

US payrolls the next test as external pressures build

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The external environment has become more challenging for regional FX, given higher US Treasury yields and Brent above \$100/bbl.

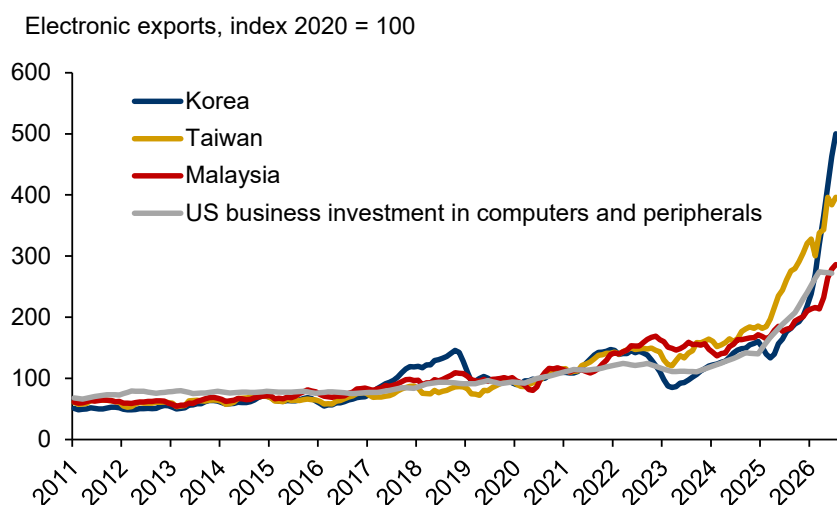
In the week ahead, US rates and the broad USD are likely to remain the dominant driver for Asia FX, especially with next Friday's US payrolls being a key risk event. Market consensus looks for payroll growth to slow to 100k from 162k, while unemployment remains at 4.1%.

Earlier US economic data releases, including the ISM manufacturing, are likely to show a still-resilient US economy. This leaves a relatively narrow path for Asia FX: a softer payroll print could pull US yields lower and provide some reprieve for several regional currencies, while continued US labour-market resilience and sticky price pressures would reinforce higher-for-longer US rates and keep the USD supported.

For Asia FX, a key question is also whether the manufacturing and tech cycle remains sufficiently strong to offset the drag from high US yields and oil import bill. Thus far, electronics exports from Korea, Taiwan, and Malaysia remain exceptionally strong and manufacturing PMIs across Korea and Taiwan enter the week comfortably in expansionary territory. Positive surprises would reinforce the relative external resilience of Asia's tech-heavy economies. Conversely, weaker China or regional manufacturing readings would challenge the external-growth buffer and leave Asia FX more exposed to US rate pressure and elevated oil prices.

Meanwhile, renewed geopolitical risks in the Middle East are occurring against an already tight oil-market backdrop, raising concerns over both supply and inflation. Reports of attacks targeting Yanbu are particularly relevant given its role as an alternative route for Saudi oil exports outside the Strait of Hormuz. The number of tankers transiting out of the Gulf via the Red Sea have notably fallen since July.

US TECH RELATED INVESTMENT SURGE IS HELPING TO FUEL ASIA'S ELECTRONICS EXPORTS



Source: CEIC, MUFG GMR

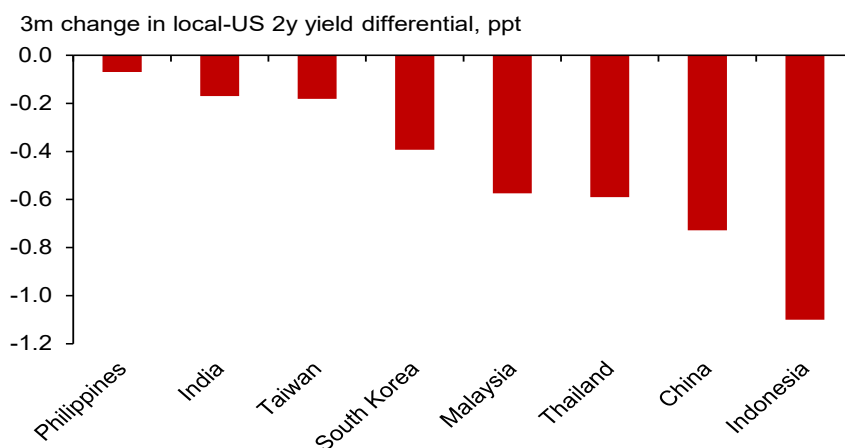
FX views

Asia FX remains caught between robust regional exports and elevated US rates. The rise in US yields has become more pronounced following the Fed's latest rate hike and growing expectations of further tightening, driving a broad compression in Asia-US 2Y yield differentials. This leaves US payrolls as the key global catalyst in the week ahead, with the outcome likely to influence US yields and USD/Asia outlook.

Against this common US-rate headwind, domestic macro divergence should increasingly shape relative FX performance. Economies with stronger growth and inflation dynamics have greater scope for domestic rates to adjust higher, or remain elevated, helping to limit further compression in yield differentials relative to the US. At the same time, resilient exports, particularly across the region's tech-heavy economies, provide an additional external buffer.

The most supportive combination for Asia FX would be softer US employment alongside resilient Asian manufacturing. This could ease pressure on US yields and allow stronger regional fundamentals to translate more clearly into FX performance, particularly for tech-linked Asian currencies. Conversely, resilient US payrolls and persistent price pressures would keep US yields and the USD supported, limiting the benefit from stronger Asian data. The week ahead should therefore reinforce greater differentiation within Asia FX, with domestic macro conditions and external buffers determining which currencies can better withstand the US rate headwind.

US YIELD REPRICING HAS OUTPACED ASIA



Source: Bloomberg, MUFG GMR

FX PERFORMANCE

Country / Region	Currency Inde	25-Sep	%WTD	%MTD	%QTD	%YTD	%2025	%2024	%2023
China	USDCNY	6.7129	0.2	-0.1	-1.1	-3.9	-4.3	2.8	2.9
Hong Kong	USDHKD	7.8433	0.0	0.1	0.0	0.8	0.2	-0.5	0.1
Taiwan	USDTWD	31.796	0.0	0.4	-0.2	1.20	-4.2	6.8	0.0
South Korea	USDKRW	1361.25	-1.8	-0.5	-12.1	-5.5	-2.2	14.3	1.8
India	USDINR	95.964	0.1	0.8	1.4	6.8	5.0	2.9	0.6
Indonesia	USDIDR	17920.00	1.0	1.1	0.2	7.4	3.7	4.6	-1.1
Malaysia	USDMYR	4.0740	-0.2	1.2	-0.2	0.3	-9.2	-2.7	4.3
Philippines	USDPHP	62.684	-0.1	0.7	2.2	6.6	1.7	4.4	-0.6
Singapore	USDSGD	1.2791	0.2	0.6	-1.1	-0.5	-5.9	3.4	-1.4
Thailand	USDTHB	33.430	0.3	0.8	0.6	6.1	-7.6	-0.1	-1.3
Vietnam	USDVND	25979	-0.1	-0.4	-1.3	-1.2	3.2	5.0	2.7
US	Dollar Index	101.26	1.0	1.8	0.1	3.0	-9.4	7.1	-2.1
Japan	USDJPY	158.46	1.0	-0.8	-2.5	1.1	-0.3	11.5	7.6
Europe	EURUSD	1.1378	-0.9	-2.1	-0.4	-3.1	13.4	-6.2	3.1

Source: Bloomberg, MUFG GMR | Note: Data retrieved at HKT4:00PM on 25 September 2026

USD/CNY: Rebounding back above 6.70 level as Dollar gained strength

LIN LI

KHANG SEK LEE

U.S. President Donald Trump and Chinese President Xi Jinping met at the White House on 24 September during Xi's 23–25 September state visit to the United States. Both leaders adopted a relatively positive tone and emphasized communication, cooperation and stability in bilateral relations. The discussions covered trade, artificial intelligence, Taiwan and geopolitical issues including the Middle East, Ukraine and the Korean Peninsula. However, the summit lacked clear deliverables, at least based on the information available at the time of writing. The clearest economic outcome was the agreement reached before the summit, which the Treasury Secretary Scott Bessent said both sides agreed to extend the trade truce by two months to 10 January next year.

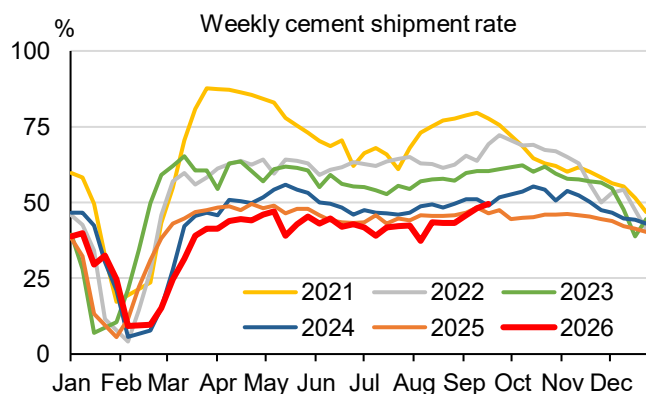
The summit contributes to near-term stability in US-China relations but stops short of a broader economic or trade agreement. Importantly, the extension of the trade truce lowers the risk of renewed tariff escalation and alleviates near-term pressure on China's exports and CNY. Looking ahead, President Trump and Xi could meet again at the APEC Economic Leaders' meeting in Shenzhen in November or G20 Summit in Miami in December, providing another opportunity to advances on trade, investment and AI governance. Any additional outcomes, however, are likely to be incremental rather than transformative. Market wise, USD/CNY pair returned to above 6.70 level as higher US yields boosted by strong US PMIs provided a strong lift to DXY index. External factors may heighten the volatility on the USD/CNY pair.

On economic data front, we will have September PMIs data release next week and we expect some modest improvement from prior month especially on construction activities. The high-frequency weekly cement shipment rate showed a meaningful pick-up in September, coinciding with the launch of the new RMB 800bn policy-based financial instrument in early September. As such, we may see some stabilization in FAI growth on infrastructure despite the consumption still likely remains soft as passenger car sales remained at depressed level for instance.

USD/KRW: September inflation data next week is important to watch

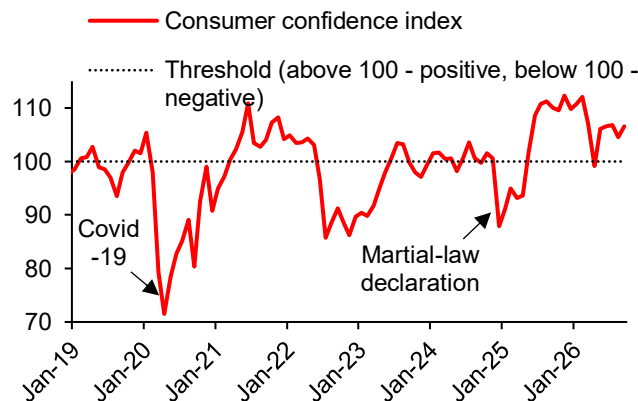
The relatively risk-on mood on tech stocks coupled with Korea's exporters dollar selling flow helped the USD/KRW pair to end the week 2.1% lower. In another sign of firm demand for AI-related electronics, Korea's first 20-day exports surged to a record high of USD 71.4bn in September, growing by 78.3%yoy compared to 56.0%yoy in prior month. In particular, semiconductor exports growth accelerated to more than 200%yoy. On domestic front, consumer confidence improved to 106.6 level from a temporary decline in August, now firmly above 100-threshold level. Such a positive reading continues to provide support for consumption despite the previous episode of stock market volatility. Next week's September exports and inflation data will be key to watch, as that matters to gauging the ongoing pace of BoK's policy tightening.

STRONG PICK UP IN CHINA'S CEMENT SHIPMENT RATE



Source: CEIC, Bloomberg, MUFG GMR

KOREA'S CONSUMER CONFIDENCE FIRMLY POSITIVE



Source: CEIC, Bloomberg, MUFG GMR

USD/INR: Higher US yields and oil prices outweigh support from RBI's expanded intervention capacity

Michael Wan

USD/INR rose to near 96 this week, after briefly falling below 95.60 on 23 September. The rupee weakened most clearly towards the end of the period as the sharp rise in US Treasury yields and renewed oil-price gains strengthened the dollar and worsened India's external backdrop. The US two-year yield climbed above 4.9%, while the 10-year yield moved to 5.2% as strong US activity and higher energy prices drove markets to price around 37bps of additional Fed tightening by end-2026. Brent also rose sharply amid renewed Middle East supply concerns, adding pressure through India's import bill and inflation outlook.

India's domestic rates also came under renewed upward pressure as the external shock coincided with continued RBI liquidity absorption. The benchmark 10-year government bond yield rose 6bps to 7.11% on 24 September, its highest since May, as higher US Treasury yields and Brent crude strengthened expectations of a more hawkish RBI decision in October. August inflation of 4.82%yoy has already moved above the RBI's 4% target, while India's reliance on imports for roughly 90% of its crude requirements increases its exposure to further energy-price gains.

The RBI continued to drain excess liquidity through VRRR auctions and OMO sales, announcing another OMO sale on 23 September and a three-day INR1.5trn VRRR operation for 25 September. Meanwhile, RBI Deputy Governor Rohit Jain said credit demand is expanding at 19-20% and remains broad-based, with banks expected to deploy their additional FCNR(B) liquidity over the coming months. The combination of strong credit demand, above-target inflation, elevated oil prices and sustained liquidity absorption reinforces our view that domestic rates will remain under upward pressure despite India's resilient growth backdrop.

In the week ahead, USD/INR will remain particularly sensitive to US yields, oil prices and incoming evidence on the strength of the US economy. A sustained 10-year Treasury yield above 5% and further oil-price gains would maintain depreciation pressure, while lower yields or signs of Middle East de-escalation would provide some relief.

USD/VND: Dong remains stable despite the sharp rise in US yields

USD/VND remained relatively stable this week at around 26,000. VND's hold against the stronger dollar this week contrasts with the broader weakness across Asian FX. The relative stability supports our view that Vietnam's improving capital-account inflows and domestic funding conditions are cushioning the dong from the deterioration in the external environment.

Portfolio flows were less supportive however, with foreign investors recording cumulative net equity sales of around VND2.6trn between 21 and 24 September, including approximately VND1.1trn on 23 September and VND920bn on 24 September. The VN-Index also fell by around 2.2% across the final two sessions. Nonetheless, these comparatively volatile portfolio flows remain smaller and less persistent than the structural support from FDI and offshore borrowing. We therefore expect Vietnam's improved balance-of-payments position to limit VND depreciation and allow the SBV to remain on hold despite the less favourable external environment.

In the week ahead, USD/VND will remain exposed to the broader dollar, US Treasury yields and oil prices, but strong FDI, offshore borrowing and prospective portfolio inflows should continue to limit depreciation pressure. We maintain our forecast for USD/VND to trade around 26,000-26,100 through end-2026, before moving towards 26,200-26,300 later in 2027. We also expect the SBV to remain on hold through 2027, with three-month interbank rates gradually declining below 7%.

Lloyd Chan

We maintain our bias for further IDR depreciation in the week ahead, with the external environment becoming materially more challenging for Indonesia. Three pressures are increasingly reinforcing each other: elevated US Treasury yields, Brent above USD100/bbl and renewed pressure on portfolio flows. The rupiah has weakened towards 17,900 against the USD this week, and the combination of a stronger USD, a higher oil import bill and weaker foreign demand for Indonesian assets leaves the near-term balance of risks tilted towards further USD/IDR upside.

High US yields remain the most immediate rupiah headwind

High US yields remain the most immediate headwind. The US 10Y yield is above 5% with the 30Y rising above 5.4%, as resilient US manufacturing and services activity, as well as elevated oil prices reinforce inflation concerns and expectations of further Fed tightening. Next week's US payrolls therefore represent an important catalyst. Another resilient US labour-market print would risk keeping Treasury yields and the USD elevated, putting further pressure on IDR and Indonesia-US rate differentials.

Higher oil is eroding Indonesia's external buffer

The oil shock adds a second, and increasingly important, external vulnerability. Brent has moved above USD100/bbl amid heightened Middle East supply risks. The attacks on Saudi tankers in the Red Sea are particularly significant because Saudi Arabia has been using the East-West Pipeline to move crude to Yanbu, providing an alternative export route that bypasses the Strait of Hormuz. Disruption to this alternative route raises the risk that oil remains elevated. For Indonesia, this matters through the trade balance: at current oil prices, stronger non-oil commodity exports are less able to offset the deterioration in the oil balance, weakening an important external buffer for IDR.

BI turns to its broader FX toolkit rather than further rate hikes

BI is responding first through its broader FX toolkit rather than additional rate hikes. BI held its policy rate at 5.75% in September and reiterated its use of offshore NDF, domestic spot and DNDF intervention while strengthening incentives aimed at attracting foreign capital. The expansion of FX hedging incentives is significant: the 12-month swap discount has been increased up to 25%. This should reduce the cost of hedging Indonesian assets and improve their risk-adjusted attractiveness to foreign investors.

Cheaper hedging helps, but cannot fully substitute for attractive risk adjusted returns

However, cheaper hedging cannot fully offset deteriorating underlying returns if the rupiah continues to depreciate and MSCI's investability concerns remain. The key question is whether yields on Indonesian government bonds and other rupiah assets remain sufficiently attractive to compensate foreign investors for FX and global volatility risks. With portfolio flows again under pressure and the oil shock weakening Indonesia's external position, that hurdle is becoming higher. Indeed, net foreign equity outflows were \$110mn in September, while net foreign bond outflows were \$188mn.

Our USD/IDR bias therefore remains higher. BI still has several tools available to smooth rupiah volatility, but these measures are more effective at managing the adjustment than reversing a persistent external shock. If US yields and oil remain elevated and portfolio outflows continue, the pressure on BI to deliver additional monetary tightening should increase. Until one of these external headwinds reverses, we would be cautious about calling a sustained turn lower in USD/IDR.

Week in review

The renewed spike in US Treasury yields was the dominant market development this week. Stronger September activity data reinforced expectations that the Federal Reserve may need to tighten policy further, with the flash manufacturing PMI rising to 57.0 from 53.9 and the services PMI increasing to 58.7. Subsequently, the yield curve steepened since the start of the week as the 10-year yield moved to 5.2%, and the 30-year yield exceeded 5.45%. Markets subsequently priced around 38bps of additional Fed tightening by end-2026.

Higher oil prices compounded the sell-off by intensifying concerns over the US inflation outlook. Brent rose sharply as escalating Middle East tensions increased risks surrounding regional energy infrastructure and shipping routes. The combination of resilient activity, higher energy costs and renewed inflation pressure pushed yields higher across the curve, with the 10-year and 30-year yields rising by a further 8bps on Thursday. US mortgage rates also moved above 7%, indicating that the tightening in financial conditions is becoming increasingly restrictive for interest-rate-sensitive sectors. The dollar strengthened alongside yields, with DXY extending its cumulative gain since Jackson Hole to around 2%.

In Japan, the flash composite PMI eased to 52.5 from 53.5, its slowest expansion since May, as both manufacturing and services activity moderated. Overseas demand and AI-related manufacturing nevertheless remained supportive, while elevated energy, labour and transportation costs sustained inflationary pressure. The data remain consistent with gradual BoJ policy normalisation but do not point to an urgent follow-up increase after September's rate hike. JPY weakened as the increase in US yields outweighed domestic policy support.

Elsewhere in Asia, higher US yields and a stronger dollar placed most regional currencies under pressure. KRW and JPY fell by 0.8% and 0.6%, respectively, on Wednesday, while THB and IDR subsequently underperformed. South Korea's exports nevertheless rose 78.3%yoy in the first 20 days of September, driven by a 259.4%yoy surge in semiconductor shipments, highlighting the continued support from the regional technology cycle.

US-China trade developments provided limited relief. The two sides extended their trade truce by two months to 10 January 2027, reducing the immediate risk of tariff escalation. In India, the flash composite PMI rose to 56.5, although export-order growth slowed.

Taiwan's August data provided further evidence that the AI-led technology cycle remains exceptionally strong. Export orders surged 71.4%yoy to a record \$103.0bn, exceeding \$100bn for the first time, while industrial production and manufacturing output increased 23.5%yoy and 24.6%yoy, respectively. The strong technology cycle should continue to cushion TWD against the rise in US yields, although the broader dollar rebound remains a near-term headwind.

Bank Indonesia kept its policy rate unchanged at 5.75% and reduced portfolio hedging costs, but the simultaneous rise in US yields and oil prices raises the hurdle for BI to remain on hold if IDR pressure persists.

Capital Flows

ASIAN EQUITY FLOWS REBOUND, LED BY TAIWAN AND INDIA

Risk sentiment improved across Asian equity markets in the week ended 25 September, with foreign investors returning to regional equities despite the sharp rise in US Treasury yields and renewed USD strength. Taiwan accounted for most of the regional rebound, while India also returned to inflows. By contrast, South Korea continued to register outflows, while ASEAN flows remained broadly negative.

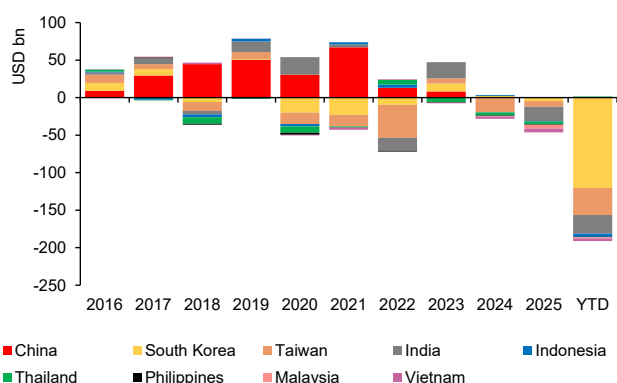
Asia equities flows: Asian equity markets recorded inflows of \$1.3bn, reversing outflows of approximately \$7.2bn previously. Taiwan attracted the largest inflow at around \$1.7bn, after a roughly \$200mn outflow previously, while India recorded inflows of approximately \$400mn. South Korea registered an outflow of around \$500mn, far smaller than the \$6.5bn outflow previously. Within ASEAN, Indonesia recorded outflows of approximately \$150mn, while Vietnam and Malaysia saw outflows of around \$100mn each. The Philippines registered a modest outflow of roughly \$60mn, while flows into Thailand were broadly neutral.

NET FOREIGN INSTITUTIONAL INVESTMENTS INTO ASIAN EQUITIES (USD MN)

Country / Region	25-Sep	18-Sep	11-Sep	4-Sep	28-Aug	MTD	QTD	YTD	2025
China									0
South Korea	-473	-6,502	-2,425	-1,850	-5,664	-10,738	-25,620	-120,437	-4,485
Taiwan	1,705	-200	-931	-2,407	3,738	-1,377	-15,607	-35,967	-7,800
India	416	-257	-21	-1,465	430	-758	4,088	-24,877	-18,792
Indonesia	-145	-166	-191	130	16	-347	-190	-4,438	-1,063
Thailand	-6	-156	43	95	-372	-14	700	1,581	-3,211
Philippines	-58	-58	-12	-22	-115	-151	-307	-552	-883
Malaysia	-83	31	-39	-159	-91	-250	-661	-1,361	-5,204
Vietnam	-100	103	-60	-55	38	-112	-623	-3,562	-4,754
Total flows	1,256	-7,205	-3,637	-5,731	-2,021	-13,747	-38,220	-189,614	-46,192

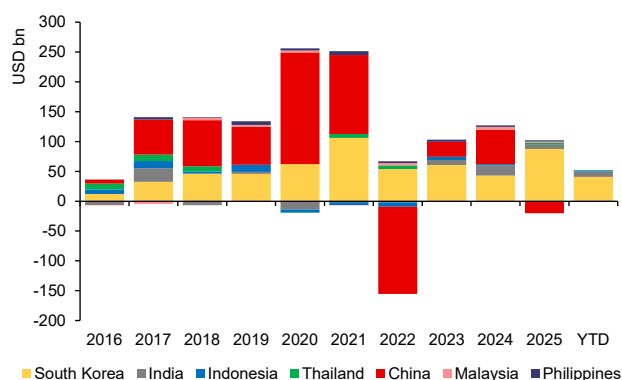
Source: Bloomberg, MUFG GMR Note: China stopped publishing buy and sell transaction data for Northbound flows since August 2024; Data as of 25 September 2026 HKT4:00PM with a two-day lag for India and one-day lag for other countries

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 25-Sep-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 25-Sep-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 modest net foreign inflows of around \$160mn in the week ended 25 September, reversing outflows of approximately \$860mn previously. South Korea attracted inflows of around \$270mn, compared with outflows of roughly \$200mn in the preceding week, while Thailand recorded inflows of approximately \$130mn, reversing outflows of around \$230mn. By contrast, India registered outflows of about \$100mn, after broadly neutral flows previously, while Indonesia recorded outflows of roughly \$130mn, improving from approximately \$450mn in the prior week.

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

Country / Region	25-Sep	18-Sep	11-Sep	4-Sep	28-Aug	MTD	QTD	YTD	2025
South Korea	267	-199	-313	1,527	361	1,439	1,732	41,005	87,632
India	-105	8	-678	-69	-147	-821	2,028	8,843	7,472
Indonesia	-127	-447	146	591	-73	135	1,370	1,714	189
Thailand	127	-226	54	-161	5	-231	-613	936	2,346
Total flows	163	-863	-791	1,887	144	523	4,517	52,498	97,639

Source: Bloomberg, MUFG GMR; Data as of 25 September 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

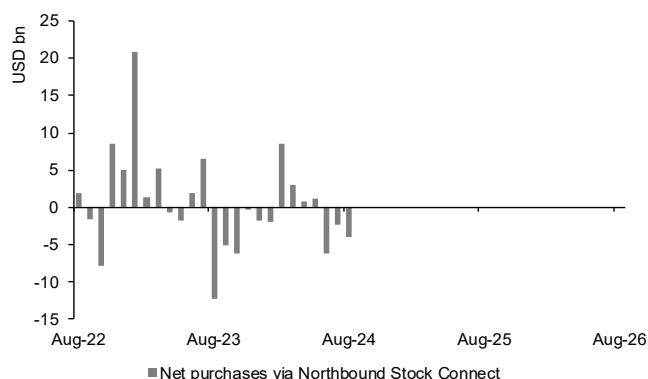
Country / Region	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	YTD	2025
China			-720	15,805	-5,698	-18,864	-182	0	-20,014
Malaysia	1,238	-1,817	837	-499	177	1,279	136	0	2,321
Philippines	0	111	2,228	-77	780	1,379	-1,169	0	2,319

Source: Bloomberg, CEIC, MUFG GMR

China Stock Connect & Bond Connect:

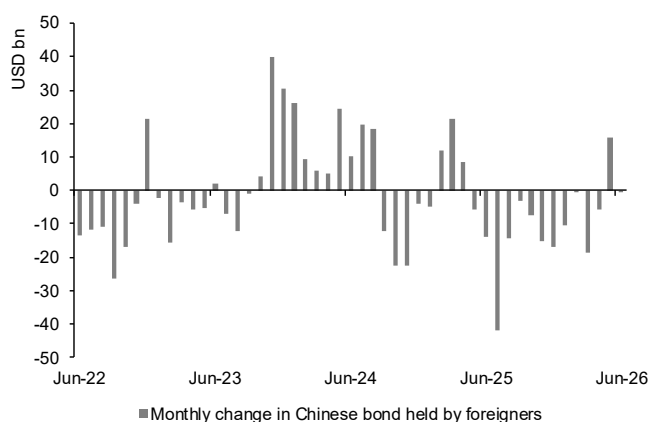
China's Bond Connect recorded USD\$720mn of outflows in June, reversing USD\$16bn of inflows in May, as softer growth expectations and equity-market resilience reduced demand for bonds. Stock Connect flow data remain unavailable following China's suspension of Northbound transaction disclosures since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

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



Source: Bloomberg, MUFG GMR; Data as at 25 September 2026

MONTHLY CHANGE IN FOREIGN HOLDINGS OF CHINESE BONDS VIA BOND CONNECT



Source: CEIC, MUFG GMR

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

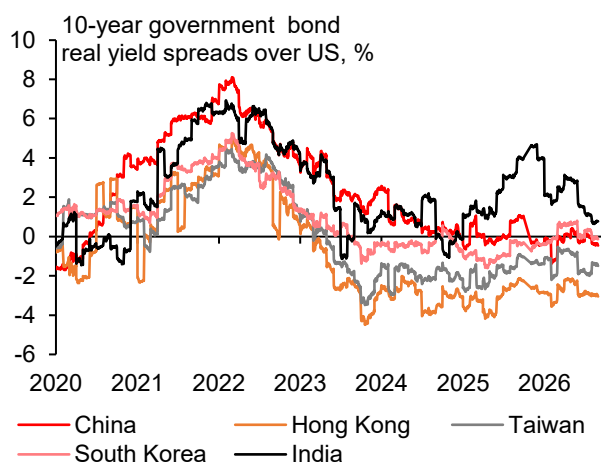
Asia's government bond yield spreads over the US decreased broadly this week. For 2-year tenors, South Korea recorded the largest decline of around 17bps, while Hong Kong was the only market to register an increase, of approximately 2bps. For 10-year tenors, South Korea also recorded the largest decline of around 28bps, while Hong Kong saw the smallest decrease of about 1bp.

EM ASIAN GOVERNMENT BOND YIELD SPREADS WITH THE US

	Country / Region	Government bond yield difference over US, bps											
		2026											
		25-Sep	18-Sep	11-Sep	4-Sep	28-Aug	21-Aug	14-Aug	7-Aug	31-Jul	24-Jul	17-Jul	10-Jul
10-Year	China	-352	-332	-328	-311	-303	-304	-301	-294	-303	-296	-282	-283
	Hong Kong	-129	-128	-134	-126	-122	-126	-118	-114	-129	-118	-114	-125
	Taiwan	-329	-310	-307	-288	-282	-284	-276	-272	-281	-275	-277	-279
	South Korea	-82	-54	-43	-43	-44	-37	-38	-43	-47	-23	-25	-33
	India	191	206	205	218	219	214	207	213	207	215	220	216
	Indonesia	189	210	217	231	224	219	242	261	257	265	268	265
	Malaysia	-122	-106	-80	-81	-86	-95	-96	-92	-103	-98	-92	-95
	Philippines	237	258	246	251	254	257	263	262	269	293	273	270
	Singapore	-268	-257	-252	-242	-240	-240	-243	-236	-240	-224	-234	-245
	Thailand	-289	-275	-268	-260	-261	-264	-266	-261	-269	-260	-256	-261
	Vietnam	-72	-54	-50	-33	-27	-29	-27	-23	-33	-27	-14	-16
2-Year	China	-366	-350	-339	-313	-310	-300	-294	-294	-304	-307	-292	-297
	Hong Kong	-117	-119	-118	-116	-129	-124	-119	-121	-128	-126	-126	-126
	Taiwan	-319	-303	-291	-265	-263	-252	-245	-257	-266	-270	-259	-303
	South Korea	-94	-77	-72	-66	-68	-53	-54	-62	-64	-54	-49	-57
	India	157	173	169	196	192	199	196	193	190	191	202	190
	Indonesia	185	201	217	233	227	237	261	278	270	271	287	294
	Malaysia*	-152	-138	-116	-103	-104	-96	-92	-93	-105	-107	-95	-99
	Philippines	174	189	192	206	199	210	218	232	241	239	237	222
	Singapore	-295	-292	-287	-267	-269	-258	-253	-253	-261	-255	-255	-264
	Thailand	-363	-350	-339	-320	-322	-311	-307	-309	-317	-320	-308	-311
	Vietnam	-127	-111	-99	-73	-71	-60	-54	-58	-72	-76	-67	-71

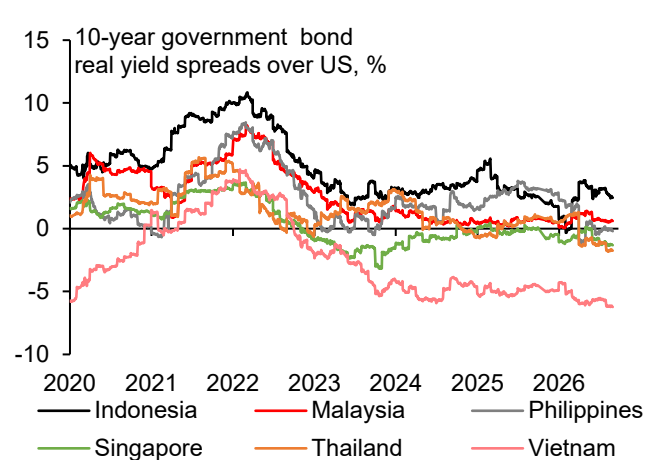
Source: Bloomberg, MUFG GMR Note: Data retrieved at HKT4:00PM on 25 September 2026

ASIA'S REAL YIELD SPREADS



Source: Bloomberg, MUFG GMR

ASIA'S REAL YIELD SPREADS



Source: Bloomberg, MUFG GMR

Central bank monitor

Global developments remain important for Asia's policy outlook following the Fed's September 25bps hike to 3.75%-4.00%. Strong US activity and higher energy prices have reinforced concerns that inflation could remain persistent, prompting further hawkish repricing. The Treasury curve has steepened since the start of the week, with the 10-year yield rising to 5.2% and the 30-year exceeding 5.45%. Markets now price around 38bps of additional Fed tightening by end-2026. The September employment report, PCE inflation and ISM manufacturing survey could retain expectations for another hike, with resilient data likely to keep US yields and the dollar elevated.

The Bank of Japan should retain a tightening bias after raising its policy rate by 25bps to 1.25%. However, the 7-2 decision and Governor Ueda's reluctance to signal back-to-back hikes were less hawkish than expected.

Bank Indonesia held its policy rate at 5.75% in September and reduced hedging costs, signalling a preference to support IDR through intervention and market-based measures. However, higher oil prices, US yields and rupiah pressure have raised the hurdle for BI to remain on hold. Further tightening may become necessary if external conditions deteriorate.

Bank Negara Malaysia should maintain its neutral stance and keep the policy rate at 2.75% through end-2026. Contained inflation, fuel subsidies and resilient domestic demand reduce the urgency for tightening, although elevated US yields remain a near-term headwind.

We think Bank of Thailand will likely keep its policy rate unchanged at 1%, given below-trend GDP growth and a negative inflation gap relative to the upper bound of its inflation target.

The Bank of Korea should retain its tightening bias after consecutive hikes lifted its policy rate to 3.00%. Strong exports, persistent inflation and rising housing and household-loan pressures support further policy normalisation.

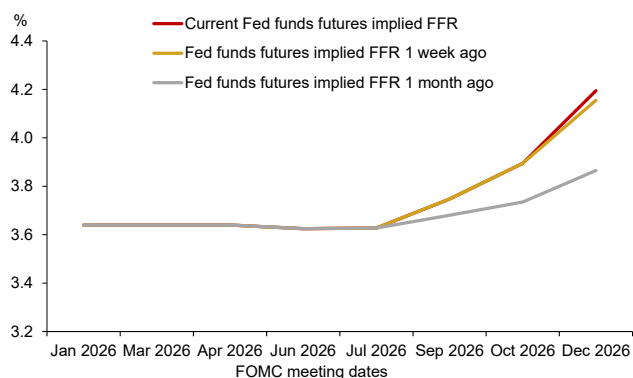
The PBOC should retain an easing bias as weak domestic demand contrasts with resilient exports. We expect targeted and incremental support, while trade surpluses, exporter conversion and technology-sector sentiment should support gradual CNY appreciation.

CURRENT MARKET IMPLIED POLICY RATE

Country / Region	Benchmark rate	Current	3M	6M	1Y	2Y	Next policy meeting
China	7D reverse repo rate	1.40%	1.39%	1.39%	1.37%	1.40%	20 Oct 26
South Korea	7D repo rate	3.00%	3.29%	3.66%	3.94%	4.07%	22 Oct 26
Taiwan	Discount rate	2.00%	2.04%	2.19%	2.51%	2.82%	17 Dec 26
India	Repo rate	5.25%	5.78%	6.11%	6.39%	6.73%	7 Oct 26
Thailand	1D repo rate	1.00%	1.08%	1.14%	1.35%	1.78%	28 Oct 26
Malaysia	Overnight policy rate	2.75%	2.92%	3.03%	3.18%	3.02%	5 Nov 26
Philippines	Overnight reverse repo rate	5.00%	4.40%	4.43%	3.56%	3.92%	22 Oct 26
US	Fed funds rate	3.875%	4.43%	4.66%	4.87%	4.73%	29 Oct 26

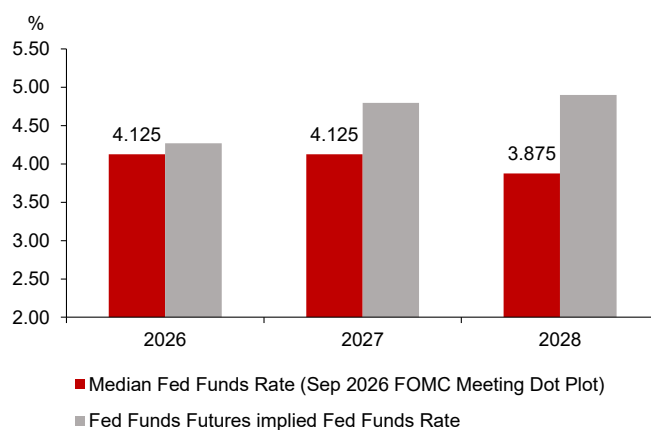
Source: Bloomberg, MUFG GMR Note: Implied rates as priced by overnight index swaps of respective countries, updated on 25 September 2026 4:00 SGT/HKT

FED FUNDS FUTURES MARKET PRICING



Source: Bloomberg, MUFG GMR. Note: Fed funds futures pricing as at 25 September 2026

FED FUNDS FUTURES PRICING VS MEDIAN DOT



Source: Bloomberg, US Federal Reserve, MUFG GMR. Note: Fed funds futures pricing as at 25 September 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%	3.00%	22-Oct-26	BoK raised its policy rate by 25bps to 3.00% in August, amid concerns about inflation that remains above the 2% target.	3.25%
Taiwan	2.000%	2.000%	17-Dec-26	CBC held the policy rate at 2% in September, citing that inflation remains contained, allowing the central bank to adopt a wait-and-see stance.	2.00%
Indonesia	4.75%	5.75%	21-Oct-26	BI held its policy rate at 5.75% in September and strengthened FX intervention while reducing hedging costs to support IDR. However, higher oil prices, US Treasury yields and persistent rupiah weakness have raised the hurdle for BI to remain on hold, with further tightening possible if external pressures intensify.	6.25%
Malaysia	2.75%	2.75%	5-Nov-26	BNM held rates at 2.75% in September, 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.	October	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%	28-Oct-26	BoT held rates at 1.00% in August. 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, against our expectation for a rate hike. We have pushed out the timing of RBI hike to Dec.	5.75%
Philippines	4.50%	5.00%	22-Oct-26	BSP hiked rates for the third consecutive time to 5.00%. Inflation eased to 6.1%yoy in August 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.	Better stability in FX and capital inflows give the State Bank of Vietnam space to keep rates on hold despite strong credit growth.	4.50%

Source: Bloomberg, MUFG GMR

The week ahead

Asia and G3

In the US, September's nonfarm payrolls report will be the primary market event following the sharp rise in Treasury yields and renewed hawkish repricing of the Fed outlook. Markets are forecasting a modest addition of 100k jobs to the US economy, against August's surprise print of 162k. A further resilient employment reading would strengthen expectations for additional Fed tightening, maintaining upward pressure on yields and the dollar. Markets will also monitor other key releases, including the ISM manufacturing survey.

In Japan, the BoJ's Tankan survey and Tokyo CPI will be closely watched following September's 25bp rate increase. Tokyo core CPI is forecast to accelerate to 2.7%yoy from 1.8%yoy, partly reflecting policy-related base effects but also higher energy prices, yen weakness, and rising labour costs. Alongside an expected rebound in industrial production, the data releases should reinforce expectations for further policy normalisation.

Meanwhile, China's official manufacturing PMI is expected to return to expansion at 50.2, while the non-manufacturing PMI is forecast to remain below 50 at 49.3. The RatingDog manufacturing index could also rise to 51.6. Continued weakness in domestic non-manufacturing activity would point to an uneven Chinese growth story.

The regional manufacturing picture should become clearer on Thursday, with PMIs released across Indonesia, South Korea, Taiwan and Vietnam. The starting point is relatively constructive for the tech-oriented economies: the prior manufacturing PMIs stood at 54.7 in Taiwan, 53.3 in Vietnam and 52.3 in South Korea, compared with 49.8 in Indonesia. South Korea's September exports are also expected to remain exceptionally strong.

Elsewhere, Indonesia's inflation could accelerate to 3.3%yoy as higher energy costs feed through the supply chain. Fuel subsidies should cushion the initial impact, but rising inflation and renewed IDR pressure would increase the hurdle for BI to remain on hold.

WEEKLY CALENDAR

Country	Date	Time (SGT)	Event	Period	Survey	Prior
Singapore	28/9/2026	13:00	Industrial Production YoY	Aug	17.1%	6.8%
United States	29/9/2026	21:00	FHFA House Price Index MoM	Jul		0%
United States	29/9/2026	22:00	Conf. Board Consumer Confidence	Sep	90	89.4
South Korea	30/9/2026	7:00	Industrial Production YoY	Aug	4.3%	3.6%
Japan	30/9/2026	7:50	Retail Sales YoY	Aug	3.25%	4%
Japan	30/9/2026	7:50	Industrial Production MoM	Aug P	1.35%	-0.2%
Japan	30/9/2026	7:50	Industrial Production YoY	Aug P	7%	3.9%
Philippines	30/9/2026	9:00	Exports YoY	Aug	12.05%	10.8%
China	30/9/2026	9:30	Manufacturing PMI	Sep	50.1	49.8
China	30/9/2026	9:30	Non-manufacturing PMI	Sep	49.25	49
China	30/9/2026	9:45	RatingDog China PMI Composite	Sep		52.1
China	30/9/2026	9:45	RatingDog China PMI Services	Sep		51.4
China	30/9/2026	9:45	RatingDog China PMI Mfg	Sep	51.6	51.5
Thailand	30/9/2026	15:00	BoP Current Account Balance	Aug		-\$1558.7m
Germany	30/9/2026	15:55	Unemployment Change (000's)	Sep	-3k	4k
United States	30/9/2026	19:00	MBA Mortgage Applications	Sep		-1.5%
Germany	30/9/2026	20:00	CPI MoM	Sep P	0.5%	0.2%
Germany	30/9/2026	20:00	CPI YoY	Sep P	3.1%	2.9%
Germany	30/9/2026	20:00	CPI EU Harmonized MoM	Sep P	0.3%	0.2%
Germany	30/9/2026	20:00	CPI EU Harmonized YoY	Sep P	3%	2.9%
United States	30/9/2026	20:15	ADP Employment Change	Sep	70k	38k
United States	30/9/2026	20:30	Personal Income	Aug	0.5%	0.43%
United States	30/9/2026	20:30	Personal Spending	Aug	0.9%	0.16%
United States	30/9/2026	20:30	GDP Annualized QoQ	2Q T	1.5%	1.5%
United States	30/9/2026	20:30	GDP Price Index	2Q T	6.4%	6.4%
United States	30/9/2026	20:30	Wholesale Inventories MoM	Aug P		1.3%
United States	30/9/2026	21:45	MNI Chicago PMI	Sep	51.2	47.1
Japan	01/10/2026	7:50	Tankan Large Mfg Index	3Q	25	22
Japan	01/10/2026	7:50	Tankan Large Mfg Outlook	3Q	22	17
Japan	01/10/2026	7:50	Tankan Large Non-Mfg Index	3Q	36	37
Japan	01/10/2026	7:50	Tankan Large Non-Mfg Outlook	3Q	30	28
Japan	01/10/2026	7:50	Tankan Large All Industry Capex Estimate FY	3Q	12.2%	11.5%
South Korea	01/10/2026	8:00	Exports YoY	Sep	61.2%	68.7%
South Korea	01/10/2026	8:00	Imports YoY	Sep	20.5%	22.5%
Japan	01/10/2026	8:30	S&P Global Japan PMI Mfg	Sep F		54.1
Indonesia	01/10/2026	8:30	S&P Global Indonesia PMI Mfg	Sep		49.8
South Korea	01/10/2026	8:30	S&P Global South Korea PMI Mfg	Sep		52.3
Taiwan	01/10/2026	8:30	S&P Global Taiwan PMI Mfg	Sep		54.7
Vietnam	01/10/2026	8:30	S&P Global Vietnam PMI Mfg	Sep		53.3
Indonesia	01/10/2026	12:00	CPI YoY	Sep	3.29%	3.19%
Germany	01/10/2026	15:55	S&P Global/BME Germany Manufacturing PMI	Sep F		53.8
Eurozone Aggregate	01/10/2026	16:00	S&P Global Eurozone Manufacturing PMI	Sep F	52.7	52.7
United States	01/10/2026	20:30	Initial Jobless Claims	Sep		197k
United States	01/10/2026	21:45	S&P Global US Manufacturing PMI	Sep F		57
United States	01/10/2026	22:00	ISM Manufacturing	Sep	54.95	54.6
United States	01/10/2026	22:00	ISM Prices Paid	Sep	72	71.1
United States	01/10/2026	22:00	Construction Spending MoM	Aug	0.1%	-0.5%
South Korea	02/10/2026	7:00	CPI MoM	Sep	0.4%	0.2%
South Korea	02/10/2026	7:00	CPI YoY	Sep	2.9%	3.1%
Japan	02/10/2026	7:30	Tokyo CPI YoY	Sep	2.4%	1.9%
Japan	02/10/2026	7:30	Tokyo CPI Ex-Fresh Food YoY	Sep	2.3%	1.8%
Japan	02/10/2026	7:30	Jobless Rate	Aug	2.4%	2.4%
Japan	02/10/2026	7:30	Job-To-Applicant Ratio	Aug	1.18	1.18
Japan	02/10/2026	7:50	Monetary Base YoY	Sep		-15.7%
Thailand	02/10/2026	15:30	Gross International Reserves	Sep		
Eurozone Aggregate	02/10/2026	17:00	CPI Estimate YoY	Sep P	3.5%	3.2%
Eurozone Aggregate	02/10/2026	17:00	CPI YoY	Sep P	3.45%	3.2%
Eurozone Aggregate	02/10/2026	17:00	CPI MoM	Sep P	0.35%	0.4%
Eurozone Aggregate	02/10/2026	17:00	CPI Core YoY	Sep P	2.6%	2.4%
United States	02/10/2026	20:30	Change in Nonfarm Payrolls	Sep	100k	162k
United States	02/10/2026	20:30	Unemployment Rate	Sep	4.1%	4.1%
Singapore	02/10/2026	21:00	Purchasing Managers Index	Sep		51.5
United States	02/10/2026	22:00	Factory Orders	Aug	-0.1%	0.9%
United States	02/10/2026	22:00	Durable Goods Orders	Aug F		
United States	02/10/2026	22:00	Durables Ex Transportation	Aug F		

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	1.8	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	-1.5	-1.0	7.0	6.1	7.2	6.9
Malaysia	5.1	5.2	5.2	5.0	1.7	1.6	1.8	1.8	3.8	3.5	4.0	3.7
Philippines	5.6	4.7	3.5	5.0	-4.0	-3.0	-2.5	-2.0	6.2	5.8	7.2	6.5
Singapore	4.4	5.0	5.0	3.0	17.5	16.7	17.5	17.0	2.9	2.1	2.5	2.2
South Korea	2.1	1.0	2.8	2.2	5.3	6.6	12.0	8.0	2.9	2.8	4.6	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	-1.0	2.2	2.3	1.64	2.3	2.0
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 September 1, 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	1.8	1.8	1.7	1.5	1.8	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	3.25	3.25
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 September 1, 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
Asia Dollar	93.39	92.51	93.34	94.39
USD/CNY	6.7000	6.6500	6.6000	6.6000
USD/HKD	7.8300	7.8300	7.8300	7.8300
USD/INR	95.500	95.500	96.000	96.500
USD/IDR	18100	18350	18500	18700
USD/MYR	4.0500	4.0300	4.0000	4.0000
USD/PHP	62.200	62.000	61.500	61.000
USD/SGD	1.2800	1.2750	1.2700	1.2700
USD/KRW	1380.0	1370.0	1360.0	1350.0
USD/TWD	31.500	31.400	31.000	30.700
USD/THB	33.500	34.100	34.000	33.800
USD/VND	26050	26100	26200	26300

Source: MUFG GMR

Core indicators

GOVERNMENT BOND YIELD

Country / Region	Maturity	Yields				Change, bps				
		25-Sep	18-Sep	11-Sep	4-Sep	WTD	MTD	QTD	YTD	2025
China	10-Year	1.67	1.68	1.69	1.68	-1	-2	-6	-17	18
Hong Kong	10-Year	3.90	3.72	3.63	3.52	19	40	67	86	77
Taiwan	10-Year	1.90	1.90	1.90	1.90	0	0	12	55	-26
South Korea	10-Year	4.37	4.46	4.54	4.35	-9	6	30	99	51
India	10-Year	7.10	7.06	7.02	6.96	4	15	38	51	-17
Indonesia	10-Year	7.08	7.10	7.13	7.09	-2	9	-4	103	-92
Malaysia	10-Year	3.97	3.94	4.17	3.97	3	10	36	46	-31
Philippines	10-Year	7.56	7.58	7.43	7.29	-1	31	65	149	-10
Singapore	10-Year	2.51	2.43	2.45	2.37	8	17	49	40	-74
Thailand	10-Year	2.30	2.24	2.29	2.19	6	17	27	67	-61
Vietnam	10-Year	4.47	4.46	4.46	4.46	0	2	7	43	107
US	10-Year	5.19	5.00	4.97	4.78	19	44	73	102	-40
Japan	10-Year	3.10	2.97	2.98	2.91	13	17	43	104	97
Europe	10-Year	3.60	3.52	3.50	3.34	8	28	74	74	49

Source: Bloomberg, MUFG GMR Note: Data retrieved at HKT4:00PM on 25 September 2026

STOCK MARKET INDEX PERFORMANCE

Country / Region	Index	Value				%change				
		25-Sep	18-Sep	11-Sep	4-Sep	WTD	MTD	QTD	YTD	2025
China	CSI 300	4439	4507	4510	4548	-1.5	-4.0	-10.9	-4.1	17.7
Hong Kong	Hang Seng	24377	24751	24806	25651	-1.5	-4.7	6.5	-4.9	27.8
Taiwan	TAIEX	48025	47181	46185	46551	1.8	4.1	4.1	65.8	25.7
South Korea	KOSPI	7081	6894	6910	6687	2.7	3.8	-16.5	68.0	75.6
India	SENSEX	73581	74295	74782	76515	-1.0	-4.4	-3.8	-13.7	9.1
Indonesia	JCI	6299	6441	6541	6636	-2.2	-3.5	11.6	-27.2	22.1
Malaysia	FBM KLCI	1673	1666	1687	1708	0.4	-3.1	0.5	-0.4	2.3
Philippines	PSEi	5722	5856	6062	6091	-2.3	-3.9	-5.2	-5.5	-7.3
Singapore	Straits Times	5685	5656	5696	5802	0.5	-1.2	9.9	22.4	22.7
Thailand	SET	1603	1584	1605	1596	1.2	0.5	0.7	27.2	-10.0
Vietnam	Ho Chi Minh	1775	1816	1795	1853	-2.2	-3.1	-4.6	-0.5	40.9
US	S&P 500	7704	7651	7657	7719	0.7	0.2	2.7	12.5	16.4
Japan	Nikkei 225	66324	65019	64011	65021	2.0	0.0	-5.3	31.8	26.2
Europe	Stoxx 600	636	635	639	650	0.2	-2.3	-0.8	7.5	16.7

Source: Bloomberg, MUFG GMR Note: Data retrieved at HKT4:00PM on 25 September 2026

GLOBAL COMMODITY PRICES AND PRICE CHANGES

Commodity	Units	Price				%change				
		25-Sep	18-Sep	11-Sep	4-Sep	WTD	MTD	QTD	YTD	2025
WTI Crude	USD/bbl.	93	100	100	91	-7.2	8.6	34.0	62.2	-19.9
Brent Crude	USD/bbl.	106	104	105	96	1.8	16.8	45.0	73.7	-18.5
Natural Gas	USD/MMBtu	3	3	3	3	8.7	7.8	-3.4	-14.2	1.5
RBOB Gasoline	USD/gal.	349	353	331	321	-1.0	1.6	15.9	104.8	-14.8
Heating Oil	USD/gal.	469	506	496	454	-7.3	4.3	41.3	121.0	-8.6
Gold	USD/t oz.	4296	4391	4375	4442	-2.2	-3.4	6.4	-1.0	64.4
Silver	USD/t oz.	64	67	65	66	-4.3	-3.8	7.1	-9.8	141.4
Copper	USD/lb.	672	662	647	660	1.6	1.9	8.5	18.2	41.1
3Mo Aluminum	USD/MT	3250	3289	3253	3294	-1.2	0.2	5.3	8.5	17.4
3Mo Copper	USD/MT	14621	14522	14240	14416	0.7	2.3	9.3	17.7	41.7
Corn	USD/bu	519	528	510	512	-1.7	0.7	25.7	17.8	-4.0
Wheat	USD/bu	690	714	707	716	-3.4	-8.8	18.9	36.1	-8.1
Oats	USD/bu	415	407	356	344	2.0	19.5	57.0	37.1	-8.5
Soybean	USD/bu	1305	1304	1280	1294	0.1	2.3	16.9	26.6	3.2

Source: Bloomberg, MUFG GMR Note: Data retrieved at HKT4:00PM on 25 September 2026

ASIA INFLATION, %YOY

Country / Region	Target	CPI, %yoy									
		Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25
China	2.0%	0.8	0.5	1.0	1.2	1.2	1.0	1.3	0.2	0.8	0.7
Hong Kong	N.A.	1.7	1.7	2.0	2.0	1.7	1.7	1.7	1.1	1.4	1.2
Taiwan	N.A.	2.0	2.5	2.6	2.2	1.7	1.2	1.8	0.7	1.3	1.2
South Korea	2.0%	3.1	2.8	3.2	3.1	2.6	2.2	2.0	2.0	2.3	2.4
India	4.0±2.0%	4.8	4.5	4.4	3.9	3.5	3.4	3.2	2.7	1.2	0.5
Indonesia	2.5±1.0%	3.2	2.9	3.3	3.1	2.4	3.5	4.8	3.6	2.9	2.7
Malaysia	N.A.	1.9	1.8	1.9	2.0	1.9	1.7	1.4	1.6	1.6	1.4
Philippines	3.0±1.0%	6.1	6.2	6.4	6.8	7.2	4.1	2.4	2.0	1.8	1.5
Singapore	N.A.	2.3	2.2	1.9	1.8	1.8	1.8	1.2	1.4	1.2	1.2
Thailand	2.0±1.0%	2.5	2.0	2.4	2.8	2.9	-0.1	-0.9	-0.7	-0.3	-0.5
Vietnam	4.5%	4.9	4.5	4.7	5.6	5.5	4.7	3.4	2.5	3.5	3.6

Source: Bloomberg, MUFG GMR

MONTHLY TRADE BALANCES (USD BN)

Country / Region	Trade balance (USD bn)										
	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25
China	119.1	112.5	125.5	105.0	84.4	49.8	89.2	120.0	111.9	109.9	88.0
Hong Kong	-9.1	-0.6	-6.6	-5.6	-3.8	-11.4	-8.2	-1.8	-8.1	-6.2	-5.1
Taiwan	22.3	17.2	12.2	17.9	14.4	21.3	12.8	18.9	19.4	16.1	21.7
South Korea	34.8	30.7	35.9	26.8	23.6	26.6	15.5	8.7	12.1	9.5	6.0
India	-26.9	-32.0	-30.4	-28.2	-28.4	-20.7	-27.1	-34.7	-25.0	-24.5	-41.7
Indonesia		0.1	-0.5	-1.6	0.1	3.3	1.3	1.0	2.5	2.7	2.4
Malaysia	7.0	5.5	3.9	10.2	7.2	6.0	4.3	5.6	5.4	1.5	4.9
Philippines		-6.0	-5.5	-6.1	-6.4	-5.0	-4.0	-4.3	-4.0	-4.0	-4.2
Singapore	87.0	81.0	76.7	73.7	74.9	72.9	68.7	69.6	62.1	63.2	61.5
Thailand		0.0	-2.7	-2.6	-6.8	-0.1	0.6	-0.7	2.9	-0.1	-0.9
Vietnam	-0.1	-3.6	-2.6	-5.2	-3.3	-0.7	-1.0	-1.8	-0.7	1.1	2.6

Source: Bloomberg, MUFG GMR

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