

Good MornING Asia - 6 April 2018

The fear of a global trade war weighs on Asian central bank policy tightening. We expect Singapore and Korea to keep policies on hold next week, while markets glean through China's trade data for the impact of the conflict (Note to readers: We are traveling in the next week, so there will be no publication. The next report will be on April 16.)

In this bundle



China | Singapore...

Asia week ahead: Trade war threats weighs on central banks

The fear of a global trade war weighs on Asian central bank policy tightening. We expect Singapore and Korea to keep policies on hold, while markets glean...



Philippines

Philippines: Inflation rises but watch the peso's weakness

Inflation rose to 4.3% in March but a weaker peso could eventually nudge the central bank to turn hawkish

Asia week ahead: Trade war threats weighs on central banks

The fear of a global trade war weighs on Asian central bank policy tightening. We expect Singapore and Korea to keep policies on hold, while markets glean through China's trade data for the impact of the conflict



3.9%

Consensus 1Q18 GDP growth
year-on-year

➔ Singapore - MAS policy and 1Q18 GDP

The highlight of the week is the Monetary Authority of Singapore's (MAS) semi-annual statement, which will be accompanied by an advance estimate of GDP growth for 1Q18. The last MAS statement in October 2017, in which they referred to the phrase "a neutral policy stance is appropriate for an extended period" as the October 2016 guidance, triggered expectations of a

return to tightening.

The neutral MAS policy stance, or stable Singapore dollar nominal effective exchange rate (S\$-NEER) over the policy horizon, has been in place since April 2016. The consensus for the upcoming statement is tilted toward a return to the “modest and gradual” S\$-NEER appreciation path. However, we are sceptical because of the narrowly-driven growth, ultra-low inflation, and the threat of a global trade war.

The consensus for 1Q18 GDP growth is 3.9% year-on-year, up from 3.6% in 4Q17. So far the evidence of last year’s economic strength continuing this year has been mixed. The growth of non-oil domestic exports slowed sharply, whereas manufacturing bounced in 2018. Both NODX and manufacturing are narrowly driven by semiconductors, and similar contrast as the headline NODX and manufacturing growths is observed for semiconductor exports and manufacturing. The headline and core CPI inflation of 0.2% YoY and 1.5% respectively in the first two months was within the official forecast for 2018.

1.5% Policy rate
No change expected

➔ Korea - central bank meeting

Korea's central bank will meet next Thursday (12 April) and release its quarterly Economic Outlook report. No one expects any change in policy, so the focus will be on the central bank’s assessment of the economy going forward.

Steady exports and reduced geopolitical risk may have supported GDP growth around 3% in 1Q18 (data due 26 April), but inflation continued to grind lower. The central bank is concerned about strong currency hurting exports, while an intensified global trade wars pose further risk. As things stand, the chances of a 25bp Bank of Korea rate hike in 3Q18 are reduced.

24% China export growth in Jan-Feb
year-on-year

➔ China - data dump for March

China’s March data dump begins. The trade data matters more in the current environment of a heated trade conflict with the US. While it’s too early for data to reveal the impact of tariffs that are yet to be implemented, the hit to sentiment from the mere announcement of tariffs cannot be underestimated. Perhaps positively for now due to frontloading of shipments in anticipation of the actual implementation. China’s exports surged 24% YoY in the first two months of the year, led by strong growth in shipments to the US by 25%.

The hopes of this strength persisting rest on both sides coming to the table to resolve the tariff

issue.

Asia Economic Calendar

| Country | Time | Data/event | ING | Survey | Prev. |
|---------------------------|------|--|--------|--------|-----------|
| Friday 6 April | | | | | |
| Malaysia | 0800 | Mar 30 Forex reserves- Month end (US\$bn) | - | - | 103.9 |
| Philippines | - | Mar Forex reserves (US\$bn) | - | - | 80431.6 |
| Singapore | - | 1Q A GDP (Q) (YoY%) | 3.9 | - | 3.6 |
| | - | 1Q A GDP (QoQ Annualised %) | -0.3 | - | 2.1 |
| Saturday 7 April | | | | | |
| China | - | Mar Forex Reserves (US\$bn) | 3147 | 3148.5 | 3134.48 |
| Sunday 8 April | | | | | |
| China | - | Boao Forum for Asia in Hainan, China (until 11/04) | | | |
| Monday 9 April | | | | | |
| Singapore | - | Singapore's MAS monetary policy decision (until 13/04) | | | |
| Taiwan | 0900 | Mar Exports (YoY%) | 6.5 | - | -1.2 |
| | 0900 | Mar Imports (YoY%) | 21.5 | - | 0.9 |
| | 0900 | Trade balance (US\$m) | 3900 | - | 2920 |
| Tuesday 10 April | | | | | |
| China | - | Mar Money supply (M2) (YoY%) | 8.9 | 8.9 | 8.8 |
| Philippines | 0200 | Feb Trade balance (US\$mn) | -2280 | - | -3317 |
| | 0200 | Feb Imports (YoY%) | 6.7 | - | 11.4 |
| | 0200 | Feb Exports (YoY%) | 12.7 | - | 0.5 |
| Taiwan | 0900 | Mar CPI (YoY%) | 2 | - | 2.19 |
| | 0900 | Mar WPI (YoY%) | 0 | - | -0.27 |
| Wednesday 11 April | | | | | |
| China | 0230 | Mar PPI (YoY%) | 3.9 | 3.2 | 3.7 |
| | 0230 | Mar CPI (YoY%) | 3 | 2.6 | 2.9 |
| Malaysia | 0500 | Feb Industrial production (YoY%) | 3.6 | - | 3 |
| Philippines | - | Feb Budget balance (PHP bn) | - | - | 10.2 |
| South Korea | 0000 | Mar Unemployment rate (% SA) | 3.6 | - | 3.6 |
| Thursday 12 April | | | | | |
| India | 1300 | Mar CPI (YoY%) | 4.4 | - | 4.44 |
| | 1300 | Feb Industrial production (YoY%) | 5.7 | - | 7.5 |
| | - | Mar Trade deficit (US\$bn) | -13200 | - | -11979.2 |
| | - | Mar Exports (YoY%) | -3.5 | - | 4.48 |
| | - | Mar Imports (YoY%) | 4.5 | - | 10.41 |
| Singapore | 0600 | Feb Retail sales value (MoM/YoY%) | -/- | -/- | -5.4/-8.4 |
| South Korea | - | 7-Day Repo Rate | 1.5 | - | 1.5 |
| Friday 13 April | | | | | |
| China | - | Mar Trade Balance (US\$bn) | 28.5 | 25 | 33.752 |
| | - | Mar Exports (YoY%) | 13 | 11.8 | 44.5 |
| | - | Mar Imports (YoY%) | 10.4 | 12.4 | 6.3 |

Source: ING, Bloomberg

Author

Amrita Naik Nimbalkar

Junior Economist, Global Macro

amrita.naik.nimbalkar@ing.com

Mateusz Sutowicz

Senior Economist, Poland

mateusz.sutowicz@ing.pl

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

Philippines: Inflation rises but watch the peso's weakness

Inflation rose to 4.3% in March but a weaker peso could eventually nudge the central bank to turn hawkish



Source: Shutterstock

4.3%

March headline inflation

Within the central bank's forecast range

Higher than expected

Tax reform, higher oil prices, supply issues and a weak peso push inflation higher

March inflation posted a five-year high at 4.3%, up from 3.8% in February and slightly above the consensus forecast of 4.2%. But this was within Bangko Sentral ng Pilipinas (BSP's) forecast range of 3.8% to 4.6%.

Price pressures were broad-based with seven of the 11 categories posting year-on-year increases. The BSP expects inflation to moderate in between the 2% to 4% target range over the policy horizon which argues for steady policy rates. Base effects and government action would allow for this price moderation. Rice supply constraints continue to increase food inflation higher while

higher oil prices and excise taxes sustain the pressure on transport, “sin” product prices.

The weak peso (PHP) also contributed to the uptick in inflation.

The government's plan to import rice and tapering impact of tax-related price pressures would moderate inflation over the policy horizon. Saudi Arabia plans to cut its oil price for Asia next month as US oil makes inroads into Asia, but the sustained weakness of the peso is likely to increase its impact on overall inflation. The peso is 4.4% YoY weaker in April which would likely lead to a 0.25ppt impact on inflation.

We cannot brush aside the possibility of a significantly weaker peso. The PHP weakened by 7% to 9% in 2013, 2015 and 2016 due to the shifting US monetary policy and heightened local and global risks. A weak peso may eventually spur the central bank to turn hawkish.

Author

Amrita Naik Nimbalkar

Junior Economist, Global Macro

amrita.naik.nimbalkar@ing.com

Mateusz Sutowicz

Senior Economist, Poland

mateusz.sutowicz@ing.pl

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.