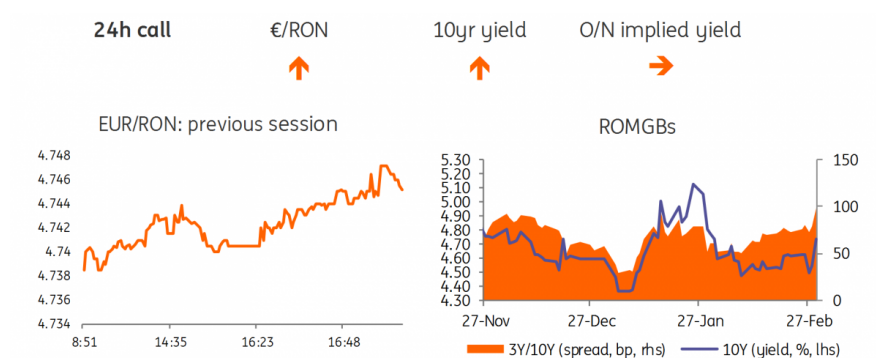


# Romania Briefing

S&P review later today



## ↑ EUR/RON

The EUR/RON traded within 4.7400-4.7500 range yesterday and closed marginally higher on above average turnover. Same range is likely to hold for today with an upside bias ahead of S&P review.

## ↑ Government bonds

ROMGBs yield curve was little changed yesterday. March issuance plan is targeting a relatively small amount of RON1.8bn in T-bonds and RON0.4bn in T-bills. The market will be eyeing S&P rating review later today. In the meantime, Bloomberg cited unnamed government official saying that the executive plans to amend the bank levy to de-link it from ROBOR, exempt certain assets

from the tax base and impose it on biannual basis instead of quarterly.

## ➔ Money market

Funding rates dropped c.30bps yesterday to around 3.3%. The rest of the curve inched higher despite a heavy redemption calendar in the first half of the year.

### EUR/RON forecasts

	1Q19	2Q19	3Q19	4Q19	1Q20
ING forecast	4.75	4.75	4.80	4.80	4.82
FX Forward	4.79	4.84	4.89	4.93	4.98

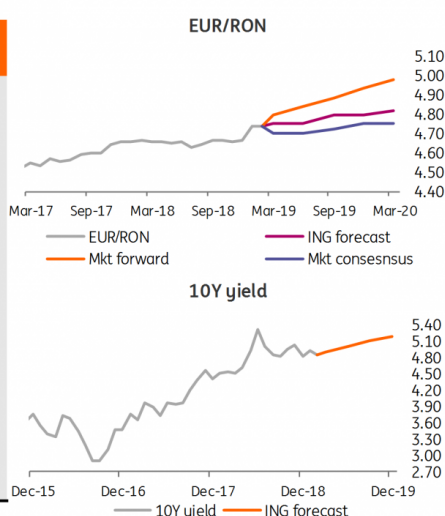
Source: Reuters, Bloomberg, ING

### Market radar

	Spot	%Ch		
		1D	1W	1M
EUR/RON	4.7400	0.1	-0.5	-0.2
EUR/PLN	4.3039	-0.3	-0.7	0.4
EUR/HUF	315.8	-0.1	-0.6	0.2
EUR/CZK	25.616	0.0	-0.1	-0.6
RO 5Y CDS*	105.8	-0.2	-19	2.8
ROBOR O/N*	3.38	-12.0	-34.0	28.0
ROBOR 3M*	3.26	-2.0	-2.0	20.0
DAX	1515.6	0.2	11	3.3
S&P 500	2784.49	-0.3	0.9	4.4
DE 10Y*	0.18	3.2	5.3	-0.5
US 10Y*	2.72	18	3.1	2.4
Gold (US\$)**	1307.7	-0.5	-12	-0.9
Brent (US\$)**	66.7	-0.4	-0.7	8.3

\*change in basis points; \*\*US\$ (data as at 07:35 GMT)

Source: Reuters, ING estimates



## Author

### Ciprian Dascalu

Chief Economist, Romania

+40 31 406 8990

[ciprian.dascalu@ing.com](mailto:ciprian.dascalu@ing.com)

### 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 [www.ing.com](http://www.ing.com).