

## CFA Romania Macroeconomic Confidence Index, July 2018

Confidence<sup>1</sup>: 45.1 (+1.4 MoM; -14.5 YoY)

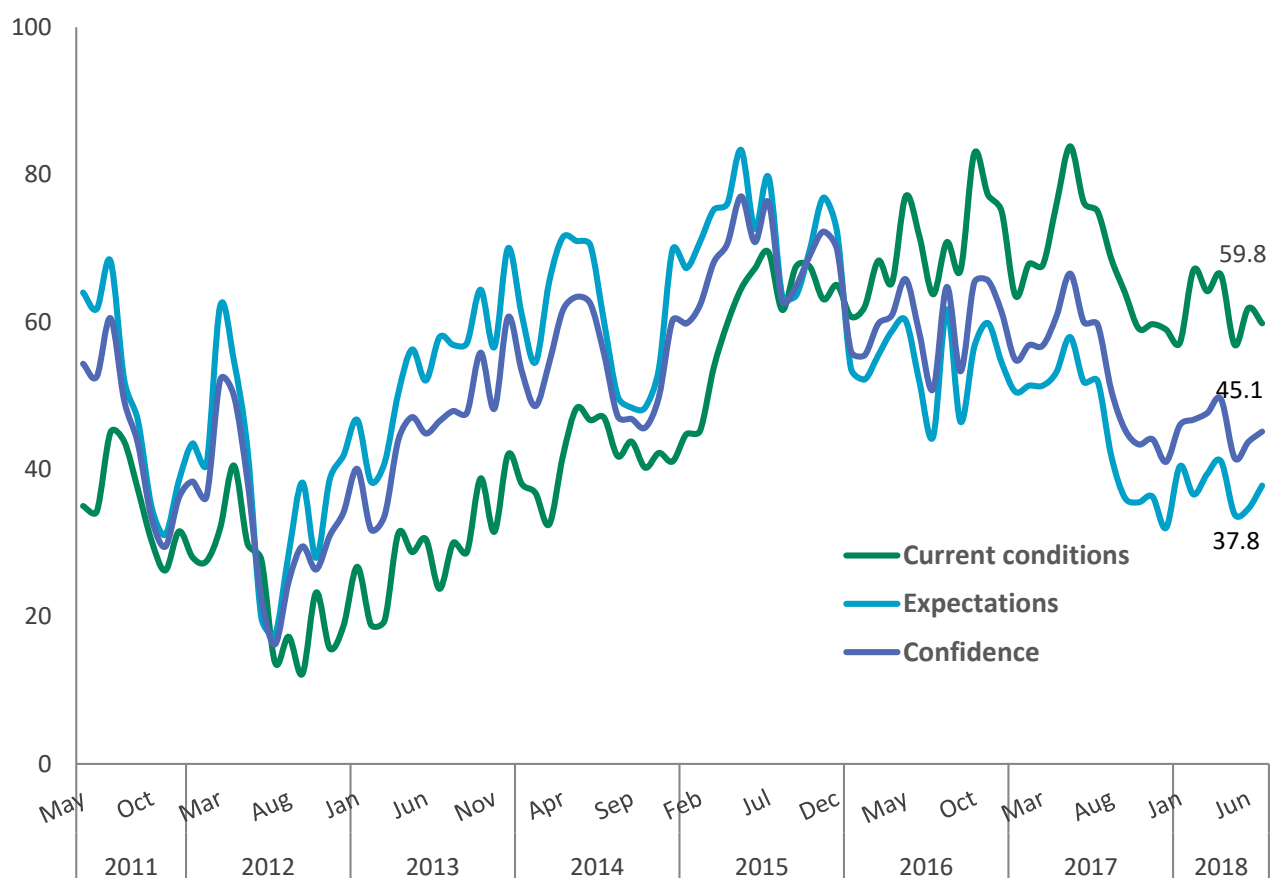
June: 43.7; May: 41.5; April: 49.5; March: 47.6; February: 46.7; January: 46.0

Current conditions: 59.8 (-2.1 MoM; -15.2 YoY)

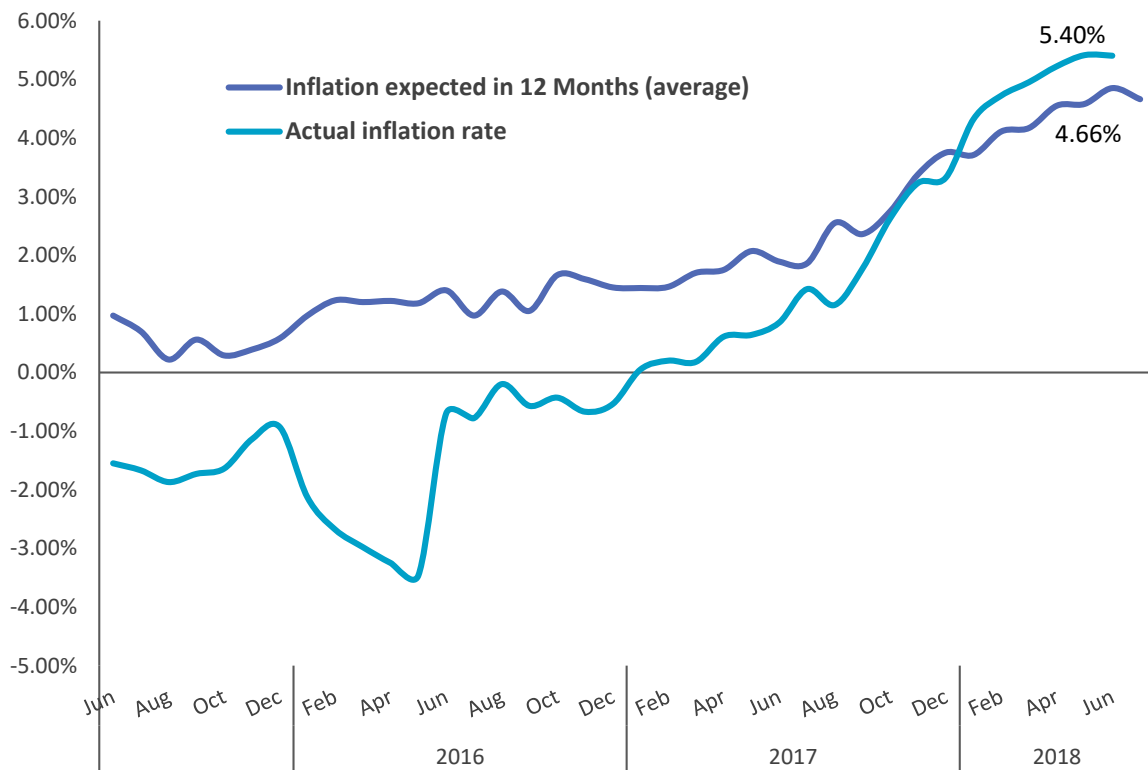
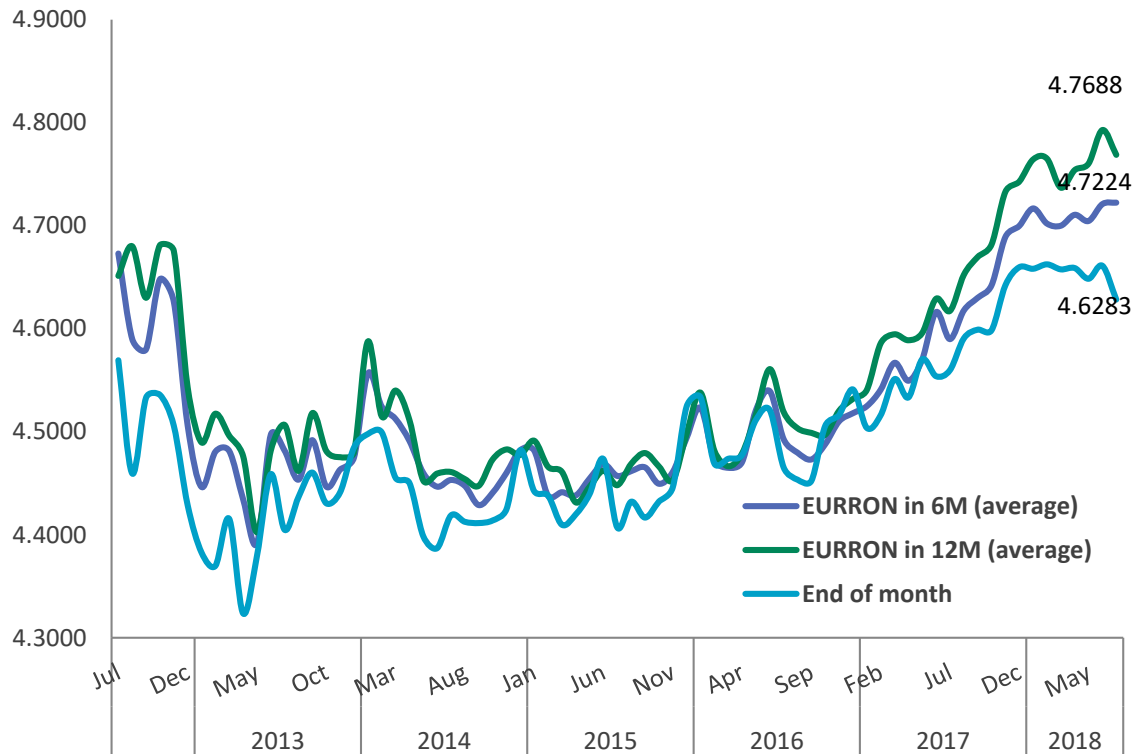
June: 61.9; May: 56.9; April: 66.4; March: 64.2; February: 67.1; January: 57.2

Expectations: 37.8 (+3.1 MoM; -14.2 YoY)

June: 34.7; May: 33.8; April: 41.1; March: 39.4; February: 36.6; January: 40.4; December: 32



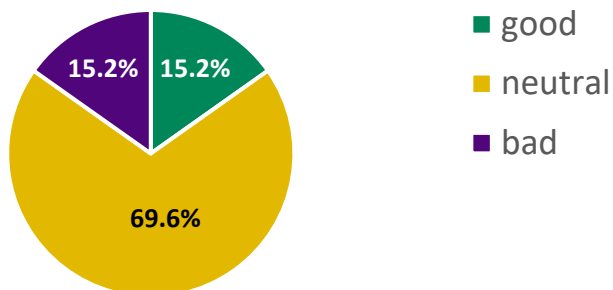
<sup>1</sup> 100 – full confidence, 0 – no confidence, 50 – neutral



**1. How do you consider current business conditions in Romania?**

Balance<sup>2</sup>: 0%

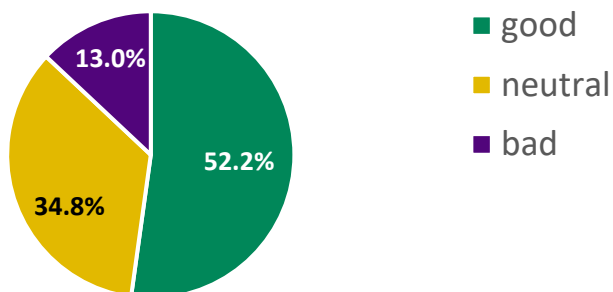
June: -2%; May: -13%; April: 14%; March: 11%; February: 2%; January: -6%



## 2. How do you consider the current employment situation in Romania?

Balance: 39%

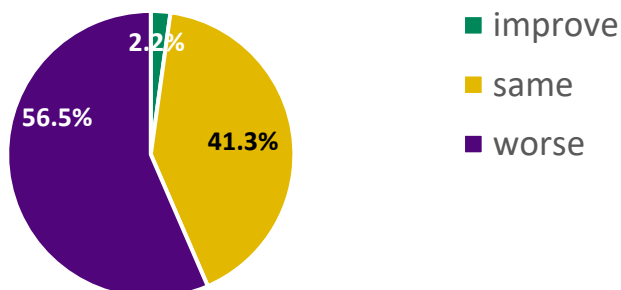
June: 49%; May: 40%; April: 51%; March: 45%; February: 66%; January: 34%



## 3. What are your expectations for business conditions in Romania in the next 12 months?

Balance: -54%

June: -67%; May: -68%; April: -54%; March: -55%; February: -75%; January: -57%

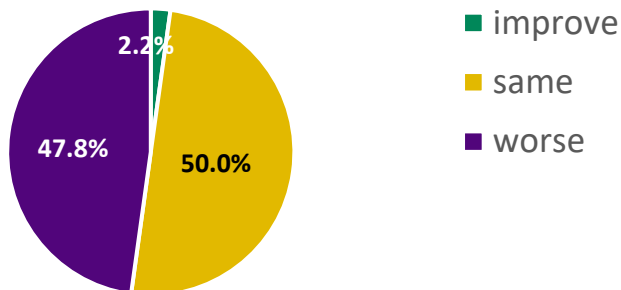


## 4. What are your expectations for employment situation in Romania in the next 12 months?

<sup>2</sup> Difference between “Good” percentage points and “Bad” percentage points

Balance: -46%

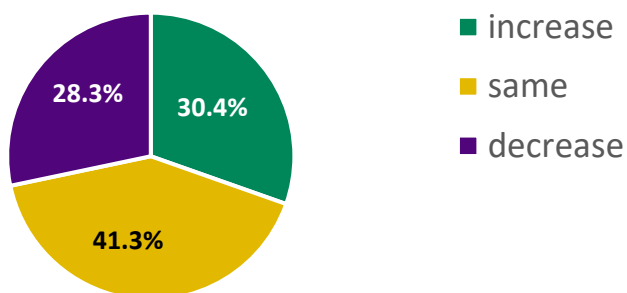
June: -44%; May: -34%; April: -16%; March: -36%; February: -41%; January: -43%



### 5. What are your expectation for personal income in Romanian economy in the next 12 months?

Balance: 2%

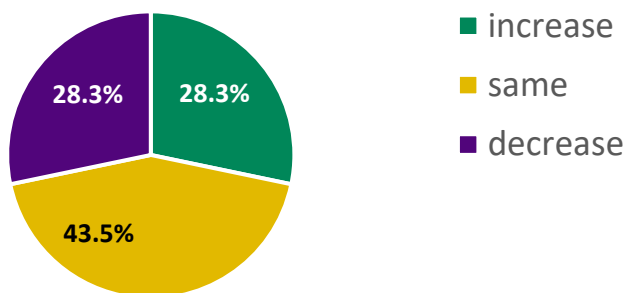
June: -2%; May: 0%; April: -2%; March: 9%; February: 2%; January: 6%



### 6. What are your expectation for personal wealth (stock market, real estate etc.) in Romanian economy in the next 12 months?

Balance: 0%

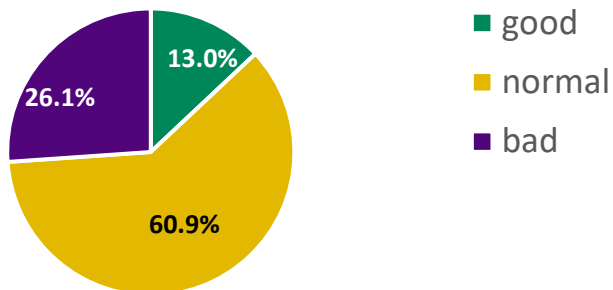
June: -11%; May: -28%; April: 0%; March: -4%; February: 6%; January: 18%



### 7. How do you estimate global macroeconomic conditions in the next 12 months?

Balance: -13%

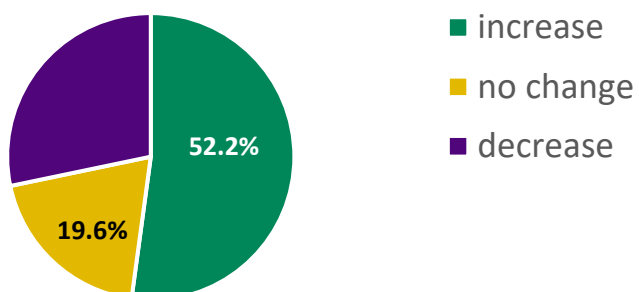
June: -5%; May: 13%; April: 14%; March: 6%; February: 34%; January: 43%



## 8. How do you estimate the annual inflation rate in Romania in the next 12 months?

Balance: 24%

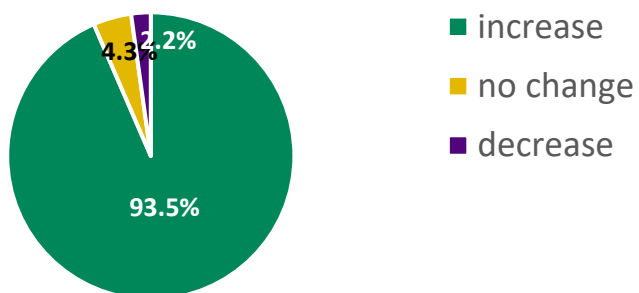
June: 30%; May: 20%; April: 44%; March: 62%; February: 75%; January: 91%



## 9. How do you estimate RON short-term interest rates (3-Month-Interbank rate) in the next 12 months?

Balance: 91%

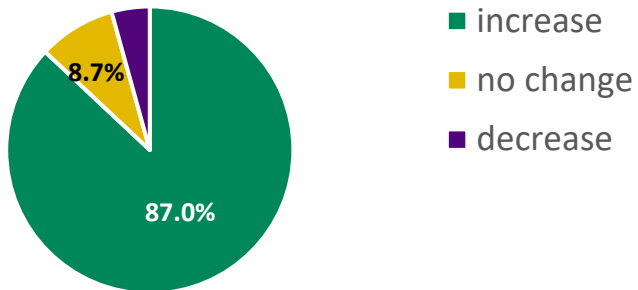
June: 93%; May: 93%; April: 96%; March: 98%; February: 96%; January: 97%



## 10. How do you estimate RON medium-term interest rates (yields on 5-Year bonds) in the next 12 months?

Balance: 83%

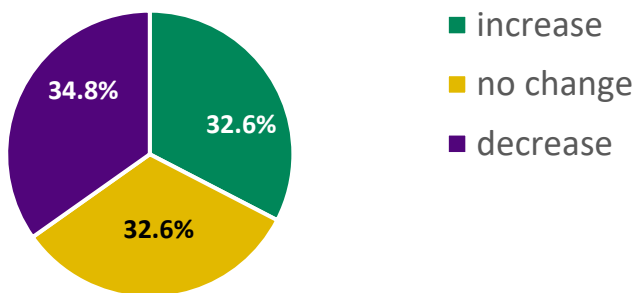
June: 81%; May: 88%; April: 92%; March: 91%; February: 89%; January: 92%



### 11. How do you estimate BET stock market index in Romania in the next 12 months?

Balance: -2%

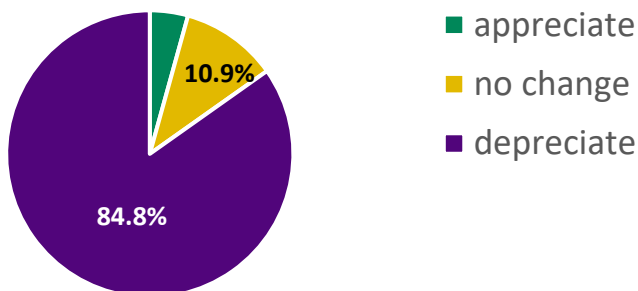
June: -21%; May: -15%; April: 2%; March: 17%; February: -2%; January: 29%



### 12. How do you estimate RON compared with EURO in the next 12 months?

Balance: -81%

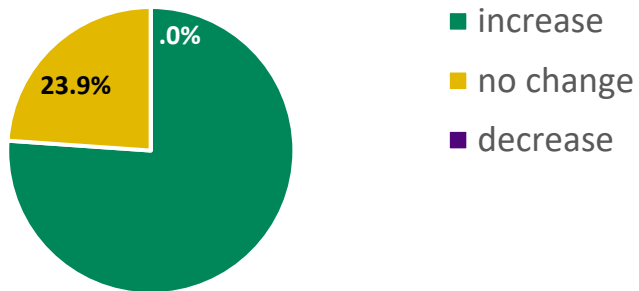
June: -81%; May: -88%; April: -74%; March: -81%; February: -77%; January: -91%



### 13. How do you estimate the evolution of the Romanian country risk premium (measured by 5Y USD CDS) in the next 12 months?

Balance: 76

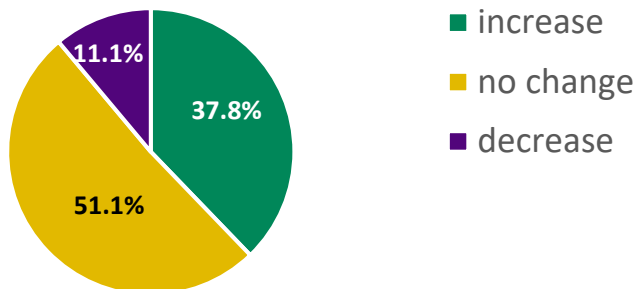
June: 79; May: 85



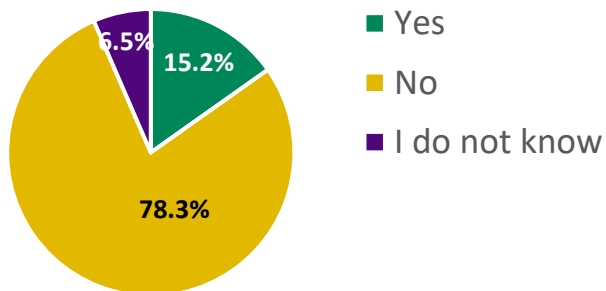
### 14. How do you estimate Brent spot oil price in the next 12 months?

Balance: 27%

June: 11%; May: 18%; April: 30%; March: 40%; February: 32%; January: 50%



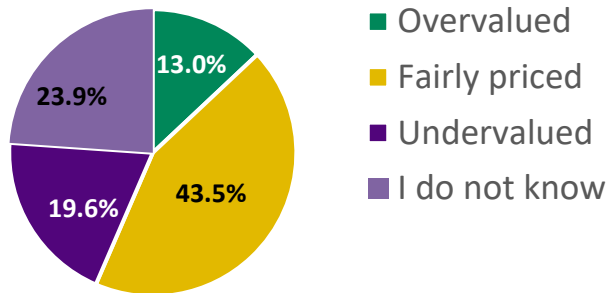
### 15. Do you expect at least one country to leave Eurozone in the next 12 months?



### 16. Do you consider equities listed on the Bucharest Stock Exchange to be:

Balance<sup>3</sup>: -7%

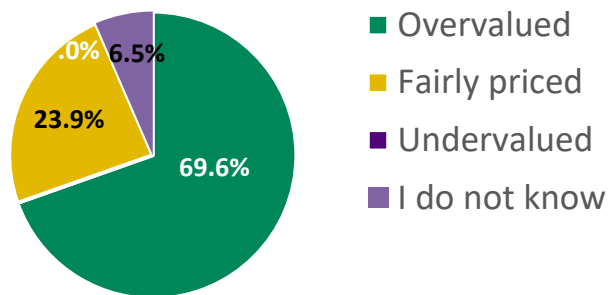
June: -5%; May: -18%; April: 5%; March: -8%; February: 2%



### 17. Do you consider Romanian real estate in the main cities to be:

Balance<sup>4</sup>: 70%

June: 54%; May: 41%; April: 63%; March: 51%; February: 50%



### 18. What is your EURRON exchange rate expectation in 6 months?

Average	4.7224
Median	4.7000
Min	4.6000
Max	5.0000

<sup>3</sup> Difference between 'overvalued' and 'undervalued'. Positive values mean overvaluation, while negative values mean undervaluation.

<sup>4</sup> Difference between 'overvalued' and 'undervalued'. Positive values mean overvaluation, while negative values mean undervaluation.



**19. What is your EURRON exchange rate expectation in 12 months?**

Average	4.7688
Median	4.7500
Min	4.5500
Max	5.2000

**20. What is your annual inflation expectation in 12 months (May. 2019/May. 2018)?**

Average	4.66%
Median	5.00%
Min	2.70%
Max	7.00%
Standard deviation	1.03%

**21. What is your ROBOR 3M interest rate expectation in 12 months?**

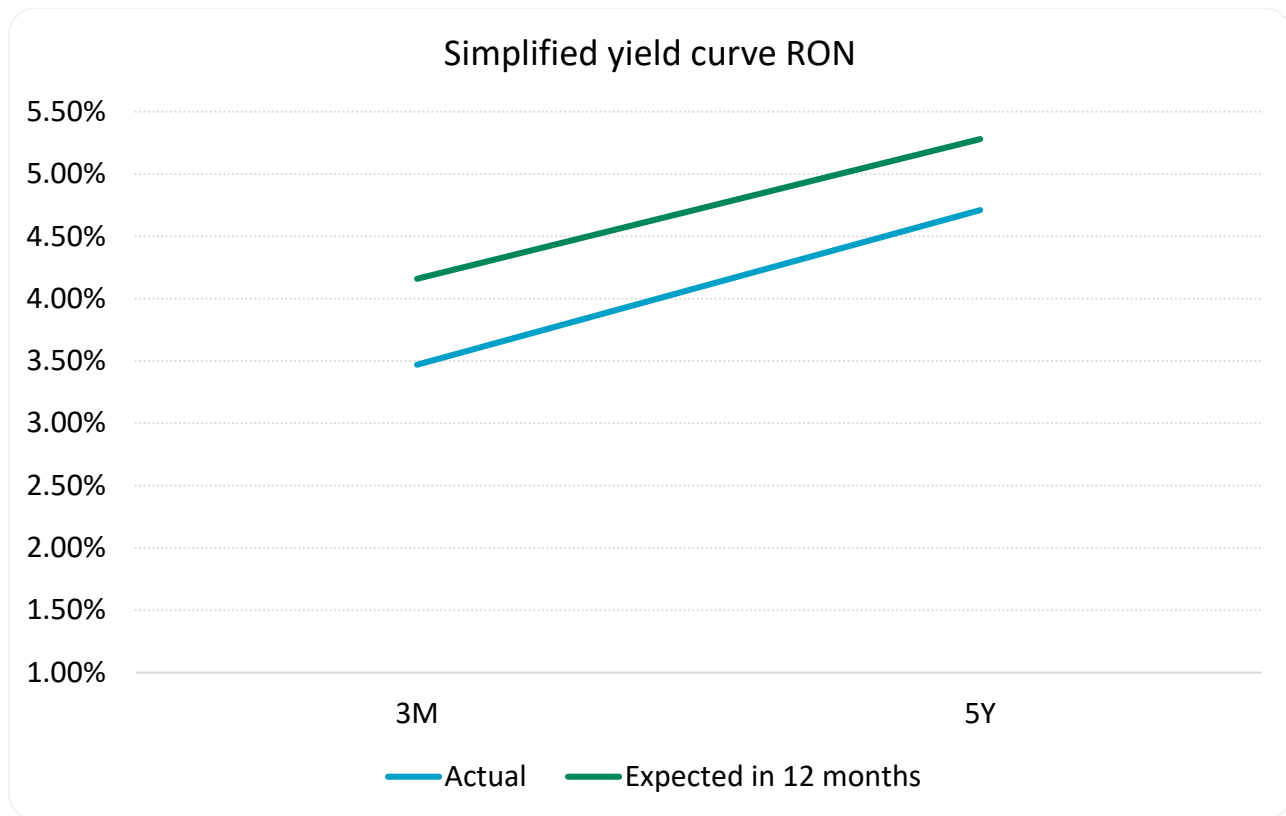
Average	4.16%
Median	4.00%
Min	3.25%
Max	7.50%
Standard deviation	0.71%

**22. What is your expectation for 5Y Romanian sovereign bond RON yields in 12 months?**

Average	5.28%
Median	5.20%
Min	4.25%
Max	7.00%
Standard deviation	0.54%

**23. What is your expectation for Romanian country risk premium, measured as 5Y USD CDS (bps)?**

Average	119
Median	113
Min	90
Max	250
Standard deviation	28



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