

Asia week ahead: Japan GDP and China inflation data

Next week's main events are Japanese GDP and Chinese data on credit growth. Over the weekend, we'll get readings on Chinese inflation, too



Japan: Weak GDP likely to keep the BoJ on hold

Japan's economy is expected to contract in the first quarter by 0.1% quarter on quarter, seasonally adjusted, following a 0.6% gain in the last three months of 2024. Private consumption should grow thanks to solid household spending and the inflow of foreign tourists. Yet external demand could be the main drag. We already know that front-loading activity to beat tariffs was quite limited compared to other major exporters. Imports, meanwhile, rebounded. Weak growth is likely to keep the Bank of Japan -- and its rate-hike cycle -- on hold for now.

China: Deflationary pressures expected to deepen

China's April inflation data is set for release over the weekend. We're looking for consumer price

inflation to stay in deflationary territory at -0.1% year-on-year, unchanged from March. Producer price inflation will likely remain in negative territory for a 31st consecutive month in April. Deflationary pressures will likely worsen thanks to tariffs, as exporters will have to sell products elsewhere. China's credit data for April will also be published sometime in the week ahead. We're expecting the credit growth recovery so far this year to continue. Still, the April data will not yet reflect the People's Bank of China's most recent easing measures.

Key events in Asia next week

Country	Time (GMT+8)	Data/event	ING	Prev.
Saturday 10 May				
China	0930	Apr CPI inflation (YoY%)	-0.1	-0.1
Monday 12 May				
Japan	0750	Mar Current Account Balance (JPY bn)	-	4061
India	1830	Apr CPI Inflation (YoY%)	-	3.34
Tuesday 13 May				
Australia	0830	May Westpac Consumer Confidence Change	-	-6
	0930	Apr NAB Business Confidence	-	-3
Wednesday 14 May				
India	1430	Apr WPI Inflation (YoY%)	-	2.1
Indonesia	1100	Mar Retail Sales Index (YoY%)	-	2
South Korea	0700	Apr Unemployment Rate	3.0	2.9
Thursday 15 May				
Australia	0930	Apr Unemployment Rate	-	4.1
India		- Apr Trade Balance (USD bn)	-	-21.5
		- Apr Exports (USD bn)	-	42.0
		- Apr Imports (USD bn)	-	63.5
Indonesia	1200	Apr Trade Balance (USD bn)	-	4.3
	1200	Apr Exports Growth (YoY%)	-	3.2
	1200	Apr Imports Growth (YoY%)	-	5.3
Friday 16 May				
Japan	0750	Q1 GDP (QoQ%, QoQ% ann.)	-0.1/-0.4	0.6/2.2

Source: Refinitiv, ING

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