DBS
The Week Ahead

Forecasts, data preview, central bank watch

July 24, 2026

KEY DATA RELEASES AND EVENTS NEXT WEEK

- MAS to leave policy unchanged
- BoJ to maintain pause
- A series of June trade and production data to showcase regional momentum

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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 27 (Mon)		
Singapore: MAS MPS	No change	Tightening
Singapore: Industrial production (Jun)	10.2% y/y	13.0% y/y
Hong Kong: exports (Jun)	46.8% y/y	40.8% y/y
- imports	47.4% y/y	42.0% y/y
- trade balance	-HKD89.2bn	-HKD44.2bn
Jul 28 (Tue)		
India: industrial production (Jun)	5.7% y/y	5.1% y/y
July 30 (Thu)		
US: FOMC rate decision	3.75%	3.75%
Philippines: exports (Jun)	10% y/y	7.6% y/y
- imports	14% y/y	21.9% y/y
- trade balance	-USD5.3bn	-USD5.4bn
Eurozone: GDP (2Q)	0.3% q/q	-0.2% q/q
Jul 31 (Fri)		
S Korea: industrial production (Jun)	0.5% y/y	-0.9% y/y
Japan: industrial production (Jun)	1.6% y/y	-2.1% y/y
Taiwan: GDP (2Q)	10.3% y/y	14.6% y/y
Eurozone: CPI (Jul)	2.7% y/y	2.8% y/y
Japan: BOJ target rate	1.00%	1.00%
Aug 1 (Sat)		
South Korea: exports (Jul)	66.6% y/y	70.9% y/y
- imports	28.0% y/y	30.1% y/y
- trade balance	USD31.8bn	USD36.0bn

CENTRAL BANK MEETINGS

Monetary Authority of Singapore (MAS) (July 27)

We expect MAS to leave its SGD NEER policy unchanged at its July review next week, taking a pause after April's tightening. That decision to increase the SGD NEER policy band's slope puts policy in a good position to address the Iran war-related energy price increase. We see no urgency to follow up with a tightening, as Singapore's inflation remained low relative to the official inflation forecast range, and global oil prices have eased from their peak although with upside volatility. While the MAS will remain vigilant on upside price pressures, and leave the door open for further tightening, we expect it to maintain its 2026 inflation forecasts at 1.5-2.5%. The MAS will likely assess a larger positive output gap for 2026, but the capital-intensive nature of the economic expansion contains spillovers to domestic inflation, and the Middle East uncertainty still poses downside growth risks.

Bank of Japan (31 July)

The BOJ is expected to keep the policy rate unchanged at 1.00% after delivering a 25bp rate hike at its June meeting. Market attention will focus on the updated economic projections and Governor Ueda's press conference for further clues on the policy outlook.

At its April meeting, the BOJ revised down its FY2026 GDP growth forecast to 0.5% while raising its FY2026 core CPI forecast to 2.8%, reflecting heightened uncertainty stemming from Middle East tensions. The macroeconomic backdrop has since improved. Economic growth has held up better than expected, supported by stronger semiconductor exports driven by the AI boom and robust wage growth that continues to underpin private consumption. Inflation has also evolved more favorably than anticipated, aided by government measures such as energy subsidies and the release of petroleum reserves.

Governor Ueda is likely to signal further monetary policy normalization within this year, emphasizing the resilience of wage growth and underlying inflation momentum. Recent reports suggest that the BOJ may be open to raising rates at a faster pace than currently anticipated by markets, which are pricing in a roughly once-every-six-months pace. This raises the possibility that the next rate hike could come as early as October.

FORTHCOMING DATA RELEASES

Hong Kong

Exports growth is expected to remain robust at 46.8% yoy in June, supported by continued strength in external demand. China's export growth accelerated from 19.4% yoy in May to 27% in June, driven by easing geopolitical disruptions following the Middle East ceasefire and stronger demand for AI-related electronics. Import growth is also expected to stay firm, reflecting sustained demand for intermediate and capital goods in line with resilient export orders and a gradual improvement in investment sentiment.

Singapore

We expect Singapore's industrial production (IP) growth to remain robust in June 2026, albeit moderating to 10.2% yoy from 13.0% yoy in May. The electronics cluster likely remained the primary growth driver, supported by global artificial intelligence-related tailwinds, although supply constraints prevented output growth from keeping pace with strong demand. The precision engineering cluster was also likely supportive. However, performance across manufacturing clusters remained uneven, with chemical output continuing to decline due to ongoing feedstock disruptions stemming from the flare-up in Middle East tensions, alongside weak performance in the biomedical manufacturing cluster.

South Korea

July trade data are forthcoming. Based on preliminary data for the first 20 days of the month, export growth is expected to remain strong at 67%yoy, only slightly below 70.7% in June. Higher memory chip prices, together with robust AI-driven demand, should continue to be the key drivers.

The current semiconductor super-cycle is likely approaching its peak. According to the WSTS, global semiconductor sales are projected to increase by 89.9%yoy this year before moderating to 26.6% in 2027. Memory chips are expected to remain the most volatile segment, with sales surging 249.5% this year and slowing to 32.1% next year.

Taiwan

The preliminary estimate of 2Q GDP is due for release. Economic growth is expected to moderate to 10.3% yoy from the 1Q peak of 14.5%. Export growth, measured in real terms, slowed to 24.6% yoy in 2Q from 40.9% in 1Q, reflecting moderating ICT demand, particularly from the US. Services exports, proxied by inbound tourist arrivals, also softened during the quarter amid higher international airfares driven by Middle East tensions and elevated energy prices.

On the domestic side, private consumption appears to have strengthened, supported by positive wealth effects from the stock market, a stabilizing property market, and resilient labor market conditions.

Eurozone

Eurozone GDP growth numbers for the second quarter are likely to point to an improvement, owing to the pickup in the PMI surveys, a tight labour market, and pickup in few catalysts in the core countries, especially in Germany and France. This included better momentum in industrial activity, services and construction/ real estate in France, which lifted output out of contractionary terrain and into a mild expansion. Pullback in the July inflation numbers is likely to be short-lived. The ECB is expected act on rates in September owing to pipeline inflationary concerns following a re-escalation in the Middle East tensions.

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	5.2	4.5	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	3.5	2.4	2.3	2.1	2.6	2.1
TAIWAN	5.3	8.8	9.4	4.5	2.2	1.7	2.0	2.1
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	3.00	3.25	3.25	3.25	3.25	3.25
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	1465	1450	1490	1505	1520	1535
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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