

## Covid Cost

FE BUREAU

### Don't shut down GDP

As the number of fresh cases has risen more than six-fold in the last month, more localized lockdowns such as the one in Maharashtra are likely. While a national lockdown looks unlikely, BofA Securities sees a 300bps downside risk to its 9% GVA estimate for FY22 in case of a national lockdown which may result if there is inadequate vaccination and a continuing surge in cases; a one month shutdown, it says, costs between 100 and 200 bps of GDP growth.

