DBS
The Week Ahead

Forecasts, data preview, central bank watch

July 10, 2026

KEY DATA RELEASES AND EVENTS NEXT WEEK

- The Bank of Korea is expected to raise the base rate to 2.75% from 2.50%.
- China's GDP growth is expected to decelerate from 5.0% yoy in Q1 to 4.8% in Q2.
- Singapore's GDP growth should have remained resilient at 5.8% yoy in 2Q26, compared with 6.0% yoy in 1Q26.

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The Week Ahead covers the key data releases and central bank events of the coming week, collating our macro forecasts.

KEY FORECASTS FOR THE COMING WEEK

Event	DBS	Previous
Jul 13 (Mon)		
India: CPI (Jun)	4.1% y/y	3.9% y/y
India: exports (Jun)	25% y/y	18.0% y/y
- imports	34% y/y	20.6% y/y
- trade balance	-USD28.5bn	-USD28.2bn
Jul 14 (Tue)		
US: CPI (Jun)	4.0% y/y	4.2% y/y
China: exports (Jun)	20.9% y/y	19.4% y/y
- imports	27.3% y/y	27.4% y/y
- trade blance	USD123.9bn	USD105.4bn
Singapore: GDP (2Q, A)	5.8% y/y	6.0% y/y
Jul 15 (Wed)		
China: GDP (2Q)	4.8% y/y	5.0% y/y
China: retail sales (Jun)	0.4% y/y	-0.6% y/y
- industrial production	4.6% y/y	4.5% y/y
- Fixed asset investment	-4.6% y/y	-4.1% y/y
July 16 (Thu)		
South Korea: BOK base rate	2.75%	2.50%
July 17 (Fri)		
Eurozone: CPI (Jun - Final)	2.8% y/y	2.8% y/y
Malaysia: GDP (2Q, A)	5.7% y/y	5.4% y/y
Malaysia: CPI (Jun)	2.0% y/y	2.0% y/y
Singapore: non-oil domestic exports (Jun)	25.0% y/y	38.4% y/y

CENTRAL BANK MEETINGS

Bank of Korea (16 Jul)

The Bank of Korea is expected to raise the base rate to 2.75% from 2.50% in July. The BOK signaled in June that it remains prepared to tighten monetary policy despite the recent decline in oil prices following the easing of tensions in the Middle East. CPI inflation has remained above 3% yoy for two consecutive months through June, and is expected to stay around this level for the remainder of the year, supported by lingering cost pass-through, elevated inflation expectations, and second-round effects.On the growth front, the economy continues to hold up well, driven primarily by robust exports and investment amid the AI boom. Meanwhile, the persistent weakness of the KRW, against the backdrop of portfolio capital outflows, provides an additional rationale for a rate hike.

FORTHCOMING DATA RELEASES

China

Economic growth is expected to decelerate from 5.0% yoy in Q1 to 4.8% in Q2, amid uneven domestic momentum. Industrial production is expected to improve from 4.5% in April to 4.6% in June, amid resilient external demand. Exports growth should have maintained its momentum with growth of 20.4% in June, driven by regional AI-electronic demand. The hi-tech manufacturing and equipment manufacturing sub-PMI have both improved further to 53.5 and 52.5 during the period. However, retail sales growth is projected to moderate to 0.5% in June 2026, partly due to a high base effect from last year's trade-in subsidy programs. Household sentiment remains weak amid uncertain job prospects, slower income growth, and elevated precautionary savings. Meanwhile, declining property prices continue to weigh on household wealth, suggesting consumption is likely to stay subdued in the near term. On the investment side, fixed asset investment is expected to decline further by 4.6% yoy ytd in June. Corporates investment stays cautious amid ongoing anti-involution campaign. Contraction in real estate investment will remain as a major drag.

India

June CPI inflation is expected to rise marginally to 4.1% yoy from 3.9% the month before, on continued normalisation in food segments and passthrough of fuel costs through the related segments. Beyond food and fuel, upside risks to core inflation appear limited, amid softer gold as well as precious metal prices and little scope for further pump price adjustments. Markets are also focused on the spatial and geographical spread of ongoing southwest monsoon. Encouragingly, the nationwide rainfall shortfall has narrowed considerably into July to -15% (as of 8 July), from over 40% gap in end-June, with key crop-producing belts of central and northwest India witnessing improvements. This should be supportive of total sowing activity which was 23% below (as of 26 June) the same time last year, led by a 25% and 30% shortfall in rice and pulses respectively, during the period. June trade data are unlikely to fully capture the impact of the mid-month correction in oil prices, with the trade deficit expected to remain elevated at around $28.5bn.

Singapore

We expect Singapore's advance GDP growth estimate for 2Q26 to register 5.8% yoy, 1.5% qoq sa, remaining resilient compared with 6.0% yoy, 1.0% qoq sa in 1Q26. Expansion in trade-related sectors likely remained supportive. Manufacturing accelerated, while wholesale trade performed well despite some moderation, driven by robust global demand for artificial intelligence (AI)-related electronics. However, water transport weakened amid supply chain disruptions and high energy prices due to the Middle East conflict. Modern services remained resilient, supported by continued momentum in the financial sector, as securities trading activity and credit growth picked up. The ongoing construction boom also underpinned domestic resilience.

We see Singapore's non-oil domestic exports (NODX) growing at a double-digit rate for the fourth consecutive month, albeit at 25.0% yoy in June, compared with 38.4% yoy in May. Electronics domestic shipments remained well supported by robust global AI-related demand, particularly for memory chips and server-related products. However, non-electronics exports slowed amid unfavourable base effects.

Malaysia

We expect Malaysia's advance GDP estimate for 2Q26 to come in at 5.7% yoy, rising from 5.4% yoy in 1Q26. Overall growth was likely underpinned by stronger expansion in export-oriented manufacturing, with robust demand for global AI-related products lifting electrical & electronics shipments. The mining sector provided additional support, driven by strong natural gas production. Domestic demand remained resilient, with growth in services and construction sustained by continued household spending and ongoing investment realisation.

We anticipate Malaysia's headline inflation to hold relatively stable at 2.0% yoy in June. Price pressures likely remained contained, as fuel subsidies continued to limit the pass-through of energy costs to consumer prices at a time when global oil prices eased amid a decline in geopolitical risk premium as US-Iran tensions de-escalated.

GROWTH, INFLATION, POLICY RATES & FX FORECASTS

	GDP GROWTH, % YOY				CPI INFLATION, % YOY			
	2024	2025	2026f	2027f	2024	2025	2026f	2027f
CHINA	5.0	5.0	4.5	4.0	0.2	0.0	1.2	1.5
HONG KONG	2.5	3.5	3.0	2.8	1.5	1.4	1.6	1.5
INDIA	6.7	7.8	6.8	6.4	4.9	2.2	4.5	4.2
*INDIA (FISCAL YEAR) **	*6.5*	*7.7*	*6.8*	*6.4*	*4.6*	*2.1*	*4.9*	*4.0*
INDONESIA	5.0	5.1	5.1	5.1	2.3	1.9	3.6	2.2
MALAYSIA	5.2	5.2	4.7	4.2	1.8	1.4	2.0	2.0
PHILIPPINES**	5.6	4.5	4.7	5.0	3.2	1.7	6.5	4.0
SINGAPORE	5.3	5.0	4.3	3.0	2.4	0.9	2.2	2.0
SOUTH KOREA	2.0	1.0	2.6	2.0	2.3	2.1	2.6	2.1
TAIWAN	5.3	8.8	9.4	3.5	2.2	1.7	1.9	1.8
THAILAND	2.9	2.4	1.6	2.0	0.4	-0.1	2.5	1.5
VIETNAM	7.0	8.0	8.0	7.3	3.6	3.3	4.8	3.3
EUROZONE	0.7	1.5	1.0	1.2	2.3	2.2	3.1	2.1
JAPAN	-0.2	1.2	0.5	0.5	2.7	3.2	1.8	1.8
UNITED STATES***	2.8	2.0	1.9	1.7	3.0	2.7	3.5	3.0

** 2020 = Fiscal year Apr20-Mar21 ** new CPI series *** eop for CPI inflation*

POLICY INTEREST RATES, EOP

	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
CHINA*	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
INDIA	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25
INDONESIA	4.75	5.75	6.00	6.00	6.00	6.00	6.00	6.00
MALAYSIA	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
PHILIPPINES	4.25	4.75	5.25	5.25	5.25	5.25	5.25	5.25
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	3.00	3.00	3.00	3.00	3.00
TAIWAN	2.00	2.00	2.00	2.13	2.13	2.13	2.13	2.13
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	2.25	2.50	2.50	2.50	2.50	2.50	2.50
JAPAN	0.75	1.00	1.00	1.25	1.25	1.50	1.50	1.50
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

	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
USD/CNY	6.89	6.79	6.75	6.70	6.74	6.78	6.81	6.85
USD/HKD	7.84	7.84	7.83	7.83	7.83	7.83	7.83	7.83
USD/INR	94.8	94.7	93.4	93.9	94.4	95.0	95.5	96.1
USD/IDR	17041	17907	17760	17600	17660	17730	17790	17860
USD/MYR	4.05	4.08	4.02	3.95	4.00	4.05	4.10	4.15
USD/PHP	60.7	61.3	60.4	60.6	60.7	60.9	61.1	61.3
USD/SGD	1.29	1.29	1.28	1.27	1.28	1.29	1.29	1.30
USD/KRW	1516	1549	1470	1485	1500	1515	1530	1545
USD/THB	32.6	33.2	32.7	32.0	32.5	33.0	33.5	34.0
USD/VND	26340	26310	26290	26290	26430	26570	26710	26850
AUD/USD	0.69	0.69	0.70	0.71	0.70	0.70	0.69	0.69
EUR/USD	1.16	1.14	1.15	1.17	1.16	1.15	1.14	1.13
USD/JPY	159	163	156	151	153	154	155	157
GBP/USD	1.32	1.33	1.34	1.36	1.35	1.34	1.33	1.32

INTEREST RATE FORECASTS

		2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
US	3M SOFR OIS	3.68	3.75	3.65	3.65	3.65	3.65	3.65	3.65
	2Y	3.79	4.16	3.85	3.85	3.90	3.95	3.95	3.95
	10Y	4.32	4.45	4.40	4.50	4.55	4.60	4.65	4.65
	10Y-2Y	52	29	55	65	65	65	70	70
Japan	3M TIBOR	1.27	1.41	1.45	1.50	1.55	1.75	1.75	1.75
	2Y	1.35	1.39	1.55	1.70	1.80	1.90	1.90	1.90
	10Y	2.35	2.72	2.65	2.70	2.70	2.70	2.75	2.75
	10Y-2Y	100	133	110	100	90	80	85	85
Eurozone	3M EURIBOR	2.08	2.32	2.70	2.70	2.70	2.70	2.70	2.70
	2Y	2.62	2.53	2.55	2.60	2.65	2.70	2.70	2.70
	10Y	3.00	2.86	3.10	3.20	3.25	3.30	3.30	3.30
	10Y-2Y	39	33	55	60	60	60	60	60
Indonesia	IDR 3M OIS	4.12	6.45	5.90	5.90	5.90	5.90	5.90	5.90
	2Y	6.31	7.21	6.90	6.85	6.80	6.75	6.75	6.70
	10Y	6.86	7.16	7.00	6.95	6.90	6.90	6.90	6.90
	10Y-2Y	55	-5	10	10	10	15	15	20
Malaysia	3M KLIBOR	3.37	3.45	3.35	3.35	3.35	3.35	3.35	3.35
	3Y	3.26	3.26	3.25	3.25	3.25	3.25	3.25	3.25
	10Y	3.63	3.60	3.65	3.65	3.65	3.65	3.70	3.70
	10Y-3Y	37	35	40	40	40	40	45	45
Philippines	3M NDF implied yield	6.09	4.94	5.55	6.05	6.05	6.05	6.05	6.05
	2Y	5.42	6.08	6.10	6.20	6.25	6.30	6.35	6.35
	10Y	6.98	6.90	7.65	7.75	7.80	7.85	7.90	7.95
	10Y-2Y	156	82	155	155	155	155	155	160
Singapore	3M SORA OIS	1.16	1.16	1.20	1.20	1.20	1.20	1.20	1.20
	2Y	1.61	1.58	1.55	1.60	1.62	1.65	1.67	1.70
	10Y	2.29	2.04	2.20	2.20	2.25	2.25	2.30	2.30
	10Y-2Y	68	45	65	60	63	60	63	60
Thailand	3M BIBOR	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15
	2Y	1.41	1.14	1.35	1.35	1.45	1.50	1.50	1.50
	10Y	2.23	2.04	2.55	2.60	2.70	2.75	2.80	2.90
	10Y-2Y	82	90	120	125	125	125	130	140
China	1Y LPR	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
	2Y	1.37	1.25	1.25	1.25	1.25	1.25	1.25	1.25
	10Y	1.86	1.73	1.75	1.80	1.80	1.85	1.85	1.85
	10Y-2Y	48	48	50	55	55	60	60	60
Hong Kong, SAR	3M HIBOR	2.36	2.97	2.75	2.75	2.75	2.75	2.75	2.75
	2Y*	2.82	3.43	2.85	2.85	2.90	2.95	2.95	2.95
	10Y*	3.08	3.45	3.40	3.50	3.55	3.60	3.65	3.65
	10Y-2Y	26	2	55	65	65	65	70	70
Korea	3M CD	2.82	2.92	3.10	3.20	3.20	3.20	3.20	3.20
	3Y	3.56	3.70	3.60	3.75	3.75	3.75	3.75	3.75
	10Y	3.88	4.07	4.20	4.25	4.25	4.25	4.25	4.25
	10Y-3Y	32	37	60	50	50	50	50	50
India	3M MIBOR	7.25	6.61	6.75	6.75	6.75	6.75	6.75	6.75
	2Y	6.37	5.99	6.30	6.30	6.35	6.35	6.35	6.35
	10Y	7.04	6.75	6.95	6.90	6.90	6.90	6.85	6.85
	10Y-2Y	67	76	65	60	55	55	50	50

%, eop, govt bond yield for 2Y and 10Y, spread bps
Sources: Data for all charts and tables are from CEIC, Bloomberg and DBS Group Research (forecasts and transformations)

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