



possibly below 4.30%. But that's not all, as we also have an 11-month Tbill auction for RON 400 million. We are slightly less optimistic here due to the persistent high funding environment and expect maybe a partial allocation somewhere in the 3.45% area.

## ↓ Money Market

There are ups and downs in any market and then there is the Romanian funding market. Short dated implied yields (up to 1W) were back above 5.00% yesterday, reaching almost 5.50% at times overnight. As the end of the reserve maintenance period nears, some players are becoming more anxious and are paying up to secure funding needs. However, we still believe that the liquidity squeeze is more circumstantial than structural, most likely related to the MinFin's spending and possibly affected by the still-unapproved budget bill for 2019.

### EUR/RON forecasts

	1Q19	2Q19	3Q19	4Q19	1Q20
ING forecast	4.75	4.75	4.80	4.80	4.82
FX Forward	4.80	4.84	4.89	4.93	4.98

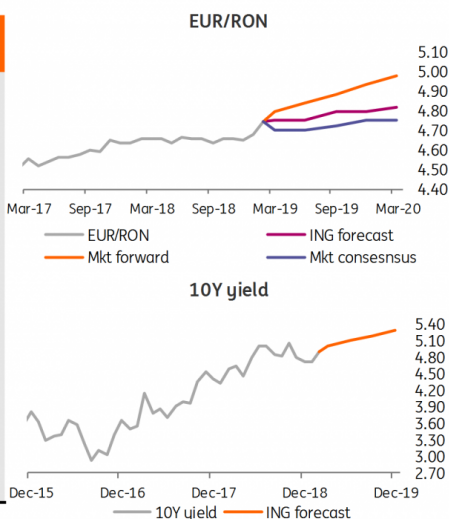
Source: Reuters, ING estimates

### Market radar

	Spot	%Ch		
		1D	1W	1M
EUR/RON	4.7385	0.0	-0.8	17
EUR/PLN	4.3361	-0.1	10	10
EUR/HUF	318.66	-0.1	0.4	-0.7
EUR/CZK	25.765	-0.1	0.0	0.8
RO 5Y CDS*	104.6	0.1	15	-0.5
ROBOR O/N*	3.52	4.0	-10	98.0
ROBOR 3M*	3.07	10	-4.0	10.0
DAX	11176.6	0.4	0.0	4.1
S&P 500	2724.87	0.3	3.6	8.2
DE 10Y*	0.13	14	-7.7	-7.8
US 10Y*	2.71	3.3	-3.5	5.0
Gold (US\$)**	1308.3	-0.5	0.4	18
Brent (US\$)**	64.4	-0.4	7.7	12.6

\*change in basis points; \*\*US\$ (data as at 06:08 GMT)

Source: Reuters, Bloomberg, ING



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