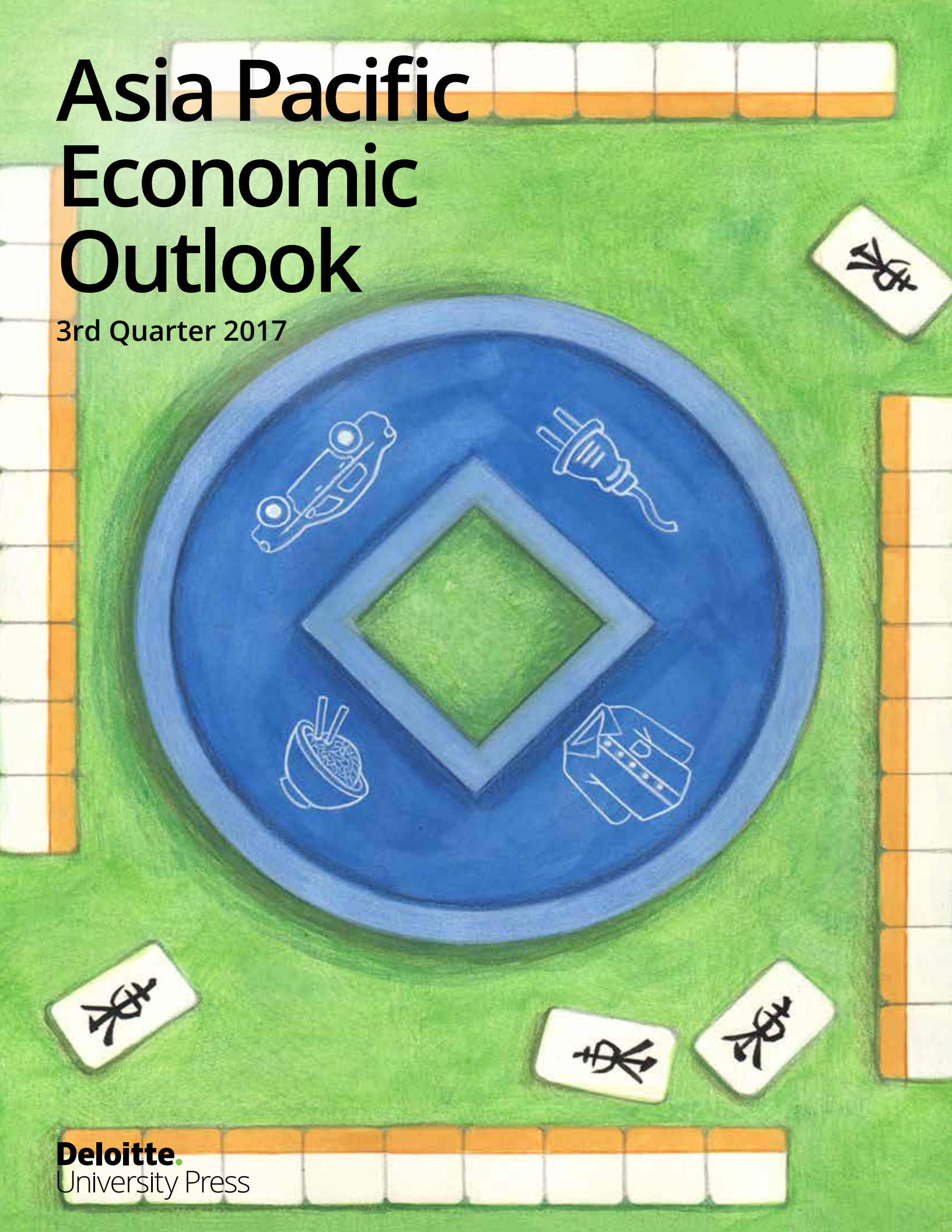
Asia Pacific Economic Outlook

3rd Quarter 2017



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CONTENTS

With exports driving growth last year and signs of global recovery becoming more visible, Australia seems to be moving toward better days. However, the economy has been facing challenges related to its labor market and domestic demand.

Australia

Gearing up for better days, but challenges linger

By Rumki Majumdar

Introduction

With signs of global recovery recently becoming more visible, Australia is probably moving toward better days ahead. Despite a weak Q3, the economy grew at 2.5 percent in 2016.[1] Exports were the primary driver of growth in the economy last year. With iron ore, coal, and liquefied natural gas (LNG) constituting 54 percent of exports in 2016, Australia's exports benefitted from the steady revival of commodity prices through the year. China's rising demand for commodities and a gradual recovery in global growth resulted in a strong pickup in export volume as well. In addition, the continued depreciation of the Australian dollar (AUD) since 2014 has boosted services exports, especially in tourism and education, resulting in an improved services trade balance.

The strong momentum in exports has continued in 2017 as well and is expected to remain throughout this year. With LNG capacity set to increase over the next couple of years, export volumes will likely be supported by increased production. Iron ore export volumes are likely to improve, supported by low-cost producers. The Australian dollar is expected to remain competitive and will likely boost the services sector further. All these bode well for the trade balance, which went into a surplus in November 2016 and touched a record-high value in February this year. The surplus has remained elevated since then.

Still battling the same challenges

Australia's economic performance is highly dependent on commodity exports, making it vulnerable to fluctuations in commodity prices. The increase in global commodity prices in 2016 contributed to a pickup in economic growth; with prices expected to remain stagnant in the coming years, there are downside risks to the nation's growth, inflation, and currency. Additionally, Australia depends greatly on China for its exports, making it vulnerable to the latter's economic performance. The latest data suggest that China's growth has slowed from its recent bounce, and the economy may see a further slowdown.

The economy, which has not seen a recession in the past 25 years, has been facing challenges in improving its labor market and domestic demand for a while now. The labor market remains weak, as the unemployment rate has steadily edged up in recent months to 5.9 percent. Growth in part-time employment remains high, and average work hours are at historical low levels. Wage growth has continued to slow over the past few years, as spare capacity in the labor market due to structural changes in the economy and technology disruptions is weakening workers' bargaining power. Stagnant household disposable income has resulted in a steady decline in the savings rate.

The weakness in the labor market has been impacting household spending; recent monthly reports indicate slowing retail trade and residential construction activity in Q1 2017. Dwelling unit approvals have fallen, and residential investment spending is low. While low interest rates should continue to support demand for housing, the ability of households to borrow is limited due to their existing high debt. In addition, new prudential measures by the government might lead to a tightening in lending standards and slow credit growth. A slowing labor-intensive construction sector will likely put further pressure on the labor market.

Growth in private business investment has been in negative territory since Q1 2013. Until Q3 2016, contractions were increasing with every passing quarter, as investment in nonmining sectors has failed to compensate for the slack created by falling investment in the mining and energy extraction sector. However, the contraction has been decreasing in the last two quarters. Most of the decline in mining investment may have already happened, which implies that the drag on GDP growth will dissipate over the next couple of years.

The economy, which has not seen a recession in the past 25 years, has been facing challenges in improving its labor market and domestic demand for a while now.

Among all the investment-grade nations, Australia has one of the worst net foreign liabilities (debt and investment). A significant proportion of the external debt has been intermediated by banks to fund unproductive household borrowing and housing investment during the 1990s and 2000s. Rapid growth in credit has led to rising household debt and house prices posing risks to banks' balance sheets, financial stability, and, thereby, real economic growth.

The big budget

The government, which was elected last year, addressed a few of these challenges and announced several policy initiatives during this year's budget. In order to check the deteriorating fiscal balance, it emphasized that it would need to improve its financial capacity. The government announced that it would target a fiscal balance surplus of AUD 7.4 billion in 2020–21, and it would no longer borrow to pay for everyday expenses from 2018–19.[2] Accordingly, new levies were imposed on banks, companies employing foreign skilled workers, and Medicare, which are

While the government announced a few cuts to welfare, it also allocated a significant amount to be spent on infrastructure, social security, and education.

expected to increase revenue by AUD 14 billion over the next four years.

While the government announced a few cuts to welfare, it also allocated a significant amount to be spent on infrastructure, social security, and education. The government pledged to spend AUD 75 billion on infrastructure over the next decade. The plan includes upgrades to highways, roads, and national rail programs across the country, as well as boosting solar and hydroelectric power. The government plans to build a second international airport in Sydney.[3]

Several measures were announced to tighten immigration rules for temporary skilled migrants, such as imposing levies on companies employing them, to increase job opportunities for Australians. There has been increased pressure on the government for a while on the issue of rising immigration. However, Australia still remains more open to globalization and free trade than many other countries.

A few tough rules were announced for foreign investors investing in the housing market in order to check house prices, which have been rising again since late 2016. At the same time, first-time home buyers were offered the option to save for a home using their superannuation fund. These measures may increase affordability and ensure a sustained boost to the housing market.

The budget, with a theme of "fairness, security, and opportunity," is likely to have some positive impact on the housing and labor market in the long run. However, the economy needs structural changes to counter the challenges it faces. Although it is likely to grow the fastest among all the Organisation for Economic Co-operation and Development countries in the next few years, risks to the performance will likely be to the downside.

ENDNOTES

1. All statistics are sourced from Oxford Economics and Haver Analytics unless otherwise stated.
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Contrary to expectations, Indonesia's growth story has been rather bleak. Will the government's recent efforts to boost infrastructure and foreign investments finally pay off?

Indonesia

GDP growth unlikely to shoot up in 2017

By Akrur Barua

Introduction

It's hard not to look at Indonesia's economy and expect more. With its favorable demographics, democratic institutions, and rich resources, it would be wrong to write off the country's potential. No wonder then, that, when President Joko "Jokowi" Widodo came to power, he put the country's growth target at 7.0 percent.[1] That target, however, has remained elusive. Growth has been steadily declining since 2008, when it was 7.4 percent, with the figure coming down to 5.0 percent in 2016.[2] So, will 2017 be any different? Will growth shoot up this year? We believe that is unlikely, despite the government's efforts to boost infrastructure and foreign investments, and a revival in exports.

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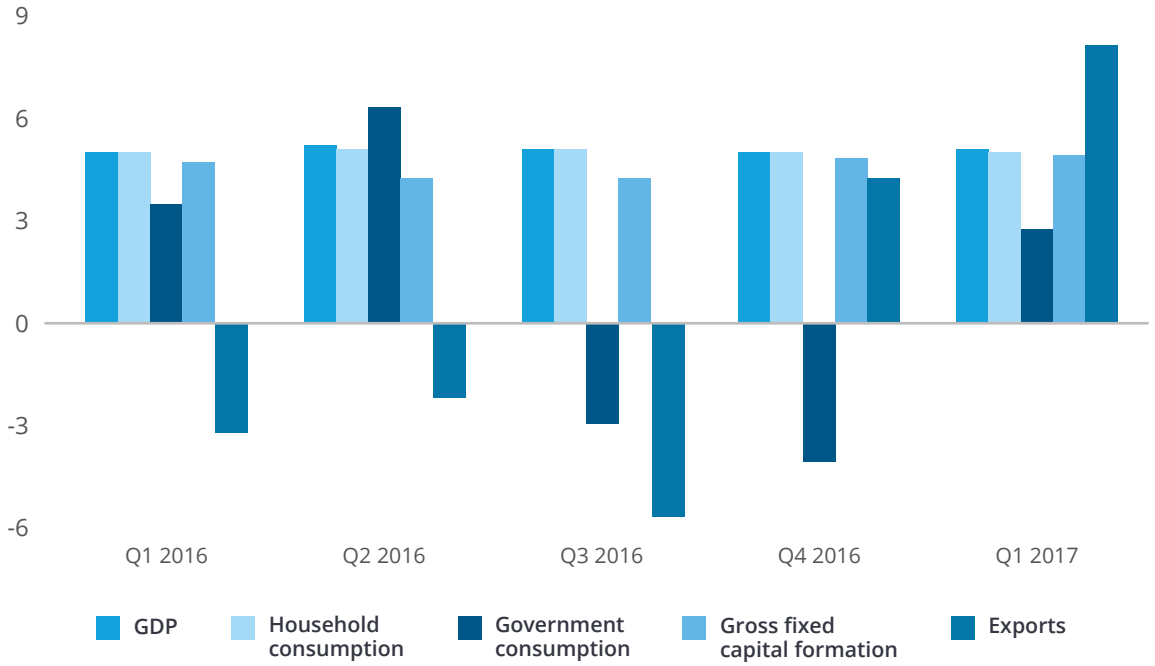
Figure 1. Real GDP expanded by 5.0 percent year over year in Q1 2017



Source: Haver Analytics; Deloitte Services LP economic analysis.

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GDP growth edges up marginally in Q1 2017

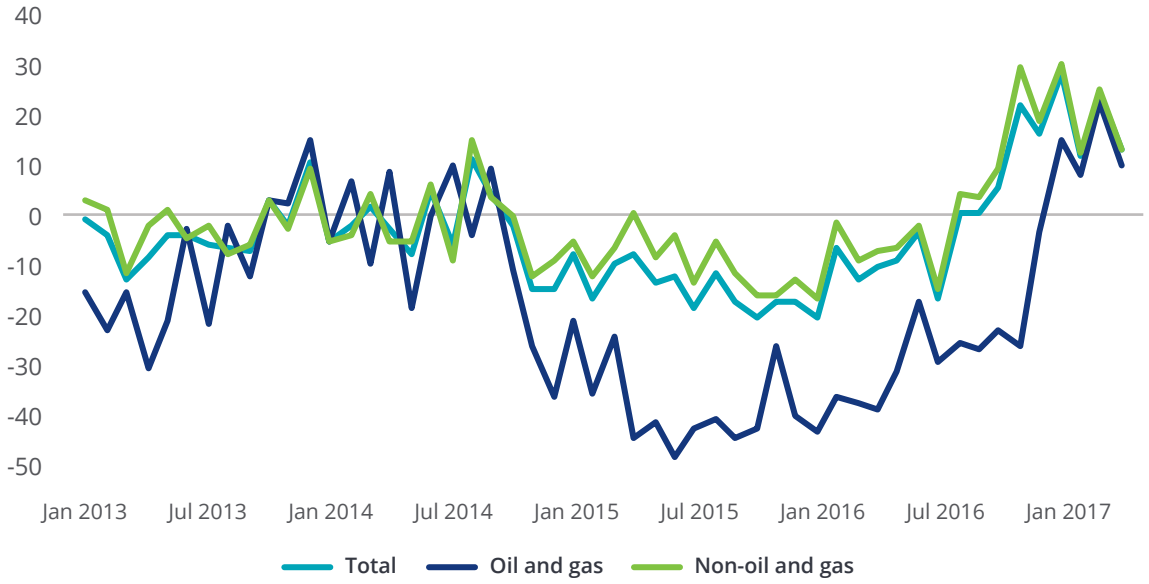
The economy grew by 5.0 percent year over year in Q1 2017, slightly above the 4.9 percent expansion in the previous quarter (figure 1). While growth in Q1 was healthy, the figure was below the government's 5.6 percent target for 2017.[3] Household consumption continues to be the key growth driver, expanding by 4.9 percent in Q1, although this was marginally below the previous quarter's 5.0 percent increase.

With inflation rising, households may face slower real income gains, thereby impacting spending. Retail sales volumes, for example, grew 4.8 percent in Q1, much lower than the previous quarter. Growth in fixed capital investments was modest at best during the quarter, despite a 5.9 percent rise in investment in buildings; growth in spending on machinery and equipment was weak at 1.4 percent. The economy did not find much support from government expenditure either. There was, however, good news from exports, which expanded 8.0 percent in Q1, the fastest pace of increase since Q4 2013.

Household consumption continues to be the key growth driver, expanding by 4.9 percent in Q1, although this was marginally below the previous quarter's 5.0 percent increase.

Figure 2. Merchandise exports in US dollars have been going up

Growth (year-over-year, %) in non-seasonally adjusted US$ value of merchandise exports



Source: Haver Analytics; Deloitte Services LP economic analysis.

A recovery in exports is good news for the economy

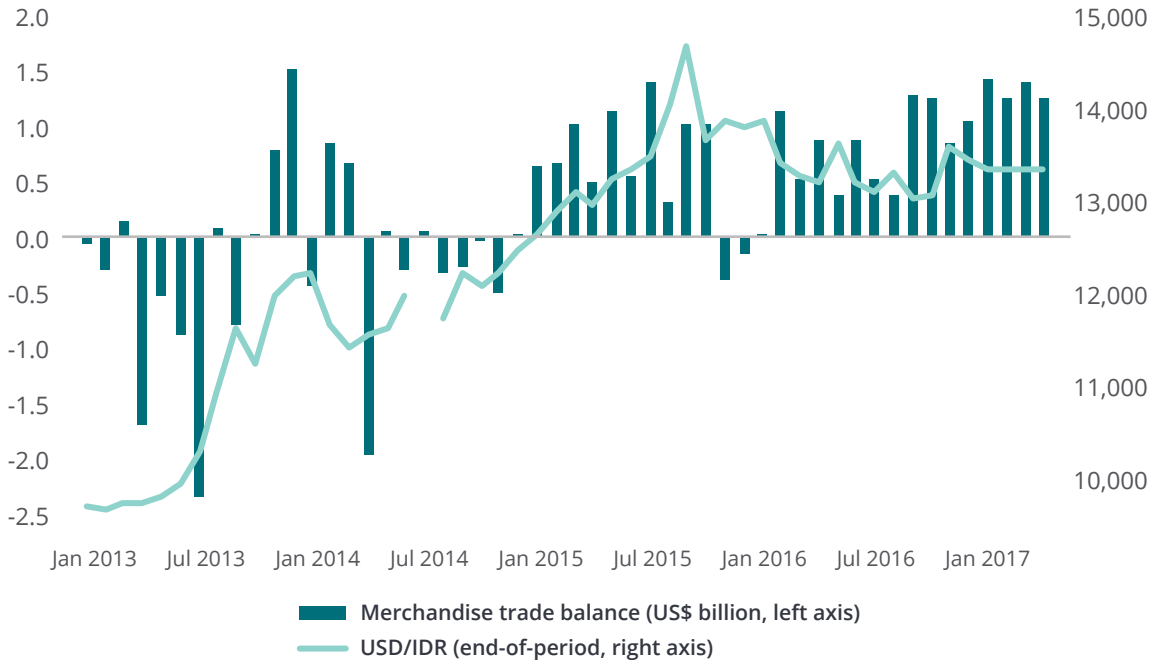
The recovery in real exports in Q1 was primarily driven by non-oil and gas exports (9.9 percent) and services (7.3 percent). In fact, merchandise exports volumes, after contracting for 10 quarters, have been growing since Q3 2016; in Q1 2017, volumes rose by 7.0 percent, followed by a 10.8 percent rise in April. The story has been similar for merchandise export values, which rose 21.0 percent in Q1 (figure 2). Within this recovery, the interesting thing to note is that the export value of oil and gas products rose 15.0 percent in Q1, despite a 2.0 percent drop in volumes. This points to the impact of higher hydrocarbon prices on exports. Other commodity exports have also benefitted from a similar trend—in Q1, the value of mining and related exports grew 31.3 percent, the fastest pace of growth since Q3 2011. What is more impressive, however, is that the current exports recovery is not driven by commodities alone—manufacturing export values, for example, grew 22.3 percent in Q1.

> Within the recovery, the interesting thing to note is that the export value of oil and gas products rose 15.9 percent in Q1 despite a 2.0 percent drop in volumes.

Some relief for external balances and the rupiah

Reviving exports augur well for external balances. The merchandise trade balance, after fluctuating above and below zero during 2012–15, has been

Figure 3. The rupiah has been stable this year



Source: Haver Analytics; Deloitte Services LP economic analysis.

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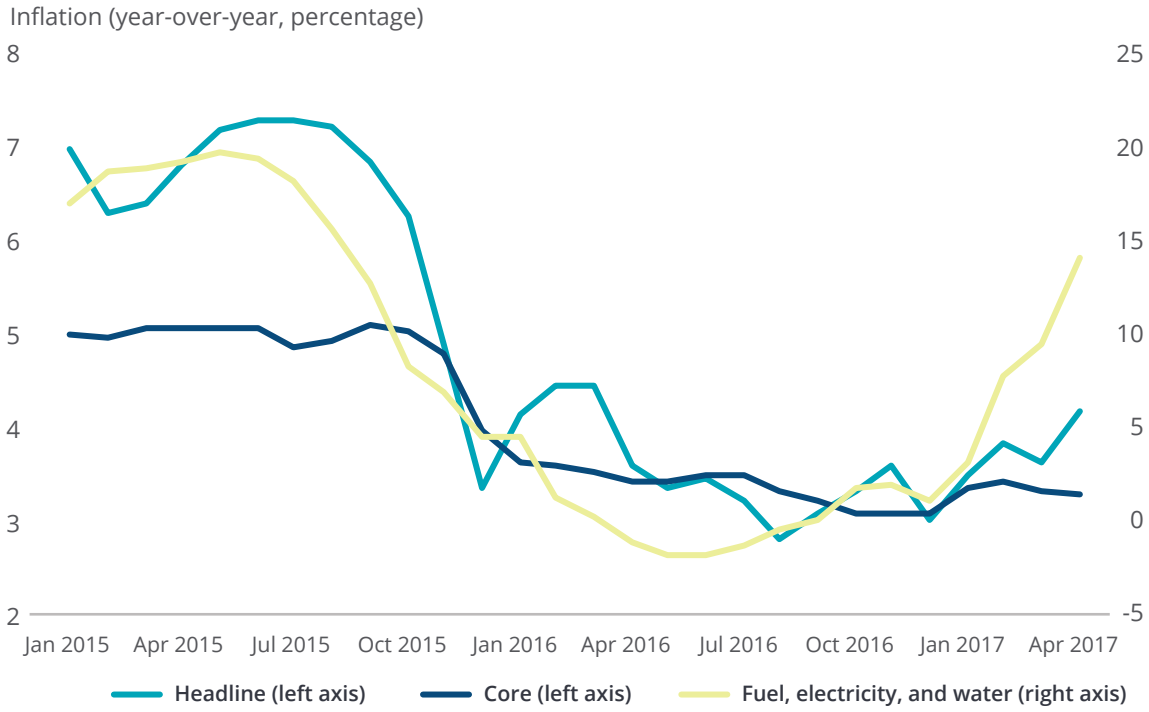
Figure 4. Inflation rose to 4.2 percent in April



Source: Haver Analytics; Deloitte Services LP economic analysis.

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improving steadily since Q1 2016 (figure 3). That, in turn, has benefitted the current account, where the deficit improved to 1.8 percent in 2016 from 3.2 percent in 2013; in Q1 2017, the non-seasonally adjusted deficit fell to 1.0 percent. Improvement in external balances has aided the rupiah, which has stabilized this year. As of May 17, the rupiah had gained 0.8 percent (year to date) against the US dollar, reversing some of its losses of 2016.

With the US Federal Reserve (Fed) poised to raise interest rates again—at least twice more this year—and Bank Indonesia (BI) likely to keep rates on hold in the near term, rising interest rate differentials may put pressure on the rupiah.[4] Adding to that is the risk from elevated foreign exposure in government debt—foreign holders account for 39.1 percent (as of April 2017) of total government securities. Given this scenario, a recovery in exports and consequently, external balances, is a big relief. If this recovery continues, it will help offset downward pressure on the rupiah in the near term.

BI unlikely to cut rates further

In its latest policy meeting in May, BI kept the policy rate on hold, continuing its wait-and-watch policy since October 2016. Last year, BI had gone on an easing spree, cutting the policy rate six times. As it plans its next move, BI will be looking closely at three factors. First, BI will be analyzing the lagged impact of lower interest rates on credit growth, which has been trending down over the past few years. BI will also be wary about a rise in commercial banks' nonperforming loans (NPLs). NPLs as a share of total commercial bank credit started edging up in 2014 and were at 3.2 percent in February. Second, BI will be looking closely at the impact of Fed rate moves on currency markets. Finally, BI will be wary of rising inflation, driven primarily by higher energy prices (figure 4). Inflation rose to 4.2 percent in April, the highest in a year. The figure, however, is within BI's 3.0–5.0 percent target range. In such a scenario, the central bank is unlikely to cut rates further and any change in its current monetary stance is not expected until Q4 2017.

Fiscal policy will not come to the rescue

With households likely to come under pressure from rising inflation and the central bank unlikely to ease monetary policy, the onus for any strong push for growth falls on the government. The government's hands, however, are tied by Indonesia's low tax base, a 3.0 percent upper bound (by law) for the fiscal deficit, and the absence of any one-time revenue inflow akin to the tax amnesty program in 2016.[5] Foreign investors—a key focus area for the president—are also not expected to ramp up spending sharply this year. In fact, in 2016, FDI realization at $29.0 billion was not much higher than what it was in 2014 ($28.5 billion) when President Jokowi came to power. While FDI in manufacturing rose sharply in 2016, restrictions on mining continue to weigh on foreign inflows into the sector. In such a scenario, it seems unlikely that the economy will expand at the targeted 5.6 percent in 2017. Growth is expected to end up in the 5.0–5.3 percent range. Although healthy, the figure is hardly reflective of Indonesia's true potential.

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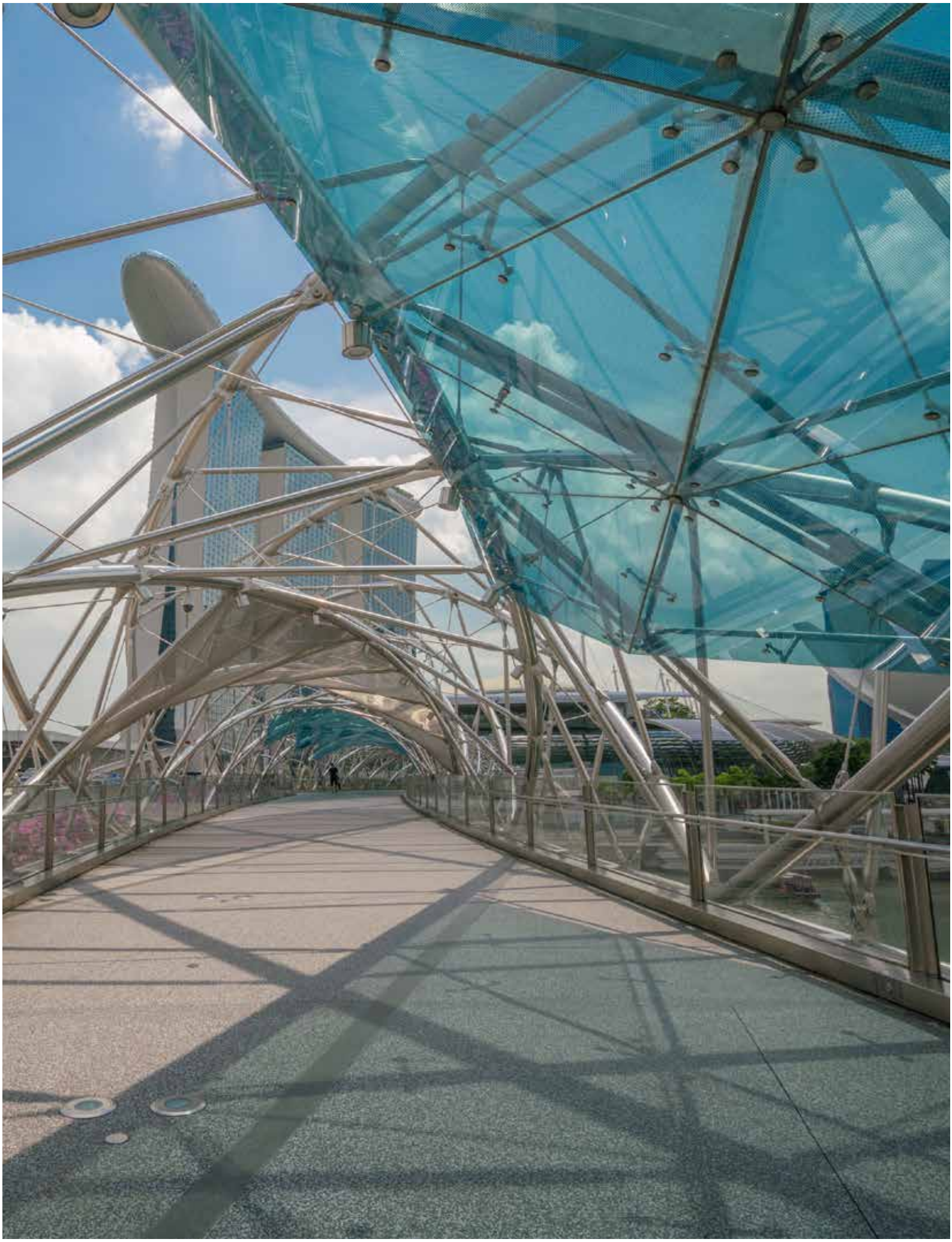


The Singapore government has a vision of transitioning to higher-value-added industries, and thus boosting productivity, by focusing on skill development, innovation, and global integration. However, this process is likely to face both external and internal challenges.

Singapore

Designing the future in the midst of uncertainty

By Lester Gunnion

Introduction

Singapore's real GDP growth has slowed in recent years. Average annual growth rate in 2016 and 2015 was less than half that in 2014 and 2013. The slowdown links back to sluggish global trade—a critical factor driving Singapore's economic performance. However, the recent uptick in global economic growth and business sentiment is spurring an improvement in global trade. This is likely to support slightly quicker real GDP growth in Singapore in 2017. While an improving external economic environment is important for the near term, the overarching narrative over the medium to long term will remain centered on Singapore's internal transition to its future vision of the economy. The Singapore government is planning a transition to higher-value-added industries by focusing on skill

The Singapore government is planning a transition to higher-value-added industries by focusing on skill development, innovation, and greater global integration.

development, innovation, and greater global integration. This assumes importance as low-skilled, low-cost manufacturing and services are more likely to shift to developing economies in Asia with abundant labor pools. The planned economic transition also focuses on boosting productivity, especially because Singapore's population is aging rapidly. This process is likely to face both external and internal challenges.

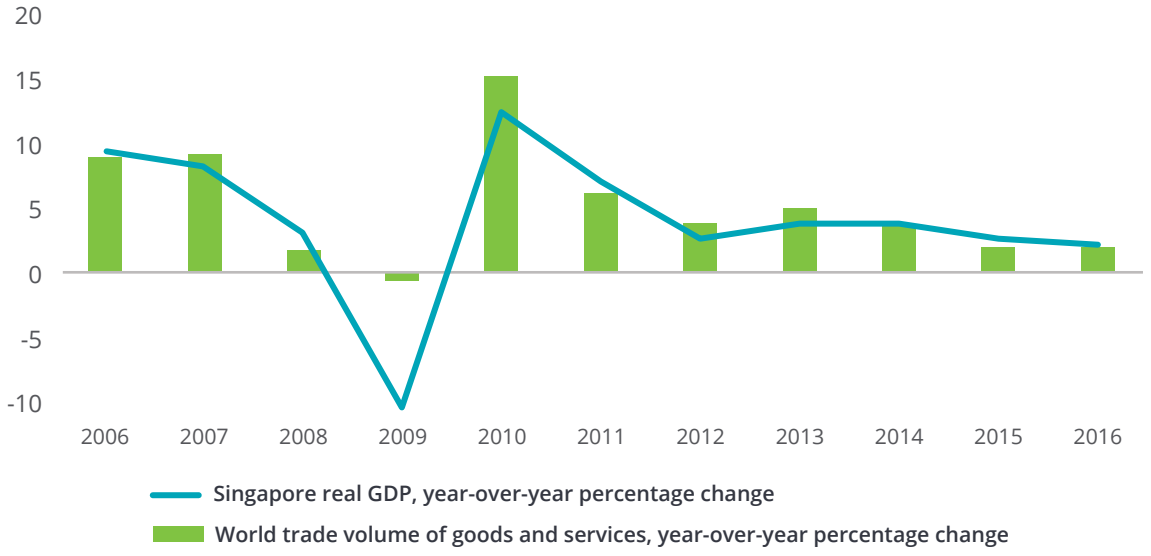
A review of recent economic performance

In 2016, Singapore's real GDP grew 2.0 percent from a year ago, about the same as in 2015 (figure 1). The manufacturing sector recovered in 2016, growing 3.6 percent after declining 5.1 percent in the previous year. Manufacturing growth was supported by growth in the electronics cluster and the biomedical cluster, particularly in the final quarter of the year. Electronics manufacturing was supported by growing demand for semiconductors due to a cyclical upswing in the global information technology industry. The biomedical cluster was supported by an increase in demand for pharmaceuticals and medical equipment. Growth in the construction and services sectors of the economy moderated in 2016 compared with 2015. The goods-producing and services sectors of the economy each contributed 0.7 percentage points to overall real GDP growth. Ownership of dwellings and taxes on products accounted for the remainder.[1]

Consumption, both private and government, slowed relative to the previous year. Private consumption grew just 0.6 percent, down from 4.6 percent in 2015. Gross fixed capital formation declined in 2016 after weak growth in the previous year. Exports and imports also slowed relative to the previous year. Exports of goods and services grew 1.6 percent, down from 2.6 percent in 2015.[2]

In Q1 2017, Singapore's economy contracted 1.3 percent quarter over quarter on a seasonally adjusted annualized basis. Manufacturing declined from the previous quarter, but the electronics cluster continued to be buoyed by strong demand. Construction recovered relative to the previous quarter but remained weak relative to a year ago due to continued weakness in private construction. Service industries also declined relative to the previous quarter.[3] Total exports, measured in constant 2012 Singapore

Figure 1. Real GDP growth in Singapore has slowed in recent years as global trade has been subdued



Source: Department of Statistics, International Monetary Fund via Haver Analytics, Deloitte Services LP economic analysis.

dollars, declined from the previous quarter, but exports in the first four months of 2017 were up 5.7 percent relative to the same period a year ago.[4]

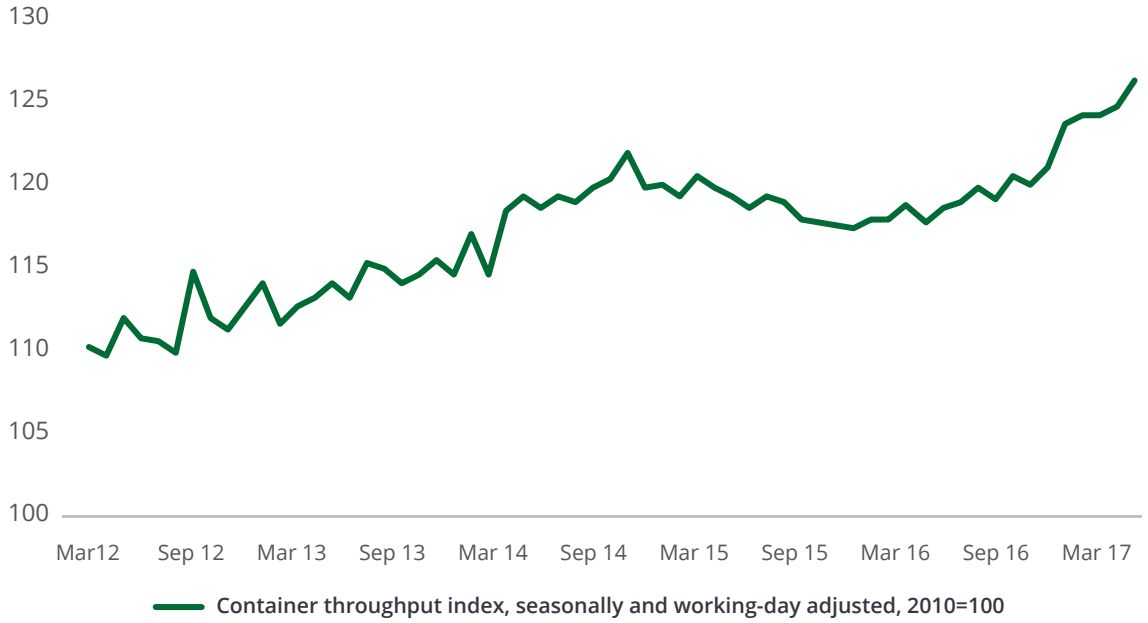
An uptick in global trade and Singapore's plan for growth in the future

In its latest *World Economic Outlook* (WEO) report, the International Monetary Fund (IMF) indicates that global GDP growth is likely to strengthen to 3.5 percent in 2017 from 3.1 percent in the previous year.[5] Brighter prospects for economic growth in developed economies, particularly in the United States and European Union, are important factors behind the projection of quicker global growth. Additionally, quicker economic growth in the first quarter of 2017 in China has temporarily allayed fears of a sharp slowdown there. Another factor behind the improved outlook is improving business sentiment, backed by improved corporate earnings.

All these factors augur well for global trade. In the *WEO* forecast, global trade volume is projected to increase 3.8 percent in 2017, up from 2.2 percent in 2016.[6] Other indicators, such as the container throughput index, international air freight volumes, and the global purchasing managers' index (PMI), all point toward improving global trade in the near term (figures 2a and 2b). Even the World Trade Organization's World Trade Outlook indicator notes that global trade momentum is likely to continue at a moderate pace through the second quarter of 2017.[7]

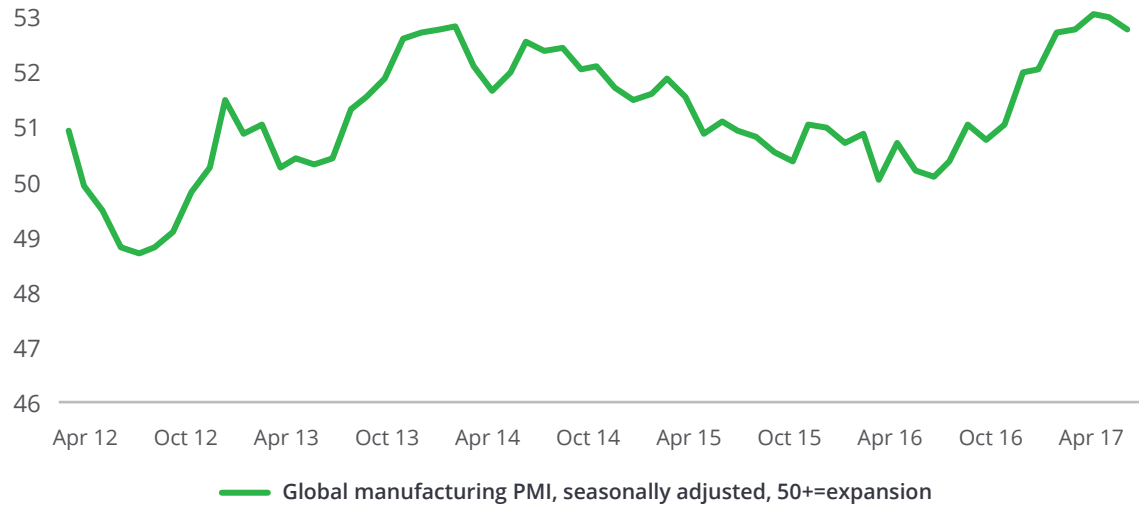
> Indicators such as the container throughput index, international air freight volumes, and the global PMI all point to improving global trade in the near term.

Figure 2a. Container throughput index



Source: Leibniz Institute for Economic Research, Institute of Shipping Economics and Logistics, Deloitte Services LP economic analysis.

Figure 2b. Global manufacturing PMI



Source: JP Morgan and IHS Markit via Haver Analytics, Deloitte Services LP economic analysis.

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The uptick in trade is likely to benefit Singapore's economy in the short run. With trade (exports and imports) accounting for 320 percent of GDP,[8] robust global trade will remain critical to the success of Singapore's future economic plans.

The Singapore government has put in place a focused strategy to maintain economic growth. This strategy includes building workforce skills, developing industry transformation maps, enhancing innovation, enabling digitization, and deepening international connections. The government has targeted five clusters for growth: advanced manufacturing, applied health sciences, smart and sustainable urban solutions, logistics and aerospace, and Asian and global financial services. These clusters are areas in which Singapore has existing comparative advantage; they are also areas where the government projects will generate demand in the future.

As Singapore attempts to move up the value chain, it is also moving away from a reliance on low-skilled, low-wage foreign labor.

As Singapore attempts to move up the value chain, it is also moving away from a reliance on low-skilled, low-wage foreign labor. The government has set quotas for foreign workers in certain sectors. Furthermore, businesses are required to pay a tax on each foreign worker employed, dependent on the worker's qualification as well as the foreign worker quota imposed on the sector. Tax rates are lower if the worker has the necessary academic and skill-based qualifications. The quota and tax system is designed to regulate the number of low-skilled foreign workers in Singapore, boost wages, and increase overall productivity by encouraging skill development.

Likely challenges to Singapore's transition strategy

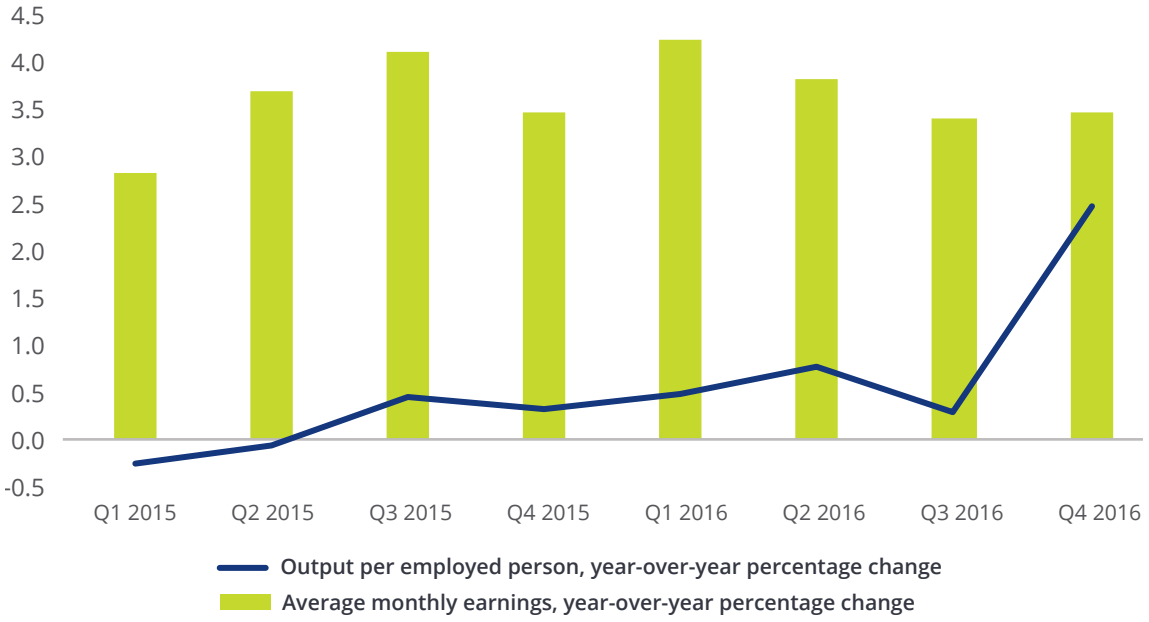
Singapore's planned transition to an economy of the future comes with challenges. First, there are external challenges; the momentum in global trade could

Weaker global trade could hamper Singapore's plans of both achieving growth through export-oriented future growth clusters as well as fostering deeper international connections.

be dampened if developed countries adopt a protectionist stance. Global policymakers are beginning to show some concern about this. For example, the IMF's *WEO* report states that pressures for "inward-looking" policies are growing in the developed world due to low productivity and income inequality.[9] China's broad slowdown also poses a risk. Improved growth in Q1 2017 is unlikely to reverse the broad slowdown in growth. Weaker global trade could hamper Singapore's plans of both achieving growth through export-oriented future growth clusters as well as fostering deeper international connections.

There are internal challenges to the plan as well. At the top of the list is Singapore's aging population. Increasing life expectancy and a decreasing fertility rate mean that Singapore's population will have an increasingly large proportion of old people. The old-age support ratio (OASR) is the ratio of working-age Singaporeans (20 to 64 years) to those 65 years and older. The OASR in 2016 was 4.7. By 2030, the OASR is likely to fall to 2.3.[10] While an aging population is one of the reasons behind Singapore's transition strategy, it is also likely to deter future growth, especially since the focus is on boosting productivity

Figure 3. Labor productivity growth has been outpaced by growth in monthly earnings



Source: Department of Statistics via Haver Analytics, Deloitte Services LP economic analysis.

rather than expanding the workforce, which would put the city-state's infrastructure under strain. Unfortunately, productivity growth has been weak and has been outpaced by growth in average monthly earnings (figure 3), though an improvement in Q4 2016 offers hope. Year-over-year growth in output per employed person has averaged just 0.5 percent over the last eight quarters.[11] Year-over-year growth in average monthly earnings averaged 3.6 percent over the same period.[12]

The short-term outlook

Singapore's short-term economic outlook will be determined by the future path of global trade. Trade policies in the developed world as well as fiscal and monetary accommodation in China are key factors in the near to medium term. If trade momentum holds up, then business sentiment is likely to rise, which, in turn, will support business investment. Budgetary measures such as expanding tax rebates and providing support to businesses faced with higher wage payouts are also likely to lend support. Furthermore, starting public sector infrastructure projects early is likely to compensate for weak private sector construction spending in the near to medium term. Singapore's private consumption expenditure, which has stalled in recent quarters due to low consumer confidence and rising labor force redundancies, is likely to remain subdued in the near term. However, improved access to on-the-job training and likely gains in real wages due to a tight labor market could help improve spending in the medium term.

Despite some favorable developments, real GDP growth in Singapore is unlikely to be significantly higher than in the previous couple of years. The Ministry of Trade and Industry forecasts growth of between 1.0 and 3.0 percent in 2017.[13] This is likely to be the new normal for Singapore as it grapples with an uncertain external environment and internal structural challenges in its transition to an economy of the future.

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After a period of difficulty, it appears that the South Korean economy is beginning to rebound, with the new president indicating a path of increased fiscal spending. However, South Korea also faces uncertainty around its relations with allies and neighbors.

South Korea

Uncertain relations and a new president

By Ira Kalish

Temporary rebound

After a period of difficulty, it appears that the South Korean economy is beginning to rebound. In the first quarter of 2017, real GDP was up a strong 0.9 percent from the prior quarter, fueled by an acceleration in exports and investment.[1] Indeed, real exports were up 1.9 percent from the previous quarter, with exports of goods up a staggering 2.6 percent. Export growth continued into the second quarter, with nominal US dollar-denominated exports up more than 24 percent versus a year earlier. This was the strongest such growth in six years. The strength of export demand likely contributed to the revival of business investment. On the other hand, consumer spending continued to grow at a modest pace. Does the strength of growth in the first quarter bode well for the remainder of 2017? It is not yet clear. After all, there are a number of potential headwinds that the South Korean economy faces.

First, consumer spending is likely to be restrained by a high level of household debt, as has been true in the recent past. Moreover, the recent acceleration in inflation is likely to eat into the real purchasing power of consumer incomes. Second, export growth might not stay at the blistering pace recently seen. China is the destination for roughly a quarter of South Korean exports, and its economy shows signs of weakness. If Chinese investment in fixed assets continues to decelerate, it will weigh on the South Korean economy. In addition, China recently

banned tour groups from visiting South Korea. This was punishment for the latter government's decision to accept a missile defense system from the United States. Thus, in March, total tourist arrivals in South Korea were down 11.0 percent from a year earlier, with Chinese arrivals down 40.0 percent. This, too, is likely to dampen growth.

On the other hand, South Korean government and central bank policy might help growth. The government is expected to accelerate fiscal spending in 2017 in order to stimulate demand. The new president has pledged to follow such a policy. With the government's finances in good shape and with borrowing costs relatively low, there is no reason why this should not happen. In addition, the central bank currently maintains a historically low benchmark interest rate, and it is not likely to boost rates any time soon despite a recent increase in inflation. Core inflation, which excludes the impact of volatile food and energy prices, remains tame. The recent acceleration in inflation was most likely due to the rebound in global oil prices, something that may actually reverse in the coming year. Thus the central bank needn't be too worried about inflation. Rather, it will likely be reluctant to boost rates too soon lest the rate change has a deleterious effect on the ability of households to service their large debts.

While it is never possible to predict the future path of exchange rates, an easy monetary policy should, all other things being equal, prevent a significant boost to the value of the South Korean won. Yet South Korea's currency is at the mercy of what happens in Japan and the United States. If the US dollar weakens amid uncertainty about US fiscal policy, this could mean a stronger won. Naturally, South Korea's exporters would benefit from a weak won. The weakening of the Japanese yen over the past few years was a source of considerable concern for Korean manufacturers because it boosted the competitiveness of Japanese companies.

Politics

South Korea recently elected a new president following the impeachment of former President Park Geun-hye. The new president is Moon Jae-in, a former human rights attorney. In Korean politics, Moon is on the left side of the political spectrum. He ran on a platform supporting fiscal stimulus through increased government spending. In addition, he indicates a desire to restrain the power of South Korea's chaebol, the family-run conglomerates that have traditionally dominated much of the economy. Finally, Moon favors a somewhat more conciliatory approach to relations with North Korea, something that could create strains with South Korea's most important ally, the United States. It is also unclear whether such a policy is likely to bear fruit given recent actions by North Korea. Meanwhile, relations between South Korea and China have become fraught owing to the former's decision to accept the US missile defense system. Still, the economic relationship between the two countries is substantial and mutually beneficial. It seems unlikely that the spat over missile defense will cause serious deterioration of economic relations.

> Although it seems highly unlikely that the United States will walk away from the agreement, the possibility is worrisome as it could have a serious negative impact on the economy.

Finally, one potential source of geopolitical stress for South Korea is its trading relationship with the

United States. There is a free-trade agreement between the two countries, and the United States is the destination for roughly 15 percent of South Korean exports. Yet recent news suggests that the United States might choose to withdraw from this agreement,[2] sending shockwaves through the Korean economy. Although it seems highly unlikely that the United States will walk away from the agreement, the possibility is worrisome as it could have a serious negative impact on the economy.

ENDNOTES

1. All statistics in this article have been sourced from Statistics Korea, "International Monetary Fund's Dissemination Standards Bulletin Board: Economic and financial data of Korea," http://kostat.go.kr/portal/eng/resources/2/1/index.action?bmode=view&pageCode=ENGIMF01, accessed May 29, 2017, unless otherwise stated.
2. Philip Rucker, "Trump: 'We may terminate' U.S.-South Korea trade agreement," *Washington Post*, April 28, 2017, https://www.washingtonpost.com/politics/trump-we-may-terminate-us-south-korea-trade-agreement/2017/04/27/75ad1218-2bad-11e7-a616-d7c8a68c1a66_story.html?utm_term=.01e34017a4e9.

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