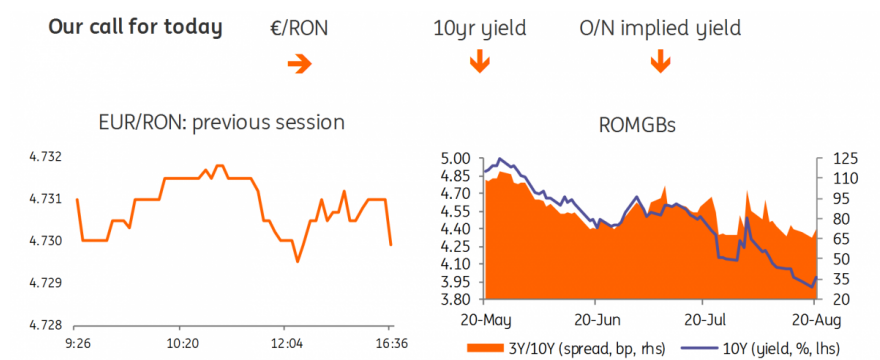


Briefing Romania

Quiet days again



Source: Reuters

EUR/RON

It's difficult to get quieter trading than we've had in recent days in the EUR/RON. The pair looks pinned in a tight 20-30 pips range around 4.7300. We expect more of the same for today.

Government bonds

After the previous day's correction, ROMGBs traded broadly flat yesterday with just a touch of better buying interest. We don't expect much action before tomorrow's Feb-2029 auction which should garner strong interest.

Money market

Cash rates traded around 2.00% as the liquidity surplus persists. We should see the front end shifting lower due to the end of the reserve maintenance period.

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 | 4.84 | 4.88 | 4.92 |

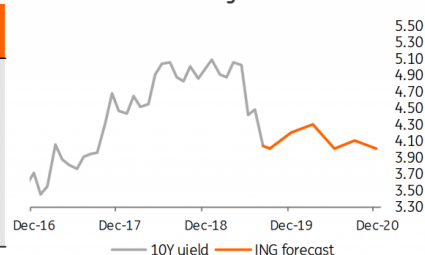
Market radar

| | Spot | 1D | %Ch | |
|------------|--------|------|------|------|
| | | | 1W | 1M |
| EUR/RON | 4.7290 | 0.0 | 0.2 | 0.2 |
| EUR/PLN | 4.3555 | -0.2 | 0.5 | 2.6 |
| EUR/HUF | 327.14 | 0.4 | 1.2 | 0.6 |
| EUR/CZK | 25.775 | 0.0 | -0.2 | 0.9 |
| RO 5Y CDS* | 88.4 | -0.2 | -0.3 | -0.8 |
| ROBOR O/N* | 2.22 | -13 | -36 | 47 |
| ROBOR 3M* | 3.07 | -2 | -2 | -4 |

*change in basis points; **US\$ (data as at 06:50 GMT)

Source: Reuters, ING estimates

10Y yield



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