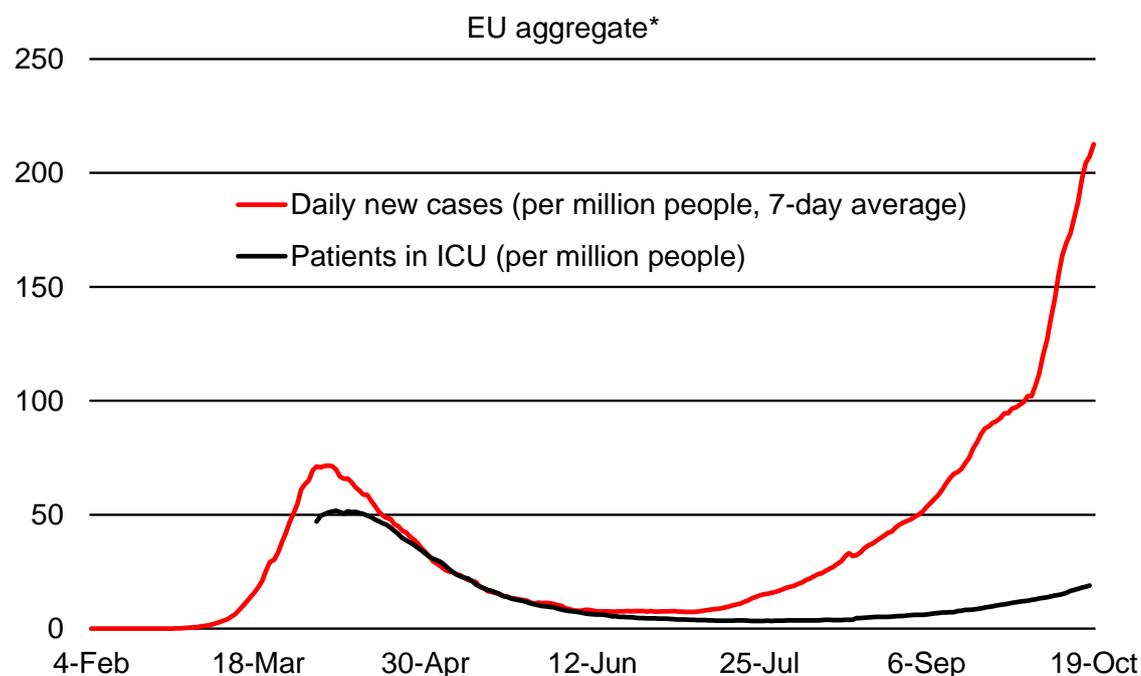


Europe's second wave: Soaring new cases to raise pressure on health facilities



*Our EU aggregate comprises countries for which data on COVID-19-related patient admission to intensive care units (ICUs) are broadly comparable. These include Germany, France, Italy, Spain, the Netherlands, Belgium, Austria, Finland, Ireland, Portugal, Denmark, the UK, Czechia, Hungary, Romania, Bulgaria, Slovenia, Estonia and Luxembourg. Our aggregate covers more than 85% of the population of the EU27 plus the UK.

Source: Macrobond, UniCredit Research

- Our *Chart of the Week* shows that the second wave of the pandemic in Europe has been characterized by a surge in the number of new COVID-19 infections, while the number of patients in intensive care units (ICUs) has been rising only moderately so far. This stands in stark contrast to developments during the first wave, in March-April, when daily new cases were about one-third of today's level, but there were many more patients in need of intensive care.
- Several factors explain the decoupling, which started over the summer, between daily new cases and the number of patients being admitted to ICUs: **1.** Testing and tracking capacity has greatly increased in recent months, raising the number of asymptomatic cases that can be detected. Instead, during the first wave, only symptomatic individuals were tested, and some of these were already experiencing severe illness. **2.** Progress has been made in the medical treatment of COVID-19, including with anti-viral and anti-inflammatory drugs. **3.** The second wave mainly started with infections spreading among young people, which tend to be less vulnerable to the effects of the virus. However, following this initial phase, the average age of COVID-19 patients has been rising again.
- The relatively shallow increase in the number of severely ill patients in this second wave of the pandemic is good news but should not be interpreted as ground for complacency. This time, we expect the number of patients in ICUs to lag behind the number of new cases, while, in the first wave, the two curves moved broadly in sync, largely due to the features of the testing activity mentioned above.

Given that new COVID-19 cases started to accelerate markedly at the beginning of October, with no signs of a flattening-out apparent yet, and given that scientific studies put the median time to ICU admission at 10-12 days from the onset of illness or symptoms¹, the ICU curve will very likely steepen over the next few weeks. This will raise pressure on health facilities, although probably not to the extent seen in March and April. If so, targeted restrictions and local lockdowns will likely remain the main tools used by governments to fight the pandemic while trying to minimize damage to economic activity.

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¹ *Interim Clinical Guidance for Management of Patients with Confirmed Coronavirus Disease (COVID-19)*, Centers for Disease Control and Prevention, 10 September 2020.

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