

Forecasts, data preview, central bank watch

8 May 2026

KEY DATA RELEASES AND EVENTS NEXT WEEK

- China's April CPI to rise to 1.3%yoy (from 1.0% in March) amid higher oil prices.
- India's April inflation to approach 4%yoy, from 3.4% month before.
- Malaysia's 1Q26 final GDP data will likely confirm above-10-year trend growth of 5+% yoy.

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KEY FORECASTS FOR THE COMING WEEK

Event	DBS	Previous
May 11 (Mon)		
China: CPI (Apr)	1.3% y/y	1.0% y/y
May 12 (Tue)		
India: CPI (Apr)	3.9% y/y	3.4% y/y
US: CPI (Apr)	3.5% y/y	3.3% y/y
May 13 (Wed)		
Eurozone: GDP (1Q)	0.8% y/y	0.8% y/y
May 15 (Fri)		
Malaysia: GDP (1Q, F)	5.3% y/y	5.3% y/y
India: exports (Apr)	1.9% y/y	-7.4% y/y
- imports (Apr)	-5.2% y/y	-6.5% y/y
- trade balance	-USD 23.0bn	-USD 20.7bn

FORTHCOMING DATA RELEASES

China

Consumer prices are expected to rise from 1.0% yoy in March to 1.3% in April, driven by higher oil prices amid the Middle East conflict. The South China Composite Index, tracking commodity price, accelerated further to 25.8% yoy in April, supported by price increases in upstream and midstream sectors, particularly in energy, metals, and industrial products. Given the strong correlation (0.84) between oil prices and PPI, the raw material purchasing price sub-index of PMI also stayed at 5-years high of 63.7 in April. However, downstream consumer prices are likely to remain relatively contained due to the pricing band mechanism, which helps moderate retail price fluctuations in key commodity and energy markets.

Malaysia

Malaysia's 1Q26 final GDP data will likely confirm the above-10-year trend growth of 5+% yoy. Economic growth was likely broad-based across various sectors, underpinned by sustained domestic demand amid supportive household spending and continued investments, as well as robust exports performance driven by global artificial intelligence-related tailwinds.

India

India's April inflation is expected to jump to 3.9% yoy from 3.4% month before, edging closer to the mid-point of the target range vs a benign 2.1% in FY26. Food inflation likely edged up toward 4.5% from 3.7%, reversing last year's weak momentum, driven by selected perishables such as tomatoes and eggs, along with cereals and edible oils, and further exacerbated by untimely rains in some regions. Core inflation is however expected to stay stable and modest at 3.4%, helped by a pullback in precious metal prices. Signs of an updrift should also be captured under transport inflation due to ATF prices and services for restaurant & hospitality sector (commercial cooking gas price adjustments). The broader impact of high global oil prices is yet to percolate through retail inflation as pump fuel prices remain unchanged. Markets will also monitor El Niño developments and their impact on monsoon strength. Meanwhile, jump in imported costs on account of elevated commodity prices and weak rupee is likely to be more apparent in the WPI gauge, which had already outpaced retail inflation in March and is expected to extend the uptrend in April as well. We don't expect the RBI policy committee to exhibit any urgency to tighten policy as yet.

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	5.1	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	4.7	5.0	3.9	5.8	6.0	3.2	1.7	5.8	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	9.4	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	4.8	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

	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	5.00	5.00	5.00	5.00	5.00	5.00
Singapore**	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
South Korea	2.50	2.50	2.75	2.75	2.75	2.75	2.75	2.75
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	5.00	5.00	5.00	5.00	5.00	5.00	5.00
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 States	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75

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

EXCHANGE RATES, EOP

Ccy pair	Exchange rates, eop							
	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

INTEREST RATE FORECASTS**Interest rate forecasts**

		2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
US	3M SOFR OIS	3.68	3.65	3.65	3.65	3.65	3.65	3.65	3.65
	2Y	3.79	3.80	3.85	3.85	3.90	3.95	3.95	3.95
	10Y	4.32	4.30	4.40	4.50	4.55	4.60	4.65	4.65
	10Y-2Y	52	50	55	65	65	65	70	70
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	2.30	2.40	2.50	2.60	2.70	2.75	2.75
Eurozone	10Y-2Y	100	110	115	120	125	130	130	125
	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	3.00	3.10	3.20	3.25	3.30	3.30	3.30
Indonesia	10Y-2Y	39	90	90	95	95	95	90	85
	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
Malaysia	10Y-2Y	55	45	45	45	45	45	45	45
	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
Philippines	10Y-3Y	37	55	60	60	60	60	65	65
	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
Singapore	10Y-2Y	90	125	125	130	130	130	115	100
	3M SORA OIS	1.16	1.20	1.20	1.20	1.20	1.20	1.20	1.20
	2Y	1.61	1.50	1.55	1.60	1.62	1.65	1.67	1.70
	10Y	2.29	2.10	2.20	2.20	2.25	2.25	2.30	2.30
Thailand	10Y-2Y	68	60	65	60	63	60	63	60
	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
China	10Y-2Y	82	70	70	70	70	70	70	70
	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
Hong Kong, SAR	10Y-2Y	48	40	35	35	35	35	35	35
	3M HIBOR	2.36	2.75	2.75	2.75	2.75	2.75	2.75	2.75
	2Y*	2.82	2.80	2.85	2.85	2.90	2.95	2.95	2.95
	10Y*	3.08	3.30	3.40	3.50	3.55	3.60	3.65	3.65
Korea	10Y-2Y	26	50	55	65	65	65	70	70
	3M CD	2.82	2.82	3.00	3.00	3.00	3.00	3.00	3.00
	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
India	10Y-3Y	32	40	50	50	50	50	55	60
	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
		67	90	85	85	80	80	80	80

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

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