

History of Pandemics and Financial Crises

Analytic Study – A Recommendation for LAFICO

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Introduction

Emergence of pandemics, epidemics and financial crises in international market have been categorized as once in a century or half challenge for the businesses. The businesses have been affected by any disturbance into the market that may be triggered by epidemics, pandemics and/or financial crises; whereas financial crises losses can be measured and calculated for which appropriate measures and actions have been taken by businesses to ensure they survive in hard times (Peckham, 2013). However, if the epidemics and pandemics takes place then it is hard for the businesses to estimate loss it could suffer throughout the period. The core reason behind this includes a common but unknown enemy to people around the world that may have been recognized but world lacks capability to immunize the population due to no prepared vaccines and medicines.

Similarly, Coronavirus (COVID-19) emerged first in China that remained epicenter for the contagious virus but China contained it entirely from Wuhan very professionally, but other countries mostly developed western countries have been failing to control the virus in which Italy, Spain, Germany and other high-tech countries have been under crises (Sam Wong, 2020). Meanwhile, United States' denial of virus initially and inappropriate measures and guidelines for the travelers made it epicenter of the coronavirus that has and has been killing more people than 9/11 terrorist attack, Vietnam and Korean conflicts (Dan Mangan, 2020). Therefore, the virus remains a major global pandemic until today to period of unknown; and since it is highly contagious more than 100 countries have restricted international travel, people are heading to home countries, and in those countries, people have been advised to practice social distancing where some countries have also locked down entire countries and have converted maximum possible usable places into the quarantine centers (Blue swan daily, 2019).

Businesses have been entirely affected by virus throughout the world for which economic losses may not be measured due to fact that the hard time cannot be measured when this will end in coming days but could take at least 18 months or more until a world gets a vaccine to virus (Kuznia, 2020). In wake of this pandemic, aviation industry, tourism industry and hospitality industry has entirely been in a major crisis since people have been locked under their homes, travel restrictions, businesses disruption, and even ban on people's movement within country and their areas except for medical emergency (Bender et al., 2020). Under these conditions, investors and

shareholders are extremely feared about their investment and to make further investment to support companies from falling collapse.

With this perspective and objective to guide investors, following report has been prepared specifically for the Libyan Foreign Investment Company (LAFICO) that holds 11% directly and 29% indirectly stake into the company. The report attempts to shed light on the previous epidemics, pandemics and financial disruptions to analyze current situation that could have effect on the International Hotel Investments PLC (IHI PLC) and that is there any opportunity for the investors to benefit from buying more shares and/or opting out of the investment.

History of Pandemics and Financial Crises

Epidemics and Pandemics

Asian Flu – 1957 to 1958

Asian flu was another pandemic wave of influenza that started in China and claimed lives of more than 1 million people around the world, and virus was later found associated with the avian flu viruses. The virus rapidly spread and first international case was reported in February 1957 in Singapore and later affected Hong Kong, and coastal areas of US in summer leading to more than 1.1 million deaths throughout the world and alone 116000 deaths in US (Jackson, 2009).

Swine Flu - 2009

Swine flu was a H1N1 new strain that was discovered in Mexico in spring 2009; and this virus infected 1.4 billion lives throughout the world and has been categorized as pandemic killing near to half million people. This virus was contagious among the adults and children where 85% deaths reported were aged below 65 years as reported by CDC. This virus was more unusual than casual flu and seasonal flue that has been cause of death for aged population over 65 years. However, older population mainly over 65 age were immune to the swine flu and were not infected but rarely (Presanis et al., 2009). Meanwhile, today peoples are also vaccinated for H1N1 virus along with the flu vaccine.

Ebola - 2014

Ebola a deadly virus and contagious virus spread in the West Africa from 2014 to 2016 leading to 28600 reported cases 11325 deaths. The first international case was reported in

December of 2013 through which it spread to Liberia and Sierra Leone and these countries were highly affected but few cases were also reported from US, Europe, Nigeria, Senegal and Mali (Frieden et al., 2014). Meanwhile, no cure has been found currently and it has also been discovered that bats are source of Ebola virus that first occurred in Sudan.

Zika Virus - 2015

Zika virus has turned epidemic for several years in central America and South America since it remained unknown for the period. Later scientists discovered that it is originated from mosquitos and can also be transmitted sexually in humans. However, Zika virus was found to be harmful to the unborn children that cause defect births but is not harmful to children and adults (Campos et al., 2015). Meanwhile, central America and south America remains a prime location for virus in humid and warm weather in which mosquitos carry the virus.

Coronavirus (COVID-19) - 2019

Current coronavirus (COVID-19) or nCOV-2019, first emerged into the Wuhan, China in December, infecting 82,431 people and killing 3,322 patients mostly overaged or those with existing health conditions; through this 76,571 people have successfully recovered and became immune to the virus and China also completely contained the virus to zero-ground (WHO, 2020). However, since the virus was contagious and inappropriate measures of major countries mostly developed led to worst case scenario in which Iran and many European countries but as of today America remains an epicenter of virus due high number of cases (Tan, 2020). As of 2 April, 2020, the virus has infected more a million people in more than 185 countries and has caused more than 50,000 deaths so far (Arcgis, 2020). Meanwhile, no cure has been found but the data suggests that 85% people are have mild or no symptoms at all and becomes immune in 14 days without any special treatment. However, older population including pre-existing health conditions are vulnerable to virus and majority of the deaths have also taken place among the older population due to weaken immune system (Wu and McGoogan, 2020). However, data from China suggests children are entirely immune to the virus.

Financial Crises

OPEC – Oil Crises

The crises of oil began in 1973 during the Arab – Israeli conflict; the oil prices were skyrocketing as Arab nations halted the oil exports to United States in retaliation for arm supplies to Israel during the conflict. The shortage of oil led to economic crises in US and many other developed countries; and this led to very high inflation in those countries due to shortage of oil (Rustow, 1977). Therefore, it affected entire supply chain system, tourism industry and aviation industry as well. Meanwhile, it took years for those countries to achieve a target level inflation in the country.

Asian Crises

The Asian crises took place in 1997 in Thailand and spread to rest of countries in East Asia where trading partners of the businesses were operating. The core reason behind the crises was flow of capital from developed countries to Asia countries with optimism and overextension of credit that led too much debt accumulation over those economies (Climent and Meneu, 2003). As result a fixed exchange rate of Thailand to US was abandoned due to lack of foreign currency resources. The emergence of crises created panic situation in the Asian financial markets that led to capital flight in which foreign investors opted out billion dollars of investment. The east Asian governments were at brink of bankruptcies that could also had led to meltdown of global financial markets (Johnson et al., 2000). Hence, International Monetary Fund (IMF) had to step in and offer bailout packages for these governments to avoid meltdown of global markets.

Global Financial Crises

Global financial crises also known as sub-prime mortgage bond crises or more often as housing bubble; it took place in 2008 that led to global financial crises and nearly all countries were affected at some extent. Lehman Brothers a one of largest investment banks collapsed overnight, many financial institutions were at brink of collapse and nearly stock markets around the world had crashed (Obstfeld, 2012). Meanwhile, governments of respective countries stepped in to provide bailout packages to avoid further losses to economy and recovery of the market took almost a decade to recover from the crises. This crisis has been categorized as one of worst financial crises after great depression; the core reason is that suddenly millions of the jobs were wiped out and around \$2 trillion was measured to global economy (Claessens et al., 2010).

Global Economic Perspectives

The economic effect of global pandemic can be observed in terms of loss of economic growth, and figure 1 demonstrates the economic prospects for 2020 old forecasts and new forecasts amid coronavirus and worldwide lockdowns

Global economic growth slowdown

The Organisation for Economic Co-operation and Development (OECD) downgraded its 2020 real GDP growth projections for almost all economies

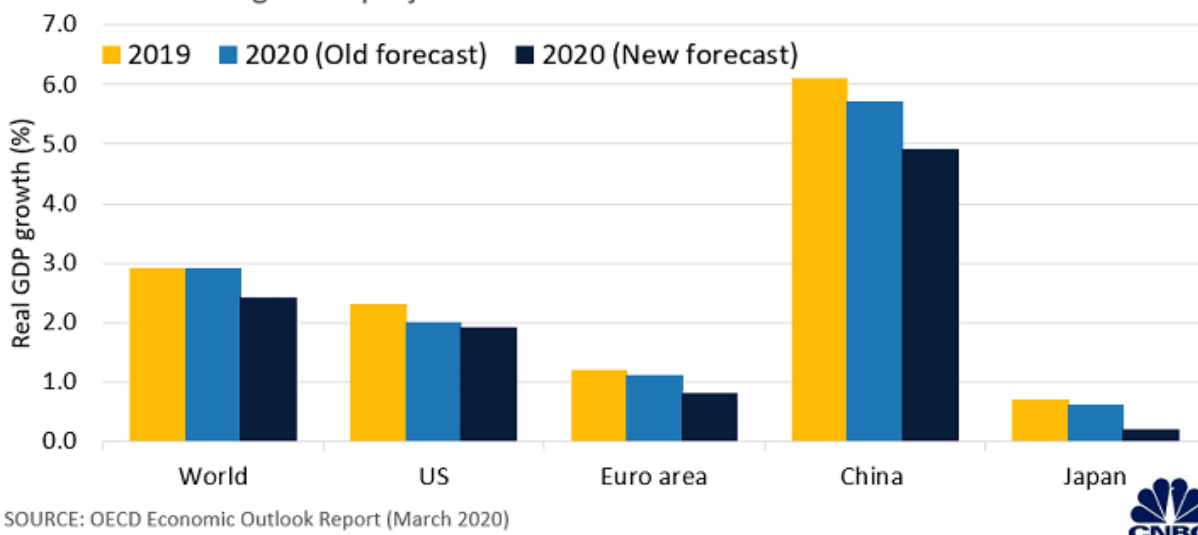


Figure 1 Global Economic Growth

China remains at foremost victim of downgrade as compared to other economies whereas with latest numbers it is expected that China's economy will growth by 4.9% than 5.7% earlier forecasts (Lora Brown, Palumbo 2020). Similarly, it is also expected that global economy to grow by 2.4% in 2020 rather than 2.9% as projected earlier. Figure 2 illustrates changes into the manufacturing activities in major economies worldwide

Manufacturing activity in major economies

The Purchasing Managers' Index (PMI) is an indicator of economic activity. A reading above 50 indicates expansion, while below 50 represents contraction

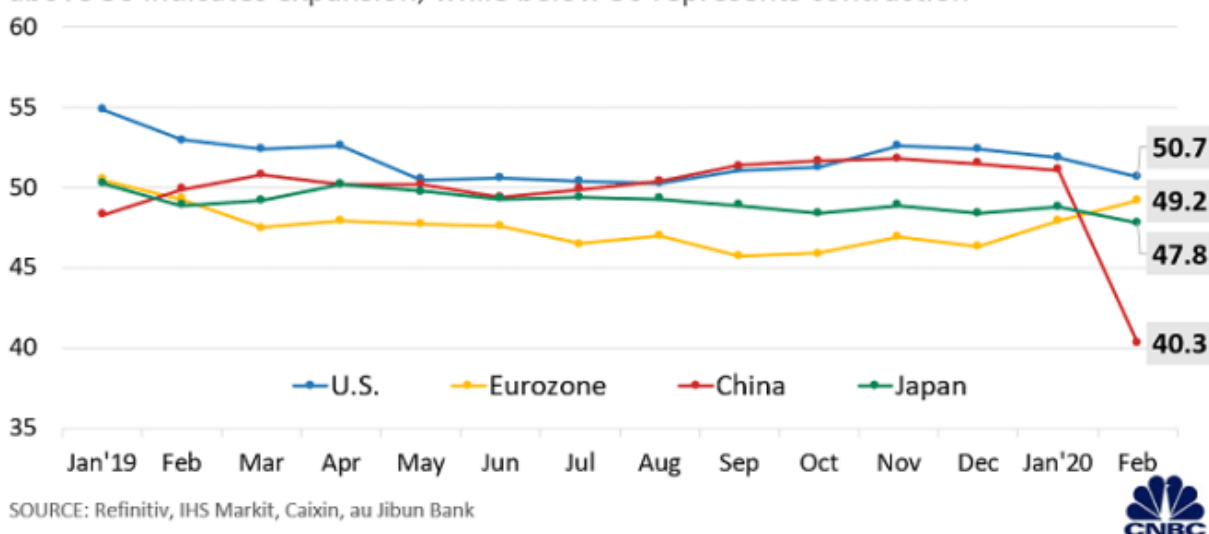


Figure 2 Manufacturing Activities

China also remains a most affected economy from this pandemic but since China has announced zero-ground virus in Wuhan and has almost contained the virus from china though the new cases are travelers around the world not locals. On the other hand, US today has become an epicenter of virus that have cases exceeding 0.2 million and more than 4000 deaths so far. Hence, this tend to have a serious effect on the US economy and consequently worldwide (Lora Brown, Palumbo 2020). Whereas, world's major countries have also locked-down countries, small businesses have already halted operations and travel restrictions have made people to until to their homes.

In addition to, the oil prices have reached to record low all the time after Russia and OPEC failed to reduce production; currently traded \$25 per barrel as of January, 2020 it was at \$63.05 per barrel which means it has lost more than 60% of value. Meanwhile, and investors sentiments have negatively affected world's largest stock markets where S&P dropped (28.8%), Nikkei (22.2%) DOW Jones (24.1%) (Lora Brown, Palumbo 2020). In addition to this, around 6.55 million people have filed for Jobless claims in United States that is 19 times higher than usual and FTSE 100 experienced worst week than last financial crises in 2008 and dotcom bubble.

Apart from that, 100 countries have banned international travel restrictions; where half of the Europe and US population are under lockdown and virtually overall world. Hence, the effects of these measures on the economy are inevitable that have significantly affected businesses (Blue swan daily, 2019). Since, governmental advice and restriction on gatherings have emptied the restaurants, restricted travel that has affected aviation industry along with the tourism industry, hospitality industry and other small businesses have also been affected in worst way due to their interdependence and same revenue streams from tourism and business trips.

It is not only tourism industry, but except the medical industry; secondary effects social distancing can be observed in overall manufacturing industry that people are confined and are practicing social distances to contain the virus that has slowed the shopping again affecting billion of the small businesses that has halted most of the production worldwide (Bertha, 2020). In widespread and contagious situation, it is less likely for the businesses to operate when there is no buyer except for the fast-moving consumer goods because due to loss of jobs and businesses people have limited their spending on necessity only.

Tourism Industry and Hospitality Industry

Global tourism industry has been contributing 10% of global GDP and World Travel and Tourism Council has also warned that due to COVID-19 pandemic 50 million jobs could be lost worldwide in travel and tourism industry. It is also anticipated that Asia is to be worst affected by this pandemic; where after outbreak the industry could take up to 10 months to recover the crises (World Economic Forum, 2020). In addition to, latest strict measures by governments worldwide could be used to anticipate worst effect on the industry as US has banned travel to Europe that has halted travel from and in.

These measures have also been termed as making the industry in worst case. More than 850,000 people travel from Europe to United States each month and this would lead to loss of \$3.4 billion loss each month to US economy and affect tourism and hospitality industry (Skift, 2020). On the other hand, during the pandemic 50 million jobs will be lost where Asia would have 30 million people jobless related to tourism and hospitality industry. Therefore, in wake of travel restrictions 12%-14% jobs would be reduced (World Economic Forum, 2020).

Therefore, tourism industry is at greater crises due pandemic and effect has also been unquestionable as compared to the previous experiences with SARS or H1N1 and also financial crises in 2008. In current situation hospitality industry, airlines and cruise operates are hit hardly as the travel is being restricted. International trips have been cancelled by the many organizations around the world such as Zurich insurer cancelled trips of 2000 employees and others BBVA Deutsche bank have also cancelled the trips of employees to Europe and Asian countries. Similarly, Chinese Lunar year has been considered one most prestigious event that attracts millions of travelers around the world to China and makes airports, hospitality industry to work at full capacity with months before bookings (Travel Daily News International, 2020). However, due to this pandemic the Lunar year's celebrations had also been canceled by the government of China.

Financial Analysis

Hypothesis and Assumptions of the study

H1: COVID-19 has affected the share price of the company significantly.

H2: The mean difference between return before COVID-19 and after COVID-19 is equal to Zero

Past Performance

Assets

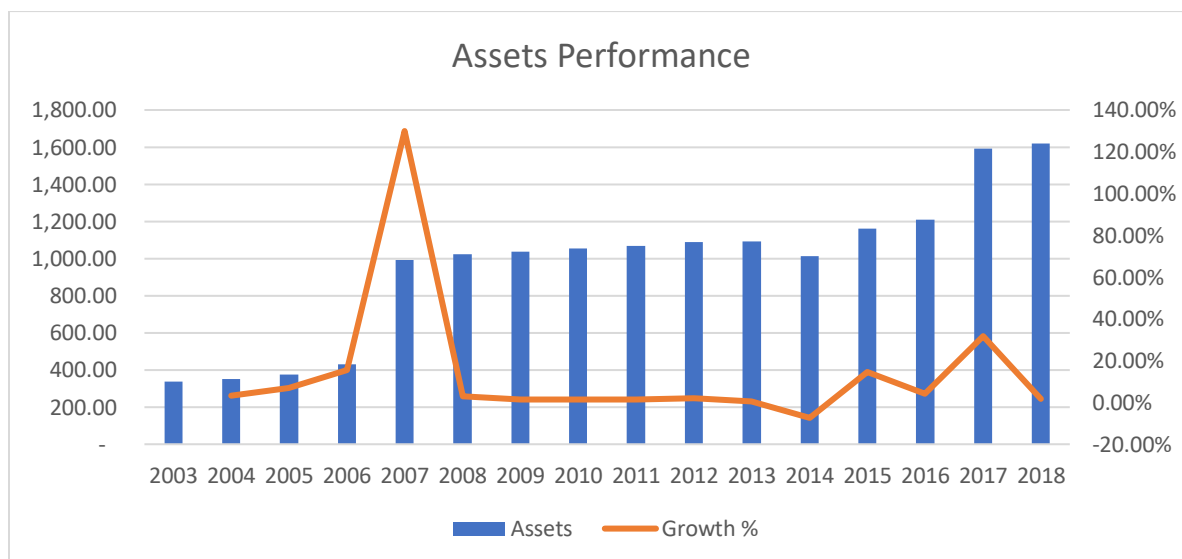


Figure 3 Assets Performance

Figure 3 illustrates the assets performance of the IHI PLC and it can be observed that assets of the company have been growing constantly which indicates its strategy to become a highly capital intense and diversify and leverage investment geographically to improve revenues streams. Assets in hospitality industry have been key for the success as revenue streams increases and value of the assets also rises that could have a positive effect on the financial position of the company.

Revenues

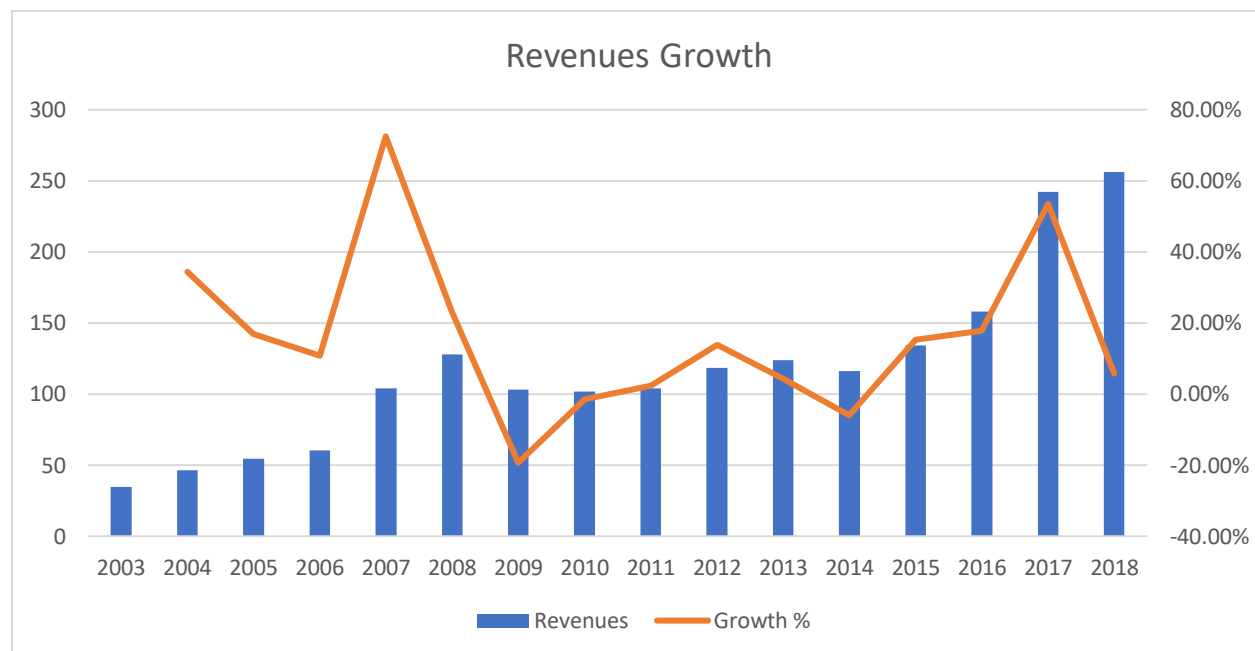


Figure 4 Revenue Performance

Figure 4 demonstrates revenues streams of the IHI PLC for over decade and it can be observed that revenues of the company have been rising but at some extent negative growth of also observed as in 2009 that was due to the financial crises and during 2014 due to lower demand and on-going projects in different continents including undertaking hotels third-party hotels under management. However, lower demand can also be attributed to the Ebola virus in 2014. Similarly, this resulted in doubling the revenues and EBITDA of the company till 2017 which reflects upon the year-on-year strong growth in the revenues. Therefore, this implies that IHI has potential hard working and efficient, skilled and professional employees to handle operations. However, the net profit available to shareholders has not been so attractive over a period of time; major fluctuations could be found mostly downward as illustrated in figure 5

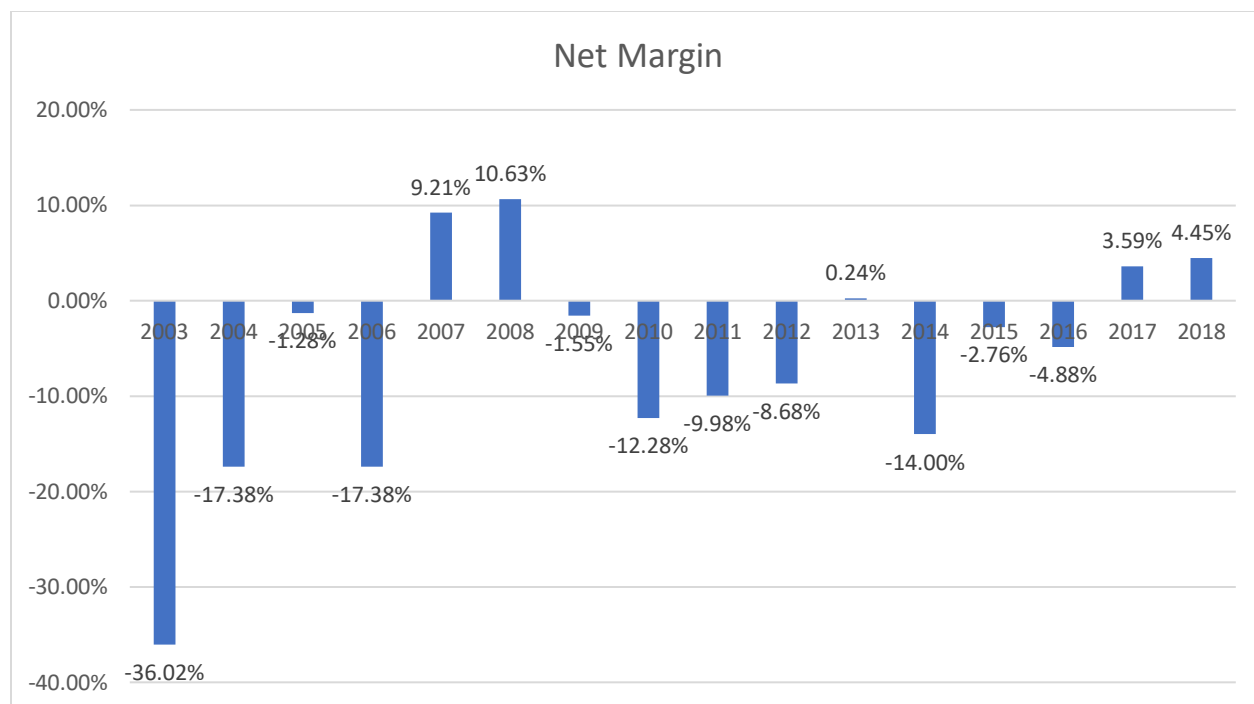


Figure 5 Net Profit Margin

The group's experienced all time in 2003 with loss of 36.02% but it started to recover until 2007 in which it achieved 9.21% growth followed by 10.63% in 2008 but due to the global financial crises it then returned to loss until 2016. However, as of 2017 company again returned to be profitable till 2018 and potentially 2019 to be reported later. There are two implications from major fluctuations in net profit of the company; one that assets of the company have been rising consistently throughout the period that increases the taxes and other operational costs burdens for the company hence it could not rise out of loss almost for 8 years; and secondly as of the portfolio of the company increased to its own hotels, resorts and other third-party hotels and commercial plazas started to provide a significant profits in 2017, 2018 and 2019. Therefore, based on this assumption growth in net income was further expected for the year 2020 but due to the Coronavirus pandemics the situations remain unclear.

Share Price

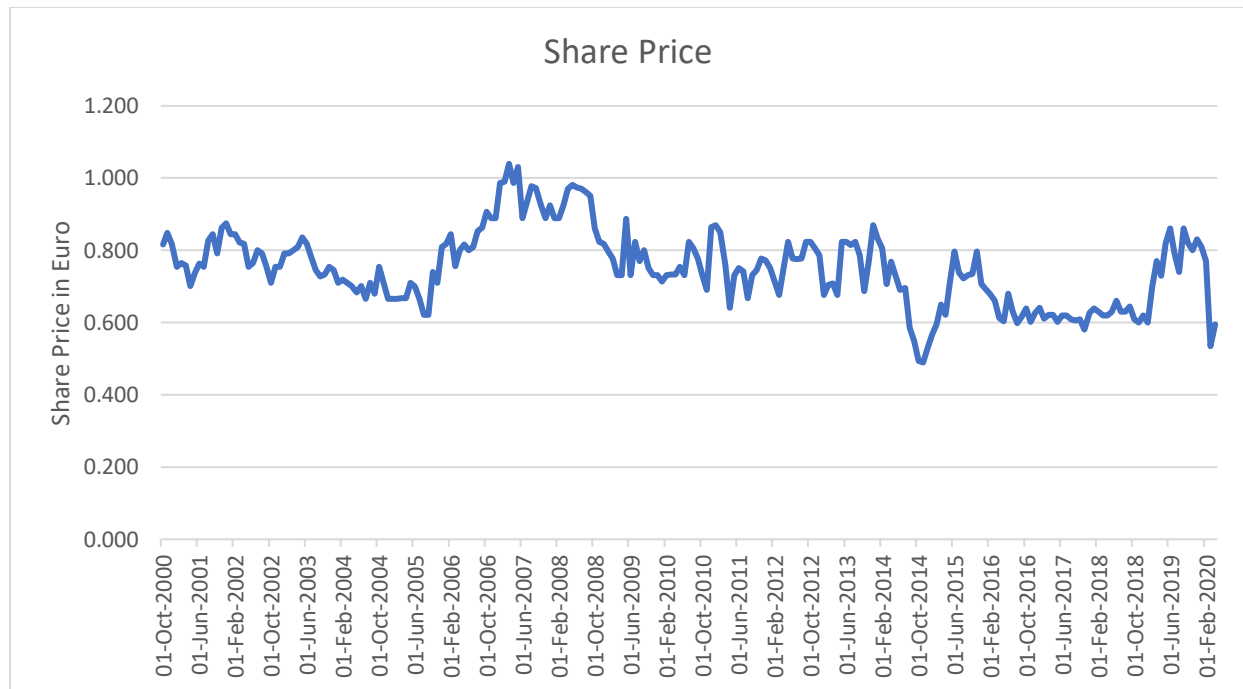


Figure 6 Share Price

The nominal value of the share is €1 per share, but as of 2nd April the share price was €0.595 that has fallen by 28.31% since COVID-19 emerged in December, 2019. The graph also shows fluctuations during the period. Meanwhile, fluctuations have been throughout the period since 2000; and the average share price has always remained at 0.7 to 0.8 since its inception. Therefore, these fluctuations could not be used as measure of the performance of the company instead fluctuations patterns combined with different time windows could provide valuation insights for investors. For instances, based on efficient market hypothesis, market is perfect and share price reflects all available information into the market and is fair and true value of the share. Therefore, the share price must reflect the all information available in the market in future, based on this approach and assumption it can be anticipated that IHI PLC has been in hotels industry for decades and its share prices truly reflects its performance and that value of the shareholders had instead grew during the financial crises despite reporting a loss for next 8 years. This implies that survivability of group is greater than any other company in the market; thus, this performance and strength of the company can be used a way forward to approach a valuable insight for the shareholders of the company.

Structural Break-Point

Mean	-0.61%	0.02%
Variance	0.00	0.00
Observations	52	52
Hypothesized Mean Difference	0	
df	90	
t Stat	(0.95)	
P(T<=t) one-tail	0.17	
t Critical one-tail	1.66	
P(T<=t) two-tail	0.34	
t Critical two-tail	1.99	

The result of independent sample's t-test shows that mean return after COVID-19 was - 0.61% that is net loss in value of shareholders and average return before the COVID-19 was 0.02% suggesting that shareholders had gained at least 0.02% each day. Comparing the average values, it is evident that there is a major difference but to determine either difference is significant or not; t-test two sample assuming unequal variances have been and results of the test suggests that that t critical value is greater than t-value suggesting to reject the null hypothesis in favor of alternate hypothesis that states that mean difference between the return before COVID-19 and after COVID-19 is not equal to zero. Hence, it is sufficient evidence to argue that COVID-19 has affected the returns of the shareholders and this could also place further challenge for the shareholders regarding their investment. It is because the core reason behind decline is COVID-19 that has affected investor's sentiments and investors have been opting out their investment to potentially save the value that share may lose in upcoming weeks or in foreseeable future.

Future Prospects

Economic Implications

Economic Implications	Asian Flu	Swine Flu	Ebola	Zika Virus	Oil Crises	Asian Crises	Financial Crises	Corona virus
Time Period	1957-1958	2009	2014	2015	1973	1997	2008-2009	2019

Stock Markets	-20.7	-20%			-15%	-30%	-30%	120 Years low
Unemployment Rates	Partially Increased	No effect	No effect	No effect	Partially Increased	Partially Increased	Partially Increased	Significantly increased
Gross Domestic Product (GDP)						8.3%	3.64%	4.46% or more
Economic Implication	3 Years	1 Year	No effect	No effect	4-6 Years	2 Years	10 Years	More than 3 months
Economic Activity	Stopped	Not Stopped	Not Stopped	Not Stopped	Not Stopped	Stopped	Partially Stopped	Entirely Stopped
Consumer & Investment Spending	Both Declined	Both Declined	No effect	No effect	Both Declined	Both Declined	Significantly declined	Severely Declined
Global Trade	Partially Stopped	Not effect	No effect	No effect	No effect	Partially Stopped	Partially Stopped	Entirely Stopped
Foreign Direct Investment (FDI)	Declined	No effect	Declined	No effect	No effect	Stopped	Stopped	Entirely Stopped

The table above illustrates the similarities and differences between the previous pandemics and financial crises with COVID-19; the data was extracted from multiple sources and it can be observed severity of the COVID-19 is different and there are no similarities between the events. Therefore, we can infer that COVID-19 tend to have different effect on global economy and also tourism industry. Meanwhile, stock market volatility has crossed limited and has turned 120 years below even more than the great depression in 1933. On the other hand, in no events within the history of IHI PLC, the global economy has not been hit so hard that it entirely stops the manufacturing industries, ban the travel and quarantine peoples in their homes.

Precautionary Actions Evaluation

The first and foremost action of the company was that took all stakeholders of the company into confidence by promoting a positive wave among the investors and employees. The company has undertaken all stakeholders into great consensus that first priority is to sustain the IHI PLC at

any cost; and it has provided detailed analysis and information how could this is possible. The company has announced to take all expenses to absolute minimum levels after which salaries and wages would be only expenses. Hence, for wages company has announced 60% salary for employees and other executives and has decided to not fire any of the employees; meanwhile the company has also been in negotiations with the banks locally and internationally to avoid the interest payments along with principle payments and many banks have already agreed on this point. On the other hand, IHI PLC has also undertaken in depth and detailed cash flows analysis to prepare for the worst-case scenario; whereas it has also in discussion with many banks to acquire funds to meet with wages and salaries expenses in case the pandemic continues. Therefore, the precautionary measures of the IHI has been well received by all stakeholders and can be stated as more appropriate and effective actions.

Negative Effects and Potential Risks

The negative effects of the Pandemic on the firm have been listed into the economic implications section; where it has been found that stock markets have turned 120 years low in history and also greater than the great depression. Meanwhile, significant volatility into the stock markets reflects to shareholders sentiments to save their investment, and investors have serious concerns. Similarly, it is expected that global GDP would declined by 4.46% that is higher than economic shock of 2008 in which industries and manufacturing sectors were partially affected but due to the COVID-19. Meanwhile, transnational trade and foreign direct investment (FDI) has been significantly affected based on the fact that peoples are confined in their homes and this has also led to restrictions on international travel. Based on these all consequences of the COVID-19, the negative effects on the hotel industry are worsts since hotels have been completely emptied or handful rooms are full that would also be emptied sooner or later. Therefore, the revenues of the hotels would be almost zero and would have to meet with at least wages and salaries liabilities to survive. Meanwhile, potential risk also exists for the IHI PLC that if this pandemic continues till next 2 years then IHI PLC may not be able to survive further. Therefore, potential risk for the company is significant.

Cash flows Analysis

IHI PLC has prepared detailed cash flows analysis for to scenarios; (1) scenario A and (2) scenario B. In scenario A, it is expected that company would make no profit from April to

September and then would make 25% profit of last year's figures from October to December. The analysis of cash flow shows that company would have a sufficient amount of cash on hands to meet with liabilities until the august but after which it may face difficulty to pay wages. Meanwhile, in this scenario company would may require additional financings from banks to meet with salaries expenses. However, in scenario B it is assumed that IHI PLC would make not revenues from April to December and in this scenario, the company would also go out of cash or closing cash balance of the company would become negative in August. Hence, it may also require more additional funds to meet liabilities than scenario A. It is because, the scenario B generates no revenue but in scenario A revenues is expected from September. Therefore, it is determined that in either of the scenario, company will be in difficult times and may not be able to pay wages to employees.

The past performance of the company shows that it has been facing hard times since its inception and its share price has also been fluctuating throughout the period but still company's assets have been increasing despite realizing net losses for almost 8 years continuously. Therefore, it can also be anticipated that could survive in future; but considering the intensity of the COVID-19 with other pandemics and financial crises then it is evident that COVID-19 is more serious and contagious than other viruses hence the consequences would also differ in terms of human losses and economic losses. Furthermore, it is also important to note that when intensity of the COVID-19 is higher than it would also lead to greater economic losses to the hospitality industry, tourism industry and aviation as well. There can be two scenarios; (1) if the vaccine of the coronavirus is not prepared for next eighteen months then will IHI PLC survive, (2) if the vaccine is produced earlier that is less likely then what could be a potential position of the company.

Worst Case – Scenario

In first case, if the pandemic continues to be as contagious as it has been then number of cases worldwide tend to rise exponentially as the number of cases have doubled in a single week and crossed 1 million reported cases worldwide. If it continues to be same then quarantine period would be further extended till the virus is contained because contemporarily social distancing is only cure to the virus. In this condition, it is most likely that IHI PLC would have to remain on zero-revenue scenario throughout the period until world is immunized that will only happen when vaccine is ready. In addition to, 18 months are only projected to develop the vaccine and it does

not account for the mass production period and distribution around the world. Hence, these 18 months could also be equal to more than 24 months until all travel restrictions are lifted slowly around the world.

Best Case – Scenario

In second case, if the vaccine is produced less than projected time then this would not be less than at least a year to immunize the world from COVID-19. Therefore, this could be a best-case scenario for the IHI PLC that would take entire 2020 and first quarter of 2021. In addition to, it is also important to highlight that businesses including hospitality industry would take at least a year to recover and turn to normalcy. However, due to this pandemic the frequency of travel, tour, and business trips can be affected in many ways. For instances, the corporate business has learned to carry out business transactions not by face-to-face, and during the pandemic use of digital tools has become an important way to carry out business without being face to face. Secondly, distance learning could also emerge and may also be promoted worldwide to let students be at their homes or anywhere in the world but still be enrolled in world's any university.

In addition to, it is also anticipated that shape of the world could also be changed and the way travel was being used could also affected. Hence, it is more likely to affect the hospitality industry even after the outbreak is controlled and virus is contained. Similarly, IHI PLC's share price has already been in significant fluctuations and has been traded below its share price. Hence, this remains a major concern that either share price of the company is sufficient for the shareholders to assume company would or would have been performing in future if efficient market hypothesis is considered.

Conclusion

In wake of global pandemic, businesses are primarily affected followed by the people associated with those businesses and communities. The concern still remains to be followed until this will end but would IHI PLC rise again is another cause of concern for shareholders. It is because the intensity and severity of the COVID-19 is anticipated much more than other pandemics and economic loss is also greater than financial crises in 2008. Therefore, from investor's point of view, what has to be done to handle their investment? Either opting out would be a feasible option or further investment to support survival would be more beneficial to gain

value for the investors? To address these concerns and questions; following report was prepared in which it has been found that despite severity and intensity of the virus, it has to end in foreseeable future anyway; but still the firm's survival would be major issue because it may not be possible for the IHI to continue to pay 60% of salaries to employees and this would also require company to liquidate some of assets, acquire loan and wait for government bailout package. Therefore, opting out investment is not a rationale decision at all since it would only miss the opportunity to benefit from the situation. Therefore, further investment would help to survive the company a period until the virus is contained and world is immunized. However, uncertainty and risk still remain to be there that is also feature of the business and without which gain cannot be achieved.

Recommendations and Implications

It is recommended to LAFICO to buy some of IHI shares to support the collapse of the business entirely. The current share price of the IHI is much lower than nominal value and it will for definitely but may not immediately gain the value and reach to real price in the market. Therefore, it will provide a capital gain an over period of pandemic, and after the pandemic is over then business can further establish stronger roots to flourish in the global market with already built diversified portfolio geographically. Secondly, IHI PLC has survived in very difficult times such as it has been on loss for 8 years but still was operating; similarly, it has already taken measures to bring cost to absolute minimum. Secondly, the things may get worst but if the investment is opted out then there is no alternate option for investment anywhere around the world due to this pandemic. Hence, it is critical for the LAFICO to buy some of the shares of the company to remain firm hard times and achieve benefit in terms of capital and potential value in future.

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