

CFA Romania Macroeconomic Confidence Index, August 2019

Confidence¹: 42.8 (-5.5 MoM; -7.2 YoY)

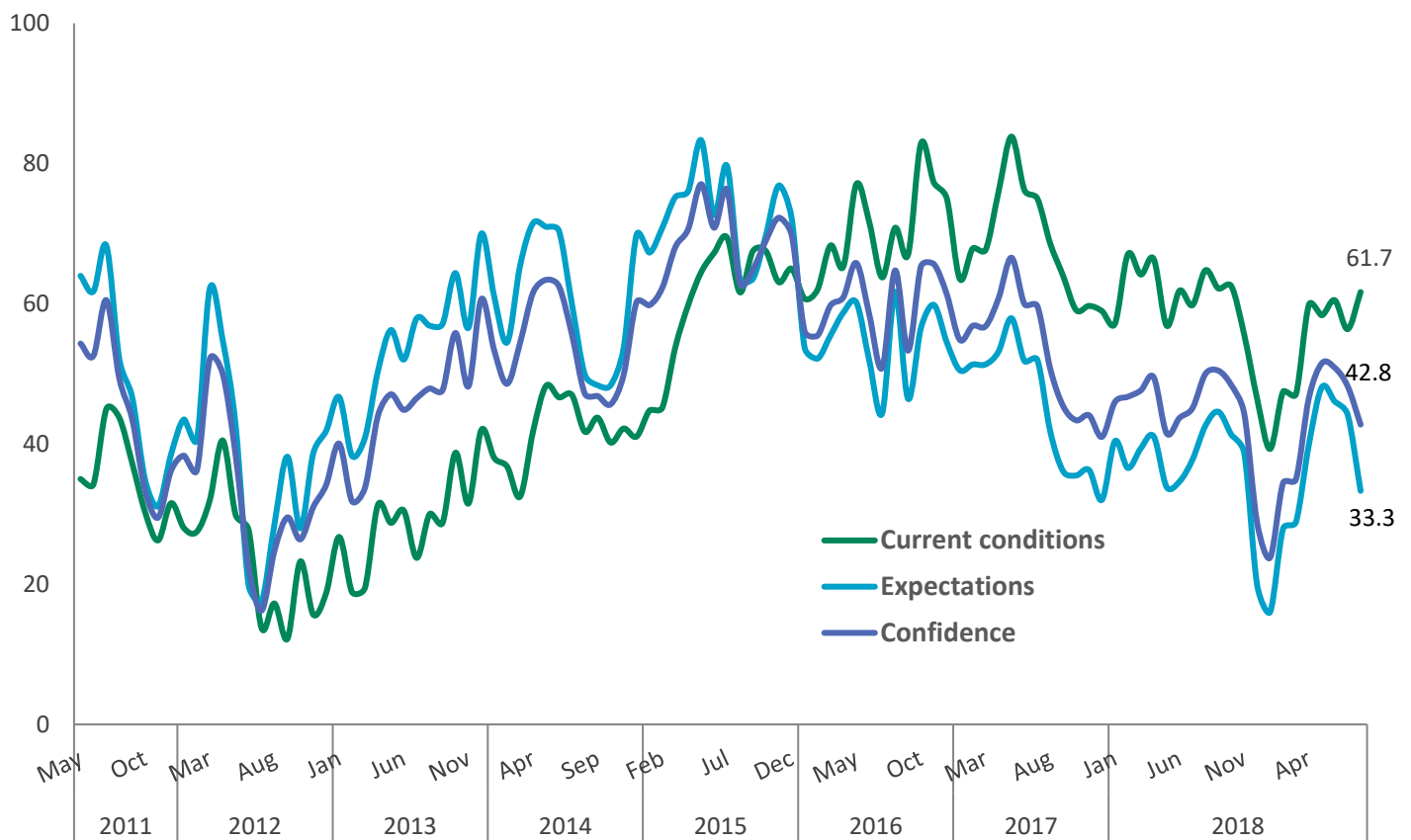
July: 48.2; June: 50.9; May: 51.5; April: 46.6; March: 34.9; February: 34.4

Current conditions: 61.7 (+5.3 MoM; -3.1 YoY)

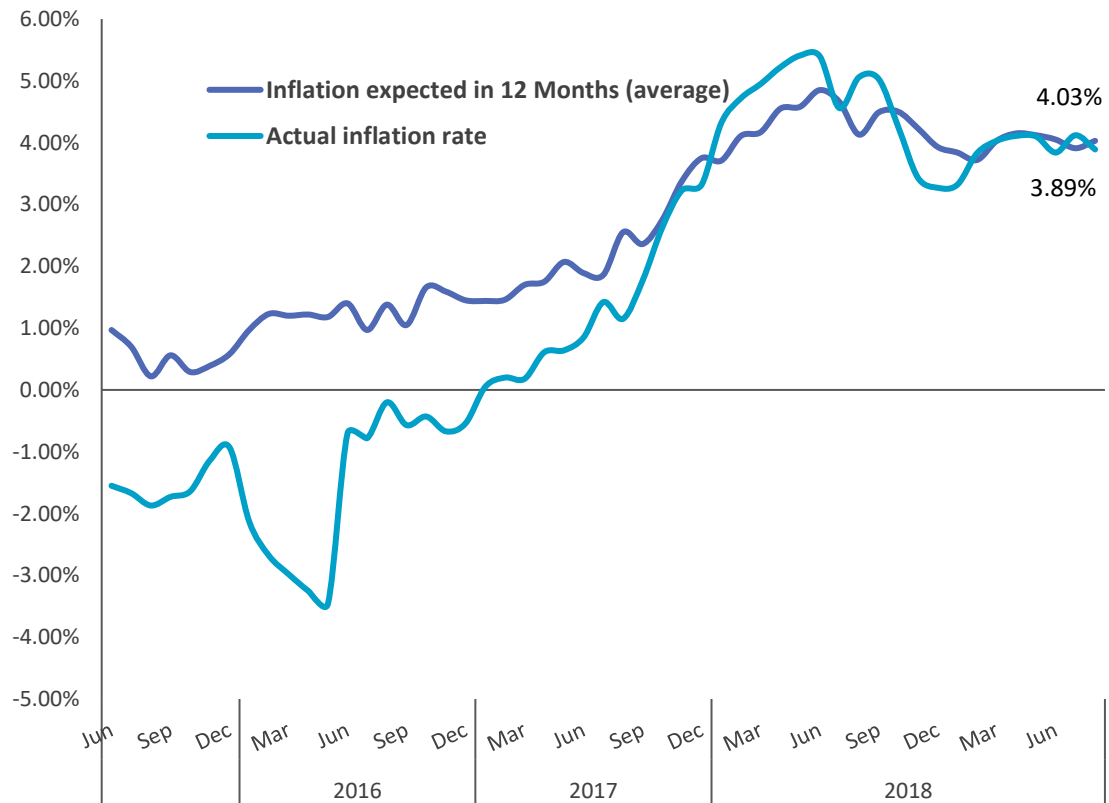
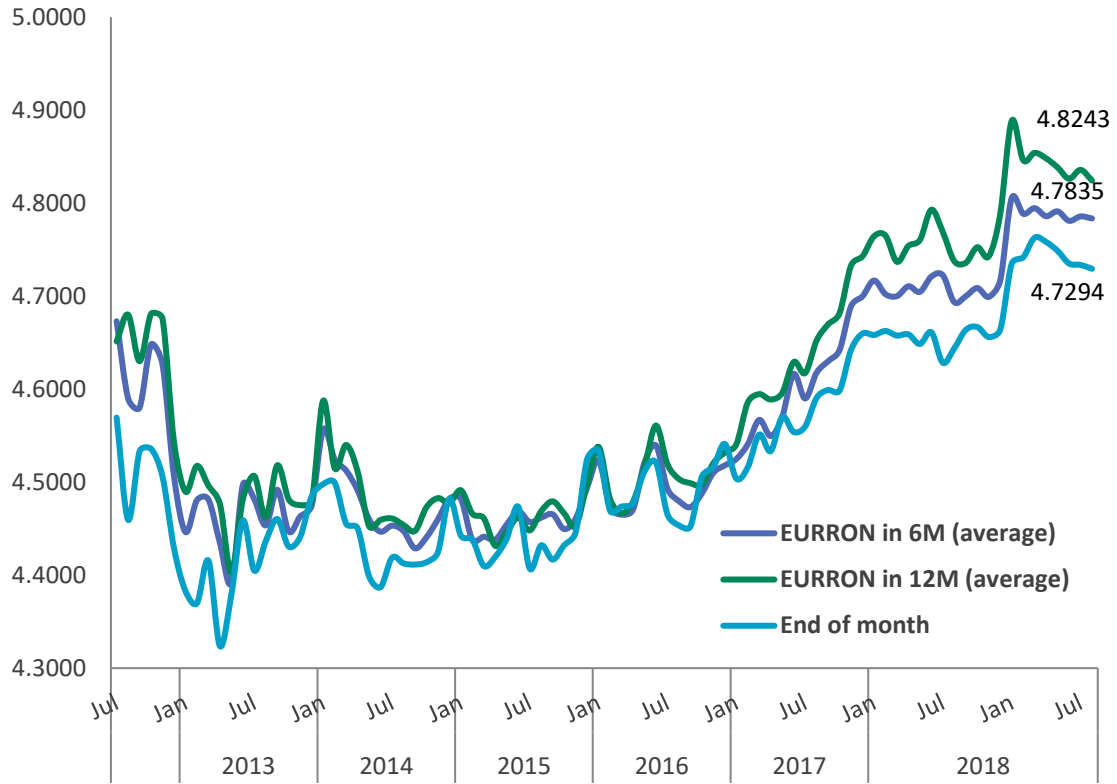
July: 56.4; June: 60.5; May: 58.4; April: 59.9; March: 47.1; February: 47.5

Expectations: 33.3 (-10.8 MoM; -9.3 YoY)

July: 44.1; June: 46.1; May: 48.1; April: 39.9; March: 28.9; February: 27.9



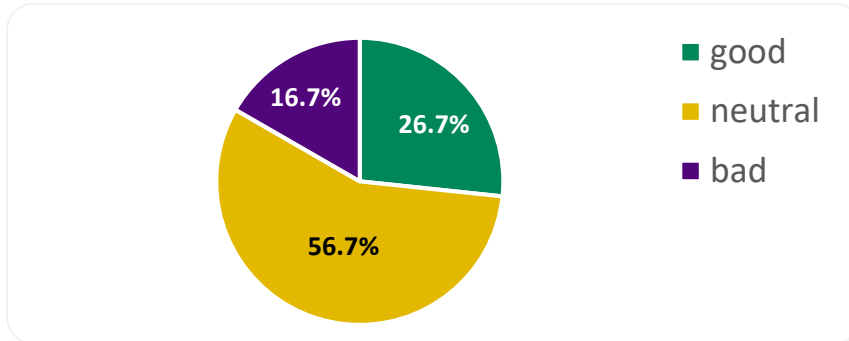
¹ 100 – full confidence, 0 – no confidence, 50 - neutral



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

Balance²: 10%

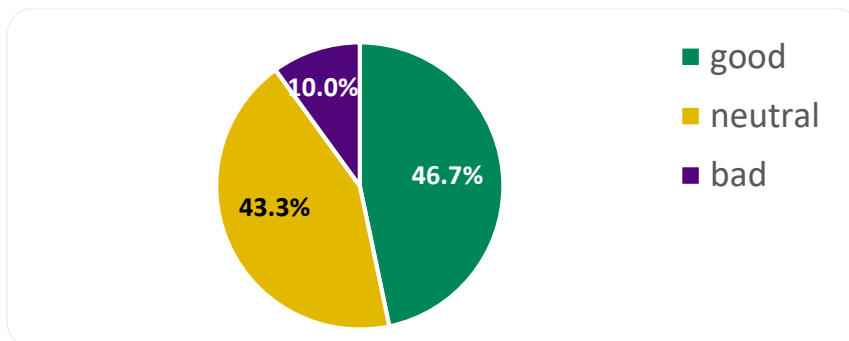
July: -3%; June 11%; May: 3%; April: 3%; March: -31%; February: -41%



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

Balance: 37%

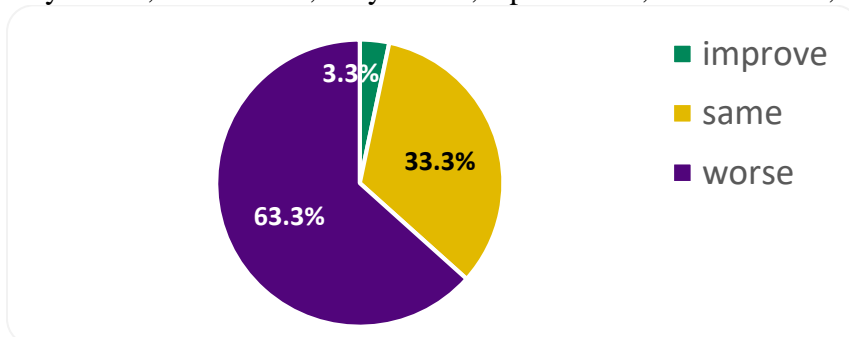
July: 29%; June: 33%; May 31%; April: 37%; March: 19%; February: 31%



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

Balance: -60%

July: -31%; June: -29%; May: -26%; April: -65%; March: -69%; February: -69%

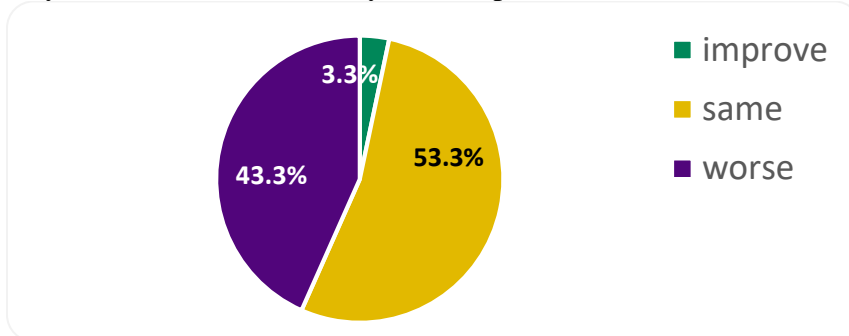


² Difference between “Good” percentage points and “Bad” percentage points

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

Balance: -40%

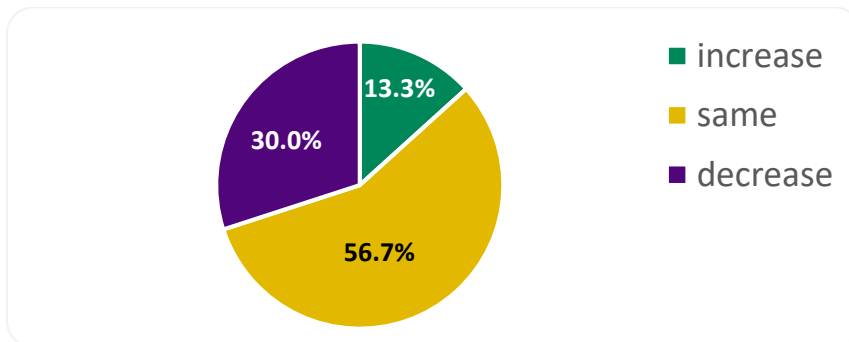
July: -28%; June: -26%; May: -8%; April: -21%; March: -54%; February: -49%



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

Balance: -17%

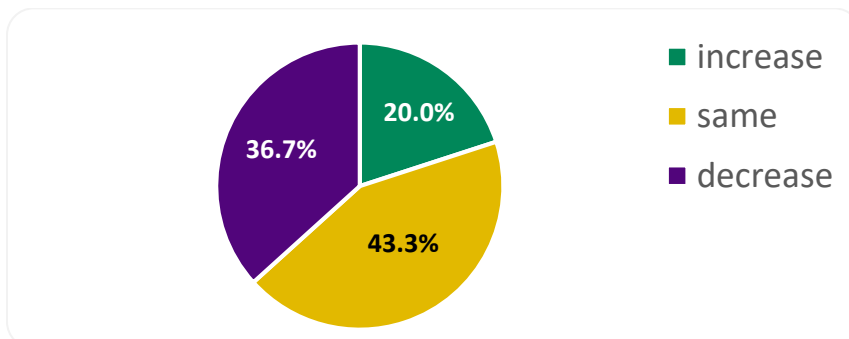
July: 12%; June: 16%; May: 5%; April: 18%; March: -12%; February: -13%



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

Balance: -17%

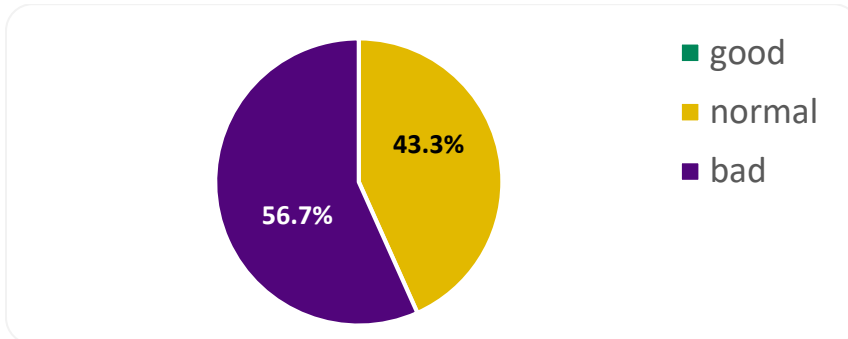
July: 0%; June: 8%; May: 13%; April: -13%; March: -35%; February: -46%



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

Balance: -57%

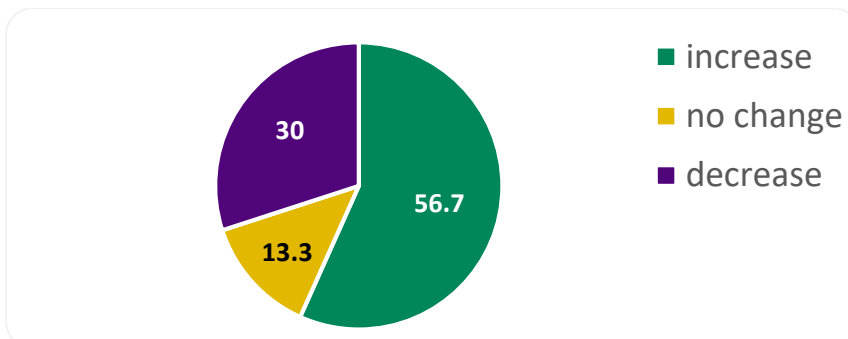
July: -25%; June: -24%; May: -5%; April: -16%; March: -4%; February: -15%



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

Balance: 27%

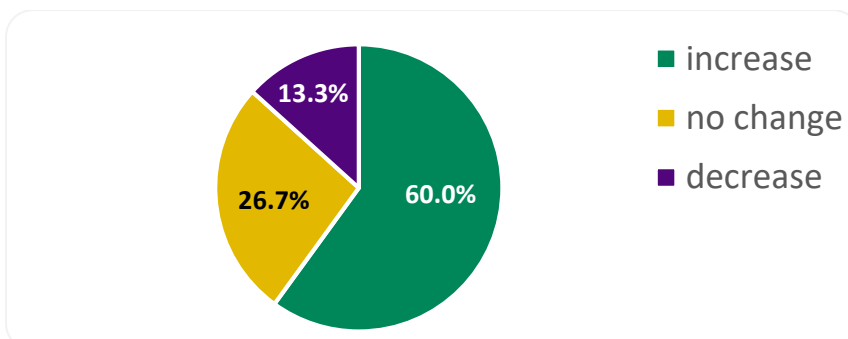
July: 47%; June: 22%; May: 44%; April: 55%; March: 50%; February: 64%



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

Balance: 47%

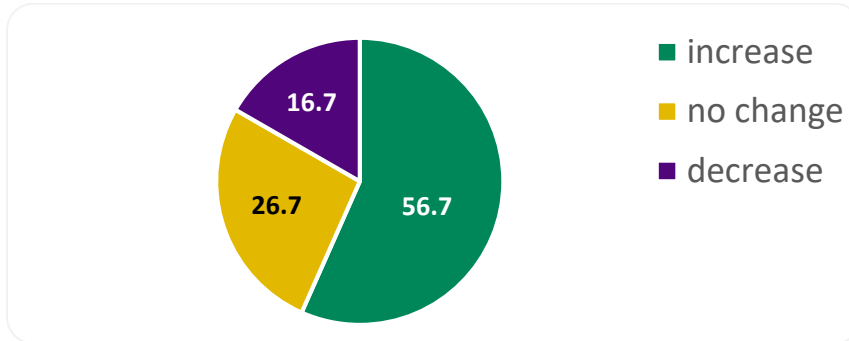
July: 47%; June: 40%; May: 67%; April: 69%; March: 69%; February: 64%



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

Balance: 40%

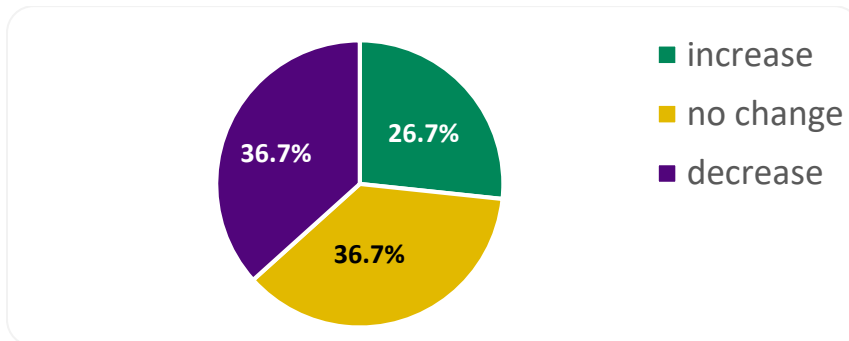
July: 44%; June: 24%; May: 54%; April: 71%; March: 81%; February: 74%



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

Balance: -10%

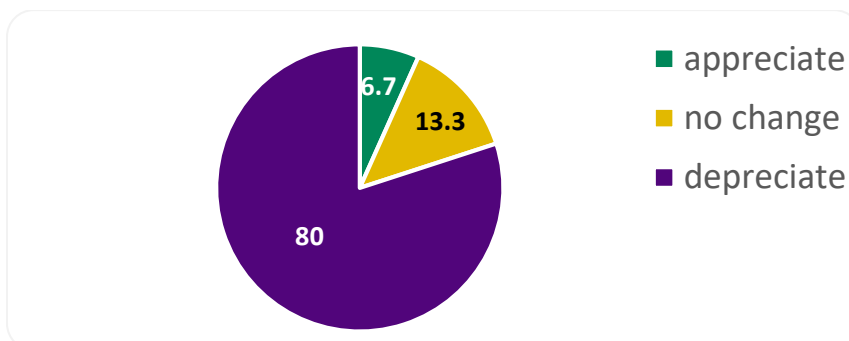
July: -9%; June: -3%; May: 18%; April: -18%; March: -35%; February: -42%



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

Balance: -73%

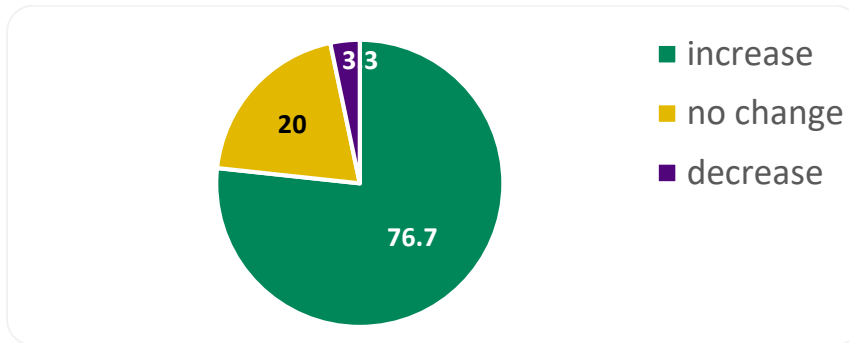
July: -69%; June: -66%; May: -69%; April: -77%; March: -76%; February: -85%



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

Balance: 73%

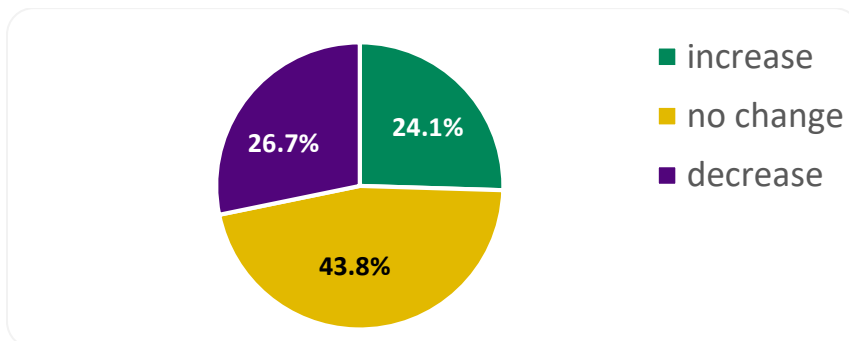
July: 59%; June: 47%; May: 56%; April: 82%; March: 88%; February: 82%



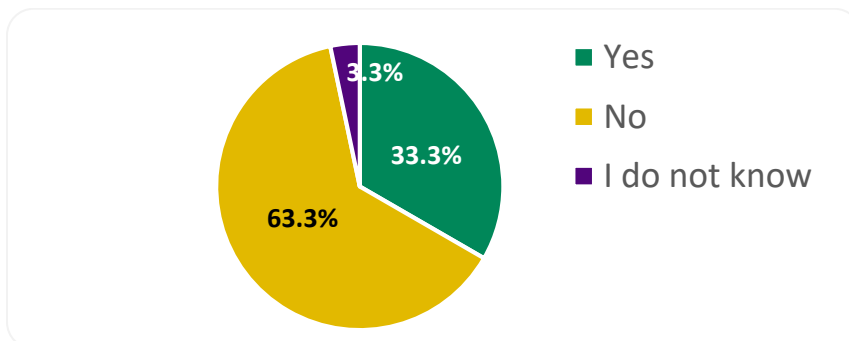
14. How do you estimate Brent spot oil price in the next 12 months?

Balance: -3%

July: 19%; June: 11%; May: 3%; April: 11%; March: 12%; February: 0%



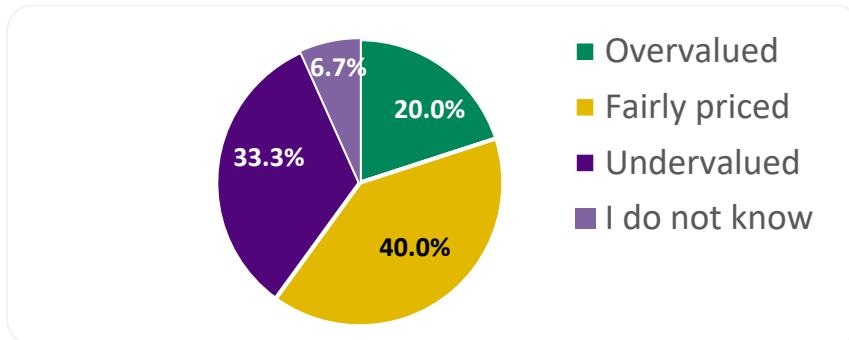
15. Do you expect at least one country to leave Eurozone in the next 12 months?



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

Balance³: -13%

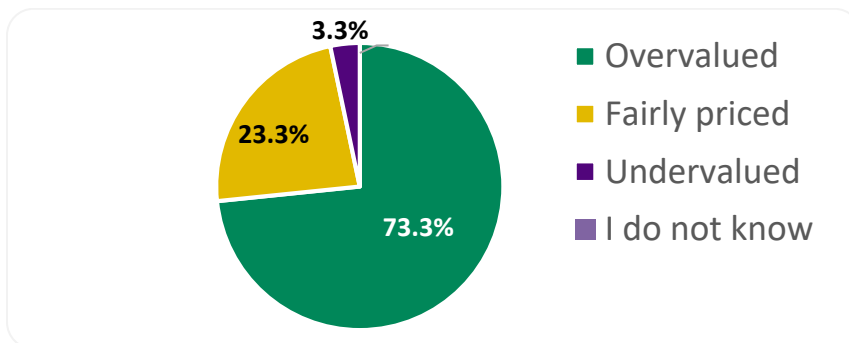
July: 9%; June: -3%; May: -13%; April: -13%; March: -15%; February: -18%



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

Balance⁴: 70%

July: 62%; June: 45%; May: 59%; April: 58%; March: 65%; February: 64%



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

Average	4.7835
Median	4.7800
Min	4.7000
Max	4.9000

³ Difference between ‘overvalued’ and ‘undervalued’. Positive values mean overvaluation, while negative values mean undervaluation.

⁴ 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	4.8243
Median	4.8000
Min	4.6500
Max	5.1000

20. What is your annual inflation expectation in 12 months (Jan. 2020/Jan. 2019)?

Average	4.03%
Median	4.10%
Min	2.50%
Max	5.00%
Standard deviation	0.59%

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

Average	3.36%
Median	3.35%
Min	2.75%
Max	4.50%
Standard deviation	0.41%

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

Average	3.98%
Median	4.00%
Min	3.40%
Max	5.50%
Standard deviation	0.44%

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

Average	109
Median	102
Min	90
Max	150
Standard deviation	16

24. What is your expectation for Brent oil price in 12 months?

Average	57
Median	60
Min	37
Max	67

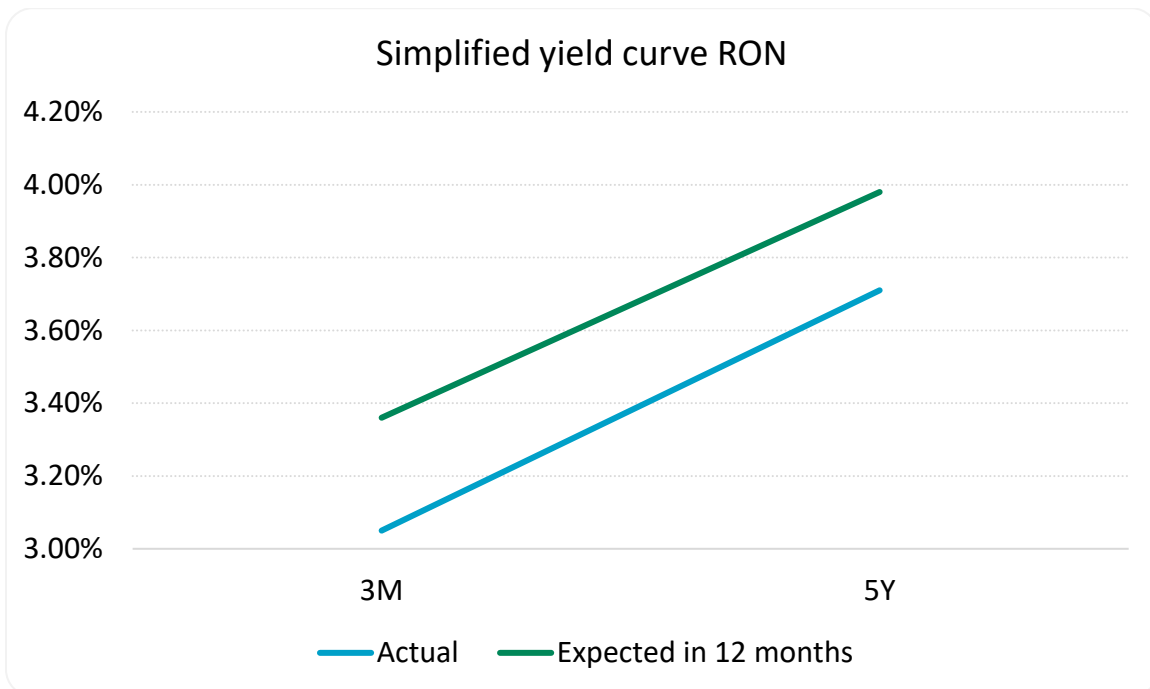
25. What is your expectation for gold price in 12 months?

Average	1621
Median	1616
Min	1300
Max	1850

26. What is your expectation for Bitcoin price in 12 months?

Average	8962
Median	9000
Min*	4000
Max*	17000

*Two extreme values (the lowest and the highest values) were eliminated from calculation.



Terms and conditions

None of the information presented in this material should be considered as an invitation or recommendation to purchase or dispose of any product, or to engage in any other transaction or investment advice, in the legal field or in any other domain. The information contained in this material is provided for informational purposes only. The information presented is very general and may not be relevant in individual cases. CFA Romania does not warrant the accuracy and complexity of the information presented in this material.