

ASEAN Morning Bytes

General market tone: Risk-on.

Positive developments on trade between the US and Mexico is seen to lift sentiment on Monday.



EM Space: NFP stalls to 75k, adds to case for rate cut from Fed

- **General Asia:** Disappointing US labor report with the only 75k increase in jobs in May as against expectation of 175k increase helped push the case for a Fed rate cut. On the trade front, Trump and Mexico came through with a deal to avert tariffs on Mexico. Markets will look to China trade data on Monday for direction.
- **Indonesia:** Bank Indonesia (BI) deputy governor Dody Waluyo indicated that the central bank has discussed the possibility of cutting rates but qualified that BI needed to remain cautious. Waluyo said that the central bank was monitoring data to gauge the proper timing of easing, while the US Fed could cut rates within the year.
- **Philippines:** Bangko Sentral ng Pilipinas (BSP) Governor Diokno indicated that monetary policy decisions would not be reactive with the BSP seen to act in a preemptive manner to avoid blow-ups in inflation. Meanwhile, gross international reserves (GIR) hit \$85 bn in May, up from a revised \$83.9 bn in April as the central bank rebuilt its buffer of foreign currency.

What to look out for: China trade data

- China trade (10 June)

- Taiwan trade (10 June)
- Indonesia CPI inflation (10 June)
- Philippine trade (11 June)
- Malaysia industrial production (11 June)
- US PPI (11 June)
- China CPI inflation (12 June)
- Singapore retail sales (12 June)
- India CPI (12 June)
- India industrial production (12 June)
- US CPI inflation (12 June)
- Australia employment (13 June)
- US jobless claims (13 June)
- Indonesia GIR (13 June)
- China industrial production (14 June)
- India trade (14 June)
- US retail sales, consumer sentiment (14 June)