DBS

The Week Ahead

Forecasts, data preview, central bank watch

14 August 2026

KEY DATA RELEASES AND EVENTS NEXT WEEK

- *BI and PBOC to hold.*
- *A string of July trade data to show sustained external demand.*
- *Japan 2Q GDP and CPI print should support BoJ tightening.*

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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
Aug 17 (Mon)		
China: retail sales (Jul)	0.4% y/y	1.0% y/y
- industrial production	5.4% y/y	5.3% y/y
- Fixed asset investment	-6.0% y/y	-5.7% y/y
Japan: GDP (2Q)	0.8% saar	1.8% saar
Malaysia: CPI (Jul)	1.9% y/y	1.9% y/y
Singapore: non-oil domestic exports (Jul)	26.5% y/y	20.7% y/y
Thailand: GDP (2Q)	1.9% y/y	2.8% y/y
Aug 19 (Wed)		
Indonesia: BI rate	5.75%	5.75%
Aug 20 (Thu)		
China: 1-year loan prime rate	3.00%	3.00%
Hong Kong: CPI (Jul)	2.0% y/y	2.0% y/y
Malaysia: exports (Jul)	40.0% y/y	45.4% y/y
- imports	40.3% y/y	43.9% y/y
- trade balance	MYR20.3bn	MYR14.9bn
Taiwan: export orders (Jul)	56.6% y/y	59.4% y/y
Japan: exports (Jul)	20.1% y/y	19.3% y/y
- imports	25.7% y/y	25.4% y/y
- trade balance	-JPY719.7bn	-JPY409.9bn
Aug 21 (Fri)		
Japan: CPI (Jul)	2.0% y/y	1.7% y/y

CENTRAL BANK MEETINGS

Bank Indonesia (BI) (19 August)

We expect Bank Indonesia to leave the BI rate at 5.75% in its August meeting. This meeting carries added significance as it will be chaired by acting Governor Destry Damayanti, after Perry Warjiyo resigned last month. President Prabowo has since nominated Deputy Governor Destry as the sole candidate for the position of the next Governor. If confirmed, the appointment will underscore the government's preference for a technocratic and market-oriented leadership transition, placing a seasoned BI official at the helm of the institution. The August rate review will provide a glimpse into the new leader's priorities and communication style.

July inflation had slowed to 2.9% yoy from 3.3% in June, while the 2Q growth was relatively resilient at 5.3%, with domestic drivers in the lead, especially investment, followed by consumption, while net trade was a drag. A firm 2Q growth report and stability in the rupiah makes the case for the BI to maintain its rates this month.

People Bank of China (PBOC) (20 August)

We expect the PBOC to keep the 1Y LPR unchanged next week, as resilient exports and stable industrial activity should continue to support growth momentum. Industrial production is expected to edge up from 5.3% yoy in June to 5.4% in July, supported by firm external demand. Exports stayed strong, rising 23.9% yoy in July, driven by the regional AI-electronics upcycle, while the hi-tech and equipment manufacturing sub-PMIs stayed in expansionary territory.

Domestic momentum, however, remains uneven. Retail sales growth is expected to moderate to 0.4% yoy in July, partly reflecting a high base from earlier trade-in subsidies. Household sentiment is weak amid uncertain job prospects, slower income growth and elevated precautionary savings, while subdued property prices continue to weigh on household wealth and consumption. Investment also stays weak, with fixed asset investment expected to contract further by 6.0% yoy ytd in July. Corporate investment is cautious amid the anti-involution campaign, while the property sector continues to be a major drag. Against this backdrop, policymakers are likely to maintain a measured policy stance, relying on targeted fiscal support to sustain growth rather than further rate cuts.

FORTHCOMING DATA RELEASES

Hong Kong SAR

Headline CPI is expected to remain at 2.0% yoy in July, with elevated energy prices offset by the subdued goods and food prices. Electricity fuel charges and petrol prices increased in July, adding to utilities and transport costs, while housing inflation should edge higher amid a firmer residential rental market. However, subdued durable goods and food prices, alongside a slowdown in mainland tourist arrivals from 10.4% yoy in June to 2.7% in July, should partly offset these upward pressures.

Japan

2Q GDP, July trade, and CPI data are forthcoming. GDP growth is expected to post an on-trend rate of 0.8% QoQ saar, albeit lower than the 1.8% recorded in 1Q. Growth is expected to be largely driven by domestic demand. Consumption indicators appeared to have strengthened in 2Q, supported by decent wage increases and energy subsidies aimed at containing inflation. In contrast, exports in real terms have yet to show a substantial recovery in 2Q.

July trade data are expected to show export value growth picking up further to 20% yoy. CPI inflation, meanwhile, is expected to rise to 2.0% yoy in July from 1.7% in June. These readings would be consistent with the preliminary trade data for the first 20 days of July and the Tokyo CPI data released earlier. Overall, the data will likely strengthen the case for an early rate hike by the Bank of Japan at its September meeting. However, an actual move would still hinge on market dynamics, including USD/JPY movements and the outcome of the September FOMC meeting.

Malaysia

We expect Malaysia's goods exports to expand by a strong 40.0% yoy in July 2026, extending the robust 45.4% yoy growth in June. Exports performance should remain underpinned by strong artificial intelligence demand for electrical & electronics products, alongside resilient oil and gas shipments, supported by energy prices amid evolving tensions in Middle East. We see Malaysia's headline inflation holding at 1.9% yoy in July 2026, stable relative to June. Price pressures should remain in check, as higher fuel inflation and energy cost pass-through were mitigated by fiscal subsidies.

Singapore

We forecast Singapore's non-oil domestic exports to rise by 26.5%yoy in July. The expansion should continue to be led by electronics shipments, supported by robust AI-related demand for memory chips and server-related products. Non-electronics exports may have rebounded due to favourable base effects, although petrochemicals shipments remained weak due to disruptions in the Strait of Hormuz.

Taiwan

July export orders are expected to moderate slightly to 56.6% yoy, from 59.4% in June. Earlier-released export data showed growth decelerating to 32.9% in July, the lowest reading in five months. In real terms, export growth slowed more notably to 13.1%. This reinforces our view that AI-driven super growth has peaked and is transitioning toward more normal growth in 2H. We expect a similar trend to be reflected in export orders.

Thailand

We expect Thailand's real GDP growth to decelerate to 1.9% yoy in 2Q26 from a strong 2.8% yoy in 1Q26. This slowdown reflected softer private consumption and weaker foreign tourist arrivals, due to challenges arising from the conflict in the Middle East. Government spending and robust private investment provided support, alongside strong goods exports expansion driven by global artificial intelligence tailwinds. However, robust goods imports momentum likely resulted in a negative net trade contribution in 2Q26.

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	4.3	0.2	0.0	1.2	1.0
HONG KONG	2.5	3.5	3.8	2.8	1.5	1.4	2.0	2.0
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	5.3	5.1	2.3	1.9	3.3	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	5.0	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	5.75	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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