Article | 11 September 2026 ASIA WEEK AHEAD CHINA INDIA

Asia week ahead: Japan and Taiwan rate decisions, key data on China and India

The Bank of Japan is expected to hike rates by 25bp, while Taiwan’s interest rate decision remains a close call. Markets will also focus on China s activity data and India s inflation figures

Asia Research highlights of the week

Asia FX Talking: North Asian currencies continue to perform well

China’s strong trade growth continues, driven by tech demand

Taiwan’s inflation miss adds uncertainty to our September rate hike call

China’s inflation rebounds on higher tech and energy prices

Taiwan’s trade surplus hits record high as tech boom continues

Japan: BoJ expected to hike rates by 25bp to 1.25%

We expect the Bank of Japan to raise its policy rate by 25bp to 1.25% on Friday amid persistent price pressures. Our base case assumes two additional 25bp hikes in January and April 2027, taking the policy rate to 1.75%. The logic is straightforward: policymakers may prefer to front‑load tightening while inflation remains elevated, and before the policy backdrop becomes more complicated after April. Japan will release its August inflation data earlier that day. Market consensus expects headline inflation to edge up to 2.0% year-on-year, while core inflation remains unchanged at 1.8%.

Japan releases its August trade data and July core machine orders on Wednesday. The market expects export and import growth to moderate to 18.2% YoY and 26.3% YoY, respectively, with the trade deficit widening to $1.05tn as imports outpace exports. Core machine orders, a leading indicator of capital expenditure, are expected to fall 4.8% month-on-month following June's strong increase, although annual growth should remain positive at 9.2%.

Taiwan: CBC rate decision remains a close call

Taiwan's central bank meets Friday for its quarterly policy review. Our base case remains a 12.5bp rate hike — a modest move consistent with the Central Bank of the Republic of China's preference for gradual tightening. At this juncture, the outcome remains uncertain. A relatively benign August inflation read (Taiwan's inflation miss adds uncertainty to our September rate hike call) raised odds in favour of a hold at the meeting. It looks closer to a coin flip at this point. The Federal Reserve decision before the CBC meeting could affect things. Nonetheless, with strong double-digit GDP growth and price pressures still elevated in core inflation and PPI, we think the CBC will need to hike, either in September or December.

China: Domestic weakness persists as IP outperforms

China publishes its key monthly activity data on Tuesday. We expect the widening divergence between external and domestic demand to continue in August. Fixed asset investment's slump is likely to continue into August. We expect FAI growth to plummet to -7.4% YoY ytd. Policymakers have aimed to accelerate the pace of fiscal expenditure. But it's unlikely to show up in the August investment data. On the consumption side, we expect retail sales to remain relatively lacklustre at around 0.7% YoY, as expansions of consumer loan interest subsidy programmes provide only marginal support. Industrial production is expected to continue to outperform, recovering to 4.9% YoY thanks to external demand. We expect the 70-city property price data to show a stabilisation of prices in tier 1 cities beginning to spread to other areas.

India: Inflation set to rise amid food and fuel pressures

We expect India's CPI inflation to rise to 4.7% YoY, driven primarily by food‑price pressures linked to weak monsoons — most visible in sugar and rice — alongside the spillover from higher fuel costs into core inflation.

Key events in Asia next week

Country	Time (GMT+8)	Data/event	ING	
		Monday 14 September		
China	-	Aug M2 Money Supply (YoY%)	-	7,7
Japan	1230	Jul Industrial Production (MoM%/YoY%)		0.1/4.1
India	1430	Aug WPI Inflation (YoY%)	-	9,8
	1830	Aug CPI Inflation (YoY%)	4,7	4,5
		Tuesday 15 September		
South Korea	0500	Aug Export Prince Index (YoY%)	-	49,1
	0500	Aug Imports Prince Index (YoY%)	-	18,7
India	1930	Aug Imports (USD bn)	-	76,2
	1930	Aug Exports (USD bn)	-	44,2
China	1000	Aug Fixed Asset Investment (YoY%. ytd)	-7.4	-6,7
	1000	Aug Industrial Output (YoY%)	4.9	4,5
	1000	Aug Retail Sales (YoY%)	0.7	0,6
		Wednesday 16 September		
Japan	0750	Aug Exports (YoY%)	CF: 18.2	23,2
	0750	Aug Imports (YoY%)	CF: 26.3	27,8
	0750	Aug Trade Balance (JPY bn)	CF: -1053.3	-634,5
	0750	Jul Core Machine Orders (MoM%/YoY%)	CF: -4.8/9.2	9.7/16.9
New Zealand	0645	Q2 Current Account (NZD bn)	-	-1
		Thursday 17 September		
Australia	0830	Aug Reserve Assets Total (AUD bn)	-	117,4
New Zealand	0645	Q2 GDP Growth (QoQ%)	-	0,8
	0645	Q2 GDP Growth (YoY%)	-	1,5
Singapore	1030	Q2 Unemployment Rate Final	-	2
Taiwan	1600	Rate Decision	2.13	2
		Friday 18 September		
South Korea	0500	Aug PPI		7.7
Japan	0730	Aug CPI	CF: 2.0	1.9
	0730	Aug Core CPI	CF: 1.8	1.8
	0730	Aug CPI Index	-	102
	1100	Rate Decision	1.25	1
New Zealand	0645	Aug Imports (NZD bn)	-	9,3
	0645	Aug Exports (NZD bn)	-	7,4
	0645	Aug Trade Balance (NZD mn)	-	-1949
India	1930	FX Reserves (USD bn)	-	741
Malaysia	1200	Aug CPI (MoM%/YoY%)	-	0/1.8
	1200	Aug Trade Balance (MYR bn)	-	22,5
	1200	Aug Exports (YoY%)	-	38
	1200	Aug Imports (YoY%)	-	36,4

Note: CF = Market concensus forecast data

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