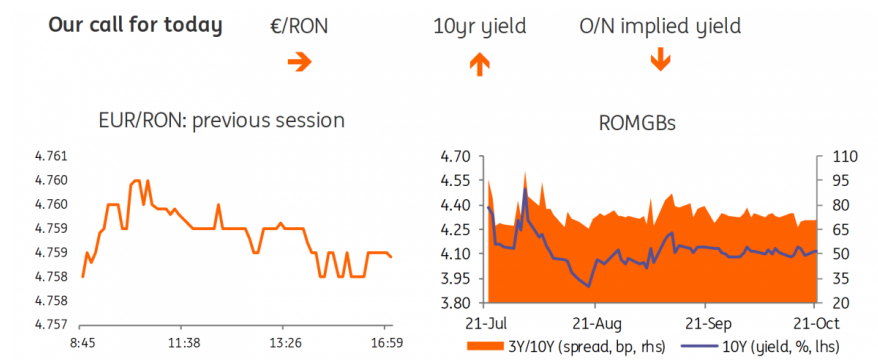


# Briefing Romania

The EUR/RON is slowly consolidating



Source: Refinitiv Datastream

## EUR/RON

The EUR/RON is slowly consolidating its way towards 4.7600. This is where we have seen above-average volumes being traded last month and the leu's depreciation was stopped. As of now, we don't see a trigger for a meaningful test above it, but the general trend remains to the upside.

## Government bonds

The fixed income market remains fairly directionless, if anything slightly better offered across the curve. The June-2024 auction printed towards the high end of expectations, at 3.89% average allocation. The MinFin upzised from RON 500 million to RON 601million, hence covering most of the RON 739million total demand.

## Money market

The central bank drained RON 5.7billion from 17 participants in its one week deposit auction, quite a higher amount than we were expecting. Hence, we could have a short lived squeeze on cash rates during the upcoming budget payments period.

### 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

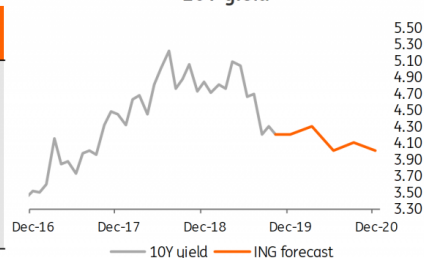
### Market radar

	Spot	1D	%Ch	
			1W	1M
EUR/RON	4.7585	-0.1	0.1	0.1
EUR/PLN	4.2768	-0.1	-0.4	-2.3
EUR/HUF	329.88	-0.4	-0.5	-1.2
EUR/CZK	25.572	-0.2	-0.9	-1.1
RO 5Y CDS*	90.8	0.0	0.1	-2.3
ROBOR O/N*	1.77	2	-74	4
ROBOR 3M*	3.03	0	-2	-3

\*change in basis points; \*\*US\$ (data as at 06:44 GMT)

Source: Refinitiv Datastream, ING estimates

### 10Y yield



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