Focus on Asian central bank meetings

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21 August 2026

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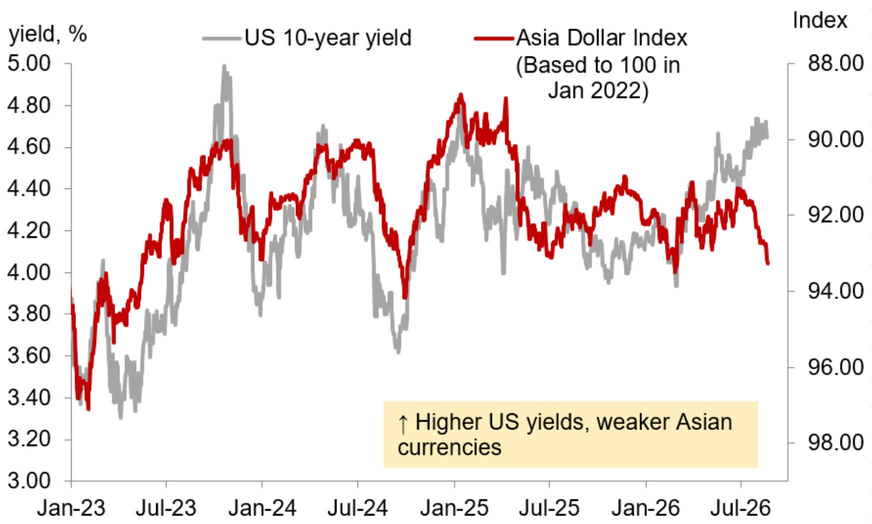
Asian markets face a week dominated by monetary-policy decisions and inflation releases next week. Market expects the Bank of Korea to deliver a consecutive 25bp hike to 3.00% on rising core inflation, surging semiconductor exports and memory prices, coupled with a buoyant housing market. While BOK with a tightening bias, uncertainty on Korea's growth and the longevity of AI boom remains, the probability of delaying rate hike into Q4 is there, in our view. Meanwhile, we think the BSP will hike by 25bp to 5.00%, but the key for FX markets could also be the tone and whether the central bank signals a more dovish stance with recent softer than expected GDP. By contrast, the Bank of Thailand is expected to hold at 1.00% amid contained inflation and demand. Hawkish policy guidance will support KRW and PHP, while we think THB could be a preferred funding currency in the region given a still dovish central bank.

Across Asia, data will test how the energy shock and weaker global demand are feeding into prices and activity. Singapore CPI is forecast to accelerate to 2.7%yoy, while Australian inflation is expected to ease to 3.6%yoy, remaining above the RBA's target range. India's industrial-production growth should remain resilient at around 6%yoy.

In China, July industrial-profit growth is projected to moderate from June's 15.1%yoy, with resilient technology earnings partially offsetting softer production and weakness outside high-tech sectors.

Outside Asia, the main event will be Fed Chair Kevin Warsh's inaugural speech at Jackson Hole, which takes even more significance amidst the Bessent's treasury buyback operations. On the data front, the release of the second estimate of US Q2 GDP alongside July personal income, spending and PCE inflation will also be key. The report could shape expectations for Fed policy with implications for Treasury yields, the dollar and Asian currencies. Europe's lighter calendar shifts attention to German activity indicators. Overall, markets will remain sensitive to whether oil-driven price pressures are becoming embedded in underlying inflation as Asian central banks balance currency stability against uneven growth.

HIGHER US YIELDS AND ASIAN CURRENCIES HAVE DIVERGED ESPECIALLY OVER THE PAST 1-2 YEARS



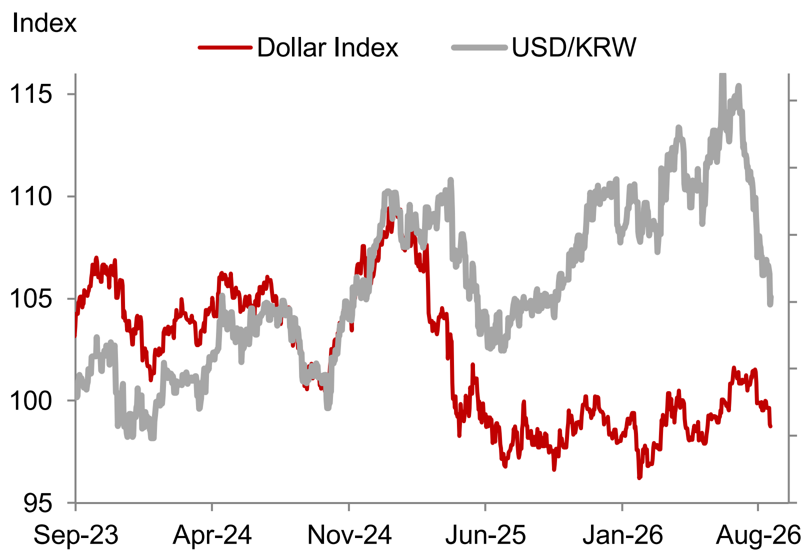
Source: Bloomberg, MUFG GMR

FX views

Asian FX performance is expected to remain differentiated, with domestic policy settings and sensitivity to energy prices driving relative moves. KRW and PHP could outperform if the BOK and BSP deliver the expected 25bp hikes and maintain hawkish guidance, supporting carry amid persistent inflation pressures, or vice versa. JPY may also find support from firmer Tokyo inflation and expectations for an October BOJ hike. In contrast, THB should remain vulnerable as the BOT stays on hold amid softer growth, while INR faces some headwinds from uncertainty around oil prices.

The big macro theme for Asia FX and rates has been the spillover from higher US yields and rising global term premium. Importantly as we have highlighted in our reports, why US yields are rising matter just as much as whether they have. On that front, we note a divergence in the relationship between higher US yields and Asian currencies, in part because US Treasuries have also been driven higher by term premia. We will monitor Fed Chair Warsh's Jackson Hole address closely next week for greater clarity on the Fed's reaction function and the resultant spillover impact to global and Asia FX and rates markets.

THE SOUTH KOREAN WON WAS THE STANDOUT PERFORMER



Source: Bloomberg, MUFG GMR

FX PERFORMANCE

Country / Region	Currency Inde	21-Aug	%WTD	%MTD	%QTD	%YTD	%2025	%2024	%2023
China	USDCNY	6.7206	-0.3	-0.5	-1.0	-3.8	-4.3	2.8	2.9
Hong Kong	USDHKD	7.8403	-0.1	0.0	0.0	0.7	0.2	-0.5	0.1
Taiwan	USDTWD	31.859	-0.5	-1.4	0.0	1.40	-4.2	6.8	0.0
South Korea	USDKRW	1384.15	-2.3	-3.8	-10.7	-3.9	-2.2	14.3	1.8
India	USDINR	95.750	0.3	0.4	1.1	6.5	5.0	2.9	0.6
Indonesia	USDIDR	17693.00	-0.7	-1.7	-1.1	6.0	3.7	4.6	-1.1
Malaysia	USDMYR	4.0452	-1.0	-1.0	-1.0	-0.4	-9.2	-2.7	4.3
Philippines	USDPHP	61.660	0.4	0.7	0.5	4.8	1.7	4.4	-0.6
Singapore	USDSGD	1.2699	-0.7	-1.0	-1.8	-1.2	-5.9	3.4	-1.4
Thailand	USDTHB	32.722	-1.3	-2.0	-1.5	3.9	-7.6	-0.1	-1.3
Vietnam	USDVND	26070	-0.3	-0.9	-0.9	-0.9	3.2	5.0	2.7
US	Dollar Index	98.77	-0.9	-1.1	-2.4	0.5	-9.4	7.1	-2.1
Japan	USDJPY	158.87	-0.3	0.9	-2.3	1.4	-0.3	11.5	7.6
Europe	EURUSD	1.1691	1.0	1.4	2.4	-0.5	13.4	-6.2	3.1

Source: Bloomberg, MUFG GMR Note: Data retrieved at HKT4:00PM on 21 August 2026

LIN LI

KHANG SEK LEE

USD/CNY: Expanded and optimized fiscal-financial coordination policy

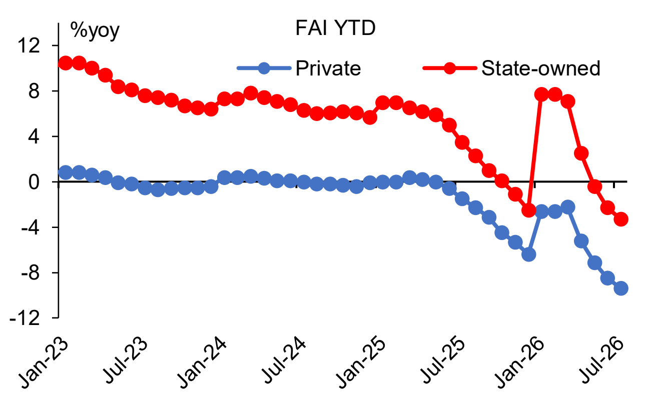
The July macro data released this week showed a more entrenched “K-shape” economy with narrow outperformance in tech vs broad weakening in domestic demand. That said, extreme weathers such as typhoon and heavy rainfall contributed to the growth slowdown in production and consumption in July. Nevertheless, the bigger picture of weak domestic demand persists especially on investment, with private FAI slumping further to -9.4%yoy YTD and state-owned enterprises was no exception, declining to -3.3%yoy YTD. Notably, infrastructure investment growth continued to grind lower despite some pick-up in the pace of government bond issuance from prior month, and we expect further acceleration of the bond issuance and project implementation to utilize the remaining 44% annual bond quota, or equivalent to RMB 6.1tn as of July. As such, the economic growth will likely stabilize from September onwards and the progress of “six networks” construction will be key.

On Friday, the SCIO hosted a press conference on the 15th FYP with Vice Finance Minister and other officials introducing how proactive fiscal policy will support high-quality economic development. The latest measures introduced primarily represent an expansion and optimization of the fiscal-financial coordination policy (RMB 100bn special fund was set up early this year) to support domestic demand and marked the first concrete ministerial-level follow-through since July Politburo meeting. The latest measures, which are effective on 1 August, include broadening the subsidy eligibility scope (new working capital loans for micro, small and medium-sized private enterprises, and all types of credit card installments spending for personal consumption), increasing the number of participating institutions and lifting the subsidy caps for businesses and consumers. Vice Finance Minister also cited positive result thus far from the six programs under the fiscal-financial coordination policy, leading to cumulative new lending to targeted sectors exceeding RMB 20 trillion or 4.5%yoy growth, in first 7 months of the year. Beyond that, the MoF also vowed to speed up the local government bond issuance and enhance project preparation management. Looking ahead, the MoF said it will introduce new measures relating to fiscal-financial coordination policy in 2H, and at the same time, preserves the flexibility for incremental policy measures depending on the economic condition in 2H. This week, CNY appreciated against US dollar by 0.3%.

USD/TWD: Moving back to the level prior to dividend payout season in July

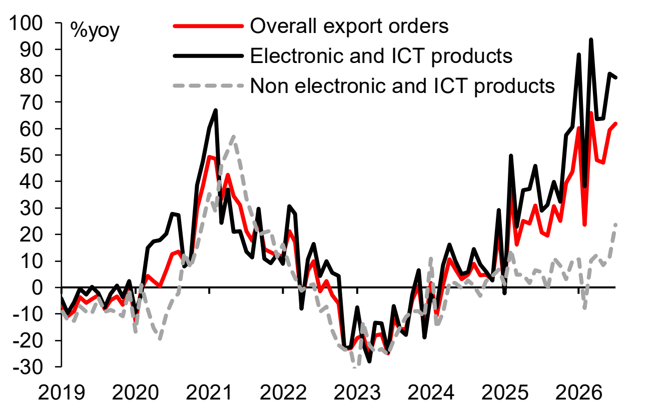
With the dividend payout season fading and the US dollar weakening this week, TWD appreciated against US dollar by 0.5%. Taiwan’s latest export orders number for July also lend support to the currency, as it unexpectedly accelerated to 62%yoy from 59% previously. The acceleration was driven by non-electronic and ICT products, with electronic and ICT products printed firmly around 80%yoy as previous month. That said, the TAIEX edged 1.3% lower, partly attributable to foreign equity net outflows of USD 0.8bn, providing some offset to TWD strength.

CHINA’S FAI GROWTH IS DROPPING FURTHER



Source: CEIC, Bloomberg, MUFG GMR

TAIWAN’S EXPORT ORDERS REMAINED ON UPTREND



Source: CEIC, Bloomberg, MUFG GMR

USD/INR: RBI inflows provide support, but higher US yields remain a risk

Michael Wan

The INR traded against a shifting global rates backdrop this week, with the US Treasury's unexpected expansion of long-dated bond buybacks on 19 August initially providing some relief. The programme, focused on securities with maturities of 10 years and longer, briefly lowered US long-term yields and weakened the USD by signalling the authorities' discomfort with rising borrowing costs. However, the effect faded quickly. By 21 August, the 10-year Treasury yield had returned to around 4.70% and the 30-year yield to 5.24%, while the DXY recovered after its initial decline. For the INR, this meant that the temporary support from lower US yields and a softer USD was not sustained, with US fiscal concerns continuing to limit the improvement in the external environment.

Domestic policy developments remained more important for the rupee. The RBI's measures to attract USD inflows, particularly through the FCNR(B) route, injected substantial domestic liquidity and lowered INR rates, although the direct impact on USD/INR was more modest. The subsequent early closure of the facility reflected stronger-than-expected inflows, with the RBI expecting at least USD$80bn from its broader foreign-currency mobilisation measures. This external buffer should limit sharp INR depreciation, but the RBI appears focused on smoothing volatility rather than engineering outright appreciation. Meanwhile, the August MPC minutes were more hawkish than the policy decision itself, reinforcing our view that the RBI's easing cycle has ended and that INR rates are more likely to move higher from here.

Looking ahead, the direction of US yields will remain central. Markets will focus on Fed Chair Warsh's Jackson Hole address for clarity on whether the Fed is comfortable with tighter long-term financial conditions. Domestically, July industrial production is expected to slow to 5.9%yoy from 7.3%yoy, partly reflecting higher energy costs and weaker external demand. The INR should remain supported by the RBI's enlarged external buffer, but any renewed rise in US yields would test that support and keep USD/INR from moving materially lower. We forecast USD/INR moving towards 94.00 over the next three to six months, before rebounding towards 96.00 next year.

USD/VND: Export and FDI inflows temper gradual depreciation support

The VND received some indirect support from the US Treasury's long-term bond buyback announcement. USD/VND had initially risen from around 26,070 on 14 August to a weekly high of 26,208 on 18 August, before reversing sharply to close near 26,090, leaving the pair only marginally higher over the period. The decline accelerated following the buyback announcement as US yields and the USD initially fell, although part of the move subsequently unwound as long-term Treasury yields returned towards their pre-announcement levels by 21 August.

As a result, the spillover to the VND was more muted than for freely traded regional currencies. Vietnam's managed exchange-rate framework allowed the State Bank of Vietnam to smooth the initial USD move, while resilient exports and foreign direct investment continued to provide an underlying source of foreign-currency receipts. However, the VND remained vulnerable to tighter global liquidity, rapid domestic credit expansion and higher energy-import costs. Our August forecasts retain a gradual depreciation profile, with USD/VND projected at 26,400 in Q3 2026 and 26,500 by year-end. This suggests that favourable export and FDI flows should moderate, rather than eliminate, depreciation pressure.

In the week ahead, the broader direction of US yields following Jackson Hole will remain relevant for the VND, though the implications discussed above for the INR apply here to a lesser extent given Vietnam's managed exchange-rate framework. Attention will otherwise turn towards Vietnam's industrial production, trade and inflation indicators. Resilient exports and continued FDI disbursements should provide an underlying source of USD supply, while rapid credit growth and strong import demand are likely to maintain gradual depreciation pressure. China's industrial-profit data will also be relevant given Vietnam's close manufacturing and supply-chain linkages with China.

USD/IDR: Rupiah off the lows, but not entirely out of the woods

Lloyd Chan

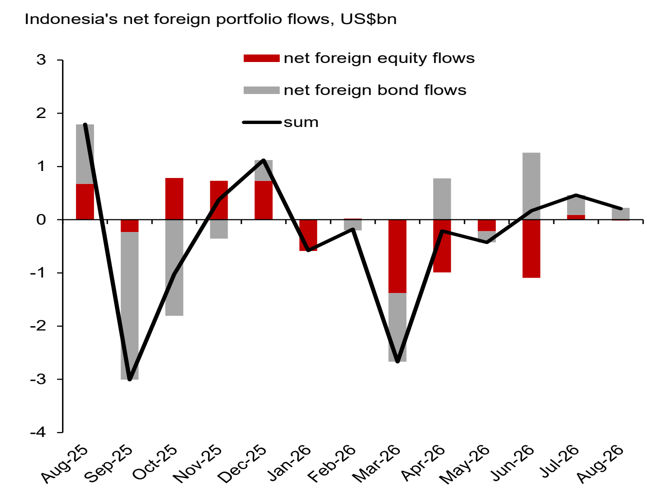
USDIDR has eased in recent weeks as the US dollar has lost some of its upside momentum following softer US economic and inflation data, while Bank Indonesia has maintained a relatively supportive policy stance to safeguard rupiah stability. The moderation in Fed tightening expectations has reduced pressure on Asian currencies more broadly, allowing investors to re-examine Indonesia's domestic fundamentals rather than focusing solely on external risks. At the same time, BI's commitment to rupiah stability through a combination of interest rate policy, liquidity management and FX intervention has helped support market confidence.

Policymakers have demonstrated a willingness to preserve fiscal discipline despite mounting spending pressures. Recent adjustments to government free school lunch programme have created some room to partially absorb higher energy subsidy costs without significantly undermining fiscal credibility. This commitment to prudent fiscal management has been recognised by rating agency S&P, which has affirmed Indonesia’s sovereign credit rating at BBB with a stable outlook. Investor sentiment towards Indonesian assets has modestly picked up, sovereign risk premiums have declined, and concerns over fiscal sustainability have moderated.

That said, we are not yet ready to call the beginning of a structural bull market for the rupiah. Positive signal from budgeting a smaller fiscal deficit of 2.4% in 2027 has to be backed by execution. Meanwhile, Indonesia continues to face market structure challenges, highlighted by MSCI's removal of GoTo shares from its global standard index due to low liquidity issues. GoTo shares have fallen to the Rp50 price floor in recent months, with volumes drying up. Authorities have recently mulled plans to scrap the Rp50 price floor, but the ultimate test is if this measure can translate into improved market liquidity. The MSCI November review of Indonesian equity market classification matters.

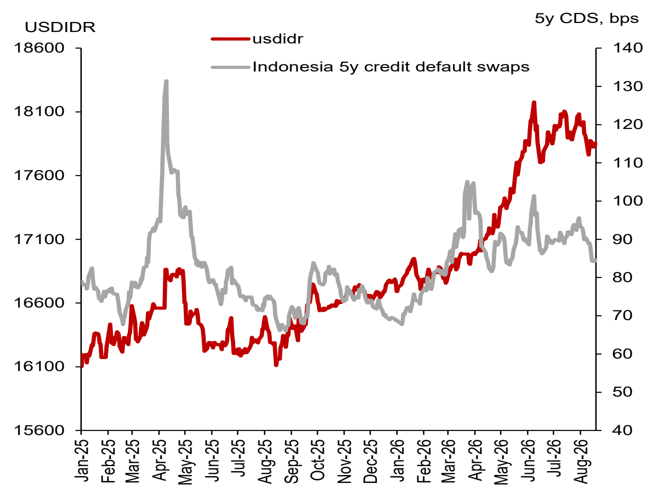
Another main concern is that higher oil prices continue to be a drag on Indonesia’s trade balance, which has fallen into deficits. An increase in trade surpluses from coal, palm oil and downstream metals exports over recent months have only partially cushioned the drag from higher energy imports, though this helps avert a sharper deterioration of the trade balance. The Middle East conflict continues, while Brent prices remain high and above the government’s budget assumption of $70/bbl. If Brent averages above $100/bbl for the balance of this year, it will likely add further fiscal pressures necessitating further spending cuts. In addition, Indonesia also lacks a tech buffer, as it has seen a widening of its net electronics trade deficits.

NET FOREIGN PORTFOLIO INFLOWS IMPROVE



Source: Bloomberg, MUFG GMR

SOVEREIGN RISK PREMIUM HAS EASED



Source: Bloomberg, MUFG GMR

Week in review

The US Treasury market was the main driver of global FX markets this week. The USD initially weakened after US Treasury Secretary Scott Bessent announced a significant expansion of buybacks in 10-year to 30-year securities, which temporarily lowered long-term yields and eased concerns over deteriorating market liquidity. The move suggested that policymakers were increasingly uncomfortable with the tightening in financial conditions caused by higher yields, helping the DXY surrender some of its earlier gains. However, the effect proved short-lived, with the 10-year yield subsequently rebounding to around 4.70% and the 30-year yield rising to 5.24%, close to their pre-announcement levels.

The accompanying reassessment of the Fed outlook also left the USD without a clear direction. July's softer employment, retail-sales and inflation data led markets to scale back expectations of further tightening, while the FOMC minutes retained a hawkish bias amid continued concern over upside inflation risks. Our Global Team revised its baseline view to the Fed remaining on hold through the rest of 2026, judging that weaker activity, moderating wage growth and the rise in long-term yields reduced the urgency for another hike.

In Japan, the JPY remained the regional laggard as the effect of the 30 July joint US-Japan intervention continued to wane, with USD/JPY returning towards 159. Japan's Q2 GDP expanded by just 1.1%yoy, below expectations, as softer household and business spending highlighted the fragility of domestic demand. However, firmer July core CPI reflected the continued pass-through of higher import and labour costs, reinforcing the case for further BoJ normalisation. Despite the softer growth backdrop, markets priced in at least an 80% probability of a September rate hike, with a hike fully priced by October. Even so, elevated US yields and persistent rate differentials continued to outweigh expectations of tighter BoJ policy, leaving the yen unable to retain its intervention-driven gains.

Bank Indonesia kept its policy rate unchanged at 5.75%, maintaining its emphasis on rupiah stability under Acting Governor Destry Damayanti. Recent IDR stabilisation gave BI room to hold after 100bp of cumulative tightening earlier this year, with measures including elevated SRBI yields and cheaper hedging costs to support foreign demand for rupiah assets. However, lingering concerns over Indonesian equity-market accessibility tempered the otherwise constructive carry backdrop.

The KRW led regional gains in Asia, rising by 2.4% against the USD since Monday amid softer US front-end yields alongside continued optimism surrounding the semiconductor and AI investment cycle. In Malaysia, July exports surged by 38.0%yoy, exceeding expectations, while the trade surplus widened to USD5.5bn; up nearly half from June. The data reinforced Malaysia's position as a beneficiary of the global technology cycle and strengthened the fundamental backdrop for the MYR.

Finally, India's rates market remained influenced by the liquidity injected through the FCNR(B) facility, although its scheduled removal at end-August pointed towards renewed upward pressure on INR rates. Meanwhile, Singapore's July non-oil domestic exports rose by 24.2%yoy, as robust AI-related electronics demand offset continued weakness in non-electronics shipments.

Capital Flows

ASIAN EQUITY FLOWS VOLATILE, WITH UNCERTAINTY IN US YIELDS LEADING TO SOME OUTFLOWS

Risk sentiment was somewhat volatile across Asian equity markets, with foreign investors turning net sellers after the strong inflows recorded in the previous week. The reversal highlighted renewed caution amid elevated global yields, uncertainty over the US policy outlook and continued volatility in energy prices.

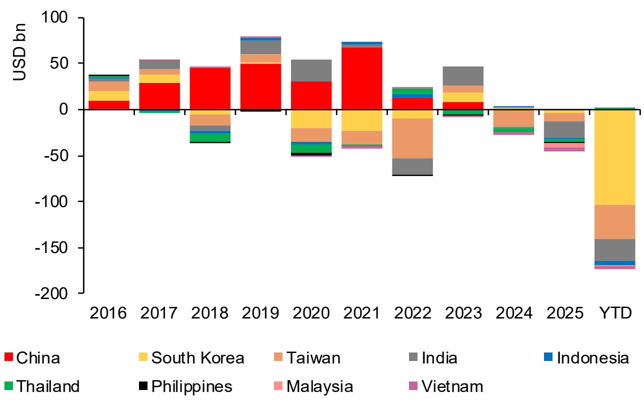
Asia equities flows: Asian equity markets recorded net foreign outflows of USD$1.5bn in the week ended 21 August, reversing inflows of USD$10.0bn in the previous week. South Korea registered the largest outflow at USD$1.4bn, following inflows of USD$4.2bn previously, while Taiwan recorded marginal inflows of USD$20mn after receiving USD$5.4bn last week. India remained comparatively resilient, attracting inflows of USD$270mn. ASEAN markets recorded combined outflows of around USD$400mn, broadly unchanged from the previous week, led by Thailand, Malaysia and Vietnam. Indonesia registered modest inflows of USD$40mn, while the Philippines recorded a small USD$30mn outflow.

NET FOREIGN INSTITUTIONAL INVESTMENTS INTO ASIAN EQUITIES (USD MN)

Country / Region	21-Aug	14-Aug	7-Aug	31-Jul	24-Jul	MTD	QTD	YTD	2025
China									0
South Korea	-1,456	4,183	-5,043	510	1,378	-2,316	-8,559	-103,376	-4,485
Taiwan	21	5,442	312	-2,558	-2,164	5,775	-17,512	-37,872	-7,800
India	322	712	1,321	1,049	-16	2,355	4,808	-24,157	-18,792
Indonesia	71	-88	39	393	-188	22	110	-4,138	-1,063
Thailand	-163	13	-271	4	193	-421	1,038	1,919	-3,211
Philippines	-33	-60	-15	3	-7	-108	-41	-286	-883
Malaysia	-133	-153	-107	3	-33	-392	-318	-1,018	-5,204
Vietnam	-106	-85	85	-93	-145	-106	-551	-3,490	-4,754
Total flows	-1,476	9,965	-3,679	-689	-982	4,809	-21,024	-172,417	-46,192

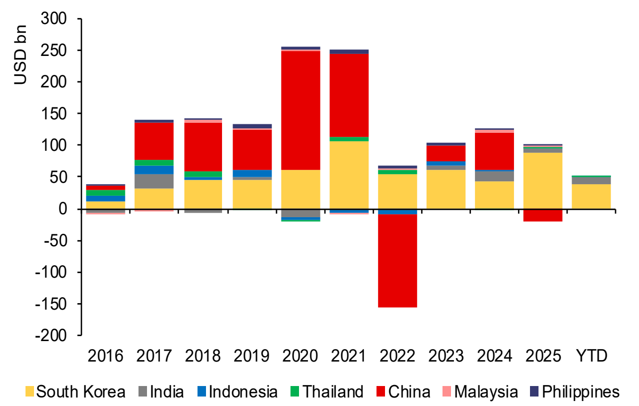
Source: Bloomberg, MUFG GMR Note: China stopped publishing buy and sell transaction data for Northbound flows since August 2024; Data as of 21 August 2026 HKT4:00PM with a two-day lag for India and one-day lag for other countries

ANNUAL NET FOREIGN INSTITUTIONAL INVESTMENTS INTO ASIA EQUITIES



*Source: Bloomberg, MUFG GMR. Note: Data is provided by respective countries' stock exchanges; *2025 data is the sum of flows between 1 Jan to 21-Aug-26 with a two-day lag for India and one-day lag for other countries. China stopped publishing Northbound flows since August 2024*

ANNUAL NET FOREIGN INSTITUTIONAL INVESTMENTS INTO ASIA BONDS



*Source: Bloomberg, MUFG GMR. Note: Data is provided by respective countries' Ministry of Finance and/or bond market association; *2025 data is the sum of flows between 1 Jan to 21-Aug-26 with a one-day lag for India and a three-day lag for Indonesia. China data reflects flows from Bond Connect.*

Asia bond flows: Asian bond markets recorded foreign inflows of USD$250mn, from USD$2bn outflows previously. South Korea registered USD$240mn of outflows, from US$1.5bn outflows. Conversely, India and Thailand posted outflows of USD$100mn and USD$90mn respectively, while Indonesia saw strong inflows of US$680mn following Acting Bank Indonesia Governor Destry's first policy meeting.

NET FOREIGN INSTITUTIONAL INVESTMENTS INTO BONDS FOR KOREA, INDIA & THAILAND (USD MN)

Country / Region	21-Aug	14-Aug	7-Aug	31-Jul	24-Jul	MTD	QTD	YTD	2025
South Korea	-240	-1,478	-1,289	-2,626	1,014	-3,007	53	39,326	87,632
India	-104	-85	111	-300	1,826	-78	3,053	9,868	7,472
Indonesia	683	50	199	68	182	932	1,306	1,650	189
Thailand	-87	-417	316	333	-298	-188	-457	1,092	2,346
Total flows	252	-1,930	-664	-2,525	2,724	-2,342	3,955	51,936	97,639

Source: Bloomberg, MUFG GMR; Data as of 21 August 2026 with a one-day lag for Thailand, two day lag for South Korea and India, and a three-day lag for Indonesia.

MONTHLY NET FOREIGN INSTITUTIONAL BOND INVESTMENTS FOR CHINA, MALAYSIA AND THE PHILIPPINES

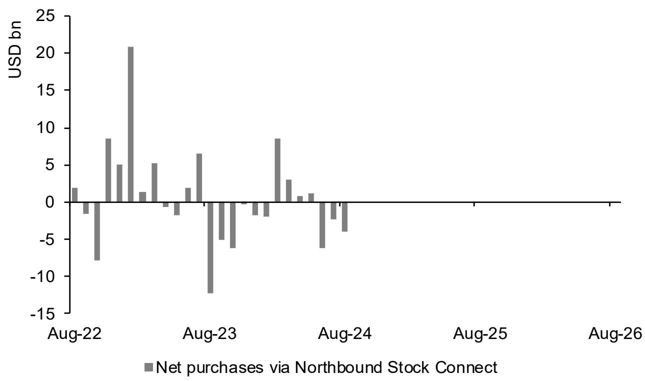
Country / Region	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	YTD	2025
China		-720	15,805	-5,698	-18,864	-182	-10,356	0	-20,014
Malaysia	-1,817	837	-499	177	1,279	136	970	0	1,083
Philippines	0	2,228	-77	780	1,379	-1,169	2,922	0	2,319

Source: Bloomberg, CEIC, MUFG GMR

China Stock Connect & Bond Connect:

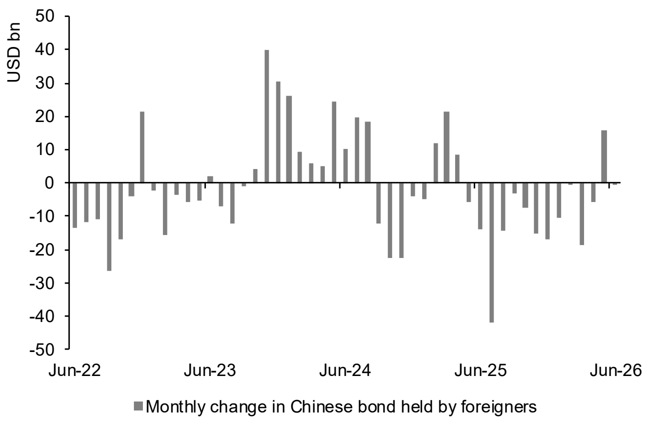
China's Bond Connect recorded USD$720mn of outflows in June, reversing USD$16bn of inflows in May, as softer growth expectations and equity-market resilience reduced demand for bonds. Stock Connect flow data remain unavailable following China's suspension of Northbound transaction disclosures since August 2024.

NET FOREIGN INSTITUTIONAL INVESTMENTS INTO CHINESE EQUITIES VIA HK-SHANGHAI & HK-SHENZHEN NORTHBOUND STOCK CONNECT



Source: Bloomberg, MUFG GMR; Data as at 21 August 2026

MONTHLY CHANGE IN FOREIGN HOLDINGS OF CHINESE BONDS VIA BOND CONNECT



Source: CEIC, MUFG GMR

Government bond yield spreads: Mixed for 2y and 10y

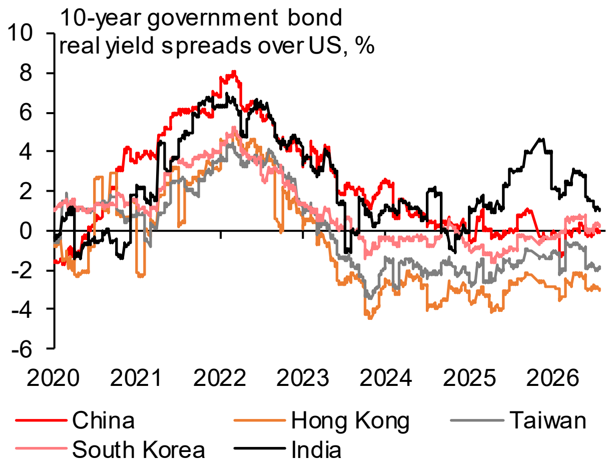
This week, the movement of Asia's 2-year and 10-year bond yield spread with US was mixed. For 2-year yield, we saw the biggest increase in India (+8bps) but significant decline in Indonesia (-19bps). For 10-year yield, Indonesia dropped the most (-20bps) whereas India rose the most by 10bps.

EM ASIAN GOVERNMENT BOND YIELD SPREADS WITH THE US

	Country / Region	Government bond yield difference over US, bps										
		2026										
		21-Aug	14-Aug	7-Aug	31-Jul	24-Jul	17-Jul	10-Jul	3-Jul	26-Jun	19-Jun	12-Jun
10-Year	China	-301	-301	-294	-303	-296	-282	-283	-275	-265	-273	-274
	Hong Kong	-123	-118	-114	-129	-118	-114	-125	-118	-112	-117	-122
	Taiwan	-281	-276	-272	-281	-275	-277	-279	-271	-259	-268	-270
	South Korea	-38	-38	-43	-47	-23	-25	-33	-29	-25	-29	-29
	India	217	207	213	207	215	220	216	223	241	243	241
	Indonesia	222	242	261	257	265	268	265	262	275	260	288
	Malaysia	-91	-96	-92	-103	-98	-92	-95	-87	-77	-86	-90
	Philippines	260	263	262	269	293	273	270	266	256	251	301
	Singapore	-235	-243	-236	-240	-224	-234	-245	-237	-237	-241	-247
	Thailand	-261	-266	-261	-269	-260	-256	-261	-248	-235	-237	-227
	Vietnam	-26	-27	-23	-33	-27	-14	-16	-9	2	-7	-13
2-Year	China	-295	-294	-294	-304	-307	-292	-297	-291	-285	-294	-281
	Hong Kong	-119	-119	-121	-128	-126	-126	-126	-119	-120	-128	-126
	Taiwan	-247	-245	-257	-266	-270	-259	-303	-296	-292	-300	-290
	South Korea	-52	-54	-62	-64	-54	-49	-57	-47	-44	-55	-44
	India	204	196	193	190	191	202	190	182	185	183	204
	Indonesia	242	261	278	270	271	287	294	295	296	282	306
	Malaysia*	-92	-92	-93	-105	-107	-95	-99	-92	-84	-94	-89
	Philippines	215	218	232	241	239	237	222	221	223	212	269
	Singapore	-253	-253	-253	-261	-255	-255	-264	-255	-254	-258	-253
	Thailand	-306	-307	-309	-317	-320	-308	-311	-302	-297	-303	-292
	Vietnam	-55	-54	-58	-72	-76	-67	-71	-64	-60	-71	-62

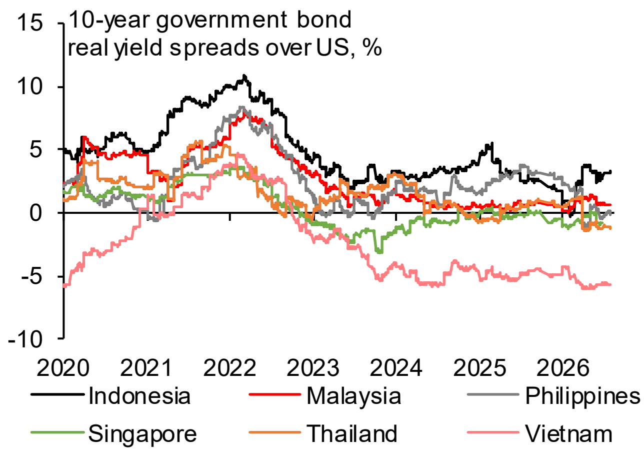
Source: Bloomberg, MUFG GMR   Note: Data retrieved at HKT4:00PM on 21 August 2026

ASIA'S REAL YIELD SPREADS



Source: Bloomberg, MUFG GMR

ASIA'S REAL YIELD SPREADS



Source: Bloomberg, MUFG GMR

Central bank monitor

Inflation risks continue to be in focus. Oil prices have been volatile, as uncertainties in the Middle East raise questions around disrupted shipping flows through both the Strait of Hormuz and the Red Sea following renewed attacks on tankers. President Trump appears to have taken the approach of applying economic pressure on Iran, suggesting that the Middle East conflict could continue to drag on, with periodic flare-ups still possible. At the same time, growth has been strong in several regional economies, such as in Taiwan, Vietnam, Singapore, Malaysia, Indonesia, just to name a few.

Bank Indonesia held the policy rate at 5.75% in August, as recent rupiah stabilisation gives room for BI to stand pat while relying on incentives (higher SRBI yields and discounts on hedging costs) to attract portfolio flows. But output gap is estimated to be positive, putting upward pressure on core inflation, while Brent and agriculture prices have increased.

In the Philippines, we see scope for further BSP tightening, as inflation has remained elevated above 6% in July for the 4th straight month.

In Thailand, we think BOT will keep the policy rate at 1%, as underlying growth remains a concern. Growth remains low and uneven, with SMEs facing intense competition in sectors such as automotives, hotels, and real estate.

In South Korea, the central bank raised the policy rate by 25bps to 2.75% in July, as widely expected. Korea's headline CPI inflation fell to 2.8%yoy in July from 3.2%yoy in June, but still staying above the 2% BOK target, with risks skewed to the upside due to the ongoing Middle East conflict. At the same time, growth has been supported by robust semiconductor exports. Korea's first 20 day of exports in August expanded by 56%yoy.

In Singapore, MAS has tightened policy very slightly in July, as it expects core inflation to step up in the coming months.

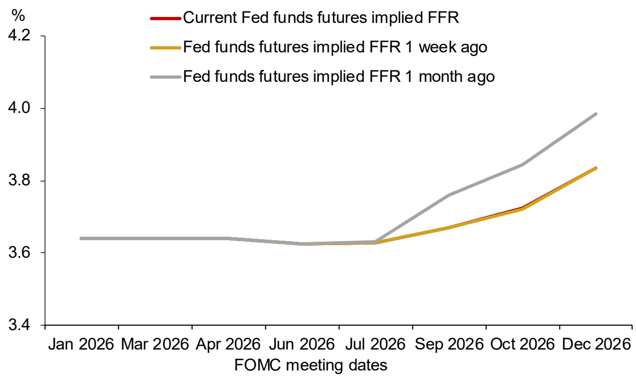
China stands apart from the rest. We expect China's monetary policy stance to remain easing-biased across all Iran war scenarios, as the economy is structurally characterized by weak inflation, as well as weak inflation sensitivity and stronger growth vulnerability to oil shocks. China's headline and core inflation were just 0.5%yoy in July, down from 1%yoy in June. Property investments have continued to decline.

CURRENT MARKET IMPLIED POLICY RATE

Country / Region	Benchmark rate	Current	3M	6M	1Y	2Y	Next policy meeting
China	7D reverse repo rate	**1.40%**	0.00%	-0.02%	-0.02%	0.01%	20 Sep 2026
South Korea	7D repo rate	**2.75%**	2.96%	3.32%	3.79%	3.86%	27 Aug 2026
Taiwan	Discount rate	**2.00%**	2.02%	2.15%	2.43%	2.70%	17 Sep 2026
India	Repo rate	**5.25%**	5.54%	5.93%	6.17%	6.52%	7 Oct 2026
Thailand	1D repo rate	**1.00%**	1.07%	1.06%	1.26%	1.64%	26 Aug 2026
Malaysia	Overnight policy rate	**2.75%**	2.77%	2.83%	2.91%	2.89%	3 Sep 2026
Philippines	Overnight reverse repo rate	**4.75%**	4.40%	4.43%	3.56%	3.92%	27 Aug 2026
US	Fed funds rate	**3.625%**	3.81%	3.93%	4.06%	4.02%	17 Sep 2026

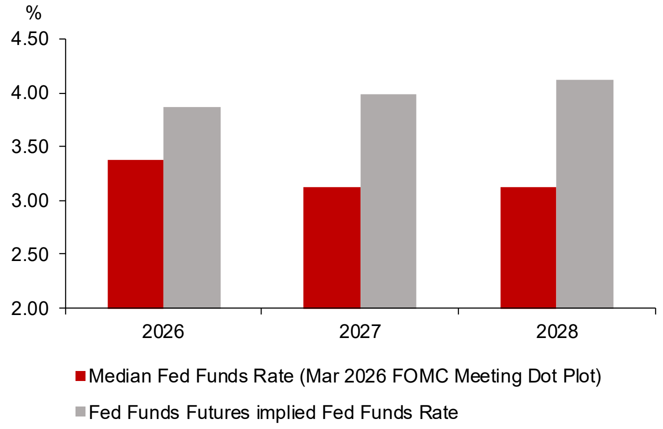
Source: Bloomberg, MUFG GMR Note: Implied rates as priced by overnight index swaps of respective countries, updated on 21 August 2026 4:00 SGT/HKT

FED FUNDS FUTURES MARKET PRICING



Source: Bloomberg, MUFG GMR. Note: Fed funds futures pricing as at 21 August 2026

FED FUNDS FUTURES PRICING VS MEDIAN DOT



Source: Bloomberg, US Federal Reserve, MUFG GMR. Note: Fed funds futures pricing as at 21 August 2026

CENTRAL BANK POLICY STANCE AND OUTLOOK

Central bank	End-25 Actual	Now	Next policy meeting	Current policy stance and outlook	End-2026F
China	7d reverse repo rate: 1.40%	1.40%	N.A.	The government has softened its 2026 GDP growth target to 4.5%-5.0%, while emphasizing policy continuity. While PBOC could retain its easing bias, this could be expressed through other measures e.g. liquidity injection, credit easing, or LPR adjustments, rather than a policy rate cut.	1.40%
South Korea	2.50%	2.75%	27-Aug-26	BoK raised its policy rate by 25bps to 2.75% in July, amid concerns about inflation that remains above the 2% target.	3.00%
Taiwan	2.000%	2.000%	17-Sep-26	CBC held the policy rate at 2% in June. The central bank said growth remains strong and inflation to remain moderate. CBC likely to keep rates on hold for the balance of this year.	2.00%
Indonesia	4.75%	5.75%	23-Sep-26	BI held its policy rate at 5.75% in July. Given recent rupiah stabilisation and inflation easing below 3%yoy in July, Bank Indonesia could keep policy rate unchanged at 5.75% in August.	6.25%
Malaysia	2.75%	2.75%	3-Sep-26	BNM held rates at 2.75% in July, expecting domestic demand to anchor growth while acknowledging downside risks from US-Iran conflict. BNM assessed that current policy rate supports growth and keeps inflation manageable.	2.75%
Singapore	N.A.	N.A.	Oct-26	MAS has very slightly steepened the S$NEER slope in July to guard against inflation shock. Further policy action will likely rest on whether there are any second round inflation effects.	N.A.
Thailand	1.25%	1.00%	26-Aug-26	BoT held rates at 1.00% in June. We expect BOT to lean towards supporting growth by keeping the policy rate at 1%.	1.00%
India	5.25%	5.25%	7-Oct-26	RBI held rates at 5.25% in August. We expect rates to be raised but we have pushed out the timing of the first hike to Dec.	5.75%
Philippines	4.50%	4.75%	27-Aug-26	Inflation eased to 6.2%yoy in July after 7.2%yoy peak in April. Still, inflation is well above target and BSP is likely to tighten policy further.	5.25%
Vietnam	4.50%	4.50%	N.A.	SBV could raise rates by 25bps in 2026 amid credit growth acceleration and inflation risks.	4.75%

Source: Bloomberg, MUFG GMR

The week ahead

Asia and G3

Markets will focus on a series of US activity and inflation indicators, headlined by July Core PCE inflation, personal spending, durable goods orders and the second estimate of 2Q GDP. Consensus expects Core PCE to remain unchanged at 3.3%yoy while personal spending is expected to slow to 0.1%mom from 0.3% previously.

In Japan, attention will centre on Tokyo CPI and labour market data, alongside PMI indicators and machine tool orders. Tokyo core CPI is expected to ease further to 1.8%yoy from 1.9% previously.

Across Asia, the focus shifts back towards domestic growth resilience and central bank decisions. Singapore's July CPI and industrial production data will provide a useful gauge of whether inflation pressures are re-emerging alongside strengthening electronics demand. Taiwan industrial production is expected to remain exceptionally strong above 20%yoy, reinforcing the narrative that the AI and semiconductor cycle continues to support North Asia exports. Meanwhile, Thailand's central bank is expected to keep rates unchanged at 1.0%, while the Philippines and South Korea are both expected to deliver another 25bp hike. These policy decisions highlight the increasingly divergent policy paths across Asia, with some central banks still focused on inflation risks while others are already balancing growth concerns.

Export data from Thailand, Hong Kong and the Philippines will also be closely scrutinised for signs that the global trade remains resilient. Although export growth rates are likely to moderate from exceptionally strong levels recorded in previous months, the broader picture remains one of surprisingly resilient external demand. This is particularly encouraging for North Asia currencies such as KRW and TWD, where technology exports continue to outperform.

WEEKLY CALENDAR

Date Time	Economy	Event	Month	Survey	Prior
8/24/2026 13:00	Singapore	CPI YoY	Jul	2.40%	1.90%
8/24/2026 13:00	Singapore	CPI NSA MoM	Jul	0.00%	0.00%
8/24/2026 20:30	United States	Chicago Fed Nat Activity Index	Jul	--	-0.02
8/25/2026 14:00	Germany	GDP SA QoQ	2Q F	--	0.20%
8/25/2026 14:00	Germany	GDP NSA YoY	2Q F	--	0.90%
8/25/2026 16:00	Taiwan	Industrial Production YoY	Jul	23.30%	22.95%
8/25/2026 16:00	Germany	IFO Business Climate	Aug	--	86.6
8/25/2026 16:00	Germany	IFO Current Assessment	Aug	--	86.5
8/25/2026 16:00	Germany	IFO Expectations	Aug	--	86.7
8/25/2026 16:30	Hong Kong	Exports YoY	Jul	--	53.40%
8/25/2026 20:00	Hungary	Central Bank Rate Decision	25-Aug	5.50%	5.75%
8/25/2026 21:00	United States	FHFA House Price Index MoM	Jun	0.20%	0.30%
8/25/2026 22:00	United States	Richmond Fed Manufact. Index	Aug	7	5
8/25/2026 22:00	United States	New Home Sales	Jul	620k	628k
8/25/2026 22:00	United States	Conf. Board Consumer Confidenc	Aug	90.2	90.8
8/26/2026 13:00	Singapore	Industrial Production YoY	Jul	8.10%	7.20%
8/26/2026 13:00	Singapore	Industrial Production SA MoM	Jul	4.90%	-7.20%
8/26/2026 15:00	Thailand	BoT Benchmark Interest Rate	26-Aug	1.00%	1.00%
8/26/2026 19:00	United States	MBA Mortgage Applications	21-Aug	--	-0.40%
8/26/2026 20:30	United States	Personal Income	Jul	0.20%	0.20%
8/26/2026 20:30	United States	Personal Spending	Jul	0.10%	0.30%
8/26/2026 20:30	United States	Core PCE Price Index YoY	Jul	3.30%	3.30%
8/26/2026 20:30	United States	Durable Goods Orders	Jul P	0.50%	0.50%
8/26/2026 20:30	United States	Durables Ex Transportation	Jul P	0.50%	0.70%
8/26/2026 20:30	United States	GDP Annualized QoQ	2Q S	1.50%	1.50%
8/26/2026 20:30	United States	Personal Consumption	2Q S	3.20%	3.20%
8/26/2026 20:30	United States	GDP Price Index	2Q S	6.20%	6.20%
8/26/2026 20:30	United States	Core PCE Price Index QoQ	2Q S	3.40%	3.40%
8/27/2026 11:30	Thailand	Customs Exports YoY	Jul	18.00%	20.80%
8/27/2026 14:00	Japan	Machine Tool Orders YoY	Jul F	--	50.40%
8/27/2026 14:00	Germany	GfK Consumer Confidence	Sep	--	-29.6
8/27/2026 14:30	Philippines	BSP Overnight Borrowing Rate	27-Aug	5.00%	4.75%
8/27/2026 20:30	United States	Wholesale Inventories MoM	Jul P	--	0.20%
8/27/2026 20:30	United States	Initial Jobless Claims	22-Aug	208k	206k
8/27/2026 20:30	United States	Continuing Claims	15-Aug	--	1799k
8/27/2026	South Korea	BOK Base Rate	27-Aug	3.00%	2.75%
8/28/2026 7:30	Japan	Tokyo CPI YoY	Aug	1.90%	2.00%
8/28/2026 7:30	Japan	Tokyo CPI Ex-Fresh Food YoY	Aug	1.80%	1.90%
8/28/2026 7:30	Japan	Jobless Rate	Jul	2.50%	2.50%
8/28/2026 7:30	Japan	Job-To-Applicant Ratio	Jul	1.19	1.18
8/28/2026 9:00	Philippines	Exports YoY	Jul	15.40%	24.10%
8/28/2026 9:00	Philippines	Trade Balance	Jul	-$5076m	-$4940m
8/28/2026 15:30	Thailand	Gross International Reserves	21-Aug	--	--
8/28/2026 15:55	Germany	Unemployment Change (000's)	Aug	--	6.0k
8/28/2026 18:30	India	Industrial Production YoY	Jul	6.00%	7.30%
8/28/2026 21:45	United States	MNI Chicago PMI	Aug	59	57.6
8/28/2026 22:00	United States	U. of Mich. Sentiment	Aug F	51	51
8/21/2026 8:30	Japan	S&P Global Japan PMI Composite	Aug P	--	52.7
8/21/2026 8:30	Japan	S&P Global Japan PMI Mfg	Aug P	--	54.5
8/21/2026 8:30	Japan	S&P Global Japan PMI Services	Aug P	--	51.2
8/21/2026 13:00	India	HSBC India PMI Composite	Aug P	--	54.3
8/21/2026 13:00	India	HSBC India PMI Mfg	Aug P	--	53.5
8/21/2026 13:00	India	HSBC India PMI Services	Aug P	--	53.3
8/21/2026 15:00	Malaysia	Foreign Reserves	14-Aug	--	$132.1b
8/21/2026 15:30	Germany	S&P Global/BME Germany Manufa	Aug P	52	52.2
8/21/2026 15:30	Germany	S&P Global Germany Services PM	Aug P	50.1	49.8
8/21/2026 15:30	Germany	S&P Global Germany Composite	Aug P	--	51.3
8/21/2026 15:30	Thailand	Gross International Reserves	14-Aug	--	--
8/21/2026 21:45	United States	S&P Global US Manufacturing PM	Aug P	53.7	53.9
8/21/2026 21:45	United States	S&P Global US Services PMI	Aug P	53.9	54.6
8/21/2026 21:45	United States	S&P Global US Composite PMI	Aug P	--	54.5
8/21/2026-8/26/2026	Thailand	Customs Exports YoY	Jul	--	20.80%

Source: Bloomberg, MUFG GMR

Forecasts

MACRO FORECASTS (1/2)

Country / Region	Real GDP (%yoy)				Current Account (% of GDP)				10-Yr Bond (%, EOP)			
	Actual		Forecast		Actual		Forecast		Actual		Forecast	
	2024	2025	2026E	2027E	2024	2025	2026E	2027E	2024	2025	2026E	2027E
China	5.0	5.0	4.7	4.7	2.3	3.8	3.5	3.3	1.7	1.9	1.9	2.1
India**	6.5	7.6	6.8	6.7	-0.7	-1.3	-1.1	-1.0	6.6	6.9	6.9	7.3
Indonesia	5.0	5.1	5.3	5.0	-0.6	-0.1	-0.7	-1.0	7.0	6.1	6.8	6.8
Malaysia	5.1	5.2	4.8	5.0	1.7	1.6	1.8	1.8	3.8	3.5	3.5	3.3
Philippines	5.6	4.7	3.5	5.0	-4.0	-3.0	-2.5	-2.0	6.2	5.8	6.9	6.5
Singapore	4.4	5.0	3.6	2.8	17.5	16.7	16.5	16.3	2.9	2.1	2.0	1.9
South Korea	2.1	1.0	2.8	2.2	5.3	6.6	12.0	8.0	2.9	2.8	3.8	3.5
Taiwan	4.6	8.6	9.8	3.7	14.1	19.7	19.0	16.0	1.6	1.4	1.7	1.7
Thailand	2.5	2.4	2.0	2.0	2.2	2.8	2.0	2.2	2.3	1..64	1.5	1.5
Vietnam	7.1	7.7	8.8	8.2	5.9	5.5	2.5	1.5	3.0	3.9	4.6	5.0

*Source: Bloomberg, MUFG GMR; *: Forecasts made on August 3, 2026; **Based on Financial Year Between Apr-Mar.*

MACRO FORECASTS (2/2)

Country / Region	Inflation (%yoy, average)				Inflation (%yoy, EOP)				Policy Rate (%, EOP)			
	Actual		Forecast		Actual		Forecast		Actual		Forecast	
	2024	2025	2026E	2027E	2024	2025	2026E	2027E	2024	2025	2026E	2027E
China	0.2	0.1	1.2	1.2	0.1	0.8	1.0	1.2	1.50	1.40	1.40	1.40
India**	4.6	1.6	5.0	4.4	4.0	2.4	4.8	4.3	6.25	5.25	5.75	5.75
Indonesia	2.3	1.9	3.3	3.0	1.6	2.8	3.0	2.8	6.00	4.75	6.25	5.50
Malaysia	1.8	1.6	1.7	1.8	1.7	1.5	1.7	1.9	3.00	2.75	2.75	2.75
Philippines	3.2	1.8	5.4	3.9	2.9	2.2	5.9	3.7	5.75	4.50	5.25	4.50
Singapore	2.4	0.9	2.0	2.0	1.6	1.2	2.0	2.0	3.07	1.23	1.36	1.40
South Korea	2.3	2.1	2.7	2.1	1.9	2.1	2.7	2.0	3.00	2.50	3.00	3.00
Taiwan	2.2	1.5	2.0	1.7	2.1	1.6	1.8	1.7	2.00	2.00	2.00	2.00
Thailand	0.4	-0.1	2.1	1.4	1.2	-0.5	1.5	1.4	2.25	1.25	1.00	1.00
Vietnam	3.6	3.3	4.7	4.6	2.9	3.8	5.1	4.7	4.50	4.50	4.75	5.00

*Source: Bloomberg, MUFG GMR; *: Forecasts made on August 3, 2026; **Based on Financial Year Between Apr-Mar. Singapore policy rate refers to 3-month compounded SORA.*

ASIA FX FORECASTS

Currency pair	Q3 2026	Q4 2026	Q1 2027	Q2 2027
USD/CNY	6.7000	6.6500	6.6000	6.6000
USD/HKD	7.8300	7.8300	7.8300	7.8300
USD/INR	94.000	94.500	95.500	96.500
USD/IDR	18100	18350	18500	18700
USD/MYR	4.1000	4.1500	4.1000	4.0000
USD/PHP	61.750	61.500	61.000	60.500
USD/SGD	1.2900	1.2900	1.2850	1.2700
USD/KRW	1440.0	1420.0	1400.0	1380.0
USD/TWD	32.100	31.800	31.600	31.400
USD/THB	33.800	34.400	34.000	33.800
USD/VND	26400	26500	26600	26700

Source: MUFG GMR

Core indicators

GOVERNMENT BOND YIELD

Country / Region	Maturity	Yields				Change, bps				
		21-Aug	14-Aug	7-Aug	31-Jul	WTD	MTD	QTD	YTD	2025
China	10-Year	1.70	1.68	1.70	1.71	1	-1	-3	-15	18
Hong Kong	10-Year	3.48	3.51	3.51	3.45	-3	3	24	43	77
Taiwan	10-Year	1.90	1.93	1.93	1.93	-3	-3	12	55	-26
South Korea	10-Year	4.32	4.31	4.22	4.26	1	6	25	94	51
India	10-Year	6.87	6.76	6.78	6.81	11	7	15	28	-17
Indonesia	10-Year	6.93	7.11	7.26	7.31	-19	-38	-20	88	-92
Malaysia	10-Year	3.79	3.74	3.73	3.71	6	9	19	29	-31
Philippines	10-Year	7.31	7.32	7.27	7.43	-2	-12	39	123	-10
Singapore	10-Year	2.35	2.26	2.29	2.34	9	2	33	25	-74
Thailand	10-Year	2.10	2.04	2.04	2.05	6	5	6	46	-61
Vietnam	10-Year	4.45	4.42	4.42	4.41	2	4	5	41	107
US	10-Year	4.71	4.69	4.65	4.74	1	-3	24	54	-40
Japan	10-Year	2.88	2.87	2.79	2.79	1	9	21	82	97
Europe	10-Year	3.25	3.20	3.13	3.21	5	5	40	40	49

Source: Bloomberg, MUFG GMR   Note: Data retrieved at HKT4:00PM on 21 August 2026

STOCK MARKET INDEX PERFORMANCE

Country / Region	Index	Value				% change				
		21-Aug	14-Aug	7-Aug	31-Jul	WTD	MTD	QTD	YTD	2025
China	CSI 300	4619	4666	4694	4588	-1.0	0.7	-7.2	-0.2	17.7
Hong Kong	Hang Seng	25998	25117	25668	25884	3.5	0.4	13.6	1.4	27.8
Taiwan	TAIEX	45224	45811	44226	43120	-1.3	4.9	-2.0	56.1	25.7
South Korea	KOSPI	6913	6978	6259	6595	-0.9	4.8	-18.4	64.0	75.6
India	SENSEX	77545	78009	78499	78095	-0.6	-0.7	1.4	-9.0	9.1
Indonesia	JCI	6539	6402	6410	6236	2.1	4.9	15.9	-24.4	22.1
Malaysia	FBM KLCI	1735	1727	1736	1725	0.4	0.6	4.2	3.2	2.3
Philippines	PSEi	6238	6297	6290	6236	-0.9	0.0	3.3	3.1	-7.3
Singapore	Straits Times	5688	5744	5698	5629	-1.0	1.1	10.0	22.4	22.7
Thailand	SET	1622	1609	1612	1624	0.8	-0.1	1.9	28.8	-10.0
Vietnam	Ho Chi Minh	1768	1729	1768	1736	2.3	1.9	-4.9	-0.9	40.9
US	S&P 500	7641	7786	7758	7490	-1.9	2.0	1.9	11.6	16.4
Japan	Nikkei 225	66016	68714	65607	64362	-3.9	2.6	-5.8	31.1	26.2
Europe	Stoxx 600	652	658	660	649	-0.8	0.5	1.7	10.2	16.7

Source: Bloomberg, MUFG GMR   Note: Data retrieved at HKT4:00PM on 21 August 2026

GLOBAL COMMODITY PRICES AND PRICE CHANGES

Commodity	Units	Price				% change				
		21-Aug	14-Aug	7-Aug	31-Jul	WTD	MTD	QTD	YTD	2025
WTI Crude	USD/bbl.	86	82	78	85	4.9	2.1	24.3	50.5	-19.9
Brent Crude	USD/bbl.	94	89	84	90	5.6	3.8	28.2	53.7	-18.5
Natural Gas	USD/MMBtu	3	3	3	3	1.6	1.1	-15.2	-24.7	1.5
RBOB Gasoline	USD/gal.	326	318	299	322	2.3	1.1	8.1	91.0	-14.8
Heating Oil	USD/gal.	445	428	390	412	4.0	8.1	34.3	110.0	-8.6
Gold	USD/t oz.	4560	4380	4341	4049	4.1	12.6	12.9	5.0	64.4
Silver	USD/t oz.	69	65	63	58	6.6	20.1	16.6	-1.7	141.4
Copper	USD/lb.	657	661	659	647	-0.7	1.6	6.1	15.6	41.1
3Mo Aluminum	USD/MT	3205	3252	3280	3184	-1.4	0.7	3.9	7.0	17.4
3Mo Copper	USD/MT	14037	14160	14076	13791	-0.9	1.8	4.9	13.0	41.7
Corn	USD/bu	478	459	439	441	4.1	8.4	15.7	8.5	-4.0
Wheat	USD/bu	685	675	640	639	1.6	7.2	18.0	35.2	-8.1
Oats	USD/bu	321	324	311	310	-0.9	3.4	21.4	6.0	-8.5
Soybean	USD/bu	1215	1174	1157	1172	3.5	3.6	8.8	17.9	3.2

Source: Bloomberg, MUFG GMR   Note: Data retrieved at HKT4:00PM on 21 August 2026

ASIA INFLATION, %YOY

Country / Region	CPI, %yoy										
	Target	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25
China	2.0%	0.5	1.0	1.2	1.2	1.0	1.3	0.2	0.8	0.7	0.2
Hong Kong	N.A.	1.7	2.0	2.0	1.7	1.7	1.7	1.1	1.4	1.2	1.2
Taiwan	N.A.	2.5	2.6	2.2	1.7	1.2	1.8	0.7	1.3	1.2	1.5
South Korea	2.0%	2.8	3.2	3.1	2.6	2.2	2.0	2.0	2.3	2.4	2.4
India	4.0±2.0%	4.5	4.4	3.9	3.5	3.4	3.2	2.7	1.2	0.5	0.0
Indonesia	2.5±1.0%	2.9	3.3	3.1	2.4	3.5	4.8	3.6	2.9	2.7	2.9
Malaysia	N.A.	1.8	1.9	2.0	1.9	1.7	1.4	1.6	1.6	1.4	1.3
Philippines	3.0±1.0%	6.2	6.4	6.8	7.2	4.1	2.4	2.0	1.8	1.5	1.7
Singapore	N.A.		1.9	1.8	1.8	1.8	1.2	1.4	1.2	1.2	1.2
Thailand	2.0±1.0%	2.0	2.4	2.8	2.9	-0.1	-0.9	-0.7	-0.3	-0.5	-0.8
Vietnam	4.5%	4.5	4.7	5.6	5.5	4.7	3.4	2.5	3.5	3.6	3.3

Source: Bloomberg, MUFG GMR

MONTHLY TRADE BALANCES (USD BN)

Country / Region	Trade balance (USD bn)										
	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25
China	112.3	125.5	105.2	84.5	50.0	89.5	120.2	111.9	109.9	88.0	88.7
Hong Kong		-6.6	-5.6	-3.8	-11.4	-8.2	-1.8	-8.1	-6.2	-5.1	-6.4
Taiwan	17.2	12.2	17.9	14.4	21.3	12.8	18.9	19.4	16.1	21.7	12.4
South Korea	30.4	35.9	26.8	23.6	26.6	15.7	8.7	12.1	9.5	6.0	9.5
India	-32.0	-30.4	-28.2	-28.4	-20.7	-27.1	-34.7	-25.0	-24.5	-41.7	-32.1
Indonesia		-0.5	-1.6	0.1	3.3	1.3	1.0	2.5	2.7	2.4	4.3
Malaysia	5.5	3.9	10.2	7.2	6.0	4.3	5.6	5.4	1.5	4.9	4.8
Philippines		-4.9	-6.1	-6.4	-5.0	-4.0	-4.3	-4.0	-4.0	-4.2	-4.7
Singapore	80.7	76.5	73.5	74.8	72.8	68.7	69.6	62.1	63.2	61.5	59.0
Thailand		-2.7	-2.6	-6.8	-0.1	0.6	-0.7	2.9	-0.1	-0.9	3.9
Vietnam	-3.6	-2.6	-5.2	-3.3	-0.7	-1.0	-1.8	-0.7	1.1	2.6	2.8

Source: Bloomberg, MUFG GMR

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