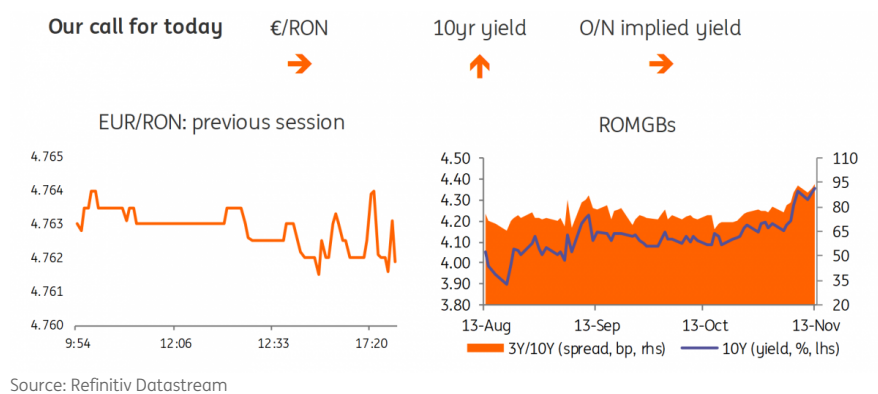


Briefing Romania

Market unmoved by lower inflation



EUR/RON

The Romanian leu continues to display remarkable stability against the euro. The pair traded very tight again, just below 4.7650. The only data on the calendar that could potentially disturb this will be tomorrow's GDP numbers, though we doubt these will make any dent in this stability story.

Government bonds

Curve-steepening resumed yesterday, on some minor selling interest in the back-end of the curve which inched 2-3 basis points higher. Coming in at consensus, [October inflation data](#) was pretty much priced-in. Markets will likely be eyeing GDP data due tomorrow, as a more pronounced economic slowdown could increase expectations for a monetary policy response.

[October inflation](#)

Money market

As usual lately, not much is happening on the money market. Cash rates remain below 2.50%, with some light paying interest in longer tenors, just enough to move the 3M-1Y curve above 3.00% again.

EUR/RON forecasts (eop)

	4Q19	1Q20	2Q20	3Q20	4Q20
ING forecast	4.80	4.82	4.82	4.84	4.85
FX Forward	4.77	4.81	4.86	4.89	4.94

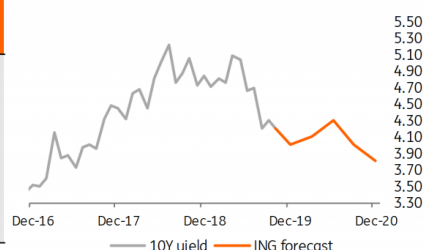
Market radar

	Spot	1D	%Ch 1W	1M
EUR/RON	4.7625	0.0	0.2	0.2
EUR/PLN	4.2830	0.2	0.4	-0.3
EUR/HUF	334.73	0.3	1.1	0.9
EUR/CZK	25.536	0.2	0.1	-1.1
RO 5Y CDS*	90.3	0.2	0.1	-0.4
ROBOR O/N*	2.51	-2	0	0
ROBOR 3M*	2.97	0	-2	-8

*change in basis points; **US\$ (data as at 06:24 GMT)

Source: Refinitiv Datastream, ING estimates

10Y yield



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