

Asia week ahead: Key data from South Korea, Japan, and Taiwan

News on South Korea's industrial production, retail sales, and inflation are among the main events, along with key data on Japan and Taiwan. China is seen leaving its Loan Prime Rates unchanged over the weekend



Asia research highlights of this week

[China's broad-based slowdown bolsters case for additional stimulus](#)

[Bank of Japan rate hike odds rise with strong export performance](#)

South Korea: Exports expected to grow while inflation slows

Strong external demand and the recent US trade deal are expected to sustain the momentum in manufacturing output and exports. Industrial production is likely to recover in November, as both semiconductors and automotives show significant improvement. Last month's decline in

semiconductor output appears to be temporary, and inventory restocking is expected to drive higher chip production. After the US-Korea trade agreement, motor vehicle exports rose in November. This should positively impact overall IP. We expect December exports to rise by 9% year on year, as these two industries continue to improve. Meanwhile, retail sales growth should moderate as the effect of previous cash handouts gradually wanes. Still, events such as the November Sales Festa and an increase in foreign tourists are expected to support continued growth in retail sales.

Also, inflation is expected to decelerate in December despite the recent weakness in the KRW. Fresh food prices stabilized during the winter season while gasoline prices peaked in early December. We expect headline inflation to ease to 2.2% YoY in December from the previous month's 2.4%.

Japan: Industrial production seen declining, while retail sales rise

Industrial production in Japan is projected to decline. This should only partially offset the gains of the past two months. Meanwhile, retail sales continue to climb, supported by robust wage growth. We believe that November data won't yet show significant negative effects from the decrease in Chinese tourists.

China: Loan Prime Rates expected to remain unchanged

With the last key data releases done for the year, Saturday's Loan Prime Rates decision will dominate next week's economic discussions. We expect this to be a non-event, with 1 and 5 year LPRs held unchanged at 3.0% and 3.5%, respectively.

Taiwan: Export orders to remain robust, while IP slows slightly

We are looking for export orders to continue their solid run in November, rising to 30.3% YoY. This gain in the data, out Tuesday, will be driven by continued strength in electronic products and information and communication products. We expect industrial production data for November, out Wednesday, to slow slightly to a growth rate of 11.8% YoY.

Key events in Asia next week

Country	Time (GMT+8)	Data/event	ING	Prev.
Saturday 20 December				
China	0915	Loan Prime Rate 1Y	3	3
China	0915	Loan Prime Rate 5Y	3.5	3.5
Monday 22 December				
Indonesia	1200	Nov M2 Money Supply (YoY%)	-	7.7
Taiwan	1600	Nov Unemployment Rate	-	3.3
Tuesday 23 December				
Philippines	1300	Nov Budget Balance (PHP bn)	-	11.2
Singapore	1300	Nov Core CPI (YoY%)	-	1.2
	1300	Nov CPI (YoY%)	-	1.2
	1300	Nov CPI (MoM%) NSA	-	0
Taiwan	1600	Nov Export Orders (YoY%)	30.3	25.1
Wednesday 24 December				
Japan	1300	Oct Leading Indicator Revised	-	1.8
South Korea	0500	Dec Consumer Confidence	111	112.4
Taiwan	1600	Nov Industrial Output (YoY%)	11.8	14.5
	1600	Nov Retail Sales (YoY%)	-	1.9
Thursday 25 December				
Japan	1300	Nov Housing Starts (YoY%)	-	3.2
Friday 26 December				
Japan	0730	Dec Tokyo Core CPI (YoY%)	2.6	2.8
	0730	Dec Tokyo CPI (YoY%)	2.4	2.7
	0730	Nov Unemployment Rate	2.6	2.6
	0750	Nov Industrial Output (MoM%/YoY%)	-1.0/-0.5	1.5/1.7
	0750	Nov Retail Sales (MoM%/YoY%)	0.4/0.7	1.6/1.7
Philippines	0900	Nov Imports (YoY%)	-	-6.5
	0900	Nov Exports (YoY%)	-	19.4
	0900	Nov Trade Balance (USD bn)	-	-3.8
Singapore	1300	Nov Manufacturing Output (MoM%/YoY%)	-/-	11.5/29.1
Sunday 28 December				
India	1830	Nov Industrial Output (YoY%)	-	0.4
	1830	Nov Manufacturing Output (YoY%)	-	1.8
Monday 29 December				
Taiwan	1000	Dec Consumer Confidence	-	64.6
Singapore	1300	Nov Industrial Production (MoM%/YoY%)	-/-	11.5/29.1
Tuesday 30 December				
South Korea	0700	Nov Industrial Output (MoM%/YoY%)	6.0/5.5	-4.0/-8.1
	0700	Nov Retail Sales (MoM%/YoY%)	0.3/2.3	3.5/0.3
Wednesday 31 December				
China	0930	Dec NBS Manufacturing PMI	-	49.2
	0930	Dec NBS Non-Manufacturing PMI	-	49.5
South Korea	0700	Dec CPI (MoM%/YoY%)	0.1/2.2	-0.2/2.4
Thursday 1 January				
China	0945	Dec Caixin Manufacturing PMI Final	-	49.9
Taiwan	0830	Dec IHS S&P Global Manufacturing PMI	-	48.8
South Korea	0800	Dec Exports (YoY%)	9	8.4
	0800	Dec Imports (YoY%)	3	1.2
	0800	Dec Trade Balance (USD bn)	10	9.7
Friday 2 January				
India	1300	Dec IHS S&P Global Manufacturing PMI	-	56.6
	1930	Dec FX Reserves (USD bn)	-	687
Singapore	2100	Dec Manufacturing PMI	-	50.2
Philippines	0830	Dec Manufacturing PMI SA	-	47.4
	0830	Noc PPI (YoY%)	-	0.3
Indonesia	0830	Dec S&P Global PMI	-	53.3
	1200	Dec CPI (MoM%/YoY%)	-/-	0.2/2.7
	1200	Dec Core CPI (YoY%)	-	2.4
South Korea	0830	Dec IHS S&P Global Manufacturing PMI	50	49.4

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