Investec
Investec Bank plc (UK)

24 June 2020

Economics

Global Economic Overview

Emerging markets add to global growth woes amid recovery signs

Global

Differing approaches across countries to tackling the Coronavirus pandemic have led to varying growth prospects globally, as well as increasing recorded daily cases of the virus. In the US, the recovery looks well under way, albeit with a long way to go and with infections rising again. The Chinese economy is rebounding, but looks subpar. Meanwhile some EM economies such as Brazil are of major concern, both in terms of the economy and the COVID situation. Most European economies, including the UK, are lagging behind the US, but anecdotal evidence points to a stronger economic performance recently. One feature here is that the Q2 downturns look less severe than feared and although we suspect the H2 rebounds will be less punchy, this helps the 2020 GDP growth forecast. However it also pushes 2021 forecasts down. With downgrades to some EM forecasts, we have lowered our 2020 global growth forecast to -4.1% from -3.9% and that for 2021 to +5.3% from +6.8%. We stress the uncertainty of the outlook and that we are not building in a second wave of the pandemic, which the OECD suggests could knock 1.6% off world growth this year and 2.4% next.

United States

At the national level, reported daily coronavirus cases are rising rapidly. The picture across most southern and western states is very different from most northern states. Indeed, the big case rises are typically in the former group, often where lockdowns were eased relatively early. What matters for the economy is whether material new lockdowns are put in place. Amidst a taste of the economic rewards of re-opening, we think lawmakers will desperately try to avoid this. President Trump is very keen to avoid this too, with recent polling suggesting his prospects for re-election are not good. Even if new lockdowns are not put in place, further recovery gains may be restricted if more re-opening is delayed. For now, we have made relatively modest adjustments to our GDP forecast; we look for -5.9% for this year and +4.2% for next.

Eurozone

Signs of economic activity rebounding within the Euro area have continued to coincide with the gradual relaxation of lockdown rules, with mobility now just 10-20% below pre-COVID levels, having been down in excess of 75%. We continue to envisage a strong rebound in GDP growth following what is expected to be a 12% fall in Q2, which puts our 2020 GDP estimate at -7.9%, a very marginal revision from the -8.0% forecast in May. Meanwhile 2021 is expected to see a rebound of 5.5%. Against this backdrop the ECB continues to be active, introducing an additional €600bn in asset purchases, which combined with significant drawings under targeted longer-term refinancing operations (TLTRO-III) should help to ease financing conditions. But with the inflation outlook muted, we would not rule out further ECB action in the future.

United Kingdom

GDP plummeted by a record 20.4% in April during the first full month of lockdown. But this should mark the nadir of the downturn, with the PMIs and other less conventional data indicating that activity has picked up across the remainder of Q2. This positive momentum should be sustained into Q3 as the hospitality and tourism sectors are permitted to re-open, aided by the reduction in the 2m distancing rule and amidst talk of a fiscal event next month. We now look for a contraction of 7.9% in 2020 (prev. 10.8%), followed by a rebound of 6.1% in 2021 (prev. 9.7%). After COVID-19, UK-EU trade negotiations pose the next biggest risk to the outlook. While we suspect a last minute agreement will be reached, sterling is likely to weaken as investors weigh up the risk of a disorderly 'no-deal' outcome. We now look for cable to finish Q3 at $1.20 (prev. $1.25) before rallying to $1.28 (prev. $1.26) by year-end.

Please click here for a summary of our economic and market forecasts

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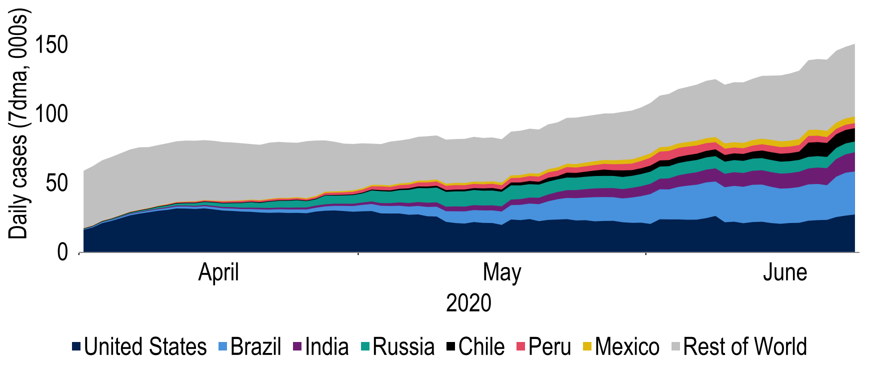
Global

The evolution of the coronavirus, plus the responses by the authorities, continue to be the primary drivers of global growth prospects and financial market sentiment. Broadly, countries can be divided into four main groups. First, Pacific Rim nations have dealt with the pandemic promptly. Second (most) European countries are unlocking their economies gradually as infections fall. Third, in the US many states are unwinding lockdowns rapidly, even though COVID cases are rising, risking a second wave nationally. Last, some governments have not brought the pandemic under control at all and economic chaos beckons. This fits some EM countries, such as Brazil (Chart1).

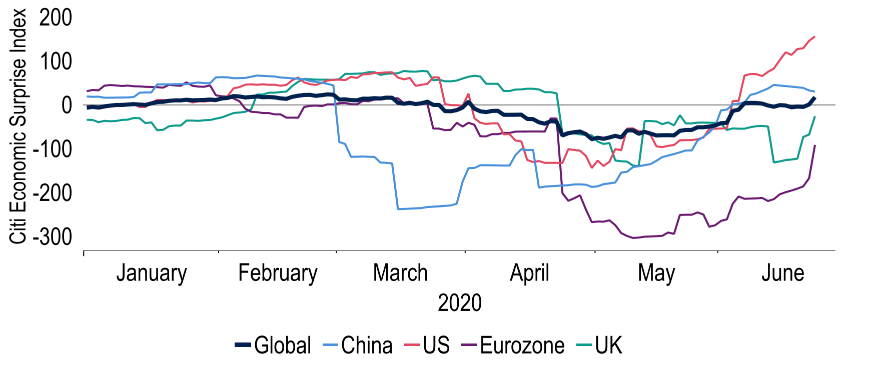
Chart 1: Driven by EMs and the US, global coronavirus infections are still rising



Sources: Macrobond, World Health Organisation

The varying stages are reflected in a range of economic indicators across countries, including the Citi Economic Surprise index. Globally this has tracked back up close to the neutral (0) level. But as Chart 2 shows, there are considerable disparities across geographies. The US economy has fared relatively well, as activity has responded to the easing of restrictions and stimulus measures. Meanwhile the UK and the Euro area are languishing. Recently though, positive PMI surveys for June have driven the figures higher in both jurisdictions. The Chinese economy is recovering. Even so, question marks remain over the scope of the pick-up. May's activity data fell short…

Chart 2: The Citi Economic Surprise Index has varied across jurisdictions

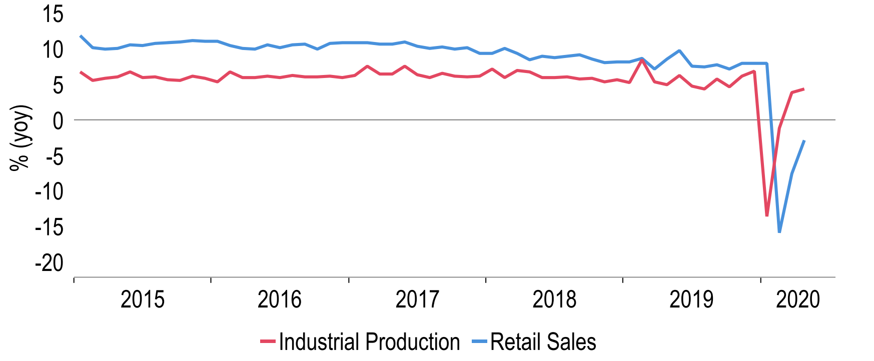


A positive reading indicates economic releases have been beating consensus.

Source: Macrobond

... of expectations. Annual industrial production growth firmed to 4.4%. But given current world economic conditions, the pace of factory growth is struggling to catch up with 2019's 6.0%. Also the recovery in retail sales is still tepid - May registered an annual decline of 2.8%. While the latest COVID outbreaks in various regions may not have a material *direct* impact on total spending, they could contribute towards wider consumer caution. The NBS semi-admitted some of the sluggishness in the rebound, hinting that the economy *might* return to growth in Q2, depending on the strength in June. Our GDP forecast for this year remains a cautious -0.3%.

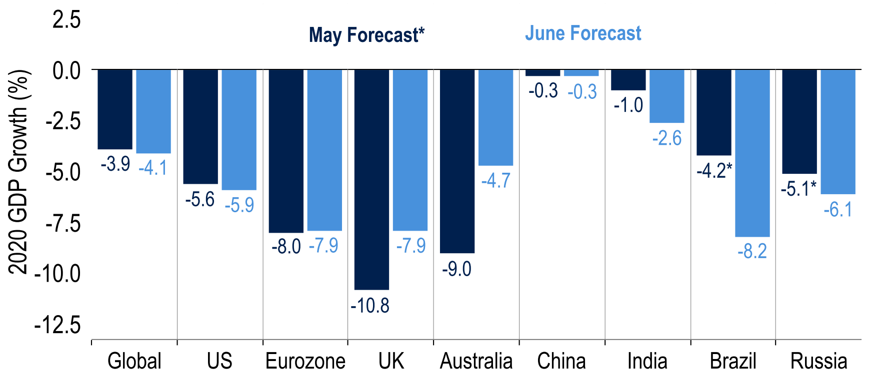
Chart 3: Chinese activity has recovered, but remains below pre-COVID growth rates



Source: Macrobond

Two principal factors have pulled our global GDP forecasts in opposite directions. First, we are more concerned about the outlook in EM economies such as Brazil and India and have downgraded their outlooks. Second, anecdotal evidence in several developed economies points to the hit to GDP in Q2 being less dramatic than we had thought. Although we have correspondingly moderated our view of the Q3 upturns, the result is a more modest amount of lost output and therefore an upgrade to specific 2020 GDP forecasts, but down for 2021. The net effect in 2020 is a global downgrade to -4.1% from -3.9%. Our figure for 2021 is now +5.3% (previously +6.8%).

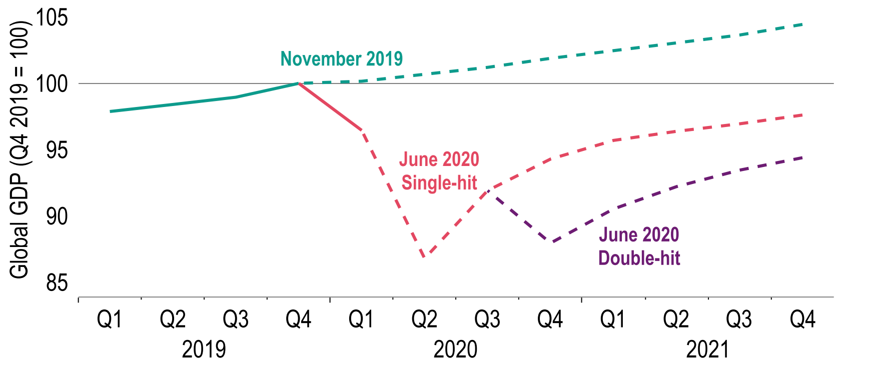
Chart 4: We have nudged down our global growth forecast due to EM weakness



*Brazil and Russia previous forecasts are from April 2020

Although we have adjusted our forecasts to take account of the continued climb in COVID infections in various EM countries, we are not incorporating formal second waves in our numbers. Were this to happen to a significant degree, resulting lockdowns would have a material impact on growth prospects. The OECD recently completed an exercise assessing the impact of such a 'double hit' striking later this year, seven months after the initial impact. Its overall conclusion was that world growth could be a further 1.6 ppts lower this year and 2.4% next (it uses a separate calculation methodology from the IMF and ourselves). The eurozone would be notably vulnerable, 'losing' 2.4% of growth this year and 3.0% next.

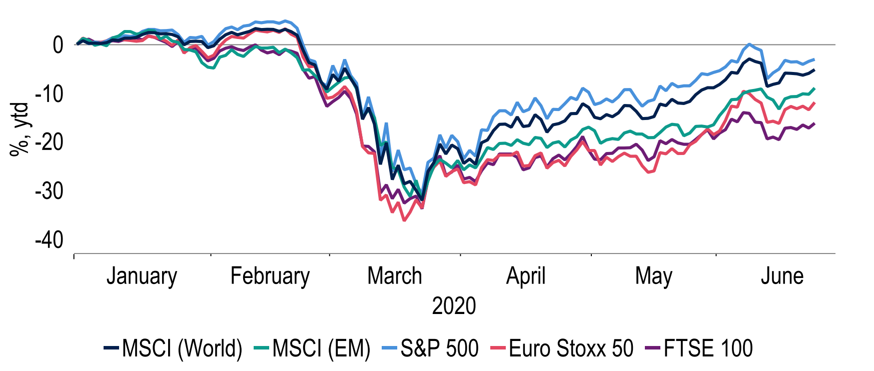
Chart 5: The OECD acknowledges the significant risk to growth posed by a 'second wave'



Sources: Macrobond, OECD

Stocks have suffered from periodic jitters over the COVID picture in EMs and fears of a second wave. But the net effect has been a further rally in risk assets as restrictions have been eased and more recent economic data have strengthened. The MSCI world index is currently up 40% from its March low. US indices have outperformed, with the S&P 500 now just 7½% off its record high. Notably the FTSE 100 and Stoxx 50 indices have both underperformed the MSCI EM index. Also critical is vaccine development. Some 150 are currently in development, with two in Phase 3 trials. Perhaps boosted by the US 'Warp Speed' programme, it is hoped that an effective vaccine could be available as early as this autumn.

Chart 6: Global equities paint a mixed picture, but all have recovered significantly from the lows

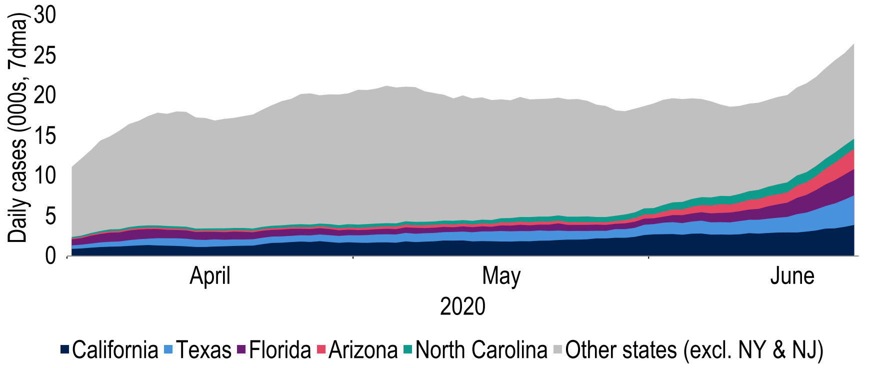


Source: Macrobond

United States

In April we highlighted the lessons from the 1918 Spanish flu pandemic where cities such as St Louis, which eased quarantines sooner, suffered a second wave of infections. Data show that whilst infections are falling sharply in states such as New York and New Jersey, in the south and west many are seeing sharp rises in reported cases (Chart 7). Accordingly at the national level we are seeing record daily rises. Although there has been a ramping up in testing, this does not explain away this rising trend. Furthermore, the most robust rises appear often in states such as Texas where the move to ease lockdown happened relatively early. What matters for the economy, is whether more…

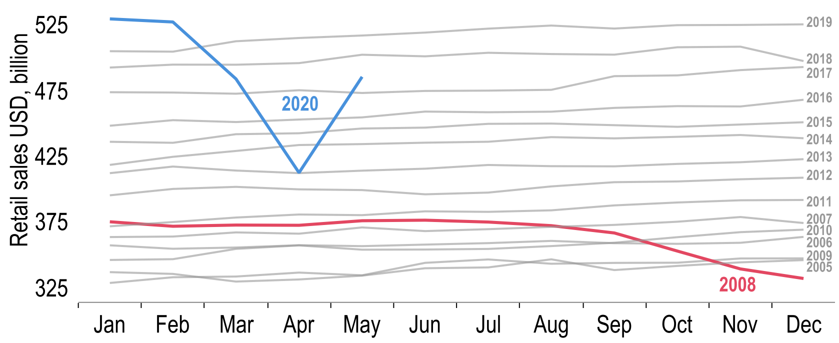
Chart 7: Daily reported coronavirus cases are showing a rising trend in many states



Sources: Macrobond, The COVID Tracking Project

…restrictions are re-introduced. The Federal administration insists they will not, though state governors will ultimately decide. More data/testing might allow for more tailored restrictions. The initial economic rewards of re-opening will likely reduce appetite for any later closure too. This is especially so with the Presidential election due in just 5 months' time alongside 11 state gubernatorial races, 33 of 100 Senate seat races and the re-election of the whole House. Chart 8 shows the extent of the retail rebound that followed in May. Whilst pent-up demand (and a need for cars amidst worries over public transport) helped the headline figures, it is nevertheless clear that…

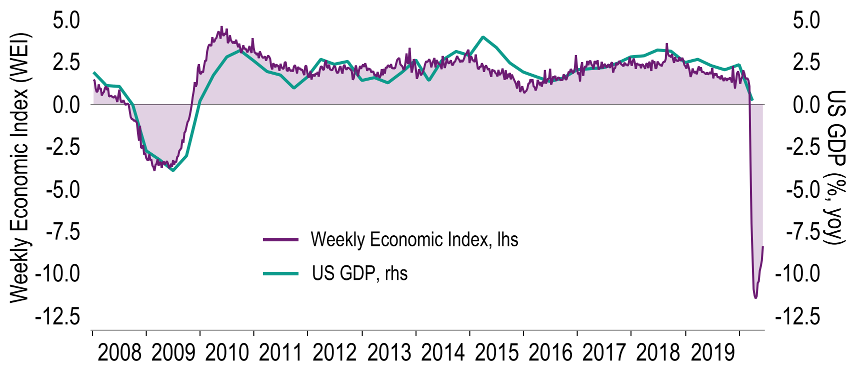
Chart 8: Retail sales showed a record rise in May, though remain below pre-COVID levels



Source: Macrobond

…consumers are ready and willing to spend, helped in the short-term by an enormous leap in personal saving, at least in households still in work. However from here, further recovery strides will require further material steps in re-opening to recover lost ground. Indeed, the New York Fed's Weekly Economic Index, which combines ten daily and weekly indicators of real economic activity (Chart 9), shows the index still down at minus 8%. Not anticipating that an effective vaccine or highly effective treatment will be available in the coming months, but also not expecting a major second lockdown, we expect the economy to stand about 13% below its pre-COVID peak at the end of June recovering to 4½% below by the end of...

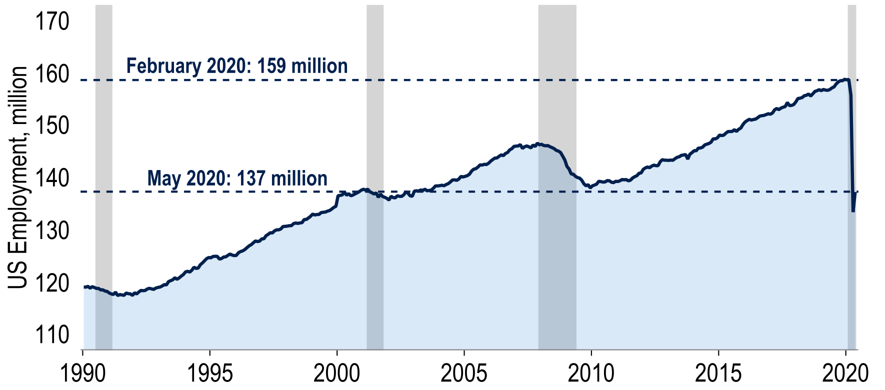
Chart 9: The NY Fed's Weekly Economic Index remains at worrying lows despite unlocking



Source: Macrobond
The index is scaled to align with four-quarter GDP

…the year. Broadly, we have made relatively modest changes to our GDP forecasts; we look for -5.9% this year and +4.2% next (-5.6% and +4.5% previously). Amidst recovering economic activity, the labour market showed surprising resilience in May with a 2.5m rise in non-farm payrolls. However, job gains were likely boosted by re-hiring of laid off staff following delayed Paycheck Protection Program loan approvals (and due to scheme design). Importantly U6 unemployment - capturing the 'marginally attached' and those part time for economic reasons - is still three times pre-COVID levels, up from 7% to 21%. As Fed Chair Powell said, it is "22 million additional people….who've lost work in the economy". That is a lot of ground to…

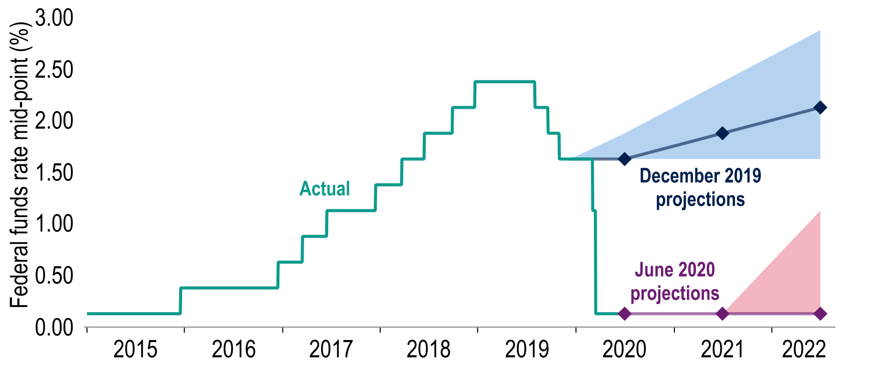
Chart 10: The labour market recovery has a long way to go



Source: Macrobond

…recover too; the Fed chief does not expect this to be reversed overnight. The Fed has already embarked on an enormous stimulus package and has added to this by expanding the scope of its corporate bond buys as well as now having launched its main street lending programme. However amidst worries over the longevity of the jobs market impact it is getting its back pocket ready. Namely it is considering yield curve control as well as more explicit forward guidance. However it is not keen to leap in quickly with such initiatives. For now the FOMC favours using its 'dots' (Chart 11) to guide markets. The dots point to flat rates for the foreseeable future and no appetite for a negative Federal funds target rate.

Chart 11: The Fed is firmly committed to low rates for the foreseeable future now

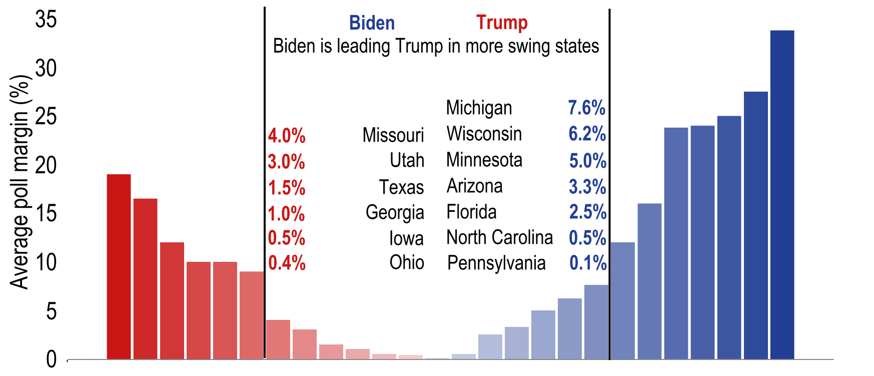


Sources: Macrobond, Federal Reserve

The chart is the FOMC 'dot plot' view of the appropriate path for the Federal funds rate. The median view is expressed. The shaded areas show the range between the highest and lowest participant observations.

President Trump is also prepping more stimulus; reports point to a $1trn package. His appetite for such a package has no doubt been spurred on by recent polling. Democratic Presidential candidate Joe Biden has a firm lead over his Republican rival in national polls. More importantly recent state level polling shows Mr Biden leading in key swing states Mr Trump won in 2016. For President Trump there is worse news still with two very recent polls showing Mr Biden extending his gains in recent days following the protests; one put Mr Biden ahead by 16pts in Michigan and President Trump just 1pt ahead in Iowa. Mr Trump won Iowa by 9 points in 2016, so this implies a large swing away from him.

Chart 12: Biden has gained ground over Trump in recent months, especially in key swing states



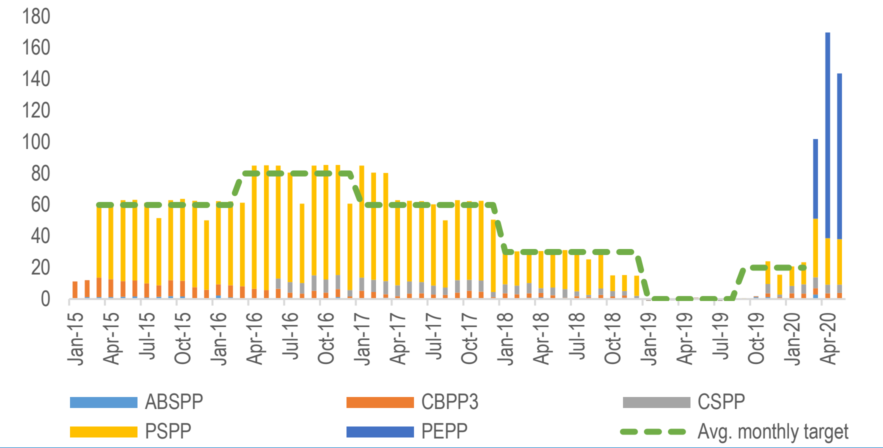
Sources: Macrobond, FiveThirtyEight.

Includes polls May 1 to June 11. Polls that released results among multiple populations were included only once, counting the narrowest sample — registered voters over adults, and likely voters over registered voters.

Eurozone

June's Governing Council (GC) meeting saw the ECB ramp up its response to the COVID crisis, with a €600bn rise in its pandemic programme (PEPP) to €1.35trn and an extension of its timeframe to June 2021. This marks a significant step up in its policy response, with May's asset purchases already outstripping the monthly pace of buying at the start of the year by 7 to 1 and highlights the GC's concerns over the economic and inflation outlook. Some of the rationale for the move was to return inflation back to its pre-COVID path. But it is worth noting that previous projections in March already envisaged an undershoot of the target, at 1.6% in Q4 2022, a level which was deemed 'unsatisfactory' with regard to the ECB target.

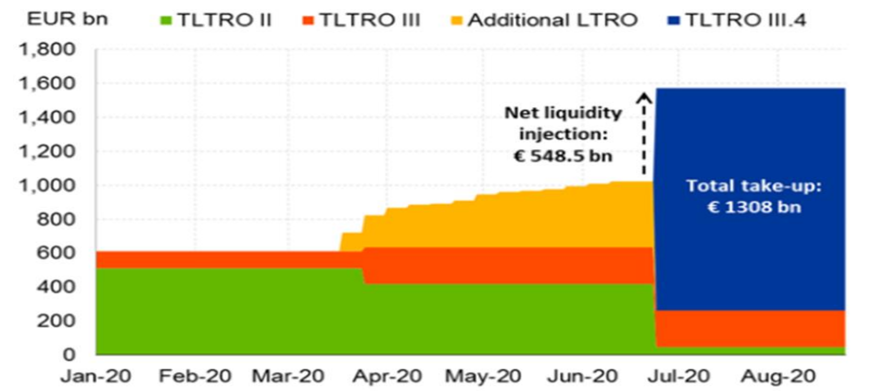
Chart 13: The monthly pace of QE has picked up sharply since March (€bn)



ABSPP- Asset backed securities, CBPP3- covered bond, CSPP- corporate bonds, PSPP- public sector purchase programme, PEPP- Pandemic Emergency Purchase Programme Source: ECB

Hence additional easing seems likely. Interestingly the ECB has also started publishing more granular data on its PEPP purchases, which highlights the flexibility in its approach, overbuying Italian bonds to the tune of €18bn relative to the capital key since March. The detail also revealed that the ECB bought Greek government bonds for the first time. Additionally the ECB has also sought to ease financing conditions through TLTRO-III, where the latest drawdown saw banks borrow a vast €1.3trn, a net liquidity injection of €548bn. Ultimately this should support credit conditions and lower borrowing rates, given banks can borrow these funds at a rate as low as…

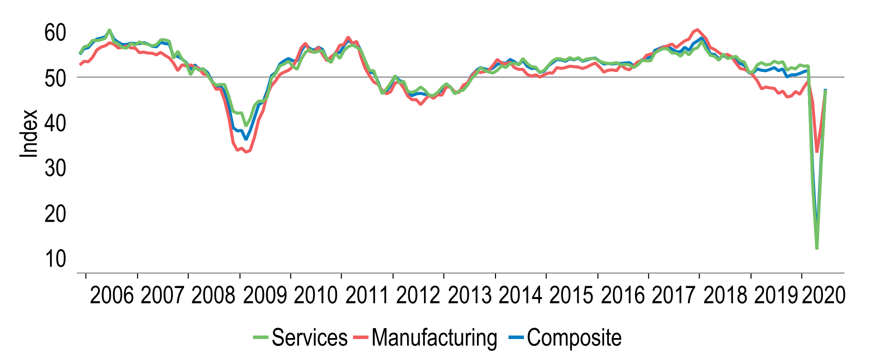
Chart 14: Euro area banks make significant use of TLTRO-III



TLTRO-III.4 (targeted longer-term refinancing operations III fourth tranche) Source: ECB

…-1.00%. However the more critical determinant of the near term economic rebound is the relaxation of lockdown rules. Here anecdotal evidence from sources such as Google's mobility reports have pointed to activity returning towards normal with mobility now 10-20% down on pre-COVID levels in many Euro area countries, having been down in excess of 75% in some during April. Economic indicators such as the PMIs have posted similar trends with June's Composite index surging to 47.5 One key focus of European nations has been to ease rules ahead of the crucial summer holiday season. For a number of countries including Spain, Portugal and Greece, tourism exports represent in excess of…

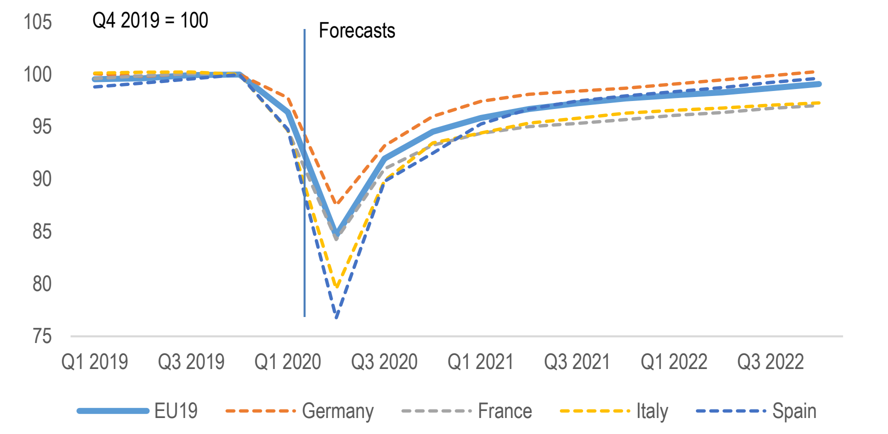
Chart 15: PMIs rebound further in June as lockdowns ease



Source: Macrobond

… 5% of GDP. As such, travel restrictions have now been relaxed among Schengen countries. However it remains to be seen to what degree individuals will be willing to travel abroad given continued uncertainty. Indeed beyond an initial rebound in economic activity post lockdown, questions remain over the subsequent speed of the recovery. A critical point here is the evolution of the labour market. Despite various schemes aimed at reducing permanent layoffs, the rate of unemployment is set to rise sharply, introducing a significant economic headwind and resulting in a long road to recovery. At end-2022 the ECB's forecasts envisage unemployment at 9.1%, still 2% higher than the 7.1% recorded in February.

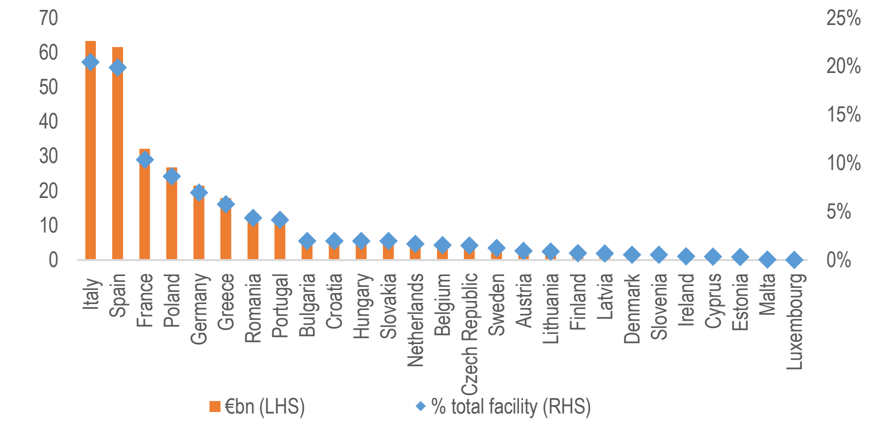
Chart 16: GDP is not expected to recover pre-COVID levels of GDP for several years



Source: Investec forecasts

In this sense fiscal policy will play a role in the longer term recovery, where the last month has seen Germany agree a €130bn stimulus package. Meanwhile the European Commission has built on German and French proposals to set out a €750bn EU Recovery Fund. Of this, €310bn will be distributed as grants under a 'Recovery and Resilience Facility', with Spain and Italy set to receive almost half. Agreement is still needed by all 27 member states, but opposition remains. A specific gripe is over the formula which allocates funds. A feature here is average unemployment over 2015-19, which dissenters argue has no direct connection to the current crisis. This stimulus should help promote a long-term recovery, but we do not envisage GDP returning to pre-COVID levels until Q4 2022.

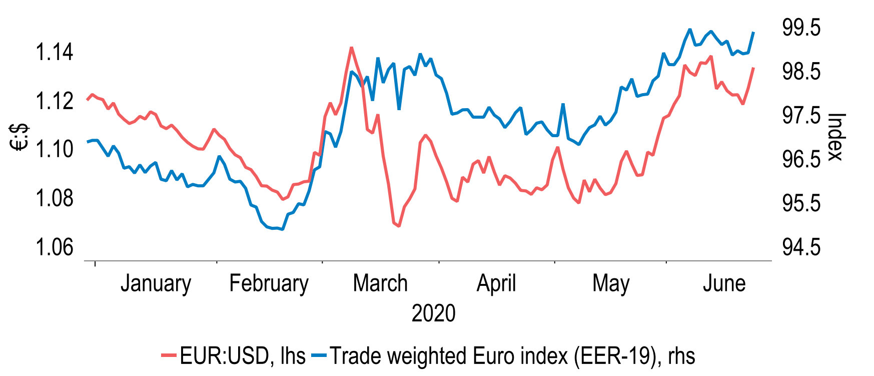
Chart 17: Proposed allocation of grants under the Recovery and Resilience Facility (€bn)



Source: European Commission

Despite the Euro area's problems with coronavirus this year the single currency is currently 4% higher year-to-date against a trade weighted basket. It is now flat against the US dollar, following a 3% rally from late-May - at its peak earlier this month, the euro breached the $1.14 level. Supporting factors here have been; hopes over the economic recovery; easing lockdowns; and improving risk sentiment eroding some of the US dollar's safe haven demand. Near-term we expect €:$ to remain around current levels as the market awaits more concrete signs on the economy and ECB policy. But longer-term we remain of the view that €:$ rises and forecasts $1.16 end-2021.

Chart 18: 2020 Euro performance

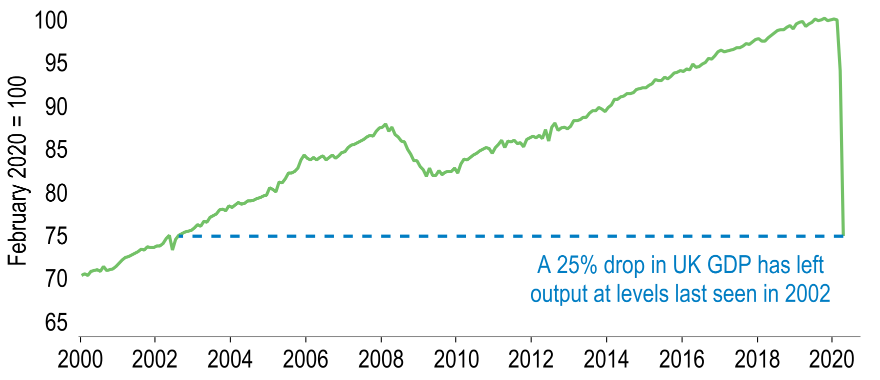


Source: Macrobond

United Kingdom

Recent GDP figures have laid bare the economic toll of the lockdown. Output slid by an eye-watering 20.4% (mom) in April, easily surpassing March's 5.8% drop as the sharpest contraction on record. Resultantly, the UK economy is now 25% smaller than pre-pandemic levels, with GDP standing at a level last seen in 2002. But whilst the magnitude of the downturn is unprecedented in modern times, so is the speed at which it has come about. For comparison, the financial crisis incurred a peak-to-trough fall of 6.9% over the space of 13 months. Still, we suspect this will have marked the nadir of the downturn, with restrictions being gradually eased from May onwards. Activity has picked up as a result, with the UK composite PMI...

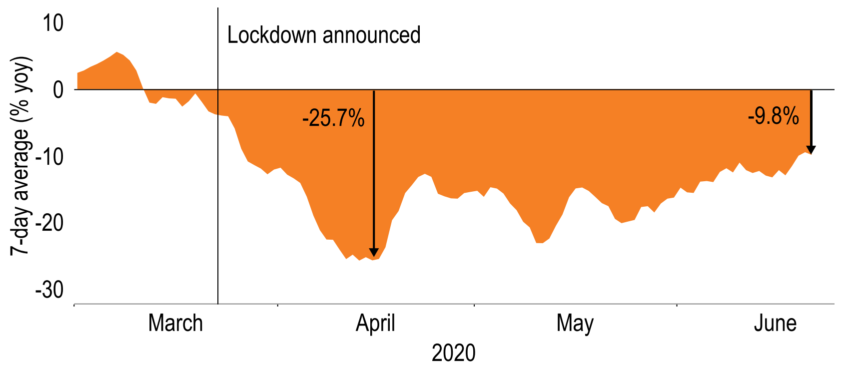
Chart 19: April witnessed a historic fall in UK GDP, but "the only way is up"...



Source: Macrobond

...rising off April's record low of 13.8 to reach 30.0 in May and 47.6 in June. Although this excludes retailing, official figures show that sales rebounded 12.0% in May and with further gains are likely in the coming months amidst the re-opening of non-essential retailers on 15 June. There has also been a widespread improvement in less conventional data sources. Figures from the National Grid show electricity demand is down 10% on the year, having been as much as 25% lower in April (Chart 20). Also, the AA reports that traffic levels have doubled from their lockdown lows and are now similar to those seen in the early 1990s. Next month should see another step-up in activity after the restart of the hospitality...

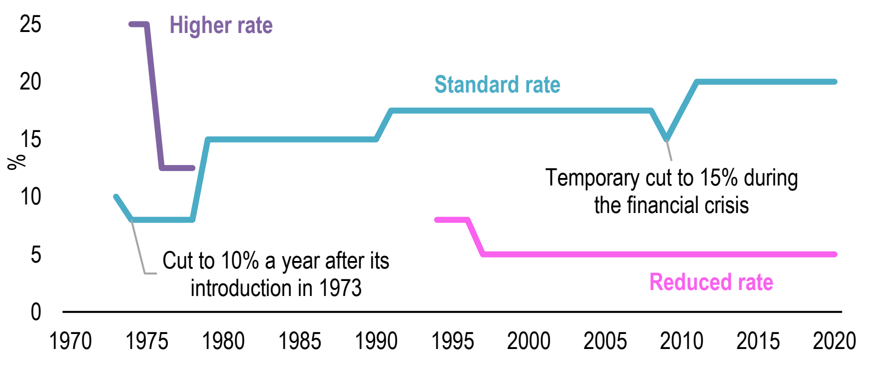
Chart 20: Electricity demand suggests economic activity has risen off its lows



Source: Macrobond

...sector on 4 July and the reduction in the 2m distancing rule to 1m+. There is also speculation the Chancellor is weighing up a temporary VAT cut in what would be only the third reduction in 50 years. This would be expensive; HMRC estimates every 1ppt drop in VAT incurs an annual cost of £7bn. But reports suggest this will be followed by deferred tax rises and lower spending in the autumn Budget. We have not incorporated any explicit fiscal assumptions into our forecasts, but we have adjusted for April's GDP drop being more modest than we had initially projected. We now look for a contraction of 7.9% in 2020 (prev. 10.8%), followed by a rebound of 6.1% in 2021 (prev. 9.7%).

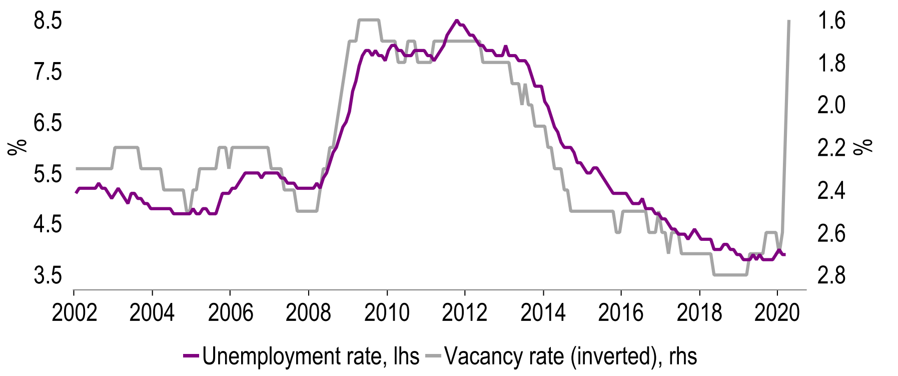
Chart 21: There have been just two cuts to VAT in the past 50 years



Source: Bloomberg, Institute for Fiscal Studies, Tolley's

Another source of surprise has been the labour market, with the unemployment rate steady at 3.9% in the three months to April. However, most other metrics have pointed to a deterioration in conditions. Jobs plummeted by 429k in April alone, whereas the Claimant Count rose to a 15-year high of 7.8% in May. Also, a 342k quarterly drop in vacancies was the largest since the series began in 2001. One reason for this dichotomy may be the furlough scheme, but we suspect sampling variability of the Labour Force Survey may be another factor. As such, we expect unemployment will rise gently until the end of the furlough scheme in Oct before spiking to a peak of ~8.0% in Q4.

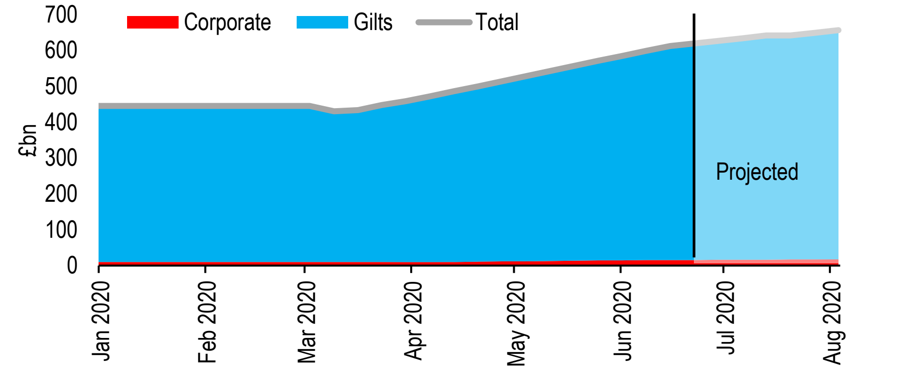
Chart 22: Does the sharp fall in the vacancy rate herald a spike in unemployment?



Source: Macrobond

With the £200bn of QE launched in March set to conclude next month, the BoE's MPC voted 8-1 for an additional £100bn in June. Amid a stabilisation in liquidity conditions, the pace of purchases will roughly halve and adjusting for the replacement of redemptions, gilt purchases will be cut by 55% up until early-August. The new targeted stock of £745bn will be achieved around the turn of the year. Governor Andrew Bailey has suggested this stock is likely to shrink before any rate hikes, a departure from his predecessor who indicated that Bank rate would be raised to 1.50% before any unwinding of QE. However, we don't expect to see this happen any time soon given our expectation that Bank rate will not be hiked to 0.25% until late-2023.

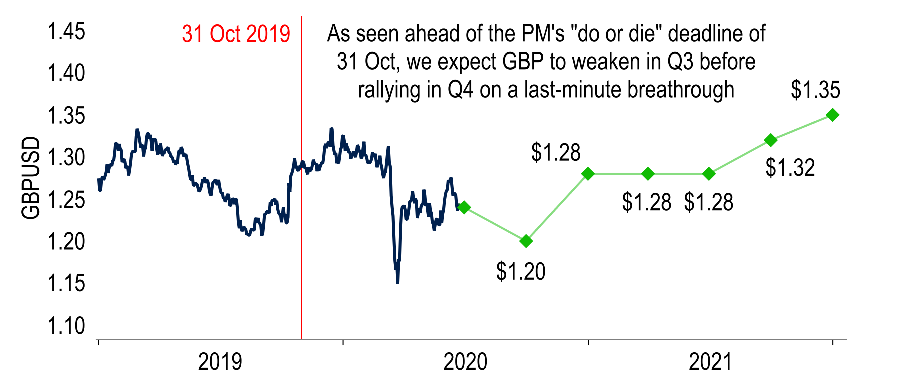
Chart 23: The pace of QE purchases is set to slow in the coming months#



#Projections include £6.4bn gilt redemption in July 2020. Corporate buying is assumed to run at half the pace witnessed over the past eight weeks. Source: Bank of England, Investec calculations

For the meantime, Brexit negotiations are set to weigh on sterling. Downing Street formally rejected an extension to the Transition Period ahead of this month's deadline, meaning it will expire on 31 Dec. It has also announced relaxed controls will apply to goods arriving from the EU in H1 2021 whether an FTA is concluded or not. As things stand the two sides remain far apart on a number of key issues, but we suspect a last minute agreement will be reached. However, this brinkmanship means that sterling is likely to weaken as investors weigh up the risk of 'no-deal' outcome. We now look for cable to finish Q3 at $1.20 (prev. $1.25) before rallying to $1.28 (prev. $1.26) by year-end.

Chart 24: Concerns over a "no-deal" scenario are set to weigh on sterling over the next quarter



Source Macrobond:

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Global Forecasts

GDP Growth (%)

	Global	US	Japan	China	UK	EU19	Germany	France	Italy
2015	3.5	2.9	1.2	6.9	2.4	2.1	1.7	1.1	0.8
2016	3.4	1.6	0.5	6.8	1.9	1.9	2.2	1.1	1.3
2017	3.9	2.4	2.2	6.9	1.9	2.5	2.5	2.3	1.7
2018	3.6	2.9	0.3	6.8	1.3	1.9	1.5	1.7	0.8
2019	2.9	2.3	0.7	6.2	1.4	1.2	0.6	1.3	0.3
2020	-4.1	-5.9	-5.4	-0.3	-7.9	-7.9	-6.4	-9.1	-10.7
2021	5.3	4.2	2.3	9.4	6.0	5.5	4.9	4.8	6.8

Source: IMF, Macrobond, Investec forecasts

Key official interest rates (%, end quarter):

	US Fed funds	Eurozone refi rate	Eurozone Deposit rate	UK Bank rate	Australia cash rate
Current	0.00-0.25	0.00	-0.50	0.10	0.25
2020					
Q1	0.00-0.25	0.00	-0.50	0.10	0.25
Q2	0.00-0.25	0.00	-0.50	0.10	0.25
Q3	0.00-0.25	0.00	-0.50	0.10	0.25
Q4	0.00-0.25	0.00	-0.50	0.10	0.25
2021					
Q1	0.00-0.25	0.00	-0.50	0.10	0.25
Q2	0.00-0.25	0.00	-0.50	0.10	0.25
Q3	0.00-0.25	0.00	-0.50	0.10	0.25
Q4	0.00-0.25	0.00	-0.50	0.10	0.25

Source: Macrobond, Investec

10-year government bond yields (%, end quarter):

	US	Germany	UK
Current	0.73	-0.39	0.23
2020			
Q2	0.75	-0.40	0.25
Q4	0.75	-0.30	0.50
2021			
Q2	1.00	-0.30	0.75
Q4	1.25	-0.10	1.00

Source: Refinitiv, Investec

FX rates (end quarter/ annual averages)

		Current	2020				2021				2019	2020	2021
		24-Jun	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	average	average	average
Euro	€:$	1.128	1.10	1.12	1.12	1.14	1.15	1.15	1.16	1.16	1.16	1.12	1.15
Sterling	€:£	0.903	0.88	0.90	0.93	0.89	0.90	0.90	0.88	0.86	0.88	0.90	0.89
	(£:€)	1.107	0.81	1.11	1.07	1.12	1.11	1.11	1.14	1.16	1.13	1.12	1.13
	£:$	1.249	1.24	1.24	1.20	1.28	1.28	1.28	1.32	1.35	1.31	1.24	1.30
Yen	$	106.7	108	107	110	110	108	107	105	104	111	109	107
	€	120.3	118	120	123	125	124	123	122	121	128	121	123
	£	133.2	134	133	132	141	138	137	138	140	146	135	138
Aussie Dollar	$	0.690	0.61	0.69	0.68	0.68	0.69	0.69	0.70	0.70	0.73	0.67	0.69
	€:AUD	1.634	1.79	1.62	1.65	1.68	1.67	1.67	1.66	1.66	1.59	1.67	1.66
	¥	73.6	66.1	73.8	74.8	74.8	74.5	73.8	73.5	72.8	80.8	72.7	73.9
	£:AUD	1.809	2.03	1.80	1.76	1.88	1.85	1.85	1.88	1.93	1.80	1.86	1.87
Swiss Franc	€	1.068	1.06	1.07	1.06	1.08	1.09	1.10	1.11	1.12	1.15	1.07	1.10
	$	0.947	0.96	0.95	0.95	0.95	0.95	0.96	0.96	0.97	0.99	0.96	0.95
	£	1.182	1.20	1.18	1.14	1.21	1.21	1.22	1.26	1.30	1.30	1.19	1.24

Source: Refinitiv, Investec