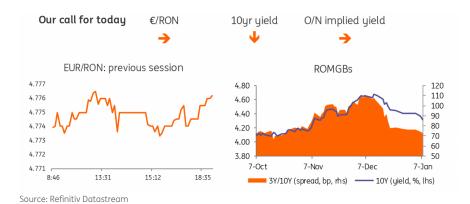
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Briefing Romania

A good start to the year for the Ministry of Finance





EUR/RON

As anticipated, the EUR/RON remained stable in the 4.7700-4.7800 range yesterday. The turnover was well below average, suggesting some New Year apathy for now. We expect the same range to hold today.

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Government bonds

The first auction of the year came in strong, with MinFin issuing RON605million in Sep-2023 bonds at a 3.85% average yield. This is a good start to the year for the MinFin's issuance plans. Apart from this however, there was little activity on the secondary market.

Money market

The central bank yesterday drained RON4.66 billion in its one week deposit taking auction, slightly above our expectations, but broadly in line with our view for a more generous liquidity backdrop at the beginning of the year. We look for quasi-stability in cash rates this period as the excess liquidity will likely find its way either towards the NBR or MinFin auctions.

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