

Global Weekly Flash

Global uncertainties linger

The US election may dispel concerns on monetary policy but uncertainties about imminent challenge of the US economy, the “fiscal cliff”, remain. Furthermore, recent data suggests that the European crisis is weighing on the German economy, while peripheral countries may have to increase their fiscal consolidation efforts to cover fiscal slippages. On the positive side, latest Chinese domestic demand indicators are showing some improvement, and the Greek parliament passed austerity bill. In this environment, flows toward safe-haven assets have intensified. During the week 10Y yields in Germany and the US fell by 7bp and 5.5pb, respectively, and 2Y German yield came back to negative territory.

- In the US, dealing with the fiscal cliff that poses a downside risk for the economy is the immediate challenge for the re-elected President Barack Obama in the very short-term. Uncertainty is high. An agreement may be difficult to achieve due to the composition of the House (Republican-controlled) and the Senate (where Democrats have increased their majority, but not filibuster-proof). On the monetary side, the most likely scenario remains the maintenance of the status quo regarding quantitative easing. The probability of an extension of the Operation Twist, when it ends in December, is very likely.
- **The ECB priority is still to repair the transmission mechanism of monetary policy**
 - ECB holds policy, as expected, and gives no hints on what it would do in terms of monetary policy as the economy weakens. Risks on the economic outlook remain on the downside, while inflation risks remain “broadly balanced” and inflation expectations “solidly anchored”. In the next ECB Governing Council, growth projections are expected to be revised downwards. Although since the OMT announcement “there have been a series of improvements”, equivalent to further expansion of monetary policy, governments need to do their bit as the OMT backstop is not the only key to improving the monetary policy transmission mechanism.
 - In this regard, Greece passed the EUR 13,8bn austerity package demanded by the Troika, in order to obtain the disbursement of the next loan tranche. However, the Greek coalition government faces another test on Sunday, when the parliament votes on 2013 Budget. On Monday the Eurogroup will debate on Greece. There are expectations of the Troika’s giving two extra years to Greece to fulfil fiscal targets. Additionally new measures are under discussion to fill the financial gap, such as lowering interest rate, buying back Greek debt, or a deal with the ECB not to take profits on the EUR55bn holdings on Greek bonds.
- **The European Commission autumn forecast reflected that the ongoing slowdown in the eurozone is weighing on Germany. Additionally fiscal slippage continues in peripheral countries**
 - The European Commission (EC) released its autumn economic forecast. The eurozone GDP is projected to contract by 0.4% in 2012, revised from -0.3% its spring forecast. The GDP in 2013 is projected to grow by 0.1%, revised from a 1% GDP growth. The EC also cut the forecast for Germany GDP growth to 0.8% from 1.7%; confirming the recent weakness showed by industrial activity and the labor market in this country. In the case of Spain, the GDP is projected to fall by -1.4% in 2012 and -1.4% in 2013 (in line with BBVA Research projections), revised from a previous decrease of 1.8% in 2012 and 0.3% in 2013. According to the EC, the Spanish general government deficit is projected to reach the 8% of the GDP in 2012 (including bank recapitalization, 1%), 6% of the GDP in 2013 and 6.4% of GDP in 2014; this compares with a Government’ deficit target of 4.5% in 2013. European Union Economic and Monetary Commissioner Olli Rehn called on Spain to spell out how it will meet deficit-reduction targets.

- **In Asia, there is increasing evidence that the region is bottoming out**

- China will release a batch of high frequency indicators on November 9, including CPI, industrial production and retail sales, which will be closely watched by the markets for signs of further stabilization in China's growth momentum. Recent Chinese indicators such as credit and export growth have allayed fears of a hard landing in this economy. Besides, in the opening speech of 18th National Party Congress, President Hu Jintao announced a goal of doubling GDP and per capita income by 2020 compared to 2010 levels. By our calculation, this would imply an average of 6.9% annual growth during 2013-2020, in line with the 7% growth target for 2011-15 established in last year's 12th 5-year plan; we view the longer term target as achievable, provided that progress is made toward rebalancing the economy towards domestic demand. With growth remaining resilient in Southeast Asia, both Indonesia and Malaysia kept their policy rates on hold today (at 5.75% and 3.0%, respectively). We think further rate cuts are unlikely for the time being, as domestic demand is robust. In Indonesia's case, forward-looking indicators such as consumer confidence have begun pointing up, which, along with other encouraging regional outturns, suggests that growth may be rebounding.
- In Mexico, Banxico inflation report linked its monetary policy to the inflation trend. Given the lack of evidence of secondary effects and our prospect of a fall in inflation below the 4.0% in the first half of 2013, we believe that the monetary rate will remain unchanged in the coming months. Besides, the minutes of the last Bank of Chile monetary policy meeting, suggested that Chilean monetary authority remains in favor of the monetary policy under the current domestic and external scenario. In terms of growth the Chilean monthly Economic Activity Index (Imacec) increased 4.6% y/y in September. Meanwhile, in Brazil Inflation outturns were slightly higher than expected in October. Inflation reached 5.45%/y/y (0.59%/m/m), in comparison to 5.28%/y/y (0.57%/m/m) in September. We now expect inflation to close the year at 5.4%. Tax cuts should help to keep inflation under control in the next year but we see increasing upside risks to our 5.3% forecast for the end of 2013.

Next week: investors will keep attention to the Eurogroup and Ecofin meetings on Monday and Tuesday. On Monday the Spanish finance Minister Luis de Guindos address the European Parliament. On November 14 Spain faces a general strike. On November 15 the ECB will release its monthly bulleting, where market fragmentation indicators will attract investors' attention.

Calendar: Indicators

Eurozone: HICP inflation (October, November 15th)

Forecast: 2.5% y/y

Consensus: 2.5% y/y

Previous: 2.6% y/y

We expect headline inflation to be confirmed at 2.5% y/y in October, slowing from 2.6% y/y in September a bit more slowly than in our previous estimation (2.4% y/y), which could be explained by somewhat higher food prices. Regarding core inflation, we expect it to remain relatively stable at 1.6% y/y. Looking forward, still high energy prices of oil Brent, combined with inflationary pressures stemming from higher indirect taxes in the periphery, suggest that inflation will slow sluggishly in coming months, while core inflation is expected to remain broadly stable at current levels over Q4. Overall, there is no evidence of second-round effects, and the gloomy economic prospects for coming quarters along with the continuing deterioration of the labour market will continue to put a brake on them in the short term.

Eurozone: Flash estimate GDP (3Q12, November 15th)

Forecast: -0.3% q/q

Consensus: % q/q

Previous: -0.2% q/q

We expect GDP to fall again in 3Q, by around -0.3% q/q, dragged down by domestic demand and a smaller contribution from the external sector. In particular, the worsening of financial strains by mid-year resulted in a sharp fall in confidence in 3Q, while hard data showed a somewhat less negative outlook and put some upside risks to our forecast. Across countries, our estimates suggest that the German economy should have stagnated, while the French economy could have contracted. In addition, both the Spanish and Italian economy were still in recession, with the former contracting (-0.3% q/q) at a similar pace to that of 2Q and the decline in the Italian GDP mildly easing (-0.5% q/q).

US: Retail Sales, Ex Auto (October, November 12th)

Forecast: 0.1% m/m, 0.4% m/m

Consensus: -0.1% m/m, 0.3% m/m

Previous: 1.1% m/m, 1.1% m/m

A drop in the price of most of the basket commodities, including oil and natural gas, will likely put downward pressure on retail sales for October, causing a deceleration from the significant gains in August and September. While consumers are paying less at the pump, they are also purchasing fewer vehicles, evidenced by the 4% drop in total light weight vehicle sales for October. We expect retail sales growth to remain positive but recent weekly surveys have been lack luster and shown no real rise in sales or any reason to anticipate a surge from the consumer in usually slow sectors. However, as the holiday season approaches and consumer spending continues to climb, we expect store sales to be the driving force behind any growth that does come from October's figures, rather than any boost from commodities and vehicle sales. We also do not expect the recent natural disaster in the Northeast to effect sales for October but rather be realized in November's figures, excluding any preparatory purchases such as disaster supplies that may have occurred leading up to the storm.

US: Consumer Price Index, Core (October, November 13th)

Forecast: 0.2% m/m, 0.1% m/m

Consensus: 0.1% m/m, 0.1% m/m

Previous: 0.6% m/m, 0.1% m/m

Headline inflation is expected to decelerate in October as energy and commodity prices drive the figure down with very little toward the upside for other indicators. Oil and gas prices for the month showed declines including WTI, Brent Crude, and natural gas, putting some downward pressure on the headline change from September. Food prices surprisingly remained stable but should eventually rise as the pressures from the drought begin to show through. Import prices are not expected to change much after such a significant gain in September, so we expect to see a similar trend for CPI. As for core inflation, we expect shelter and healthcare to maintain their moderate increases but shelter may lead as rents rise and housing prices are expected to make a recovery.

China: Exports (October, November 10th)

Forecast: 10.0% yoy

Consensus: 10.0% yoy

Previous: 9.9% yoy

Following an upside surprise in September, exports for October are expected to register another good outturn in year-on-year terms. However, in contrast to last month, the strength of the projected outturn for October is due entirely to base effects, as exports dipped in the month a year ago. Looking ahead, exports will continue to face external headwinds, as evidenced at the twice-yearly Canton Export Fair which concluded a few days ago, in which new export orders declined by -13.7% y/y. Recent domestic indicators, however, are showing an improvement on stronger domestic demand; this is helping to offset the external weakness, and Q4 GDP growth is projected to strengthen. We expect policy easing to continue in the months ahead, once the leadership selection process now underway is completed.

Markets Data

			Close	Weekly change	Monthly change	Annual change
Interest rates (changes in bps)	US	3-month Libor rate	0.31	0	-4	-14
		2-yr yield	0.26	-2	0	3
		10-yr yield	1.68	-4	-4	-38
	EMU	3-month Euribor rate	0.19	0	-2	-127
		2-yr yield	-0.03	-4	-7	-41
		10-yr yield	1.36	-9	-11	-41
Exchange rates (changes in %)	Europe	Dollar-Euro	1.274	-0.8	-1.1	-6.4
		Pound-Euro	0.80	-0.5	-1.0	-6.6
		Swiss Franc-Euro	1.21	-0.1	-0.5	-2.2
	America	Argentina (peso-dollar)	4.77	0.1	1.3	12.0
		Brazil (real-dollar)	2.04	0.4	0.2	15.7
		Colombia (peso-dollar)	1810	-0.9	0.6	-5.4
		Chile (peso-dollar)	477	-0.7	0.5	-4.9
		Mexico (peso-dollar)	13.11	0.5	1.8	-3.2
		Peru (Nuevo sol-dollar)	2.61	0.4	0.8	-3.7
	Asia	Japan (Yen-Dollar)	79.67	-0.9	1.8	2.6
		Korea (KRW-Dollar)	1089.65	-0.1	-1.9	-3.9
		Australia (AUD-Dollar)	1.044	1.0	2.3	2.8
Comm. (chg %)		Brent oil (\$/b)	107.0	1.2	-6.6	-5.9
		Gold (\$/ounce)	1723.6	2.7	-2.3	-2.0
		Base metals	499.4	0.2	-3.9	-5.9
Stock markets (changes in %)	Euro	Ibex 35	7624	-4.3	-1.6	-8.3
		EuroStoxx 50	2479	-2.7	0.3	9.9
		USA (S&P 500)	1387	-1.9	-3.8	11.9
	America	Argentina (Merval)	2392	-0.1	-1.8	-11.2
		Brazil (Bovespa)	57908	-0.8	-1.7	1.0
		Colombia (IGBC)	14095	-2.0	-0.9	10.9
		Chile (IGPA)	20736	-0.8	-0.4	0.8
		Mexico (CPI)	40787	-2.3	-2.3	11.4
		Peru (General Lima)	20955	0.4	-2.6	9.6
	Asia	Venezuela (IBC)	363576	1.2	7.2	226.0
		Nikkei225	8837	-2.4	0.8	4.0
		HSI	21567	-2.5	3.0	13.7
Credit (changes in bps)	Ind.	Itraxx Main	130	2	-2	-55
		Itraxx Xover	526	11	-22	-233
	Sovereign risk	CDS Germany	32	1	-18	-61
		CDS Portugal	543	15	81	-535
		CDS Spain	325	14	-33	-104
		CDS USA	37	2	-4	---
		CDS Emerging	232	-9	7	-70
		CDS Argentina	1749	-314	775	823
		CDS Brazil	100	-8	-13	-59
		CDS Colombia	99	-1	-7	-61
		CDS Chile	76	-3	-7	-52
		CDS Mexico	98	-3	-6	-60
		CDS Peru	98	-3	-11	-64

Source: Bloomberg and Datastream

Weekly Publications

Country	Date	Description
Spain	11/07/2012	Flash España: "Producción industrial en septiembre" A pesar de la corrección a la baja observada en septiembre, el tercer trimestre se saldó con una evolución positiva de la producción industrial.
	11/06/2012	Situación y perspectivas de la economía mundial y de España España continúa en recesión, pero con una caída menos intensa en el tercer trimestre. Europa necesita un acuerdo político creíble.
	11/06/2012	Situación España. Cuarto trimestre 2012 España continúa en recesión, pero con una caída menos intensa en el tercer trimestre. Europa necesita un acuerdo político creíble.
	11/05/2012	Flash España: "Afiliación a la Seguridad Social y desempleo registrado en octubre" Pese a que los registros del mercado laboral mostraron un deterioro relevante, los datos de octubre no evidencian una aceleración respecto a lo observado en los meses centrales del año.
	11/02/2012	Flash España: "Matriculaciones de turismos de octubre: ligera disminución por el retraso operativo del PIVE" El aumento del IVA y el retraso hasta mediados de octubre de la puesta en marcha efectiva del PIVE explican la caída de la demanda el pasado mes.
	10/31/2012	El nuevo sistema de financiación de las Comunidades Autónomas de régimen común: un análisis crítico y datos homogéneos para 2009 y 2010 Se describe en detalle el funcionamiento del nuevo modelo de financiación regional aprobado en 2009, se analizan sus propiedades dinámicas y se da una valoración crítica del mismo.
	10/31/2012	Flash España: Ejecución presupuestaria del Estado a septiembre de 2012 El déficit acumulado por el Estado hasta septiembre de 2012 se ha situado en el 4,4% del PIB, mientras que la Seguridad Social ha reducido el superávit hasta el 0,2% del PIB.
	10/31/2012	Flash España: visados de construcción de vivienda de obra nueva agosto 2012 Durante el mes de agosto se firmaron 2.647 visados de vivienda de obra nueva, un dato algo peor al que se esperaba.
	10/30/2012	Flash España: "Avance del IPC de octubre" El indicador adelantado del IPC de octubre confirma la aceleración esperada del crecimiento de los precios al consumo.
	10/30/2012	Flash España: "Avance de la contabilidad nacional trimestral del 3T12" Tal como se esperaba, el avance del INE señala que la economía española habría vuelto a contraerse en el 3T12, encadenando cuatro trimestres consecutivos de caída.
	10/30/2012	Flash España: "Confianza industrial y del consumidor en octubre" Los datos cualitativos observados en octubre señalan movimientos marginales y opuestos en la confianza de los agentes económicos.
	10/29/2012	Flash España: "Ventas reales del comercio al por menor de septiembre: condicionadas por el aumento del IVA" Una vez corregidas las variaciones estacionales propias del mes, las ventas reales del comercio minorista cayeron un 9,0% en septiembre debido al incremento del IVA.
Global	11/06/2012	Global Outlook. Fourth Quarter 2012 The world economy is expected to continue its soft recovery with a GDP growth of 3.5% in 2013 (3.2% in 2012). It is supported by lower risk aversion, following the decisions taken by central banks. (Spanish version) .
	11/02/2012	The impact of the financial regulatory reform over Insurance and Pensions Some regulatory trends in the financial sector and overall impact over the Insurance and Pensions industry.

US

- 11/06/2012 ➤ [U.S. Economic Watch. Job Openings and Labor Turnover Labor Market Hesitant as Fiscal Uncertainty Looms. \(Spanish version\).](#)
- 11/05/2012 ➤ [Flash Semanal EEUU. La tasa de desempleo se sitúa en 7.9% a pesar de las revisiones al alza del empleo](#)
El informe de empleo de octubre manifiesta un crecimiento superior a lo previsto; el no agrícola añadió 171 mil puestos de trabajo durante el mes después de que en septiembre la cifra se revisara al alza, a 148 mil empleos.
- 11/05/2012 ➤ [U.S. Economic Flash. Services Sector Still Growing as Employment Rises](#)
The ISM Non-manufacturing Index fell slightly to 54.2 in October on account of slower growth in business activity and new orders.
- 11/05/2012 ➤ [U.S. Economic Watch. Monthly US Outlook: November Political Outcome and Fiscal Cliff the Focus for 4Q12. \(Spanish version\).](#)
- 11/05/2012 ➤ [U.S. Weekly Flash. Unemployment Rate at 7.9% Despite Upward Payroll Revisions](#)
The employment report for October imparts some better-than-expected growth, with nonfarm payrolls up 171K for the month after an upwardly revised 148K gain in September.
- 11/02/2012 ➤ [U.S. Employment Flash. Unemployment Rate at 7.9% Despite Upward Payroll Revisions](#)
Nonfarm payrolls jumped 171K in October, with 184K coming from the private sector. Government payrolls declined 13K for the first time since July.
- 11/01/2012 ➤ [U.S. Banking Watch. Senior Loan Officer Survey 2012Q4 Mixed Signals for Q4 but Optimism Still Stands \(Spanish version\).](#)
- 11/01/2012 ➤ [U.S. Flash. ISM Manufacturing Index Shows Signs of Growth](#)
Manufacturing activity continues to expand, with the ISM at 51.7 from 51.5 in September. The optimism is in the details, with gains in new orders and production.
- 10/30/2012 ➤ [U.S. Housing Flash. Rise in Home Prices Evidences Housing Recovery](#)
The SP Case-Shiller Home Price Index accelerated to 2.0% on a YoY basis in August, the fastest pace since mid-2010.
- 10/29/2012 ➤ [U.S. Flash. Personal Income and Spending Rise, Ending 3Q on a High Note](#)
Personal income increased in September with a 0.3% boost from wages and salaries. Spending jumped 0.8% for the month, reflecting a 0.4% increase in real terms.
- 10/29/2012 ➤ [U.S. Weekly Flash. GDP Growth Surprises to the Upside for 3Q12](#)
The first estimate for 3Q12 real GDP growth surprised to the upside as the U.S. saw a 2.0% increase in economic activity on a QoQ seasonally-adjusted annualized basis. [\(Spanish version\).](#)

Latam

- 10/29/2012 ➤ [LatAm Economic Watch. An overview of the experience with banking transaction taxes in Latin America](#)
Financial taxes have performed reasonably well as a cheap method of gathering resources in Latam, but side effects raise questions regarding their toll on the overall economy. [\(Spanish version\).](#)

Brazil

- 11/07/2012 ➤ [Flash: Food prices continue driving inflation up](#)
Inflation increased for the fourth month in a row and reached 5.45%/y in October. [\(Spanish version\).](#)
- 11/06/2012 ➤ [Banco Central mantiene tono neutral](#)
En la minuta de su última reunión de política monetaria, el Banco Central se muestra a favor de la neutralidad de la política monetaria bajo el actual escenario doméstico y externo.

Chile

- 11/05/2012 ➤ [Actividad económica mantiene fuerte dinamismo en septiembre](#)
El Imacec aumentó 4,6% a/a en septiembre. De acuerdo al BC, los sectores que explicaron este crecimiento fueron minería, servicios personales y empresariales.
- 10/31/2012 ➤ [Tasa de desempleo se ubica en 6,5% a septiembre](#)
La tasa de desempleo aumentó 0,1pp respecto del registro previo en el trimestre móvil julio-septiembre ante una recuperación de la fuerza de trabajo algo mayor que el crecimiento del empleo.
- 10/30/2012 ➤ [Flash Chile: Producción manufacturera se contrae fuertemente en septiembre](#)
La producción manufacturera disminuyó 5,6%. Las ventas minoristas y la producción minera redujeron su crecimiento. Así, se reajusta nuestra proyección de crecimiento del Imacec de septiembre a 3,2%.

Colombia

- 11/06/2012 ➤ [Flash Colombia. Inflación de octubre en línea con expectativas se ubicó en 3,06% a/a con leve incremento de alimentos](#)
Con una variación en línea a la esperada por el mercado de 0,16% m/m, la inflación anual en octubre se ubicó en 3,06% con importante variación del componente de alimentos.

Peru	11/01/2012	➤ Flash Colombia. Aumento en la tasa de desempleo en septiembre La tasa de desempleo en septiembre aumentó en 0,5 p.p. frente a un año atrás, al pasar de 10.2 a 10.7 para las 13 principales ciudades, debido a una reducción en la tasa de ocupación
	10/30/2012	➤ Evolución reciente de la economía colombiana y perspectivas de comercio exterior Importante aporte de la inversión pública al resultado del PIB en 2T12. Beneficios de los tratados de libre comercio. Situación actual del comercio exterior colombiano. TLC con Estados Unidos.
	11/03/2012	➤ Perspectives for pension coverage in Peru Results from a macro actuarial model.
	11/02/2012	➤ Inflación retrocede en octubre Los precios al consumidor cayeron 0,2% (BBVA: -0,1% y Consenso: +0,1%), con la que inflación interanual se ubicó en 3,3% (3,7% el mes pasado).

Mexico

11/07/2012	➤ Mexico Flash. Banxico maintains a hawkish tone. An inflation fall in the coming months, the key issue Banxico conditions its monetary stance to a downwards inflation trend. (Spanish version) .
11/06/2012	➤ Presentación Situación México Cuarto Trimestre 2012 Pese a la reciente moderación global, México mantiene una perspectiva favorable de crecimiento para este y el próximo año apoyándose en la dinámica positiva del empleo y el financiamiento.
11/06/2012	➤ Situación México Cuarto Trimestre 2012 Pese a la reciente moderación global, México mantiene una perspectiva favorable de crecimiento para este y el próximo año apoyándose en la dinámica positiva del empleo y el financiamiento.
11/01/2012	➤ Flash Migración México. Registran remesas su mayor caída anual de los últimos tres años En septiembre las remesas en dólares presentaron una caída a tasa anual de 20.2%, acumulando 3 meses consecutivos con disminuciones.
11/01/2012	➤ Mexico Real Estate Flash. Mortgage market: seeking new sources of growth To September, seven quarters with double-digit growth. A good deal of the growth in mortgage lending is due to improved access. (Spanish version) .
11/01/2012	➤ Mexico Weekly Flash. Banxico set to release its inflation report setting out its forecasts The Bank of Mexico will publish its quarterly inflation report on November 7. It will be important to focus on the inflation forecasts and assessment the central bank makes of the knock-on effects of the recent inflation upswing. (Spanish version)

Asia

11/08/2012	➤ Asia Daily Flash 8 November 2012: China sets 2020 growth target; Indonesia and Malaysia keep rates on hold; Taiwan's exports fall; Weak machinery orders in Japan Asian equities fell sharply today following the declines in the US yesterday, on a combination of weak European data and concerns about the US fiscal cliff.
11/08/2012	➤ Asia Economic Outlook: Fourth quarter 2012 Asia's growth momentum has continued to slow due to the weak external environment and, to a lesser extent, from domestically generated factors in China, India, and Japan.
11/07/2012	➤ Asia Daily Flash 7 November 2012: China's leadership transition moves ahead with start of Party Congress; Consumer confidence rises in Indonesia Asian markets responded favorably to the US election results of a second term for President Obama.
11/06/2012	➤ Asia Daily Flash 6 November 2012: Australia keeps rates unchanged; Philippines inflation slows; INR reverses most of its gains Today the Reserve Bank of Australia kept its policy rate unchanged. Meanwhile in the Philippines, inflation fell in October to 3.1% y/y from 3.6% y/y in September.
11/05/2012	➤ Asia Daily Flash 5 November 2012: Indonesia posts strong Q3 GDP; Trade ties on the agenda of Asia-Europe summit; Australia's retail sales rise Most Asian markets were down today and emerging Asian currencies weakened following Friday's downturn in the US.
11/02/2012	➤ Asia Daily Flash 2 November 2012: Hong Kong retail sales adds to positive signs in Asia; The week ahead: China data and monetary policy meetings Asian equities ended the week on a positive note following some upbeat US data, with the Hang Seng and the Nikkei leading the gains.
11/01/2012	➤ Asia Daily Flash 1 November 2012: China's PMI rises; Korea and Indonesia's exports beat expectations; Hong Kong named top financial center China's official PMI for October came out in line with expectations at 50.2%, rising back to above the 50 expansion threshold for the first time since July.
11/01/2012	➤ China Flash: October PMI offers more signs of an modest upturn in growth China's official PMI for October came out in line with expectations at 50.2%, rising back to above the 50 expansion threshold for the first time since July.

- 10/31/2012 ➤ [Asia Daily Flash | 31 October 2012: Taiwan's 3Q GDP turns positive; Korea's IP rises; Data in Australia dims chances of more rate cuts; Healthy profits in China's banks](#)
Asian equities drifted higher today on further evidence that regional growth momentum may have bottomed out.
- 10/30/2012 ➤ [Asia Daily Flash | 30 October 2012: India's RBI holds benchmark rate but cuts CRR; The BoJ eases as expected; Japan's IP declines](#)
Today the monetary policy outcomes in India and Japan made headlines, although they tended to disappoint markets which had hoped for more aggressive easing.
- 10/30/2012 ➤ [India Flash: Staying cautious on inflation, RBI keeps repo rate unchanged](#)
At its policy meeting today, the Reserve Bank of India left its benchmark repo rate unchanged at 8.0% (BBVA: 7.75%; Consensus: 8.0%), but cut the Cash Reserve Ratio by 25 bps to 4.25% (BBVA: 4.25%).
- 10/29/2012 [Asia Daily Flash | 29 October 2012: New measures to contain property prices in Hong Kong; China's industrial profits rebound; India's roadmap to fiscal consolidation](#)
Last Friday evening the Hong Kong government implemented new measures to curb soaring residential property prices. Meanwhile, data in China showed that industrial profits rebounded by 7.8% y/y.

EAGLE's

11/02/2012

[Economic Watch: The impact of the QE in Emerging Markets: Managing success problems](#)
A new round of Quantitative Easing in Western Countries impacts in EM Assets.

Publications on November 8, 2012 to 13:06, Madrid time

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