20004 Global firms halt China travel as coronavirus spooks markets

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Businesses are stopping staff travel to China and urging workers inside the country to stay out of the office as concerns grow about the continued spread of the coronavirus from the central city of Wuhan to the rest of China and beyond.

HSBC, which has the biggest presence of foreign banks in China, has banned all staff travel to Hong Kong for two weeks and to mainland China until further notice. Asia-focused lender Standard Chartered is also restricting travel to China and Hong Kong and has asked staff either returning from China or who have family members who have visited the country to work from home for 14 days after their return.

Chinese video games giant Tencent and online retail giant Alibaba have asked their staff to stay at home until 10 February, while Wall Street bank Goldman Sachs has told staff who have visited mainland China to work from home for the next fortnight.

French automotive group PSA, which makes the Peugeot and Citroen car brands, said it is assisting with repatriation of all non-Chinese staff and their families from its sites in the Wuhan area.

The action from companies worried about the impact of the virus comes as travel is being restricted within the region and between China and the world. The high-speed rail link between Hong Kong and mainland China will be suspended from 30 January.

The virus has spooked stock markets over the past week amid the growing threat to the global economy. Airlines, hotel groups and luxury goods firms have been among the worst hit. Burberry's share price has lost 14% over the past 10 days, while IAG, the owner of British Airways, is down 12%. Holiday Inn group Intercontinental Hotels has lost 10%.

The price of copper – regarded as a sign of the health of the global economy – fell for the 10th consecutive day. The oil price is also under pressure, with Brent Crude changing hands at less than $59 a barrel at one point. China's demand for oil has been growing at 5.5% a year.

Some economists are forecasting a possible slowdown in the world's second-largest economy. Freya Beamish, chief Asia economist at Pantheon Economics, said China's real GDP could fall in the first three months of this year, depending on how long it takes to contain the outbreak.

Beamish said lost factory production could be made up, but missed holiday spending would simply be lost.

Official Chinese data two weeks ago showed the slowest economic growth in 29 years.

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