Asia week ahead: Rate decisions in Japan, Australia, Taiwan and key China data

Japan, Australia and Taiwan will announce interest rate decisions, while China releases key data on retail sales, fixed-asset investment, industrial production and housing prices

Asia Research highlights of the week

China's inflation hits 37-month high ahead of upcoming oil price shock
Japan's stronger GDP and limited gas price risks support a BoJ rate hike in June
China's trade growth starts 2026 strong with biggest gain in four years
Oil shock for Asia: identifying the key pressure points
South Korea's gasoline price cap should anchor CPI inflation near 2%

Japan: BoJ expected to keep rates steady amid global uncertainty

We expect the Bank of Japan to keep its benchmark rate at 0.75% on Thursday as policymakers assess the impact of earlier hikes. We believe a minor vote in favour of a rate hike is possible. It will be important to examine closely how the BoJ evaluates the economic fallout from the Middle East conflict and the results of the spring wage negotiations. These factors will influence whether a rate hike occurs in April or June.

Australia: Macro data to support a rate hold

With most of the macro data since the last policy review — including CPI inflation, growth, and labour indicators — remaining strong, a rate hike by the Reserve Bank of Australia is certainly on the table for Tuesday. But given the current global uncertainty, we think the RBA is more likely to wait until May. This would give policymakers additional time to assess whether inflationary pressures are broadening beyond housing.

China: Overall sluggish growth expected

China is scheduled to release a number of hard economic activity reports for January and February on Monday. We expect the data to show that the domestic economy continues to get off to a sluggish start in 2026. We look for a slight recovery in retail sales to 1.5% year-on-year, and for fixed-asset investment to start the year soft at 2.0% YoY after a record-low contraction in 2025. Industrial production is likely to be the lone bright spot, with 5.0% YoY growth expected for the first two months of the year. The National Bureau of Statistics will publish its 70-city housing price data. It's expected to show further deterioration in February. Policymakers have signalled the importance of domestic demand this year. But it will likely take time for data to show the economy starting to recover.

Taiwan: Steady rates expected amid consistent growth

We expect no change in Taiwan's 2% benchmark interest rate when the central bank meets on Thursday. With inflation under target and growth consistently exceeding expectations, there's no urgency to either cut rates or hike them at this point. Additionally, export orders are set for release on Friday. We expect a Lunar New Year-related slowdown to 17.2% YoY, down from 60.1% in January.

Key events in Asia next week

Country	Time (GMT+8)	Data/event	ING	Prev.
		Monday 16 March		
China	1000	Feb Fixed Asset Investment (YoY%. ytd)	2	-3,8
	1000	Feb Industrial Output (YoY%)	5	5,2
	1000	Feb Retail Sales (YoY%)	1,5	0,9
India	1430	Feb WPI Inflation (YoY%)	-	1,8
	1830	Feb Unemployment Rate	-	5,0
	1830	Feb Balance of Trade (USD bn)	-	-34,7
		Tuesday 17 March		
Australia	1130	Mar RBA Cash Rate	3,85	3,85
Indonesia	1530	Interest Rate Decision	-	4,75
		Wednesday 20 March		
Japan	0750	Feb Exports (YoY%)	2	16,8
	0750	Feb Imports (YoY%)	12	-2,5
	0750	Feb Trade Balance (JPY bn)	-1000	-1152,7
South Korea	0700	Feb Unemployment Rate	2,7	3
		Thursday 19 March		
Japan	1100	BoJ Rate Decision	0,75	0,75
Australia	0830	Feb Unemployment Rate	-	4,1
Philippines	1600	Jan Budget Balance (PHP bn)	-	-313,2
Taiwan	1600	Interest Rate Decision	2	2,00
	1620	Feb Money Supply - M2 (YoY%)	-	5,2
		Friday 20 March		
China	0900	Mar Loan Prime Rate 1Y	-	3
	0900	Mar Loan Prime Rate 5Y	-	3,5
Taiwan	1600	Feb Export Orders (YoY%)	17,2	60,1

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