

9 THE "DOBRESCU" MACROMODEL OF THE ROMANIAN TRANSITION ECONOMY* - YEARLY AND MONTHLY FORECAST -

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Macromodel estimates for the Romanian economy in 2006

**The current scenario was elaborated using the macromodel of the
Romanian economy, version 2000**

The exogenous variables were defined according to the following assumptions :

- the inflationary expectations continue to weaken, so the expected index of the nominal gross domestic product registers a decrease ;
- the foreign capital inflows (foreign direct and portfolio investments and financing from the European Union) are increasing;
- the trade policies aim at stimulating exports and tempering the imports dynamics;
- the coefficients for assessing the general consolidated budget incomes and expenditures were aligned (by means specific to the macromodel) to the parameters of the latest Economic Pre-accession Programme for the interval 2005-2008;
- the foreign environment is relatively stable, and no possible shocks induced by it were considered;
- the monetary policies (increase in the monetary base, increase in the minimum reserve requirements) stay prudent;
- the projections of the population aged 15 years and over and of the labour force are according to the current demographic forecasts.

* Source: *Emilian DOBRESCU: Macromodels of the Romanian Transition Economy, third edition, Expert Publishing House, September 2000.*

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2006 Yearly forecast

Rates to 2005 (%)

Indicators	Forecast for 2006
Gross domestic product, current prices	14.1
Gross domestic product, 1990 constant prices	5.9
Domestic aggregate demand, current prices	13.8
Domestic aggregate demand, 1990 constant prices	-4.4
Investment	7.7
Export of goods and services	5.2
Import of goods and services	12.7
Foreign trade surplus (+) or deficit (-), bill. USD	-10.038
Foreign trade surplus (+) or deficit (-), bill. EUR	-8.24
Unemployment rate (%)	7.1
Current gross domestic product deflator	107.7
Consumer price index (yearly average)	107.8
Consumer price index (December 2006/December 2005)	108.6

Monthly forecast

Indicators	Jan 2006	Feb 2006	March 2006	April 2006	May 2006	June 2006
Export of goods and services, bill.USD (Cumulative from the beginning of the year)	2.928	5.543	8.319	10.886	13.545	16.152
Import of goods and services, bill.USD (Cumulative from the beginning of the year)	2.858	5.782	9.203	12.511	16.013	19.599
Export of goods and services, bill.EUR (Cumulative from the beginning of the year)	2.230	4.239	6.345	8.328	10.423	12.565
Import of goods and services, bill.EUR (Cumulative from the beginning of the year)	2.176	4.423	7.018	9.574	12.333	15.281
Consumer prices index (% of change cumulative from the beginning of the year)	0.8	1.4	1.7	3.5	3.8	4.1
Exchange rate index (ROL/EUR) (monthly % of change)	0.043	-0.037	-0.011	-0.001	-0.003	-0.001
Monetary base (end of period) rate index (% of change, cumulative from the beginning of the year)	-0.042	-0.084	-0.123	-0.160	-0.196	-0.231

