

Video | 20 March 2026

FX

Why we still think EUR/USD can reach 1.20

We still think, despite everything, that the euro can rise to 1.20 against the dollar this year. Our FX Strategist, Francesco Pesole, says our team believes the Fed will look through this inflationary 'bump' driven by rising oil and gas prices and will cut rates twice again this year. And that will have an amplified effect on EUR/USD for several reasons. And while oil prices are set to remain elevated, we don't see the same risks for gas in Europe. So, the euro may trade lower in the short term, but should recover fairly strongly.

One of the biggest questions we get from clients is how we can be so constructive about the euro, despite what's going on with Iran, the US, and the subsequent oil and gas shocks. ING's Francesco Pesole explains our FX team's thinking.

Read more in our latest FX Talking [here](#)

```
<?php $video_id = 'J-pGMBJlxHs'; $thumbnail_url =  
"https://img.youtube.com/vi/$video_id/maxresdefault.jpg"; $headers = false; try { $headers =  
get_headers($thumbnail_url); } catch (Exception $e) {error_log($e->getMessage());} if  
($headers !== false && strpos($headers[0], '200 OK') !== false) { echo ' ' }
```



; } else { echo ' ; }

?> [Watch video](#)

Author

Francesco Pesole
FX Strategist
francesco.pesole@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.