

## Asia Week Ahead: Inflation affecting growth momentum?

Next week's economic calendar remains quite light in Asia, although growth and inflation reports from a number of countries are due



### Inflation pickup affecting growth?

The economic calendar remains relatively light in Asia as October comes to a close. The focus is likely to shift to assessing whether the recent pickup in price pressures is taking a bite out of the growth momentum. Both Korea and Taiwan report 3Q GDP and our Chief Economist for Greater China, Iris Pang, expects Taiwan to post a decent 2.5% YoY expansion after the 7.4% showing in the previous quarter.

Inflation readings from Australia and Singapore could show whether supply chain bottlenecks are fanning additional price pressures as we near the end of 2021. Singapore could see CPI inflation steady at 2.4% but core inflation, which is closely monitored by monetary authorities, could pick up to 1.1%. Inflation concerns helped convince officials at the Monetary Authority Singapore (MAS)

to tighten policy last week, sooner than most market participants had anticipated.

## Industrial and manufacturing output and the BoJ policy meeting

Throughout the week, we will also get economic reports on industrial and manufacturing output. Iris Pang forecast a 12.5% YoY rise in industrial output for Taiwan, as manufacturers benefit from robust demand for semiconductors amidst the global chip shortage. Industrial production is expected to stay strong to close out the year and help bolster overall growth. Singapore, Japan and South Korea will have separate reports on manufacturing and industrial output throughout the week as well. Lastly, central bank activity has thinned out, with only the Bank of Japan (BoJ) set to decide on monetary policy in the coming week. The BoJ is likely to retain its accommodative stance, so we don't expect any surprises here.

### Asia Economic Calendar

Country	Time	Data/event	ING Survey	Prev.
<b>Monday 25 October</b>				
Japan	0600	Aug Leading Indicator Revised	-	-2.3
Singapore	0600	Sep CPI (MoM%/YoY%)	0.3/2.4	0.6/2.4
	600	Sep Core CPI (YoY%)	1.1	1.1
Taiwan	0900	Sep Industrial Output (YoY%)	12.48	13.7
	0920	Sep Money Supply - M2 (YoY%)	8.4	8.4
South Korea	0000	Q3 GDP Growth (QoQ%/YoY%)	-/-	0.8/6
<b>Tuesday 26 October</b>				
Singapore	0600	Sep Manufacturing Output (MoM%/YoY%)	-/5.0	5.7/11.2
South Korea	2200	Oct BoK Consumer Sentiment Index	-	103.8
<b>Wednesday 27 October</b>				
Japan	0050	Sep Retail Sales (YoY%)	-	-3.2
Australia	0130	Q3 CPI (QoQ%/YoY%)	-/-	0.8/3.8
China	0230	Sep Industrial Profit (YoY%)	2.5	10.1
<b>Thursday 28 October</b>				
Japan	-	BOJ Rate Decision	-	-0.1
	0030	Sep Unemployment Rate	-	2.8
	0050	Sep Industrial O/P Prelim (MoM%/YoY%)	-/-	-3.6/7.1
Singapore	0330	Q3 Unemployment Rate Prelim SA	-	2.7
South Korea	2300	Nov BOK Manufacturing BSI	-	92
	0000	Sep Industrial Output (YoY%)	-	9.6
	0000	Sep Service Sector Output Growth	-	-0.6
	0000	Sep Industrial Output Growth	-	-0.7
<b>Friday 29 October</b>				
Japan	0600	Sep Housing Starts (YoY%)	-	7.5
Australia	0130	Sep Broad Money	-	2547.93
Indonesia	0500	Sep M2 Money Supply (YoY%)	-	6.9
Taiwan	0900	Q3 GDP Flash (YoY%)	2.5	7.4

Source: Refinitiv, ING, \*GMT