

Good MornING Asia - 13 March 2020

The global market mayhem continues as official responses to the pandemic viewed as insufficient

In this bundle



Return of “Peripheral”

We haven't heard the phrase "peripheral Europe" since the dark days of the debt crisis, but looking at the behaviour of global bond markets...



Asia Morning Bites

ASEAN Morning Bytes

The global market mayhem continues as official responses to the pandemic viewed as insufficient



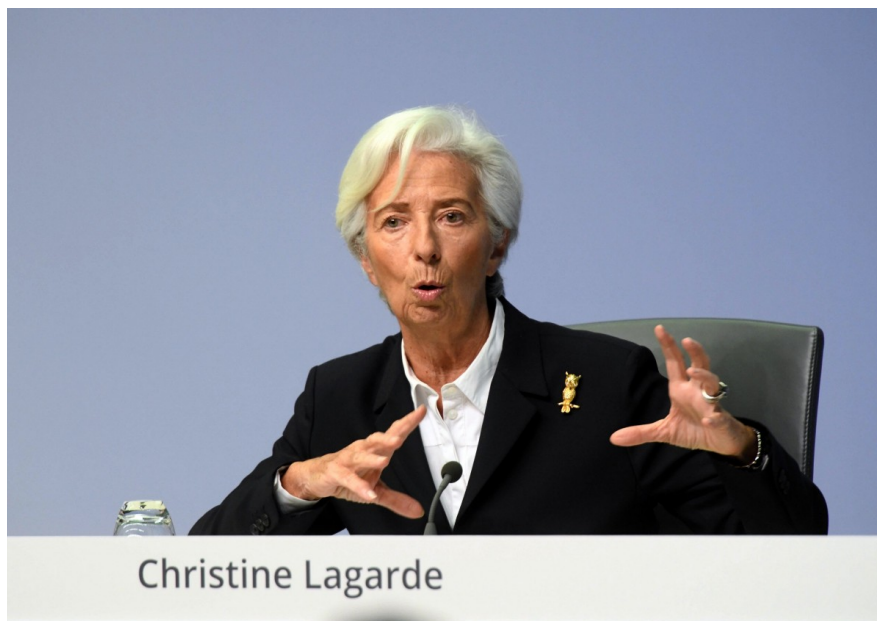
Asia week ahead: Easing to intensify

Central bank meetings dominate next week's economic calendar in Asia. China has stepped forward with a targeted RRR rate cut, the real question for...

Opinion | 13 March 2020

Return of “Peripheral”

We haven't heard the phrase "peripheral Europe" since the dark days of the debt crisis, but looking at the behaviour of global bond markets today, this may return amidst a sense of extreme risk aversion



Source: Shutterstock

President of European Central Bank Christine Lagarde

Yes, stocks are down 10%, what else?

Of course, the main story for financial markets today is the 10% drop in US stocks overnight, but what catches my eye this morning is not this, nor the fact that unlike previous big drops, futures markets are not looking for a correction. My eyes were instead drawn to the bond pages today. And there we can see something we haven't seen for a while, sell-offs in the non-core or what we used to call "peripheral countries" of Europe. It's actually a broader list than this though - basically, anywhere with a lot of debt, Greece of course, Ireland, Italy, Belgium, even France (10Y up 20bp). Germany barely managed to hang on with 10Y bond yields down only fractionally.

At the heart of this will be disappointment with the package of measures from Christine Lagarde's ECB. [Carsten Brzeski writes about them in this note, here.](#)

In Asia, the bond markets haven't yet repounded too much, but it is interesting to see that commodity-heavy Australian and New Zealand government bonds are seeing the biggest increases, though not on the scale of some of those in Europe. Both are up a bit more than 7bp at a 10Y maturity. For any signs that this is becoming a generalised EM rout, we would look to the

Indonesian 10Y yield as a litmus indicator. Right now it isn't showing too much, though yields have already risen over recent weeks by close to 70bp. So it looks normal right now, but I would keep watching this, as well as Indian and Philippine bonds for signs that the rush for the exits may be beginning.

And the USD comes storming back

With US Treasury yields staging a much more sedate decline as the stock market tanks, and with investors seemingly taking a "sell European assets" view, the USD has come screaming back. I'm pleased, as this is what I told some investors in India a week or two back. Where it goes from here is harder to call, but [Petr Krpata has written on the latest moves, so read his note for some more insight](#). Fortunately, EURUSD is his headache, not mine. But I think he is right that the ECB yesterday, far from pouring oil on troubled waters, has poured oil onto the fire.

For what it is worth, and it probably isn't much, there probably is also a Covid-19 overlay to FX right now, so the USD may be enjoying a late-mover advantage. That will come to an end as the case count rockets, which is what I think happens soon.

India update

Prakash Sakpal has written this about India, which ties in with my earlier comments about EM stresses: "February CPI inflation eased in line with consensus to 6.6% YoY from 7.6% a month before on lower food and transport components. And, industrial production growth accelerated to 2% YoY in January from 0.1% in December. However, nobody cared about these better data as the markets continued to get crushed by worries about the Covid-19 pandemic. The RBI was reportedly in the market to support the Indian rupee as the currency weakened in the vicinity of 74.4 all-time low against the US dollar reached in Oct-2018. It also announced \$2 billion worth of currency swaps in further support. It's quite a balancing act for the central bank as the pressure to cut rates is mounting. We do expect a rate cut in April, while the government is also mulling more fiscal stimulus to support growth. We continue to see USD/INR rising up to 75 in the days ahead (spot 74.22)".

Author

Amrita Naik Nimbalkar

Junior Economist, Global Macro
amrita.naik.nimbalkar@ing.com

Alissa Lefebvre

Economist
alissa.lefebvre@ing.com

Deepali Bhargava

Regional Head of Research, Asia-Pacific
Deepali.Bhargava@ing.com

Ruben Dewitte

Economist
+32495364780

ruben.dewitte@ing.com

Kinga Havasi

Economic research trainee

kinga.havasi@ing.com

Marten van Garderen

Consumer Economist, Netherlands

marten.van.garderen@ing.com

David Havrlant

Chief Economist, Czech Republic

420 770 321 486

david.havrlant@ing.com

Sander Burgers

Senior Economist, Dutch Housing

sander.burgers@ing.com

Lynn Song

Chief Economist, Greater China

lynn.song@asia.ing.com

Michiel Tukker

Senior European Rates Strategist

michiel.tukker@ing.com

Michal Rubaszek

Senior Economist, Poland

michal.rubaszek@ing.pl

This is a test author

Stefan Posea

Economist, Romania

tiberiu-stefan.posea@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Jesse Norcross

Senior Sector Strategist, Real Estate

jesse.norcross@ing.com

Teise Stellema

Research Assistant, Energy Transition

teise.stellema@ing.com

Diederik Stadig

Sector Economist, TMT & Healthcare

diederik.stadig@ing.com

Diogo Gouveia

Sector Economist

diogo.duarte.vieira.de.gouveia@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Ewa Manthey

Commodities Strategist

ewa.manthey@ing.com

ING Analysts

James Wilson

EM Sovereign Strategist

James.wilson@ing.com

Sophie Smith

Digital Editor

sophie.smith@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist

frantisek.taborsky@ing.com

Adam Antoniak

Senior Economist, Poland

adam.antoniak@ing.pl

Min Joo Kang

Senior Economist, South Korea and Japan

min.joo.kang@asia.ing.com

Coco Zhang

ESG Research

coco.zhang@ing.com

Jan Frederik Slijkerman

Senior Sector Strategist, TMT

jan.frederik.slijkerman@ing.com

Katinka Jongkind

Senior Economist, Services and Leisure

Katinka.Jongkind@ing.com

Marina Le Blanc

Sector Strategist, Financials

Marina.Le.Blanc@ing.com

Samuel Abettan

Junior Economist

samuel.abettan@ing.com

Franziska Biehl

Senior Economist, Germany

Franziska.Marie.Biehl@ing.de

Rebecca Byrne

Senior Editor and Supervisory Analyst

rebecca.byrne@ing.com

Mirjam Bani

Sector Economist, Commercial Real Estate & Public Sector (Netherlands)

mirjam.bani@ing.com

Timothy Rahill

Credit Strategist

timothy.rahill@ing.com

Leszek Kasek

Senior Economist, Poland

leszek.kasek@ing.pl

Oleksiy Soroka, CFA

Senior High Yield Credit Strategist

oleksiy.soroka@ing.com

Antoine Bouvet

Head of European Rates Strategy

antoine.bouvet@ing.com

Jeroen van den Broek

Global Head of Sector Research

jeroen.van.den.broek@ing.com

Edse Dantuma

Senior Sector Economist, Industry and Healthcare

edse.dantuma@ing.com

Francesco Pesole

FX Strategist

francesco.pesole@ing.com

Rico Luman

Senior Sector Economist, Transport and Logistics

Rico.Luman@ing.com

Jurjen Witteveen

Sector Economist

jurjen.witteveen@ing.com

Dmitry Dolgin

Chief Economist, CIS

dmitry.dolgin@ing.de

Nicholas Mapa

Senior Economist, Philippines

nicholas.antonio.mapa@asia.ing.com

Egor Fedorov

Senior Credit Analyst

egor.fedorov@ing.com

Sebastian Franke

Consumer Economist

sebastian.franke@ing.de

Gerben Hieminga

Senior Sector Economist, Energy

gerben.hieminga@ing.com

Nadège Tillier

Head of Corporates Sector Strategy

nadege.tillier@ing.com

Charlotte de Montpellier

Senior Economist, France and Switzerland

charlotte.de.montpellier@ing.com

Laura Straeter

Behavioural Scientist

+31(0)611172684

laura.Straeter@ing.com

Valentin Tataru

Chief Economist, Romania

valentin.tataru@ing.com

James Smith

Developed Markets Economist, UK

james.smith@ing.com

Suvi Platerink Kosonen

Senior Sector Strategist, Financials

suvi.platerink-kosonen@ing.com

Thijs Geijer

Senior Sector Economist, Food & Agri

thijs.geijer@ing.com

Maurice van Sante

Senior Economist Construction & Team Lead Sectors

maurice.van.sante@ing.com

Marcel Klok

Senior Economist, Netherlands

marcel.klok@ing.com

Piotr Poplawski

Senior Economist, Poland

piotr.poplawski@ing.pl

Paolo Pizzoli

Senior Economist, Italy, Greece

paolo.pizzoli@ing.com

Marieke Blom

Chief Economist and Global Head of Research

marieke.blom@ing.com

Raoul Leering

Senior Macro Economist

raoul.leering@ing.com

Maarten Leen

Head of Global IFRS9 ME Scenarios

maarten.leen@ing.com

Maureen Schuller

Head of Financials Sector Strategy

Maureen.Schuller@ing.com

Warren Patterson

Head of Commodities Strategy

Warren.Patterson@asia.ing.com

Rafal Benecki

Chief Economist, Poland

rafal.benecki@ing.pl

Philippe Ledent

Senior Economist, Belgium, Luxembourg

philippe.ledent@ing.com

Peter Virovacz

Senior Economist, Hungary

peter.virovacz@ing.com

Inga Fechner

Senior Economist, Germany, Global Trade

inga.fechner@ing.de

Dimitry Fleming

Senior Data Analyst, Netherlands

Dimitry.Fleming@ing.com

Ciprian Dascalu

Chief Economist, Romania

+40 31 406 8990

ciprian.dascalu@ing.com

Muhammet Mercan

Chief Economist, Turkey

muhammet.mercan@ingbank.com.tr

Iris Pang

Chief Economist, Greater China

iris.pang@asia.ing.com

Sophie Freeman

Writer, Group Research

+44 20 7767 6209

Sophie.Freeman@uk.ing.com

Padhraic Garvey, CFA

Regional Head of Research, Americas

padhraic.garvey@ing.com

James Knightley

Chief International Economist, US

james.knightley@ing.com

Tim Condon

Asia Chief Economist

+65 6232-6020

Martin van Vliet

Senior Interest Rate Strategist

+31 20 563 8801

martin.van.vliet@ing.com

Karol Pogorzelski

Senior Economist, Poland

Karol.Pogorzelski@ing.pl

Carsten Brzeski

Global Head of Macro

carsten.brzeski@ing.de

Viraj Patel

Foreign Exchange Strategist

+44 20 7767 6405

viraj.patel@ing.com

Owen Thomas

Global Head of Editorial Content

+44 (0) 207 767 5331

owen.thomas@ing.com

Bert Colijn

Chief Economist, Netherlands

bert.colijn@ing.com

Peter Vanden Houte

Chief Economist, Belgium, Luxembourg, Eurozone

peter.vandenhoute@ing.com

Benjamin Schroeder

Senior Rates Strategist

benjamin.schroeder@ing.com

Chris Turner

Global Head of Markets and Regional Head of Research for UK & CEE

chris.turner@ing.com

Gustavo Rangel

Chief Economist, LATAM

+1 646 424 6464

gustavo.rangel@ing.com

Carlo Cocuzzo

Economist, Digital Finance

+44 20 7767 5306

carlo.cocuzzo@ing.com

ASEAN Morning Bytes

The global market mayhem continues as official responses to the pandemic viewed as insufficient



EM Space: The market mayhem continues

- **General Asia:** Market players may be picking up the pieces after substantial losses in the previous session as Covid-19 appears to be on course to inflict substantial damage to the global economy. Stimulus packages are being readied but investors have so far not been impressed with the size and scope of those rolled out so far.
- **Malaysia:** January industrial production is due with consensus expectation of a modest growth slowdown to 0.8% YoY from 1.3% in the previous month. The Muhyiddin government will be reviewing the MYR 20 billion (1.3% of GDP) stimulus package announced by the previous administration to ensure it's sufficient while they stretch the fiscal limits amid falling oil prices. The MYR traded to a two-and-half-year low of 4.28 against the USD yesterday. We expect it to remain an Asian underperformer in the days ahead.
- **Indonesia:** The government will announce details of a much-anticipated second stimulus package that is promised to be more substantial than the first \$750 mn spending bill designed to combat Covid-19 and its impact on the economy. Finance minister Indrawati will outline tax cuts for individuals and corporations as well as a possible relaxation of import duties for six months. Despite these efforts, growth is expected to take a hit and a rise in bond issuance to cover the budget shortfall should push yields higher.
- **Philippines:** President Duterte ordered a community quarantine for the capital Manila, which will restrict entry and exit into the country's main source of economic activity for a period of

30 days beginning on Sunday, March 15. Domestic travel during this period by land, sea and air will be prohibited. Details have yet to be discussed but this opens the door for a possibly sizeable easing from the central bank next week given the likely impact on growth from such a quarantine.

What to look out for: Covid-19 developments

- Malaysia Industrial production (13 March)
- Philippines fiscal balance (13 March)
- US consumer sentiment (13 March)

Author

Nicholas Mapa

Senior Economist, Philippines

nicholas.antonio.mapa@asia.ing.com

Article | 12 March 2020

Asia week ahead: Easing to intensify

Central bank meetings dominate next week's economic calendar in Asia. China has stepped forward with a targeted RRR rate cut, the real question for others is not whether they will cut rates again, but by how much



Source: Shutterstock

➔ China: A rate cut is on the way

The next batch of Chinese data on industrial production, investment, retail sales and home prices will continue to be scrutinised for the economic impact of Covid-19 in the first two months of 2020. So far, the majority of economic releases have surprised on the downside and we don't think the ones coming up will be any different. But having said that, they should be more reflective of GDP growth in the first quarter. Industrial production growth is a good guide to real GDP growth and the consensus expectation of a record 3% YoY manufacturing contraction in the first two months foreshadows the worst.

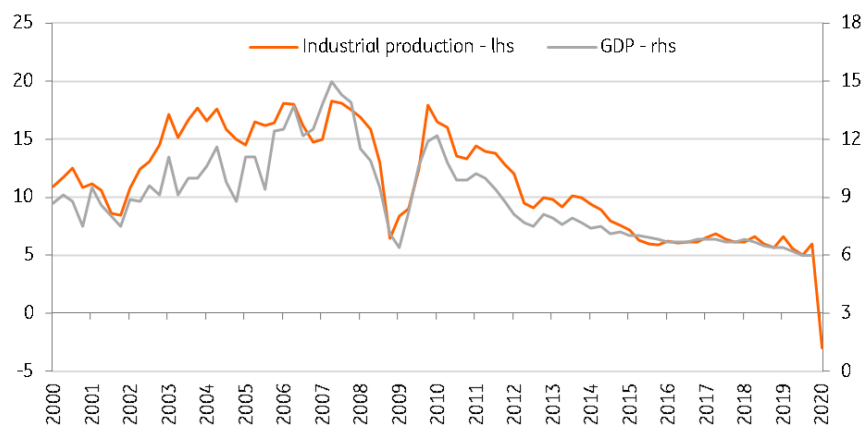
The targeted RRR cut on Friday should put enough downward pressure on the interest rate, effectively reducing the chance of another rate cut in March, and banks' interest rates for inclusive finance should be lower than lending to bigger corporates. We still think an interest rate cut is coming, though perhaps deferred to April. In total, we expect a 10 basis point cut in 7D reverse repo, 1-year medium lending facility and 1-year loan prime rate in April.

Given that cheaper bank loans do little to alleviate the damage from the coronavirus impact, we believe fiscal stimulus is the way to go.

** Updated on 13/03/20 to reflect recent PBOC moves*

China's surprisingly restrained loan growth

China: Where GDP growth is headed (% , year-on-year, quarterly data)



Source: Bloomberg, CEIC, ING

Note: -3% YoY Bloomberg consensus of Jan-Feb 2020 industrial production growth.

➔ Intensifying central bank easing elsewhere

Elsewhere in the region, central bank meetings dominate the economic calendar. The question isn't really if they will cut rates, it's really all about by how much?

The Bank of Japan meeting will be interesting after the \$10 billion fiscal stimulus by the government this week. Years of easing with negative policy interest rates have done little to revive demand and reach the 2% inflation goal. Being virtually out of policy ammunition, it's an ongoing struggle to design effective policy moves, especially in these circumstances.

Central banks in Taiwan, Indonesia and the Philippines also meet next week. We expect all of them to be leaning towards policy easing, though our house forecasts suggest such action only by the Philippines central bank and that too by 25bp. We won't be surprised if Indonesia's and Taiwan's central bank join the easing bandwagon and cut rates by more than 25bp.

➔ What else? More trade data

February trade figures are due in India, Indonesia, Japan and Singapore. While these will be scrutinised for the trade impact of the virus, we won't see the full impact just yet given the pandemic began its rapid spread outside China in late February.

Already released trade data for the month elsewhere in Asia (China, Korea, and Taiwan) is so far a mixed bag. Looking at average export growth in January and February, China's 17% YoY export fall was worse than expected and it compares with 1.3% fall in Korea's exports, while Taiwan's rose by 6.5% in the same months.

We expect the forthcoming data to unfold on a softer side.

Asia Economic Calendar

* Updated 13/03 to reflect recent PBOC moves

Country	Time	Data/event	ING	Survey	Prev.
Monday 16 March					
China	0130	Feb New home prices (YoY%)	-	-	0.27
	0200	Feb Fixed asset investment (YTD, YoY%)	-7	3.5	5.4
	0200	Industrial production (YoY%)	-9	-	6.9
	0200	Retail sales (YoY%)	-8.8	-	8
India	0630	Feb WPI (YoY%)	2.9	-	3.1
	-	4Q Current account balance (Q) (US\$bn)	-	-2.5	-6.254
	-	Feb Trade balance (US\$mn)	-11.7	-	-15.2
	-	Feb Exports (YoY%)	-4.5	-	-1.7
Indonesia	-	Feb Imports (YoY%)	2.2	-	-0.8
	0400	Feb Trade balance (US\$mn)	-864.1	-	-864.2
	0400	Feb Exports (YoY%)	-5.6	-	-3.71
	0400	Feb Imports (YoY%)	-7.2	-	-4.78
Philippines	-	Jan OCW remittances (YoY%)	3.7	-	1.9
Tuesday 17 March					
Singapore	0030	Feb Non-oil domestic exports (MoM/YoY%)	-4.3/-8.3	-/-	4.6/-3.3
Hong-Kong	0830	Feb Unemployment Rate	-	-	3.4
Thursday 19 March					
Indonesia	0720	BI policy decision (7-day reverse repo, %)	4.75	-	4.75
Philippines	0800	Overnight Borrowing Rate	3.50	-	3.75
Taiwan	-	Benchmark Interest Rate	1.375	-	1.375
South Korea	2100	Feb PPI (YoY%)	-	-	1.0
Friday 20 March					
Taiwan	0800	Feb Export orders (YoY%)	-15.2	-	-12.8
China	0130	Loan Prime Rate 1Y	4.05	-	4.05

Source: ING, Bloomberg, *GMT

Author

Amrita Naik Nimbalkar

Junior Economist, Global Macro

amrita.naik.nimbalkar@ing.com

Alissa Lefebvre

Economist

alissa.lefebvre@ing.com

Deepali Bhargava

Regional Head of Research, Asia-Pacific

Deepali.Bhargava@ing.com

Ruben Dewitte

Economist

+32495364780

ruben.dewitte@ing.com

Kinga Havasi

Economic research trainee

kinga.havasi@ing.com

Marten van Garderen

Consumer Economist, Netherlands

marten.van.garderen@ing.com

David Havrlant

Chief Economist, Czech Republic

420 770 321 486

david.havrlant@ing.com

Sander Burgers

Senior Economist, Dutch Housing

sander.burgers@ing.com

Lynn Song

Chief Economist, Greater China

lynn.song@asia.ing.com

Michiel Tukker

Senior European Rates Strategist

michiel.tukker@ing.com

Michal Rubaszek

Senior Economist, Poland

michal.rubaszek@ing.pl

This is a test author

Stefan Posea

Economist, Romania

tiberiu-stefan.posea@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Jesse Norcross

Senior Sector Strategist, Real Estate

jesse.norcross@ing.com

Teise Stellema

Research Assistant, Energy Transition

teise.stellema@ing.com

Diederik Stadig

Sector Economist, TMT & Healthcare

diederik.stadig@ing.com

Diogo Gouveia

Sector Economist

diogo.duarte.vieira.de.gouveia@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Ewa Manthey

Commodities Strategist

ewa.manthey@ing.com

ING Analysts

James Wilson

EM Sovereign Strategist

James.wilson@ing.com

Sophie Smith

Digital Editor

sophie.smith@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist

frantisek.taborsky@ing.com

Adam Antoniak

Senior Economist, Poland

adam.antoniak@ing.pl

Min Joo Kang

Senior Economist, South Korea and Japan

min.joo.kang@asia.ing.com

Coco Zhang

ESG Research

coco.zhang@ing.com

Jan Frederik Slijkerman

Senior Sector Strategist, TMT

jan.frederik.slijkerman@ing.com

Katinka Jongkind

Senior Economist, Services and Leisure

Katinka.Jongkind@ing.com

Marina Le Blanc

Sector Strategist, Financials

Marina.Le.Blanc@ing.com

Samuel Abettan

Junior Economist

samuel.abettan@ing.com

Franziska Biehl

Senior Economist, Germany

Franziska.Marie.Biehl@ing.de

Rebecca Byrne

Senior Editor and Supervisory Analyst

rebecca.byrne@ing.com

Mirjam Bani

Sector Economist, Commercial Real Estate & Public Sector (Netherlands)

mirjam.bani@ing.com

Timothy Rahill

Credit Strategist

timothy.rahill@ing.com

Leszek Kasek

Senior Economist, Poland

leszek.kasek@ing.pl

Oleksiy Soroka, CFA

Senior High Yield Credit Strategist

oleksiy.soroka@ing.com

Antoine Bouvet

Head of European Rates Strategy

antoine.bouvet@ing.com

Jeroen van den Broek

Global Head of Sector Research

jeroen.van.den.broek@ing.com

Edse Dantuma

Senior Sector Economist, Industry and Healthcare

edse.dantuma@ing.com

Francesco Pesole

FX Strategist

francesco.pesole@ing.com

Rico Luman

Senior Sector Economist, Transport and Logistics

Rico.Luman@ing.com

Jurjen Witteveen

Sector Economist

jurjen.witteveen@ing.com

Dmitry Dolgin

Chief Economist, CIS

dmitry.dolgin@ing.de

Nicholas Mapa

Senior Economist, Philippines

nicholas.antonio.mapa@asia.ing.com

Egor Fedorov

Senior Credit Analyst

egor.fedorov@ing.com

Sebastian Franke

Consumer Economist

sebastian.franke@ing.de

Gerben Hieminga

Senior Sector Economist, Energy

gerben.hieminga@ing.com

Nadège Tillier

Head of Corporates Sector Strategy

nadege.tillier@ing.com

Charlotte de Montpellier

Senior Economist, France and Switzerland

charlotte.de.montpellier@ing.com

Laura Straeter

Behavioural Scientist
+31(0)611172684
laura.Straeter@ing.com

Valentin Tataru
Chief Economist, Romania
valentin.tataru@ing.com

James Smith
Developed Markets Economist, UK
james.smith@ing.com

Suvi Platerink Kosonen
Senior Sector Strategist, Financials
suvi.platerink-kosonen@ing.com

Thijs Geijer
Senior Sector Economist, Food & Agri
thijs.geijer@ing.com

Maurice van Sante
Senior Economist Construction & Team Lead Sectors
maurice.van.sante@ing.com

Marcel Klok
Senior Economist, Netherlands
marcel.klok@ing.com

Piotr Poplawski
Senior Economist, Poland
piotr.poplawski@ing.pl

Paolo Pizzoli
Senior Economist, Italy, Greece
paolo.pizzoli@ing.com

Marieke Blom
Chief Economist and Global Head of Research
marieke.blom@ing.com

Raoul Leering
Senior Macro Economist
raoul.leering@ing.com

Maarten Leen
Head of Global IFRS9 ME Scenarios
maarten.leen@ing.com

Maureen Schuller

Head of Financials Sector Strategy

Maureen.Schuller@ing.com

Warren Patterson

Head of Commodities Strategy

Warren.Patterson@asia.ing.com

Rafal Benecki

Chief Economist, Poland

rafal.benecki@ing.pl

Philippe Ledent

Senior Economist, Belgium, Luxembourg

philippe.ledent@ing.com

Peter Virovacz

Senior Economist, Hungary

peter.virovacz@ing.com

Inga Fechner

Senior Economist, Germany, Global Trade

inga.fechner@ing.de

Dimitry Fleming

Senior Data Analyst, Netherlands

Dimitry.Fleming@ing.com

Ciprian Dascalu

Chief Economist, Romania

+40 31 406 8990

ciprian.dascalu@ing.com

Muhammet Mercan

Chief Economist, Turkey

muhammet.mercan@ingbank.com.tr

Iris Pang

Chief Economist, Greater China

iris.pang@asia.ing.com

Sophie Freeman

Writer, Group Research

+44 20 7767 6209

Sophie.Freeman@uk.ing.com

Padhraic Garvey, CFA

Regional Head of Research, Americas

padhraic.garvey@ing.com

James Knightley

Chief International Economist, US

james.knightley@ing.com

Tim Condon

Asia Chief Economist

+65 6232-6020

Martin van Vliet

Senior Interest Rate Strategist

+31 20 563 8801

martin.van.vliet@ing.com

Karol Pogorzelski

Senior Economist, Poland

Karol.Pogorzelski@ing.pl

Carsten Brzeski

Global Head of Macro

carsten.brzeski@ing.de

Viraj Patel

Foreign Exchange Strategist

+44 20 7767 6405

viraj.patel@ing.com

Owen Thomas

Global Head of Editorial Content

+44 (0) 207 767 5331

owen.thomas@ing.com

Bert Colijn

Chief Economist, Netherlands

bert.colijn@ing.com

Peter Vanden Houte

Chief Economist, Belgium, Luxembourg, Eurozone

peter.vandenhoute@ing.com

Benjamin Schroeder

Senior Rates Strategist

benjamin.schroeder@ing.com

Chris Turner

Global Head of Markets and Regional Head of Research for UK & CEE

chris.turner@ing.com

Gustavo Rangel

Chief Economist, LATAM

+1 646 424 6464

gustavo.rangel@ing.com

Carlo Cocuzzo

Economist, Digital Finance

+44 20 7767 5306

carlo.cocuzzo@ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit www.ing.com.