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Developed Asia Economic Outlook Webinar: Shifting Gears

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November 2025

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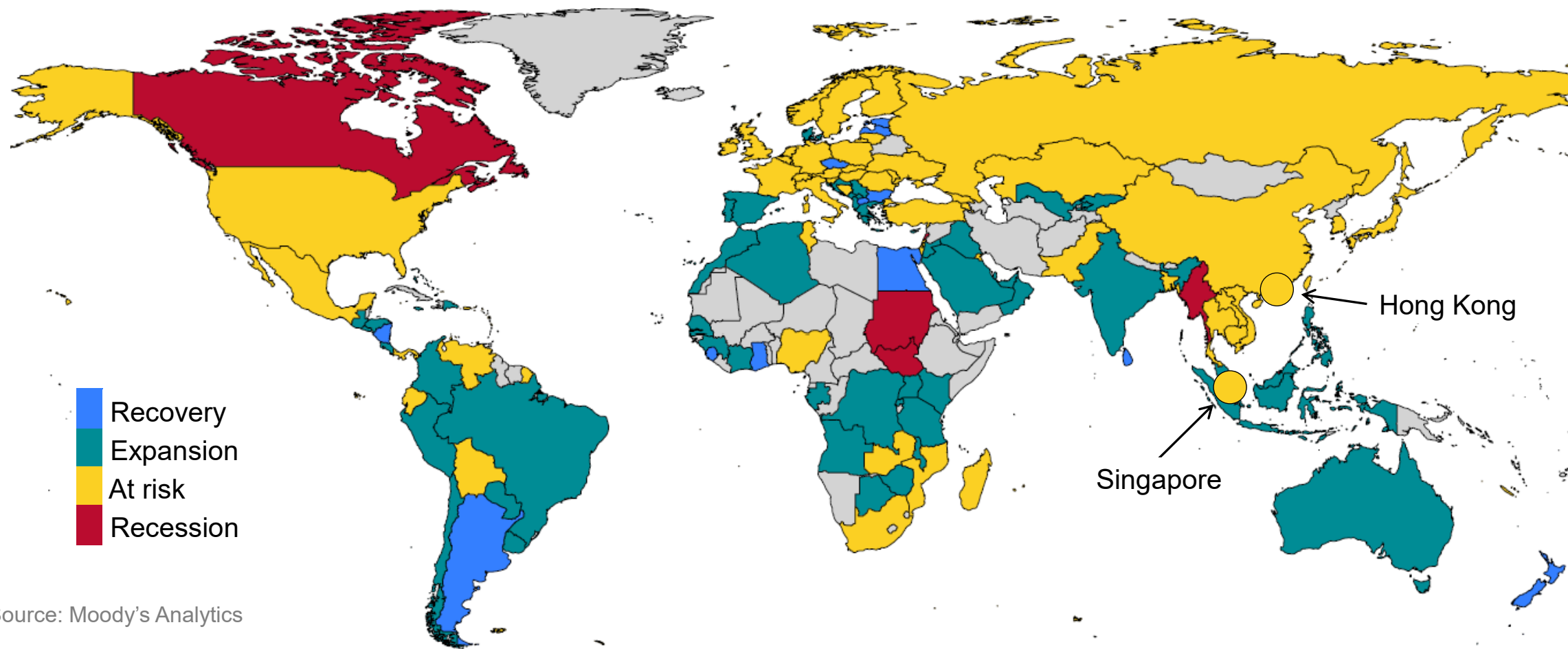
Risks

The background of the slide is a solid dark blue. Overlaid on this are several sets of thin, light blue wavy lines. These lines form a complex, layered pattern that resembles a stylized landscape or a series of overlapping waves. The lines are most dense and prominent in the upper left and lower right corners, creating a sense of depth and movement. The overall effect is modern and professional.

Forecast Assumptions

Plenty Could Go Wrong

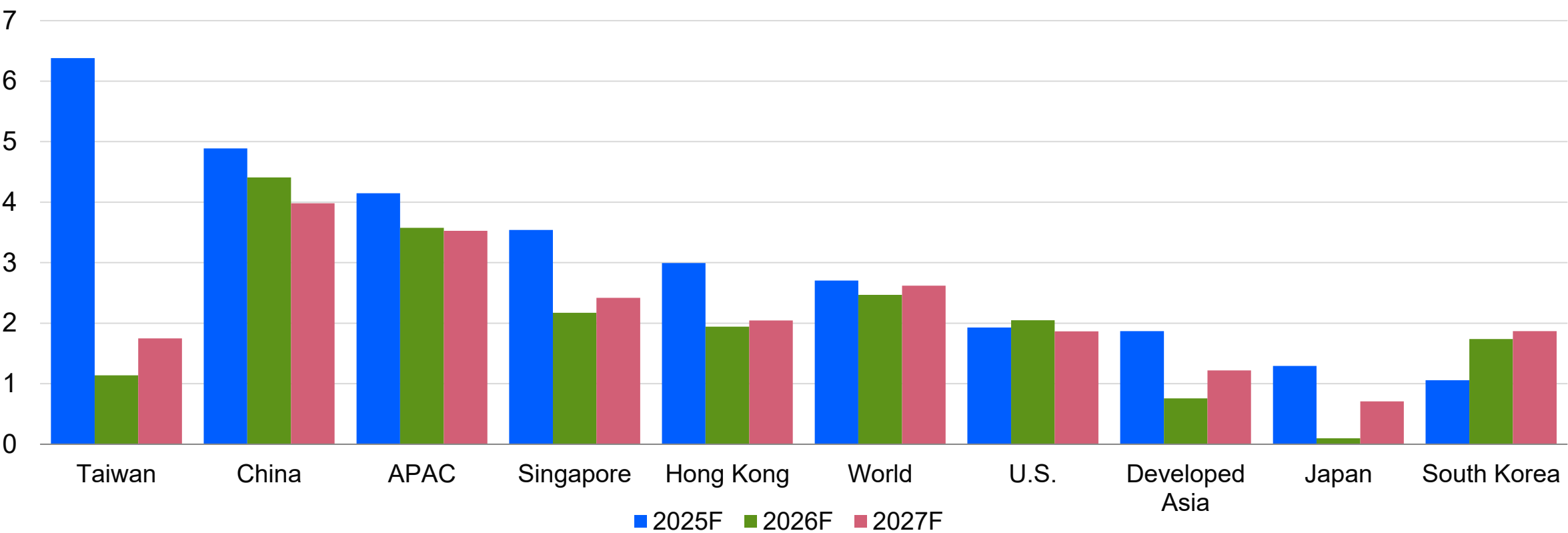
Moody's Analytics Global Business Cycle Status, Nov 2025



Source: Moody's Analytics

Growth Is Set to Slow

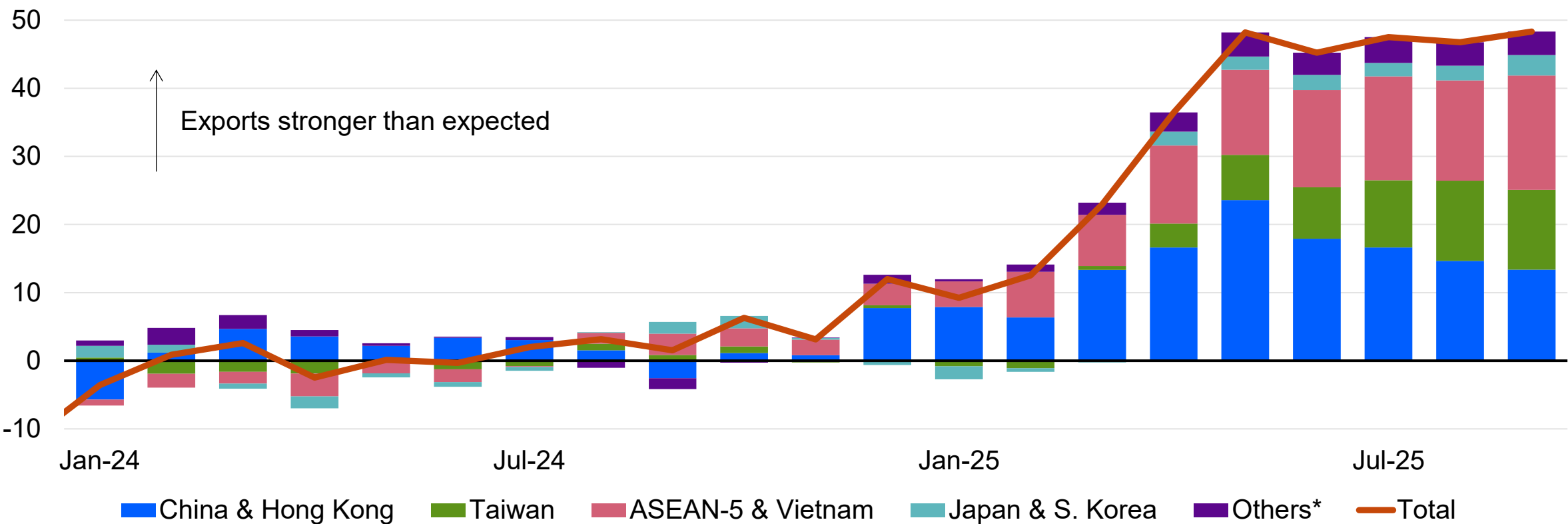
Real GDP, % change, Nov 2025 baseline



Source: Moody's Analytics

Front-Loading Has Peaked

Nominal goods exports, deviation from Jan 2023-Dec 2024 trend, \$ bil

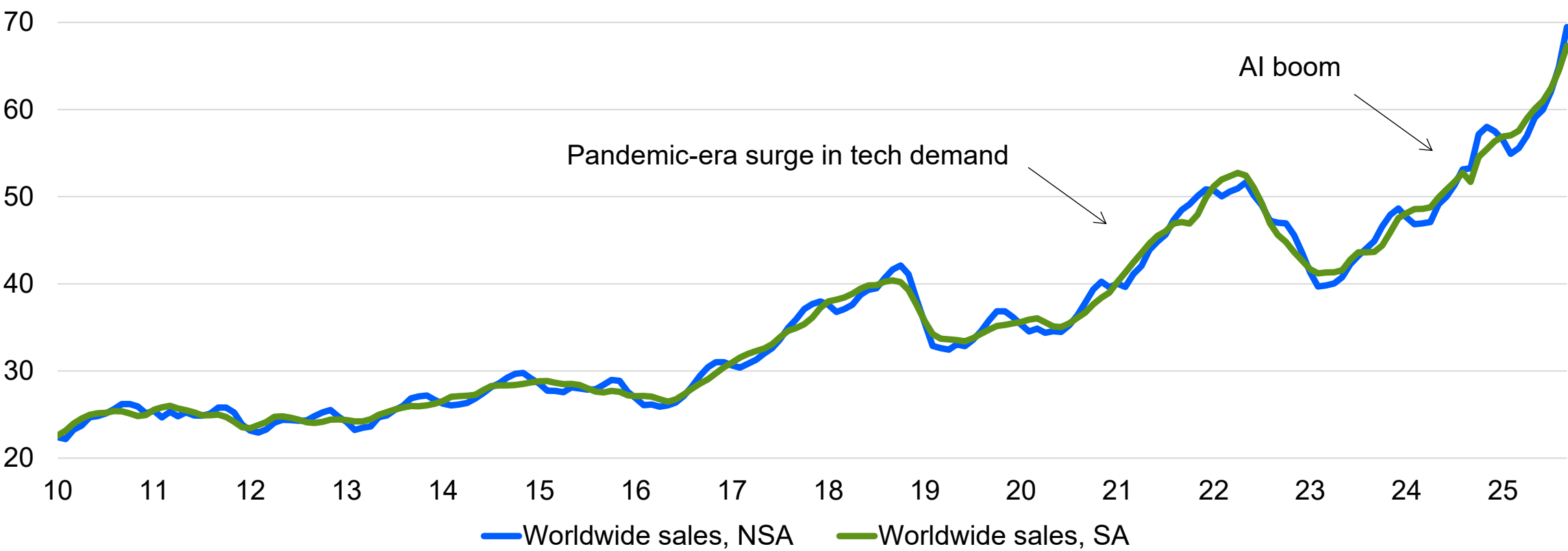


* Comprises Australia, New Zealand and India.

Sources: National statistical offices, Moody's Analytics

Chip Billings Going Strong

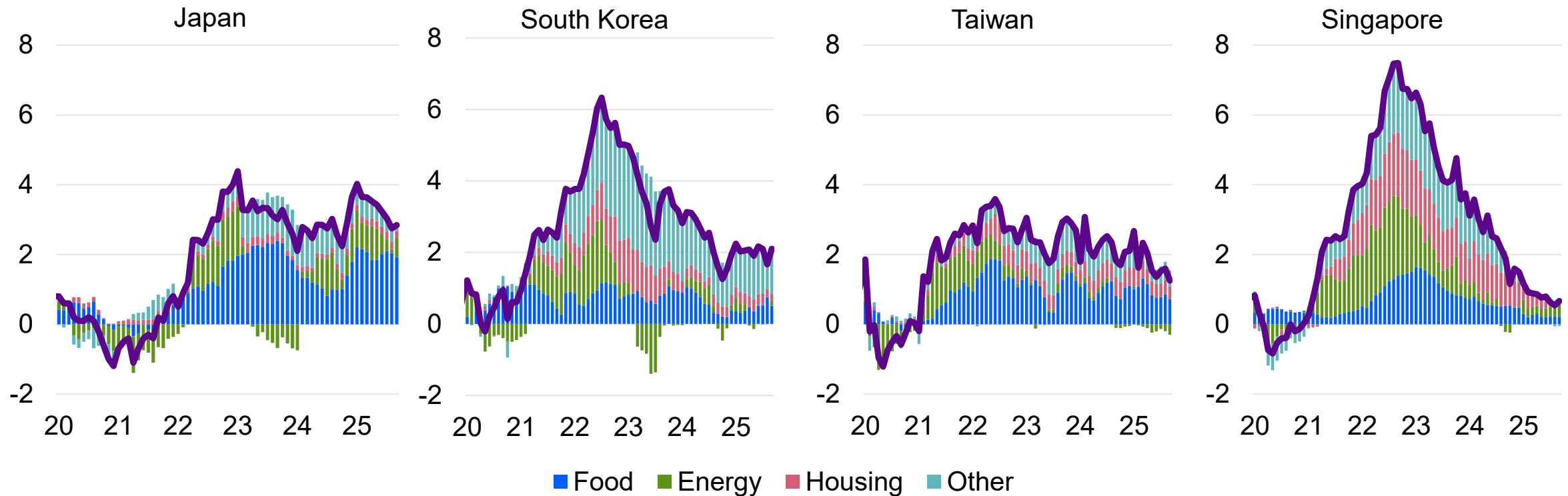
\$ bil, 3-mo MA



Sources: SIA, Moody's Analytics

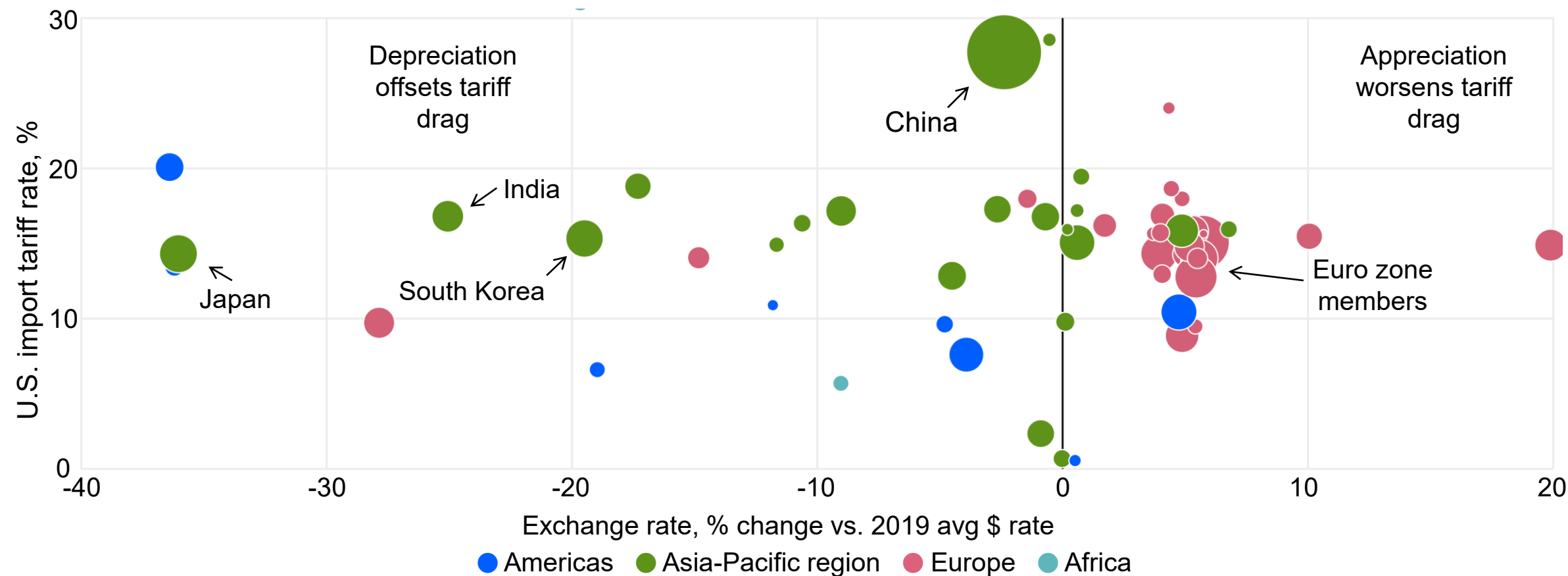
Inflation Is Back to Normal...for the Most Part

CPI, % change yr ago, ppt contribution by component



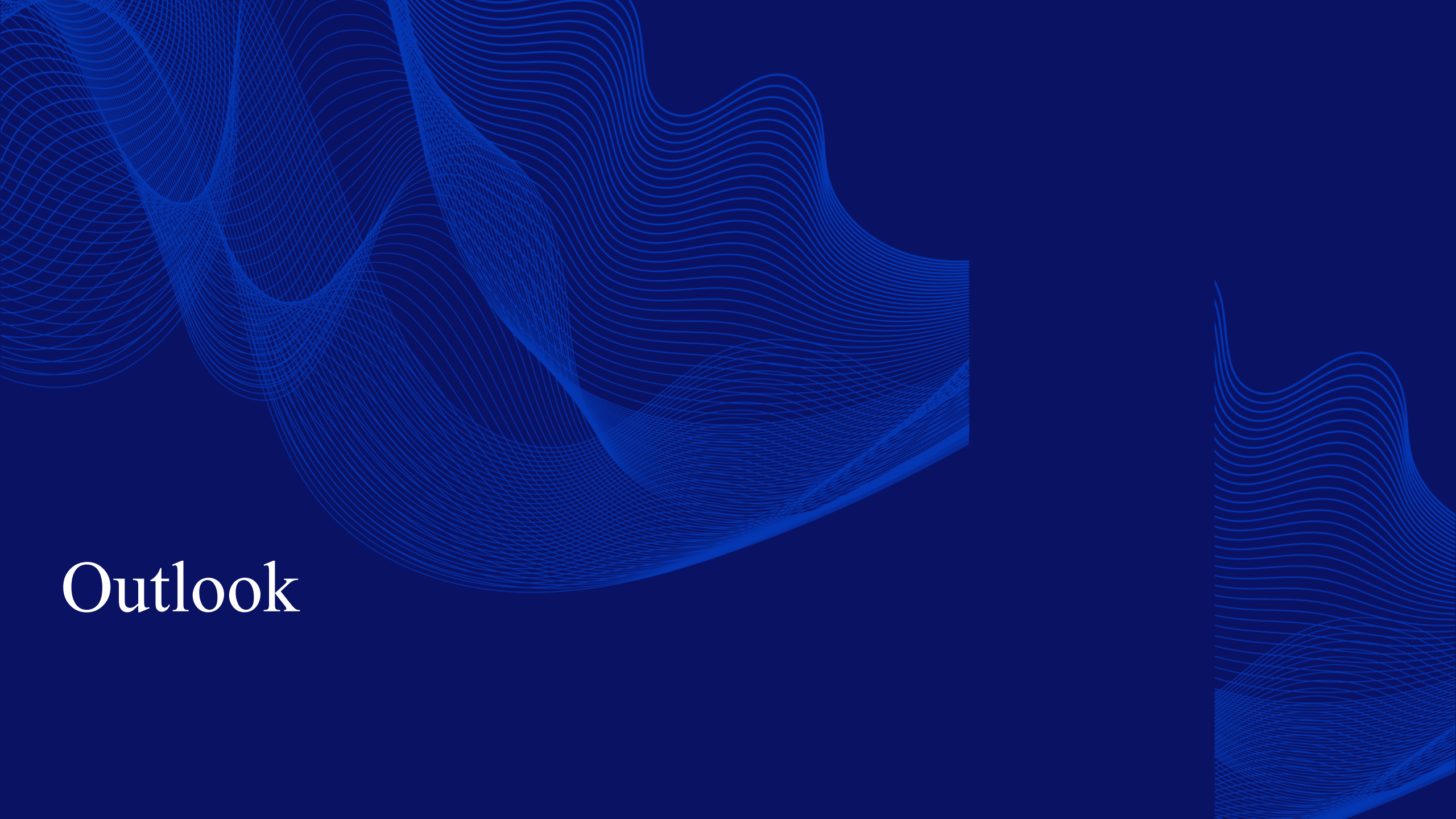
Sources: National statistical offices, Moody's Analytics

Currency Weakness Cushions Tariff Impact Across APAC



Note: Circle size shows 2024 merchandise export value, \$.

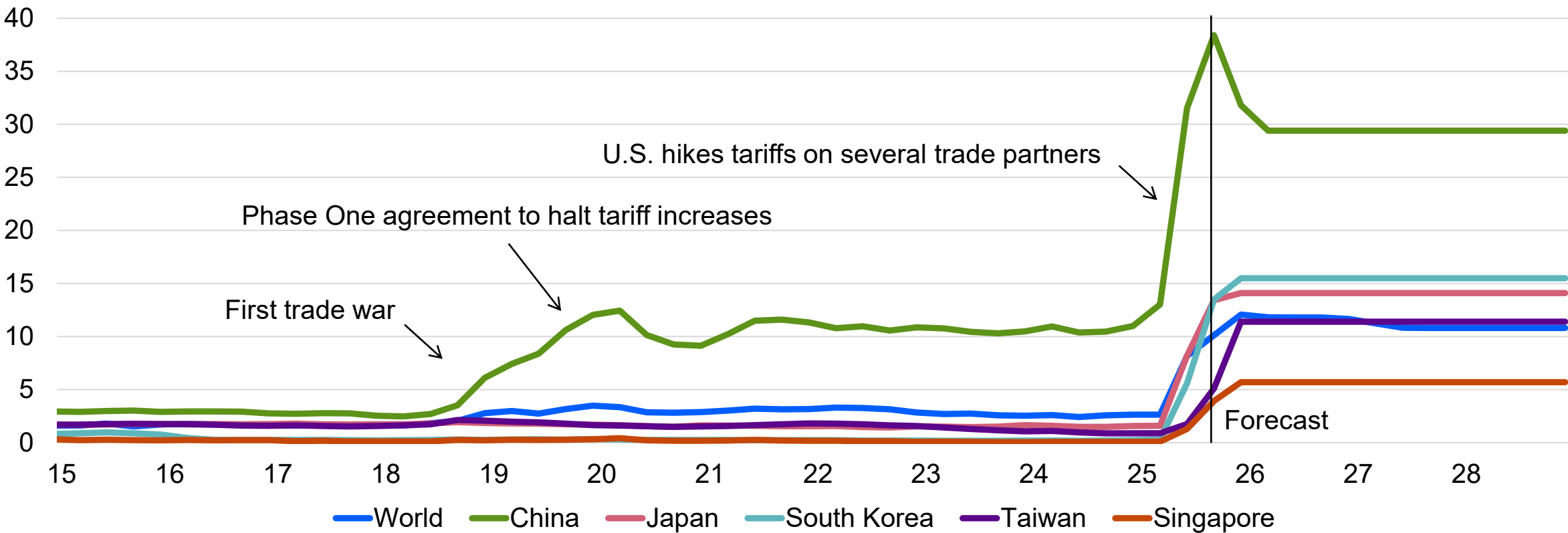
Sources: Bank for Intl. Settlements, World Bank, Moody's Analytics

The background is a solid dark blue. It features abstract, flowing, wavy lines in a lighter blue shade. These lines are composed of many thin, parallel strokes that create a sense of movement and depth. In the upper left and lower right areas, these wavy lines intersect to form a fine, grid-like pattern. The overall effect is modern and dynamic.

Outlook

Tariffs Will Stick

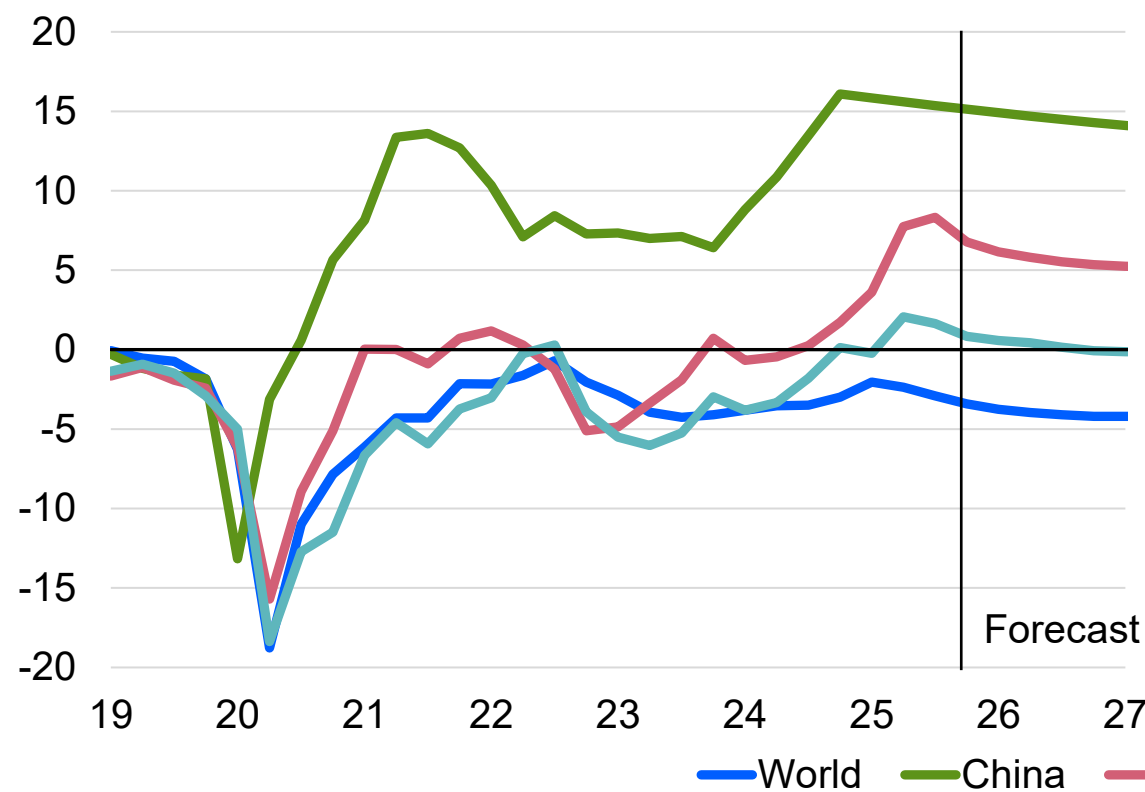
U.S. import duties as % of total U.S. imports



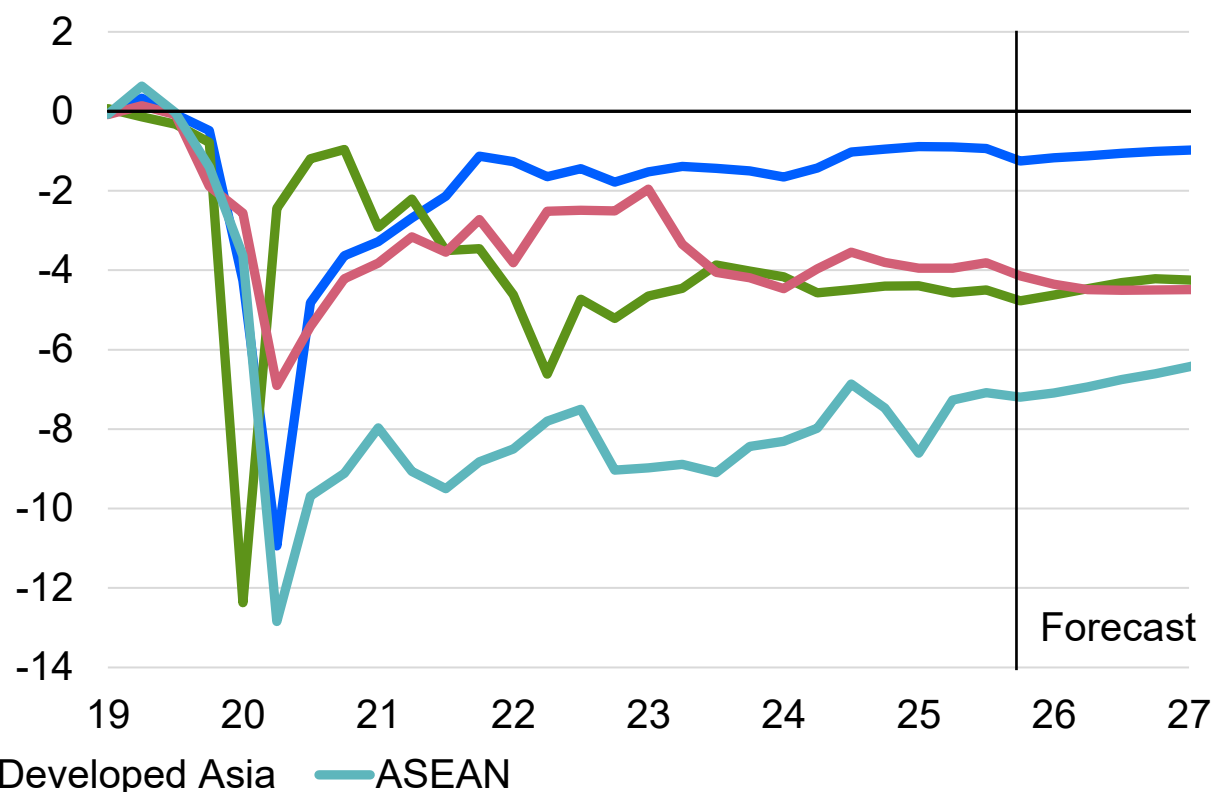
Sources: Census Bureau, Moody's Analytics

Weakness Left and Right

Exports, % deviation from pre-pandemic trend



Domestic demand, % deviation from pre-pandemic trend

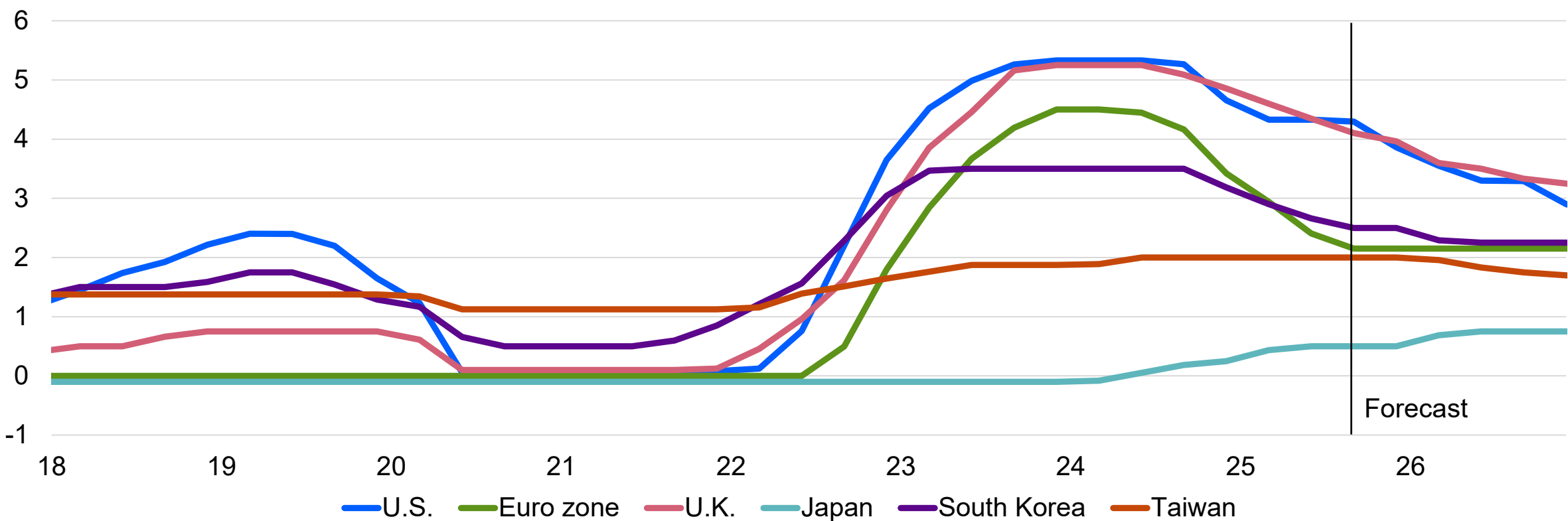


Note: Pre-pandemic trend is based on 2015-2019 data. Forecast is based on the Moody's Analytics Nov 2025 baseline.

Sources: National statistical offices, Moody's Analytics

Monetary Support Incoming

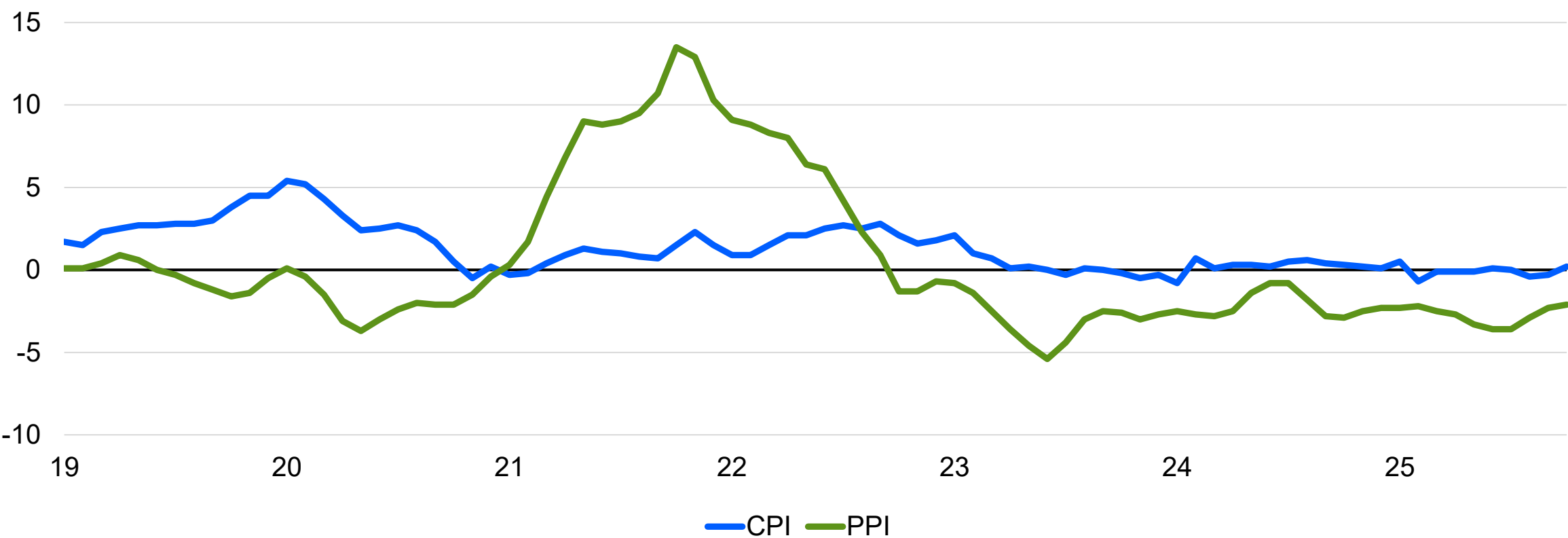
Central bank policy rates, %



Sources: Central banks, Moody's Analytics

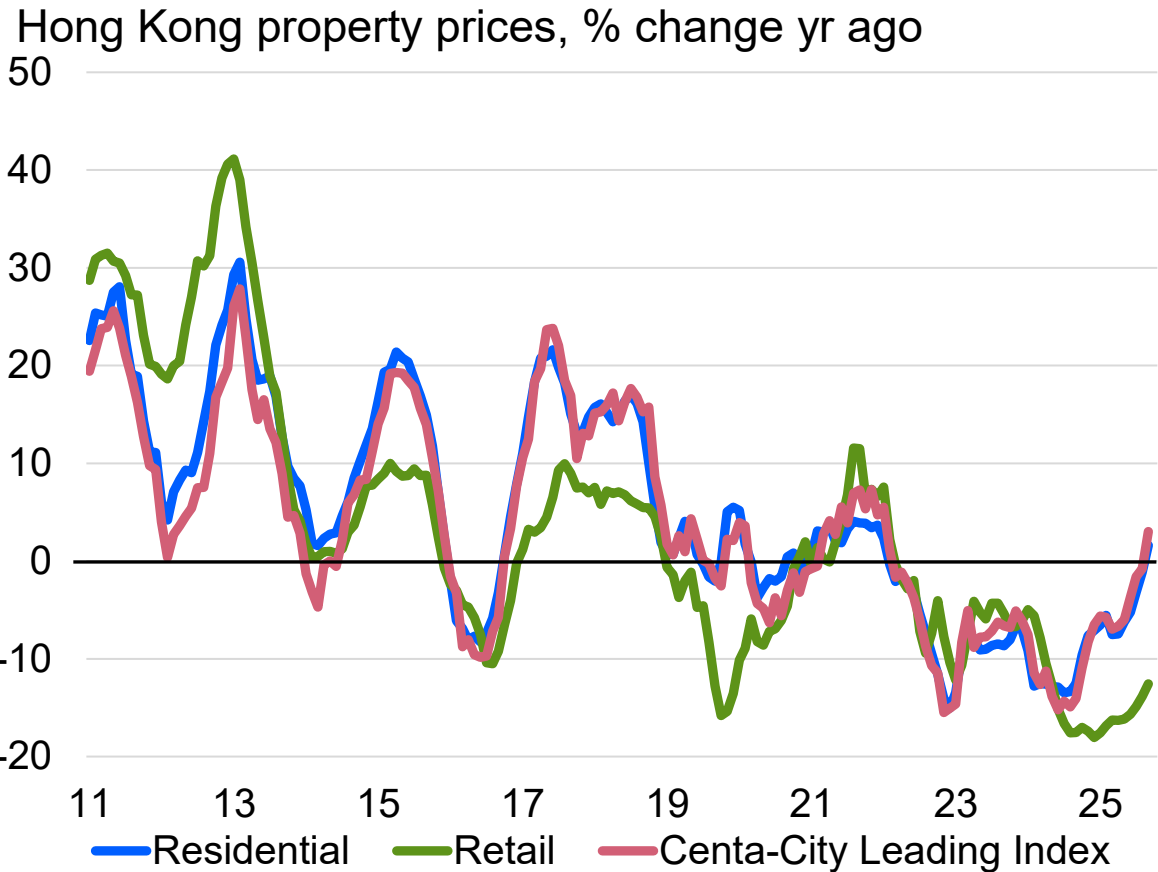
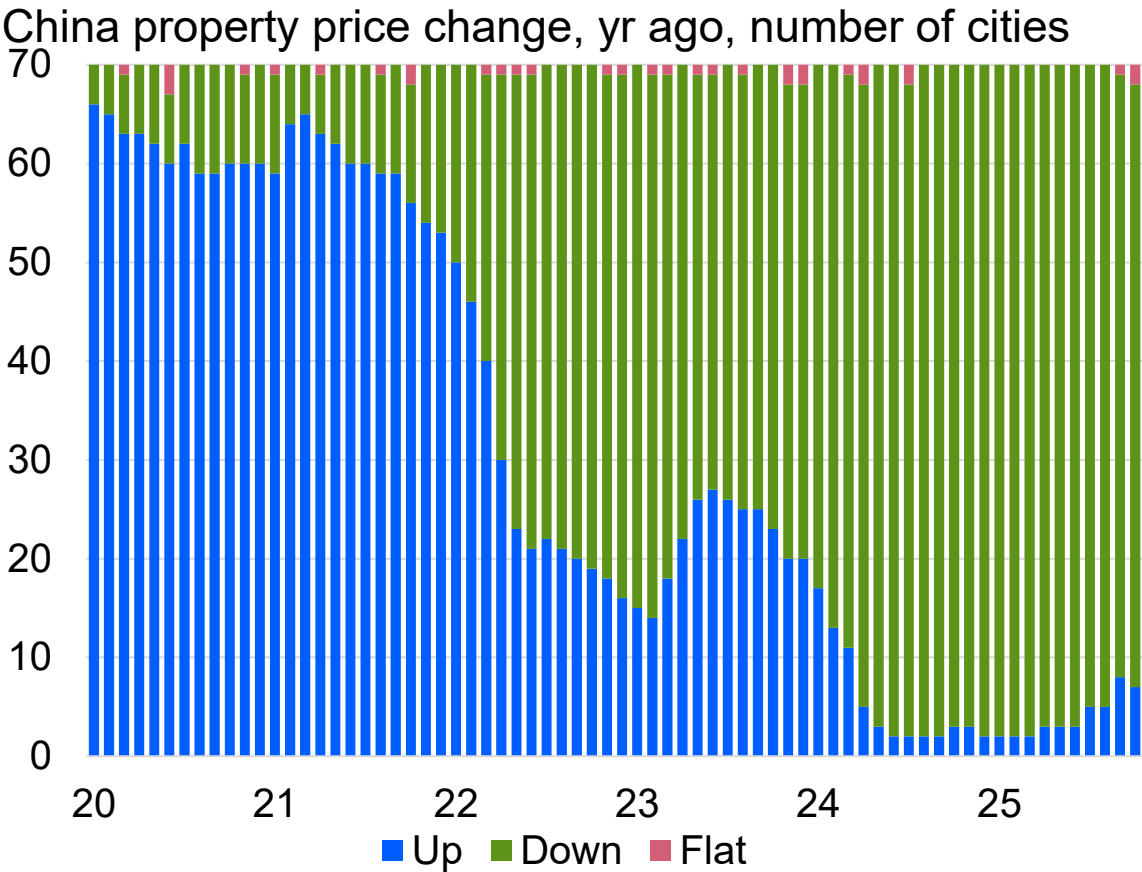
China: Deflated

Consumer and producer prices, % change yr ago



Sources: National Bureau of Statistics, CEIC, Moody's Analytics

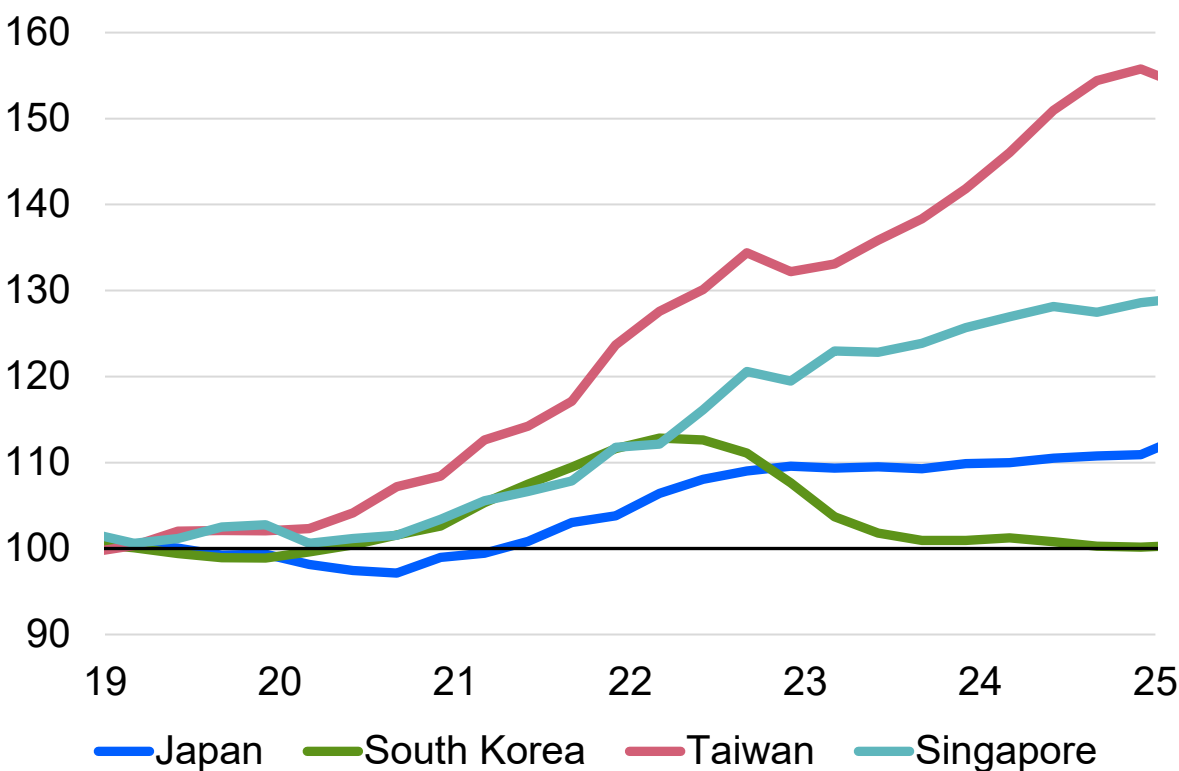
China and Hong Kong Property Markets



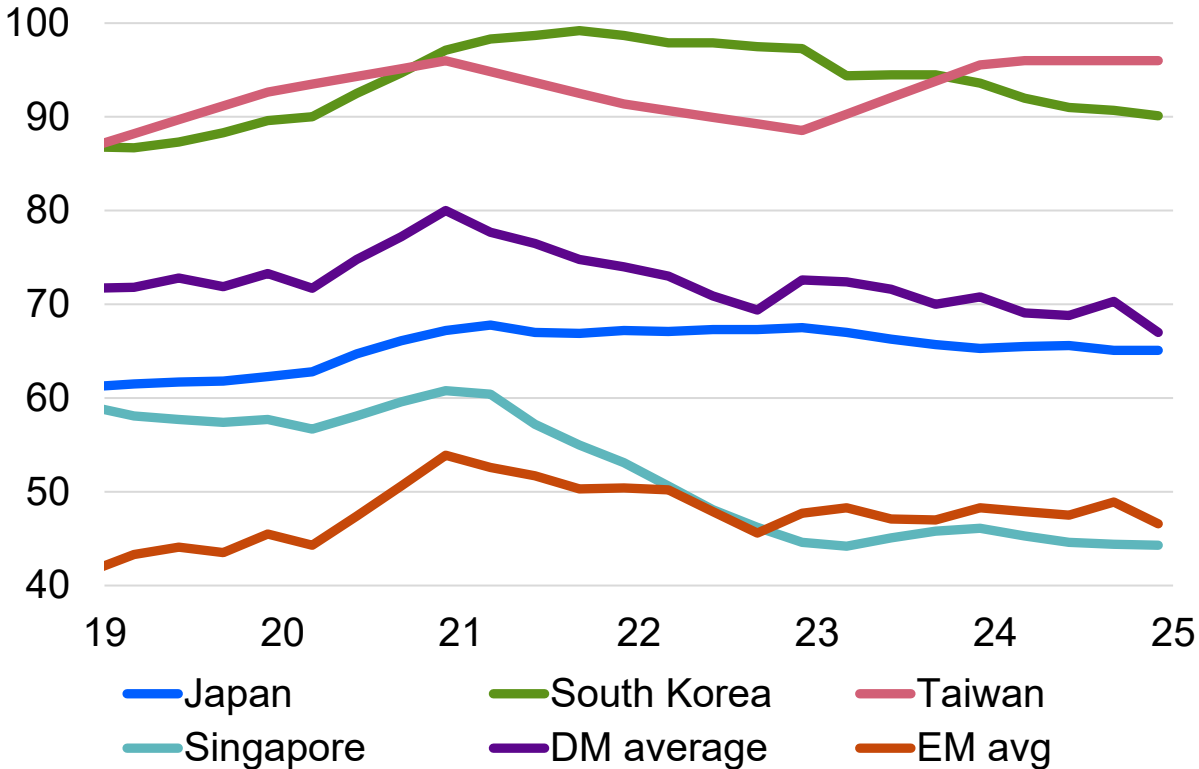
Sources: National Bureau of Statistics, Centaline Property, Rating and Valuation Department, CEIC, Moody's Analytics

Elsewhere, Hot Property Prices and Elevated Household Debt Are Concerns

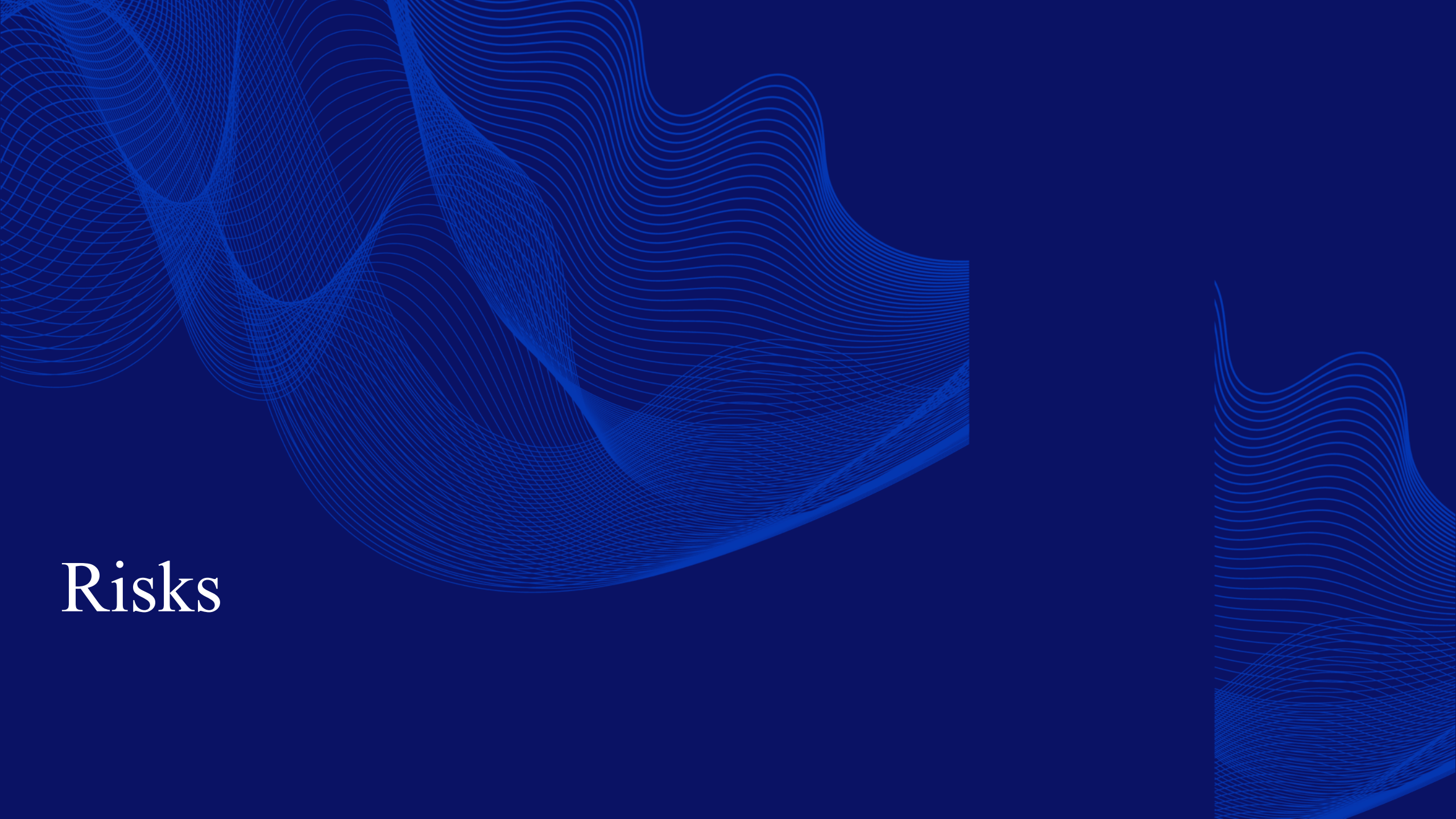
House price index, % deviation from pre-pandemic trend



Household debt as a % of nominal GDP



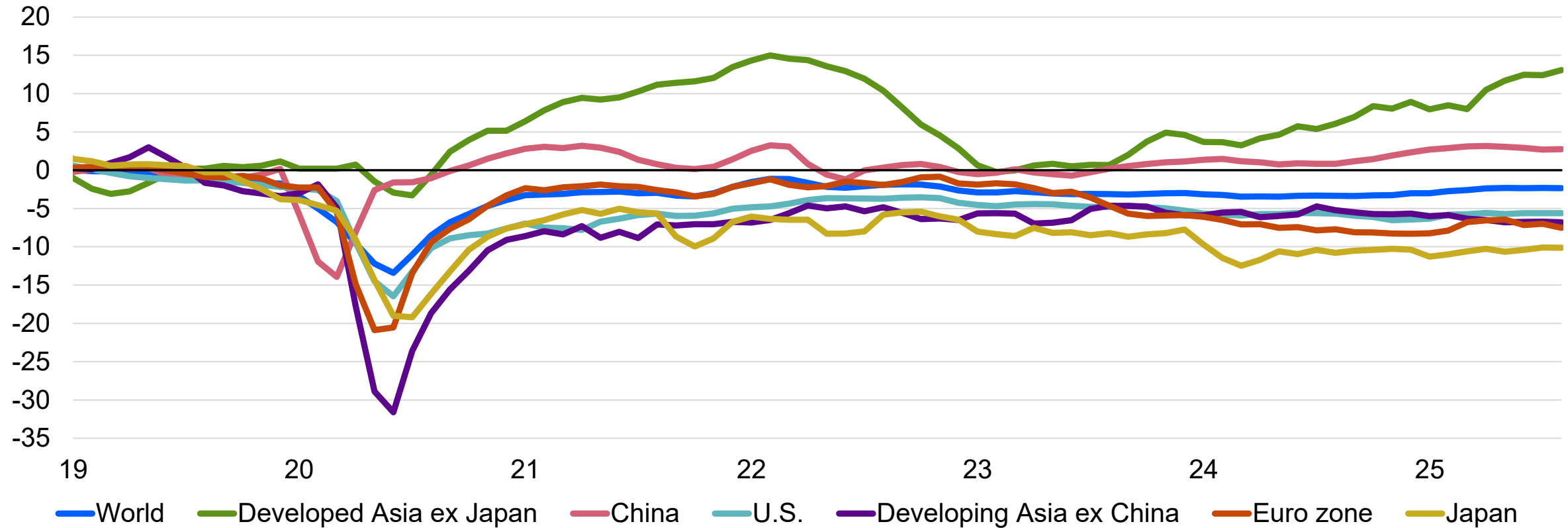
Sources: Bank for Intl. Settlements, Moody's Analytics

The background is a solid dark blue. It features abstract, flowing, wavy lines in a lighter blue color that sweep across the upper half of the image. These lines are composed of many thin, parallel strokes, creating a sense of movement and depth. In the upper left corner, there is a dense, overlapping grid of thin blue lines that also follows the wavy pattern, adding a layer of complexity to the design.

Risks

Manufacturing Pain

Industrial production, % deviation from pre-pandemic (2010-2019) trend

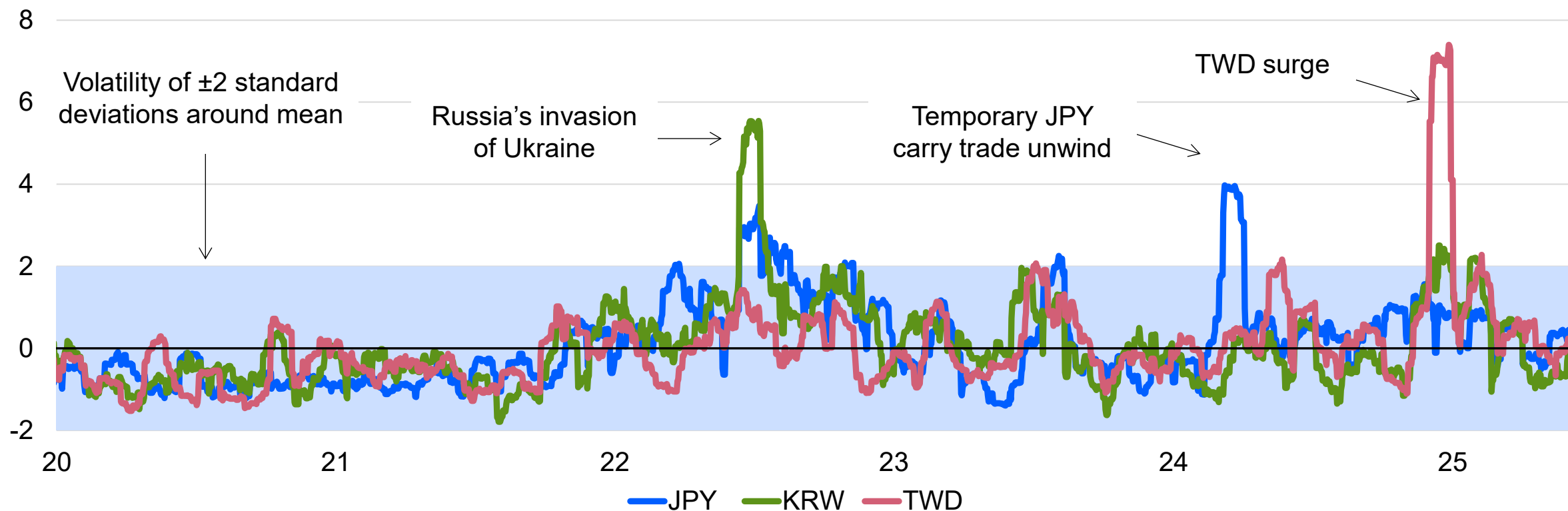


Note: The data are smoothed using a 3-mo MA.

Sources: CPB Netherlands Bureau for Economic Policy Analysis, Moody's Analytics

FX Volatility Is a Concern

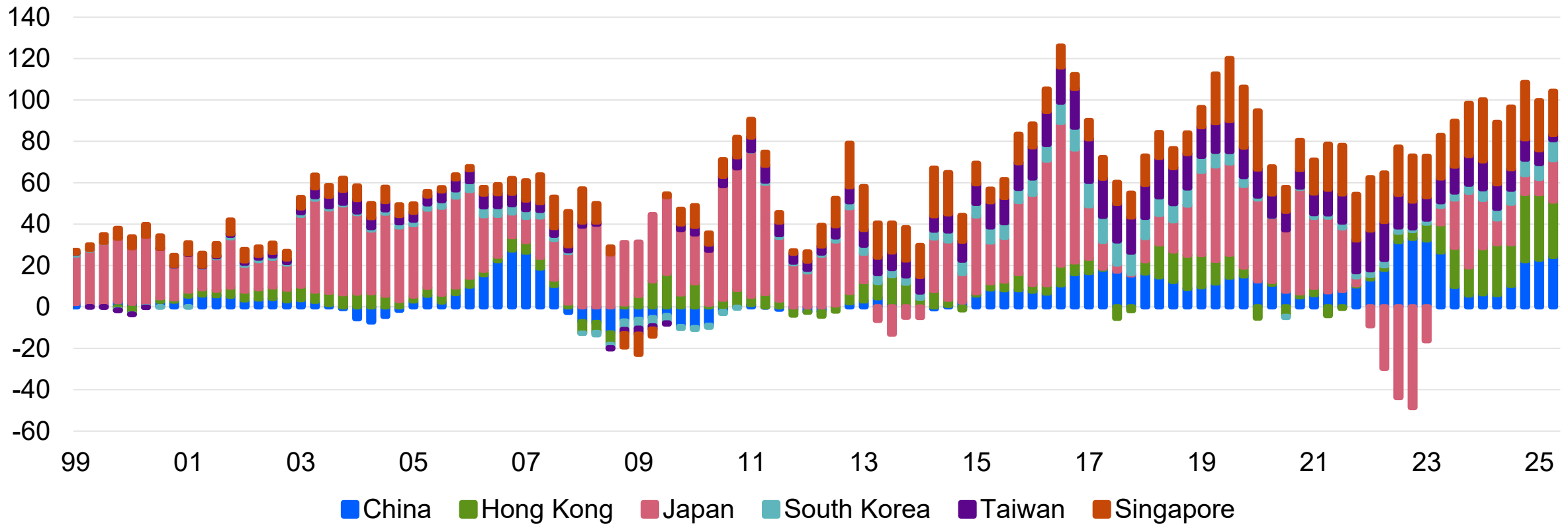
FX volatility, Z score



Sources: Bank for Intl. Settlements, Moody's Analytics

Asia's Bond Bid Is Here to Stay

Outward investment in debt securities, by economy, \$ bil, 4-qtr MA

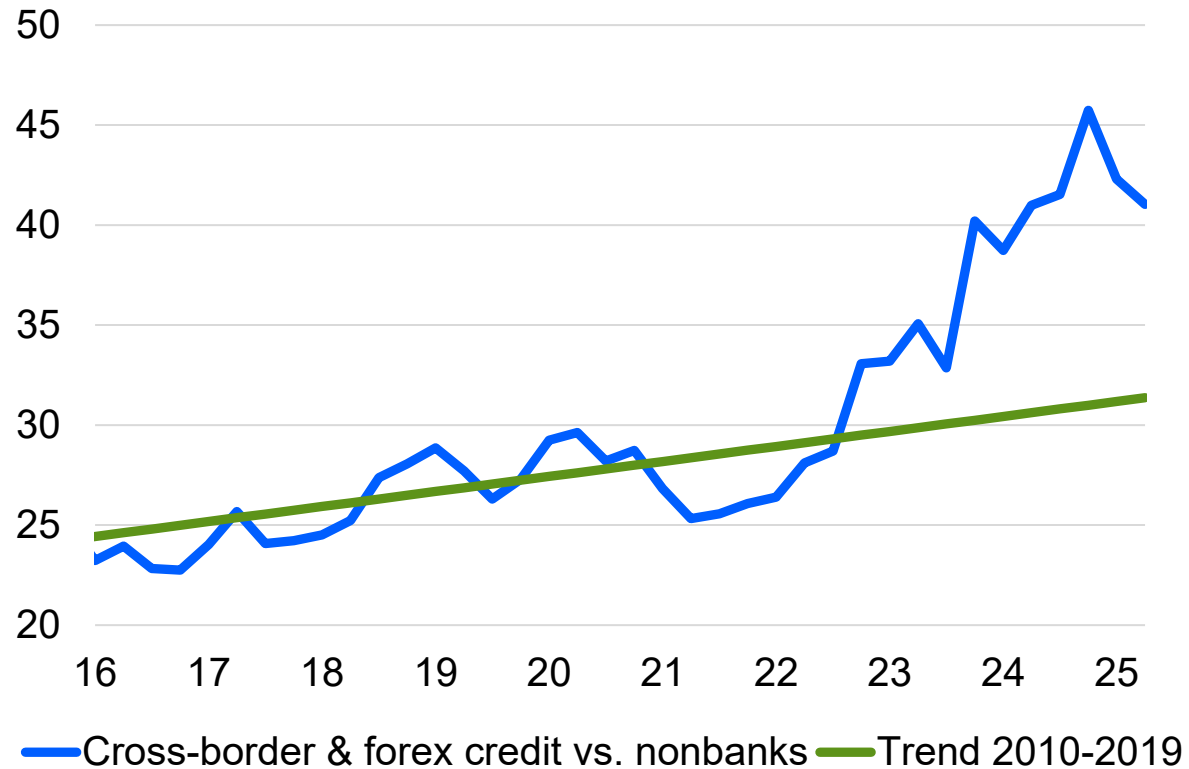


Note: Data for Singapore show total outward portfolio investment.

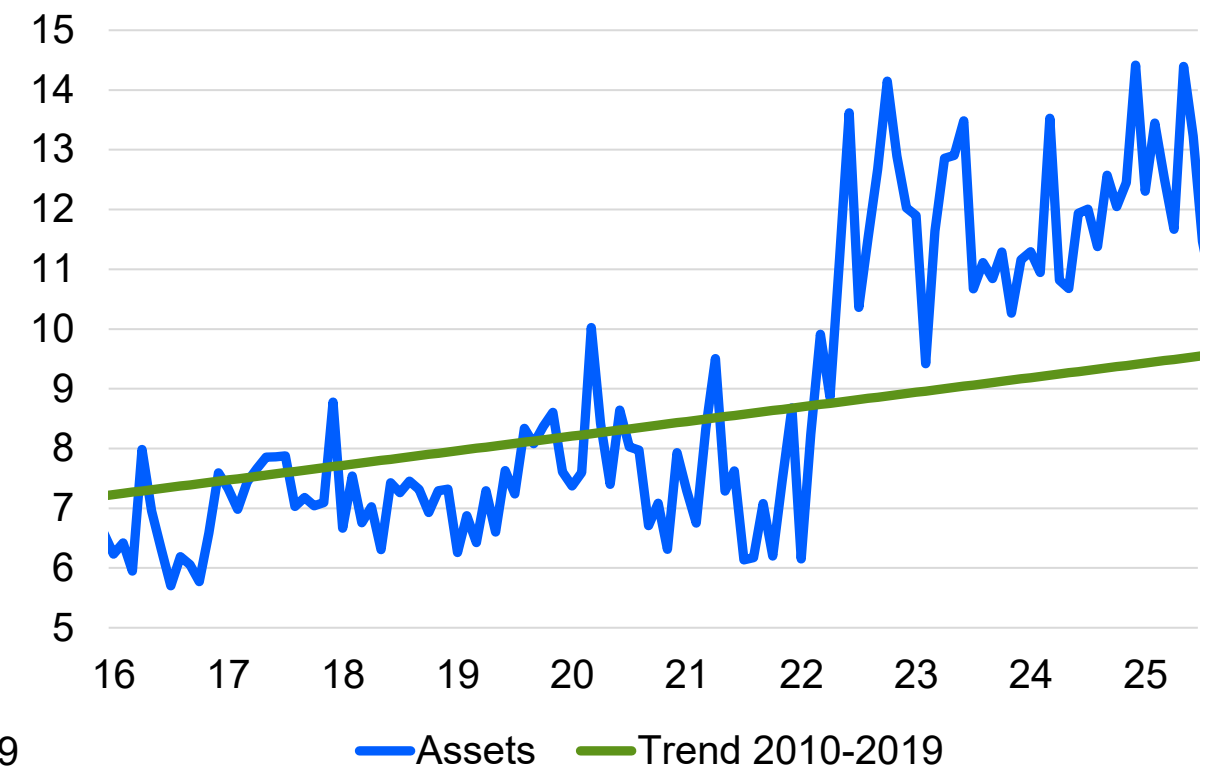
Sources: National statistical offices, CEIC, Moody's Analytics

Yen Carry Trade Is Alive and Well

Yen credit to borrowers outside Japan, ¥ tril



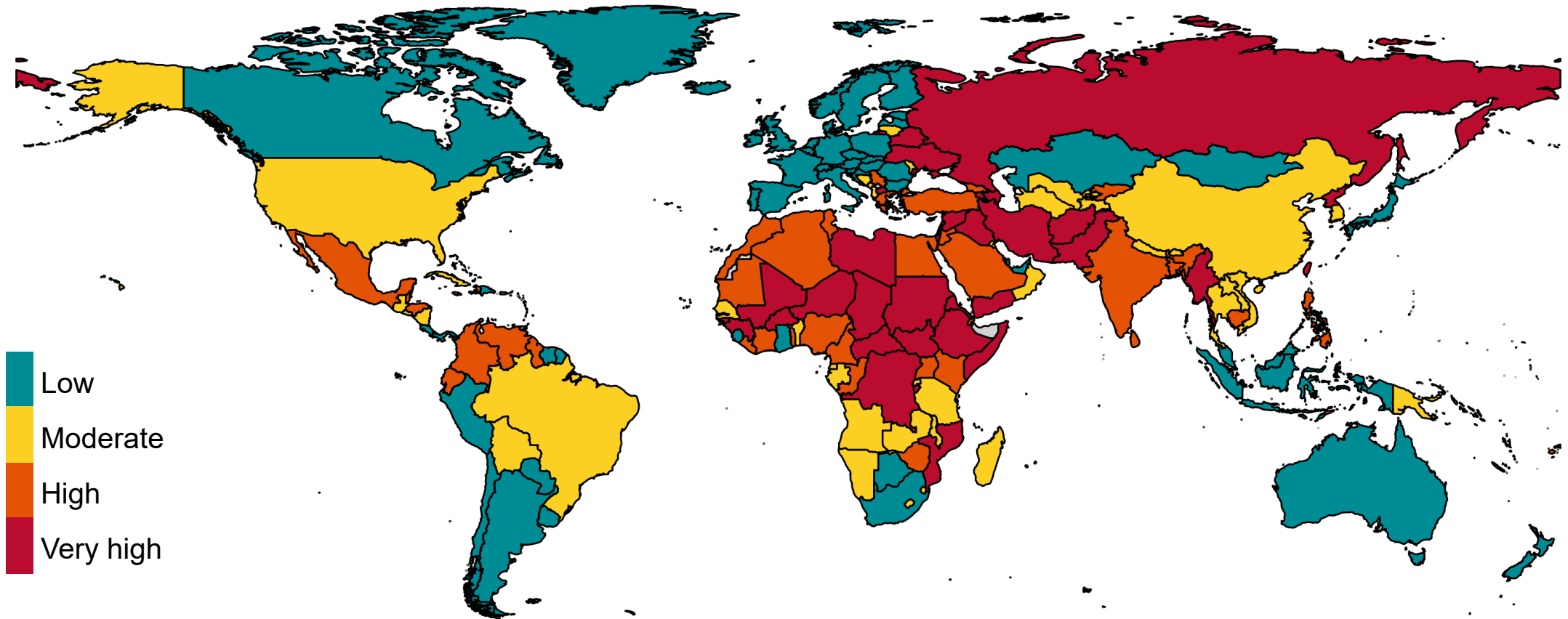
Foreign bank interoffice accounts, ¥ tril



Sources: Bank for Intl. Settlements, Bank of Japan, Moody's Analytics

Geopolitical Flashpoints Could Knock the Economy Off Course

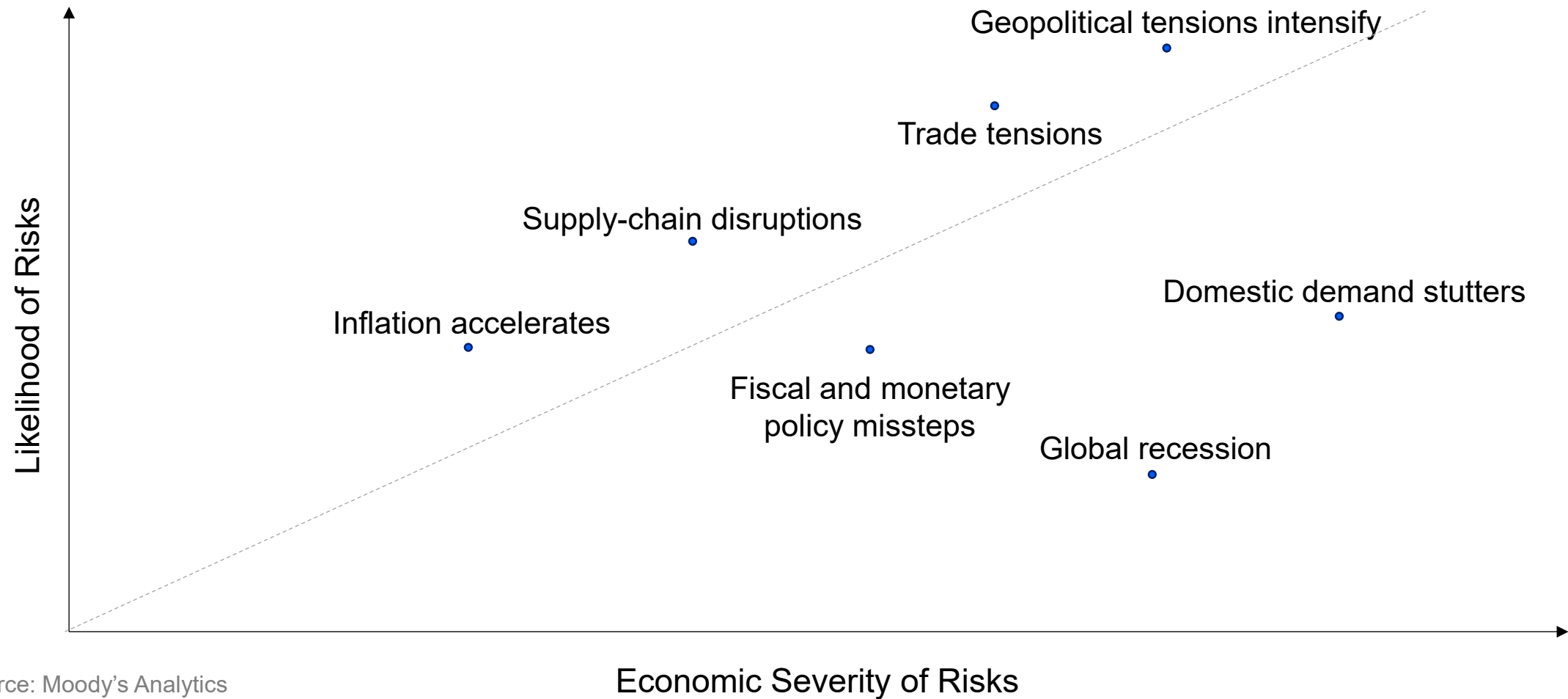
Moody's Analytics country risk, geopolitical insecurity index, 2025Q3



Source: Moody's Analytics

What Other Risks Are We Looking Out For?

Developed Asian markets, risk matrix



Source: Moody's Analytics

Moody's Analytics

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Thank you

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