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Emerging Markets Calendar

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EM Data Releases and Policy Announcements

8	9	10	11	12
Brazil		Central Bank Meeting & Rate Decision **(unch.)**		
Argentina				Consumer Prices (Y/Y) Jul 9.9% **Sep(f) 9.9%** Aug 10.0% **Sep(c) 10.0%**
Mexico	Consumer Prices (Y/Y) Jul 4.4% **Sep(f) 4.7%** Aug 4.6% **Sep(c) 4.8%**			Industrial Production (Y/Y) Jun 3.8% **Aug (f) 4.9%** Jul 4.9% **Aug (c) 3.8%**
Korea		Central Bank Meeting & Rate Decision **(-25 bps)**		
India				Industrial Production (Y/Y) Jun -0.8% **Aug (f) 1.4%** Jul 0.1% **Aug (c) 1.0%**
Indonesia			Central Bank Meeting & Rate Decision **(unch.)**	
Malaysia			Industrial Production (Y/Y) Jun 3.7% **Aug (f) -1.7%** Jul 1.4% **Aug (c) -2.0%**	
Turkey	Industrial Production (Y/Y) Jun 3.1% **Aug (f) 3.0%** Jul 3.4% **Aug (c) 2.6%**			
Czech Industrial Production (Y/Y) Jun -2.7% **Aug (f) 0.0%** Jul 4.2% **Aug (c) 0.0%**	Consumer Prices (Y/Y) Jul 3.1% **Sep(f) 3.3%** Aug 3.3% **Sep(c) 3.4%**			
Hungary			Consumer Prices (Y/Y) Jul 5.8% **Sep(f) 6.2%** Aug 6.0% **Sep(c) 6.3%**	

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.