

## CFA Romania analysts anticipate depreciation of national currency up to 5.0062 leileuro in the following months

**CFA Romania analysts estimate a depreciation of the leu, in the next 12 months, up to 5,0062 lei/euro, while the anticipated inflation rate for the 12-month horizon, May 2022 - May 2021, recorded a average value of 3.53pct.**

"The anticipated inflation rate for the 12-month horizon (May 2022 - May 2021) recorded an average value of 3.53pct. Regarding the EUR/RON exchange rate, over 80pct of the survey participants predict a depreciation of the leu in the next 12 months (compared to the current value). Thus, the average value of the anticipations for the 6-month horizon is 4.9470, while for the 12-month horizon the average value of the forecasted rate is 5.0062 lei for one euro," reads a press release of CFA Romania sent to AGERPRES on Tuesday.

The Macroeconomic Confidence Indicator of the CFA Romania Association increased compared to the previous month to 70.7 points, the maximum of the last 6 years, (compared to the same month of the previous year, the indicator increased by 38.3 points). Both components of the indicator increased substantially.

"Both the confidence indicator and its two components have reached, for the second consecutive month, the maximum post-Covid-19 crisis values, which indicates confidence in the recovery of the economy this year. In the context of the recovery of the inflation rate, the survey, through the anticipated trajectory of ROBOR 3M, also reveals the possibility of an increase by 25 bps in the interest rate of the monetary policy in the next 12 months," says Adrian Codirlasu, vice-president of the CFA Romania Association.

According to the press release, most respondents (over 77pct) anticipate that the economic impact of coronavirus will be felt even in 2022, and the largest share (42pct) even in the fourth quarter of 2022.

Regarding the deficit of the state budget anticipated for 2021, the average value of expectations is 7pct, and regarding the evolution of the GDP in real terms, in 2021, the average value of expectations is + 5.1pct.

According to the press release, the public debt will reach approximately 52pct, as a percentage of GDP, in a horizon of 12 months, and the horizon of Romania's accession to the euro area is 2030.