

ASEAN Morning Bytes

Asian markets to open on a positive note with strong US economic data last Friday lifting sentiment



EM Space: Robust US home sales bolsters sentiment

- **General Asia:** Asian markets will open on a positive note on Monday, bolstered by positive sentiment after a strong showing for US home sales data last Friday. Gains will still be capped by lingering concerns about possible higher capital gains taxes and still elevated Covid-19 new daily infections in select jurisdictions. Investors will be watching out for this week's FOMC meeting with market participants awaiting any additional comments from Chairman Powell after the meeting on Wednesday.
- **Singapore:** March industrial production (IP) data is due today. Surprisingly strong non-oil domestic export growth of 12.1% YoY in March bodes well for IP growth. We are looking for 14% YoY growth. As for NODX, electronics and pharmaceuticals will be the likely IP growth drivers. March IP figures will indicate the direction of revision to the 0.2% YoY advance 1Q21 GDP growth released earlier this month. We think any revisions will most likely be upward.
- **Indonesia:** Minister for economic affairs, Hartarto, expects Indonesia to post strong GDP growth in 2Q with expansion in the range of 6.9-7.9% after a likely contraction of 0.3-0.5% in 1Q. Officials are retaining their full-year GDP expectation of 4.5-5.3% growth even after Bank Indonesia trimmed their own forecast to 4.1-5.1% last week. Hartarto expects the mix of fiscal and monetary support will help lift overall growth momentum to sustain growth

at 5.4-6.0% by next year.

What to look out for: FOMC meeting and Covid-19 developments

- Singapore industrial production (26 April)
- US durable goods orders (26 April)
- Hong Kong trade balance (27 April)
- BoJ policy meeting (27 April)
- US Conference board consumer confidence (27 April)
- Malaysia trade balance (28 April)
- US wholesale inventories (28 April)
- US Fed policy meeting and 1Q GDP (29 April)
- China non-manufacturing PMI (30 April)
- Thailand trade balance and GIR (30 April)
- US personal spending and University of Michigan sentiment (30 April)