

All fool's day vote

I'm making no cheap jokes about today's vote by UK's MPs on Brexit alternatives...that space will be amply filled by others. Elsewhere, China bounces back on fiscal stimulus. Japan's Tankan falls as expected, Australia's housing slows a bit more slowly, and South Korea's trade data soften further.



Yet another vote

Here are a couple of good articles to set you up for the week - a week when I find myself having to say, once again, (and with little confidence), "By the end of this week, we should have a better idea of where Brexit is going". Though by now, that refrain will be wearing very thin. I don't blame you for doubting me. I don't really believe it myself. [The first note is by our very own James Smith](#), from deep within Brexitland. The second is from the BBC, and a bit hard to find from their news site, but pops up readily enough on google after a search on Brexit news. That article [runs through 8 alternatives to PM May's Brexit draft treaty](#), which was soundly defeated again last week.

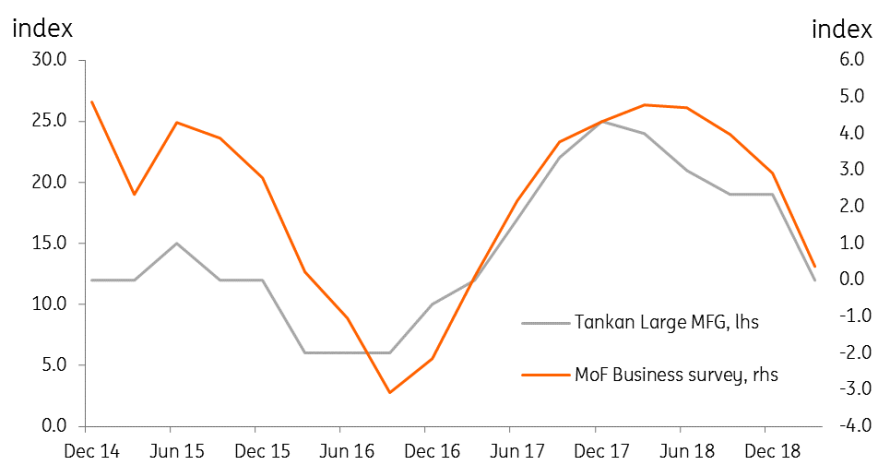
As James Smith notes, the Customs Union vote, which was one of two front runners last Friday, without actually getting a majority, might eke out some more gains today, though such a Brexit may throw Parliament into turmoil. This wasn't the Brexit that Brexiteers were hoping for, but it is maybe one of the few forms of Brexit the Remainers could accept. Bearing in mind the split across the country on Brexit, I think one could argue reasonably that a compromise Brexit might be

something that all sides ought to coalesce around as minimizing the misery for all concerned, rather than treating this as a winner-takes-all event and risking a damaging no deal Brexit. Another 24 hours will show whether this is the case (maybe). Meanwhile, we read on various newswires that Conservative MPs are preparing for a snap election.

China data better news for Australia and AUD

In the bundled version of this note, our Greater China Economist, Iris Pang, has written up the [strong PMI results from over the weekend](#), and she also has [a longer piece out today on the Chinese economy](#). The news, for now, is constructive. With markets recently poising themselves for a US, if not a global recession, the evidence that China has not lost control of its economy is welcome. This is a message that won't be lost elsewhere, including Australia. Hawks on the RBA will note this China news, as well as their own March CoreLogic house price index, showing monthly Australian house prices declining more slowly at 0.7% MoM from 0.9% in February. The AUD is looking reasonably bid today. Our sub-0.70 AUDUSD forecast for 2Q19 took a knock from the Fed's dovish tilt. We are reviewing whether we need to amend it, though it remains in place for now, with somewhat lower conviction than previously.

Tankan survey - Large Manufacturing and MoF business survey



Tankan weak, Korean trade data soft

Japan's 1Q19 Large Manufacturing Tankan index came in at 12, down from 19 in 4Q18, and a little softer than the consensus 13, though in line with the MoF's earlier business survey. You have to dig quite hard amongst the various subcomponents to come up with positive news in this release, which is a sign that perhaps you should not bother, and instead, accept the headline for what it is. We recently chopped out a consumption tax hike from our forecasts. It's maybe time the government acknowledged that this is again looking difficult to implement.

Korea's March Exports fell 8.2%YoY (consensus 7.0%YoY, ING f -7.4%). This was a bit weaker, though not massively so than the preliminary 20-day figure, so the market impact may not be substantial. The KRW has been sliding since it briefly got as low as 1123 helped by Fed dovishness, and we haven't given up hope of a break above the 1140 range top that hasn't been exceeded since last November. More data like this will help.

Asia Day ahead

More PMI data dominate today's Asia calendar, with the variance in results likely to be dominated by local factors than any broader themes like global trade or tech slump.

Inflation from Thailand and Indonesia are the only other stand-outs today. Neither looks likely to trouble markets unduly, with both at the lower end of their target ranges.

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