

## Asia week ahead: The Bank of Japan meeting and lots of inflation data

The BoJ's interest rate meeting on Thursday is a highlight for next week. And across the APAC region, look out for a raft of inflation data



### Japan: BoJ meeting on Thursday and Industrial Production data

We expect the Bank of Japan to continue to remain on pause and leave the policy rate unchanged when it meets in October. And you can read more about what Min Joo expects [here](#). In a nutshell, we think the BoJ expected to reiterate its core message that if the economy develops in line with the Bank's forecast, it will continue to normalise monetary policy. Markets will pay particular attention to the BoJ's quarterly outlook report. We believe that the inflation outlook for the whole of 2024 could be revised upwards, but no major changes are expected for the coming year, while the GDP outlook for FY24 should be revised downwards, reflecting recent production declines related to the auto sector and natural disasters.

Industrial production is expected to rebound to 2.0% MoM sa, following the normalisation of auto production since mid-September and the end of production disruptions from mega earthquake warnings. Retail sales growth is also expected to remain strong, driven by strong growth in car

sales.

## South Korea: IP and trade data

Industrial production is expected to show a second month of solid growth as auto production normalises and semiconductor production rebounds. Meanwhile, October trade is certainly in focus. Early October export data suggests slower growth here, but mostly due to the unwinding of favourable base effects. Chip exports will remain a key driver of growth, but we see some signs of weakening in petrochemicals and steel exports.

## Australia: Inflation data moving to target

Headline YoY inflation should fall in the third quarter, finally dropping to within the 2-3% target band for the first time since mid-2021. Lower gasoline and electricity price rebates are driving that. However, core inflation is expected to remain well above 3%, given the still tight labour market conditions, suggesting rate cuts are unlikely in the RBA's November meeting.

## Indonesia: CPI data set to remain muted

Headline inflation is expected to remain muted at levels below 2% largely driven by ample food supply and lower food prices, lower oil prices and a stronger rupiah. This should create room for Bank Indonesia to cut rates in the fourth quarter.

## Key events in Asia next week

Country	Time (GMT+8)	Data/event	ING	Prev.
<b>Tuesday 29 October</b>				
Japan	0730	Sep Unemployment Rate	2.5	2.5
Singapore	1030	Q3 Unemployment Rate	-	2
<b>Wednesday 30 October</b>				
Australia	0830	Q3 CPI (QoQ%/YoY%)	0.8/2.9	1/3.8
	0831	Q3 CPI Trimmed Mean (YoY%)	3.5	3.9
	0830	Sep Monthly CPI Indicator	-	2.7
<b>Thursday 31 October</b>				
Japan	0750	Sep Industrial Output (MoM%/YoY%)	2.0/-3.3	-3.3/-4.9
	0750	Sep Retail Sales (MoM%/YoY%)	0.4/2.6	1.0/2.8
	1100	BoJ Rate Decision	0.25	0.25
	1100	BoJ Quarterly Outlook Report	-	-
	1300	Sep Housing Starts (YoY%)	-	-5.1
China	0930	Oct NBS Manufacturing PMI	-	49.8
	0930	Oct NBS Non-Manufacturing PMI	-	50
Taiwan	1600	Q3 GDP Prelim (YoY%)	-	5.1
South Korea	0700	Sep Industrial Output (YoY%)	1	3.8
	0700	Sep Industrial Output Growth (MoM%)	3.5	4.1
<b>Friday 1 November</b>				
Japan	0830	Oct Jibun Bank Manufacturing PMI Final	49	49
China	0945	Oct Caixin Manufacturing PMI Final	-	49.3
India	1300	Oct HSBC Manufacturing PMI Final	-	56.5
Indonesia	0830	Oct IHS S&P Global PMI	-	49.2
	1200	Oct CPI (YoY%)	-	1.84
	1200	Oct Inflation (MoM%/YoY%)	-/-	-0.1/2.1
Taiwan	0830	Oct IHS S&P Global Manufacturing PMI	-	50.8
South Korea	0800	Oct Exports (YoY%)	7	7.5
	0800	Oct Imports (YoY%)	2	2.2
	0800	Oct Trade Balance (USD bn)	4	6.66
	0830	Oct IHS S&P Global Manufacturing PMI	48	48.3
<b>Saturday 2 November</b>				
Singapore	2100	Oct Manufacturing PMI	-	51

Source: Refinitiv, ING

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