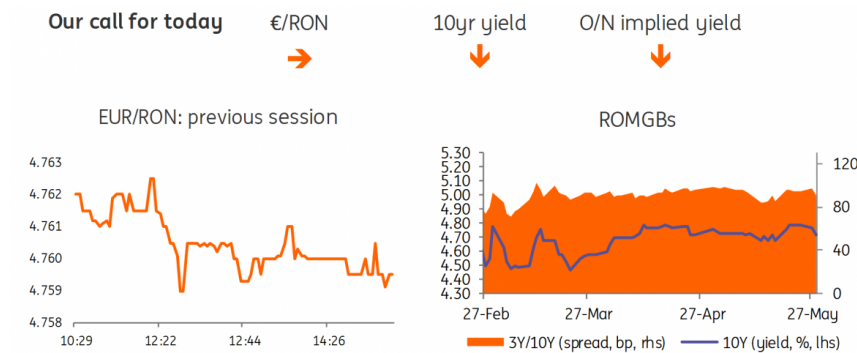


# Briefing Romania

## 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 |

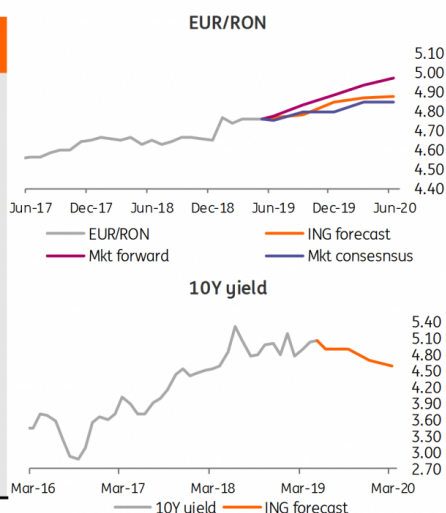
Source: Reuters, Bloomberg, ING

### 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



## Author

### Ciprian Dascalu

Chief Economist, Romania  
+40 31 406 8990

[ciprian.dascalu@ing.com](mailto:ciprian.dascalu@ing.com)

### Valentin Tataru

Chief Economist, Romania

[valentin.tataru@ing.com](mailto:valentin.tataru@ing.com)

### Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies).* The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit [www.ing.com](http://www.ing.com).