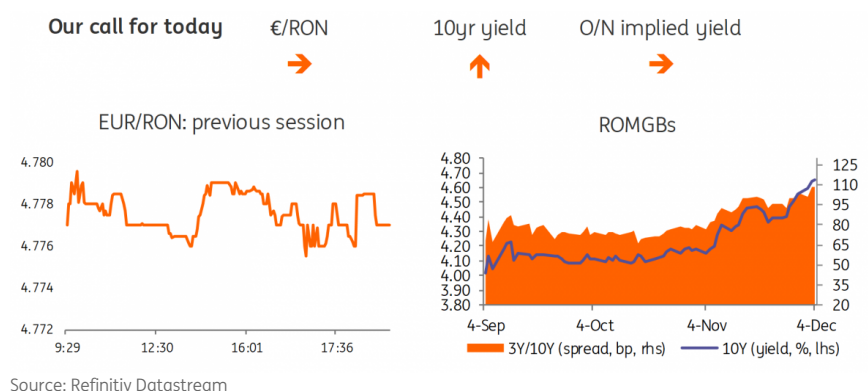


# Briefing Romania

FX turnover increasing again



## EUR/RON

It was more of the same for the EUR/RON yesterday as the pair traded in a relatively narrow 4.7760-4.7790 range despite the increased turnover. For now, the pair looks to have stabilised at close to 4.7800.

## Government bonds

With core markets correcting lower yesterday, the pressure on Romanian government bonds diminished a bit. The yield curve remained broadly flat compared to the previous day. In the short-term, there is still little reason to be bullish on ROMGBs considering the elevated financing needs of the Ministry of Finance.

## Money market

On the money market, the curve remains inverted, with cash rates trading just below 4.00%. The liquidity conditions should gradually improve as MinFin spending kicks in, though we don't expect any spectacular drop in funding.

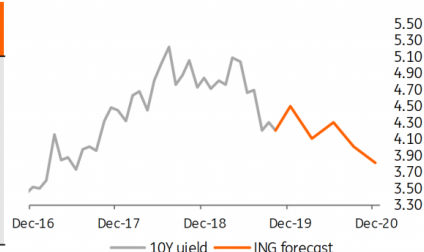
EUR/RON forecasts (eop)

	4Q19	1Q20	2Q20	3Q20	4Q20
ING forecast	4.80	4.82	4.82	4.84	4.85
FX Forward	4.79	4.84	4.88	4.92	4.97

	Spot	1D	%Ch 1W	1M
EUR/RON	4.7745	0.0	-0.1	0.5
EUR/PLN	4.2822	-0.1	-0.5	0.3
EUR/HUF	331.80	-0.1	-1.3	0.7
EUR/CZK	25.530	-0.1	0.1	0.0
RO 5Y CDS*	88.8	-0.3	-0.4	-1.4
ROBOR O/N*	3.02	4	26	47
ROBOR 3M*	3.04	1	5	5

\*change in basis points; \*\*US\$ (data as at 06:40 GMT)

Source: Refinitiv Datastream, ING estimates



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