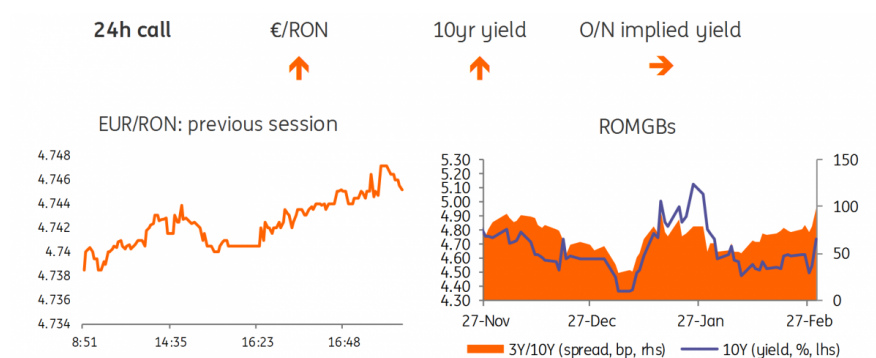


Romania Briefing

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

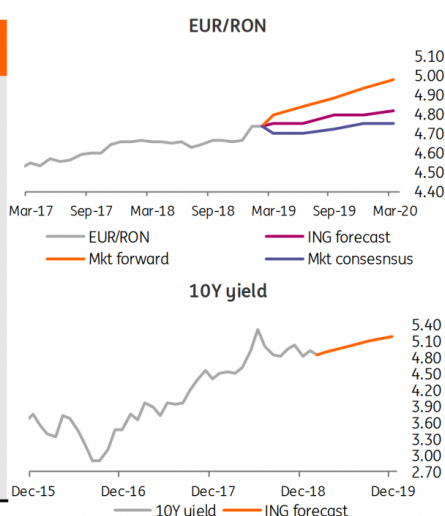
Source: Reuters, Bloomberg, ING

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

Valentin Tataru

Chief Economist, Romania

valentin.tataru@ing.com

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