

Romania's current account deficit drops by 18 pct, Jan.-Aug. 2020

The current account of the balance of payments registered a deficit of 5.789 billion euros, in the first eight months of 2020, down by 18.45% compared to that of the similar period in 2019, of 7.099 billion euros, informs a press release of the National Bank of Romania (BNR) sent to AGERPRES on Wednesday.

According to the central bank, structurally, the balance of goods registered a deficit by 851 million euros higher, the balance of services registered a surplus by 426 million euros higher, the balance of primary revenues reduced its deficit by 1.193 billion euros, and the balance of secondary revenues recorded a surplus by 542 million euros higher.

Between January and August 2020, the total external debt increased by 6.339 billion euros.

In terms of structure, the long-term external debt amounted to 83.073 billion euros on 31 August 2020 (71.5% of the total external debt), up 11.8% compared to 31 December 2019. The short-term external debt was 33.049 billion euros (28.5% of total external debt) on August 31, 2020, down by 6.8% compared to December 31, 2019, BNR said

The long-term foreign debt service ratio was 17% between January and August 2020, compared to 19.3% in 2019 while the coverage of imports of goods and services on August 31, 2020 was 5.8 months, compared to 4.5 months on December 31, 2019.

The coverage of the short-term foreign debt, calculated at residual value, with BNR's foreign reserves as of August 31, 2020 was 79.5%, compared to 68.8% on December 31, 2019.