

## Briefing Romania

Stable carry to persist



### EUR/RON

The Romanian leu traded fairly stable against the euro yesterday on good turnover again. 4.7300 is slowly becoming a good support level. The rate setting meeting due 5 August and in particular the press conference should bring more clarity on how comfortable the central bank is with current developments. After the last 4 July meeting we've seen a verbal intervention from Governor Mugur Isarescu to stop the leu's appreciation.

### Government bonds

A bit more profit taking in ROMGBs drove the curve another 4-5 basis points higher in the longer end. With the Fed not exactly pleasing the markets yesterday and local issuance calendar for August skewed to the longer end, we feel there is still a bit of room for yields to correct higher.

### Money market

Cash rates remain well anchored around the 2.50% key rate. We will likely use this sentence again in the coming days.

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