

## ASEAN Morning Bytes

General market tone: Wait and see.

Risk sentiment will likely be mixed on Thursday as investors digest developments on the trade front amid disappointing US economic numbers.



### EM Space: We're in the endgame - Lighthizer

- **General Asia:** Investors will likely move sideways with an upward bias but the focus will remain on the ongoing US-China trade negotiations and the US labor data on Friday.
- **Indonesia:** The Asian Development Bank (ADB) lowered its growth forecast for Indonesia to 5.2% (from 5.3%) for 2019 and to 5.3% in 2020. The lender cited weaker export growth given the external environment but still believes consumption and public infrastructure spending could still keep growth at a “healthy” 5.2%. Lastly, the current account deficit is seen to settle at 2.7% of GDP, slightly higher than the government’s 2.5% target but lower than in 2018.
- **Philippines:** The ADB slashed its GDP growth forecast for the Philippines to 6.4% from 6.7% on expectations of weak agricultural production due to the El Niño dry spell. The new forecast, however, assumes that losses from the drought to be offset in large part by strong household spending as inflation continues to slide to an average of 3.8% for the year (from 5.2% in 2018).

## What to look out for: Market looks to US data for clues

- India RBI meeting (4 April)
- Malaysia trade (4 April)
- Thailand consumer confidence (4 April)
- Philippines inflation (5 April)
- US NFP (5 April)