New York • London • Boston • Chicago
DECISION ECONOMICS, INC.
Information for Decisions™

Emerging Markets Calendar

January 6, 2012

Francisco J. Larios
Chief Economist, Emerging Markets
Miami
+1 305 553 2211
flarios@decisioneconomicsinc.com

EM Data Releases and Policy Announcements

9	10	11	12	13
Argentina				Consumer Prices (Y/Y) Oct 9.7% **Dec (f) 9.5%** Nov 9.5% **Dec (c) N/A**
Mexico Consumer Prices (Y/Y) Oct 3.2% **Dec (f) 3.5%** Nov 3.5% **Dec (c) 3.7%**		Industrial Production (Y/Y) Sep 3.6% **Nov (f) 1.6%** Oct 3.3% **Nov (c) 3.7%**		
Korea			Central Bank Meeting & Rate Decision **(unch)**	
China	Trade Balance ($US Bils.) Oct 17.03 **Dec (f) 10.5** Nov 14.53 **Dec (c) 8.8**	Consumer Prices (Y/Y) Oct 5.5% **Dec (f) 4.1%** Nov 4.2% **Dec (c) 4.0%**		
India			Industrial Production (Y/Y) Sep 2.0% **Nov (f) 1.9%** Oct -5.1% **Nov (c) 2.2%**	
Indonesia			Central Bank Meeting & Rate Decision **(unch)**	
Turkey Industrial Production (Y/Y) Sep 12.0% **Nov (f) 10.8%** Oct 7.3% **Nov (c) 9.4%**				
Poland		Central Bank Meeting & Rate Decision **(unch)**		Consumer Prices (Y/Y) Oct 4.3% **Dec (f) 5.0%** Nov 4.8% **Dec (c) 4.7%**
Czech Republic Consumer Prices (Y/Y) Oct 2.3% **Dec (f) 2.3%** Nov 2.5% **Dec (c) 2.5%** Unemployment Rate Sep 7.9% **Nov(f) 8.5%** Oct 8.0% **Nov (c) 8.5%**				

Emerging Markets Data, Policy and Market Outlook

The global growth slowdown has clearly reached emerging market shores and substantially changed the balance of risks that guides policymaking. To be sure, a static snapshot of economic activity across EMS would show these countries as still-in-expansion-phase. Moreover, those which have decelerated most significantly (such as Brazil) continue to post rates of growth that are solid in their own historical context. It should also be noted that the slowdown is not uniform across and within regions as the EM term obviously groups economies of a broad diversity not just on account of growth history and potential but also risk.

The slowdown is perhaps most noticeable in the EM manufacturing sectors. From Brazil to China, and even still-booming Turkey, industrial production has slowed in the past two quarters. This deceleration, along with a strengthening US dollar and market fears of a global recession, have brought commodity prices down from their recent peak, eroding the outlook for commodity-exporting nations in South America and elsewhere.

These adverse trends are unfolding in the midst and against the background of still relatively high capacity utilization and, in a number of important cases (Brazil, for example) labor market conditions that approach full employment.

Nonetheless, as the problems of Europe drag on, and inflationary pressures ease, the turn towards easier money has begun. Further monetary policy loosening can be expected across the emerging world, with a rapid succession of interest rate cuts (Brazil) or reserve-requirement reductions (China) occurring during the first half of 2012.