

## PRESS RELEASE

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# ING Investor Dashboard Sentiment Index for Asia Up 81% for 1H 2009 Amid Market Rally

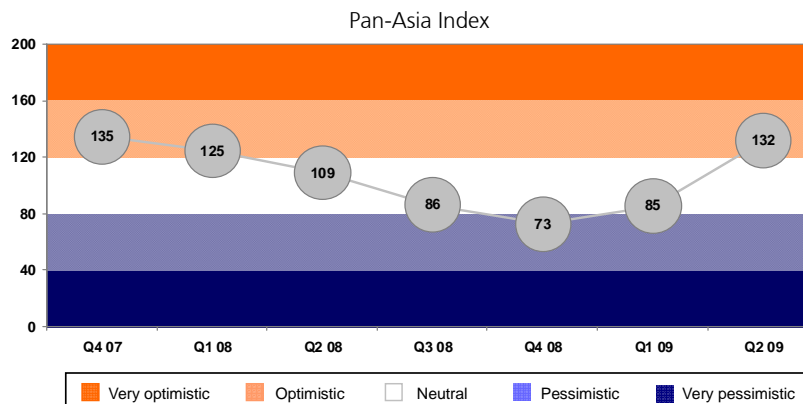
Significant optimism across Asia indicates confidence gaining momentum and liquidity moving back into the markets

### Key Highlights of the Quarterly ING Investor Dashboard Survey

- Pan-Asia Index moves up 81% to 132 for Q2 2009 from 73 for Q4 2008 with all markets reflecting a major upswing for Q2 2009
- Asian growth markets of China and India continue to lead in investor sentiment in the region indicating confidence in the performance of the economies
- Developed markets like Hong Kong and Singapore, while still in recession, show considerable increase in investor optimism
- Investors appear optimistic about the US economic situation in Q3 2009
- Asian investors begin to show signs of moving towards a less conservative investment approach
- Inflation may return as a key concern for Asian investors in the longer term

ING, the global financial services group, today released data from its quarterly ING Investor Dashboard Survey which shows a significant 81% upswing in investor sentiment in Asia for the first half of 2009 and a 55% quarter-on-quarter increase for Q2 2009 from Q1 2009, indicating continued strong investor confidence amidst the run up in the financial markets since the start of the year.

The overall pan-Asia (ex-Japan) ING Investor Dashboard Sentiment Index increases to 132 for Q2 2009 from 73 for Q4 2008 and 85 for Q1 2009, despite continued economic uncertainty across most markets in Asia. The survey results show the largest quarter-on-quarter increase in investor sentiment since the Index was introduced in Q3 2007, moving the Index from the "neutral" into the "optimistic" category.



The ING Investor Dashboard is the first quarterly survey in the Asia Pacific region that provides a pan-Asia (ex-Japan) investor sentiment index. The survey is conducted quarterly across 13 markets\* in Asia Pacific, and not only

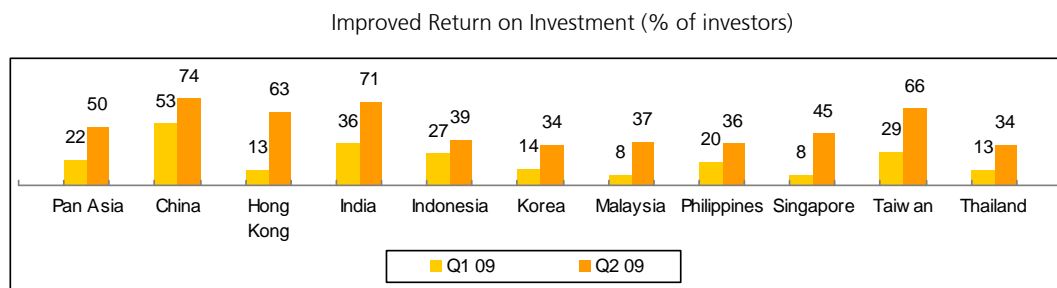
\* The survey was conducted across 13 markets in Asia Pacific: Hong Kong, China, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Japan, Australia and New Zealand. The pan-Asia investor sentiment index includes all Asia markets and *excludes* Japan, Australia and New Zealand.

provides market insights on investor attitude and outlook but also allows each market to be benchmarked and tracked against the overall investor sentiment across Asia using the pan-Asia index.

### High optimism despite continued economic uncertainty across the region

Optimism increases across markets in Asia despite continued declining GDP growth in most markets in the region, with the exception of China and India. Factors attributing to the high optimism point largely towards the recent performance of the financial markets and the confidence that the markets will continue to rally in the coming quarter.

Following the strong continued performance in the financial markets in Q2 2009, an increasing number of Asian investors have indicated that their return on investment has increased, with investors from China, India, Taiwan, Hong Kong and Singapore indicating the highest increases for Q2 2009.



Looking into the second half of the year, 62% of Asian investors (ex-Japan) are expecting their return on investment to increase in Q3 2009.

The survey also indicates that Asian investors (ex-Japan) are optimistic that the stock market will continue its run in Q3 2009, with only 25% expecting the stock markets to fall.

View on the Stock Market for Q3 09	Stock market remains at current level or rises*	Expected increase in the stock market
Pan-Asia (ex-Japan)	75%	9.2%
China	88%	9.9%
India	100%	10.3%
Hong Kong	69%	10.5%
Singapore	70%	8.8%

\*(% of investors)

Commenting on the survey results, Mr. Nicholas Toovey, Regional Head of Equity, ING Investment Management Asia/Pacific said, "Investor sentiment has largely been driven by the financial markets as economic prospects have not changed much since the start of the year, and leading economic indicators have not indicated that economies in the region, with the exception of China and India, are on the road to recovery."

"Markets have rallied and we have seen a recovery in the markets from 2008 because stocks were seen as relatively cheap against their long-term valuations, particularly in Q2 2009. We expect market consolidation, however, in Q3 2009 and for the markets to sell-down slightly as stocks are a little overvalued at the moment, relative to their medium and longer-term valuations," he added.

### Strong economic fundamentals and government policies and changes fuel investor sentiment in China and India

The survey indicates that investor sentiment in China and India has been driven by investors' growing confidence in the strong fundamentals and growth prospects of their domestic economies.

China investors' view	Q2 09	Q1 09
Economic situation improved	77%	42%

Economic situation will improve the next quarter	78%	56%
China will meet or exceed its target of 8% GDP*	78%	--
*(average expected GDP of 9.4% for those who expect GDP to exceed 8%)	(% of China investors)	

In China, 90% of investors also indicated that they are seeing the positive effects on the economy as a result of the government's recent 4 trillion-yuan stimulus package, thereby contributing to the overall buoyant sentiment in the market.

<b>India investors' view</b>	<b>Q2 09</b>	<b>Q1 09</b>
Economic situation improved	80%	47%
Economic situation will improve the next quarter	93%	63%
	(% of India investors)	

In India, a majority of 71% of investors think the victory by the Congress-led coalition during the recent elections will be favourable for India's investment climate, thereby helping to fuel investor sentiment in Q2 2009.

### **Increasing positive outlook on the US economy and its impact on Asia**

Asian investors continue to monitor the recovery of US economy and its impact on its investment decisions. However, despite recent US economic data indicating that the worst is not yet over, more Asian investors indicate hope that the US economy is on its way to recovery.

<b>Asian investors' view</b>	<b>Q2 09</b>	<b>Q1 09</b>
Investment decisions negatively impacted by the US economy	56%	68%
US economy will improve the next quarter	56%	32%
	(% of Asian investors, ex-Japan)	

Commenting on the impact of the US economy on Asia, Mr. Toovey said, "Until the US economy starts to recover, the economies in Asia will continue to remain weak, with the exception of China and India. While we do expect the US economy to recover in 2010, investors should monitor the US economy with caution. Going into Q3 2009, investors need to watch out for the likelihood of a continuing rise in unemployment, further dips in consumption, and more potential negative company news from the housing, automobile and consumer luxury goods sectors."

### **Move towards a less conservative investment approach as liquidity flows back into the markets**

Appetites for investments are seen to be increasing with Asian investors as markets continued to edge up in Q2 2009. Investors in Asia are moving away from a conservative investment strategy focusing on capital preservation to a more balanced portfolio that delivers stable returns or a more aggressive strategy focusing on capital appreciation.

<b>Asian investors' view</b>	<b>Q2 09</b>	<b>Q1 09</b>
Conservative strategy focusing on capital preservation	7%	15%
Balanced strategy focusing on stable returns	53%	55%
Aggressive strategy focusing on capital appreciation	40%	30%
	(% of Asian investors, ex-Japan)	

Commenting on investment strategies, Mr. Toovey said, "We are certainly seeing liquidity flow back into the Asian market, particularly in Q2 2009; and at ING, we are seeing substantial funds flow in from Europe and US into Asia. There will be opportunities for investors in Asia as the markets consolidate in Q3 2009. However, fundamentally, there are still no clear signs of an economic recovery and there is still a potential for corporate earnings from companies to disappoint. With this in mind, investors should look at defensive sectors which demonstrate reliable growth or that are less dependent on export-growth, including pharmaceuticals, non-discretionary consumer and property sectors."

## **Inflation remains a key concern in the longer term**

Currently, 56% of Asian investors (ex-Japan) expect inflation to rise in Q3 2009 compared to 41% of investors in Q1 who expected inflation to increase in the following quarter.

“While we are not currently seeing the effects of inflation as a result of the stimulus packages by governments, as the economies pick up in the longer-term, investors will need to watch for inflation and look to move away from holding cash,” Mr. Toovey added.

For an introduction of ING Investor Dashboard Sentiment Index and latest detailed (high-resolution) data charts, please visit [http://www.ing.asia/investor\\_dashboard](http://www.ing.asia/investor_dashboard)

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### **About the ING Investor Dashboard**

The ING Investor Dashboard survey measures and tracks investor sentiment and behaviour of mass affluent investors each quarter from 13 Asia Pacific markets (including China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Japan, Australia and New Zealand), and is the first quarterly survey in Asia Pacific which provides a specific industry benchmark for pan-Asia (ex-Japan) investor sentiment.

The Q2 2009 survey was conducted in June 2009 and involved online interviews with a total of 1,314 mass affluent investors across the 13 Asia Pacific markets. The respondents are aged 30 years and above, and have disposable assets or investments of US\$100,000 and above, with the exception of Indonesia (disposable assets or investments of US\$56,000 and above) and the Philippines (disposable assets or investments of US\$100,000 or monthly income of Php250,000 and above).

The survey is conducted by international and independent research firm Research International and is tracked extensively by major financial and business media organisations across all 13 markets in Asia.

### **Profile of ING**

ING is a global financial institution of Dutch origin offering banking, investments, life insurance and retirement services to over 85 million private, corporate and institutional clients in more than 40 countries. With a diverse workforce of about 115,000 people, ING is dedicated to setting the standards in helping our clients manage their financial future.

### **Profile of Research International**

Founded in 1962, Research International is owned by WPP, the leading global communications services company. Also part of the Kantar group, the parent company for WPP's worldwide information and consultancy interests, Research International boasts an extensive network with offices in more than 50 countries. Research International has specialist knowledge in sectors from automotive and financial services to new media, retail, technology and packaged goods. Established in Asia in 1991, its offices in Asia Pacific include Singapore, Malaysia, Thailand, Indonesia, the Philippines, China, Taiwan, Hong Kong, South Korea, Japan, India, Australia and New Zealand. For further information, please go to: [www.research-int.com](http://www.research-int.com).

## APPENDIX

Q2 09 Ranking	Market	Q2 09 Index Score	Q1 09 Index Score	Q4 08 Index Score	Q3 08 Index Score	Q2 08 Index Score	Q1 08 Index Score
1	India	182	133	76	156	163	168
2	China	158	124	103	88	117	136
3	Taiwan	136	95	76	65	109	105
4	Indonesia	129	96	109	123	108	131
5	Hong Kong	125	58	62	79	123	107
6	Korea	122	73	69	65	87	96
6	Malaysia	122	60	65	87	82	128
8	Singapore	120	58	56	71	90	88
9	The Philippines	116	89	95	138	110	121
10	Thailand	113	65	59	84	81	131
Markets not included in the pan-Asia index	Australia	116	62	66	95	105	89
	Japan	99	55	52	53	73	60
	New Zealand	84	67	62	96	98	90

Note: The ING Investor Dashboard Sentiment Score gauges the confidence of private investors in investment across 13 Asia Pacific markets.