

Asia week ahead: Spotlight stays on China

All that matters for markets is news about the epidemic and how the outbreak will impact economies around the region. Unfortunately, this week's data won't do much to help



Source: Shutterstock

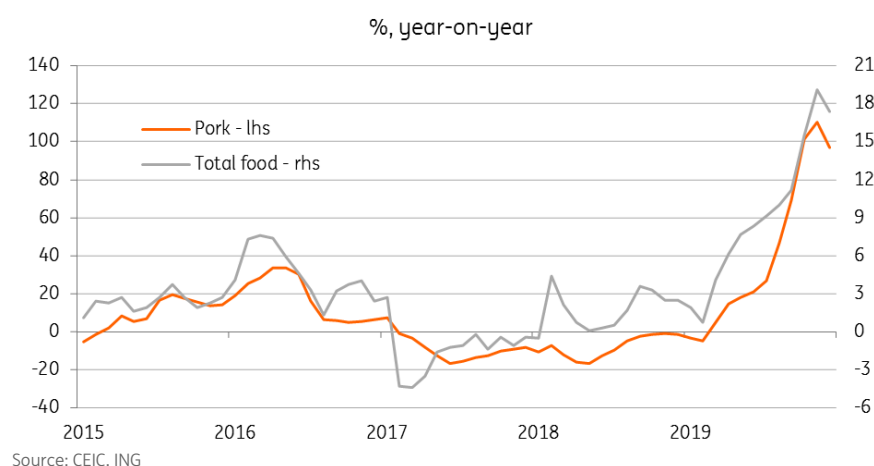
➔ Scant economic data from China

As the number of infections and fatalities from the coronavirus continues to rise, the economic data from China remains under scrutiny for the impact of the disease. However, it's a bit too early for data to capture the impact of the disease, which is still evolving. There isn't much on the calendar this week either, aside from inflation and monetary indicators for January.

Higher food prices typically boost consumer price inflation in the New Year month. And one of the main drivers within the food category is pork prices. As an added whammy this year, an African swine fever has swelled pork prices out of proportion. On the flip-side though, one could wonder whether the outbreak of the virus and its spread countrywide dampened new year festivities and the food price increase was rather muted.

All that said, in line with consensus we are looking for CPI inflation advancing to 4.9% YoY from 4.5% in November. On the monetary side, behind the consensus of a bounce in new bank lending and aggregate financing lies the pre-holiday boost to the liquidity by the central bank (PBoC).

China Consumer Price Inflation



➔ Not much going on elsewhere either

India's January CPI data is likely to testify to the central bank's decision last week to leave policy on hold. We expect inflation to remain elevated, but no change from a 7.4% YoY rate in December. The fresh harvest entering the market should ease some pressure on food prices, but that's likely to be offset by firmer fuel and utility prices.

In **Malaysia**, moderate manufacturing growth in the fourth quarter of 2019 suggests the same about GDP growth for the period, bringing the annual growth last year to 4.5%, down from 4.7% in 2018. With the coronavirus threatening tourism and overall demand, we would expect a couple more quarters of a slowdown ahead. If so, the Bank Negara Malaysia easing cycle will have further to run, while the government is also drafting a stimulus package.

Elsewhere, the Reserve Bank of **New Zealand's** policy meeting will almost be a non-event judging from the unanimous consensus forecast of no change to the 1% policy rate. **Indonesia's** 4Q19 current account data may have some negative bias for the rupiah as the deficit is expected to widen.

[New Zealand's central bank to hold steady despite coronavirus](#)

Asia Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
Monday 10 February					
China	0130	Jan PPI (YoY%)	-0.3	0.1	-0.5
	0130	Jan CPI (YoY%)	4.9	4.9	4.5
		- Jan Aggregate finance (Yuan bn)	4140		2103
		- Jan Financial institution loans (Yuan bn)	3022		1140
		- Jan Money supply (M2) (YoY%)	8.7	8.5	8.7
Indonesia		- 4Q Current account balance (US\$bn)	-8.5	-8.1	-7.7
Tuesday 11 February					
Philippines	0100	Dec Trade balance (US\$m)	-4138.6	-	-3342
	0100	Dec Exports (YoY%)	4.9	-	-0.7
	0100	Dec Imports (YoY%)	3.4	-	-8
South Korea	2300	Jan Unemployment rate (% SA)	3.8	-	3.8
Wednesday 12 February					
India	1200	Jan CPI (YoY%)	7.4	-	7.35
	1200	Dec Industrial production (YoY%)	0.5	-	1.8
		- Jan Trade deficit (US\$bn)	-10.8	-	-11250
		- Jan Exports (YoY%)	-3.5	-	-1.8
		- Jan Imports (YoY%)	-12.5	-	-8.8
Malaysia	0400	4Q GDP (NSA YoY%)	4.2	-	4.4
	0400	4Q Current account (MYR bn)	15.6	-	11.5
Singapore	0500	Dec Retail sales value (MoM SA/ YoY%)	-0.7/-3.0	-/-	0.2/-4.0
Taiwan	0800	4Q F GDP (YoY%)	3.4	-	3.4
Friday 14 February					
India	0630	Jan WPI (YoY%)	3.1	-	2.6

Source: ING, Bloomberg, *GMT

Author

Amrita Naik Nimbalkar

Junior Economist, Global Macro

amrita.naik.nimbalkar@ing.com

Alissa Lefebvre

Economist

alissa.lefebvre@ing.com

Deepali Bhargava

Regional Head of Research, Asia-Pacific

Deepali.Bhargava@ing.com

Ruben Dewitte

Economist

+32495364780

ruben.dewitte@ing.com

Kinga Havasi

Economic research trainee

kinga.havasi@ing.com

Marten van Garderen

Consumer Economist, Netherlands
marten.van.garderen@ing.com

David Havrlant
Chief Economist, Czech Republic
420 770 321 486
david.havrlant@ing.com

Sander Burgers
Senior Economist, Dutch Housing
sander.burgers@ing.com

Lynn Song
Chief Economist, Greater China
lynn.song@asia.ing.com

Michiel Tukker
Senior European Rates Strategist
michiel.tukker@ing.com

Michal Rubaszek
Senior Economist, Poland
michal.rubaszek@ing.pl

This is a test author

Stefan Posea
Economist, Romania
tiberiu-stefan.posea@ing.com

Marine Leleux
Sector Strategist, Financials
marine.leleux2@ing.com

Jesse Norcross
Senior Sector Strategist, Real Estate
jesse.norcross@ing.com

Teise Stellema
Research Assistant, Energy Transition
teise.stellema@ing.com

Diederik Stadig
Sector Economist, TMT & Healthcare
diederik.stadig@ing.com

Diogo Gouveia

Sector Economist

diogo.duarte.vieira.de.gouveia@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Ewa Manthey

Commodities Strategist

ewa.manthey@ing.com

ING Analysts

James Wilson

EM Sovereign Strategist

James.wilson@ing.com

Sophie Smith

Digital Editor

sophie.smith@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist

frantisek.taborsky@ing.com

Adam Antoniak

Senior Economist, Poland

adam.antoniak@ing.pl

Min Joo Kang

Senior Economist, South Korea and Japan

min.joo.kang@asia.ing.com

Coco Zhang

ESG Research

coco.zhang@ing.com

Jan Frederik Slijkerman

Senior Sector Strategist, TMT

jan.frederik.slijkerman@ing.com

Katinka Jongkind

Senior Economist, Services and Leisure

Katinka.Jongkind@ing.com

Marina Le Blanc

Sector Strategist, Financials

Marina.Le.Blanc@ing.com

Samuel Abettan

Junior Economist

samuel.abettan@ing.com

Franziska Biehl

Senior Economist, Germany

Franziska.Marie.Biehl@ing.de

Rebecca Byrne

Senior Editor and Supervisory Analyst

rebecca.byrne@ing.com

Mirjam Bani

Sector Economist, Commercial Real Estate & Public Sector (Netherlands)

mirjam.bani@ing.com

Timothy Rahill

Credit Strategist

timothy.rahill@ing.com

Leszek Kasek

Senior Economist, Poland

leszek.kasek@ing.pl

Oleksiy Soroka, CFA

Senior High Yield Credit Strategist

oleksiy.soroka@ing.com

Antoine Bouvet

Head of European Rates Strategy

antoine.bouvet@ing.com

Jeroen van den Broek

Global Head of Sector Research

jeroen.van.den.broek@ing.com

Edse Dantuma

Senior Sector Economist, Industry and Healthcare

edse.dantuma@ing.com

Francesco Pesole

FX Strategist

francesco.pesole@ing.com

Rico Luman

Senior Sector Economist, Transport and Logistics

Rico.Luman@ing.com

Jurjen Witteveen

Sector Economist

jurjen.witteveen@ing.com

Dmitry Dolgin

Chief Economist, CIS

dmitry.dolgin@ing.de

Nicholas Mapa

Senior Economist, Philippines

nicholas.antonio.mapa@asia.ing.com

Egor Fedorov

Senior Credit Analyst

egor.fedorov@ing.com

Sebastian Franke

Consumer Economist

sebastian.franke@ing.de

Gerben Hieminga

Senior Sector Economist, Energy

gerben.hieminga@ing.com

Nadège Tillier

Head of Corporates Sector Strategy

nadege.tillier@ing.com

Charlotte de Montpellier

Senior Economist, France and Switzerland

charlotte.de.montpellier@ing.com

Laura Straeter

Behavioural Scientist

+31(0)611172684

laura.Straeter@ing.com

Valentin Tataru

Chief Economist, Romania

valentin.tataru@ing.com

James Smith

Developed Markets Economist, UK

james.smith@ing.com

Suvi Platerink Kosonen

Senior Sector Strategist, Financials
suvi.platerink-kosonen@ing.com

Thijs Geijer
Senior Sector Economist, Food & Agri
thijs.geijer@ing.com

Maurice van Sante
Senior Economist Construction & Team Lead Sectors
maurice.van.sante@ing.com

Marcel Klok
Senior Economist, Netherlands
marcel.klok@ing.com

Piotr Poplawski
Senior Economist, Poland
piotr.poplawski@ing.pl

Paolo Pizzoli
Senior Economist, Italy, Greece
paolo.pizzoli@ing.com

Marieke Blom
Chief Economist and Global Head of Research
marieke.blom@ing.com

Raoul Leering
Senior Macro Economist
raoul.leering@ing.com

Maarten Leen
Head of Global IFRS9 ME Scenarios
maarten.leen@ing.com

Maureen Schuller
Head of Financials Sector Strategy
Maureen.Schuller@ing.com

Warren Patterson
Head of Commodities Strategy
Warren.Patterson@asia.ing.com

Rafal Benecki
Chief Economist, Poland
rafal.benecki@ing.pl

Philippe Ledent

Senior Economist, Belgium, Luxembourg
philippe.ledent@ing.com

Peter Virovacz

Senior Economist, Hungary
peter.virovacz@ing.com

Inga Fechner

Senior Economist, Germany, Global Trade
inga.fechner@ing.de

Dimitry Fleming

Senior Data Analyst, Netherlands
Dimitry.Fleming@ing.com

Ciprian Dascalu

Chief Economist, Romania
+40 31 406 8990
ciprian.dascalu@ing.com

Muhammet Mercan

Chief Economist, Turkey
muhammet.mercan@ingbank.com.tr

Iris Pang

Chief Economist, Greater China
iris.pang@asia.ing.com

Sophie Freeman

Writer, Group Research
+44 20 7767 6209
Sophie.Freeman@uk.ing.com

Padhraic Garvey, CFA

Regional Head of Research, Americas
padhraic.garvey@ing.com

James Knightley

Chief International Economist, US
james.knightley@ing.com

Tim Condon

Asia Chief Economist
+65 6232-6020

Martin van Vliet

Senior Interest Rate Strategist
+31 20 563 8801

martin.van.vliet@ing.com

Karol Pogorzelski

Senior Economist, Poland

Karol.Pogorzelski@ing.pl

Carsten Brzeski

Global Head of Macro

carsten.brzeski@ing.de

Viraj Patel

Foreign Exchange Strategist

+44 20 7767 6405

viraj.patel@ing.com

Owen Thomas

Global Head of Editorial Content

+44 (0) 207 767 5331

owen.thomas@ing.com

Bert Colijn

Chief Economist, Netherlands

bert.colijn@ing.com

Peter Vanden Houte

Chief Economist, Belgium, Luxembourg, Eurozone

peter.vandenhoute@ing.com

Benjamin Schroeder

Senior Rates Strategist

benjamin.schroeder@ing.com

Chris Turner

Global Head of Markets and Regional Head of Research for UK & CEE

chris.turner@ing.com

Gustavo Rangel

Chief Economist, LATAM

+1 646 424 6464

gustavo.rangel@ing.com

Carlo Cocuzzo

Economist, Digital Finance

+44 20 7767 5306

carlo.cocuzzo@ing.com