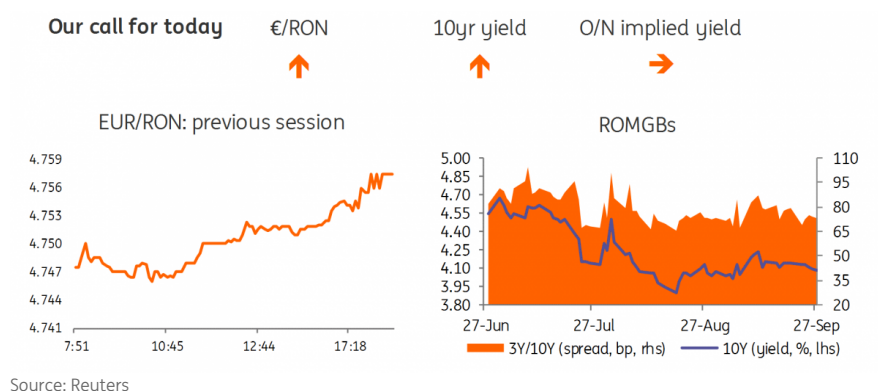


Briefing Romania

Waiting for the October auction calendar



EUR/RON

Upside pressure on the EUR/RON resumed on Friday, pushing the pair near the 4.7600 level in afterhours trading. We believe that the leu's depreciation will continue to be managed if needed and look for a 4.7500-4.7550 trading range for today.

Government bonds

Not much action in the secondary market on Friday with yields closing almost flat compared to the previous day. Investors are likely awaiting for the October auction calendar which should be released today.

Money market

Money market yields remained surprisingly well-behaved in the context of the upside FX pressures. Today's NBR deposit auction should garner increased demand compared to last week's RON3.4 billion.

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 |

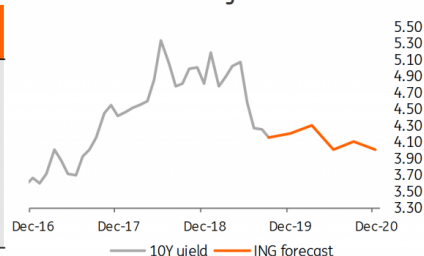
Market radar

| | Spot | 1D | %Ch 1W | 1M |
|------------|--------|------|-----------|------|
| EUR/RON | 4.7525 | 0.2 | -0.1 | 0.6 |
| EUR/PLN | 4.3785 | -0.2 | 0.0 | -0.2 |
| EUR/HUF | 335.51 | 0.0 | 0.5 | 1.3 |
| EUR/CZK | 25.850 | 0.0 | 0.0 | -0.2 |
| RO 5Y CDS* | 90.9 | 0.7 | -2.1 | 3.7 |
| ROBOR O/N* | 2.78 | -7 | 105 | -6 |
| ROBOR 3M* | 3.07 | -1 | 1 | 2 |

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

Source: Reuters, ING estimates

10Y yield



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