

Our view on next week's key events

Discover what ING analysts are looking for next week in our global economic calendars

In this bundle



Key events in developed markets next week

US mid-term elections take centre stage next week. Opinion polls suggest the Republicans are under pressure, leaving the chance of congressional change...

By James Knightley, Bert Colijn and 2 others



Asia week ahead: Indonesia and Philippines unscathed

Data on trade, inflation, and GDP, together with central bank policy meetings is likely to add to the market volatility, but concerns around the slowdown...



Key events in EMEA and Latam next week

It's a packed week ahead for EMEA and Latam, with key data on inflation and consumer spending along with several monetary policy decisions

By Peter Virovacz, Muhammet Mercan and 2 others

Article | 2 November 2018

Key events in developed markets next week

US mid-term elections take centre stage next week. Opinion polls suggest the Republicans are under pressure, leaving the chance of congressional change...



Source: Shutterstock

Congressional change?

It is a key week for the US, with the midterm elections on Tuesday and the Federal Reserve's FOMC meeting two days later. In terms of the election, opinion polls continue to suggest the Republicans are under pressure. The loss of Congressional control would make life increasingly difficult for President Trump and have major implications for policy. President Trump was already somewhat limited by congressional deadlock, but if the Republicans lose the House (but probably retain the Senate) it becomes even more challenging for him, i.e. he will struggle to pass major legislation.

Bi-partisan action may be possible in areas such as infrastructure spending, but for the most part, divisions between and within the two parties will remain material. Faced with this, President Trump will likely focus on areas where executive powers give him more leeway to set the agenda, such as trade policy. With China ramping up its fiscal stimulus, this hints that both sides will be "digging in" with little prospect of any meaningful easing of tensions.

As for the Federal Reserve meeting, while officials no longer describe monetary policy as "accommodative", it is far from restrictive. A positive domestic story and rising inflation pressures mean the Federal Reserve will continue to signal "gradual" rate hikes ahead, setting us up for a December move.

✔ Next week to shed light on eurozone's poor third quarter

After 3Q GDP data for the eurozone and some member states this week, it seems likely that German GDP growth will have gone through another soft patch. An entire batch of monthly industrial data coupled with September retail sales should hopefully shed some light on the eurozone's surprisingly disappointing third quarter, and if there's potential for growth to be revised upwards.

✔ UK growth set to boom but can it last?

There's little doubt the UK economy had a good run over the summer, helped along by the better weather. However, as we move into the winter, there's a risk that momentum slows once again.

Consumers remain reasonably cautious, partly because higher petrol prices are offsetting the recent strength in wage growth. Meanwhile, the higher perceived risk of a 'no deal' Brexit is likely to see a greater proportion of firms take contingency action, and that's already being tentatively reflected to some extent in the PMIs and hiring indicators. For that reason, it looks very unlikely that the Bank of England will hike rates before May 2019, at the earliest.

✔ Riksbank and Norges Bank speakers set to spell out guidance

Next week sees a number of speeches from Swedish and Norwegian central bankers as both the Riksbank and Norges Bank seek to spell out their guidance for gradual interest rate increases over coming quarters. In Norway, the October inflation reading is a key data point; we continue to see upside risk to the NB's inflation forecast but expect the bank to reiterate its intention to keep rate increases gradual - by which it means a pace of two hikes per year.

Developed Markets Economic Calendar

| Country | Time | Data/event | ING | Survey | Prev. |
|--------------------------------------|------|---|-----------|--------|----------|
| Sunday 4 November | | | | | |
| Japan | 2350 | BoJ Minutes of Policy Meeting | | | |
| Monday 5 November | | | | | |
| US | 1500 | Oct ISM Non-manufacturing | 59.0 | 59.5 | 61.6 |
| Japan | 0100 | BoJ Kuroda Speaks in Nagoya | | | |
| Eurozone | 1245 | ECB Vice President Guindos Speak in Brussels | | | |
| UK | 0930 | Oct Market/CIPS Services PMI | 53.0 | - | 53.9 |
| | 0930 | Oct Market/CIPS Composite PMI | 52.9 | - | 54.1 |
| ^{new} ^{Zealand} | 0100 | Treasury Publishes Monthly Economic Indicators | | | |
| Norway | 1430 | Norges Bank Deputy Governor Nicolaisen Speaks in London | | | |
| Sweden | 0730 | Oct Swedbank/Silf Services PMI | - | - | 56.6 |
| | 0500 | Maklarstatistik Swedish Housing Price Data | | | |
| Tuesday 6 November | | | | | |
| US | - | 2019 Mid-term Elections | | | |
| Eurozone | 0900 | Oct F Market Services PMI | 53.3 | - | 53.3 |
| | 0900 | Oct F Market Composite PMI | 52.7 | - | 52.7 |
| | 0730 | ECB's Praet (0730) and Coeure (1115) on Panel in Brussels | | | |
| | 1200 | ECB's Lautenschlaeger Speaks in Frankfurt | | | |
| Germany | 0700 | Sep New Orders (MoM/YoY%) | 0.5/-2.3 | -/- | 2/-2.1 |
| Australia | 0330 | RBA Cash Rate Target | 1.5 | 1.5 | 1.5 |
| Norway | 0830 | Norges Bank Deputy Governor Matsen Speaks in Trondheim | | | |
| | 0915 | Norges Bank Governor Olsen Speaks in Oslo | | | |
| Sweden | 0900 | Swedish FSA Mortgage Margin Report | | | |
| | 0900 | Riksbank's Af Jochnick Speaks in Oslo | | | |
| | 1515 | Riksbank Governor Ingves Speaks in Stockholm | | | |
| Wednesday 7 November | | | | | |
| Japan | 0000 | Sep Labour Cash earnings (YoY%) | 2.5 | - | 0.8 |
| | 0130 | BoJ Funo Speaks in Kochi | | | |
| | 0500 | Sep P Leading Economic Index | - | - | 104.5 |
| | 2350 | Sep Core Machine Orders (MoM/YoY%) | -2.5/16.2 | -/- | 6.8/12.6 |
| | 2350 | Sep C/A Balance, Adjusted (Yen bn) | 1380 | - | 1428.8 |
| Eurozone | 1000 | Sep Retail Sales (MoM/YoY%) | 0.4/0.8 | -/- | -0.2/1.8 |
| Germany | 0700 | Sep Industrial Production (MoM%) | 2.1/2.4 | - | -0.3 |
| ^{new} ^{Zealand} | 2000 | RBNZ OCR Decision - mps | 1.75 | - | 1.75 |
| Norway | 0700 | Sep Industrial Production (MoM/YoY%) | -/- | -/- | 1.8/2.3 |
| Sweden | 1630 | Riksbank's Floden Speaks in Stockholm | | | |
| Thursday 8 November | | | | | |
| US | 1900 | FOMC Rate Decision (Upper bound) | 2.25 | 2.25 | 2.25 |
| Eurozone | 0900 | ECB Publishes Economic Bulletin | | | |
| | 1000 | European Commission Updates Economic Forecasts | | | |
| | 1415 | ECB's Coeure Speaks in Berlin | | | |
| Germany | 0700 | Sep Trade Balance (€bn) | 18.2 | - | 17.1 |
| Italy | - | Bank of Italy Report on Balance-Sheet Aggregates | | | |
| Sweden | 0800 | Ingves, Floden in Open Hearing on Monetary Policy | | | |
| Friday 9 November | | | | | |
| US | 1500 | Nov P U. of Mich. Sentiment Index | 97.0 | 97.5 | 98.6 |
| UK | 0930 | Sep Trade Balance (£m) | - | - | -1274 |
| | 0930 | 3Q P GDP (QoQ/YoY%) | 0.5/1.4 | -/- | 0.4/1.2 |
| | 0930 | Sep Monthly GDP (MoM%) | 0.1 | - | 0.0 |
| | 0930 | Sep Industrial Production (MoM/YoY%) | -/- | -/- | 0.2/1.3 |
| Australia | 0030 | Sep Home loans (MoM%) | - | - | -2.1 |
| | 0030 | RBA Statement on Monetary Policy | | | |
| Norway | 0700 | Oct CPI (MoM/YoY%) | 0.1/3.4 | -/- | 0.6/3.4 |
| | 0700 | Oct CPI - ATE (MoM/YoY%) | 0.2/1.8 | -/- | 0.5/1.9 |

Source: ING, Bloomberg

[Click here to download a printer-friendly version of this table](#)

Authors

James Knightley

Chief International Economist, US

james.knightley@ing.com

Bert Colijn

Chief Economist, Netherlands

bert.colijn@ing.com

Carsten Brzeski

Global Head of Macro

carsten.brzeski@ing.de

James Smith

Developed Markets Economist, UK

james.smith@ing.com

Article | 1 November 2018

Asia week ahead: Indonesia and Philippines unscathed

Data on trade, inflation, and GDP, together with central bank policy meetings is likely to add to the market volatility, but concerns around the slowdown...



Source: Shutterstock

➔ China slowdown concerns downplayed

China's October data dump started this week on a mixed note.

The official manufacturing purchasing manager's index fell in October, but its Caixin counterpart rose, but both indexes remained in the expansionary territory - a figure above 50. However, what is striking is the seventh consecutive fall in the PMI new export orders component, a sign of the trade war impact slowly coming through.

However, the hard data paints a positive picture. The average 12% year on year growth of China's export in the first nine months of this year was twice as fast as a year ago and based on our house forecast of 23% YoY growth in October, the strength persisted into the final quarter of the year, even as the US tariffs on \$260bn of Chinese goods took effect. Likewise, a 23% surge in Korea's exports in October reinforces the message.

But Beijing isn't quite as relaxed. This week China's Politburo signalled timely measures to counter the slowdown, and the State Council announced a stimulus plan but stopped short of revealing the total amount. We suspect the details must be in the making and will drive the markets as soon as they hit the newswires over the coming weeks.

23% China's October export growth
ING forecast

➔ Indonesia and Philippines on steady growth path

It wasn't all bad for Indonesia and the Philippines - the two Asian economies hit hardest by the emerging market contagion in the third quarter. At least that's what the consensus 3Q GDP growth forecasts for the duo suggest.

Despite the aggressive tightening by respective central banks, the 5.2% consensus estimate for Indonesia is hardly a slowdown from the 5.3% pace of the previous quarter, while the Philippines' growth rate sped to 6.4% from 6.0%.

Firmer growth also means greater resolve by central banks to tighten the policies if emerging market contagion hits again as external risks loom large. But with the inflation pressure in both economies starting to subside and currencies stabilised, the tightening pressure also appears to have eased. Inflation in Indonesia remains anchored at the 3% level and is expected to recede from the 6.7% peak reached in September in the Philippines. That said, we still expect one more 25bp policy rate hikes by Bank Indonesia and the Bangko Sentral ng Pilipinas before the end of the year.

6.3% Philippines 3Q GDP growth
ING forecast - Up from 6% in 2Q

➔ Malaysia's central bank to stay on hold

[Malaysia's 2019 budget](#), due to be released tomorrow will set the tone for local markets for the week in which the country's central bank also announces its monetary policy decision. Coming just ahead of the meeting, September data on trade and industrial production will be key inputs for the Bank. We expect the Bank to remain on hold and leave the policy rate at 3.25%. And we aren't alone; there is a solid consensus behind this view.

The activity data will reinforce a sustained slowdown in Malaysia's GDP growth. This warrants

continued monetary policy accommodation to the economy, especially when weak public finances are squeezing the fiscal support. The government budget deficit is poised to rise above the 3% mark in the current year (ING forecast 3.2%) and remain there through 2020.

3.25% BNM policy rate
To be unchanged through 2019

Asia Economic Calendar

| Country | Time | Data/event | ING | Survey | Prev. |
|-----------------------------|------|---|-------|---------|---------|
| Monday 5 November | | | | | |
| India | 0500 | Oct Nikkei Services PMI | 51.0 | - | 50.9 |
| Korea | 2300 | Sep Current A/C Balance (US\$m) | 6245 | - | 8439.8 |
| Malaysia | 0400 | Sep Exports (YoY%) | 6.5 | - | -0.3 |
| | 0400 | Sep Imports (YoY%) | 11 | - | 11.2 |
| | 0400 | Sep Trade Balance (RM bn) | 5.6 | - | 1.6 |
| Indonesia | - | 3Q GDP (QoQ/YoY%) | -/5.2 | 3.1/5.2 | 4.2/5.3 |
| Tuesday 6 November | | | | | |
| Philippines | 0100 | Oct CPI (YoY%) | 6.5 | - | 6.7 |
| Taiwan | 0800 | Oct CPI (YoY%) | 2.0 | - | 1.7 |
| | 0800 | Oct WPI (YoY%) | 6.7 | - | 6.6 |
| Wednesday 7 November | | | | | |
| China | - | Oct Forex Reserves (US\$bn) | 3062 | - | 3087.03 |
| Malaysia | 0700 | Oct 31 Forex reserves- Month end (US\$bn) | - | - | 102.8 |
| Philippines | 0100 | Sep Exports (YoY%) | 4.5 | - | 3.1 |
| | 0100 | Sep Imports (YoY%) | 20.6 | - | 11.0 |
| | 0100 | Sep Trade Balance (US\$m) | -3100 | - | -3513 |
| - | - | Oct Forex Reserves (US\$bn) | - | - | 74938.8 |
| Taiwan | 0800 | Oct Exports (YoY%) | 10.0 | - | 2.6 |
| | 0800 | Oct Imports (YoY%) | 17.7 | - | 13.9 |
| Thursday 8 November | | | | | |
| China | - | Oct Trade Balance (US\$bn) | 34.7 | - | 31.7 |
| | - | Oct Imports (YoY%) | 30.5 | - | 14.3 |
| | - | Oct Exports (YoY%) | 23.0 | - | 14.5 |
| Malaysia | 0700 | Overnight Policy Rate | 3.25 | - | 3.25 |
| Philippines | 0200 | 3Q GDP (SA, QoQ/YoY%) | -/6.3 | -/- | 1.3/6.0 |
| Friday 9 November | | | | | |
| China | 0130 | Oct PPI (YoY%) | 4 | - | 3.6 |
| | 0130 | Oct CPI (YoY%) | 2.8 | - | 2.5 |
| Indonesia | 1000 | 3Q Current Account Balance (US\$bn) | -8.5 | - | -8.03 |
| Malaysia | 0400 | Sep Industrial Production (YoY%) | 2.0 | - | 2.2 |

Source: ING, Bloomberg

Article | 2 November 2018

Key events in EMEA and Latam next week

It's a packed week ahead for EMEA and Latam, with key data on inflation and consumer spending along with several monetary policy decisions



Source: Shutterstock

✓ Hungary: Busy data week to bring soft figures

In Hungary, the economic calendar for next week is very busy. We expect the manufacturing PMI survey to follow the lead of global indices, dropping closer to the key 50-threshold. On Wednesday, we see retail sales growth slowing down a bit, and industrial production will likely disappoint on Thursday due to issues in the automotive sector.

The October CPI reading might accelerate further to 3.7% year-on-year on the back of energy and food prices, with core inflation remaining roughly unchanged. We don't expect the National Bank of Hungary to react. A busy week should close on a positive note, however, with an improvement in the budget balance.

✓ Poland: Monetary Policy Committee to be more cautious

We expect the Monetary Policy Committee to maintain a dovish stance during Wednesday's meeting but there may be a caveat. The Council should reiterate its forward guidance of flat rates until the end of 2019 but it's unlikely to extend that guidance into 2020. The new projections should show that the trajectory of CPI is unchanged though the GDP profile will likely be adjusted. We expect an upward revision to 2018 growth and a downward revision to the

2019 forecast from the July report.

✓ Turkey: Inflation to rise further in October

Headline CPI is likely to go up further in October. This is due to the broad-based pick-up in price pressures and across-the-board increases in all major price categories. The drop in the Turkish lira is still lifting import prices and cost-led price pressures have increased- as seen by annual PPI inflation rising above 46%. We expect monthly inflation at 2.7%, pulling the annual figure up to 25.2% from 24.5%.

✓ Russia: CPI to accelerate but key rates will stay on hold

Russian CPI is likely to accelerate to 3.6% YoY in October. The near-term inflationary risks seem to be in check:

- Weekly CPI growth has been slowing down throughout October
- Households' 12-month CPI expectations improved by 0.8 percentage points
- The government has reached an 11th hour agreement with oil companies to put retail gasoline prices on hold.

As a result, CPI appears to be on track to fit into the CBR's 3.8-4.2% YoY guideline for year-end, which reinforces our expectations of an unchanged key rate, at 7.5%, in the coming months.

Barring the local near-term CPI trend, the framework for Russian monetary policy remains skewed towards risks.

- First, the geopolitics-related news flow might intensify soon, with US mid-term elections on 6 November and the US-RUS presidential meeting on 11 November - this is followed by Congress coming back from recess on 12 November, with a couple of sanction-related bills (DETER/DASKAA) potentially on the agenda.
- Second, the current agreement on gasoline prices between the Russian government and oil companies expires at the end of March 2019, and so far does not provide much assurance that flat local gasoline prices are sustainable in the longer-term, given the upcoming VAT/excise tax hikes next year.

<https://think.ing.com/snaps/bank-of-russia-confirms-stand-by-mode/>

✓ Romania: Key rate on hold at 2.5% with a hawkish twist

We expect the National Bank of Romania (NBR) to stay on hold at 2.50% on 6 November. But a likely upward revision to the inflation outlook and fears of “de-anchoring inflation expectations” require a hawkish twist in tone.

Liquidity management, relative strength in the Romania leu and macro-prudential measures could be cited as reasons for a firmer policy stance. We attach a 25% probability to the NBR frontloading the hike to boost its credibility. FX is the only thing on the central's bank mind- at least as long as inflation remains well above the target band- due to high and rapid FX pass-through. As deputy governor Liviu Voinea said, “volatility on the global markets is the key risk” for monetary policy “at the moment”, reiterating that the central bank remains in a tightening cycle and rate hikes are not over, but the timing “either this year or next, depends on evidence”. His comments sounded very

hawkish to us.

Serbia: Key rate on hold at 3% and chance of tightening could be delayed

With core inflation muted at 1.1% in September, and the headline rate quite well behaved at 2.1% (from 2.6% in August), the National Bank of Serbia (NBS) has little reason to change its stance at the 8 November meeting. As base effects will dissipate towards the end of the year, we expect inflation to approach the 3.0% mid-point of the NBS target interval but remain below it for this year.

The dinar remained stable against the single currency without too much central bank support. Some mild concerns regarding a potential deceleration of the economy could emerge after the 3Q18 flash GDP data showed the economy expanding by 3.7% YoY, after 4.9% and 4.8% growth in the first two quarters, respectively. Italy being the largest export destination for Serbia is an additional reason for forecast uncertainty for the NBS. Hence, the chances for tightening to be delayed further into late 2019, or even into 2020, depending on the ECB are rising.

Czech: Negative calendar bias sees disappointing September data

Real economic activity in September might disappoint slightly due to a negative calendar bias. While retail sales (excluding cars) should remain solid, total retail sales will be affected by a double-digit drop in new car registrations in September - due to the new emission limits.

Industrial production growth (in YoY terms) will likely fall into negative territory due to the relatively high base from last year. On the other hand, the October unemployment rate will decelerate slightly based on seasonal effects. Further, typical seasonality, together with solid household consumption and higher food (+0.8% MoM) and fuel prices (+1.0% MoM), should push inflation to 2.4% YoY.

EMEA and Latam Economic Calendar

| Country | Time | Data/event | ING | Survey | Prev. |
|-----------------------------|------|--|----------|---------|-----------|
| Monday 5 November | | | | | |
| Turkey | 0700 | Oct CPI (MoM/YoY%) | 2.7/25.2 | -/- | 6.3/24.5 |
| | 0700 | Oct Domestic PPI (MoM/YoY%) | -/- | -/- | 10.9/46.2 |
| | 0700 | Oct Core CPI (YoY%) | - | - | 24.1 |
| Czech Rep | 0800 | Sep Retail Sales (YoY%) | -2 | - | 2.5 |
| | 0800 | Sep Retail Sales Excl. Motor Vehicles (YoY%) | 3.5 | - | 4.2 |
| Hungary | 0800 | Aug F Trade Balance (€mn) | 51.0 | - | 51.0 |
| | 0800 | Oct Manufacturing PMI | 52.5 | - | 53.8 |
| Ukraine | - | National Bank of Ukraine Publishes Minutes of Rate Meeting | | | |
| Romania | 0700 | Sep Retail Sales (MoM/YoY%) | -/- | -/- | -0.1/1.7 |
| Tuesday 6 November | | | | | |
| Russia | - | Oct CPI (MoM/YoY%) | 0.4/3.6 | 0.4/3.6 | 0.2/3.4 |
| Poland | - | Monetary Policy Council Rate Meeting | | | |
| Czech Rep | 0800 | Sep Trade Balance (CZKmn) | 14 | - | 2.3 |
| | 0800 | Sep Construction Output (YoY%) | - | - | 11.9 |
| | 0800 | Sep Industrial Output (YoY%) | -1.5 | - | 1.9 |
| Romania | - | Repo Rate (%) | 2.5 | - | 2.5 |
| Wednesday 7 November | | | | | |
| Poland | 1300 | Oct Official Reserves Total | - | - | 112880.2 |
| | - | Base Rate (%) | 1.5 | - | 1.5 |
| Czech Rep | 0900 | Oct International Reserves (US\$bn) | - | - | 144.1 |
| Hungary | 0800 | Sep Retail Sales (YoY%) | 6.0 | - | 6.8 |
| | 1300 | Hungarian Central Bank's Minutes | | | |
| Romania | 0700 | Sep Avg Net Wages (YoY%) | - | - | 12.9 |
| Serbia | 1100 | Oct HPPI (MoM/YoY%) | 3.0 | -/- | 0.2/2.6 |
| South Africa | 0600 | Oct Gross Reserves (US\$bn) | - | - | 50.4 |
| | 0600 | Oct Net Open Foreign Currency Position (US\$bn) | - | - | 42.2 |
| | 0930 | Oct SACCI Business Confidence | - | - | 93.3 |
| Israel | - | Oct Foreign Currency Balance (US\$bn) | - | - | 115.5 |
| Brazil | 1100 | Oct Inflation (IPCA) (MoM/YoY%) | 0.45/4.6 | -/- | 0.5/4.5 |
| Thursday 8 November | | | | | |
| Czech Rep | 0800 | Oct Unemployment Rate (%) | 2.9 | - | 3.0 |
| Hungary | 0800 | Sep Industrial Production (MoM/YoY%) | -1.0/4.0 | -/- | 3.8/4.5 |
| | 0800 | Oct CPI (MoM/YoY%) | 0.4/3.7 | -/- | 0.3/3.6 |
| | 0800 | Hungary's Finance Minister Varga Speaks at Conference | | | |
| Kazakhstan | - | Oct International Reserves (US\$bn) | - | - | 30.0 |
| Bulgaria | 0900 | Sep Industrial Production (MoM/YoY%) | -/- | -/- | 0.8/2.3 |
| | 0900 | Sep Retail Sales (MoM/YoY%) | -/- | -/- | 0.5/5.1 |
| Serbia | 1100 | Repo Rate (%) | 3.0 | - | 3.0 |
| Croatia | 1000 | Aug Trade Balance (HRK m) | - | - | -6241.1 |
| | 1000 | Sep F Retail Sales (YoY%) | - | - | 3.1 |
| South Africa | 1100 | Sep Manufacturing Prod. (SA, MoM/YoY%) | -/- | -/- | 0.1/1.3 |
| Mexico | 1400 | Oct CPI (MoM/YoY%) | 0.64/5.0 | -/- | 0.4/5.0 |
| Friday 9 November | | | | | |
| Russia | 1300 | Sep Trade Balance (US\$bn) | - | 17.0 | 15.8 |
| Czech Rep | 0800 | Oct CPI (MoM/YoY%) | 0.5/2.4 | -/- | -0.3/2.3 |
| | 0800 | Czech National Bank Publishes Minutes From Board Meeting | | | |
| Hungary | 1000 | Oct Budget Balance (YTD) | -1100 | - | -1496.5 |
| Ukraine | - | Oct CPI (MoM/YoY%) | -/- | -/- | 1.9/8.9 |
| Romania | 0700 | Sep Trade Balance (€m) | - | - | -1393.2 |
| Croatia | 1000 | Oct PPI (MoM/YoY%) | -/- | -/- | 0.4/3.4 |
| Mexico | 1400 | Sep Industrial Production (YoY%) | -0.5 | - | 0.2 |

Source: ING, Bloomberg

[Click here to download a printer-friendly version of this table](#)

Authors

Peter Virovacz

Senior Economist, Hungary

peter.virovacz@ing.com

Muhammet Mercan

Chief Economist, Turkey

muhammet.mercan@ingbank.com.tr

Dmitry Dolgin

Chief Economist, CIS

dmitry.dolgin@ing.de

Valentin Tataru

Chief Economist, Romania

valentin.tataru@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 <http://www.ing.com>.