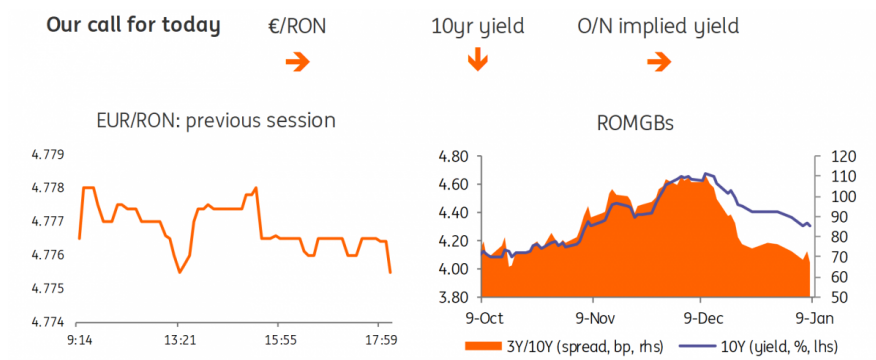


# Briefing Romania

RON600 million for sale in Sep-2031 auction



Source: Refinitiv Datastream

## EUR/**RON**

Just when we thought it couldn't trade any tighter, the EUR/**RON** managed to move within just 20 pips yesterday for almost the entire trading session. As for today, we don't have any reason to expect much more volatility and look for the pair to move within the same 4.7750-4.7800 range.

## Government bonds

We're probably going to have a more interesting day on the fixed income market due to the primary auctions scheduled for today. The RON300million 1Y T-bills should go well given the small amount and surplus liquidity conditions. The more interesting one to watch, however, will be the RON600 million Sep-2031 auction, for which the Ministry of Finance rejected all bids last month. The market is now some 25 basis points lower than at that time, but yields still look relatively generous, in our view. The target amount is not small, but we see it filled around secondary market offers of 4.70%.

## Money market

The money market curve has continued to flatten a bit, as longer-term rates fell by another two to three basis points. We think there is still some room for yields to compress, though likely at a very gradual pace.

### Author

#### Valentin Tataru

Chief Economist, Romania

[valentin.tataru@ing.com](mailto: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 <http://www.ing.com>.