

## IMF significantly upgrades its estimate of Romanian economy's growth to 6pct in 2021

**The International Monetary Fund (IMF) has significantly upgraded its estimates of Romania's economic growth in 2021, which should go up to 6%, surpassed elsewhere in Europe only by a projected 6.4% growth in Spain, according to the IMF April World Economic Outlook published on Tuesday.**

Whereas last October the IMF was estimating Romania to record a 4.6% economic growth in 2021, according to the latest outlooks published on Tuesday, Romania's Gross Domestic Product should increase by 6% this year. The IMF also improved its estimates for 2022, to 4.8% growth, up from 3.9% as estimated in October 2020. According to the same estimates, the Romanian economy should outperform the European average of 4.5% this year and 3.9% next year.

The Romanian government have built the national budget for the current year relying on an economic growth of 4.31%.

At the end of March 2021, the World Bank also improved its estimates of the Romanian economy, indicating a GDP growth by 4.3% in 2021, versus January estimates of 3.5% increase in 2021.

In terms of inflation, the IMF revised upwards its estimates, showing that Romania would see an average annual price increase of 2.8% in 2021, as against 2.5% as forecast last autumn, that should decline to 2.1% in 2022.

About Romania's current account deficit, whereas last autumn the IMF bet on a narrowing to 4.5% of GDP in 2021, the international financial institution is now expecting the deficit to narrow very little to 5% of GDP in 2021 from 5.1% of GDP in 2020, and to 4.7% of GDP in 2022.

Globally, after a 3.3% contraction in 2020, the IMF is projecting the world economy to advance 6% in 2021 and a further 4.4% in 2022.