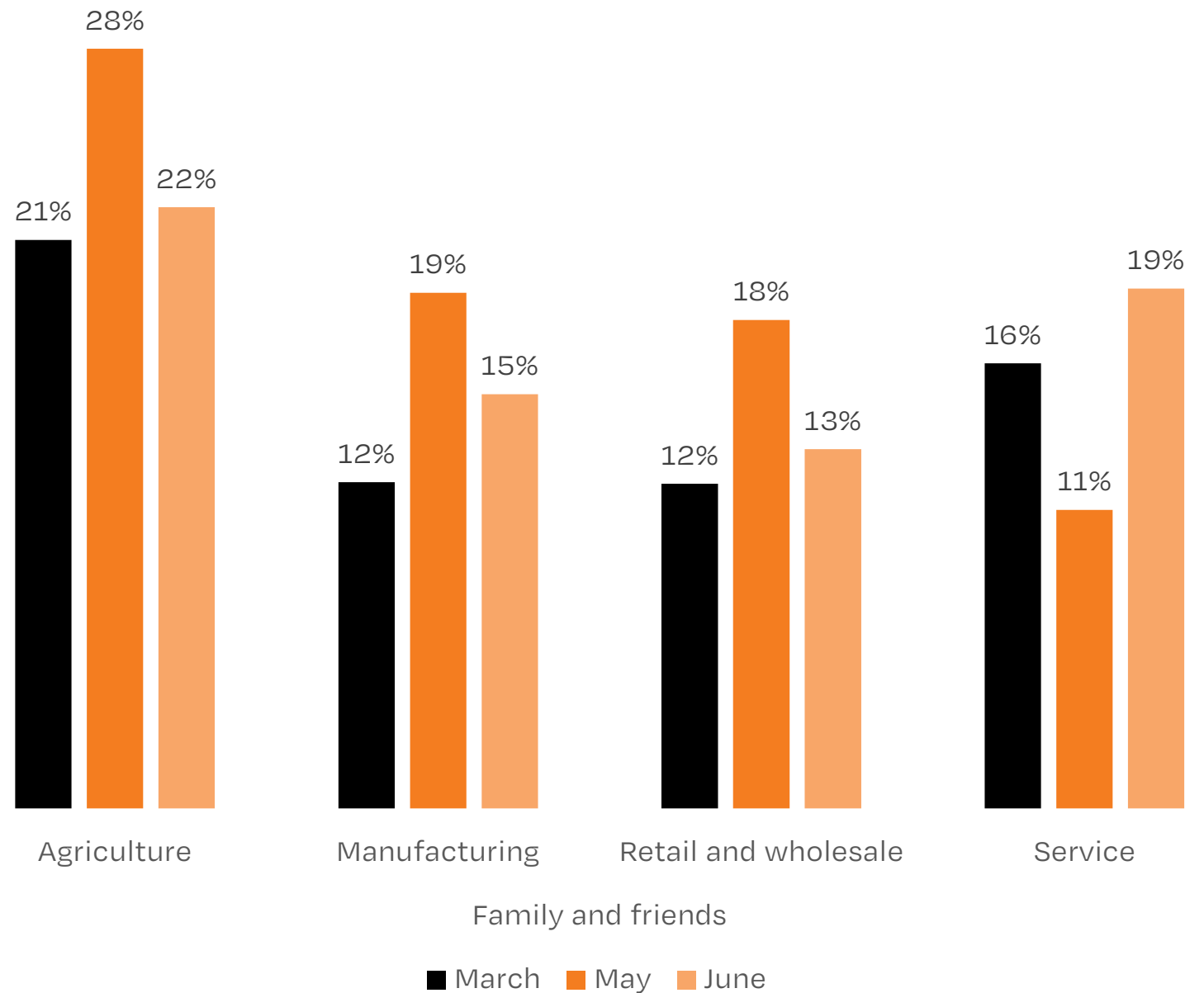


Most sectors rely on non-banking institutions over banks as their loan source

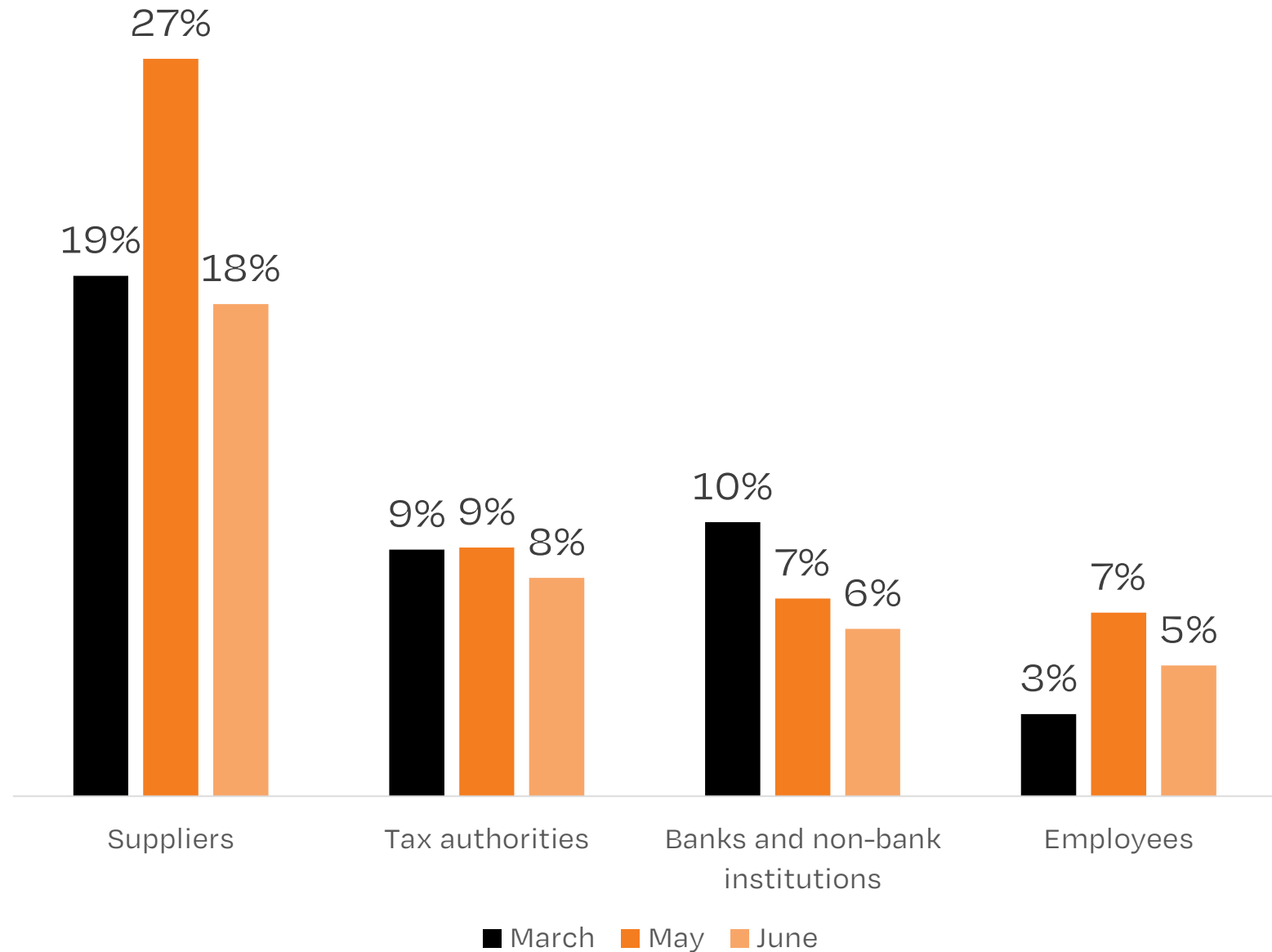


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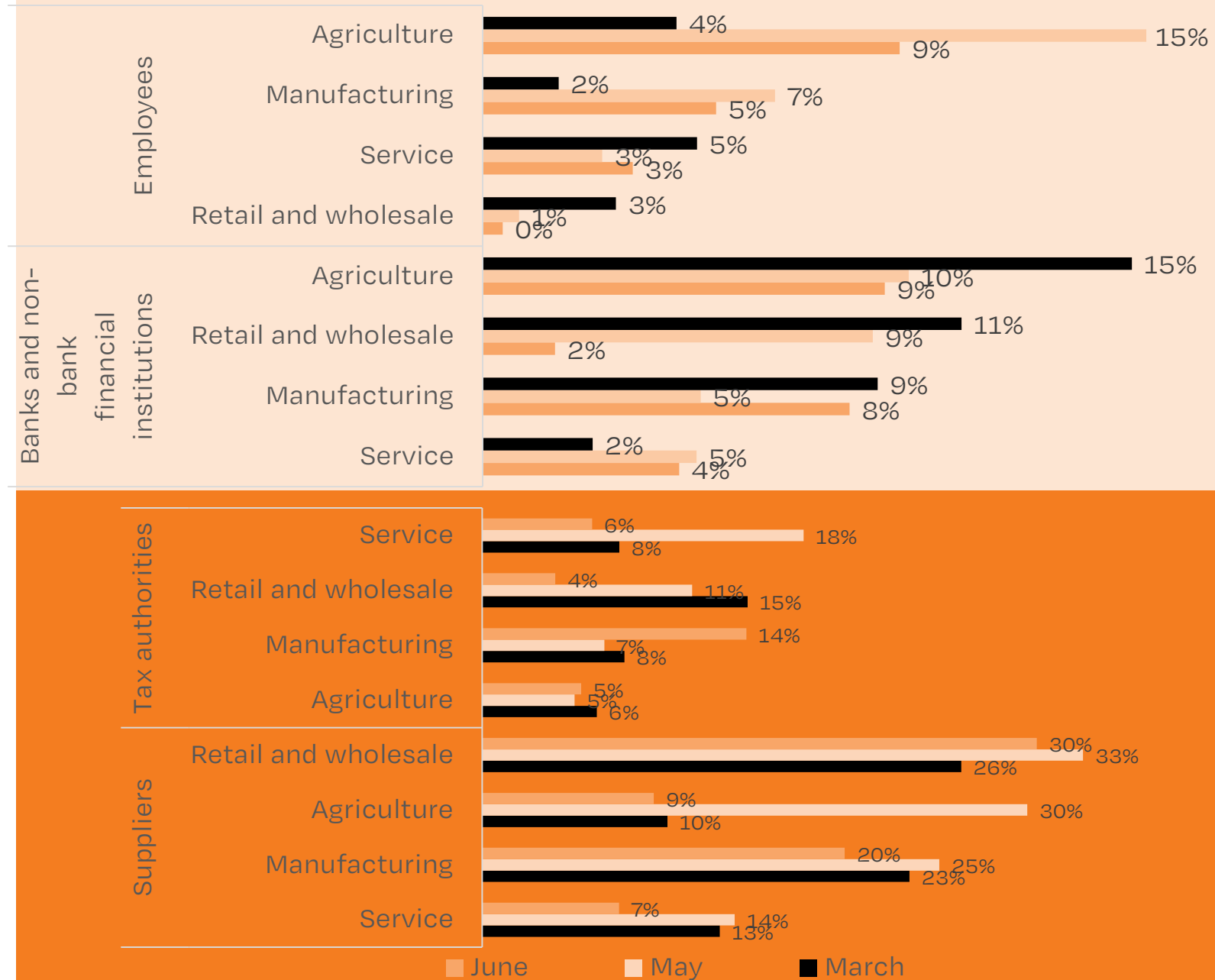
However, overall family and friends remain the most used loan source



Suppliers continue to receive the most delayed payments



The largest delays in payments are to suppliers, and agriculture firms have the highest delays to employees and banks



SECTION 1

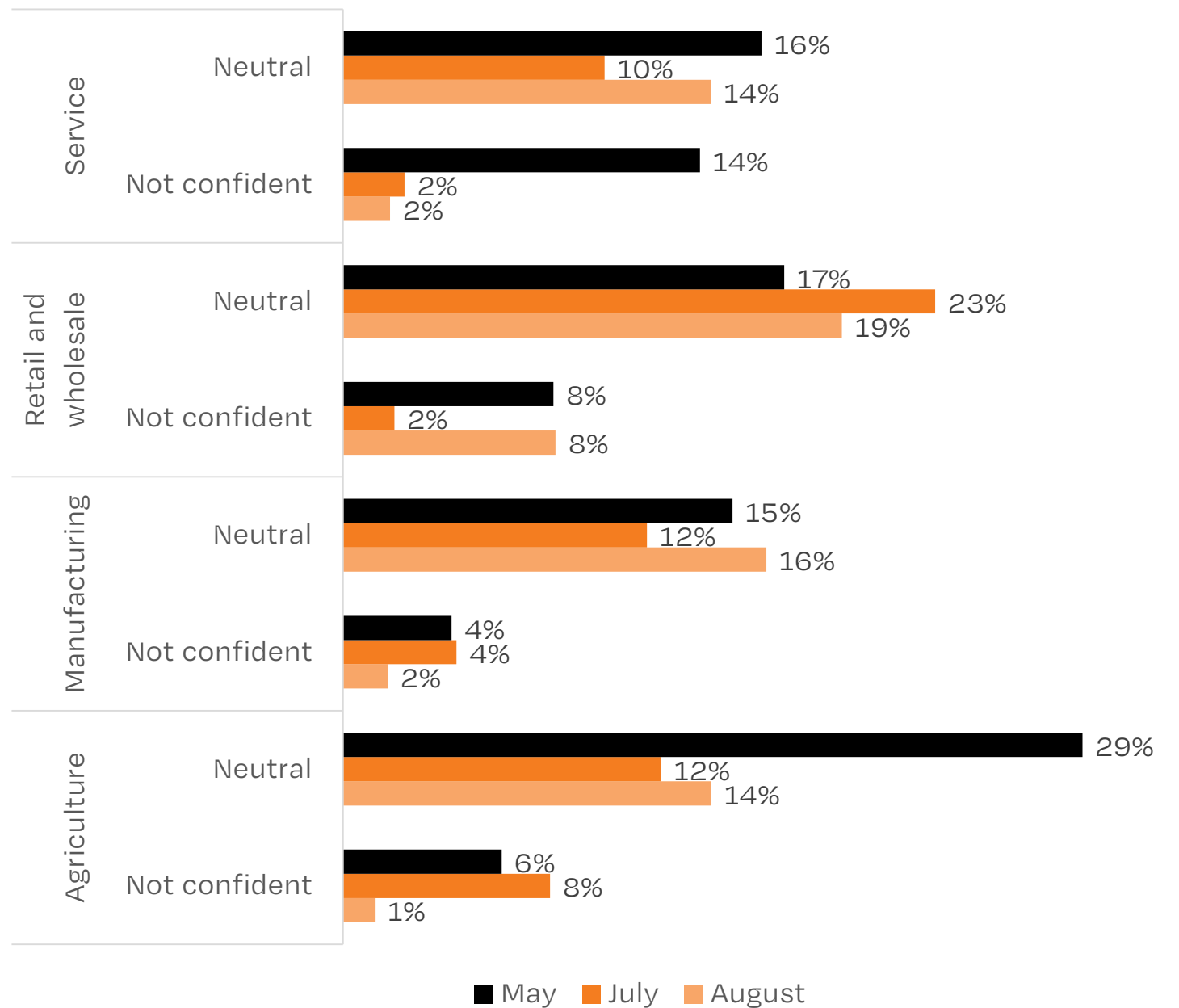
SECTION 2

SECTION 3

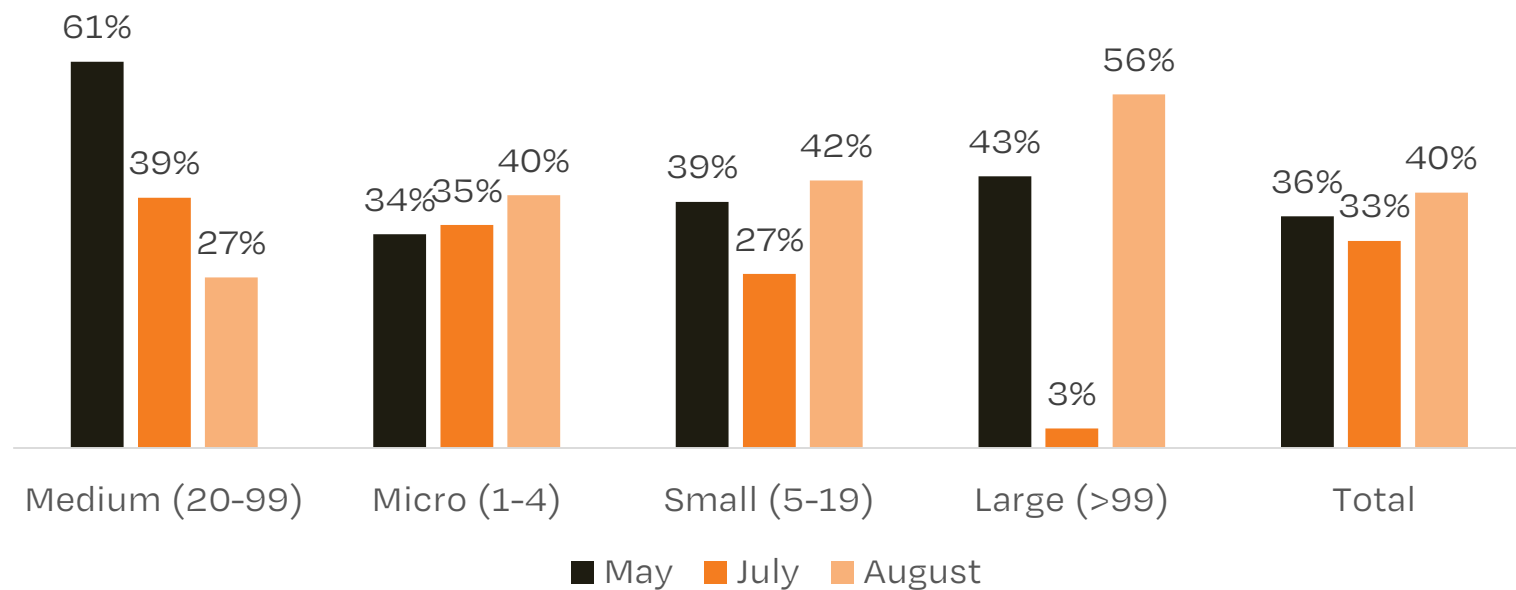
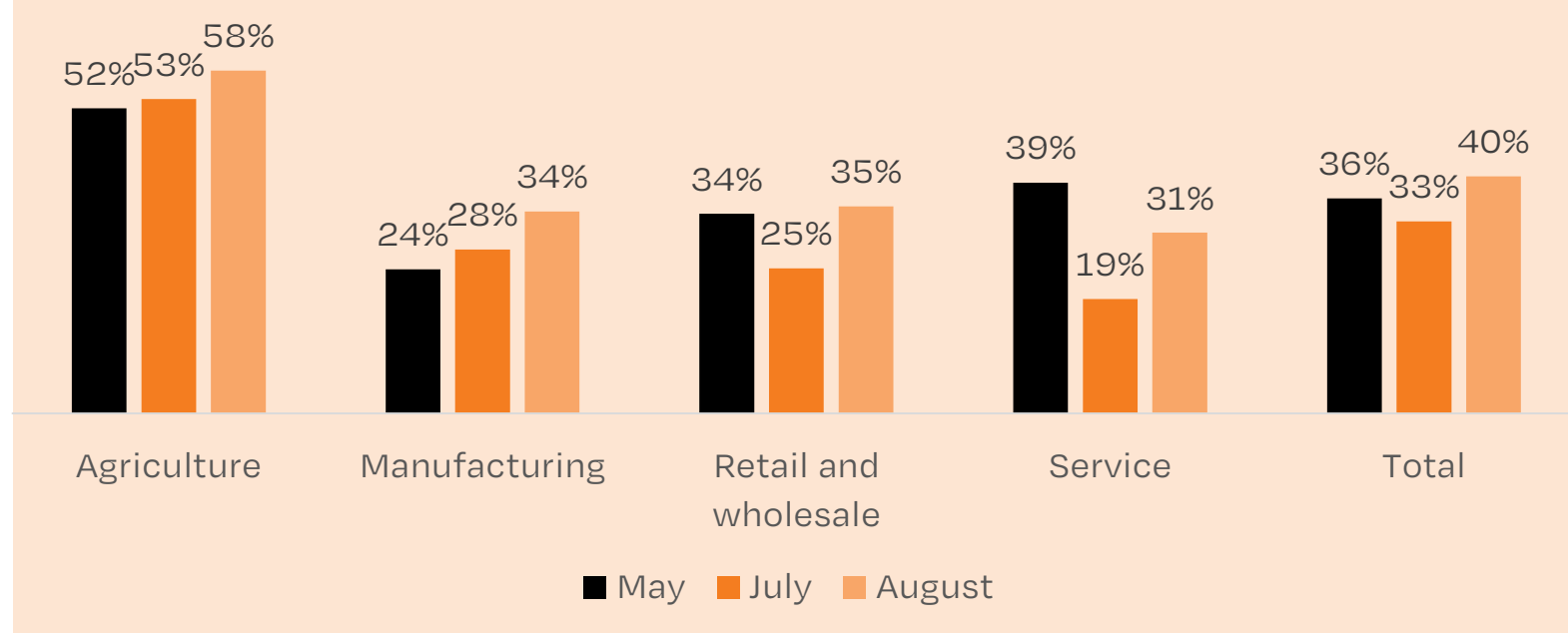
SECTION 4

**BUSINESS
EXPECTATIONS**

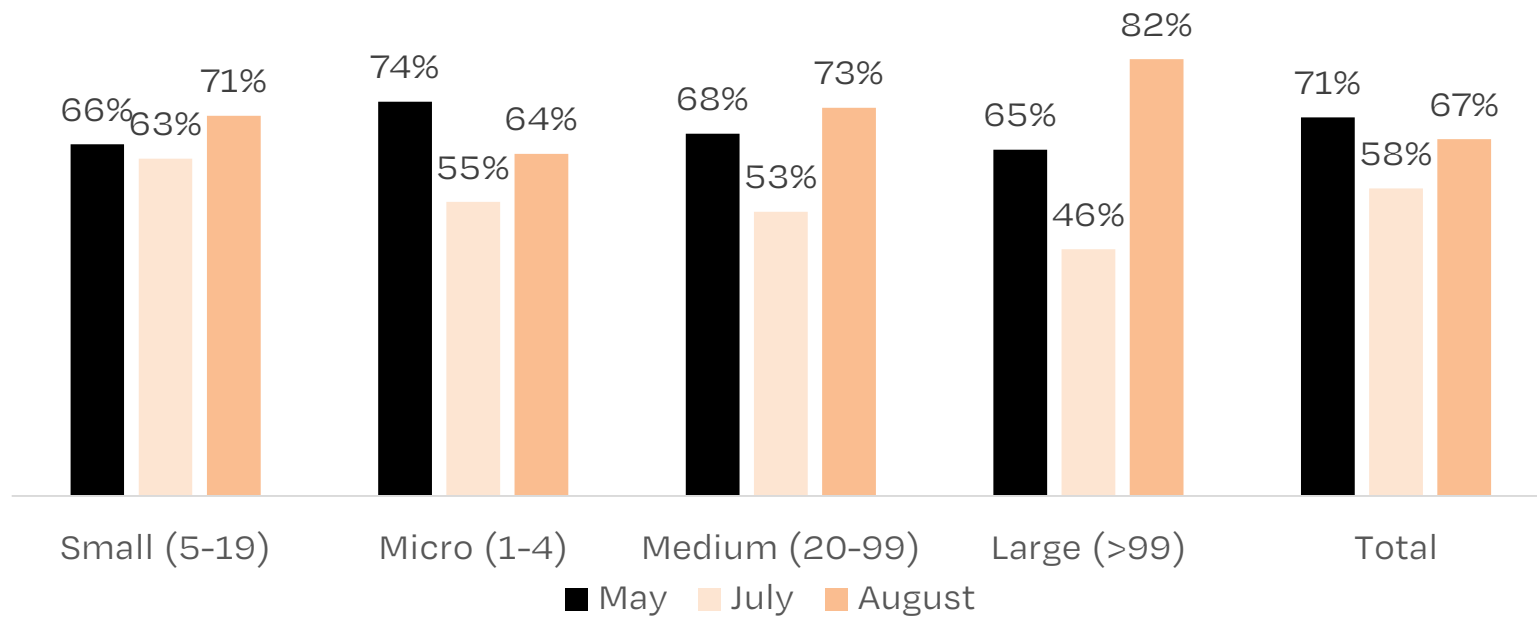
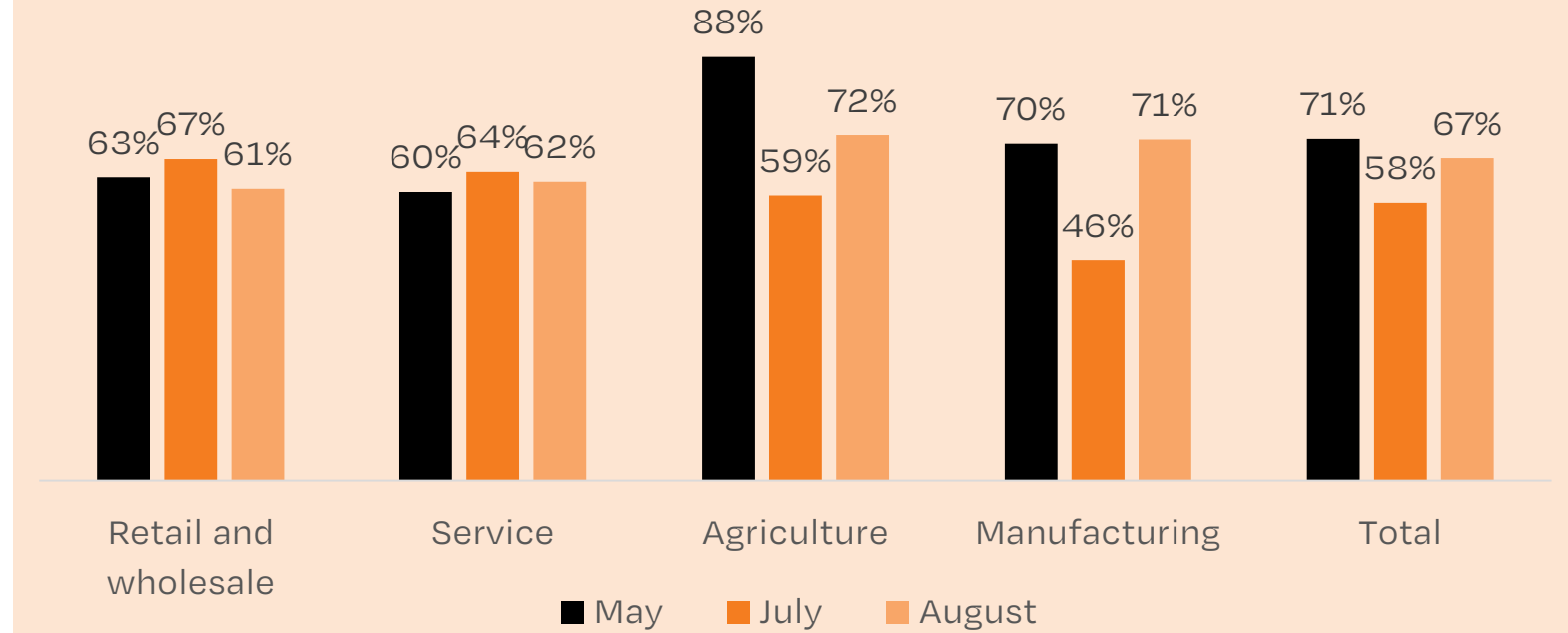
Retail and Wholesale sector firms are less confident to remain in business next month than they were in July



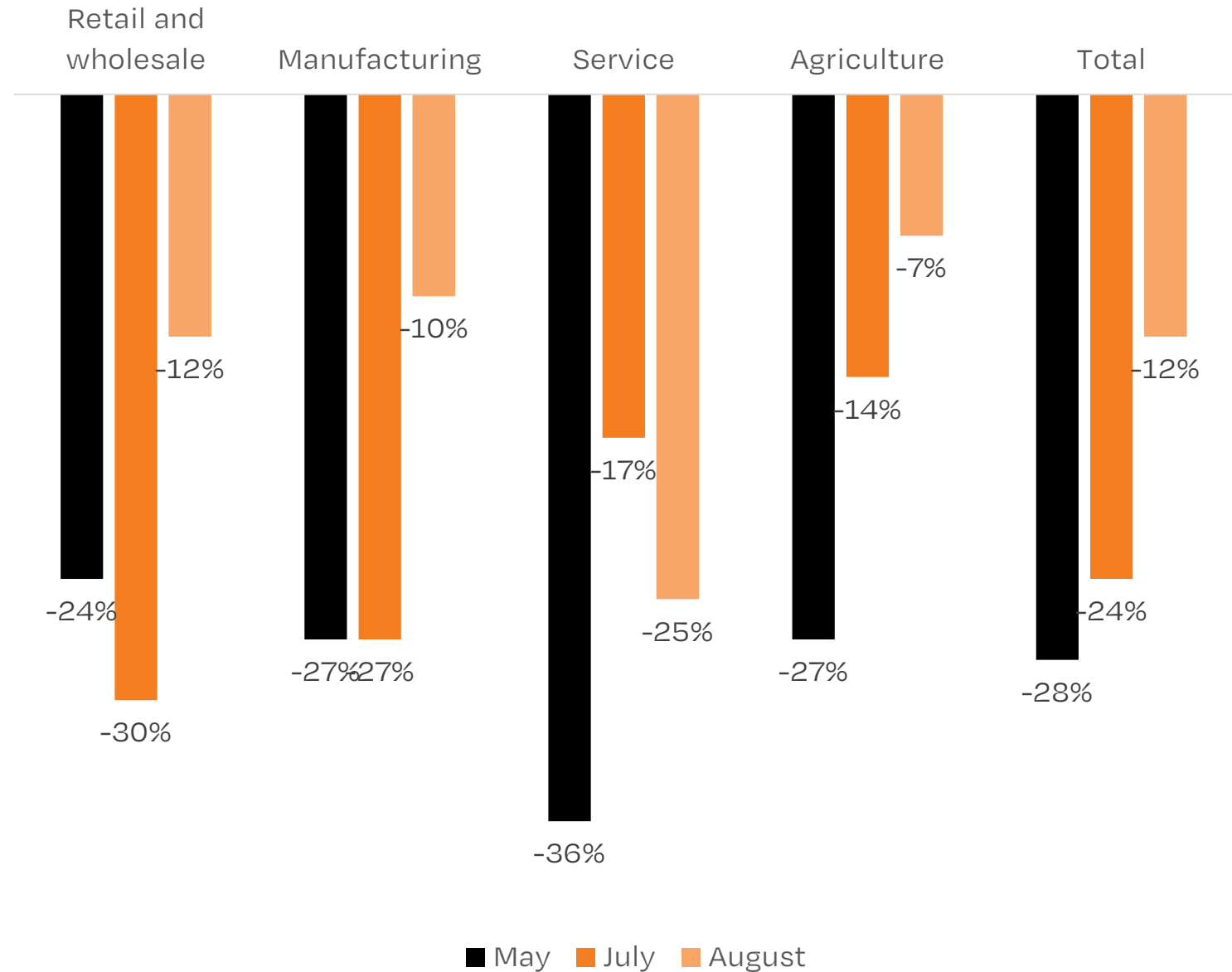
More firms expect to fall into arrears in the next three months than ever before especially in agriculture



BUT firms in August (prior to the second-wave) were more optimistic about a recovery



Firms sales' expectations for the next three months (compared to the same period last year) improved, but remained for negative growth



SECTION 1

SECTION 2

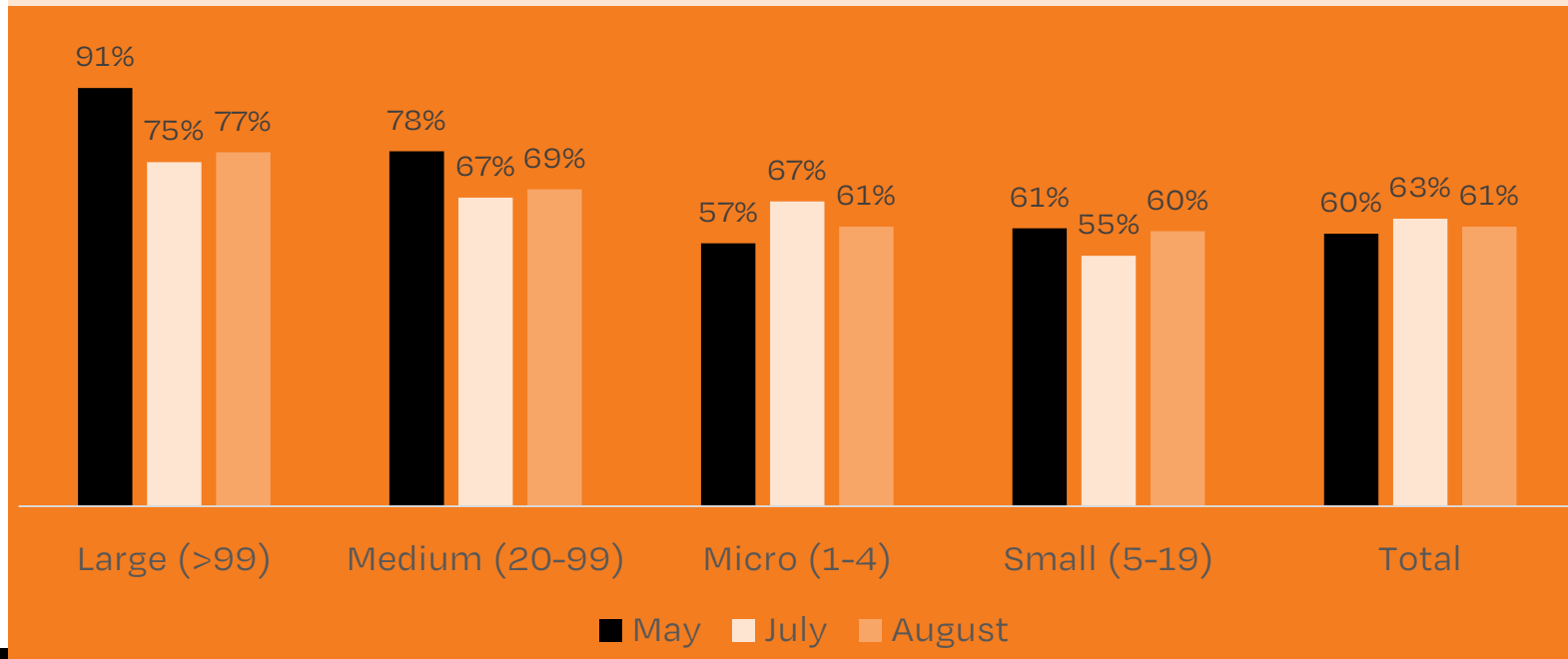
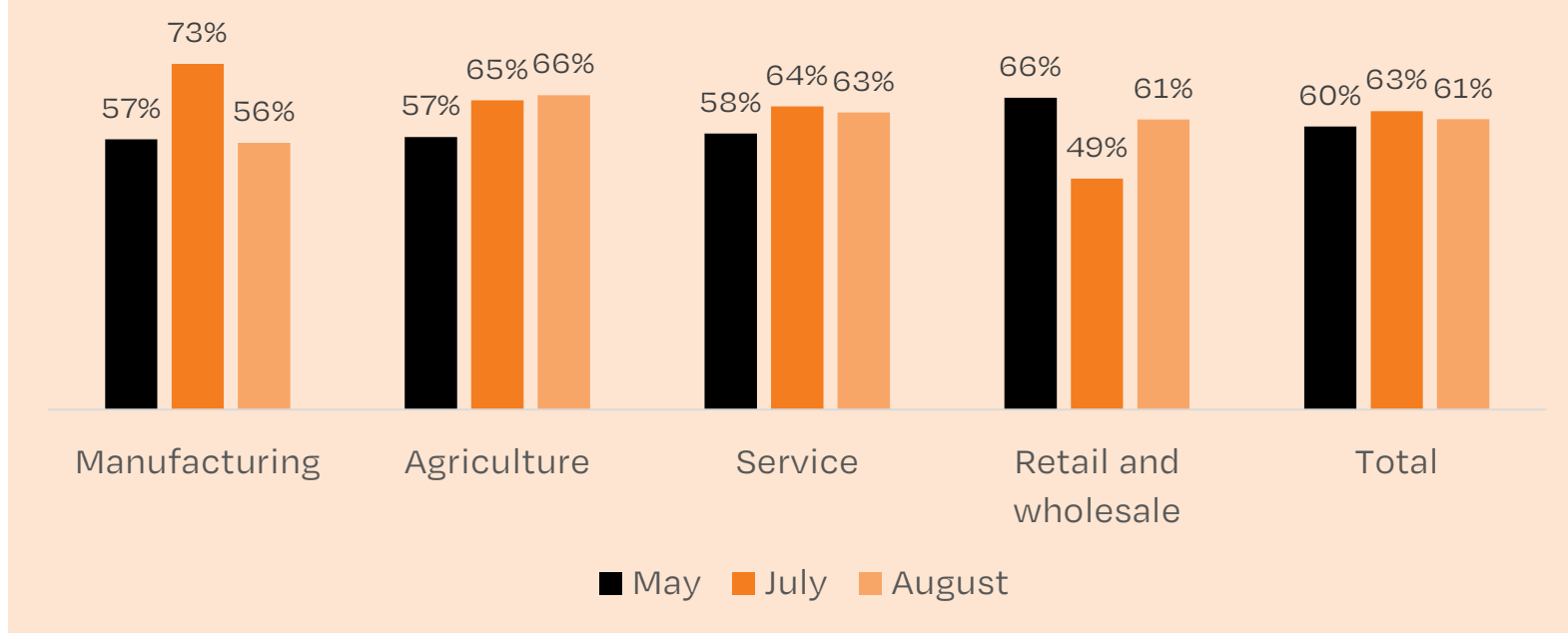
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SECTION 4

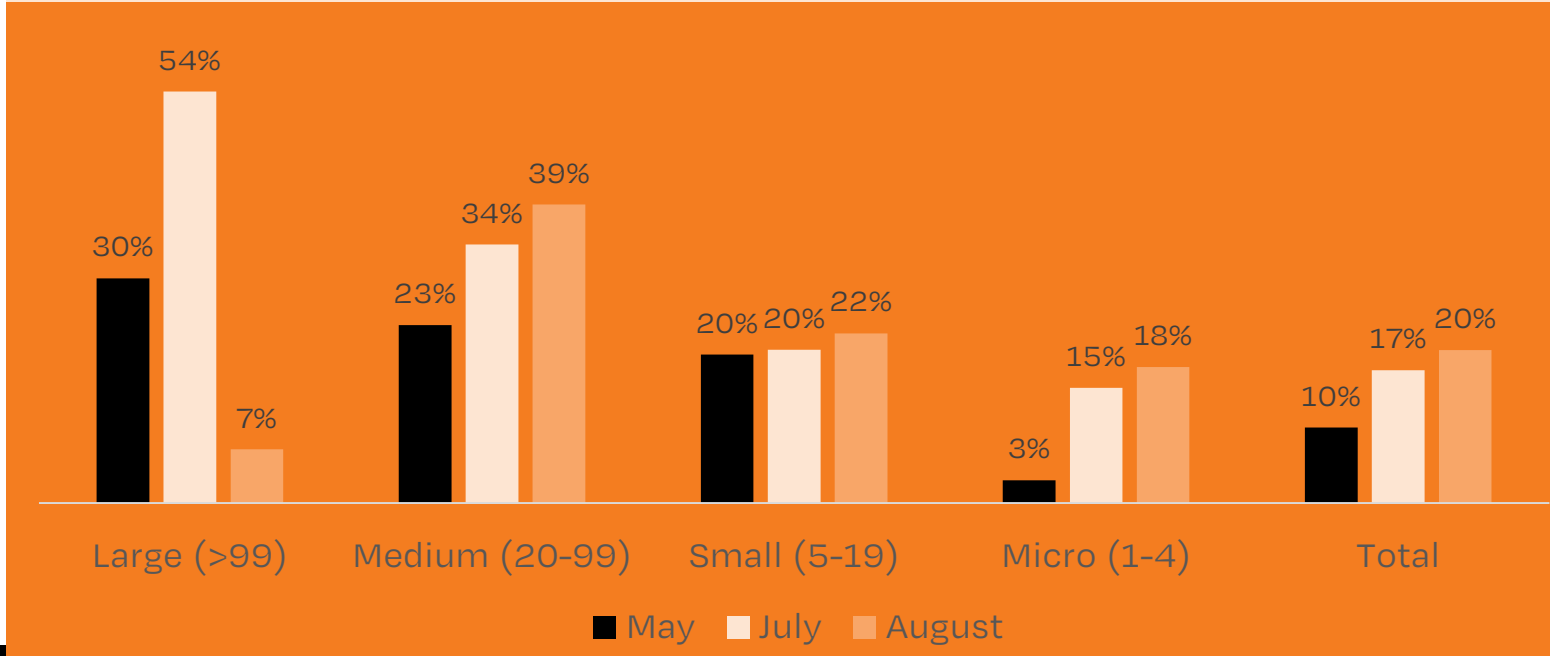
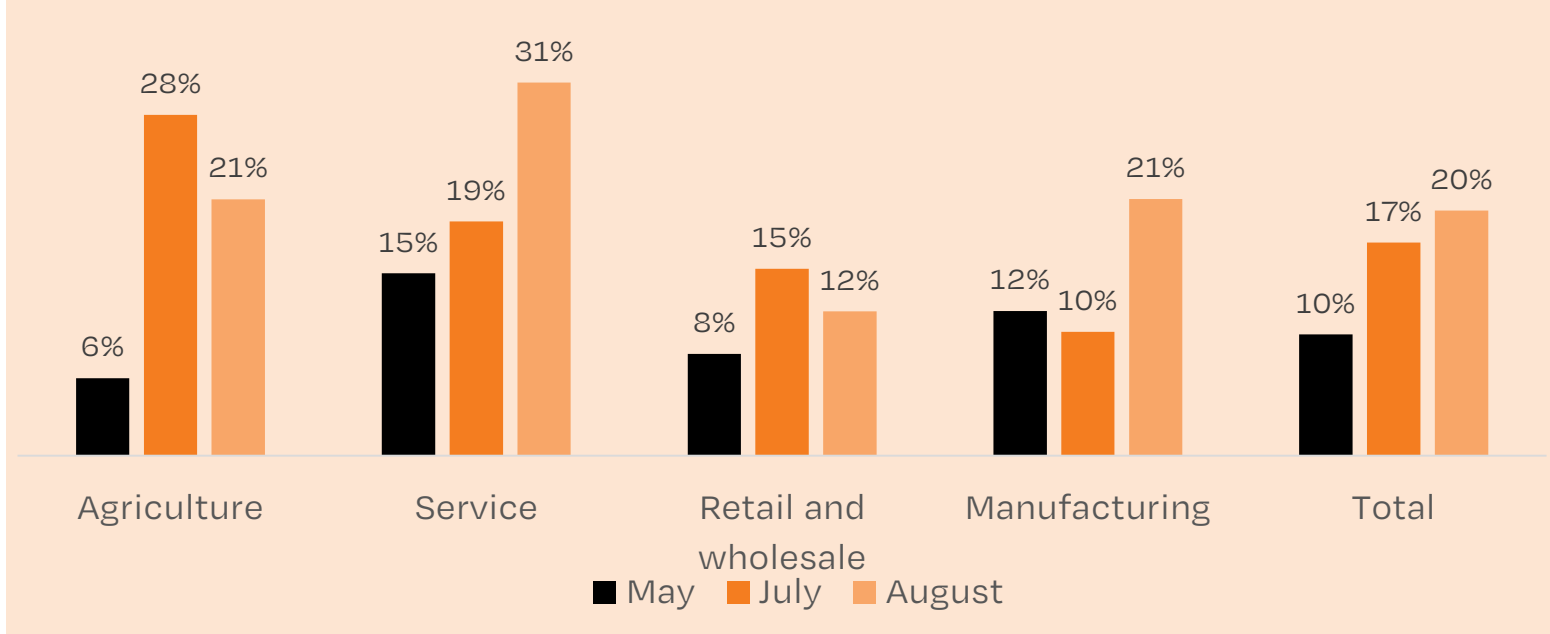
**POLICY AND
ADAPTATION**

61%

of firms are **aware**
of government
policies for
COVID-19



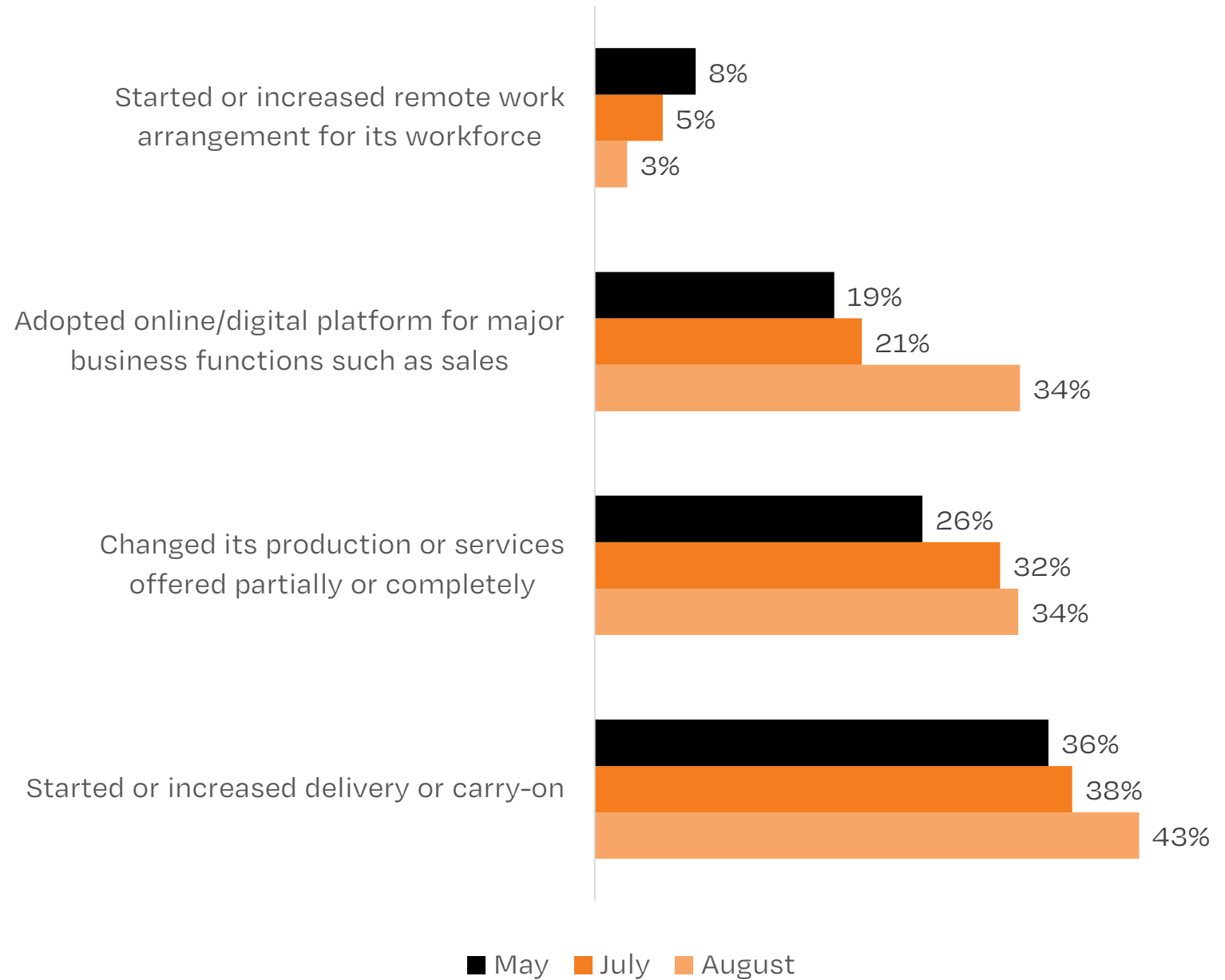
The share of firms applying for government support has doubled since May



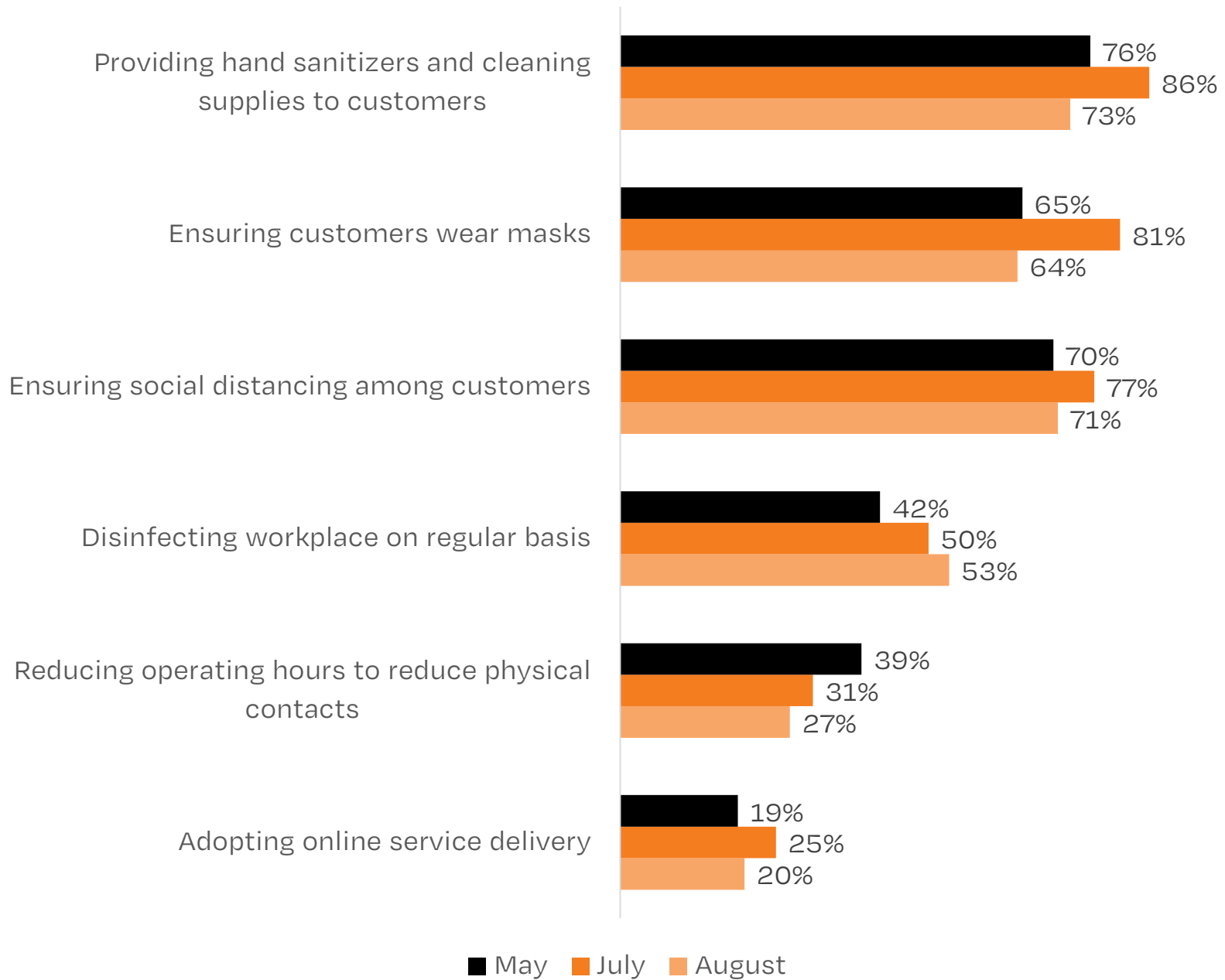
47% of firms reported that access to loans/credit guarantees was the most needed government support



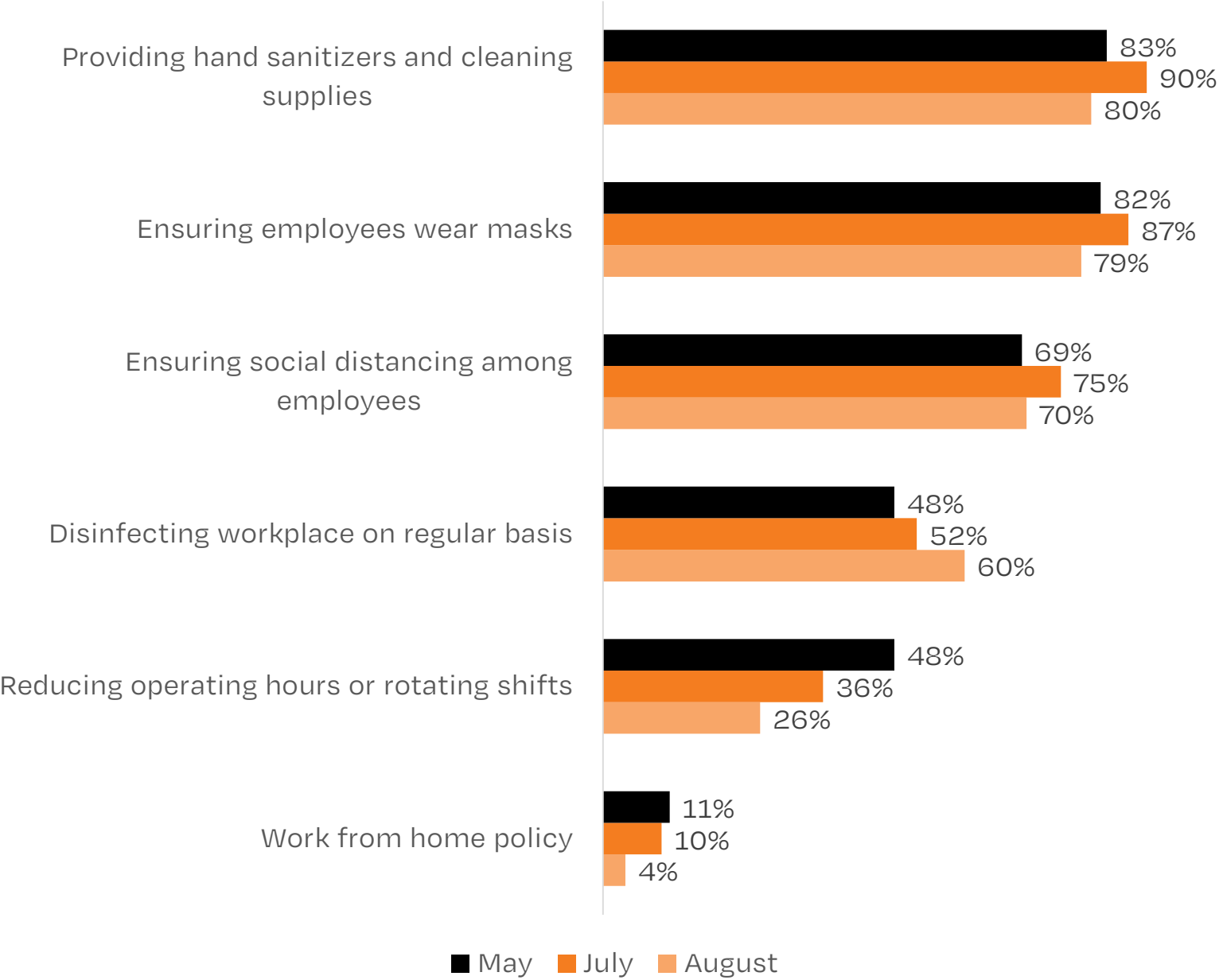
Use of adjustment mechanisms has increased



Measures adopted for customer safety have slightly decreased



As well as those for employee safety



Next steps

Round 4 collected (September)
Round 5 collection started (October)