

## Good MornING Asia - 29 July 2019

Get ready for an exciting week featuring resumption of the US-China trade talks, key central bank policy meetings, and a raft of activity data from across the region.

### In this bundle



#### Asia awaits the “Powell-put”

Markets in Asia and elsewhere are waiting for what looks likely to be more monetary stimulus from the US Fed later this week.



#### Asia Morning Bites

##### ASEAN Morning Bytes

General market tone: Wait and see. Get ready for an exciting week featuring resumption of the US-China trade talks, key central bank policy meetings, and...



#### Philippines: The BSP Hawk-Dove meter

With the Federal Reserve set to cut policy rates at the end of the month, market players are gauging the Bangko Sentral Pilipinas' (BSP) stance on...

---

Opinion | 29 July 2019

## Asia awaits the “Powell-put”

Markets in Asia and elsewhere are waiting for what looks likely to be more monetary stimulus from the US Fed later this week.



How far will Fed Chair, Jerome Powell, push back market expectations?

### Markets taking comfort from the Fed

I managed to turn my computer on this morning, not a bad feat after two weeks away. If nothing else, it suggests that I have not become too old to do this job, remembering the string of different passwords needed to fire up the old box and all the accompanying software. Well done me. I am considering taking the rest of the morning off to celebrate...

Markets also looked relatively upbeat this morning, probably taking some solace from the likely Fed rate cut coming later this week. James Knightley covers all the detail in [this linked note](#). But even though markets remain too aggressive in their expectations, an insurance cut of 25-50bp over the next two to three months is surely better than 100bp of cuts required because a recession is looming? I'd think so. It's basically free money.

In terms of equities, rather than the record highs being recorded in the US, Asian markets seem steady or maintaining local highs. That probably isn't a bad outcome either given a) the trade war - though talks are on again I see with US reps headed to Shanghai today b) sectoral issues related to the electronics industry and c) mounting concern over the unrest in Hong Kong.

This last element is too political for me to comment on in detail without inadvertently tripping over an editorial or compliance hurdle, though I will note that Hong Kong's Finance Secretary Paul

Chan believes the unrest could weigh on GDP - that seems uncontroversial.

Our Greater China Economist, Iris Pang also notes on this subject that "China is going to hold a press conference to address the issue of Hong Kong protests. We don't expect any big moves from China as it wants to maintain the "one country two systems." Still, we will monitor what China says in the press conference. In the very unlikely event that China allows the Liberation Army stationed in Hong Kong to patrol in the city, the press conference will be a highly market-moving event, and negative for Hong Kong's "one country two system" status".

Iris also comments on the trade deal today saying "After the China-US sideline meeting at the Osaka G20, millions of tons of US soybeans are now shipping to China. At the same time, the US announced that it would waive tariffs on 110 Chinese exports to the United States, and expressed its willingness to promote US companies to continue trading with relevant Chinese companies.

Source: <http://international.caixin.com/2019-07-28/101444690.html>

Though the two sides are making some friendly gestures to promote a trade deal, we believe that unless the US acts to allow US companies to do businesses with Huawei just as in the past, ie. release Huawei from the "entity list", the prospect of a deal is still very unlikely".

## Asian FX steady ahead of Fed

Asian FX is likewise relatively calm, and except for the Fed, there isn't a lot on the calendar today to upset FX pairs. But this week sees a lot of PMI indicators released. [Prakash Sakpal's week ahead note goes into more detail.](#)

Fed rate cuts and steady local FX opens the door for more local central banks to ease further in the weeks and months ahead.

I am delighted to see the Bank of Korea easing whilst I was away, and as we forecast. More from them is likely, we suspect, and still needed as the latest cut simply undoes the November 2018 hike, so to achieve some real easing in the economy, we would need to see at least one more cut. At 1183, the KRW seems to have weathered the BoK's cut relatively well. A further easing won't cause too much further weakening.

Other likely easers include the Bank of Thailand (August possibly), the Monetary Authority of Singapore (we still think there is the possibility of an off-cycle easing - recent NODX data support this), Bank Indonesia (BI), and BSP (Philippine Central Bank). Easing for all of these central banks will be easier if the Fed is also in easing mode, and can be implemented without much fear of currency weakness and imported inflation (not that inflation is a pressing issue anywhere in the region right now).

The Bank of Japan also meets this week. USDJPY is currently at 108.60. Unless it pushes much lower, I don't think we will get any more than "verbal" policy support from the BoJ, or at most, some change to the formal wording of their forward guidance. Both can be written off as hollow and meaningless, given that there is no genuine policy substance behind any implied action. If the JPY starts to strengthen rapidly, I don't think the BoJ will be able to do a lot about it.

## Author

### **Alissa Lefebvre**

Economist

[alissa.lefebvre@ing.com](mailto:alissa.lefebvre@ing.com)

### **Deepali Bhargava**

Regional Head of Research, Asia-Pacific

[Deepali.Bhargava@ing.com](mailto:Deepali.Bhargava@ing.com)

### **Ruben Dewitte**

Economist

+32495364780

[ruben.dewitte@ing.com](mailto:ruben.dewitte@ing.com)

### **Kinga Havasi**

Economic research trainee

[kinga.havasi@ing.com](mailto:kinga.havasi@ing.com)

### **Marten van Garderen**

Consumer Economist, Netherlands

[marten.van.garderen@ing.com](mailto:marten.van.garderen@ing.com)

### **David Havrlant**

Chief Economist, Czech Republic

420 770 321 486

[david.havrlant@ing.com](mailto:david.havrlant@ing.com)

### **Sander Burgers**

Senior Economist, Dutch Housing

[sander.burgers@ing.com](mailto:sander.burgers@ing.com)

### **Lynn Song**

Chief Economist, Greater China

[lynn.song@asia.ing.com](mailto:lynn.song@asia.ing.com)

### **Michiel Tukker**

Senior European Rates Strategist

[michiel.tukker@ing.com](mailto:michiel.tukker@ing.com)

### **Michal Rubaszek**

Senior Economist, Poland

[michal.rubaszek@ing.pl](mailto:michal.rubaszek@ing.pl)

**This is a test author**

**Stefan Posea**

Economist, Romania  
[tiberiu-stefan.posea@ing.com](mailto:tiberiu-stefan.posea@ing.com)

**Marine Leleux**  
Sector Strategist, Financials  
[marine.leleux2@ing.com](mailto:marine.leleux2@ing.com)

**Jesse Norcross**  
Senior Sector Strategist, Real Estate  
[jesse.norcross@ing.com](mailto:jesse.norcross@ing.com)

**Teise Stellema**  
Research Assistant, Energy Transition  
[teise.stellema@ing.com](mailto:teise.stellema@ing.com)

**Diederik Stadig**  
Sector Economist, TMT & Healthcare  
[diederik.stadig@ing.com](mailto:diederik.stadig@ing.com)

**Diogo Gouveia**  
Sector Economist  
[diogo.duarte.vieira.de.gouveia@ing.com](mailto:diogo.duarte.vieira.de.gouveia@ing.com)

**Marine Leleux**  
Sector Strategist, Financials  
[marine.leleux2@ing.com](mailto:marine.leleux2@ing.com)

**Ewa Manthey**  
Commodities Strategist  
[ewa.manthey@ing.com](mailto:ewa.manthey@ing.com)

## ING Analysts

**James Wilson**  
EM Sovereign Strategist  
[James.wilson@ing.com](mailto:James.wilson@ing.com)

**Sophie Smith**  
Digital Editor  
[sophie.smith@ing.com](mailto:sophie.smith@ing.com)

**Frantisek Taborsky**  
EMEA FX & FI Strategist  
[frantisek.taborsky@ing.com](mailto:frantisek.taborsky@ing.com)

**Adam Antoniak**  
Senior Economist, Poland

[adam.antoniak@ing.pl](mailto:adam.antoniak@ing.pl)

**Min Joo Kang**

Senior Economist, South Korea and Japan

[min.joo.kang@asia.ing.com](mailto:min.joo.kang@asia.ing.com)

**Coco Zhang**

ESG Research

[coco.zhang@ing.com](mailto:coco.zhang@ing.com)

**Jan Frederik Slijkerman**

Senior Sector Strategist, TMT

[jan.frederik.slijkerman@ing.com](mailto:jan.frederik.slijkerman@ing.com)

**Katinka Jongkind**

Senior Economist, Services and Leisure

[Katinka.Jongkind@ing.com](mailto:Katinka.Jongkind@ing.com)

**Marina Le Blanc**

Sector Strategist, Financials

[Marina.Le.Blanc@ing.com](mailto:Marina.Le.Blanc@ing.com)

**Samuel Abettan**

Junior Economist

[samuel.abettan@ing.com](mailto:samuel.abettan@ing.com)

**Franziska Biehl**

Senior Economist, Germany

[Franziska.Marie.Biehl@ing.de](mailto:Franziska.Marie.Biehl@ing.de)

**Rebecca Byrne**

Senior Editor and Supervisory Analyst

[rebecca.byrne@ing.com](mailto:rebecca.byrne@ing.com)

**Mirjam Bani**

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

[mirjam.bani@ing.com](mailto:mirjam.bani@ing.com)

**Timothy Rahill**

Credit Strategist

[timothy.rahill@ing.com](mailto:timothy.rahill@ing.com)

**Leszek Kasek**

Senior Economist, Poland

[leszek.kasek@ing.pl](mailto:leszek.kasek@ing.pl)

**Oleksiy Soroka, CFA**

Senior High Yield Credit Strategist

[oleksiy.soroka@ing.com](mailto:oleksiy.soroka@ing.com)

**Antoine Bouvet**

Head of European Rates Strategy

[antoine.bouvet@ing.com](mailto:antoine.bouvet@ing.com)

**Jeroen van den Broek**

Global Head of Sector Research

[jeroen.van.den.broek@ing.com](mailto:jeroen.van.den.broek@ing.com)

**Edse Dantuma**

Senior Sector Economist, Industry and Healthcare

[edse.dantuma@ing.com](mailto:edse.dantuma@ing.com)

**Francesco Pesole**

FX Strategist

[francesco.pesole@ing.com](mailto:francesco.pesole@ing.com)

**Rico Luman**

Senior Sector Economist, Transport and Logistics

[Rico.Luman@ing.com](mailto:Rico.Luman@ing.com)

**Jurjen Witteveen**

Sector Economist

[jurjen.witteveen@ing.com](mailto:jurjen.witteveen@ing.com)

**Dmitry Dolgin**

Chief Economist, CIS

[dmitry.dolgin@ing.de](mailto:dmitry.dolgin@ing.de)

**Nicholas Mapa**

Senior Economist, Philippines

[nicholas.antonio.mapa@asia.ing.com](mailto:nicholas.antonio.mapa@asia.ing.com)

**Egor Fedorov**

Senior Credit Analyst

[egor.fedorov@ing.com](mailto:egor.fedorov@ing.com)

**Sebastian Franke**

Consumer Economist

[sebastian.franke@ing.de](mailto:sebastian.franke@ing.de)

**Gerben Hieminga**

Senior Sector Economist, Energy

[gerben.hieminga@ing.com](mailto:gerben.hieminga@ing.com)

**Nadège Tillier**

Head of Corporates Sector Strategy

[nadege.tillier@ing.com](mailto:nadege.tillier@ing.com)

**Charlotte de Montpellier**

Senior Economist, France and Switzerland

[charlotte.de.montpellier@ing.com](mailto:charlotte.de.montpellier@ing.com)

**Laura Straeter**

Behavioural Scientist

+31(0)611172684

[laura.Straeter@ing.com](mailto:laura.Straeter@ing.com)

**Valentin Tataru**

Chief Economist, Romania

[valentin.tataru@ing.com](mailto:valentin.tataru@ing.com)

**James Smith**

Developed Markets Economist, UK

[james.smith@ing.com](mailto:james.smith@ing.com)

**Suvi Platerink Kosonen**

Senior Sector Strategist, Financials

[suvi.platerink-kosonen@ing.com](mailto:suvi.platerink-kosonen@ing.com)

**Thijs Geijer**

Senior Sector Economist, Food & Agri

[thijs.geijer@ing.com](mailto:thijs.geijer@ing.com)

**Maurice van Sante**

Senior Economist Construction & Team Lead Sectors

[maurice.van.sante@ing.com](mailto:maurice.van.sante@ing.com)

**Marcel Klok**

Senior Economist, Netherlands

[marcel.klok@ing.com](mailto:marcel.klok@ing.com)

**Piotr Poplawski**

Senior Economist, Poland

[piotr.poplawski@ing.pl](mailto:piotr.poplawski@ing.pl)

**Paolo Pizzoli**

Senior Economist, Italy, Greece

[paolo.pizzoli@ing.com](mailto:paolo.pizzoli@ing.com)

**Marieke Blom**

Chief Economist and Global Head of Research

[marieke.blom@ing.com](mailto:marieke.blom@ing.com)

**Raoul Leering**



Senior Macro Economist

[raoul.leering@ing.com](mailto:raoul.leering@ing.com)

**Maarten Leen**

Head of Global IFRS9 ME Scenarios

[maarten.leen@ing.com](mailto:maarten.leen@ing.com)

**Maureen Schuller**

Head of Financials Sector Strategy

[Maureen.Schuller@ing.com](mailto:Maureen.Schuller@ing.com)

**Warren Patterson**

Head of Commodities Strategy

[Warren.Patterson@asia.ing.com](mailto:Warren.Patterson@asia.ing.com)

**Rafal Benecki**

Chief Economist, Poland

[rafal.benecki@ing.pl](mailto:rafal.benecki@ing.pl)

**Philippe Ledent**

Senior Economist, Belgium, Luxembourg

[philippe.ledent@ing.com](mailto:philippe.ledent@ing.com)

**Peter Virovacz**

Senior Economist, Hungary

[peter.virovacz@ing.com](mailto:peter.virovacz@ing.com)

**Inga Fechner**

Senior Economist, Germany, Global Trade

[inga.fechner@ing.de](mailto:inga.fechner@ing.de)

**Dimitry Fleming**

Senior Data Analyst, Netherlands

[Dimitry.Fleming@ing.com](mailto:Dimitry.Fleming@ing.com)

**Ciprian Dascalu**

Chief Economist, Romania

+40 31 406 8990

[ciprian.dascalu@ing.com](mailto:ciprian.dascalu@ing.com)

**Muhammet Mercan**

Chief Economist, Turkey

[muhammet.mercan@ingbank.com.tr](mailto:muhammet.mercan@ingbank.com.tr)

**Iris Pang**

Chief Economist, Greater China

[iris.pang@asia.ing.com](mailto:iris.pang@asia.ing.com)

**Sophie Freeman**

Writer, Group Research

+44 20 7767 6209

[Sophie.Freeman@uk.ing.com](mailto:Sophie.Freeman@uk.ing.com)

**Padhraic Garvey, CFA**

Regional Head of Research, Americas

[padhraic.garvey@ing.com](mailto:padhraic.garvey@ing.com)

**James Knightley**

Chief International Economist, US

[james.knightley@ing.com](mailto: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](mailto:martin.van.vliet@ing.com)

**Karol Pogorzelski**

Senior Economist, Poland

[Karol.Pogorzelski@ing.pl](mailto:Karol.Pogorzelski@ing.pl)

**Carsten Brzeski**

Global Head of Macro

[carsten.brzeski@ing.de](mailto:carsten.brzeski@ing.de)

**Viraj Patel**

Foreign Exchange Strategist

+44 20 7767 6405

[viraj.patel@ing.com](mailto:viraj.patel@ing.com)

**Owen Thomas**

Global Head of Editorial Content

+44 (0) 207 767 5331

[owen.thomas@ing.com](mailto:owen.thomas@ing.com)

**Bert Colijn**

Chief Economist, Netherlands

[bert.colijn@ing.com](mailto:bert.colijn@ing.com)

**Peter Vanden Houte**

Chief Economist, Belgium, Luxembourg, Eurozone

[peter.vandenhoute@ing.com](mailto:peter.vandenhoute@ing.com)

**Benjamin Schroeder**

Senior Rates Strategist

[benjamin.schroeder@ing.com](mailto:benjamin.schroeder@ing.com)

**Chris Turner**

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

[chris.turner@ing.com](mailto:chris.turner@ing.com)

**Gustavo Rangel**

Chief Economist, LATAM

+1 646 424 6464

[gustavo.rangel@ing.com](mailto:gustavo.rangel@ing.com)

**Carlo Cocuzzo**

Economist, Digital Finance

+44 20 7767 5306

[carlo.cocuzzo@ing.com](mailto:carlo.cocuzzo@ing.com)

## ASEAN Morning Bytes

General market tone: Wait and see. Get ready for an exciting week featuring resumption of the US-China trade talks, key central bank policy meetings, and a raft of activity data from across the region.



### EM Space: US data beats expectations, all eyes still on Fed and trade talks

- **General Asia:** A slew of July economic indicators from around the region will provide a sense of where Asian economies are headed in the second half of 2019, while report cards for the second quarter performance continue to stream in. Adding to the investor anxiety are the resumption of the US-China trade negotiations and central bank policy decisions in the US, UK, and Japan.
- **Indonesia:** Bank Indonesia (BI) Governor Warjiyo vowed to maintain the central bank's presence in the market to keep the IDR stable. He attributed recent volatility to market players reacting to developments related to the US and Brexit. Warjiyo said that low inflation affords the central bank some "ability" to boost economic activity. We believe he will utilize this scope upon return of the IDR stability.
- **Philippines:** Bangko Sentral ng Pilipinas (BSP) Governor Diokno vowed to be forward-looking in setting monetary policy, while he also assured market participants of effective communication of potential policy directions. BSP is widely expected to ease further with currently "tame" inflation allowing Governor to deliver on his previous promises to slash policy rates. We maintain our call of another 25bp policy rate cut at the next BSP meeting

on 8 August.

## What to look out for: Trade talks and Fed

- Japan retail sales (29 July)
- Japan job-to-applicant ratio
- Thailand manufacturing production (30 July)
- BoJ policy balance rate (30 July)
- US personal income(30 July)
- US pending home sales (30 July)
- Korea industrial production (31 July)
- China PMI non-manufacturing (31 July)
- Australian inflation (31 July)
- Thailand trade (31 July)
- Taiwan GDP (31 July)
- Fed meeting (1 August)
- Korea inflation (1 August)
- Korea trade (1 August)
- Taiwan PMI manufacturing (1 August)
- China Caixin PMI manufacturing (1 August)
- Thailand inflation (1 August)
- Hong Kong retail sales (1 August)
- Indonesia inflation (1 August)
- Malaysia trade (2 August)

### Author

**Nicholas Mapa**

Senior Economist, Philippines

[nicholas.antonio.mapa@asia.ing.com](mailto:nicholas.antonio.mapa@asia.ing.com)

Snap | 26 July 2019

## Philippines: The BSP Hawk-Dove meter

With the Federal Reserve set to cut policy rates at the end of the month, market players are gauging the Bangko Sentral Pilipinas' (BSP) stance on monetary policy



### A done deal, with BSP looking to get the timing correct

Policy is decided by the Monetary Board (MB) of the Bangko Sentral ng Pilipinas (BSP), composed of seven voting members who meet every six weeks. With the Federal Reserve all but signalling a rate cut at the end of the month, emerging market central banks have moved to reduce policy rates, too, mainly to boost sagging growth momentum in the face of the protracted trade spat between the US and China. BSP Governor Benjamin Diokno is on record as saying that “we have already decided” (to cut rates) and that the bank is simply looking at the proper timing for such cuts. The big question now is when will the BSP follow through on its May rate reduction and by how much. Let’s meet the seven men at the round (MB) table.

## Governor Diokno (Chairman)

Diokno has openly referred to himself as “pro-growth” as he looks not just to chase price stability per se but with an eye to providing an environment conducive to economic growth. Diokno has pledged to cut policy rates further, while also reducing reserve requirements. He has noted that the proper sequence would be for RRP cuts first and an RRR reduction second. Asked about monetary policy in the wake of recent dovish comments from Fed Chairman Jerome Powell, Diokno indicated that “we have already decided” and that the BSP is weighing up the proper timing. Of late, Diokno has, however, shifted gears by preaching patience and prudence, all the while pledging to remain data-dependent before cutting rates. We expect Diokno's decision to rest on inflation and more heavily on 2Q GDP in the next few weeks. **Leaning: somewhat dovish**

## Secretary Dominguez

Department of Finance (DoF) Secretary Carlos Dominguez is the lone representative to the Monetary Board and has been largely silent on the issue of monetary policy setting of late. His most recent comments have centred around his dissent with proposals for the rice tariffication law repeal and how it had helped lower headline inflation. **Leaning: unknown**

## MB Member Tolentino

One of three economists on the MB, Bruce Tolentino has been on the wires recently indicating that he did not feel there was a “rush” to cut policy rates. Tolentino also stuck to the script, pointing to the need to sift through upcoming economic data to read the tea leaves before acting to slash rates further. He also cautioned on reducing reserve requirements (RRR) as he would like to “make sure that money isn't just sitting in accounts”. Tolentino has also been rather dovish with regards to inflation, downplaying the effect of El Niño on rice prices and inflation as a whole as he pointed to the return of rain to help offset the dry spell. For the coming weeks, we expect Tolentino to react to inflation and GDP while also monitoring the level of funds parked with the BSP's overnight facilities to gauge his timing for further rate cuts. **Leaning: somewhat hawkish**

## MB Member Medalla

Another economist on the MB and one of the more outspoken members, Felipe Medalla has stated his preference to hold off on rate adjustments for “at least a couple of meetings” (statement given in June). He pointed to forecasts showing that “inflation is going to be at 3%” and that “there's really no reason to change policy rates”. From these comments, it looks like Medalla will err on the side of patience and support another “prudent pause” for at least the August meeting. **Leaning: hawkish**

## MB Members Favila, Abacan, De Zuniga,

MB members Favila, Abacan and De Zuniga have not been vocal on the wires about the conduct of monetary policy. Juan De Zuniga is a former Deputy Governor while Peter Favila and Antonio Abacan are veterans of the private sector. The three will likely decide based on the evidence and the presentation by the technical secretariat of the BSP which is now headed by a new Deputy Governor. **Leaning: unknown**

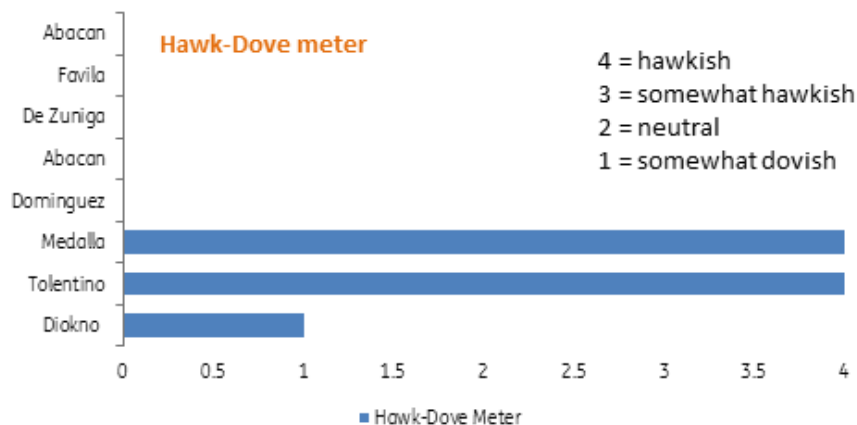
## The 8th man: Deputy Governor Dakila (non-voting)

The newly-minted Deputy Governor Francis Dakila will fill the shoes of stalwart Diwa Guinigundo who retired this month. At the inflation report earlier this month, the BSP team said that the “overall inflation outlook gives more opportunity to consider output and demand conditions moving forward”. With inflation now expected to settle below the 3% target for the year, Dakila stressed that “July inflation would be key to assess if inflation will slow as fast as expected”. The BSP will likely not focus on contemporaneous and singular data points (2Q GDP and July inflation) but rather we expect the technical secretariat to deliver recommendations based on forward looking indicators. **Leaning: somewhat dovish**

## Timing is everything

Policy adjustments are market moving and as such can affect the path and pace of the economy. Proper timing of such moves are crucial as we’ve witnessed how even adjustments with the best intentions have led to market turmoil if not timed perfectly. (If I may quote Tony D’Amato from Any Given Sunday, “one half step too late or too early and you don’t quite make it”). What is key here is also proper signalling to the market so as not to catch investors off guard with a move from left field. Diokno recently sounded off on the importance of credibility stating that “without credibility, central banks resort to traditional aggressive tools to achieve the same result”. Managing expectations in many instances may be just as integral to inflation targeting if the BSP has an effective “hold” on the markets through its credibility, earned through effective communication.

## BSP Hawk-Dove meter



Source: ING

Perceived disposition of BSP MB members based on quotes in the press

## Author

**Nicholas Mapa**

Senior Economist, Philippines

[nicholas.antonio.mapa@asia.ing.com](mailto:nicholas.antonio.mapa@asia.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](http://www.ing.com).