

## Eurozone: A joyless November







As the second wave of Covid-19 sends much of Europe back into lockdown, we take a look at what you can and can't do in various Eurozone countries



Woman passes stacked chairs and tables at the famous restaurant 'Hofbrauhaus' downtown in Munich, as a month long partial lockdown becomes effective in Germany

Source: Shutterstock

### The second wave of lockdowns in Europe

|                             | Germany   | France  | Italy   | Spain   | Netherlands   | Belgium   | Portugal   | Ireland   |
|-----------------------------|---|---|---|---|---|---|--|---|
|                             |  |  |  |  |  |  |  |  |
| Restaurants & bars closed   |   |   | Yes, after 6pm  | No, with regional exceptions like Barcelona   |   |   |  |   |
| Curfew                      | No, but no domestic touristic travel  | No, but limited non-essential travel  |   | Yes, except Canary Islands  |   |   | No, but limited non-essential travel   | No, but limited non-essential travel  |
| Non-essential retail closed |   |   | No, with possible local exceptions  |   |   |   |  |   |
| End of measures             | Nov 28  | Dec 1   | Dec 2   | Nov 9, possibly extended until Mar 2021   | Mid-Dec   | Dec 1   | Nov 14   | Dec 1   |

Source: ING Research and national government announcements

The next round of lockdowns are here and it's different from the first wave. Governments have taken lessons from the lockdowns in March and have centred the restrictive measures around retail

and recreational activity in most countries. This limits social contact – and fun – which is supposed to curb the spread of the virus.

Schools, industrial and construction activity remain out of scope for now, which helps to limit economic losses, but that does not mean the impact of the measures will be negligible.

Far from it, in fact, as we now expect the economy to contract in 4Q20. The closing of hospitality and non-essential retail, as well as the potential negative impact on sentiment, will significantly impact the economy and this will, in turn, require a fiscal response to mitigate the lasting damage. The dreaded double-dip is here.

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