

The Week Ahead

Forecasts, data preview, central bank watch

April 30, 2026

Key data release and events next week:

- *BNM to remain on the sideline.*
- *Strong trade data expected out of the region.*
- *Inflation readings to turn hot.*

Key forecasts for the coming week

Event	DBS	Previous
May 4 (Mon)		
Indonesia: exports (Apr)	1.8% y/y	1.0% y/y
- imports	12.6% y/y	10.9% y/y
- trade balance	USD1.5bn	USD1.3bn
- CPI	2.8% y/y	3.5% y/y
May 5 (Tue)		
Hong Kong: GDP (1Q)	3.8% y/y	3.8% y/y
Indonesia: GDP (1Q)	5.6% y/y	5.4% y/y
Philippines: CPI (Apr)	5.8% y/y	4.1% y/y
May 6 (Wed)		
Hong Kong: retail sales (Mar)	9.4% y/y	19.3% y/y
South Korea: CPI (Apr)	2.4% y/y	2.2% y/y
Thailand: CPI (Apr)	1.5% y/y	-0.1% y/y
May 7 (Thu)		
Malaysia: BNM overnight policy rate	2.75%	2.75%
Philippines: GDP (1Q)	3.2% y/y	3.0% y/y
Taiwan: CPI (Apr)	1.6% y/y	1.2% y/y
May 8 (Fri)		
US: change in nonfarm payrolls (Apr)	150k	178k
Malaysia: industrial production (Mar)	2.5% y/y	3.1% y/y
Taiwan: export (Apr)	58.7% y/y	61.8% y/y
- import	40.5% y/y	38.3% y/y
- trade balance	USD19.3bn	USD21.3bn
May 9 (Sat)		
China: exports (Apr)	8.4% y/y	2.5% y/y
- imports	12.7% y/y	27.8% y/y
- trade balance	USD94.3bn	USD51.1bn
China: M2 (Apr)	8.5% y/y	8.5% y/y

Central bank meetings

Bank Negara Malaysia (BNM) (May 7): We expect Bank Negara Malaysia (BNM) to maintain its Overnight Policy Rate (OPR) at 2.75% for the fifth consecutive meeting on May 7. The central bank will likely reiterate that the current monetary policy stance is appropriate and supportive of the economy amid price stability. Since the previous decision in March, Malaysia's economic growth and inflation have remained resilient despite ongoing uncertainties posed by the Iran-centred Middle East conflict. March data showed continued growth in goods exports of 8.3% yoy, supported by expansion in electronics driven by global artificial intelligence (AI)-related tailwinds, and an upturn in energy shipments due to higher oil & gas prices. Headline inflation rose to 1.7% yoy in March, driven by higher energy-related costs, but remained below the long-term average of 2.0%, and was contained by fuel subsidies. We therefore see little impetus for BNM to adjust its OPR in the near term.

Forthcoming data releases

China: Exports growth is expected to accelerate from 2.5% yoy in March to 8.4% in April. China's container ship deadweight tonnage at 20 major ports rose from 3.9% YoY in March to 4.3% in April, indicating a mild improvement in trade activity, although elevated energy prices and geopolitical uncertainties continue to cloud the outlook. Meanwhile, the contraction in international cargo flights narrowed from 3.0% yoy in March to 0.6% in April. On monetary front, credit demand remains weak. Both new corporate and household medium- to long-term loans are expected to decline amid cautious borrowing sentiment and ongoing early repayments. M2 growth is expected to hold at

8.5% yoy in April. Precautionary savings remained elevated, while weakening property prices continued to erode household wealth effects. The gap between M2 and M1 growth is expected to stay apart as corporations and individuals remain hesitant to invest and spend.

Hong Kong SAR: The economy is expected to grow by another 3.8% yoy in 1Q26, supported by robust exports and private consumption. On the external front, Hong Kong's export performance in 1Q exceeded expectations. The city's domestic exports rose 32.0% yoy, reflecting broader export diversification and stronger demand for Chinese electronic goods. Meanwhile, as China's free port and re-export hub, Hong Kong has also benefited from the China-US trade truce, evidenced by a 47.5% yoy increase in exports to the US. On the domestic front, a weaker HKD has encouraged more mainland Chinese tourists to visit. Overall tourist arrivals increased by 17% yoy in 1Q. The labour market is also improving, with the unemployment rate falling to a six-month low. Meanwhile, lower interest rates have supported investment sentiment, loan growth, and capital market activity. Residential property market has entered a measured recovery, supported by lower mortgage rates. Pent-up demand is being released, while lower borrowing costs, combined with positive carry, are encouraging investors to return to the market.

South Korea: April CPI inflation is expected to edge up to 2.4% yoy, from 2.2% in March and 2.0% in Jan-Feb. Pass-through from higher imported energy and raw material costs is likely to gradually build, despite government price stabilisation measures such as fuel caps and subsidies. The April consumer confidence survey also shows inflation expectations rising to 2.9%, from 2.7% in March and 2.6% in Jan-Feb. The

Bank of Korea is currently balancing inflation risks against growth concerns stemming from the Middle East conflict. If second-round inflation effects materialise and AI-driven growth remains resilient, the BOK could shift toward rate hikes in the second half of the year.

Taiwan: April trade and inflation data are forthcoming. Exports are expected to remain robust at 50–60% yoy, broadly in line with the 51.1% recorded in 1Q. Earlier export orders data showed strong growth of 65.9% in March, reinforcing sustained AI-related ICT demand, particularly from the US. With export strength offsetting higher energy import costs, the trade surplus is likely to remain solid at around USD20bn in April. On the price front, CPI inflation is expected to edge up to 1.6% in April, from 1.2% in 1Q. Upstream price pressures are beginning to build, with PPI rising 2.5% in March. Consumer confidence regarding price levels has also slipped to a six-month low in April. With inflation still below 2% and real rates remaining positive, there is no strong impetus for the central bank to hike rates at its June meeting. However, if inflation moves above 2% and second-round effects emerge, the CBC could consider tightening in 2H.

Indonesia & Philippines: Indonesia's economic momentum was resilient in 1Q26 notwithstanding domestic headwinds and the Middle East crisis. We forecast growth at a firm 5.6% yoy, supported by higher consumption due to religious festivities in the quarter, fiscal stimulus measures including the traditional THR (annual holiday allowance by employers), low base effects and firmer sentiments at the start of the year. Activity, however, softened at the tail end of the quarter due to volatility in the equity markets, and firms facing supply distortions as

well as higher costs. The first quarter likely marked the peak in the growth pace, with the momentum set to moderate in the subsequent quarters as real activity could be dampened by high energy prices and pressure to consolidate fiscal finances. While inflation was high in 1Q, the YoY lift was exaggerated by base effects. April inflation is expected to ease to 2.8% yoy.

Philippines, on the other hand, slowed at the start of the year, as a weak handover from last year was likely compounded by the energy crisis given high dependence on supplies from the Middle East, we forecast growth at 3.2% YoY, slight better than 4Q25 but slower than the same time last year. While government disbursements continue to be hampered by the graft allegations, domestic firms face higher energy costs and limited supplies. Mindful of limited fuel reserves, the government declared an energy emergency in Mar26 to streamline operations and channelise supplies to key sectors, including essential services, education, healthcare etc. Despite growth risks, BSP is focused on maintaining price stability and defending the currency from depreciation pressures. More rate hikes are in the pipeline.

Thailand: We expect Thailand's headline inflation to rise to 1.5% yoy in April 2026, marking the first positive reading since March 2025. The pickup in overall price pressures mainly reflected the return of yoy increases in domestic energy prices, as the full-month impact of the diesel price cap removal late-March was felt, amid a spike in global prices stemming from the Middle East war.

Economics Team

Growth, Inflation, Policy Rates & FX forecasts

	GDP growth, % YoY							CPI inflation, % YoY, ave						
	2021	2022	2023	2024	2025	2026f	2027f	2021	2022	2023	2024	2025	2026f	2027f
China	8.1	3.0	5.2	5.0	5.0	4.5	4.0	0.9	2.2	0.2	0.2	0.0	0.5	0.8
Hong Kong SAR	6.3	-3.5	3.3	2.5	3.5	3.0	2.8	1.6	1.9	2.0	1.5	1.4	1.6	1.5
India	10.3	7.2	8.7	6.7	7.8	6.5	6.4	5.1	6.7	5.7	4.9	2.2	4.4	4.2
India (FY basis)*	9.7	7.6	9.2	6.5	7.7	6.5	6.4	5.5	6.7	5.4	4.6	2.1	4.6	4.0
Indonesia	3.7	5.3	5.1	5.0	5.1	5.3	5.1	1.6	4.2	3.7	2.3	1.9	3.2	2.2
Malaysia	3.3	9.0	3.5	5.1	5.2	4.7	4.2	2.5	3.4	2.5	1.8	1.4	2.0	2.0
Philippines	5.7	7.6	5.6	5.6	4.5	5.0	5.0	3.9	5.8	6.0	3.2	1.7	5.5	4.0
Singapore	10.1	4.0	1.5	5.3	5.0	2.8	2.3	2.3	6.1	4.8	2.4	0.9	2.2	2.0
South Korea	4.6	2.7	1.6	2.0	1.0	2.6	2.0	2.5	5.1	3.6	2.3	2.1	2.6	2.1
Taiwan	6.7	2.7	1.1	5.3	8.7	7.0	3.5	2.0	2.9	2.5	2.2	1.7	1.9	1.8
Thailand	1.6	2.6	2.2	2.9	2.4	1.6	2.0	1.2	6.1	1.2	0.4	-0.1	2.5	1.5
Vietnam	2.6	8.5	5.0	7.0	8.0	6.5	6.5	1.8	3.2	3.3	3.6	3.3	3.8	3.3
Eurozone	5.3	3.5	0.5	0.7	1.5	1.4	1.2	2.6	8.4	5.5	2.3	2.2	2.0	2.0
Japan	3.6	1.3	0.7	-0.2	1.2	0.5	0.5	-0.3	2.5	3.3	2.7	3.2	1.8	1.8
United States	6.1	2.5	2.9	2.8	2.0	1.5	1.7	4.7	8.0	4.1	3.0	2.7	2.5	2.5

*2020 represents Fiscal 21; ending Mar 21

Policy interest rates, eop

	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
China*	3.00	3.00	3.00	2.90	2.90	2.80	2.80	2.80
India	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25
Indonesia	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Malaysia	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Philippines	4.25	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Singapore**	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
South Korea	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Taiwan	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Thailand	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Vietnam***	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Eurozone^	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Japan	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00
United State	3.75	3.75	3.50	3.25	3.25	3.25	3.25	3.25

* 1-yr Loan Prime Rate; ** 3M SORA OIS ; *** refinancing rate; ^ deposit facility rate

Exchange rates, eop

Ccy pair	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
USD/CNY	6.90	6.83	6.77	6.70	6.74	6.78	6.81	6.85
USD/HKD	7.82	7.82	7.81	7.81	7.81	7.81	7.80	7.80
USD/INR	93.9	93.1	92.2	91.4	92.0	92.7	93.3	94.0
USD/IDR	16900	16770	16635	16500	16500	16500	16500	16500
USD/MYR	3.96	3.91	3.85	3.80	3.85	3.90	3.95	4.00
USD/PHP	60.1	59.3	58.5	57.8	58.3	58.8	59.3	59.9
USD/SGD	1.28	1.27	1.26	1.25	1.26	1.27	1.27	1.28
USD/KRW	1500	1470	1435	1400	1415	1425	1440	1450
USD/THB	32.7	32.1	31.6	31.0	31.4	31.8	32.1	32.5
USD/VND	26340	26230	26110	26000	26130	26250	26380	26500
AUD/USD	0.70	0.71	0.72	0.73	0.73	0.72	0.72	0.71
EUR/USD	1.16	1.18	1.19	1.21	1.20	1.19	1.18	1.17
USD/JPY	159	156	153	149	151	152	153	154
GBP/USD	1.34	1.36	1.39	1.41	1.40	1.39	1.38	1.37

Interest rate forecasts

		2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
US	3M SOFR OIS	3.68	3.63	3.38	3.13	3.13	3.13	3.13	3.13
	2Y	3.79	3.45	3.35	3.30	3.30	3.35	3.40	3.40
	10Y	4.32	4.10	4.20	4.25	4.30	4.40	4.50	4.50
	10Y-2Y	52	65	85	95	100	105	110	110
Japan	3M TIBOR	1.27	1.05	1.15	1.15	1.15	1.15	1.15	1.15
	2Y	1.35	1.20	1.25	1.30	1.35	1.40	1.45	1.50
	10Y	2.35	2.20	2.30	2.40	2.50	2.50	2.50	2.50
	10Y-2Y	100	100	105	110	115	110	105	100
Eurozone	3M EURIBOR	2.08	2.20	2.20	2.20	2.20	2.20	2.20	2.20
	2Y	2.62	2.10	2.20	2.25	2.30	2.35	2.40	2.45
	10Y	3.00	2.80	2.90	3.00	3.00	3.00	3.00	3.00
	10Y-2Y	39	70	70	75	70	65	60	55
Indonesia	IDR 3M OIS	4.12	4.00	4.00	4.00	4.00	4.00	4.00	4.00
	2Y	6.31	6.20	6.10	6.00	6.00	6.10	6.20	6.20
	10Y	6.86	6.65	6.55	6.45	6.45	6.55	6.65	6.65
	10Y-2Y	55	45	45	45	45	45	45	45
Malaysia	3M KLIBOR	3.37	3.25	3.25	3.25	3.25	3.25	3.25	3.25
	3Y	3.26	3.05	3.05	3.05	3.05	3.05	3.05	3.05
	10Y	3.63	3.60	3.65	3.65	3.65	3.65	3.70	3.70
	10Y-3Y	37	55	60	60	60	60	65	65
Philippines	3M NDF implied yield	6.09	4.25	4.25	4.25	4.25	4.25	4.25	4.25
	2Y	6.03	4.50	4.50	4.50	4.50	4.50	4.75	5.00
	10Y	6.93	5.75	5.75	5.80	5.80	5.80	5.90	6.00
	10Y-2Y	90	125	125	130	130	130	115	100
Singapore	3M SORA OIS	1.16	1.20	1.20	1.20	1.20	1.20	1.20	1.20
	2Y	1.61	1.40	1.45	1.50	1.50	1.55	1.60	1.60
	10Y	2.29	2.10	2.20	2.20	2.25	2.25	2.30	2.30
	10Y-2Y	68	70	75	70	75	70	70	70
Thailand	3M BIBOR	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15
	2Y	1.41	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	10Y	2.23	1.70	1.70	1.70	1.70	1.70	1.70	1.70
	10Y-2Y	82	70	70	70	70	70	70	70
China	1Y LPR	3.00	3.00	3.00	2.90	2.90	2.80	2.80	2.80
	2Y	1.37	1.30	1.25	1.20	1.20	1.15	1.15	1.15
	10Y	1.86	1.70	1.60	1.55	1.55	1.50	1.50	1.50
	10Y-2Y	48	40	35	35	35	35	35	35
Hong Kong, SAR	3M HIBOR	2.36	2.75	2.50	2.25	2.25	2.25	2.25	2.25
	2Y*	2.82	2.45	2.35	2.30	2.30	2.35	2.40	2.40
	10Y*	3.08	3.10	3.20	3.25	3.30	3.40	3.50	3.50
Korea	10Y-2Y	26	65	85	95	100	105	110	110
	3M CD	2.82	2.60	2.60	2.60	2.60	2.60	2.60	2.60
	3Y	3.56	3.30	3.20	3.20	3.20	3.20	3.25	3.30
	10Y	3.88	3.70	3.70	3.70	3.70	3.70	3.80	3.90
	10Y-3Y	32	40	50	50	50	50	55	60
India	3M MIBOR	7.25	6.75	6.75	6.75	6.75	6.75	6.75	6.75
	2Y	6.37	5.70	5.65	5.65	5.65	5.65	5.65	5.65
	10Y	7.04	6.60	6.50	6.50	6.45	6.45	6.45	6.45
	10Y-2Y	67	90	85	85	80	80	80	80

%, eop, govt bond yield for 2Y and 10Y, spread bps, *HKD swaps

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