

Romania: Industry confirming its slower start to the year

Industrial production advanced a mere 1.8% in February. The good news was in manufacturing resilience. The bad news is that the good news ends there

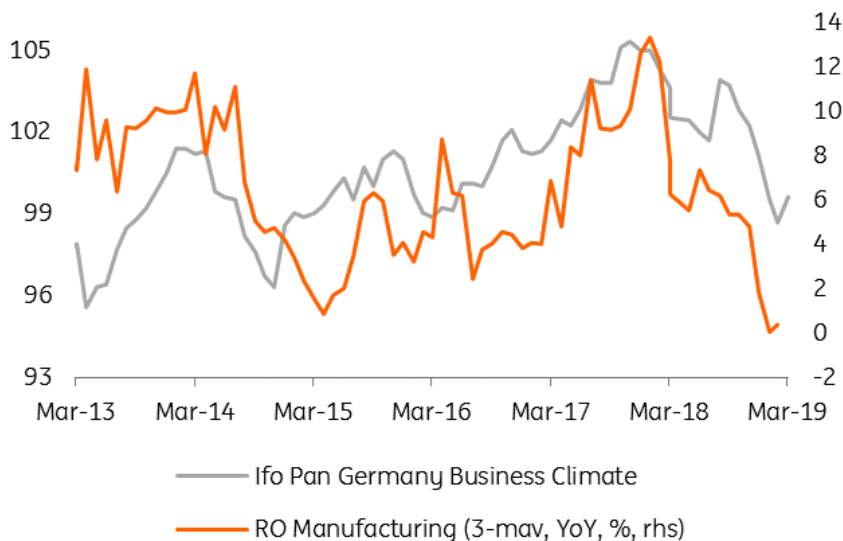


Source: shutterstock

While February 2019 marked a mild reacceleration in Romanian industrial production, the overall trend of quasi-stagnation seems to be firming.

The positive side of today's data was in the manufacturing sector - advancing 3.7% in February after two consecutive months of contraction (the January data was revised lower today). This is still below last year's 5.6% average but nevertheless offsets the 1.3% contraction in mining and 3.4% in energy.

Hopes for a comeback?



Source: NIS, ING

Industrial confidence recovered a bit in the first quarter of 2019 as businesses started to see inventory levels fall. Order-books have begun to recover. The external context [remains challenging](#) but some [signs of a bottoming out](#) are emerging. We retain our view that maintaining last year's activity levels would be an encouraging achievement for Romanian industry.

Confidence remains supportive



Source: EC, ING

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