

Good MornING Asia - 5 August 2020

Investors waiting on more direction, likely to monitor US stimulus and monitoring US-China deal for trading cues

In this bundle



Singapore | Thailand
Always believe in...
 Gold!



Asia Morning Bites
ASEAN Morning Bytes
 Investors waiting on more direction, likely to monitor US stimulus and monitoring US-China deal for trading cues



India
Why we expect India to cut rates again this week
 The balance of risk is tilted towards one more 25 basis point policy rate cut by the Reserve Bank of India this week. This would probably mark the end of...

Always believe in...

Gold!



Source: shutterstock

These are my salad days...

Never has a song's lyrics made it into so many research notes - I won't be alone today by lifting the words of Gary and Martin Kemp - perhaps I should have done something with that Shirley Bassey classic to break out from the pack...any other suggestions welcome.

Anyway, normally I leave gold well alone, mainly because it does have a habit of arousing the fury of certain gold fanatics, and I can do without that sort of mail. And for the record, I do own a small amount of physical gold, bought following a very interesting conversation with a German investor at a presentation I gave in Athens about 10 years ago. Detlef, if you're reading this, thanks for the tip.

Why I hold gold may differ to the reasons why other investors have pushed the spot gold price right through \$2000/oz without pausing, to sit at about \$2024 as of writing. I wish I'd bought more. I may still do so. But the current reasons for buying it remain pretty strong. A weak dollar has been one of the factors for buying gold, but the dollar index has taken a bit of a corrective pause in recent days, so I don't think we can put the latest surge down to that. And the dollar is the one factor that could conceivably change substantially in the short term. We don't think it will, but it could. It's FX, and so anything is possible.

Negative real rates are a more compelling longer-term reason for holding gold. Policy interest rates and longer-term bond yields look to be locked down for the rest of this year and next, and maybe

longer. There are some people still talking about inflation picking up at some point, which would undermine the negative real-yield argument. But then it would boost the inflation argument for holding gold. Owning gold as a hedge against inflation right now is, in my opinion, one of the silliest reasons for holding it. But I read an op-ed piece in the FT last night in bed (sad), talking up inflation prospects in the US stemming from the weaker USD, so these people are out there, even if they haven't been paying attention to how the economy has operated for the last ten years (currency pass through these days is negligible and almost totally absorbed in margins).

Ongoing quantitative easing (QE) and the debasement of fiat currencies remains one of the most compelling arguments. And though it isn't being pursued very hard right now (not necessary to drive bond yields down), I think any taper is years away, and consequently, any associated tantrum.

Gold even looks quite a good bet if we get a big market sell-off, though the warning here is that when margins need to be paid off in a hurry, it's the stuff that is still worth something that gets sold, like gold. So the last time we had a market crash (March this year), gold initially did sell quite hard, before bouncing back strongly, so it is certainly not risk-free in the short term.

This is a macro note though, so what if anything can we read into gold's move? In short, I think the answer is very little. This does not, like a flattening yield curve, presage an imminent market or economic crash. All it tells you is that there is a very ample liquidity situation, which is generally good for risk assets - stocks for example. But global liquidity is so ample right now, that just about anything you can buy should go up. Basically, buy assets.

Which really means that everything will be fine until it isn't. In fact, what you might worry most about is a return to normality and prospects of a reversal of easy money. That was the undoing of US stock markets in 2018, leading to a rout in EM markets too and coinciding with a steady rise in the USD. At that point, you may be glad you bought that 5g ingot or stack of gold sovereigns.

Data day ahead

There is a bunch of service sector and composite PMI data out today across the world, including the G-7, and also in our part of the world, including the Caixin figures from China. Most of these are expected to remain in the high 50's, but maybe come off slightly from the previous readings. As these are essentially directional momentum indices, we should not be worried about slight declines in these numbers at these levels. You can't accelerate forever, and the worst of the lockdown-induced slumps are behind most economies.

There is also a bit of central bank (in)action today which Prakash Sakpal picks up below:

"Thailand: The Bank of Thailand policy decision should be out around 2 pm local time (3 pm SGT). A near-unanimous consensus of no change to the policy rate, currently at a record low of 0.50%, suggests it will pass as a non-event. While the argument for further monetary easing remains strong, there is not much easing space left for the central bank, which is why we consider the BoT is done with easing in this cycle ([read more here](#)). The THB should continue to be an Asian underperformer through the end of the year.

And in **Singapore:** June retail sales data is due. The reopening of the economy in June from the Covid-19 circuit-breaker should have lifted demand, though not enough of a lift to swing the year-on-year sales growth back into positive territory. We are looking for a 32% YoY fall, shallower than

May's 52% fall. As in prior months, we think supermarket sales continued to outperform non-essential consumer spending. Automobiles remained a weak spot as seen from a 77% YoY fall in new registrations in June. Private consumption will remain the main expenditure-side drag on GDP in the remainder of the year".

Author

Alissa Lefebre

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 Klokk

Senior Economist, Netherlands

marcel.klokk@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

Investors waiting on more direction, likely to monitor US stimulus and monitoring US-China deal for trading cues



EM Space: US and China scheduled to revisit phase 1 deal

- **General Asia:** US-China relations will be in focus with both sides announcing a possible meeting by mid-month to discuss the phase 1 trade deal. Investors will also be monitoring progress with the proposed US fiscal stimulus with lawmakers hoping to deliver an agreement by the end of the week. Covid-19 new daily cases have come off from the recent peak in the US but remain elevated, while select European nations have reported a renewed pick-up in Covid-19 infections. Regional data (Philippine trade, Indonesia GDP, Thailand inflation and Singapore retail sales) could give additional cues for trading on Wednesday while investors continue to monitor Covid-19 developments and the US-China trade deal.
- **Thailand:** The Bank of Thailand policy decision should be out around 2 pm local time (3 pm SGT). A near-unanimous consensus of no change to the policy rate, currently at a record low of 0.50%, suggests it will pass as a non-event. While the argument for further monetary easing remains strong, there is not much easing space left for the central bank, which is why we consider the BoT is done with easing in this cycle ([read more here](#)). The THB should continue to be an Asian underperformer through the end of the year.
- **Singapore:** June retail sales data is due. The reopening of the economy in June from the Covid-19 circuit-breaker should have lifted demand, though not enough of a lift to swing the year-on-year sales growth back into positive territory. We are looking for a 32% YoY fall,

shallower than May's 52% fall. As in prior months, we think supermarket sales continued to outperform non-essential consumer spending. Automobiles remained a weak spot as seen from a 77% YoY fall in new registrations in June. Private consumption will remain the main expenditure-side drag on GDP in the remainder of the year.

- **Indonesia:** Indonesia 2Q GDP will be released today with analysts expecting a contraction of 4.7% with partial lockdown measures weighing on overall economic momentum. We expect a more severe drop off in activity with GDP falling to -5.1% as trends in manufacturing activity and downbeat consumer confidence reflect a much deeper downturn. Covid-19 cases remain elevated with authorities unable to fully relax partial lockdown restrictions, which have been extended until 13 August. We expect the virus to weigh on GDP momentum for the balance of the year with a likely contraction in GDP also recorded in 3Q.
- **Philippines:** Inflation and trade data will be reported on Wednesday with price pressures expected to be modest while overall trade activity is projected to remain subdued due to the pandemic. Inflation will likely settle at 2.6% in July, still well within the central bank's 2-4% target band although we do not expect a change in monetary stance any time soon. Meanwhile, both exports and imports will probably both record double-digit declines as weaker global demand and slowing domestic economic activity cause trade activity to shrink. A substantial drop in imports will likely keep PHP supported and we expect this trend to continue for the next few months.

What to look out for: Covid-19 developments

- Philippine inflation and trade data (5 August)
- Indonesia GDP (5 August)
- Thailand inflation and BoT meeting (5 August)
- Singapore retail sales (5 August)
- US trade balance and ISM PMI non-manufacturing (5 August)
- Philippines GDP (6 August)
- Taiwan inflation (6 August)
- US initial jobless claims (6 August)
- Malaysia industrial production (7 August)
- US non-farm payrolls (7 August)

Author

Nicholas Mapa

Senior Economist, Philippines

nicholas.antonio.mapa@asia.ing.com

Why we expect India to cut rates again this week

The balance of risk is tilted towards one more 25 basis point policy rate cut by the Reserve Bank of India this week. This would probably mark the end of the current easing cycle



Reserve Bank of India Governor Shaktikanta Das

3.75% RBI policy rate forecast
25bp cut this week

Loose consensus for an RBI rate cut

The Reserve Bank of India's Monetary Policy Committee is meeting on Thursday, 6 August, to decide the course of the policy. The consensus is skewed towards a further 25 basis point cut to key policy rates; at the time of this writing, 18 out of 29 estimates in the Bloomberg survey favoured a rate cut and the rest no change.

We also think we'll get a 25bp rate cut, bringing the RBI repurchase rate down to 3.75% and the reverse repo rate to 3.10%. These will be marked to be a record low for both rates, after eight cuts

in the repo rate and nine in the reverse repo rate in the current easing cycle that has been underway since early 2019.

We also share the consensus view that the central bank will leave commercial banks' cash reserve ratio unchanged at 3.00%. Nor do we anticipate any change to the accommodative policy bias as growth outweighs inflation as the policy driver. That said, we think we are near the end of this easing cycle.

Nose-diving economy warrants lower rates

The monetary easing expectations stem from prospects of a prolonged economic slump ahead resulting from an un-abating spread of the Covid-19 pandemic. India is the third worst-affected country in the world (after the USA and Brazil) with total infections poised to cross the two-million mark in the coming days.

Clearly, the April-June quarter, the first quarter of the fiscal year 2020-21, recorded its worst economic performance, probably in the living memory. We forecast close to 12% year-on-year GDP contraction in that quarter; the data is due on 31 August.

Supporting this, exports crashed by 37% YoY and imports were worse with a 53% plunge. These dented manufacturing sharply. The statistical office refrained from publishing the industrial production data recently, but the output of key infrastructure sectors (coal, crude oil, natural gas, petroleum products, fertilisers, steel, cement, and electricity) shrank 25% YoY in April-June, suggesting that the headline IP couldn't be any better than this.

The deteriorating fiscal situation also suggests action

Further reinforcing the need for more monetary accommodation are the deteriorating public finances as these are constraining the scope for any more fiscal stimulus.

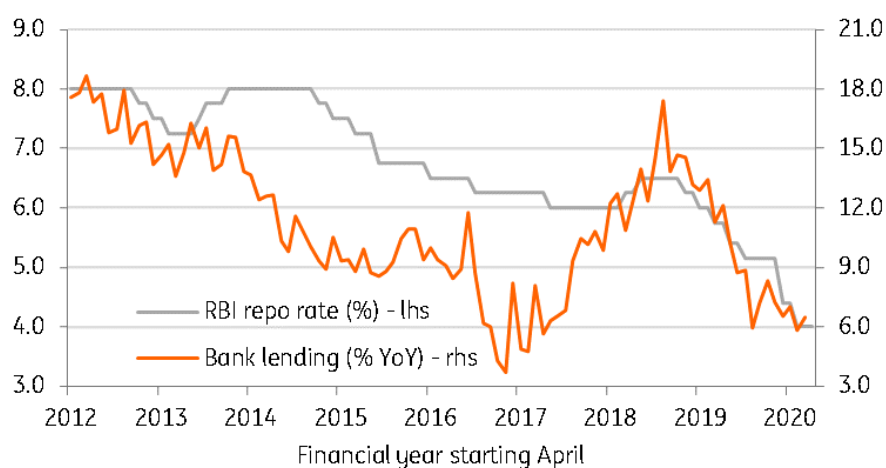
The fiscal deficit is through the roof

The contracting economy has dented government revenue, while stimulatory policy has boosted spending, shooting the fiscal deficit through the roof. The deficit in 1Q FY20-21 surged 53% YoY to INR 6.62 trillion and this was 83% of the official target for the entire fiscal year. This stems from a 47% YoY fall in revenue and a 13% rise in expenditure. Our view of the deficit equivalent to 6.5% of GDP this fiscal year remains at risk of an upside miss.

Record government borrowing to plug the budget gap is another reason why interest rates should fall further to ease the debt servicing burden. Despite aggressive RBI rate cuts so far this year the 10-year government bond yield has been sticky downward, at around 5.8% currently.

Meanwhile, the noise about monetisation of the deficit with direct purchases of government bonds by the central bank has been prevalent. This is despite the RBI dashing such hopes in an [off-cycle policy announcement in April](#), while some of its former policymakers continued to warn against this policy option, calling it as highly inflationary.

Aggressive monetary easing is still failing to stimulate lending



Source: CEIC, ING

Headwinds to lower rates

Talking about inflation, it has risen above the RBI's 2-6% policy range in recent months. Supply disruption and panic buying brought food prices back in play as the key inflation driver. And a recent hike in excise duty and retail fuel prices have pressured utilities and transport costs. We expect inflation to remain above or near the RBI's policy limit for the remainder of the year.

While high inflation explains why some favour a stable rate decision this week, another argument supporting it is a weak currency. The INR has been an underperforming emerging market currency this year with about 5% year-to-date depreciation. Although it gained some ground recently on the back of broad US dollar weakness and one-off inflows in India's telecom sector, we see nothing on the horizon to help it erase underperformance in the rest of the year.

Our end-2020 USD/INR forecast remains at 76.50 (spot 75.05).

Author

Alissa Lefebre

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.