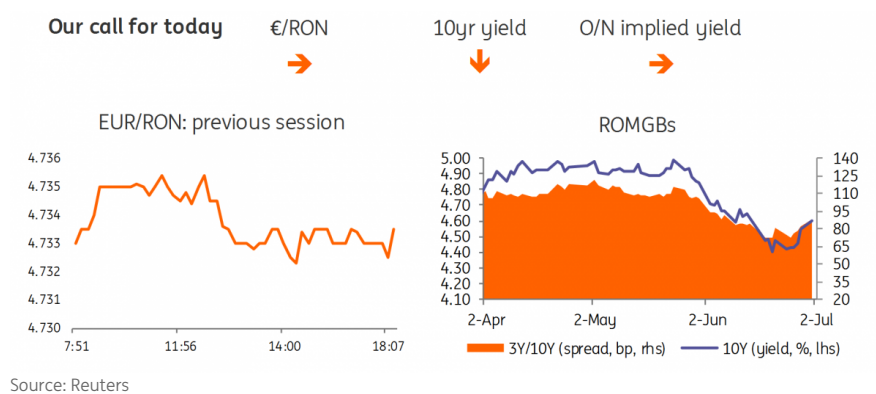


Briefing Romania

New NBR Board vote today



EUR/RON

As expected, the market remains quiet ahead of a vote by Parliament today on a new central bank Board and key rate decision tomorrow. The EUR/RON has remained stable in a tight 4.7320-4.7350 range. We expect a similar pattern today.

Government bonds

After an initial upward move, Romanian government bonds corrected and closed the day with a mini-rally, though we are still far from recovering the approximately 20 basis points lost last week alone. Markets seem to have interpreted the [ECB nomination](#) as a predominantly dovish signal which, in the short term, could re-ignite buying interest for local papers.

Money market

Cash continues to trade around the 2.50% key rate. Liquidity seems quite ample and we could see the FX swap implied yields trading more towards 2.00% as offshore banks cannot access the NBR's deposit auction.

EUR/RON forecasts (eop)

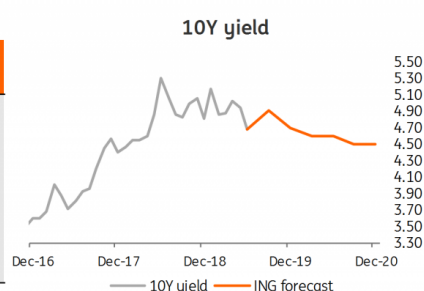
	3Q19	4Q19	1Q20	2Q20	3Q20
ING forecast	4.77	4.85	4.85	4.85	4.87
FX Forward	4.78	4.83	4.88	4.91	4.96

Market radar

	Spot	1D	%Ch 1W	1M
EUR/RON	4.7327	0.0	0.0	-0.4
EUR/PLN	4.2423	-0.2	-0.2	-1.1
EUR/HUF	322.72	-0.2	-0.5	-0.6
EUR/CZK	25.444	0.0	-0.6	-1.5
RO 5Y CDS*	88.6	0.1	1.2	-1.3
ROBOR O/N*	2.58	-3	90	-23
ROBOR 3M*	3.23	0	0	-2

*change in basis points; **US\$ (data as at 06:14 GMT)

Source: Reuters, ING estimates



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