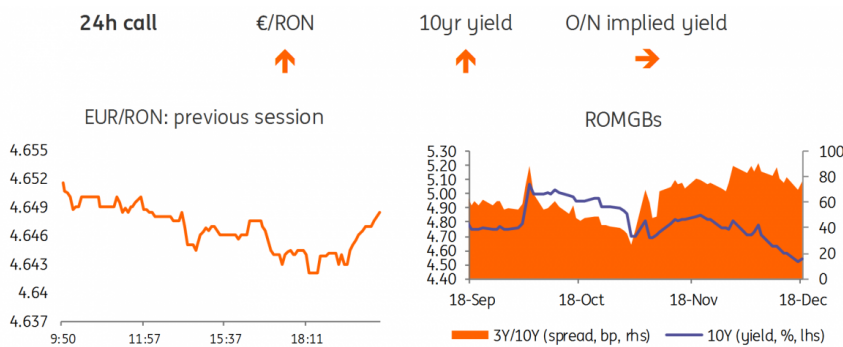


Briefing Romania

More of the same for EUR/RON



Source: Reuters

↑ EUR/RON

The EUR/RON delivered more of the same yesterday, inching well below 4.6500 during the day only to close around 4.6490, just below the opening level. With bond inflows apparently on a downside trend in recent days with the yield moves, we could see mild upside pressure on the pair in the coming days.

↑ Government bonds

A calm session for ROMGBs, with the curve broadly unchanged compared to the previous day. All eyes will be on Fed decision today which will likely dictate market mood for the upcoming period.

➔ Money Market

Funding rates remain well anchored around the deposit facility. Tenors covering the beginning of the next reserve period are trading somewhere below 3.00%, suggesting that banks are not overly preoccupied with liquidity issues in the near term.

EUR/RON forecasts and forwards

	4Q18	1Q19	2Q19	3Q19	4Q19
ING forecast	4.67	4.67	4.65	4.70	4.75
Forward rate	4.68	4.69	4.73	4.78	4.82

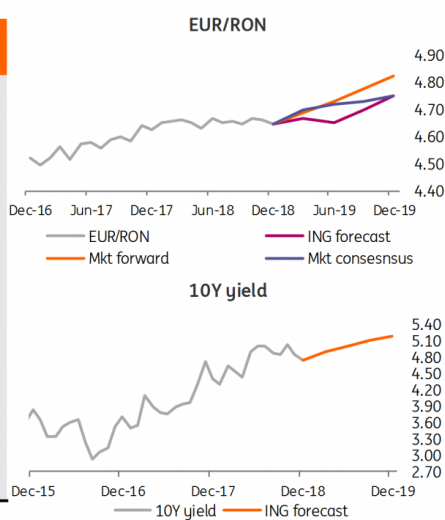
Source: Rueters, ING estimates

Market radar

	Spot	%Ch		
		1D	1W	1M
EUR/RON	4.6471	-0.1	-0.2	-0.4
EUR/PLN	4.2825	0.1	-0.5	-1.1
EUR/HUF	322.05	-0.3	-0.5	0.3
EUR/CZK	25.722	-0.1	-0.5	-1.2
RO 5Y CDS*	104.0	0.0	-0.2	4.5
ROBOR O/N*	167	-2.0	-10.0	-92.0
ROBOR 3M*	3.04	0.0	0.0	-9.0
DAX	10740.9	0.0	0.0	-4.1
S&P 500	2546.16	-0.3	-2.9	-4.8
DE 10Y*	0.25	-1.3	0.8	-13.1
US 10Y*	2.82	-3.4	-6.4	-24.2
Gold (US\$)**	1250.1	0.3	0.6	2.1
Brent (US\$)**	56.5	-5.6	-6.1	-16.7

*change in basis points; **US\$ (data as at 06:15 GMT)

Source: Reuters, Bloomberg, ING



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