

BNR's Isarescu: The leu has strengthened; it is a summer trend

Romania's national currency, the leu (ROL), has strengthened against the euro, and that is a summer trend, which is based on the foreign exchange sales of grain traders, Governor of the National Bank of Romania (BNR) Mugur Isarescu explained on Monday at a news conference to release the BNR inflation report.

"The forecasts are made in the market and analysts have every right to make such forecasts. As you can see, the leu has strengthened a bit. It has not depreciated, it has strengthened. It is true that that is a summer trend. Bumper grain harvest: traders come, buy directly from the field, as I understood, and they sell foreign currency to buy with the local currency. Then the offer increased. Then, Romanians also came from abroad on Saint Mary's Day. At the exchange offices, if you go right here on the street, their exchange rates, which were usually above the exchange rates of the National Bank, are now below the exchange rates of the National Bank. I don't know how transient this assessment is, but you can see how much risk those who make predictions like the euro will reach 5 lei tomorrow or the day after tomorrow. We are interested in keeping inflation under control and that says a lot in terms of controlling liquidity and the impact of that control on the developments in the money market and the foreign exchange market. We are trying to keep the equilibria in place," said Isarescu when asked about the recent developments in the exchange rates of the local currency.

The national currency appreciated on Monday against the euro, which was calculated by the National Bank of Romania (BNR) at 4.9131 lei, down by 0.14 bani (-0.03%) from the previous quotation of 4.9145 lei.

On July 14, 2021, the national currency reached 4.9283 units to the euro.