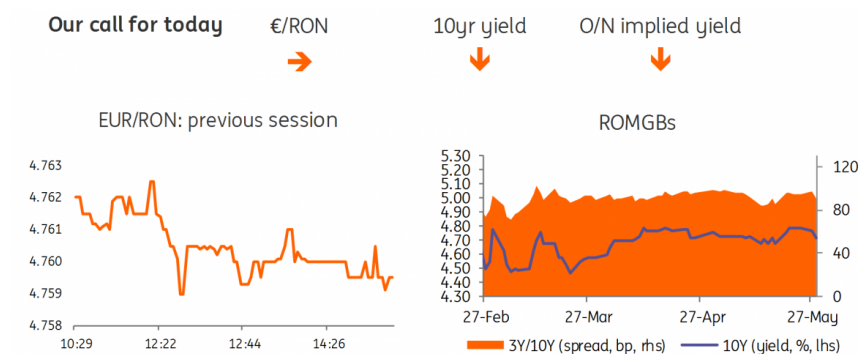


Briefing Romania

Strong demand for 2023 bonds



Source: Reuters

➔ EUR/RON

Little to no action yesterday in EUR/RON which traded in a tight range, just above 4.7600, though turnover was relatively decent considering there was a public holiday in London. Today, we see a 4.7550-7.7650 range with the market keeping an eye on political developments.

↓ Government bonds

ROMGBs' curve shifted a couple of basis points lower post a strong primary auction result. MinFin sold RON747m versus RON300m target in Jun-2023 bonds at an average/cut-off yield of 4.33%/4.34% with total demand at RON1.15bn.

Money market

Cash rates stood above the key rate level, near 3.00% implied yield, with payments to the state budget due. Hence, the NBR did not organise its weekly deposit-taking auction.

EUR/RON forecasts (eop)

	2Q19	3Q19	4Q19	1Q20	2Q20
ING forecast	4.77	4.78	4.85	4.87	4.88
FX Forward	4.78	4.83	4.88	4.94	4.97

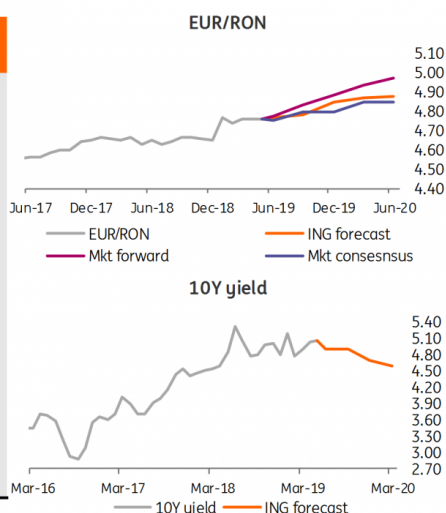
Source: Reuters, Bloomberg, ING

Market radar

	Spot	%Ch		
		1D	1W	1M
EUR/RON	4.7601	-0.1	0.0	0.2
EUR/PLN	4.2903	-0.1	-0.2	-0.1
EUR/HUF	325.58	0.0	-0.3	0.9
EUR/CZK	25.822	0.1	0.1	0.5
RO 5Y CDS*	98.7	9.8	-0.9	-0.8
ROBOR O/N*	2.96	5.0	99.0	-0.6
ROBOR 3M*	3.27	-10	-10	-12.0
DAX	120712	0.5	0.6	-17
S&P 500	2826.1	0.1	-99.5	-99.5
DE 10Y*	-0.15	-2.5	-5.7	-12.7
US 10Y*	2.30	-232.9	-11.1	-20.1
Gold (US\$)**	1283.9	0.0	0.5	-0.2
Brent (US\$)**	70.1	2.1	-2.7	-2.2

*change in basis points; **US\$ (data as at 06:41GMT)

Source: Reuters, ING estimates



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