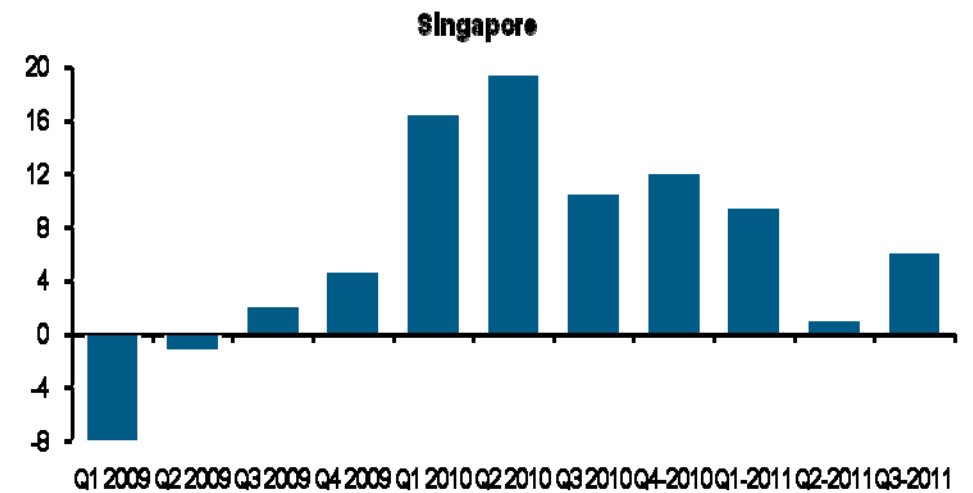
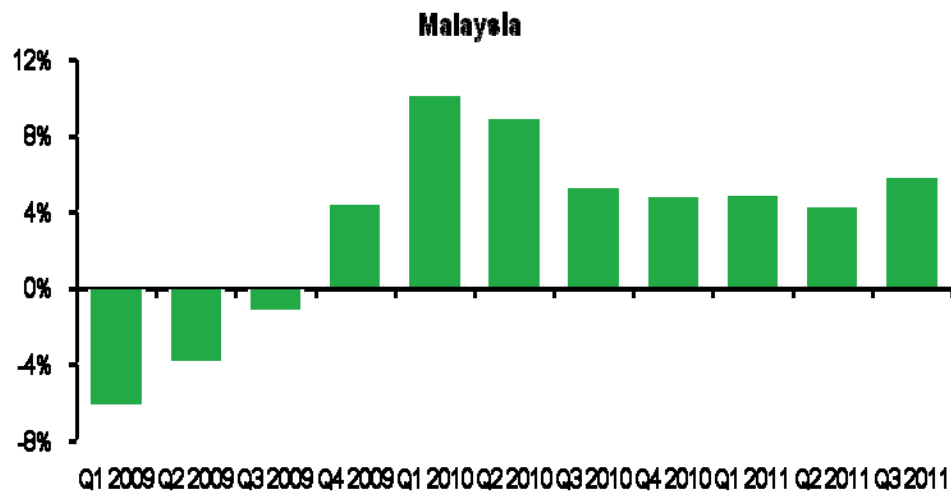


# Economic Outlook - ASEAN and India

Nicholas Kwan 關家明  
Head of Research, Asia

# Growth trending to normal

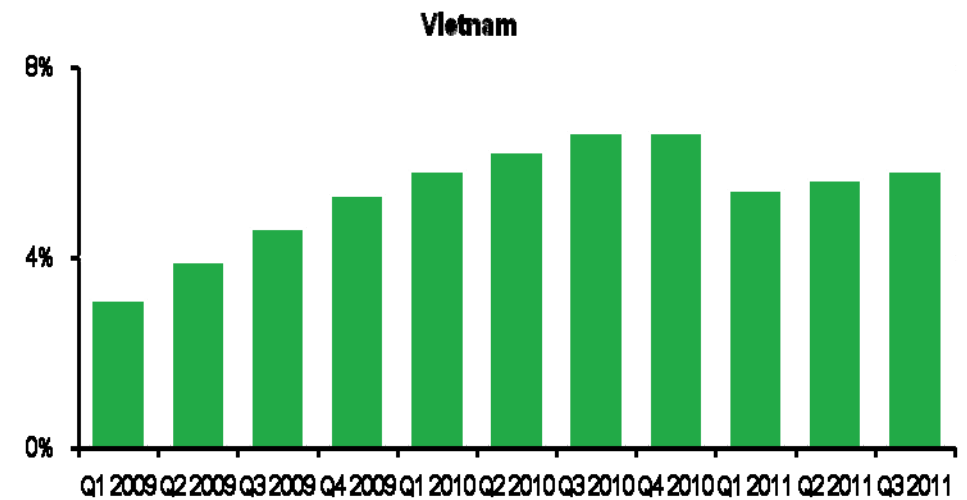
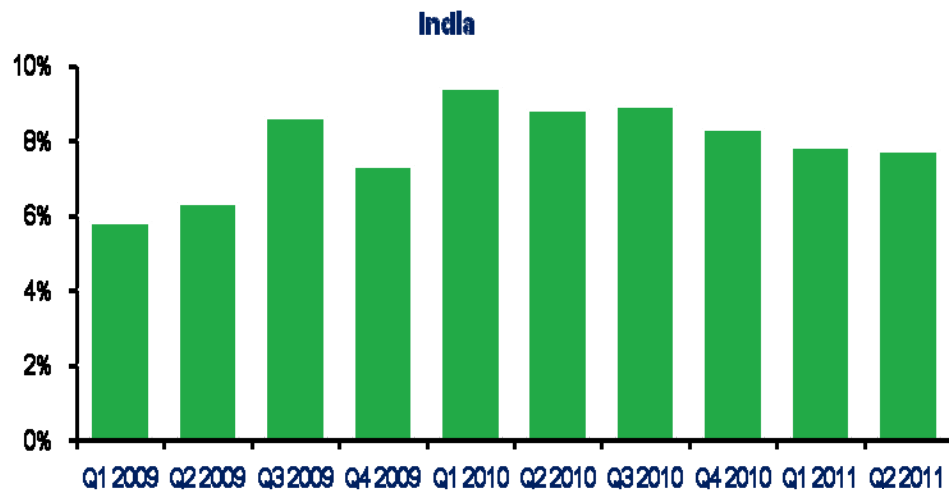
## GDP growth (y/y)



Sources: Bloomberg, Standard Chartered Research

# Growth trending to normal

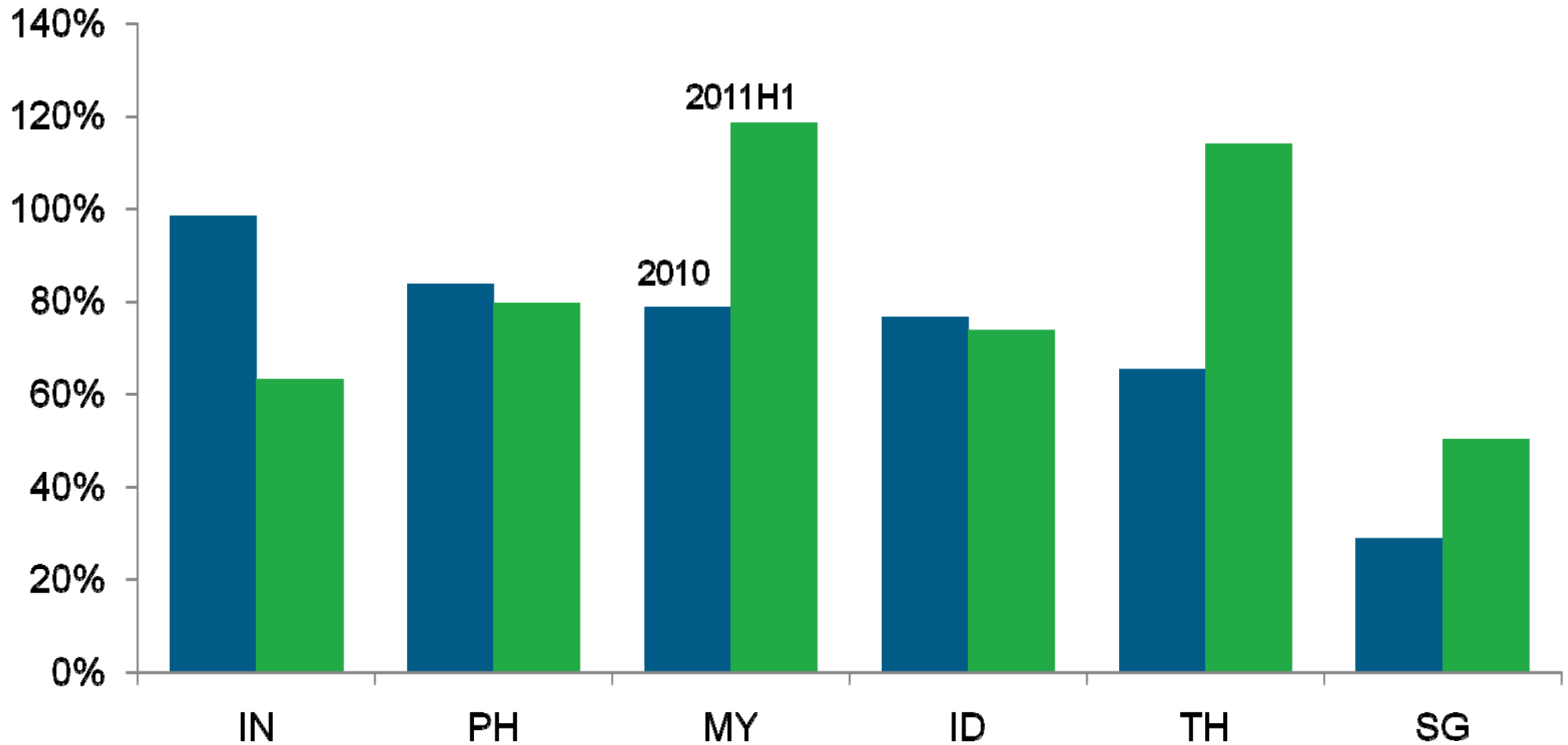
## GDP growth (y/y)



Sources: Bloomberg, Standard Chartered Research

# Driven largely by domestic demand

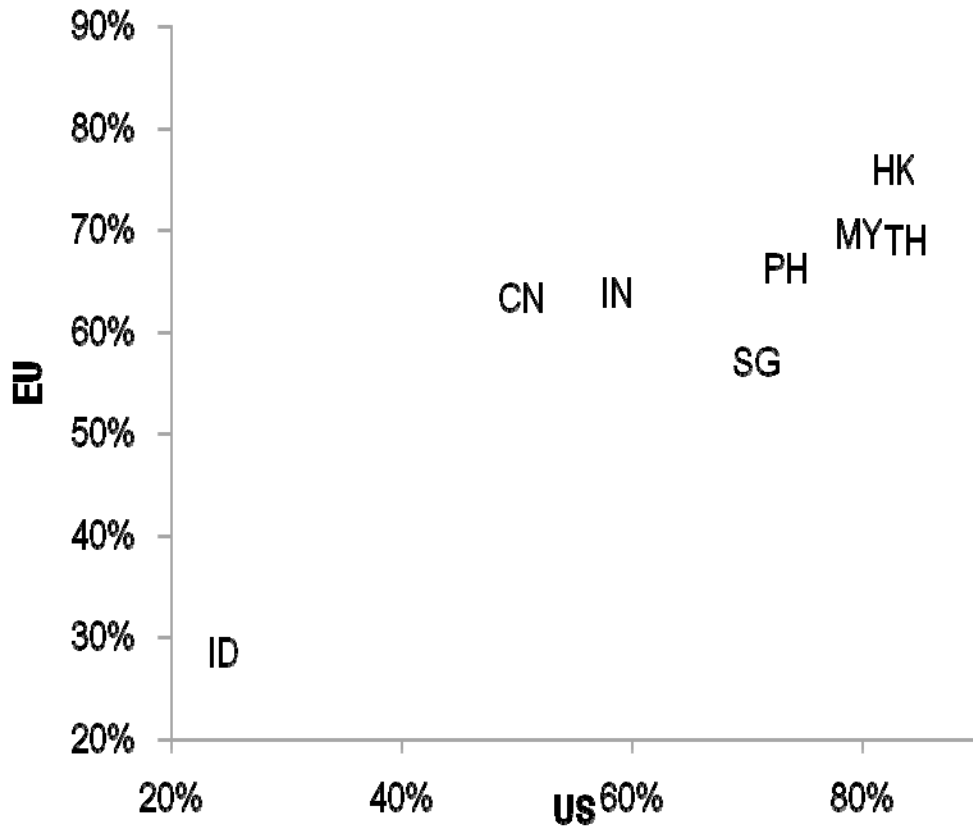
Contribution to GDP growth by consumption and investment



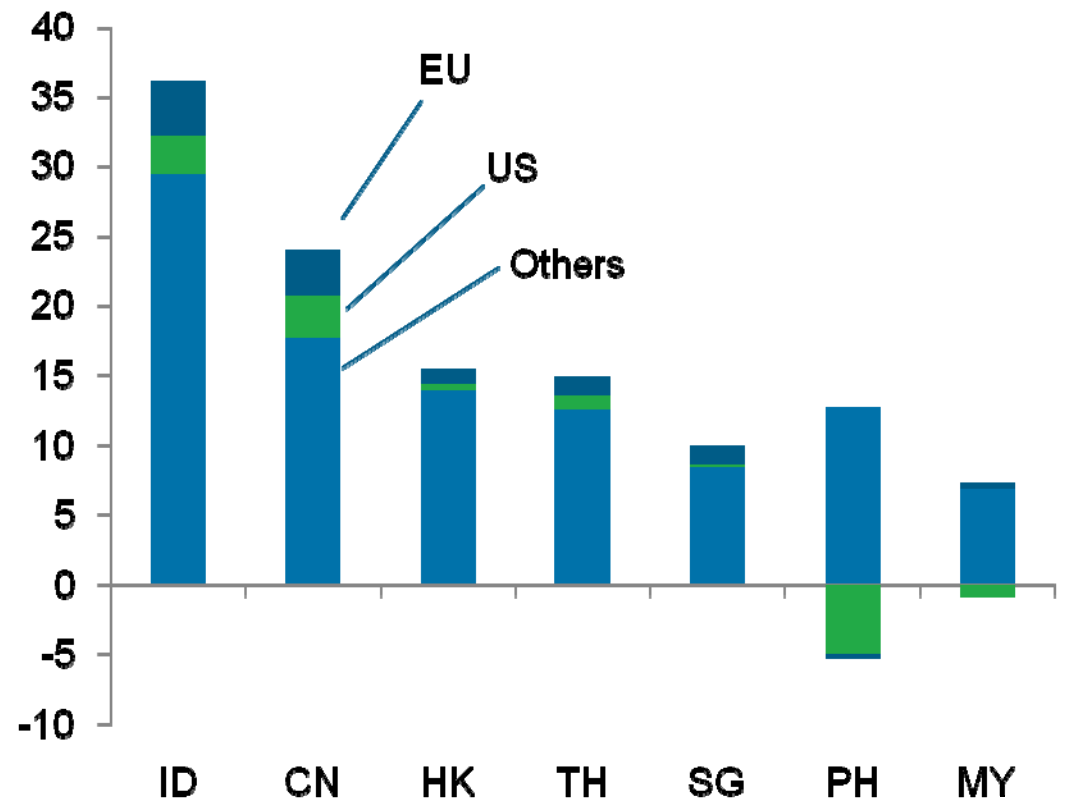
Source: Standard Chartered Research

# Not decoupled, but less dependent

GDP growth correlation with US and Europe

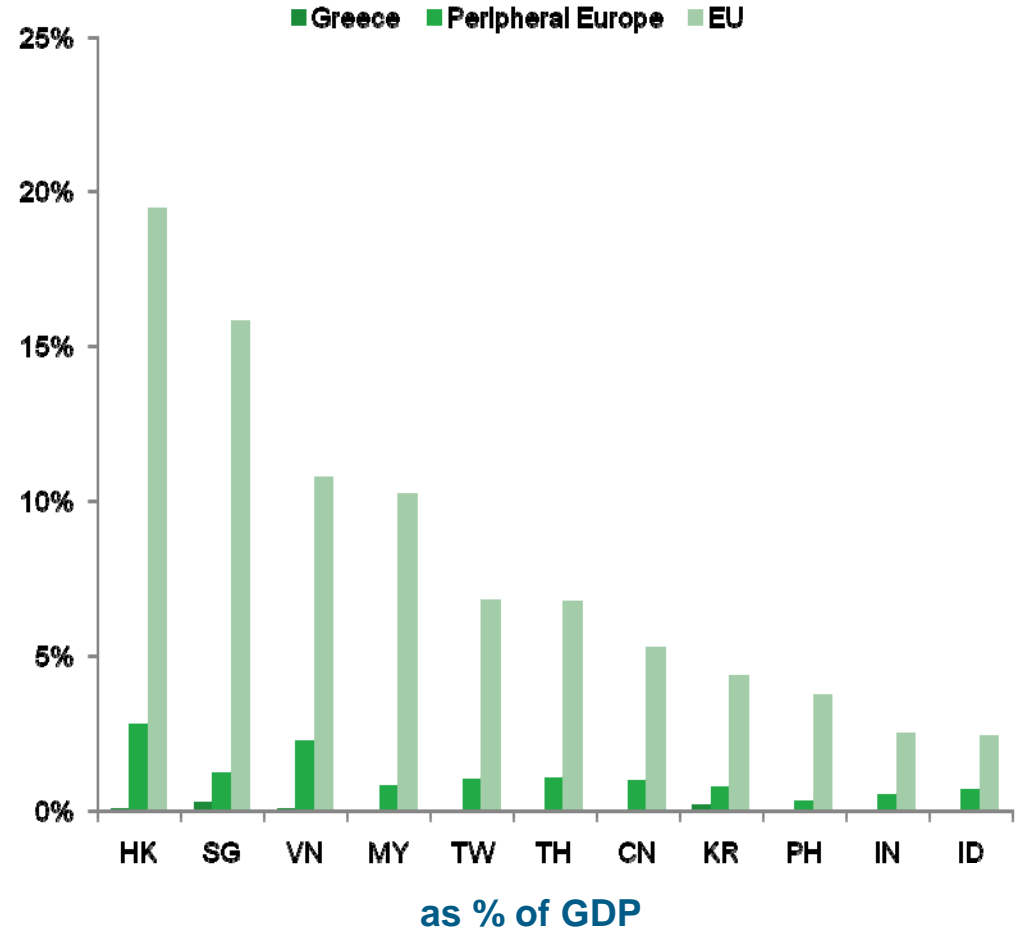
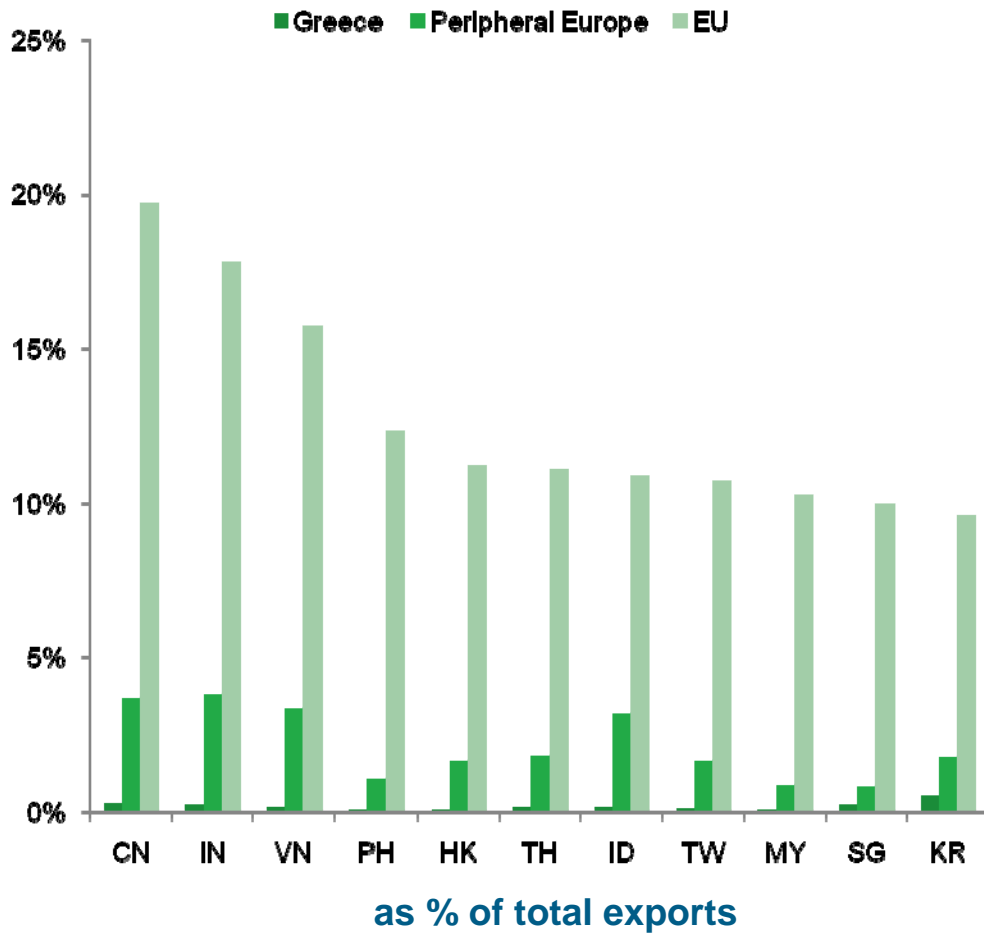


Contribution to export growth, H1 2011



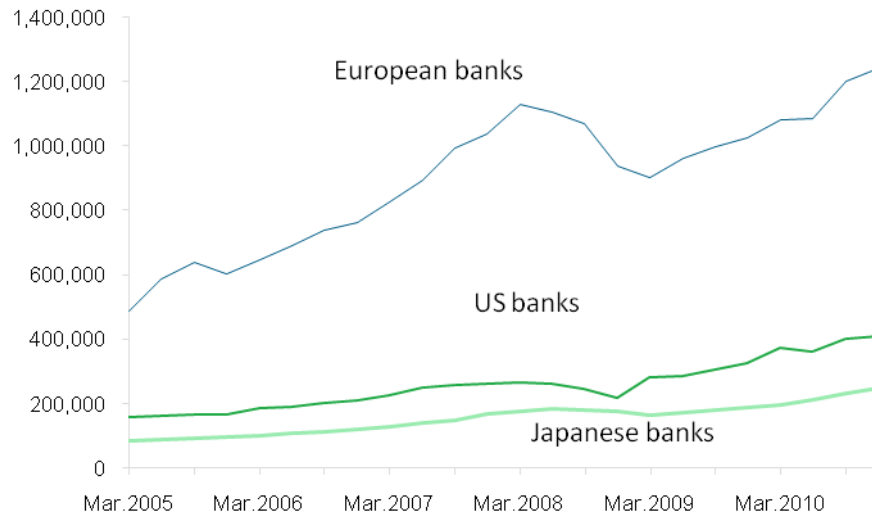
# Trade exposure: Greece is minor, but EU is key

## Exports to Greece, Peripheral Europe and EU

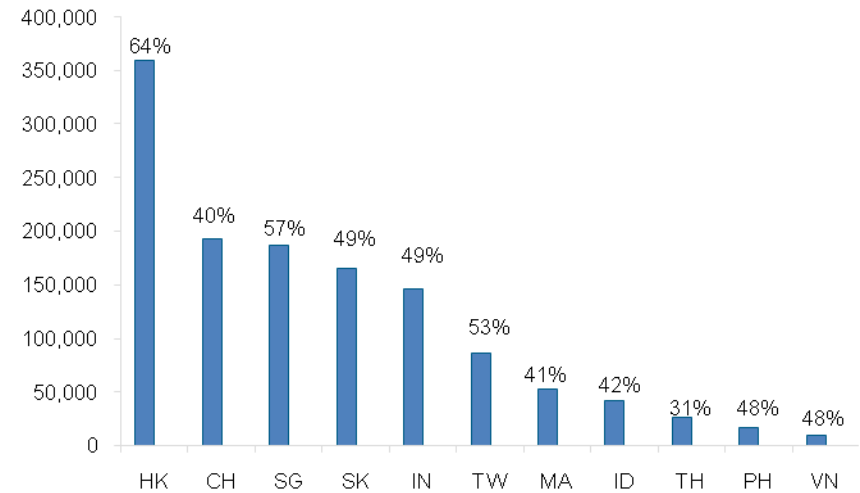


# Financial exposure: Europe is very key

Foreign bank lending in Asia (USD mn)



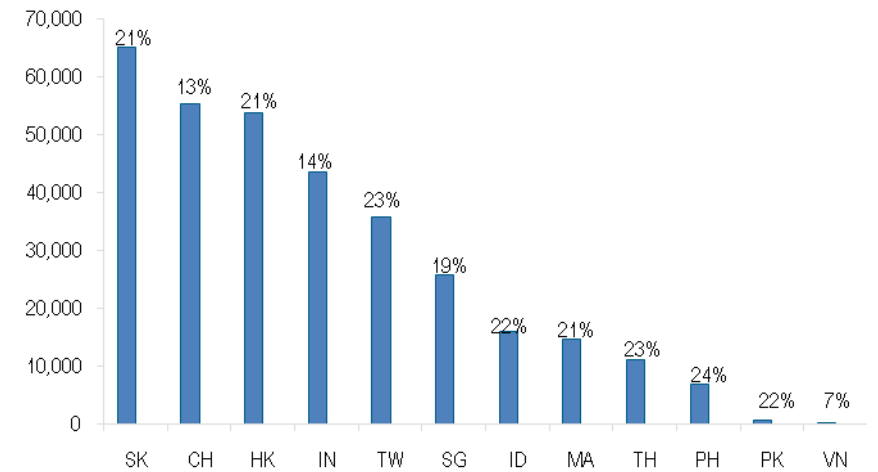
European bank lending at Q4 2010 (USD mn) and share to total foreign bank lending



Change in European bank lending between Q1 2008 and Q1 2009

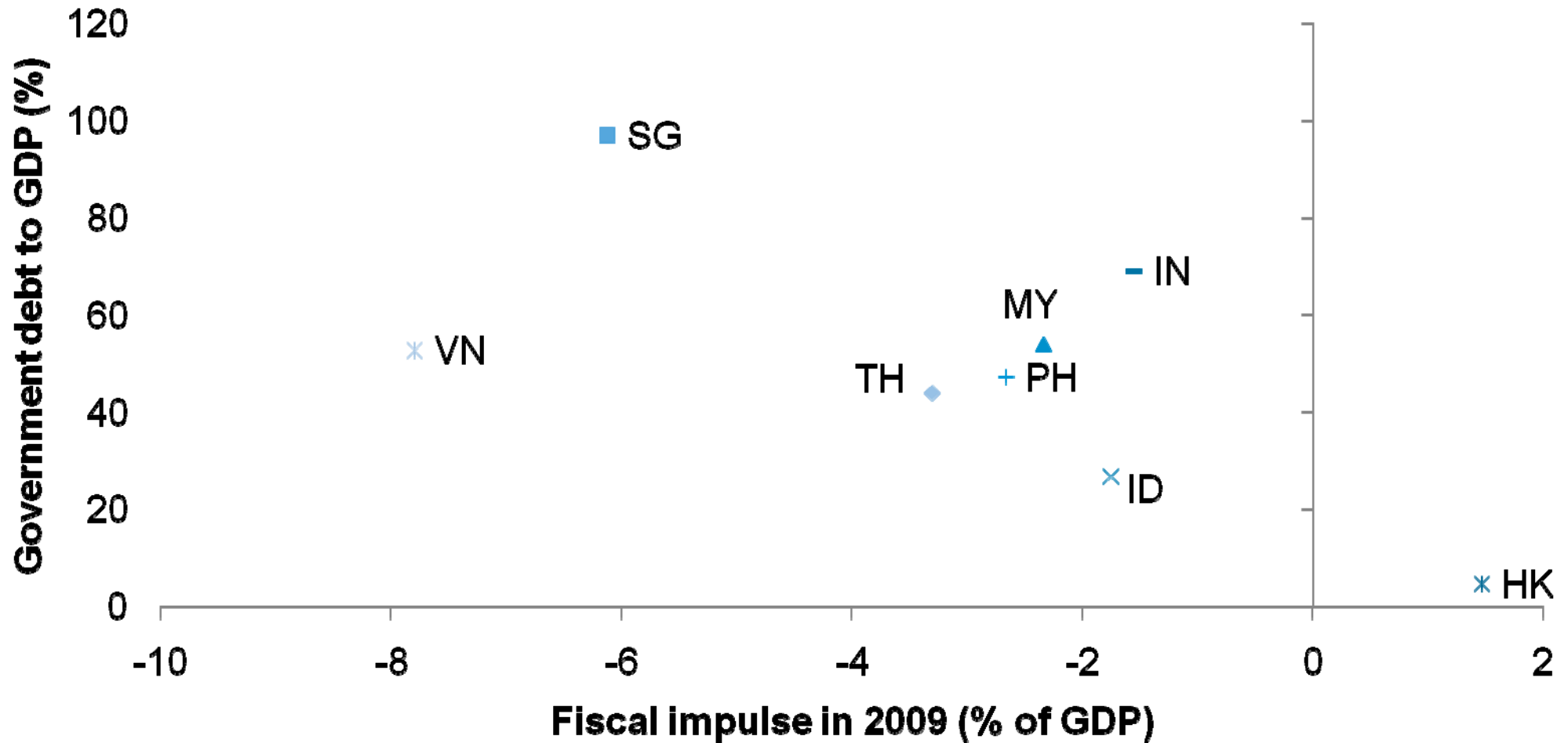


European portfolio investment in Asia (USD mn, 2009; and % of total)



# How much room to cushion the blow?

Current level of government debt and the size of fiscal stimulus in the Global Financial Crisis



Sources: IMF, Standard Chartered Research



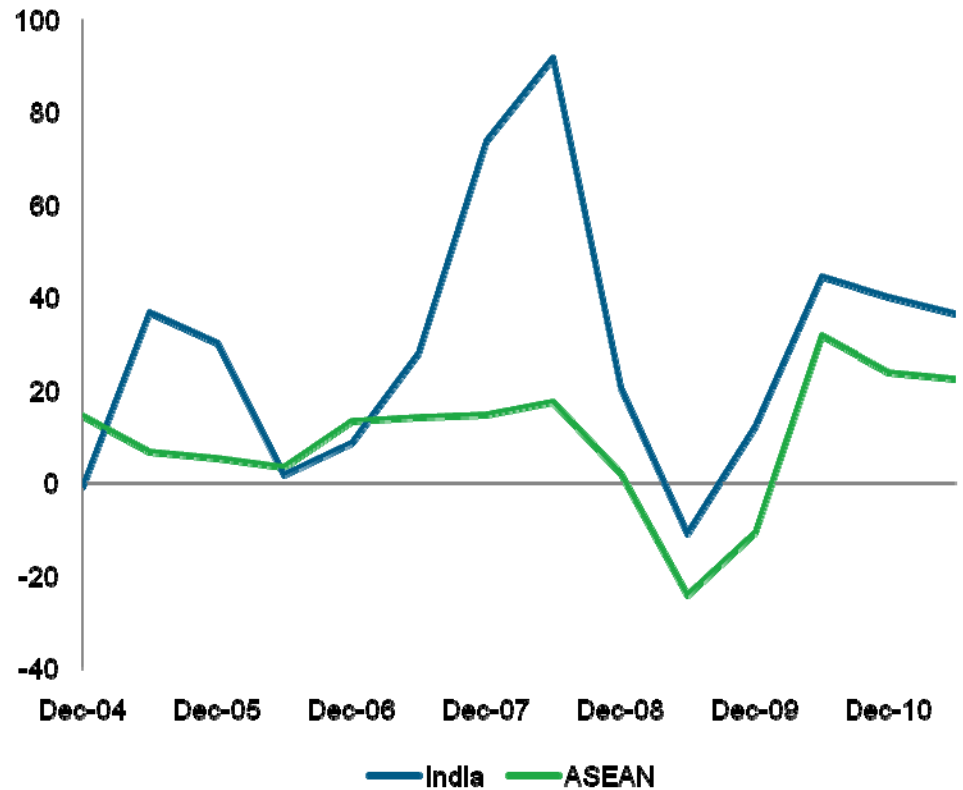
# Trade growth: double digits, high potential

## Hong Kong imports, % y/y



Average annual growth 2001-2011: India 16.8%, ASEAN 11.8%  
 Annual imports (HK\$bn): India 32.3, ASEAN 237.5

## Hong Kong exports, % y/y



Average annual growth 2001-2011: India 26.2%, ASEAN 10.0%  
 Annual exports (HK\$bn): India 87.4, ASEAN 209.2

# Political cycle in Asia: focus on North

Country	Type	Date
Thailand	Parliamentary	3 July 2011
Taiwan	Presidential & Legislative	14 January 2012
S Korea	Parliamentary	April 2012
Hong Kong	Chief Executive	25 March 2012
Hong Kong	Legislative	September 2012
China	Party Congress	October 2012
S Korea	Presidential	December 2012
China	National Assembly	March 2013
Malaysia	Parliamentary	March 2013 (but chance of early vote)

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Document approved by: Nicholas Kwan, Head of Research, Asia