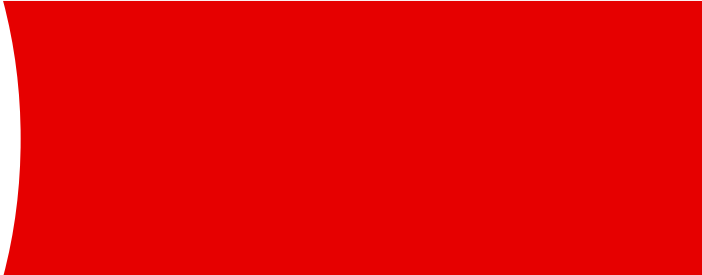


Economic Monthly: ASEAN, India and Australia June 2023

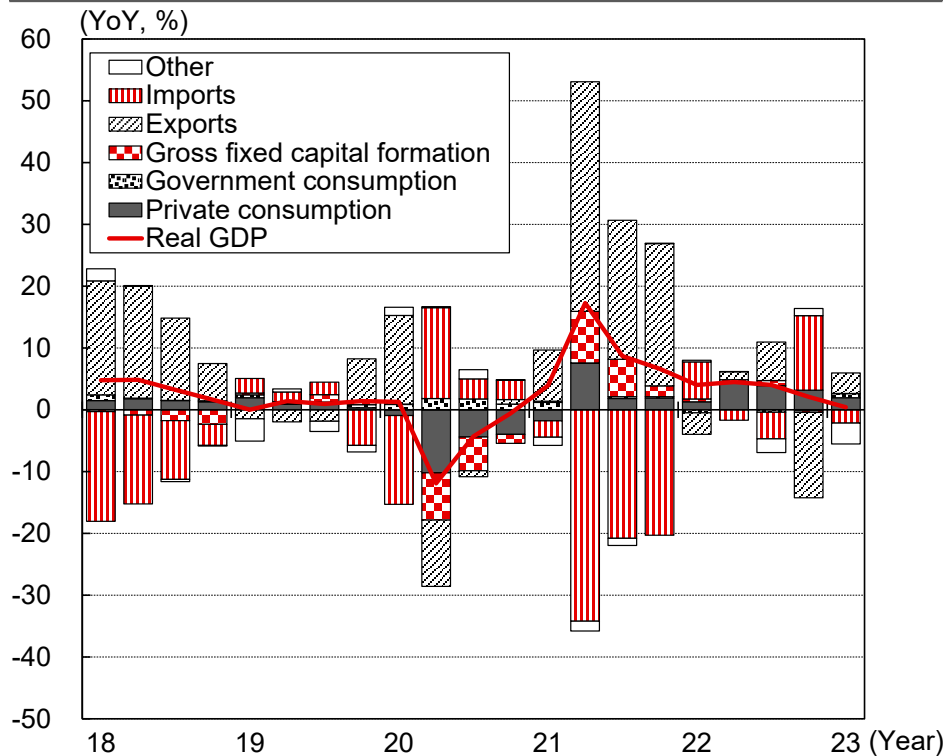


**19 June 2023 (original Japanese version released on 9 June)
MUFG Bank Economic Research Office**

1. Singapore

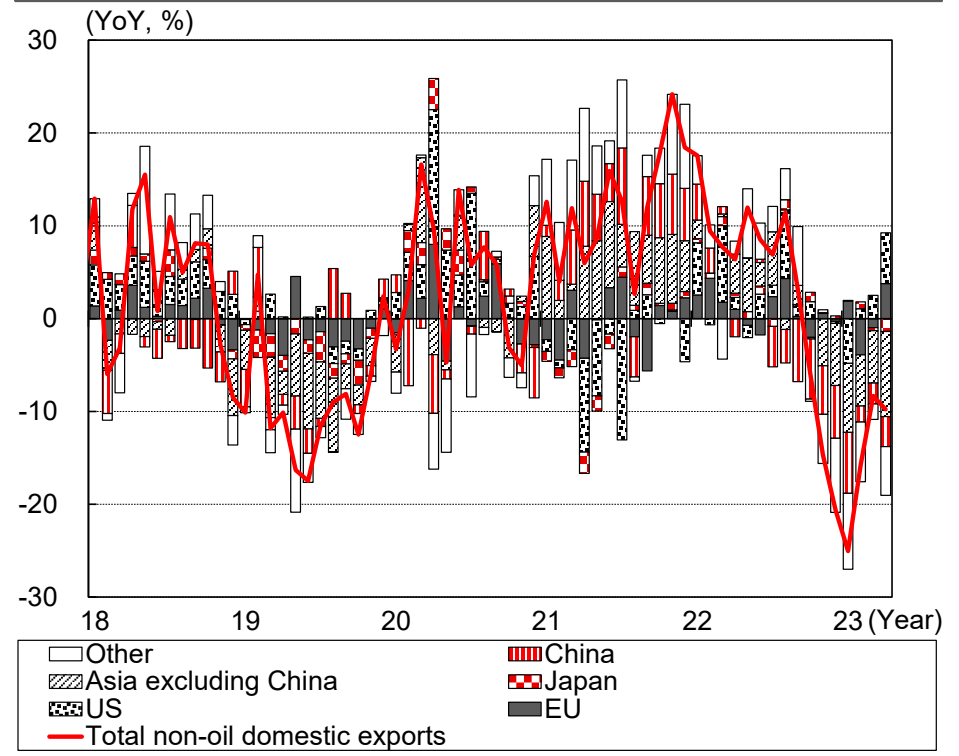
- The real GDP growth rate in the January-March decelerated significantly to 0.4% YoY from 2.1% YoY the previous quarter. Although exports picked up a little (1.8% YoY) and private consumption remained robust (5.8% YoY), the fall in inventory investment (including “other”) put downward pressure on overall growth.
- Non-oil domestic exports contracted for the seventh month, falling 9.8% YoY in April. The breakdown by destination shows a rise in exports to Europe and the US, with an increase of 40.7% YoY in exports to the US. However, there were large decreases in the exports to China and Asia, which together account for a large share of overall exports: -20.9% YoY and -25.5% YoY respectively.
- The Monetary Authority of Singapore (MAS) decided to maintain its current monetary policy at its meeting in April (meetings are held in April and October each year). The MAS re-centred the midpoint of the Singapore dollar’s nominal effective exchange rate policy band up to its prevailing level (an appreciation of its domestic currency) five times in a row until October last year. Singapore’s monetary policy is centred on the exchange rate.

Singapore: Real GDP



Source: Ministry of Trade and Industry (MIT) Singapore, MUFG Bank Economic Research Office

Singapore: Non-Oil Domestic Exports by Destination



Note: “Asia” is a total of South Korea, Taiwan, Hong Kong, Indonesia, Thailand and Malaysia
Source: International Enterprise Singapore, MUFG Bank Economic Research Office

1. Singapore

Singapore Major Economic Indicators

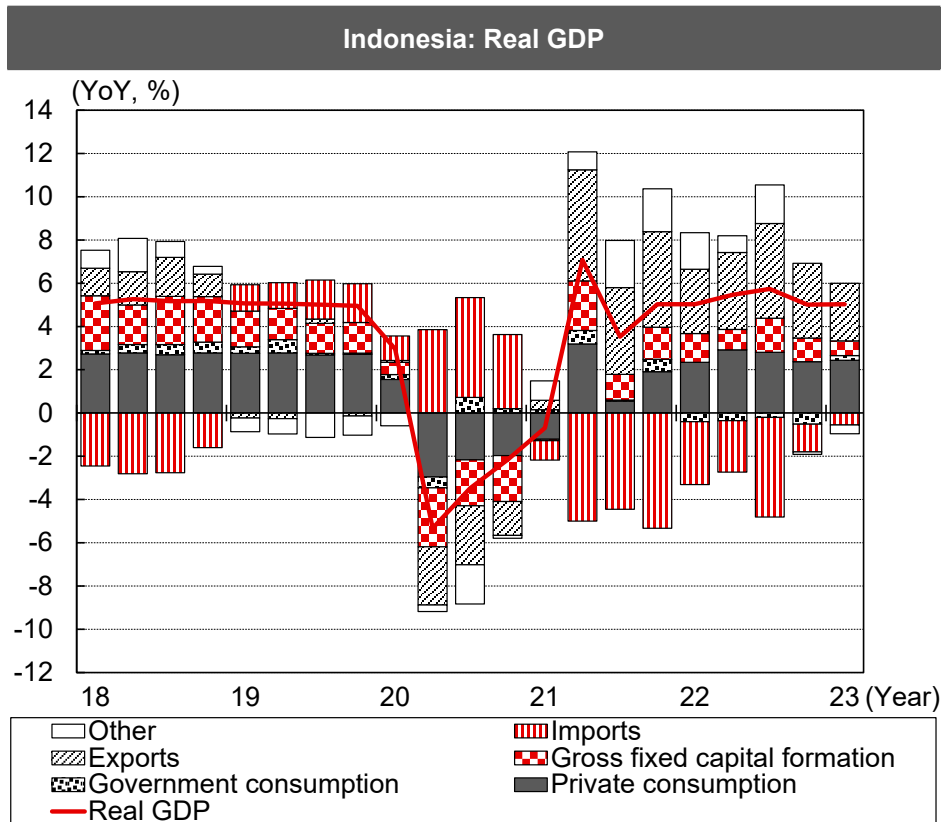
	2020	2021	2022	22Q2	Q3	Q4	23Q1	FEB-23	MAR	APR	MAY
Nominal GDP (USD bn)	348	424	467								
Population (person mn)	5.69	5.45	5.64								
GDP per capita (USD)	61,298	77,680	82,794								
Real GDP Growth Rate (YoY, %)	(-3.9)	(8.9)	(3.6)	(4.5)	(4.0)	(2.1)	(0.4)				
Industrial Production Index (IPI) (YoY, %)	(7.5)	(13.3)	(2.7)	(6.4)	(1.3)	(-2.6)	(-5.4)	(-9.6)	(-3.8)	(-6.9)	
Real Retail Sales Index (RSI) (YoY, %)	(-15.3)	(11.1)	(10.7)	(15.2)	(13.1)	(8.5)	(4.6)	(12.5)	(4.5)	(3.6)	
Consumer Price Index (YoY, %)	(-0.2)	(2.3)	(6.1)	(5.9)	(7.3)	(6.6)	(6.1)	(6.3)	(5.5)	(5.7)	
Exports (fob) (SGD mn)	515,645	614,081	709,967	184,262	189,996	165,739	158,921	50,324	59,051	49,354	
(YoY, %)	(-3.2)	(19.1)	(15.6)	(24.9)	(23.4)	(-2.3)	(-6.5)	(-3.2)	(-6.5)	(-18.1)	
Imports (cif) (SGD mn)	453,467	545,882	655,436	173,369	175,295	153,707	138,968	42,841	51,717	45,152	
(YoY, %)	(-7.4)	(20.4)	(20.1)	(31.6)	(28.1)	(0.5)	(-9.2)	(-4.7)	(-11.0)	(-19.5)	
Trade Balance (SGD mn)	62,177	68,199	54,531	10,892	14,701	12,033	19,953	7,484	7,333	4,203	
Current Account Balance (SGD mn)	79,081	102,608	124,410	33,724	32,729	23,522	29,454				
Total Reserves Minus Gold (USD mn) ©	362,088	416,101	287,670	312,643	284,273	287,670	306,249	289,153	306,249		
Three-month SIBOR (SGD,%) ©	0.41	0.44	4.25	1.91	3.17	4.25	4.19	4.19	4.19	4.09	4.09
Exchange Rate (USD/SGD)*	1.379	1.344	1.379	1.377	1.398	1.387	1.333	1.331	1.341	1.332	1.339
Stock Index ©	2,843.8	3,123.7	3,251.3	3,102.2	3,130.2	3,251.3	3,258.9	3,262.6	3,258.9	3,270.5	3,158.8

Note: *Average value during the period, ©End-of-period values

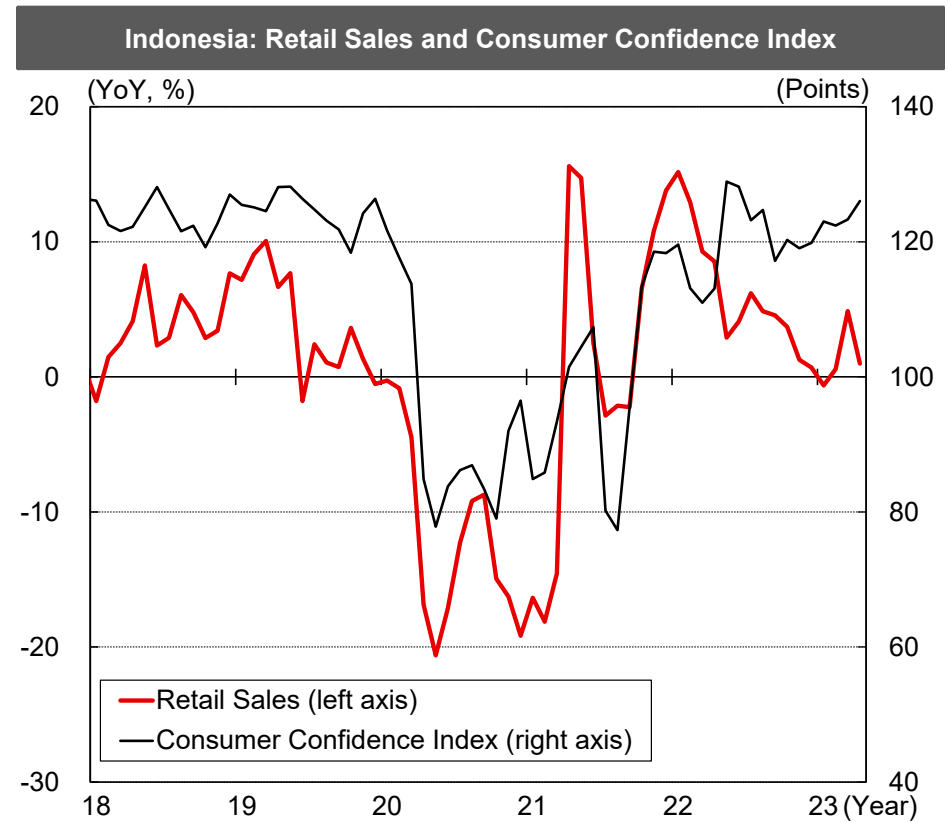
Source: Singapore Department of Statistics, CEIC, MUFG Bank Economic Research Office

2. Indonesia

- The real GDP growth rate for the January-March quarter remained unchanged from the previous quarter at 5.0% YoY. Exports continued to rise at a fast pace (11.7% YoY) as service exports picked up, and growth of private consumption remained firm at 4.5% YoY despite high inflation and interest rates.
- Retail sales continued to increase, albeit only slightly, rising 1.0% YoY in April. Growth in sales of “food” and “culture and recreation” in particular remains firm. The Consumer Confidence Index has continued to improve since the latter half of 2022.
- Bank Indonesia (Indonesia’s central bank) decided to keep its policy rate unchanged for the fourth month in a row at its meeting in May.



Source: Indonesia Central Bureau of Statistics (BPS), MUFG Bank Economic Research Office



Source: The Association of Indonesian Automotive Industries, Bank Indonesia
 MUFG Bank Economic Research Office

2. Indonesia

Indonesia Major Economic Indicators

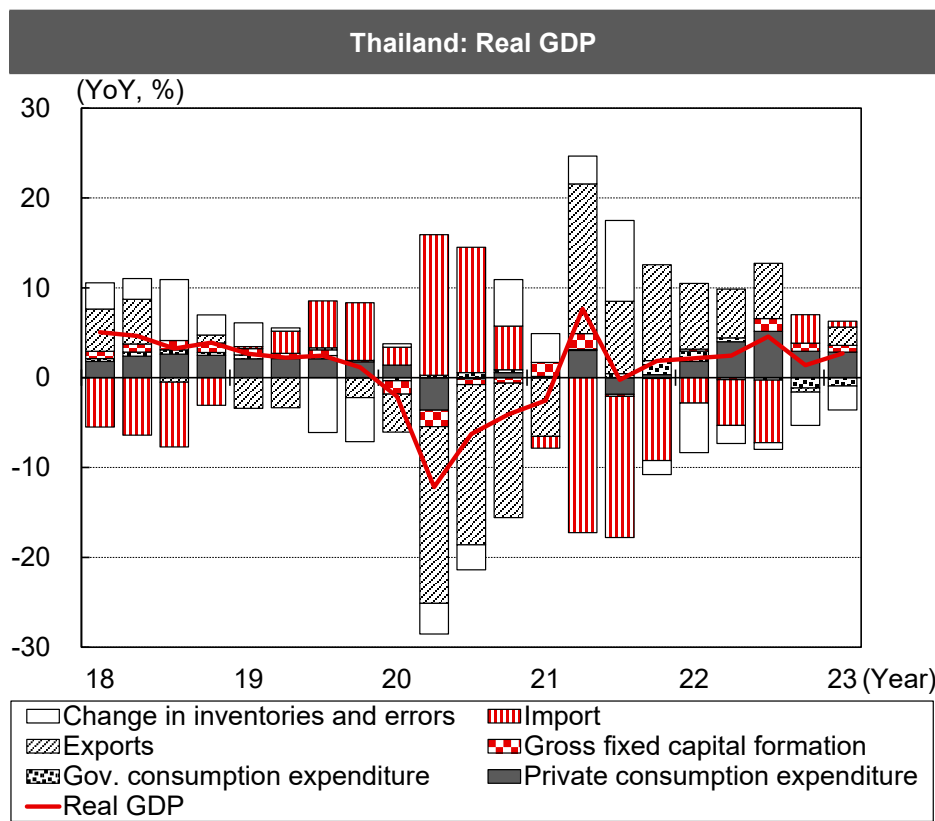
	2020	2021	2022	22Q2	Q3	Q4	23Q1	FEB-23	MAR	APR	MAY
Nominal GDP (USD bn)	1,059	1,186	1,319								
Population (person mn)	270.2	272.2	274.9								
GDP Per Capita (USD)	3,929	4,351	4,783								
Real GDP Growth Rate (YoY, %)	(-2.1)	(3.7)	(5.3)	(5.5)	(5.7)	(5.0)	(5.0)				
Industrial Production Index (YoY, %)	(-10.1)	(7.5)	(1.3)	(-1.6)	(5.1)	(2.4)	(1.6)	(3.3)	(0.4)	(0.0)	
Domestic Motor Vehicle Sales (Unit)	532,027	887,202	1,048,040	211,351	283,187	289,823	282,400	86,979	101,212	58,911	
(YoY, %)	(-48.4)	(66.8)	(18.1)	(2.4)	(21.0)	(11.6)	(7.1)	(7.4)	(2.7)	(-28.8)	
Consumer Price Index* (YoY, %)	(2.0)	(1.6)	(4.2)	(3.8)	(5.2)	(5.5)	(5.2)	(5.5)	(5.0)	(4.3)	(4.0)
Exports (fob) (USD mn)	163,192	231,609	291,979	74,982	78,202	72,650	67,061	21,321	23,416	19,291	
(YoY, %)	(-2.7)	(41.9)	(26.1)	(39.0)	(27.3)	(8.0)	(1.4)	(4.1)	(-11.6)	(-29.4)	
Imports (cif) (USD mn)	141,569	196,190	237,447	59,371	63,304	57,961	54,950	15,919	20,588	15,348	
(YoY, %)	(-17.3)	(38.6)	(21.0)	(24.6)	(31.4)	(1.7)	(-3.3)	(-4.3)	(-6.3)	(-22.3)	
Trade Balance (USD mn)	21,623	35,420	54,532	15,612	14,899	14,690	12,111	5,402	2,828	3,943	
Current Account Balance (USD mn)	-4,433	3,511	13,126	3,849	4,545	4,181	2,972				
Total Reserves Minus Gold (USD mn) ©	131,139	140,310	132,644	131,759	126,579	132,644	140,197	135,755	140,197		
7-day Reverse Repo Rate ©	3.75	3.50	5.50	3.50	4.25	5.50	5.75	5.75	5.75	5.75	5.75
Exchange Rate (USD/IDR)*	14,577	14,313	14,871	14,556	14,935	15,566	15,243	15,126	15,301	14,867	14,811
Stock Index ©	5,979.1	6,581.5	6,850.6	6,911.6	7,040.8	6,850.6	6,805.3	6,843.2	6,805.3	6,915.7	6,633.3

Note: *Average value during the period, ©End-of-period values.

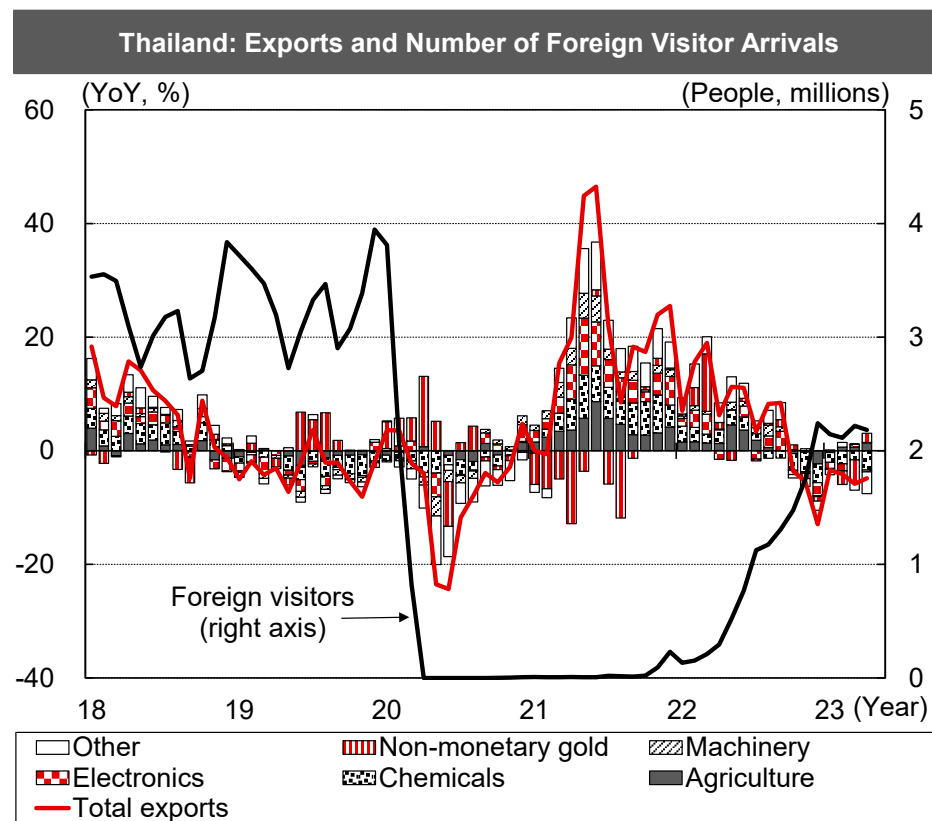
Source: Bank Indonesia (BI), CEIC, MUFG Bank Economic Research Office

3. Thailand

- The real GDP growth rate for the January-March quarter accelerated to 2.7% YoY from 1.4% YoY the previous quarter. Private consumption was robust, rising 5.4% YoY, and export growth turned positive (3.0% YoY). Exports of goods continued to fall, but the recovery in services exports was underpinned by increased activity in the tourism sector.
- Exports fell below last year's levels for the seventh month, dropping 4.9% YoY in April. Chemicals, in particular, fell 23.8% YoY, which put considerable downward pressure on total exports. Although the number of foreign visitors in April remained almost unchanged from the previous month, it has recovered to around half of pre-pandemic levels, reflecting the increased number of Chinese tourists, who are the main driver of tourism.
- The Bank of Thailand (Thailand's central bank) raised its policy rate at the sixth meeting in a row in May (1.75% → 2.0%). At the time of the meeting, the inflation rate had already fallen to within the Bank's target range (1% to 3%), but there are upside risks.



Source: National Economic and Social Development Board, MUFG Bank Economic Research Office



Source: Bank of Thailand (BOT), MUFG Bank Economic Research Office

3. Thailand

Thailand Major Economic Indicators

	2020	2021	2022	22Q2	Q3	Q4	23Q1	FEB-23	MAR	APR	MAY
Nominal GDP (USD bn)	500	505	496								
Population (person mn)	66.2	66.2	66.1								
GDP Per Capita (USD)	7,562	7,639	7,498								
Real GDP Growth Rate (YoY, %)	(-6.1)	(1.5)	(2.6)	(2.5)	(4.6)	(1.4)	(2.7)				
Industrial Production Index (YoY, %)	(-9.5)	(5.8)	(0.4)	(-1.1)	(7.7)	(-6.0)	(-3.7)	(-2.4)	(-3.9)	(-8.1)	
Private Consumption Indicator (YoY, %)	(-0.8)	(-0.8)	(8.4)	(10.3)	(14.6)	(5.2)	(5.5)	(4.8)	(6.7)	(7.6)	
Motor Vehicle Sales (Unit)	792,146	759,119	849,388	196,107	206,391	215,701	217,073	71,551	79,943	59,530	
(YoY, %)	(-21.4)	(-4.2)	(11.9)	(9.5)	(30.0)	(-5.1)	(-6.1)	(-3.9)	(-8.4)	(-6.1)	
Consumer Price Index (YoY, %)	(-0.8)	(1.2)	(6.1)	(6.5)	(7.3)	(5.8)	(3.9)	(3.8)	(2.8)	(2.7)	(0.5)
Unemployment Rate (%)*	1.7	1.9	1.3	1.4	1.2	1.2	1.1	0.9	1.0	1.0	
Exports (fob) (USD mn)	226,984	270,564	285,375	74,425	71,980	65,814	69,806	22,375	27,079	21,514	
(YoY, %)	(-6.5)	(19.2)	(5.5)	(9.6)	(6.7)	(-7.5)	(-4.6)	(-4.1)	(-5.8)	(-4.9)	
Imports (cif) (USD mn)	186,582	238,210	274,561	71,916	73,831	62,844	66,860	21,064	22,775	21,433	
(YoY, %)	(-13.6)	(27.7)	(15.3)	(22.7)	(23.2)	(-0.3)	(1.3)	(1.8)	(-5.7)	(-3.7)	
Trade Balance (USD mn)	40,402	32,354	10,814	2,509	-1,851	2,970	2,945	1,311	4,305	80	
Current Account Balance (USD mn)	20,933	-10,646	-17,230	-8,027	-7,684	927	3,962	1,332	4,779	-476	
Capital and Financial Account (USD mn)	-11,698	-5,980	2,208	-183	-3,496	2,183					
External Debt (USD mn) ◎	190,713	196,274	199,843	194,060	187,937	199,843					
Total Reserves Minus Gold (USD mn) ◎	248,750	231,749	202,310	208,105	186,409	202,310	209,025	203,089	209,025	207,825	
One-day Repo Rate (%) ◎	0.50	0.50	1.25	0.50	1.00	1.25	1.75	1.50	1.75	1.75	1.75
Exchange Rate (USD/THB)*	31.29	32.00	35.07	34.45	36.43	36.32	33.93	34.05	34.49	34.27	34.26
Stock Index ◎	1,449.4	1,657.6	1,668.7	1,568.3	1,589.5	1,668.7	1,609.2	1,622.4	1,609.2	1,529.1	1,533.5

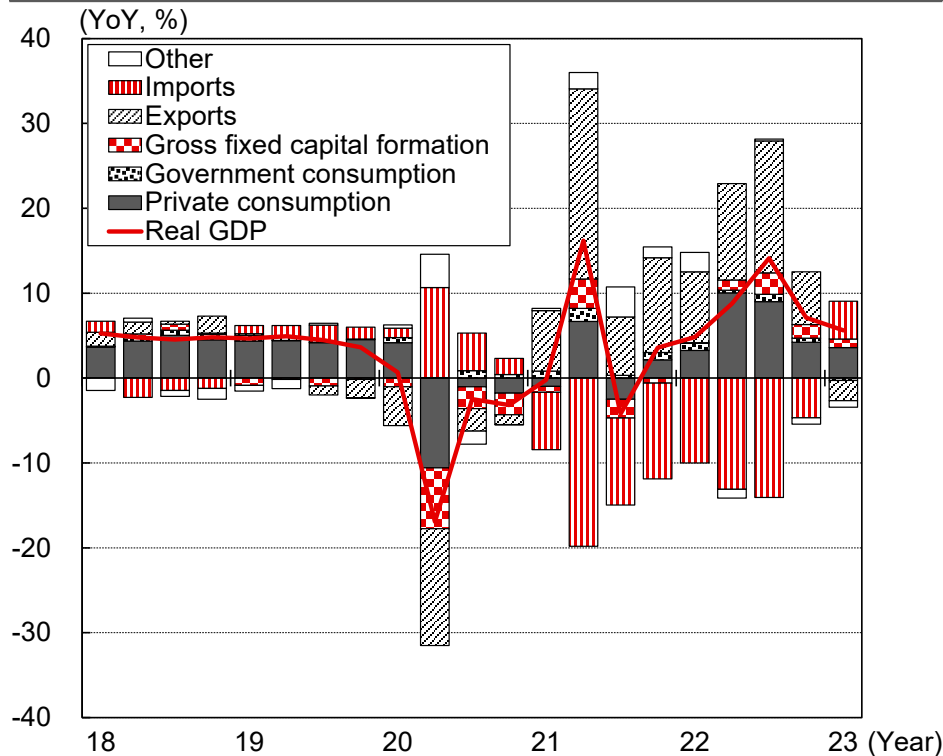
Note: *Average value during the period, ◎End-of-period values

Source: Bank of Thailand (BOT), NESDB, CEIC, MUFG Bank Economic Research Office

4. Malaysia

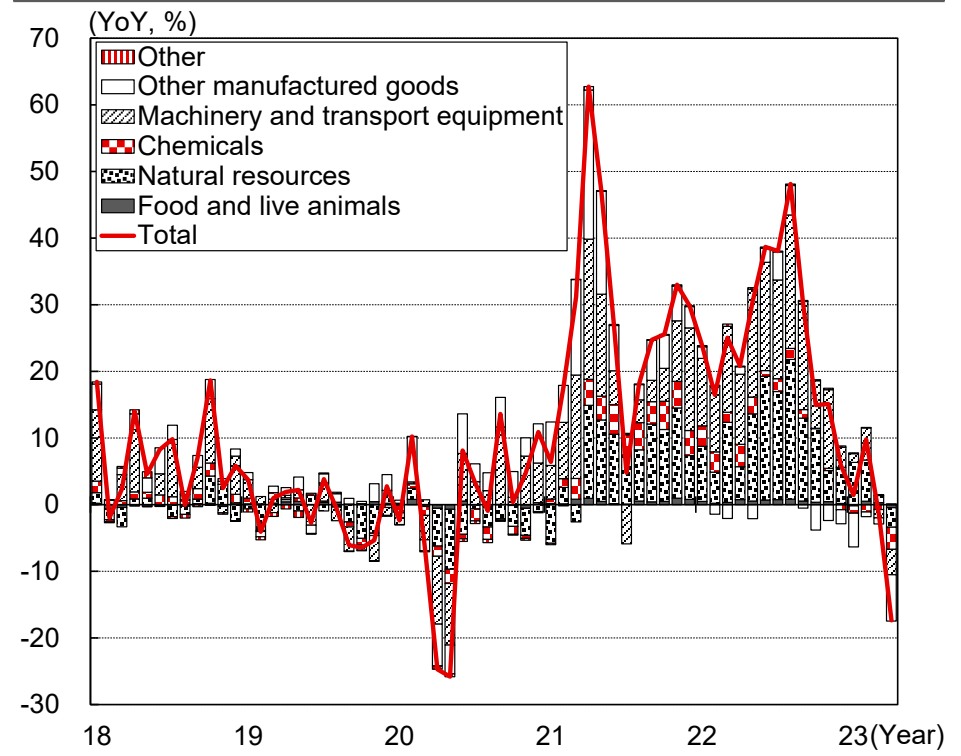
- Real GDP growth remained strong, despite slowing to 5.6% YoY in the January-March quarter from 7.1% YoY the previous quarter. Domestic demand was firm, with private consumption increasing 5.9% YoY and gross fixed capital expenditure rising 4.9% YoY. In terms of foreign demand, exports worsened (-3.3% YoY) but the fall in imports was greater resulting in positive net export growth.
- Exports fell at a much faster pace in April (-17.4% YoY) compared with the previous month (-1.4% YoY). “Natural resources” fell 13.1% YoY owing to a dip in international commodity prices. “Machinery and transport equipment” – the main driver of exports – dropped 9.0% YoY as the global economy continues to slow.
- Bank Negara Malaysia (the central bank for Malaysia) decided to raise its policy rate at its meeting in May (2.75% → 3.0%) after keeping it unchanged for three meetings in a row. The Bank said the reason for tightening its monetary policy was that Malaysia’s core inflation remains high.

Malaysia: Real GDP



Source: Department of Statistics Malaysia, MUFG Bank Economic Research Office

Malaysia: Exports



Source: Department of Statistics Malaysia, MUFG Bank Economic Research Office

4. Malaysia

Malaysia Major Economic Indicators

	2020	2021	2022	22Q2	Q3	Q4	23Q1	FEB-23	MAR	APR	MAY
Nominal GDP (USD bn)	338	374	407								
Population (person mn)	32.4	32.6	32.7								
GDP Per Capita (USD)	10,360	11,425									
Real GDP Growth Rate (YoY, %)	(-5.5)	(3.3)	(8.7)	(8.8)	(14.1)	(7.1)	(5.6)				
Industrial Production Index (YoY, %)	(-4.1)	(7.4)	(6.7)	(6.7)	(12.2)	(4.0)	(2.8)	(3.5)	(3.1)		
Motor Vehicle Sales (Unit)	528,190	507,885	720,683	171,853	185,227	203,758	191,085	62,683	78,894	46,583	
(YoY, %)	(-12.6)	(-3.8)	(41.9)	(59.9)	(165.9)	(7.2)	(19.5)	(39.1)	(7.7)	(-19.1)	
Consumer Price Index (YoY, %)	(-1.1)	(2.5)	(3.4)	(2.8)	(4.5)	(3.9)	(3.6)	(3.7)	(3.4)	(3.3)	
Exports (fob) (MYR mn)	983,827	1,241,022	1,551,619	394,103	419,598	393,025	354,592	112,269	129,668	105,424	
(YoY, %)	(-1.1)	(26.1)	(25.0)	(29.9)	(38.3)	(11.8)	(2.8)	(9.8)	(-1.4)	(-17.4)	
Imports (cif) (MYR mn)	800,481	987,344	1,296,136	336,062	355,139	325,064	290,204	92,700	102,980	92,575	
(YoY, %)	(-5.8)	(23.3)	(31.3)	(36.0)	(46.5)	(18.5)	(3.7)	(12.4)	(-1.8)	(-11.1)	
Trade Balance (MYR mn)	183,345	253,678	255,483	58,041	64,459	67,960	64,388	19,569	26,688	12,848	
Current Account Balance (MYR mn)	59,091	60,178	55,098	2,887	18,985	27,510	4,281				
Total Reserves Minus Gold (USD mn)©	105,280	114,641	112,393	106,757	104,001	112,393	113,014	112,051	113,014	111,953	
Three-month KLIBOR (%) ©	1.75	1.75	2.75	2.00	2.50	2.75	2.75	2.75	2.75	2.75	3.00
Exchange Rate (USD/MYR)*	4.20	4.15	4.40	4.35	4.48	4.57	4.40	4.38	4.47	4.42	4.52
Stock Index ©	1,627.2	1,567.5	1,495.5	1,444.2	1,394.6	1,495.5	1,422.6	1,454.2	1,422.6	1,416.0	1,387.1

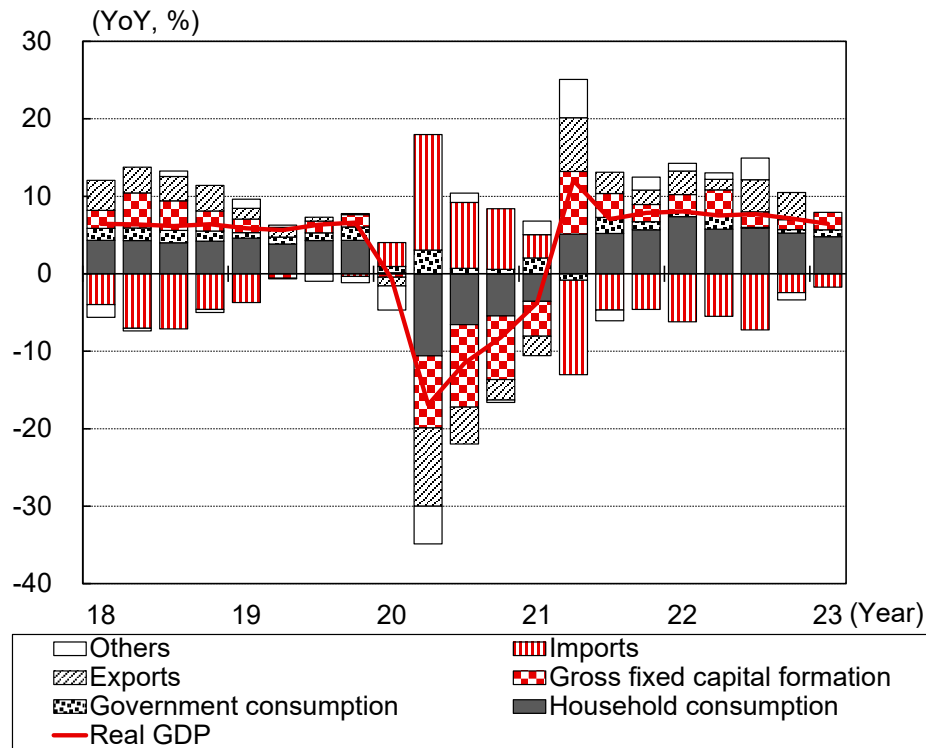
Note: *Average value during the period, ©End-of-period values

Source: Bank Negara Malaysia (BNM), CEIC, MUFG Bank Economic Research Office

5. The Philippines

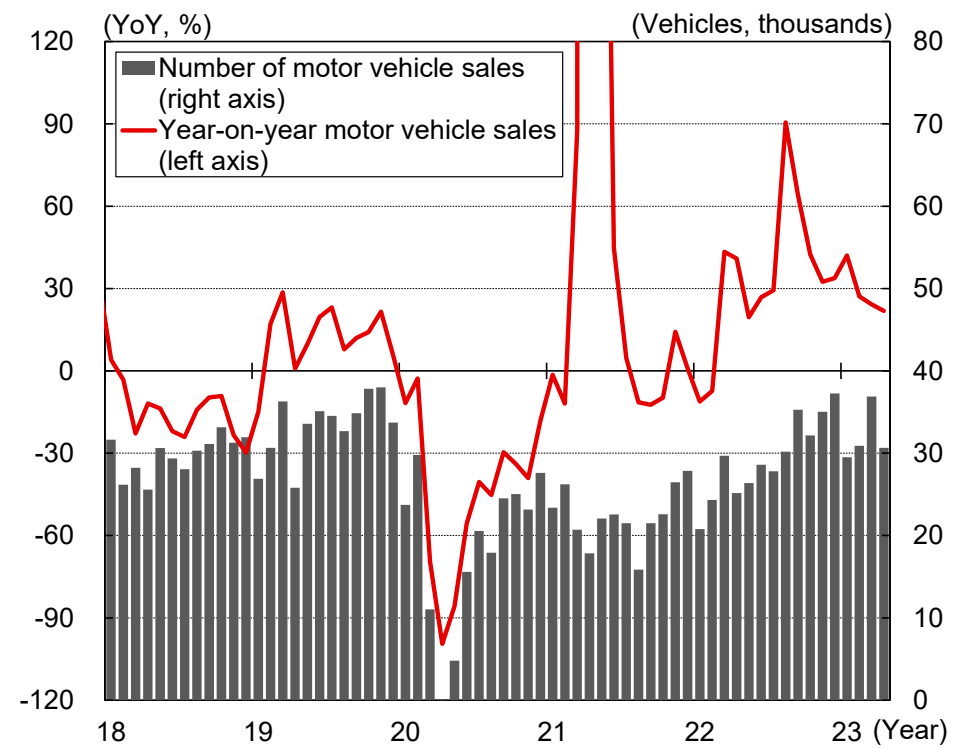
- Although the real GDP growth rate slowed slightly to 6.4% YoY in the January-March quarter from 7.1% YoY the previous quarter, growth remained positive for the eighth consecutive quarter. Exports decelerated considerably (0.4% YoY) as overseas economies slowed, but private consumption remained robust (6.3% YoY) amid continued high inflation, and gross fixed capital formation expanded (10.4% YoY) due to public investment.
- The number of motor vehicle sales was 31,000 in April, rising 21.8% YoY. Although the increase in sales has slowed a little, the level is still higher than it was before the pandemic and demand for motor vehicles remains firm.
- The Bangko Sentral ng Pilipinas (the central bank of the Philippines) maintained its policy rate at its meeting in May. Since May last year, it has carried out nine consecutive rate hikes but has now paused as inflation slows.

The Philippines: Real GDP



Source: Philippine Statistics Authority, MUFG Bank Economic Research Office

The Philippines: Motor Vehicle Sales



Source: Chamber of Automotive Manufacturers of the Philippines, MUFG Bank Economic Research Office

5. The Philippines

The Philippines Major Economic Indicators

	2020	2021	2022	22Q2	Q3	Q4	23Q1	FEB-23	MAR	APR	MAY
Nominal GDP (USD bn)	362	393	403								
Population (person mn)	108.8										
GDP Per Capita (USD)	3,329										
Real GDP Growth Rate (YoY, %)	(-9.5)	(5.7)	(7.6)	(7.5)	(7.7)	(7.1)	(6.4)				
Industrial Production Index (YoY, %)	(-40.5)	(52.6)	(15.2)	(-0.4)	(4.2)	(5.7)	(5.7)	(5.2)	(2.2)		
Domestic Motor Vehicle Sales (Unit)	223,793	268,488	352,596	80,120	93,280	104,442	97,284	30,905	36,880	30,643	
(YoY, %)	(-44.0)	(20.0)	(31.3)	(28.3)	(58.5)	(35.8)	(30.1)	(27.2)	(24.2)	(21.8)	
Consumer Price Index (YoY, %)	(2.4)	(3.9)	(5.8)	(5.5)	(6.5)	(7.9)	(8.3)	(8.6)	(7.6)	(6.6)	(6.1)
Exports (fob) (USD mn)	65,215	74,693	78,978	19,105	19,831	20,611	16,861	5,078	6,528		
(YoY, %)	(-8.1)	(14.5)	(5.7)	(4.4)	(0.6)	(8.6)	(-13.2)	(-18.1)	(-9.1)		
Imports (cif) (USD mn)	89,812	116,885	137,221	35,864	36,682	32,162	31,437	8,984	11,456		
(YoY, %)	(-19.5)	(30.1)	(17.4)	(28.5)	(20.9)	(-1.4)	(-3.3)	(-11.8)	(-2.7)		
Trade Balance (USD mn)	-24,597	-42,192	-58,244	-16,759	-16,851	-11,551	-14,577	-3,905	-4,928		
Current Account Balance (USD mn)	11,578	-5,943	-17,832	-8,374	-5,975	561					
Total Reserves Minus Gold (USD mn) ©	98,512	99,462	86,867	91,917	84,666	86,867	91,475	88,885	91,475	91,522	
Overnight Reverse Repurchase Rate ©	2.00	2.00	5.50	2.50	4.25	5.50	6.25	6.00	6.25	6.25	6.25
Exchange Rate (USD/PHP)*	49.57	49.45	54.67	53.14	56.96	57.07	54.76	55.31	54.43	55.74	56.26
Stock Index ©	7,139.7	7,122.6	6,566.4	6,155.4	5,741.1	6,566.4	6,499.7	6,556.2	6,499.7	6,625.1	6,477.4

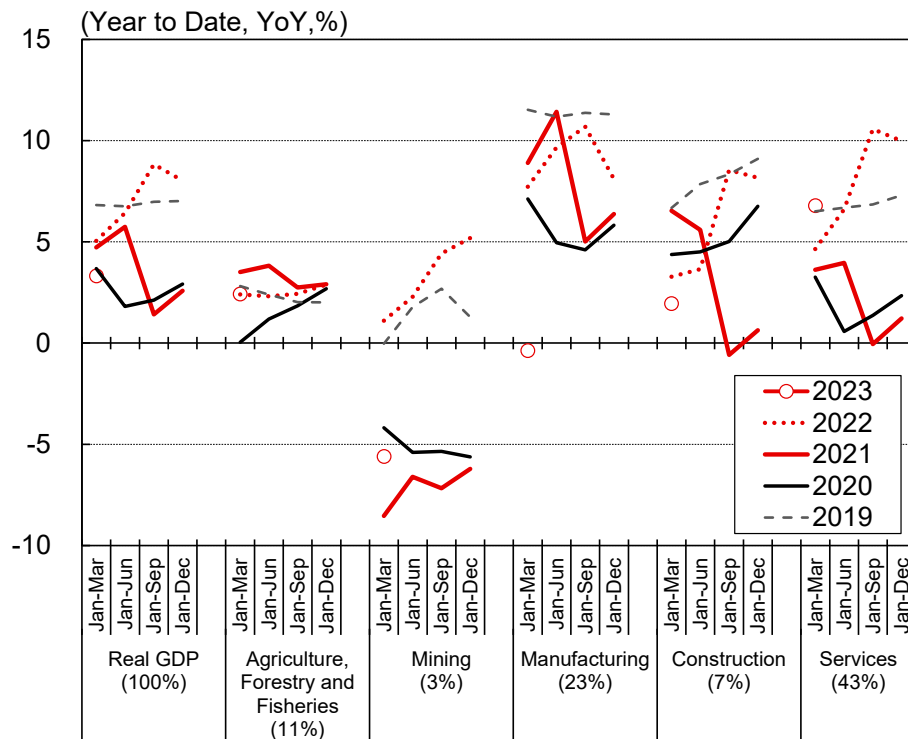
Note: *Average value during the period, ©End-of-period values.

Source: Philippine Statistics Authority, Bangko Sentral ng Pilipinas (BSP), IMF, CEIC, MUFG Bank Economic Research Office

6. Vietnam

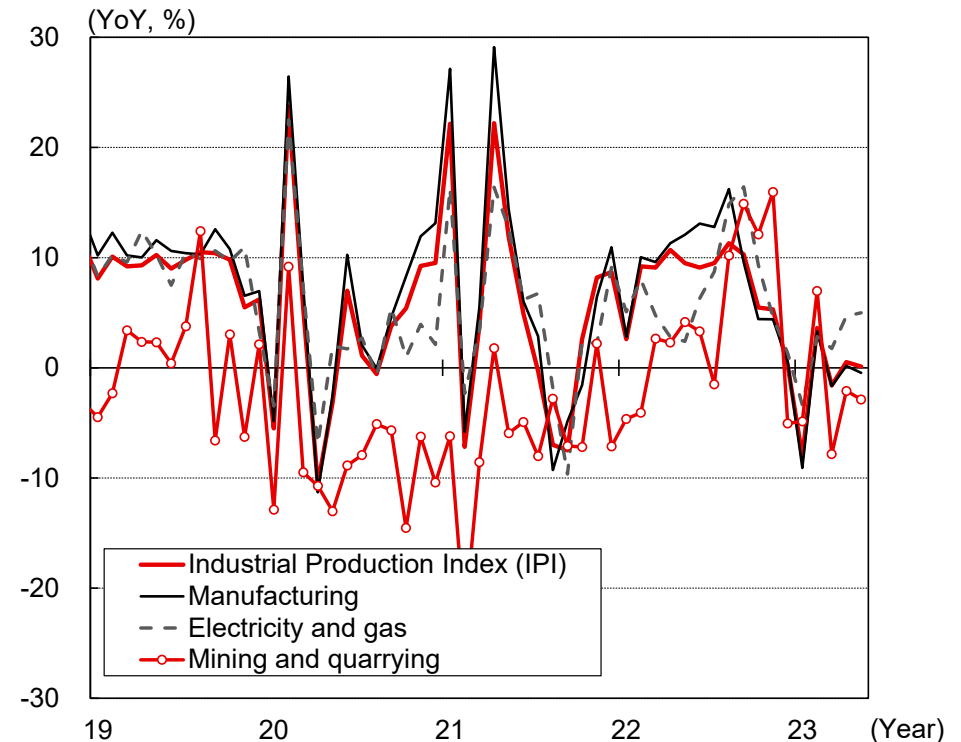
- The real GDP growth rate for the January-March quarter was 3.3% YoY, slowing from 8.0% YoY the October-December quarter last year. According to the breakdown by sector, services recovered at a robust pace (6.5% YoY) as the economy normalises, whereas manufacturing growth turned negative (-0.4% YoY) on the back of sluggish foreign demand.
- Industrial production slowed a little in May to 0.1% YoY from 0.5% YoY the previous month due to the decrease in manufacturing resulting from the downturn in foreign demand.
- The State Bank of Vietnam decided to lower its policy rate (refinance rate) in May (5.5% → 5.0%). This is the second rate cut this year owing to increased uncertainty about the Vietnam's economy.

Vietnam: Real GDP by Sector



Note: Cumulative YTD. Figures in () shows the % share in total GDP (2023).
Source: General Statistics Office of Vietnam, MUFG Bank Economic Research Office

Vietnam: Industrial Production



Source: General Statistics Office of Vietnam, MUFG Bank Economic Research Office

6. Vietnam

Vietnam Major Economic Indicators

	2020	2021	2022	22Q2	Q3	Q4	23Q1	FEB-23	MAR	APR	MAY
Nominal GDP (USD bn)	347	366	409								
Population (person mn)	97.6	98.5	99.5								
GDP Per Capita (USD)	3,552	3,717	4,110								
Real GDP Growth Rate (YoY, %)	(2.9)	(2.6)	(8.0)	(7.8)	(13.7)	(5.9)	(3.3)				
Industrial Production Index (YoY, %)	(3.4)	(4.8)	(7.8)	(19.6)	(23.3)	(8.1)	(-12.8)	(3.6)	(-1.6)	(0.5)	(0.1)
Domestic Motor Vehicle Sales (Unit)	284,150	276,910	358,063	99,670	79,484	93,112	60,800	20,536	26,266	20,667	
(YoY, %)	(-7.1)	(-2.5)	(29.3)	(44.2)	(130.6)	(-13.1)	(-29.1)	(-2.7)	(-25.0)	(0.0)	
Consumer Price Index (YoY, %)	(3.2)	(1.8)	(3.2)	(3.0)	(3.3)	(4.4)	(4.2)	(4.3)	(3.4)	(2.8)	(2.4)
Exports (fob) (USD mn)	282,629	336,167	371,715	97,185	95,817	88,726	79,372	26,052	29,709	27,864	29,050
(YoY, %)	(6.9)	(18.9)	(10.6)	(21.5)	(16.4)	(-6.9)	(-11.8)	(11.6)	(-14.5)	(-16.2)	(-5.9)
Imports (cif) (USD mn)	262,691	332,843	359,575	97,820	90,071	83,488	74,530	23,253	28,322	25,208	26,810
(YoY, %)	(3.7)	(26.7)	(8.0)	(16.0)	(7.4)	(-5.7)	(-15.5)	(-8.1)	(-13.1)	(-23.1)	(-18.4)
Trade Balance (USD mn)	19,938	3,324	12,140	-635	5,747	5,238	4,842	2,799	1,387	2,657	2,240
Current Account Balance (USD mn)	15,060	-7,754	-1,074	-4,963	1,661	3,905					
Total Reserves Minus Gold (USD mn) ©	94,834	109,371	86,540	103,262	87,584	86,540		87,645			
Refinancing Rate ©	4.00	4.00	6.00	4.00	5.00	6.00	6.00	6.00	6.00	5.50	5.00
Exchange Rate (USD/VND)*	23,223	22,934	23,429	23,082	23,469	24,309	23,572	23,632	23,608	23,471	23,465
Stock Index ©	1,103.87	1,498.28	1,007.09	1,197.60	1,132.11	1,007.09	1,064.64	1,024.68	1,064.64	1,049.12	1,075.17

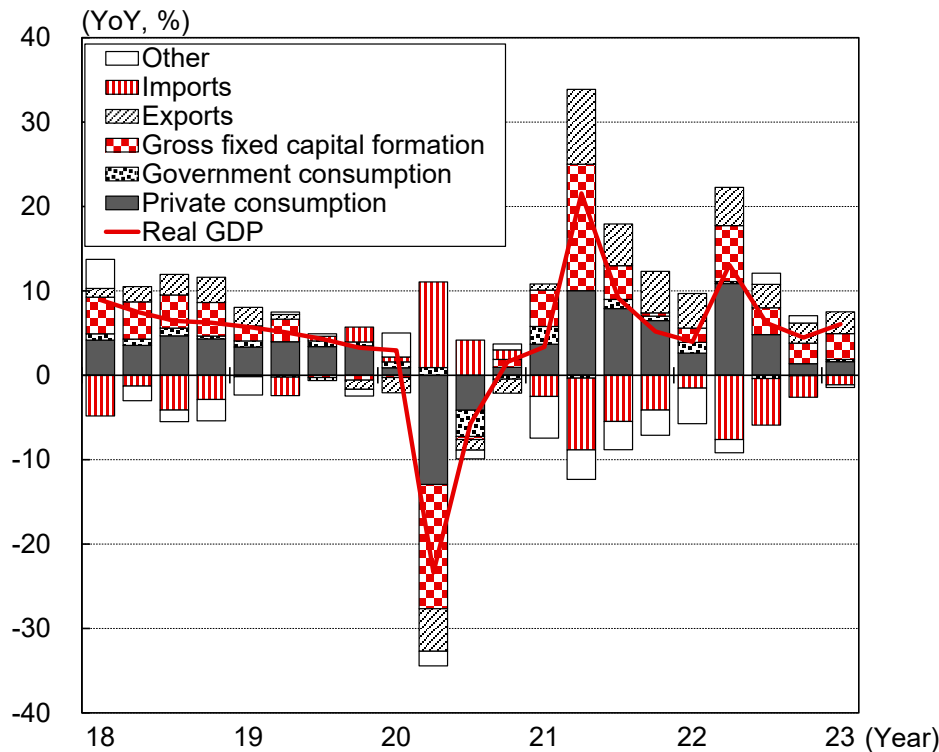
Note: *Average value during the period, ©End-of-period values

Source: General Statistics Office of Vietnam, State Bank of Vietnam (SBV), IMF, CEIC, MUFG Bank Economic Research Office

7. India

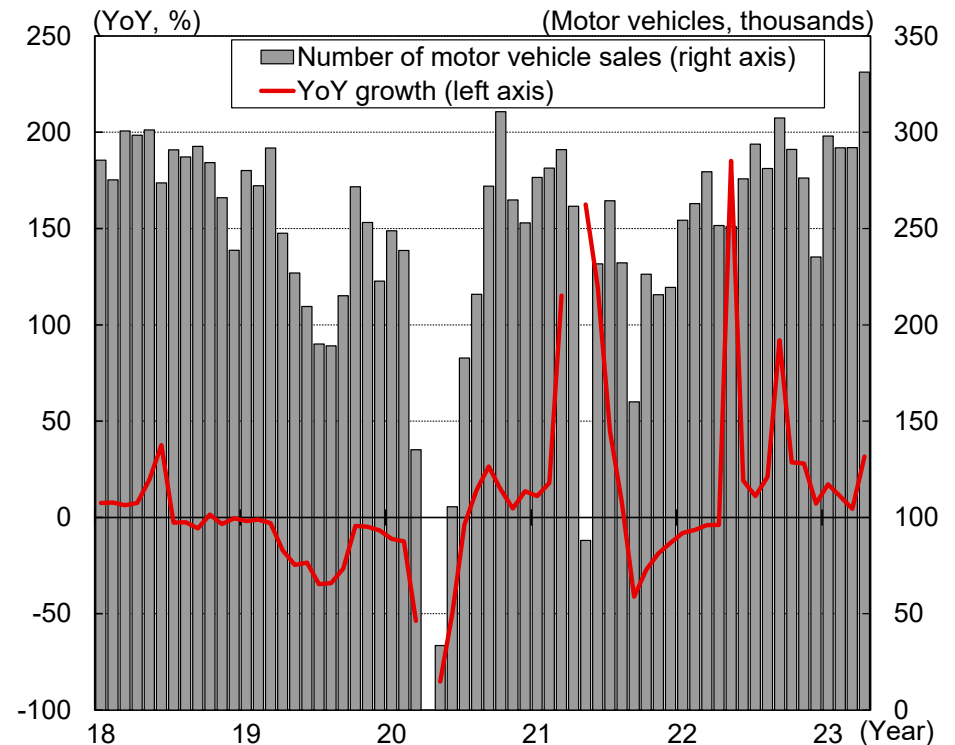
- The real GDP growth rate for the January-March quarter accelerated to 6.1% YoY from 4.5% YoY the previous quarter. Although growth of private consumption remained at a low rate (2.8% YoY), gross fixed capital formation was strong at 8.3% YoY.
- The number of passenger vehicle sales was 331,000 (31.7% YoY) in April – the highest number in April since records began. Consumer sentiment is improving after it fell during the pandemic, despite inflation and interest rate hikes, and passenger vehicle sales continue to recover at a robust pace.
- The Reserve Bank of India (the central bank of India) decided to maintain its policy rate at its meeting in April. The Bank has carried out rate hikes at six consecutive meetings since last year, but has paused to ascertain their effects.

India: Real GDP



Source: Government of India Central Statistics Office (CSO),
MUFG Bank Economic Research Office

India: Passenger Vehicle Sales



Source: Society of Indian Automobile Manufacturers, MUFG Bank Economic Research Office

7. India

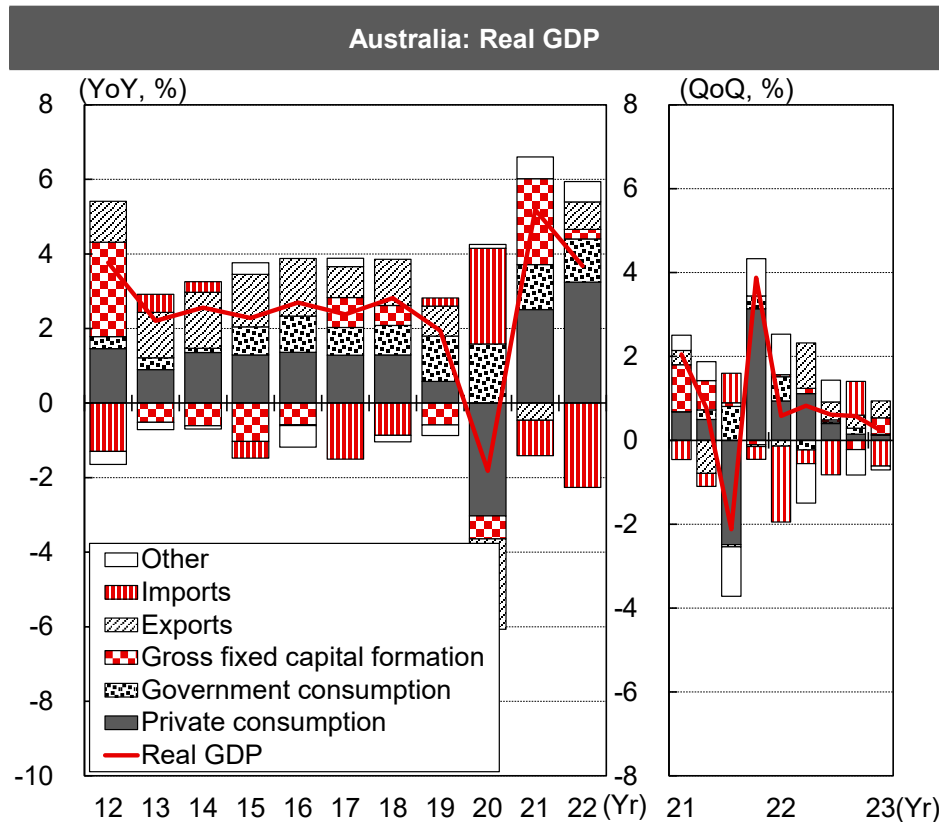
India Major Economic Indicators											
	FY2020	FY2021	FY2022	22Q2	Q3	Q4	23Q1	FEB-23	MAR	APR	MAY
Nominal GDP (USD bn)	2,672	3,151	3,391								
Population (person mn)	1,355	1,369	1,383								
GDP Per Capita (USD)	1,971	2,302	2,452								
Real GDP Growth Rate (YoY, %)	(-5.8)	(9.1)	(7.2)	(13.1)	(6.2)	(4.5)	(6.1)				
Industrial Production Index (IPI) (YoY, %)	(-8.5)	(11.4)	(5.1)	(12.8)	(1.6)	(2.8)	(4.0)	(5.8)	(1.1)		
Motor Vehicle Sales: Passenger Vehicle (PV) (YoY, %)	2,487,348	2,696,219	3,345,589	778,421	882,464	802,653	882,051	291,928	292,030	331,278	
Wholesale Price Index (YoY, %)	(-6.1)	(8.4)	(24.1)	(33.9)	(34.4)	(21.4)	(10.7)	(11.0)	(4.5)	(31.7)	
Consumer Price Index (YoY, %)	(1.3)	(13.0)	(9.4)	(16.1)	(12.4)	(6.6)	(3.3)	(3.9)	(1.3)	(-0.9)	
Exports (fob) (USD mn) (YoY, %)	(6.2)	(5.5)	(6.7)	(7.3)	(7.0)	(6.1)	(6.2)	(6.4)	(5.7)	(4.7)	
Imports (cif) (USD mn) (YoY, %)	291,808	422,004	450,428	120,983	110,744	104,557	114,143	36,995	41,368	34,660	
Trade Balance (USD mn)	(-6.9)	(44.6)	(6.7)	(26.6)	(7.8)	(-2.1)	(-2.4)	(-0.4)	(-7.2)	(-12.7)	
Current Account Balance (USD mn)	394,436	613,052	714,043	183,539	189,023	176,080	165,401	53,160	60,013	49,900	
Total Reserves Minus Gold (USD mn)©	(-16.9)	(55.4)	(16.5)	(44.5)	(28.1)	(5.4)	(-3.6)	(-4.9)	(-4.9)	(-14.1)	
Repo Rate(%) ©	-102,627	-191,048	-263,615	-62,556	-78,278	-71,523	-51,258	-16,165	-18,645	-15,240	
Exchange Rate (USD/INR)*	24,011	-38,691		-17,952	-30,850	-18,227					
Stock Index ©	543,284	564,868	533,280	548,774	495,189	521,419	533,280	521,183	533,280	544,546	
	4.00	4.00	6.50	4.90	5.90	6.25	6.50	6.50	6.50	6.50	6.50
	74.20	74.51	80.39	77.25	79.81	82.20	82.26	82.61	82.29	82.02	82.34
	49,509	58,569	58,992	53,019	57,427	60,841	58,992	58,962	58,992	61,112	62,622

Note: *Average value during the period, ©End-of-period values.

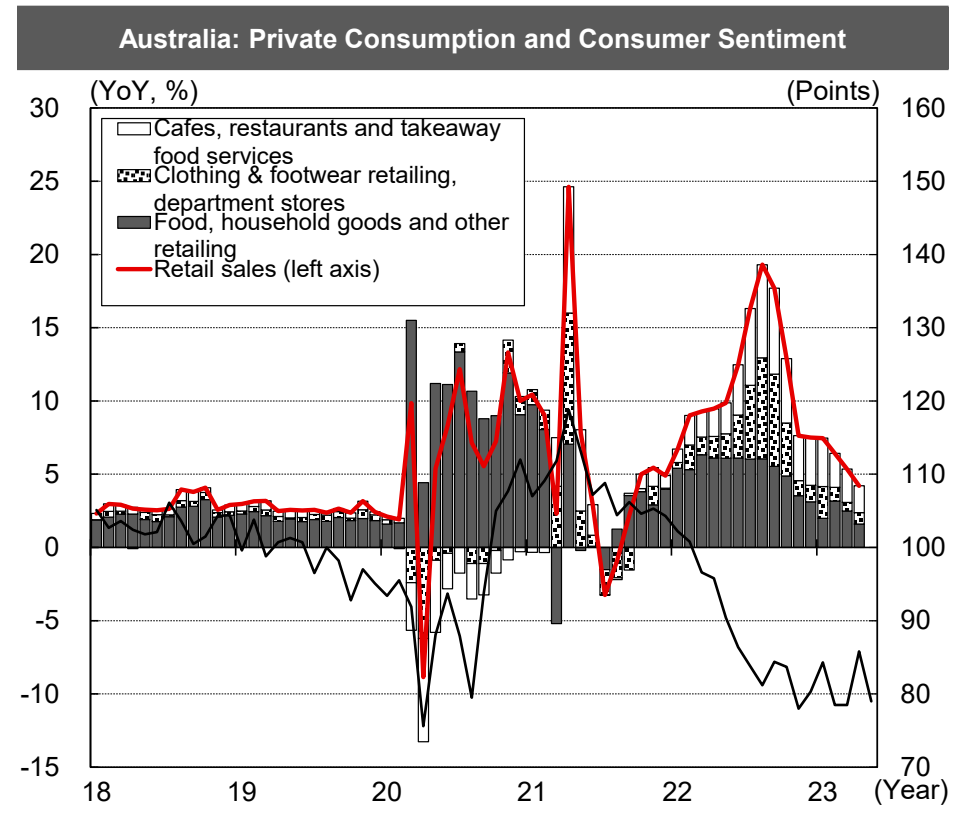
Source: Reserve Bank of India (RBI), Central Statistics Office, CEIC, MUFG Bank Economic Research Office

8. Australia

- Although real GDP growth slowed to 0.2% QoQ from 0.6% QoQ the previous quarter, the growth rate remained positive. Private consumption decelerated to 0.2% YoY due to the impact of high inflation and interest rates. Exports increased 1.8% YoY, but they were surpassed by the rise in imports, resulting in negative net exports. Meanwhile, gross fixed capital formation picked up (1.8% YoY) and underpinned overall growth.
- In April, retail sales slowed to 4.2% YoY but growth is robust and is still faster than it was before the pandemic. The most recent result for the Consumer Sentiment Index shows a decline on the back of more rate hikes, but on average sentiment remains level.
- The Reserve Bank of Australia raised its policy rate in June (3.85% → 4.1%). The Bank postponed raising interest rates at its meeting in April; however, in light of the persistently high inflation, it decided to raise rates for the second consecutive month after it raised them in May.



Source: Australian Bureau of Statistics, MUFG Bank Economic Research Office



Source: Australian Bureau of Statistics, MUFG Bank Economic Research Office

8. Australia

Australia Major Economic Indicators

	2020	2021	2022	22Q2	Q3	Q4	23Q1	FEB-23	MAR	APR	MAY
Real GDP Growth Rate (YoY, %) ○	-1.8	5.2	3.7	3.1	6.0	2.6	2.3				
Real Retail Sales (AUD bn) ○	351	370	412	102	105	106	105	34	35	35	35
(YoY, %)	(6.6)	(5.3)	(11.3)	(10.6)	(17.8)	(9.3)	(6.4)	(7.5)	(7.5)	(6.4)	(5.4)
Motor Vehicle Sales (Unit) ○	916,968	1,049,831	1,081,429	275,422	273,272	270,299	269,002	87,920	84,873	86,878	97,251
(YoY, %)	(-13.7)	(14.5)	(3.0)	(-9.3)	(9.9)	(15.7)	(2.5)	(12.1)	(11.9)	(1.8)	(-3.9)
No. of dwelling units approved ○	186,961	227,856	190,903	48,657	48,205	46,865	37,635	16,709	12,284	12,738	12,613
(YoY, %)	(5.9)	(21.9)	(-16.2)	(-19.9)	(-13.5)	(-5.2)	(-19.9)	(-3.1)	(-7.2)	(-31.0)	(-17.6)
Unemployment Rate (%) ○	6.5	5.1	3.7	3.8	3.5	3.5	3.6	3.5	3.7	3.6	3.5
Wage Price Index (excluding bonuses, YoY, %) ○	(1.7)	(2.0)	(2.9)	(2.6)	(3.2)	(3.4)	(3.6)				
Consumer Price Index (YoY, %)	(0.8)	(2.9)	(6.6)	(6.1)	(7.3)	(7.8)	(7.0)				
Exports (AUD bn) ○	436	520	670	173	171	174	175	58	59	57	59
(YoY, %)	(-11.3)	(19.1)	(29.0)	(34.0)	(24.8)	(30.1)	(16.1)	(26.5)	(18.3)	(13.2)	(16.5)
Imports (AUD bn) ○	365	399	530	130	141	136	135	45	48	43	44
(YoY, %)	(-14.3)	(9.5)	(32.7)	(34.1)	(41.5)	(24.8)	(10.1)	(13.3)	(28.1)	(-2.2)	(6.2)
Trade Balance (AUD bn) ○	72	120	140	43	30	38	40	13	11	14	15
Current Account Balance (AUD bn) ○	45	66	26	12	- 1	12	12				
Total Reserves Minus Gold (AUD mn) ◎	39,152	53,790	53,385	49,741	49,966	53,385	51,978	53,385	53,440	50,720	51,978
Interest Rate (%) ◎	0.10	0.10	3.10	0.85	2.35	3.10	3.60	3.10	3.10	3.35	3.60
Three-month Rate (%) ◎	0.01	0.07	3.27	1.84	3.06	3.27	3.71	3.27	3.34	3.57	3.71
10-Year Gov. Bond Yield (%) ◎	0.97	1.68	4.05	3.67	3.89	4.05	3.30	4.05	3.55	3.85	3.30
Exchange Rate (AUD/USD)*	0.691	0.751	0.695	0.715	0.684	0.657	0.684	0.675	0.695	0.691	0.669
Stock Index ◎	6,587	7,445	7,039	6,568	6,474	7,039	7,178	7,039	7,477	7,258	7,178

Note: *Average value during the period, ◎End-of-period values, ○ seasonally adjusted

Source: Australian Bureau of Statistics, Reserve Bank of Australia, Federal Chamber of Automotive Industries, Bloomberg, MUFG Bank Economic Research Office

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