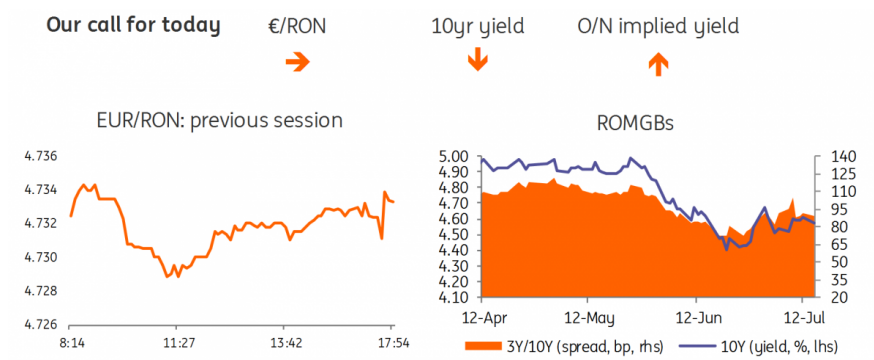


Briefing Romania

We expect a good April-2026 auction



EUR/RON

With the downside potential limited by the central bank around 4.7200 and the upside by still-decent bond inflows, the EUR/RON looks set for prolonged range trading for the rest of the summer. Today's current account data will likely show further deterioration, but we don't expect the market to move out of its complacency mode. Range for this week: 4.7250-4.7400.

Government bonds

With the Moody's review behind us now (the agency didn't release any statement) the buying interest in government bonds is likely to be reinforced. We expect good demand for today's RON500 million April-2026 auction. This tenor garnered massive buying demand last month, gathering a striking RON2.39 billion in total demand with c. RON800 million still left unsatisfied. It's hard to believe we'll get the 4.24% average yield of last month, and we'd rather see it in the 4.30% area.

Money market

With a deposit taking auction in sight today, funding rates should temporarily climb again towards the 2.50% area.

EUR/RON forecasts (eop)

| | 3Q19 | 4Q19 | 1Q20 | 2Q20 | 3Q20 |
|--------------|------|------|------|------|------|
| ING forecast | 4.77 | 4.80 | 4.82 | 4.85 | 4.87 |
| FX Forward | 4.77 | 4.81 | 4.86 | 4.89 | 4.94 |

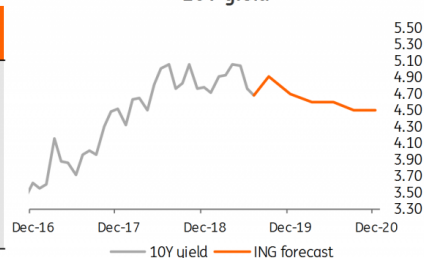
Market radar

| | Spot | 1D | %Ch | |
|------------|--------|------|-----|------|
| | | | 1W | 1M |
| EUR/RON | 4.7300 | 0.0 | 0.2 | 0.2 |
| EUR/PLN | 4.2678 | 0.0 | 0.3 | 0.3 |
| EUR/HUF | 325.65 | 0.0 | 0.5 | 1.1 |
| EUR/CZK | 25.584 | -0.1 | 0.3 | 0.1 |
| RO 5Y CDS* | 88.5 | -0.8 | 0.1 | -0.7 |
| ROBOR O/N* | 1.97 | -21 | 5 | -73 |
| ROBOR 3M* | 3.16 | -1 | -2 | -9 |

*change in basis points; **US\$ (data as at 06:258 GMT)

Source: Reuters, ING estimates

10Y yield



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