

## Bouvet: Shh... don't mention eurozone interest rates

Market forces are set to regain a foothold in the rates world, despite what the European Central Bank does or doesn't say at its next meeting on Thursday. ING's Antoine Bouvet looks at what's happening in the markets, why it matters and what's likely to happen next



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The big question for the European Central Bank is for how much longer can they keep supporting the eurozone economy at the levels they're doing right now. But don't expect that to be addressed at next week's meeting. That said, ING's Senior Rates Strategist, Antoine Bouvet, says market forces will soon regain a foothold and rates, such as the German 10-year, are likely to rise by 30 to 40 basis points by the end of 2021; that's not much in the grand scheme of things. Antoine does expect increasing demand for higher-yielding fixed-income bonds. But again, that demand will be much lower than we'd normally expect at this stage in the economic cycle.

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