

România – Revenirea pe creștere

BCR Research

April 2011



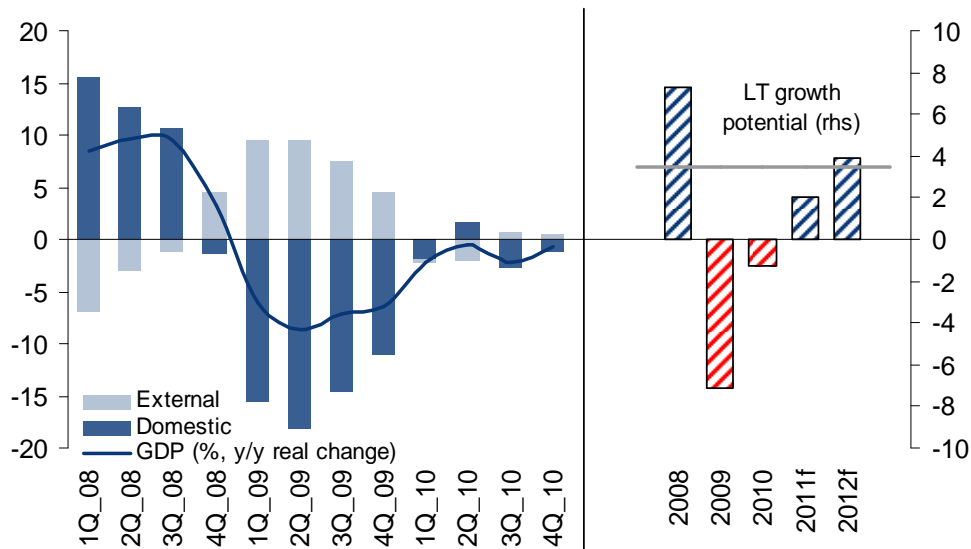
Reality just like the cubism is more often than not very puzzling ...



Pablo Picasso, "Pigeon aux petits pois"

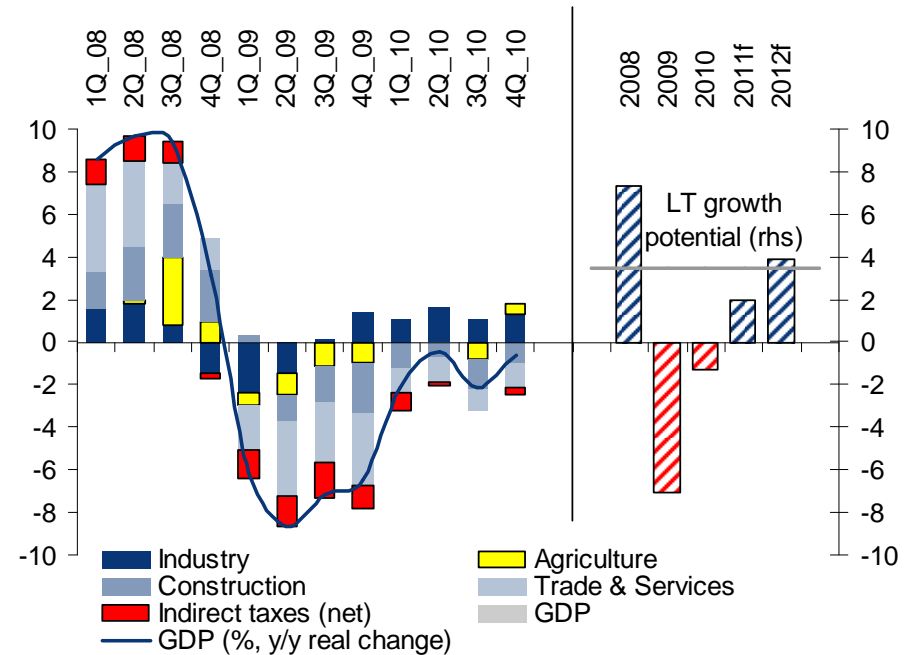
Romania easing its way out into positive territory

GDP: External vs domestic demand (expenditure approach)



Source: BCR Research, NIS

GDP: Contributors (resource approach)



Source: BCR Research, NIS

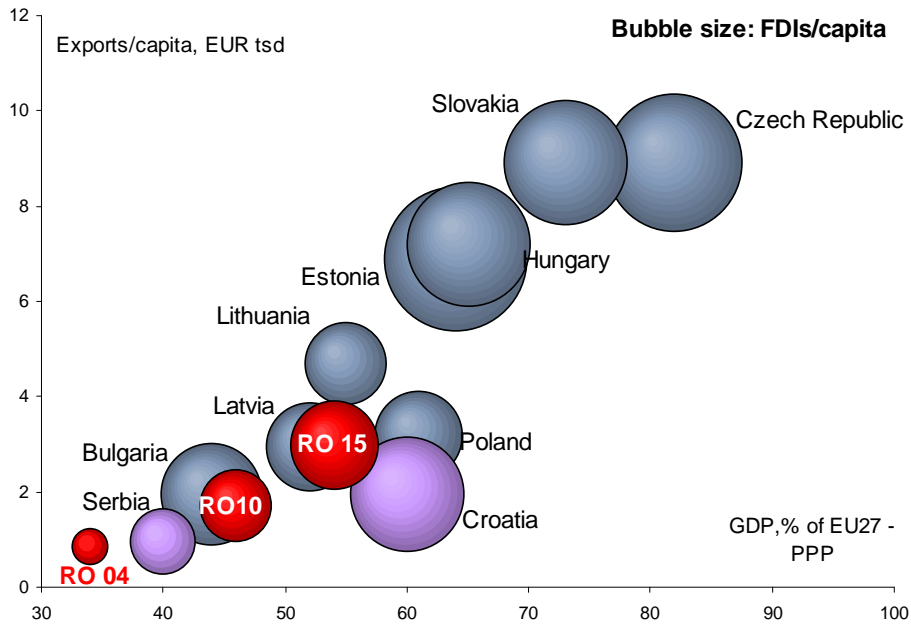
How the macro indicators have developed

	2M_10	2M_11	Outlook
Industry	2.7	12.2	↗↗↗
- Manufacturing	2.0	14.6	↗↗↗
- Capital goods	13.9	14.3	↗
- Durables	-13.1	17.0	↗↗↗
- Intermediary goods	3.7	21.9	↗↗↗
- Consumption goods	-14.0	6.3	↗↗
New orders	13.7	33.1	↗↗↗
Constructions	-19.5	-6.2	↗↗
- Residential	-53.1	0.6	↗↗↗
- Non-residential	-32.7	5.5	↗↗↗
- Infrastructure	13.5	-13	↘↘↘
Retail sales	-10.3	-6.0	↗
- Food	-9.2	-10.0	↘
- Non-food	-12.1	-1.5	↗↗
- Fuels	-8.3	-8.2	→
Auto vehicles sales and related serv.	-26.1	10.3	↗↗↗
Household services	8.4	8.4	→
Exports (FOB)	21.8	41.9	↗↗↗
Imports (CIF)	8.1	25.0	↗↗↗

Source: BCR Research, NIS

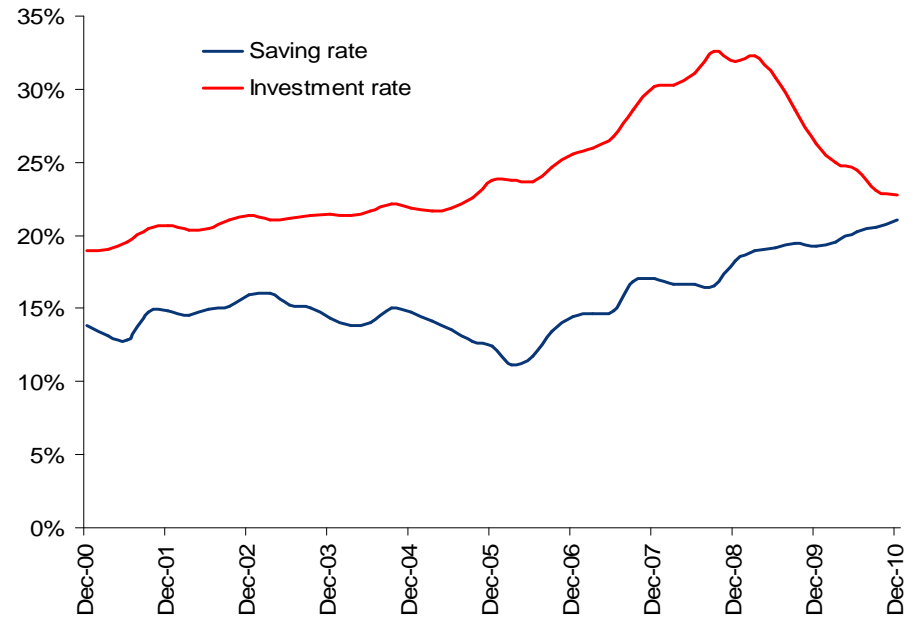
Romania's economic growth is highly dependent on FDIs

Exports/capita, GDP and FDIs inflows



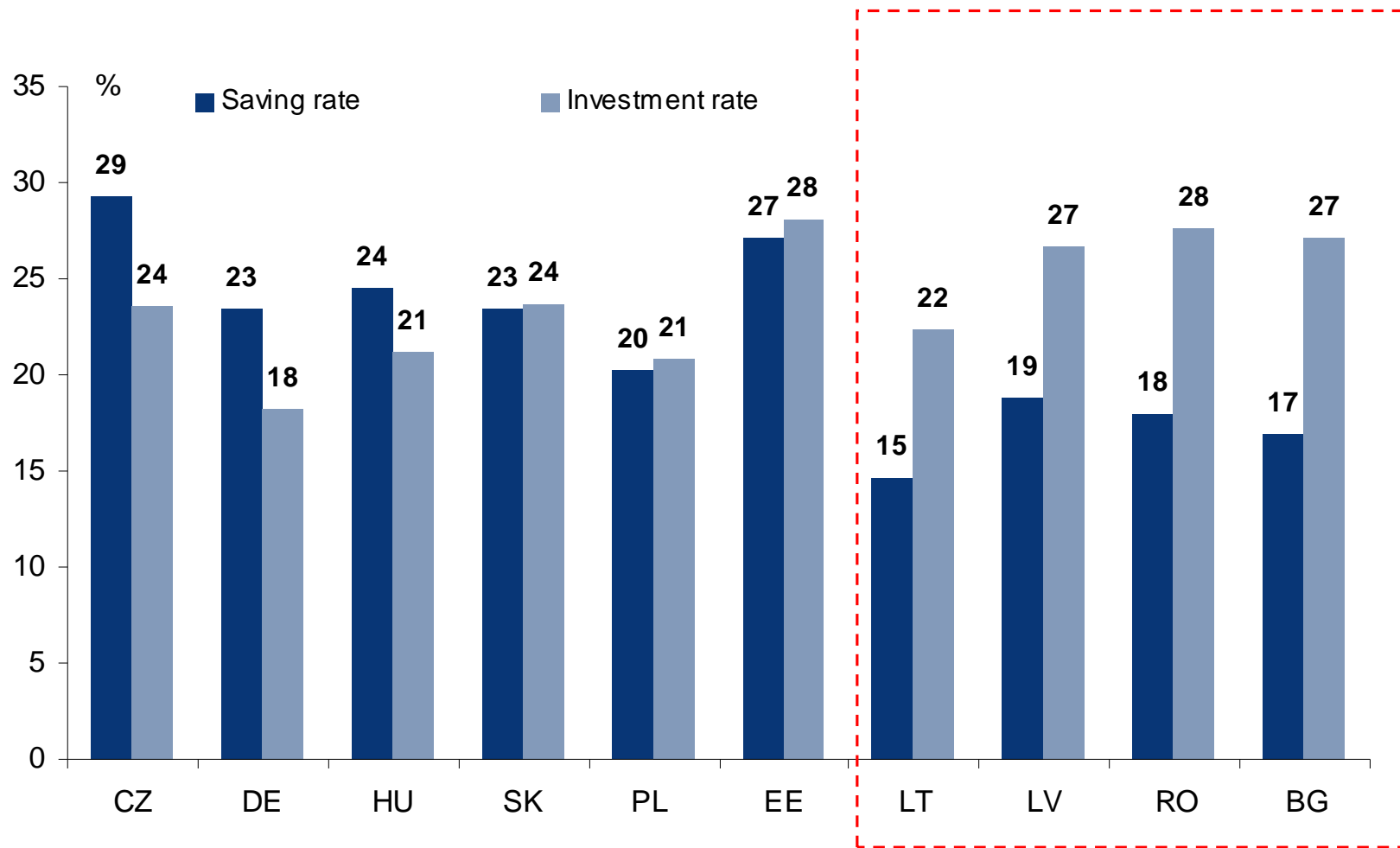
Source: Eurostat, BCR Research

Investment rate vs saving rate



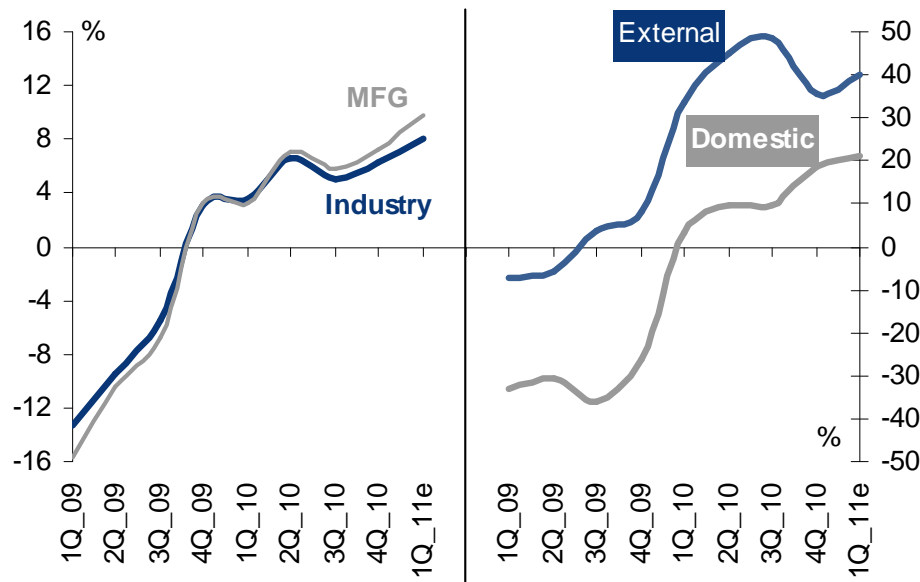
Source: NIS, BCR Research

Saving rates vs investment rates across CEE countries – 2006-2010 average



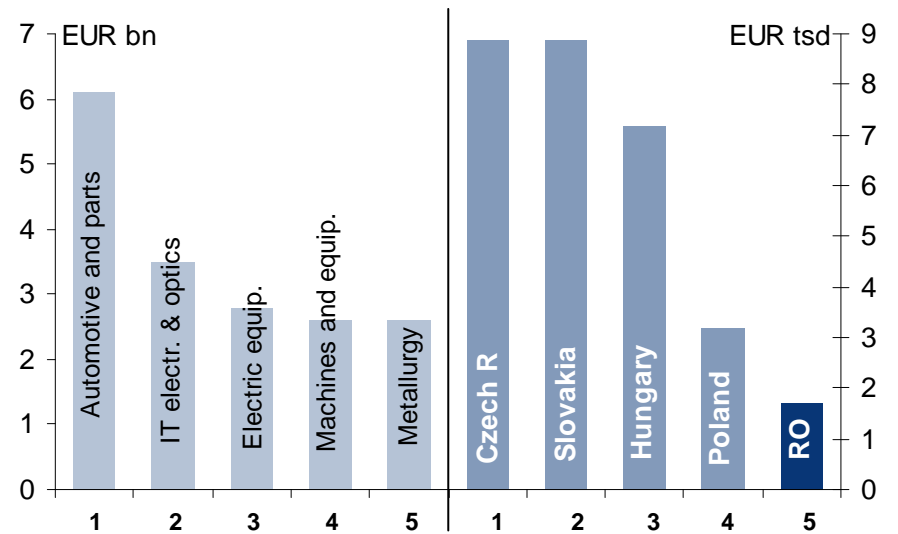
Romania lagging well behind peers in terms of exports/capita

Industry / New orders – %, y/y ch.



Source: BCR Research, NIS

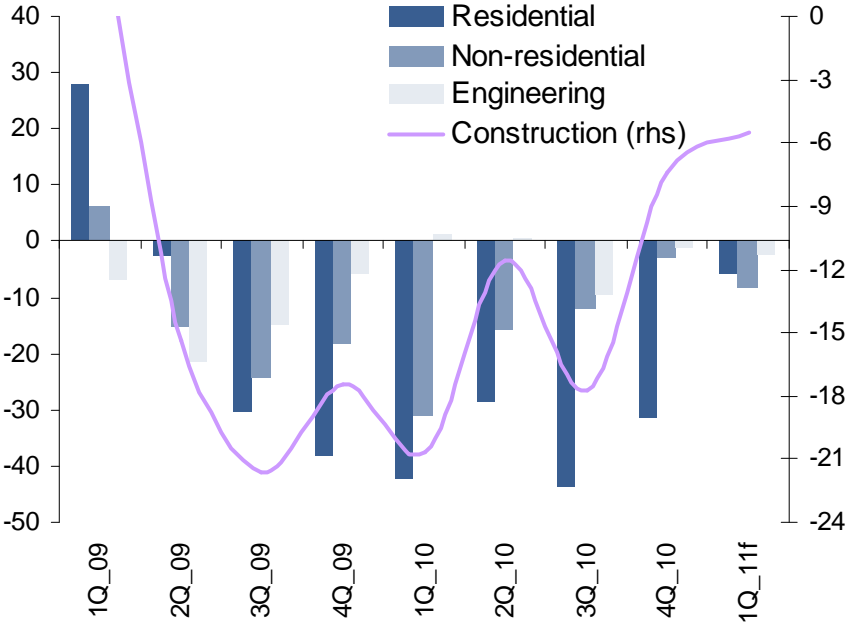
Top 5 exporting industries / Exports/capita



Source: BCR Research, NIS

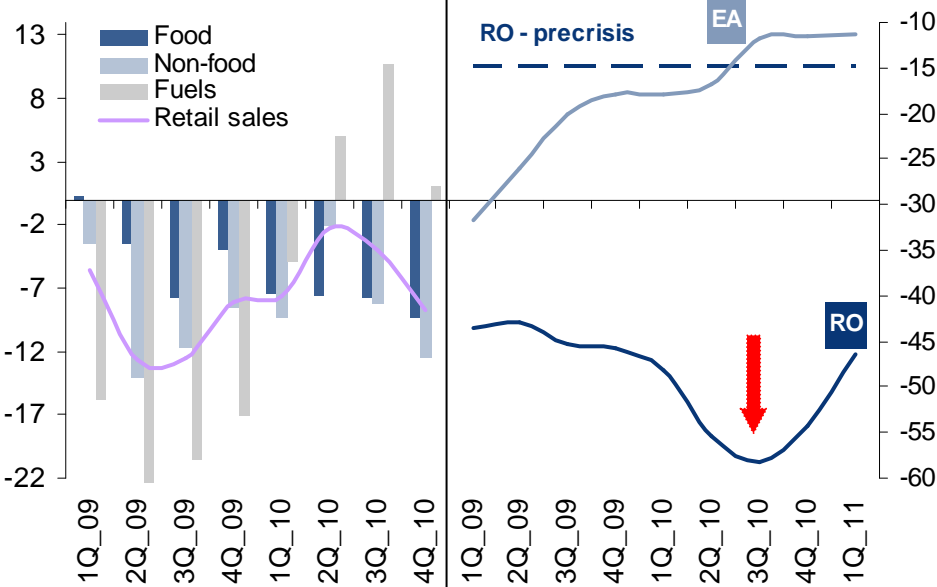
Construction and retail sales more difficult to recover

Construction – %, y/y ch.



Source: BCR Research, NIS

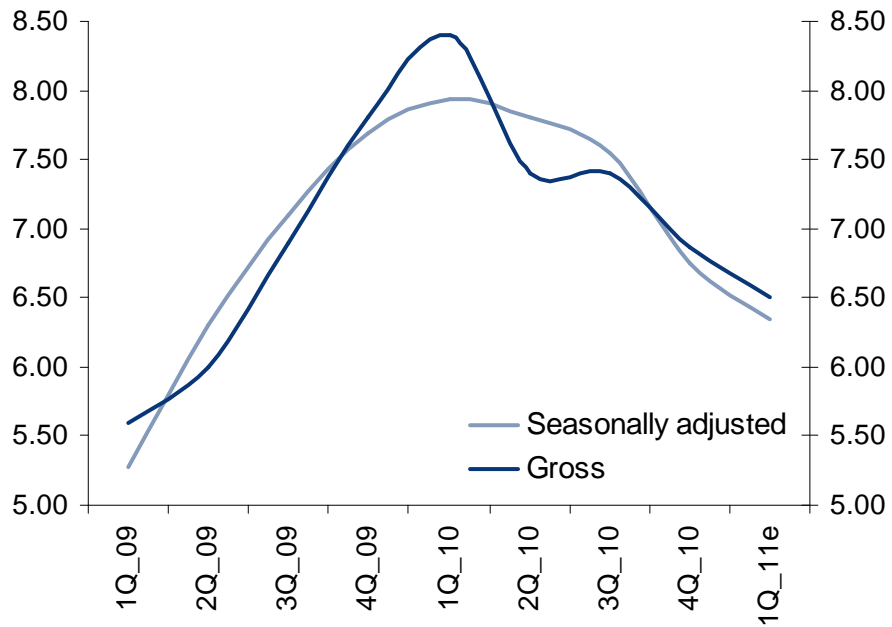
Retail sales / Consumer confidence – %, y/y ch.



Source: BCR Research, NIS

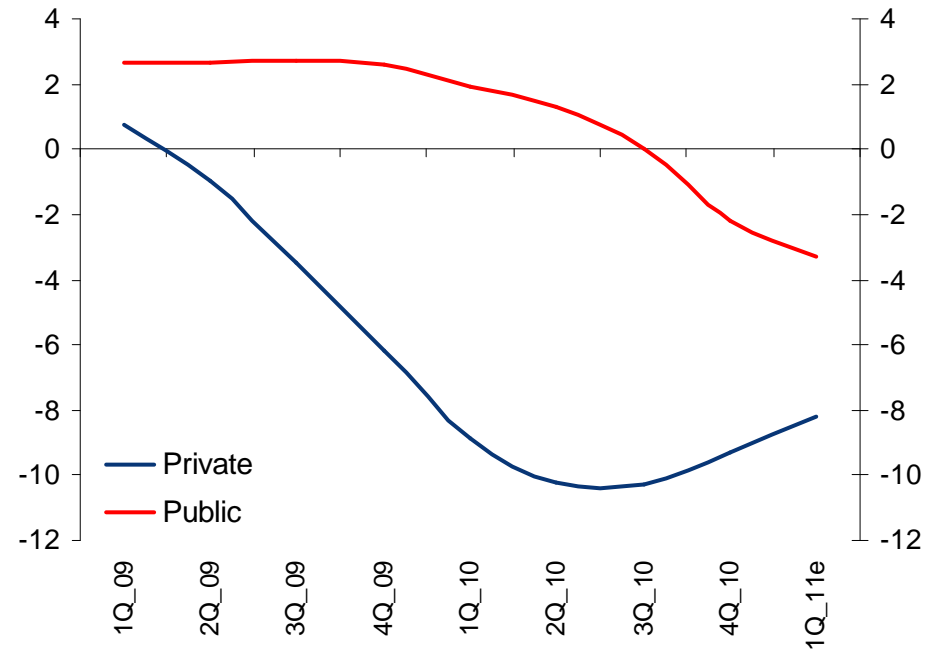
The economy has undergone a great deal of restructuring in the last two years

Registered unemployment - %



Source: BCR Research, NIS

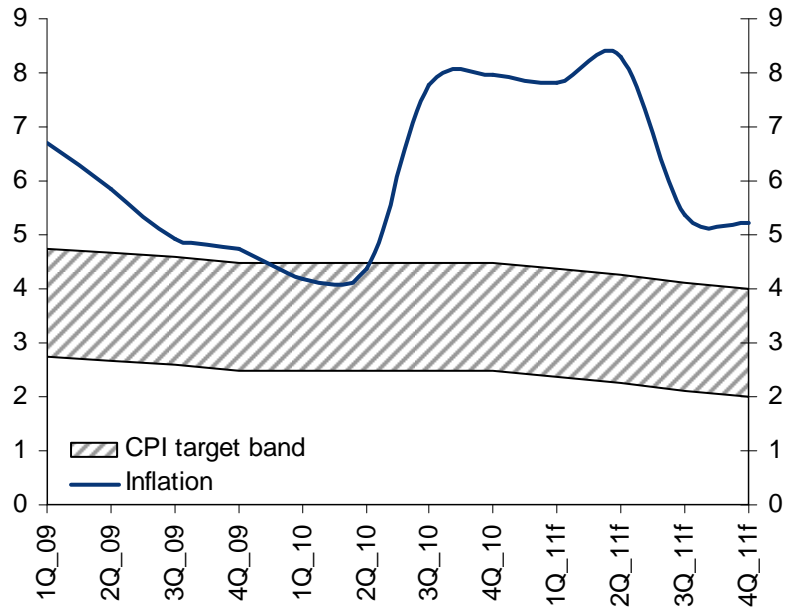
Payrolls development - %, y/y ch. (12m mov. avg.)



Source: BCR Research, NIS

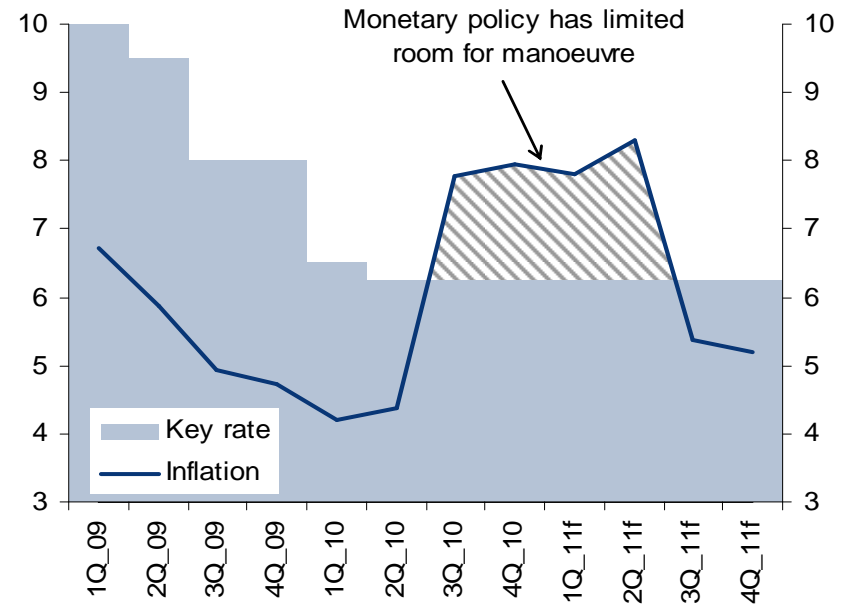
Inflation came under pressure

Headline inflation and the central bank's targeted range



Source: BCR Research, NIS, NBR

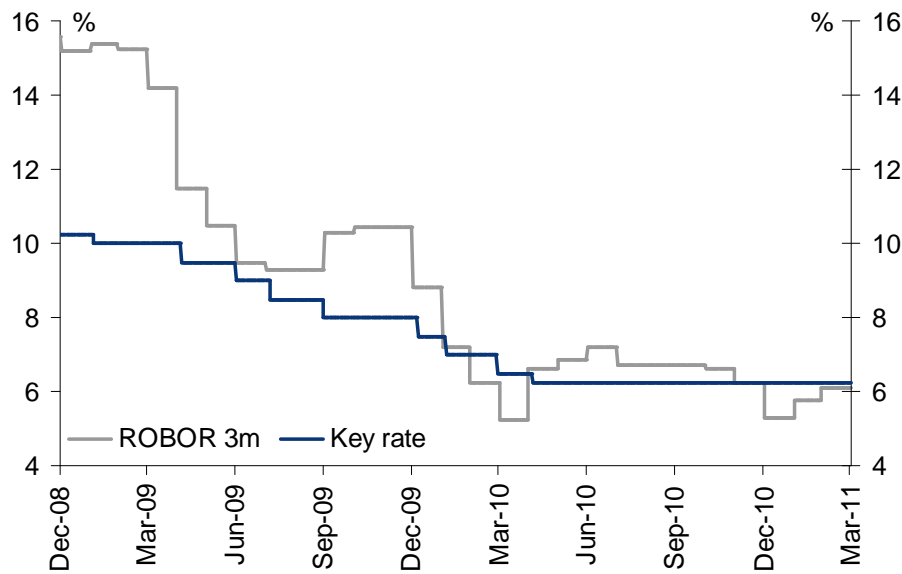
Key rate and inflation



Source: BCR Research, NBR

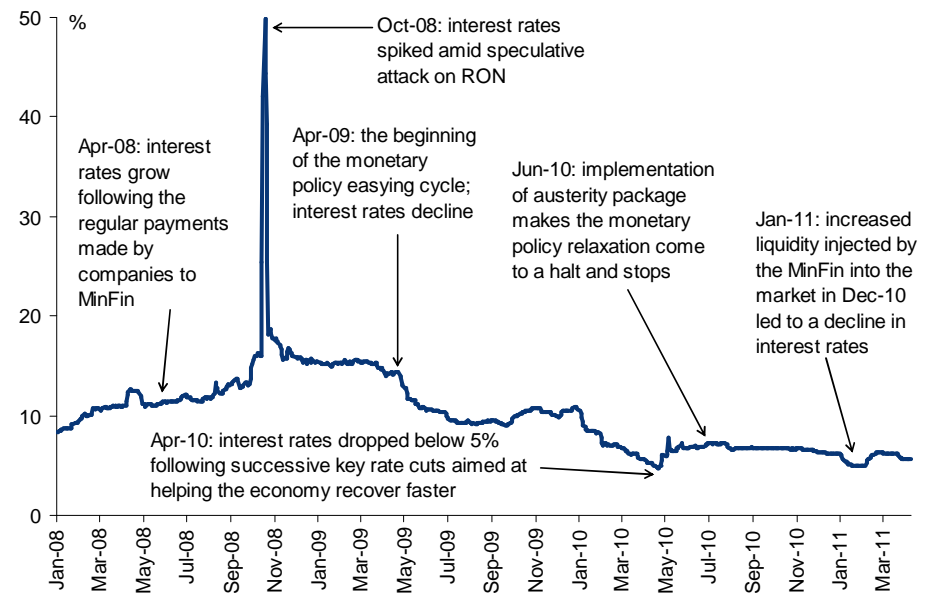
Prudent monetary policy ahead

Key rate and ROBOR 3M (%)



Source: NBR, NIS, BCR Research

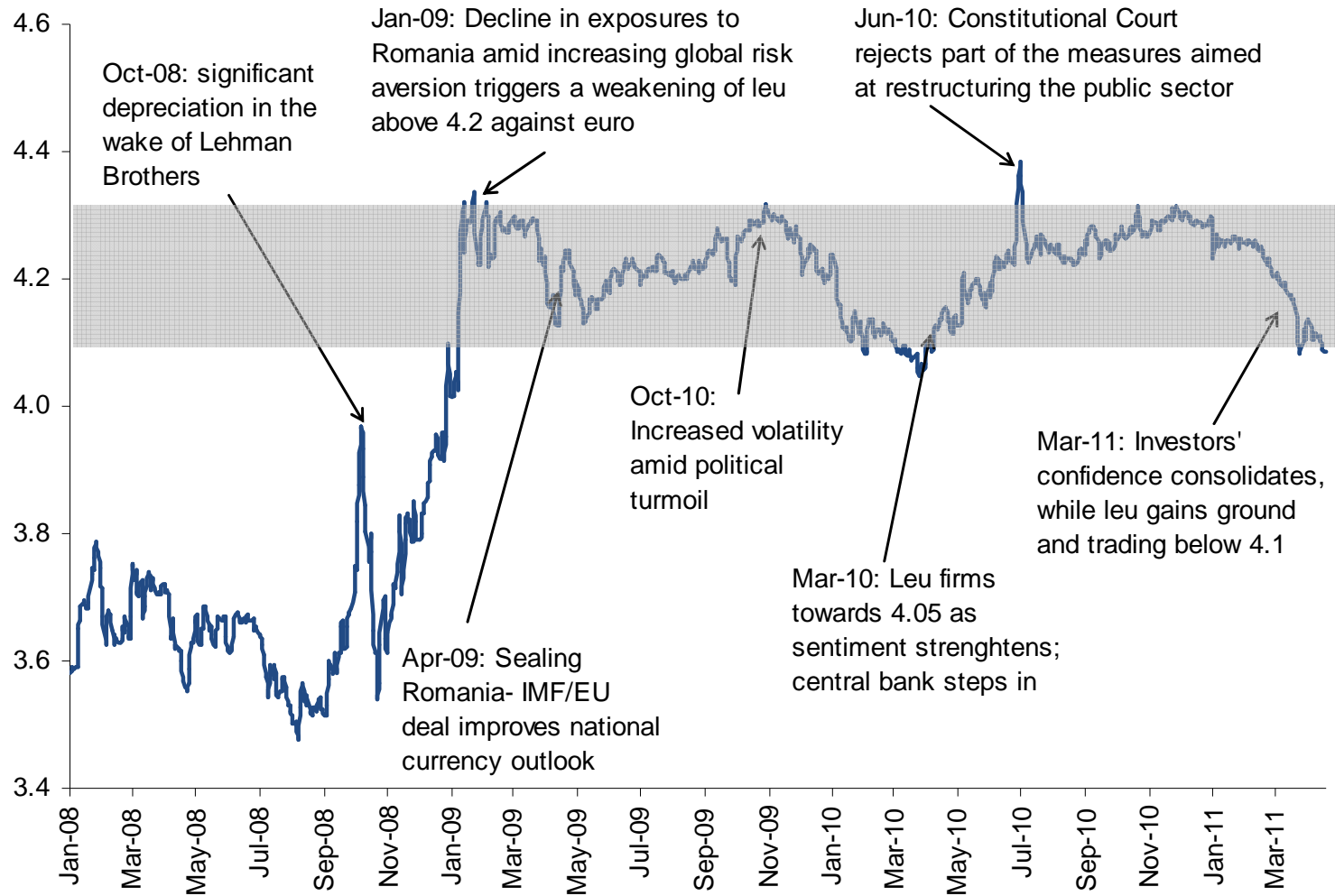
ROBOR 3m development



Source: Reuters, BCR Research

Investors' confidence is gradually consolidating

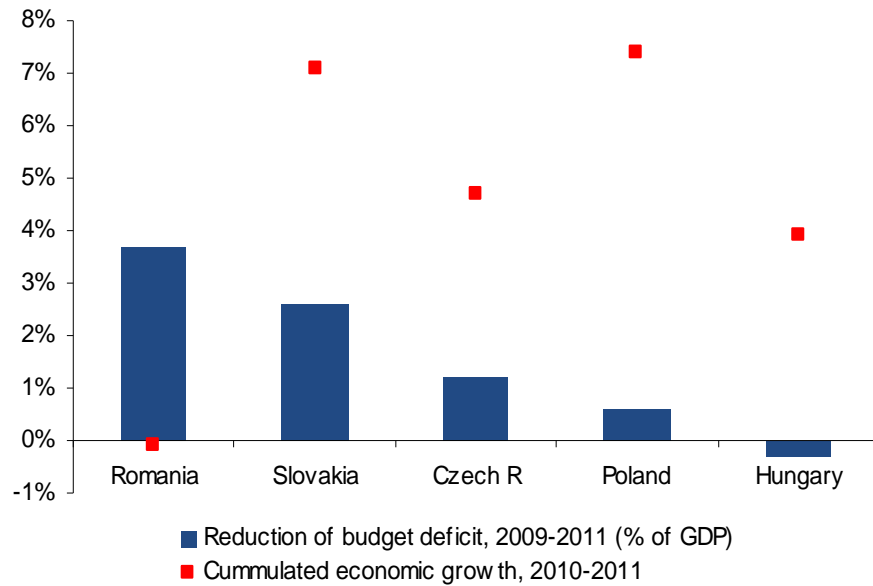
EURRON developments



Source: Reuters, BCR Research

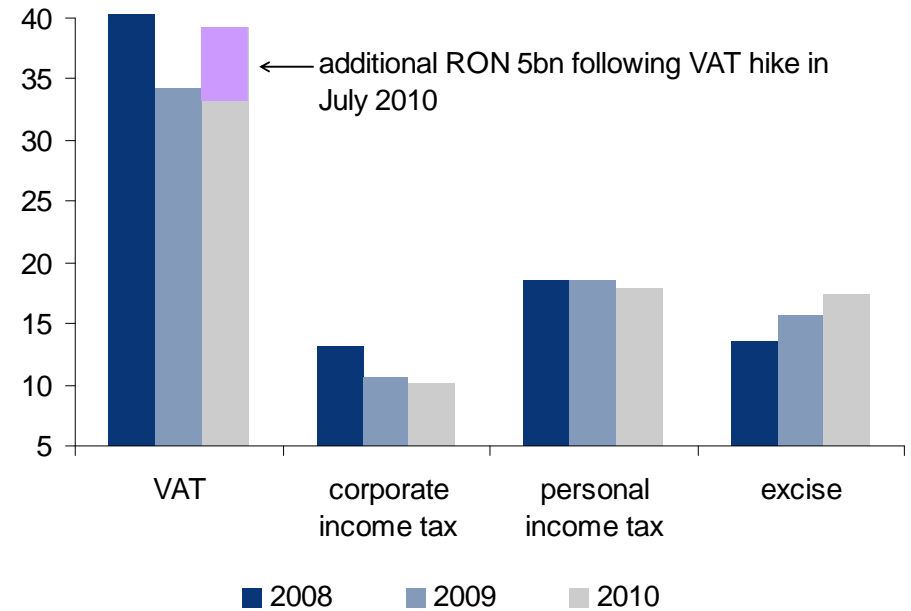
Romania has made significant strides in terms of fiscal consolidation

Fiscal consolidation efforts in CEE region



Source: Eurostat, BCR Research

Selected categories of public revenues (RON bn)



Source: Ministry of Finance, BCR Research

It is too soon to open the bottle of champagne !

