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**Frederic Neumann**

Co-head of Asian Economics Research, HSBC

## **Bangladesh shows resilience despite COVID-19, HSBC economist says**

As global growth recovers in the coming quarters, Bangladesh stands to benefit from its strong economic fundamentals and will likely continue to deliver steady growth rates. This is according to Frederic Neumann, Co-head of Asian Economics Research, HSBC, who shared his insights at a virtual session for HSBC Bangladesh clients and stakeholders on 7 July 2020 titled 'Impact of COVID-19 on the Bangladesh economy and silver linings'. Neumann also talked about the impact of COVID-19 on the global as well as regional economy.

In his presentation, Neumann also said, "Bangladesh continues to impress with economic resilience. Strong growth in recent years was based on solid fundamentals, with stable inflation and a robust external payments position. Bangladesh exports have also gained global market share in recent years and the continued rise in remittance has helped to support local demand."

Neumann went on to explain that, "Bangladesh's economy has so far managed the challenges brought by the global COVID-19 outbreak well. While exports in particular have suffered amid a global decline in apparel demand, and remittances have cooled, the fall in oil prices and slowing imports have kept the country's trade position in a resilient position. Locally, consumer spending has softened due to a softer labour market and the need for social distancing. However, the government has delivered a robust response to support demand, supported by an accommodative central bank."

His Excellency Robert Chatterton Dickson, British High Commissioner to Bangladesh attended the session as the Chief Guest and Ahmed Jamal, Deputy Governor, Bangladesh Bank attended the event as a Special Guest. Md. Mahbub ur Rahman, Chief Executive Officer, HSBC Bangladesh was also in attendance alongside key members of the business community, regulatory bodies and representatives from state-owned enterprises.

Commenting on the event, HE Robert Chatterton Dickson said, "Bangladesh has been one of the great economic success stories of the last decade. The key question now is how the country recovers from the COVID-19 pandemic, and sets itself on a renewed path of sustainable, inclusive private sector-led growth. I hope that the insights shared by the experts at HSBC, one of the leading UK-based investors in Bangladesh, will help Bangladeshi businesses and entrepreneurs to emerge stronger from these complex challenges."

Speaking at the event, Ahmed Jamal said, “This is an unprecedented situation for all of us. Bangladesh entered this situation with strong macroeconomic fundamentals. The central bank has worked to provide adequate policy support. Bangladeshi people are known for our resilience and together we will navigate this tumultuous time.”

Md. Mahbub ur Rahman during the opening remarks said, “The COVID-19 pandemic has disrupted our way of life in many dimensions deemed unthinkable before. A sustainable and timely recovery from this turbulence warrants deeper collaboration among all stakeholders. It is said that the sun rises even after the darkest night. I share the optimism discussed today. We will come out stronger and better from this unprecedented situation.”

Frederic Neumann joined HSBC in 2006 and is based in Hong Kong. Before joining HSBC in 2006, Frederic was an adjunct professor at a number of US universities, including Johns Hopkins University, teaching graduate courses on Asian sovereign risk analysis, financial markets, monetary policy, and Southeast Asian political culture. He also served as a consultant to international organizations and governments, and as a research associate of the Institute for International Economics in Washington, DC. A former Fulbright scholar, Frederic holds a PhD in international economics and Asian studies.

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**Note to editors:**

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