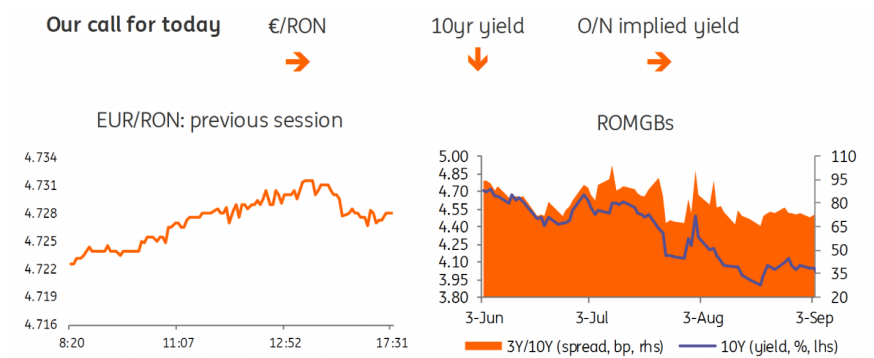


Briefing Romania

Buying interest for Romanian government bonds resumes



Source: Reuters

EUR/RON

The Romanian leu remained the regional outlier yesterday, with both the Polish zloty and Hungarian forint regaining some of the lost ground while the EUR/RON moved slightly higher, closing just below 4.7300. We see the pair stable today around 4.7300.

Government bonds

The [weak US data](#) triggered a mini rally yesterday, with ROMGBs among the beneficiaries. The back-end of the yield curve shifted 5-6 basis points lower, with the 10Y again on the brink of sliding below 4.00%, which should happen sooner rather than later in our view.

Money market

It's back to business as usual on the money market as cash rates stay anchored around the 2.50% key rate.

EUR/RON forecasts (eop)

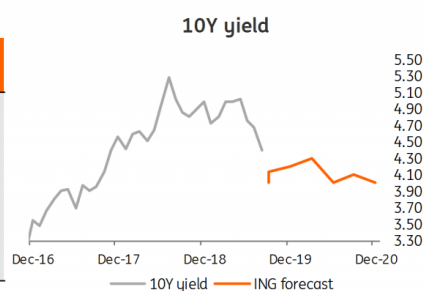
	3Q19	4Q19	1Q20	2Q20	3Q20
ING forecast	4.75	4.80	4.82	4.82	4.84
FX Forward	4.77	4.81	4.85	4.89	4.93

Market radar

	Spot	1D	%Ch	
			1W	1M
EUR/RON	4.7280	0.1	-0.1	-0.1
EUR/PLN	4.3417	-0.4	-0.8	0.5
EUR/HUF	329.56	-0.4	0.0	0.9
EUR/CZK	25.820	-0.3	0.0	0.0
RO 5Y CDS*	87.7	0.0	-0.7	-1.7
ROBOR O/N*	2.67	-4	-25	3
ROBOR 3M*	3.05	0	-2	-3

*change in basis points; **US\$ (data as at 06:20 GMT)

Source: Reuters



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