

ASEAN Morning Bytes

General market tone: Risk off.

Global growth fears are seen to weigh on sentiment on Monday as US and China trade talks resume in Beijing.



EM Space: US officials troop to Beijing to jumpstart trade talks

- **General Asia:** Market will be reeling from renewed global growth concerns with manufacturing numbers from major economies softer amidst the ongoing trade dispute. Investors will also be anxiously monitoring trade negotiations as talks shift over to Beijing.
- **Indonesia:** Bank Indonesia has projected March inflation to settle at 2.47% or a 0.1% month-on-month inflation, right below the central bank's 2.5-4.5% inflation target for the year. Inflation dynamics have largely been subdued ahead of the election after President Jokowi allowed the importation of foodstuffs to help augment domestic supply. Governor Warjiyo indicated that "inflation is at a low rate and tending to decline".
- **Philippines:** The Bangko Sentral ng Pilipinas (BSP) expects inflation to decline until 4Q and stabilize at around 3% until 2020 on base effects. Deputy Governor Guinigundo, a known hawk however continues to rule out any form of easing in the near term, either through RRR cuts or policy rate reductions.
- **Thailand:** Thai election results are not yet clear as opposition party Pheu Thai gains more seats on a lower share of the popular vote. PM Prayut's continued rule likely to depend on support from other smaller parties.

What to look out for: US China trade talks in Beijing

- Singapore inflation (25 March)
- Taiwan industrial production (25 March)
- Singapore industrial production (26 March)
- Hong Kong Trade (26 March)
- US consumer confidence (26 March)
- US trade (27 March)
- US core PCE and GDP (28 March)

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