

Macroeconomic Confidence Indicator decreases in October by 2.3 points

The Macroeconomic Confidence Indicator of the CFA Romania Association decreased in October compared to the previous month by 2.3 points, to the value of 32.1 points, according to a release sent to AGERPRES on Monday.

Compared to the same month of the previous year, the indicator decreased by 22.4 points, according to CFA Romania.

This evolution was due to the current conditions component of the Indicator. Thus, the Current Conditions Indicator decreased by 13.2 points compared to the previous month, to 19.9 points (compared to the same month of the previous year, the Current Conditions Indicator decreased by 45.2 points). The Anticipation Indicator increased by 3.2 points compared to the previous month, to 38.2 points (compared to the same month of the previous year, the Anticipation Indicator decreased by 11.0 points).

Regarding the euro / lei exchange rate, all survey participants anticipate a depreciation of the leu in the next 12 months (compared to the current value). Thus, the average value of the anticipations for the six-month horizon is 4.9398, while for the 12-month horizon the average value of the anticipated exchange rate is 5.0102 lei for one euro.

The anticipated inflation rate for the 12-month horizon (November 2021 / November 2020) registered an average value of 2.68%.

It is noteworthy that over 60% of survey participants consider the price of real estate in large cities to be overvalued.

Since April this year, additional questions have been added to the survey on the impact of the coronavirus crisis on the national economy, and the results for October 2020 show: the duration of the economic impact of coronavirus - most respondents (over 67%) anticipate that it will be felt strongly by the third quarter of 2021; the deficit of the anticipated state budget for 2020: the average value of the anticipations is 8.6%; the evolution in real terms of GDP in 2020: the average value of expectations is -5%.

Regarding the unemployment rate at the end of 2020: the average value of expectations is 6.7%. For 2021, the anticipations of evolution in real terms of GDP are + 2.9%.

The Macroeconomic Confidence Indicator was launched by the CFA Romania Association in May 2011 and is an indicator by which the organization wants to quantify the expectations of financial analysts regarding economic activity in Romania for a period of one year.