

## Asia week ahead: Key data on China, Japan, Korea, Taiwan, and an Indian rate decision

The main events of the week will be key data reports from China, Japan, South Korea, and Taiwan as economists try to assess trade-war effects across Asia. Also, we expect the Reserve Bank of India to hold interest rates steady



### China: July export momentum expected to soften

China's data highlight will be trade, set for release on Thursday. After a [more resilient than expected](#) trade environment in the first half of 2025, momentum could soften a bit further in July. We're looking for export growth of around 4.6% year on year, while imports could turn negative again at -1.9% YoY, for a trade balance of \$103.4bn.

## Japan: Labour cash earnings and household spending to grow

Data on labour cash earnings and household spending should dominate Japan's week. We expect both to grow steadily on the back of strong wage gains. While labour cash earnings are expected to rise 3.5% YoY, real earnings could remain in contractionary territory thanks to rising inflation. Household spending rose markedly in May. Thus, we expect some moderation in June.

## Taiwan: Export growth expected to continue while inflation cools

Taiwan's release of trade and inflation data will garner significant attention. Exports have surged in recent months, and we expect this momentum to carry into July. We're looking for a 40.2% YoY spike in exports along with a 22.7% YoY increase in imports, bringing the trade balance to \$13bn. After being hit with a 20% tariff, there's a risk that export momentum could soften in the later months. Much remains up in the air with sectoral tariffs, which are very important given the high concentration of tech exports to the US.

Inflation data is out on Wednesday. We're looking for a further cooling of price pressures to 1.3% YoY in July. Though inflation is now comfortably below the 2% target, consistently strong growth would signal that an easing move doesn't look likely at the next central bank meeting in September.

## South Korea: Inflation expected to remain steady

South Korean consumer inflation is expected to stay at 2.2% YoY in July. Subway prices rose in the Seoul metropolitan area, while gasoline prices also increased slightly. Food prices are expected to rise, too, despite government voucher programmes, amid heat waves in July. This probably hurt the harvest of fresh foods.

## India: RBI expected to hold rates steady

We expect the Reserve Bank of India to hold rates steady on Wednesday, following June's 50 bp cut. While signalling a pause in June, the RBI remains open to further easing if growth or inflation weakens. Our own growth view is slightly softer than RBI's. With real rates still elevated, we continue to expect a 25 bp cut later this year in the fourth quarter.

## Key events in Asia next week

Country	Time (GMT+8)	Data/event	ING	Prev.
<b>Monday 4 August</b>				
Philippines	1700	Jul FX Reserves (USD bn)	-	105,3
<b>Tuesday 5 August</b>				
China	0945	Jul Caixin Services PMI	-	50,6
Japan	0830	Jul Services PMI	53,5	53,5
India	1300	Jul IHS S&P Global Services PMI	-	59,8
South Korea	0700	Jul CPI (MoM%/YoY%)	0.2/2.2	0/2.2
Indonesia	1200	Q2 GDP (QoQ%/YoY%)	-/-	-1/4,9
Philippines	0900	Jul Core CPI (YoY%)	-	2,2
	0900	Jul CPI (MoM%/YoY%)	-1.2	0.1/1.4
Singapore	1300	Jun Retail Sales (MoM%/YoY%)	-/-	1/1.4
Taiwan	1620	Jul FX Reserve (USD bn)	-	599
<b>Wednesday 6 August</b>				
India	1230	Repo Rate	5,50	5,50
	1230	Reverse Repo Rate	-	3,35
	1230	Cash Reserve Ratio	-	4
Japan	0730	Jun Labour Cash Earnings (YoY%)	3,5	1
Taiwan	1600	Jul CPI (YoY%)	1,3	1.37
<b>Thursday 7 August</b>				
China	-	Jul FX Reserves (USD tn)	-	3,3
	-	Jul Exports (YoY%)	4,6	5,8
	-	Jul Imports (YoY%)	-1,9	1,1
	-	Jul Trade Balance (USD bn)	103,4	114,8
Japan	0730	Jun All Household Spending (MoM%/YoY%)	1.0/3.0	4.6/4.7
South Korea	0700	Jun Current Account Balance (USD bn)	-	10,1
Indonesia	1100	Jul FX Reserves (USD bn)	-	152,6
Philippines	1000	Q2 GDP Growth (QoQ%/YoY%)	-	1.2/5.4
Singapore	1700	Jul Foreign Reserves (USD bn)	-	405
<b>Friday 8 August</b>				
China	-	Jul Money Supply (YoY%)	-	8,3
Taiwan	1600	Jul Imports (YoY%)	22,7	17,3
	1600	Jul Exports (YoY%)	40,2	33,7
	1600	Jul Trade Balance (USD bn)	13	12,1

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