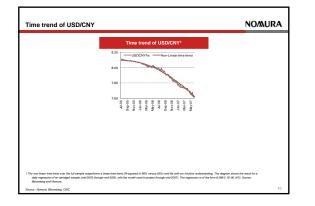


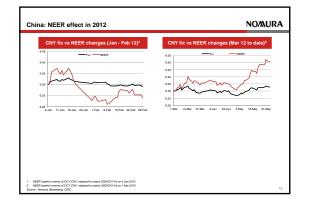
nplications, 9 &10	NO/MU
9. The whole process may prove difficult to control. Liberalization may beget m liberalization, which could contribute to altering the Chinese economic and p	
10. If the Chinese seek to retain or regain control over the CNY, liberalization eff one-way; as we have found in the cases of Korea, Taiwan, and Indonesia.	forts may not be

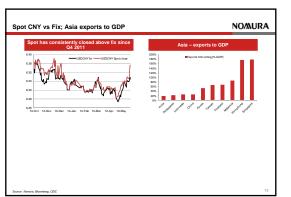




	Overall r	esults	(2005	to 2012,	week	ily)			Cor	tribut	ion o	f US	D, EUR,	JPY ar	nd CN	Y in
	Currenc	v Doll	ar Eu	o Yen	R-S					_	US		Buro Area	Japan		ina
	HKD	98	% 21		100				China		19.0		19.4	15.9	1	A
	CNY	93	61	6 1%	999	5			Taiw as		13.5		11.1	18.7	2	5.8
	SGD	60	% 34	-1%	849	5			Hong P	(ong	8.3		12.5	11.8	1	4.0
	TWD	74				87%			India	India 14.1			22.1	5.3	1	5.6
	MYR	72					Indonesia 10.1			11.0	15.7 16.		5.3			
	PHP	82			75%				Korea		13.0		13.4	16.3	2	7.9
	THB	77			699				Malays	ia -	14.3		12.6	13.1	1 17.4	
	INR	74			697				Philippi	nes	14.9		11.5	17.9	1	4.9
	IDR	73			58%				Singap	ore	13.3		12.8	11.0	1	7.2
	KRW AUD	65 ⁴			469				Thalar	d	10.5		11.3	20.5	1	7.9
	HFP res	sults: C	NY			HF	Pres	sults:	MYR				HFP re	sults: I	KRW	
Year	Dollar	Euro		R-Sq	Year		Dollar	Euro	Yen	R-Sq		fear	Dollar	Euro	Yen	R-Sq
ALL	2005 98%	5%		97%	ALL	2005	75%	33%	-8%	77%	1	ALL	71%	63%	-32%	39%
1	2005 98%	-1% 4%		92%		2005	97% 74%	-1%	2%	98% 83%			2005 53%	15%	33%	68% 53%
1	2006 95%	11%		92%		2006	74%	54%	-11%	76%			2005 47%	49%	41%	77%
1	2008 93%	6%	3%	98%		2007	84%	20%	-6%	85%			2008 108%		-66%	37%
1	2009 98%	3%	0%	99%		2009	70%	37%	-10%	67%			2009 63%	103%	-32%	39%
1	2010 93%	6%	2%	98%		2010	82%	32%	-23%	60%	1		2010 66%	53%	-37%	32%
1	2011 94%	5%	0%	98%		2011	63%	41%	-5%	86%			2011 53%	54%	-15%	68%
	2012 86%	28%	4%	96%			44%	61%	5%	45%			2012 52%	84%		44%

NO/MURA





Output gap and changes in NEER ¹	Headline Inflation and changes in NEER ²	Core Inflation and changes in NEER ² Core Inflation			
Output Gap (IP) vs YoY Changes	Headline Inflation				
Tot Changes	Singapore 57%	NEER Singapore 44%			
Korea 43%	Thailand 32%	Philippines 22%			
India 35%	Philippines 30%	Thailand 22%			
Taiwan 32%	Malaysia 2%	Indonesia 4%			
Malaysia 21%	China 2%	Malavsia -2%			
Singapore 18% Thailand 12%	India -12%	China -12%			
Philippines 7%	Indonesia -13%	India -13%			
China -16%	Taiwan -15%	Taiwan -13%			
Indonesia -17%	Korea -53%	Korea -78%			

