

Research Monitor (July)

Key Themes

1. Geopolitical risk premiums retreated with US-Iran MOU, but negotiations remain fragile amid the power struggle over the Strait of Hormuz (SoH). Still, SoH maritime traffic is gradually improving, contributing to lower crude oil prices. Meanwhile, other asset markets are reacting to the hawkish repricing of FOMC rate intentions, with futures more than fully pricing in a 25bp rate hike by year-end with new Fed chair Warsh pulling back on forward guidance. Adding to the volatile mix were the concerns over AI valuations and capex sustainability. That said, US equities still posted their best quarterly gain in six years despite a soft June. USDJPY, on the other hand, tested a four-decade high of 162, as the link with interest rate differentials has weakened, keeping FX traders on intervention alert. Global central banks plan to slowly cut USD exposure to 52% in 10 years to diversify towards the euro (23%) and Yuan (5%), with gold also a beneficiary, according to OMFIF.
2. It is unclear if policymakers will look past the 2Q26 energy spike which is still working its way through a wider range of goods and services and inflation prints may only peak from 3Q26. 1Q26 growth clues have been remarkably robust, aided by the AI-related investment boom and the unwinding of Liberation Day tariffs. In Asia, idiosyncratic drivers prevailed, with Japan reporting the highest Tankan confidence among large manufacturers since 2018, whilst MSCI will consider options to possibly reclassify Indonesia from Emerging Markets to Frontier Markets if sufficient progress is not clear by the November 2026 MSCI Index Review. Malaysia will also intensify FX inflow measures, including engaging with government-linked companies and corporates to repatriate and convert their income. For Singapore, the OCBC SME Index rose to 50.3 in May, marking the fourth consecutive month in expansion territory, but still reflecting uneven growth between outward versus domestic-oriented industries, especially for SMEs.
3. The PBoC injected RMB300 billion via overnight reverse repos on 29 June. This marked the first operational use of the newly introduced facility and represents another step in the PBOC's transition toward a price-based monetary policy framework. This facility complements the recent narrowing of the interest rate corridor, strengthening the central bank's operational control over the shortest end of the money market. Notably, the PBOC disclosed only the operation size of the overnight reverse repo, while withholding the operation rate. In our view, this reflects a deliberate effort to manage market expectations during the initial rollout of the new facility and prevent excessive interpretation of its policy signalling. China also announced more measures to support RMB Internationalization including new overseas central bank repo facility and direct participation by Chinese banks' head offices in offshore RMB markets. This is a coordinated effort to expand the pool of tradable, hedgeable, and financeable RMB assets.

Asset Class Views

	House View	Trading Views
FX	<p>USD (DXY): Brent has fallen back to pre-Iran conflict levels, bringing back the pre-war oversupply narrative. The USD strengthened despite weaker terms of trade from lower oil. A more hawkish Fed and flatter yield curve have replaced high oil prices as the main support for the USD. With the Fed back in focus, the USD is realigning with rate differentials after the earlier dislocation during the energy shock. Hawkish Fed risks are shifting our view from rangebound to modest USD appreciation. Strong AI-led equity performance is drawing capital back into US markets. We now see 2–3% USD upside by end-2026. Our end-2026 EURUSD forecast is revised to 1.11 (from 1.18) and USDJPY to 163 (from 155). A move beyond 5% is a tail risk, potentially driven by oil rising above USD 100/bbl or a US economic re-acceleration instead of a soft landing. Carry trades remain viable as long as risk sentiment holds, but funding currency selection is key.</p>	<p>Supported on dips. Resistance at 101.80, 103 levels. Support at 100, 98 levels.</p>
	<p>JPY: Intervention risk is likely to cap USDJPY upside relative to peers, particularly in a stronger USD environment. After USD74bn of intervention between April and May, MoF data indicate Japan still holds substantial FX reserves of USD1.3trn, underscoring ample capacity to intervene. However, intervention threats alone are unlikely to drive a sustained decline in USDJPY. The link between USDJPY and the US–Japan rate differential has weakened. Higher JPY yields have failed to push USDJPY lower, as rising JPY rates mainly reflect an inflation risk premium tied to fiscal concerns and perceptions that policy remains behind the curve. Japan’s real rates remain too low relative to rising US real yields. We would need the BoJ to exceed already priced-in tightening expectations to turn more constructive on the JPY.</p>	<p>Supported, although looking stretched. Resistance at 163, 164.30. Support at 160, 158 levels.</p>
	<p>The 2H backdrop for AXJs remains cautious. Hawkish Fed rhetoric and intermittent USD strength are likely to keep the region on the defensive in the near term. The easing in oil prices back below the US\$80/bbl is helpful, particularly for net-oil importers, but it does not fully remove the pressure. The broader mood may stay somewhat fragile, with geopolitical flare-ups still a key risk that could quickly reverse the improvement in the oil backdrop. Against this setting, we do not see the outlook for AXJ FX as uniformly bearish, but neither is the region out of the woods. The impact across AXJs is likely to remain differentiated, reflecting differences in oil sensitivity, external balances, domestic policy credibility, equity-flow support and sensitivity to USD/rates.</p>	
	<p>CNH should remain guided by the PBoC fixing bias, with the authorities still appearing comfortable with a measured pace of RMB appreciation. In the near term, CNH may have temporarily lost some of its earlier appreciation impulse, with USDCNH rebounding to 6.80 region as broader USD strength and hawkish Fed repricing weighed on regional FX. But we believe this is a short-term adjustment to reflect broader market dynamics and to calibrate the appreciation pace, rather than a reversal of the trend. That said, if China’s growth momentum continues to soften, markets may eventually question whether RMB’s relative outperformance remains fundamentally justified.</p>	<p>Sell rallies in USDCNH. Resistance at 6.82, 6.84 levels. Support at 6.78, 6.76.</p>
	<p>SGD should retain relative stability against peers, supported by its lower-beta characteristics and MAS’ tighter policy stance. However, SGD is not immune to broader USD strength, higher UST yields or weaker regional risk sentiment. There may be room for USDSGD to squeeze higher in the interim if USD strength and higher UST yields persist. MAS policy decision later this month is in focus. We see room for MAS to be on hold. Core CPI has printed softer than expected in recent May, Apr readings and energy prices have eased significantly. Furthermore, the Apr pre-emptive tightening may have been partially sufficient unless inflation reaccelerates.</p>	<p>Consolidation. Resistance at 1.2920, 1.3030. Support at 1.2860, 1.2720.</p>
<p>We turned neutral-to-slight cautious on MYR. Macro story remains intact, but the earlier fundamental re-rating appears largely in the price for now. State-election noises may potentially add a modest risk premium while MYR is not immune to firmer USD and elevated US rates environment. Elsewhere, BNM’s FX inflow push can cushion MYR.</p>	<p>Dips in USDMYR may find support at 4.05, 3.98. Resistance at 4.10, 4.15.</p>	

	House View	Trading Views	
Rates	<p>Fed funds futures increased rate hike pricings upon the hawkish dot-plot – nine members anticipated at least one hike before year end, with the median dot between no change and one hike; Governor Warsh did not put down his dot. Market pricings have stayed hawkish despite the falls in oil prices, while May PCE/core PCE did not surprise to the upside. We expect the FOMC to keep the target range for the Fed funds rate unchanged at 3.50-3.75% through this year. Risk is for a hike as suggested by the June dot-plot – if that happened that would likely be followed by cut(s) in 2027, in our view. Market may prefer to guard against the risk of monetary policy tightening, rendering short-end US yields sticky downward for now.</p>	<p>USD rates. The curve pivotal flattened in the past month, as long-end yields adjusted lower. 10Y breakeven was back to pre-conflict level while real yield remained elevated. Meanwhile, 10Y term premium, as estimated by NY Fed’s ACM model, was even narrower than pre-conflict levels. Short-end yields being sticky downward together with the already flat curve is likely to limit further downside to long-end yield. As and when short-end yields adjust lower moving nearer to our neutral Fed funds rate base-case, the term premium may re-widening, leading to a steepening bias. We are revising long-end yields forecasts mildly lower – after mid-month upward revisions – to reflect the current curve dynamics.</p>	→
	<p>We expect BoE to keep Bank Rate unchanged at 3.75% through this year as the default option, given where Bank Rate is (being restrictive) and the slow growth momentum. Governor Baily did not sound hawkish at June MPC meeting, commenting the central bank’s remit recognises that “attempting to bring inflation back to the target too quickly may cause undesirable volatility in output”. The two dissenters at the June MPC meeting preferred a rate hike as “part of a risk management strategy”, which did not sound as a particularly high conviction call. Softness in demand and in the labour market is likely to mitigate second-round inflation impact. GBP OIS has pared back rate hikes expectation, from more than 80bps priced in March to the last 21bps.</p>	<p>SGD rates have been chopping undergoing two rounds of ups and downs over the past month. The SGD OIS curve pivotal flattened. The most recent retracement lower in SGD rates provides better levels for hedging purposes. After the recent flattening across the 1s5s and the 2s5s segment of the OIS curve, the 5Y swap may be considered, in addition to 2Y and 3Y OIS. Our forecasts assume some gradual upward normalisation in SGD interest rates and in SGD-USD rates spreads over time.</p>	↑
	<p>With inflation expected to stay above target throughout most of 2027, we expect another 25bp hike in key ECB policy rates to be delivered in 3Q2026. We do not anticipate a more aggressive rate hiking cycle at this juncture. The size and persistence of the supply shock are crucial factors affecting ECB’s decision making, and in this regard, Lagarde classifies the current stage as “the shock gives rise to a sizeable but not-too-persistent overshoot” of the inflation target, where a “measured adjustment of policy is warranted”.</p>	<p>IndoGBs underperformed USTs in the past month. With BI’s intention to refrain from buying government bonds in the secondary market, allowing price discoveries in the market, IndoGB yields had already adjusted higher. If investors confidence does not worsen from here, 10Y IndoGB-UST yield spread may stabilise in the range of 270-290bps.</p>	→
	<p>Minutes of RBA MPB meeting in June and the economic backdrop underpin our call for the cash rate to stay at 4.35% as the RBA is in a wait-and-see mode. The minutes opined “it would take some time to assess impact on the economy of the tightening in monetary policy”. Cash rate futures last priced 11bps of a hike before year end.</p>	<p>MGS continued to exhibit its relative stability. MGS are likely to trade in ranges before a rate hike comes near. 3Y and 5Y bond/swap spreads (MYR IRS – MGS yield) have re-widened to more positive levels. Nevertheless, recent auctions suggest demand has stayed robust.</p>	→
		<p>CNY rates were mildly lower on the month. Short-end repo-IRS trading near the 1.4% level suggests a 10bp rate cut is already in the price. Further downside to CNY rates from here appears limited. If 2Y IRS is floored at 1.4%, then 2Y CGB is unlikely to rally beyond 1.2% sustainably. Further out, we look for a bottom-out in CNY rates as the reflation narrative may gain traction.</p>	↑

*Arrows refer to expectations for general direction of rates/yields

House View	Trading Views
<p>Credit</p> <ul style="list-style-type: none"> • Starting to see some resistance: Credit spreads showed some dispersion through June with Global and Asia IG spreads wider while Global Contingent Capital and Asia HY were tighter. Global HY spread movements stood out as they were noticeably wider, influenced by Fed Chair Kevin Warsh’s perceived hawkish shift in the Fed rate trajectory at the June 17–18 FOMC meeting. • June developments stretching the rubber band: Dispersion elsewhere was a consequence of a mix between risk-on influences from geopolitical de-escalation that were positive for risk assets, historically tight spread levels for IG that had little room to move, strong primary supply, and other idiosyncratic developments in key markets. Overall, sentiments remain tentative with order books for new issues lacking conviction. • Sounding a warning? In its annual outlook, Pacific Investment Management Co. (“PIMCO”) declared that the credit loss cycle has begun, with heavy spending on AI widening economic outcomes and hitting lower-quality borrowers. PIMCO also noted a higher frequency of maturity extensions and payment-in-kind structures that indicates “a more genuine default cycle is now unfolding.” Amidst inherently fragile positioning with spreads or risk premia compressed, we continue to believe that it would take only a relatively small catalyst to alter sentiment and prompt a shift in investor preferences. <p>We continue to advocate a defensive bias:</p> <ul style="list-style-type: none"> • Focus on the short end and intermediates to preserve capital amid elevated rate and duration volatility. • Favour sector and issuer selectivity over broad index exposure, prioritising sectors with strong balance sheet, refinancing access and structural support (e.g. IG financials, infrastructure), while avoiding stressed or refinancing-dependent segments. • Prioritise quality carry over beta, with a focus on higher-quality credits with resilient cash flows, strong liquidity, clear refinancing visibility. • Prefer Developed Market investment grade over Developed Market high yield, given better downside protection amid asymmetric risk-return profile. • We prefer SGD crossover credits and high yield over high grade with default risks remaining low. 	<p>CDREIT 3.7%-PERP (SGD) - SGXF40660478 ↑</p> <ul style="list-style-type: none"> • CDL Hospitality Trusts (“CDLHT”) is a stapled security comprising one unit of CDL Hospitality Real Estate Investment Trust (“CDREIT”) and one unit of CDL Hospitality Business Trust (“HBT”), and the pair is not separately traded. We recently initiated coverage on CDREIT with a Neutral (4) issuer rating. As at 31 March 2026, CDLHT’s portfolio comprise 22 properties across Singapore, New Zealand, Australia, Germany, Maldives, Japan, the United Kingdom and Italy, and includes 4,924 hotel rooms, 352 build-to-rent (“BTR”) apartments, 404 purpose-built student accommodation (“PBSA”) beds and a retail mall. Singapore, which has a resilient hospitality market, remains CDLHT’s primary market. Singapore contributes 63% of total portfolio valuation as at 31 December 2025. • CDREIT has entered into an agreement for the forward purchase of Moxy Singapore Clarke Quay where we expect bulk of the payment to be made in 1H2027 and this may push up aggregate leverage. While the Moxy transaction introduces funding uncertainty, we expect credit metrics to remain in line with stronger Neutral (4) REIT peers, even under a fully debt-funded scenario. • We are Overweight the CDREIT 3.7%-PERP as this perpetual allows a yield pick-up of ~30bps versus high grade REIT perpetuals for a manageable credit profile. <p>FOSUNI 5.05% '27s (USD) - XS2281321799 ↑</p> <ul style="list-style-type: none"> • Fosun International Limited (“FOSUNI”) is one of the largest privately owned investment holding companies (“Holdco”) in China. As of end 2025, FOSUNI managed a portfolio of about RMB207b (~USD30b) of listed and unlisted investments. • The company's principal businesses focus on four major areas, namely wealth (insurance, asset management etc), health, happiness and intelligent manufacturing. About 45% of revenue is from Mainland China, 16% from Portugal and 39% from other countries. There is strong LTV buffer (LTV ratio of about 35%) for USD bond investors. • We are overweight the FOSUNI 5.05% '27s bond given its repayment visibility and the pick-up against other Chinese/Hong Kong investment holding companies.

	House View	Trading Views
Equity	<p>Global equities came under pressure in May, with MSCI ACWI losing 2.4% in total returns month-to-date (MTD) as at 29 Jun 2026. MSCI Europe (+2.0%) and MSCI Japan (+0.9%) led the pack, while MSCI Asia ex-Japan (AxJ) (-2.4%) and the S&P 500 (-2.9%) lagged amidst an artificial intelligence (AI) stock slump. Within AxJ, Philippine's PSEi (+5.6%), India's BSE SENSEX (+3.6%) and Singapore's Straits Times Index (STI) (+3.1%) delivered positive returns. In contrast, Hong Kong's Hang Seng Index (HSI) (-9.4%) was the worst performer, followed by Korea's KOSPI (-3.7%). Within Singapore, the FTSE ST Small Cap Index (FSTS) (-5.2%) underperformed the FTSE ST Mid Cap Index (-0.6%) in tandem with the global tech rout, given the FSTS's greater exposure to the Information Technology sector.</p> <p>Despite positive developments coming out of the Middle East, we caution that a peace deal does not imply an immediate return to pre-war normalcy. Mine clearance and production restarts will take time, and economies have already been scarred. Going into 2H26, we maintain our Overweight rating on Singapore equities given their defensive tilt. At the time of writing, the STI offers a forward 12-month dividend yield of ~4.3%, which screens attractive relative to regional markets and may provide some downside support. Ongoing equity market reforms and SGD strength may provide additional tailwinds for performance.</p> <p>Turning to S-REITs, year-to-date (YTD) sector performance has lagged the broader Singapore market due to structural impact from the pandemic and a higher interest rate environment. Current sector valuations are undemanding and may provide some downside support, but we think this alone is unlikely to act as a catalyst for outperformance within the Singapore equities market; rather, a clear change in the interest rate outlook may be required for sentiment to shift and a re-rating to be sustainable. Against this backdrop, we urge investors to remain selective, with a focus on S-REITs that can deliver sustainable and robust core distribution per unit (DPU) growth, and which exhibit balance sheet resilience. We also prefer Singapore assets given healthy local funding costs and defensive capital values. For more information, please refer to our latest S-REITs sector update, "Tepid growth, but valuations remain reasonable" (3 Jun 2026).</p>	<p>Q&M Dental Group [QNM SP; FV: SGD0.76] ↑</p> <ul style="list-style-type: none"> • Singapore's oral healthcare demand is increasingly shaped by age-driven utilisation patterns. Against this structural backdrop, Q&M, as Singapore's dominant dental chain, is best positioned to capture incremental demand given its scale and accessibility. Q&M's network of 110 island-wide clinics and strong brand recognition provide natural leverage to fast-growing patient segments, such as seniors who tend to require more complex, higher margin procedures. This demographic shift supports revenue quality, pricing power, and long-term earnings visibility. • Q&M's competitive position is bolstered by its investment in technology and AI. Its wholly owned subsidiary, EM2AI, is a differentiated technology platform that offers AI-powered solutions for the dental industry, enhancing clinical outcomes while supporting a scalable, higher-margin revenue stream. • We believe Q&M is best understood not merely as a dental chain but as a scalable healthcare platform. Using the discounted cash flow (DCF) method (discount rate: 6.4%; terminal growth rate: 2%), we initiate coverage on Q&M with a fair value estimate (FV) of SGD.76. Key risks include execution and integration challenges across three concurrent acquisitions, elevated post-acquisition leverage that could necessitate equity fund raising, uncertainties over China's economic growth and pricing sensitivity, and elevated refinancing costs. BUY. <p>Bumitama Agri [BAL SP; FV: SGD2.20] ↑</p> <ul style="list-style-type: none"> • Sentiment around plantation stocks has improved after the Indonesian government scaled back its proposal to centralise exports of key commodities, including crude palm oil (CPO), though we see plantation companies operating in an elevated regulatory risk environment in Indonesia. • OCBC Group Research retains a constructive view of CPO prices over the next 12 months. While improved production and higher stocks suggest limited near-term upside, weather risks and robust biofuel demand will likely remain supportive of CPO prices. • Against this backdrop, Bumitama Agri (BAL) remains our preferred pick. As a pure upstream player, higher CPO prices bode well for its top line. BAL sources 100% of its revenue domestically and may be relatively more insulated from export control changes. We have a FV estimate of SGD2.20 on the counter. BUY.

Macroeconomic Views

	House View	Key Themes
United States	<p>We maintain our 2026 growth forecast at 2.2%. We expect growth to rebound above 3% QoQ in 2Q26 from 2.1% in 1Q26, driven by a reversal in net exports. As for inflation, we expect it to peak in 2Q26 and moderate in 2H26, supported by fading energy-related effects and a reversion in the oil risk premium. Our 2026 inflation forecast is held at 3.5% YoY, up from 2.7% in 2025. Post-FOMC, markets initially brought forward rate hike expectations and pushed Treasury yields higher, but this proved short-lived. Towards end-June, a sharp reversal in oil prices back to pre-war levels eased inflation concerns, prompting investors to partially unwind the post-FOMC move. New Fed chair Warsh also called for a broader strategic review of the Federal Reserve's operating framework, with renewed emphasis on communications, balance sheet policy, data methodology, the inflation framework, and labour-market assessment, with the exercise to be completed by end-2026. The retreat from forward guidance may imply greater uncertainty for financial markets.</p>	<p>June unfolded as a month of economic cross-currents, where firm headline data contrasted with underlying signs of cooling momentum. The revised 1Q26 GDP growth rate was stronger than initially estimated, rising to 2.1% QoQ from 1.6%, driven largely by a downward revision in imports. Underlying activity, however, was softer: personal consumption saw a sharp slowdown to 0.5% from 1.4% previously, though manufacturing PMI held at a still expansionary 55.7, highlighting a divergence between goods sector momentum and household spending. This occurred against the backdrop of continually sticky inflation, with headline PCE inflation rising to 4.1%, well above the Fed's 2% target. Despite this, labour markets remained resilient, with May nonfarm improving to 172k and the unemployment rate holding steady at 4.3%. June also marked a leadership milestone with Kevin Warsh's first FOMC meeting, where the Committee kept policy rates unchanged but delivered a notably hawkish message. Besides a more succinct FOMC statement, the dotplot was also evenly split between members calling for hikes this year versus those against, with Warsh abstaining.</p>
Euro Area	<p>The euro area outlook has deteriorated following the Middle East conflict, with growth projected to slow to 0.9% YoY in 2026, from 1.4% in 2025. Our long-held forecast is now in line with the European Commission's Spring Economic Forecast, after the EC revised it lower in late May. The spillover from weaker growth has so far had a limited impact on the region's labour market. The unemployment rate remained steady at 6.3% in April 2026. Notwithstanding, price pressures are now the clear focus for the central bank as ECB officials continue to highlight pipeline pressures. Euro area headline CPI jumped to 3.2% YoY in May, according to preliminary estimates, compared to 3.0% in April. We revise higher our 2026 headline CPI forecast to 3.1% from 2.8% previously, reflecting higher energy prices. Following the 25bp hike at the 11 June meeting, our house view is for one 25bp hike in the deposit rate to 2.5% for September.</p>	<p>The bloc's GDP slowed to 0.3% YoY in 1Q26 from 1.2% in 4Q25, according to the third estimate. On a quarter-on-quarter seasonally adjusted basis, GDP growth contracted by 0.2% QoQ sa from +0.1% in 4Q25. Among the four largest economies, Spain, Germany and Italy registered growth, expanding by 0.6% QoQ, 0.3% QoQ and 0.3% QoQ respectively. Meanwhile, France recorded a -0.1% QoQ growth. The third estimate was revised down sharply compared to previous estimates due to Ireland's 12.1% QoQ sa contraction of 16.8% YoY. The incoming activity data has been largely resilient, with construction output and PMI readings for May/June improving. Looking ahead, the easing of tensions in the Middle East will help alleviate certain price pressures. Indeed, the 1-year ECB CPI expectations were lower at 3.5% in May before the easing of tensions versus 4.0% in April while the 3-year CPI expectations were unchanged at 2.9%.</p>

	House View	Key Themes
China	<p>The latest activity data point to a further moderation in growth momentum. While high-tech manufacturing and AI-related sectors continue to provide important support, weakness in consumption, property, manufacturing investment, and infrastructure spending suggests that the broader economy remains under pressure. We expect China's GDP growth to slow to around 4.5% YoY in 2Q26 due to China's K-shaped recovery. Nevertheless, China is broadly on track to achieve the official 4.5–5% target, and we maintain our 2026 growth forecast at 4.7%.</p>	<p>China's real estate has remained the key drag. Real estate investment fell by more than 16% in the first five months. The prolonged property downturn continued to weigh on traditional industries linked to construction activity. Cement output fell 8.1% YoY, while flat glass production declined 6.3%. Households have remained reluctant to add leverage. Medium- and long-term household loans declined for a second consecutive month in May. The continued contraction in household loans appears inconsistent with the perceived recovery in housing transactions recently in China's first-tier cities. One possible explanation is that the recent improvement in the property market has been concentrated in low-ticket, owner-occupier demand. In Shanghai, for example, improving rental yields have supported demand for homes priced below RMB3 million. Many of these purchases may have been financed through housing provident fund loans and self-owned funds rather than commercial bank mortgages. As a result, the recovery in housing market sentiment has not been fully reflected in bank credit data.</p>
Hong Kong	<p>Growth has become increasingly domestically anchored, with consumption, investment, and credit demand strengthening in tandem. Reflecting the strong start and supportive macro backdrop, we have revised up our full-year 2026 GDP growth forecast to 3.4%. Inflation remains contained but is gradually broadening amid imported cost pressure. Inflation is expected to rise modestly to 1.9%. Meanwhile, labour market slack is likely to widen slightly, with unemployment projected at 3.8%. On a separate note, sustained global demand for AI-related electronic products is expected to provide continued support for Hong Kong's trade performance through the rest of the year.</p>	<p>The HKMA held base rate unchanged at 4%, following Fed's decision to stay put. In parallel, local commercial banks also kept the HKD prime rate unchanged. On the other hand, Hong Kong's housing price extended the longest winning streak since 2018, rising by the 12th consecutive month in May. On a sequential basis, the pace of increase in residential property price index picked up again to 1.4% MoM in May, from 1.1% in April, while the pace of increase in rental index slowed to 0.3% MoM. However, more recently, a hawkish repricing of the Fed policy path, a notable correction in the local equity market, and tighter regulatory scrutiny of mainland clients' bank accounts have begun to weigh on market sentiment. Our baseline forecasts remain unchanged, with full-year growth projected at 8.5% for prices and 3.5% for rents. In light of emerging headwinds, we expect the pace of housing price increases to moderate in the coming months.</p>
Macau	<p>Exports of services are expected to remain the primary growth driver in 2026, although growth in visitor arrivals and gross gaming revenue is likely to moderate. Macau's 2026 real GDP growth is tipped at 4.2%, reflecting a balance between continued external strength and domestic softness. Separately, we tip the full-year unemployment rate at 1.7% for 2026, but caution that growing disparities in labour market will constrain consumption growth. Meanwhile, inflationary pressure remains contained, despite climbing to a two-year high. We expect to see limited pass-through of higher energy costs to consumer prices and pitch the full-year inflation at 1.1%.</p>	<p>Reflecting the solid momentum in the gaming sector, the gross gaming revenue grew by 10.9% YoY in Jan-May 2026. Growth of gross gaming revenue re-accelerated to 6.7% YoY in May, partly supported by improved access to credit. However, growth momentum is expected to moderate in the coming months due to a higher base effect, external demand uncertainties, and seasonal headwinds from the upcoming World Cup, which may divert casino foot traffic. On a separate note, Macau's official property price index declined cumulatively by 1.5% YoY in 1Q26. On the other hand, average rent showed tentative signs of peaking, as growth in the number of non-resident workers stagnated. We maintain the view that the ongoing property market downtrend is likely a structural, multi-year correction, and expect housing prices to decline by 5.5% YoY for 2026.</p>

	House View	Key Themes
Japan	<p>The BoJ hiked its policy rate from 0.75% to 1.00% at its June MPC meeting, in line with market expectations. Tokyo's core CPI for June accelerated to 1.6% YoY versus 1.3% in May but remains below the BoJ's target of 2% for the fifth consecutive month. CPI excluding fresh food and fuel prices rose by 1.9% YoY versus 1.6% in May, suggesting that the pass-through from higher energy prices is becoming more obvious. Retail sales remained buoyant, increasing 5.3% YoY in May versus an upwardly revised 2.8% in April and beating expectations of 3%, largely supported by strong wage gains and government subsidies. Against this backdrop, we maintain our 2026 GDP growth forecast of 0.8%, with headline CPI at 2.5%.</p>	<p>The initial draft of Japan's 2026 Basic Policy for Economic and Fiscal Management and Reform outlines the administration's objective of achieving real GDP growth of 1% alongside nominal growth of 3%, supported by JPY370 trn in public and private investment over the next 14 years through 2040. The draft also urges the BOJ to align its policy stance with Takaichi's agenda, signalling a dovish preference for pausing further rate hikes and strengthening policy coordination. In contrast, the BOJ's Summary of Opinions suggests broad consensus among members in favour of continued rate increases alongside expectations of inflation trending higher, leaving the interest-rate outlook uncertain. Meanwhile, the flash manufacturing PMI rose to 54.9 versus 54.5 in May, driven by stronger new orders and factory output due to stockpiling measures, while the flash services PMI rebounded to 51.8 versus 50.0, supported by improving domestic demand. However, manufacturers' input and output inflation remain elevated due to spillover effects from the Iran conflict.</p>
South Korea	<p>We maintain our 2026 GDP growth forecast at 2.2% YoY, up from 1.1% in 2025. This is more conservative than the Bank of Korea's (BoK) updated 2.6% estimate, reflecting our cautious stance on how elevated energy costs will weigh on domestic demand. Risk remains skewed to the upside given resilient semiconductor-led exports. On inflation, we maintain our 2026 forecast at 2.6% YoY, up from 2.1% in 2025, reflecting the sharp break higher since the Middle East conflict erupted, with core CPI broadening to 2.5% YoY in May. Although the US and Iran have agreed to a Memorandum of Understanding, the situation remains fluid. The key upside risk is the potential extent of cost pass-through to consumer prices, likely keeping CPI firmly above the BoK 2% target well into 1Q27. We maintain our call for two 25bp hikes, with each hike anticipated at 3Q26 and 4Q26. Consequently, this will take policy rate to 3.00% by year-end, consistent with the BoK's own hawkish dot-plot shift, before an extended hold in 2027.</p>	<p>The BoK will convene on 16 July after raising both its growth and inflation forecasts to 2.6% and 2.7%, respectively, at its 28 May meeting. Governor Shin delivered yet another hawkish message earlier in the month, stating that "it is necessary to raise interest rates without delay, prioritizing price stability." Indeed, this comes on the back of hotter-than-expected June inflation of 3.2% YoY, driven primarily by elevated energy prices, which pushed transport inflation higher while food prices also added to broader price pressures. Importantly, core CPI picked up after staying broadly unchanged over the prior three months (Feb-Apr), suggesting inflationary pressures may be starting to broaden across the wider consumer basket. Notwithstanding the energy shock, export momentum has remained solid, with exports surging 60.4% YoY in the first 20 days of June. Shipments of semiconductors remain robust on the back of surging global AI-related investment demand.</p>

	House View	Key Themes
Singapore	<p>We maintain our full-year 2026 GDP growth forecast at 3.5%, implying a moderation in 2H26, partly due to high base effects in manufacturing from 2H25. Despite the signing of the US-Iran MoU, it is still early days for bilateral negotiations toward a permanent truce. Moreover, tentative signs of market anxiety over the AI boom — amid rising component costs and potentially tighter financial conditions — further dampen growth prospects in 2H26. On inflation, we maintain our headline and core inflation forecasts at 2-3%, factoring in the potential pass-through energy costs to global supply chains. Regarding monetary policy, there is no urgency for MAS to tighten at the upcoming July MPS per se if the core inflation trajectory eases into 1H27, however, it is also premature to fully discount a tightening move in 2H26 at this juncture.</p>	<p>May NODX surged 38.4% YoY, extending the previous month's gain, with the headline driven by an extraordinary 94.8% YoY jump in electronics exports, underpinned by the global AI tailwind. However, this surge in electronics exports was not fully reflected in May industrial production, which remained broadly stable at 13.0% YoY (April: 16.5%). Electronics cluster output expanded 35.5% YoY (April: 40.3%) — a solid but notably more measured outturn. Forward looking indicators such as the May manufacturing and electronics PMIs had improved in the expansion territory at 51.9 and 51.0 respectively, which does not suggest an imminent sharp falloff in the growth momentum per se, but headwinds are still present. Indeed, a robust April-May industrial output profile suggests that 2Q26 GDP growth could remain buoyant, sustaining the momentum of 6.0% recorded in 1Q26, all else equal. Elsewhere, May inflation came in softer-than-expected: both headline and core inflation held steady at 1.8% YoY and 1.4% YoY, respectively. This provides some breathing room for MAS at its upcoming July review. Importantly, the durability of the US-Iran situation remains a key swing factor for the trajectory of import costs and any further policy recalibration ahead.</p>
Malaysia	<p>Our 2026 GDP growth forecast remains 4.4%. The balance of risk is now skewed to the upside considering the solid growth for 1H26. Export growth exceeded already strong expectations, rising 45.3% YoY in May from an upwardly revised 37.3% in April, in line with regional peers, while import growth slowed to 14.1% YoY from 20% in April. The vulnerabilities from elevated global energy prices are on the fiscal side – we expect the fiscal deficit to be wider than budgeted for 2026 by 0.2% of GDP. Inflationary pressures are rising modestly despite the presence of subsidies. We expect Bank Negara Malaysia (BNM) to keep in place the 'insurance cut' from July 2025 through this year. However, a closed output gap, an expected easing in monetary policy BNM has room to normalise its policy rate to 3.00% in 2H26 or 2027.</p>	<p>PM Anwar Ibrahim announced, on 21 June, that the authorities will cap the price of retail diesel at MYR2.10/litre using the MyKad mechanism. Monthly cash assistance of MYR400 will be discontinued and the authorities estimate annual fiscal savings of MYR2bn (0.1% of GDP) from changes to the Budi Diesel scheme. Ahead of this change, the Ministry of Finance noted on 17 June that the subsidy bill was high at MYR3.5bn per month, with RON95 at MYR2bn and diesel at MYR1.5bn. For 2026, we estimate the fuel subsidy bill could add up to 1.4% of GDP in 2026, above the budget estimate of 0.3% of GDP. The slippage could be plugged by additional dividend payouts from Petronas. We had pencilled in fiscal slippage of 0.1% of GDP for 2026 as early as March 2026, but the risk now is that the fiscal slippage could be greater and closer to 0.2% of GDP.</p>

	House View	Key Themes
Indonesia	<p>We maintain our 2026 and 2027 GDP growth forecasts at 5.0% YoY. The strong 1Q26 GDP print provides a favourable starting point, but we expect momentum to moderate over the rest of the year as tighter financial conditions, external pressures and policy uncertainty weigh on sentiment. We retain our 2026 headline CPI forecast at 3.0%, with risks skewed to the upside from imported inflation and El Nino, although pressure on the fuel subsidy bill would ease if global oil prices continued to decline. BI has shifted firmly toward macroeconomic stability, raising its policy rate by a cumulative 100bp in 29 days to 5.75% by June. External pressures remain BI's main concern, with policy focused on IDR stability, balance-of-payments support and attracting capital inflows. We forecast a further cumulative 75bp in rate hikes through end-2026, taking the BI-Rate to 6.50%.</p>	<p>MSCI retained Indonesia's Emerging Market classification in its 2026 Market Classification Review, reducing the immediate overhang but keeping the focus on execution ahead of the November review. MSCI acknowledged recent reforms by OJK, IDX and KSEI, including stronger shareholder disclosure, the High Shareholding Concentration framework and a roadmap to raise the minimum free-float requirement to 15%, but concerns over transparency, free-float integrity and potential coordinated trading remain. Meanwhile, the balance of payments picture weakened in 1Q26, with the current account deficit widening to USD4.0bn, or 1.1% of GDP, from USD2.5bn, or 0.7% of GDP, in 4Q25. BoP financing will remain closely watched as FX reserves eased to USD144.9bn in May and the trade surplus narrowed sharply in April. Separately, the creation of PT Danantara Sumberdaya Indonesia to oversee selected commodity exports marks a major shift in natural-resource trade governance. The policy could improve export monitoring and onshore FX liquidity, but its success will also depend on clear implementation that keeps private-sector participants engaged.</p>
Thailand	<p>We maintain our 2026 GDP growth forecast at 1.5% YoY, down from 2.4% in 2025, with growth set to decelerate sharply to around 1.0% YoY in 2Q-4Q26 from 2.8% in 1Q26. This deceleration is primarily attributed to weakening private consumption, amid elevated household debt of 86.7% of GDP and a softening labour market, alongside slower investment spending. On inflation, we revise our 2026 forecast higher to 3.8% YoY, from 3.4% previously, reflecting the swing from twelve consecutive months of deflation to a 2.8% YoY print in May, with further cost pass-through from energy and production costs likely. Regarding monetary policy, our baseline is for the Bank of Thailand (BoT) to hold rates at 1.00% through 2026, having cut 25bp in February. We do not rule out rate hikes later in the year should inflation prove persistent in 2H26, with hikes only pencilled in next year, taking the policy rate to 1.50% by end-2027.</p>	<p>The BoT maintained its policy rate at 1.00% at its 24 June meeting, in line with market expectations. It also revised its growth and inflation forecasts, with the 2026 growth forecast upgraded to 2.3% from 1.5% previously. In contrast, the 2026 headline and core inflation forecasts were revised marginally lower to 2.8% and 1.5%, respectively, down from 2.9% and 1.6%. Despite the upgrade of its growth forecast, the BoT's near-term concern remains growth conditions, with SMEs facing "limitations in adaptation" and households "under pressure from decelerating income growth and rising living costs." As such, the Constitutional Court's 9 July ruling on the THB400bn emergency borrowing decree is the key swing factor for fiscal policy implementation, given the limited fiscal space, with only ~THB20bn of uncommitted FY26 budget funds and a further ~THB20bn in the central budget available to mitigate the economic impact. Moreover, the recent rollback of the 60-day visa-free scheme to 30 days for 93 countries adds a fresh headwind to an already weakening tourism sector, with the arrivals target revised down to 32mn from a previous estimate of 35mn.</p>

	House View	Key Themes
Philippines	<p>We sharply revise lower our 2026 GDP growth forecast to 3.8% YoY, from 4.8% previously, and down from 4.4% in 2025, as the economy proves most susceptible to stagflation risks compared to regional peers. Despite a sharp slowdown in 1Q26, we expect growth to pick up to 4.1% YoY in 2Q-4Q26 supported by government spending, partially offsetting the anticipated softness in household consumption. On inflation, we expect headline CPI to average 5.8% YoY in 2026, keeping inflation above the 6% handle for the remainder of the year, reflecting broadening price pressures and potentially second-round effects. Regarding monetary policy, we expect further rate hikes from the Bangko Sentral ng Pilipinas (BSP), with one 25bp hike at each of the remaining three meetings on 27 August, 22 October, and 17 December. This would take the policy rate to 5.50% by end-2026, as the BSP guards against de-anchoring inflation expectations.</p>	<p>The BSP raised its policy rate by 25bp to 4.75% at its 18 June meeting. BSP's key concern is mitigating second-round effects rather than the initial supply shock. Indeed, core inflation continues to pick up, rising by 4.1% YoY in May, suggesting price pressures are broadening across the wider consumer basket. Despite headline inflation easing to 6.8%, down from April's three-year high of 7.2%, we do not expect this to be sustainable, given that the BSP's own forecast was revised slightly higher and remains significantly above its 2-4% inflation target range through 2027. El Nino remains an upside risk to food inflation, with rice inflation having surged to 15.6% in May. Yet, we may see a potential ceiling in food inflation following the rice trade agreement between The Philippines and Vietnam: The Philippines will receive uninterrupted shipments of 1.5mn metric tons of rice through April 2027 at a fixed price of USD450/mt. Separately, political noise from the ongoing Duterte-Marcos feud continues to distract from growth and inflation-mitigation priorities at a time of heightened domestic and external vulnerabilities.</p>
Vietnam	<p>We maintain our 2026 GDP growth forecast at 7.3%, down from 8.0% in 2025, as growth moderates from a high base while remaining firm by regional standards. The 1Q26 GDP print of 7.8% YoY and still-resilient May activity data suggest underlying momentum remains intact, supported by manufacturing, domestic demand, FDI resilience and the public infrastructure pipeline. However, net trade is becoming a less supportive growth driver, with import growth outpacing exports and the trade balance shifting into deficit in 5M26. Inflation remains the key macro risk, with higher transport and energy-related costs raising the risk of second-round effects. We retain our 2026 headline CPI forecast at 4.5%. We expect the SBV to keep the refinancing rate unchanged at 4.50% in the near term, although the risk of rate hikes has risen. We expect the SBV to deliver a cumulative 50bp of rate hikes in early 2027.</p>	<p>Retail fuel prices reportedly jumped by more than 50% YoY in April and May, as the petrol price stabilisation fund was drawn down sharply to VND195bn at end-1Q26 from VND5.6trn at the start of the year. This leaves the authorities with less room to cushion households from higher energy prices, especially if they aim to rebuild medium-term fiscal buffers. The policy challenge is therefore shifting from near-term price stabilisation toward managing inflation expectations without derailing growth. At the same time, the external backdrop has become more complicated, with the trade balance shifting into a sizeable deficit in 5M26 as imports outpaced exports, while US trade-policy uncertainty remains a key risk. Still, FDI momentum remains a buffer, with registered FDI rising 34.9% YoY to USD24.8bn and disbursed FDI increasing 9.6% to USD9.8bn in 5M26.</p>

Growth & Inflation Forecast

(% YoY)	GDP			Inflation		
	2025	2026F	2027F	2025	2026F	2027F
United States	2.1	2.2	2.0	2.7	3.5	2.2
Euro Area	1.4	0.9	1.1	2.1	3.1	2.5
Japan	1.1	0.7	1.0	3.2	2.1	2.0
United Kingdom	1.4	1.0	1.1	3.4	3.1	2.3
Australia	2.0	2.0	1.9	2.8	4.4	2.9
New Zealand	0.2	1.2	2.0	2.8	4.0	2.0
China	5.0	4.7	4.5	0.1	1.5	2.0
Hong Kong	3.6	3.4	2.8	1.4	1.9	2.2
Macau	4.7	4.2	3.3	0.3	1.1	1.1
Taiwan	8.8	8.1	4.2	1.7	2.1	1.9
South Korea	1.1	2.2	2.0	2.1	2.6	2.2
India	7.1	7.7	6.5	4.6	2.0	5.0
Indonesia	5.1	5.0	5.0	1.9	3.0	2.5
Malaysia	5.2	4.4	4.2	1.4	2.0	2.1
Philippines	4.4	3.8	4.8	1.7	5.8	4.5
Singapore	5.0	3.5	2.8	0.9	2.2	2.1
Thailand	2.4	1.5	2.0	-0.1	3.8	2.0
Vietnam	8.0	7.3	8.0	3.3	4.5	4.5

Source: Bloomberg, OCBC Group Research (Latest Forecast Update: 1 July 2026).

Rates Forecast

USD Interest Rates	3Q26	4Q26	1Q27	2Q27	3Q27
FFTR upper	3.75	3.75	3.75	3.75	3.75
SOFR	3.65	3.70	3.70	3.70	3.70
3M SOFR OIS	3.73	3.75	3.75	3.75	3.75
1Y SOFR OIS	3.90	3.85	3.80	3.80	3.80
2Y SOFR OIS	3.95	3.90	3.85	3.85	3.85
5Y SOFR OIS	4.00	3.95	3.90	3.90	3.90
10Y SOFR OIS	4.15	4.10	4.05	4.05	4.05
30Y SOFR OIS	4.35	4.35	4.30	4.30	4.30
SGD Interest Rates	3Q26	4Q26	1Q27	2Q27	3Q27
SORA	1.25	1.40	1.40	1.45	1.50
3M compounded SORA	1.15	1.35	1.40	1.43	1.48
3M SGD OIS	1.30	1.40	1.45	1.50	1.50
6M SGD OIS	1.35	1.40	1.45	1.50	1.50
1Y SGD OIS	1.35	1.45	1.50	1.55	1.55
2Y SGD OIS	1.55	1.60	1.70	1.70	1.70
3Y SGD OIS	1.75	1.80	1.90	1.90	1.90
5Y SGD OIS	2.00	2.05	2.10	2.15	2.15
10Y SGD OIS	2.30	2.35	2.35	2.35	2.35
15Y SGD OIS	2.30	2.35	2.40	2.40	2.40
20Y SGD OIS	2.30	2.35	2.40	2.45	2.45

MYR Interest Rates	3Q26	4Q26	1Q27	2Q27	3Q27
OPR	2.75	3.00	3.00	3.00	2.75
MYOR	2.75	3.00	3.00	3.00	3.00
3M compounded MYOR	2.76	2.76	2.90	3.01	3.01
3M MYR KLIBOR	3.45	3.45	3.50	3.50	3.50
1Y MYR IRS	3.40	3.40	3.50	3.50	3.50
3Y MYR IRS	3.45	3.45	3.55	3.55	3.55
5Y MYR IRS	3.50	3.55	3.65	3.65	3.65
10Y MYR IRS	3.70	3.70	3.80	3.80	3.80
HKD Interest Rates	3Q26	4Q26	1Q27	2Q27	3Q27
1M HKD HIBOR	2.75	2.80	2.80	2.80	2.80
3M HKD HIBOR	2.90	2.95	2.95	2.95	2.95
6M HKD IRS	2.90	2.90	2.90	2.90	2.90
1Y HKD IRS	3.20	3.15	3.10	3.05	3.05
2Y HKD IRS	3.30	3.20	3.15	3.10	3.10
5Y HKD IRS	3.30	3.25	3.20	3.20	3.20
10Y HKD IRS	3.45	3.40	3.35	3.35	3.35
UST yields	3Q26	4Q26	1Q27	2Q27	3Q27
2Y UST	4.15	4.05	4.00	4.00	3.95
5Y UST	4.25	4.20	4.15	4.15	4.15
10Y UST	4.55	4.45	4.45	4.45	4.40
30Y UST	5.10	5.10	5.15	5.15	5.15
SGS yields	3Q26	4Q26	1Q27	2Q27	3Q27
2Y SGS	1.60	1.65	1.65	1.65	1.65
5Y SGS	1.80	1.85	1.90	1.95	1.95
10Y SGS	2.15	2.20	2.20	2.25	2.25
15Y SGS	2.15	2.20	2.20	2.25	2.25
20Y SGS	2.20	2.25	2.25	2.30	2.30
30Y SGS	2.20	2.25	2.30	2.40	2.40
MGS yields	3Q26	4Q26	1Q27	2Q27	3Q27
3Y MGS	3.25	3.30	3.40	3.40	3.40
5Y MGS	3.45	3.45	3.50	3.50	3.50
10Y MGS	3.60	3.60	3.70	3.70	3.70
IndoGB yields	3Q26	4Q26	1Q27	2Q27	3Q27
2Y IndoGB	7.00	6.95	6.90	6.85	6.65
5Y IndoGB	7.00	6.95	6.95	6.90	6.75
10Y IndoGB	7.10	7.05	6.95	6.90	6.90

Source: OCBC Group Research (Latest Forecast Update: 1 July 2026).

FX Forecast

Currency Pair	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27
USD-JPY	162	163	163	163	163
EUR-USD	1.13	1.12	1.11	1.10	1.10
GBP-USD	1.30	1.29	1.28	1.26	1.26
AUD-USD	0.71	0.72	0.72	0.71	0.71
NZD-USD	0.58	0.60	0.61	0.61	0.61
USD-CAD	1.42	1.43	1.44	1.44	1.44
USD-CHF	0.82	0.83	0.84	0.85	0.85
DXY	102.11	102.93	103.62	104.39	104.35
USD-SGD	1.30	1.30	1.29	1.28	1.27
USD-CNY	6.81	6.77	6.74	6.72	6.70
USD-CNH	6.81	6.77	6.74	6.72	6.70
USD-THB	33.30	33.80	33.30	33.10	33.00
USD-IDR	17900	18000	17900	17800	17700
USD-MYR	4.14	4.15	4.15	4.12	4.10
USD-KRW	1540	1550	1540	1510	1490
USD-TWD	31.60	31.60	31.50	31.20	31.00
USD-HKD	7.84	7.84	7.84	7.83	7.82
USD-PHP	61.50	61.80	61.20	61.00	60.50
USD-INR	95.00	95.20	94.60	94.20	94.00
USD-VND	26350	26400	26400	26200	26000
EUR-JPY	183	183	181	179	179
EUR-GBP	0.87	0.87	0.87	0.87	0.87
EUR-CHF	0.93	0.93	0.93	0.94	0.94
EUR-AUD	1.59	1.56	1.54	1.55	1.55
EUR-NOK	11.20	11.20	11.10	11.10	11.10
AUD-NZD	1.22	1.21	1.19	1.17	1.16
EUR-SGD	1.46	1.45	1.44	1.41	1.40
GBP-SGD	1.68	1.67	1.65	1.62	1.61
AUD-SGD	0.92	0.93	0.93	0.91	0.90
NZD-SGD	0.75	0.77	0.78	0.78	0.78
CHF-SGD	1.57	1.56	1.54	1.50	1.49
CAD-SGD	0.91	0.91	0.90	0.89	0.88
JPY-SGD	0.80	0.80	0.79	0.79	0.78
SGD-MYR	3.19	3.20	3.21	3.21	3.21
SGD-CNY	5.25	5.22	5.21	5.24	5.26
SGD-IDR	13812	13867	13833	13885	13893
SGD-THB	25.69	26.04	25.73	25.82	25.90

Currency Pair	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27
SGD-PHP	47.45	47.61	47.30	47.58	47.49
SGD-VND	20332	20339	20402	20437	20408
SGD-CNH	5.25	5.22	5.21	5.24	5.26
SGD-TWD	24.38	24.35	24.34	24.34	24.33
SGD-KRW	1188	1194	1190	1178	1170
SGD-HKD	6.05	6.04	6.06	6.11	6.14
SGD-JPY	125	126	126	127	128
Gold \$/oz	4000	4180	4360	4520	4680
Silver \$/oz	61.54	64.31	67.08	69.54	72.00
Platinum \$/oz	1833	1917	2000	2025	2091
Palladium \$/oz	1389	1452	1500	1519	1528
ICE Brent \$/bbl	75	75	75	73	71
NYMEX WTI \$/bbl	71	71	71	69	67
MY CPO MYR/mt	4400	4350	4350	4400	4400
LME Aluminium \$/mt	3500	3350	3150	3175	3175
LME Copper \$/mt	12800	12500	12500	12600	12600

Source: OCBC Group Research (Latest Forecast Update: 1 July 2026).

Note: These are not meant to serve as point forecast for the quarter-end but meant as trajectory bias of the currency pair.



Macroeconomic Calendar

Date Time	C	Event	Period	Survey	Actual	Prior
01/07/2026 12:00	ID	CPI YoY	Jun	3.22%	3.34%	3.08%
01/07/2026 12:00	ID	CPI Core YoY	Jun	2.60%	2.76%	2.59%
01/07/2026 17:00	EC	CPI YoY	Jun P	3.00%	--	3.20%
01/07/2026 17:00	EC	CPI Core YoY	Jun P	2.50%	--	2.60%
02/07/2026 07:00	SK	CPI YoY	Jun	3.20%	--	3.10%
02/07/2026 07:00	SK	CPI Ex Food and Energy YoY	Jun	2.60%	--	2.50%
03/07/2026 10:05	VN	CPI YoY	Jun	5.45%	--	5.60%
03/07/2026 10:05	VN	GDP YoY	2Q	7.00%	--	7.83%
06/07/2026 11:30	TH	CPI YoY	Jun	--	--	2.79%
06/07/2026 11:30	TH	CPI Core YoY	Jun	--	--	0.92%
07/07/2026 09:00	PH	CPI YoY 2018=100	Jun	6.70%	--	6.80%
09/07/2026 09:30	CH	CPI YoY	Jun	--	--	1.20%
10/07-14/07	SI	GDP YoY	2Q A	--	--	6.00%
14/07/2026 20:30	US	CPI YoY	Jun	--	--	4.20%
14/07/2026 20:30	US	Core CPI YoY	Jun	--	--	2.90%
15/07/2026 10:00	CH	GDP YoY	2Q	--	--	5.00%
17/07/2026 12:00	MA	CPI YoY	Jun	--	--	2.00%
17/07/2026 12:00	MA	GDP YoY	2Q A	--	--	5.40%
17/07/2026 17:00	EC	CPI YoY	Jun F	--	--	--
17/07/2026 17:00	EC	CPI Core YoY	Jun F	--	--	--
21/07/2026 16:30	HK	CPI Composite YoY	Jun	--	--	2.00%
22/07/2026 14:00	UK	CPI YoY	Jun	--	--	2.80%
22/07/2026 14:00	UK	CPI Core YoY	Jun	--	--	2.60%
23/07/2026 07:00	SK	GDP YoY	2Q A	--	--	3.80%
23/07/2026 13:00	SI	CPI YoY	Jun	--	--	1.80%
23/07/2026 13:00	SI	CPI Core YoY	Jun	--	--	1.40%
30/07/2026 17:00	EC	GDP SA YoY	2Q A	--	--	0.30%
30/07/2026 20:30	US	GDP Annualized QoQ	2Q A	--	--	2.10%
31/07/2026 16:30	HK	GDP YoY	2Q A	--	--	5.90%

Central Bank Interest Rate Decisions

Date Time	C	Event	Period	Survey	Actual	Prior
08/07/2026 10:00	NZ	RBNZ Official Cash Rate	8-Jul	2.50%	--	2.25%
09/07/2026 15:00	MA	BNM Overnight Policy Rate	9-Jul	2.75%	--	2.75%
16/07/2026 00:00	SK	BOK Base Rate	16-Jul	--	--	2.50%
20/07/2026 09:00	CH	1-Year Loan Prime Rate	20-Jul	--	--	3.00%
20/07/2026 09:00	CH	5-Year Loan Prime Rate	20-Jul	--	--	3.50%
22/07/2026 15:20	ID	BI-Rate	22-Jul	--	--	5.75%
23/07/2026 20:15	EC	ECB Main Refinancing Rate	23-Jul	--	--	2.40%
23/07/2026 20:15	EC	ECB Deposit Facility Rate	23-Jul	--	--	2.25%
23/07/2026 20:15	EC	ECB Marginal Lending Facility	23-Jul	--	--	2.65%
30/07/2026 02:00	US	FOMC Rate Decision (Upper Bound)	29-Jul	3.75%	--	3.75%
30/07/2026 02:00	US	FOMC Rate Decision (Lower Bound)	29-Jul	3.50%	--	3.50%
30/07/2026 19:00	UK	Bank of England Bank Rate	30-Jul	--	--	3.75%
31/07/2026	JN	BOJ Target Rate	31-Jul	--	--	1.00%

Disclaimers

This report is solely for information purposes and general circulation only and may not be published, circulated, reproduced or distributed in whole or in part to any other person without our prior written consent. This report should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein or to participate in any particular trading or investment strategy. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this report is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this report may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate. This report may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, it should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation or particular needs before you make a commitment to purchase the investment product. In the event that you choose not to seek advice from a financial adviser, you should consider whether the investment product mentioned herein is suitable for you. Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of Singapore Limited ("BOS"), OCBC Securities Private Limited ("OSPL") and their respective related companies, their respective directors and/or employees (collectively "Related Persons") may or might have in the future, interests in the investment products or the issuers mentioned herein. Such interests include effecting transactions in such investment products, and providing broking, investment banking and other financial or securities related services to such issuers as well as other parties generally. OCBC Bank and its Related Persons may also be related to, and receive fees from, providers of such investment products. There may be conflicts of interest between OCBC Bank, BOS, OSPL or other members of the OCBC Group and any of the persons or entities mentioned in this report of which OCBC Bank and its analyst(s) are not aware due to OCBC Bank's Chinese Wall arrangement. This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "Relevant Materials") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "Relevant Entity") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("MiFID") and the EU's Markets in Financial Instruments Regulation (600/2014) ("MiFIR") (together referred to as "MiFID II"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).

The information provided herein may contain projections or other forward looking statements regarding future events or future performance of countries, assets, markets or companies. Actual events or results may differ materially. Past performance figures are not necessarily indicative of future or likely performance.

Privileged / confidential information may be contained in this report. If you are not the addressee indicated in the message enclosing the report (or responsible for delivery of the message to such person), you may not copy or deliver the message and/or report to anyone. Opinions, conclusions and other information in this document that do not relate to the official business of OCBC Bank, BOS, OSPL and their respective connected and associated corporations shall be understood as neither given nor endorsed.

Co.Reg.no.: 193200032W

Additional disclosures and disclaimers applicable only to clients of Bank of Singapore Limited

This material is being made available to you through an arrangement between Bank of Singapore Limited (Co Reg. No.: 197700866R) ("BOS") and Oversea-Chinese Banking Corporation Limited ("OCBC Bank") (Co Reg. No.: 193200032W). BOS and OCBC Bank shall not be responsible or liable for any loss (whether direct, indirect or consequential) that may arise from, or in connection with, any use of or reliance on any information contained in or derived from this material, or any omission from this material, other than where such loss is caused solely by BOS' or OCBC Bank's wilful default or gross negligence.

The DIFC Branch of BOS has not conducted or produced any research contained in this material and is acting solely as a conduit in forwarding it to you.

For BOS clients in the United Kingdom:

This research has been prepared by OCBC Bank and made available to BOS. It is intended solely for informational purposes and does not constitute investment advice, a personal recommendation, or an offer or solicitation to buy or sell any financial instruments. Any payments or non-monetary benefits received or paid will be fully disclosed in accordance with applicable regulations, promptly and transparently, and will not influence the advice or services offered to you. If you would like more information about any inducements received, please contact your Relationship Manager.

Cross Border Disclaimer and Disclosures

Please refer to https://www.bankofsingapore.com/Disclaimers_and_Disclosures.html for cross-border marketing disclaimers and disclosures.