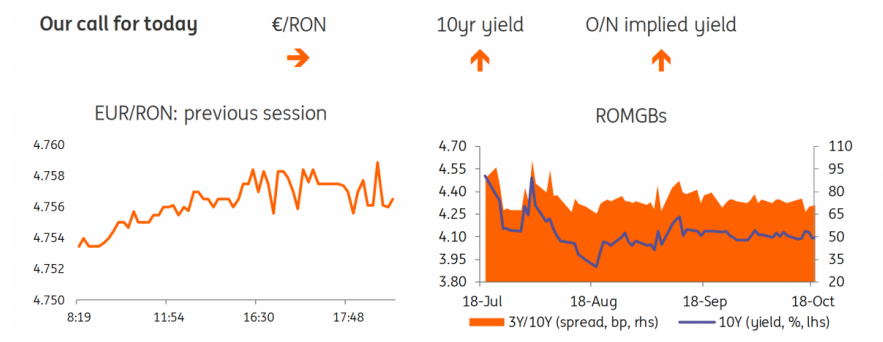


Briefing Romania

June 2024 auction in sight



Source: Refinitiv Datastream

EUR/RON

The Romanian leu closed the week remarkably stable in the same 4.7500-4.7600 range. It is likely that it will continue in a similar fashion as we move into the current week while at the same time becoming more of a buy-on-dips story.

Government bonds

Little to none action on the fixed income side, having only the primary auctions to spice-up the market these days. Today, the Ministry of Finance plans to sell RON500 million in June-2024. The market mood remains volatile due to Brexit uncertainties but we should see the auction filled around 3.85%.

Money market

After hitting the 1.50% deposit facility last week, funding rates should see a small uplift today following central bank deposit auction. Due to the auction's inconvenient settlement dates which cover the budget payments period as well, we don't expect much demand for it.

EUR/RON forecasts (eop)

	4Q19	1Q20	2Q20	3Q20	4Q20
ING forecast	4.80	4.82	4.82	4.84	4.85
FX Forward	4.78	4.82	4.86	4.91	4.95

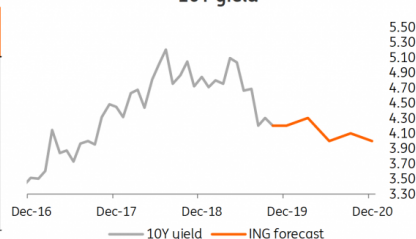
Market radar

	Spot	1D	%Ch	
			1W	1M
EUR/RON	4.7560	0.1	0.1	0.2
EUR/PLN	4.2802	-0.1	-0.5	-1.4
EUR/HUF	330.80	0.0	-0.5	-0.5
EUR/CZK	25.630	-0.3	-0.8	-1.1
RO 5Y CDS*	90.8	0.1	0.0	3.5
ROBOR O/N*	1.75	-9	-72	0
ROBOR 3M*	3.03	0	-3	-3

*change in basis points; **US\$ (data as at 06:34 GMT)

Source: Refinitiv Datastream, ING estimates

10Y yield



Author

Valentin Tataru

Chief Economist, Romania

valentin.tataru@ing.com

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