

## ECB: Sleepwalking to the QE exit

The ECB announces a reduction of monthly QE purchases and leaves forward guidance unchanged



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When does a central banker know that he (or she) has done an immaculate job? When quantitative easing is brought to an end and financial markets could hardly care less. According to this definition, the ECB should be extremely satisfied with the outcome of today's meeting.

According to the just-released press statement, the ECB decided to reduce the monthly QE purchases to €15 billion, from the current €30 billion, after September 2018. The next and already anticipated step towards bringing QE to a close by the end of the year.

The press conference, starting at 2.30pm CET, should add some flavour to the ECB's decision. We will have a close eye on the latest round of staff projections. However, we doubt that the projections will provide even the smallest argument in favour of deviating from the current autopilot. The charm of the ECB's communication, already set in place at the June meeting, is that every step until the end of the year has been sketched. The ECB only has to deliver. Not very exciting but definitely a very effective strategy.

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