

## CFA Romania: Budget deficit of 6.6 pct of GDP in 2021, public debt, 53 pct of GDP in 12 months

**Financial analysts anticipate a budget deficit of 6.6% of GDP in 2021 and an inflation rate of 4.03% for the 12-month horizon, Romania's chartered financial analysts association CFA Romania informs in a release.**

Thus, the average value of the expectations for the state budget deficit anticipated for 2021 is 6.6%. The average value of expectations in real terms of GDP in 2021 is + 6.9%. The public debt (percentage of GDP) will reach about 53%, in a 12-month horizon.

The anticipated inflation rate for the 12-month horizon recorded an average value of 4.03%, over 72% of the participants expecting its increase in the next 12 months (at the time of the survey, the inflation rate was 3.94%).

Regarding the euro/leu exchange rate, over 93% of the survey participants predict a depreciation of the leu in the next 12 months (compared to the current value). Thus, the average value of expectations for the 6-month horizon is 4.9829 lei, while for the 12-month horizon the average value of the forecasted exchange rate is 5.0445 lei for one euro.

The Macroeconomic Confidence Indicator of the CFA Romania Association decreased by 1.7 points compared to the previous month, to 74.5 points (compared to the same month of the previous year, the indicator increased by 44.1 points). The decrease was generated by the expectation component of the indicator.

The survey has been conducted monthly by the CFA Romania Association for over ten years, and is an indicator quantifying the financial analysts' expectations as regards the one-year horizon economic activity in Romania. The survey is conducted in the last week of each month and the participants are members of the CFA Romania Association and candidates for levels 2 and 3 of the CFA exam.