

Asia week ahead: Key data on China, Japan, South Korea, while Indonesia seen leaving rates unchanged

Most of China's key economic indicators will be released next week, with a big focus on GDP. Other data highlights include Japanese CPI, trade and core machinery orders, South Korean unemployment, and Singaporean GDP. Also, Bank Indonesia is expected to stand pat



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China: China's June trade expected to edge up, GDP read to hold near 5.0%

China is scheduled to publish the bulk of its key economic indicators for June. Trade data, out Monday, is expected to show a slight uptick in export and import growth on the month. Early signs are that there isn't much trade frontloading activity during the tariff ceasefire period so far.

On Tuesday, the highlight of China's monthly data dump is second quarter GDP, which we expect to remain around 5.0% year on year. For June monthly data, the 70-city housing prices release will provide an update on whether steeper downturns in the last two months continued or was just a blip. Another month of sizable price declines could necessitate more real estate stimulus, and markets have speculated there could be a meeting in the week ahead to address this topic. Hard activity data has been somewhat mixed, with retail sales beating expectations, but industrial production and fixed asset investment softening recently. With markets looking for moderation across the board, this trend could continue in June.

Japan: Trade and machinery orders expected to increase

Data on core machinery orders, trade, and consumer price index inflation will dominate Japan's week. Based on the trade data from early June, we expect exports to rebound in June. We anticipate a divergence in export performance by region. Exports to Asia, excluding China and the EU, are expected to be stronger than exports to China and the US, given the negative impact of tariffs.

Core machinery orders are also expected to increase, albeit slightly. Tech investment remains solid, which may boost order data in May. Lastly, Japanese CPI, out Friday, should show a slight easing of pressures due to the government's policy of capping energy and food prices. Nevertheless, inflation is likely to remain well above 3%.

South Korea: Positive outlook on labor market

South Korea's unemployment rate is expected to fall in June, indicating a gradual recovery in domestic activity. We believe that the government-supported job programme will contribute to job creation, while employment in manufacturing and construction is expected to remain weak.

Singapore: GDP growth picking up

Recent Singaporean activity data, including on industrial production and electronics exports, was better than our expectations given the easing in tariffs-related uncertainty. Hence, we have revised our second-quarter growth estimate upward to 3% year on year.

Indonesia: Interest rates on hold

We believe the macro environment remains well-positioned for Bank Indonesia to cut rates to support economic growth. However, ongoing tariff uncertainties will delay rate cuts. Hence, we expect BI's policy rate to remain unchanged at 5.5%.

Key events in Asia next week

Country	Time (GMT+8)	Data/event	ING	Prev.
Monday 14 July				
Japan	0750	May Core Machine Orders (MoM%/YoY%)	1.0/6.0	-9.1/6.6
China		- Jun Exports (YoY%)	5,9	4,8
		- Jun Imports (YoY%)	2,9	-3,4
		- Jun Trade Balance (USD bn)	110,7	103,2
India	1830	Jun CPI Inflation (MoM%/YoY%)	-	0.2/2.8
	0230	WPI Inflation (YoY%)	-	0,4
Singapore	0800	Q2 GDP Flash (QoQ%/YoY%)	-/3.0	-2.6/3.9
Tuesday 15 July				
China	1000	Jun Fixed Asset Investment (YoY%)	3,6	3,7
	1000	Jun Industrial Output (YoY%)	5,6	5,8
	1000	Jun Retail Sales (YoY%)	5,8	6,4
	1000	Q2 GDP (YoY%)	5	5,4
Wednesday 16 July				
Indonesia	1530	Interest Rate Decision	5,5	5,5
South Korea	0700	Jun Unemployment Rate	2,5	2,7
Thursday 17 July				
Japan	0750	Jun Exports (YoY%)	2	-1,7
	0750	Jun Imports (YoY%)	3,5	-7,7
	0750	Jun Trade Balance (JPY bn)	100	-637,6
Australia	0930	Jun Unemployment Rate	-	4,1
	0930	Jun Reserve Assets Total (AUD bn)	-	103,4
Friday 18 July				
Japan	0730	Jun CPI (MoM%/YoY%)	0.0/3.4	0.3/3.5
	0730	Core CPI (YoY%)	3,5	3,7

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