

ASEAN morning bytes

General market tone: Slight risk off.

Risk sentiment will remain fragile on Tuesday, although bargain hunting in Asia may lift stocks after a tech-inspired rally on Wall Street.



International theme: Fears of global growth slowdown hurts risk sentiment

- Fears of a global slowdown continued to weigh on sentiment with crude oil prices wiping out gains from the recent OPEC cut. Brexit concerns also dampened already fragile sentiment although a late rally in FANG stocks on Wall Street may inspire some bargain hunting on Tuesday.

EM Space: Tech rally may provide some lift, but not a lot

- **General Asia:** A late rally in technology shares in the United States may help boost bargain hunting in Asia although the gains will likely be muted with investors fearful of a slowing global economy with oil prices tumbling despite the OPEC production cut.
- **Philippines:** The Philippines reports data on trade on Tuesday with market expectations pointing to another wide trade gap of at least \$3bn with imports seen to post double-digit expansion while exports will likely remain lackluster. With the trade gap seen to remain in

deficit in the medium term and outweigh inflows of the structural nature such as Overseas Filipino remittances, we can expect the Philippines to continue to post current account deficits, thereby exerting pressure on the PHP to weaken in 2019.

What to look out for: BSP policy decision

- Philippines trade (11 December)
- US producer prices (11 December)
- Malaysia industrial production (12 December)
- Singapore retail sales (12 December)
- US inflation (12 December)
- Philippines BSP policy (13 December)
- ECB policy meeting (13 December)
- China retail sales, industrial production (14 December)
- Hong Kong industrial production (14 December)
- US retail sales (14 December)

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