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Alvin Liew

Alvin.LiewTS@uobgroup.com

Global Economics & Markets Research

Email: GlobalEcoMktResearch@uobgroup.com

URL: www.uob.com.sg/research

Weekly Outlook

20 – 24 January 2025

SINGAPORE

Dec CPI and industrial production in focus, MAS Jan policy falls on Fri 24 Jan

- 1) The key data releases will be the **Dec headline CPI inflation** on Thu (23 Jan, UOB est 1.4% y/y, Bloomberg est 1.5% y/y from 0.0% m/m, 1.6% y/y in Nov), **core inflation** (UOB est 1.7% y/y, Bloomberg est 1.6-1.7% y/y from 1.9% in Nov), and **Dec industrial production** on Fri (24 Jan, UOB est -1.2% m/m sa, 6.4% y/y, Bloomberg est -0.6% m/m, 8.2% y/y from -0.4% m/m, 8.5% y/y in Nov).
- 2) We will also have the **final 4Q24 URA private home price** release on Fri (24 Jan).
- 3) **The Monetary Authority of Singapore (MAS) will release its Jan 2025 Monetary Policy Statement (MPS) on 24 Jan (Fri, 8am SGT).** Our economist, **Jester Koh**, expects a “slight” reduction to the S\$NEER slope (by 50bps). Please see the [MAS Preview](#) by him.

KEY ASIA-PACIFIC ECONOMIES

China's LPR Fixing, BNM decision, 4Q GDP from South Korea & Taiwan, CPI From Malaysia, Hong Kong & New Zealand

- 1) There is one major central bank's monetary policy decision and China's rates fixing in Asia-Pacific this week:
 - a. **China's 1Y & 5Y Loan Prime Rate (LPR) fixing** on Mon (20 Jan, Bloomberg est 1Y and 5Y LPR unchanged at 3.10% and 3.60% respectively). Our economist, **Ho Woei Chen**, shares the same view with consensus that the fixing will remain unchanged from Dec. The PBOC has stepped up efforts to support the CNY, implying less room to cut interest rates in the near-term. It will likely increase liquidity provision via open market operations ahead of the Lunar New Year.
 - b. **Bank Negara Malaysia (BNM)** on Wed (22 Jan, 3pm SGT) – According to the Bloomberg poll (17 Jan), all 6 analysts surveyed are expecting the BNM to keep policy rate unchanged at 3.00%. Our economists, **Julia Goh and Jasrine Loke**, maintain the view that BNM will continue to leave the OPR unchanged at 3.00% on Wed and through 2025 as the central bank waits for clarity about domestic price policy changes and Trump's foreign policy implementation.
- 2) The Asia-Pacific data focus will be on GDP prints from South Korea and Taiwan:
 - a. **Data in focus –**
 - **South Korea's 4Q24 GDP** on Thu (23 Jan). Our economist, Ho Woei Chen, expects South Korea's GDP growth to have stayed muted in 4Q24 (Bloomberg est: 1.6% y/y, 0.3% q/q sa, UOB est: 1.8% y/y, 0.6% q/q) with easing private demand further weighed by the political crisis that ensued following suspended President Yoon Suk Yeol's failed martial law attempt on 3 Dec. The 2024 full year GDP growth is expected to be in line with the recently revised official forecast of 2.1% (Bloomberg est: 2.1%, UOB est: 2.2%, 2023: 1.4%)
 - **Taiwan's 4Q24 GDP** on Fri (24 Jan). Our economist, Ho Woei Chen, noted that Taiwan's 4Q24 GDP (UOB & Bloomberg est: 2.0% y/y from 4.17% in 3Q, full year est: 4.3% from 1.4% in 2023) is expected to be driven by the positive trend in exports and manufacturing, despite a high base of comparison.
 - **Hong Kong's Dec CPI composite** (21 Jan, Bloomberg est 1.5% y/y from 1.4% in Nov)
 - **Taiwan's Dec export orders** (21 Jan, Bloomberg est 20.2% y/y from 3.3% in Nov)
 - **Malaysia's Dec CPI** (22 Jan, UOB est 1.8% y/y, Bloomberg est 1.8% y/y from 1.8% in Nov)
 - **New Zealand's 4Q24 CPI** (22 Jan, Bloomberg est 0.5% q/q, 2.1% y/y from 0.6% q/q, 2.2% y/y in 3Q)
 - **Dec trade data for Malaysia** (20 Jan, Exports – UOB est: +8.5% y/y, Nov: +4.1%; Imports – UOB est: +6.0% y/y, Nov: +1.6%; Trade Balance – UOB est: +MYR15.4bn, Nov: +MYR15.3bn), and **Philippines** (24 Jan).
 - **Prelim manufacturing and services PMI surveys in Jan for Australia and India** (24 Jan)
- 3) **Holidays in Asia-Pacific:** New Zealand markets will be closed on Mon (20 Jan) to commemorate Wellington Anniversary while India will celebrate Republic Day on Sun (26 Jan).
- 4) Bloomberg reported that **China's Vice President Han Zheng** will attend Donald Trump's inauguration ceremony on Mon (20 Jan).

US AND DEVELOPED ECONOMIES

Trump's inauguration on MLK, FOMC blackout period, Norges Bank & BOJ decisions, G7 PMIs, More US Earnings, Davos WEF

- 1) **US is scheduled to begin the ban on the China-owned major video-sharing platform on Sun (19 Jan)** but the incoming Trump administration is seeking to extend that deadline.
- 2) The **US financial markets will close on Mon (20 Jan) for Martin Luther King (MLK) Day holiday but global attention will be on the US this Mon as Donald Trump will be sworn in as the 47th President of the United States of America, only the second person to serve in non-consecutive terms.** Attention will be on Trump's first day in office and his initial tranche of executive orders. Eurasia, a political consultant group, said in a note that Trump's first day will prioritize toughening immigration policy and trade, with an increased risk of near-term tariffs on Canada, Mexico, or—less likely—the EU; as well as targeted moves against China.
- 3) The **55th Annual meeting of the World Economic Forum** will be held at Davos-Kloster, Switzerland, from 20 to 24 Jan, and the theme this year is **"Collaboration for the Intelligent Age"**. Several European Central Bank (ECB) senior officials will speak at Davos including **President Lagarde** (22 and 24 Jan), governing council members Villeroy (22 Jan), Knot (22 Jan) and Escriva (23 Jan).
- 4) The financial markets will continue to pay close attention to the **US earnings calendar** as 459 US companies will release their quarterly earnings during 21-24 Jan of which 39 are S&P 500 listed firms from the varied fields of airlines, technology, social media, MNC's, financials, consumer discretionary, pharmaceuticals, and healthcare.
- 5) Among the developed economies, there is one G7 and one Nordic monetary policy decisions this week:
 - a. **Bank of Japan** (BOJ, Fri 24 Jan likely between 11am-2pm SGT). According to the Bloomberg survey (as of 17 Jan), 8 of the nine economists expect the BOJ to hike rates by 25-bps to 0.5% while only one expect the central bank to stay on hold. The shift in expectations came about after recent comments from BOJ Deputy Governor Himino and BOJ Governor Ueda strengthened market expectations for a potential interest rate hike. Admittedly, we too feel a Jan BOJ hike has shifted from a remote possibility to a highly probable. That said, we note that the BOJ decision will take place a few days after Trump comes into White House, and any significant US policy decisions could influence the BOJ decision on 24 Jan.
 - b. **Norges Bank** (23 Jan 5pm SGT). According to the Bloomberg poll (as of 17 Jan), the Norwegian central bank is expected by three economists to keep its policy rate unchanged at 4.50%.
- 6) The Federal Reserve (Fed) will enter the **external communications blackout period** which starts from Sat (18 Jan) till 31 Jan. There is no Fed official scheduled to attend the WEF at Davos.
- 7) The **private sector Jan PMI manufacturing and services surveys for G7 economies** on Fri (24 Jan) will likely see manufacturing PMI mostly remaining sub-50 (i.e. overall contraction in activity) while services PMI may stay comfortably above 50.
- 8) The US data this week will be relatively light in a holiday-shortened week:
 - o **Dec Leading index** (22 Jan, Bloomberg est -0.1% from 0.3% in Nov).
 - o **Various regional Fed surveys including Philadelphia Fed** (21 Jan), and **Kansas City Fed** (23 Jan)
 - o **US Initial jobless claims** (23 Jan, may rise further to 230k from 217k the previous week)
 - o **US Jan S&P Global manufacturing** (Bloomberg est 49.8-50.0 from 49.4 in Dec) **and services PMI surveys** (Bloomberg est 56.0-56.5 from 56.8 in Dec) on Fri (24 Jan)
 - o **US Dec wholesale inventories** (26 Jan, Bloomberg est -0.2% m/m same as Nov)
 - o **Final university of Michigan consumer sentiment survey for Jan** (24 Jan, Bloomberg est 73.5 up from prelim est of 73.2)
 - o **Dec existing home sales** (24 Jan, Bloomberg est 1.2% m/m, 4.20 mn units from 4.8% m/m, 4.15mn units in Nov)
- 9) The key European data will be **German ZEW survey for Jan** (21 Jan), and **UK ILO unemployment rate for Nov** (21 Jan).
- 10) **Key Japanese data** include Nov core machine orders (20 Jan, Bloomberg est -0.8% m/m, 4.2% y/y from 2.1% m/m, 5.6% y/y in Oct), **Dec trade** (23 Jan, Bloomberg est exports at 2.5% y/y from 3.8% in Nov, imports at 3.2% y/y from -3.8% y/y in Nov, trade deficit may narrow to JPY 53bn from -JPY 110.3 bn in Nov), **Dec headline CPI** (24 Jan, Bloomberg est 3.4% y/y from 2.9% in Nov), **Dec core CPI ex fresh food** (Bloomberg est 3.0% y/y from 2.7% in Nov), **core-core CPI ex food and energy** (Bloomberg est 2.4% y/y same as Nov).

KEY DATA/EVENTS: ASIA & OCEANIA

Date		Data/Event	Mth	Prior
17 Jan	NZ	BusinessNZ Manufacturing PMI	Dec	45.5
	SI	Non-oil Domestic Exports YoY (MoM=14.7%)	Dec	3.40%
	SI	Electronic Exports YoY	Dec	23.20%
	CH	New Home Prices MoM	Dec	-0.20%
	CH	Used Home Prices MoM	Dec	-0.35%
	CH	GDP YoY (SA YoY= 0.9%)	4Q	4.60%
	CH	Industrial Production YoY	Dec	5.40%
	CH	Retail Sales YoY	Dec	3.00%
	CH	Fixed Assets Ex Rural YTD YoY	Dec	3.30%
	CH	Property Investment YTD YoY	Dec	-10.40%
	CH	Residential Property Sales YTD YoY	Dec	-20.00%
	CH	Surveyed Jobless Rate	Dec	5.00%
	MA	GDP Annual YoY	2024 A	3.70%
	MA	GDP YoY	4Q A	5.30%
20 Jan	NZ	New Zealand markets closed for Wellington Anniversary holiday		
	CH	1-Year Loan Prime Rate	Jan-20	3.10%
	CH	5-Year Loan Prime Rate	Jan-20	3.60%
	MA	Imports YoY	Dec	1.60%
	MA	Exports YoY	Dec	4.10%
	MA	Trade Balance MYR	Dec	15.29b
	PH	BoP Overall	Dec	-\$2276m
21 Jan	HK	Unemployment Rate SA	Dec	3.10%
	SK	PPI YoY	Dec	1.40%
	NZ	Performance Services Index	Dec	49.5
	NZ	Card Spending Retail MoM	Dec	0.00%
	NZ	Card Spending Total MoM	Dec	-0.10%
	SK	Exports 20 Days YoY	Jan	6.80%
	SK	Imports 20 Days YoY	Jan	7.50%
	NZ	Non Resident Bond Holdings	Dec	61.20%
	TA	Export Orders YoY	Dec	3.30%
	HK	CPI Composite YoY	Dec	1.40%
	MU	Visitor Arrivals	Dec	2832k
22 Jan	MA	BNM Overnight Policy Rate	Jan-22	3.00%
	TA	Unemployment Rate	Dec	3.41%
	SI	Automobile COE Open Bid Auction	Jan-22	
	SK	Consumer Confidence	Jan	88.4
	NZ	CPI QoQ	4Q	0.60%
	NZ	CPI YoY	4Q	2.20%
	NZ	CPI Tradeable QoQ	4Q	-0.20%
	NZ	CPI Non Tradeable QoQ	4Q	1.30%
	AU	Westpac Leading Index MoM	Dec	0.05%
	MA	CPI YoY	Dec	1.80%
	MA	Foreign Reserves	Jan-15	\$116.2b

Date		Data/Event	Mth	Prior
23 Jan	NZ	N.Z. Government 5-Month Financial Statements		
	SK	Composite Business Survey Manufacturing	Jan	--
	SK	Composite Business Survey Non-Manu	Jan	--
	NZ	Net Migration SA	Nov	2790
	SK	GDP YoY	4Q A	1.50%
	SK	GDP SA QoQ	4Q A	0.10%
	SK	GDP Annual YoY	2024 A	1.40%
	CH	Swift Global Payments CNY	Dec	3.89%
	SI	CPI YoY	Dec	1.60%
	SI	CPI NSA MoM	Dec	0.00%
	SI	CPI Core YoY	Dec	1.90%
	TA	Industrial Production YoY	Dec	10.29%
	TA	Money Supply M2 Daily Avg YoY	Dec	5.47%
	MU	Hotel Occupancy Rate	Dec	89.70%
24 Jan	SI	Jan 2025 Monetary Policy Statement (MPS)	Jan	
	AU	S&P Global Australia PMI Mfg	Jan P	47.8
	AU	S&P Global Australia PMI Services	Jan P	50.8
	SI	URA Private Home Prices QoQ	4Q F	2.30%
	PH	Exports YoY	Dec	-8.70%
	PH	Exports	Dec	\$5691m
	PH	Imports YoY	Dec	-4.90%
	PH	Imports	Dec	\$10458m
	PH	Trade Balance	Dec	-\$4767m
	SI	Industrial Production SA MoM	Dec	-0.40%
	SI	Industrial Production YoY	Dec	8.50%
	IN	HSBC India PMI Mfg	Jan P	56.4
	IN	HSBC India PMI Services	Jan P	59.3
	TH	Gross International Reserves	Jan-17	--
	TH	Forward Contracts	Jan-17	--
26 Jan	TA	GDP YoY	4Q A	4.17%
	TA	GDP Annual YoY	2024	1.40%
	IN	Foreign Exchange Reserves	Jan-17	--
	IN	India celebrates Republic Day holiday		

KEY DATA/EVENTS: US AND DEVELOPED ECONOMIES

Date		Data/Event	Mth	Prior	Date		Data/Event	Mth	Prior
17 Jan	UK	Retail Sales Ex Auto Fuel MoM (YoY=0.1%)	Dec	0.30%	23 Jan	JN	Trade Balance	Dec	-¥110.3b
	UK	Retail Sales Inc Auto Fuel MoM (YoY=0.5%)	Dec	0.20%		JN	Trade Balance Adjusted	Dec	-¥384.2b
	EC	ECB Current Account SA	Nov	25.8b		JN	Exports YoY	Dec	3.80%
	IT	Current Account Balance	Nov	5628m		JN	Imports YoY	Dec	-3.80%
	EC	CPI MoM (YoY= 2.4%)	Dec F	0.40%		JN	Tokyo Condominiums for Sale YoY	Dec	-18.70%
	EC	CPI Core YoY	Dec F	2.70%		FR	Manufacturing Confidence	Jan	97
	US	Housing Starts(MoM= -1.8%)	Dec	1289k		NO	Deposit Rates	Jan-23	4.50%
	US	Building Permits (MoM= 5.2%)	Dec P	1493k		EC	ECB's Escriva Speaks in Davos		
	US	Industrial Production MoM	Dec	-0.10%		UK	CBI Trends Total Orders	Jan	-40
	US	Capacity Utilization	Dec	76.80%		UK	CBI Trends Selling Prices	Jan	23
	US	Net Long-term TIC Flows	Nov	\$152.3b		UK	CBI Business Optimism	Jan	-24
	US	Total Net TIC Flows	Nov	\$203.6b		CA	Retail Sales MoM (Ex auto=0.1%)	Nov	0.60%
18 Jan	US	Fed's External Communications Blackout Period			24 Jan	US	Initial Jobless Claims	Jan-18	217k
20 Jan	US	US markets are closed for Martin Luther King (MLK) Day holiday				US	Continuing Claims	Jan-11	1859k
	US	US President Trump inauguration ceremony				EC	Consumer Confidence	Jan P	-14.5
	JN	The 55th World Economic Forum at Davos (20-24 Jan)				US	Kansas City Fed Manf. Activity	Jan	-4
	JN	Core Machine Orders MoM (YoY= 5.6%)	Nov	2.10%		JN	BOJ Target Rate	Jan-24	0.25%
	UK	Rightmove House Prices MoM (YoY=1.4%)	Jan	-1.70%		JN	BOJ GDP Current Forecast (T+1= 1.1%, T+2= 1.0%)	1Q	0.60%
	JN	Industrial Production MoM (YoY= -2.8%)	Nov F	-2.30%		JN	BOJ Core CPI Current Forecast (T+1= 1.9%, T+2 = 1.9%)	1Q	2.50%
	JN	Capacity Utilization MoM	Nov	2.60%		JN	BOJ Core CPI Ex-Energy Current (T+1= 1.9%, T+2= 2.1%)	1Q	2.00%
	JN	Tertiary Industry Index MoM	Nov	0.30%		JN	Natl CPI YoY	Dec	2.90%
	GE	PPI MoM (YoY= 0.1%)	Dec	0.50%		JN	Natl CPI Ex Fresh Food YoY	Dec	2.70%
	EC	Construction Output MoM (YoY= 0.2%)	Nov	1.00%		JN	Natl CPI Ex Fresh Food, Energy YoY	Dec	2.40%
	EC	ECB's Vujcic & Holzmann Speak at separate events				UK	GfK Consumer Confidence	Jan	-17
	UK	Average Weekly Earnings 3M/YoY	Nov	5.20%		JN	Jibun Bank Japan PMI Mfg	Jan P	49.6
	UK	Weekly Earnings ex Bonus 3M/YoY	Nov	5.20%		JN	Jibun Bank Japan PMI Services	Jan P	50.9
21 Jan	UK	ILO Unemployment Rate 3Mths	Nov	4.30%	24 Jan	JN	Nationwide Dept Sales YoY	Dec	3.40%
	UK	Employment Change 3M/3M	Nov	173k		FR	HCOB France Manufacturing PMI	Jan P	41.9
	UK	Payrolled Employees Monthly Change	Dec	-35k		FR	HCOB France Services PMI	Jan P	49.3
	UK	Claimant Count Rate	Dec	4.60%		GE	HCOB Germany Manufacturing PMI	Jan P	42.5
	UK	Jobless Claims Change	Dec	0.3k		GE	HCOB Germany Services PMI	Jan P	51.2
	GE	ZEW Survey Expectations	Jan	15.7		EC	HCOB Eurozone Composite PMI	Jan P	49.6
	GE	ZEW Survey Current Situation	Jan	-93.1		EC	HCOB Eurozone Manufacturing PMI	Jan P	45.1
	EC	ZEW Survey Expectations	Jan	17		EC	HCOB Eurozone Services PMI	Jan P	51.6
	EC	ECB's Centeno Speaks in Lisbon				UK	S&P Global UK Manufacturing PMI	Jan P	47
	US	Philadelphia Fed Non-Manufacturing Activity	Jan	-6		UK	S&P Global UK Services PMI	Jan P	51.1
	CA	CPI NSA MoM (YoY= 1.9%)	Dec	0.00%		UK	S&P Global UK Composite PMI	Jan P	50.4
	CA	CPI Core- Median YoY%	Dec	2.60%		EC	ECB's Lagarde Speaks in Davos		
	CA	CPI Core- Trim YoY%	Dec	2.70%		UK	CBI Total Dist. Reported Sales	Jan	-30
22 Jan	JN	BOJ Outright Bond Purchase 1-3, 3-5, 5-10, 10-25 Years			24 Jan	UK	CBI Retailing Reported Sales	Jan	-15
	UK	Public Sector Net Borrowing	Dec	11.2b		EC	ECB's Cipollone Appears on CBDR Panel in Frankfurt		
	UK	PSNB ex Banking Groups	Dec	11.2b		US	S&P Global US Manufacturing PMI	Jan P	49.4
	EC	ECB's Villeroy & Knot Speak in Davos				US	S&P Global US Services PMI	Jan P	56.8
	US	MBA Mortgage Applications	Jan-17	33.30%		US	U. of Mich. Sentiment	Jan F	73.2
	CA	Industrial Product Price MoM	Dec	0.60%		US	U. of Mich. 1 Yr Inflation	Jan F	3.30%
	US	Leading Index	Dec	0.30%		US	U. of Mich. 5-10 Yr Inflation	Jan F	3.30%
	EC	ECB's Lagarde Speaks in Davos				US	Existing Home Sales (MoM= 4.8%)	Dec	4.15m
						US	Kansas City Fed Services Activity	Jan	2

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