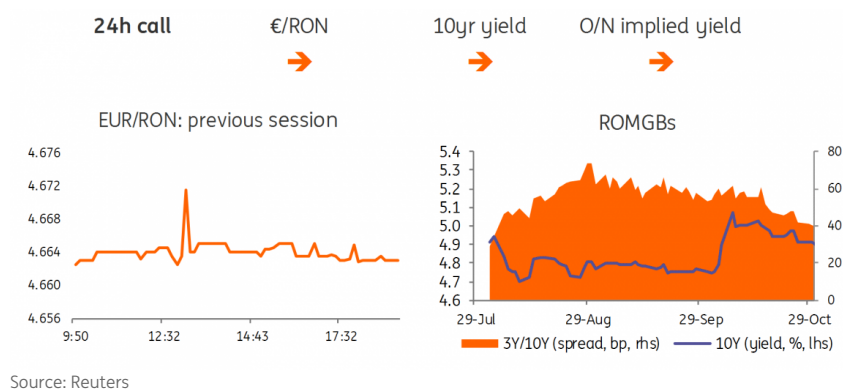


# BriefING Romania

## Good September 2031 auction



### ➔ EUR/RON

Quite a calm session for the EUR/RON yesterday. The pair traded virtually flat around 4.6630 and we don't expect major changes of the current calm stance.

### ➔ Government bonds

The September 2031 bond auction went out pretty well, though the Ministry of Finance had to pay somewhat higher-than-expected yields in order to raise the RON200 million planned amount. In the end, the target size was allocated at a 5.46% average and 5.48% maximum yield, with a total bid-to-cover of 1.53x. The ROMGBs curve closed the day little changed.

## ➔ Money Market

It was a calm market on funding as well, with the entire curve now ranging from 3.00% to 4.00%. The money market is likely to remain calm ahead of Monday's announcement for a possible repo.

### EUR/RON forecasts and forwards

|              | 4Q18 | 1Q19 | 2Q19 | 3Q19 | 4Q19 |
|--------------|------|------|------|------|------|
| ING forecast | 4.70 | 4.67 | 4.65 | 4.70 | 4.75 |
| Forward rate | 4.69 | 4.74 | 4.79 | 4.84 | 4.91 |

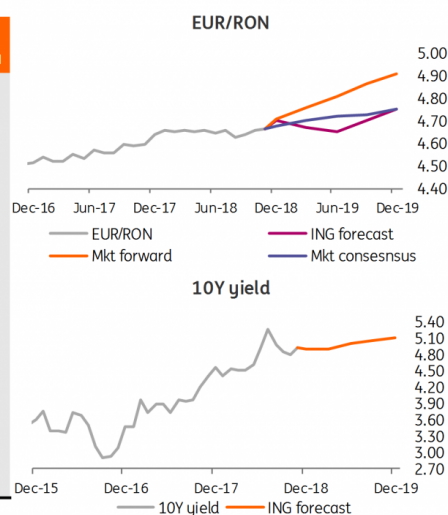
Source: Reuters, ING estimates

### Market radar

|                | Spot    | %Ch  |       |      |
|----------------|---------|------|-------|------|
|                |         | 1D   | 1W    | 1M   |
| EUR/RON        | 4.663   | -0.1 | 0.1   | 0.0  |
| EUR/PLN        | 4.3171  | -0.4 | 0.2   | 0.3  |
| EUR/HUF        | 32195   | -0.6 | -0.7  | -0.3 |
| EUR/CZK        | 25.828  | -0.5 | -0.2  | 0.4  |
| RO 5Y CDS*     | 98.45   | 0.1  | 0.8   | 1.9  |
| ROBOR O/N*     | 2.75    | -2.0 | -86.0 | 8.0  |
| ROBOR 3M*      | 3.31    | 0.0  | -8.0  | 6.0  |
| DAX            | 11468.5 | 13   | 18    | -8.0 |
| S&P 500        | 2740.37 | 1.1  | 1.9   | -5.8 |
| DE 10Y*        | 0.434   | 1.3  | 3.7   | -4.6 |
| US 10Y*        | 3.1722  | -1.5 | 3.6   | 1.1  |
| Gold (US\$)**  | 1235.05 | 1.5  | 0.3   | 3.2  |
| Brent (US\$)** | 72.72   | -2.9 | -5.4  | -6.3 |

\*change in basis points; \*\*US\$ (data as at 07:45 GMT)

Source: Reuters, Bloomberg, ING



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