

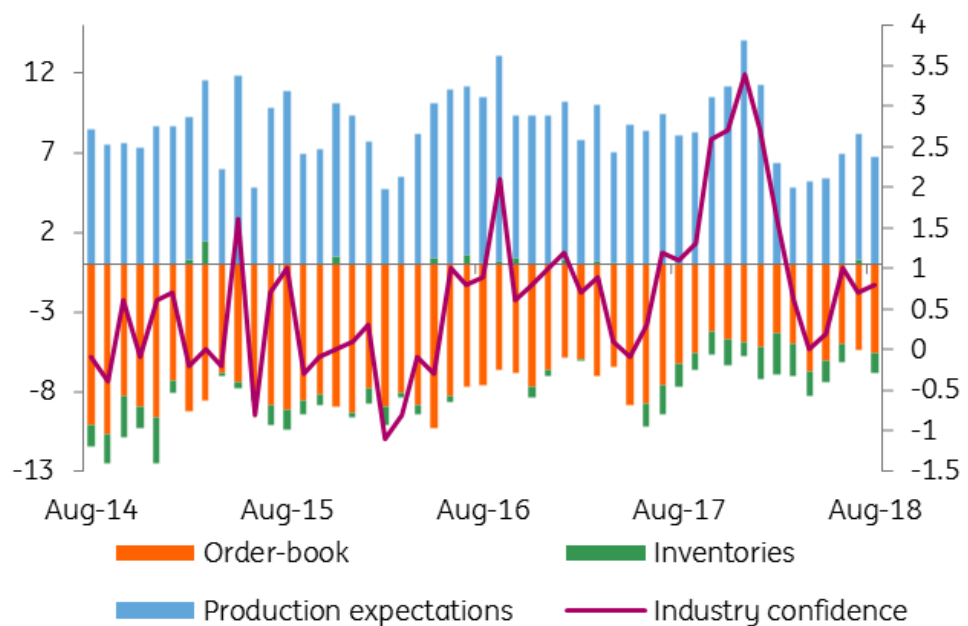
11 September 2018
Snap

Romania: Industrial production slows down in July

The 4.0% year-on-year increase in July is overshadowed by a more worrying 3.0% monthly contraction, which confirms an overall soft patch for the Romanian economy

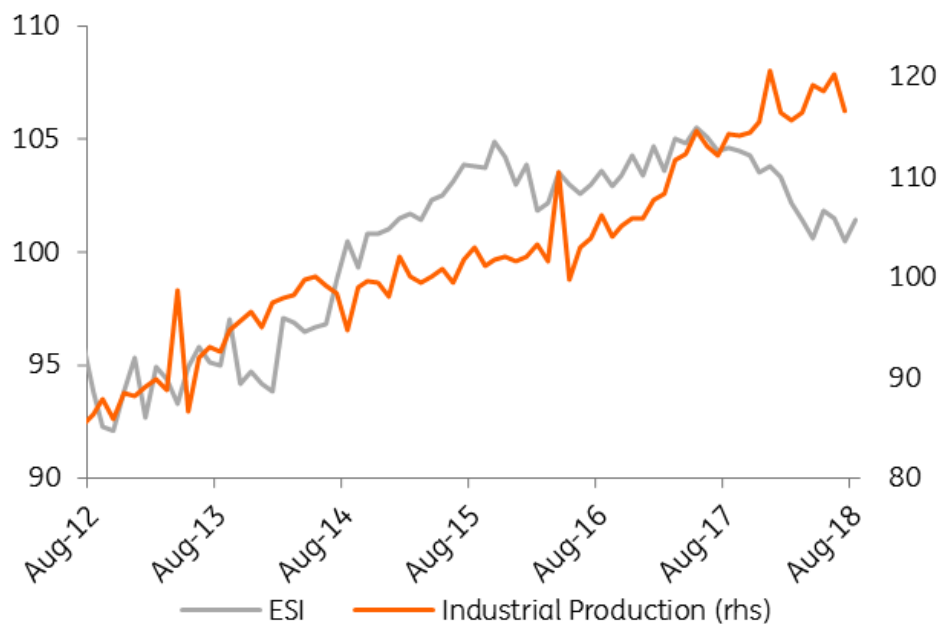
In month-on-month terms, the 3.0% contraction is spread across the board, with mining and manufacturing falling 4.5% and 3.2% respectively and thus confirming an overall soft patch for the Romanian economy. This is the second largest monthly drop for the industry in more than two years. Still, compared to July 2017, the total industrial production posted a 4.0% increase which somewhat saves the day.

Production expectations are still weak



Source: EC, ING

Confidence pointing south



Source: EC, ING

The data is in line with the latest sluggish Economic Sentiment Index which points to a mediocre outlook for the Romanian industry.

As [previously mentioned](#) we have revised our 2018 GDP growth forecast slightly higher, but fail to identify any convincing growth catalysts for the coming quarters.

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