

Key Developments in Asian Local Currency Markets

Consumer price inflation rose in Hong Kong, China to 6.6% year-on-year (y-o-y) in September from 3.9% in August. According to the government, the increase was driven by a low base effect last year due to the government's subsidy of public housing rentals. In Singapore, inflation eased to 0.6% y-o-y in September from 0.9% y-o-y in August on account of slower increase in services costs and a decline in accommodation costs. In Viet Nam, consumer price inflation eased to 3.2% y-o-y in October from 3.6% in September. The Republic of Korea's Producer Price Index (PPI) decreased 0.3% m-o-m and 0.4% y-o-y in September.

The People's Republic of China's (PRC) gross domestic product (GDP) growth fell in 3Q14 to 7.3% from 7.5% in 2Q14. The PRC said that the lower growth was due to a reduction in overcapacity and the downturn in the property market. Real GDP growth in the Republic of Korea stood at 0.9% quarter-on-quarter (q-o-q) and 3.2% y-o-y in 3Q14. On a q-o-q basis, the expansion stemmed from increases in final consumption expenditure and gross fixed capital formation.

Japan's trade deficit slightly increased to JPY958.3 billion in September from JPY943.2 billion in the same month a year earlier. The Philippines' merchandise trade deficit narrowed to US\$17 million in August from US\$608 million in the same period last year.

In the PRC, industrial production rose 8.0% y-o-y in September, compared with 6.9% growth posted in August. Meanwhile, retail sales growth fell to 11.6% y-o-y in September from 11.9% in August. Manufacturing output in Singapore fell 1.2% y-o-y in September following revised annual growth of 4.0% in August. Excluding biomedical manufacturing, industrial output rose a marginal 0.5% y-o-y.

The Monetary Board of the Bangko Sentral Pilipinas (BSP) decided to keep its key policy rates—the overnight borrowing and lending rates—steady at 4.0% and 6.0%, respectively. The BSP also decided to increase the minimum capital requirement for all bank categories to further strengthen the banking system. The new minimum capital requirement for universal and commercial banks will be tiered based on a bank's network size.

Local currency (LCY) corporate debt issuance in the Republic of Korea increased 57.5% month-on-month (m-o-m) to reach KRW10.6 trillion in September.

Asia Bond Monitor September 2014

[read more](#)

10-Year Selected LCY Government Security Yields Close of 24 October 2014  
basis point change from

Markets	Latest Closing	Previous Day*	Previous Week*	1-Jan-14*
US	2.27	-0.27	7.49	-75.97
EU	0.89	-1.00	3.30	-103.70
Japan	0.47	-0.80	-0.60	-27.10
PRC	3.84	2.00	-1.00	-78.00
Hong Kong, China	1.77	2.40	5.10	-54.00
India	8.36	0.10	-3.20	-49.00
Indonesia	8.01	-2.50	-20.00	-40.30
Korea, Rep. of	2.70	-2.20	-3.00	-88.50
Malaysia	3.79	0.00	-0.30	-33.70
Philippines	4.04	-0.03	-1.51	43.52
Singapore	2.25	-0.68	-0.68	-31.10
Thailand	3.17	0.00	-18.80	-72.60
Viet Nam	9.50	0.00	0.00	0.00

TABLES & GRAPHS

- Selected Government Security Yields
- Benchmark Yield Curves - Local Currency Government Bonds
- 2-versus-10 Yield Spread Chart
- Policy Rate versus Inflation Rate Charts
- Credit Default Swap Spreads & Exchange Rate Indexes
- Selected Debt Security Issuances
- Selected Asia Data Releases

The Indonesian government raised a total of IDR21.22 trillion from the sale of 3-year retail bonds with a coupon rate of 8.5%.

Hanjin International priced a US\$300 million 3-year floating rate note with the coupon based on the 3-month Libor plus 88 basis points. Korea Hydro and Nuclear Power priced a US\$300 million 5-year bond at a coupon rate of 2.375%. National Power Supply, a Thai operator of biomass power plants, sold THB4 billion worth of 5-year bonds carrying a 5.55% coupon and a THB1 billion 3.5-year debenture with a 5.1% coupon.

Local currency government bond yields fell for all tenors in Indonesia and the Republic of Korea last week. Yields fell for most tenors in the PRC and Philippines. Yields rose for most tenors in Hong Kong, China; Singapore; and Viet Nam. Meanwhile, yield movements were mixed in Malaysia and Thailand. Yield spreads between 2- and 10-year tenors narrowed in all markets except for the PRC; Hong Kong, China; Philippines; and Viet Nam.

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**Summary Text of News Articles**

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**Inflation Rises in Hong Kong, China and Eases in Singapore in September;  
Inflation Eases in Viet Nam in October;  
Decline in Producer Prices Accelerates in the Republic of Korea in September**

Consumer price inflation rose in Hong Kong, China to 6.6% year-on-year (y-o-y) in September from 3.9% in August. According to the government, the increase was driven by a low base effect last year due to the government's subsidy of public housing rentals. As a result, the housing sub-sector of the Consumer Price Index rose 13.5% y-o-y in September. Also, the prices of utilities rose 25.7% y-o-y in September due to the exhaustion of the government's one-time electricity subsidy for some households. The government said that inflation should be stable in the near-term due to a lack of supply-side pressures.

The annual inflation rate in Singapore eased to 0.6% y-o-y in September from 0.9% y-o-y in August on account of slower increases in services costs and a decline in accommodation costs. Between August and September, consumer price inflation fell 0.1%. The Monetary Authority of Singapore expects inflation to be subdued for the rest of the year, and estimates inflation to come in at 1.0%–1.5%, lower than its earlier projection of 1.5%–2.0%.

In Viet Nam, consumer price inflation eased to 3.2% y-o-y in October from 3.6% in September. Prices increases for food and foodstuffs (3.7%); beverages and cigarettes (3.4%); garments, footwear, and hats (3.8%); and housing and construction materials grew at slower rates than in the previous month. On a month-on-month (m-om) basis, consumer prices rose 0.1% in October.

Producer price declines accelerated in the Republic of Korea in September as the Producer Price Index decreased –0.3% m-o-m and –0.4% y-o-y, compared with August's negative growth rates of -0.1% m-o-m and -0.2% y-o-y, according to data from The Bank of Korea released last week. By product type, prices of agricultural, forestry, and marine products fell 1.5% m-o-m and 1.4% y-o-y in September; prices of manufacturing industry products declined 0.4% m-o-m and 1.9% y-o-y; and prices for services slipped 0.1% m-o-m, but rose 1.7% y-o-y.

For inflation rate trends in Hong Kong, China, refer to this link:

[http://asianbondsonline.adb.org/hongkong/data/marketwatch.php?code=policy\\_rate\\_and\\_inflation\\_trends](http://asianbondsonline.adb.org/hongkong/data/marketwatch.php?code=policy_rate_and_inflation_trends)

For inflation rate trends in Singapore, refer to this link:

[http://asianbondsonline.adb.org/singapore/data/marketwatch.php?code=policy\\_rate\\_and\\_inflation\\_trends](http://asianbondsonline.adb.org/singapore/data/marketwatch.php?code=policy_rate_and_inflation_trends)

For inflation rate trends in Viet Nam, refer to this link:

[http://asianbondsonline.adb.org/vietnam/data/marketwatch.php?code=policy\\_rate\\_and\\_inflation\\_trends](http://asianbondsonline.adb.org/vietnam/data/marketwatch.php?code=policy_rate_and_inflation_trends)

**The PRC's GDP Growth Rate Slips in 3Q14;  
3Q14 Real GDP Growth in the Republic of Korea at 0.9% q-o-q and 3.2% y-o-y**

The People's Republic of China's (PRC) GDP growth rate slowed in 3Q14 to 7.3% from 7.5% in 2Q14. The government said that the lower growth in 3Q14 was due to a reduction in overcapacity and the downturn in the property market, though growth was still within a reasonable range and the past 3 quarters represented a "new normal." The PRC also said that it would continue its existing macroeconomic policies and fine tune them as needed.

Real GDP growth in the Republic of Korea stood at 0.9% quarter-on-quarter (q-o-q) and 3.2% y-o-y in 3Q14, based on advance estimates released by the Bank of Korea last week. On a q-o-q basis, 3Q14 real GDP growth was higher than the previous quarter's growth rate of 0.5%. The quarterly increase stemmed from an expansion in final consumption expenditure and gross fixed capital formation on the expenditure side, and positive output growth in the agriculture, forestry, fishing sector; construction sector; and electricity, gas, and water supply sector on the production side. On the other hand, 3Q14's y-o-y real GDP growth rate was lower than 2Q14's y-o-y growth rate of 3.5%. This was brought about by slower y-o-y growth in total exports on the demand side and slower y-o-y growth in the output of the agriculture, forestry, and fishing sector and the manufacturing sector on the supply side.

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## Summary Text of News Articles

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### Japan's Trade Deficit Expands in September; The Philippines' Merchandise Trade Deficit Narrows in August

Japan's trade deficit slightly increased to JPY958.3 billion in September from JPY943.2 billion in the same month a year earlier. Exports increased 6.9% y-o-y to JPY6.4 trillion, while imports rose 6.2% to JPY7.3 trillion.

The Philippines' merchandise trade deficit narrowed to US\$17 million in August from US\$608 million in the same period last year. Total merchandise exports increased 10.5% y-o-y in August to US\$5.5 billion, while total merchandise imports declined 1.3% to US\$5.5 billion. The decline in imports in August was driven by decreases in two of the 10 major commodity groups: electronic products, and mineral fuels, lubricants, and related materials.

### The PRC's Industrial Production Rises in September; Manufacturing Output in Singapore Falls in September; Retail Sales Growth Falls in the PRC in September

The PRC's industrial production rose 8.0% y-o-y in September, up from the 6.9% growth posted in August. On a m-o-m basis, industrial production rose 0.9%. By sector, the largest improvement in growth came from the production and distribution of electricity, gas, and water, which rose 2.8% y-o-y in September versus a decline of -0.6% in August. The manufacturing sector's growth accelerated to 9.1% y-o-y in September from 8.0% in August. Output in the mining and quarrying sector rose 3.9% y-o-y in September compared with 4.2% growth in August.

Manufacturing output in Singapore fell 1.2% y-o-y in September following revised annual growth of 4.0% in August. However, excluding biomedical manufacturing, industrial output rose a marginal 0.5% y-o-y. Only the chemicals cluster and the transport engineering cluster reported positive y-o-y growth in September. Between August and September, manufacturing output fell on a seasonally adjusted basis by 3.3%.

Retail sales growth in the PRC fell to 11.6% y-o-y in September from 11.9% in August, totaling CNY2.3 trillion. Sales in cities rose 11.4% in September, compared with 11.8% growth in August, while retail sales in rural areas rose 12.5% in September compared with 12.8% a month earlier. For the first 9 months of the year, retail sales grew 12.0% y-o-y to CNY18.9 trillion.

### BSP Maintains Policy Rates and Increases Minimum Capital Requirement for Banks

The Monetary Board of the Bangko Sentral ng Pilipinas (BSP) decided to keep its key policy rates—the overnight borrowing and lending rates—steady at 4.0% and 6.0%, respectively. The rates on its term reverse repurchase rate, repurchase rate, and special deposit account facility were also kept steady. The BSP noted a more manageable inflation environment as a result of easing pressures on commodity prices. Moreover, risks to the inflation outlook were deemed broadly balanced. Current inflationary pressures arising from pending rate adjustments in energy and transport prices remain. However, uncertainty in the global economy is expected to mitigate upward pressures on commodity prices. Therefore, the BSP deemed it prudent to allow the recent policy rate hikes to continue to take effect.

The Monetary Board of the BSP also decided to increase the minimum capital requirement for all bank categories to further strengthen the banking system. The BSP noted that the differences with Basel III requirements implemented by previous BSP circulars. The new minimum capital requirement for universal and commercial banks will be tiered based on a bank's network size, as measured by the number of branches. For thrift, rural, and cooperative banks, the head office location and size of the physical network are to be considered in the tiering. Banks that will not immediately comply with the new capital requirement may avail of a 5-year transition period. These banks will be required to submit an acceptable capital build-up program. The banks that fail to submit an acceptable program and those that fail to comply with the new capital requirements shall be subject to restriction on future expansion plans.

For policy rate trends in the Philippines, refer to this link:

[http://asianbondsonline.adb.org/philippines/data/marketwatch.php?code=policy\\_rate\\_and\\_inflation\\_trends](http://asianbondsonline.adb.org/philippines/data/marketwatch.php?code=policy_rate_and_inflation_trends)

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**Summary Text of News Articles**

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**The Republic of Korea's LCY Corporate Debt Issuance Climbs in September**

Local currency (LCY) corporate debt issuance in the Republic of Korea increased 57.5% m-o-m to reach KRW10.6 trillion in September, according to the Financial Supervisory Service (FSS), led by monthly growth in bonds issued by banks, financial companies, and non-financial corporates. Issuance rose 122.4% m-o-m to KRW2.7 trillion for bank debentures, 85.1% m-o-m to KRW3.9 trillion for non-financial corporate bonds, and 24.3% m-o-m to KRW3.0 trillion for financial bonds. In contrast, asset-backed securities (ABS) issuance slipped 1.5% m-o-m for the month, leveling off at KRW1.0 trillion.

**Indonesia Raises IDR21 Trillion from the Sale of Retail Bonds**

The Government of Indonesia raised a total of IDR21.22 trillion from the sale of retail bonds. The bond sale, which was the 11th series of such bonds, exceeded the government's target of IDR20 trillion. The bonds have a maturity of 3 years and a coupon rate of 8.5%. A total of 35,024 investors purchased the retail bonds, and about 40.0% of these investors were based in Jakarta.

**Hanjin International Prices US\$300 Million 3-Year Floating-Rate Note;  
Korea Hydro and Nuclear Power Prices US\$300 Million 5-Year Bond;  
National Power Supply Raises THB5 Billion in Thailand from Dual-Tranche Bond Sale**

Hanjin International, based in the Republic of Korea, priced last week a US\$300 million 3-year floating-rate note with the coupon based on the 3-month Libor plus 88 basis points. By investor origin, Asian investors took 76% of the total and 24% went to European investors. By investor type, fund managers bought 58%; banks including private banks, 32%; the public sector, 7%; and insurers, 3%. The bonds are guaranteed by Korea Eximbank.

Korea Hydro and Nuclear Power priced a US\$300 million 5-year bond at a coupon rate of 2.375% last week. By investor origin, Asian investors were allocated 35% of the total, followed by European investors with 33% and United States (US) investors at 32%. By investor type, 60% were bought by asset managers, 22% by insurers, and the remaining 18% by banks and other financial institutions.

National Power Supply, a Thai operator of biomass power plants, last week sold THB4 billion worth of 5-year bonds carrying a 5.55% coupon, and a THB1 billion 3.5-year debenture at a 5.1% coupon. Both bonds were rated BBB– by TRIS Rating.

## Selected Government Security Yields

Tip: Zoom-in on the table using the Acrobat zoom tool

### 3-Month Selected LCY Government Security Yields

Markets	Latest Closing	basis point change from		
		Previous Day*	Previous Week*	1-Jan-14*
US	0.01	0.00	-1.52	-6.08
EU	-0.03	0.40	2.30	-19.10
Japan	-0.02	4.90	0.90	-8.40
PRC	3.57	5.00	7.00	-59.00
Hong Kong, China	0.04	0.00	1.00	-7.00
India	8.46	0.00	-0.50	-29.50
Korea, Rep. of	2.05	-0.20	-0.50	-51.80
Malaysia	3.24	0.00	0.00	26.50
Philippines	1.22	-5.80	-3.46	89.04
Singapore	0.33	0.00	0.20	2.20
Thailand	2.04	0.06	0.19	-26.34

Close of 24 October 2014

### 10-Year Selected LCY Government Bond Yields

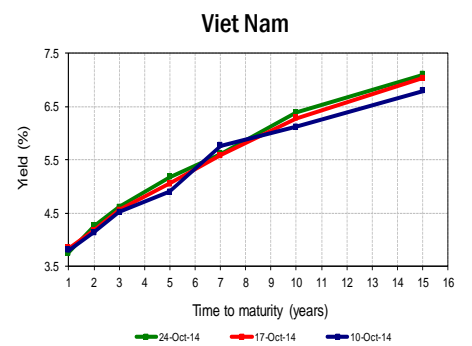
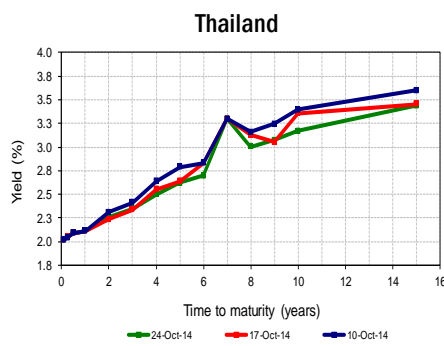
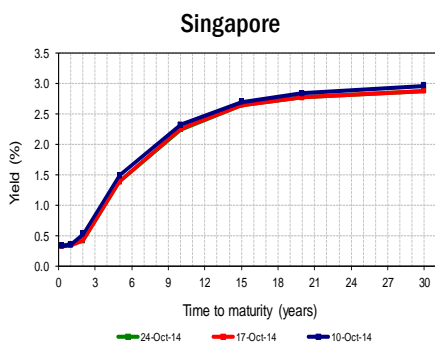
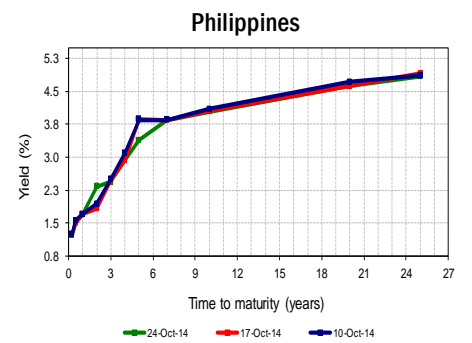
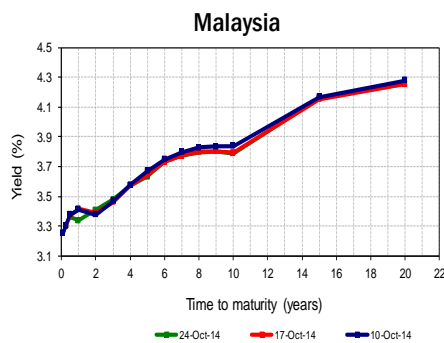
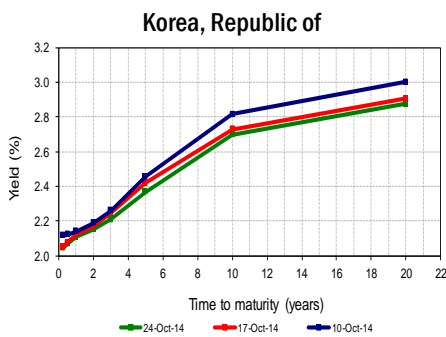
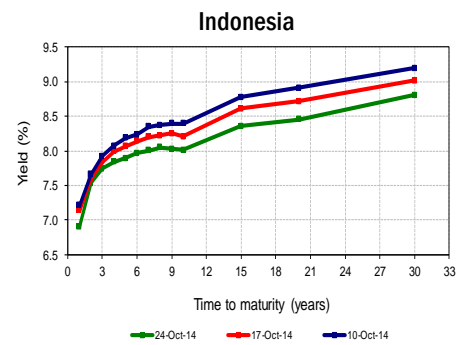
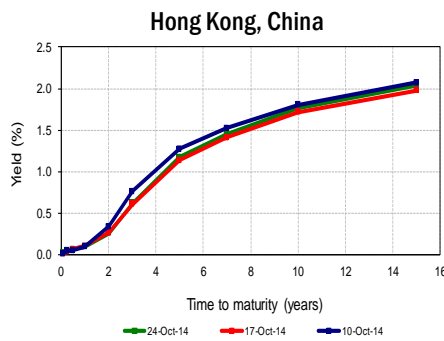
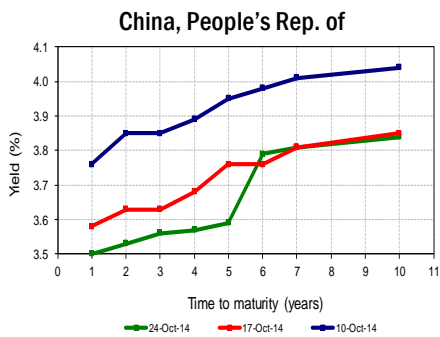
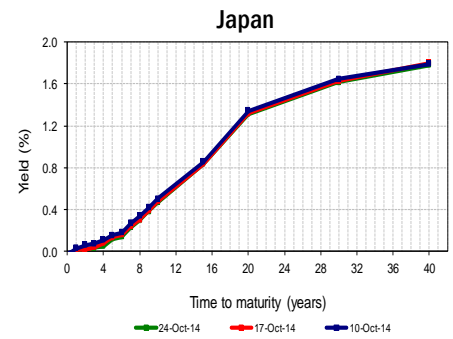
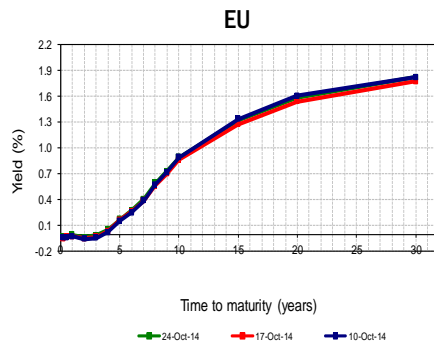
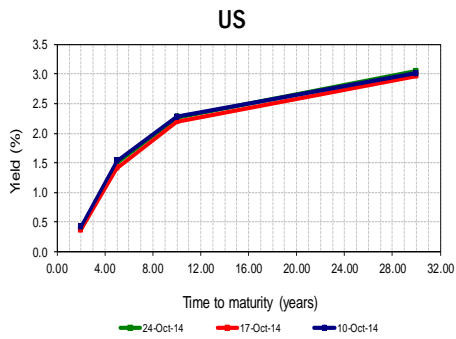
Markets	Latest Closing	basis point change from		
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PRC	3.84	2.00	-1.00	-78.00
Hong Kong, China	1.77	2.40	5.10	-54.00
India	8.36	0.10	-3.20	-49.00
Indonesia	8.01	-2.50	-20.00	-40.30
Korea, Rep. of	2.70	-2.20	-3.00	-88.50
Malaysia	3.79	0.00	-0.30	-33.70
Philippines	4.04	-0.03	-1.51	43.52
Singapore	2.25	-0.68	-0.68	-31.10
Thailand	3.17	0.00	-18.80	-72.60
Viet Nam	9.50	0.00	0.00	0.00

Close of 24 October 2014

EU = European Union, LCY = local currency, PRC = People's Republic of China, US = United States.  
 Source: Based on data from Bloomberg, LP.

## Benchmark Yield Curves – LCY Government Bonds

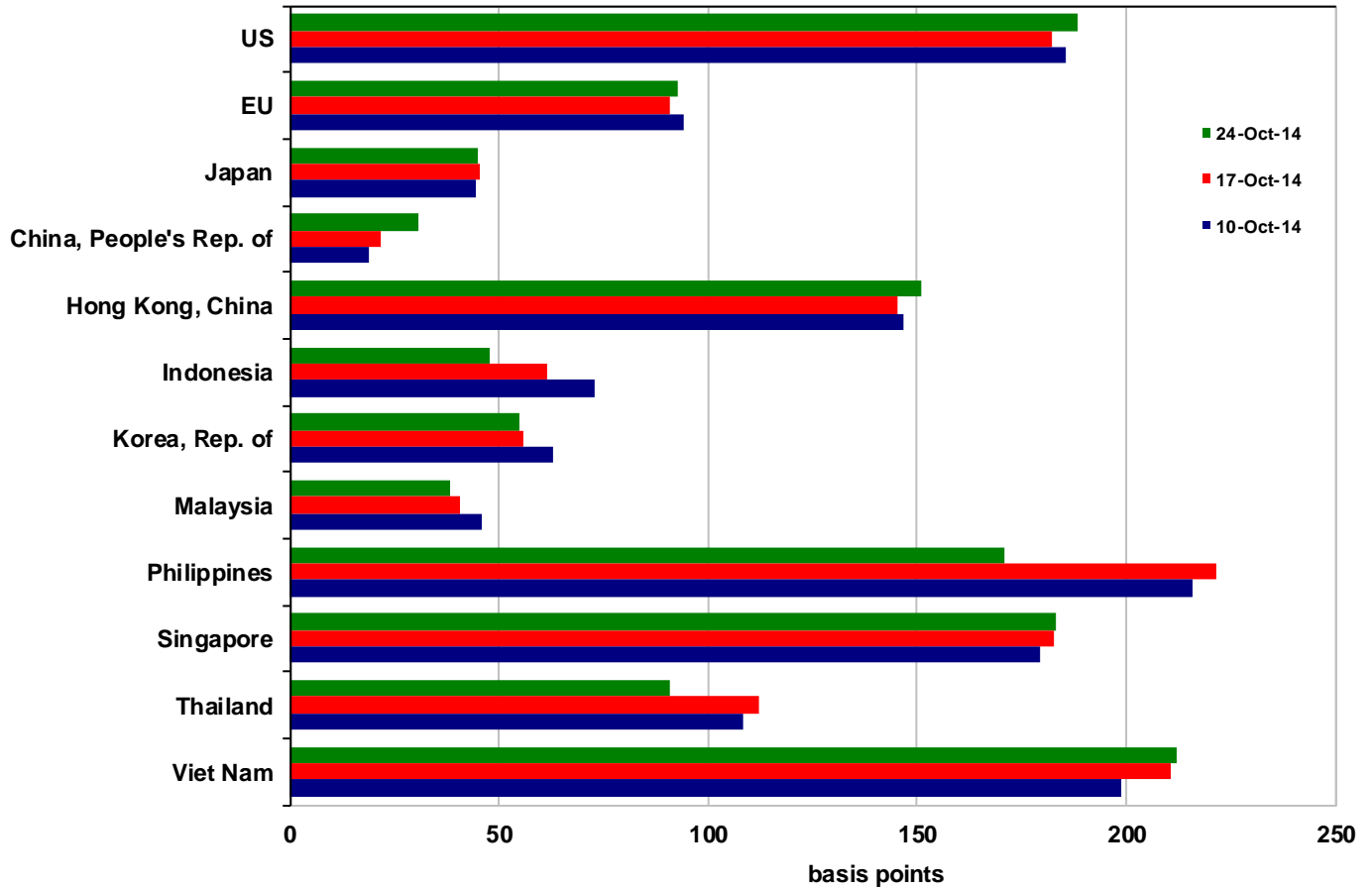
Tip: Zoom-in on the table using the Acrobat zoom tool



EU = European Union, LCY = local currency US = United States.  
Source: Based on data from Bloomberg.

**2- versus 10- Year Yield Spread Chart**

Tip: Zoom-in on the table using the Acrobat zoom tool

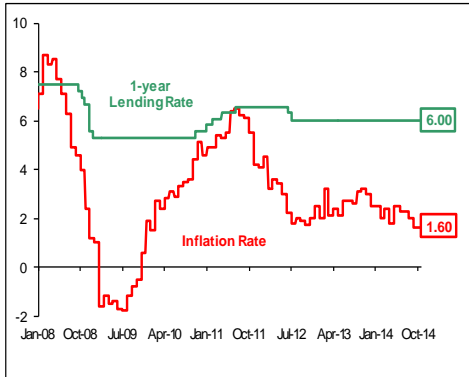


EU = European Union, US = United States.  
 Source: Based on data from Bloomberg LP.

**Policy Rate versus Inflation Rate**

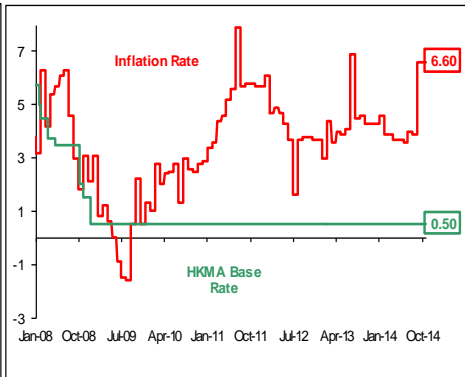
Tip: Zoom-in on the table using the Acrobat zoom tool

**China, People's Rep. of**



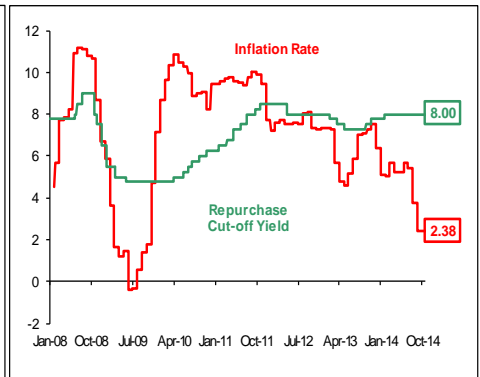
The PRC uses the 1-year lending rate as one of its policy rates.  
Source: Bloomberg LP.

**Hong Kong, China**



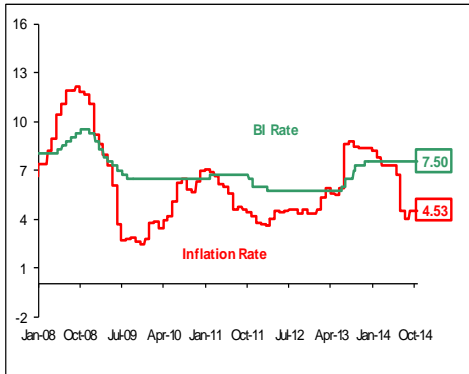
The Hong Kong Monetary Authority maintains a Discount Window Base Rate.  
Source: Bloomberg LP.

**India**



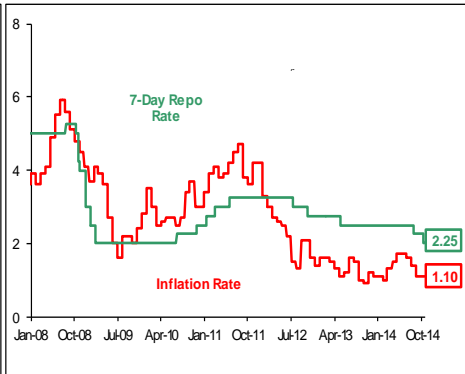
The Reserve Bank of India uses the repurchase (repo) cut-off yield as its policy rate.  
Source: Bloomberg LP.

**Indonesia**



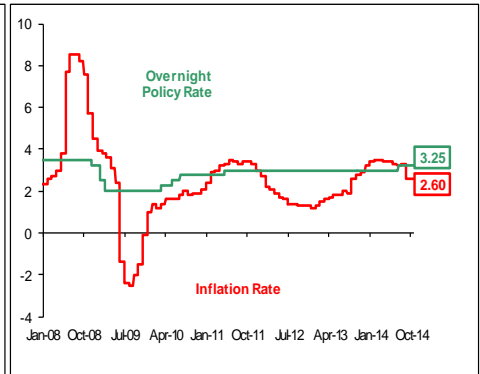
Bank Indonesia uses its reference interest rate (BI rate) as its policy rate.  
Source: Bloomberg LP.

**Korea, Republic of**



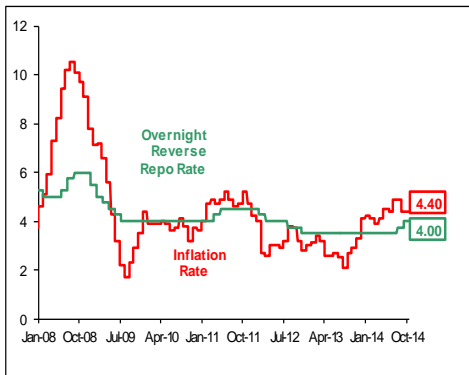
The Bank of Korea shifted its policy rate from the overnight repurchase (repo) rate to the 7-day repo rate in March 2008.  
Source: Bloomberg LP.

**Malaysia**



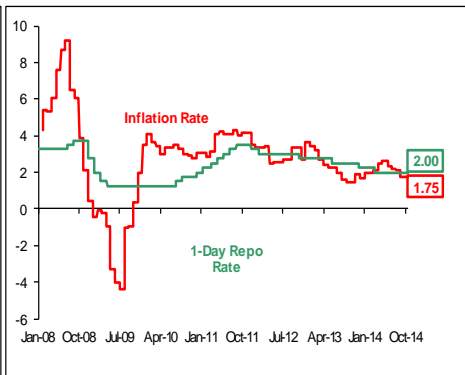
Bank Negara Malaysia uses the overnight policy rate (OPR) as its policy rate.  
Source: Bloomberg LP.

**Philippines**



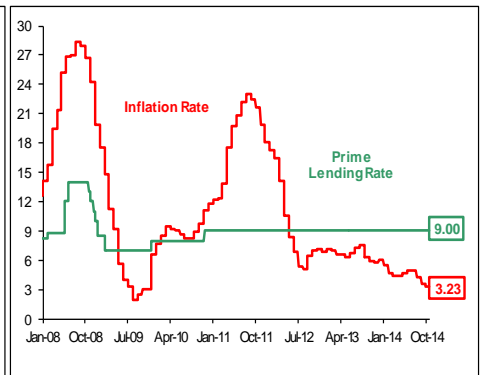
Bangko Sentral uses the Philippine overnight reverse repurchase agreement rate as one of its policy instruments.  
Source: Bloomberg LP.

**Thailand**



The Bank of Thailand replaced the 14-day repurchase rate with the 1-day repurchase rate in January 2007 as its policy rate.  
Source: Bloomberg LP.

**Viet Nam**



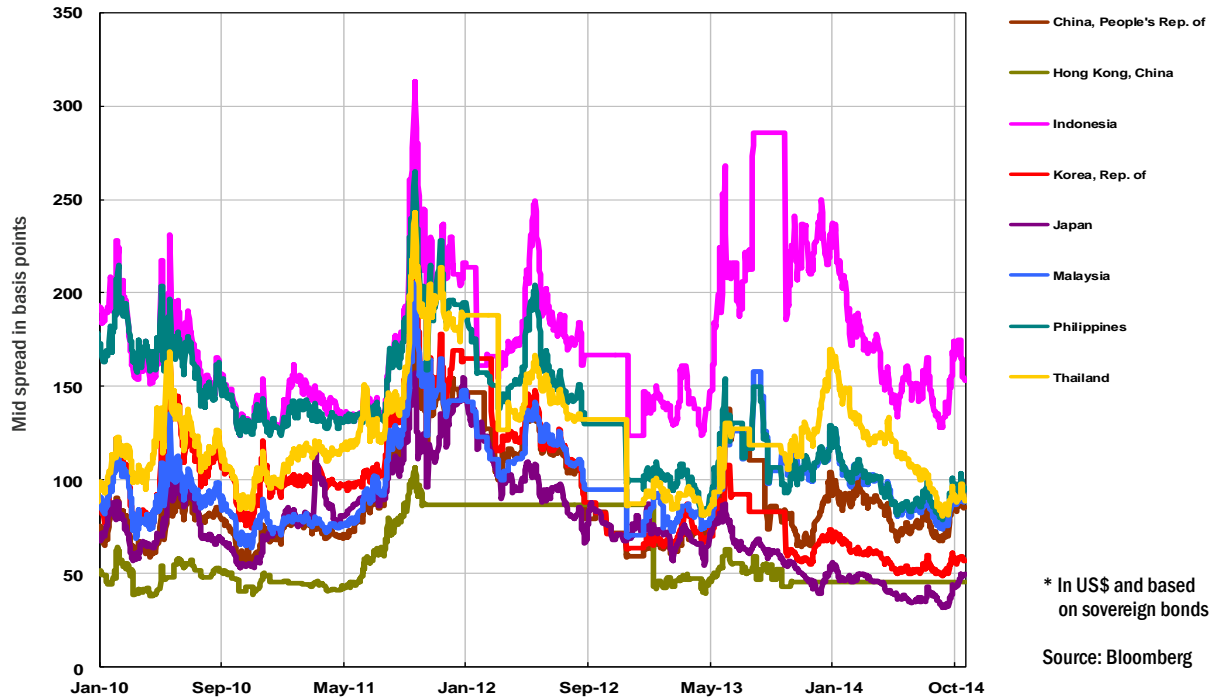
The State Bank of Viet Nam uses a benchmark prime lending rate as its policy rate.  
Source: Bloomberg LP.



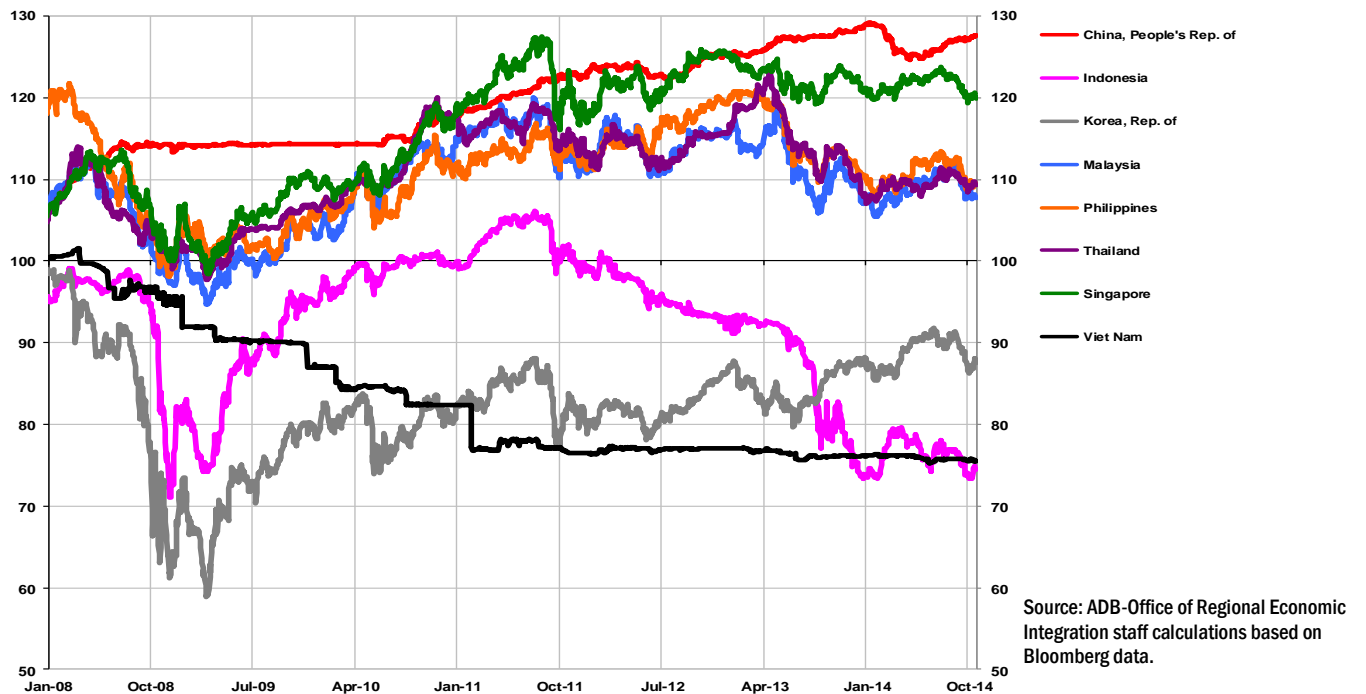
**Credit Default Swap Spreads and Exchange Rate Indexes**

Tip: Zoom-in on the table using the Acrobat zoom tool

**Credit Default Swap Spreads – Senior 5-Year\***



**Exchange Rate Indexes (vis-à-vis US\$, 2 January 2007=100)**



## Selected Debt Security Issuances (20 – 24 October 2014)

Tip: Zoom-in on the table using the Acrobat zoom tool

Markets	Auction Date	Type of Security	Average Yield (%)	Coupon (%)	Amount Offered (LCY billion)	Amount Issued (LCY billion)
CN	22-Oct	7-year Treasury Bonds	3.70	3.70	28.00	28.18
HK	21-Oct	91-day Exchange Fund Bills	0.05		32.23	32.23
		182-day Exchange Fund Bills	0.06		8.00	8.00
ID	21-Oct	6-month Islamic Treasury Bills	6.74			1,290.00
		6-year Project-Based <i>Sukuk</i>	8.31	8.25	1,500.00	105.00
		29-year Project-Based <i>Sukuk</i>	9.03	6.75		95.00
JP	21-Oct	20-year Japanese Government Bonds	1.32	1.40	1,200.00	1,277.90
KR	20-Oct	91-day Monetary Stabilization Bonds	2.07		1,300.00	1,330.00
		182-day Monetary Stabilization Bonds	2.09		700.00	820.00
		10-year Treasury Bonds	2.78	3.00	1,800.00	1,800.00
MY	20-Oct	364-day BNM Notes	3.26		2.00	2.00
PH	21-Oct	3-year Treasury Bonds	2.51	2.88	25.00	25.00
SG	21-Oct	28-day MAS Bills	0.16		1.20	1.20
		84-day MAS Bills	0.23		5.10	5.10
TH	20-Oct	28-day Treasury Bills	2.02		15.00	15.00
		90-day Bank of Thailand Bills	2.04		28.00	28.00
	21-Oct	181-day Bank of Thailand Bills	2.09		28.00	28.00
		13.39-year Government Bonds	1.91	1.25	4.00	1.90
		7.15-year Government Bonds	2.95	3.65	20.00	20.00

BNM = Bank Negara Malaysia, LCY = local currency, MAS = Monetary Authority of Singapore.

Sources: Local market sources and Bloomberg, LP.

## Selected Asia Data Releases (28 October – 3 November 2014)

Tip: Zoom-in on the table using the Acrobat zoom tool

Economy and Variable	Release Date	Historical Data	Recent Trends
<b>Viet Nam</b> <b>Trade Balance</b> US\$ million OCT	10/27 to 10/31	09/13: -87.9 10/13: 100.5 <b>08/14: 1,074</b> <b>09/14: -600</b>	Viet Nam posted a trade deficit of US\$600 million in September, a reversal from the trade surplus of US\$1,074 million in August.
<b>Viet Nam</b> <b>Retail Sales</b> y-o-y, % OCT	10/27 to 10/31	09/13: 12.5% 10/13: 12.6% <b>08/14: 11.4%</b> <b>09/14: 11.1%</b>	Retail sales growth in Viet Nam eased to 11.1% year-on-year (y-o-y) in September from 11.4% in August.
<b>Viet Nam</b> <b>Industrial Production</b> y-o-y, % OCT	10/27 to 10/31	09/13: 6.7% 10/13: 5.9% <b>08/14: 6.7%</b> <b>09/14: 8.6%</b>	Industrial production growth in Viet Nam increased to 8.6% y-o-y in September from 6.7% in August.
<b>Japan</b> <b>Industrial Production</b> y-o-y, % SEP	10/29	08/13: -0.6% 09/13: 5.3% <b>07/14: -0.7%</b> <b>08/14: -3.3%</b>	Japan's industrial production index fell 3.3% y-o-y in August after a decline of 0.7% y-o-y in July.
<b>Republic of Korea</b> <b>Current Account Balance</b> US\$ million SEP	10/29	08/13: 7,198 09/13: 8,599 <b>07/14: 7,843</b> <b>08/14: 7,274</b>	The Republic of Korea's current account surplus slipped to US\$7.3 billion in August from US\$7.8 billion in July, due to monthly increases in the deficit positions of the services and secondary income accounts, and a monthly fall in the primary income surplus.
<b>Republic of Korea</b> <b>Industrial Production</b> y-o-y, % SEP	10/30	08/13: 3.19% 09/13: -3.82% <b>07/14: 3.91%</b> <b>08/14: -2.80%</b>	Industrial production in the Republic of Korea contracted 2.8% y-o-y in August, following a 3.9% expansion in July. The negative growth in August largely stemmed from a 2.7% y-o-y drop in the country's manufacturing production.
<b>Japan</b> <b>CPI</b> y-o-y, % SEP	10/31	08/13: 0.9% 09/13: 1.1% <b>07/14: 3.4%</b> <b>08/14: 3.3%</b>	Consumer price inflation in Japan slightly eased to 3.3% y-o-y in August from 3.4% in July.
<b>Japan</b> <b>BOJ Target Rate</b> % 31-Oct	10/31	09/13: 0.1% 10/13: 0.1% <b>08/14: 0.1%</b> <b>09/14: 0.1%</b>	The Bank of Japan (BOJ) kept its target rate, the uncollateralized overnight call rate, unchanged at between zero and 0.1% in its Monetary Policy Meeting held on 7 October.
<b>Thailand</b> <b>CPI</b> y-o-y, % OCT	10/31	09/13: 1.4% 10/13: 1.5% <b>08/14: 2.1%</b> <b>09/14: 1.8%</b>	Thailand's consumer price inflation decelerated to 1.8% y-o-y in September from 2.1% in August amid a slower rate of increase in non-food and beverage prices.
<b>Thailand</b> <b>Trade Balance</b> US\$ million SEP	10/31	08/13: 2,032 09/13: 2,409 <b>07/14: 1,450</b> <b>08/14: 2,199</b>	Thailand's merchandise trade surplus was US\$2.2 billion in September, up from its August level of US\$1.5 billion, as the monthly decline in merchandise imports was greater than the monthly fall in merchandise exports.
<b>Thailand</b> <b>Current Account Balance</b> US\$ million SEP	10/31	08/13: 1,525 09/13: -262 <b>07/14: -856</b> <b>08/14: 239</b>	Thailand's current account balance shifted to a surplus of US\$239 million in August from a deficit of US\$856 million in July, buoyed by a monthly increase in the merchandise trade surplus.
<b>People's Republic of China</b> <b>PMI Manufacturing</b> Index OCT	11/01	09/13: 51.1 10/13: 51.4 <b>08/14: 51.1</b> <b>09/14: 51.1</b>	The People's Republic of China's (PRC) manufacturing Purchasing Managers Index (PMI) was above the 50-point threshold in September at 51.1, the same level as in August.
<b>Republic of Korea</b> <b>Trade Balance</b> US\$ million OCT	11/01	09/13: 3,595 10/13: 4,876 <b>08/14: 3,291</b> <b>09/14: 3,428</b>	The Republic of Korea's merchandise trade surplus stood at US\$3.4 billion in September, down from US\$3.6 billion a year earlier, as merchandise export growth of 6.8% y-o-y was outpaced by merchandise import growth of 8.0% y-o-y. The country's trade surplus in September, however, was higher compared to the previous month, which tallied a surplus figure of US\$3.3 billion.
<b>People's Republic of China</b> <b>PMI Non-Manufacturing</b> Index OCT	11/03	09/13: 55.4 10/13: 56.3 <b>08/14: 54.4</b> <b>09/14: 54.0</b>	Non-manufacturing PMI in the PRC fell slightly to 54.0 but was still above the 50-point threshold in September.
<b>Hong Kong, China</b> <b>Retail Sales</b> y-o-y, % SEP	11/03	08/13: 8.1% 09/13: 5.0% <b>07/14: -3.2%</b> <b>08/14: 3.4%</b>	Retail sales in Hong Kong, China climbed 3.4% y-o-y in August after falling 3.2% in July.
<b>Indonesia</b> <b>Trade Balance</b> US\$ million SEP	11/03	08/13: 71.6 09/13: -803 <b>07/14: 42.4</b> <b>08/14: -318.1</b>	Indonesia recorded a trade deficit amounting to US\$318.1 million in August, a reversal from a US\$42.4 million trade surplus in July.
<b>Indonesia</b> <b>CPI</b> y-o-y, % OCT	11/03	09/13: 7.9% 10/13: 7.9% <b>08/14: 4.0%</b> <b>09/14: 4.5%</b>	Annual inflation rate rose in Indonesia to 4.5% y-o-y in September from 4.0% in August.

Source: AsianBondsOnline, Bloomberg LP, and Reuters.

## News Articles: Sources for Further Reading

Tip: Click on link to open a new browser (Acrobat Reader 8); for older versions right-click to open a new browser)

### **Inflation Rises in Hong Kong, China and Eases in Singapore in September; Inflation Eases in Viet Nam in October; Decline in Producer Prices Accelerates in the Republic of Korea in September**

- [Consumer Price Indices for September 2014](#)  
Hong Kong Monetary Authority (21 October 2014)
- [Consumer Price Developments in September 2014](#)  
Monetary Authority of Singapore (23 October 2014)
- [Consumer price index, gold and USD price indexes, October 2014](#)  
General Statistics of Viet Nam (24 October 2014)
- [Producer Price Index during September 2014](#)  
The Bank of Korea (20 October 2014)

### **The PRC's GDP Growth Rate Slips in 3Q14; 3Q14 Real GDP Growth in the Republic of Korea at 0.9% q-o-q and 3.2% y-o-y**

- [Overall Economic Development Kept Performing in a Proper Range in the First Three Quarters of 2014](#)  
National Bureau of Statistics (21 October 2014)
- [Real Gross Domestic Product: 3rd Quarter of 2014](#)  
The Bank of Korea (24 October 2014)

### **Merchandise Trade Deficit in the Philippines Narrows in August; Trade Deficit in Japan Expands in September**

- [External Trade Performance : August 2014](#)  
National Statistics Office (24 October 2014)
- [Value of Exports and Imports September 2014 \(Provisional\)](#)  
Ministry of Finance (22 October 2014)

### **The PRC's Industrial Production Rises in September; Manufacturing Output in Singapore Falls in September; Retail Sales Growth Falls in the PRC in September**

- [Industrial Production Operation in September 2014](#)  
National Bureau of Statistics (21 October 2014)
- [Industrial Production Operation in August 2014](#)  
National Bureau of Statistics (15 September 2014)
- [Monthly Manufacturing Performance September 2014](#)  
Singapore Economic Development Board (24 October 2014)
- [Total Retail Sales of Consumer Goods in September 2014](#)  
National Bureau of Statistics (21 October 2014)
- [Total Retail Sales of Consumer Goods in August 2014](#)  
National Bureau of Statistics (21 October 2014)

### **BSP Maintains Policy Rates and Increases Minimum Capital Requirement for Banks**

- [Monetary Board Keeps Policy Rates Unchanged](#)  
Bangko Sentral ng Pilipinas (24 October 2014)
- [MB Increases Minimum Capital Level Requirement for All Banks](#)  
Bangko Sentral ng Pilipinas (20 October 2014)

### **The Republic of Korea's LCY Corporate Debt Issuance Climbs in September**

- [Corporate Debt and Equity Issues, September 2014](#)  
Financial Supervisory Service (21 October 2014)

### **Indonesia Raises IDR21 Trillion from the Sale of Retail Bonds**

- [Sales of government retail bonds surpass Rp21 trillion](#)  
The Jakarta Post (21 October 2014)

### **Hanjin International Prices US\$300 Million 3-Year Floating-Rate Note; Korea Hydro and Nuclear Power Prices US\$300 Million 5-Year Bond; National Power Supply Raises THB5 Billion in Thailand from Dual-Tranche Bond Sale**

- [Korean Air subsidiary debuts \\$300m bond](#)  
FinanceAsia (24 October 2014)
- [BONDS: KHNP draws big European order](#)  
IFRAsia (22 October 2014)
- [NPS184A, NPS190A are registered with ThaiBMA on October 22, 2014](#)  
ThaiBMA (22 October 2014)

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