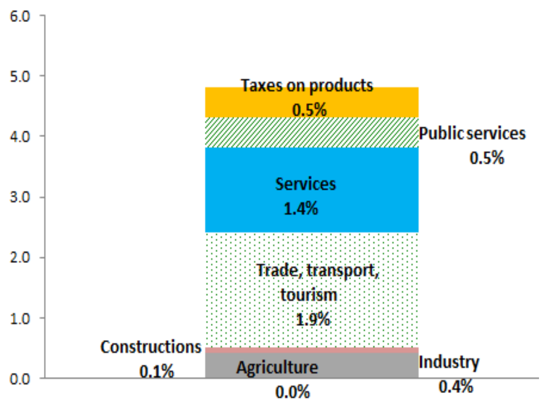
QUARTERLY MACROECONOMIC REPORT ROMANIA – Q1 2017

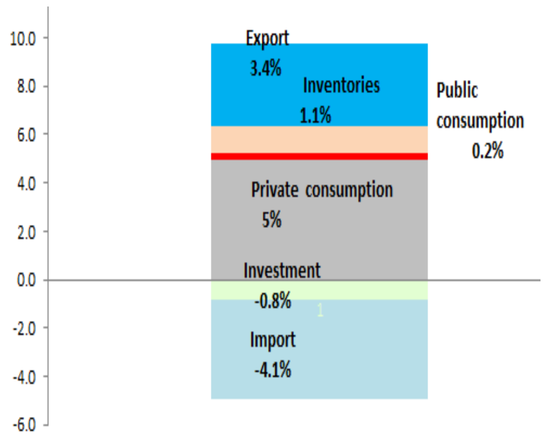
Economic Growth above potential

Moody's: Baa3 positive / S&P: BBB-stable / Fitch: BBB- stable

TRADE/TRANSPORT IS THE MAIN DRIVER, 2016 GDP PP CONTRIBUTION



CONSUMPTION IS THE DRIVER OF THE GROWTH; INVESTMENTS DROPPED, 2016 GDP PP CONTRIBUTION



Author: Mihaela Neagu, Senior Economist
Mihaela.Neagu@garantibank.ro

Outlook – Romania posted one of the highest GDP growth rate in EU in 2016, at 4.8%, fuelled by fiscal relaxation measures that boosted real incomes of households and inflated trade figures. Households consumption advanced at the fastest pace post 2008, exceeding the 2008 level in real terms. However, investments, which are nearly 40% below the peak of the cycle in 2008, dropped after 2 years of growth. 2016 may have marked the peak of this economic cycle, with the pace decelerating in 2017.

The annual inflation entered a positive territory in 2017, driven by food prices, while administrative exerted a downward pressure. The mild inflation indicated no need for key rate hike, however, a narrow interest corridor around the base rate could be expected, which will push the interbanking rates higher and closer to the key rate.

2017 shapes itself as a balanced year, riskwise. The uncertainty related to banking legislation has decreased and the losses initially estimated proved to be oversized. On the other hand, the fiscal environment is loosening and pre-electoral promises are put into place one by one. The probability of the budget deficit exceeding 3 % this year and the next is increasing due to public wages hikes. Higher income expands the trade gap and creates productivity related issues. The CA deficit is fully covered by FDI and EU funds.

Lending pace was softer in 2016 compared to 2015 but this year started on a good note. RON lending is majoritary but companies started to tap euro denominated loans as well. Although interest rates are still low, they already started to increase for households, while in the case of corporations, only RON interest rates are up in 2017.

Main Topics:

- Economic Growth – Due to fiscal relaxation, the economy advanced at 4.8% yoy in 2016
- Country risk profile – Legislative risks in the banking sector lost steam, fiscal risks are rising
- Monetary stance – Inflation pressures are mild for the moment; NBR maintains the base rate unchanged
- Fiscal Policy and Public Finance – The budget deficit could exceed the 3% target in 2017
- External Accounts and Financing – The curent account deficit doubled in 2016, fully covered by EU funds
- Bank flows – Lending pace lags Europe; new loan flows annual pace is stronger than in Q4 16

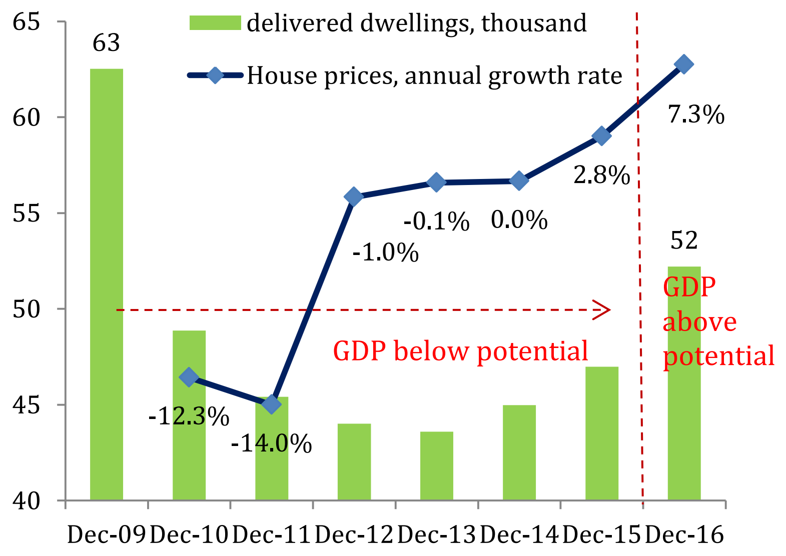
Economic Growth — Due to fiscal relaxation, the economy advanced at 4.8% yoy in 2016

Romania posted one of the highest GDP growth rate in EU in 2016. Growth has been fuelled by the fiscal relaxation measures that boosted real incomes of households and inflated trade (11% yoy) figures, while the next driver were services (6%yoy), especially IT (+14% yoy). However, despite growing by 20% in the past two years, Romanian labour costs are the second lowest in EU[1] and emigration remains a core issue in the health sector[2], while in lower added value sectors, productivity losses start to become a problem due to increases of minimum wages.

The industrial production advance was much more shy (+2% in 2016 vs 5% in 2015) as the low oil price affected oil related industries such as oil extraction services or producers of equipment needed for oil extraction. Also, the food's industry pace was under the influence of a base effect resulted from the VAT cut operated in June 2015.

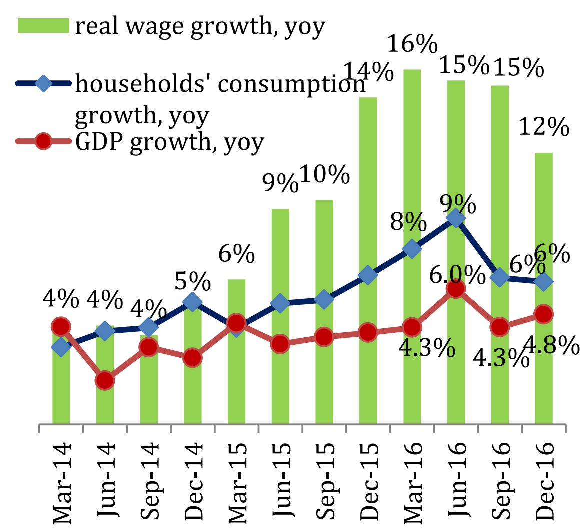
Construction also saw a much modest uptake (+2%yoy in 2016 versus 7%yoy in 2015), dragged down by infrastructure works. Unlike in 2015, when there was a push on EU funds absorbtion, as the first EU program was coming to an end, in 2016 more effort was conducted to clear the administrative fog surrounding EU funds and even so, the management authorities were not approved for all programs yet[3]. However, the residential market grew faster than the post crisis yearly average and that was picked up by apartment prices which shot up 7.3% yoy in Q4 16. Also, the number of apartment deliveries was the largest post 2009 (52 thousand in 2016 vs. 63 thousand in 2009). The commercial and office buildings segment was also rising, as retail space is increasingly sought due to the explosion in consumption.

RESIDENTIAL MARKET IS PICKING UP AS ECONOMIC GROWTH MOVES ABOVE POTENTIAL



Source: NIS, Eurostat, GarantiBank Research

GDP GROWTH DRIVEN BY WAGES' HIKE TO CONTINUE



Source: NIS, GarantiBank Research

[1] In Romania, the unit labor cost /hour was EUR 5.5 in 2016, higher than in Bulgaria (EUR 4.4) but below EU average of EUR 25.4

[2] The proposed unitary pay system law tackles this structural problem.

[3] According to the PM Sevil Shhaideh, the plan is to complete the authorization process by 1st of July.

The weakness of the growth story resides in the soft pace of investments which dropped 3% yoy in 2016 after an average growth of 6%yoy in 2014-2015. Investments are nearly 40% below what was recorded in real terms in the peak of the previous cycle, 2008, while households consumption is advancing at the fastest pace post 2008, +5%yoy while being nearly 10% higher than in 2008.

Looking forward, we expect 2016 growth to have marked the peak of this economic cycle, after two years in which it grew at a speed of nearly 5% per year when we excluded agricultural production[4]. GDP has been growing above potential in 2016. It will remain above potential in 2017 as well when the advance could decelerate to 4%, even if first quarter data could be very favorable due to operated public wage hikes effect, which will be less striking in H2 17 and in the last quarter. The same drivers will lead in 2017, as the the fiscal stimulus is being prolonged, while services pulled by IT are a stable and sustainable bet for growth in the medium and long term as industrial revolution no. 4 has at its core the IT&C progress. Based on the high frequency indicators, industry appears in a better shape this year. Investments will continue to be the Achile’s heel, especially the public ones which set the base for engaging even more the private sector.

Country risk

Legislative risks in the banking sector lost steam, fiscal risks are rising

2017 shapes itself as a balanced year, riskwise. The uncertainty related to banking legislation has decreased and the losses initially estimated proved to be oversized. On the other hand, the fiscal environment is loosening and pre-electoral promises which affect the budget deficit are put into place one by one. The rating agencies assign a stable investment grade rating of the country and despite no rating improvement, the 5Y CDS has dropped by 25 bps (to 94 bps) since the beginning of the year, which is an historical low. The latest ratings affirmations were made in April 2017 by S&P and by Moody’s. Both agencies highlighted the pro-cyclical fiscal relaxation but Moody’s changed the outlook from “positive” to “stable” due to the new direction of the fiscal policy.

The “Law of debt discharge” and the “Swiss francs conversion law” were given Court decisions. The Constitutional Court decided that the former law is partially non constitutional and that assessements should be made case by case. The Constitutional Court also decided that the second law is not constitutional, but it will be subjected to the hardship clause as well. NBR showed that the pace of notifications in the case of the debt discharge law diminihesd significantly, from an average of 865/month during May 2016 – October 2016, the months previous to the Court decision on the law, to an average of 277/month, post Court decision. The IMF was initially estimating a potential loss for the banking system of RON 1.1 -3.3 bn but considering that the stock of loans affected at the moment is only RON 2 bn and that part of it is already provisioned, corroborated with the ruling of the Court that suggests the cases will not be automatically won by loan clients, the IMF’s loss estimation seems rather high at this moment. In addition to diminished legislative risk, banking system strength is improved, with the profitability increasing in 2016 after adjusting for the one off effects[5]. Banks will continue the clean up process, as NBR established a lower target for 2017, at 6%, down from the current 9.75% at January 2017 and further pressures on solvency ratios could come from the IFRS9 implementation[6].

The risk of a budget deficit higher than 3% is significant for 2017 as well as 2018. The European Commission estimates that the deficit will climb to 3.7% this year and to 3.9% in

[4] Agriculture stagnated in 2016, even after a 12%yoy drop in 2015. The summer draught affected the maize production in 2016 but the losses in output where offset by wheat production which saw the highest productivity in the past 10 years.
[5] The banking system profit was RON 4.7 bn in 2016.
[6] NBR estimations based on 2015 data suggest that IFRS 9 has an estimated impact on solvency of 4 percentage points.

2018. Breeching the 3% level could put the country in the excessive deficit procedure around April 2018 which could push government securities yields to higher levels, already in the second part of 2017 and also could impact EU funds approval. However, the fiscal loosening is a regional CEE trend, so Romania is not an outlier.

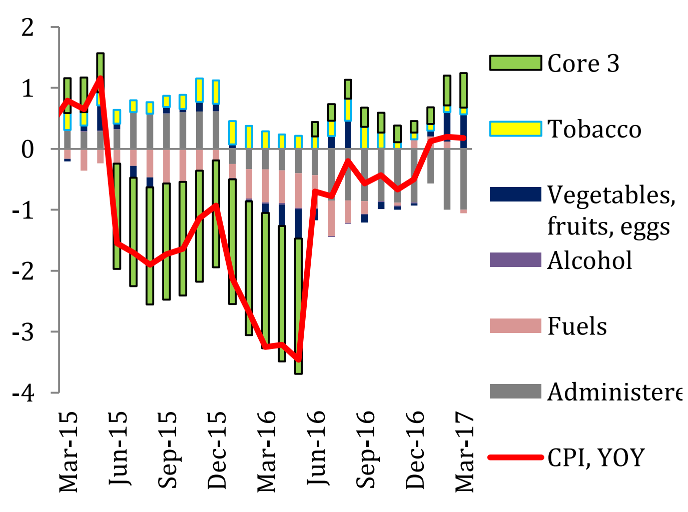
Monetary stance

Inflation pressures are mild for the moment; NBR maintains the base rate unchanged

The annual inflation entered the positive territory in 2017, for the first time since May 2015. It stood at 0.2% in March, just as in February. The main source for increased inflation were food prices (+1.7%yoy), while administrative prices so far exerted a downward pressure, due to a drop of around 5% according to our proxy. The imported inflation is increasing, reflected in the prices for fruits, vegetables, meat and dairy where Romania records a deficit. Services' prices dropped 1.4% yoy, pressured down by the removal of the radio tax in February and also by lower transportation prices. This is a consequence of placing a cap on RCA insurance policy while the radio tax cut is part of the package to abolish 102 parafiscal taxes. Other administrative prices reductions (for energy and gas) limited the advance of non-foods prices which recorded an actual fall of 0.3%yoy. Excluding these effects, core 2 adjusted inflation (inflation which excludes volatile vegetable prices, fuels, administered prices, alcohol and tobacco) climbed to 1%yoy while the average was -1.3%yoy in 2016.

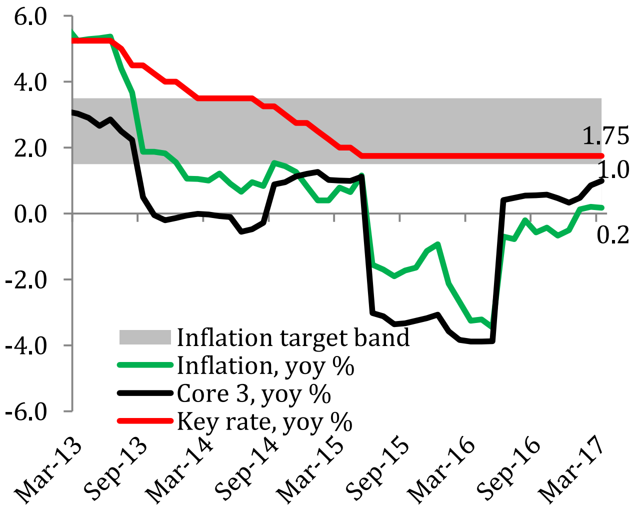
All in all, we expect inflation to end the year around 2% as administrative prices should increase by year end, as well as core inflation fueled by the higher income. For the NBR policy, the mild inflation pressures indicate no need for key rate hikes this year, however, a narrow interest corridor around the base rate could be expected, which will push the interbanking rates higher and closer to the key rate. Mandatory reserves ratio could be brought lower, especially for the hard currency.

ANNUAL INFLATION ENTERED POSITIVE TERRITORY IN 2017



Source: NIS, GarantiBank Research

NBR TO MAINTAIN UNCHNAGED THE KEY RATE AS INFLATION PRESSURES ARE MILD



Source: NBR, GarantiBank Research

Fiscal policy

The budget deficit could exceed the 3% target in 2017

Last year's cash budget deficit stood at 2.4%, lower than the planned 2.8%, on the back of the lowest investment efforts since 2007[7], the year of EU accession.The strong fiscal relaxation measures were seen in the GDP advance whereas collection was the lowest since 2007, at 29.5% in GDP and 26% in GDP exluding non fiscal income and EU funds.

The fiscal policy continues to remain expansionary in 2017 as well and the governments' plan is for a 3% budget deficit. The budget approval was delayed to February 17, and it was proposed by the new government formed after the parliamentary elections held on December 11th. The total calculated 1st round negative effect of measures taking effect this year is 2.1% in GDP[8], as explained further. On the expenditure side, the government planned for a 15% increase in pensions in 2017 and further hikes in public wages such as 15% increase in health and education in February 2017. The cumulated estimated[9] impact of planned increases in public wages and pensions would is 1.2% in GDP. At the moment, the pension system deficit is already at 1.9% in GDP and it will expand further. On the revenue side, the fiscal measures would mainly negatively affect taxes for goods and services, income tax, property tax, up to a total of 0.9% in GDP (please see table below).

The main source of risk to the budget is the assumption of 5.2% economic growth, while collection is the second source of risk. We expect a higher than budgeted deficit, of 3.5%. Already, the February figures do not look encouraging.The budget exectution for January - February 2017 showed a budget surplus of 0.05% compared to 0.1% last year. Total revenue fell 1.4% annualy while total expenditures were lower by 0.3%. However, the planed budget for 2017 assumes a growth rate of 13.9% yoy for revenues and 15.2%yoy for expenditures. If we exclude EU funds revenues and expenditures related to EU funds absorbtion total revenues would grow by 7.3% yoy and expenses would rise by 9.5% yoy. For the first two months, compared to the annual plan, the biggest and most relevant gaps in dynamics, on the revenue side are on the corporate income tax and on VAT revenues (please see table below).

On the expenditure side, wages advanced by 13.3% yoy due to the hikes of 15%yoy in health and education and other public wage hikes in H2 2016. Total investments are lower by 66% yoy. So far, the premises are for a higher than planned budget deficit.

The borrowing requirement of 8.4% in GDP (3% budget deficit and 5.4% repayments) is at a comfortable level. At the end of 2016, the FX buffer was around 5-6 bn EUR, complying with Romania's policy to maintain a hard currency funding buffer of minimum four months of gross financing needs to tackle the impact of volatility spikes. The Treasury plans to sell between RON 48-50 bn of domestic debt and EUR 2-3 bn in eurobonds in 2017. By April, the Treasury already raised more than half of the plan for hard currency, EUR 1.75 bn in a dual tranche, split between 10 year (1bn EUR) and 18 year (EUR 0.75 bn) bonds with yields of 2.41 % and 3.55% respectively. While the Eurobonds where a success, as initial guidance was subsequently lowered by 10 bps for each, raising the first quarter planned domestic debt of RON 10 bn-12bn was not easy due to increased yields (+44 bps for 5Y bonds). However, after several failed auctions it has managed to sell just RON 10 bn in Q1.

Public debt level dropped marginally from 38% in GDP (EUR 59.7 bn) to 37.6% (EUR 62.9 bn) in 2017 due to a downtrend in external debt. Since 2013, the state increasingly financed itself from the domestic market which pushed the domestic component from 45% (Dec 2013) to 52% of total public debt in Dec 2016. Meanwhile, the debt structure improved, with average maturity of total debt rising to 5.8 years in Dec 2016 from 4.8 in

[7] In cash terms, public investments stood at 3.4% in GDP in 2007 versus 3.9% in GDP in 2016.
[8] Excluding the unitary pay law.
[9] According to the Ministry of Finance

Dec 2013 due to successful issuance of long term Eurobonds[10]. If the current unitary pay system law is adopted, which has a net impact of 1.8% in GDP in 2018 according to the Fiscal Council, public debt could touch 42% in GDP by 2020.

	2017 plan *RON mn*	2017 /2016 *% difference*	Feb 17 *cum, YoY*	Impact of new government measures	Measure
Total revenue	254,717	13.9%	-1.4%	- 7,177	
Corporate income tax	16,630	7.7%	-23.2%		
Personal income tax	30,108	8.5%	13.6%	- 1,500	reduced taxation of pensions and real estate transfers
Other tax on income, profit and capital	2,099	32.6%	-15.2%	- 429	reduced taxation of microenterprises
Property tax	5,161	-12.5%	-0.4%	- 1,000	1% construction tax is out
Value added tax	54,142	4.8%	-15.8%	- 2,200	VAT cut from 20% to 19%
Excise duties	26,051	-3.4%	-5.3%	- 2,886	lower fuel excises and higher tobacco excises
Other taxes on goods and services	6,875	25.1%	28.4%	920	electricity and gas surtaxes
Other fiscal taxes	818	14.1%	-8.4%	- 282	exemption of 102 taxes
Social security contributions	69,758	13.8%	11.9%	200	higher tax base, no health contribution for pensioneers
Non fiscal revenue	19,024	6.1%	-8.3%		
EU funds	22,077	221.9%	-73.5%		
Other	1,972	-7.2%	85.0%		
Total expenditures	278,817	15.2%	-0.3%	- 10,474	
Compensation of public employees	63,884	12.0%	13.3%	- 6,412	+15%yoy for health and education, other hikes
Goods and services	40,632	-0.8%	-5.1%		
Interest paid	10,185	1.8%	-4.1%		
Subsidies	7,162	8.4%	51.1%		
Projects financed by foreign non reimbursable funds	25,101	142.0%	-84.7%		
Social benefits	88,499	8.1%	9.4%	- 3,702	~ 15% pensions increase
Other transfers	17,687	12.3%	-18.9%		
Expenses for programs with reimbursable funds	480	7.9%	-62.1%		
Capital expenses	25,187	32.5%	-16.3%		
Excedent (+)/Deficit (-) (RON mn)	- 24,100	31.7%	0.0%		
Excedent (+)/Deficit (-) (% in GDP)	-3.0%				Source: Fiscal Council, Garanti Bank Research

10 Local currency debt maturity remained mainly unchanged at 3.8 years in Dec 16 versus 3.2 years in Dec 13.

External Accounts and Financing

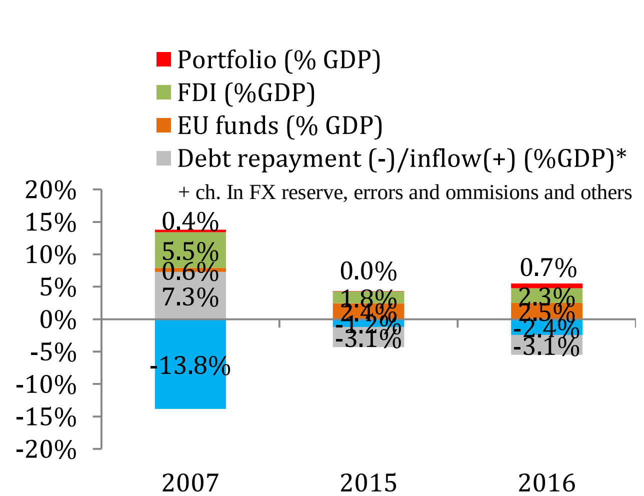
The curent account deficit is doubled in 2016, fully covered by EU funds

The current account deficit doubled in 2016, from 1.2% to 2.4% in GDP (EUR 4.1 bn) as the trade gap expanded from 4.9% in GDP to 5.5% in GDP (EUR 9.3 bn) along with a higher deficit in the primary income balance, possibly due to higher dividend outflows from FDI companies. The CA gap is easily covered by EU funds inflows (2.5% in GDP) and also by still modest FDI (2.3% GDP), two non debt generating sources on which Romania can safely count at least mid term. In 2016, FDIs brought more capital for business expansion and the energy sector stood out, but manufacturing and constructions attracted capital as well. By comparison, in 2015, FDIs were majoritary in finance sector, needed for regulatory purposes rather than expansion and constructions also attracted a large part of FDI flows.

In 2016, portfolio inflows stood at 0.7% in GDP, as Romanian bonds prices mounted, with the EUR (mid) yields shrinking by 30/35 bps in 2016 (for the Oct 2025/2035 eurobonds in EUR) while the 5Y RON yields dropped 38 bps during the same period.

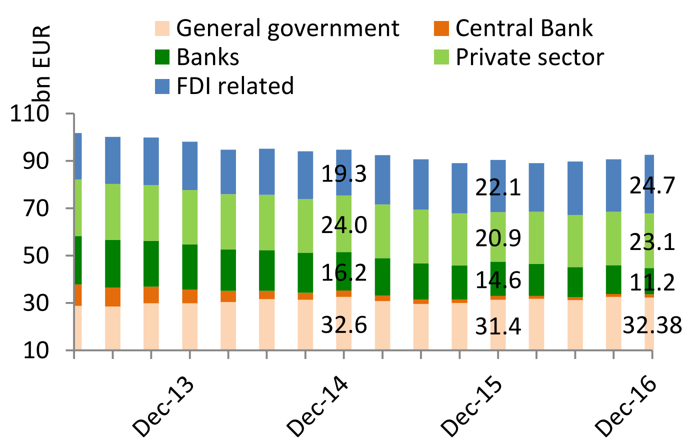
Gross external debt reached EUR 92.5 bn in 2016 (+2.3%yoy) and the increase came especially from the private sector excluding banks. Banks had a total foreign debt of EUR 11.2 bn and continued to deleverage in 2016 (-23%yoy or EUR -3.4 bn), reducing more than half of the debt existing at the and of 2008. As the economy saw a creditless growth and banking sector is undergoing a consolidation, overall foreign bank exposure is dropping. The resizing of the banking sector is driven by tougher regulation that determine banks to become increasingly cost efficient and also to diversify their funding sources, which leads to reduced funding lines from mother banks, among others. The decrease in FX reserves ratio by NBR also frees up funds that can be reimbursed to mother banks and this process is likely to continue as NBR intends to bring the mandatory FX ratio to regional level of 2%, down from current 10%.

CURRENT ACCOUNT DEFICIT MORE THAN DOUBLED IN 2016



Source: NBR, GarantiBank Research
Note: * it mainly includes the effect of debt repayment or loan inflows, as well as changes in the FX reserves, errors and omissions and other minor components

THE PRIVATE SECTOR'S EXTERNAL DEBT STARTED TO RISE, EXCEPT FOR BANKS



Source: NBR, GarantiBank Research

As the economy is moving at a fast pace, higher than its potential, the private sector and especially companies are slowly taking up leverage and their external debt rose by EUR 2.2 bn in 2016, whereas in 2015 their foreign debt dropped by EUR 3.1 bn. Higher confidence in the economic prospects is also visible in the expansion of intercompany lending, which is part of FDI and which mounted by EUR 2.6 bn in 2016.

Even if external debt is increasing, debt servicing is comfortable, as the FX reserve is adequate and it covers the short term external debt comfortably, at 140% (Dec 16).

Bank Flows

Lending pace lags Europe; new loan flows annual pace is stronger than in Q4 16

New loans advanced marginally in 2016, to RON 68.7 bn (+4.1%yoy) compared to a hike of 29% in 2015 when the impact from higher demand for new loans and for refinancing was first seen post crisis. However, unlike in 2015, the new loan generation for households which excludes refinancing or FX conversions, was higher as a percentage of total new loans, at 75% (Jan –Sep 16) versus 66% in 2015 (when 8% of new loans came from currency conversion to leu[11]).

In 2016, banks were in a better position to lend, having cleaned up part of the balance sheet and reduced the NPL ratio to half[12] compared to the peak, while the double digit wage growth of households and increased turnover of companies as well as reduced number of insolvencies meant the private sector was also better positioned to ask for loans. However, on the companies side demand was still weak due to a combination of factors: first, the economic recovery is consumption based and it generates a higher trade gap to the detriment of increased domestic production, therefore boosting trade and transport sectors but not industry, which is more capital intensive. Second, capacity utilization in industry decreased to 77% in Dec 16 and it is on a downtrend after having reached a post crisis peak at 83% in Q2 2015.[13] Last but not least, productivity issues start to appear especially in the light industries due to increase in wages and some factories started to close down. It is therefore no surprise that per sector, industry and constructions see a downtrend in the annual growth rate while services and agriculture have an uptrend.

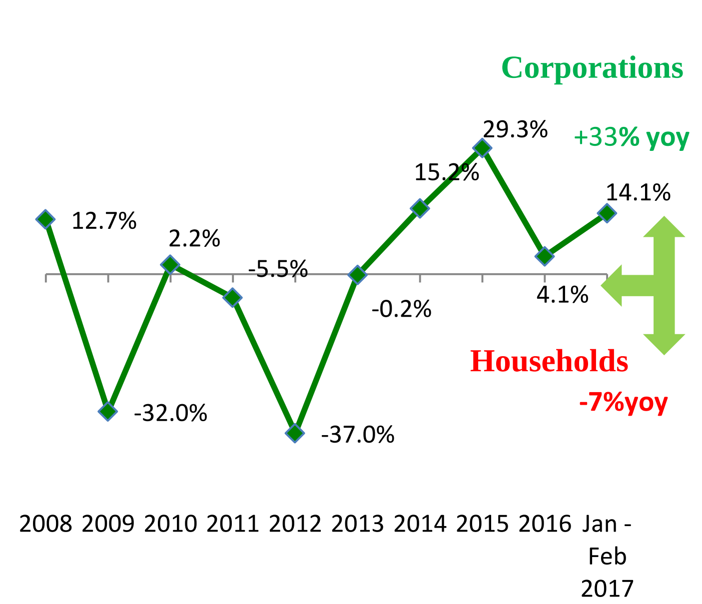
2017 started on a good footing as new loans grew by 14%yoy compared to 4.1% in 2016, mostly in RON (79% of total), but lending in euro was higher in the case of companies (+46%yoy), marking a change of trend compared to Q4 16 (-25%yoy). The driver of new loans (Jan- Feb 2017) are corporate loans (+33%yoy) while on the household component there is a 6.7%yoy fall. Household lending was affected both on consumer lending (-5.3%yoy) and mortages (- 7.8%yoy) .

During the first 2M of 2017, mortgage lending suffered a drawback as the First Home funds were expected to come starting in March. The total amount for 2017 is RON 2.5 bn, supplemented by the remaining amounts from 2016, RON 175 mn. In total, the sum is lower than in 2016 when it stood at RON 2.94 bn. The rules were changed too, as the state gives a 50% guarantee only for new homes[14] while for old apartments there is a 40% state guarantee.

[11] Financial stability report Dec 16
[12] From 20.7% (Dec 14) to 9.5% (Dec 16)
[13] http://www.cnp.ro/user/repository/ancheta_de_conjunctura_trim_I_2017.pdf
[14] Based on building permits issued after Feb 2010.

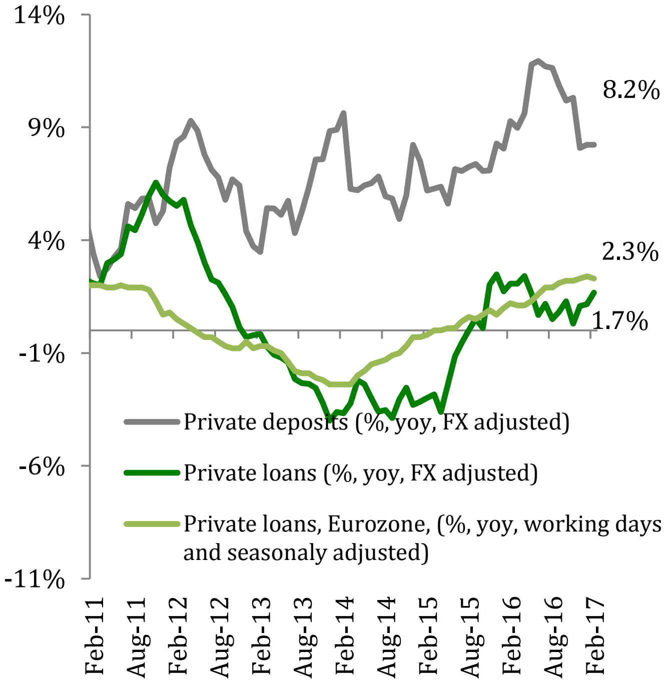
The perspectives for this year should be improved compared to 2016. From the supply perspective, the impact of legislative risks seems diminished and banks continued to clean up their portfolios, especially since the new NPL target is 6%. On the demand side, disposable income is set to continue to increase, especially in the public sector[15], while companies should be in better financial shape as well, given that the economy was on the peak of the cycle in 2016.[16] Expectations for a faster lending growth are backed also by the fact that Romania is lagging Europe where private lending restarted and records uptrending growth rates (+2.3% yoy in Feb 2017 according to the graph below). From the interest rate perspective, although rates are still low, they already started to increase this year for households[17], while in the case of corporations, only RON interest rates are up in 2017.

NEW LOANS FOR COMPANIES PUSH UP LENDING FLOWS, WHILE RETAIL DROPS



Source: NBR, GarantiBank Research

LENDING GROWTH IS LAGGING THE EURO AREA WHERE THE PACE IS INCREASING



Source: NBR, ECB, GarantiBank Research,

[15] +15%yoy in Feb for education and health and unitary pay system starting as of 1st of July.
[16] We assume GDP growth will decelerate to 3.7% in 2017.
[17] For households, between Dec 16 –Feb 17, RON loan rates rose by 40 bps (consumer loans, annual rate at 8.7%) and 10bps for mortages (annual interest rate at 3.5%). For corporations, RON rates rose by 20 bps (annual interest rate of 3.9%) and fell 10 bps in EUR (annual interest rate of 3%).

Macroeconomic Data and Forecasts

	2013	2014	2015	2016	2017F
Economy					
Nominal GDP, (EUR bn)	144.3	150.3	160.0	169.6	179.7
Real GDP, (% yoy)	3.5	3.1	3.9	4.8	4.0
Avg net monthly wages (EUR, nominal)	352	379	408	460	509
Min wage, net EUR	113	129	144	204	236
Unemployment rate, ILO, avg	7.1	6.8	6.8	6.0	5.8
External Accounts					
Current Account (EUR bn)	-1.5	-1.0	-1.9	-4.1	-5.7
Current Account (% of GDP)	-1.1	-0.7	-1.2	-2.4	-3.2
Export (FOB, EUR bn)	49.6	52.5	54.6	57.4	60.8
Import (CIF, EUR bn)	55.3	58.5	63.0	67.3	72.4
Export (% yoy)	10.1	5.8	4.1	5.1	6.0
Import (% yoy)	1.2	5.8	7.6	7.0	7.5
Trade balance FOB-CIF (EUR bn)	-5.8	-6.1	-8.4	-10.0	-11.6
Trade balance FOB-CIF (% of GDP)	-4.0	-4.0	-5.2	-5.9	-6.4
Net FDI (EUR bn)	2.9	2.7	2.8	3.9	4.3
Net FDI (% of GDP)	2.0	1.8	1.7	2.3	2.4
Internat. reserves incl. Gold (EUR bn)	35.4	35.5	35.5	37.9	40.2
Gross Foreign Debt (EUR bn)	98.1	94.7	90.9	92.5	97.6
Gross Foreign Debt (% of GDP)	68.0	63.0	56.8	54.6	54.3
Fiscal Accounts					
Budget Balance (% of GDP)	-2.5	-1.9	-1.5	-2.4	-3.5
Public Governmental Debt (% of GDP)	37.8	39.4	38.0	37.7	38.5
Inflation/Monetary/FX					
Inflation (CPI) yoy, eop	1.6	0.8	-0.9	-0.5	2.0
Inflation (CPI) yoy, yearly average	4.0	1.1	-0.6	-1.5	1.9
Central bank reference rate, eop	4.00	2.75	1.75	1.75	1.75
1M Robor, eop	1.88	0.91	0.69	0.76	1.30
1M Robor, avg	4.05	1.88	1.11	0.61	0.98
EUR/RON, eop	4.48	4.48	4.52	4.54	4.51
EUR/RON, avg	4.42	4.44	4.45	4.49	4.52

Disclaimer