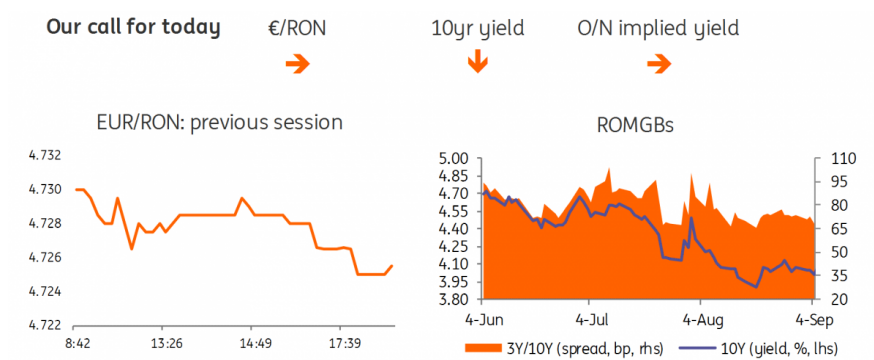


Briefing Romania

12Y bond auction



Source: Reuters

EUR/RON

The EUR/RON ended yesterday little changed near 4.7300 on below average turnover. For today, we look for the 4.7200-4.7300 range to hold, but the bias for the pair is likely to remain to the upside.

Government bonds

The September primary auctions start today with an interesting RON300 million Sep-2031 offering which will show the extent to which ROMGBs are still in vogue for international investors. The secondary market levels are less reliable due to the wide bid-offer spreads, but in general we could see the outcome closer to the market bids – around 4.30% that is. The better offered core markets translated into some selling interest throughout the region, with ROMGBs inching up to 10 basis points higher.

Money market

Funding rates continued to trade flat just above the 2.50% key rate with little to no trading interest along the curve.

EUR/RON forecasts (eop)

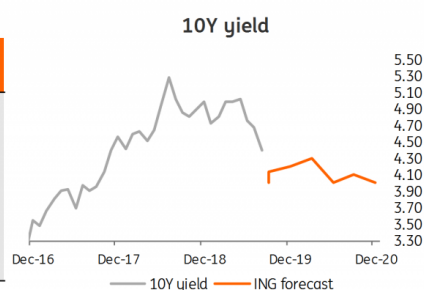
	3Q19	4Q19	1Q20	2Q20	3Q20
ING forecast	4.75	4.80	4.82	4.82	4.84
FX Forward	4.76	4.80	4.84	4.88	4.93

Market radar

	Spot	1D	%Ch	
			1W	1M
EUR/RON	4.7245	-0.1	-0.1	-0.1
EUR/PLN	4.3467	0.0	-1.0	0.7
EUR/HUF	329.34	-0.2	-0.3	1.4
EUR/CZK	25.845	0.1	-0.2	0.4
RO 5Y CDS*	87.6	-0.1	0.0	-1.7
ROBOR O/N*	2.63	-4	-24	1
ROBOR 3M*	3.04	-1	-2	-5

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

Source: Reuters, ING estimates



Author

Valentin Tataru

Chief Economist, Romania

valentin.tataru@ing.com

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