

## FinMin Citu: Numbers confirm Romanian economy recovery scenario in third quarter

**Finance Minister Florin Citu, speaking at the government meeting on Thursday, said that the figures made available this week confirm the scenario of the economic recovery in the third quarter of this year.**

Florin Citu said that the average net income was 7.8 percent higher this September compared to the same period last year, and that the inflation rate has progressively fallen to a low of 2.1 percent from 2017 to date.

"A set of macro information was presented this week, which confirms our baseline scenario with a recovery of the economy in the third quarter of this year. As already announced, the nine-month average net income in Romania was 7.8 pct higher year-over-year, and this in a period of crisis. (...) The increase was 7.6 percent in August. (...) The inflation rate has continued to fall and has decreased almost every month this year to the lowest level since September 2017. So far this year, prices have also continued to fall. Compared to the 7.8 percent rise in the net income, this results in a growth of the average purchasing power of 5 percentage points this year. The annualized inflation rate is 2.1 percent," Citu said during the presentation of economic development data.

The FinMin also mentioned that this is the fifth month of industrial production growth.

"The figures for industrial production came today and here we have the fifth month of growth in industrial production. It must be said that industrial production had already entered a recession in 2019. Now we have 5 months of growth and I estimate that we will bring the entire sector back into the positive territory in the third quarter. In terms of dynamics, compared to last year it is still negative, but we have 5 months of industrial production growth," the minister showed, adding that this positive evolution also reflects in revenues.

"In terms of revenues, all this positive economic data can be seen there too. We will present the final data for October on November 25, but so far we know that the revenues of the consolidated general budget after 10 months are higher year-over-year, (...) although, as you know, we extended the facilities this October, and although the 16.5 billion lei in debts owed by companies since the beginning of the state of emergency until now have remained with the companies - which have until December 15 to decide whether to reschedule or pay their dues on December 25," said the Finance Minister.

He went on to say that statistical data for the third quarter will be released on Friday, and that the numbers will confirm that the economy has grown in the third quarter, providing a sound foundation for next week's budget revision.

"These are good signs. Of course, we must not be overly optimistic, but it is clear that we are on a bounce-back trend that must be supported by investments, by absorbing European funds, by supporting companies, by attracting private investments," Premier Orban said.