

Outlook for Asia

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Table 1 Economic Growth 2004-2007

Year	2004			2005			2006			2007
	ADB	IMF	CE	ADB	IMF	CE	ADB	IMF	CE	ADB
East Asia	7.8			6.7			7.0			7.2
China	9.5	9.5	9.5	8.5	8.5	8.4	8.7	8.0	7.8	8.9
HongKong	8.1		7.9	5.7		4.6	4.1		4.3	5.6
Korea	4.6		4.6	4.1		3.0	5.1		4.7	4.9
Taiwan	5.7		5.7	4.2		4.2	4.5		4.3	4.6
Southeast Asia	6.3			5.4			5.6			5.9
Indonesia	5.1	5.1	5.1	5.5	5.5	5.4	6.0	6.0	5.7	6.5
Malaysia	7.1	7.1	7.1	5.7	6.0	5.4	5.3	6.2	5.7	5.8
Philippines	6.1	6.1		5.0	4.7		5.0	4.5		5.0
Singapore	8.4			4.1		4.2	4.5		4.8	4.4
Thailand	6.1	6.1		5.6	5.6	5.4	5.8	6.2	5.6	6.0
South Asia	6.4			6.7			6.2			6.9
Bangladesh	5.5	5.4		5.3	5.5		6.0	5.9		6.0
India	6.5	7.3		6.9	6.7		6.1	6.4		7.0
Pakistan	6.4	6.5		7.0	6.7		7.0	6.3		7.5
Sri Lanka	5.5	5.2		5.2	5.3		5.8	6.0		5.9

Legend: ABD - Asian Development Bank, IMF - International Monetary Fund World Economic Outlook and CE - Consensus Economics

Table 2 Inflation 2004-2007

Year	2004			2005			2006			2007
	ADB	IMF	CE	ADB	IMF	CE	ADB	IMF	CE	ADB
East Asia										
China	3.9	3.9	3.9	3.6	3.0	3.2	3.3	2.5	3.1	3.2
HongKong	-0.4		-0.4	1.5		1.2	1.6		2.1	2.1
Korea	3.6		3.6	3.0		3.1	3.3		3.1	3.6
Taiwan	1.6		1.6	1.7		1.5	1.5		1.6	1.5
Southeast Asia										
Indonesia	6.2	6.1	6.1	5.9	7.0	7.0	5.4	6.5	6.1	5.5
Malaysia	1.4	1.4	1.3	2.4	2.5	2.1	2.5	2.5	2.1	2.5
Philippines	5.5	5.5		6.5	6.8		6.0	4.9		5.5
Singapore	1.7		1.7	1.4		1.5	1.2		1.7	1.2
Thailand	2.7	2.7	2.8	3.5	2.9	3.0	3.0	2.1	2.7	2.5
South Asia										
Bangladesh	5.8	6.1		7.0	5.7		6.0	4.5		5.0
India	6.0	3.8		4.2	4.0		3.0	3.6		3.6
Pakistan	4.6	6.7		7.5	7.9		5.0	6.5		5.0
Sri Lanka	7.9	7.6		12.0	12.0		9.0	7.5		7.5

Legend: ABD - Asian Development Bank, IMF - International Monetary Fund World Economic Outlook and CE - Consensus Economics

Table 3 Current Account Balance as % of GDP 2004-2007

Year	2004			2005			2006			2007
	ADB	IMF	CE	ADB	IMF	CE	ADB	IMF	CE	ADB
East Asia										
China	3.3	4.2		1.2	4.2		0.4	4.0		-0.2
HongKong	9.7			7.7			7.3			5.4
Korea	4.0			3.9			3.5			2.8
Taiwan	6.2			6.8			6.7			6.3
Southeast Asia										
Indonesia	2.6	2.8		2.1	2.2		1.5	0.9		1.0
Malaysia	12.5	13.3		10.2	13.6		8.3	12.2		6.7
Philippines	2.4	4.6		3.0	2.6		2.2	2.0		2.0
Singapore	26.1			26.1			25.7			26.2
Thailand	4.5	4.5		2.3	2.0		1.3	1.4		1.3
South Asia										
Bangladesh	0.2	-1.2		-1.0	-2.4		-1.0	-2.5		-1.5
India	-1.0	0.3		-1.0	-0.3		-1.4	-0.3		-1.9
Pakistan	1.9	0.3		-1.7	-1.2		-1.6	-0.8		-1.9
Sri Lanka	-3.2	-3.2		-5.8	-5.3		-5.2	-4.2		-3.0

Legend: ABD - Asian Development Bank, IMF - International Monetary Fund World Economic Outlook and CE - Consensus Economics

Table 4 Baseline Growth, Trade and Oil Price Assumptions 2004-2007

GDP Growth	2004	2005	2006	2007
Industrial countries	3.5	2.5	2.5	2.4
United States	4.0	3.7	3.4	3.1
Japan	2.7	1.1	1.3	1.3
Euro zone	2.0	1.6	1.8	2.1
Brent crude oil price/barrel in US\$	38.0	41.0	39.0	37.0
World trade volume (% change)	10.2	7.4	6.0	6.0

Source: Asian Development Bank, Asian Development Outlook 2005

Table 5 Export Growth 2004-2007

Year	2004	2005	2006	2007
East Asia				
China	35.4	20.4	14.8	12.5
HongKong	15.9	12.2	12.3	14.2
Korea	30.6	11.8	9.6	9.0
Taiwan	20.7	12.1	8.2	9.5
Southeast Asia				
Indonesia	9.4	6.0	7.0	8.0
Malaysia	20.5	12.0	10.2	12.6
Philippines	9.6	8.0	8.0	7.0
Singapore	24.2	8.0	8.0	8.0
Thailand	23.0	10.0	5.0	8.0
South Asia				
Bangladesh	15.9	15.0	10.0	8.0
India	23.2	14.1	13.8	13.2
Pakistan	13.5	11.0	10.0	10.0
Sri Lanka	12.7	9.0	11.0	12.0

Source: Asian Development Bank, Asian Development Outlook 2005

Table 6 Effects of a *Temporary* increase of oil prices by \$10 per barrel in deviations from Baseline on GDP (% points), Inflation (% points) and Current Account (% of GDP)

Year	2004			2005			2006		
	GDP	Inflation	CA	GDP	Inflation	CA	GDP	Inflation	CA
East Asia									
China	-0.2	0.1	-0.4	-0.4	0.3	0.4	-0.1	-0.1	0.6
HongKong	-0.1	0.1	-0.2	-0.4	0.1	-0.3	-0.6	-0.1	0.1
Korea	-0.1	0.3	-0.9	-0.2	0.2	0.1	-0.3	0.2	-0.1
Taiwan	-0.1	0.2	-0.7	-0.2	0.1	-0.7	-0.1	0.1	-0.1
Southeast Asia									
Indonesia	-0.1	0.4	0.9	-0.9	0.2	0.1	-0.4	0.3	0.1
Malaysia	-0.3	0.7	-0.2	-0.6	0.4	0.6	-0.4	0.3	-0.2
Philippines	-0.3	0.8	-0.8	-0.7	0.6	0.4	-0.3	0.5	0.1
Singapore	-0.3	0.7	-0.9	-0.1	0.4	0.3	0.1	0.2	-0.3
Thailand	-0.4	0.8	-1.1	-0.6	0.6	0.2	0.2	0.6	-0.1

Source: Citigroup estimates based on Oxford Economic Forecasting model. No estimates are available for South Asia from this model.

Table 7 Effects of a *Permanent* increase of oil prices by \$10 per barrel in deviations from Baseline on GDP (% points), Inflation (% points) and Current Account (% of GDP)

Year	2004			2005			2006		
	GDP	Inflation	CA	GDP	Inflation	CA	GDP	Inflation	CA
East Asia									
China	-0.2	0.1	-0.4	-0.7	-0.5	-0.1	-1.0	0.5	0.7
HongKong	-0.1	0.1	-0.2	-0.6	0.3	-0.7	-1.5	0.2	-0.6
Korea	-0.1	-0.8	-0.9	-0.4	0.3	-0.9	-0.8	0.8	-0.8
Taiwan	-0.1	0.2	-0.7	-0.4	0.4	-0.6	-0.6	0.5	-0.6
Southeast Asia									
Indonesia	-0.1	0.4	0.9	-1.1	0.9	1.3	-1.9	1.2	1.5
Malaysia	-0.3	0.7	-0.2	-1.1	1.5	0.4	-1.8	1.9	0.0
Philippines	-0.3	0.8	-0.8	-1.3	1.7	-0.6	-1.8	2.3	-0.5
Singapore	-0.3	0.7	-0.9	-0.6	1.5	-1.0	-0.4	1.8	-1.3
Thailand	-0.4	0.8	-1.1	-1.3	1.8	-1.2	-1.3	2.6	-1.2

Source: Citigroup estimates based on Oxford Economic Forecasting model. No estimates are available for South Asia from this model.