Weekly Macro Views (WMV)

Global Markets Research & Strategy

10 November 2025

Weekly Macro Update

Key Global Data for this week:

10 Nov	11 Nov	12 Nov	13 Nov	14 Nov
• **ID** Consumer Confidence Index • **EC** Sentix Investor Confidence • **JN** Coincident Index • **JN** Leading Index CI • **VN** Domestic Vehicle Sales YoY	• **AU** Westpac Consumer Conf SA MoM • **EC** ZEW Survey Expectations • **JN** BoP Current Account Balance • **UK** ILO Unemployment Rate 3Mths • **UK** Jobless Claims Change	• **IN** CPI YoY • **JN** Machine Tool Orders YoY • **JN** Money Stock M2 YoY • **SK** Unemployment rate SA • **US** MBA Mortgage Applications	• **AU** Unemployment Rate • **EC** Industrial Production WDA YoY • **JN** PPI YoY • **UK** GDP YoY • **UK** Industrial Production YoY • **US** CPI YoY	• **CH** Retail Sales YoY • **CH** Industrial Production YoY • **EC** GDP SA YoY • **EC** Trade Balance SA • **HK** GDP YoY • **MA** GDP YoY

Summary of Macro Views:

Global	• **US:** Government shutdown passes first hurdle • **US:** ISM PMI mixed, while sentiment continues to fall
Asia	• **SG:** Retail sales eased while private sector orders rebound • **SG:** 4Q25 Business expectations survey • **ID:** Slower 3Q25 growth

Asia	• **MY:** Strong growth in September industrial production • **MY:** BNM remains on hold • **PH:** A growth lull in 3Q25 • **PH:** Stable inflation in October • **TH:** Still negative headline inflation in October
Asset Class	• **Commodities:** Lower oil prices • **ESG:** SG exploring biomethane and nuclear as alternative energy sources • **FX & Rates:** Hopes of an end to US government shutdown

US: Government shutdown passes first hurdle

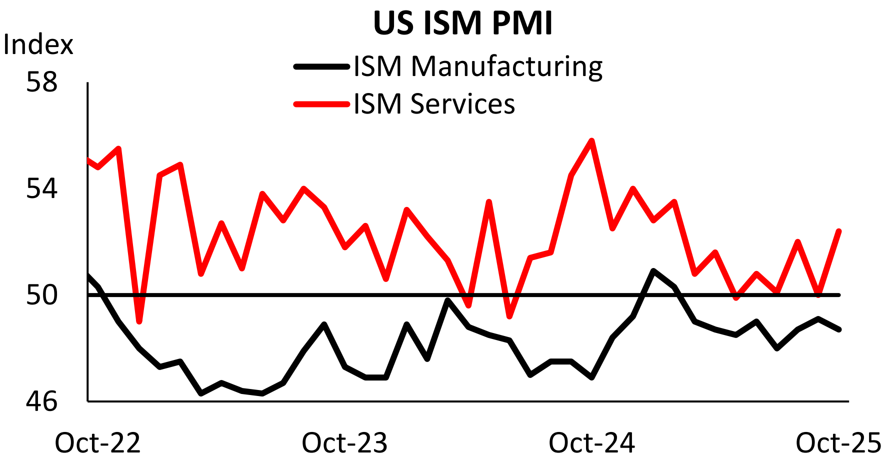
- The Senate voted 60-40 to pass a funding bill, taking the first step towards ending the government shutdown as it passed the 40-day mark. 8 Democrats joined the Senate republicans to advance a short-term funding measure. This will be passed through a Continuing Resolution (CR), providing Congress budget authority to continue government operations without a fully approved budget bill.

What is in the funding bill?	Next steps to enactment
• Democrat have made concessions to allow for the funding of agencies such as the United States Department of Agriculture (USDA), FDA, Veterans affairs and military construction for the full fiscal year. • All other agencies will be funded until 30 January 2026 via a CR. • In exchange, it has received a commitment from the Republicans that includes the extension of the Affordable Care Act, that guarantee the rehiring of laid off federal workers and giving them back pay.	• The bill now faces the House of Representatives, which will require a simple majority of members present. The 435-member house comprises of 219 Republicans and 213 Democrats and 3 vacant seats. • Despite a Republican majority, Republican leader, John Thune, warns that Senators want time to review the vote, which may slowdown the passing of the bill.

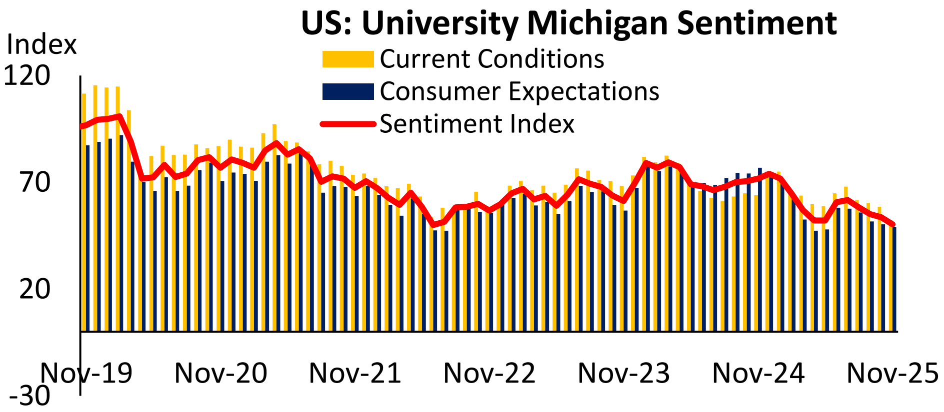
Source: Bloomberg, Politico, OCBC.

US: ISM PMI mixed, while sentiment continues to fall

- ISM services PMI rebounded to 52.4 from 50 in September, above consensus expectations of 50.8. This marked the strongest expansion since February this year. Both business activity (54.3) and new orders (56.2) rebounded while the employment continued in contraction (48.2). ISM manufacturing PMI registered 48.7 on the index, remaining in contractionary territory for the eighth straight month since February. Manufacturing new orders and employment remained in contraction at 49.4 and 46 respectively, albeit higher than its August print (48.9 and 45.3). Comments from respondents were mixed, with those in wholesale trade, transportation & warehousing noting a pickup in business activity. However, the outlook for utilities, real estate, rental & leasing sectors, machinery and computer & electronic products remained clouded due to uncertainty from the impact of tariffs and the government shutdown.
- Preliminary readings from the University of Michigan consumer sentiment dropped to 50.3 from 53.6 in October. The outlook on current economic conditions fell to 52.3 from 58.6 in October while the index of consumer expectations dropped to 49.0 from 50.3. With the prolonged federal government shutdown, consumers are now beginning to worry about its implications on the economy, a stark contrast from October's survey response.



Source: ISM, Bloomberg, OCBC



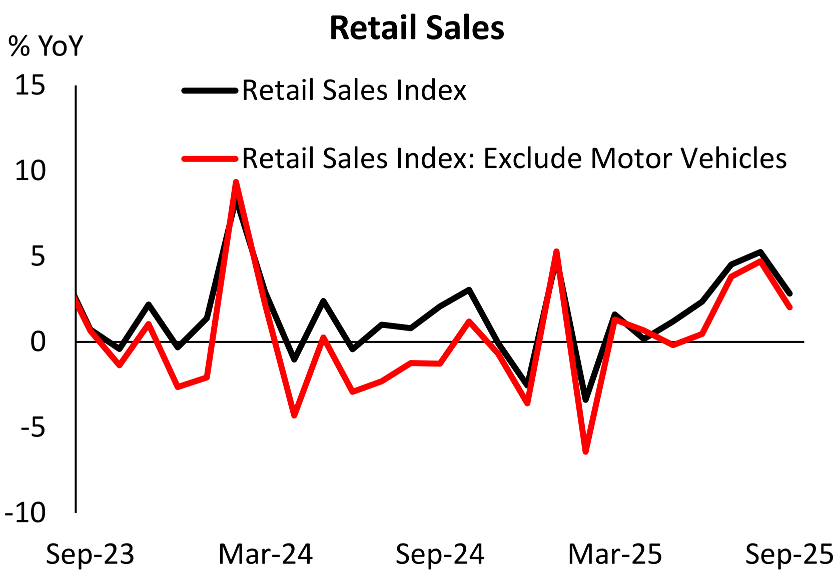
Source: University of Michigan, Bloomberg, OCBC

Source: ISM, University of Michigan, Bloomberg, OCBC.

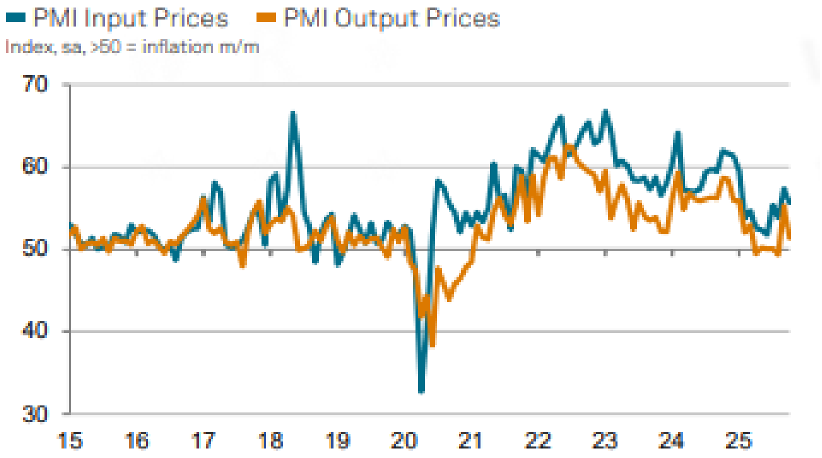
Singapore: Retail sales eased while private sector orders rebound

- September retail sales slowed to 2.8% YoY (-1.4% MoM sa), from an upwardly revised 5.3% in August, below expectations of 4.2%. Excluding motor vehicles, retail sales rose 2.0% YoY (-2.3% MoM), from 4.7% in August. Recreational goods sales was a big contributor at 11.0% YoY, but other key performing segments also included watches & Jewellery (16.6%), motor vehicles (7.8%), supermarkets & hypermarkets (5.7%), optical goods & books (8.6%), and department store sales (3.9%). Conversely, lower sales were observed in the petrol service stations (-8%) wearing apparel and footwear (-3.6%) and food and alcohol (-3.0%) components. September's figure brings retail sales growth to 2.2% YoY for the first nine months of 2025.

- S&P Global Singapore PMI remained in expansionary territory, climbing to 57.4 from 56.5 in September, marking its ninth consecutive month of expansion above the 50 handle. Output across the economy increased at the fastest pace in 14 months while new orders saw their sharpest expansion in 13 months. Purchasing activity across Singapore also rose in October, in turn contributing to an increase in employment and expanding inventories. Backlogs of work expanded at the fastest rate in three years amid strong growth in new order intakes.



Source: Singstat, CEIC, OCBC.



Source: S&P Global PMI. ©2025 S&P Global.

OCBC

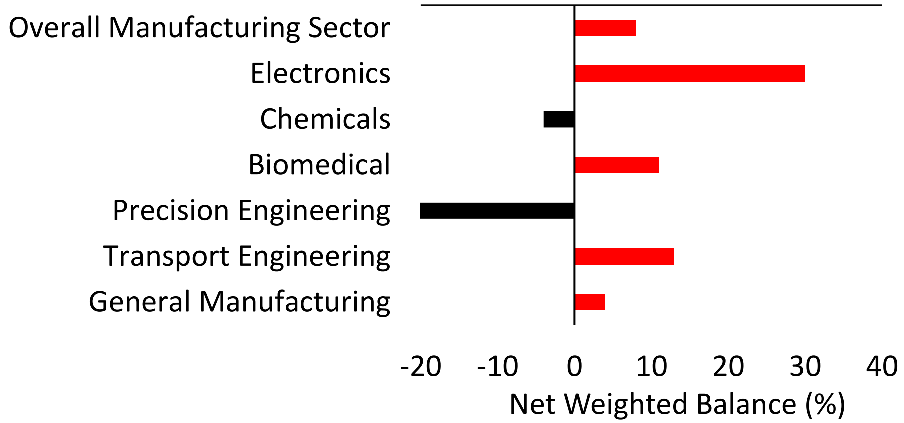
Source: Singstat, S&P Global, CEIC, OCBC.

Singapore: 4Q25 Business expectations survey

- Business sentiments in the manufacturing sector showed a rebound to a net weighted of 8% of manufacturing firms anticipate an improved business outlook for October 2025 till March 2026, compared to 3Q25. This was led by the electronics cluster, transport engineering, and biomedical manufacturing segments, whereas the chemicals and precision engineering cluster remained pessimistic. A net weighted 7% of manufacturers expect higher output in 4Q25 compared to 3Q25. All clusters except biomedical manufacturing and chemicals expect an increase in production. 82% of firms expect employment levels to remain similar to 3Q25.

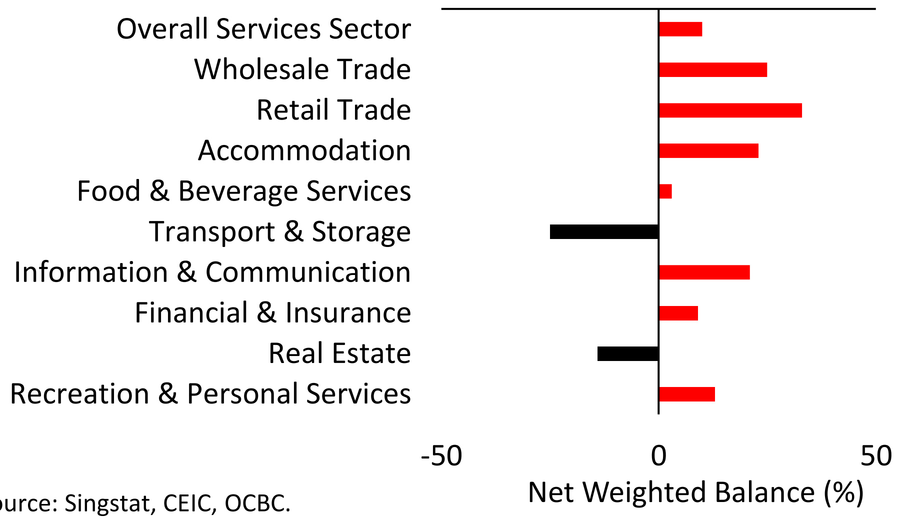
- Meanwhile, the overall services sector remained positive, with a net weighted 10% of firms expecting a more favourable business outlook from October 2025-March 2026. All sectors except the transportation & storage, and real estate sectors are optimistic. A net 14% of services sector firms foresee higher revenue for 4Q25, with a net 10% anticipating increased hiring demand.

General Business Outlook for October 2025 - March 2026 (Manufacturing)



Source: EDB, CEIC, OCBC.

General Business Outlook for October 2025 - March 2026 (Services)



Source: Singstat, CEIC, OCBC.

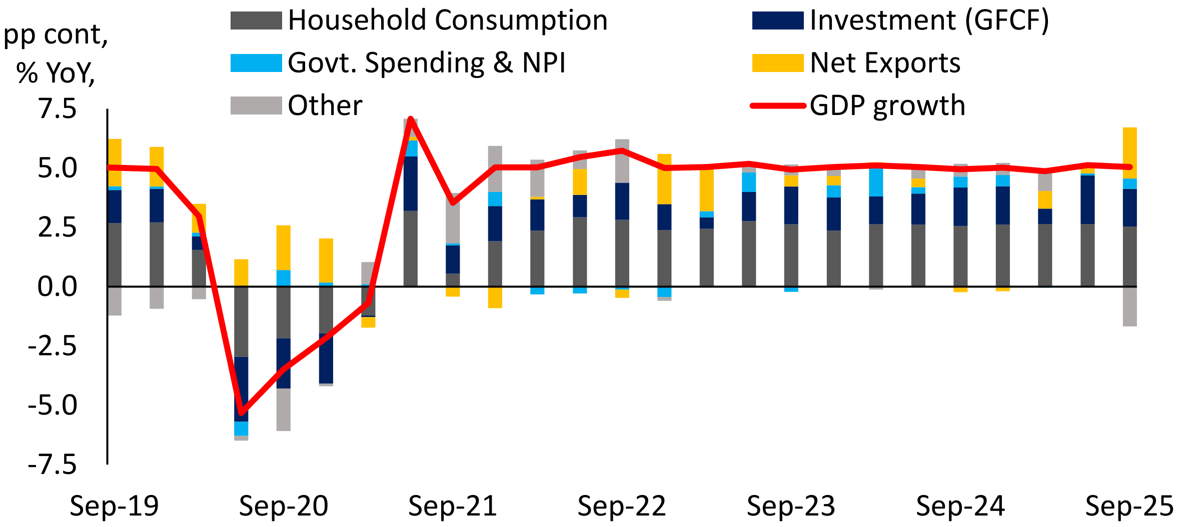
OCBC

Source: EDB, Singstat, CEIC, OCBC.

Indonesia: Slower 3Q25 growth

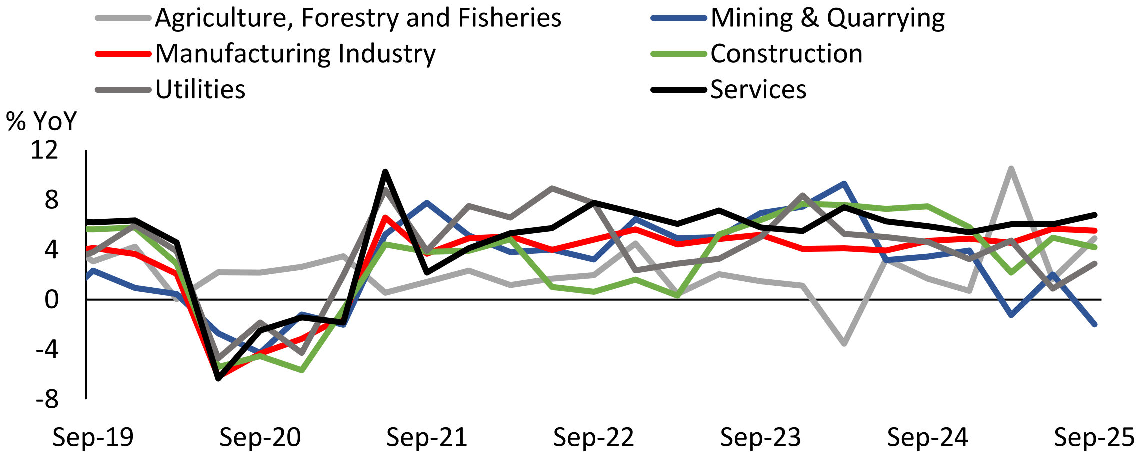
- Real GDP growth slowed to 5.0% YoY in 3Q25 versus 5.1% in 2Q25. The breakdown shows softer household consumption (4.9% in 3Q25 versus 5.0% in 2Q25) and investment spending (5.0% versus 7.0%), while government spending (5.5% versus -0.3%) improved. Exports (9.9% versus 10.9%) were supported by frontloading activities to the US.
- We revised our 2025 GDP growth forecast higher to 5.0%, reflecting the actual outcome of 5.0% growth in 1Q–3Q25. For 2026, we continue to expect softer GDP growth of 4.8% as external demand stays weak alongside subdued household and investment spending. The weakness in domestic demand conditions should allow BI to maintain its dovish bias.

GDP (Expenditure)



Note: Other refers to combined value of change in inventories and statistical discrepancies. Source: BPS, CEIC, OCBC.

GDP (Supply)

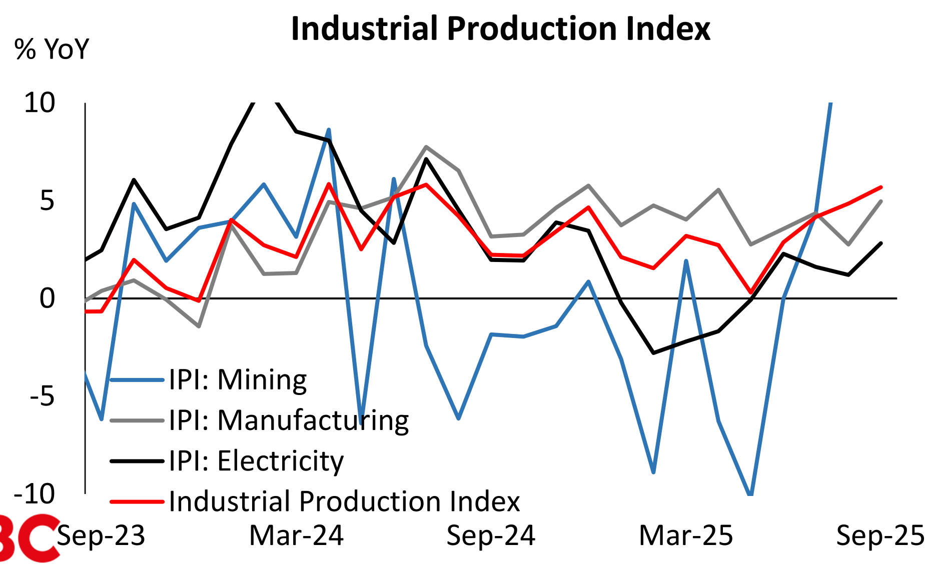


Note: Services = Combined value of Wholesales & Retail Trade, Repairs, Transportation & Storage, Accommodation & Food Beverages Activity, Information & Communication, Financial & Insurance Activity, Real Estat, Business Services, Public Admin, Defense & Social Security, Education Services, Human Health & Social Work Activity, Other Services. Source: Statistics Indonesia (BPS), CEIC, OCBC.

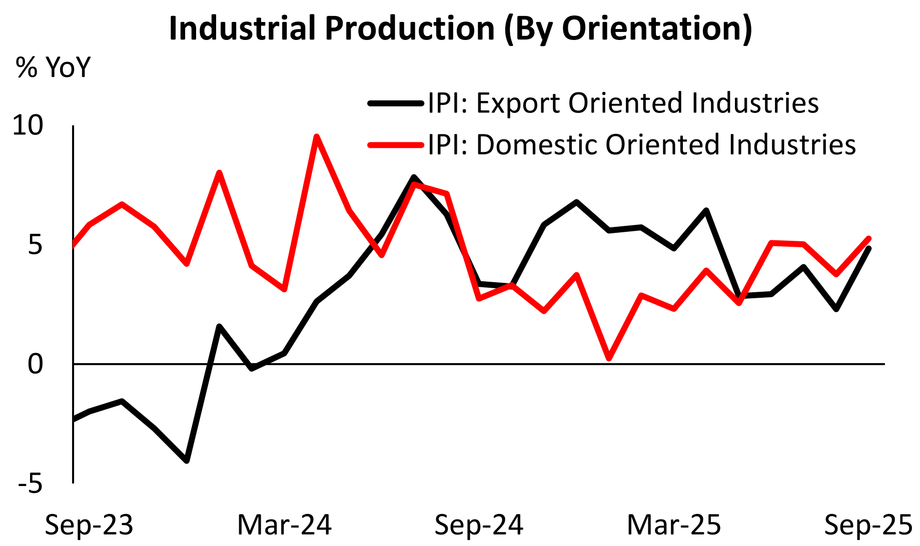
Source: BPS, CEIC, OCBC.

Malaysia: Strong growth in September industrial production

- Industrial production (IP) growth was higher-than-expected at 5.7% YoY (Consensus: 5.4%, OCBC: 5.0%) in September, up from a downwardly revised 4.8% in August.
- The growth was mainly by the manufacturing and electricity sectors, while the mining IP growth slowed to 10.2% YoY versus 16.8%. According to the Department of Statistics, growth in the mining sector “was driven by the Crude Oil & Condensate production, which rose by 13.0 per cent (August 2025: 11.4%), although slower improvement was seen in Natural Gas production (8.5%).” By Orientation, both export- and domestic-oriented IP growth picked up to 4.8% YoY and 5.3% YoY in September, up from 2.3% and 3.8% in August.
- The strength of the September IP growth remains broadly consistent with frontloading activities. Looking ahead, we forecast softer economic growth of 3.8% in 2026, down from 4.6% in 2025 largely due to weaker external demand and reduced exports to the US as the effects of frontloading fade.



Source: Department of Statistics, CEIC, OCBC.



Source: Department of Statistics, CEIC, OCBC.

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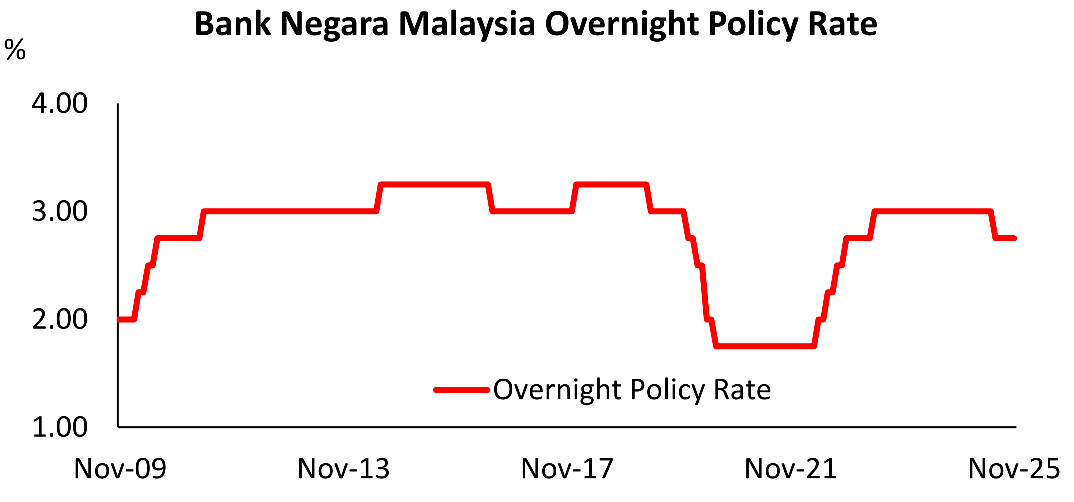
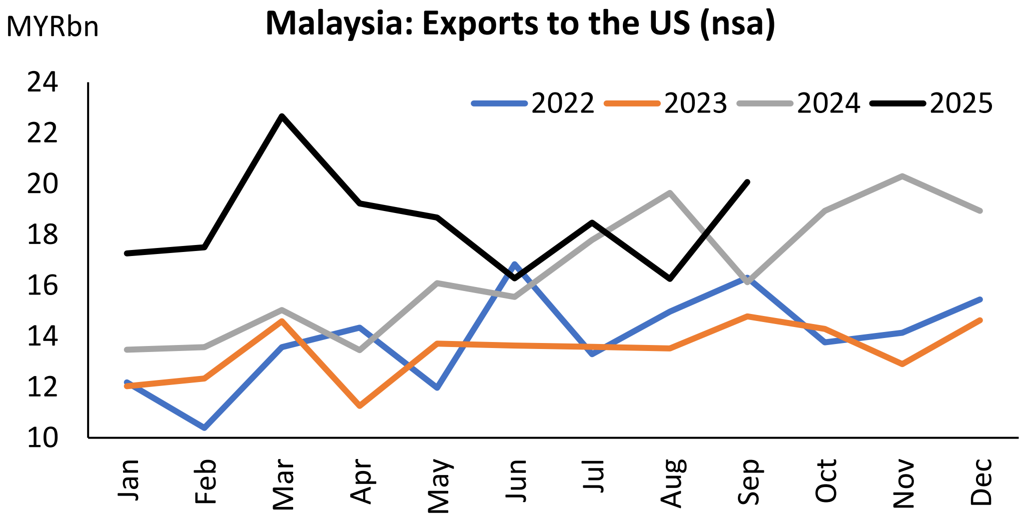
Malaysia: BNM remains on hold

- Bank Negara Malaysia (BNM) kept its policy rate unchanged at 2.75%, in line with consensus and our expectations. The tone of the statement from BNM remained neutral with the assessment on global and domestic growth still relatively sanguine.
- Bank BNM noted that GDP growth will be supported by resilient domestic demand in 2026 while core inflation is expected to remain stable. We continue to expect headline CPI to remain stable at 1.5% in 2025 and 2026. Looking ahead, we forecast softer economic growth of 3.8% in 2026 from 4.6% in 2025 largely due to weaker external demand and reduced exports to the US as the effects of frontloading fade.
- Our base case remains for another 25bp rate cut from BNM in 2026 given our softer GDP growth forecast. The risk, however, is that domestic growth sustains reducing the need for further rate cuts from BNM next year.



Source: Bank Negara Malaysia, CEIC, OCBC.

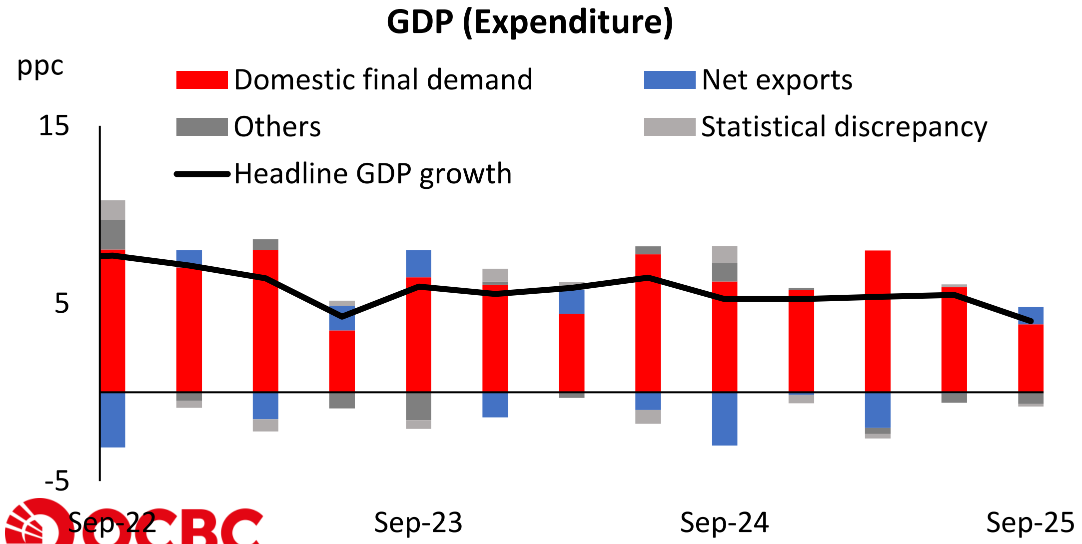


Source: CEIC, OCBC.

Source: Bank Negara Malaysia, CEIC, OCBC.

Philippines: A growth lull in 3Q25

- GDP growth surprised significantly to the downside at 4.0% YoY in 3Q25 versus 5.5% in 2Q25. The contribution of domestic final demand narrowed to 3.8 percentage points (pp) from 5.9pp in 2Q25. Household consumption, investment spending and government consumption expenditures dropped sharply in 3Q25 reflecting the impact of the ongoing corruption scandals with regards to the flood mitigation projects.
- Corroborating the weaker domestic demand picture, import growth slowed to 2.6% YoY in 3Q25 versus 3.5% in 2Q25. By contrast, export growth picked up to 7.0% YoY versus 4.7% in 2Q25, supported by front-loading of goods exports, specifically electronics.
- We revised downwards our full year 2025 GDP growth forecast to 4.8%, down from 5.5% previously. Domestic demand still punching below its weight due to the ongoing government anti-corruption drive which could slow economic growth until 2026. For 2026, we forecast GDP growth of 5.5%, implying that the output gap will remain negative.



Source: Philippine Statistics Authority, CEIC, OCBC.

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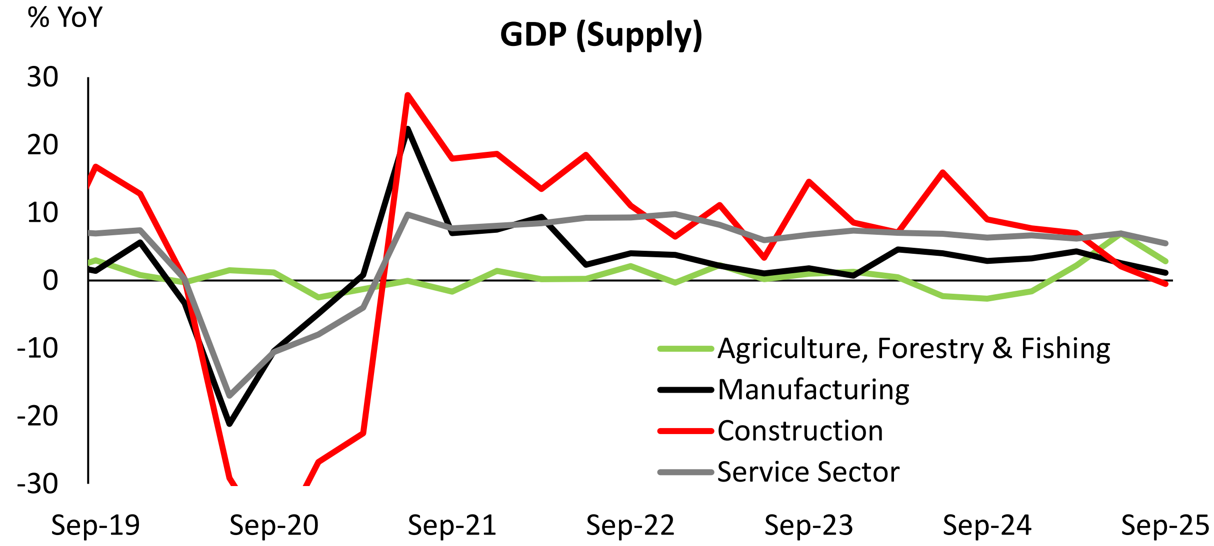


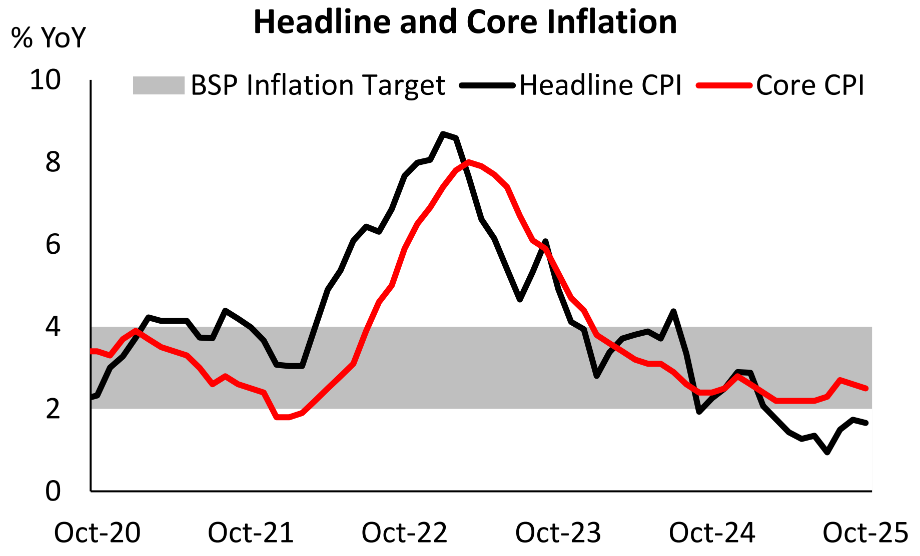
Source: Philippine Statistics Authority, CEIC, OCBC.

Philippines: Stable inflation in October

- Headline inflation remained broadly stable at 1.7% YoY in October, in line with our expectations (OCBC: 1.7%, Consensus: 1.8%). In contrast, core CPI eased lower to 2.5% YoY, down from 2.6% in September. .
- The main drivers of the October inflation print was the ‘clothing & footwear’ subcategory (1.8% YoY, up from 1.7% in September), along with ‘housing, water, electricity, gas & other fuels’ (2.7% YoY from 2.1%), ‘information & communication’ (0.7% from 0.6%), and ‘personal care & misc goods & service’ (2.5% YoY from 2.4%). These were offset by ‘food & non-alcoholic beverages’ (0.5%), ‘alcoholic beverages & tobacco’ (1.7%), ‘health’ (2.7%), ‘transport’ (0.9%) and ‘recreation, sport & culture’ (1.9%).
- Looking forward, we anticipate the outlook for headline CPI to remain relatively subdued for the final two months of the year. Accordingly, we maintain our 2025 CPI forecast at 1.6%, before rising moderately to 2.5% in 2026. On monetary policy, we maintain our call for another 25bp rate cut from BSP in December, bringing the policy rate down to 4.50% by end-2025.

Drivers of inflation, %YoY	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25
Headline CPI inflation	**2.9**	**2.1**	**1.8**	**1.4**	**1.3**	**1.4**	**0.9**	**1.5**	**1.7**	**1.7**
Food & Non-Alcoholic Beverages	3.8	2.6	2.2	0.9	0.9	0.4	-0.2	0.9	1.0	0.5
Alcoholic Beverages & Tobacco	3.5	3.4	3.6	3.7	3.8	3.8	4.2	4.2	4.1	4.0
Clothing & Footwear	2.3	2.1	1.8	1.6	1.6	1.7	1.8	1.7	1.7	1.8
Housing, Water, Electricity, Gas & Other Fuels	2.2	1.6	1.7	2.9	2.3	3.2	2.2	2.1	2.1	2.7
Furnishings, HH Equip & Routine HH Maintenance	2.6	2.3	2.1	2.1	2.0	2.1	2.1	2.4	2.4	2.4
Health	2.5	2.3	2.2	2.4	2.4	2.4	2.6	2.9	2.8	2.7
Transport	1.1	-0.2	-1.1	-2.1	-2.4	-1.6	-2.0	-0.3	1.0	0.9
Information & Communication	0.2	0.3	0.4	0.3	0.4	0.4	0.5	0.6	0.6	0.7
Recreation, Sport & Culture	2.4	2.4	2.2	2.1	2.2	2.2	2.2	2.1	2.1	1.9
Education Services	4.2	4.2	4.2	4.2	4.2	5.3	4.3	3.0	3.0	3.0
Restaurants & Accommodation Services	3.2	2.8	2.3	2.3	2.0	2.1	2.3	2.3	2.4	2.4
Financial Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Personal Care & Misc Goods & Services	2.8	2.6	2.6	2.5	2.5	2.4	2.3	2.5	2.4	2.5
Core CPI	**2.6**	**2.4**	**2.2**	**2.2**	**2.2**	**2.2**	**2.3**	**2.7**	**2.6**	**2.5**

Source: Philippine Statistics Authority, CEIC, OCBC.



Source: Bangko Sentral ng Pilipinas, Philippines Statistics Authority, CEIC, OCBC.

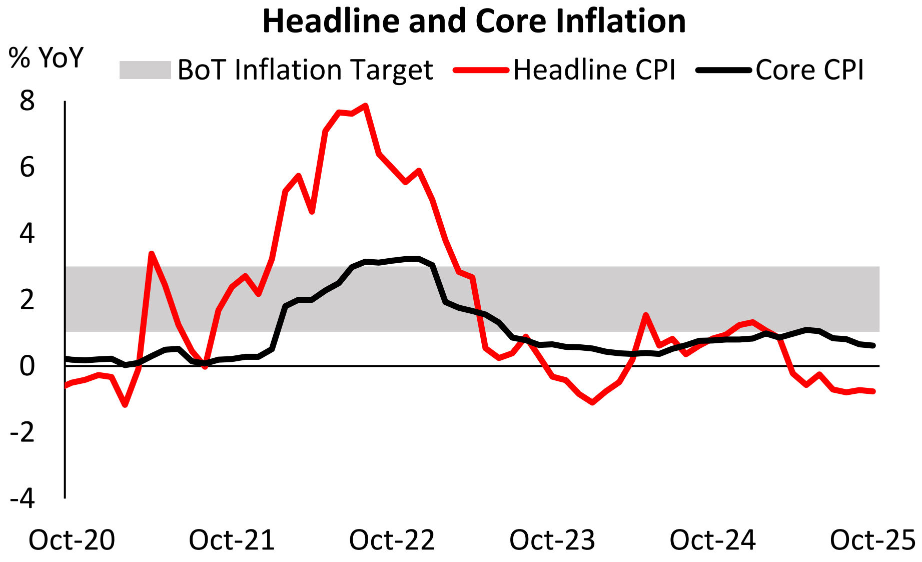
Source: Bangko Sentral ng Pilipinas, Philippine Statistics Authority, CEIC, OCBC.

Thailand: Still negative headline inflation in October

- Headline inflation declined by 0.8% YoY in October (OCBC: -0.6%, Consensus: -0.7%), down from -0.7% YoY in September. Meanwhile, core inflation eased to 0.6%, down from 0.7% in September.
- The main driver is due to lower inflation in the 'transport & communication' (-2.4% YoY versus -1.9% in September) subcategory. The decline more than offset food & non-alcoholic beverages', and 'tobacco & alcoholic beverages' categories. These declines more than offset higher inflation in the 'recreation, reading, education & religion' and smaller YoY negative contraction in 'medical & personal care' categories.
- The October print brings the average headline CPI for January-October 2025 to -0.1% YoY. Fiscal and quasi-fiscal policies, along with lower global energy prices, have kept inflationary pressures subdued. For 2025, we forecast a lower headline CPI of -0.1% YoY, before picking up to 0.6% in 2026.

Drivers of inflation, % YoY	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25
Headline CPI	1.3	1.1	0.8	-0.2	-0.6	-0.2	-0.7	-0.8	-0.7	-0.8
Food & Non Alcoholic Beverages	1.8	2.0	2.4	1.6	0.9	1.6	0.8	-0.1	-0.2	-0.2
Apparel & Footwears	-0.2	-0.3	-0.4	-0.6	-0.9	-0.9	-1.1	-1.1	-1.4	-1.4
Housing & Furnishing	0.4	0.5	0.0	-0.7	-0.3	-0.4	-0.2	-0.2	-0.4	-0.4
Medical & Personal Care	-0.5	-0.5	-0.6	-0.7	-1.1	-0.8	-1.1	-0.9	-1.3	-0.7
Transport & Communication	2.1	0.5	-0.4	-3.0	-3.4	-3.2	-3.9	-2.7	-1.9	-2.4
Recreation, Reading, Education and Religion	0.4	0.4	0.4	0.7	0.4	0.5	0.5	0.5	0.4	0.7
Tobacco & Alcoholic Beverages	0.8	0.3	0.1	0.1	0.1	0.0	0.0	-0.1	-0.1	-0.1
Core Consumer Price Index	0.8	1.0	0.9	1.0	1.1	1.1	0.8	0.8	0.7	0.6

Source: Trade Policy and Strategy Office, CEIC, OCBC



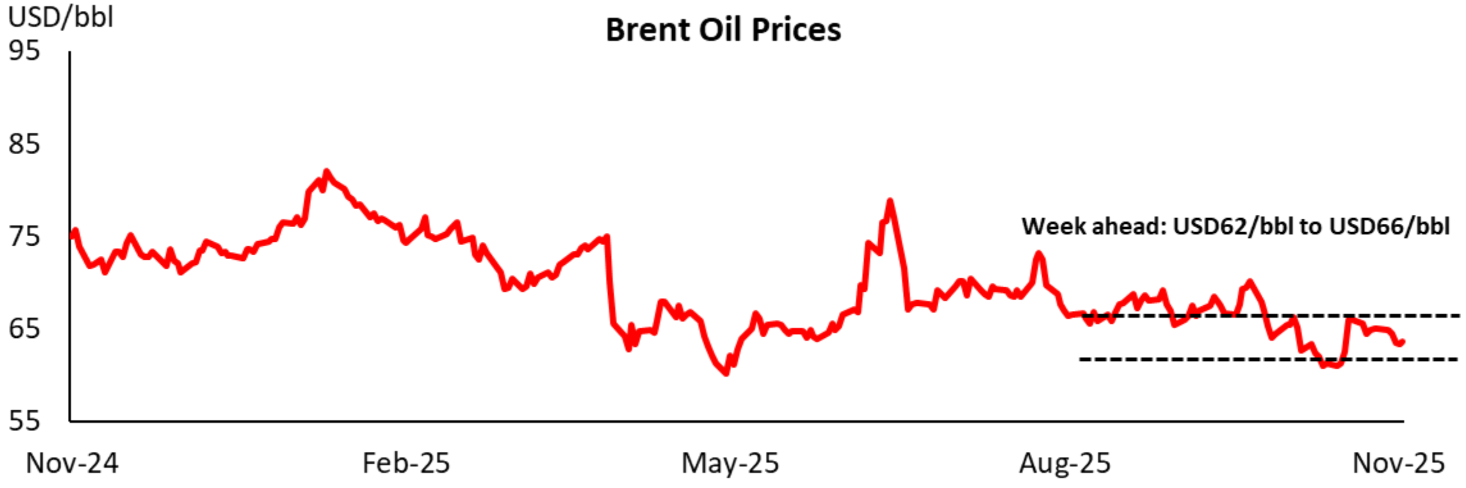
Source: Bank of Thailand, Trade Policy and Strategy Office, CEIC, OCBC.

Source: Bank of Thailand, Trade Policy and Strategy Office, CEIC, OCBC.

Commodities

Commodities: Lower oil prices

- Crude oil benchmarks fell for the second consecutive week, with WTI and Brent declining by 2.0% and 2.2% week-on-week, respectively, to USD59.8/bbl and USD63.6/bbl.
- Oil remains under pressure as the prospects of a looming supply glut outweigh disruption risks. State producer Saudi Aramco announced a sharp reduction in the price of its flagship Arab Light crude to Asia for December, lowering it by $1.2 to a premium of $1 above regional peers. This move has added to the sentiment that demand growth in the region may be softening, potentially limiting the absorption of additional supplies. Additionally, US crude oil inventories were reportedly higher, with a stronger-than-expected buildup rising by 5.2mn bbls (consensus: -0.2mn bbls), reaching 421.2mn bbls for the week ending 31 October.
- Looking ahead, we expect Brent crude to trade within the range of USD62-66/bbl. Key focuses for the week include monthly releases from EIA, IEA, and OPEC. Regarding data release, we will monitor upcoming activity data from the US (e.g., October retail sales) and China (e.g., October retail sales and industrial production data).



Source: Bloomberg, OCBC.

Source: Bloomberg, Reuters, OCBC.

ESG

ESG: SG exploring biomethane and nuclear as alternative energy sources

Biomethane

- Singapore announced at the Singapore International Energy Week that it is exploring biomethane's potential for power generation and industrial applications, to decarbonise the power sector while supporting energy security. A key advantage is that biomethane can be used within the existing natural gas infrastructure without costly retrofits, unlike hydrogen or ammonia that would require plant upgrades. Biomethane is produced mainly through upgrading biogas from organic waste in a process that removes carbon dioxide and other contaminants, according to the International Energy Agency.
- Singapore will also be establishing a regulatory sandbox of up to 300MW to catalyse biomethane supply chain development and facilitate adoption by key industry players. Existing barriers to overcome include high production costs and frameworks/certifications for biomethane adoption.

Nuclear energy

- There are plans to partner two US organisations, Battelle Memorial Institute and Idaho National Laboratory, to strengthen Singapore's capabilities in nuclear power. This follows the announcement at Budget 2025 on studying the potential deployment of nuclear power in Singapore.
- Small modular reactors were cited as one advanced nuclear technology that has better safety features than conventional nuclear power plants. According to the Energy Market Authority's Energy 2050 Committee Report, Singapore could potentially meet around 10% of its energy needs by 2050 through next-generation geothermal energy or nuclear energy.

OCBC

Source: EMA, OCBC

FX & Rates

FX and Rates: Hopes of an end to US government shutdown

- **USD rates.** USTs ended Friday's session little changed, but yields rose at Asia open amid risk on sentiment upon hope of a potential deal to end US government shutdown. SOFR has eased back to below 4.00% and was last at 3.92% on 6 November. TGA, last at USD953bn on 6 November, is expected to fall towards the target of USD850bn especially if there is an end to government shutdown. US data continue to be light with only some private-sector releases. University of Michigan survey printed weaker than expected across sentiment, current conditions and expectations, while 1-year inflation was a tad higher. Market did not pay attention to the outcome. Earlier the white house said what they had learned was there would be no October CPI release. There are USD58bn of 3Y Note, USD42bn of 10Y TIPS and USD25bn of 20Y Bond auctions this week. Auction sizes are kept unchanged this quarter and TBAC has also recommended unchanged auction sizes for the next quarter. Near-term range for 10Y UST yield is seen at 4.05-4.25%, which is consistent with 10Y breakeven in the range of 2.30-2.40% and 10Y real yield in the range of 1.75-1.85%.

- **DXY. *Hopes of US Government Reopening.*** USD traded mixed on Monday, with gains seen vs. low yielding major FX while losses were seen vs. risk-proxy FX, including AUD, KRW. US equity futures are also trading modestly firmer. The moves reflected some hopes of a reopening of the US government. A group of moderate Senate Democrats agreed to support a deal to reopen the government. Under the agreement, Congress would pass full-year funding for the departments of Agriculture, Veterans Affairs and Congress itself, while funding other agencies through Jan. 30. Further procedural votes are expected to be held soon, and the Senate will need the consent of all members to end the shutdown. The House would next need to pass the bill and have it sent to Trump to sign in order for the government to reopen – a process that may take several days. CPI, PPI and retail sales data are supposed to be released towards Thu, Fri but is likely to be delayed until further notice.

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