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UPDATE

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Global Macro Commentary | Global

May 28: Truce Hopes Lift Bonds

US-Iran truce hopes lowered oil; core PCE rose less than expected; 7y auction stopped through; ECB minutes leaned hawkish; SARB hiked; EMFX gained; DXY at 99.02 (-0.2%); US 10y at 4.45 (-3.5bp).

Lower oil and softer US inflation details supported bonds and risk sentiment, while central-bank rhetoric kept the easing impulse contained.

Developed Markets

- **US rates rallied through the session as softer inflation details and lower oil prices outweighed still-hawkish Fed rhetoric.** April core PCE rose 0.2% m/m versus 0.3% expected, while personal income stalled and 1Q GDP was revised down to 1.6%, reinforcing the view that growth momentum was moderating even as headline inflation remained elevated. The curve bull-flattened with long-end outperformance (2y: -1.2bp; 10y: -3.5bp; 30y: -3.8bp), initially driven by an Axios report that the US and Iran had reached a tentative agreement to extend the ceasefire and reopen negotiations. Treasury gains held after a solid $44bn 7y auction that stopped through by 0.1bp at 4.290%, with strong indirect demand offsetting concerns around concession erosion into supply. Fed speakers continued to lean cautious, with Musalem and Barkin both warning that AI-driven investment and resilient demand could keep upward pressure on the neutral rate, limiting the market's willingness to fully reprice toward cuts despite the rally.

- **Cross-asset price action reflected a moderation in geopolitical risk rather than a full shift into risk-on positioning.** Equities advanced as lower oil prices eased near-term inflation concerns, with the S&P 500 rising 0.6% while higher-beta and unprofitable tech shares outperformed following the truce headlines. Energy markets remained volatile throughout the session as traders weighed the credibility of the proposed US-Iran framework and the timeline for any reopening of Hormuz; Brent ultimately fell 0.6% while WTI closed 0.2% higher after earlier swings. Gold rose 0.9% and silver gained 1.3% as lower real yields and a weaker dollar offset the softer oil backdrop, while Bitcoin fell 2.2%, suggesting positioning remained cautious outside traditional risk assets. Credit and volatility markets also reflected improving sentiment, with the VIX down 3.4% and Treasury volatility easing further as month-end duration demand and lighter near-term coupon supply supported fixed income.

- **The dollar weakened against all G10 peers as lower Treasury yields and easing geopolitical stress reversed part of this week's safe-haven bid (DXY -0.2%).** NZD led gains in the complex (NZD/USD: +0.6%) following this week's hawkish RBNZ shift, while SEK and NOK also outperformed as

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broader risk appetite improved. EUR/USD rose 0.2% to 1.17 and GBP/USD gained 0.1% to 1.34, though both pairs remained capped by still-hawkish ECB and BoE repricing. USD/JPY declined 0.2% to 159.24 as lower US yields supported JPY, though traders continued to focus on intervention risks around the 160 level and the prospect of further BoJ normalization. CHF strengthened 0.4% versus USD alongside the rally in duration, reflecting continued demand for low-volatility defensive currencies even as broader market sentiment improved.

- **JGB opened cheaper in the Tokyo morning session, but the selling momentum quickly moderated heading into morning session close ahead of BoJ JGB purchase operation.** The 3–5y BoJ operation was a large tail (average: -2.4bp vs. cut-off: -4.0bp), highlighting strong underlying demand and supporting the rally in the sector. Market expectation for BoJ rate hike somewhat cools down after Thursday's BoJ Governor speech without no hint at near-term rate hike. In contrast, the super-long sector came under pressure, particularly in the 20y–30y sector in the Tokyo afternoon session. Uncertainty for JGB issuances in the upcoming supplementary budget weighed on the sector. Ultimately, JGB curve twist steepened; 2y JGB rallied by 3.0bp to 1.35%, 10y JGB sold off by 0.5bp to 2.695%, 30y JGB sold off by 5.0bp to 3.965% on a simple yield basis.

- **Euro-area and UK rates rallied alongside Treasuries, though domestic central-bank dynamics continued to keep front-end easing expectations restrained.** German yields fell across the curve (2y: -2.6bp; 10y: -2.5bp; 30y: -2.1bp), with bunds initially pressured overnight by higher oil and ECB hawkishness before reversing after the US-Iran headlines. ECB minutes reinforced expectations for a June hike, showing several officials viewed the prior meeting as a close call and indicating growing concern about second-round inflation effects tied to energy prices. Peripheral spreads were relatively stable despite ongoing fiscal discussion around joint EU borrowing and elevated issuance, with Italy modestly outperforming core rates. Gilts also rallied, led by the belly and long end (2y: -3.1bp; 10y: -4.4bp; 30y: -3.8bp), as lower oil prices eased pressure on UK inflation expectations after recent concerns around energy pass-through. Market focus in the UK also remained on structural gilt-market issues, including leverage in repo markets and fiscal sensitivity ahead of further supply.

Emerging Markets

- **AxJ markets traded with a mixed but generally constructive tone as lower US yields and improved risk sentiment offset lingering concerns around oil and regional tightening cycles.** CNH strengthened 0.1% to 6.77 after the dollar weakened broadly, with both onshore and offshore yuan trading near their strongest levels since early 2023 despite the PBoC fixing remaining materially above spot. KRW gained 0.4% even after the BoK's hawkish hold, while local equities remained supported by ongoing AI-driven inflows and optimism around Korean tech demand. THB underperformed amid renewed sensitivity to oil prices.

- **Assets in LatAm outperformed for the most part today as EM risk sentiment improved following Iran/US apparent ceasefire news.** FX in the region traded stronger, with BRL outperforming and appreciating ~0.52%, while COP underperformed and depreciated ~0.64%, partially reversing Wednesday's rally. CLP also gained ~0.40% as copper prices rallied. Rates in the region traded well, with Mexico TIIE outperforming as the 5y rallied ~8bp, likely reflecting the broader EM risk-on tone rather than fresh domestic catalysts, while COP IBR 1y sold off ~6bp even as the rest of the curve rallied.

- **CEEMEA rates and FX were supported by the softer dollar, though local stories remained important.** Hungary sold more domestic bonds than planned amid strong demand, and the forint gained 0.2% against USD. Poland's zloty strengthened 0.4% versus USD while EUR/PLN edged 0.1% lower. In CEE credit, Bosnia & Herzegovina priced an €800mn 5y Eurobond at 5.25%, with books above €2.5bn. Russia also moved ahead with yuan-denominated OFZ issuance, with coupon guidance no higher than 8%.

Central Bank Monitor

Developed Markets

- In the US, **New York Fed President John Williams** said the Fed's monetary policy is currently "slightly restrictive" and well positioned, with no immediate need for higher rates despite near-term inflation pressures from war-related supply chain disruptions. He emphasized that the U.S. labor market remains balanced and resilient, while noting that AI-driven productivity gains could raise long-run real interest rates, though the size and persistence of the productivity boom are still uncertain.
- In the US, **St. Louis Fed President Alberto G. Musalem** argued that the Fed cannot rely on AI-driven productivity gains to solve the inflation problem and warned that inflation remains meaningfully above target with expectations drifting higher. He said the real policy rate is still below neutral, suggesting the Fed may need higher real rates and tighter policy to restrain demand and bring inflation back under control.
- In the US, **Richmond Fed President Thomas Barkin** said AI-related investment is putting upward pressure on the neutral interest rate, suggesting stronger underlying demand in the economy. He also noted that some AI-related spending is showing inflationary pressure, though strong corporate earnings mean firms still have limited incentive to cut jobs aggressively.
- In the UK, **BoE Deputy Governor Breeden** spoke at a conference

today, warning that hedge funds can amplify gilt market volatility and flagging that banks may be providing generous leverage to hedge funds trading gilts due to competitive pressures. She questioned why gilt repo haircuts should be zero, signalling that regulators intend to impose greater restrictions on the market.

- In Canada, **BoC Senior Deputy Governor Rogers** presented the 2026 Financial Stability Report today, noting that while the financial system has functioned well through recent global shocks, vulnerabilities look manageable. She warned that elevated asset valuations raise the risk of a market correction, and flagged the outsized concentration of equity markets in a handful of large tech companies as a key risk.
- In the Eurozone, **ECB President Lagarde** spoke in Phnom Penh, Cambodia today, stressing that upholding central bank independence is even more important in an increasingly challenging global order, and noting that the Fed's independence is not a "settled" matter. ECB Chief Economist Lane, speaking on a panel in Tokyo, warned that even if the initial energy shock from the Middle East conflict starts to reverse, second-round effects on the labour market will persist for some time. Separately, the ECB's April meeting accounts were released today, revealing that the decision to hold rates was a "close call" and that a number of members would not have opposed raising rates at that meeting — with the focus having since shifted to the most appropriate timing of a hike.

Emerging Markets

- **BoK May Monetary Policy Meeting**: 2.50% (MSe: 2.50%; C: 2.50%; P: 2.50%). In its statement, the central bank said currently available information suggests that, despite continued expansion in AI-related investment, global growth is likely to slow while inflationary pressures are expected to rise significantly due to higher energy and commodity prices and supply disruptions stemming from the Middle East conflict. BoK raised its 2026 GDP growth forecast to 2.6% (P: 2.2%). On inflation, the central bank noted that price pressures are expected to strengthen further as the pass-through from higher global oil prices broadens and demand-side pressures linked to income growth gradually build. Accordingly, the 2026 headline and core CPI forecasts were revised up to 2.7% (P: 2.2%) and 2.4% (P: 2.1%), respectively. The MPC stated it will determine the timing of any future rate hikes by assessing the extent of inflationary pressures, the pace of improvement in the domestic economy, and financial stability
- In Korea, **BoK Governor Shin** said in his post-policy presser that the central bank sees a need for a rate hike at an appropriate time, adding that a hike would have been justified at this meeting. He noted that CPI inflation is likely to peak in 2H26 if policy responds effectively. On FX, Shin said KRW could rebound sharply if tensions in the Middle

East ease quickly, while noting that the central bank stands ready to respond decisively to excessive market volatility.

- In China, **PBoC** and the National Bank of Serbia expanded their bilateral currency swap agreement for a 5-year term, increasing the size from RMB1.5bn to RMB5bn.
- In Brazil, **BCB Monetary Policy Director Nilton David** said that the central bank will not allow external shocks to feed inflation beyond the relevant policy horizon. He flagged rising 2028 inflation expectations as a growing concern, said a soft landing is unlikely, and reiterated that policy remains data dependent. The tone was hawkish, reinforcing that BCB intends to keep rates at restrictive levels for long enough to bring inflation back to the 3% target. Markets are currently pricing in only ~77bp of cuts, including an ~80% chance of a 25bp cut at the next meeting and a terminal rate near 13.73% in October of 2027.

Exhibit 1: G4 Rates Closes

	US			Germany			UK			Japan		
Tenor	28-May	1d Δ (bp)	2wk	28-May	1d Δ (bp)	2wk	28-May	1d Δ (bp)	2wk	28-May	1d Δ (bp)	2wk
2y	4.021	(1.2)		2.555	(2.6)		4.235	(3.1)		1.348	(2.9)	
3y	4.070	(1.4)		2.569	(2.6)		4.294	(3.2)		1.565	(3.6)	
5y	4.153	(2.4)		2.662	(2.8)		4.370	(3.0)		1.900	(2.3)	
7y	4.292	(2.8)		2.776	(2.5)		4.547	(3.9)		2.387	(1.2)	
10y	4.447	(3.5)		2.961	(2.5)		4.814	(4.4)		2.690	0.2	
20y	4.972	(4.0)		3.434	(2.3)		5.448	(3.9)		3.618	2.6	
30y	4.973	(3.8)		3.514	(2.1)		5.520	(3.8)		3.952	4.2	

Exhibit 2: Macro Closes

Majors				EM				Equities / Commodities			
Spot	28-May	1d Δ (%)	2wk	Spot	28-May	1d Δ (%)	2wk	Index	28-May	1d Δ (%)	2wk
DXY	99.02	(0.2)		CNH	6.77	(0.1)		S&P	7563.63	0.6	
EUR	1.165	0.2		INR	--	--		Stoxx	6055.11	(0.3)	
GBP	1.345	0.1		THB	32.70	0.4		FTSE	10425.96	(0.8)	
JPY	159.24	(0.2)		KRW	1494.20	(0.4)		Nikkei	64693.12	(0.5)	
CHF	0.784	(0.4)		ZAR	16.24	(0.8)		VIX	15.74	(3.4)	
AUD	0.716	0.3		MXN	17.32	(0.3)		Gold (S)	4495.29	0.9	
CAD	1.378	(0.4)		BRL	5.04	(0.4)		WTI (Fut)	88.90	0.2	

Exhibit 3: Inflation Closes

US TIPS				10y Real Yields, BEI							
Tenor	28-May	1d Δ (bp)	2wk	10y	28-May	1d Δ (bp)	2wk	10y	28-May	1d Δ (bp)	2wk
5y	1.581	(4.0)		DBRi	0.699	0.1		BTPi	1.656	(0.6)	
BEI	2.566	1.4		BEI	2.074	(2.7)		BEI	2.068	(1.8)	
10y	2.030	(3.5)		UKTi	1.438	(2.8)					
BEI	2.410	(0.1)		BEI	3.375	(1.6)					
30y	2.701	(3.1)		JGBi	0.450	1.0					
BEI	2.273	(0.7)		BEI	2.240	(0.8)					

Exhibit 4: G4 Central Banks

Central Bank OIS

Fed	Implied	1d Δ (bp)	Total Δ	ECB	Implied	1d Δ (bp)	Total Δ	BOE	Implied	1d Δ (bp)	Total Δ	BOJ	Implied	1d Δ (bp)	Total Δ
EFFR (5/27)	3.620	0.0	--	EONIA (5/27)	1.932	0.0	--	SONIA (5/27)	3.729	0.0	--	TONAR (5/27)	0.727	0.0	--
06/17/26	3.629	0.8	0.9	06/11/26	2.153	(0.9)	22.1	06/18/26	3.751	(0.8)	2.2	06/16/26	0.921	0.2	19.4
07/29/26	3.648	0.0	2.8	07/23/26	2.231	(0.7)	29.9	07/30/26	3.836	(1.4)	10.7	07/31/26	0.960	(0.1)	23.3
09/16/26	3.698	(0.2)	7.8	09/10/26	2.376	(1.8)	44.4	09/17/26	3.942	(1.1)	21.3	09/18/26	1.014	(0.5)	28.7
10/28/26	3.717	(0.5)	9.7	10/29/26	2.415	(2.0)	48.3	11/05/26	4.040	(2.3)	31.1	10/30/26	1.086	(0.9)	35.9
12/09/26	3.778	(0.7)	15.8	12/17/26	2.487	(2.5)	55.5	12/17/26	4.092	(2.0)	36.3	12/18/26	1.134	(0.9)	40.7
01/27/27	3.800	(1.5)	18.0					02/04/27	4.130	(2.4)	40.1				

Economic Releases

Developed Markets

- **US May Initial Jobless Claims**: 215.0k (MSe: 210k; C: 210.5k; P: 209k). Initial claims for the week ending May 23rd were 215k versus 210k in the previous week. On net, the jobless claims data sill support our view that labor market conditions have improved modestly since last year. Initial claims are a touch lower, suggesting fewer separations. Last year higher continuing claims pointed to lower job finding rates.
- **US April Personal Income**: 0.0% (MSe: 0.4%; C: 0.4%; P: 0.6%). Nominal personal income was flat in April. Real disposable personal income fell 0.5% m/m. Nominal labor compensation rose 0.2% m/m, somewhat weaker than we expected. Proprietors' income dragged down income, -2.7% m/m. This was a reversal of a similar rise from last month, which was due to the Farmer's Bridge Assistance Program, which provided $11bn to farmers through a one-time bridge payment. The program applications went through mid-April, so we had expected one more month of strength, but that did not show.
- **US April Real Personal Spending**: 0.1% (MSe: 0.1%; C: 0.1%; P: 0.2%). Real personal spending rose 0.1%m/m in April, with upward revisions to March of one-tenth. So far, the data on real goods or services spending does not clearly suggest a pull back by consumers on other purchases in response to the oil disruption. This is in line with our view that the initial impacts on spending from the oil shock will likely be first visible one quarter after the shock.
- **US April Core PCE Price Index**: 0.2% m/m(MSe: 0.25%; C: 0.3%; P: 0.3%). Core PCE inflation rose 0.24% m/m in April, close to our expectation (consensus 0.3%, MS estimate 0.25%). Headline came in at 0.40% (0.42% MS estimate, 0.5% consensus). The acceleration in core inflation in 1Q26 is partly driven by seasonal distortions early in the year, potentially amplified by tariffs. Core goods were pushed by tariffs again, but less than prior months – the tariff effect seems to be fading. The main factor keeping core goods elevated (and above our pre-CPI expectations) in April was software—a non tariffed category—potentially reflecting pricing pressures associated with AI enhancements in certain products.
- **US April Durable Goods Orders**: 7.9% (MSe: 4%; C: 4%; P: 0.8%). April durable goods orders came in stronger than expected, though the headline was led by aircraft (where orders are volatile). At the same time, core capital goods orders fell back after strong growth in the prior two months, while shipments continued to point to strength in underlying business investment momentum. Overall, business spending remained firm despite the geopolitical uncertainty in the Middle East.

- **US 1Q GDP Annualized**: 1.6% q/q(MSe: 1.9%; C: 2%; P: 2%). 1Q real GDP growth revised down to 1.6% vs our 1.9% and consensus 2.0% from the initially reported 2.0%. The revisions reflected consumption (1.4% after 1.6%) as expected on healthcare spend; plus inventories. The health care revisions may have been ACA rather than a sign of underlying softening in consumption. And we wouldn't extrapolate the inventory swing. The net result is little new signal for later GDP.
- **US April New Home Sales**: 622.0k (MSe: 680k; C: 660.1k; P: 682k). New home sales fell 6.2% m/m in April to 622k. Sales are near the low end of the range of the past two years. Starts haven't shown new weakness. Sales have fallen to the pace of natural turnover. We don't expect much further decline, but also no signs of pickup. We are tracking 2Q residential investment up 0.6% (q/q saar) versus 1.0% before the print.
- **Norway 1Q Mainland GDP**: 0.4% q/q (MSe: 0.3% q/q; C: 0.4%; P: 0.4%). The print came in at the top end of expectations, matching both the consensus and the prior quarter. The result is consistent with the anticipated support from higher oil-related exports in March, alongside positive contributions from government and household spending.
- **Sweden May Economic Tendency Survey**: 99.3 (P: —). The headline index edged up to 99.3, remaining close to the neutral 100 level. Focus will be on the sub-components — selling price expectations, manufacturing production plans, and consumer confidence — to assess whether fiscal support measures are sustaining household sentiment.
- **Euro Area May Economic Confidence**: -0.26 (MSe: 93.0; C: 92.5; P: 93.0); May Consumer Confidence Final: -19.0 (MSe: -19; C: -19; P: -19). Note that the Economic Confidence figure returned here is the Business Confidence indicator (EUBCI); the broader Economic Sentiment Indicator may differ. Consumer Confidence printed exactly in line with the flash estimate, consensus, and the prior reading, confirming no revision. Business confidence dipped into slightly negative territory, consistent with the view that geopolitical tensions and real income pressures continue to weigh on sentiment.
- **Belgium May CPI (flash)**: 4.08% y/y (MSe: 4.3% y/y; P: 4.0% y/y). The CPI

  reading, continuing the gradual upward drift in headline inflation. The HICP flash figure is not yet available in Bloomberg data as of this timestamp. The modest overshoot versus prior is consistent with the expected uptick in food inflation driven by base effects, partially offset by softer energy prices on the month reflecting lower TTF gas prices feeding through.
- **Canada March Payroll Employment Change – SEPH**: -31.8k (P: -60.2k). The March SEPH print showed a smaller decline than the prior month's revised -60.2k, suggesting some stabilization in the Canadian labor market. The improvement versus February is notable, though the labor market remains in contraction on this measure.

Emerging Markets

- **Hong Kong April Trade Balance**: -HKD29.5bn (C: -HKD42.0bn; P: -

HKD89.1bn); Exports: 42.9% y/y (C: 31.0%; P: 35.8%) and Imports: 44.4% y/y (C: 41.7%; P: 41.2%)

- **Brazil April Credit Indicators**: BRL 25.5 bn (P: -73.8 bn; C: 24.6 bn) The result improved materially from the prior month and came broadly in line with consensus.
- **Brazil April Unemployment Rate**: 5.80% (P: 6.10%; C: 5.90%) The print came in lower than last month and slightly below expectations, pointing to continued labor-market tightness.
- **Brazil April CAGED - formal job creation**: (P: 228,208; C: 216,500) Markets will focus on whether formal job creation confirms the broader tightness shown in the unemployment print.
- **Mexico April Unemployment Rate**: 2.46% (P: 2.42%; C: 2.69%) The print came in above the prior month but below consensus, keeping labor-market conditions relatively tight.

The Day Ahead

Developed Markets

- Thursday, 9:30pm BST - **Australia April Private Sector Credit** (MSe: 0.5% m/m, 7.5% y/y; C: 0.6% m/m; P: 0.7% m/m, 8.1% y/y). We see credit growth softening over the next six months across both housing and business.
- Friday, 7:00am BST - **Sweden April Retail Sales** (MSe: 1.0% m/m; P: 2.0%). We expect retail sales to pick up further in April, driven by food products and the VAT cut.
- 7:00am BST - **Sweden 1Q GDP Final** (MSe: 0.0% q/q; C: -0.1%; P: -0.2%). We expect the final GDP to be revised slightly to the upside, driven by improved March data.
- 7:45am BST - **France May HICP (flash)** (MSe: 2.8% y/y; C: 2.8%; P: 2.5%); **CPI (flash)** (MSe: 2.5% y/y; C: 2.5%; P: 2.2%). Two factors are expected to push headline CPI up: higher energy inflation and base effects from communications.
- 7:45am BST - **France 1Q GDP Final** (MSe: 0.0% q/q; C: 0.0%; P: 0.0%). In line with flash estimate.
- 8:00am BST - **Spain May HICP (flash)** (MSe: 3.6% y/y; C: 3.5%; P: 3.5%); **CPI (flash)** (MSe: 3.3% y/y; C: 3.3%; P: 3.2%). We expect headline inflation to rise mildly driven by higher core.
- 8:55am BST - **Germany May Unemployment Rate** (MSe: 6.4%; C: 6.4%; P: 6.4%). We expect a stable unemployment rate after a small uptick in April.
- 9:00am BST - **Italy April Unemployment Rate** (MSe: 5.3%; C: 5.3%; P: 5.2%). We expect a slight uptick as labour force increases after months of decline.

- 9:20am BST - **UK BoE Governor Andrew Bailey** speaks at the Reykjavik Economic Conference.
- 9:30am BST - **ECB Governing Council member Fabio Panetta** speaks in Rome.
- 10:00am BST - **Belgium 1Q GDP Final** (MSe: 0.2% q/q; P: 0.2%). In line with flash estimate.
- 10:00am BST - **Italy May HICP (flash)** (MSe: 3.2% y/y; C: 3.3%; P: 2.8%); **CPI (flash)** (MSe: 3.2% y/y; C: 3.1%; P: 2.7%). We expect energy inflation to move up in May, but core inflation should stabilize.
- 11:00am BST - **Italy 1Q GDP Final** (MSe: 0.2% q/q; C: 0.2%; P: 0.2%). In line with flash estimate.
- 12:15pm BST - **ECB Executive Board member Isabel Schnabel** speaks in Reykjavik.
- 1:00pm BST - **Germany May HICP (flash)** (MSe: 2.8% y/y; C: 2.9%; P: 2.9%); **CPI (flash)** (MSe: 2.7% y/y; C: 3.0%; P: 2.9%). We forecast headline inflation to decline on lower energy inflation, while core inflation is expected to be stable in CPI and rise in HICP.
- 2:35pm BST - **ECB Governing Council member Madis Müller** speaks in Reykjavik.
- 8:30am EST - **US April Advance Goods Trade Balance** (MSe:-89.5b ; C:-87.2b; P:-87.9b). Faster rising import prices probably pushed the deficit slightly wider in April, by $2 bn to $89.5 bn.
- 8:30am EST - **Canada 1Q Quarterly GDP Annualized** (C: 1.5%; P: -0.6%).

Emerging Markets

- 7:00am HKT - **Korea April Industrial Production** (C: 2.5% y/y; P: 3.6%)
- 9:00am HKT - **Philippines April Trade Balance** (C: -$4.5bn; P: -$4.5bn); **Exports** (C: 16.8% y/y; P: 20.4%) and **Imports** (C: 12.9% y/y; P: 12.3%)
- 10:00am HKT - **Singapore April Money Supply M2** (P: 5.6% y/y)
- 3:00pm HKT - **Thailand April Current Account Balance** (C: -$2.4bn; P: $600mn).
- 3:30pm HKT - **Thailand April Trade Balance** (P: -$ 146mn); **Exports** (P: 19.3% y/y) and **Imports** (P: 37.2% y/y); **May 22 FX Reserves** (P: $285.4bn)
- 4:00pm HKT - **Taiwan Preliminary 1Q26 GDP** (MSe: 13.7% y/y; C: 13.7%; Advance: 13.7%; P: 12.7%)
- **7:30pm HKT - India May 22 FX Reserves (P: $688.9bn)**
- 7:30am EST - Brazil April Primary Budget Balance (P: BRL -80.7 bn; C: 23.2 bn) Markets will watch whether the fiscal print confirms improvement after the prior deficit. Any downside surprise would

keep fiscal risk relevant for future cuts.

- 8:00am EST - **Brazil 1Q GDP** (Mse: 2.2% y/y; P: 1.80%; C: 1.80%) Our economists expect the print to be driven by still resilient economic activity, with 1.0% q/q versus 0.1% q/q in 4Q25. The market focus will be on whether activity remains strong enough to support BCB's restrictive stance.
- 9:00am EST - **Chile April Unemployment Rate** (P: 8.9%; C: 9.0%) Markets will watch whether labor conditions soften further.
- 11:00am EST - **Colombia April Urban Unemployment Rate** (P: 9.40%; C: 9.10%) The print will be relevant for assessing domestic demand ahead of the election.
- **Mexico April Public Balance** (P: MXN -207.3 bn) Markets will focus on the fiscal balance as a read-through for local rates and MXN. A wider deficit would keep attention on fiscal impulse and financing needs.

For more details, please refer to our economists' weekly reports and data previews:

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- *Japan*
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