

## CFA Romania analysts estimate depreciation of leu in next 12 months

**CFA Romania analysts estimate a depreciation of the leu in the next 12 months, compared to the current value, for the 12-month horizon the average value of the anticipated exchange rate being 5.0465 lei for one euro.**

"Against the background of the positive macroeconomic data recorded in August, the macroeconomic confidence indicator registered a significant increase. However, both the confidence indicator and its component of expectations remain at low levels, which is consistent with expectations of a deceleration of the economy in the next period. Inflationary expectations recorded the first decrease in the last two years, but the participants estimated that inflation will remain expressed in two digits at least in the next 12 months," said Adrian Codirlasu, vice-president of the CFA Romania Association.

The Macroeconomic Confidence Indicator of the CFA Romania Association increased to the value of 45.6 points. This situation was mainly due to the increase by 10.1 points in the anticipation component. The anticipated inflation rate for the 12-month horizon decreased, reaching an average value of 10.05%.

As to the euro/leu exchange rate, over 88% of the 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 6-month horizon is 4.9818 lei for one euro, while for the 12-month horizon the average value of the anticipated exchange rate is 5.0465 lei for one euro. Both anticipated values show a correction compared to the one in July.