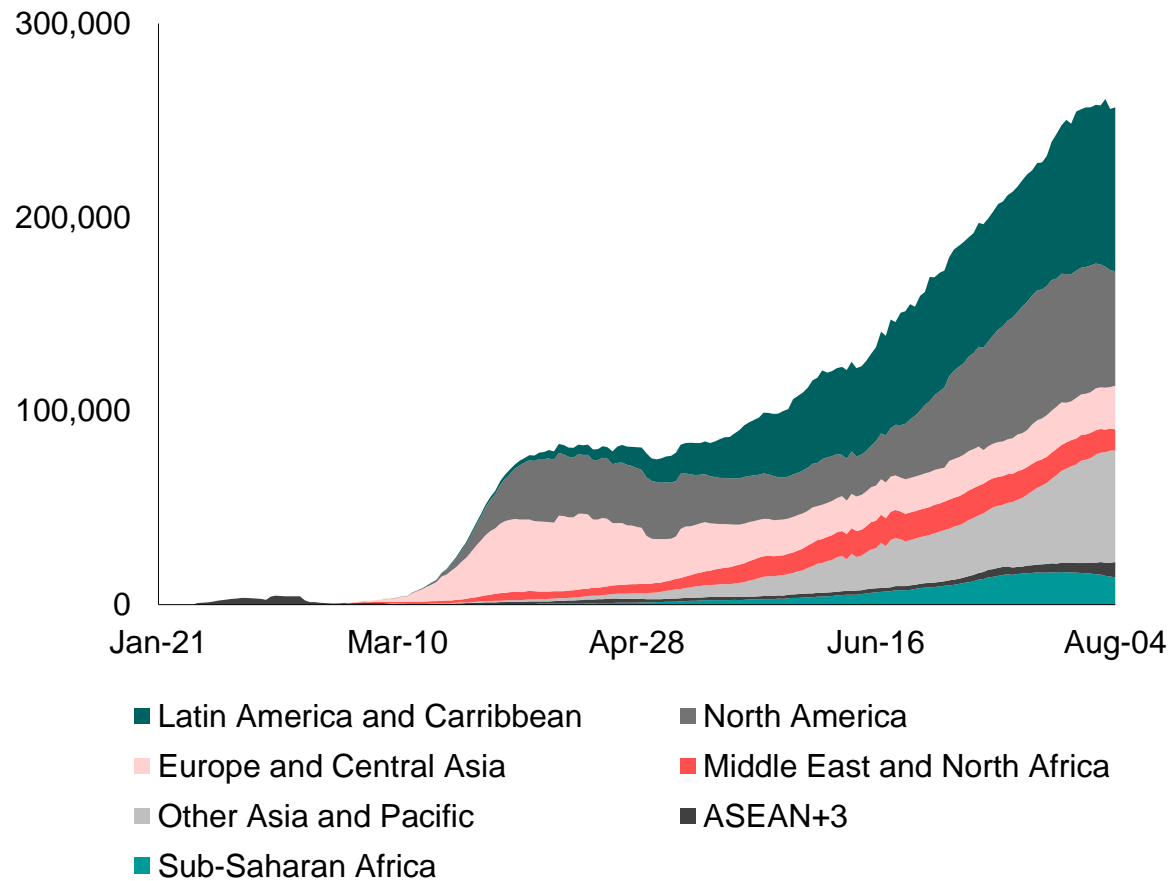


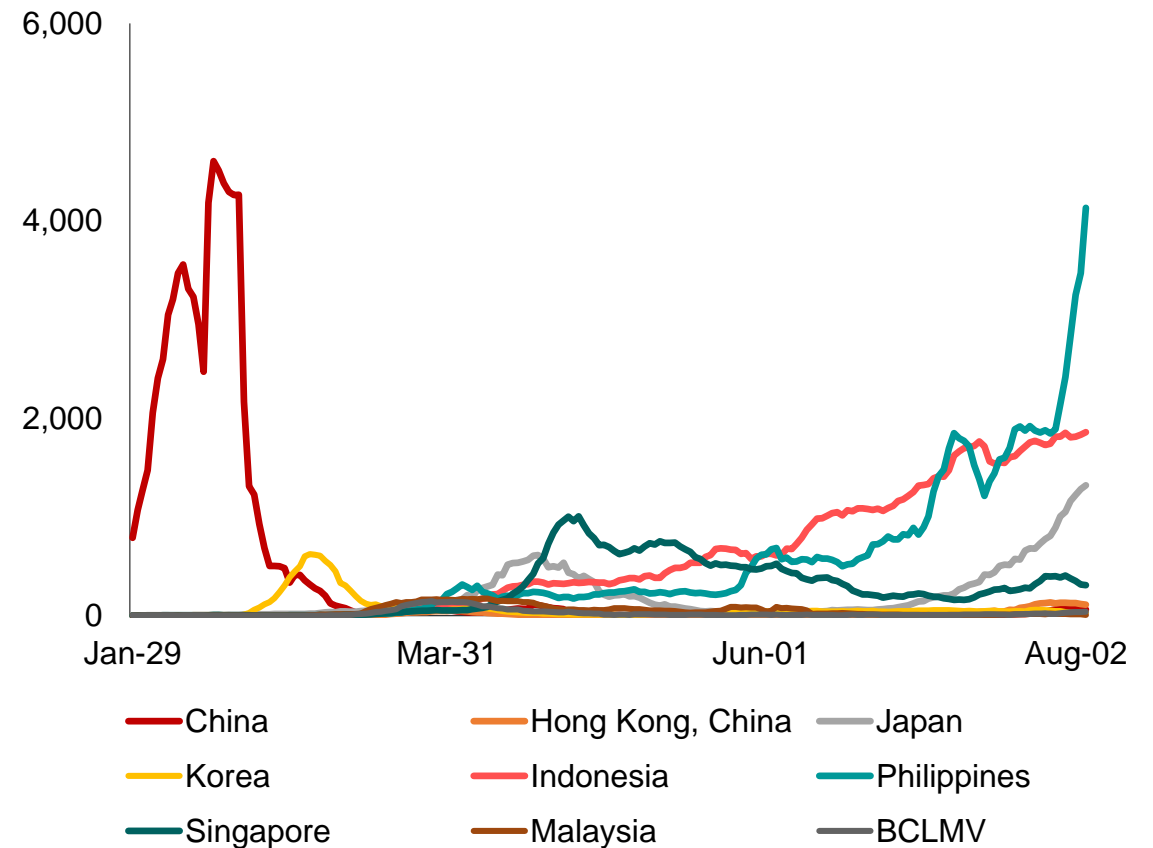
ASEAN+3 Economic Outlook Update

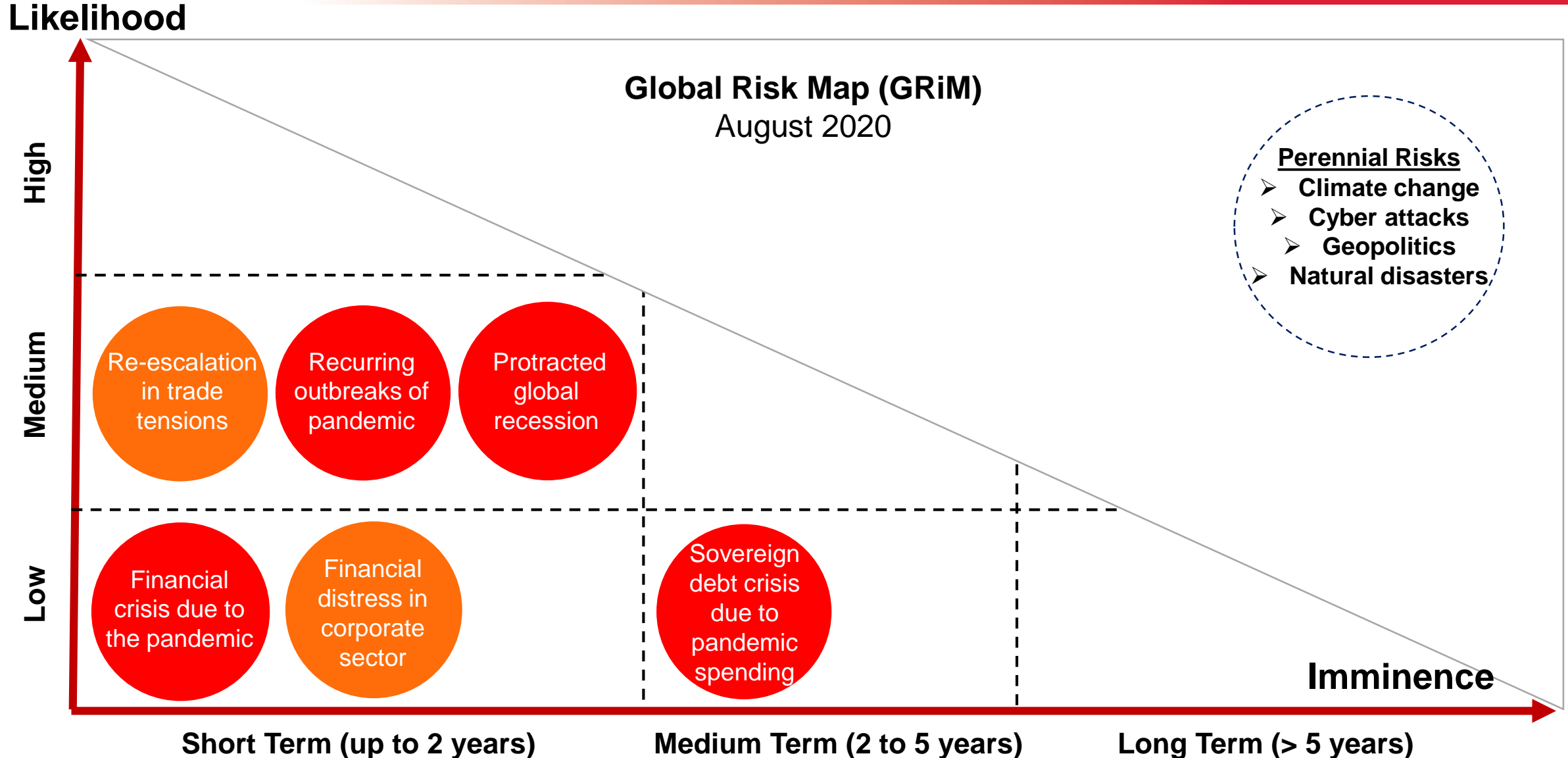
Media Briefing
August 6, 2020

World: Daily New Covid-19 Cases by Region
(7-day average; as of August 4, 2020)



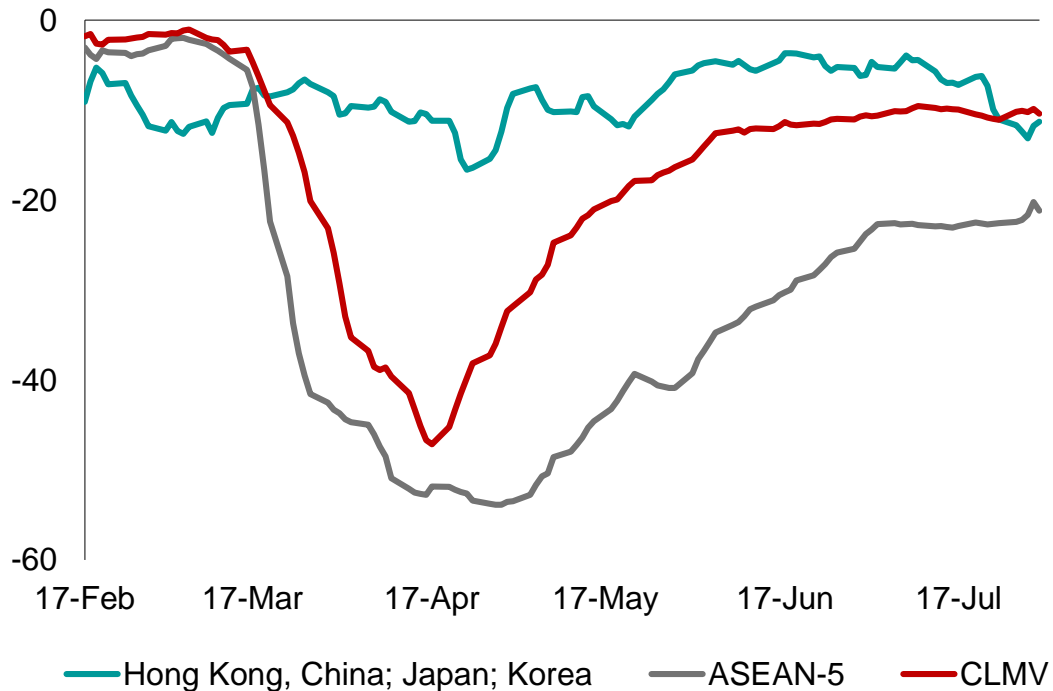
ASEAN+3: Daily New Covid-19 Cases
(7-day average; as of August 4, 2020)



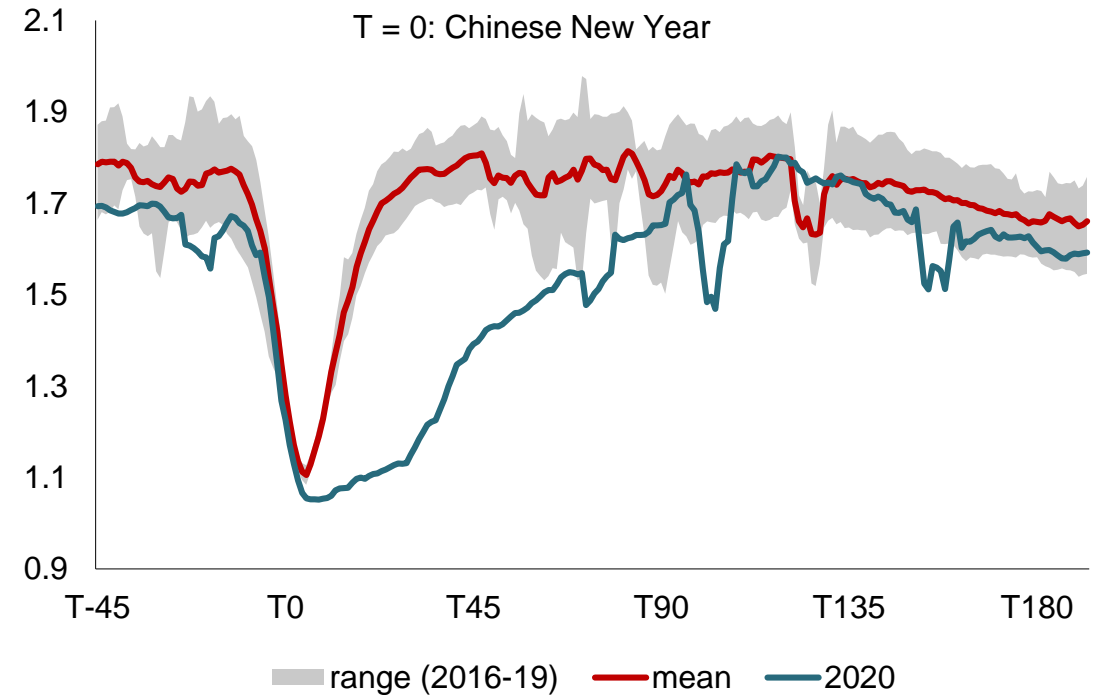


Legend: ● Low impact ● Medium impact ● High impact

Selected ASEAN+3 Economies: Aggregate Mobility for Non-residential Areas
(Percentage change from baseline, 5-day moving average)



China: Daily Traffic Congestion Index
(7-day average of four major cities)



Sources: Haver Analytics, sourced from Google COVID-19 Community Mobility reports; and AMRO staff calculations.
Note: "Non-residential" mobility refers to the aggregated mobility data for places such as groceries and pharmacies, retail and recreation facilities, parks, transit stations and workplaces. Data for Brunei and China are not available. Baseline refers to January 3 to February 6, 2020.

Source: Wind.
Note: Data refers to the average of the Congestion Delay indices of the following cities: Guangzhou, Shanghai, Beijing, and Shenzhen. The congestion index is taken as a proxy for general services activities

ASEAN+3: Purchasing Managers' Index (PMI) for Manufacturing

Economy	2018	2019	2020	Change from Prev Month
	Jan to Dec	Jan to Dec	Jan to Jul	
PLUS-3				↑ 2.8
China				↑ 1.5
Hong Kong, China*				↓ -5.1
Japan				↑ 5.2
Korea				↑ 3.5
ASEAN				↑ 2.8
Indonesia				↑ 7.8
Malaysia				↓ -1.0
Philippines				↓ -1.3
Singapore*				↑ 2.4
Thailand				↑ 2.4
Myanmar				↑ 3.0
Vietnam				↓ -3.5

Asia: Monthly Purchasing Managers' Index for Services

Sector	2018	2019	2020	Change from Prev Month
	Jan to Dec	Jan to Dec	Jan to Jun	
Consumer Services				↑ 19.3
Financial Services				↑ 8.9
Banks				↑ 7.5
Insurance				↑ 6.9
Real Estate				↑ 8.5
Healthcare Services				↑ 7.7
Industrial Services				↑ 8.3
Commercial				↑ 9.7
General Industrial				↑ 5.2
Transportation Services				↑ 12.6
Software & Services				↑ 3.7

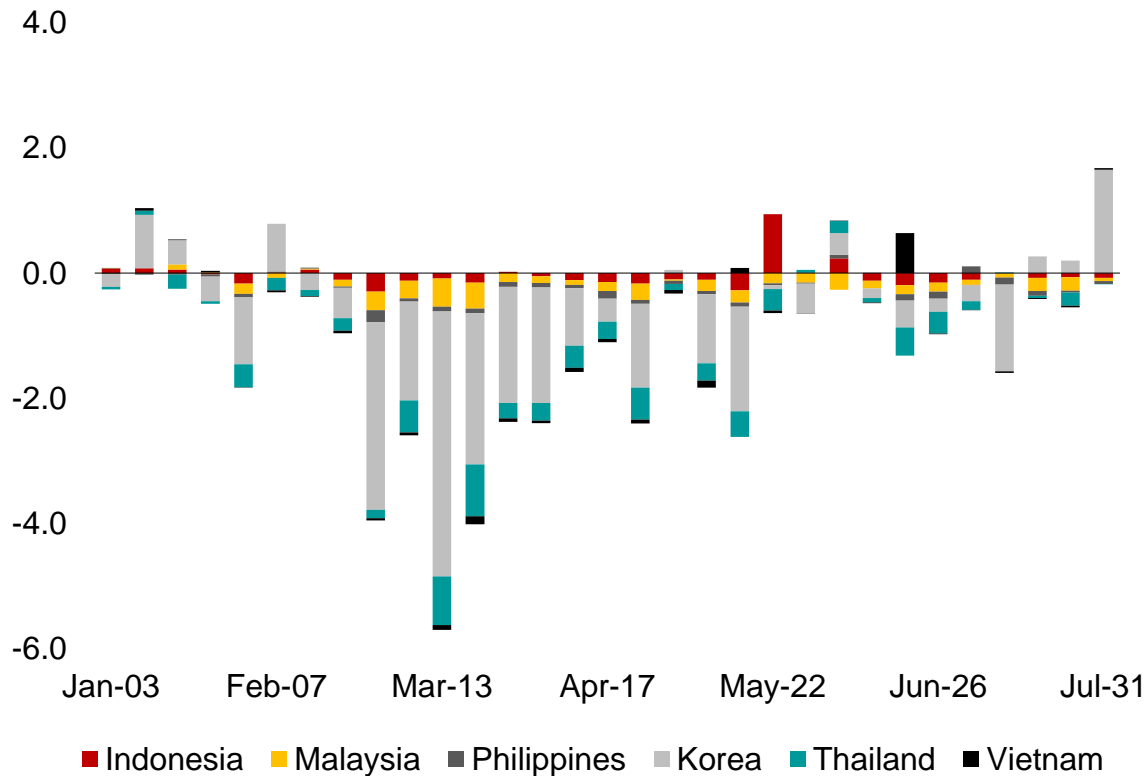
Sources: National Sources; and IHS Markit.

Note: Data for those with asterisk (*) refers to whole-economy PMI.

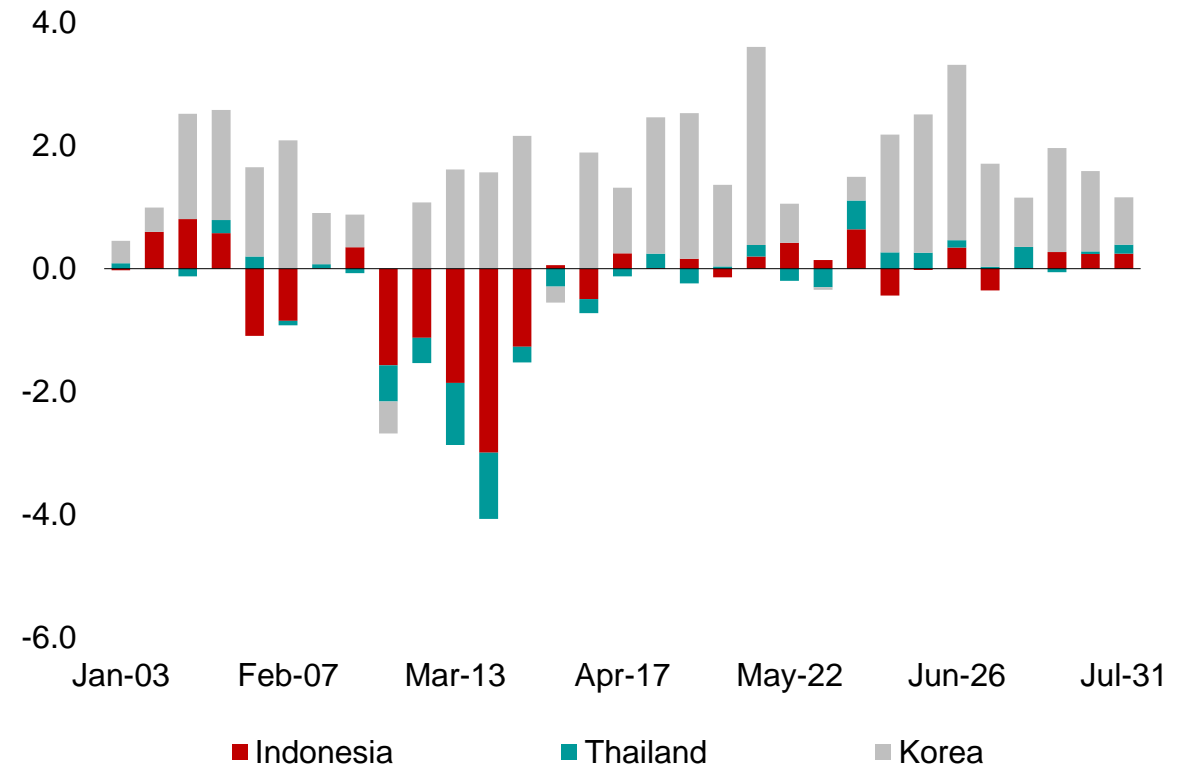
Sources: National authorities; and AMRO staff calculations.

ASEAN-4, Korea and Vietnam: Weekly Net Foreign Portfolio Capital Flows
(Billions of US dollars, as of week ending July 31, 2020)

Equities

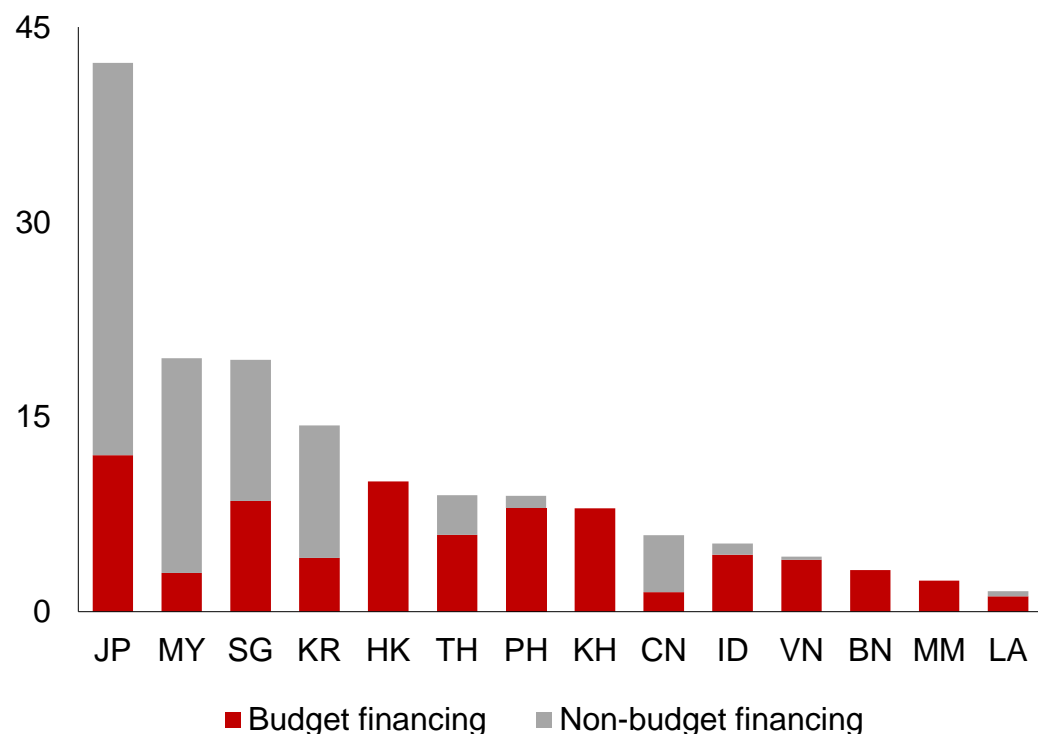


Bonds



ASEAN+3 governments and central banks have provided fiscal stimulus and monetary policy support of unprecedented scale to support growth

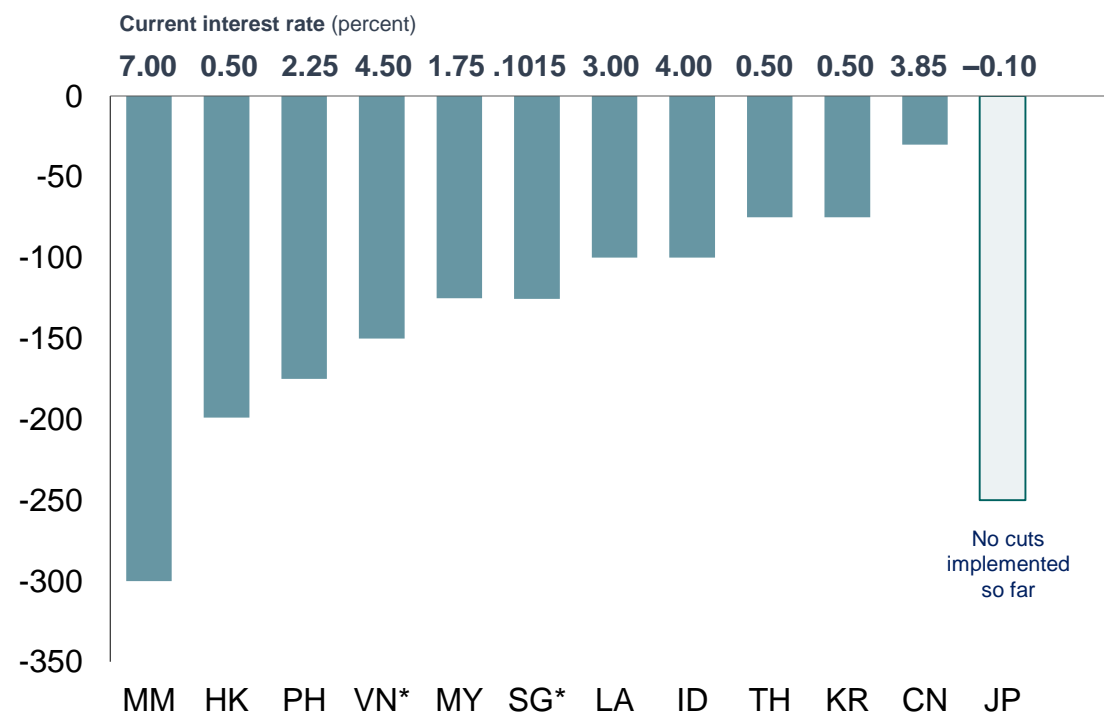
Selected ASEAN+3: Economic Stimulus, since February 1, 2020 (Percent of GDP)



Sources: National authorities; and AMRO staff estimates.

Note: Based on the government's announced stimulus packages across regional economies and do not include monetary policy measures and other indirect supporting measures such as regulatory forbearance. As of August 3, 2020.

ASEAN+3: Cuts in Key Interest Rates (Basis point change between end-December 2019 and August 4, 2020)



Sources: Haver Analytics and AMRO staff calculations.

Note: Change for those with asterisk refers to the difference between the month of latest data and the average rate for December 2019. Definition of key interest rate varies across economies, and could mean the policy rate, the refinancing rate, the discount rate, the overnight repo rate, among others. Brunei Darussalam and Cambodia excluded given the current design of its monetary policy.

ASEAN+3: Selected Policy Support Measures

Fiscal

Households

- Cash transfers
- Debt reliefs
- Wage subsidies
- Tax deferrals
- Price freeze on basic necessities
- Fee cuts

Corporates

- Income tax reductions
- Moratoriums on debt payments
- Lifting of import restrictions
- Suspension of short-selling
- Reduction or deferral of custom fees
- Higher tax benefits
- Waived transaction fees

Monetary

Corporates

- Wage subsidies
- Provision of low-cost loans for SMEs
- Increase in corporate bond issuances

Financial Institutions

- Liquidity injection into the banking system
- Cut reserve requirement ratios
- Boost USD liquidity
- Low-cost funding for MFIs
- Government guarantees and risk sharing of loans

Asset Markets

- Purchases of government securities

Financial Regulation

Capital Adequacy and Liquidity

- Lower required capital buffers
- Lower liquidity coverage and loan-deposit ratios
- Relaxed penalties for institutions with reserve deficiencies

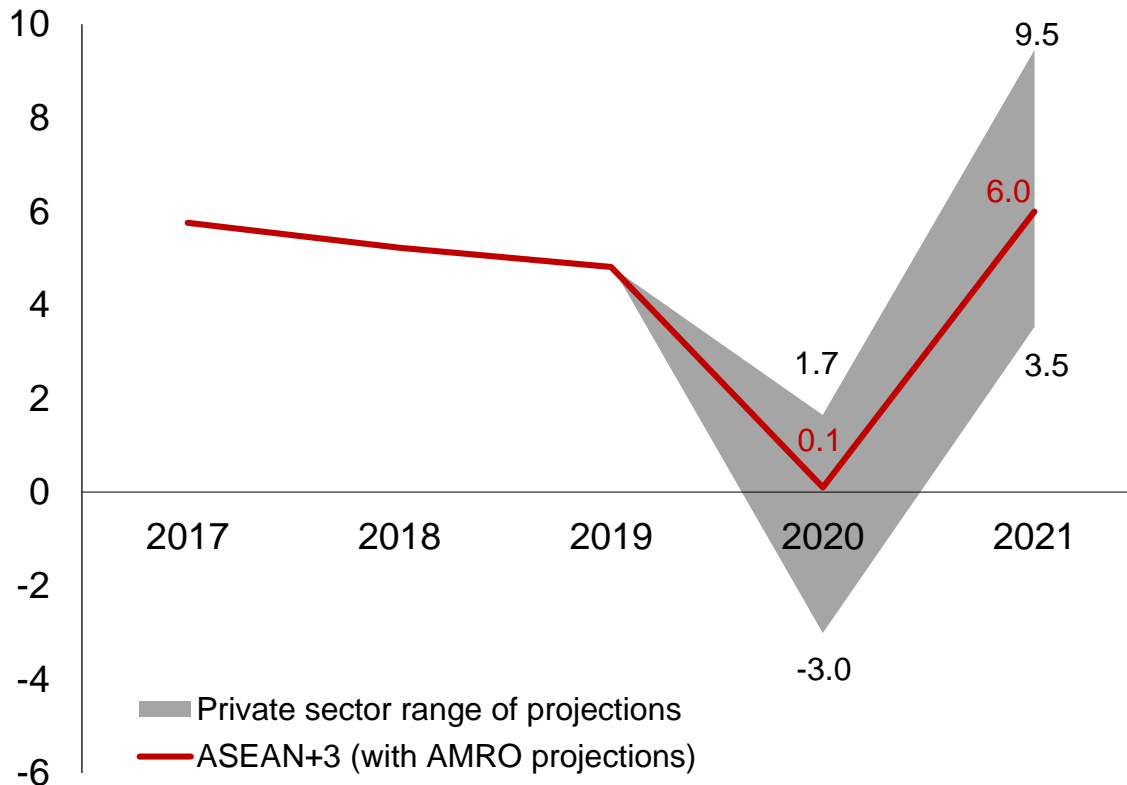
Lending and Borrowing

- Flexible treatment of NPLs
- Eased loan restructuring and Know-Your-Customer rules
- Permission to draw down on capital and liquidity buffers to support lending activities

Other Activities

- Delayed new, tighter rules on asset management activities
- More flexible timelines for bank's reporting requirements

**AMRO Growth Estimates and Projections,
2019–2021
(Percent)**



**AMRO Growth Projections, August 2020
(Percent)**

Economy	2018	2019	2020 ^p	2021 ^p
ASEAN+3	5.2	4.8	0.0	6.0
Plus-Three	5.2	4.9	0.7	6.1
China	6.6	6.1	2.3	7.0
Hong Kong, China	2.9	-1.2	-7.0	4.5
Japan	0.3	0.7	-5.4	2.8
Korea	2.7	2.0	-1.0	3.4
ASEAN	5.2	4.6	-2.6	5.7
Brunei Darussalam	0.1	3.9	1.6	3.1
Cambodia	7.5	7.1	-1.8	6.5
Indonesia	5.2	5.0	-0.8	5.2
Lao PDR	6.3	6.0	0.5	4.6
Malaysia	4.7	4.3	-3.2	5.7
Myanmar	6.8	6.8	1.1	6.2
Philippines	6.2	5.9	-6.6	6.5
Singapore	3.4	0.7	-6.0	7.0
Thailand	4.1	2.4	-7.8	4.6
Vietnam	7.1	7.0	3.1	7.0



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