DBS

The Week Ahead

Forecasts, data preview, central bank watch

11th September 2026

KEY DATA RELEASES AND EVENTS NEXT WEEK

- All eyes on the Fed as a likely contentious meeting looms. Pricing leans toward a rate hike.
- BoJ to hike
- August trade data to show Asia's export momentum remaining intact

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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
Sep 14 (Mon)		
India: CPI (Aug)	4.9% y/y	4.4% y/y
- exports	26.5% y/y	19.6% y/y
- imports	19.4% y/y	17.5% y/y
- trade balance	-USD30.0bn	-USD32.0bn
Sep 15 (Tue)		
China: retail sales (Aug)	0.4% y/y	0.6% y/y
- industrial production	5.0% y/y	4.5% y/y
- Fixed asset investment	-7.0% y/y ytd	-6.7% y/y ytd
Sep 16 (Wed)		
Japan: exports (Aug)	21.6% y/y	23.2% y/y
- imports	28.7% y/y	27.9% y/y
- trade balance	-JPY978.6bn	-JPY686.0bn
Sep 10 (Thu)		
US: FOMC rate decision	3.75%	3.75%
Singapore: non-oil domestic exports (Aug)	35.0% y/y	24.2% y/y
Taiwan: CBC benchmark interest rate	2.00%	2.00%
Sep 11 (Fri)		
Japan: CPI (Aug)	2.0% y/y	1.9% y/y
Japan: BOJ target rate	1.25%	1.00%
Malaysia: CPI (Aug)	1.8% y/y	1.8% y/y
Malaysia: exports (Aug)	43.5% y/y	38.0% y/y
- imports	41.2% y/y	36.4% y/y
- trade balance	MYR25.5bn	MYR22.5bn

CENTRAL BANK MEETINGS

Bank of Japan (September 18)

It is almost a done deal that the Bank of Japan will hike rates at the upcoming meeting on Sep 17-18. Recent data strongly support the case for a rate hike. Final 2Q GDP confirmed that the economy continued to grow at an on-trend pace of 1.4% QoQ saar, or 0.9% YoY, in 2Q. July wage data also surprised on the upside, with total wages and base wages rising 4.7% and 4.1% YoY, respectively. Meanwhile, underlying inflation measures, including CPI excluding fresh food, energy and institutional factors and trimmed mean CPI, have converged with the 2% price target, rising 2.2% and 2.0% YoY, respectively, in July.

The most likely outcome is for the BOJ to deliver a hawkish 25bps hike while signalling a flexible pace of rate hikes at future meetings. An outsized 50bps hike at this meeting or back-to-back rate hikes at every meeting is not our base case. While BOJ board member Takata recently mentioned the possibility of an outsized rate hike, he is well known as a hawk and does not represent the majority view. More importantly, the BOJ should remain mindful of the market impact of large policy surprises, given that the unexpected rate hike in July 2024 triggered a massive JPY carry-trade unwinding and jitters across global financial markets.

Taiwan's central bank (September 17)

We expect the central bank to keep its policy rate unchanged at the September 17 policy meeting, before hiking rates to 2.125% at the next meeting in December. August CPI data suggest little urgency for the CBC to hike rates: headline CPI came in slightly below expectations at 2.0% YoY, while core CPI eased marginally to 2.3%. That said, we expect the CBC to retain a somewhat hawkish tone. The central bank is likely to remain vigilant about the risk of persistent supply-side inflation, particularly given the renewed rise in global oil prices amid prolonged tensions in the Middle East. Policymakers are also likely to highlight the risk of second-round inflationary pressures stemming from a potential rise in inflation expectations, higher wages, and a recovery in domestic consumption.

FORTHCOMING DATA RELEASES

China

Industrial production is expected to improve from 4.5% yoy in July to 5.0% in August, supported by strong exports. Export growth edged up from 23.9% yoy in July to 25.0% in August, amid robust demand for AI-related electronics. However, on domestic front, retail sales growth is expected to remain subdued at 0.4% in August, partly due to a high base from last year's trade-in subsidy programmes. High precautionary savings and falling property prices continue to weigh on consumption, while weak property markets are likely to keep household wealth under pressure.

On the investment side, the decline in fixed asset investment is expected to expand further from -6.7% yoy ytd in July to -7.0% yoy ytd in August. Corporate investment remains cautious amid the ongoing anti-involution campaign, while the property downturn continues to be a major drag. China's shift from presales towards completed-home sales is likely to weigh on near-term investment, land acquisitions and project starts, particularly among highly leveraged private developers.

Malaysia

We expect Malaysia's goods exports growth to remain robust at 43.5% yoy in August 2026, up from 38.0% yoy in July, amid favourable base effects. Export momentum remained anchored by the electrical & electronics segment, underpinned by robust artificial intelligence-related demand, although oil & gas exports expanded at a moderate pace than their April's peak, reflecting energy prices that were below earlier highs. On inflation, we expect headline CPI to remain steady at 1.8% yoy in August, with price pressures contained by targeted fuel subsidies and stable domestic demand conditions, despite rising food price increases.

Singapore

We expect Singapore's non-oil domestic exports (NODX) growth to accelerate to 35.0% yoy in August 2026, from 24.2% yoy in July. Overall NODX strength remained supported by robust electronics shipments, driven by strong artificial intelligence-related demand, despite weaker performance in non-electronics exports. The yoy pickup was likely boosted by favourable base effects, as August 2025 recorded the weakest monthly NODX reading of the year.

India

India's inflation is expected to quicken to 4.9% yoy from 4.4% month before. Food inflation continues to rise, driven by pulses, sugar, and dairy etc., while vegetables rose by a slower pace. After two years of normal monsoon, cumulative southwest rainfall this year is currently 15% below the long-term average (as of early-September), alongside slower build-up in reservoir levels, which could impact upcoming rabi crops as well. Energy prices have remained volatile, raising input cost pressures that could gradually filter through to consumers, even as retail fuel prices have been kept unchanged since May. A gradual broadening of price pressures is likely to keep inflation readings above 5% in second half of the fiscal year, underscoring the need for a tighter policy bias. The goods trade deficit is, meanwhile, likely to stay wide at $30bn as an improvement in exports is accompanied by a further widening in the energy import bill.

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	1.0	1.0
HONG KONG	2.5	3.5	3.8	2.8	1.5	1.4	2.0	2.0
INDIA	7.4	7.3	7.8	6.8	4.9	2.2	4.5	4.2
*INDIA (FISCAL YEAR) **	*7.2*	*7.8*	*7.3*	*6.8*	*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	2.7
TAIWAN	5.3	8.8	11.6	5.6	2.2	1.7	2.0	2.1
THAILAND	2.9	2.4	2.1	2.0	0.4	-0.1	1.7	1.0
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	0.1	1.2	0.9	1.0	2.7	3.2	1.8	1.5
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	5.75	5.75	5.75	5.75	5.75
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**	1.16	1.16	1.30	1.40	1.50	1.50	1.50	1.50
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	1.25	1.25	1.50	1.75	1.75	1.75
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	1.50	1.60	1.75	1.85	1.85	1.85
	2Y	1.35	1.39	1.60	1.70	1.85	1.95	1.95	1.95
	10Y	2.35	2.72	2.80	2.85	2.95	3.00	3.00	3.00
	10Y-2Y	100	133	120	115	110	105	105	105
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	6.80	6.70	6.65	6.60	6.50
	10Y	6.86	7.16	7.00	6.95	6.90	6.90	6.90	6.90
	10Y-2Y	55	-5	10	15	20	25	30	40
Malaysia	3M KLIBOR	3.37	3.45	3.35	3.35	3.35	3.35	3.35	3.35
	3Y	3.26	3.26	3.35	3.30	3.30	3.25	3.25	3.25
	10Y	3.63	3.60	3.80	3.85	3.85	3.85	3.80	3.80
	10Y-3Y	37	35	45	55	55	60	55	55
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	6.20	6.25	6.25	6.30	6.35	6.35
	10Y	6.98	6.90	7.35	7.45	7.50	7.55	7.60	7.65
	10Y-2Y	156	82	115	120	125	125	125	130
Singapore	3M SORA OIS	1.16	1.16	1.30	1.40	1.50	1.50	1.50	1.50
	2Y	1.61	1.58	1.70	1.80	1.85	1.90	1.95	2.00
	10Y	2.29	2.04	2.30	2.40	2.50	2.50	2.50	2.50
	10Y-2Y	68	45	60	60	65	60	55	50
Thailand	3M BIBOR	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15
	2Y	1.41	1.14	1.15	1.20	1.25	1.30	1.35	1.35
	10Y	2.23	2.04	2.10	2.20	2.30	2.40	2.50	2.60
	10Y-2Y	82	90	95	100	105	110	115	125
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	3.25	3.50	3.50	3.50	3.50	3.50
	3Y	3.56	3.70	3.75	3.90	3.90	3.90	3.90	3.90
	10Y	3.88	4.07	4.20	4.35	4.35	4.35	4.35	4.35
	10Y-3Y	32	37	45	45	45	45	45	45
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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