Macro Note

Singapore: Oct 2025 MPS – Standing pat, hawkish tones

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- In the Oct 2025 MPS released this morning (8am SGT), MAS announced that it will maintain the prevailing rate of appreciation of the S$NEER policy band (est. 0.5% p.a.), with no changes to its width and the level at which it is centred. The move was aligned with Bloomberg consensus and our expectations.

- Singapore's growth posted a robust 1.3% q/q sa expansion in 3Q25 (2Q25: 1.5%) based on advance estimates, with the Singapore economy very likely averting a technical recession in 2025. The 3Q25 growth outturn exceeded officials' projections, where the Composite Leading Index (CLI) had pointed to a modest sequential contraction. We raise our full-year 2025 GDP forecast further to 3.2% (from 2.7% previously) and lift our 2026 projections to 1.8% (from 1.5% previously).

- The Oct 2025 MPS was viewed as fairly hawkish, in our assessment. While we assess that there is scope for MAS to ease policy further in 1H26 via a complete flattening of the S$NEER slope i.e. adjustment to a zero percent S$NEER band appreciation stance, the current policy settings will likely offer MAS greater flexibility to respond accordingly to dual-sided risks to both growth and inflation. **As such, we now expect MAS to maintain its current policy settings of a slight positive S$NEER band appreciation (est 0.5% p.a.) for the rest of 2025 and into 2026, and we will review our monetary policy outlook with incoming data. We no longer expect any policy easing at the Jan 2026 MPS.**

Oct 2025 MPS – MAS maintained prevailing rate of appreciation of S$NEER policy band

In the Oct 2025 MPS released this morning (8am SGT), MAS announced that it will maintain the prevailing rate of appreciation of the S$NEER policy band (est. 0.5% p.a.), with no changes to its width and the level at which it is centred. The decision was in line with Bloomberg consensus' (Fig 2), where 16 out of 20 analysts (80%) surveyed - including UOB - expected MAS to stand pat, while the remaining 4 projected a further reduction (flattening) of the S$NEER band slope. Refer to our preview note: Singapore: MPS Preview – Tilting slightly towards Jan 2026 easing over Oct 2025.

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Fig 1: Changes to S$NEER settings in past MPS

Source: MAS MPS Statements, UOB Global Economics & Markets Research

Date	Slope (%)	Width of Trading Band	Slope Decision	Policy Mid-Point Decision	Width Decision
13 Apr 2018	0.5%	+/- 2.0%	Increase Slightly	No Change	No Change
12 Oct 2018	1.0%	+/- 2.0%	Increase Slightly	No Change	No Change
14 Oct 2019	0.5%	+/- 2.0%	Reduce Slightly	No Change	No Change
30 Mar 2020	0.0%	+/- 2.0%	Set at 0%	Recentre Downwards at Prevailing S$NEER	No Change
14 Oct 2021	0.5%	+/- 2.0%	Increase Slightly	No Change	No Change
25 Jan 2022 (off-cycle)	1.0%	+/- 2.0%	Increase Slightly	No Change	No Change
14 Apr 2022	1.5%	+/- 2.0%	Increase Slightly	Recentre Upwards at Prevailing S$NEER	No Change
14 Jul 2022 (off-cycle)	1.5%	+/- 2.0%	No Change	Recentre Upwards at Prevailing S$NEER	No Change
14 Oct 2022	1.5%	+/- 2.0%	No Change	Recentre Upwards at Prevailing S$NEER	No Change
24 Jan 2025	1.0%	+/- 2.0%	Reduce Slightly	No Change	No Change
14 Apr 2025	0.5%	+/- 2.0%	Reduce Slightly	No Change	No Change
14 Oct 2025	0.5%	+/- 2.0%	No Change	No Change	No Change

Fig 2: MAS Sep 2025 SPF vs Bloomberg MAS Survey – Slight downshift in core inflation projections for both 2025 and 2026

Source: MAS, Bloomberg, UOB Global Economics & Markets Research
*The respondents for the two sets of surveys may be different.

	MAS Sep 2025 Survey of Professional Forecasts (Sent out on 12 Aug, Released 3 Sep)	Bloomberg MAS Survey (Released 10 Oct)	Difference
% Reduced Slope	42.1%	20.0%	-22.1%
% Downward Recentering	0.0%	0.0%	0.0%
2025 GDP Median	2.4%	2.5%	0.1%
2025 Core Inflation Median	0.7%	0.5%	-0.2%
2025 Headline Inflation Median	0.9%	0.9%	0.0%
2026 GDP Median	1.9%	1.8%	-0.1%
2026 Core Inflation Median	1.3%	1.1%	-0.2%
2026 Headline Inflation Median	1.4%	1.5%	0.1%

Singapore's economy posted a robust 1.3% q/q sa expansion in 3Q25 (2Q25: 1.5%) according to the advance estimates released this morning, with the Singapore economy very likely averting a technical recession in 2025. The strong outturn was driven by a sharp sequential rebound in manufacturing (6.1% q/q sa, 2Q: -0.7%) and continued resilience in modern services (info & comm, finance & insurance, professional services). The flat y/y print in manufacturing (0.0%) in 3Q25 implies a strong m/m sa rebound in Sep's industrial production (IP), estimated at 9.2% m/m sa, 0.5% y/y (Aug: -9.7% m/m sa, -7.8% y/y).

The 3Q25 growth outturn exceeded officials' projections announced on 12 Aug during the release of the 2Q25 Economic Survey of Singapore, where the Composite Leading Index (CLI) had pointed to a modest sequential contraction of -0.5% q/q sa in 3Q25. The 3Q25 growth performance was likely supported by resilience in trade-related sectors, as reflected in the Jul-Aug monthly activity indicators such as real NORX (Jul-Aug: 20.5% y/y, 2Q: 31.0%), container throughput (Jul-Aug: 7.7% y/y, 2Q: 8.6%) and sea cargo handled (Jul-Aug: 2.7% y/y, 2Q: -4.6%). However, signs of "payback" from the earlier front-loading are beginning to emerge in Aug exports data across several Asia economies (including Singapore), compounded by the impact of US tariffs. In our view, a few more readings will be needed to ascertain a trend, given Sep exports data out of China, South Korea, Vietnam has been somewhat resilient.

Fig 3: 3Q25 GDP likely exceeded officials' projections announced on 12 Aug, where the CLI implied a -0.5% q/q sa contraction for the quarter

Source: Macrobond, UOB Global Economics & Markets Research

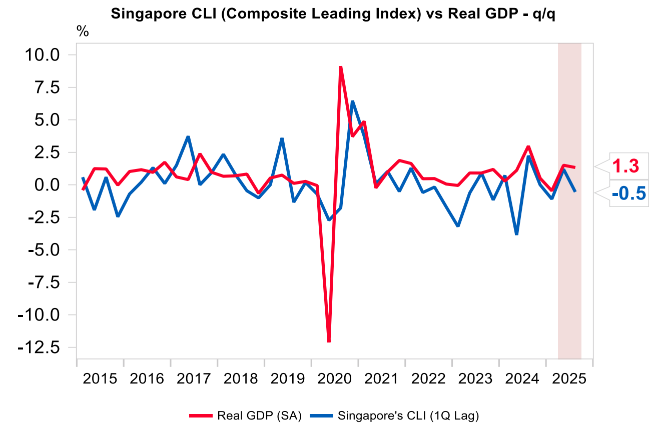
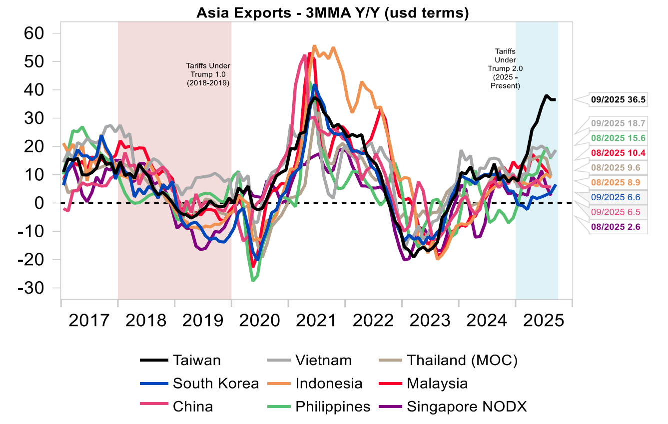


Fig 4: Emerging signs of "payback" from the earlier front-loading - with Asia's exports softening in Aug

Source: Macrobond, UOB Global Economics & Markets Research



We raise our full-year 2025 GDP forecast further to 3.2% (from 2.7% previously) and lift our 2026 projections to 1.8% (from 1.5% previously). Our baseline forecast assumes a modest q/q sa pullback in 4Q25, followed by below-trend sequential growth into 2026, reflecting the delayed impact of US tariffs. **Downside tail risks to our outlook could stem from:**

[1] a more permanent and full-blown re-escalation in China-US tensions, leading to punitive tit-for-tat tariffs (>100%). However, we see scope for de-escalation (note)

[2] exorbitant sector-specific tariffs on US pharma and semiconductor imports.

The 100% US tariffs on branded or patented pharma imports - originally set to take effect on 1 Oct has possibly been delayed (Politico, 1 Oct). Two major pharma players thus far are reported to have reached agreements with Trump to secure some tariff reliefs, while negotiations with other firms are likely still ongoing. As noted by DPM Gan in his recent press conference (CNA, 27 Sep), many pharma firms in Singapore may qualify for exemptions, given their existing US investment plans. However, clarifications are being sought to determine whether these plans meet the exemption criteria. Pharmaceuticals accounted for a sizeable 12.3% share of Singapore's domestic exports to the US in 2024.

Global spillovers from secular AI-related investment demand have led to a clear outperformance in the electronics sector relative to non-electronics, as evidenced by a broad range of indicators, including IP/NODX/NORX/PMI (Fig 5). The Sep electronics PMI showed sustained improvement, rising by 0.3pts to 50.7, driven by stronger readings in the subindices for new orders (Sep: 51.1, Aug: 50.8), output (Sep: 50.6, Aug: 50.3) and employment (Sep: 50.2, Aug: 49.9). Notably, the orders to inventories ratio (scaled to 100) for the electronics PMI outpaced that of the overall PMI, suggesting a potentially more measured moderation in electronics IP in the coming months.

Fig 5: Global spillovers from secular AI-related investment demand have led to a clear outperformance in the electronics sector relative to non-electronics

Source: Macrobond, UOB Global Economics & Markets Research

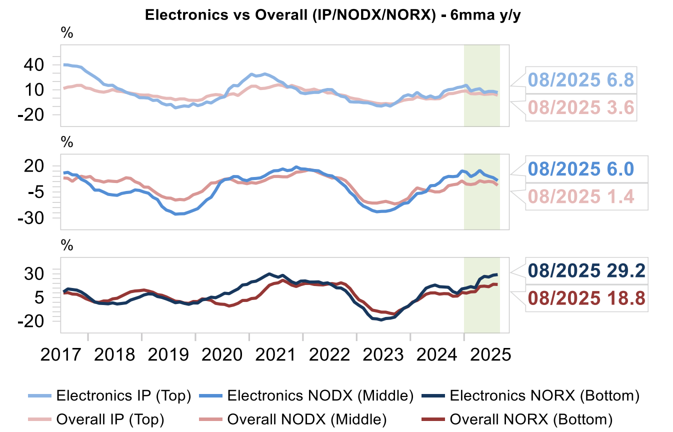
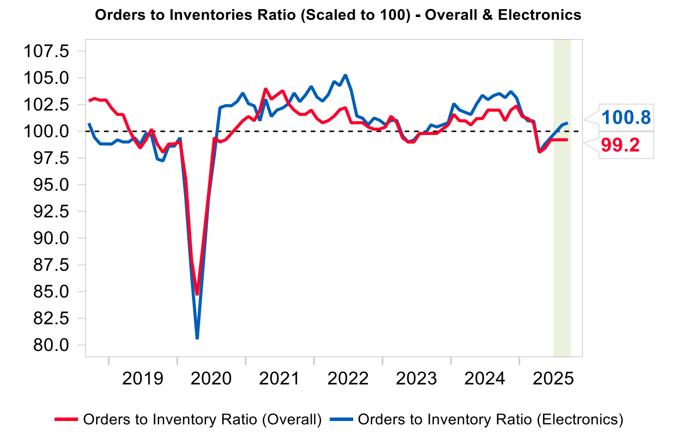


Fig 6: Orders to inventories ratio for electronics PMI outpaced that of the overall PMI

Source: Macrobond, UOB Global Economics & Markets Research



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The Oct 2025 MPS was viewed as fairly hawkish, in our assessment.

Firstly, the statement made a concerted effort to emphasize that both domestic and possibly global growth has surpassed expectations, accompanied by a more optimistic outlook. Notably, "*robust AI-related investments has buoyed manufacturing production and trade in Singapore's major trading partners*" while "*international production networks have demonstrated some flexibility in adapting to tariffs, while global financial conditions remain accommodative and supportive of investment including in the IT sector*". **For 2025, MAS assessed that the output gap will remain positive, in contrast with the Jul MPS statement that the 2025 "output gap is projected to average around zero percent".** On the outlook, MAS expects global growth to moderate in the coming quarters, but **the extent of the downturn should be contained.** Similarly, while Singapore's GDP growth is expected to slow in 2026 in line with external developments, MAS assesses that growth will remain at a **near-trend pace, such that the output gap narrows to around 0%.**

Secondly, on inflation, MAS seemed to hint at reflationary prospects heading into 2026. In particular, MAS noted that while core inflation could edge down further in the near term, *"some of the factors dampening inflation are expected to* ***diminish*** *in the quarters ahead. Imported costs should* ***exert a smaller drag*** *on inflation in 2026, given projections for a more gradual decline in global crude oil prices, as well as a* ***modest pickup in regional inflation*** *from easing this year".* Nonetheless, MAS' 2026 core inflation forecast of 0.5-1.5% (mid: 1.0%) implies that core inflation will remain below the historical average of ~1.7% for a second year running (2025 MAS/UOBF: 0.5%).

On the monetary policy decision, the addition of the word "effectively" to the phrase that "MAS is in an appropriate position to respond effectively to any risk to medium-term price stability" which appeared in the Jul 2025 MPS, taken in conjunction with the observation that "**the level of the S$NEER since the Jul policy preview has been similar to that in the preceding three months**" suggests that MAS may prefer to conserve policy space. Given the presence of dual-sided risks to both growth and inflation, the current stance of a mild S$NEER band appreciation (est 0.5% p.a.) could be deemed more appropriate.

Fig 7: MAS Statement Comparison (Jul 2025 MPS vs Oct 2025 MPS)

Source: MAS MPS Statements, UOB Global Economics & Markets Research

	Jul 2025 MPS	Oct 2025 MPS
S$NEER	Since then, the S$NEER has **strengthened toward the top of the policy band** amid the broad-based depreciation in the US$.	After keeping close to the top of the policy band in August, the S$NEER has eased in recent weeks as appreciation pressures ebbed. On average, **the level of the S$NEER since the July policy review has been similar to that in the preceding three months**.
External & Domestic Growth Developments	Global economic growth has been **more resilient than earlier anticipated**. Worldwide manufacturing production and trade remained steady, supported by the **front-loading of orders and continued AI-related investments**. MTI's Advance Estimates showed that the Singapore economy expanded by 4.3% year-on-year in Q2 2025. Growth momentum **was stronger than expected**, registering 1.4% on a quarter-on-quarter seasonally-adjusted basis, a reversal of the –0.5% a quarter earlier. The robust performance was mainly driven by the trade-related cluster, even as the pace of expansion in several domestic-oriented sectors eased.	The global economy has **remained broadly resilient** since the last monetary policy review. The staggered implementation of tariffs by the US has sustained the front-loading of shipments globally which, alongside **robust AI-related investments**, has buoyed manufacturing production and trade in Singapore's major trading partners. Advance estimates from MTI today show that the Singapore economy expanded by 1.3% on a quarter-on-quarter seasonally-adjusted basis in Q3 2025, only slightly slower than the 1.5% recorded in the previous quarter. **Growth surpassed expectations,** underpinned by resilient activity in the manufacturing and domestic consumer-facing sectors. On a year-on-year basis, GDP growth came in at 2.9%, compared with 4.5% in Q2.
External Outlook	Over the rest of the year, (global) **growth momentum should moderate** as **front-loading activity dissipates**, while the drags on demand exerted by **policy uncertainty intensify**, and **previously delayed tariffs are implemented**. However, the **risk of a sharp step-down in global growth in the near term has receded** along with the **general de-escalation in trade tensions** as well as more benign financial conditions since April.	In the quarters ahead, **global growth should moderate as front-loading activity dissipates** while **labour markets soften and spending slows**. **However, the extent of the downturn should be contained.** International production networks have demonstrated **some flexibility in adapting to tariffs**, while **global financial conditions remain accommodative** and **supportive of investment, including in the IT sector.**
Domestic Growth Outlook	Singapore's GDP growth is projected to **moderate in the second half of 2025** from its strong pace in H1. In particular, the **trade-related sectors** should see some pullback, even as activity in the construction sector as well as **segments within financial services are supported by a pickup in infrastructure investment and** **more accommodative financial conditions**. Prospects for the Singapore economy remain subject to **significant uncertainty**, **especially in 2026**. **Changes in effective tariff rates worldwide could impact the performance of Singapore's externally-oriented sectors. Renewed trade conflict, financial or geopolitical shocks** would also exacerbate the drags posed by the global slowdown, and in turn weigh on domestic GDP growth.	Singapore's GDP growth is **expected to moderate from this above-trend pace in the upcoming quarters** as activity normalises in the trade-related sectors. However, **continuing global investments related to AI will provide some support to the domestic manufacturing sector**, while growth in construction and financial services should be bolstered by infrastructure investment and accommodative financial conditions, respectively. The Singapore economy has **expanded at an above-trend rate** of 3.9% on a y-o-y basis in Q1–Q3 this year. **MAS assesses that the output gap should stay positive for the year as a whole.** In 2026, GDP growth is projected to slow in line with external developments to a **near-trend pace, such that the output gap narrows to around 0%.** The GDP growth forecasts for 2025 and 2026 will be announced in November by MTI. Uncertainty around the economic outlook has receded somewhat with the conclusion of some trade deals between the US and various countries. MAS is monitoring closely the actual implementation of the tariffs, and the risks of renewed trade conflict and disruption. At the same time, further increases to effective tariff rates, including from product-specific duties, could impact the performance of Singapore's externally-oriented sectors while still-elevated global policy uncertainty could also weigh more heavily on hiring and investments with a lag. **An abrupt correction in the AI investment boom and the associated exuberance of financial markets is another downside risk to the growth outlook.**
Domestic Inflation Developments	MAS Core Inflation was stable at 0.6% y-o-y in Q2 2025, unchanged from the previous quarter, as hikes in administrative prices offset falling inflation for most other goods and services. Overall, the pace of consumer price increases was **subdued**, owing to **modest imported and domestic cost pressures**, as well as **weak consumer spending** for some CPI components.	MAS Core Inflation eased to 0.4% y-o-y in Jul–Aug 2025, from 0.6% in Q2. Inflation **slowed for most goods and services**, reflecting fresh government subsidies for long-term care services as well as **subdued imported and moderating domestic cost pressures.** Imported costs for items such as crude oil, capital, intermediate, and some retail goods fell and passed through to consumer prices. Meanwhile, **unit labour cost growth has slowed with the decline in wage growth and the step up in labour productivity.**
Domestic Inflation Outlook	In the near term, inflationary pressures **should remain contained**. On the external front, **ample global oil supplies and falling regional producer prices** will tamp imported costs. Lower **nominal wage growth and continuing increases in labour productivity** will also dampen **domestic unit labour costs.** MAS Core Inflation is projected to edge up slightly from the later part of 2025, as the **disinflationary impact of enhanced healthcare subsidies introduced late last year, as well as that of the global oil price decline, tapers**. **For 2025 as a whole, MAS Core Inflation and CPI-All Items inflation are forecast to average 0.5–1.5%.** The inflation outlook in the quarters ahead is subject to **both upside and downside risks**. **Geopolitical shocks could lift imported energy and shipping costs abruptly.** Conversely, should global and domestic growth be more hesitant and weaker than anticipated, core inflation could **stay low for longer.**	While core inflation **could edge down further in the near term**, **some of the factors dampening inflation are expected to diminish in the quarters ahead. Imported costs should exert a smaller drag on inflation in 2026, given projections for a more gradual decline in global crude oil prices, as well as a modest pickup in regional inflation from the easing this year.** On the domestic front, **services unit labour costs growth is projected to rise in 2026 as productivity growth normalises.** Private consumption is likely to remain steady amid healthy household balance sheets and a broadly resilient labour market. The net drags on inflation associated with administrative price changes and their base effects should also unwind more discernibly from Q4 this year. All in, **MAS Core Inflation is forecast to trough in the near term and rise gradually thereafter. It should average around 0.5% for 2025 as a whole and come in between 0.5–1.5% in 2026. CPI-All Items inflation, which fell to 0.6% in Jul–Aug, should average 0.5–1.0% this year. It is forecast to come in at 0.5–1.5% in 2026, with the anticipated pickup in core inflation offset to an extent by non-core components.** Accommodation inflation is projected to ease as the more modest growth in market rents passes through to the CPI. Increases in private transport inflation should also be tempered by the further increase in COE supply. **The inflation outcome is subject to risks. Supply shocks, including those stemming from geopolitical developments, could lift some imported and shipping costs abruptly. Conversely, core inflation could stay lower for longer should growth be more hesitant and weaker than projected.** Another significant decline in global oil prices could also temporarily tamp down the pace of price increases.
Monetary Policy Assessment	**The global and domestic economies have been resilient thus far.** GDP growth in Singapore is expected to slow in H2, with the level of output falling slightly below potential. However, **for 2025 as a whole, the output gap is projected to average around zero percent.** Underlying inflationary pressures should remain contained in the near term. Given the uncertainties, MAS will closely monitor global and economic developments, and remain vigilant to risks to inflation and growth.	MAS has eased monetary policy twice this year. **Singapore's economic growth has turned out stronger than expected and the output gap will remain positive in 2025 and come in around 0% next year. MAS Core Inflation should trough in the near term and rise gradually over the course of 2026 as temporary factors dampening inflation fade.**
Monetary Policy Action	**MAS will maintain the prevailing rate of appreciation of the S$NEER policy band.** There will be no change to its width and the level at which it is centred. MAS had eased monetary policy twice earlier this year, and **is in an appropriate position to respond to risks to medium-term price stability.**	**MAS will therefore maintain the prevailing rate of appreciation of the S$NEER policy band.** There will be no change to its width and the level at which it is centred. MAS **is in an appropriate position to respond effectively to any risk to medium-term price stability** and will continue to closely monitor economic developments amid uncertainties in the external environment.

Price pressures remain subdued. Year-to-date (YTD) core inflation averaged 0.6% in Aug (full-year 2024: 2.8%). Core inflation recorded a sequential m/m nsa decline in 4 out of the 8 months YTD, with weak upticks in the remaining months - except Apr, which saw a meaningful increase due to water tariff hikes and phased MediShield Life premium adjustments. Our calculations show that core inflation momentum (3m/3m sa) has been below historical norms (2011-2019 average) for 15 consecutive months since Jun 2024. **There is evidence of broad-based demand-driven disinflation**: inflation pervasiveness (Fig 9) – measured by the share of CPI items with y/y inflation above 2%, fell to 25.5% in Aug (Jul: 28.7%), well below the 2016-2019 average of 31.3%.

Fig 8: Core inflation momentum softened further in Aug and has been weaker than historical norms for the 15th consecutive month

Source: Macrobond, UOB Global Economics & Markets Research

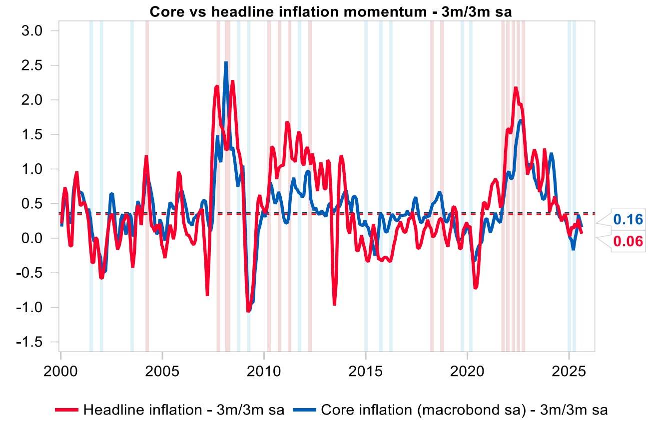
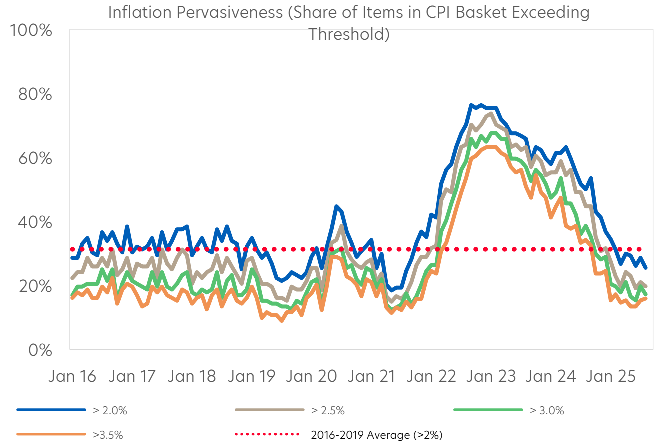


Fig 9: Share of CPI basket items with inflation exceeding 2% y/y slid further

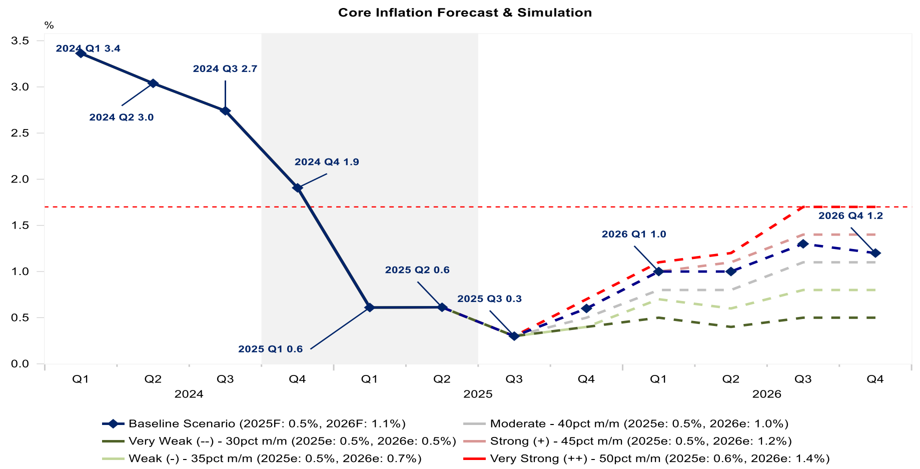
Source: Macrobond, UOB Global Economics & Markets Research



Simulated core inflation trajectories (Fig 10), generated by extrapolating seasonally-adjusted m/m inflation of varying intensities (30th-50th percentile of 2011-2019 readings) across various core CPI components point convincingly to a second successive year of below historical average core inflation. With core momentum below historical norms for the 15th straight month, extrapolating the recent momentum aligns most closely to the "very weak" or "weak" scenarios. Accordingly, our baseline core inflation projections (2025F: 0.5%, 2026F: 1.1%) are somewhat conservative and assumes some degree of reflation into 2026. Importantly, even under a "very strong" scenario - where m/m sa price increases reverts immediately to historical averages across most components- full-year core inflation will still undershoot historical averages for a second year running, with y/y core inflation recovering to the 1.7% handle only by 3Q26.

Fig 10: Core inflation simulations under various price momentum assumptions points to a second successive year of below historical average core inflation

Source: Macrobond, UOB Global Economics & Markets Research



We analyzed a broad set of macroeconomic indicators preceding the past four slope flattening episodes (Jul-01, Oct-08, Apr-16, Mar-20) to assess whether current conditions justifies a move to flatten the S$NEER band slope. **Greater emphasis was placed on the more recent decisions (Apr 2016 and Mar 2020 MPS).** Key observations include:

[1] Inflation: Both domestic and external inflation indicators have met the criteria required for further easing in the Oct 2025 MPS.
[2] Growth: However, the current growth momentum is significantly stronger than consistent with historical slope flattening episodes.
[3] Forecast changes: Past slope-flattening episodes (except Oct-08) were typically accompanied by a downward revision of at least 25bps to the full-year MAS (core) inflation forecast range. While MAS' 2025 core inflation point forecast of 0.5% implies a 50bps downshift to the current full-year projection (compared to the Jul MPS), the 2026 core forecast of 0.5-1.5% (mid: 1.0%) reflects some degree of reflation in 2026, although this could be largely due to base effects.

While we assess that there is scope for MAS to ease policy further in 1H26 via a complete flattening of the S$NEER slope i.e. adjustment to a zero percent S$NEER band appreciation stance, the current policy settings offers MAS greater flexibility to respond accordingly to dual-sided risks to both growth and inflation. **As such, we now expect MAS to maintain its current policy settings of a slight positive S$NEER band appreciation (est 0.5% p.a.) for the rest of 2025 and into 2026, and we will review our monetary policy outlook with incoming data. We no longer expect any policy easing at the Jan 2026 MPS.**

Moreover, monetary conditions have already eased de facto—particularly since late Aug—reflected in the decline in the 3M compounded SORA year-to-date and the gradual downdrift of the S$NEER position within the policy band.

Fig 11: Macroeconomic indicators preceding past slope flattening episodes

Source: Macrobond, MAS Monetary Policy Statements, UOB Global Economics & Markets Research

Past Slope Flattening Episodes	GDP 2qma y/y (1Q before)	2q/2q sa (1Q before)	Core inflation 3mma y/y (1m before)	Core inflation 3m/3m sa (1m before)	Import-weighed inflation 3mma y/y (1m before)	IPI 3mma y/y (1m before)	Job Vacancies to Seekers Ratio (2Q before)	Overall ULC (2Q before)	Inflation Forecast Levels	Inflation Forecast Change (vs Prior MPS)
Jul-01	2.9%	-1.7%	2.3%	0.29%	2.0%	0.8%		4.7%	2001 headline: 1-1.5% (mid: 1.25%)	**-25bps** prev: 2001 headline 1.0-2.0% (mid 1.5%)
Oct-08	1.6%	-1.6%	5.7%	0.74%	4.2%	7.5%	0.99	0.0%	2008 headline: 6-7% (mid: 6.5%)	**+125bps** prev: 2008 headline - upper half of 4.5-5.5% (est: 5.25%)
Apr-16	2.8%	1.1%	0.5%	0.27%	1.3%	-9.1%	1.12	2.3%	2016 core: lower half of 0.5-1.5% range (est: 0.75%)	**-25bps** prev: 2016 core: 0.5-1.5% (mid: 1.0%)
Mar-20/Apr-20	1.2%	0.6%	0.3%	0.06%	1.7%	-1.6%	0.85	1.1%	2020 core: -1 to 0% (mid: -0.5%)	**-150bps** prev: 2020 core: 0.5-1.5% (mid: 1.0%)
Average (Latest 2)	**2.0%**	**0.9%**	**0.4%**	**0.17%**	**1.5%**	**-5.3%**	**0.99**	**1.7%**		
Oct-25	3.7% (3Q25 ae)	1.9% (3Q25 ae)	0.4% (Aug 2025)	0.16% (Aug 2025)	1.5% (Aug 2025)	-5.4% (Aug 2025)	1.35 (2Q25)	-0.7% (2Q25)	**2025 core: 0.5%**	**-50bps prev: 2025 core: 0.5-1.5% (mid: 1.0%)**
Criteria (vs Average)	X	X	O	O	O	O	X	O		
Criteria (vs either Apr-16 or Mar-20)	X	X	O	O	O	O	X	O		

Fig 12: Monetary conditions have already eased de-facto reflected in the decline in 3M compounded SORA YTD...

Source: Bloomberg, Macrobond, UOB Global Economics & Markets Research

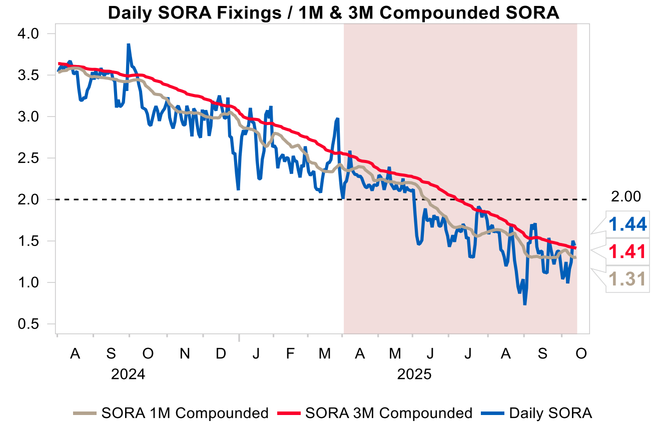
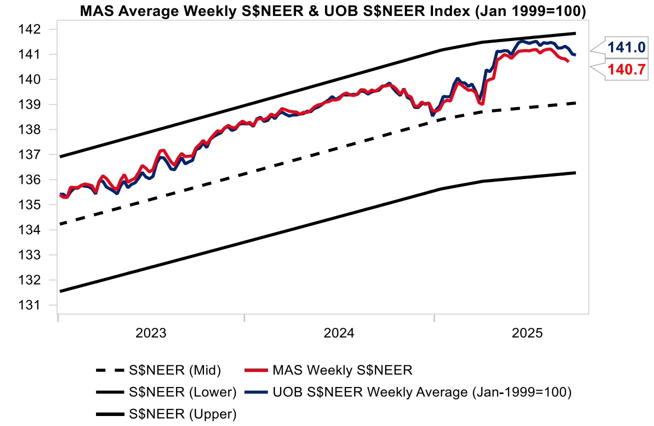


Fig 13: ... coupled with a gradual downdrift of the S$NEER position within the policy band since late Aug

Source: Bloomberg, Macrobond, UOB Global Economics & Markets Research



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