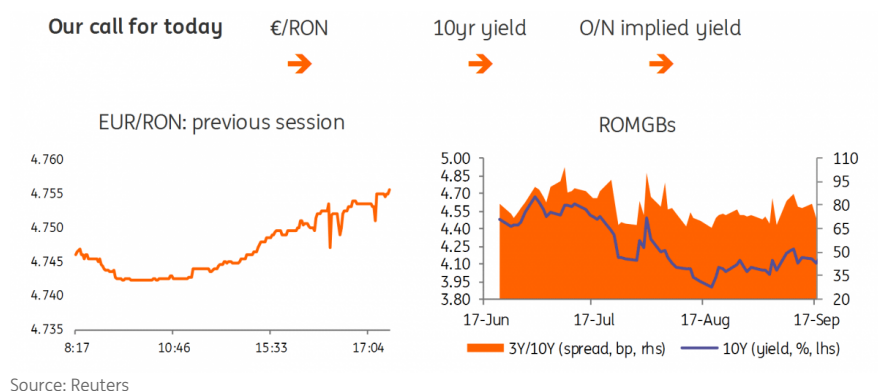


Briefing Romania

EUR/RON above 4.7500



EUR/RON

In line with its regional peers, the Romanian leu lost ground against the euro on Friday and closed around 4.7550, almost 100 pips higher than the opening level. The move was probably enough for one day and we expect the pair to hover today around 4.7500 and to test higher levels in the coming days.

Government bonds

Following a dull trading session on Friday with no relevant movements along the curve, the Ministry of Finance will auction today RON600 million in June-2024 bonds. The tenor looks suitable for a broad range of investors. The failed 15Y auction from last Thursday might have dented confidence a bit but we still expect reasonable demand for today and an average yield around 3.85%.

Money market

The last day of the minimum reserve maintenance period finds carry slightly below the deposit facility. The NBR's deposit auction should be met with some prudence as the dates inconveniently include the budget payments period when the cashflows become significantly more unpredictable.

EUR/RON forecasts (eop)

	3Q19	4Q19	1Q20	2Q20	3Q20
ING forecast	4.74	4.80	4.82	4.82	4.84
FX Forward	4.75	4.78	4.83	4.87	4.91

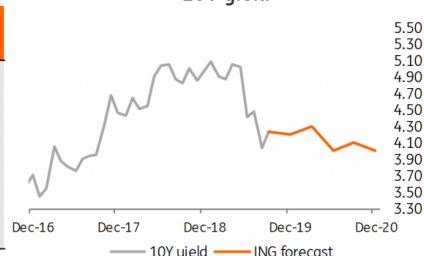
Market radar

	Spot	1D	%Ch 1W	1M
EUR/RON	4.7490	0.2	0.3	0.6
EUR/PLN	4.3760	0.8	1.3	0.4
EUR/HUF	333.48	0.4	0.4	1.6
EUR/CZK	25.870	-0.2	0.0	0.3
RO 5Y CDS*	93.1	6.6	6.0	5.5
ROBOR O/N*	1.73	-2	-43	-185
ROBOR 3M*	3.06	0	1	-1

*change in basis points; **US\$ (data as at 06:33 GMT)

Source: Reuters, ING estimates

10Y yield



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