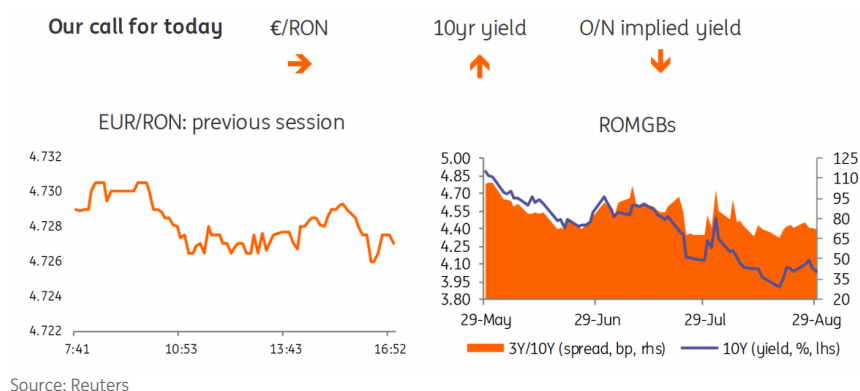


S&P review later today



Continuing the previous day's pattern, the Romanian leu slightly decoupled from its regional peers (the Hungarian forint touched historic highs yesterday). We suspect commercial flows behind the selling interest, as the bond market activity doesn't suggest strong buying interest for ROMGBs. Once these flows are over we believe the pair will rather quickly return above 4.7300.

Government bonds

It was a very quiet fixed income market yesterday, in a rather noticeable dissonance with regional developments. The release of the September auction calendar didn't seem to help either as the issuance plan looks skewed to the longer end. Today we have the S&P review on Romania, where we expect the rating and the stable outlook to be maintained (more on this [here](#)).

Money market

Front end implied yields continued to inch lower, now trading slightly below 2.90%. In this context, Monday's NBR deposit auction will probably draw more attention than the last one.

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