

# East Asia's Economic Pulse: AI Boom, Inflation Hikes, and Market Shifts This

Global Financial News · Answer Key · 14 Questions

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**1. Which East Asian stock market recently hit a new closing high, largely propelled by optimism surrounding Artificial Intelligence development and a rally in US tech stocks?**

- A) South Korea's KOSPI
- B) Japan's Nikkei 225
- C) Taiwan's Taix**
- D) Hong Kong's Hang Seng Index

**2. South Korea has announced a policy change to boost its semiconductor industry. What is the key change regarding the import of Extreme Ultraviolet (EUV) lithography machines?**

- A) The import time has been reduced from 34 days to approximately 9 days**
- B) The import tax on EUV machines has been eliminated
- C) South Korea will now only allow imports from a single supplier
- D) The government will subsidize 50% of all EUV machine imports

**3. What is the ASEAN+3 Macroeconomic Research Office's (AMRO) maintained growth forecast for the ASEAN+3 region in 2026, despite ongoing Middle East conflict concerns?**

- A) 3.5%
- B) 4.0%**
- C) 2.5%
- D) 5.0%

**4. According to recent reports, which East Asian country's stock market has experienced blistering growth, with its main index hitting an all-time high, largely due to the AI-driven rise of chipmakers like SK Hynix and Samsung Electronics?**

- A) Japan
- B) Taiwan
- C) South Korea**
- D) China

**5. Bank of Japan Governor Kazuo Ueda's recent comments suggest a potential policy shift. What action is the Bank of Japan signaling a higher chance of taking soon?**

- A) Reducing interest rates
- B) Increasing quantitative easing
- C) Raising interest rates**
- D) Maintaining current policy unchanged

**6. What is a primary factor contributing to the projected increase in Southeast Asia's e-commerce market to \$289.8 billion by 2029?**

- A) A decrease in internet penetration
- B) A decline in the use of digital payments
- C) A significant rise in digital payments and mobile wallet usage**
- D) Government subsidies for physical retail stores

**7. Which East Asian economy has recently seen a significant increase in its trade surplus with China, driven primarily by semiconductor exports due to the global AI boom?**

- A) Japan
- B) Taiwan
- C) South Korea**
- D) Vietnam

**8. Despite ongoing geopolitical uncertainty and supply chain disruptions, what sector is a key factor supporting resilient growth in several ASEAN+3 economies?**

- A) Tourism
- B) Agriculture
- C) Textiles
- D) Semiconductors**

**9. What is the projected inflation rate for the ASEAN+3 region in 2026, as revised by AMRO, reflecting prolonged disruptions from the Middle East conflict?**

- A) 1.4%
- B) 1.8%**
- C) 2.5%
- D) 3.5%

**10. Taiwan's stock market, the Taiex, recently reached a new closing high. Which company's performance was highlighted as a key driver for the electronics sector's gains?**

- A) MediaTek Inc.
- B) Hon Hai Precision Industry Co.
- C) TSMC (Taiwan Semiconductor Manufacturing Co.)**
- D) ASE Technology Holding Co.

**11. What is the OECD's revised economic growth forecast for South Korea in 2026, an upward adjustment driven by strong semiconductor exports?**

- A) 2.6%**
- B) 1.7%
- C) 2.0%
- D) 2.5%

**12. What has been a major impact of the Iran war on tourism-dependent economies in Southeast Asia, just as they were recovering from the pandemic?**

- A) A decrease in jet fuel costs
- B) Increased demand for international flights
- C) Higher airfares and flight disruptions due to soaring fuel prices**
- D) A decline in the use of digital payment platforms

**13. Which of the following countries saw its annual inflation rate accelerate in May 2026, partly due to higher prices for imported fuels impacted by the Iran war?**

- A) China
- B) Japan
- C) South Korea
- D) Vietnam**

**14. According to recent reports, what is a primary concern regarding the South Korean stock market's recent success, despite its growth?**

- A) Over-reliance on the tourism sector
- B) A heavy dependence on only two major chipmaking companies**
- C) A decline in foreign investment
- D) Insufficient IPO activity