

Debate ignored by markets

It's hard to find any commentary linking market performance yesterday to the presidential debates, supporting our earlier hypothesis that at least as far as markets are concerned, these debates are a sideshow



Financial markets shrug off the debate

In the end, I did watch the Presidential debate. I thought I might get called up by journalists, so I bit the bullet. I wish I hadn't.

The interpretation of most of the news stories I have read on this since the event is that the strategy of the Trump camp had been to come out hard and aggressive, and rattle Biden into coming across as dithering and incapable. In the view of most I have read, this didn't succeed. Not that anybody really can claim to have "won" the debate, as there wasn't really any of that, only an ugly slanging match. If I had been scoring this as a boxing match, only one of the elements, that of Covid-19, looked like it had a clear winner. But there weren't any clean hits in most of the rest to allow a score comparison.

With Trump still trailing in the polls, this could be considered as a "strike one" for the Trump team, with two to play, not counting the October 7th Pence/Harris showdown, which I imagine might be a more entertaining event. Organisers are apparently looking into ways of gaining more control

over the next event - might I suggest muting the microphones of non-speakers during the set speeches? I would also imagine that the Trump team will be considering an alternative approach for the next events given the lack of success of the current strategy during this first debate.

Not that any of this seemed to have had any impact on financial markets. US stocks finished higher, with some suggestions that Mnuchin and Pelosi might be inching closer to a discussion on fiscal stimulus. EURUSD followed the stock market, rising before falling again and then recovering again later on. Neither the price action in stocks or the currency were particularly compelling in terms of what direction we should expect in Asia trading today, though stock futures remain moderately positive.

Asia date deluge

The usual pre-payrolls data dominate the G-7 calendar, starting today with the manufacturing ISM index. And that also means that here in Asia, we will get PMI data through the morning. Like the Chinese figures yesterday, further recovery is likely to be the main theme of these releases, though in all cases, the recovery message is likely to remain a moderate one.

Much the same can be said of Japan's 3Q20 Tankan survey out already today, which in many ways is just a glorified PMI, though with the index centred on zero and not 50. With only one clear exception, the Tankan numbers showed an improvement in 3Q20 (not exactly a difficult hurdle to leap) but were also more negative than expectations. So progress, yes, but slow progress seems to be the story at least from Japan.

Better news was evident in Korea's trade figures also just released. Export growth has now pushed through the zero mark to register its first positive year on year figure since the pandemic killed exports back in March. Exports rose 7.7%YoY, and the import figures also registered an improvement to +1.1%YoY, also beating expectations. Some of the comparison may be due to seasonal holidays falling in different months in 2020 compared to 2019, so we would temper any enthusiasm until we see next month's October numbers.

The Philippine Central Bank (BSP) also meets today, and though the consensus view is that no policy rate changes will be announced, there may be further details of central bank support for government spending, about which the market seems to have been extremely forgiving so far, but we wonder how long that can last. [See also today's ASEAN Bytes for more details.](#)

Prakash Sakpal comments here on the Indian government's latest borrowing plans: "In some relief for India's bond market, the government kept its borrowing plan for the second half of the year unchanged at INR 4.34 trillion as against the market's expectations of about a 20% increase. Yields gained some ground yesterday with the 10-year government bond yield down 3bp to 6.01%. As we have already noted in this space, the RBI has postponed today's scheduled policy announcement, so all eyes will be on the manufacturing PMI data as a benchmark for how the economy is doing. The PMI pulled into growth territory in August to 52.0, but actual output continues to be weak as reflected by the 3.6% MoM fall in key infrastructure industries' output in August".

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