

THE WEEK AHEAD, 26 JUNE 2026

Asia: a successful reopening of Hormuz would be positive

The signing of the U.S.-Iran Memorandum of Understanding (MoU) shall **reopen the Strait of Hormuz**, but there are still hurdles to resume normal flows. It may take weeks before tankers – which have moved to other regions – return to the Strait. Some time is also needed to ramp up production in crude oil and natural gas fields that have stopped production. Moreover, whether Hormuz may stay open after 60 days remains uncertain, as that would depend the progress of continued negotiation between the U.S. and Iran on their most contentious points (e.g. Iran’s nuclear program and the disposition of enriched uranium).

Nevertheless, with the MoU signed global crude oil prices may moderate



Christiaan Tuntono
Senior Economist,
Asia Pacific

to around US\$70 – 80 per barrel in the near term. Asia is a key beneficiary of lower energy prices as most economies in the region are net energy importers. Every US\$10 drop in global crude oil prices, if sustained, is estimated to raise Asia’s gross domestic production (GDP) growth by about 20 – 30bps.

Lower global energy prices and resumed supplies of refined products would help ease the stress across Asia and specifically on the following economies:

- *The Philippines, South Korea, Australia, Singapore and Hong Kong*: these economies will see **easing inflation** as they have no fuel subsidy measures in place.
- *Indonesia and Malaysia*: these economies will face **reduced stress on fiscal accounts** as they have direct fuel subsidy measures.
- *Thailand, India and the Philippines*: their outsized **energy trade deficits**

PUBLICATIONS

→ House View Q3 2026: Shock absorption

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→ Longevity – More money for a longer life

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→ Why oil shocks matter for portfolios

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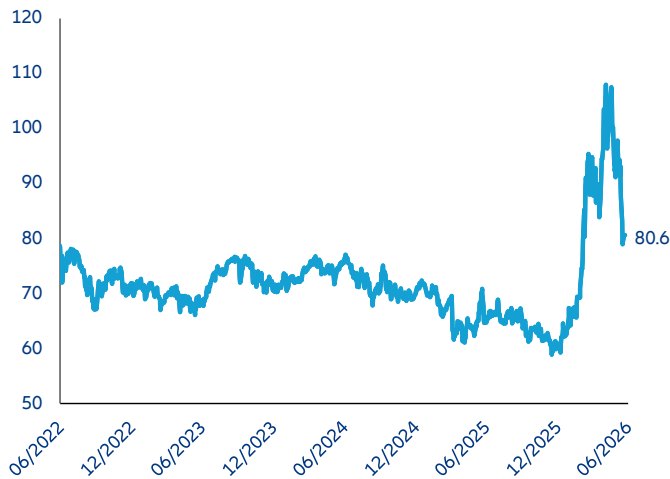
shall narrow as global energy prices moderate.

- *India, Japan and Australia*: these economies will benefit from **resumed supplies of refined products** such as diesel, naphtha, urea and natural gas from the Middle East.

Over the past few months, global energy supply has been supported by the simultaneous pullback in China's oil and gas imports and step-up in U.S. fossil fuel exports. The resumption of China's refined fuel exports in May has further eased the severe shortage within Asia. Incoming June-July tanker data suggests this dynamic could continue for now and sustain current demand-supply situation.

From an investment perspective, the heavily sold-off government bonds and currencies of selected Asian economies (e.g. the Philippines, Indonesia and India) could be good tactical long as market fear eases. On equities, lower energy prices reduce the near-term drag on the industrial and capital expenditure super-cycle in Asia, which we think shall benefit the artificial intelligence (A.I.) intensive markets within the region (e.g. South Korea, Taiwan, Japan, China and Malaysia).

Brent crude oil price (USD per barrel)



Source: Bloomberg, AllianzGI Global Economics & Strategy, as of June 2026.

The week ahead

In the **U.S.**, the market will focus on June non-farm payrolls and other labor market data. After May's gain of 172,000 jobs and a 4.3% unemployment rate, investors will look for further signs of labor market strength. June Chicago PMI on Tuesday and June Institute of Supply Management (ISM) manufacturing PMI on Thursday will also be closely

UPCOMING POLITICAL EVENTS 2026

1 July	NAFTA	USMCA joint review
7–8 July	NATO	Nato summit
22–23 July	EZB	Central Bank Meeting
28–29 July	FED	Central Bank Meeting
30 July	BoE	Central Bank Meeting
30–31 July	BoJ	Central Bank Meeting
30–31 July	G20	Finance Ministers meeting

watched. June consumer confidence index on Tuesday will reveal the latest condition of U.S. consumption.

In the **Euro area**, inflation data will take center stage, with the flash Harmonized Index of Consumer Prices (HICP) readings for June to be released on Wednesday. Market will gauge how the European Central Bank (ECB) will react if both the headline and core prints persistently stay above the 2% target. Outside of inflation, June business climate index, June consumer confidence index and May unemployment rate will also be key to watch.

In **Japan**, the second quarter Tankan survey will be released on Wednesday. Sentiment for all big and small manufacturers and non-manufacturers are expected to soften under the pressure of higher energy prices. Monday will release May retail sales growth data which reflects consumer demand condition. Tuesday will release the labor market data and housing starts data for May.

In **China**, June National Bureau of Statistics (NBS) manufacturing PMI will be released on Tuesday. A dip below 50 would suggest further weakness in growth momentum.

Wish you all great returns as the Strait of Hormuz reopens.

Best regards,

Christiaan Tuntono

Calendar Week 27

			Consensus	Previous
Monday				
EC	Money-M3 Annual Grwth	May	--	2.7%
EC	Broad Money	May	--	17,433,911M
EC	Business Climate	Jun	--	-0.26
EC	Economic Sentiment	Jun	--	93.5
EC	Industrial Sentiment	Jun	--	-8.0
EC	Services Sentiment	Jun	--	2.2
EC	Consumer Confid. Final	Jun	--	--
JN	Retail Sales YY	May	--	2.1%
JN	Large Scale Retail Sales YY	May	--	2%
UK	BOE Consumer Credit	May	--	1.859B
UK	Mortgage Lending	May	--	4.368B
UK	Broad Money	May	--	3,272,048M
Tuesday				
CN	NBS Manufacturing PMI	Jun	--	50.0
GE	Import Prices YY	May	--	5.3%
GE	Retail Sales YY Real	May	--	-0.3%
GE	Unemployment Chg SA	Jun	--	-12k
GE	Unemployment Rate SA	Jun	--	6.3%
GE	CPI Prelim YY	Jun	--	2.60%
GE	HICP Prelim YY	Jun	--	2.70%
JN	Jobs/Applicants Ratio	May	--	1.18
JN	Unemployment Rate	May	--	2.5%
JN	Housing Starts YY	May	--	11.4%
UK	GDP QQ	Q1	--	0.6%
UK	GDP YY	Q1	--	1.1%
UK	Business Invest QQ	Q1	--	0.7%
UK	Business invest YY	Q1	--	-1.8%
US	CaseShiller 20 YY NSA	Apr	--	0.8%
US	Chicago PMI	Jun	--	62.7
US	Consumer Confidence	Jun	--	93.1
US	JOLTS Job Openings	May	--	7.618M
Wednesday				
EC	HICP Flash YY	Jun	--	3.2%
EC	HICP-X F,E,A&T Flash YY	Jun	--	2.6%
JN	Tankan Big Mf Idx	Q2	16	17
JN	Tankan Big Mf Outlook DI	Q2	13	14
JN	Tankan Big Non-Mf Idx	Q2	35	36
JN	Tankan big non-mf outlook DI	Q2	30	29
JN	Tankan All Big Capex Est	Q2	10.5%	3.3%
JN	Tankan Small Mf Idx	Q2	4	7
JN	Tankan Sm Mf Outlook DI	Q2	1	4
JN	Tankan Small Non-Mf Idx	Q2	14	16
JN	Tankan Sm Non-Mf Outlook DI	Q2	9	8
JN	Tankan All Sm Capex Est	Q2	-4.5%	-8.1%
UK	S&P GLOBAL MANUFACTURING PMI	Jun	--	--
US	ADP National Employment	Jun	--	122k
US	S&P Global Mfg PMI Final	Jun	--	--
US	ISM Manufacturing PMI	Jun	--	54.0
US	ISM Mfg Prices Paid	Jun	--	82.1
Thursday				
EC	Unemployment Rate	May	--	6.3%
JN	Monetary Base YY	Jun	--	-12.26%
US	Non-Farm Payrolls	Jun	--	172k
US	Private Payrolls	Jun	--	120k
US	Unemployment Rate	Jun	--	4.3%
US	Average Earnings YY	Jun	--	3.4%
US	Average Workweek Hrs	Jun	--	34.3
US	Initial Jobless Clm	22 Jun, w/e	--	--
US	Cont Jobless Clm	15 Jun, w/e	--	--
Friday				
UK	S&P GLOBAL SERVICE PMI	Jun	--	--
UK	S&P GLOBAL PMI: COMPOSITE - OUTPUT	Jun	--	--
UK	Reserve Assets Total	Jun	--	225,604.56M

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