

## Briefing Romania

### Benign reaction to S&P outlook change



### EUR/RON

The unexpected outlook revision from S&P ([more here](#)) didn't trigger any meaningful depreciation pressures for the leu, though 4.7800 level looks shakier than ever.

### Government bonds

Romanian government bonds on the other hand did feel some impact post S&P decision, though most of the 4-5 basis points upside move seemed to have come from repricing rather than from actual trading. Nevertheless, today's RON 500 million September 2023 auction should see decent demand, given the amount of bids left uncovered at last week's auction.

### Money market

On the money market the upcoming budget payments (which will fall on the current reserve period due to the holiday season) are making the local players to take a more prudent stance. Hence, we should see cash rates more volatile in the 2.50-3.00% range these days.

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