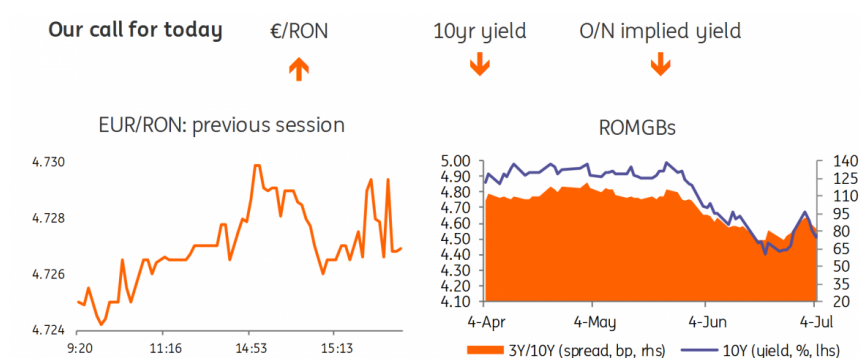


## Briefing Romania

Romanian government bonds to benefit from below consensus June CPI



Source: Reuters

### EUR/RON

The EUR/RON inched higher yesterday, closing regular hours just below 4.7300. Range for today: 4.7250-4.7350.

## ↓ Government bonds

The ROMGB yield curve inched a bit higher with 10-year yields ending a couple of basis points higher and closing around 4.60% mid. June CPI came in at 3.8% year-on-year vs the 4.0% Bloomberg median and 3.7% ING forecast. Our forecast error was due to rounding. With June CPI missing the consensus estimate, we expect ROMGB yields to move a bit lower today. Yesterday, Romania sold EUR1.4 billion in new 12Y Eurobonds at MS+185bps and EUR0.6bn in 2049 papers at 3.4% on international markets.

## ↓ Money market

Cash rates traded around 2.00% yesterday. Implied yields in the 6 month-12 month segment saw some selling pressure likely reflecting re-pricing of the NBR's liquidity management. The 12M mid-rate stood around 3.30%.

### EUR/RON forecasts (eop)

	3Q19	4Q19	1Q20	2Q20	3Q20
ING forecast	4.77	4.85	4.85	4.85	4.87
FX Forward	4.77	4.81	4.86	4.89	4.94

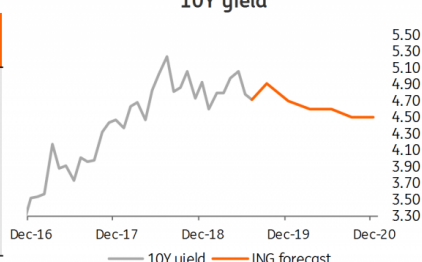
### Market radar

	Spot	1D	%Ch 1W	1M
EUR/RON	4.7285	0.1	-0.1	0.3
EUR/PLN	4.2679	0.3	0.6	0.1
EUR/HUF	325.67	0.3	0.8	1.8
EUR/CZK	25.552	0.2	0.4	-0.3
RO 5Y CDS*	89.0	0.8	0.4	1.1
ROBOR O/N*	2.23	-9	-29	-46
ROBOR 3M*	3.18	0	-5	-6

\*change in basis points; \*\*US\$ (data as at 06:14 GMT)

Source: Reuters, ING estimates

### 10Y yield



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