October 12, 2012

EM Data Releases and Policy Announcements

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15	16	17	18	19
China Consumer Prices (Y/Y) Jul 1.8% **Sep(f) 1.9%** Aug 2.0% **Sep(c) 1.9%**		Industrial Production (Y/Y) Jun 9.2% **Aug (f) 8.9%** Jul 8.9% **Aug (c) 9.0%** Real GDP (Y/Y) 12:Q1 8.1% **12:Q3(f) 7.3%** 12: Q2 7.6% **12:Q3(c) 7.4%**		
India Wholesale Prices (Y/Y) Jul 6.9% **Sep(f) 7.1%** Aug 7.6% **Sep(c) 7.7%**				
Malaysia		Consumer Prices (Y/Y) Jul 1.4% **Sep(f) 1.3%** Aug 1.4% **Sep(c) 1.4%**		
Thailand		Central Bank Meeting & Rate Decision **(unch.)**		
Russia		Industrial Production (Y/Y) Jul 3.4% **Sep (f) 2.7%** Aug 2.1% **Sep (c) 2.3%**	Unemployment Rate Jul 5.4% **Sep(f) 5.3%** Aug 5.2% **Sep(c) 5.3%**	
Turkey			Central Bank Meeting & Rate Decision **(unch.)**	
Poland Consumer Prices (Y/Y) Jul 4.0% **Sep(f) 3.8%** Aug 3.8% **Sep(c) 4.0%**		Industrial Production (Y/Y) Jul 5.2% **Sep (f) -2.7%** Aug 0.5% **Sep (c) -3.7%**		

Emerging Markets Data, Policy and Market Outlook

Signs of bottoming of the EM growth slowdown. Barring a full-fledged global crisis, a somewhat bumpy but ultimately soft-landing scenario may best describe the path of real GDP across emerging markets in the very near-term. Economic activity has slowed down significantly, particularly on the manufacturing side, but there are already signs of bottoming in a number of important emerging markets, including, for example, Turkey, Brazil, and India.

Resilient consumer, easier credit… With few exceptions, consumer and investment spending remains well-supported, unemployment rates low; while borrowing costs have diminished

Exports have been hurt by and remain vulnerable to the Eurozone crisis. EM Exports remain exposed, and are already falling; there is also some financial risk arising out of the lingering European debt crisis, making markets sensitive to euro-zone development s the foreseeable future, *but*

Growth is likely to rebound moderately in coming quarters if the Eurozone avoids "Lehman Moment." From current perspective, it is reasonable to expect that if a full-fledged financial crisis is avoided in Europe, EM would likely experience a moderate rebound later this year and into 2013, on the basis if easier money, stronger US demand, plus a bottoming and modest re-acceleration of growth in China.

In fact, *As China goes, other EMs will likely follow:* Emerging markets will probably replicate, more or less closely depending of size, economic structure and location, China's near-term growth pattern: deceleration through the middle months of 2012, followed, later in the year and into next, by a moderate up-turn. Should the Asian giant slip into recession (or a recession-like stage, say 5%-to-6% growth), the pace of economic activity would be hurt significantly not just in manufacturing-oriented Asia but in commodity driven EMS there and elsewhere, as commodity markets would be heavily impacted. There is a reasonable expectation that such Chinese-recession scenario will be avoided, especially now that a policy easing seems clearly underway.