Asia's growth outlook: what changed, and what did not

Comparing two IMF forecast vintages without mistaking revisions for returns

Darmine Capital | Revised 8 November 2026 | Source cutoff: 15 October 2026

01 / The comparison

A regional forecast is useful only if its date and target year are clear. Repeating the same number in a sequence of papers can make an old forecast look like fresh evidence. This note compares two identifiable releases for the same target year, 2026. It does not attempt to reconstruct a trading record.

The IMF's October 2025 outlook projected regional growth of 4.1% in 2026. The October 2026 briefing put that projection at 4.8%, followed by 4.4% in 2027. The latter release is more optimistic about 2026 but still anticipates slower growth the following year. [I25, I26]

The calculation is 4.8 minus 4.1, or +0.7 percentage points. Subtracting the old 2026 forecast from the new 2027 forecast would answer a different question because both the information set and target year would change.

Series / target	Oct 2025	Oct 2026	Change
Asia / 2026	4.1%	4.8%	+0.7 pp
Asia / 2027	Not used	4.4%	Not comparable
China / 2026	4.2%	4.5%	+0.3 pp
Indonesia / 2026	4.9%	~5.1%	~+0.2 pp

Sources: [I25] Annex Table 1.1; [I26] regional and country briefing figures. Changes are our arithmetic. The approximate Indonesian figure is kept approximate. These are real GDP growth forecasts, not market returns.

Scope: a regional aggregate and two country checks. This is deliberately not an eight-economy ranking. Only directly identifiable comparison figures are included.

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02 / Reading the change

The October 2026 briefing points to technology investment and resilient trade as supports, alongside energy and trade-policy shocks. It identifies a reversal in the AI investment boom as a downside risk. [I26] That account is a useful explanation offered by the forecaster. The revision table alone cannot establish how much of the change each driver caused.

Our interpretation is narrower than a blanket bullish call on Asia. A higher regional forecast warrants revisiting a weak-growth premise. It does not tell us whether listed-company earnings will rise by the same amount, which firms capture the activity, or how much optimism is already reflected in prices. Those require separate data.

The country checks illustrate another constraint. The regional upgrade is larger than either of the two displayed country revisions. It would be wrong to infer that the remaining economies all received a 0.7-point upgrade. Regional growth is an aggregate; the table is neither an exhaustive decomposition nor an equal-weight portfolio.

A useful follow-up would fix the economy coverage, extract the complete country tables for both releases, document their weighting and fiscal-year conventions, and reconcile revisions to historical GDP. Without those steps, an attractive chart can conceal changes in definitions or data history.

A forecast revision also cannot validate an earlier investment recommendation. To test that recommendation, record the actual instrument, entry date, currency, benchmark, fees and exit rule. Then compare observed returns. A retrospective narrative about growth is not a substitute for that record.

Working conclusion: the selected forecasts moved upward. The available comparison does not establish a profitable allocation, a causal contribution from AI, or a complete country ranking.

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03 / Method, limits and next checks

Reproduction. Read the cited forecast in each dated release, match the target year, then subtract the earlier figure from the later figure. The companion JSON records the inputs; verify_research.py recalculates each difference using decimal arithmetic. No fitted model, proprietary dataset or backtest is involved.

Revision is not error. A forecast error needs an observed outcome for the same period and definition. Full-year 2026 had not ended at this note's revision date. Even after the first annual release, subsequent revisions may change an error calculation. Retain the outcome's release date rather than silently replacing it.

Comparability limits. We use the regional aggregate as labelled by each IMF publication. We have not independently reconstructed its weights or tested whether historical revisions explain part of the change. This is a comparison of published projections, not a constant-weight decomposition.

What would change the assessment? A later source revision would change the arithmetic inputs. Final annual data would allow a forecast-error exercise. Evidence about earnings, valuations and exchange rates would be needed before drawing an investment conclusion. None of these results should be presumed in advance.

Publication history. This is a newly rebuilt note, not evidence of a prediction made in 2025 or early 2026. It replaces the broad regional-outlook theme of the withdrawn collection. Personal bylines and the old allocation scorecard have not been carried forward.

Sources and publication record

[I25] IMF, Regional Economic Outlook: Asia and Pacific, October 2025, executive summary and Annex Table 1.1
Open original source

[I26] IMF, Asia-Pacific regional outlook press briefing, 15 October 2026
Open original source

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