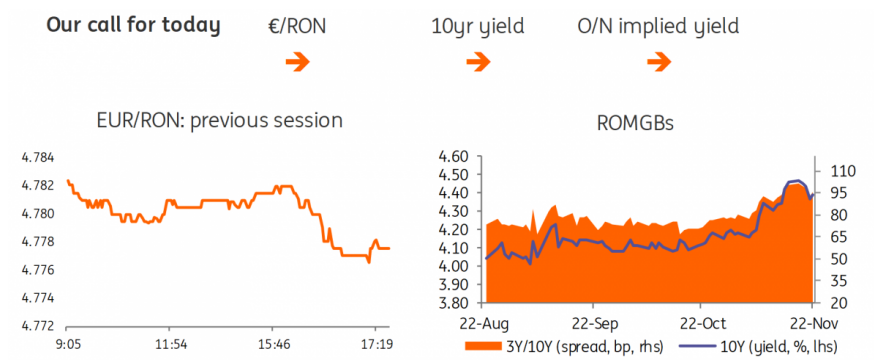


# Briefing Romania

EUR/RON consolidating close to 4.7800



Source: Refinitiv Datastream

## EUR/RON

The Romanian leu has consolidated at these higher levels. Thus, a new trading range is forming between 4.7650-4.7850. Over the weekend, we'll have the second round of presidential elections although we don't expect much impact on the market.

## Government bonds

In line with our expectations, the two primary auctions have not enjoyed great demand, though good enough to cover the target. For the 1Y T bills the Ministry of Finance allocated RON200 million at 3.26% average and 3.30% maximum yields, largely in line with the FX swap market yields. The 15Y auction came in at 4.69% average and 4.72% maximum yields, for which the MinFin allocated RON249 million.

## Money market

The last day of the minimum reserve period finds carry at the 1.50% deposit facility, with the rest of the curve above 3.00%. We expect carry rates to stay above 3.00% for at least the beginning of the next reserve period.

### EUR/RON forecasts (eop)

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

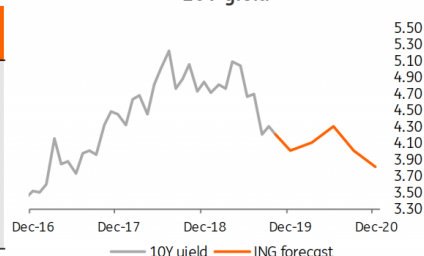
### Market radar

	Spot	1D	%Ch	
			1W	1M
EUR/RON	4.7772	-0.1	0.2	0.5
EUR/PLN	4.2983	0.1	0.3	0.6
EUR/HUF	334.60	0.2	0.1	2.0
EUR/CZK	25.520	0.1	-0.3	-0.3
RO 5Y CDS*	90.3	0.1	0.2	-0.2
ROBOR O/N*	2.05	-49	-47	36
ROBOR 3M*	2.99	0	2	-4

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

Source: Refinitiv Datastream, ING estimates

### 10Y yield



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