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Digital economy has been affected from Coronavirus

Concerns over the spread of the coronavirus epidemic seems to be affecting the digital world as well. Monday 24 February the major international digital technology event in mobile telephony was scheduled to take place in Barcelona, as every year. It is the first time since 2006 that it is impossible to implement the event because of the global concerns about virus and health security. This is the announcement of the organizing authority, GSMA. According to the latest reports, several exhibitions and conferences mainly in Asian countries have been canceled due to the coronavirus threat, which has been able to raise concerns among the organizers as well. Major Chinese companies have announced that their presence at the exhibition would depend on the evolution of the virus. At the same time, there is pressure on the organizers from the participating companies (such as Amazon, LG, Sony, Intel, etc.), to cancel the exhibition and ultimately decide to withdraw, with some having chosen to make their presentations via Internet. Note that the Mobile World Congress annually hosts over 2,400 exhibitors, 160 national expeditions, and visitors can reach more than 100,000 people. The jobs created are almost 14,000 and revenues exceed 480 million euros.

Shrink banks profitability

The profits of investment banks have reached the lowest level since the global financial crisis erupted. According to a Financial Times report, this is the reason why banks are cutting thousands of jobs around the world, marking their own negative record. Specifically, the 12 largest investment banks worldwide reported total revenues of \$ 147.5 billion, with profits between investment and commercial banks recording a 4% year-on-year decline, the lowest level since 2008. Their reaction was as expected with 6% of jobs cut in total. However, Financial Times reports that the performance of the whole investment banking comes in contrast with the profitability in many of the bank's parent companies, such as JPMorgan Chase and Morgan Stanley, whose profits came from strong trends in other segments, including consumer banking and investment management. The stock market was the weakest segment last year, with revenues down 10% to \$ 41.1 billion. Mike Mayo, a Wells Fargo analyst, said that "strong secular trends" meant that equity trading revenue fell sharply to large banks even as equity markets strengthened. Revenue from fixed income sources, such as bonds and deposits, is generally up, with analysts not expecting an overall improvement immediately.



China's positive sentiment for the economy against Coronavirus

China has the ability to offset the economic impact of the coronavirus outbreak with several monetary policy tools, according to Liu Gukiang, vice president of the People's Bank of China. He estimated that the pressure from the spread of the new coronavirus epidemic on the Chinese economy would be shortlived and would not change the key economic dimensions of the Chinese economy. China's economy has been harmed a lot from the automotive industry of Germany. Germany is the largest automanufacturing exporter from the world and China is the largest importer of German cars from the world. And people have stopped using common means of transport due to the threat of the epidemic.