

The Week Ahead

Forecasts, data preview, central bank watch

23 October 2026

KEY DATA RELEASES AND EVENTS NEXT WEEK

- G3 central banks expected to pause
- BOT also expected to hold rates
- South Korea and Taiwan GDP releases to reaffirm AI-driven demand momentum



Taimur Baig PhD

Chief Economist

taimurbaig@db.com



Ma Tieying, CFA

Senior Economist

matieying@db.com

We cover the key data releases and central bank events of the coming week, collating our macro forecasts.

KEY FORECAST FOR THE COMING WEEK

Event	DBS	Previous
Oct 26 (Mon)		
Singapore: industrial production (Sep)	7.6% y/y	15.4% y/y
Oct 27 (Tue)		
South Korea: GDP (3Q)	3.2% y/y	3.7% y/y
Oct 28 (Wed)		
BOT benchmark rate	1.00%	1.00%
Hong Kong: exports (Sep)	55.1% y/y	53% y/y
- imports	49.8% y/y	60% y/y
- trade balance	-HKD50.8bn	-HKD71.2bn
India: industrial production (Sep)	5.3% y/y	8.0% y/y
Oct 29 (Thu)		
FOMC rate decision	4.00%	4.00%
US: GDP (3Q)	2.2% q/q saar	2.2% q/q saar
ECB deposit facility rate	2.50%	2.50%
Oct 30 (Fri)		
South Korea: industrial production (Sep)	0.6% y/y	-2.2% y/y
Japan: industrial production (Sep)	1.9% y/y	2.7% y/y
Philippines: exports (Sep)	26% y/y	27.8% y/y
- imports	7% y/y	16.6% y/y
- trade balance	-USD3587mn	-USD3850mn
Taiwan: GDP (3Q)	12.9% y/y	12.9% y/y
Eurozone: GDP (3Q)	0.4% q/q sa	0.6% q/q sa
BOJ target rate	1.25%	1.25%

CENTRAL BANK MEETINGS

Bank of Thailand (BOT) (October 28)

We expect the BOT to maintain its policy rate at 1.00% at its 28 October meeting, extending its pause for a fourth consecutive decision as it balances inflationary pressures against uneven and subdued economic growth. Our view is aligned with fixed market income pricing. Headline inflation rose anew to 2.8% yoy in September 2026, driven by higher energy, food, and core price increases, but remained within the upper end of the central bank's 1-3% target range. As the BOT is still likely to look through what it views as temporary, supply-driven inflationary pressures, it will likely refrain from tightening policy, and keep interest rates accommodative to support the soft and uneven growth cycle.

European Central Bank (October 29)

We expect the ECB to extend its pause, keeping the deposit facility rate at 2.5%. Market participants will instead focus on the central bank's assessment of rising French and Italian bond yields and widening spreads versus Bunds. While we do not expect direct references to individual countries, the ECB is likely to signal that recent developments in France reflect the country's weaker fiscal and debt profile rather than a broader systemic concern. Policymakers will seek to differentiate between a localised bond sell-off and a Eurozone-wide market disruption, justifying their decision to monitor developments rather

than implement specific measures at this juncture. Meanwhile, inflation continues to rise, with little relief expected in upcoming readings given elevated global fuel prices.

Bank of Japan (October 30)

The Bank of Japan is expected to keep the overnight call rate unchanged at 1.25% at this meeting, pausing after the 25bp hike in September. The BOJ is likely to assess the impact of the previous rate hike before taking further action. The recent stabilisation of the yen also reduces the urgency of another hike at this meeting.

The tightening bias should remain intact. Growth and inflation remain broadly on track, leaving room for the BOJ to revise up its FY2026–FY2027 GDP and CPI forecasts. Wage growth has also remained strong, with Rengo reportedly targeting wage increases of 6% in 2027, reinforcing the BOJ's confidence that underlying inflation can be sustained around its 2% target. We continue to expect the policy rate to rise to 1.50% in December 2026 or January 2027, followed by a further increase to 1.75% by 2Q 2027.

FORTHCOMING DATA RELEASES

Hong Kong SAR

Export growth is expected to accelerate from 53.0% yoy in August to 55.0% in September, in line with the pickup in China's export growth from 25.0% to 36.3%. As a key re-export hub for China,

Hong Kong should benefit from robust AI-related electronics trade, with electrical machinery, equipment and parts exports to Hong Kong accounting for 20.6% of China's total exports. Import growth is also expected to remain firm, supported by resilient export orders and gradually improving investment sentiment, sustaining demand for intermediate and capital goods.

Singapore

Singapore's industrial production (IP) likely remained in expansion for a 13th consecutive month in September 2026, although we expect growth to moderate to 7.6% yoy from August's strong 15.4% yoy pace. IP growth continued to be underpinned by the electronics and precision engineering clusters, which has been key drivers of Singapore's manufacturing strength, reflecting sustained demand for artificial intelligence-related hardware. However, performance across clusters remained uneven, with chemicals and biomedical manufacturing likely contracting, and tempering overall gains.

South Korea

The preliminary estimate for 3Q26 GDP is likely to show growth remaining solid at 3.2% yoy, slightly below 3.7% in 2Q and 3.8% in 1Q. Nominal GDP growth is likely to remain in double digits, significantly outpacing real GDP growth, thanks to improved terms of trade amid rising memory export prices. By expenditure, exports picked up in 3Q in both nominal and real terms, supported

by stronger semiconductor shipments. Investment also appeared robust, as reflected in the equipment investment estimation index and machinery order index. Private consumption, however, appeared to weaken amid the sharp KOSPI correction since July following the introduction of leveraged ETF regulations. Our full-year GDP growth forecasts of 3.5% for 2026 and 2.4% for 2027 remain on track.

Taiwan

The preliminary estimate for 3Q GDP is likely to show growth remaining strong at 12–13% yoy, close to 12.9% in 2Q, albeit below the peak of 15.4% in 1Q. Exports maintained strong double-digit growth in 3Q (44.6% yoy in nominal terms and 21.1% in real terms), supported by robust shipments of semiconductors, servers and other AI-related products. Machinery investment also sustained strong double-digit growth, underpinned by higher capacity utilisation in the ICT sector and a resulting increase in capital goods imports. Private consumption appeared to have strengthened further, supported by stock market gains, improving wage growth, and the associated wealth and income effects. Construction investment remained the weak spot, weighed down by elevated inventories in the new-home market and the ongoing need for inventory digestion. We maintain our 2026 and 2027 GDP growth forecasts at 11.6% and 5.6%, respectively, with risks tilted to the upside.

GROWTH, INFLATION, POLICY RATES & FX FORECASTS

	GDP GROWTH, % YOY				CPI INFLATION, % YOY			
	2025	2026f	2027f	2028f	2025	2026f	2027f	2028f
CHINA	5.0	4.5	4.3	4.0	0.0	1.0	1.0	1.0
HONG KONG	3.5	3.8	2.8	2.5	1.4	2.0	2.0	2.0
INDIA	7.3	7.8	7.0	6.8	2.2	4.6	5.0	4.2
INDIA (FISCAL YEAR) *	7.8	7.3	7.0	6.8	2.1	5.3	4.7	4.5
INDONESIA	5.1	5.3	5.2	5.2	1.9	3.3	2.5	2.2
MALAYSIA	5.2	5.2	4.5	4.3	1.4	2.0	2.0	2.0
PHILIPPINES**	4.5	3.0	4.0	4.5	1.7	6.5	5.5	3.5
SINGAPORE	5.0	5.7	3.5	2.8	0.9	2.0	1.8	1.6
SOUTH KOREA	1.0	3.5	2.4	2.0	2.1	2.6	2.7	2.7
TAIWAN	8.8	11.6	5.6	3.8	1.7	2.0	2.1	1.9
THAILAND	2.4	2.1	2.0	2.2	-0.1	1.7	1.0	1.2
VIETNAM	8.0	9.1	8.0	7.2	3.3	4.8	3.3	3.0
EUROZONE	1.5	1.2	1.2	0.9	2.2	3.1	2.1	2.0
JAPAN	1.2	0.9	1.0	0.9	3.2	1.8	1.5	2.0
UNITED STATES***	2.1	2.3	2.2	2.0	2.7	3.3	2.8	2.4

* 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	5.75	6.00	6.00	6.00	6.00
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	5.00	5.75	6.00	6.00	6.00	6.00
SINGAPORE**	1.20	1.20	1.20	1.80	2.00	2.00	2.00	1.90
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	2.75	3.00	3.00	3.00	3.00
JAPAN	0.75	1.00	1.25	1.25	1.50	1.75	1.75	1.75
UNITED STATES	3.75	3.75	4.00	4.25	4.50	4.50	4.50	4.50

EXCHANGE RATES, EOP

	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
USD/CNY	6.89	6.79	6.71	6.60	6.63	6.65	6.68	6.70
USD/HKD	7.84	7.84	7.85	7.83	7.83	7.83	7.83	7.83
USD/INR	94.8	94.7	95.8	95.6	95.7	95.6	95.5	95.4
USD/IDR	17041	17907	17894	17400	17470	17530	17600	17660
USD/MYR	4.05	4.08	4.08	4.00	4.04	4.08	4.11	4.15
USD/PHP	60.7	61.3	62.7	61.5	62.1	62.8	63.4	64.0
USD/SGD	1.29	1.29	1.28	1.26	1.27	1.27	1.28	1.29
USD/KRW	1516	1549	1358	1400	1410	1420	1425	1435
USD/THB	32.6	33.2	33.6	32.6	32.8	32.9	33.0	33.2
USD/VND	26340	26310	25964	25840	25980	26120	26260	26400
AUD/USD	0.69	0.69	0.69	0.71	0.71	0.70	0.70	0.70
USD/CAD	1.39	1.42	1.42	1.37	1.38	1.39	1.40	1.40
EUR/USD	1.16	1.14	1.13	1.18	1.17	1.17	1.16	1.15
USD/JPY	158.7	162.6	157.4	151.0	153.0	154.0	155.0	157.0
NZD/USD	0.57	0.57	0.56	0.59	0.59	0.58	0.58	0.57
USD/CHF	0.80	0.81	0.84	0.81	0.82	0.83	0.83	0.84
GBP/USD	1.32	1.33	1.33	1.36	1.35	1.34	1.33	1.32
DXI INDEX	100.0	101.2	101.5	97.6	98.3	99.0	99.7	100.4

INTEREST RATE FORECASTS

		2027				2028			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
US	3M SOFR OIS	4.40	4.40	4.40	4.25	4.15	3.90	3.90	3.90
	2Y	4.70	4.70	4.70	4.70	4.30	4.15	4.15	4.15
	10Y	5.20	5.20	5.20	5.20	5.00	4.75	4.75	4.75
	10Y-2Y	50	50	50	50	70	60	60	60
Japan	3M TIBOR	1.75	1.85	1.85	1.85	1.85	1.85	1.85	1.85
	2Y	1.85	1.95	1.95	1.95	1.95	1.95	1.95	1.95
	10Y	2.95	3.00	3.00	3.00	2.90	2.80	2.70	2.60
	10Y-2Y	110	105	105	105	95	85	75	65
Europe	3M EURIBOR	3.20	3.20	3.20	3.20	3.20	3.10	2.90	2.70
	2Y	3.20	3.20	3.20	3.20	3.10	3.00	2.90	2.80
	10Y	3.50	3.60	3.70	3.80	3.65	3.50	3.35	3.20
	10Y-2Y	30	40	50	60	55	50	45	40
Indonesia	3M JIBOR	6.00	6.00	6.00	6.00	6.00	6.00	5.70	5.50
	2Y	7.00	6.90	6.90	6.80	6.70	6.60	6.30	6.20
	10Y	7.50	7.40	7.40	7.30	7.20	7.20	7.00	7.00
	10Y-2Y	50	50	50	50	50	60	70	80
Malaysia	3M KLIBOR	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
	3Y	3.30	3.25	3.25	3.25	3.25	3.25	3.25	3.25
	10Y	3.85	3.85	3.80	3.80	3.70	3.70	3.70	3.70
	10Y-3Y	55	60	55	55	45	45	45	45
Philippines	3M PHP ref rate	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20
	2Y	7.05	7.05	7.10	7.10	7.10	7.10	7.10	7.10
	10Y	8.15	8.15	8.20	8.20	8.20	8.20	8.20	8.20
	10Y-2Y	110	110	110	110	110	110	110	110
Singapore	3M SORA OIS	2.00	2.00	2.00	1.90	1.80	1.60	1.60	1.60
	2Y	2.20	2.20	2.20	2.20	2.00	1.80	1.80	1.80
	10Y	2.70	2.70	2.70	2.70	2.55	2.40	2.40	2.40
	10Y-2Y	50	50	50	50	55	60	60	60
Thailand	3M BIBOR	1.15	1.15	1.15	1.15	1.15	1.15	1.40	1.65
	2Y	1.25	1.30	1.35	1.35	1.35	1.55	1.65	1.75
	10Y	2.30	2.40	2.50	2.60	2.60	2.70	2.80	2.90
	10Y-2Y	105	110	115	125	125	115	115	115
China	1Y LPR	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
	2Y	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
	10Y	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80
	10Y-2Y	55	55	55	55	55	55	55	55
Hong Kong, SAR	3M HIBOR	3.60	3.60	3.60	3.45	3.35	3.10	3.10	3.10
	2Y*	4.20	4.20	4.20	4.20	3.80	3.65	3.65	3.65
	10Y*	4.40	4.40	4.40	4.40	4.20	3.95	3.95	3.95
	10Y-2Y	20	20	20	20	40	30	30	30
Korea	3M CD	3.50	3.50	3.50	3.50	3.50	3.50	3.25	3.25
	3Y	3.90	3.90	3.90	3.90	3.90	3.90	3.70	3.70
	10Y	4.35	4.35	4.35	4.35	4.30	4.30	4.10	4.10
	10Y-3Y	45	45	45	45	40	40	40	40
India	3M MIBOR	6.90	6.90	6.90	6.90	6.90	6.90	6.70	6.50
	2Y	7.15	7.15	7.15	7.15	7.15	6.90	6.80	6.70
	10Y	7.60	7.60	7.60	7.60	7.60	7.50	7.40	7.40
	10Y-2Y	45	45	45	45	45	60	60	70

%, 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)

ECONOMICS & STRATEGY

Taimur BAIG, Ph.D.

Chief Economist
Global

taimurbaig@dbbs.com

Mo Ji, Ph.D.

Chief Economist
China/HK SAR
mojim@dbbs.com

Han Teng Chua, CFA

Senior Economist
Asean
hantengchua@dbbs.com

Wei Liang CHANG

FX & Credit Strategist
Global
weiliangchang@dbbs.com

Tieying MA, CFA

Senior Economist
North Asia
matieying@dbbs.com

Philip WEE

Senior FX Strategist
Global
philipwee@dbbs.com

Mervyn Teo

Senior Credit Analyst
USD, SGD, AUD
mervynteo@dbbs.com

Eugene LEOW

Senior Rates Strategist
G3 & Asia
eugeneleow@dbbs.com

Sherilyn Chew

Multi-asset Strategist
Global
sherilync Chew@dbbs.com

Ian Haan Chui

Credit Analyst
USD
ianchui@dbbs.com

Samuel TSE

Rates Strategist
Asia
samueltse@dbbs.com

Tracy Li Jun LIM

Credit Analyst
USD, SGD
tracylimt@dbbs.com

Joel SIEW, CFA

Credit Analyst
USD, SGD, AUD
joelsiew@dbbs.com

Amanda SEAH

Credit Analyst
USD, SGD, AUD
amandaseah@dbbs.com

Teng Chong LIM

Credit Analyst
USD, SGD, AUD
tengchonglim@dbbs.com

Daisy SHARMA

Analyst
Data Analytics
daisy@dbbs.com

Iris GAO

Credit Analyst
USD
irisgao@dbbs.com

Radhika RAO

Senior Economist
Asean/EU/South Asia
radhikarao@dbbs.com

Violet LEE

Associate
Publications
violetleeyh@dbbs.com

Nathan CHOW

Senior Economist
China/HK SAR
nathanchow@dbbs.com

Byron LAM

Economist
China/HK SAR
byronlamfc@dbbs.com

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