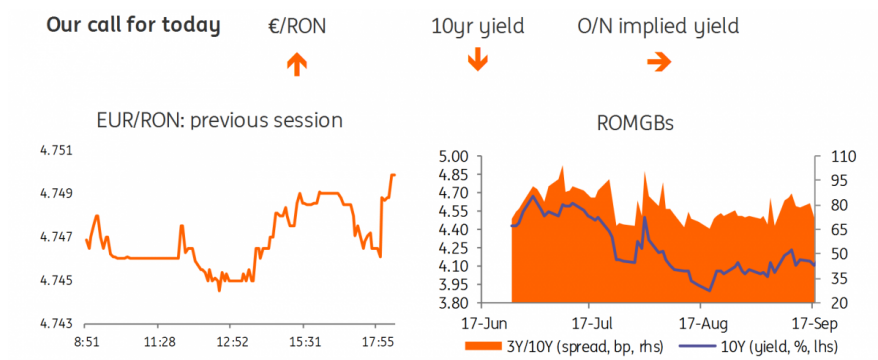


Briefing Romania

Good interest in 10Y bond auction



Source: Reuters

↑ EUR/RON

The EUR/RON traded sideways yesterday in a tight 4.7450-4.7500 range, testing the lower bound of the interval after the 10Y bond auction, which likely gathered some interest from offshore investors. Range for today: 4.7450-4.7550.

ROMGBs

Long-end ROMGB yields declined around 5 basis points yesterday, helped by a good 10Y auction result. The Ministry of Finance sold the planned amount of RON500 million at an average/cut-off yield of 4.11%/4.13% - the lower end of expectations. The bid-to-cover ratio was 1.5x. Some unfilled demand is likely to keep the long end well bid today.

Money market

Despite budget payments the day before, the cash rate dropped c.50bps to 2.70% leading to a steepening of the forward curve.

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	4.87	4.91	4.96

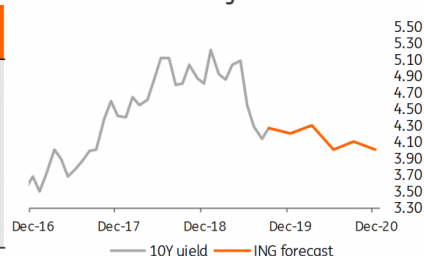
Market radar

	Spot	%Ch		
		1D	1W	1M
EUR/RON	4.7466	0.1	0.3	0.4
EUR/PLN	4.3835	-0.2	1.1	0.5
EUR/HUF	334.29	-0.4	0.2	1.5
EUR/CZK	25.855	-0.1	-0.2	0.3
RO 5Y CDS*	90.6	0.4	3.4	2.1
ROBOR O/N*	2.80	111	66	-19
ROBOR 3M*	3.07	1	1	0

*change in basis points; **US\$ (data as at 06:29 GMT)

Source: Reuters, ING

10Y yield



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