

Government bonds

The fixed income market remains very quiet these days, with a bit of repricing here and there along the curve but no meaningful shift in yields. 10Y yields traded slightly below 4.50%, a level from which they have rallied a couple of times this year.

Money market

As expected, paying interest in FX swaps prevailed given the FX pressures, pushing the 3M-1Y curve some 5-10 basis points higher to around 3.25%. This paying interest could continue a bit given the diminished but still present FX pressure and a likely increased appetite for funding from the Ministry of Finance.

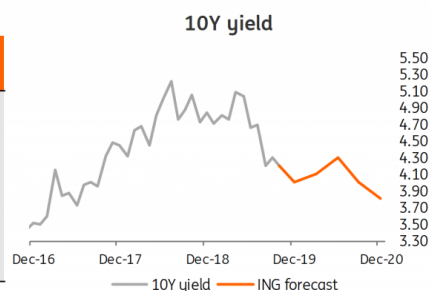
EUR/RON forecasts (eop)

	4Q19	1Q20	2Q20	3Q20	4Q20
ING forecast	4.80	4.82	4.82	4.84	4.85
FX Forward	4.80	4.84	4.88	4.91	4.97

Market radar

	Spot	%Ch		
		1D	1W	1M
EUR/RON	4.7745	0.0	0.2	0.4
EUR/PLN	4.2893	-0.2	0.2	0.3
EUR/HUF	332.78	-0.8	-0.6	0.9
EUR/CZK	25.547	-0.1	0.0	-0.1
RO 5Y CDS*	90.2	0.3	-0.1	-0.6
ROBOR O/N*	2.58	-3	7	81
ROBOR 3M*	2.98	1	1	-5

*change in basis points; **US\$ (data as at 06:35 GMT)



Source: Refinitiv Datastream, ING estimates

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THINK economic and financial analysis

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