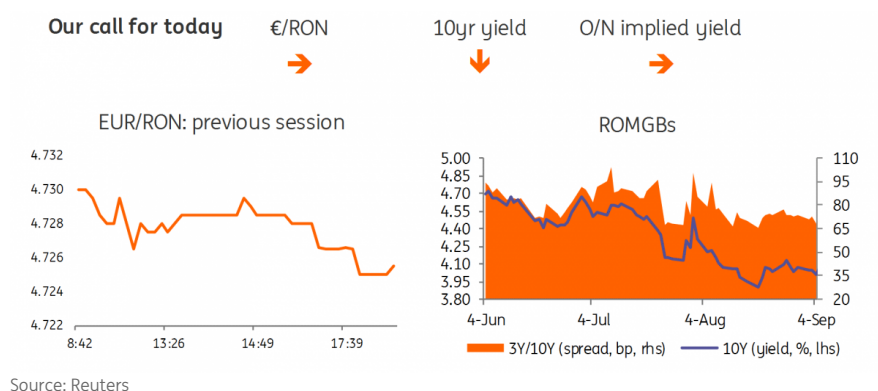


Briefing Romania

12Y bond auction



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

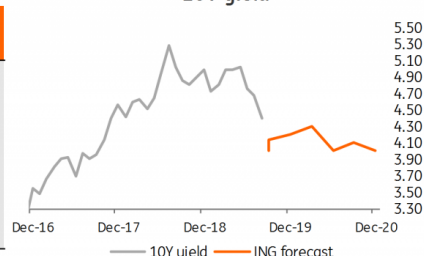
Market radar

	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

10Y yield



Author

Valentin Tataru

Chief Economist, Romania

valentin.tataru@ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies).* The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by

the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit www.ing.com.