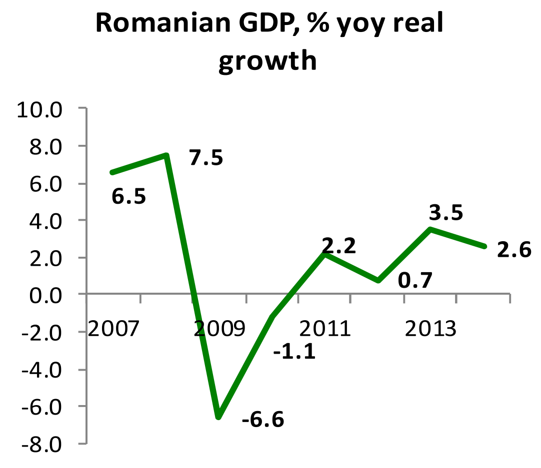
New structure of the Government with the same governing program

KEY EVENTS

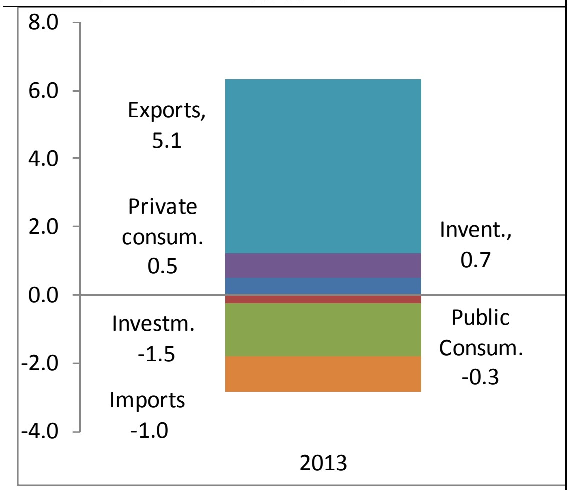
06th of May, 2014: NBR Key rate decision
25th of May, 2014: EU Parliament elections

Moody's: Baa3 negative / S&P: BB+ positive / Fitch: BBB- stable

GDP TO DECELERATE IN 2014



STRONG EXTERNAL DEMAND BEHIND THE 2013 GDP OF 3.5% YOY



Source: NIS, Garanti Bank Research

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Outlook – In 2014, we do not expect stronger political turbulences, but a focus on the events related to the EU Parliament elections in May and the Presidential elections in November 2014. The newly formed Ponta III Government, after the break of the Social-Liberal Union (USL) political alliance, has around 60% support in the Parliament, which reduces the chances of early parliamentary elections. The market reacted only smoothly to the political changes with no deterioration in country risk and only a minor volatility of the currency (+1.5%).This was also due to the fast and relatively smooth change of the government composition and the fact that the governing program remained unchanged from the one announced by the USL in 2012. Moreover, after an initial dispute between the President and the Prime Minister, the IMF letter of intent was signed and sent for approval to the IMF Board, confirming the assistance of international lenders in the country's structural reforms.

The strongest contributor to the GDP growth in 2013 was the industrial sector, coming exclusively from export-oriented segments. However, the industrial output growth should decelerate in 2014. We expect the construction segment to turn slightly positive, benefiting from the support provided by the increased absorption of EU funds for infrastructure. The trade segment should also bring a slight positive contribution in 2014, since the purchasing power of the population is stimulated by the low inflation. The NBR key rate reached 3.5% in early 2014 and is expected to stay at this level until the end of the year.

Main Topics:

- Political –Latest events and outlook
- GDP – Domestic demand expected to accelerate
- Country risk profile – Fitch affirms the stable outlook
- Inflation– Some upward risk to our 3.5% forecast
- Monetary policy – No more key rate cuts
- Fiscal Policy – Some further measures to be enforced in July 2014
- Public financing – The IMF reimbursement covered by new issuances. Improved sustainability through the 30Y bond issuance
- External Accounts and Financing – Current account deficit remains low; FX outlook – The FED monetary policy decisions and the negative regional sentiment are the major drivers
- Bank flows – Loan to deposit ration reaching 100%. What next?

Political

Latest events and outlook

At the beginning of the year, the conflict between the two major coalition partners forming the USL ruling political alliance intensified, resulting in the coalition breakdown of at the end of February 2014. The senior ruling PSD (Social-Democrat Party) together with its smaller alliance parties UNPR (National Union for Romania's Progress) and PC (Conservative Party), with 47% of seats in the Parliament, signed a political agreement with UDMR (4% of seats in the Parliament) to form the majority and the new Government. The new Government received the confidence vote in Parliament on the 4th of March with 346 votes (around 60%). The Constitutional Court ruled on the 8th of March the Ponta III Cabinet as constitutional.

Although the Ponta III Cabinet was considered to be constitutional and the Constitutional Court rejected the request of the opposition party PDL (Democrat-Liberal Party), Prime-Minister Ponta and its Government assumed before the Parliament a new political agenda, which was basically identical to USL's governing agenda of 2012. The executive's plans to extend the tax base cut back the VAT for basic food products while ensuring the necessary fiscal framework, reintroducing the 19 percent VAT and cutting back employers' social contribution (CAS) by 5 percent (if allowed by the fiscal and budget framework) have been emphasized. Moreover, the minimum wage will be increased to RON 1,100 by 2016 and they intend to adopt the new insolvency code.

The risk of further political turbulence this year is reduced, although the conflict between the President and the Prime Minister might intensify and the PDL and/or PNL opposition party might initiate a no-confidence vote, but with minimum chances of success.

For the upcoming period, the focus should be on the two elections. The EU Parliament election is scheduled on the 6th of May 2014, together with the referendum for changing the Constitutional Court. However, the constitutional change, one of the major projects of the former USL, has less chance in the near future since it needs a two-thirds support in the Parliament before organizing a national referendum. The presidential election was initially planned to be held at the beginning of November, but delays might occur. Initially, the liberal Crin Antonescu was the official candidate of USL, based on the coalition agreement, but with the new Government reshuffle, the ruling socialist party PSD will have its own candidate, with the highest chance to win. Just recently, the Prime Minister Ponta mentioned their possible candidates for presidency: the current mayor of Bucharest, Sorin Oprescu, and Calin Tariceanu, former PNL leader and former Prime-Minister who just recently left his political party.

Economic Growth

Domestic demand expected to accelerate

In Q4 2013, the GDP growth accelerated to 5.2% yoy (1.5% qoq), from 4.1% yoy (0.5% qoq) in Q3, resulting in a full year 2013 growth above expectation at 3.5% yoy.

Just as expected, the good harvest had a strong contribution in Q4 (38% yoy resulting in 1.5 percentage point contribution to the GDP), while the positive surprise came from the even stronger industrial production (12.6% yoy and 3.6 percentage point contribution).

Economic Growth

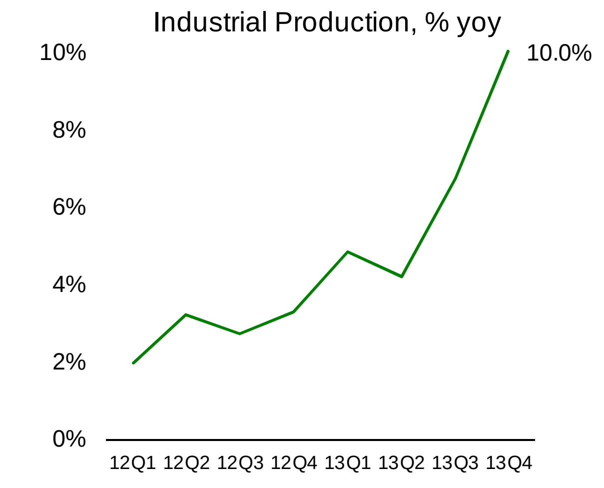
During 2013, the value added of agriculture increased by 23.4% yoy, while the industry expanded by 8.1% yoy. The retail, constructions and financial sectors had slight negative contributions to the GDP formation last year.

On the expenditure side, the net exports and household consumption had the largest contributions to the GDP growth, offsetting the decline of investments. Net exports had a 4.1% positive impact in the GDP formation, given the 12.8% real increase of Romania's exports last year and smaller (2.3%) growth in imports. The household consumption grew by 1.4% in 2013, while the investments declined by 5.7%. We can still notice a decelerating contribution from external demand, mainly due to import recovery, and worsening investment in Q4, while consumption shows the first signs of improvement.

GDP growth in 2014 is expected to decelerate to 2.6% from 3.5% in 2013. However, if we exclude agriculture, we are actually expecting an improvement of the GDP growth from 2.4% yoy to 2.7% yoy. After the good harvest in 2013, we expect the contribution from agriculture to be slightly negative (-2.2% yoy and -0.1 percentage point contribution). However, for the moment, we do not expect any major negative shock in this respect, but rather a continuous improvement in harvest compared to the historical longer-term average.

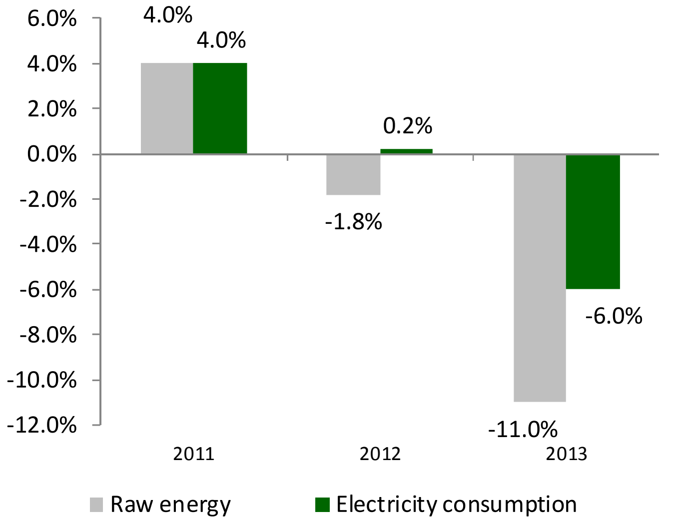
The industrial production growth should temper in 2014. The year 2013 was marked by the start of a new production line in the car industry, and no more production jump is expected this year. The car industry in 2013 registered a record production mainly for exports: 410,000 units (343,000 Dacia cars, with 12% growth and 68,000 Ford B-Max, 100% growth). Motor vehicles' exports increased by 35% in 2013, representing 7.7% of total export (from 6.3% share one year ago). On the other hand, except for these export-oriented sectors, the economy was functioning on a lower capacity just as shown by the energy resources and electrical energy consumption. The major energy-dependent companies like chemical companies Oltchim and Azomures and metallurgy AcelorMittal, Alro used less energy due to lower production since they were the worst performing industries in 2013.

GOOD PERFORMANCE OF INDUSTRY



Source: NIS, Eurostat, Garanti Bank Research

DROP IN PRIMARY ENERGY RESOURCES AND ELECTRICAL ENERGY CONSUMPTION



Source: NIS, Eurostat, Garanti Bank Research

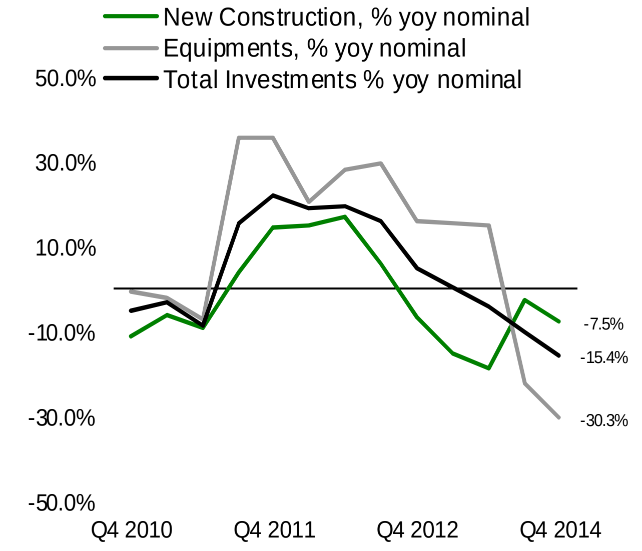
Economic Growth

While the H1 was marked by low construction, in H2 the drop in investment was mainly driven by the investments in equipment. We expect the construction segment to grow slightly in 2014, benefiting from the support provided by the EU funds.

In 2013, Romania paid to beneficiaries structural funds amounting to EUR 2.4 billion (36.5% absorption rate) and EUR 1.6 billion funds for the agricultural and rural development (75% absorption rate). In 2014, the 2007-2013 payments will still be allocated, while the new period of 2014-2020 will probably have the first payments in early 2015. We expect a significant improvement on the Transportation operational program, for which the allocated funds amount to around EUR 4.5 billion and only EUR 1.1 billion have been paid to the beneficiaries until the end of 2013. Therefore, we can expect a structural fund allocation of around EUR 3.5 billion for 2014 (out of which EUR 1.5 might be allocated for infrastructural projects) plus around EUR 1.5 billion agricultural funds. Overall, we expect the absorption of EU funds to be around EUR 5 billion in 2014. On the longer term, Romania is supposed to get a EUR 39.7 billion budget allocation for 2014-2020, but this will probably start to become operational towards the end of 2014.

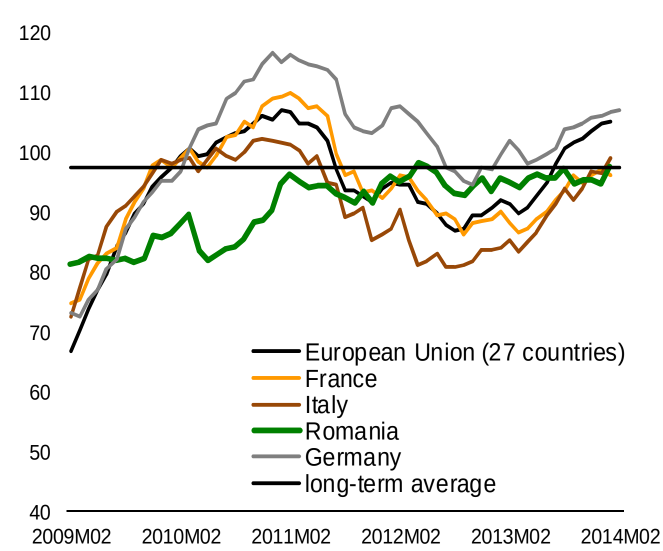
The Economic Sentiment Indicator for Romania improved in February by 3 points to 97.7, the best figure since May 2012, and joining the positive European trend. The consumer morale might receive some further boost during the first half of the year, as the purchasing power is increasing through lower inflation and cheaper financing in local currency. The minimum wage was also increased to RON 850 in January 2014 and another RON 50 hike will be implemented in July 2014 to 900 RON (200 EUR), while the pension benefits were indexed this year by 3.76%. VAT in some food products, such as meat, might be further reduced, following a VAT drop on bread and bakery products from 24% to 9% in 2013.

INVESTMENTS' DROP IS DEEPENING BUT SOME IMPROVEMENT IN CONSTRUCTION



Source: NIS, Garanti Bank Research

ECONOMIC SENTIMENT INDICATOR EXPECTED TO FOLLOW THE EU TREND



Source: NIS, Garanti Bank Research

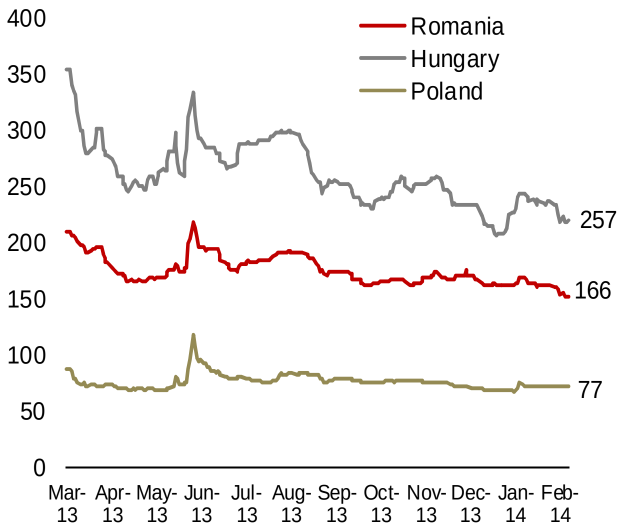
Country risk

Fitch affirms the stable outlook

Fitch re-affirmed in March 2014 Romania's rating at BBB- with stable outlook and mentioned the country's resilience to Fed tapering-related volatility, despite of the Government's reshuffle, the coalition breakdown and the Russian-Ukrainian conflict, which worsened the regional mood. The rating agency considers that Romania's public finances are under control and also believes that the GDP growth will be more balanced in 2014, with the domestic demand bringing a stronger contribution compared to 2013. Among the strengths of the country the "substantial fiscal and external buffers" were mentioned, as well as the comfortable Ministry of Finance's buffer, international reserves and the precautionary IMF-EU deal. Fitch mentioned as negative risk factors a possible fiscal loosening, the delays in structural reforms and the external macroeconomic and geopolitical shocks.

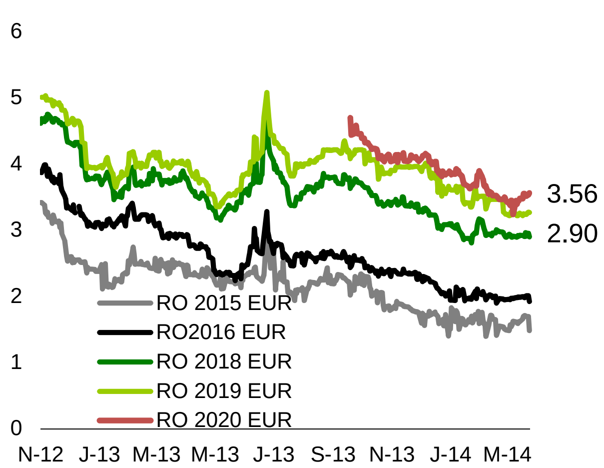
The first two reviews of the IMF deal ended successfully. Four out of the five performance criteria have been fulfilled, while the goal of reducing the arrears assumed for the last quarter of last year was not fulfilled (mostly due to state-owned transportation companies). Additionally, the good news is that after a temporary blockage and the dispute between the President and the Prime Minister, the letter of intent to IMF was signed by the President Basescu and this way the implementation of structural reforms should continue under the assistance of international lenders. Furthermore, after the successful listing of Romgaz, Nuclearelectrica (IPO) and Transgaz (SPO) in 2013, two major IPOs are scheduled this year, Hidroelectrica and the CE Oltenia. The listing of the 15% stake in Romanian state-run energy holding CE Oltenia has been postponed to September or October from June, as initially agreed with the International Monetary Fund, since there is need for more time to assess the company's coal reserves. Meanwhile, the 15% listing of Hidroelectrica is blocked for the moment, since the company re-entered insolvency in February 2014 following the request of some energy distributors. Additionally, CFR Marfa and Oltchim, the two failed privatisations are again on the list in 2014 looking for strategic investor.

COUNTRY RISK STABILISED, 5Y EUR CDS



Source: Reuters, Garanti Bank Research

YIELDS FOR EUROBONDS



Source: Reuters, Garanti Bank Research

Inflation

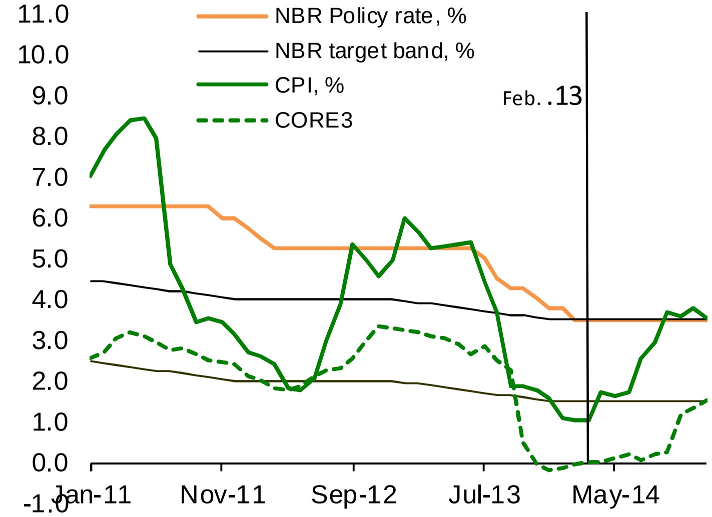
Some upward risk to our 3.5% forecast

The CPI (Consumer Price Index) annual inflation came at 1.1% (0.3% mom) in February 2014. Although the annual rate is still at a historically low level, some components are above expectations. There is still a surprisingly strong growth of food prices, especially vegetables, which further increased by 2.2% mom, after a jump of 6.37% mom in January and 5.51% mom in December. Moreover, we can notice an acceleration of service products' prices (0.5% mom), despite of the drop in telephone bills connected with FX. The Core inflation (excluding volatile food prices, fuel, administrated prices, tobacco and alcohol) is currently at 0% yoy, driven by the weak domestic demand, but also influenced by the VAT cut on bread in September last year.

The major price increase in 2014 is due to the excise duty indexation by 4.77% as of January 2014 and the additional excise duty hike on fuels as of April 2014 (with around 18% hike of excises, which results in a 5.5% increase in the final price of fuels), translating in 0.5 percentage point higher inflation.

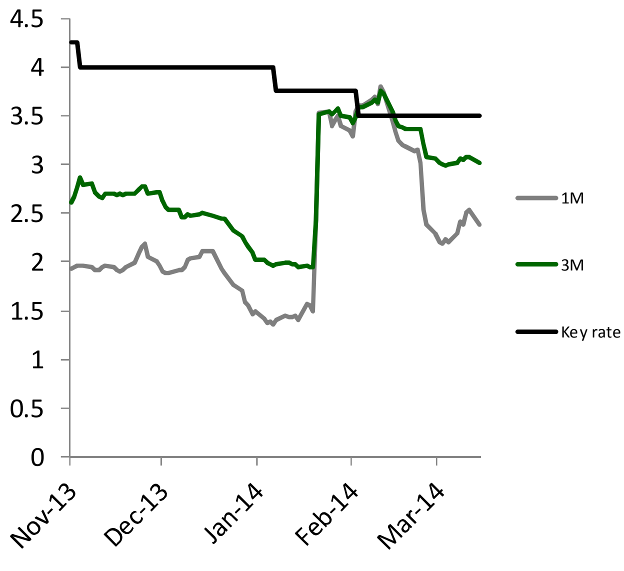
The electric energy and gas price liberalization will have less inflationary effects compared to 2013 (around 6% increase in energy prices compared to the 9% increase in 2013), given the lower energy prices on the market (prices on OPCOM energy transaction dropped by around 26%). Nevertheless, there are some disputes between the Prime Minister and the President regarding the postponement of the green energy support until 2017. In case of no delay, the prices of electrical energy might increase by additional 5%, which means an increase of the inflation by around 0.3 percentage point (3.8% annual inflation instead of 3.5%).Additional inflationary risk is related to the food price evolution in H2 2014, strongly related to the harvest.

INFLATION REACHED THE NBR TARGET IN 2013 BUT IS EXPECTED TO REACCELERATE AT THE END-OF 2014



Source: NIS, NBR, Garanti Bank Research

LIQUIDITY IMPROVEMENT PUSHED MONEY MARKET RATES BELOW THE KEY RATE



Source: NBR, Garanti Bank Research

Monetary Policy

No more key rate cuts

Just as we expected, NBR cut the key interest rate by 0.5 percentage point in two steps, in its January and February meeting, to 3.5%. Rates on minimum reserve requirements have been also been lowered in January from 15% to 12%, and from 20% to18% for local and foreign denominated liabilities, respectively. The liquidity released in the system was of RON 4 billion and EUR 0.5 billion (Garanti Bank RON 46 million and EUR 16.8 million). The banking system has been registering a liquidity surplus since August 2013, which pushed inter-bank rates even 2 percentage points below the key rate. At the beginning of February 2014 there was a temporary tightening in the liquidity through the selling of a substantial amount out of the Ministry of Finance's FX buffer. This action pushed the interest rates temporary higher, but they stabilized back to around 1-1.5 percentage points below the key rate.

During the second part of 2014, we will see a continuous abundant inter-bank liquidity and the interest rates remaining below the key rate. While no more key rate cuts are expected this year, one more reduction in the rates of reserve requirements remains a possibility.

Fiscal Policy

Some further measures to be enforced in July 2014

Romania ran a consolidated budget deficit of 2.5% of the GDP (gross domestic product) in 2013, just in line with the full year target (revised in November to 2.5% from 2.3%). On the revenue side, the worst performing item remained the income from profit tax, with just 0.7% yoy growth. Moreover, the VAT tax income growth decelerated at 2.6%, affected also by the VAT cut on bread. On the positive side, the income tax accelerated to 8.5% yoy, helped by the public wage hike at the end of 2012 and the increase of the minimum wage by 13%. Total expenditure accelerated slightly by 3.8% yoy. Personnel spending registered the strongest growth, although decelerating, to 13.5%. Expenditures on EU funded projects accelerated significantly, registering a full-year 5.9% growth.

The budget registered a surplus of 0.2% of gross domestic product in January 2014, being in line with the surplus registered in the first month of the previous year.

According to the governing program, which was also agreed with the IMF during their last visit in Bucharest, some measures are expected to be implemented in the near future. The tax exemption on the reinvested profit has been announced to be enforced as of July 2014. Moreover, the decrease with 5% of the social contribution quota is also possible starting July 2014, although, in order to implement this measure, some alternative revenue sources need to be identified (around 0.4% of GDP in 2014 and around 1% of GDP in following years), to assure that the budget target is reached.

The second-round minimum wage hike to 900 RON (200 EUR) is planned in July, from the current RON 850 (the first RON 50 hike implemented in January 2014). The VAT for some food products, such as meat, might be also further reduced this year, similar to the VAT reduction on bread and bakery products from 24% to 9% in 2013. The rest of the measures assumed by the government are planned to be implemented in 2015-2016.

Public Financing

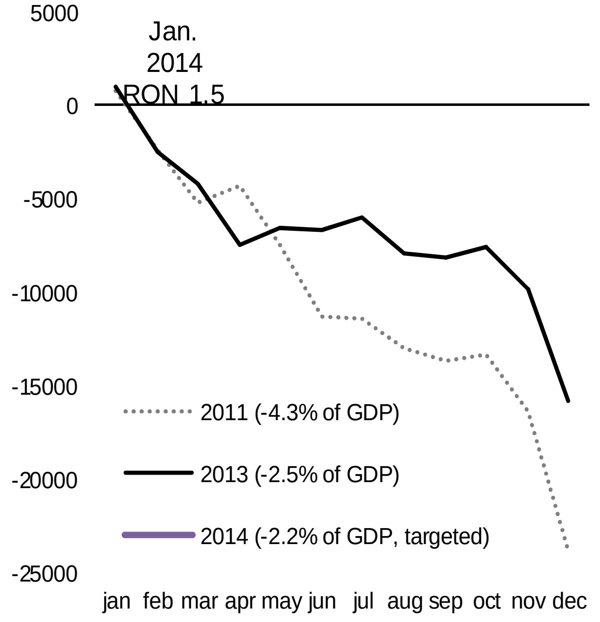
The IMF reimbursement covered by new issuances. Improved sustainability through the 30Y bond issuance

The Ministry of Finance issued a total of around EUR 16 billion (including the EUR denominated EUR 2 billion and USD denominated USD 1.5 billion Eurobonds and local currency denominated securities) in 2013, more than covering the maturing securities (EUR 10.7 billion). Financing in both RON and EUR became cheaper during 2013 by around 1.5 percentage points (5Y bonds) and by around 0.6 percentage points (5 Y Eurobonds), respectively. The Ministry of Finance had a total net issuance of RON 12.3 billion (including the Eurobonds in RON equivalent) in the first two months of the year, despite of the three rejected auctions during February, due to the temporary elevated interest rates on the local market.

In January 2014, the Ministry of Finance issued successfully the 10Y and 30Y USD denominated bonds of USD 1 billion each, with a total subscription of USD 12.5 billion (fairly equally split) and rates at 5.02% and 6.26%. The issuance provides a new benchmark for log-term investments, since it is the first one at such a long tenor and improves the sustainability of public financing. Out of the EUR 2 billion refinancing need, around EUR 1.5 billion was already covered through the issue of 10Y and 30Y USD denominated bonds on the international market.

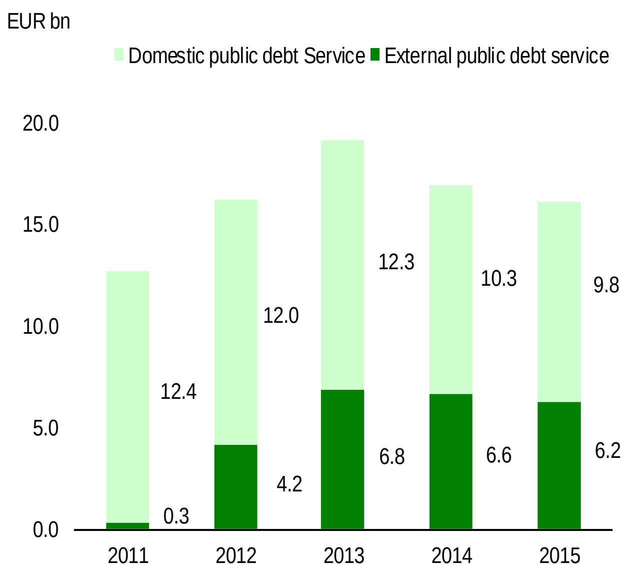
Public governmental debt stayed at the end of October (latest available figures) at 40.2% of GDP, and it is expected to stay close to this level. The biggest challenge remains the IMF loan reimbursement of EUR 4.7 billion, but having the good performance of reimbursement to IMF of a similar amount in 2013, we do not have any major concerns on this respect.

BUDGET DEFICIT TARGET REVISED AT 2.2%



Source: MF, Garanti Bank Research

GOVERNMENT DEBT SERVICE, DOWN 12% in 2014



Source: MF, Garanti Bank Research

External Accounts and Financing

Current Account remains low

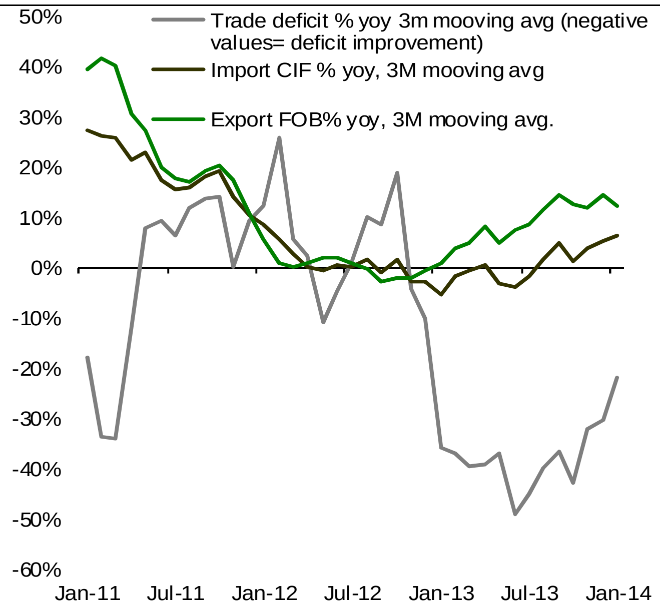
The Current Account for 2013 registered a deficit of EUR 1.5 billion (1.1% of GDP), significantly improving compared to the EUR 5.8 billion deficit recorded in 2012. Its major component, the goods' trade deficit (FOB-FOB) narrowed by 54%, with the export growth (10.0%) strongly outperforming the imports' growth of 1% yoy. This trend continued also in the first month of the year with current account surplus of EUR 388 million, 45% above the EUR 267 million surplus recorded in January last year. Still, we can notice some deceleration of exports (6.3%) and recovering of the imports' growth at 4.6% yoy.

We expect some slowdown in the export growth for this year, given that the supply shocks during 2013 will actually work as a negative base effect for 2014, while some acceleration in imports should come as long as domestic consumption and investments start their recovery. We expect a current account deficit at around 1.4% of GDP in 2014.

The FDI (Foreign Direct Investment) for the whole year 2013 accelerated at EUR 2.7 billion (27% yoy), with approximately EUR 0.9 billion net inflow just in the last two months of the year. The FDI in January 2014 came at EUR 244 million, also above the last year January's figure by 8% yoy. We expect FDI of around EUR 3 billion (2% of GDP) in 2014.

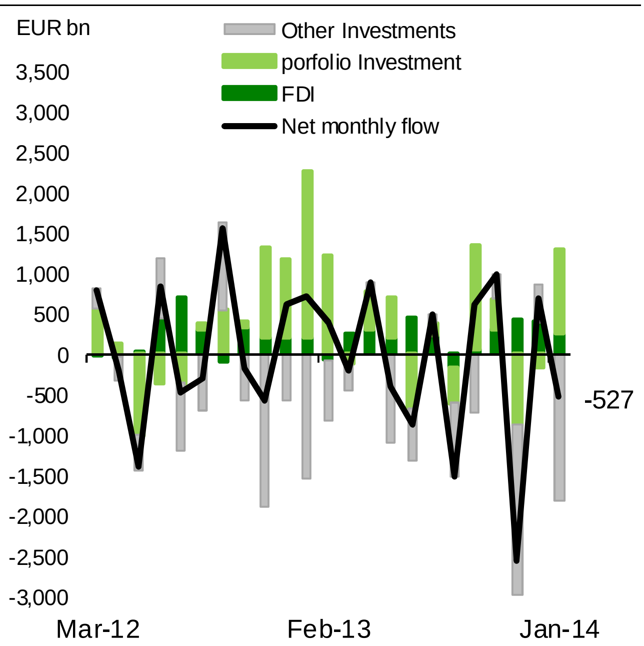
Regarding other type of external financing, Romania lost some portfolio investments in June-August 2013 (EUR 0.9 billion net outflows) and in December 2013 (EUR 0.8 billion), driven by the international events. Still, the yearly balance was positive in 2013, with an inflow of EUR 4.8 billion and an additional amount of EUR 1 billion in January 2014. Net outflows consisted of the reimbursement of external loans totaling EUR 7.2 billion in 2013, out of which EUR 4.6 billion represent the IMF reimbursement. Meanwhile, the banking system reimbursed EUR 2.3 billion from their external liabilities and additional amount of EUR 1.5 billion in the first two months of 2014.

TRADE DEFICIT IMPROVING ON THE BACK OF STRONG EXPORTS



Source: Eurostat, Garanti Bank Research

PORTFOLIO INVESTMENTS AND FDI TO COVER THE REIMBURSEMENT OF EXTERNAL LOANS



Source: NBR, Garanti Bank Research

FX Outlook

The FED monetary policy decisions and the negative regional sentiment are the major drivers

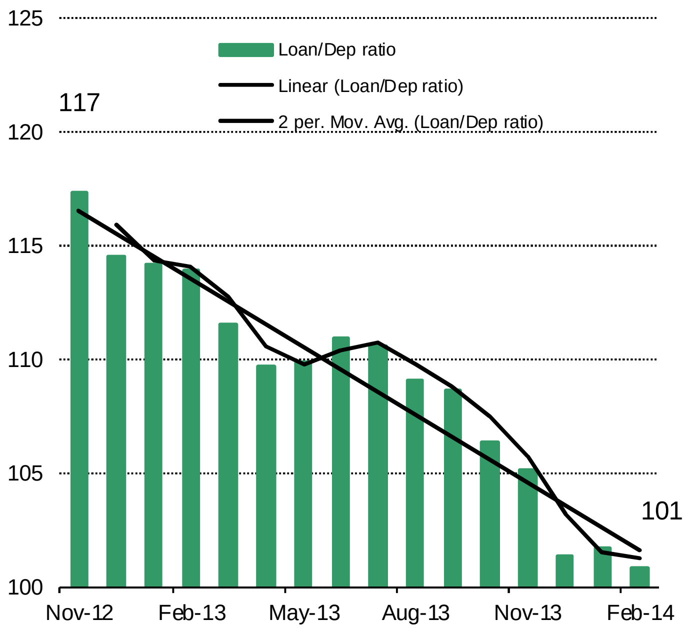
For the upcoming period, emerging markets' currencies might be affected by the changes in FED's monetary policy. Any tightening in FED's monetary policy might result in outflows of portfolio investments and depreciation of emerging markets' currencies. Further volatility might come from political risk related to the elections to be held in 2014 and the regional tendencies. The highest risk is represented by the potential worsening of the Ukrainian-Russian conflict. We expect the RON to stabilize at around 4.5 in the first part of the year and slightly depreciate towards 4.55 (+1%) in the second part of 2014, mainly due to short-term investment movements driven by international events.

Bank flows

Bank flows – Loan to deposit ration reaching 100%. What next?

Private loans in Romania contracted as of February by 3.7% yoy. The drivers of the growth remained the RON denominated housing loans, doubled in one year (113.8% yoy) as of February 2014 and continuing the good performance of the previous year. The FX denominated housing loans added also 3.1% yoy. The corporate loans portfolio contracted by 5.8% in one year as of February 2014.

INTEREST RATE DIFFERENCIAL BETWEEN RON AND EUR DENOMINATED LOANS



Source: NBR, Garanti Bank Research

BANKING VOLUMES AS OF February 2014, FX adjusted

	Private Loans		Private Deposits	
	EUR bn	% yoy	EUR bn	% yoy
Total Non-Gov. Domestic	48.5	-3.7	48.1	9.6
RON	19.1	2.0	31.3	14.1
FX	29.4	-7.1	16.8	1.9
Total Household	22.9	-1.9	29.3	5.6
RON	7.7	2.1	18.2	8.9
FX	15.2	-3.8	11.1	0.4
Consumer	13.7	-7.8		
RON	6.8	-4.5		
FX	6.9	-11.1		
Housing loans	9.2	8.8		
RON	0.9	113.8		
FX	8.3	3.1		
Companies	25.0	-5.8	15.7	18.5
RON	11.0	1.4	10.9	25.2
FX	13.9	-11.0	4.8	5.2
Government	2.1	-1.0	10.7	17.6
Non-residents	8.5	-8.8	22.0	-23.2

Source: NBR, Garanti Bank Research

Bank flows

Private deposits accelerated their annual growth in February to 9.6% yoy. During December and February there were significant increases in corporate deposits, which were the driver of the growth .We can also notice that the accumulation of additional savings was almost entirely in local currency. Non-residents' deposits declined by 5.8% mom, resulting in a contraction of 23.2% on the yearly basis in February.

On the one hand, with loan to deposit ratio reaching 100%, deleveraging of the banking system should bottom and the positive trend in savings should be transferred to the lending. The favorable financing conditions in local currency should help this recovery. On the other hand, some banks started to clean their portfolio by selling their non-performing loans[1] or writing down, which should improve the NPL ratio (reached 21.9% as of December 2013) but also reduces the overall loans portfolio of banking system. RON interest rate for housing loans reached, for the first time in history, interest rates below the EUR interest by 0.3 percentage points while the RON rates for corporate loans are just 1.8 percentage points above the EUR interest rates. The New First House Lending program is available this year only in local currency, while FX denominated consumer loans are restricted by the NBR regulation no. 24/2011 enforced as of February 2012.

[1] Volksbank sold in March 2014 a portfolio of non-performing loans amounting to EUR 490 million, out of its total non-performing loans portfolio of EUR 600 million.

Main macroeconomic data and forecasts

	2010	2011	2012	2013	2014F	2015F
Economy						
Nominal GDP, (EUR bn)	124.1	131.4	131.8	142.8	149.0	159.0
GDP per Capita (EUR)	6,145	6,537	6,573	7,121	7,431	7,927
Real GDP, (% yoy)	-1.6	2.2	0.7	3.5	2.6	2.8
Agriculture, % yoy	-5.5	12.4	-21.6	23.4	-2.2	5.0
Industry (except construction), 9	4.0	0.1	-1.0	8.1	3.1	2.5
Construction, % yoy	-4.5	-6.4	-0.3	-1.2	3.7	3.5
Wholesale and retail trade; turism and transport, % yoy	-2.4	-2.1	1.5	-1.2	3.5	3.0
Other services, % yoy	-3.1	8.8	9.1	1.3	3.0	4.0
Public administration, % yoy	-6.3	0.6	2.4	-0.3	2.3	1.0
Population, (mn)	20.2	20.1	20.1	20.1	20.1	20.1
Avg net monthly wages (EUR, n	334	348	347	367	379	401
Avg net monthly wages (% yoy,	1.8	4.9	4.8	4.9	6.0	6.0
Unemployment rate, ILO, avg	7.3	7.4	7.0	7.3	7.0	6.5
External Accounts						
Current Account (EUR bn)	-5.5	-5.9	-5.2	-1.5	-2.2	-2.9
Current Account (% of GDP)	-4.4	-4.5	-3.9	-1.1	-1.5	-1.8
Export (EUR bn)	37.4	45.3	45.1	49.6	51.8	54.1
Import (EUR bn)	45.0	52.7	52.4	53.0	55.9	58.9
Export (% yoy)	28.5	21.2	-0.5	10.0	4.5	4.5
Import (% yoy)	25.1	17.2	-0.5	1.0	5.5	5.5
Trade balance FOB-FOB (EUR b	-7.6	-7.4	-7.4	-3.4	-4.1	-4.8
Trade balance FOB-FOB (% of C	-6.1	-5.6	-5.6	-2.4	-2.7	-3.0
Net FDI (EUR bn)	2.2	1.8	2.2	2.7	3.0	3.2
Internat. reserves incl. Gold (EU	36.0	37.3	35.4	35.4	34.3	33.8
Gross Foreign Debt (% of GDP)	74.5	75.1	75.6	67.5	66.0	64.2
Fiscal Accounts						
Budget Balance (% of GDP)	-6.37	-4.28	-2.51	-2.50	-2.20	-2.00
Public Governmental Debt (% of	34.93	37.79	38.60	39.00	39.50	39.00
Inflation/Monetary/FX						
Inflation (CPI) yoy, eop	8.0	3.1	5.0	1.6	3.5	3.0
Inflation (CPI) yoy, yearly avera	6.1	5.9	3.3	4.0	2.4	3.2
Central bank reference rate, eop	6.25	6.00	5.25	4.00	3.50	3.00
Central bank inflation target	3.50	3.00	3.00	2.50	2.50	2.50
1M Robor, eop	4.05	5.72	6.04	2.11	3.00	2.75
1M Robor, avg	5.90	5.27	5.22	4.05	2.56	2.88
EUR/RON, eop	4.28	4.32	4.43	4.48	4.55	4.55
EUR/RON, avg	4.21	4.24	4.46	4.42	4.54	4.55

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