

For Immediate Release

**Dah Sing Financial Group Raises
Hong Kong's 2026 Economic Growth Forecast to 2.8%**

*Hang Seng Index Expected to Challenge 27,400 in Second Half
Property Prices Projected to Rise by 10% for the Full Year*

(Hong Kong, 11 June 2026) - Dah Sing Financial Group ("the Group") today released its economic and market outlook for the second half of 2026, providing analysis on global, Chinese Mainland and Hong Kong economic and market developments. The Group noted that uncertainties surrounding the US-Iran conflicts remain. Oil prices may stay elevated for some time, potentially driving up global inflation expectations, while the impact on the real economy has yet to fully materialise. For Hong Kong, the Group has revised upward its full-year economic growth forecast to 2.8%. With improving market sentiment, the Hang Seng Index is expected to challenge 27,400 in the second half of the year, while property prices could rise by around 10% for the full year.

Mr. Gary Wan, Principal Economist and Strategist of Dah Sing Financial Group, said: "The adverse impact of the Middle East situation may only begin to materialise over the next one to two quarters, increasing uncertainty in Hong Kong's external trade outlook. Nevertheless, improving private consumption and a stabilising property market are expected to continue supporting economic performance, prompting us to revise upward our Hong Kong GDP growth forecast to 2.8% for this year. Market sentiment in the local property sector has improved significantly, with Mainland buyers turning active again. Together with stable interest rates, rising rents and a reduction in potential primary residential supply, we expect secondary home prices to increase by around 10% for the year."

On investment markets, Mr. Wan noted that the valuations of Hong Kong equities are close to their 10-year historical average, with artificial intelligence-related themes expected to continue driving market sentiment. However, short-term volatility arising from the US-Iran situation, potentially limited room for further policy stimulus from Mainland authorities, and ongoing corporate earnings adjustments may cap upside potential. The Hang Seng Index is expected to challenge 27,400 in the second half of the year.

Regarding the Chinese Mainland economy, Mr. Wan noted that domestic consumption has softened and investment has moderated. However, energy-related industry output is benefiting from rising energy prices and sustained demand for high-tech products, while continued export growth is supporting related industries. In addition, overall deflationary pressure has eased, and the property market is showing early signs of stabilisation. The Group forecasts Mainland China's economic growth of 4.6% for the year.

Mr. Wan also noted that although the US and Iran have agreed to a temporary ceasefire, crude oil supply may not fully recover in the near term. The energy shock is lifting global inflation expectations and pushing up sovereign bond yields in major economies. While the economic impact of the Middle East tensions remains difficult to quantify, investment related to the artificial intelligence sector has become a key driver of US economic growth, helping the country withstand geopolitical shocks.

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Photo Caption:

Mr. Gary Wan, Principal Economist and Strategist of Dah Sing Financial Group, has released his economic and market outlook for the second half of the year, raising Hong Kong's GDP growth forecast to 2.8%. HSI is expected to challenge 27,400 in the second half, while property prices are projected to rise by 10% for the full year.

About DSFH and DSBG

Dah Sing Financial Holdings Limited (stock code: 0440) has been listed in the Hong Kong since 1987. It is the holding company of the Group's insurance and investment operations, as well as the majority shareholder of Dah Sing Banking Group Limited ("DSBG", stock code: 2356). DSBG has been listed in Hong Kong since 2004, and has three banking subsidiaries (Dah Sing Bank, Limited, Banco Comercial de Macau, S.A. and Dah Sing Bank (China) Limited), providing banking and financial services through a network of 62 operating locations in Hong Kong, Macau and the Chinese Mainland, and a securities trading company. Dah Sing Bank holds a strategic interest in Bank of Chongqing, which is the leading city commercial bank in Chongqing, the direct-controlled municipality in Western China.