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EM Data Releases and Policy Announcements

27	28	29	30	1
Brazil Current Account ($Bils.) Mar -5.7 **May (f) -3.6** Apr -3.5 **May (c) -3.8**				Industrial Production(SA;Y/Y) Mar 1.3% **May (f) 0.9%** Apr 0.1% **May (c) N/A**
Korea		Industrial Production (Y/Y) Mar 9.0% **May (f) 7.2%** Apr 6.9% **May (c) 6.9%**	Consumer Prices (Y/Y) Apr 4.1% **Jun (f) 4.2%** May 4.2% **Jun (c) 4.3%**	
Taiwan			Central Bank Meeting & Rate Decision **(+12.5 bps)**	
Indonesia	Consumer Prices (Y/Y) Apr 6.2% **Jun (f) 6.5%** May 6.0% **Jun (c) N/A**			
Thailand Manuf. Production (Y/Y) Mar -6.7% **May (f) -3.7%** Apr -7.8% **May (c) -4.8%**				Consumer Prices (Y/Y) Apr 4.0% **Jun (f) 4.3%** May 4.2% **Jun (c) 4.2%**
Russia			Central Bank Meeting & Rate Decision **(unch)**	
Turkey			Real GDP (Y/Y) 10Q3 5.2% **11Q1 (f) 8.8%** 10Q4 9.2% **11Q1 (c) 9.7%**	
Hungary		Unemployment Rate (Y/Y) Mar 11.6% **May (f) 11.2%** Apr 11.4% **May (c) 11.2%**		

Emerging Markets Data, Policy and Market Outlook

Growth has slowed from the post-crisis peak rates, but remains rather solid and seemingly sustainable across most of the EM world. Inflation is still a policy-shaping threat, but actual inflation rates are generally moderate against historical patterns and earlier expectations in all but a few countries, such as India. Cases of well above-trend and above current global average inflation tend to be unsurprising given their policy history (Venezuela and Argentina, for example).

Nonetheless, price pressures from high levels of capacity utilization and from the impact of commodity prices are evident, along with the still unfolding consequences of quantitative easing policies applied in the developed world. The latter contribute to the (admittedly) diminishing risk of overheating, as they contribute to an environment of low borrowing costs remain low in economies approaching or at full employment. There is also a continuing risk of asset price bubbles, because many of the economies receiving the additional funds have an insufficient ability to absorb those into productive uses. Still, barring a severe disruption of the global economy and financial markets as a consequence, for example, of the Greek debt troubles, EMs appear close to a soft-landing outcome: growth has slowed but is proceeding at a moderately strong pace, inflationary pressures cannot be overlooked but have eased, and the process of monetary tightening seems not too far from the cyclical finish line, especially in some of the key economies like China and Brazil.

To be sure, there are a few important exceptions to this policy trend. In India, for example, the RBI is engaged in what still looks like an open-ended, yet gradual, process of tightening. From the global perspective the near-term impact, however, is relatively minor, given the still rapid pace of growth of Indian GDP and the insular nature of its economy.