

## Garvey: Why liquidity is a crucial element to higher global rates in 2022

ING's Padhraic Garvey in New York tells us there are three main reasons we expect more global rate rises in 2022: inflation, central bank action, and a draining of liquidity from the global financial system. Read our full outlook for rates [here](#)



### Liquidity: The crucial element to higher global rates

Rates have risen through 2021 and we're expecting more to come next year. Inflation is putting upward pressure on long-dated rates. And central bank actions have a similar effect on those which are shorter-dated. But ING's Padhraic Garvey says a third element is crucial, and that's liquidity. As central banks end their bond-buying programmes, this will have a major impact too.

[Watch video](#)

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