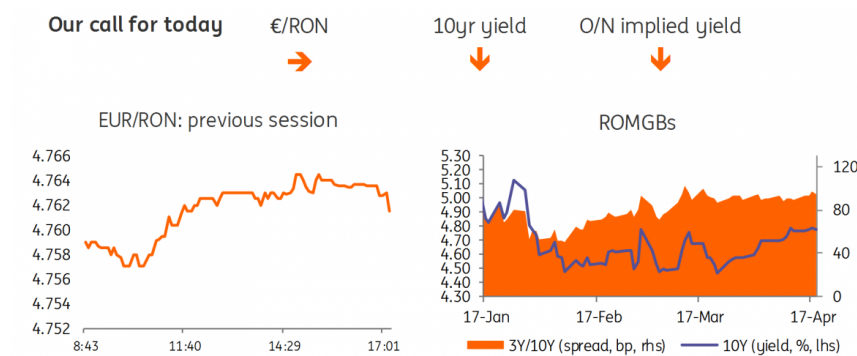


Briefing Romania

June 2024 auction in sight



Source: Reuters

➔ EUR/RON

The EUR/RON continues its range trading around 4.7600. With the holiday mood has already entrenched, we don't expect a different story for today.

⬇️ Government bonds

The primary market auction is the highlight of a quiet period in the Romanian government bond market. Today, the Ministry of Finance plans to sell RON400 million in Jun-2024 bonds. The tenor is in-between the offshore demand, which is usually focused on longer tenors and demand from local investors which is concentrated on shorter maturities. Hence, we could see some partial

allocation in the 4.50-4.55% area.

Money market

It's the same story on the money market with the market pricing quite a hefty liquidity premium for the beginning of the next reserve period. The overnight implied yield remains just below the 3.50% Lombard rate.

EUR/RON forecasts (eop)

	2Q19	3Q19	4Q19	1Q20	2Q20
ING forecast	4.77	4.78	4.85	4.87	4.88
FX Forward	4.81	4.86	4.92	4.97	5.00

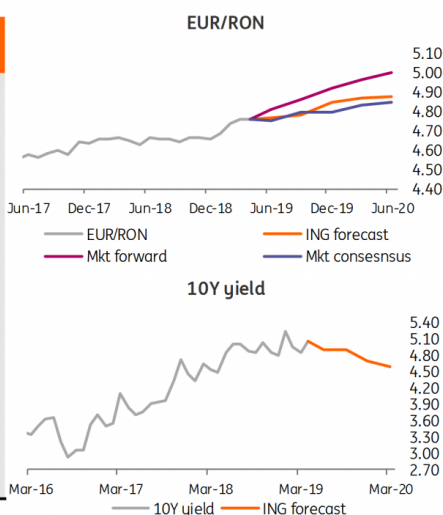
Source: Reuters, Bloomberg, ING

Market radar

	Spot	%Ch		
		1D	1W	1M
EUR/RON	4.7605	0.0	0.1	-0.1
EUR/PLN	4.2703	-0.1	-0.2	-0.4
EUR/HUF	319.37	-0.2	-0.6	2.1
EUR/CZK	25.655	0.0	0.3	0.1
RO 5Y CDS*	106.3	-0.3	-0.4	2.5
ROBOR O/N*	3.53	2.0	0.0	12.0
ROBOR 3M*	3.38	0.0	2.0	26.0
DAX	1253.1	0.4	2.4	3.4
S&P 500	2900.45	-0.2	1.0	2.9
DE 10Y*	0.07	2.0	10.6	-2.9
US 10Y*	2.58	-0.2	9.9	-3.6
Gold (US\$)**	1271.8	-0.2	-2.8	-2.6
Brent (US\$)**	71.6	-0.1	-0.2	6.2

*change in basis points; **US\$ (data as at 06:18 GMT)

Source: Reuters, ING estimates



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