

Asia week ahead: China data deluge and Japan's inflation report

Key data releases from China are out next week alongside Japan's latest inflation reading



String of reports out from China in the coming week

The National Bureau of Statistics will release a major data dump next Tuesday, including 2024's first quarter GDP, March key economic activity indicators, and the 70-city housing price data next Tuesday. First quarter growth forecasts have largely been revised higher after stronger-than-expected data in the first two months of the year, and markets are now looking for 5% year-on-year GDP growth.

The credit data will also be published sometime in the next few days, where aggregate financing and new loans are likely to pick up from February levels in a typical end of quarter spike. Overall, aggregate financing could remain in negative YoY growth in the first quarter of this year.

Lastly, the People's Bank of China will make its decision on the 1-year MLF rate next Monday, which we expect to remain unchanged as policymakers prioritise exchange rate stability.

Japan inflation likely steady at 2.8%

We are optimistic about Japan's cyclical recovery in the near term, and next week's data releases will support our view. Consumer price inflation is expected to stay at 2.8% YoY for a second month in March, while core inflation (excluding fresh food) should ease to 2.6% from the previous month's 2.8% due to a high base last year. Higher commodity prices and the weak JPY are likely to have pushed up headline inflation, while hotel/other service prices also should have risen meaningfully.

Meanwhile, the tertiary industry index is expected to advance as survey data indicates an optimistic outlook for services activity. On the other hand, core machinery orders have been choppy on a monthly basis. However, we expect orders to rebound on the back of high demand on semiconductors and electrical machineries.

Key events next week

| Country | Time (GMT+8) | Data/event | ING | Survey | Prev. |
|---------------------------|--------------|------------------------------------------|-----|--------|--------|
| Monday 15 April | | | | | |
| Japan | 0050 | Feb Core Machinery Orders (MoM%) | 2 | | -1.7 |
| India | 0730 | Mar WPI Inflation (YoY%) | - | | 0.2 |
| China | 0220 | Medium-term lending facility | 2.5 | | 2.5 |
| Tuesday 16 April | | | | | |
| China | 0300 | Mar Industrial Output (YoY%) | - | | 7 |
| | 0300 | Mar Retail Sales (YoY%) | - | | 5.5 |
| | 0300 | Q1 GDP (YoY%) | 4.7 | 5 | 5.2 |
| Indonesia | 0500 | Mar Consumer Confidence Index | 123 | | 123.1 |
| Wednesday 17 April | | | | | |
| Japan | 0050 | Mar Exports (YoY%) | 7.7 | | 7.8 |
| | 0050 | Mar Imports (YoY%) | -6 | | 0.5 |
| | 0050 | Mar Trade Balance Total Yen | 500 | | -379.4 |
| Indonesia | 0500 | Feb Retail Sales Index (YoY%) | 2 | | 1.1 |
| Thursday 18 April | | | | | |
| Japan | 0050 | Feb Tertiary Industry Index (MoM%) | 0.5 | | 0.3 |
| Australia | 0230 | Mar Unemployment Rate | 3.9 | | 3.7 |
| | 0230 | Mar Reserve Assets Total | - | | 92605 |
| Friday 19 April | | | | | |
| Japan | 0030 | Mar CPI (MoM%) | 0.4 | | 0 |
| | 0030 | Mar CPI (YoY%) | 2.8 | | 2.8 |
| | 0030 | Mar Core CPI excluding Fresh food (YoY%) | 2.6 | | 2.8 |

Source: Refinitiv, ING

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