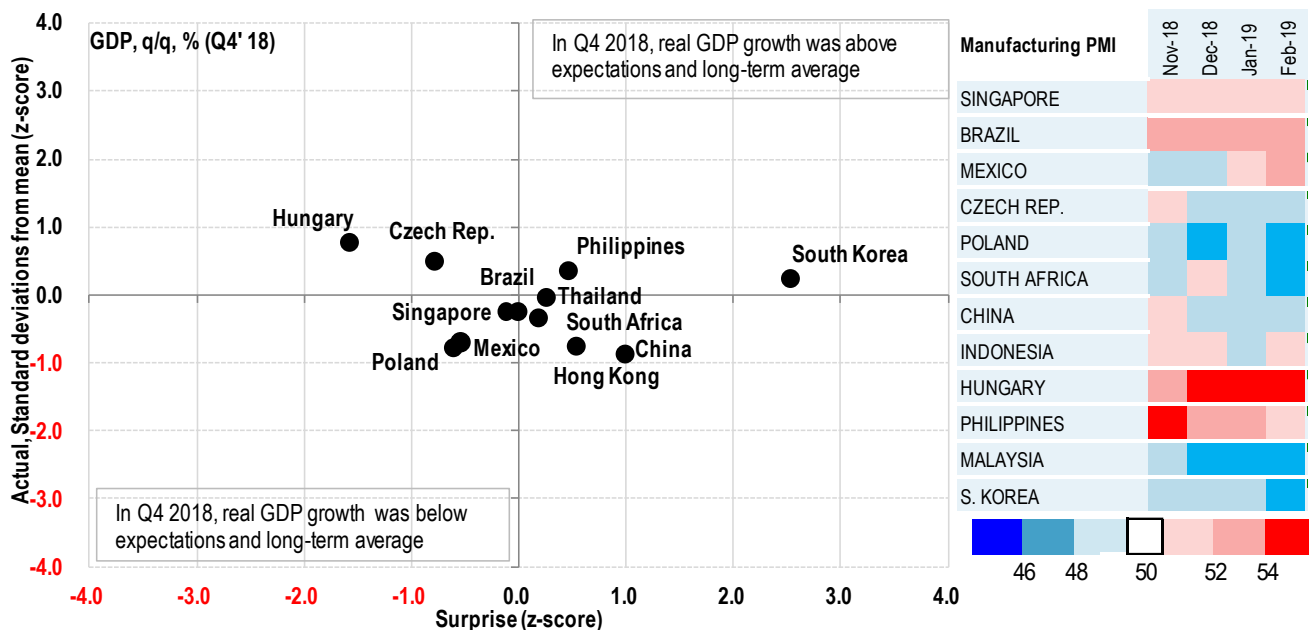


Pulse

South Korea: Expected slowdown in 2019

In South Korea, real GDP growth reached 3.1% in Q4 18, driven by the set of supportive measures implemented by the government. Real GDP growth should slow in the first quarter of 2019: the direct effect of US-China trade tensions would be limited (as intermediate goods destined for the US but exported via China account for a small proportion of its total exports), but the indirect effects could be significant for Korea's export sector, particularly semiconductors. All in all, we expect real GDP growth to slow to 2.5% in 2019 (after 3.1% in 2018).



Source: Bloomberg, Markit, BNP Paribas

Indicators preview

Next week is purchasing managers week with the Markit PMIs (manufacturing and composite) in several countries as well as the ISM manufacturing and non-manufacturing in the US. More important than ever after the very poor data for the month of March will be the non-farm payroll numbers in the US. Another big negative surprise would undoubtedly cause a reassessment of the near term economic outlook. Also worth noting are US retail sales and the Tankan survey in Japan.

Date	Country/Region	Event	Period	Surv(M)	Prior
04/01/19	Japan	Tankan Large Manufacturing Index	1Q	13	19
04/01/19	France	Markit France Manufacturing PMI	Mar.	--	49.8
04/01/19	Eurozone	Markit Eurozone Manufacturing PMI	Mar.	--	47.6
04/01/19	Eurozone	Unemployment Rate	Feb.	--	7.8%
04/01/19	United States	Retail Sales Control Group	Feb.	0.2%	1.1%
04/01/19	United States	ISM Manufacturing	Mar.	54.4	54.2
04/02/19	United States	Durable Goods Orders	Feb.	-1.1%	0.3%
04/03/19	France	Markit France Composite PMI	Mar.	--	48.7
04/03/19	Eurozone	Markit Eurozone Composite PMI	Mar.	--	51.3
04/03/19	United States	ISM Non-Manufacturing Index	Mar.	58.0	59.7
04/05/19	United States	Change in Nonfarm Payrolls	Mar.	175000	20000

Source: Bloomberg, BNP Paribas

