



Weekly Macro Views (WMV)

Global Markets Research & Strategy

8 September 2025

Weekly Macro Update

Key Global Data for this week:

8 Sept	9 Sept	10 Sept	11 Sept	12 Sept
<ul style="list-style-type: none"> • CH Trade Balance • EC Sentix Investor Confidence • ID Foreign Reserves • JN GDP SA QoQ • JN BoP Current Account Balance • SI Foreign Reserves 	<ul style="list-style-type: none"> • CH Money Supply M2 YoY • MA Foreign Reserves • US Consumer Credit • VN Domestic Vehicle Sales YoY 	<ul style="list-style-type: none"> • CH CPI YoY • CH PPI YoY • ID Consumer Confidence Index • PH Unemployment Rate • SK Unemployment rate SA • US PPI Final Demand YoY 	<ul style="list-style-type: none"> • EC ECB Deposit Facility Rate • JN PPI YoY • MA Industrial Production YoY • US CPI YoY • US Initial Jobless Claims • US Real Avg Weekly Earnings YoY 	<ul style="list-style-type: none"> • IN CPI YoY • JN Industrial Production YoY • NZ BusinessNZ Manufacturing PMI • TH Gross International Reserves • UK Industrial Production MoM • US U. of Mich. Sentiment

Summary of Macro Views:

Global	<ul style="list-style-type: none"> • Global: Japan trade agreement finalization ushers Ishiba's exit • US: Non-farm payrolls disappoint again • US: Services the silver lining, while overall labour remains tepid 	Asia	<ul style="list-style-type: none"> • MY: BNM on hold • MY: Softer Business Tendency Statistics in 3Q25 • PH: Higher inflation • TH: Negative headline inflation persists • TH: Newly elected Prime Minister • VN: August data softens but remains surprisingly resilient • VN: Growth, inflation & policy outlook
Asia	<ul style="list-style-type: none"> • SI: MAS Survey of Professional Forecasters (SPF) • SI: Retail sales exceeds expectations • HK: Retail sales rose for the third straight month • MO: Recovery in gaming sector paced up • ID: Purbaya Yudhi Sadewa takes on the role of FM 	Asset Class	<ul style="list-style-type: none"> • Commodities: OPEC+ keeps up with supply hikes • ESG: UN urging nations to submit overdue NDCs before COP30 • FX & Rates: Weak payrolls; wait for inflation to give the green light

Global: Central Bank

European Central Bank (ECB)



Thursday, 11th September

House Views

Deposit Facility Rate

Likely **hold** at **2.00%**

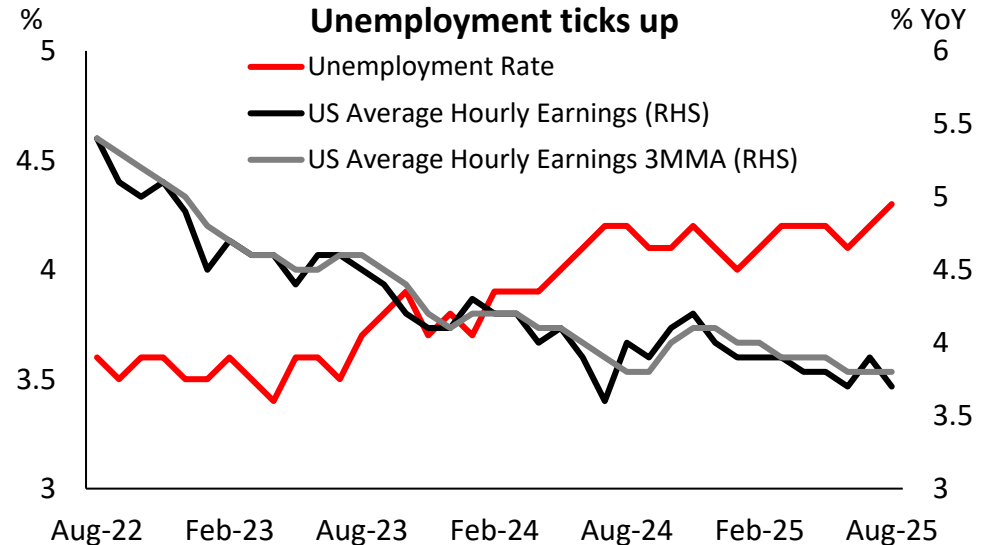
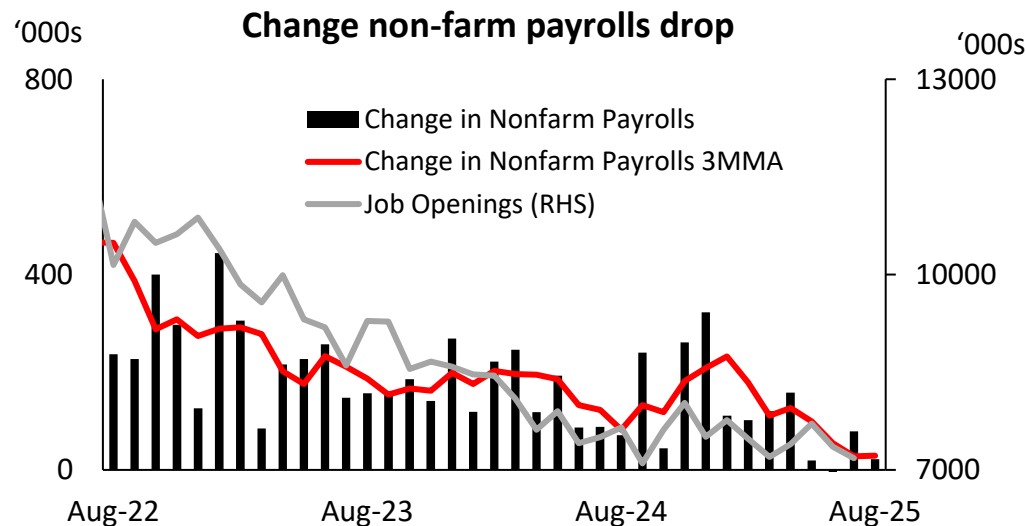
Global: Japan trade agreement finalization ushers Ishiba's exit

	Japan Strategic Trade and Investment Agreement (23 July 2025)	IMPLEMENTING THE UNITED STATES–JAPAN AGREEMENT (4 September 2025)
15% Tariff rate	<ul style="list-style-type: none"> US and Japan agreed on a trade deal, which will impose a 15% tariff on Japanese imports to US, including automobiles and auto parts. The revised 15% rate came into effect on 1 August. The deal also included increasing market access for American goods, increasing rice imports by 75%, increasing purchases of additional agriculture products worth USD8bn, expanding energy imports, and buying 100 Boeing planes. Additionally, “US automotive standards would be approved in Japan”, according to the Whitehouse, granting US automakers access to the Japanese market. 	<ul style="list-style-type: none"> The Whitehouse indicated that an all-inclusive, tariff rate of 15% will apply retroactively, for goods shipped from 7 August. The 15% levy is all inclusive and cannot be stacked on. Sectors which are already subject to Normal Trade Relations (NTR) tariffs of 15% or above, will not be subject to additional tariffs. This includes automobiles and auto parts. Additionally, aircraft, aircraft parts, generic pharmaceuticals, pharmaceutical ingredients and chemical precursors will not be subject to reciprocal tariffs.

- Having overseen the implementation of the US-Japan trade agreement, Japanese Prime Minister Shigeru Ishiba, announced that he would step down in the coming weeks. This follows the Liberal Democratic Party's (LDP) loss in the upper house elections in July. Given the LDP's dominance in parliament, its leader is expected to assume the position of Prime Minister.
- Potential candidates to take the helm include Sanae Takaichi, who finished behind Ishiba in the LDP's leadership election last year. Agriculture minister Shinjiro Koizumi is also a strong contender, having gain significant support following his policies to reduce rice prices. Other candidates include current Chief Cabinet Secretary Yoshimasa Hayashi, who is in Ishiba's inner circle, who would provide a sense of continuity to Ishiba's policies.

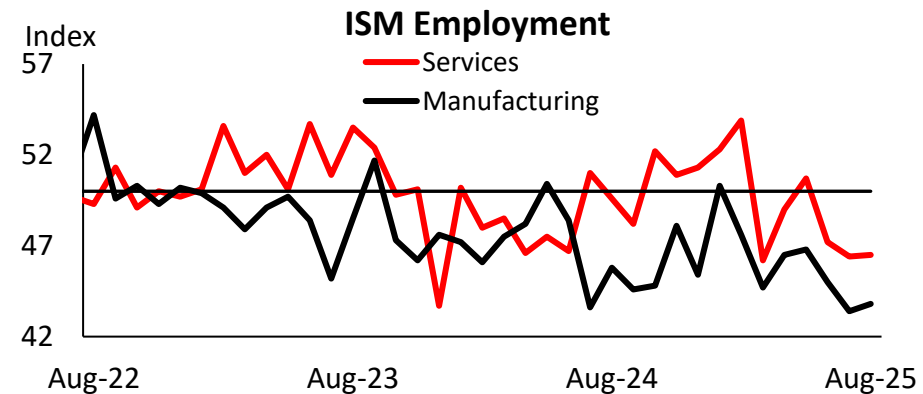
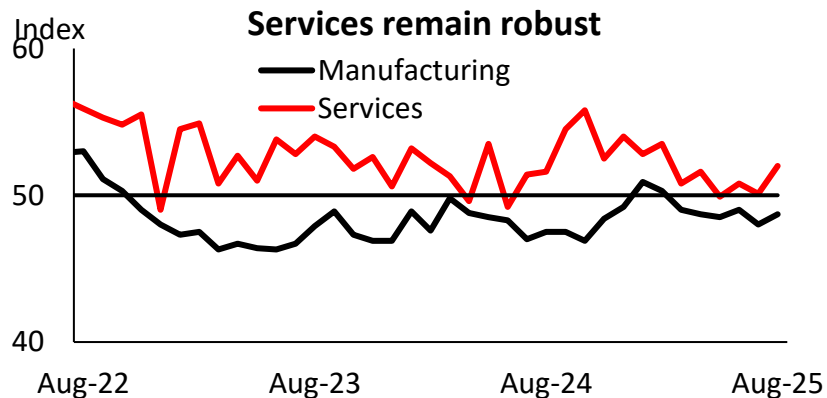
US: Non-farm payrolls disappoint again

- August non-farm payrolls rose by a tepid 22k, lower than July's upwardly revised 79k, bringing the 3-month average to 29k, highlighting weaker job growth. Job gains in health care and social assistance (47K) were partially offset by losses in federal government (-15K), mining and logging (-6K), wholesale trade and manufacturing (-24K). Employment showed little change in other major industries. Payrolls figures for June were revised down by 27K and the change for July was revised up by 6K. With these revisions, employment in June and July combined is 21K lower than previously reported.
- The unemployment rate edged up to 4.3%, up from 4.2% in July, the highest level in 3 years. Meanwhile, change in average hourly earnings dipped slightly to 3.7% YoY (0.3% MoM) from 3.9% in July, with the 3-month moving average moderating at 3.8%.



US: Services the silver lining, while overall labour remains tepid

- The ISM manufacturing PMI index registered 48.7 August, compared to the 48 recorded in July. Meanwhile the ISM services PMI index print saw an uptick to 52 from 50 in July, remaining in the expansion territory for the 13th time in the last 14 months. While manufacturing across the country continued to remain tepid with tariffs continuing to weigh on costs and impede scheduling, business in the services sector continued to grow with the print for new orders reaching 56, up from 50.3 in July
- Notwithstanding, the labour market sub-indices remained weak. The ISM manufacturing employment index for August registered 43.8 compared to a reading of 43.4 in July, marking a seventh consecutive month of contraction. Meanwhile, employment activity in the services sector registered 46.5 from 46.4 in July, a third straight month below the 50 threshold.
- According to the manufacturing survey, 80% of respondents noted “reducing head count as companies continued to focus on accelerating staff reductions due to uncertain near- to mid-term demand.” In the services sector, staffing remained adequate, though work hours were reduced due to flat traffic and sales. Notably, tariffs remained a glaring concern, amid a “(tighter) business environment”, with “all decision making currently dominated by tariff considerations”.



Singapore: MAS Survey of Professional Forecasters (SPF)

- In the September edition of the MAS Survey of Professional Forecasters, the median GDP growth forecasts for 2025 was revised upward to 2.4%, up from 1.7% in the June survey. The 2025 headline CPI (median) was kept unchanged at 0.9% YoY, while the 2025 core CPI (median) was marginally revised downward to 0.7% YoY, down to 0.8% in the June survey.
- Looking ahead, the September survey also anticipates the median forecast for growth, headline CPI, and core CPI in 2026 at 1.9% YoY, 1.4% YoY, and 1.3% YoY, respectively.

Median Forecasts of Macroeconomic Indicators for 2025

Key Macroeconomic Indicators Year-on-Year % Change	June Survey	September Survey
GDP	1.7	2.4
Manufacturing	-0.3	0.8
Finance & Insurance	3.3	3.3
Construction	3.3	4.7
Wholesale & Retail Trade	2.2	2.9
Accommodation & Food services	1.5	0.5
Private Consumption	3.1	3.1
Non-oil Domestic Exports	1.0	2.2

Median Forecasts of Other Economic Indicators for 2025

Indicators	June Survey	September Survey
CPI-All Items inflation (year-on-year % change)	0.9	0.9
MAS Core Inflation (year-on-year % change)	0.8	0.7
Overall Unemployment Rate (end-period, SA %)	2.2	2.2
Exchange Rate (end-period, S\$ per US\$)	1.300	1.285
SORA (average, percent per annum)	2.10	1.71
Bank Loans (end-period, % growth)	2.6	3.1

Forecasts of Key Macroeconomic Indicators for Q3 2025

Key Macroeconomic Indicators Year-on-Year % Change (unless otherwise stated)	September Survey			
	Median	Mean	Min	Max
GDP	0.9	1.2	-0.1	4.8
Manufacturing	-3.2	-2.4	-6.0	2.0
Finance & Insurance	4.1	3.8	0.5	6.1
Construction	5.0	4.4	0.9	6.5
Wholesale & Retail Trade	2.1	1.5	-2.5	4.4
Accommodation & Food services	0.3	-0.4	-2.9	2.0
Private Consumption	2.8	2.9	1.8	3.8
Non-oil Domestic Exports	-0.1	0.0	-4.0	5.0
CPI-All Items inflation	0.8	0.7	0.3	1.0
MAS Core Inflation	0.6	0.6	0.4	1.0
Overall Unemployment Rate (end-period, SA %)	2.1	2.2	2.0	2.5
Exchange Rate (end-period, S\$ per US\$)	1.280	1.283	1.270	1.300
SORA (average, % per annum)	1.50	1.45	1.10	1.82
Bank Loans (end-period, % growth)	3.7	3.4	1.5	5.5



Source: MAS SPF (September), OCBC.

Singapore: MAS Survey of Professional Forecasters (SPF)

- According to the September survey, “geopolitical tensions, including from the introduction of semiconductor and pharmaceutical tariffs, have emerged as the most cited downside risk to the outlook for the Singapore economy. Respondents also flagged external slowdown and financial market volatility as potential risks.”
- For monetary policy, “42% of the respondents anticipate monetary policy easing in the October 2025 policy review, likely via a flattening of the slope of the S\$NEER policy band (37%). This is an increase from the previous survey in June 2025. Almost all the respondents expect that there will not be any monetary policy shift in the January 2026 policy review.”

Top 3 Potential Risks to the Singapore Economy
(Proportion of Respondents, %)

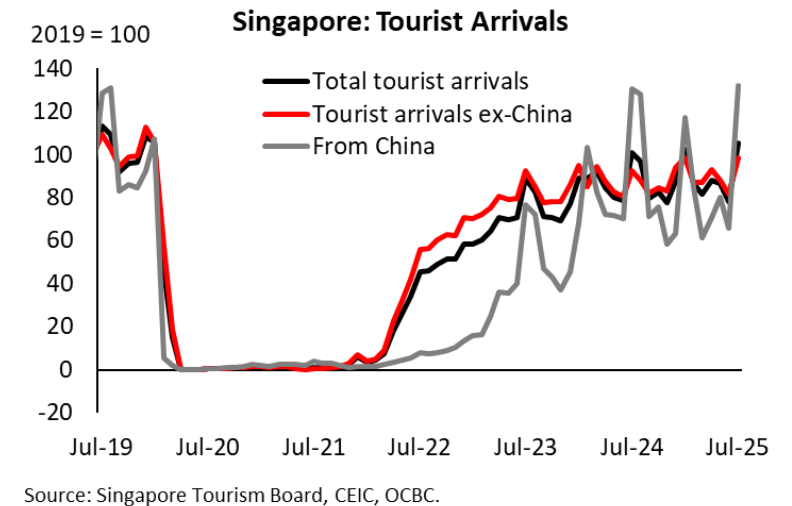
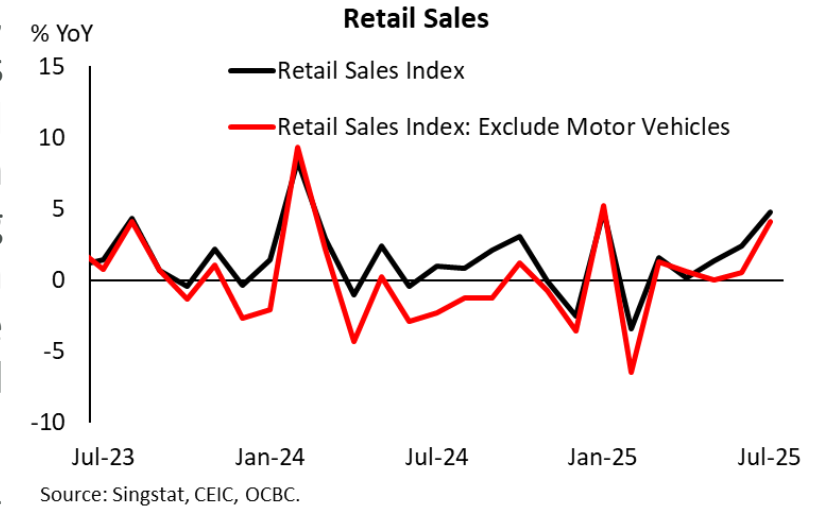
Downside Risk	June Survey	September Survey	Cited As Top Risk	Upside Risk	June Survey	September Survey	Cited As Top Risk
Geopolitical Tensions	100.0	100.0	100.0	Milder-than-expected/Easing of trade tensions	87.5	68.8	62.5
External Slowdown	37.5	31.5	0.0	Tech Cycle	31.3	50.0	12.5
Financial Market	18.8	25.0	0.0	Inflows into Singapore	18.8	31.3	0.0

Expectations of the S\$NEER Policy Band
(Proportion of Respondents, %)

Indicators	June Survey			September Survey		
	2025 October	2026 January	2026 April	2025 October	2026 January	2026 April
Slope of the S\$NEER Policy Band						
Increase	0.0	0.0	0.0	0.0	0.0	0.0
Reduce	5.9	0.0	5.9	5.3	5.9	11.8
Flatten	11.8	5.9	5.9	36.8	0.0	11.8
Unchanged	82.4	94.1	88.2	57.9	94.1	76.5
Level at which the S\$NEER Policy Band is centred						
Higher	0.0	0.0	0.0	0.0	0.0	0.0
Lower	11.8	0.0	0.0	0.0	0.0	5.9
Unchanged	88.2	100.0	100.0	100.0	100.0	94.1
Width of the S\$NEER Policy Band						
Widen	0.0	0.0	0.0	5.3	0.0	5.9
Narrow	0.0	0.0	5.9	0.0	0.0	0.0
Unchanged	100.0	100.0	94.1	94.7	100.0	94.1

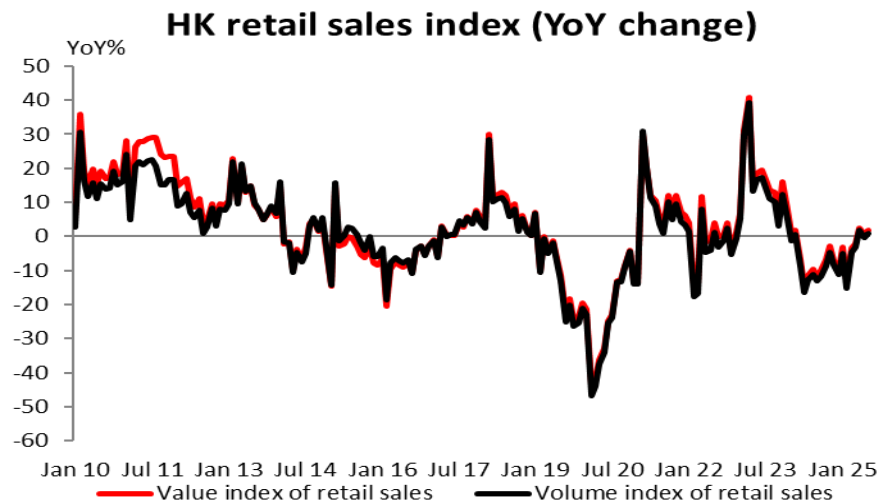
Singapore: Retail sales exceeds expectations

- Retail sales rose more than expected by 4.8% YoY (4.1% MoM sa) in July, beating our forecast and market consensus forecast of 2.1% YoY. This was also a sharp improvement from the revised 2.4% YoY (-1.1% MoM sa) and marked the fifth straight month of YoY growth as well as the fastest growth since January 2025. Motor vehicle sales continued to flourish, expanding 8.8% YoY (5.5% MoM sa), albeit this was a moderation from 14.6% YoY in June. The three retail segments that underperformed were petrol service stations, wearing apparel & footwear, and food & alcohol which contracted again by 5.6%, 3.1%, 2.0% YoY respectively.
- Retail sales grew by 1.7% YoY in the first seven months of 2025, which is slightly below the 2% YoY seen in the same period last year. Full-year 2025 retail sales growth forecast is likely to surprise on the upside and could exceed our earlier 1.5% YoY forecast. If the retail sales continue to be supportive for the remainder of this year, this could exceed the 1.4% YoY growth seen in 2024. Upcoming events include F1 and also concerts by Blackpink, NCT Dream, TWICE, Doja Cat and Rich Brian, which could drive inbound visitor arrivals. July visitor arrivals increased by 1.68mn (4.9% YoY) brought the first seven months to 10.01mn (2.4% YoY). STB's 2025 forecast for visitor arrivals is for a record 17-18.5mn to generate tourism receipts of \$29-30.5bn, led by strong interest from India and China.

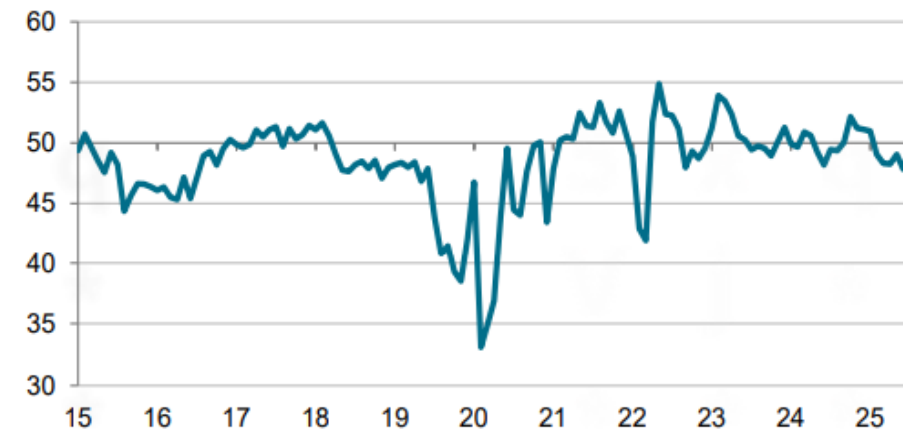


HK: Retail sales rose for the third straight month

- Retail sales rose for the third straight month in value terms, though at a slightly slower pace of 1.8% YoY in July. Sales in most outlets recorded varied degree of growth, with the exception of “food, alcoholic drinks and tobacco” (-3.1% YoY), “consumer durables ”(-9.4% YoY), and “fuels” (-10.3% YoY).
- If positive wealth effects stemming from asset market rallies are sustained, retail sales are expected to record mild growth of around 2-3% this year.
- Separately, PMI bounced back to the expansionary zone, at 50.7 in August, from 49.2 in July, due to sharp increase in output sub-index. However, improvement appears limited to the domestic economy, as new orders from Mainland China and external markets continued to contract at solid rates, which was largely attributed to the impact of higher US tariffs.

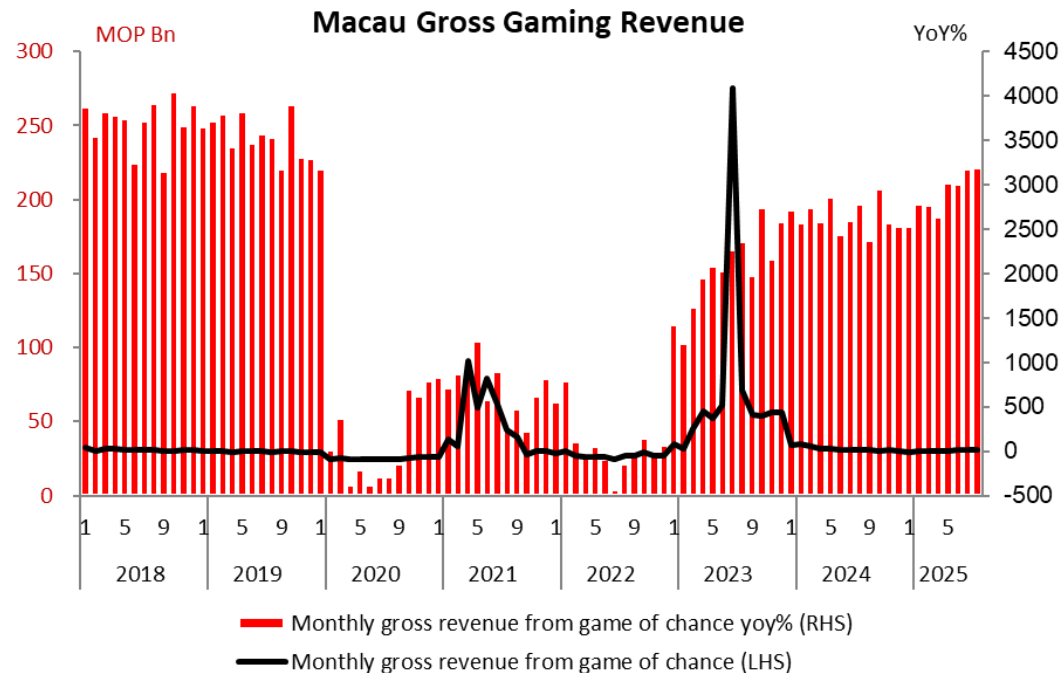


S&P Global Hong Kong SAR PMI
Index, sa, >50 = improvement m/m



MO: Recovery in gaming sector paced up

- Recovery of gaming sector paced up in the past few months, creating further upside for economic growth this year. Gross gaming revenue rose by 12.2% YoY (+0.1% MoM) to MOP22.156 billion in August, refreshing post-Covid high. We now expect the gaming revenue to increase by around 10% this year (YTD: +7.2%), thanks to the strong growth in visitor arrivals. July's visitor arrivals surged by 14.5% YoY to a total of 3.46 million.
- For the year as a whole, we expect total gross gaming revenue to grow by a double-digit, while tourist arrivals to increase by 10-13% YoY. Export of services is likely to expand further, albeit at a moderated pace as compared to last year.



Indonesia: Purbaya Yudhi Sadewa takes on the role of FM

- In the latest cabinet reshuffle, Sri Mulyani Indrawati has been replaced by Purbaya Yudhi Sadewa as the finance minister. Sadewa comes with experience across the private sector and government and is a seasoned economist. He most recently held the post of the chairman of the Deposit Insurance Corporation. His past positions include deputy in the Coordinating Ministry for Maritime Affairs and Investment and the Chief Economist at Danareksa Securities
- From a steady pair of hands Sri Mulyani, who held the post for 14 years of the last 20 years, Sadewa will have to make himself more recognisable with Indonesians and investors alike. The role of fiscal policy going forward will become critical in rebalancing the perceptions around the government's economic agenda, and Sadewa's role will be in the spotlight.

Ministry	Latest Appointment	Previous
Ministry of Finance	Purbaya Yudhi Sadewa	Sri Mulyani
Coordinating Minister for Political and Security Affairs	-	Budi Gunawan
Minister of Indonesian Migrant Workers Protection (P2MI)	Mukhtarudin	Abdul Kadir Karding
Minister of Cooperatives	Ferry Juliantono	Budi Arie Setiadi
Minister of Youth and Sports	-	Dito Ariotedjo
Minister of Hajj and Umrah (new)	Mochamad Irfan Yusuf	-
Deputy Minister of Hajj and Umrah (new)	Dahnil Anzar Simanjuntak	-

Source: Various news sources. Last Updated: 8 September 2025, 6pm SGT.

Sadewa's selected past experiences	Period
Chairman of the Board of Commissioners of the Indonesia Deposit Insurance Corporation (LPS)	Since Sep 2020
Deputy for Coordination of Maritime Sovereignty and Energy, Coordinating Ministry for Maritime Affairs and Investment	May 2018 - Sep 2020
Special Staff for Economic Affairs to the coordinating minister for Maritime Affairs, Coordinating Ministry for Maritime Affairs	July 2016 - May 2018
Deputy Chair of the Task Force for Case Handling and Resolution (Debottlenecking), better known as "Working Group IV", under the Coordinating Ministry for Economic Affairs	Since Jun 2016
Member of the Advisory Board of the Chamber of Commerce and Industry	Since 2016
Member of the Indonesia Economic Forum	Since 2015
Member of the Board of Directors, PT Danareksa (Persero)	Mar 2013 - Apr 2015
Chief Economist, Danareksa Research Institute	Jul 2005 - Mar 2013
President Director, PT Danareksa Securities	Apr 2006 - Oct 2008
Senior Economist, Danareksa Research Institute	Oct 2000 - Jul 2005
Field Engineer, Schlumberger Overseas SA	1989-1994

Source: LPS.

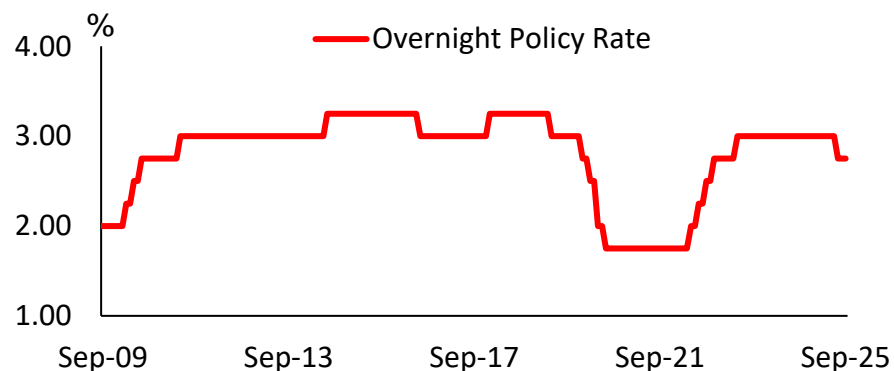


Source: LPS, various news sources, OCBC.

Malaysia: BNM on hold

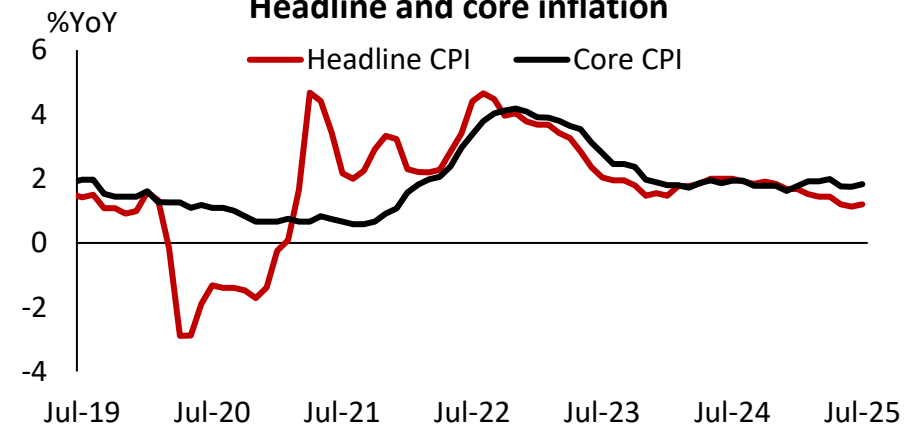
- Bank Negara Malaysia (BNM) kept its policy rate unchanged at 2.75%, in line with consensus and our expectations. On global growth, BNM noted that “the conclusion of many trade negotiations has to some extent eased global uncertainty.” On domestic growth, BNM no longer assessed that “the balance of risks to the growth outlook remains tilted to the downside” for this year and stated that 2025 GDP is “is on track to grow between 4% and 4.8%”. BNM noted that “at the current OPR level, the MPC considers the monetary policy stance to be appropriate and supportive of the economy amid price stability.”
- The September statement suggests that it would take significant downside surprises to growth for BNM to move the needle on the policy rate. However, we are expecting a slower growth path of 3.5% in 2H25 from 4.4% in 1H25 as the impact of frontloading of exports to the US fades and domestic demand slows modestly.
- We continue to see room for BNM to lower its policy rate by an additional 25bps. The timing of this rate cut, however, is less certain considering BNM will likely need to see consistently disappointing data to consider further easing.

Bank Negara Malaysia Overnight Policy Rate



Source: Bank Negara Malaysia, CEIC, OCBC

Headline and core inflation



Source: DOSM, CEIC, OCBC.

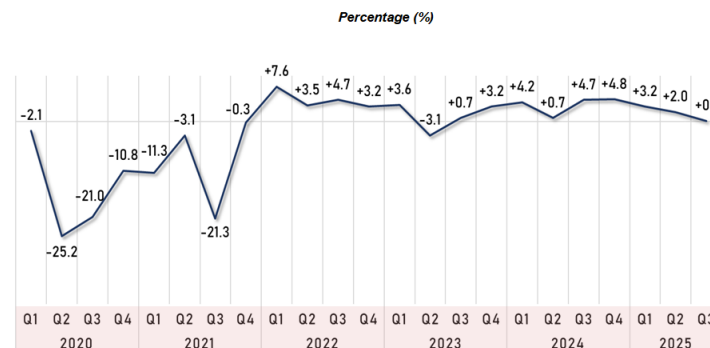


Source: BNM, Bloomberg, CEIC, OCBC.

Malaysia: Softer Business Tendency Statistics in 3Q25

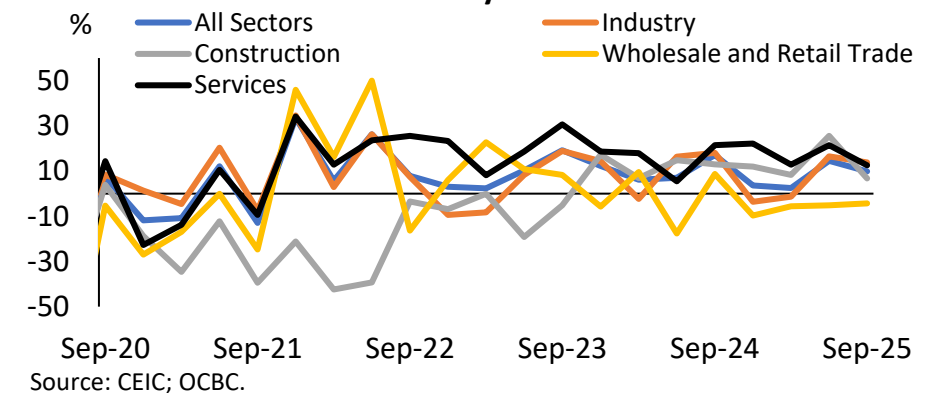
- The Business Tendency Statistics (BTS) for 3Q25 by the Department of Statistics Malaysia (DOSM) highlighted that businesses are expecting a moderation in the business environment in the current quarter, with the indicator easing to +0.1% from +2.0% in the previous quarter.
- The easing in the business sentiment index underscores some caution on the part of businesses that dealing with US tariff related uncertainties and higher domestic cost pressures from the expansion of SST, higher utility tariffs and a planned tiered foreign worker levy in 2026. The relationship between the Business Tendency Survey and real GDP growth is not clear cut but given the various risks to growth, the decline in the BTS reading is broadly consistent with our view of a growth slowdown in 2H25.
- The BTS index does not exhibit a one-for-one correlation with FDI approvals or domestic investment suggesting that it is one of the many indicators that can be used to discern a broader trend. While the investment pipeline remains strong underscored by foreign and domestic investment commitments, data centre construction timelines, we do expect a slower pace of expansion in 2H25 considering external uncertainties but also a host of domestic tax and labour policy changes, which could have a bigger impact on SMEs rather than MNCs.

Exhibit 1: Quarterly Confidence Indicator, Malaysia, 2020-2025



Source: DOSM, CEIC, OCBC.

Business Tendency Survey: Expectations for gross revenues by sectors



Philippines: Higher inflation

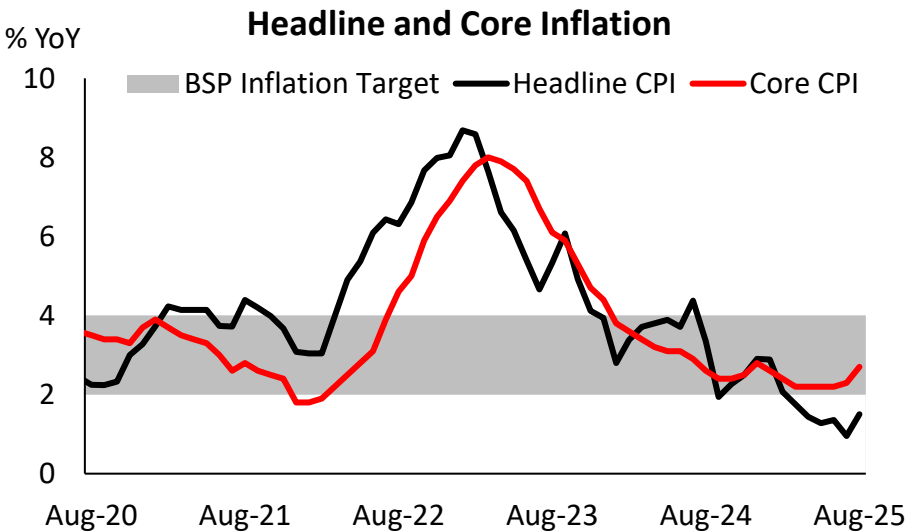
- Headline inflation accelerated to 1.5% YoY in August, up from 0.9% in July, and in line with our expectations (OCBC: 1.5%, Consensus: 1.2%). Similarly, core CPI rose to 2.7% versus 2.3% in July.
- The main drivers were higher inflation in the categories of ‘food & non-alcoholic beverages’, 'furnishings, HH equip & routine HH maintenance', 'health', 'information & communication', and 'personal care & misc goods & services.' Meanwhile, the 'transport' category experienced a smaller YoY contraction. These increases more than offset lower inflation in the clothing, utilities, recreation, and education categories.
- The August print brings the average headline CPI for January-August 2025 to 1.7% YoY. Looking ahead, we maintain our 2025 headline CPI forecast at 1.6%, implying that inflationary pressures will remain well-contained.

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

Source: Philippine Statistics Authority, CEIC, OCBC.



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



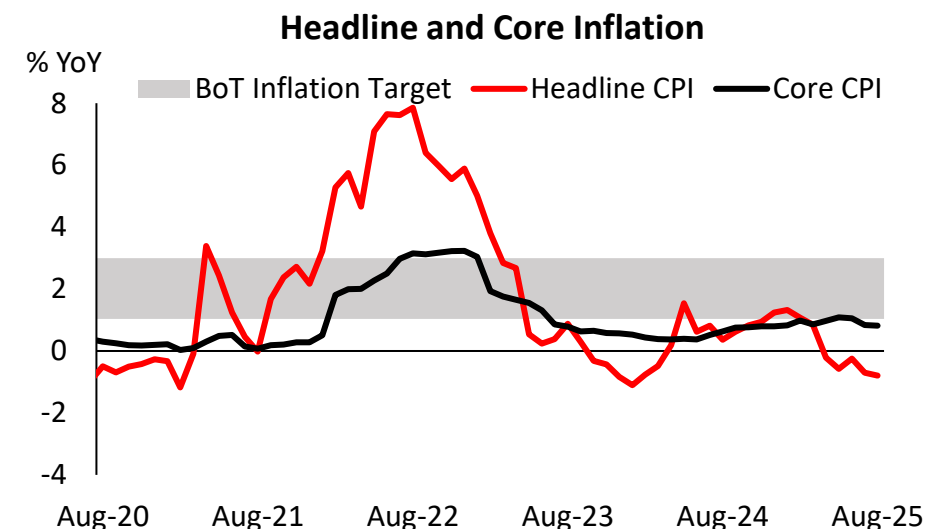
Source: Bangko Sentral ng Pilipinas, Philippine Statistics Authority, CEIC, OCBC.

Thailand: Negative headline inflation persists

- Headline inflation declined by 0.8% YoY in August (OCBC and Consensus: -0.7%) , down from -0.7% YoY in July. Meanwhile, core inflation remained broadly stable at 0.8% in August.
- The main drivers were lower inflation in the 'food & non-alcoholic beverages', and 'tobacco & alcoholic beverages' categories. These declines more than offset smaller YoY negative contraction in 'medical & personal care', and 'transport & communication' categories. The August print brings the average headline CPI for January-August 2025 to 0.1% YoY. Inflationary pressures have been largely contained, supported by fiscal and quasi-fiscal measures along with lower global oil prices. Consequently, we see downside risks to our inflation forecasts of 0.9% YoY in 2025.
- In terms of monetary policy, we see room for Bank of Thailand (BoT) to cut its policy rate by another 25bps in rate cuts for the rest of 2025, bringing the policy rate to 1.25% by year-end. The risk, however, is for deeper rate cuts.

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

Source: Ministry of Commerce, CEIC, OCBC



Source: Bureau of Trade and Economic Indices, CEIC, OCBC.



Source: Bureau of Trade and Economic Indices, Ministry of Commerce, CEIC, OCBC.

Thailand: Newly elected Prime Minister

- Prime Minister (PM) candidate and Bhumjaithai Party leader Anutin Charnvirakul has been elected as the country's 32nd PM. The Prime Ministerial vote took place on 5 September, with 311 out of 490 votes cast in favour of Bhumjaithai candidate Charnvirakul. The remaining 152 votes went to Pheu Thai candidate Chaikasem Nitisiri, while 27 members abstained. PM-elect Charnvirakul has since received royal endorsement from His Majesty King Maha Vajiralongkorn on 7 September.
- Following his royal endorsement, PM Charnvirakul will continue to work towards establishing a new cabinet lineup to address economic and security issues. Over the last few days, PM Charnvirakul has held discussions with different people. Notably, Mr Sihasak Phuangketkeow, and Ekniti Nitithanprapas, who are expected to be appointed as the ministers of foreign affairs, and finance, respectively.

Potential Cabinet Lineup	
Names	Portfolio
Anutin Charnvirakul	Prime Minister and Interior Ministry
Capt. Thammanat Prompao	Deputy Prime Minister and Tourism and Sports Minister
Santi Promphat	Deputy Prime Minister and Tourism and Public Health Minister
Suchart Chomklin	Deputy Prime Minister and Natural Resources and Environment Minister
Jatuporn Buruspat	Commerce Minister
Auttapol Rerkpiboon	Energy Minister
Sihasak Phuangketkeow	Foreign Affairs Minister
Ekniti Nitihanprapas	Finance Minister
Chaichanok Chidchob	Digital Economy and Society Minister
Phiphat Ratchakitprakarn	Transport Minister
Surasak Phanchaoenworakul	Higher Education, Science, Research and Innovation Minister
Sabeeda Thaised	Culture Minister
Trinuch Thienthong	Labour Minister
PO1 Yossing Liamlert	Industry Minister
Akara Prompao	Social Development and Human Security Minister
Atthakorn Sirilatthayakorn OR Pai Lik	Agriculture and Cooperative Minister
Narumon Pinyosinwat	Education Minister
Paradorn Prissanananthakul and Supamas Isarabhakdi	Prime Minister's Office Minister

Note: 8 September 2025 at 04:21 (as of press time)

Source: Bangkok Post



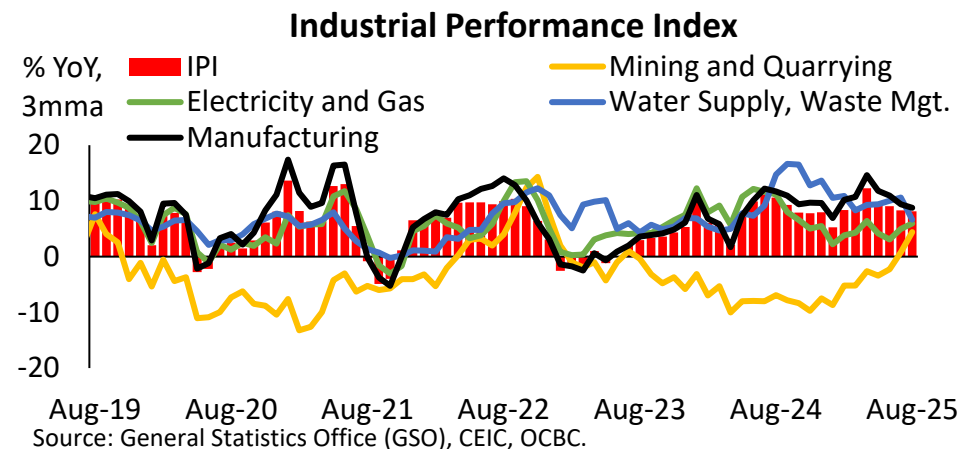
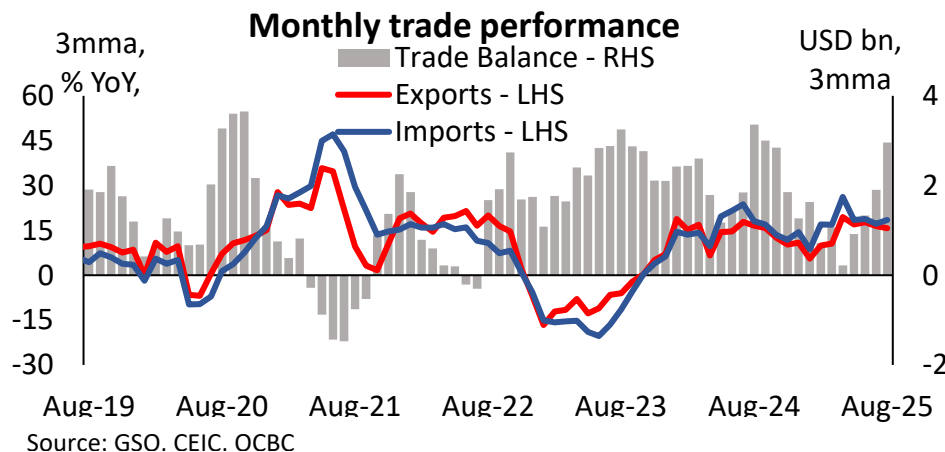
Source: Bangkok Post, The Nation Thailand, OCBC.

Vietnam: August data softens but remains surprisingly resilient

- August monthly activity data suggested that growth momentum was relatively solid footing entering 3Q25, even as the 20% reciprocal tariff on US exports took effect on 7 August. Export growth slowed to 14.5% YoY in August from 16.0% in July, indicating early signs of resilience. Similarly, import growth held resilient at 17.7% YoY in August, compared to 17.8% in July, partly reflecting robust domestic demand and restocking of intermediate goods.
- Most notably, electronics & electrical (E&E) exports, which accounts for over 35% of total exports, outperformed, rising 36.3% YoY in August from 27.0% in July. This contrasts with the slowdown in other key sectors such as textiles, garments & footwear (-4.3% YoY from +4.7%), agriculture (+2.0% from +11.9%), and machinery (+8.6% from +10.6%), based on our estimates.
- Reinforcing the robust trade performance, industrial activity remained firm in August. Industrial production (IP) rose 8.9% YoY, up from 7.4% in July, with gains broad-based across manufacturing (+9.5% from +7.6%), electricity & gas (+6.1% from +7.9%), and mining & quarrying (+9.1% from +4.4%). Notably, IP within the E&E sector remained strong, highlighting sustained momentum in production pipelines.



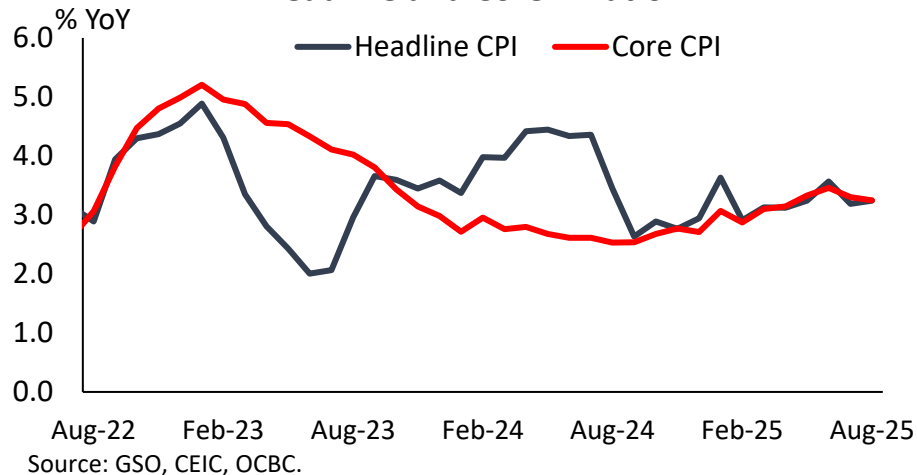
Source: GSO, CEIC, OCBC.



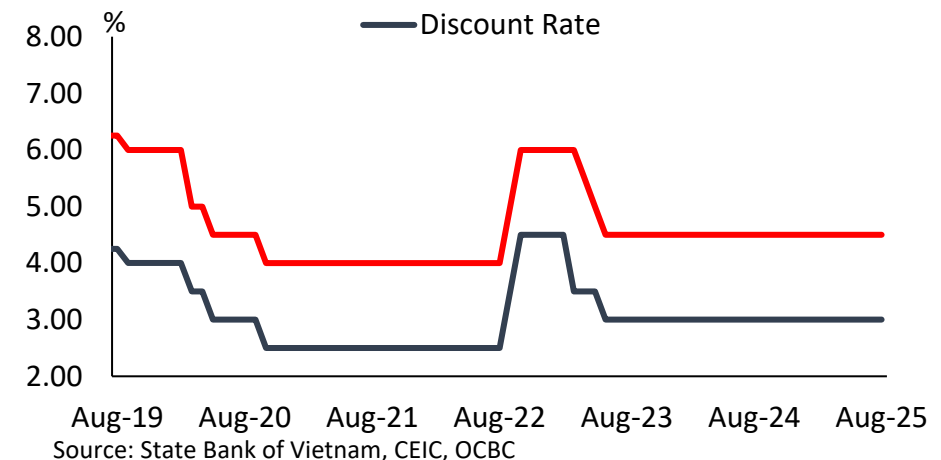
Vietnam: Growth, inflation & policy outlook

- Activity data for July and August indicate that growth momentum remained robust at 7% YoY in 3Q25 but likely moderated compared to 8.0% YoY in 2Q25. This suggests that there are upside risks to our full year 2025 GDP growth forecast of 6.5%. We do, however, expect growth momentum to slow more sharply into 2026. Our current baseline forecast is for 2026 GDP growth to average 5.5%. While the risks are to the upside in terms of the pace of growth, we expect the direction to suggest a slowdown from 2H25.
- This is the main reason for us continuing to pencil in a cumulative 50bp in rate cuts from SBV in 2026. There are signs that liquidity conditions could become looser even ahead of 2026. Effective 1 October, the SBV will cut reserve requirement ratios by half for lenders assigned to take over or manage weak banks.
- Meanwhile, the inflation backdrop is likely to remain conducive for further monetary policy easing. Headline inflation was unchanged at 3.2% YoY in August, similar to July, and was notably below consensus expectations for an uptick to 3.7%. For the year-to-August, headline CPI averaged 3.3% compared to 3.6% in 2024. We maintain our forecast for headline CPI to average 3.7% in 2025, implying modest uptick in price pressure in the coming months.

Headline and Core Inflation



SBV main policy rates



Source: GSO, CEIC, OCBC.

Commodities

Commodities: OPEC+ keeps up with supply hikes

- Eight OPEC+ member countries announced an additional production increase of 137kbpd for October. In their justification, the group's press release referenced "healthy market fundamentals" and "low inventories" as reasons for their decision. The next meeting is scheduled for 5 October to review their production plans.
- The outcome represented a modest output hike compared to previous output decisions, highlighting the group's cautious approach as it seeks to defend its market share. Crude oil benchmarks traded higher, during the Asian session (at time of writing), with WTI and Brent rising by 2.0% to intraday highs of USD63.1/bbl and USD66.8/bbl, respectively. While the output hike was modest, we still believe the decision is expected to contribute to overall downward pressure on oil prices.
- We maintain our 2025 forecast for WTI and Brent crude oil prices to average around USD64/bbl and USD68/bbl, respectively, implying further declines in the coming months to average ~USD60.5/bbl and ~USD63.5/bbl in 4Q25. These forecasts reflect our expectations of healthy global oil inventories for the rest of the year, as growth in global oil supplies is anticipated to outpace growth in global oil demand.

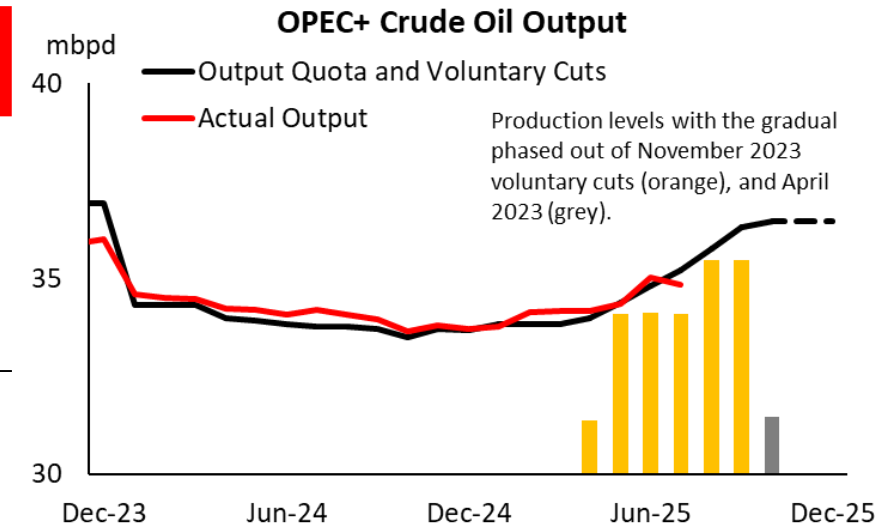
OPEC+ Member Countries	April Actual	April Required Production	May Actual	May Required Production	June Actual	June Required Production	July Actual	July Required Production	August Required Production	September Required Production	October Required Production
Algeria	0.91	0.91	0.92	0.92	0.92	0.93	0.93	0.94	0.95	0.96	0.96
Iraq	4.05	4.01	4.00	4.05	4.03	4.09	3.99	4.12	4.17	4.22	4.24
Kuwait	2.43	2.42	2.43	2.44	2.46	2.47	2.46	2.49	2.52	2.55	2.56
Saudi Arabia	8.97	9.03	9.14	9.20	9.54	9.37	9.24	9.53	9.76	9.98	10.02
UAE	3.03	2.94	3.06	3.02	3.09	3.09	3.19	3.17	3.27	3.38	3.39
Kazakhstan	1.77	1.47	1.76	1.49	1.83	1.50	1.81	1.51	1.53	1.55	1.56
Oman	0.77	0.76	0.77	0.77	0.77	0.78	0.78	0.78	0.79	0.80	0.80
Russia	8.98	9.00	8.98	9.08	9.00	9.16	9.07	9.24	9.34	9.45	9.49

Note: Units are in mbpd.

Source: Platts OPEC+ survey by S&P Global Commodity Insights, OPEC, OCBC.



Source: OPEC, Bloomberg, Reuters, S&P Global Commodity Insights OCBC.



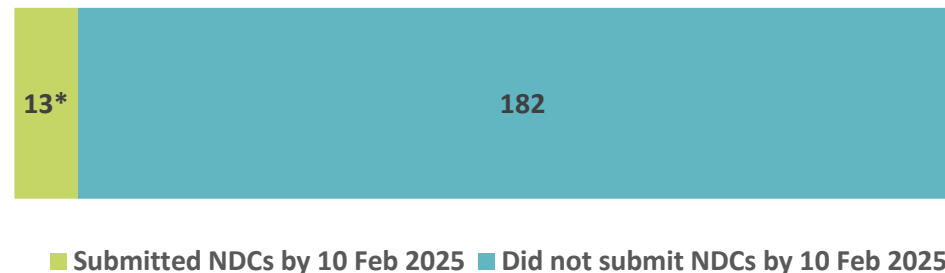
Source: Platts OPEC+ survey by S&P Global Commodity Insights, OPEC, OCBC.

ESG



ESG: UN urging nations to submit overdue NDCs before COP30

- Nationally Determined Contributions (NDCs), which are submitted every five years (i.e. 2020, 2025, 2030) to the UNFCCC secretariat, embody countries' efforts to reduce national emissions and achieve the long-term goals of the Paris Agreement. Countries were expected to come forward with the submission of their national climate action plans by 10 February 2025, that boost 2030 targets with an implementation timeframe leading up to 2035. These NDCs are expected to be more ambitious than the previously submitted NDCs and reaffirm the pledges made at past climate summits, as well as reflect the outcomes of the 2023 Global Stocktake from COP28.
- However, most countries missed the deadline to update their NDCs, citing technical issues, economic pressures and political uncertainty. Only 13 (7%) of the 195 signatories to the Paris Agreement submitted their updated NDCs by the 10 February deadline, including Brazil, the UK, Switzerland and Singapore. In response, the UNFCCC secretariat informally extended the deadline to September 2025.
- The updated 2035 NDCs will be assessed in a synthesis report ahead of COP30, that will highlight the shortfall in ambition and frame negotiations on stronger climate actions and cooperation at the summit. There are expectations for major economies like China and the EU to fill the gap left by reduced US engagement in international climate talks.



*Includes submission by the US under former President Biden, but President Trump has since announced the US' withdrawal from the Paris Agreement

FX & Rates



FX and Rates: Weak payrolls; wait for inflation to give the green light

- **USD rates.** Our base-case remains for a total of 75bps of cuts this year, where we have pencilled in a 25bp cut at each of the remaining FOMC meetings. A continued cooling in the labour market justifies rates at a less restrictive level, but some FOMC members are waiting for inflation to give the green light. The fall in the 10Y UST yield was driven by lower real yield, rendering the curve little changed on the day, underlining our view that “the subdued growth outlook will probably constrain the steepening momentum across the 2s10s segment.” 10Y yield is now at our year-end target and near-term range is at 4.06-4.20%. Between now and end-2026, market prices a total of 149bps of cuts and the 2Y yield at 3.50% is roughly in line with such pricings; at current valuation, 2Y UST is prone to upside surprises in inflation prints – PPI on Wednesday and CPI on Thursday. Before these, there are also QCEW data for Q1-2025 and QCEW revisions for Q1 to Q4-2024 due on Tuesday. Back to the labour market data, August non-farm payroll was low at 22K while there were further revisions to previous months’ data which saw a fall of 13K in June payroll; three-month average of non-farm payroll was 29K. Meanwhile, the unemployment rate ticked up to 4.3% (versus 4.2% prior) and the underemployment rate rose to 8.1% (versus 7.9% prior) under the household survey.
- **DXY. Bears to Watch Inflation Prints This Week.** USD fell on Monday as dismal US payrolls report adds to labour market woes in US. Some dovish repricing was observed with markets now more than fully pricing in a 25bp cut for Sep FOMC. This week, the focus turns to BLS prelim revision to payrolls on Tue; PPI on Wed and the CPI on Thur. Softer inflation print may be needed for markets to consider if a 50bp cut at Sep FOMC or a deeper Fed cut trajectory may be warranted. Fedspeaks are in blackout communication till FOMC (17 Sep).
- **USDJPY. Political Risks vs USD Softness.** Over the weekend, PM Ishiba said he will resign as LDP leader. The date for LDP party election race to look for the next LDP leader will be announced on Tuesday and is likely to be held within weeks. A few names have been floated as potential contenders, and they include Sanae Takaichi - favours stimulus measures and was vocal against BoJ hiking rates; Shinjiro Koizumi - an agriculture minister and was responsible for bringing down rice prices; Yoshimasa Hayashi – chief cabinet secretary. Near term, political uncertainties in Japan may temporarily hinder BoJ from normalising policy at upcoming meetings and this can be one of the factors undermining JPY. But JPY weakness (due to politics) should reverse when uncertainty fades. Moreover, Fed cutting rate in due course should also help to bring USDJPY lower at some point amid Fed-BoJ policy divergence.
- **CNY rates.** PBoC net injected a small amount (CNY8.8bn) of liquidity via daily OMOs on Monday morning. Focus this week and for the upcoming weeks is the provision of medium-term liquidity, given heavy NCD maturities and CGB supply. Later in the month, CNY300bn of outright reverse repo of original maturity of 182-day matures, while MLF maturity is at CNY300bn. We expect PBoC to stay supportive of liquidity. In offshore, CNH rates have stayed anchored, with the soft USD rates while CNH liquidity is supportive. There were net-buy under Southbound Stock Connect over the past six days. That said, further downside to CNH CCS may be limited, as these rates may be floored by onshore implied CNY rates, especially when offshore-onshore rate spreads have now narrowed. Near-term range for 1Y CNH CCS is seen at 1.45-1.55%.

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