

## ASEAN Morning Bytes

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### EM Space: Trade continues to dominate sentiment

- **General Asia:** Investors are likely to stay cautious ahead of the mid-December deadline for Phase one US-China trade deal. China's inflation and monetary data may provide some direction for trading, while key central bank meetings (FOMC, ECB, and BSP) are likely to pass as non-events.
- **Philippines:** October trade figures are due today. The consensus of a wider trade deficit of \$3.6 billion, up from \$3.1 billion in September, stems from slightly steeper export fall, while the resumption of government infrastructure spending translates into small import fall. The wider trade deficit could prevent the current appreciation spell of the Peso continuing into 2020.
- **Indonesia:** Finance deputy minister Suhasil Nazara indicates that inflation should settle at 3.1% for 2019 while GDP growth manages to post a 5% expansion despite “ongoing efficiency measures”. Nazara expects foreign direct investments to post an improvement in 4Q as Jokowi orders the improvement in the ease of doing business, which could help bolster foreign investor sentiment and the IDR.

## What to look out for: Fed meeting and China inflation

- Philippine trade (10 December)
- China inflation (10 December)
- US inflation (11 December)
- Fed meeting (11 December)
- BSP meeting (12 December)
- ECB meeting (12 December)
- US PPI inflation (12 December)
- Hong Kong industrial production 13 December)
- US retail sales (13 December)