

Asia Morning Bites

Australian private capex will give a first glimpse of next week's 2Q24 GDP prospects on an otherwise quiet day



Asia Morning Bites

Global Macro and Markets

- **Global Markets:** It was another very quiet day for US Treasury markets. Neither the 2Y or 10Y did much, and that was despite some very dovish comments from the Fed's Bostic, who seemed unconvinced that a September cut was a foregone conclusion. The 10Y yield is currently 3.835%. [Here is a piece by Padhraic Garvey](#) on where we see the 10Y UST heading over the short and medium run.

EURUSD retreated after the late gains of Tuesday and has dropped back to just 1.1125. Most of the rest of the G-10 pack has followed the EUR weaker, though the AUD has held up a bit better, perhaps on the misplaced view that yesterday's upside CPI miss would keep the RBA on hold for longer. See our note from yesterday for more on this. We don't see the RBA moving before 1Q25, but yesterday's inflation figures weren't as bad as the market reaction seems to imply, [Please see the details here.](#)

Asian FX had a mixed day again, though the outperformers are simply lagging the rest of the pack. The KRW propped up the bottom of the daily performance table and USDKRW has risen to 1336.35. USDCNY was little changed at 7.1279. The IDR, THB and MYR will likely reverse yesterday's gains this morning.

US stocks experienced another day of losses. The S&P 500 fell 0.6% and the NASDAQ dropped 1.12%. Chinese stocks were also down. The Hang Seng fell 1.02% and the CSI 300 fell 0.57%.

- **G-7 Macro:** Yesterday was extremely quiet for macro releases. It is a bit busier today, though the second release of the US GDP figures for 2Q24 is now of mainly historical interest, apart from the profits update which comes with that second release. Advance US goods trade data for July is also published. But trade data is not a big market mover. Initial jobless claims may also get more than the usual glance as the US labour market seems to have become the new benchmark by which the market will estimate the Fed's easing scope and pace. We will also get a lot of German inflation releases, including the national harmonized index. The Eurozone publishes some August business and consumer confidence numbers.
- **Australia:** Private capital expenditure data which feeds into next week's 2Q24 GDP figure is published at 0930 SGT/HKT today. The net export figures which are released on 3 September are more likely to drive the overall GDP number.

What to look out for: US GDP second release, Australia private capital expenditure

August 29th

Australia: 2Q private capital expenditure

US: 2Q24 GDP second release

August 30th

S Korea: July industrial production

Japan: July jobless rates, Job-to-applicant ratio, industrial production, retail sales, housing starts, August Tokyo CPI

Australia: July retail sales, private sector credit

Thailand: July BoP current account balance, imports, exports, trade balance, August gross international reserves

India: 2Q24 GDP and July deficit

US: July PCE and core PCE inflation

China: August Manufacturing PMI, Non-manufacturing PMI (31st August)

S Korea: August Imports, exports, trade balance (1st September)

Author

Robert Carnell

Regional Head of Research, Asia-Pacific

robert.carnell@asia.ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. (“ING”) solely for information purposes without regard to any particular user’s investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit www.ing.com.