

Article | 3 September 2026

THE NETHERLANDS

Dutch economy keeps pace, but growth drivers are gradually shifting

The Dutch economy continues to grow at a decent pace. While somewhat higher inflation and interest rate expectations moderated the outlook for 2027 a bit, expectations for 2026 have improved on the back of continued strong export demand



Persistently low consumer confidence in the Netherlands has been trending upwards in recent months

Higher inflation slightly weakens the 2027 growth outlook

Higher energy prices in this month's baseline have slightly weakened the outlook for the Dutch economy for 2027. We raised our HICP inflation expectation for 2026 and 2027 to 2.9% and 2.7%, respectively, with less benign price developments for energy, fuel and food. Higher inflation is eroding purchasing power developments towards the end of 2026 and the first half of 2027 more than initially expected. Together with persistent uncertainty over the Gulf region and somewhat higher long-term rates, this is likely to temper investment growth.

Still, we expect moderate growth for next year, with GDP expanding around 1.3%. While the growth contributions of public spending and household consumption will probably be lower than this year due to the start of austerity measures and declines in household purchasing power, investment and exports are expected to contribute more. As stronger investment growth will be driven in part by imports of defence equipment, import growth is also expected

to pick up.

Stronger exports push up the 2026 forecast

By contrast, the outlook for 2026 has improved on balance, with GDP growth now forecast at 1.4%. The improvement is mainly driven by stronger export expectations, as the Netherlands continues to benefit from the global AI-related investment cycle. This is reflected in more optimistic production expectations in industry. More specifically, semiconductor machinery manufacturer ASML has raised its turnover forecast from €36-40bn to €43-45bn. On a mechanical basis, and depending on the timing of deliveries, ASML's higher turnover alone could raise the Dutch GDP growth forecast for 2026 by around 0.2-0.3 percentage points, because the domestic value-added content of these sales is significant.

Slightly stronger-than-expected second-quarter GDP data also lifted the annual forecast, while persistently low consumer confidence has been trending upwards in recent months. This was only partially offset by our minor downward revision for the second half of the year, driven by higher inflation and interest rate expectations.

Stable growth masks a changing economic mix

On balance, the economic outlook has changed marginally. Despite the upward revision, GDP growth in 2026 is still expected to be slightly slower than in 2025, while growth in 2027 should proceed at a similar pace. That apparent stability masks a shift in composition: exports and investment are becoming more important growth drivers, while the contributions from household consumption and public spending are gradually diminishing.

That said, all expenditure categories are expected to contribute positively to economic growth in both years, apart from inventory investment. Steady as she goes!

Author

Marcel Klok

Senior Economist, Netherlands

marcel.klok@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.