Emerging Markets Calendar

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EM Data Releases and Policy Announcements

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29	30	31	1	2
Brazil			Industrial Production (Y/Y) Jul -2.7% **Sep (f) -0.7%** Aug -2.0% **Sep (c) -2.8%** Trade Balance (USD Mill) Jul 3226 **Sep(f) 1975** Aug 2557 **Sep(c) 2004**	
Korea	Industrial Production (Y/Y) Jul 0.2% **Sep (f) 0.6%** Aug 0.4% **Sep (c) 1.0%**	Consumer Prices (Y/Y) Aug 1.2% **Oct(f) 2.1%** Sep 2.0% **Oct(c) 2.1%**		
Taiwan	Real GDP (Y/Y) 12:Q1 0.4% **12:Q3(f) 1.2%** 12: Q2 -0.2% **12:Q3(c) 1.5%**			
India	Central Bank Meeting & Rate Decision **(-25 bps.)**			
Indonesia			Consumer Prices (Y/Y) Aug 4.6% **Oct(f) 4.9%** Sep 4.3% **Oct(c) 4.6%**	
Thailand			Consumer Prices (Y/Y) Aug 2.7% **Oct(f) 3.3%** Sep 3.4% **Oct(c) 3.4%**	
Czech			Central Bank Meeting & Rate Decision **(unch.)**	
Hungary	Unemployment Rate Jul 10.5% **Sep(f) 10.4%** Aug 10.4% **Sep(c) 10.5%** Central Bank Meeting & Rate Decision **(-25 bps.)**			

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.