

NATIONAL
BANK OF
ROMANIA

Romania's Balance
of Payments
and International
Investment Position
Annual Report 2020

Romania's Balance
of Payments
and International
Investment Position
Annual Report 2020

NOTES

The drafting of *Romania's Balance of Payments and International Investment Position – Annual Report 2020* was completed by the Statistics Department based on data available in November 2021.

Some of the statistical data are provisional and will be updated as appropriate in the subsequent publications of the National Bank of Romania. The source of data was indicated only when data were provided by other institutions.

Data series were compiled in compliance with the BPM6 methodology and are available on the National Bank of Romania's website, Statistical section, <https://www.bnr.ro/Interactive-database-1107.aspx>

The detailed methodology containing definitions, legislation and sources is available on the National Bank of Romania's website under Statistics, Data sets, External Sector or link: <http://www.bnr.ro/Balanta-de-plati-%e2%80%93-Precizari-metodologice-11753.aspx>

All rights reserved.

Reproduction for educational and non-commercial purposes is permitted provided that the source is acknowledged.

National Bank of Romania
25 Lipscani St., 030031, Bucharest – Romania
Phone: 40 21/312 43 75; Fax: 40 21/314 97 52
Website: <http://www.bnr.ro>

ISSN 1453-3952 (print)
ISSN 1584-0964 (online)

Contents

I. External environment	5
<hr/>	
II. Romania's balance of payments and international investment position in 2020	8
<hr/>	
A. Balance of payments	8
1. Current account	9
1.1. Balance on goods and services	10
1.1.1. Balance on trade in goods	11
1.1.2. Balance on trade in services	20
Box. International trade in services based on the characteristics of the reporting entities	22
1.2. Balance on primary income	26
1.3. Balance on secondary income	27
2. Capital account	29
3. Financial account	29
3.1. Direct investment	30
3.2. Portfolio investment	32
3.3. Other investment	33
B. Romania's international investment position	34
1. Overview	34
2. International investment position	38
2.1. Foreign assets	38
2.2. Foreign liabilities	39
2.2.1. External debt	43
Statistical section	51
Charts	64
Tables	65

I. External environment¹

In 2020, world economy experienced a severe exogenous shock from the COVID-19 pandemic, which translated into a deep recession and brought about unprecedented challenges in recent history. Global production posted a 3.1 percent drop after an advance of 2.8 percent in 2019, recording an uneven trend in the course of the year because of the evolution of the pandemic, health protection measures and policy support to cushion the economic impact of the pandemic. The profile of global economic developments illustrates a substantial decline in services sector output and a setback in trade and investment. World trade in goods and services contracted by 8.2 percent, after having increased by 0.9 percent in 2019, dampened by the pandemic, which disrupted global supply chains, as well as by further trade tensions between the United States of America and China. In the world economy as a whole, unemployment rate reached 6.5 percent, up from 5.4 percent in the previous year, after ten years of slightly, albeit steadily, decreasing².

Average annual inflation rate³ went down to 1.3 percent in 2020, from 2 percent in 2019, against the backdrop of a decline in international energy prices and slowing food price growth. The average spot price of crude oil⁴ tumbled by 34 percent in 2020, after having fallen by 5.2 percent a year earlier, whereas commodity prices⁵ increased by 4.7 percent as compared with 6.4 percent in 2019.

Euro area economy⁶ saw a decline of 6.3 percent in 2020 (compared to an expansion of 1.5 percent in the year before), as a result of negative effects of the pandemic shock and the lockdown measures meant to prevent the virus from spreading. Domestic demand contributed 6 percentage points to GDP contraction, especially through the fall in private consumption, but also via the drop in investment (equivalent to 4.2 percentage points and 1.6 percentage points of the reduction in GDP, respectively). Private consumption receded as a result of containment measures, but compensation in the form of fiscal transfers boosted the savings rate. Productive investment was hit by the weaker demand, putting a damper on firms' income. Government consumption limited the economic slump, with a positive contribution of 0.3 percentage points, while net exports of goods and services had a negative contribution (-0.3 percentage points), yet lower than a year earlier (-0.8 percentage points).

The breakdown by sector shows that services contributed most to the drop in GDP (around 5 percentage points), as they were more exposed to physical distance measures and mobility restrictions (notably in trade, transport, hotels and restaurants, public administration, education, healthcare and culture). The industrial sector made

¹ Source: ECB, *Annual Report, 2020*; ECB, *Economic Bulletin*, Issue No. 7/2021; IMF, *World Economic Outlook*, October 2021.

² Source: Statista.com

³ For the countries that are members of the Organisation for Economic Co-operation and Development (OECD).

⁴ Calculated as an average of UK Brent, Dubai Fateh and West Texas Intermediate prices; in euro.

⁵ In euro; energy not included.

⁶ The countries referred to herein are the 19 EU Member States making up the monetary union at end-2020: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Spain, Slovakia and Slovenia.

a negative contribution of 1.3 percentage points and the agricultural sector had a neutral impact on economic activity across the euro area.

Average annual inflation rate, as measured by the Harmonised Index of Consumer Prices (HICP), declined to 0.3 percent, from 1.2 percent in 2019, the disinflationary process occurring against the background of contraction in economic activity, which weakened domestic demand and clouded the economic outlook.

The euro area labour market worsened somewhat in the context of the pandemic, with the number of employed persons sliding by 1.5 percent. However, the worsening was less sharp than the economic decline amid compensatory measures, including job retention schemes. At the same time, unemployment rate⁷ climbed to 7.8 percent from 7.6 percent in 2019.

In 2020, the general government deficit for the euro area widened markedly to 7.2 percent of GDP, from 0.6 percent of GDP in 2019⁸, amid the rise in government expenditure-to-GDP ratio from 46.9 percent to 53.8 percent. The general government deficit deepened and outran the 3 percent-of-GDP reference value in all the 19 euro area members, ranging from 3.5 percent in Luxembourg to 11 percent in Spain. The public debt ratio for the euro area added 13.7 percentage points from 2019 to 97.3 percent of GDP, overstepping the 60 percent-of-GDP reference value in 13 countries among euro area Member States and exceeding 100 percent in Greece, Italy, Portugal, Spain, Cyprus, France and Belgium.

The aggregate current account of the euro area ended 2020 on a surplus of EUR 223 billion, or 2 percent of GDP, down approximately 20 percent from a year earlier, on the back of the nearly 80 percent curtailment in the surplus on services and the more than 60 percent reduction in the surplus on primary income.

Non-euro area EU Member States⁹ reported an economic downturn of 3.3 percent in 2020, compared to the advance of 3.3 percent seen in 2019, especially due to the compression of private consumption and investment. The trend stemmed from all the economies in this group, with the rates of decline ranging from 2.1 percent in Denmark to 8.1 percent in Croatia.

Average annual inflation rate rose mildly for this group of countries overall to 2.5 percent in 2020, compared with 2.4 percent in 2019, with only two countries out of eight, namely Poland and Czechia, posting higher inflation than in the year before.

The fiscal situation worsened in all eight non-euro area EU Member States, in the five countries that had reported general government surpluses in 2019 included, owing to higher expenditures in the pandemic context. On the whole,

⁷ According to ILO (International Labour Office) methodology.

⁸ Eurostat, Newsrelease Euroindicators 119/2021: "Provision of deficit and debt data for 2020 – second notification", 21 October 2021.

⁹ The countries referred to herein are the eight non-euro area EU Member States at end-2020: Bulgaria, Croatia, Czechia, Denmark, Hungary, Poland, Romania and Sweden.

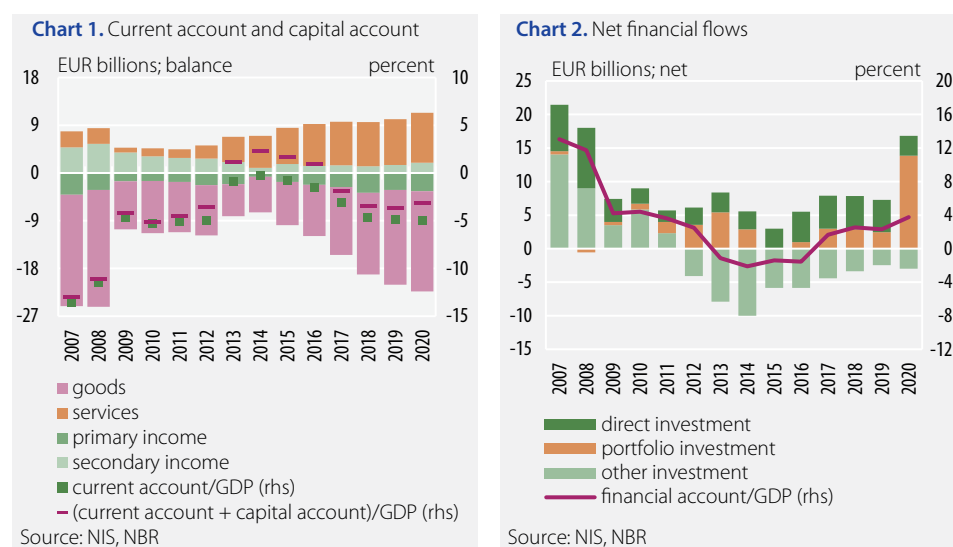
the deficit to GDP ratio stood at 5.1 percent, all countries, except Denmark, posting levels above the 3 percent-of-GDP reference value. Government debt climbed to 48.7 percent of GDP, from 39.9 percent of GDP in 2019, with the uptrend seen in all countries. The government debt of Croatia and that of Hungary continued to exceed the 60 percent-of-GDP reference value set forth in the Maastricht Treaty.

The current account surplus improved in the non-euro area EU Member States on the whole to 3.1 percent of GDP in 2020, against 2.3 percent of GDP in 2019, particularly on the back of current account surpluses of Poland and Czechia. The expansion of the current account surplus was broadly the result of a strengthening surplus on trade in goods, with imports falling at a faster pace than exports. At the same time, the capital account surplus widened in all countries within this group. Direct investment in the eight countries overall displayed net inflows of EUR 14.5 billion, or 0.7 percent of GDP (versus 0.5 percent of GDP in 2019), with the upward trend driven by Poland, Hungary and Bulgaria. Portfolio investment posted net inflows of approximately EUR 7 billion (0.4 percent of GDP, compared with net outflows of 1.1 percent of GDP in 2019). Other investment (largely loans and deposits) recorded net outflows of nearly EUR 58 billion, accounting for 2.9 percent of GDP (against 1.5 percent of GDP in 2019).

II. Romania's balance of payments and international investment position in 2020

A. Balance of payments

Year 2020 saw a deceleration in the widening trend of the current account deficit that had started in 2015, due in particular to the SARS-CoV-2 pandemic. Given the contained increase in the current account deficit and the sizeable growth of the capital account surplus, the combined current and capital balance, although stuck in negative territory, improved after worsening for three years in a row (Chart 1).



The financial account registered higher net inflows for the fourth successive year, making up 3.8 percent of GDP, compared with 2.3 percent of GDP in the prior year.

In 2020, the pace of increase of the current account deficit (0.7 percent) slowed against the preceding year (14.8 percent), whereas the surplus of the capital account advanced at a markedly swifter rate (46.6 percent versus 13.3 percent). The combined current and capital account posted a deficit of EUR 6.8 billion. Nearly 84 percent of the current account deficit (EUR 9.2 billion) and more than 78 percent of the capital account surplus (EUR 3.3 billion) stemmed from transactions with EU Member States. Out of the current account deficit with EU countries, the shortfall with the euro area (EA¹⁰) accounted, the same as a year earlier, for approximately 48 percent (EUR 4.4 billion; Table 1).

¹⁰ European institutions not included.

Table 1. Balance of payments in relation to the EU and the euro area in 2020

	EUR millions				
	Total	of which:			
		EU	Extra-EU	EA	Extra-EA
Current account	-10,979	-9,191	-1,788	-4,380	-6,599
Goods	-18,942	-14,542	-4,400	-8,295	-10,647
Services	9,442	6,987	2,455	6,816	2,626
Primary income	-3,413	-2,601	-812	-4,040	627
Secondary income	1,934	965	969	1,139	795
Capital account	4,178	3,274	904	-35	4,213
Financial account, of which:	-8,223	-8,920	697	-4,265	-3,958
Direct investment	-2,958	-2,216	-742	-2,163	-795
Assets	115	187	-72	236	-121
Liabilities	3,073	2,403	670	2,399	674
Portfolio investment	-13,837	-11,140	-2,697	-9,854	-3,983
Assets	-18	-98	80	33	-51
Liabilities	13,819	11,042	2,777	9,887	3,932
Financial derivatives	-16	14	-30	14	-30
Other investment	2,987	1,893	1,094	5,158	-2,171
Assets	6,035	4,477	1,558	4,575	1,460
Liabilities	3,048	2,584	464	-583	3,631

Note: Extra-EU – countries outside the EU; Extra-EA – countries outside the euro area.

In the course of 2020, the financial account displayed EUR 8.2 billion in net inflows following the net increase in liabilities, mostly portfolio investment, but also direct investment. As for the geographical breakdown, the transactions with the EU impacted the financial account, the same as the current and capital accounts.

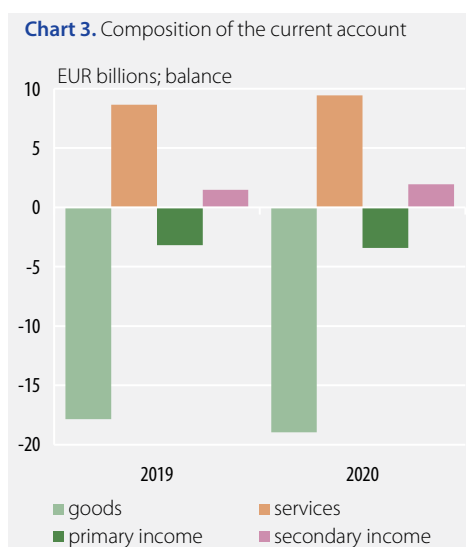
1. CURRENT ACCOUNT

In 2020, Romania's balance of payments recorded a current account deficit of EUR 10,979 million, compared with EUR 10,905 million a year earlier. The share of the current account deficit in GDP¹¹ stood at 5 percent, compared with 4.9 percent in the previous year (Table 2). The 0.1 percentage point increase was chiefly attributed to the widening of the deficit on trade in goods (up 0.7 percentage points of GDP).

Table 2. Components' contributions to developments in the current account deficit

	percent of GDP				
	Current account	Goods	Services	Primary income	Secondary income
2020	-5.0	-8.7	4.3	-1.6	1.0
2019	-4.9	-8.0	3.9	-1.4	0.6
Difference (pp)	-0.1	-0.7	0.4	-0.2	0.4

¹¹ Source for GDP: NIS (final data for 2019 and provisional data for 2020).



The developments in the current account and its components (Chart 3) show a wider deficit on trade in goods (up 6.1 percent) in 2020 versus the previous year, as the economic downswing led to exports dropping faster than imports, which proved resilient due to high demand for products needed to contain the pandemic. In 2020, the surplus on trade in services advanced by 9.1 percent year on year, against the backdrop of a narrowing deficit of tourism services given the decline in international travel, along with a higher surplus on computer and information services.

Primary income saw its deficit widening by 7 percent, due mainly to weaker cash inflows for compensation of employees amid the contraction in economic activity worldwide. Secondary income grew by more than 30 percent, spurred by inflows from EU funds in the form of current transfers.

1.1. Balance on goods and services

In 2020, the balance on goods and services (Table 3) ran a deficit of EUR 9.5 billion, up 3.3 percent from the year-earlier reading, owing to the approximately 6 percent widening of the deficit on trade in goods.

The derived indicators set out in Table 3 paint a more accurate picture of the influence of international trade in goods and services on Romania's economy.

The consolidated balance of goods and services posted a wider deficit, even though the cumulated volume of exports and imports went down (as reflected by a lower normalised trade balance). Although the balance of services saw favourable developments, the deterioration in the balance of goods had a more pronounced impact, so that the coverage of imports by exports and especially the degree of openness of the economy declined. Exports of goods and services shrank as a percentage of GDP, amid weaker external demand. On the upside, the reliance of domestic consumption on imports of goods and services contracted somewhat (the import penetration index went down), which was reflected in the steeper decrease in imports than in the GDP (the marginal propensity to imports fell). For both exports and imports, the rise in the Herfindahl-Hirschman index is indicative of their concentration on relatively less trading partners.

Table 3. Balance of goods and services (trade balance)

	2019	2020
EUR millions		
Exports of goods and services	90,124	81,340
Imports of goods and services	99,324	90,839
Balance on trade	-9,200	-9,499
percent/indices		
Normalised trade balance*	-0.0486	-0.0552
Coverage of imports by exports** (%)	90.7	89.5
Openness of the economy*** (%)	84.9	78.9
Export propensity index**** (%)	40.4	37.3
Import penetration index***** (%)	42.7	39.9
Marginal propensity to import index*****	0.4	1.7
Herfindahl-Hirschman index on geographical concentration of exports*****	0.0737	0.0757
Herfindahl-Hirschman index on geographical concentration of imports*****	0.0683	0.0715
*) ratio of trade balance to the total value of international trade (exports and imports of goods and services)		
**) ratio of value of exports to that of imports		
***) ratio of value of international trade to that of GDP		
****) ratio of value of exports to that of GDP. It reflects the confidence that domestic producers enjoy on foreign markets.		
*****) ratio of value of imports to that of domestic consumption. It reflects the extent to which domestic demand is covered by imports.		
*****) ratio of value of imports to that of GDP. It reflects the extent to which imports are fuelled by income growth.		
*****) the sum of squares of the shares of trading partners in total; it may range between 0 and 1. The closer the value to 0, the lower the dependence on trade with a small number of trading partners.		
Source: NIS, NBR calculations		

1.1.1. Balance on trade in goods¹²

The deficit on trade in goods came in at EUR 18,942 million in 2020, up 6.1 percent year on year, as exports and imports shrank by 8.7 percent and 5.4 percent respectively. The trade in goods deficit-to-GDP ratio added 0.7 percentage points to 8.7 percent (Table 4).

Table 4. Balance on trade in goods

	2019	2020	Difference (+/-)
EUR millions			
Exports (FOB), of which:	63,066	57,569	-5,497
General merchandise	63,016	57,467	-5,549
Merchanting – net exports	50	102	52
Imports (FOB)	80,918	76,511	-4,407
Balance on trade in goods (FOB/FOB)	-17,852	-18,942	-1,090
GDP	223,167	218,219	x
Current account balance	-10,905	-10,979	-74

¹² According to the BPM6 methodology, the balance on trade in goods does not include goods for processing for which there is no ownership transfer and thereby differs from the international trade in goods compiled and published by the National Institute of Statistics, in line with the specific Eurostat methodology.

continued

	2019	2020	Difference (+/-)
	percent		percentage points
Share of exports in GDP	28.3	26.4	-1.9
Share of imports in GDP	36.3	35.1	-1.2
Share of balance on trade in goods in GDP	-8.0	-8.7	-0.7
Coverage of imports by exports (FOB/FOB)	77.9	75.2	-2.7
Economy openness (exports+imports)/GDP	64.5	61.4	-3.1

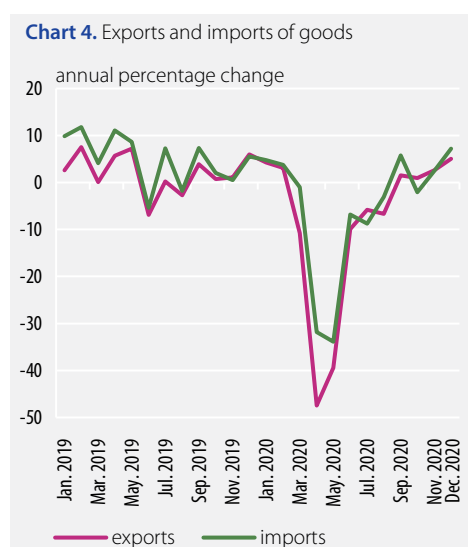
Source: NIS, NBR calculations

Over the period under review, the highest monthly trade in goods deficit amounted to EUR 2,065 million in December and the lowest was of EUR 1,284 million in May.

The breakdown of trade balance by the eight groups of goods in the Combined Nomenclature shows deficits for chemical and plastic products (EUR 8,096 million); mineral products (EUR 2,706 million); base metals (EUR 2,389 million); textiles, wearing apparel and footwear (EUR 2,255 million); agrifoodstuffs (EUR 1,824 million); machinery, apparatus, equipment and transport means (EUR 112 million) and other goods (EUR 1,983 million). A surplus was recorded for wood and paper products (EUR 321 million)¹³.

The geographical breakdown shows that intra-EU trade generated 76.8 percent of the deficit on trade in goods, with extra-EU trade accounting for 23.2 percent.

The coverage of imports by exports stood 2.7 percentage points lower at 75.2 percent, whereas openness of the Romanian economy shed 3.1 percentage points to 61.4 percent.



Exports of goods amounted to EUR 57,569 million, down 8.7 percent from 2019, being adversely affected by developments in foreign demand from both EU and non-EU countries amid the pandemic. In terms of value, exports slipped by EUR 5,497 million from 2019, with their share in GDP narrowing by 1.9 percentage points to 26.4 percent.

April witnessed the lowest monthly exports in 2020, i.e. EUR 2,667 million, while the highest came in at EUR 5,865 million in October. The monthly average of exports equalled EUR 4,797 million, down EUR 459 million against the prior year. Imports of goods (FOB) reached EUR 76,511 million, down 5.4 percent, or EUR 4,407 million, from 2019. The share of imports of goods in GDP narrowed by 1.2 percentage points to 35.1 percent. The lowest monthly import level

¹³ The difference between the sum of the components (EUR 19,044 million) and the balance on goods in Table 4 (EUR 18,942 million) is reflected in the surplus on merchanting (EUR 102 million).

of 2020 ran at EUR 4,401 million in April and the highest was of EUR 7,629 million in October. The monthly average of imports amounted to EUR 6,376 million, EUR 367 million below the year-earlier reading.

The change in monthly exports against the corresponding month of the previous year (Chart 4) reflects the fall into negative territory starting March, in line with developments in output of the manufacturing sector, the main supplier of exports, which declined by nearly 20 percent from January to August. Over the same period, exports experienced the steepest falls compared to imports, with the strongest decrease recorded in April. Exports resumed the upward path starting September.

Structure and geographical breakdown of exports of goods

a) Structure of exports of goods

In 2020, exports of goods came primarily from manufacturing, which accounted for 91.5 percent of total exports (Table 5). The most export-oriented activities were manufacturing of motor vehicles and trailers (22.2 percent of total exports in 2020); electrical equipment (12.9 percent); machinery and equipment (9.7 percent); computers, electronic and optical products (7.1 percent). Taken together, the four activities provided 51.9 percent of Romania's exports in 2020, compared to 50.8 percent in the previous year, the increase coming from the electrical equipment industry.

Table 5. Exports of goods by economic activity*

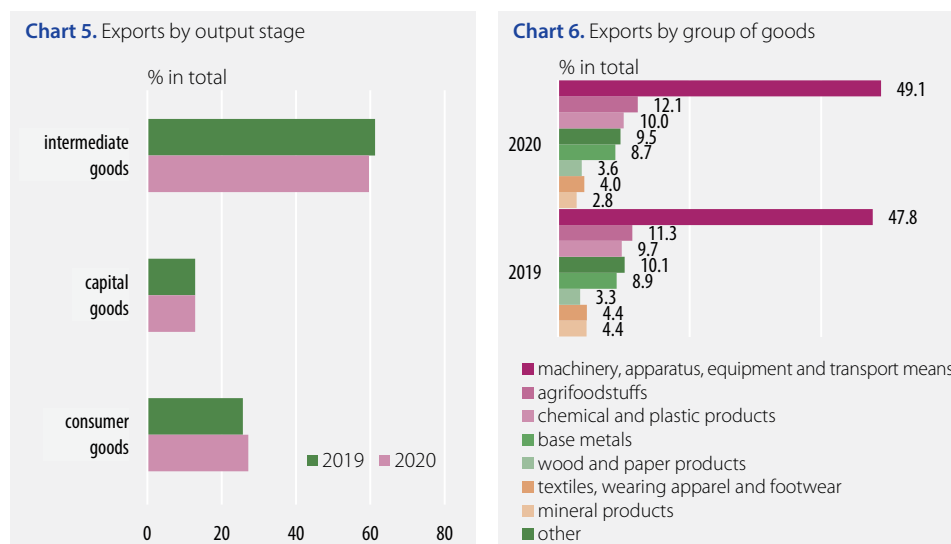
	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
Total	63,066	57,569	91.3	100.0	100.0
General merchandise	63,016	57,467	91.2	99.9	99.8
Agriculture, forestry and fishing	4,305	3,736	86.8	6.8	6.5
Mining and quarrying	130	118	90.8	0.2	0.2
Manufacturing, of which:	57,500	52,663	91.6	91.2	91.5
Motor vehicles, trailers	14,094	12,769	90.6	22.3	22.2
Electrical equipment	7,300	7,406	101.5	11.6	12.9
Machinery and equipment	6,179	5,606	90.7	9.8	9.7
Computers, electronic and optical products	4,507	4,095	90.9	7.1	7.1
Rubber and plastic products	3,378	3,111	92.1	5.4	5.4
Base metals	3,341	2,889	86.5	5.3	5.0
Furniture	2,329	1,953	83.9	3.7	3.4
Chemicals and chemical products	2,063	1,925	93.3	3.3	3.3
Fabricated metal products	1,902	1,718	90.3	3.0	3.0
Electricity, gas, steam and air conditioning	152	198	130.3	0.2	0.3
Other products n.e.s.	929	752	80.9	1.5	1.3
Merchanting** – net exports	50	102	204.0	0.1	0.2

*) based on Classification of Products by Activity (CPA 2015 – NIS)

**) goods purchased by residents from non-residents and subsequently sold to other non-residents, without being moved on the country's territory (Source: NBR)

Source: NIS, NBR calculations

In terms of the use of exported goods (Chart 5), most of the exports of 2020, i.e. 59.6 percent of the total figure, consisted of intermediate goods (particularly components, parts and accessories, raw materials and low-processed goods mainly for industry).



About 27 percent of exports were intended for final consumption (motor cars, pharmaceutical products, cosmetics, hygiene items, wearing apparel, footwear), while approximately 13 percent were capital goods (motor cars and other motor vehicles for the transport of passengers, telephone sets, air or vacuum pumps, pumps for liquids, electric lighting or signalling equipment, electric motors and generators, pneumatic and hydraulic tools, machinery and mechanical appliances, electrical transformers, counters, instruments and apparatus for physical or chemical analysis).

The breakdown of exports according to the Combined Nomenclature shows that four groups of goods reported larger contributions to exports than in 2019 (Chart 6): machinery, apparatus, equipment and transport means (by 1.3 percentage points); agrifoodstuffs (by 0.8 percentage points); chemical and plastic products (by 0.3 percentage points); and wood and paper products (by 0.3 percentage points). The remaining four groups had lower contributions to exports than in the previous year, as follows: mineral products (-1.6 percentage points); textiles, wearing apparel and footwear (-0.4 percentage points); base metals (-0.2 percentage points); and other goods (-0.6 percentage points).

Taking a closer look at the groups of goods in the Combined Nomenclature, developments in some groups ran counter to the main trend in exports. Specifically, increases were recorded for: tobacco products, electrical boards, tools for working in the hand, pneumatic, hydraulic or with self-contained electric or non-electric motor, space-heating apparatus, washing machines, fertilisers, textiles, electricity, rape seeds, scrap iron. Compared to 2019, exports of such goods increased by almost EUR 1.1 billion, with 88 percent coming from higher volumes and only 12 percent from higher prices (Table 6).

Table 6. Main groups of goods reporting higher exports

	EUR millions			
	Value of exports in 2020	Increase/decrease versus 2019	Volume influences	Price influences
Tobacco products, other than cigarettes and cigars	669	389	117	272
Boards, panels, consoles, desks for electric control or the distribution of electricity	2,265	141	259	-118
Tools for working in the hand, pneumatic, hydraulic or with self-contained electric or non-electric motor	468	123	111	12
Water heaters, space-heating apparatus, hair and hand dryers	781	120	115	6
Washing machines	76	52	69	-17
Mineral or chemical fertilisers, nitrogenous	108	48	90	-42
Other ready-made textile articles	145	48	-9	57
Electricity	194	45	50	-5
Rape seeds	229	45	49	-4
Waste and scrap of cast iron, iron or steel (scrap iron)	336	45	76	-30

Note: Including structural changes; grouping based on values and quantities of exports, according to the Combined Nomenclature classification (6-digit level); NIS data.

Source: NIS, NBR calculations

b) Geographical breakdown of exports of goods

Intra-EU exports amounted to EUR 42,161 million in 2020, down 7.4 percent year on year (Table 7). The share of intra-EU exports in total exports widened by one percentage point from 2019 to 73.2 percent, on the back of foreign sales to Germany, Hungary and Poland.

Table 7. Exports of goods by group of countries

	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
Total	63,066	57,569	91.3	100.0	100.0
1. Intra-EU exports, of which:	45,507	42,161	92.6	72.2	73.2
1.1. Euro area, of which:	34,375	31,768	92.4	54.5	55.2
Germany	14,117	13,159	93.2	22.4	22.9
Italy	5,696	5,085	89.3	9.0	8.8
France	4,486	3,938	87.8	7.1	6.8
1.2. Extra-euro area, of which:	11,132	10,393	93.4	17.7	18.1
Hungary	3,180	2,989	94.0	5.0	5.2
Poland	2,363	2,259	95.6	3.7	3.9
Bulgaria	2,396	2,245	93.7	3.8	3.9
Czechia	2,080	1,843	88.6	3.3	3.2
Netherlands	1,945	1,973	101.4	3.1	3.4
2. Extra-EU exports, of which:	17,559	15,408	87.7	27.8	26.8
Turkey	2,230	2,096	94.0	3.5	3.6

continued

	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
United Kingdom	2,298	1,920	83.6	3.6	3.3
USA	1,262	1,051	83.3	2.0	1.8
Republic of Moldova	1,038	864	83.2	1.6	1.5
China	758	829	109.4	1.2	1.4
Russian Federation	1,012	819	80.9	1.6	1.4
Republic of Serbia	862	717	83.2	1.4	1.2
Ukraine	408	412	101.0	0.6	0.7
Egypt	696	394	56.6	1.1	0.7

Source: NIS, NBR calculations

Extra-EU exports ran at EUR 15,408 million, down 12.3 percent from the year before, holding 26.8 percent of total exports of goods, one percentage point lower than in 2019.

In 2020, the top ten export destinations, making up 65.1 percent of the total figure, were as follows: Germany (22.9 percent of total exports), Italy (8.8 percent), France (6.8 percent), Hungary (5.2 percent), Bulgaria (3.9 percent), Poland (3.9 percent), Turkey (3.6 percent), the Netherlands (3.4 percent), the United Kingdom (3.3 percent) and Czechia (3.2 percent).

Structure and geographical breakdown of imports of goods

a) Structure of imports of goods

In 2020, most imports of goods were accounted for by manufactured goods (91.9 percent of total imports, 1.5 percentage points above the year-earlier figure; Table 8). They consisted mainly of motor vehicles and trailers (9.9 percent of total imports); computers and electronic products (9.8 percent); machinery and equipment (9.6 percent); chemicals and chemical products (9 percent), electrical equipment (8.7 percent); food products (6.8 percent).

Table 8. Imports of goods by activity of the economy of origin*

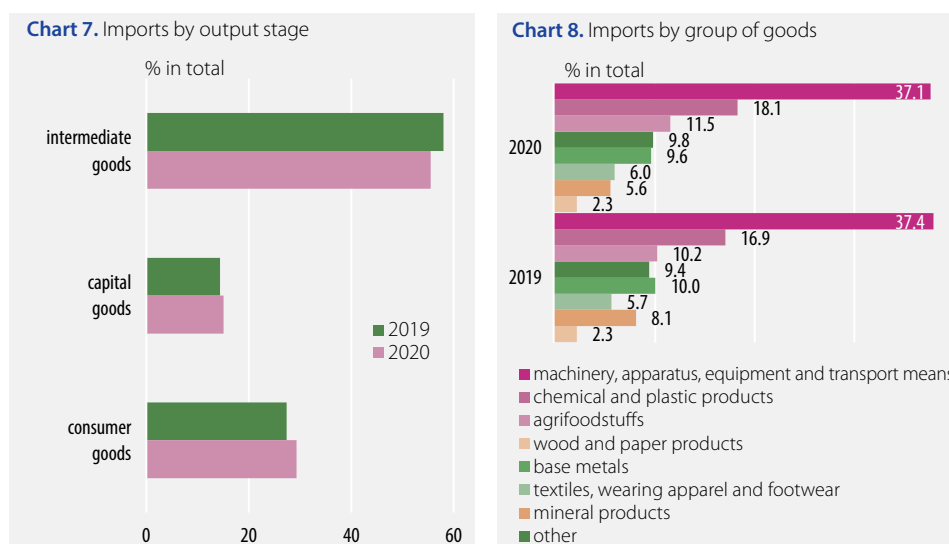
	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
Total	80,918	76,511	94.6	100.0	100.0
Agriculture, forestry and fishing	2,354	2,752	116.9	2.9	3.6
Mining and quarrying	4,759	2,703	56.8	5.9	3.5
Manufacturing, of which:	73,142	70,353	96.2	90.4	91.9
Motor vehicles, trailers	9,054	7,537	83.2	11.2	9.9
Computers, electronic and optical products	7,456	7,476	100.3	9.2	9.8
Machinery and equipment	7,649	7,367	96.3	9.5	9.6
Chemicals and chemical products	6,839	6,872	100.5	8.5	9.0
Electrical equipment	6,839	6,649	97.2	8.5	8.7
Food products	5,066	5,227	103.2	6.3	6.8
Base metals	4,579	4,166	91.0	5.7	5.4
Basic pharmaceutical products and pharmaceutical preparations	3,427	3,779	110.3	4.2	4.9

continued

	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
Rubber and plastic products	3,705	3,549	95.8	4.6	4.6
Fabricated metal products	3,633	3,383	93.1	4.5	4.4
Other industrial products n.e.s.	2,615	2,744	104.9	3.2	3.6
Textile products	2,007	2,064	102.8	2.5	2.7
Electricity, gas, steam and air conditioning	286	358	125.2	0.4	0.5
Other products n.e.s.	377	345	92.0	0.5	0.5

*) based on Classification of Products by Activity (CPA 2015 – NIS)
Source: NIS, NBR calculations

The breakdown of imports by production stage (Chart 7) shows the prevalent share (55.5 percent of total imports) of intermediate goods, especially low-processed goods mainly for industry, components, parts and accessories, fuels and lubricants.



Consumer goods accounted for 29.3 percent of total imports (cigarettes, cosmetics, hygiene items, pharmaceuticals, food and beverages, wearing apparel, footwear) and capital goods took 15.1 percent (motor cars and other motor vehicles for the transport of passengers, telephone installations, automatic data-processing machines, centrifuges, pumps for liquids, air or vacuum pumps, motor vehicles for the transport of goods, tractors, electrical transformers).

According to the Combined Nomenclature, imports of goods were accounted for in a proportion of over 76 percent by four groups of goods: machinery, apparatus, equipment and transport means; chemical and plastic products; agrifoodstuffs; and base metals (Chart 8).

Four groups of goods held larger shares in total imports than in 2019, with increases ranging between 0.3 percentage points and 1.3 percentage points: chemical and plastic products, agrifoodstuffs, textiles, wearing apparel and footwear, and other goods.

Table 9. Main groups of goods reporting higher imports

	EUR millions			
	Value of imports in 2020	Increase/Decrease versus 2019	Volume influences	Price influences
Other ready-made textile articles	395	330	52	278
Automatic data-processing machines	881	187	359	-172
Human blood, other blood fractions and immunological products, vaccines	729	148	-127	276
Medicines	2,758	147	-111	258
Maize	304	143	145	-3
Reaction initiators and reaction accelerators	289	120	23	97
Centrifuges, filtering or purifying machinery and apparatus, for liquids or gases	548	103	9	94
Ready-made wearing apparel	113	84	15	69
Barley	108	84	91	-7
Heterocyclic compounds with nitrogen hetero-atoms only	178	84	23	60

Note: Including structural changes; grouping based on values and quantities of imports, according to the Combined Nomenclature classification (6-digit level); NIS data.
Source: NIS, NBR calculations

The analysis of the influences exerted by the volume and prices of imported goods on the developments in the value of imports by category of goods with higher granularity reveals, for those groups reporting higher imports, a significant influence of prices. Specifically, approximately two thirds of the advance in imports of goods set out in Table 9 stemmed from increases in prices, especially for medicines, vaccines, human blood, reaction initiators, reaction accelerators and other catalytic preparations, centrifuges, wearing apparel.

b) Geographical breakdown of imports of goods

Intra-EU imports amounted to EUR 56,703 million in 2020, down 3.8 percent year on year (Table 10). The share of intra-EU imports in total imports of goods rose by 1.3 percentage points versus 2019 to stand at 74.1 percent, with Germany, Hungary and Poland accounting particularly for this increase.

Table 10. Imports of goods (FOB) by group of countries

	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
Total	80,918	76,511	94.6	100.0	100.0
1. Intra-EU imports, of which:	58,929	56,703	96.2	72.8	74.1
1.1. Euro area, of which:	41,947	40,063	95.5	51.8	52.4
Germany	16,110	15,859	98.4	19.9	20.7
Italy	6,478	6,083	93.9	8.0	8.0
France	3,919	3,524	89.9	4.8	4.6
Netherlands	3,365	3,130	93.0	4.2	4.1
Austria	2,546	2,436	95.7	3.1	3.2

continued

	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
1.2. Extra-euro area, of which:	25,837	24,204	93.7	31.9	31.6
Hungary	6,006	5,827	97.0	7.4	7.6
Poland	4,968	4,812	96.9	6.1	6.3
Czechia	2,510	2,416	96.3	3.1	3.2
Bulgaria	2,502	2,497	99.8	3.1	3.3
2. Extra-EU imports, of which:	21,989	19,808	90.1	27.2	25.9
China	4,304	4,835	112.3	5.3	6.3
Turkey	3,590	3,286	91.5	4.4	4.3
Russian Federation	2,843	1,684	59.2	3.5	2.2
United Kingdom	2,116	1,559	73.7	2.6	2.0
Kazakhstan	1,538	1,036	67.4	1.9	1.4
USA	746	831	111.4	0.9	1.1
Republic of Serbia	684	645	94.3	0.8	0.8
Ukraine	638	664	104.1	0.8	0.9
South Korea	438	464	105.9	0.5	0.6

Source: NIS, NBR calculations

Extra-EU imports amounted to EUR 19,808 million, down 9.9 percent versus 2019, accounting for 25.9 percent of total imports of goods, i.e. 1.3 percentage points below the reading in 2019.

In 2020, Romania's imports came mainly from the following ten countries, carrying 68.4 percent of total imports: Germany (20.7 percent), Italy (8 percent), Hungary (7.6 percent), China (6.3 percent), Poland (6.3 percent), France (4.6 percent), Turkey (4.3 percent), the Netherlands (4.1 percent), Bulgaria (3.3 percent) and Austria (3.2 percent).

Energy trade balance

In 2020, the energy trade balance ended on a deficit of EUR 2,406 million, down 31.3 percent from the previous year (Table 11). As a share of the deficit on trade in goods, net energy imports diminished from 19.6 percent in 2019 to 12.7 percent in 2020. Crude oil made further the largest contribution to the energy trade deficit (more than three quarters), while also being the main contributor to its narrowing.

Table 11. Energy exports and imports (FOB)

	EUR millions					
	Exports		Imports		Net imports (-)/ Net exports (+)	
	2019	2020	2019	2020	2019	2020
Total	2,611	1,508	6,111	3,914	-3,500	-2,406
Natural gas	3	16	557	289	-554	-273
Electricity	149	194	269	334	-120	-140
Mineral fuels	241	129	674	512	-433	-383
Crude oil	12	10	3,379	1,840	-3,367	-1,830
Petroleum products	2,206	1,159	1,232	939	974	220

Source: NIS, NBR calculations

Energy exports totalled EUR 1,508 million¹⁴, down 42.2 percent or EUR 1,103 million from 2019, due to both volume and price influences (Table 12). Energy imports came in at EUR 3,914 million, 36 percent below the reading in 2019, with three quarters of the EUR 2,197 million drop in value¹⁵ being accounted for by the fall in import prices.

Table 12. Volume and price* influences on energy exports and imports

	Exports				Imports			
	Share in energy exports in 2020 (%)	Increase/Decrease versus 2019 (EUR mill.)	Volume influences (EUR mill.)	Price influences (EUR mill.)	Share in energy imports in 2020 (%)	Increase/Decrease versus 2019 (EUR mill.)	Volume influences (EUR mill.)	Price influences (EUR mill.)
Total	100.0	-1,103	-697	-406	100.0	-2,197	-582	-1,615
Natural gas	1.1	13	26	-13	7.4	65	131	-66
Electricity	12.9	45	50	-5	8.5	-267	-116	-151
Mineral fuels	8.6	-112	-69	-43	13.1	-162	-69	-93
Crude oil	0.7	-2	0	-2	47.0	-294	128	-422
Petroleum products	76.9	-1,047	-704	-343	24.0	-1,539	-656	-883

*) including structural changes
Source: NIS, NBR calculations

The coverage of imports of energy resources by exports thereof declined by 4.2 percentage points to 38.5 percent.

1.1.2. Balance on trade in services

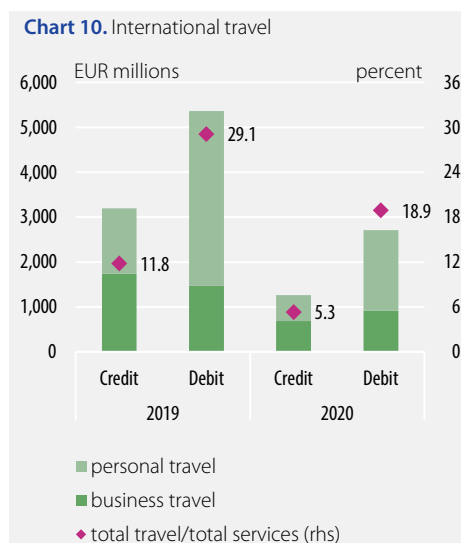
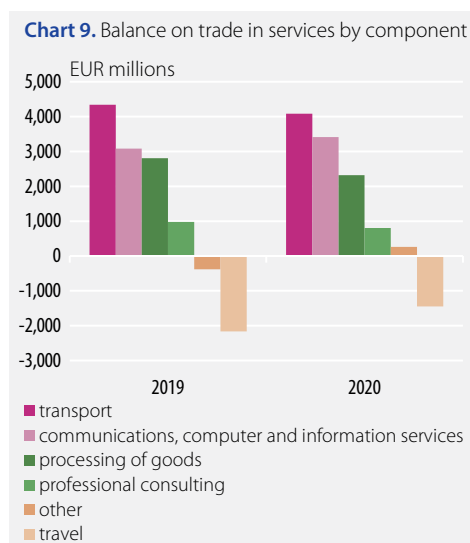
In 2020, the balance on trade in services posted a EUR 9,442 million surplus (4.3 percent of GDP) compared to EUR 8,652 million (3.9 percent of GDP) in 2019, on account of the increase in receipts from computer services and the drop in payments for travel, research and development services¹⁶ and for technical, trade-related and other business services (Chart 9).

The services balance was favourably impacted especially by travel services, whose deficit contracted by a third versus 2019 amid the halving of personal travel payments (Chart 10). Conversely, business travel saw a worsening, ending 2020 on a deficit, after having posted a surplus in 2019. The composition of travel receipts by component indicates comparable shares for business and personal travel, while the composition of payments shows that personal travel accounts for the largest share (66 percent in 2020 and 73 percent in 2019). The contribution of travel receipts to total services receipts and that of travel payments to total services payments contracted in 2020, reaching 5 percent for receipts and 19 percent for payments (from 12 percent and 29 percent respectively in 2019).

¹⁴ Taking 2.6 percent of total exports of goods compared to 4.1 percent in 2019.

¹⁵ As a share of total imports of goods, energy imports decreased from 7.6 percent in 2019 to 5.1 percent in 2020.

¹⁶ The decrease in payments for research and development services is ascribable to the base effect, namely to the fact that, in the 2019 comparison period, imported know-how in the area of agricultural technology was paid for, having as counterpart a capital contribution that increased direct investment in Romania.



Exports of services totalled EUR 23,771 million (down 12.1 percent from 2019), of which more than half came, as in the previous year, from transport services (primarily road freight transport) and communications, computer, and information services. Approximately 73 percent of receipts from services came from EU Member States, especially Germany, Italy, France and the Netherlands (Table 13).

Table 13. Exports of services by group of countries

	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
Total	27,058	23,771	87.9	100.0	100.0
1. Intra-EU exports, of which:	19,539	17,312	88.6	72.2	72.8
1.1. Euro area, of which:	17,164	15,168	88.4	63.4	63.8
Germany	4,760	4,497	94.5	17.6	18.9
Italy	2,664	2,039	76.5	9.8	8.6
France	2,274	2,020	88.8	8.4	8.5
Netherlands	1,818	1,780	97.9	6.7	7.5
Austria	1,558	1,280	82.2	5.8	5.4
Belgium	1,222	1,006	82.3	4.5	4.2
1.2. Extra-euro area, of which:	2,375	2,144	90.3	8.8	9.0
Hungary	620	558	90.0	2.3	2.3
Bulgaria	417	331	79.4	1.5	1.4
Denmark	348	325	93.4	1.3	1.4
Poland	354	319	90.1	1.3	1.3
2. Extra-EU exports, of which:	7,519	6,459	85.9	27.8	27.2
United Kingdom	2,676	2,158	80.6	9.9	9.1
USA	1,599	1,367	85.5	5.9	5.8
Switzerland	1,034	1,045	101.1	3.8	4.4
Israel	218	120	55.0	0.8	0.5
Canada	189	132	69.8	0.7	0.6
Singapore	221	216	97.7	0.8	0.9
Turkey	182	173	95.1	0.7	0.7
Republic of Moldova	87	64	73.6	0.3	0.3

Imports of services stood at EUR 14,329 million (down 22.2 percent from 2019), with transport services, travel services, computer services, professional and management consulting services, technical and trade-related services cumulatively holding 85 percent. The geographical breakdown shows that services-related payments recorded similar shares to those of receipts from services, with 72 percent being accounted for by intra-EU trade, especially with Germany, France, the Netherlands, Austria and Italy (Table 14).

Table 14. Imports of services by group of countries

	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
Total	18,406	14,329	77.8	100.0	100.0
1. Intra-EU imports, of which:	13,181	10,326	78.3	71.6	72.1
1.1. Euro area, of which:	10,545	8,353	79.2	57.3	58.3
Germany	3,033	2,615	86.2	16.5	18.2
Italy	1,290	664	51.5	7.0	4.6
France	1,273	926	72.7	6.9	6.5
Austria	900	752	83.6	4.9	5.2
Netherlands	1,009	801	79.4	5.5	5.6
Spain	586	343	58.5	3.2	2.4
Belgium	508	389	76.6	2.8	2.7
1.2. Extra-euro area, of which:	2,636	1,973	74.8	14.3	13.8
Hungary	1,093	527	48.2	5.9	3.7
Bulgaria	414	520	125.6	2.2	3.6
Poland	387	365	94.3	2.1	2.5
Denmark	138	115	83.3	0.7	0.8
2. Extra-EU imports, of which:	5,225	4,003	76.6	28.4	27.9
United Kingdom	2,214	1,506	68.0	12.0	10.5
USA	646	507	78.5	3.5	3.5
Switzerland	446	451	101.1	2.4	3.1
Canada	208	92	44.2	1.1	0.6
Turkey	292	253	86.6	1.6	1.8
Republic of Moldova	155	118	76.1	0.8	0.8

Box. International trade in services based on the characteristics of the reporting entities¹⁷

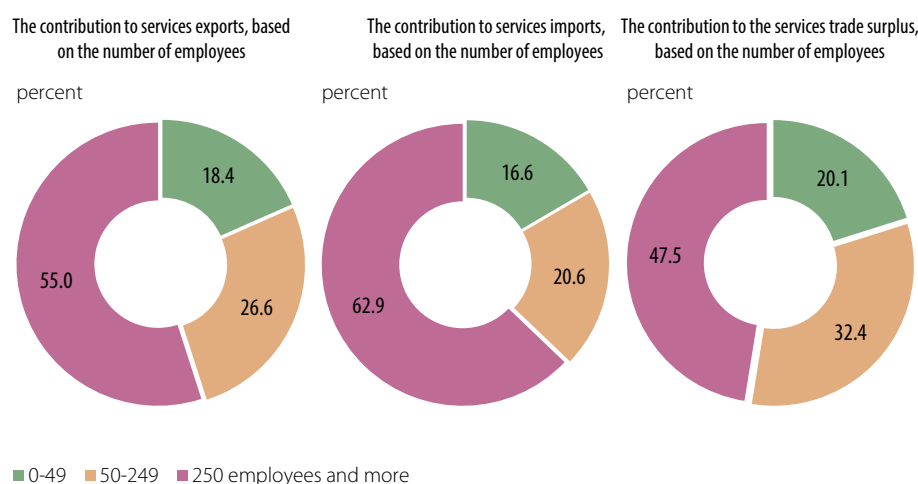
The developments in world economy, the step-up in foreign market transactions, the internationalisation and enhanced complexity of value chains in the context of globalisation prompted users, including decision makers, to ask for new statistical data over the last years.

One of the data sets that is currently being developed refers to the *International trade in services based on the characteristics of the reporting entities*. It provides information on the business sectors dominated by large companies, the role of

¹⁷ Experimental statistics whose methodology is being developed with a view to implementing the provisions of Regulation (EU) 2019/2152 of the European Parliament and of the Council of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics. Similar statistical data on international trade in goods are calculated and released by the National Institute of Statistics.

small- and medium-sized enterprises, the intensity and concentration of services exports and imports.

Chart A. The international trade in services by size of reporting entities in 2020



The international trade in services by size class of reporting entities, based on the number of employees¹⁸

In 2020, small- and medium-sized enterprises (with less than 250 employees) accounted for 45 percent of the value of services exports, compared to 47 percent in 2019, which points out their foreign market competitiveness in providing ICT services, road freight transport services and other business services.

Table A. Services exports intensity by economic activity*

	percent	
	2019	2020
Total	10.8	10.0
Agriculture, forestry and fishing	7.6	2.8
Mining and quarrying	3.1	2.7
Manufacturing, of which:	6.0	5.6
Textiles, wearing apparel and footwear	38.7	29.4
Tobacco products	14.7	20.1
Pharmaceutical products	16.1	17.4
Computer, electronic and optical products	17.0	14.7
Repair, maintenance and installation of machinery and equipment	27.0	25.4
Electricity, gas, steam and air conditioning supply	0.1	0.1
Water supply, sewerage, waste management	11.6	10.0
Construction	1.3	1.2
Trade	53.7	43.4
Transportation and storage	46.7	41.7
Information and telecommunications	1.9	1.0

¹⁸ Calculations based on the data reported during the *International Trade in Services* statistical survey conducted by the NBR, as well as based on the data submitted by resident banks to the NBR, according to legal regulations, except for travel services and insurance services.

continued

	percent	
	2019	2020
Real estate transactions	47.6	42.3
Professional, scientific and technical services	44.4	43.3
Administrative and support services	14.7	6.9
Education	3.9	1.8
Health and social care	5.9	6.9
Entertainment, cultural and recreation activities	23.6	8.0
Other service activities	23.6	8.0

*) The ratio of services exports (except for travel services and insurance services) to turnover, calculated based on the data reported by the economic agents during the *International Trade in Services* statistical survey conducted by the NBR, except for section I – Hotels and restaurants, section K – Financial intermediation and insurance, and section O – Public administration and defence; compulsory social security. The calculation method is provided for in the [Compilers Guide for statistics on Services Trade by Enterprise Characteristics](#).

The concentration of services imports is higher in the case of large companies, with greater resources to purchase international market services. In the period under review, these took 62.9 percent of total services imports.

The role of small- and medium-sized enterprises on the international services market reflects also in their contribution to the services surplus (52.5 percent in 2020), with small enterprises (with less than 50 employees) carrying 20.1 percent of the positive services balance.

In 2020, the share of exports in the total turnover of enterprises exporting services (the intensity of services exports) saw a mild decline to 10 percent from 10.8 percent in 2019, displaying however an elevated heterogeneity across business sectors, depending on the particulars of their activity.

According to the data, transport and storage activities, professional, scientific, technical, and administrative service activities were more export-oriented, posting the highest intensity levels (in a range from 42.3 percent to 43.4 percent). In manufacturing, which posted a below-average intensity, the largest shares of exports, ranging from 14.7 percent to 29.4 percent, were correlated with the processing of goods owned by others, especially in the manufacturing of textiles, wearing apparel and footwear, the repair, maintenance and installation of machinery and equipment, the manufacturing of computers and electronic and optical products. On the whole, all activities, except for tobacco manufacturing, were less export-oriented than in 2019, amid the falling external demand in the context of the COVID -19 pandemic.

In 2020, top 5 firms exporting services carried 4.9 percent of the total value of services exports, with concentration rising to 51.8 percent for top 500 companies and to 69.5 percent for top 2,000 companies.

Based on the category of services, the greatest concentration levels were recorded by ICT services, professional and management consulting services and processing of goods, with top 500 companies accounting for more than 80 percent of the exports of these categories of services, while road freight transport services

featured the highest fragmentation, with top 500 companies carrying under 55 percent of exports and top 2,000 companies nearing 67 percent. The first five top categories by number of companies posted the largest concentration for consulting services and the lowest concentration for road freight transport services, witnessing also a rapid advance for telecommunications, computer, and information services. Top 500 companies reported the largest concentration for telecommunications, computer, and information services, i.e. approximately 81 percent of the services considered for analysis.

Table B.a. Concentration of exports* of main types of services in 2020

Number of reporting entities	share (%)					
	Total**	Goods processing services	ICT services***	Road freight transport	Professional and management consulting services****	Technical, trade-related and other business services*****
Top 5	4.9	16.2	16.7	6.9	19.2	13.4
Top 10	7.7	21.6	24.0	10.7	29.7	20.3
Top 20	11.8	29.1	33.8	15.7	39.5	30.2
Top 50	20.8	41.1	48.7	24.9	53.9	45.1
Top 100	29.0	50.2	60.7	33.3	65.8	55.5
Top 500	51.8	69.9	81.1	54.2	80.6	74.3
Top 1,000	61.6	...	84.2	62.2	...	77.0
Top 2,000	69.5	66.8

Table B.b. Concentration of imports* of main types of services in 2020

Number of reporting entities	share (%)				
	Total**	ICT services***	Road freight transport	Professional and management consulting services****	Technical, trade-related and other business services*****
Top 5	7.9	13.8	18.7	12.0	17.4
Top 10	12.6	18.7	25.4	19.4	24.1
Top 20	18.6	24.9	31.7	29.2	32.7
Top 50	28.4	33.8	42.6	43.1	45.5
Top 100	37.4	40.7	52.0	54.3	55.4
Top 500	58.2	52.6	70.6	75.4	76.6
Top 1,000	66.0	54.7	73.9	79.1	81.8
Top 2,000	71.3	55.2	83.4

*) showing the shares that the top reporting entities by export/import value held in the reference period in the total value of services exports/imports, by service category, according to the data submitted during the *International Trade in Services* statistical survey conducted by the NBR

***) the total value of services exports/imports net of the value of services that are not directly compiled based on the data reported by the economic agents, but instead rely on administrative sources (travel services) or some mathematical models (insurance services and pension funds services, indirectly measured financial services)

****) telecommunications, computer and information services

*****) including legal services, accounting, auditing, fiscal, management consulting services, advertising and marketing services, etc.

*****) including architectural and engineering services, mining and agricultural services, operating leasing, services between subsidiaries, etc.

... the information is not available, since the survey sample contains a lower number of reporting entities that traded in this category of services

Note: The data may be affected by the effects of the pandemic, which, from a statistical point of view, have led to the narrowing of the samples of entities reporting for 2020 Q1 and the corresponding increase in the share of in-house estimates.

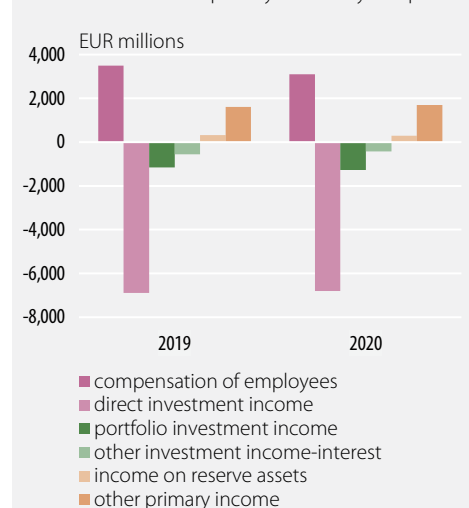
Top 5 firms importing services accounted for 7.9 percent of the total value of services imports, with concentration rising to 58.2 percent for top 500 companies and to 71.3 percent for top 2,000 companies. By category of services, top 10 companies saw the largest concentration for road freight transport services (taking over 25 percent of the imports of these services), followed closely by professional and management consulting services. From the top 20 companies downwards, technical, trade-related and other business services reported the largest concentration for imports (with top 1,000 companies exceeding 80 percent), while ICT services came to rank last, although the concentration level remained significant (almost 55 percent for top 1,000 companies).

As regards the dependency on external markets, in 2020, the Herfindahl-Hirschman index measuring geographical concentration stood at 0.0780 for exports, up 0.0017 from the previous year, and at 0.0675 for imports, down 0.0005, which points to concentration on a relatively smaller number of export partners versus the previous year and on a slightly larger number of import partners, respectively.

1.2. Balance on primary income

The balance on primary income ended the year 2020 on a EUR 3,413 million deficit,

Chart 11. Balance on primary income by component



with the 7 percent rise versus the previous year owing to the contraction in the surplus on compensation of employees¹⁹ (down 11.1 percent to EUR 3,105 million in the context of the lockdown measures against the pandemic (Chart 11). The primary income deficit-to-GDP ratio rose by 0.2 percentage points from 2019 to 1.6 percent.

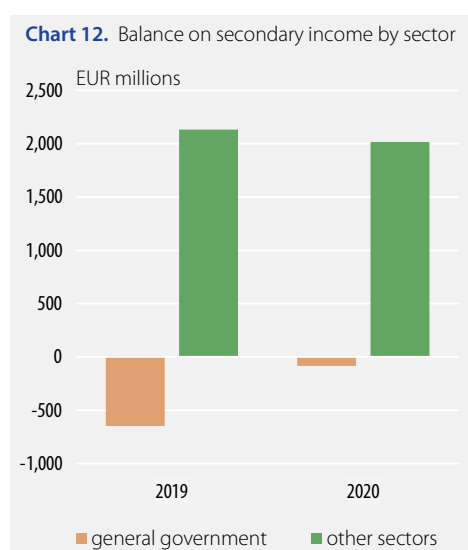
Investment income recorded a slightly lower deficit, as a result of direct investment income and other investment income. The deficit on direct investment income contracted by 1.3 percent to reach EUR 6,804 million,

corresponding to a smaller volume of dividends attributed to foreign investors, while that on other investment income decreased by 23.7 percent to EUR 428 million, on account of lower interest payments on foreign loans. The deficit on portfolio investment income rose by 9.8 percent to EUR 1,276 million on the back of repayments on long-term external debt made by the general government.

¹⁹ Representing income from activities performed based on a work contract for less than one year.

1.3. Balance on secondary income

The balance on secondary income ended the year 2020 on a EUR 1,934 million surplus, i.e. 30.3 percent above the previous year's level, amid larger inflows from the European Agricultural Fund for Rural Development – EAFRD and the European Social Fund – ESF, concurrently with a drop in payments for international cooperation (given the base effect from some EU funds being returned in January-December 2019) (Chart 12).



The balance on secondary income of general government ended the year on a deficit of EUR 84 million, compared to EUR 648 million in 2019, given the advance by over 30 percent in EU fund inflows under current transfers²⁰. Payments from the EU budget to Romania in 2020, recorded as current transfers received by the general government, totalled EUR 1,886 million²¹, with approximately 83 percent of this amount coming from the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD), and the remaining from miscellaneous

secondary income. Romania's contribution to the EU budget calculated based on the gross national income and the value added tax totalled EUR 2,014 million (EUR 1,805 million in 2019).

The balance on secondary income of other sectors posted a EUR 2,016 million surplus, down 5.4 percent from 2019, as workers' remittances from abroad stood approximately 7 percent below the 2019 level, in the context of the pandemic and the measures taken.

Personal remittances (Table 15), comprising workers' remittances (secondary income) and the net compensation of employees²² (primary income) contracted by 10.5 percent (the compensation of employees shed 15.6 percent, while workers' remittances fell by 8.1 percent).

²⁰ Current transfers include European funds other than subsidies (included under primary income) or than those for gross fixed capital formation (included under capital transfers).

²¹ Source: Ministry of Finance.

²² Net compensation is determined by adjusting gross compensation (included in primary income) for the income tax and the related social security contributions, as well as for the value of goods and services purchased in the economy where employees work on a contract basis.

Table 15. Personal remittances

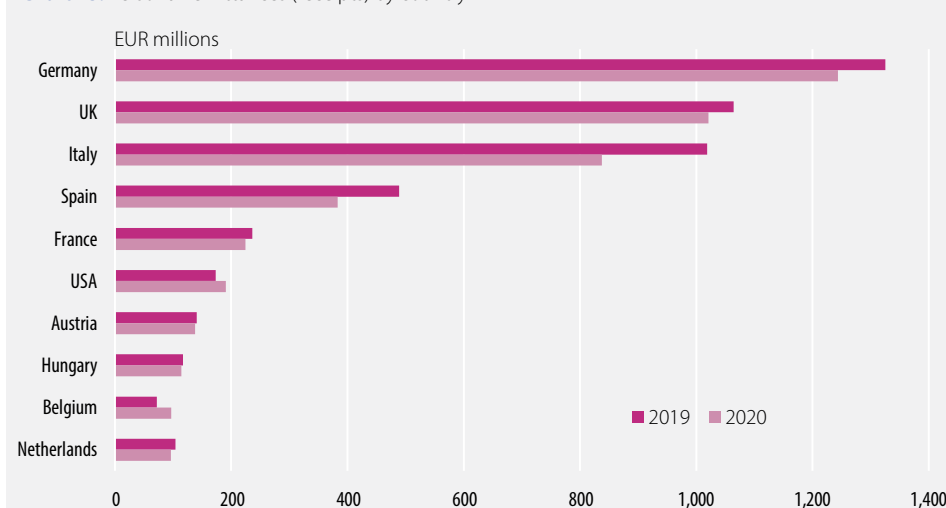
	EUR millions		Indices (%)	Composition (%)	
	2019	2020	2020/2019	2019	2020
Receipts	5,279	4,793	90.8	100.0	100.0
Workers' remittances* (+)	3,681	3,423	93.0	69.7	71.4
Net compensation of employees, of which:	1,598	1,370	85.7	30.3	28.6
Gross compensation of employees** (+)	3,597	3,081	85.7	68.1	64.3
Social security contributions (-)***	-839	-724	86.3	-15.9	-15.1
Income tax (-)***	-597	-511	85.6	-11.3	-10.7
Purchases of goods and services (-)***	-563	-476	84.5	-10.7	-9.9
Payments	369	398	107.9	100.0	100.0
Workers' remittances* (+)	331	344	103.9	89.7	86.4
Net compensation of employees, of which:	38	54	142.1	10.3	13.6
Gross compensation of employees** (+)	103	134	130.1	27.9	33.7
Social security contributions (-)***	-37	-48	129.7	-10.0	-12.1
Income tax (-)***	-10	-13	130.0	-2.7	-3.3
Purchases of goods and services (-)***	-18	-19	105.6	-4.9	-4.8
Balance	4,910	4,395	89.5	100.0	100.0
Workers' remittances* (+)	3,350	3,079	91.9	68.2	70.1
Net compensation of employees, of which:	1,560	1,316	84.4	31.8	29.9
Gross compensation of employees** (+)	3,494	2,947	84.3	71.2	67.1
Social security contributions (-)***	-802	-676	84.3	-16.3	-15.4
Income tax (-)***	-587	-498	84.8	-12.0	-11.3
Purchases of goods and services (-)***	-545	-457	83.9	-11.1	-10.4

*) remittances from workers working abroad for more than 1 year

**) the value of gross income of employees working abroad for less than 1 year

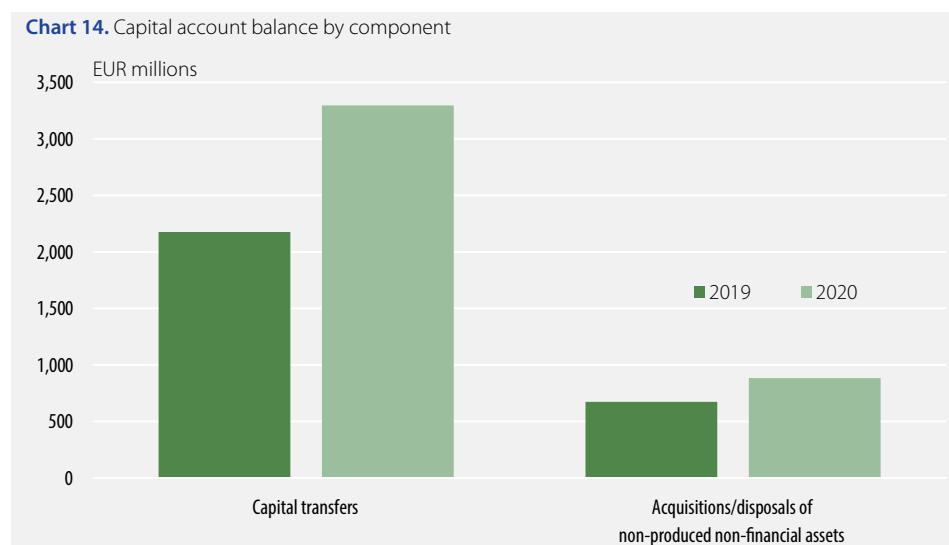
***) the value of social security contributions, income tax payable by employees working abroad for less than 1 year, and the value of the goods and services purchased by them in the host country, respectively

Personal remittances came mainly from Germany, the United Kingdom, Italy and Spain, the four countries accounting for about 73 percent of total, the same as in 2019 (Chart 13).

Chart 13. Personal remittances (receipts) by country

2. CAPITAL ACCOUNT

The capital account recorded net inflows of EUR 4,178 million, i.e. 46.6 percent above the 2019 level (Chart 14), given the upward trend in the inflows of EU funds in the form of capital transfers and in the sales of carbon dioxide emissions certificates. The inflows of EU funds in the form of capital transfers totalled EUR 3,338 million, i.e. 36 percent above the previous year's level, with approximately 98 percent of them coming from the European Regional Development Fund (ERDF), the Cohesion Fund (CF) and the European Agricultural Fund for Rural Development (EAFRD).



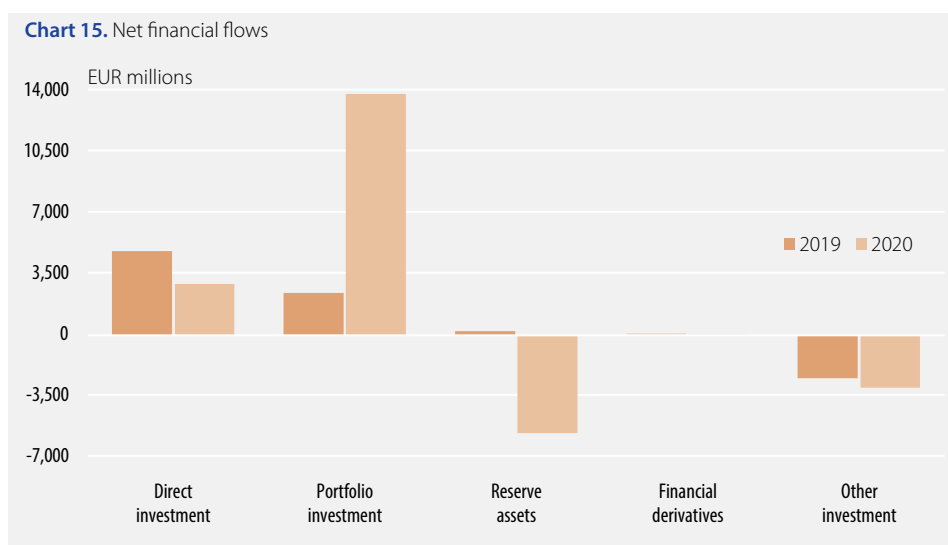
3. FINANCIAL ACCOUNT²³

In 2020, the financial account recorded net inflows of EUR 8,223 million compared to EUR 5,134 million in the previous year, with the advance being driven solely by the increase in net inflows of portfolio investment, represented by government securities issues, which offset the decrease in direct investment, the increase in net outflows of other investment and the pick-up in reserve assets (Chart 15).

Direct investment recorded lower net inflows, as a result of a drop in the net incurrence of liabilities in the form of equity by more than half versus the previous year. The step-up in net outflows of other investment was triggered by the increase in assets held abroad by resident deposit-taking institutions (also under the TARGET2 payment system). The rise in reserve assets was marked by the Ministry of Finance's bond issues and by the transfers to its account of the loan tranche under the SURE²⁴ programme.

²³ The financial account covers foreign transactions in financial assets and liabilities, shown under the net acquisition of assets and the net incurrence of liabilities, respectively. The difference between the net acquisition of assets and the net incurrence of liabilities (net) points to a net inflow in case of (-) and to a net outflow in case of (+).

²⁴ The loan granted by the European Commission, in the context of an instrument designed to provide support to Member States to mitigate unemployment risks in an emergency situation (SURE - Support in order to mitigate Unemployment Risks in an Emergency).



3.1. Direct investment

In 2020, net direct investment recorded inflows of EUR 2,958 million, i.e. 39 percent lower than in 2019 (EUR 4,849 million – Table 16), with assets falling more steeply than liabilities. The net acquisition of assets and the net incurrence of liabilities decreased by 93.3 percent (to EUR 115 million) and by 53.2 percent (to EUR 3,073 million), respectively. While the net acquisition of assets was driven by the repayment of trade credit, the trend in the net incurrence of liabilities owed to both the decrease in equity other than reinvestment of earnings (by more than 50 percent) and repayments of debt instruments in the form of loans and trade credit. Net direct investment was bolstered by the rise in liabilities in the form of reinvestment of earnings.

Table 16. Direct investment

	EUR millions					
	2019			2020		
	Net acquisition of assets	Net incurrence of liabilities	Net	Net acquisition of assets	Net incurrence of liabilities	Net
Total	1,723	6,572	-4,849	115	3,073	-2,958
Equity	195	5,021	-4,826	52	3,998	-3,946
Equity other than reinvestment of earnings	110	2,238	-2,128	63	983	-920
Deposit-taking corporations except the central bank	-15	35	-50	0	-17	17
Other sectors	125	2,203	-2,078	63	1,000	-937
Reinvestment of earnings	85	2,783	-2,698	-11	3,015	-3,026
Deposit-taking corporations except the central bank	8	835	-827	6	1,188	-1,182
General government	0	2	-2	0	0	

continued

	EUR millions					
	2019			2020		
	Net acquisition of assets	Net incurrence of liabilities	Net	Net acquisition of assets	Net incurrence of liabilities	Net
Other sectors	77	1,946	-1,869	-17	1,827	-1,844
Debt instruments	1,528	1,551	-23	63	-925	988
Deposit-taking corporations except the central bank	-1	0	-1	0	-1	1
Other sectors*	1,529	1,551	-22	63	-924	987

*) non-financial corporations, non-bank financial institutions, households and non-profit institutions

Investment by non-residents in Romania²⁵ totalled EUR 3,005 million (Table 17), of which equity (consolidated with net reinvestment of earnings) amounted to EUR 3,999 million and intercompany loans came in at a negative net value of EUR 994 million.

Table 17. Direct investment under the directional principle

	EUR millions					
	2019			2020		
	Credit	Debit	Net	Credit	Debit	Net
Total	51,721	46,872	4,849	54,167	51,209	2,958
Direct investment by residents abroad	564	888	-324	489	536	-47
Equity other than reinvestment of earnings	43	153	-110	26	88	-62
Deposit-taking corporations except the central bank	15	0	15	0	0	0
Other sectors	28	153	-125	26	88	-62
Reinvestment of earnings	0	85	-85	-1	-11	10
Deposit-taking corporations except the central bank	0	8	-8	0	6	-6
Other sectors	0	77	-77	-1	-17	16
Debt instruments	521	650	-129	464	459	5
Deposit-taking corporations except the central bank	0	0	0	0	0	0
Other sectors	521	650	-129	464	459	5
Direct investment by non-residents in Romania	51,157	45,984	5,173	53,678	50,673	3,005
Equity other than reinvestment of earnings	3,586	1,348	2,238	2,750	1,767	983
Deposit-taking corporations except the central bank	121	86	35	46	62	-16

²⁵ For further details on the presentation of data according to the directional principle, see [Foreign Direct Investment in Romania](#) on the NBR's website.

continued

	EUR millions					
	2019			2020		
	Credit	Debit	Net	Credit	Debit	Net
Other sectors	3,465	1,262	2,203	2,704	1,705	999
Reinvestment of earnings	2,782	0	2,782	3,016	0	3,016
Deposit-taking corporations except the central bank	835	0	835	1,188	0	1,188
Other sectors	1,947	0	1,947	1,828	0	1,828
Debt instruments	44,789	44,636	153	47,912	48,906	-994
Deposit-taking corporations except the central bank	1	0	1	7	7	0
Other sectors	44,788	44,636	152	47,905	48,899	-994

Investment by residents abroad totalled EUR 47 million, of which equity (including reinvestment of earnings) in the amount of EUR 52 million and intercompany loans in the negative net value of EUR 5 million.

3.2. Portfolio investment

In 2020, portfolio investment recorded net inflows of EUR 13,837 million compared to EUR 2,437 million in 2019 (Table 18), with the surplus being mostly attributable to foreign bonds issued by the general government (net incurrence of liabilities).

Table 18. Portfolio investment

	EUR millions					
	2019			2020		
	Net acquisition of assets	Net incurrence of liabilities	Net	Net acquisition of assets	Net incurrence of liabilities	Net
Total	1,368	3,805	-2,437	-18	13,819	-13,837
Equity and investment fund shares	119	-589	708	402	-463	865
Deposit-taking corporations except the central bank	2	-95	97	4	-105	109
Other sectors	117	-494	611	398	-358	756
Debt securities	1,249	4,394	-3,145	-420	14,282	-14,702
Short term	-56	-20	-36	-26	60	-86
Deposit-taking corporations except the central bank	-11	0	-11	0	0	0
General government	-42	-20	-22	96	60	36
Other sectors	-3	0	-3	-122	0	-122
Long term	1,305	4,414	-3,109	-394	14,222	-14,616
Deposit-taking corporations except the central bank	481	67	414	204	25	179
General government	177	4,009	-3,832	51	13,343	-13,292
Other sectors	647	338	309	-649	854	-1,503

The net acquisition of assets equalled EUR -18 million compared with EUR 1,368 million in 2019, with the evolution being ascribable to developments in debt instruments issued by non-residents and purchased by resident non-financial corporations.

The net incurrence of liabilities amounted to EUR 13,819 million, i.e. 3.6 times higher than in 2019, reflecting foreign bonds issued by the general government in January, May, July and December (totalling around EUR 8.8 billion and USD 3.3 billion), to which added the influence of domestically-issued government securities purchased by non-residents and of an issue of foreign bonds by a non-financial corporation.

3.3. Other investment

In 2020, other investment recorded net outflows of EUR 2,987 million, up 21.7 percent from the previous year (Table 19), which reflected the net acquisition of assets worth EUR 6,035 million and the net incurrence of liabilities in the amount of EUR 3,048 million.

Table 19. Other investment

	EUR millions					
	2019			2020		
	Net acquisition of assets	Net incurrence of liabilities	Net	Net acquisition of assets	Net incurrence of liabilities	Net
Total, of which:	698	-1,758	2,456	6,035	3,048	2,987
Other equity	-1	0	-1	2	0	2
Currency and deposits	-300	-1,171	871	5,142	-588	5,730
Central bank	-755	-2	-753	782	2	780
Deposit-taking corporations except the central bank	991	-1,256	2,247	3,699	-549	4,248
General government	3	88	-85	0	-41	41
Other sectors	-539	-1	-538	661	0	661
Loans	-149	-1,349	1,200	249	3,440	-3,191
Central bank	0	0	0	0	0	0
Deposit-taking corporations except the central bank	-105	0	-105	315	0	315
General government	-62	-1,548	1,486	-60	3,615	-3,675
Other sectors	18	199	-181	-6	-175	169
Insurance, pension and standardised guarantee schemes	18	22	-4	-18	-10	-8
Trade credit and advances	1,128	733	395	659	247	412
General government	766	-9	775	171	12	159
Other sectors	362	742	-380	488	235	253
Other accounts receivable/payable	2	7	-5	1	-41	42
Deposit-taking corporations except the central bank	9	20	-11	-8	-17	9

continued

	EUR millions					
	2019			2020		
	Net acquisition of assets	Net incurrence of liabilities	Net	Net acquisition of assets	Net incurrence of liabilities	Net
General government	-5	0	-5	0	0	0
Other sectors	-2	-13	11	9	-24	33

The net acquisition of assets increased strongly versus the previous year, from EUR 698 million to EUR 6,035 million, mainly reflecting the increase in assets held abroad by resident deposit-taking companies (including under TARGET2).

The net incurrence of liabilities posted a positive value of EUR 3,048 million compared to a negative one of EUR 1,758 million in 2019, following the first tranche of the loan granted by the European Commission in December under the SURE instrument (designed to support Member States in addressing the unemployment risks in an emergency), as well as the increase in deposits held by non-residents in Romania.

To sum up, in 2020, the balance of payments posted a negative net volume of transactions in real assets in the amount of EUR 6,801 million (shown under the combined current and capital account deficit), having as counterpart net inflows in the form of financial transactions worth EUR 8,223 million (financial account negative balance), with the difference being accounted for by errors and omissions.

B. Romania's international investment position

1. OVERVIEW

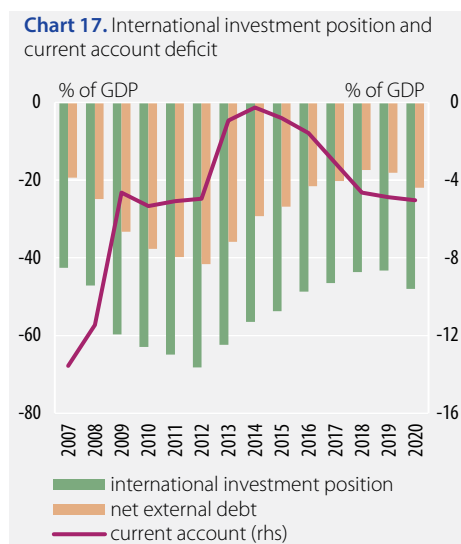
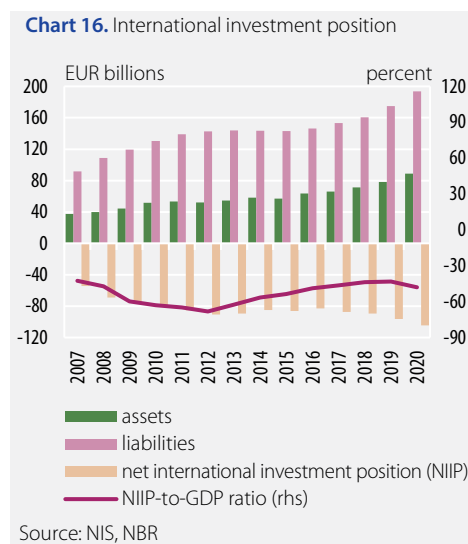
Compared to 2019, the net international investment position continued to deteriorate, reaching EUR – 104.7 billion at end-2020 (Chart 16).

In 2008-2020, the indicator had a steadily negative evolution in nominal terms. Specifically, in the first years it tended to pick up (2012) and subsequently showed mild adjustments (2016) brought about mainly by the decrease in net external debt. Starting with 2017, the international investment position has constantly deteriorated (on average by 6.1 percent per annum) amid the steep increase in the stock of foreign liabilities. The ongoing increase in gross domestic product caused the international investment position ratio²⁶ to fall steadily in 2012-2019.

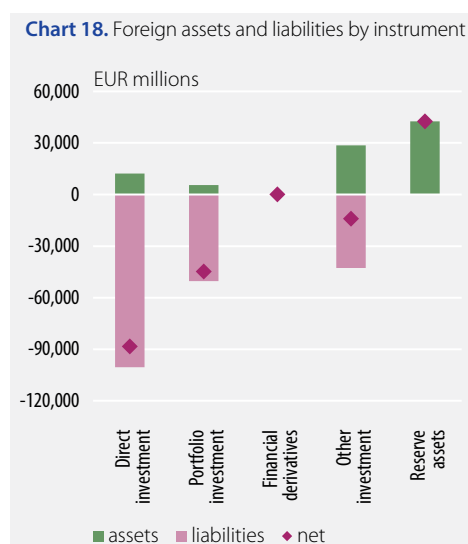
The year 2020, marked by the consequences of the pandemic and the new economic conditions, posted a 3.9 percent lower GDP than in 2019, which contributed to the deterioration of the indicator by 4.7 percentage points of GDP (-48 percent in 2020 compared to -43.3 percent in 2019). The developments in the composition of net international investment position were strongly influenced by the 4.2 percentage

²⁶ The international investment position-to-GDP ratio.

point drop in foreign liabilities in the form of direct investment (from 56.1 percent of total at the end of 2019 to 51.9 percent in 2020). The decrease in the share of direct investment instruments was offset by a 5.5 percentage point increase in the share of portfolio investment in long-term debt securities.



The developments in the international investment position and net external debt were accompanied by a major adjustment in the current account deficit in 2008-2009, followed by its levelling-off at around 5 percent of GDP until 2012 and its decline to 0.3 percent of GDP at end-2014. In 2015-2020, the current account deficit tended steadily to widen, from 0.8 percent of GDP in 2015 to 5 percent of GDP in 2020, comparable with the evolution of the net investment position (Chart 17).



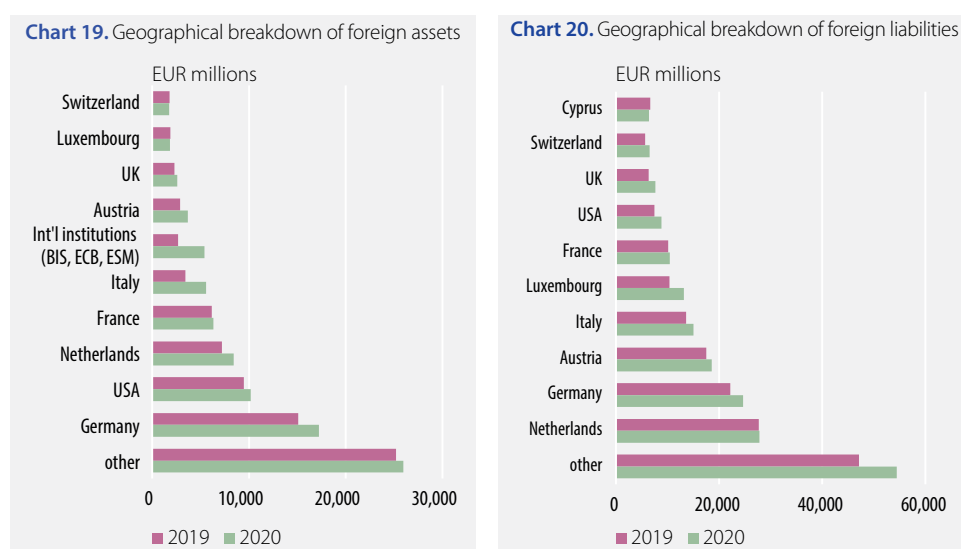
Looking at the composition of foreign assets at end-2020 (Chart 18), reserve assets further prevailed (EUR 42.5 billion), ahead of other investment (EUR 28.6 billion, mainly deposits, trade credit and advances). The composition of financial liabilities shows that the stock of portfolio investment (primarily long-term debt securities) reached EUR 50.3 billion, exceeding other investment (mainly loans and deposits) both in absolute terms and as a share in total.

Debt instruments showed an increasing trend during 2020 as well, particularly in the general government sector, with roll-over rates²⁷ above 100 percent. The roll-over rate of deposit-taking corporations except the central bank came in at 71 percent for long-term instruments and

²⁷ The roll-over rate is calculated as a ratio of drawings to the repayments of debt instruments.

97 percent for short-term instruments. Even though the stock of non-financial corporations' liabilities went down slightly, they recorded roll-over rates of 96 percent for short-term instruments and 120 percent for long-term ones.

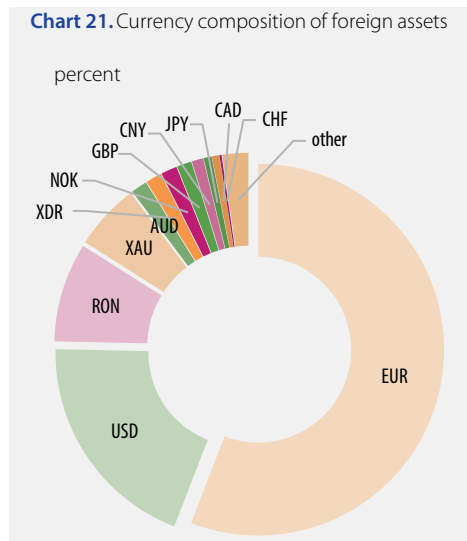
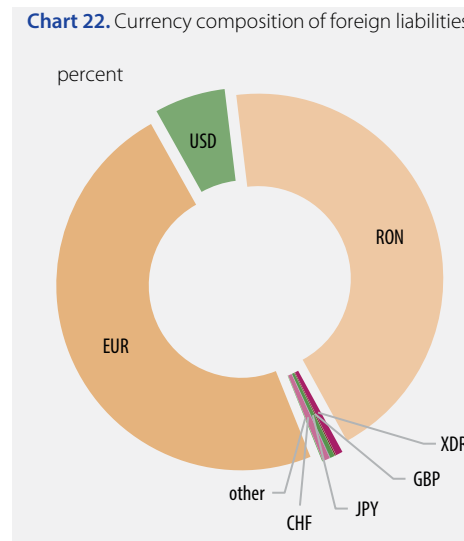
The top ten destinations of Romania's foreign assets (Chart 19) accounted for 70.8 percent at end-2020, up 3.1 percentage points versus the year-earlier reading, to EUR 63 billion. Foreign assets on the rise versus 2019 were recorded in relation to Germany (EUR 17.2 billion and a share of 19.4 percent), the Netherlands (EUR 8.4 billion and a share of 9.5 percent), Italy (EUR 5.6 billion and a 6.3 percent share), international institutions (EUR 5.4 billion and a 6.1 percent share) and Austria (EUR 3.7 billion and a share of 4.2 percent). Foreign assets invested in the United States (11.5 percent), France (7.1 percent), Luxembourg (2.1 percent) and Switzerland (2 percent), worth a total of EUR 20.1 billion, posted declining shares.



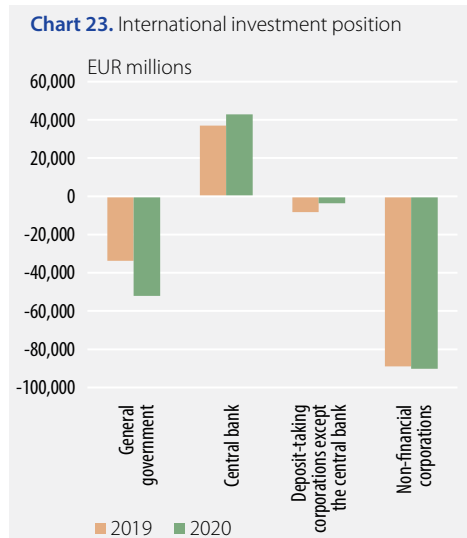
Romania's foreign liabilities (Chart 20) were mainly in relation to EU Member States, totalling EUR 116.1 billion (60 percent of total), ahead of those to the United States, UK and Switzerland, up to EUR 23 billion (11.9 percent of total). The share of other countries, 1.1 percentage points higher against the previous year, was made up of other EU Member States, i.e. Ireland, Hungary, Belgium, Czechia, Bulgaria, Spain, as well as international institutions²⁸ (totalling EUR 54.5 billion).

In 2020, the currency composition of foreign assets showed the prevalence of the euro and the US dollar, whose shares amounted to 75.3 percent (EUR 67 billion), widening slightly against the previous year. The foreign liabilities of the investment position were mainly denominated in euro (EUR 92.9 billion) and lei (EUR 85 billion), which jointly accounted for 92 percent, with shares of 48 percent and 44 percent respectively. Foreign liabilities expressed in US dollars, Swiss francs, Japanese yen and special drawing rights made up 7.8 percent of total (around EUR 15.2 billion), on an increase versus 2019 (Charts 21 and 22).

²⁸ International Bank for Reconstruction and Development (IBRD), European Investment Bank (EIB), European Commission (EC), European Bank for Reconstruction and Development (EBRD).

Chart 21. Currency composition of foreign assets

Chart 22. Currency composition of foreign liabilities


At end-2020, foreign liabilities in the form of external debt instruments stood at EUR 126.8 billion (versus EUR 109.8 billion at end-2019), up 15.5 percent. Intercompany loans totalled EUR 36.5 billion at end-2020 (from EUR 36.7 billion in 2019), reflecting the 10.2 percent decline in the value of short-term instruments (EUR 18.7 billion, compared to EUR 20.9 billion at end-2019) and the 12.3 percent rise in the value of long-term debt (EUR 17.8 billion versus EUR 15.9 billion at end-2019). Equity posted a smaller advance than in previous years, i.e. EUR 2.6 billion (totalling EUR 64 billion at end-2020), influenced by the contained activity of numerous foreign-owned companies in the pandemic context.

Chart 23. International investment position


The breakdown of the international investment position by institutional sector (Chart 23) shows that the net creditor position of the central bank stood at EUR 42.8 billion at end-2020, significantly higher than the year-earlier reading. In year-on-year comparison, foreign investments in the form of deposits went up 56.7 percent, reaching EUR 9.4 billion, while foreign assets in the form of securities added 4.2 percent, to EUR 26.8 billion.

The sector of deposit-taking corporations except the central bank continued to see a steeply decreasing net debit balance, from EUR 8.2 billion to EUR 3.5 billion, as a joint result of the 44.1 percent increase in foreign assets and the 8.1 percent decline in foreign liabilities in the form of deposits.

The net debtor position of the general government deteriorated 54.1 percent at end-2020, from EUR 33.7 billion to EUR 52 billion, amid the pick-up in the stock

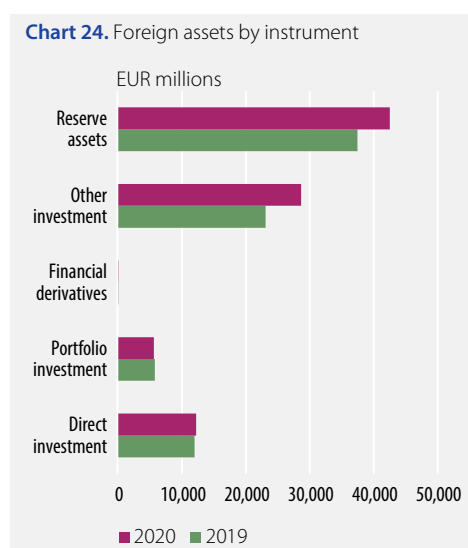
of foreign liabilities in the form of government securities, reflecting heightened financing requirements.

Non-financial corporations recorded an increase in their net debtor position by merely 1.5 percent from 2019 to EUR 90.3 billion, as the main means of financing, such as intercompany lending and foreign loans, witnessed a slowdown owing to the new economic conditions.

2. INTERNATIONAL INVESTMENT POSITION

2.1. Foreign assets

At end-2020, foreign assets stood at EUR 88,904 million, up 13.7 percent year on year. The most visible increases were recorded by reserve assets (13.5 percent, to EUR 42,518 million) and other investment (24 percent, to EUR 28,621 million), while portfolio investment and direct investment stuck to relatively constant levels (Chart 24).



At end-2020, foreign assets in the form of direct investment came in at EUR 12,163 million²⁹, up EUR 229 million from end-2019, as a result of the volume of Romanian equity in non-resident enterprises rising by 15.4 percent and the volume of intercompany loans to enterprises abroad remaining unchanged at the previous year's level.

The stock of portfolio investment of resident investors came in at EUR 5,583 million, shedding 1 percentage point in terms of share versus 2019.

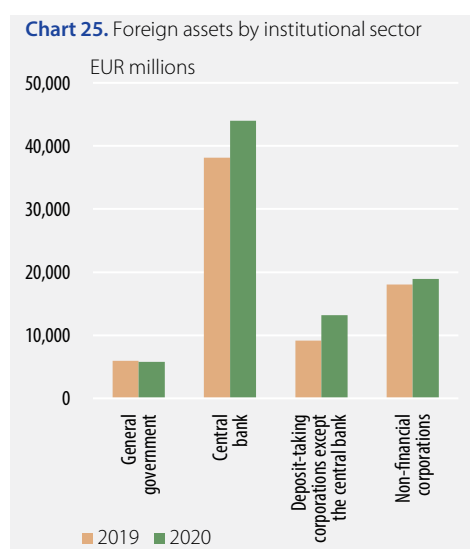
The breakdown of portfolio investment by instrument shows that resident investors further purchased in 2020 shares of foreign companies and investment funds. The share of investment in the form of bonds and other short- and long-term securities narrowed slightly against the previous year.

During the period under review, the stock of other investment went up 24 percent from 2019, to stand at EUR 28,621 million, mainly on the back of short-term deposits, which added 45.5 percent, to EUR 15,246 million.

²⁹ According to the BPM6 methodological framework, in the standard presentation of the international investment position and of the gross/net external debt, the asset and liability principle has replaced the directional principle in the presentation of direct investment. The balance on residents' direct investment abroad (directional principle) stood at EUR 2,157 million at end-2019 and EUR 2,402 million at end-2020.

At end-2020, Romania's international reserves (foreign exchange plus monetary gold) amounted to EUR 42,518 million, up EUR 5,067 million from a year earlier, amid the new issues of government securities and the maturing public debt service (principal repayments and payments of interest and commission fees). Romania's international reserves covered 5.6 months of imports of goods and services and ensured a liquidity ratio³⁰ of 102.8 percent. The increase in international reserves was brought about by net capital inflows (EUR 5.6 billion) and by the rise in monetary gold price on the international market (EUR 0.6 billion). A negative contribution had the changes in exchange rates (EUR -1 billion) and the amounts arising from changes in the prices of securities in the portfolio (EUR -0.2 billion).

The composition of foreign assets by main component of the investment position remained similar to that seen in previous years. Specifically, reserve assets further



prevailed (47.8 percent of total foreign assets), ahead of other investment (up 2.7 percentage points to 32.2 percent), direct investment (down 1.6 percentage points to 13.7 percent) and portfolio investment (6.3 percent).

The breakdown of foreign assets by institutional sector (Chart 25) shows that, at 31 December 2020, the central bank continued to hold the largest share, on the rise versus the previous year to EUR 43,993 million (49.5 percent of total), ahead of non-financial corporations (down 4.9 percent to EUR 18,910 million; 21.3 percent), deposit-taking corporations except the

central bank (up 15.3 percent to EUR 13,180 million; 14.8 percent), and the general government (down 2.5 percent to EUR 5,781 million; 6.5 percent of total).

2.2. Foreign liabilities

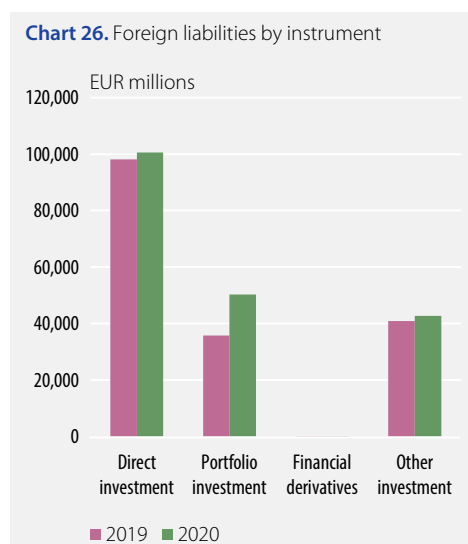
At end-2020, foreign liabilities amounted to EUR 193,560 million, up 10.8 percent from the end of the previous year (Chart 26). Portfolio investment saw the most significant rise, i.e. 40.8 percent, reaching EUR 50,298 million, while debt instruments in the form of loans added 11.3 percent, to EUR 25,123 million (13 percent of total).

The stock of foreign liabilities in the form of direct investment stood at EUR 100,534 million³¹ (up 2.5 percent against end-2019), corresponding to a 46.1 percent

³⁰ The ratio of international reserves to short-term debt at residual value (Guidotti ratio).

³¹ According to the BPM6 international methodological framework, in the standard presentation of the international investment position and of the gross/net external debt, the asset and liability principle has replaced the directional principle in the presentation of direct investment. The stock of foreign direct investment in Romania (directional principle) stood at EUR 88,304 million at end-2019 and EUR 90,773 million at end-2020, as a result of deducting from the equity of and intercompany loans taken by direct investment companies the loans granted by the latter within the group.

share in GDP, higher than the year-earlier reading of 43.9 percent. Equity held by non-residents in the companies operating in Romania and debt instruments in



the form of intercompany loans saw their respective shares in total foreign liabilities narrow by 2.1 percentage points against 2019, coming in at EUR 64 billion and EUR 36.5 billion respectively.

Foreign direct investment further targeted the main economic sectors, predominantly manufacturing, construction and real estate transactions, trade, financial intermediation and insurance.

Foreign investors increased by 6.6 percent their portfolio of unlisted shares in non-financial corporations,

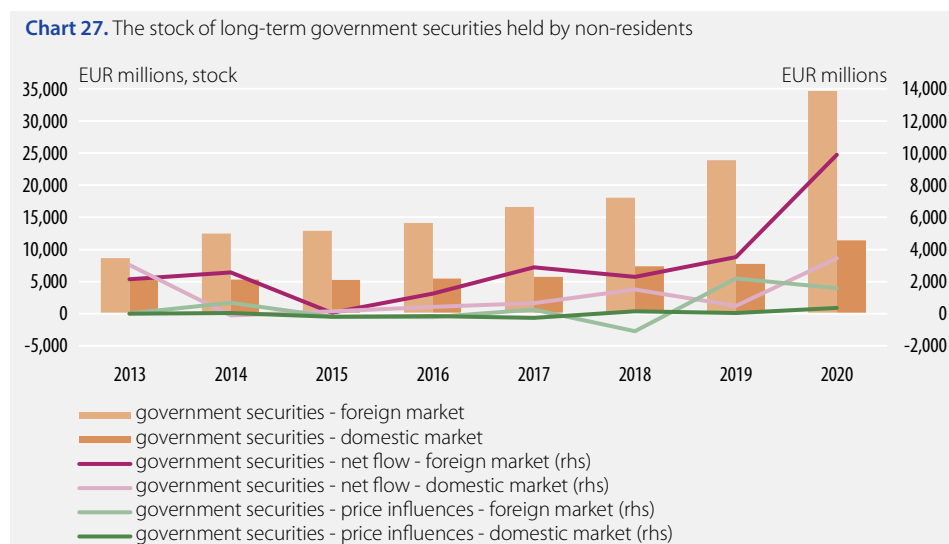
banks, insurance undertakings and other financial intermediaries, up to EUR 59.3 billion at end-2020 (EUR 55.7 billion in 2019). The value of non-resident direct investors' shares listed on the domestic capital market went down 17.9 percent, to EUR 4.7 billion, with non-financial corporations and deposit-taking corporations except the central bank as the main issuers.

The geographical composition of foreign capital in the form of direct investment remained unchanged, with investors coming mostly from EU countries such as the Netherlands, Germany, Austria, Italy, France, Cyprus, Luxembourg, Belgium, Hungary, Czechia, Spain, and Greece. Countries such as Switzerland and the UK recorded shares of foreign investment of over 2 percent of total, while the United States and Turkey held 1.3 percent and 1 percent respectively. The recent years' trend in capital contribution persisted during 2020 as well. Given the challenging economic environment, capital contribution stemmed mainly from corporate restructuring, whereas greenfield investment and mergers witnessed a low level. The stock of foreign direct investment by development region shows that the Bucharest-Ilfov region was in the lead, while North-East came in last in 2020 as well.

Portfolio investment saw its share in total foreign liabilities move ahead 5.5 percentage points, to 26 percent. The stock of investment in equity and investment fund shares stood below the previous year's level by EUR 828 million, while that of investment in long-term debt securities (bonds and government securities) came in at EUR 47,462 million, leading to a wider share in foreign liabilities by 6.1 percentage points.

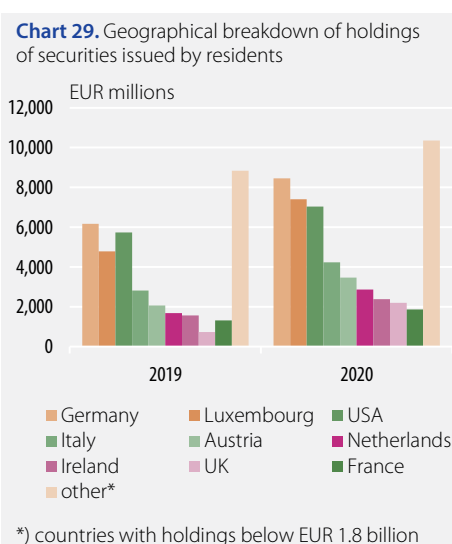
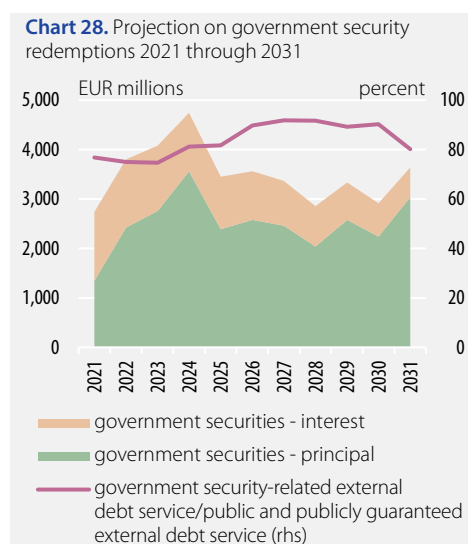
The stable outlook on the investment rating was kept unchanged throughout 2020 as well, enabling access onto capital markets, so that the Ministry of Finance launched new government security issues on the domestic and foreign capital markets, at low costs and with sustainable maturities. In the period from 2013 to 2018,

the stock of portfolio investment in the form of long-term government securities followed a steady upward path at a slower pace (to EUR 16.6 billion). The years 2019 and particularly 2020 saw significant increases in the stock of long-term portfolio instruments, in correlation with heightened financing requirements (Chart 27).



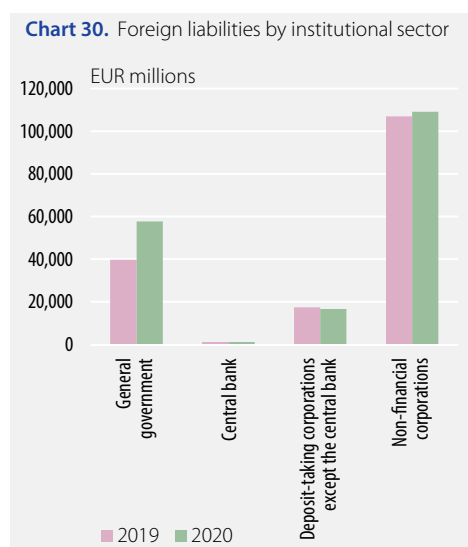
The stock of euro- and leu-denominated securities issued on the domestic market and purchased by non-residents went up 47.2 percent versus the previous year, reaching EUR 11.4 billion.

The financing ensured by tapping foreign capital markets totalled EUR 34.7 billion in 2020, up 45.3 percent against 2019, with new EUR-denominated bond issues in January, May and December and new issues of USD-denominated securities in July. The nominal value of EUR-denominated bonds was EUR 8.8 billion, while that of USD bonds stood at USD 3.3 billion, with maturities of 30, 10 and 20 years, and 31 years respectively. The average coupon was 2.6 percent for EUR-denominated bonds and 3.5 percent for USD-denominated government securities.



The projection on the government debt service based on the end-2020 balance points to a significant share of government security redemptions, further ranging between 70 percent and 92 percent of total. Redemptions at maturity follow an uptrend until 2024, amid the maturing of EUR- and USD-denominated government securities issued in 2014. Government securities issued in 2020 will mature in the periods from 2029 to 2031 and from 2040 to 2051 respectively (Chart 28).

Based on transactions on the secondary capital market in 2020, the main investors in securities issued by residents (Chart 29) were several EU countries, but also the US, UK, Switzerland, the EBRD, Canada, Japan, etc. Compared with 2019, the main investors such as Germany, the US, Luxembourg, Italy, Austria, Ireland, the Netherlands, and France increased their holdings by percentages ranging between 23 percent and 71 percent.



Other investment amounted to EUR 42,723 million at end-2020, up 4.4 percent from a year earlier, amid the rise in the stock of short-term external loans.

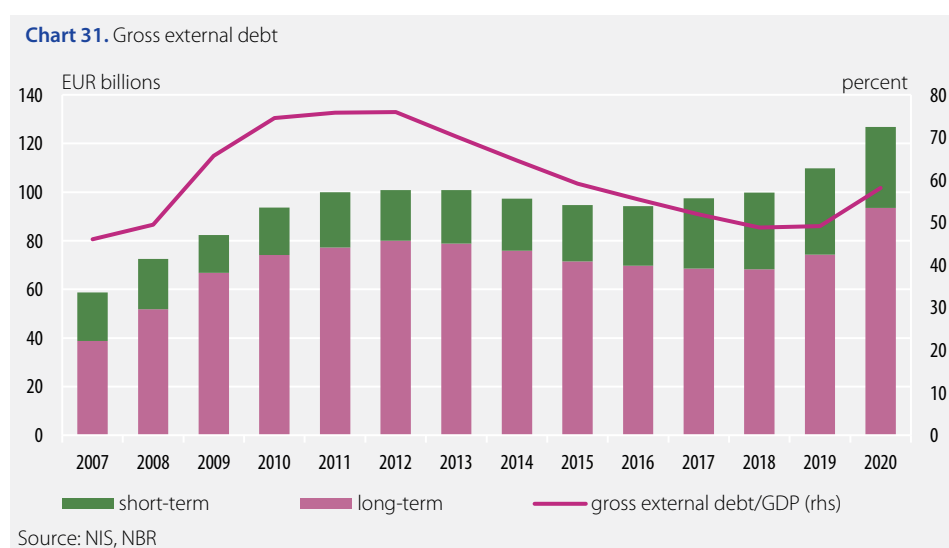
Looking at the breakdown of foreign liabilities by main financial instrument, direct investment further prevailed (51.9 percent, down 4.2 percentage points versus end-2019), ahead of portfolio investment (26 percent, up 5.5 percentage points) and other investment (22.1 percent, down 1.3 percentage points). Under other investment, external loans further held

the largest share in total foreign liabilities (13 percent, up 0.1 percentage points from a year earlier), followed by trade credit and advances (4.7 percent, down 0.5 percentage points) and by deposits (3.7 percent, down 0.8 percentage points).

The composition of foreign liabilities by institutional sector (Chart 30) remained unchanged in 2020 as well. Specifically, the non-financial corporations sector further held the largest share (56.4 percent), totalling EUR 109,192 million, up 2 percent against the previous year, followed by general government, with an increasing share (from 22.7 percent to 29.8 percent) and a 45.7 percent higher absolute value (to EUR 57,776 million), due primarily to new issues of government securities. Deposit-taking corporations except the central bank recorded a level of EUR 16,724 million and a share of 8.6 percent, down from 9.9 percent in 2019, following a drop in the volume of deposits and the low roll-over rates of long-term instruments (around 71 percent). The share of the central bank liabilities remained unchanged from a year earlier.

2.2.1. External debt

At end-2020, the stock of gross external debt³² totalled EUR 126,807 million, up 15.5 percent from end-2019. Gross external debt as a share of GDP increased from 49.2 percent to 58.1 percent. To the higher stock of gross external debt contributed net transactions worth EUR 16.4 billion, changes in prices of securities worth EUR 2 billion and other changes³³ in amount of EUR 0.1 billion. Changes in the exchange rates of currencies had a major negative contribution of EUR -1.5 billion.

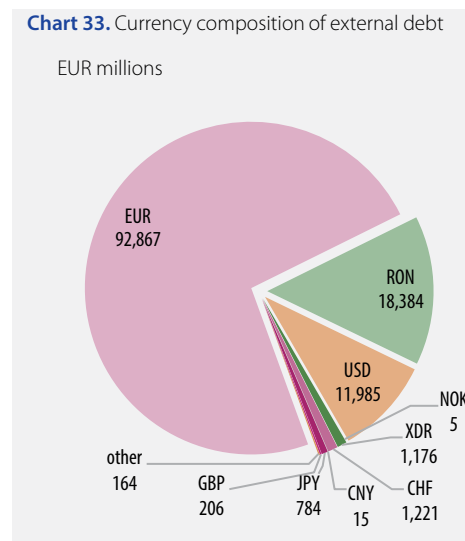
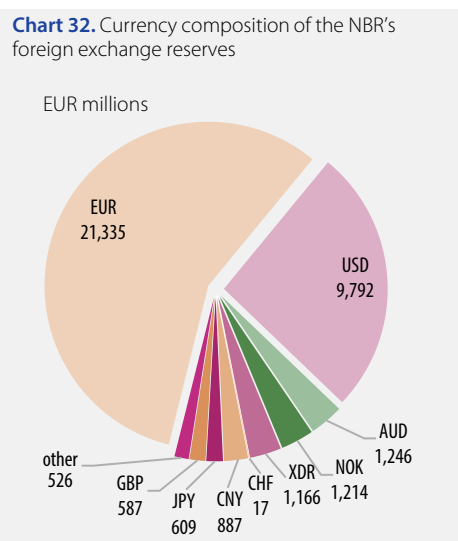


As of 2007, gross external debt posted an upward path and reached a level of EUR 100 billion in 2012, which was recorded in 2013 as well. In the period from 2014 to 2016, gross external debt displayed a downward trend, amid the maturing principal repayments primarily on long-term external debt. Starting 2017, the evolution of external debt witnessed a trend reversal, ascribable to the sturdy increase in the short-term component, against the backdrop of the rise in the stock of direct investment (intercompany loans) and of trade credit and advances. The new economic conditions of 2020 contributed to the steep increase in the stock of long-term external debt and to the reduction in debt with a maturity of up to 1 year, amid the adoption of crisis strategies at the level of general government and of the affected companies – including the loans under the SURE programme (Chart 31).

The currency composition of external debt (with the euro accounting for 73.2 percent, the US dollar for 9.5 percent and the leu for 14.5 percent) was replicated in a balanced manner in the NBR's foreign exchange reserves, where the euro and the US dollar jointly held 83.3 percent (Charts 32 and 33).

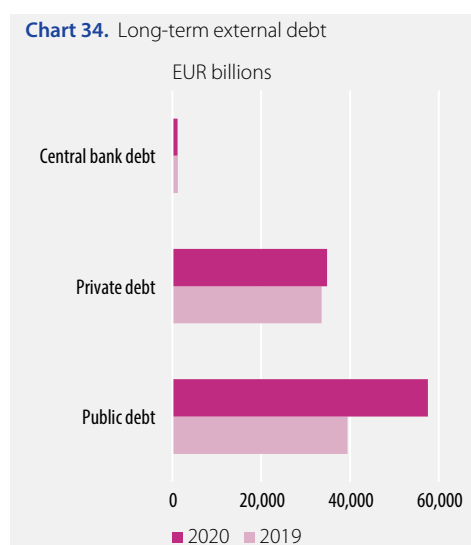
³² The stock of gross external debt is accrual-based and hence includes accrued unmatured interest.

³³ Other changes include values that entail a change in the final stock through reclassifications, changes in the accounting treatment and corrections of statistical reports from previous periods.



Long-term external debt amounted to EUR 93,541 million at end-2020, up 25.9 percent against end-2019. Developments in the stock of long-term external debt were attributable to the increase in external public debt³⁴ and in external private debt by 45.7 percent and 3.6 percent respectively. Looking at the central bank's external debt, SDR allocations from the IMF shed 4.6 percent from the year-earlier reading solely

on the back of exchange rate changes (Chart 34).

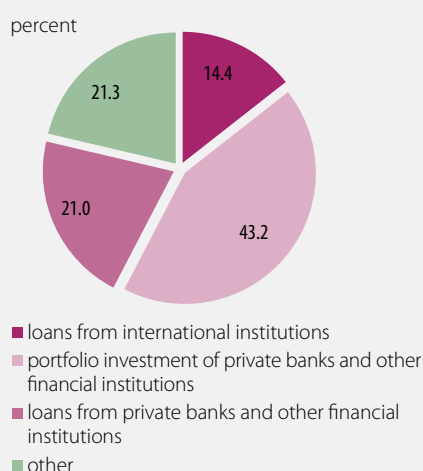
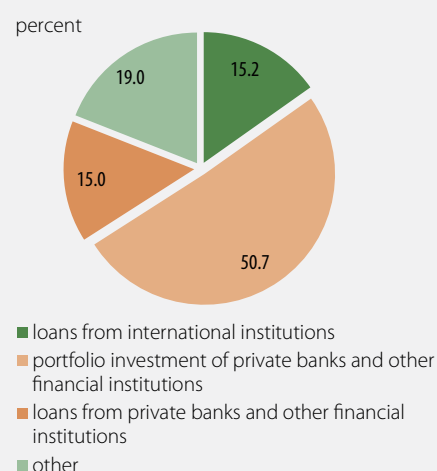


Long-term external debt by creditor at end-2020 shows that financial institutions further held the largest share, i.e. 65.8 percent (Charts 35 and 36), primarily on account of portfolio investment (EUR 15,341 million higher versus the previous year), while loans from official creditors saw their share increase by 0.8 percentage points to 15.2 percent.

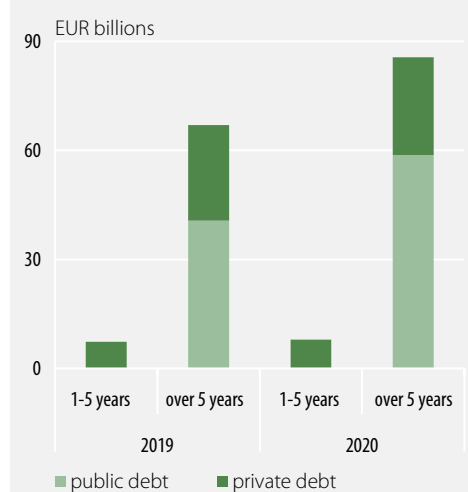
Long-term external debt by maturity at end-2020 shows an 8.1 percent rise in the stock of external debt across

the 1 year to 5 year-maturity (to EUR 8 billion) and an advance of 27.8 percent in external debt maturing in more than 5 years (to EUR 85.6 billion). In the context of a significant increase in external public debt versus the previous years, the maturity breakdown changed accordingly, with prospects of sustainable maturities for the original maturity (Chart 37).

³⁴ External public debt includes external loans taken directly by the Ministry of Finance and local governments, in compliance with the legislation on public debt, including government securities purchased by non-residents – calculated at market value. The value of government securities purchased by non-residents is estimated as a difference between the total value of issues by general government and the total value of holdings of government securities by resident institutional sectors reported by the main financial intermediaries on their behalf and on behalf of their clients for which they provide custody services, according to NBR Regulation No. 4/2014, as subsequently amended and supplemented.

Chart 35. Long-term gross external debt by creditor, 2019**Chart 36.** Long-term gross external debt by creditor, 2020

Long-term external debt by type of interest rate shows that the stock of floating-rate loans edged down slightly (0.4 percent) during 2020 across a large part of interest rate types. The shares of fixed-rate loans saw an uptrend both in the 0-5 percent range (up to EUR 48 billion) and in the 5-10 percent range (up to EUR 17.3 billion).

Chart 37. Long-term external debt by maturity

The interest rate breakdown of long-term external debt shows that floating-rate loans accounted for 29 percent of total and fixed-rate loans for 71 percent of total (compared to 37 percent and 63 percent, respectively, in 2019), which renders the long-term debt service sustainable (Chart 38).

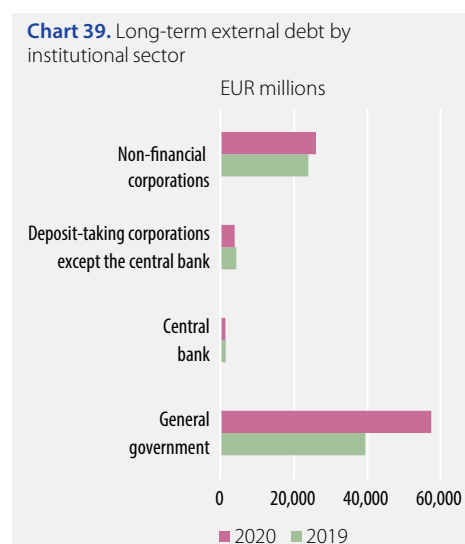
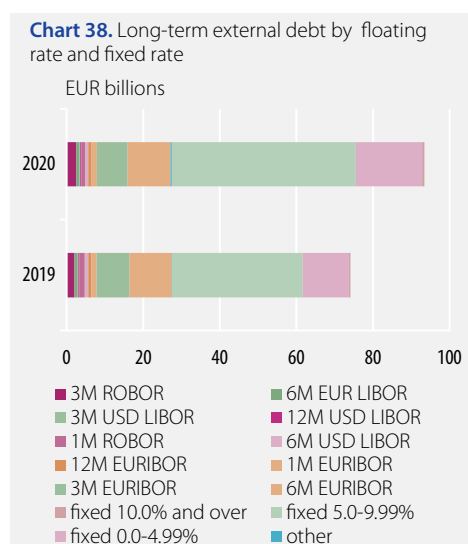
Credit institutions' long-term external debt witnessed a further contraction during 2020 as well (Chart 39), on account of the reduction in non-residents' deposits, while general government debt increased significantly, primarily due to the securities issues on capital markets and

the disbursement of a loan tranche from the European Commission. Non-financial corporations' long-term debt stood EUR 2,162 million higher than at end-2019, its share in total reaching 27.8 percent.

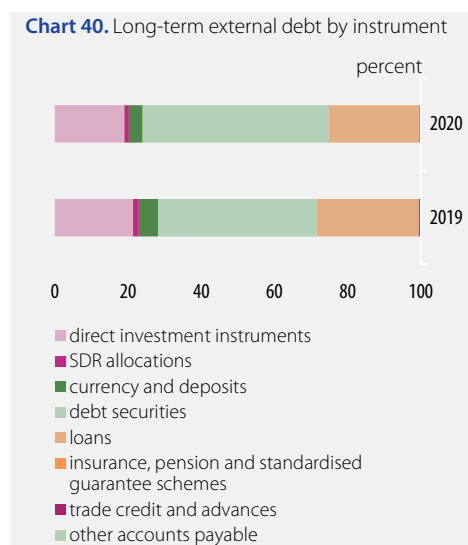
The composition of long-term external debt by instrument (Chart 40) shows declining shares of most components, except for debt securities, whose weight added 7.5 percentage points.

Short-term external debt at original maturity ended the year 2020 at EUR 33,266 million, down 6.2 percent from a year earlier, accounting for around one third of total gross external debt. Institutional sectors' weights in the short-term external

debt stuck to the previous years' trend, with the non-financial corporations sector further making the largest contribution (87.1 percent, similar to the year-earlier reading), ahead of deposit-taking corporations except the central bank, with an identical share to 2019 (Chart 41); roll-over rates were around 96-97 percent, on a decline against prior years.



Debt instruments in the form of deposits taken by credit institutions, as a source of short-term funding, saw their share remain unchanged from the previous year, but their value fell by EUR 274 million. Given the extraordinary year witnessed



by the economy, direct investment instruments posted a nominal decrease of EUR 2,125 million and a share of 56.4 percent, while trade credit and advances went up slightly both in absolute terms (EUR 100 million) and as a share in total by 2 percentage points (Chart 42).

The external debt service (Chart 43) posted significant increases during 2008-2009, followed by a moderate easing in 2010 and rises 2011 through 2013. After having stood below the EUR 60 billion mark in 2015, the external debt service exceeded EUR 70 billion in 2016, reflecting government security

redemptions, withdrawals of deposits by non-residents, and other payments to multilateral and private creditors in line with commitments falling due. The year 2017 saw the level of the external debt service decline both in absolute terms (to EUR 60.9 billion) and as a share in exports of goods and services (to 77.2 percent). During 2018, the external debt service rose again, reaching EUR 65.8 billion, amid capital outflows in the form of short-term intercompany payments, liquidation of deposits,

and repayments of trade credit and advances with a maturity of up to 1 year. In 2019, the external debt service exceeded slightly the 2018 reading, yet its share narrowed 3 percentage points due to the value of exports, worth marginally above EUR 90 billion. In the context of the year 2020, exports of goods and services contracted 9.7 percent, so that the debt service ratio deteriorated to 89 percent. Principal repayments and interest payments amounted to EUR 70 billion and EUR 2.3 billion respectively.

Chart 41. Short-term external debt by institutional sector

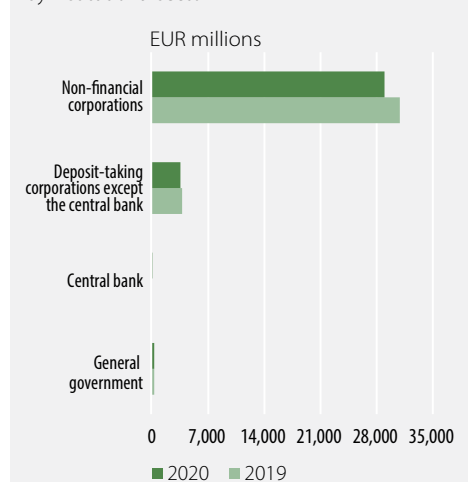
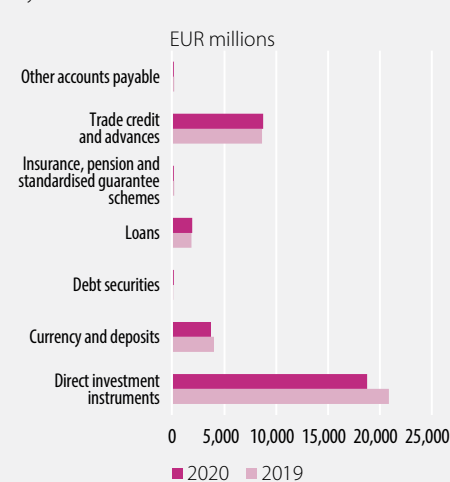


Chart 42. Short-term external debt by instrument

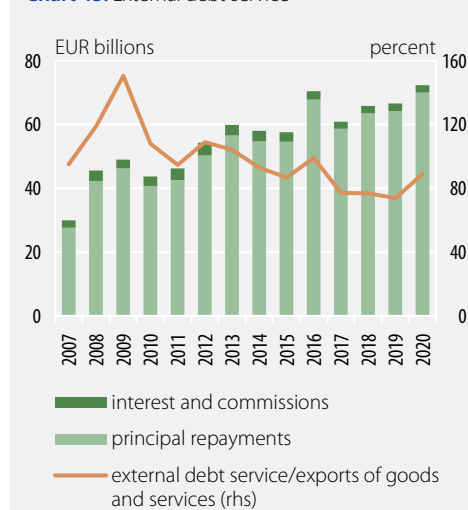


In the period under review, net external debt³⁵ (Chart 44) saw a significant adjustment, from 19.4 percent of GDP in 2007 and a peak of 41.6 percent in 2012 to 17.4 percent of GDP at end-2018. As of 2019, the stock of gross external debt, which added EUR 9.9 billion against a year earlier, contributed to net external debt

returning onto an upward path. This trend persisted into 2020 as well, when net external debt as a share in GDP was 22 percent and the stock of gross external debt went up EUR 17 billion.

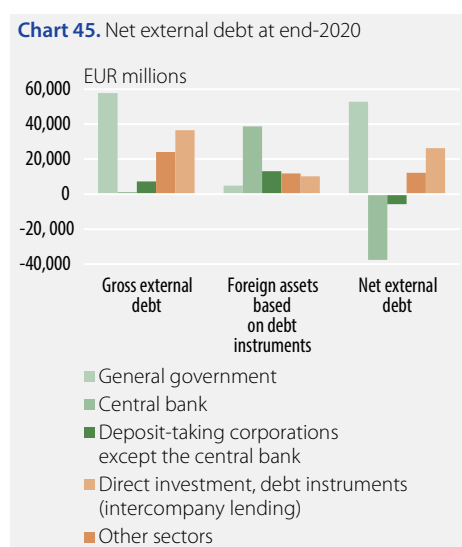
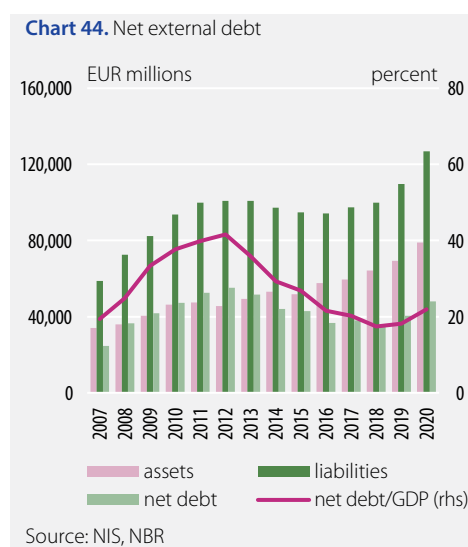
Net external debt came in at EUR 47.9 billion at end-2020, up from EUR 40.5 billion in 2019, amid the steep rise in the debt of general government and of other sectors (Chart 45). The net external debt stemming from direct investment stayed at the previous year's level of EUR 26.3 billion, on account of the pandemic-induced slowdown in economic activity and

Chart 43. External debt service

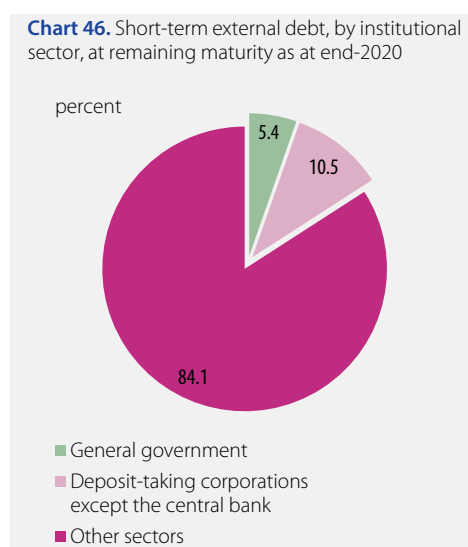


³⁵ Calculated as the difference between foreign liabilities and foreign assets related to all debt instruments (loans, currency and deposits, bonds and money market instruments, trade credit and advances).

the shift towards financing especially via capital contribution. The higher value of foreign assets, primarily via deposits and securities, from EUR 33.6 billion to EUR 38.8 billion entailed a change in the central bank's stock of net external debt from EUR -32.4 billion to EUR -37.7 billion.



The stock of short-term external debt at remaining maturity³⁶ totalled EUR 41,377 million, of which other sectors' debt accounted for 84.1 percent (Chart 46).



The ratio of gross external debt to exports of goods and services was 155.9 percent, while the share of interest in total exports of goods and services rose slightly to 2.8 percent.

Starting 2014, the external debt service has constantly stood below the level of exports of goods and services, while in 2020 it took 89 percent of the total value of exports, up 15.1 percentage points from the previous year. External debt service as a share in GDP rose to 33.2 percent. The ratio of foreign exchange reserves at the NBR to short-term external debt at remaining

maturity (Guidotti ratio) followed a constantly downward path, reaching 70.9 percent in 2019. During 2020, this liquidity indicator witnessed a recovery to 90.3 percent, the same as the ratio of forex reserves to short-term external debt

³⁶ Short-term external debt outstanding at end-2020 plus the principal and/or interest on long-term gross external debt payable over the following 12 months (2021).

at original maturity³⁷, which increased from 92.8 percent to 112.4 percent, through the joint contribution of the lower stock of short-term external debt and the consolidation of forex reserves.

Amid the new economic environment of 2020, developments in macroeconomic indicators under review (international investment position and external debt) posted a marked deterioration in terms of both absolute values and shares in GDP. The external public debt, which increased in 2020 mainly due to securities issued by the general government, has sustainable maturity- and cost-related features (average maturity around 16 years, average interest rate about 2.8 percent). Short-term external debt (of up to and including 1 year), an indicator with a specific volatile nature, witnessed an adjustment in 2020, after several years of steady rise starting 2012.

³⁷ Gross external debt with an original maturity of up to and including 1 year.

Statistical section

Balance of payments, 2019-2020						
Item	2019			2020		
	Credit	Debit	Balance	Credit	Debit	Balance
	EUR millions					
1. Current account	101,973	112,878	-10,905	93,145	104,124	-10,979
A. Goods and services	90,124	99,324	-9,200	81,340	90,840	-9,500
a. Goods	63,066	80,918	-17,852	57,569	76,511	-18,942
general merchandise on a balance of payments basis	63,016	80,918	-17,902	57,467	76,511	-19,044
net exports of goods under merchandising	50	0	50	102	0	102
goods acquired under merchandising	-395	0	-395	-549	0	-549
goods sold under merchandising	445	0	445	651	0	651
b. Services	27,058	18,406	8,652	23,771	14,329	9,442
processing of goods	2,969	164	2,805	2,455	136	2,319
transport	7,966	3,629	4,337	6,750	2,668	4,082
travel	3,195	5,360	-2,165	1,262	2,709	-1,447
other	12,928	9,253	3,675	13,304	8,816	4,488
B. Primary income	6,298	9,487	-3,189	5,979	9,392	-3,413
compensation of employees	3,597	103	3,494	3,234	129	3,105
investment income	824	9,119	-8,295	816	9,037	-8,221
other primary income	1,877	265	1,612	1,929	226	1,703
C. Secondary income	5,551	4,067	1,484	5,826	3,892	1,934
general government	1,484	2,131	-647	1,985	2,069	-84
other sectors	4,067	1,936	2,131	3,841	1,823	2,018
2. Capital account	3,255	405	2,850	4,376	198	4,178
A. Capital transfers	2,469	293	2,176	3,355	58	3,297
general government	2,455	293	2,162	3,338	0	3,338
other sectors	14	0	14	17	58	-41
B. Acquisitions/disposals of non-produced non-financial assets	786	112	674	1,021	140	881
	Net acquisition of assets*	Net incurrence of liabilities*	Net	Net acquisition of assets*	Net incurrence of liabilities*	Net
3. Financial account	3,485	8,619	-5,134	11,717	19,940	-8,223
A. Direct investment	1,723	6,572	-4,849	115	3,073	-2,958
equity	195	5,021	-4,826	52	3,998	-3,946
equity other than reinvestment of earnings	110	2,238	-2,128	63	983	-920
reinvestment of earnings	85	2,783	-2,698	-11	3,015	-3,026
debt instruments	1,528	1,551	-23	63	-925	988
B. Portfolio investment	1,368	3,805	-2,437	-18	13,819	-13,837
equity and investment fund shares	119	-589	708	402	-463	865
debt securities	1,249	4,394	-3,145	-420	14,282	-14,702
C. Financial derivatives	-49	0	-49	-16	0	-16
D. Other investment	698	-1,758	2,456	6,035	3,048	2,987
other equity	-1	0	-1	2	0	2
currency and deposits	-300	-1,171	871	5,142	-588	5,730
loans	-149	-1,349	1,200	249	3,440	-3,191
insurance, pension and standardised guarantee schemes	18	22	-4	-18	-10	-8
trade credit and advances	1,128	733	395	659	247	412
other accounts receivable/payable	2	7	-5	1	-41	42
special drawing rights	0	0	0	0	0	0
E. NBR's reserve assets	-255	0	-255	5,601	0	5,601
4. Net errors and omissions	x	x	2,921	x	x	-1,422

*) "+" increase; "-" decrease

Note: Totals may not add up due to rounding.

Quarterly balance of payments, 2020

Item	EUR millions					
	Q1			Q2		
	Credit	Debit	Balance	Credit	Debit	Balance
1. Current account	26,084	27,140	-1,056	18,139	21,125	-2,986
A. Goods and services	22,063	24,386	-2,323	15,832	17,959	-2,127
a. Goods	15,799	20,330	-4,531	10,663	15,006	-4,343
general merchandise on a balance of payments basis	15,744	20,330	-4,586	10,623	15,006	-4,383
net exports of goods under merchandising	55	0	55	40	0	40
goods acquired under merchandising	-139	0	-139	-122	0	-122
goods sold under merchandising	194	0	194	162	0	162
b. Services	6,264	4,056	2,208	5,169	2,953	2,216
processing of goods	707	43	664	516	28	488
transport	1,749	757	992	1,433	529	904
travel	522	1,160	-638	99	275	-176
other	3,286	2,096	1,190	3,121	2,121	1,000
B. Primary income	2,648	1,711	937	1,088	2,324	-1,236
compensation of employees	799	39	760	641	31	610
investment income	203	1,617	-1,414	285	2,235	-1,950
other primary income	1,646	55	1,591	162	58	104
C. Secondary income	1,373	1,043	330	1,219	842	377
general government	563	600	-37	403	480	-77
other sectors	810	443	367	816	362	454
2. Capital account	1,242	72	1,170	817	20	797
A. Capital transfers	894	58	836	632	0	632
general government	885	0	885	632	0	632
other sectors	9	58	-49	0	0	0
B. Acquisition/disposal of non-produced non-financial assets	348	14	334	185	20	165
	Net acquisition of assets*	Net incurrence of liabilities*	Net	Net acquisition of assets*	Net incurrence of liabilities*	Net
3. Financial account	2,616	3,251	-635	885	3,272	-2,387
A. Direct investment	-231	-632	401	-782	612	-1,394
equity	13	94	-81	13	549	-536
equity other than reinvestment of earnings	16	-46	62	16	200	-184
reinvestment of earnings	-3	140	-143	-3	349	-352
debt instruments	-244	-726	482	-795	63	-858
B. Portfolio investment	31	4,285	-4,254	-23	2,905	-2,928
equity and investment fund shares	24	-121	145	64	-183	247
debt securities	7	4,406	-4,399	-87	3,088	-3,175
C. Financial derivatives	-5	0	-5	3	0	3
D. Other investment	1,463	-402	1,865	756	-245	1,001
other equity	2	0	2	0	0	0
currency and deposits	1,227	-366	1,593	672	-148	820
loans	186	169	17	132	577	-445
insurance, pension and standardised guarantee schemes	-11	-17	6	-23	9	-32
trade credit and advances	68	-189	257	-32	-776	744
other accounts receivable/payable	-9	1	-10	7	93	-86
special drawing rights	0	0	0	0	0	0
E. NBR's reserve assets	1,358	0	1,358	931	0	931
4. Net errors and omissions	x	x	-751	x	x	-197

*) "+" increase; "-" decrease

Note: Totals may not add up due to rounding.

EUR millions						Item
Q3			Q4			
Credit	Debit	Balance	Credit	Debit	Balance	
23,253	27,045	-3,792	25,669	28,814	-3,145	1. Current account
20,741	22,962	-2,221	22,704	25,533	-2,829	A. Goods and services
14,917	19,600	-4,683	16,190	21,575	-5,385	a. Goods
14,911	19,600	-4,689	16,189	21,575	-5,386	general merchandise on a balance of payments basis
6	0	6	1	0	1	net exports of goods under merchanting
-123	0	-123	-165	0	-165	goods acquired under merchanting
129	0	129	166	0	166	goods sold under merchanting
5,824	3,362	2,462	6,514	3,958	2,556	b. Services
607	30	577	625	35	590	processing of goods
1,696	647	1,049	1,872	735	1,137	transport
347	688	-341	294	586	-292	travel
3,174	1,997	1,177	3,723	2,602	1,121	other
1,201	3,266	-2,065	1,042	2,091	-1,049	B. Primary income
917	32	885	877	27	850	compensation of employees
175	3,179	-3,004	153	2,006	-1,853	investment income
109	55	54	12	58	-46	other primary income
1,311	817	494	1,923	1,190	733	C. Secondary income
198	301	-103	821	688	133	general government
1,113	516	597	1,102	502	600	other sectors
616	5	611	1,701	101	1,600	2. Capital account
391	0	391	1,438	0	1,438	A. Capital transfers
390	0	390	1,431	0	1,431	general government
1	0	1	7	0	7	other sectors
225	5	220	263	101	162	B. Acquisition/disposal of non-produced non-financial assets
Net acquisition of assets*	Net incurrence of liabilities*	Net	Net acquisition of assets*	Net incurrence of liabilities*	Net	
3,498	5,475	-1,977	4,718	7,942	-3,224	3. Financial account
1,182	1,858	-676	-54	1,235	-1,289	A. Direct investment
13	2,257	-2,244	13	1,098	-1,085	equity
16	457	-441	15	372	-357	equity other than reinvestment of earnings
-3	1,800	-1,803	-2	726	-728	reinvestment of earnings
1,169	-399	1,568	-67	137	-204	debt instruments
-46	2,992	-3,038	20	3,637	-3,617	B. Portfolio investment
207	-86	293	107	-73	180	equity and investment fund shares
-253	3,078	-3,331	-87	3,710	-3,797	debt securities
-19	0	-19	5	0	5	C. Financial derivatives
4,313	625	3,688	-497	3,070	-3,567	D. Other investment
0	0	0	0	0	0	other equity
3,879	3	3,876	-636	-77	-559	currency and deposits
-260	-107	-153	191	2,801	-2,610	loans
60	5	55	-44	-7	-37	insurance, pension and standardised guarantee schemes
624	830	-206	-1	382	-383	trade credit and advances
10	-106	116	-7	-29	22	other accounts receivable/payable
0	0	0	0	0	0	special drawing rights
-1,932	0	-1,932	5,244	0	5,244	E. NBR's reserve assets
x	x	1,205	x	x	-1,679	4. Net errors and omissions

Romania's international investment position, 2012-2020									
EUR millions, end of period									
Institutional sectors	2012	2013	2014	2015	2016	2017	2018	2019	2020
I. Central bank	25,585	29,689	33,095	34,092	37,857	37,758	37,050	36,927	42,831
Foreign assets, <i>of which</i> :	35,444	35,509	35,693	35,652	39,115	38,931	38,249	38,144	43,993
Foreign exchange reserve	31,206	32,525	32,216	32,238	34,242	33,494	33,065	32,927	37,379
Monetary gold	4,207	2,910	3,290	3,247	3,664	3,612	3,735	4,524	5,138
Foreign liabilities, <i>of which</i> :	9,859	5,820	2,598	1,560	1,258	1,172	1,199	1,217	1,162
Currency and deposits	57	10	3	186	3	2	3	0	2
Loans from the IMF	8,654	4,708	1,421	122	0	0	0	0	0
SDR allocations	1,148	1,102	1,173	1,252	1,255	1,171	1,196	1,216	1,160
II. General government	-22,998	-27,298	-29,808	-28,278	-29,172	-30,096	-29,943	-33,733	-51,995
Foreign assets, <i>of which</i> :	2,575	2,567	2,833	3,102	3,266	3,668	5,005	5,930	5,781
Other investment, <i>of which</i> :	2,575	2,567	2,833	3,102	3,256	3,629	4,715	5,512	5,224
other equity	785	868	945	1,027	1,053	972	954	968	907
loans	0	0	0	0	60	143	110	1,970	1,748
trade credit and advances	1,715	1,625	1,810	1,985	2,047	2,429	3,562	2,560	2,560
Foreign liabilities, <i>of which</i> :	25,573	29,865	32,641	31,380	32,439	33,765	34,948	39,664	57,776
Portfolio investment	9,500	14,214	17,999	18,153	19,694	22,435	25,466	31,623	46,153
debt securities	9,500	14,214	17,999	18,153	19,694	22,435	25,466	31,623	46,153
Other investment, <i>of which</i> :	16,072	15,652	14,641	13,227	12,745	11,330	9,482	8,035	11,617
currency and deposits	92	92	215	5	224	260	154	236	191
loans	15,952	15,535	14,403	13,197	12,507	11,057	9,322	7,793	11,387
III. Deposit-taking corporations except the central bank	-27,094	-23,875	-18,996	-17,189	-13,564	-11,828	-9,796	-8,215	-3,545
Foreign assets, <i>of which</i> :	2,303	2,208	3,538	4,371	5,265	6,278	7,779	9,144	13,180
Direct investment	41	42	42	44	33	35	89	82	84
equity	41	40	42	41	31	33	88	82	84
debt instruments	0	2	0	3	2	3	1	0	0
Portfolio investment	414	578	641	294	212	184	302	793	1,012
equity and investment fund shares	31	19	23	1	44	38	27	38	42
debt securities	383	559	618	293	168	146	276	755	970
Other investment, <i>of which</i> :	1,848	1,588	2,855	4,033	5,019	6,036	7,358	8,269	12,081
currency and deposits	1,369	1,348	2,401	3,419	4,370	5,432	6,750	7,756	11,274
loans	413	214	439	597	631	582	580	476	779
other accounts receivable	66	26	14	18	19	22	27	37	28
Foreign liabilities, <i>of which</i> :	29,397	26,083	22,534	21,559	18,829	18,106	17,575	17,359	16,724
Direct investment	7,137	6,658	5,625	6,257	6,350	6,816	7,341	8,153	8,450
equity	7,137	6,657	5,623	6,249	6,346	6,812	7,338	8,150	8,447
debt instruments	0	1	3	8	4	4	3	3	3
Portfolio investment	278	560	882	1,152	1,469	1,442	1,274	1,529	1,237
equity and investment fund shares	60	394	678	982	1,317	1,274	1,168	1,362	1,047
debt securities	218	166	204	171	152	168	106	167	190
Other investment, <i>of which</i> :	21,982	18,866	16,027	14,150	11,010	9,770	8,933	7,672	7,037
currency and deposits	21,321	18,724	15,852	14,129	10,985	9,678	8,909	7,629	7,012
other accounts payable	661	141	175	21	25	92	23	43	25

continued

Institutional sectors	EUR millions, end of period								
	2012	2013	2014	2015	2016	2017	2018	2019	2020
IV. Other sectors	-66,121	-68,103	-69,414	-74,738	-77,922	-83,183	-86,611	-91,534	-91,948
Foreign assets, <i>of which:</i>	11,570	14,086	16,272	13,858	15,831	17,074	20,349	24,964	25,950
Direct investment	1,641	3,764	5,256	5,845	6,293	6,692	9,112	11,851	12,079
equity	304	394	65	-142	-118	292	905	1,542	1,790
debt instruments	1,337	3,370	5,191	5,987	6,412	6,401	8,208	10,309	10,289
Portfolio investment	1,640	1,770	1,795	2,470	2,940	3,558	3,535	4,493	4,015
equity and investment fund shares	879	844	806	1,054	1,195	1,471	1,381	1,706	2,026
debt securities	761	926	989	1,417	1,745	2,086	2,155	2,786	1,990
Other investment, <i>of which:</i>	8,289	8,551	9,211	5,537	6,592	6,810	7,687	8,605	9,840
currency and deposits	2,446	2,614	2,984	2,122	2,078	1,922	2,237	2,822	3,680
loans	3,162	3,163	3,391	117	116	46	37	51	48
insurance, pension and standardised guarantee schemes		2	4	5	489	551	589	598	569
trade credit and advances	2,468	2,573	2,564	3,247	3,840	4,234	4,775	5,092	5,492
other accounts receivable	214	199	268	47	68	56	49	43	51
Foreign liabilities, <i>of which:</i>	77,691	82,189	85,686	88,596	93,753	100,256	106,960	116,498	117,898
Direct investment	50,925	57,171	61,408	63,549	69,991	75,130	81,794	89,922	92,077
equity	32,131	34,057	37,641	38,854	42,623	45,936	50,143	53,198	55,533
debt instruments	18,794	23,114	23,767	24,696	27,368	29,195	31,651	36,724	36,544
Portfolio investment	2,334	1,994	2,265	2,312	1,731	1,768	2,167	2,572	2,907
equity and investment fund shares	2,334	1,990	2,251	2,298	1,717	1,753	2,160	2,228	1,715
debt securities	0	4	14	14	14	16	7	345	1,193
Other investment, <i>of which:</i>	24,431	23,022	22,008	22,732	22,028	23,355	22,994	23,998	22,908
loans	22,565	21,362	20,429	17,328	15,763	15,884	14,186	14,784	13,736
insurance, pension and standardised guarantee schemes		2	2	2	83	86	95	116	105
trade credit and advances	1,847	1,564	1,514	5,222	6,001	7,308	8,615	9,013	9,004
other accounts payable	19	93	64	180	181	77	97	86	64
Net position	-90,628	-89,588	-85,123	-86,113	-82,802	-87,349	-89,301	-96,555	-104,656
Foreign assets	51,892	54,370	58,336	56,982	63,477	65,950	71,381	78,182	88,904
Foreign liabilities	142,520	143,958	143,459	143,095	146,279	153,299	160,682	174,737	193,560

Romania's gross international reserve, 2012-2020

	EUR millions, end of period								
	2012	2013	2014	2015	2016	2017	2018	2019	2020
National Bank of Romania	35,413	35,435	35,506	35,485	37,905	37,107	36,800	37,450	42,518
Gold	4,207	2,910	3,290	3,247	3,664	3,612	3,735	4,524	5,138
Foreign exchange reserve	31,206	32,525	32,216	32,238	34,242	33,494	33,065	32,927	37,379
Credit institutions	1,892	2,035	3,285	3,512	4,240	5,081	6,527	7,901	11,329
Foreign currency	1,892	2,035	3,285	3,512	4,240	5,081	6,527	7,901	11,329
Gross international reserve, of which:	37,305	37,470	38,791	38,997	42,145	42,188	43,327	45,351	53,847
Gross foreign exchange reserve	33,098	34,559	35,501	35,750	38,482	38,576	39,592	40,827	48,708

External debt indicators, 2012-2020

	2012	2013	2014	2015	2016	2017	2018	2019	2020
	EUR millions								
External debt (ED)	100,857	100,859	97,260	94,710	94,273	97,445	99,841	109,783	126,807
Long-term (LT)	79,936	78,860	75,829	71,425	69,645	68,520	68,286	74,319	93,541
Short-term (ST)	20,921	21,999	21,431	23,285	24,628	28,925	31,555	35,463	33,266
GDP	132,809	143,690	150,678	160,164	170,048	187,801	204,519	223,167	218,219
Exports of goods and services (EXP)	49,776	57,495	62,417	66,282	71,048	78,920	85,612	90,124	81,340
Imports of goods and services (IMP)	56,761	58,786	63,058	67,598	72,826	83,541	92,593	99,324	90,839
External debt service (EDS)	54,268	59,961	58,019	57,570	70,436	60,891	65,820	66,585	72,370
Principal repayments	50,339	56,583	54,768	54,640	67,885	58,691	63,598	64,238	70,069
long-term (LT)	16,391	24,254	21,879	23,247	19,136	17,512	17,403	15,419	14,975
short-term (ST)	33,948	32,329	32,889	31,393	48,750	41,179	46,195	48,818	55,094
Interest payments (INT)	3,929	3,378	3,251	2,931	2,550	2,200	2,223	2,347	2,301
long-term (LT)	2,273	2,032	2,224	2,039	1,906	1,928	1,729	2,022	1,865
short-term (ST)	1,656	1,346	1,026	892	644	272	493	325	436
Romania's international reserves (IR)	35,413	35,435	35,506	35,485	37,905	37,107	36,800	37,450	42,518
	percent								
ED/GDP	75.9	70.2	64.5	59.1	55.4	51.9	48.8	49.2	58.1
LT/GDP	60.2	54.9	50.3	44.6	41.0	36.5	33.4	33.3	42.9
ED/EXP	202.6	175.4	155.8	142.9	132.7	123.5	116.6	121.8	155.9
LT/EXP	160.6	137.2	121.5	107.8	98.0	86.8	79.8	82.5	115.0
EDS/EXP	109.0	104.3	93.0	86.9	99.1	77.2	76.9	73.9	89.0
EDS/GDP	40.9	41.7	38.5	35.9	41.4	32.4	32.2	29.8	33.2
EDS/IR	153.2	169.2	163.4	162.2	185.8	164.1	178.9	177.8	170.2
INT/EXP	7.9	5.9	5.2	4.4	3.6	2.8	2.6	2.6	2.8
ST/ED	20.7	21.8	22.0	24.6	26.1	29.7	31.6	32.3	26.2
Multilateral/ED	27.8	24.2	20.5	17.7	16.3	14.3	12.6	10.1	11.5
	months								
IR/IMP	7.5	7.2	6.8	6.3	6.2	5.3	4.8	4.5	5.6

Romania's international investment position at end-2020 by institutional sector

	EUR millions					
Institutional sector	Beginning-of-period position	Transactions	Revaluation due to price changes	Other revaluation	Revaluation due to exchange rate changes	End-of-period position
I. General government	-33,733	-16,731	-1,956	27	399	-51,995
Foreign assets	5,930	258	1	50	-458	5,781
Direct investment	1	0	0	0	0	1
Equity	1	0	0	0	0	1
Portfolio investment	418	146	1	0	-9	556
Long-term debt securities	341	51	1	0	-8	385
Short-term debt securities	77	96	0	0	-2	171
Financial derivatives	0	0	0	0	0	0
Other investment	5,511	111	0	50	-449	5,224
Other equity	968	0	0	0	-62	907
Deposits	11	0	0	0	0	11
Loans	1,970	-60	0	0	-163	1,747
long-term loans	1,970	-60	0	0	-163	1,747
Trade credits and advances	2,560	171	0	53	-225	2,560
long-term trade credits and advances	2,516	177	0	49	-224	2,519
short-term trade credits and advances	44	-7	0	4	-1	40
Other accounts receivable	3	0	0	-3	0	0
other long-term accounts receivable	2	0	0	-2	0	0
other short-term accounts receivable	0	0	0	0	0	0
Foreign liabilities	39,664	16,989	1,957	24	-857	57,776
Direct investment	6	0	0	0	0	6
Equity	6	0	0	0	0	6
Portfolio investment	31,623	13,403	1,957	0	-829	46,153
Long-term debt securities	31,610	13,343	1,956	0	-829	46,080
Short-term debt securities	13	60	1	0	0	74
Other investment	8,035	3,586	0	24	-27	11,617
Deposits	236	-41	0	0	-3	191
Loans	7,793	3,615	0	3	-23	11,387
long-term loans	7,791	3,615	0	3	-23	11,385
short-term loans	2	0	0	0	0	2
Trade credits and advances	2	12	0	21	-1	34
long-term trade credits and advances	0	13	0	10	0	22
short-term trade credits and advances	2	0	0	12	-1	13
Other accounts payable	4	0	0	0	0	4
other long-term accounts payable	4	0	0	0	0	4
other short-term accounts payable	0	0	0	0	0	0

continued

	EUR millions					
	Beginning-of-period position	Transactions	Revaluation due to price changes	Other revaluation	Revaluation due to exchange rate changes	End-of-period position
Institutional sector						
II. Central bank	36,927	6,383	440	0	-918	42,831
Foreign assets	38,144	6,384	440	0	-974	43,993
Other investment	693	783	0	0	-1	1,476
Other equity	35	2	0	0	-1	36
Deposits	658	782	0	0	0	1,440
Reserve assets	37,450	5,601	440	0	-973	42,518
Monetary gold	4,524	0	615	0	0	5,138
Foreign exchange reserve	32,927	5,601	-175	0	-973	37,379
Foreign liabilities	1,217	2	0	0	-57	1,162
Other investment	1,217	2	0	0	-57	1,162
Deposits	0	2	0	0	0	2
Loans	0	0	0	0	0	0
long-term loans (IMF)	0	0	0	0	0	0
SDR allocations	1,216	0	0	0	-57	1,160
III. Deposit-taking corporations except the central bank	-8,215	3,721	973	-59	36	-3,544
Foreign assets	9,144	4,219	25	2	-209	13,180
Direct investment	82	6	0	-3	-2	84
Equity	82	6	0	-3	-2	84
Debt instruments	0	0	0	0	0	0
Portfolio investment	793	208	25	0	-13	1,012
Equity and investment fund shares	38	4	4	0	-4	42
Long-term debt securities	755	205	20	0	-10	970
Short-term debt securities	0	0	0	0	0	0
Financial derivatives	0	-1	0	5	-1	3
Other investment	8,269	4,006	0	0	-194	12,081
Currency and deposits	7,756	3,699	0	0	-181	11,274
currency and deposits – long-term	747	405	0	0	-12	1,140
currency and deposits – short-term	7,009	3,294	0	0	-169	10,134
Loans	476	315	0	0	-13	779
long-term loans	376	215	0	0	-10	581
short-term loans	100	101	0	0	-3	198
Other accounts receivable	37	-9	0	0	-1	28
Foreign liabilities	17,359	498	-948	62	-245	16,724
Direct investment	8,153	1,171	-759	38	-154	8,450
Equity	8,150	1,171	-759	38	-154	8,447
Debt instruments	3	0	0	0	0	3
Portfolio investment	1,529	-80	-189	0	-22	1,237
Equity and investment fund shares	1,362	-105	-190	0	-20	1,047
Long-term debt securities	167	25	1	0	-3	190
Financial derivatives	4	-27	0	23	0	0
Other investment	7,672	-566	0	0	-69	7,037
Deposits	7,629	-549	0	0	-68	7,012
long-term deposits	3,912	-368	0	0	-18	3,526
short-term deposits	3,717	-181	0	0	-50	3,486
Other accounts payable	43	-17	0	0	-1	25

continued

	EUR millions					
Institutional sector	Beginning-of-period position	Transactions	Revaluation due to price changes	Other revaluation	Revaluation due to exchange rate changes	End-of-period position
IV. Other sectors	-91,535	-1,595	-882	889	1,175	-91,948
Foreign assets	24,963	191	-69	1,231	-367	25,950
Direct investment	11,851	109	0	279	-161	12,079
Equity	1,542	46	0	231	-29	1,790
Debt instruments	10,309	63	0	48	-132	10,288
Portfolio investment	4,493	-373	-70	31	-66	4,015
Equity and investment fund shares	1,706	399	-85	31	-25	2,026
Long-term debt securities	2,586	-648	15	0	-38	1,915
Short-term debt securities	201	-123	0	0	-3	75
Financial derivatives	15	-680	0	691	-10	16
Other investment	8,605	1,135	0	230	-130	9,840
Deposits	2,822	661	0	234	-37	3,681
Trade credit and advances	51	-7	0	5	-1	48
long-term trade credit and advances	12	8	0	3	-1	21
short-term trade credit and advances	39	-14	0	2	-1	27
Insurance, pension and standardised guarantee schemes	598	-18	0	-3	-7	569
Trade credit and advances	5,092	488	0	-4	-84	5,492
long-term trade credit and advances	189	249	0	-17	-16	405
short-term trade credit and advances	4,903	240	0	13	-68	5,087
Other accounts receivable	43	10	0	-2	-1	51
other long-term accounts receivable	12	-7	0	3	0	7
other short-term accounts receivable	32	17	0	-5	-1	43
Foreign liabilities	116,498	1,786	813	343	-1,542	117,898
Direct investment	89,922	1,902	885	650	-1,282	92,077
Equity	53,198	2,827	885	-369	-1,008	55,533
Debt instruments	36,724	-925	0	1,019	-274	36,544
Portfolio investment	2,572	496	-77	-46	-38	2,907
Equity and investment fund shares	2,228	-358	-71	-46	-38	1,715
Long-term debt securities	345	855	-6	0	0	1,193
Short-term debt securities	0	0	0	0	0	0
Financial derivatives	6	-638	5	640	-7	5
Other investment	23,999	26	0	-901	-215	22,908
Trade credit and advances	14,784	-175	0	-804	-70	13,736
long-term trade credit and advances	13,001	-288	0	-795	-57	11,862
other short-term accounts payable	1,783	113	0	-9	-13	1,874
Insurance, pension and standardised guarantee schemes	116	-10	0	0	-1	105
Trade credit and advances	9,013	235	0	-101	-143	9,004
long-term trade credit and advances	404	1	0	-86	-13	305
short-term trade credit and advances	8,609	234	0	-15	-130	8,699
Other accounts payable	86	-24	0	3	-1	64
other long-term accounts payable	17	-8	0	7	0	15
other short-term accounts payable	69	-17	0	-3	-1	49
Total	-96,556	-8,223	-1,426	856	693	-104,656

Note: Totals may not add up due to rounding.

Romania's international investment position at end-2020 by item						
Item	EUR millions					
	Beginning-of-period position	Transactions	Revaluation due to price changes	Other revaluation	Revaluation due to exchange rate changes	End-of-period position
Total, of which:	-96,556	-8,223	-1,426	856	693	-104,656
Foreign assets	78,181	11,052	396	1,284	-2,008	88,904
Direct investment	11,934	115	0	277	-163	12,163
Portfolio investment	5,703	-18	-44	31	-89	5,584
Financial derivatives	15	-682	0	696	-10	19
Other investment	23,079	6,035	0	280	-774	28,621
Reserve assets	37,450	5,601	440	0	-973	42,518
Foreign liabilities	174,737	19,274	1,822	428	-2,701	193,560
Direct investment	98,081	3,073	127	688	-1,436	100,534
Portfolio investment	35,724	13,819	1,690	-46	-889	50,298
Financial derivatives	10	-666	5	664	-8	5
Other investment	40,922	3,047	0	-877	-368	42,724
Net position	-96,556	-8,223	-1,426	856	693	-104,656
Direct investment	-86,148	-2,958	-127	-412	1,273	-88,371
Portfolio investment	-30,020	-13,837	-1,735	78	801	-44,714
Financial derivatives	5	-16	-4	32	-2	14
Other investment	-17,843	2,988	0	1,158	-406	-14,103
Reserve assets	37,450	5,601	440	0	-973	42,518
Foreign assets	78,181	11,052	396	1,284	-2,008	88,904
Direct investment	11,934	115	0	277	-163	12,163
Equity	1,625	52	0	228	-30	1,875
Debt instruments	10,309	63	0	48	-132	10,288
Portfolio investment	5,703	-18	-44	31	-89	5,584
Equity and investment fund shares	1,744	402	-81	31	-29	2,068
Long-term debt securities	3,682	-393	36	0	-56	3,269
Short-term debt securities	278	-27	0	0	-4	247
Financial derivatives	15	-682	0	696	-10	19
Other investment	23,079	6,035	0	280	-774	28,621
Other equity	1,003	2	0	0	-63	943
Currency and deposits	11,247	5,143	0	234	-218	16,405
Loans and trade credit	10,149	907	0	54	-484	10,626
long-term loans and trade credit	5,063	588	0	35	-412	5,274
short-term loans and trade credit	5,086	319	0	19	-73	5,352
insurance, pension and standardised guarantee schemes	598	-18	0	-3	-7	569
Other accounts receivable	83	2	0	-4	-2	78
long-term	14	-7	0	1	0	7
short-term	69	9	0	-5	-2	71
Reserve assets (NBR)	37,450	5,601	440	0	-973	42,518
Monetary gold	4,524	0	615	0	0	5,138
Foreign exchange reserve	32,927	5,601	-175	0	-973	37,379

continued

Item	EUR millions					
	Beginning-of-period position	Transactions	Revaluation due to price changes	Other revaluation	Revaluation due to exchange rate changes	End-of-period position
Foreign liabilities	174,737	19,274	1,822	428	-2,701	193,560
Direct investment	98,081	3,073	127	688	-1,436	100,534
Equity	61,354	3,998	127	-331	-1,162	63,986
Debt instruments	36,727	-925	0	1,019	-274	36,547
Portfolio investment	35,724	13,819	1,690	-46	-889	50,298
Equity and investment fund shares	3,590	-463	-261	-46	-57	2,762
Long-term debt securities	32,121	14,222	1,951	0	-832	47,462
Short-term debt securities	13	60	1	0	0	74
Financial derivatives	10	-666	5	664	-8	5
Other investment	40,922	3,047	0	-877	-368	42,724
Currency and deposits	7,865	-588	0	0	-71	7,206
Loans and trade credit	31,592	3,687	0	-881	-238	34,161
long-term loans and trade credit	21,196	3,340	0	-869	-94	23,574
short-term loans and trade credit	10,396	347	0	-12	-144	10,587
insurance, pension and standardised guarantee schemes	116	-10	0	0	-1	105
Other accounts payable	133	-42	0	3	-2	93
long-term	21	-8	0	7	0	19
short-term	113	-34	0	-3	-2	74
SDR allocations	1,216	0	0	0	-57	1,160

Charts

Chart 1	Current account and capital account	8
Chart 2	Net financial flows	8
Chart 3	Composition of the current account	10
Chart 4	Exports and imports of goods	12
Chart 5	Exports by output stage	14
Chart 6	Exports by group of goods	14
Chart 7	Imports by output stage	17
Chart 8	Imports by group of goods	17
Chart 9	Balance on trade in services by component	21
Chart 10	International travel	21
Box		
Chart A	The international trade in services by size of reporting entities in 2020	23
Chart 11	Balance on primary income by component	26
Chart 12	Balance on secondary income by sector	27
Chart 13	Personal remittances (receipts) by country	28
Chart 14	Capital account balance by component	29
Chart 15	Net financial flows	30
Chart 16	International investment position	35
Chart 17	International investment position and current account deficit	35
Chart 18	Foreign assets and liabilities by instrument	35
Chart 19	Geographical breakdown of foreign assets	36
Chart 20	Geographical breakdown of foreign liabilities	36
Chart 21	Currency composition of foreign assets	37
Chart 22	Currency composition of foreign liabilities	37
Chart 23	International investment position	37
Chart 24	Foreign assets by instrument	38
Chart 25	Foreign assets by institutional sector	39
Chart 26	Foreign liabilities by instrument	40
Chart 27	The stock of long-term government securities held by non-residents	41
Chart 28	Projection on government security redemptions 2021 through 2031	41

Chart 29	Geographical breakdown of holdings of securities issued by residents	41
Chart 30	Foreign liabilities by institutional sector	42
Chart 31	Gross external debt	43
Chart 32	Currency composition of the NBR's foreign exchange reserves	44
Chart 33	Currency composition of external debt	44
Chart 34	Long-term external debt	44
Chart 35	Long-term gross external debt by creditor, 2019	45
Chart 36	Long-term gross external debt by creditor, 2020	45
Chart 37	Long-term external debt by maturity	45
Chart 38	Long-term external debt by floating rate and fixed rate	46
Chart 39	Long-term external debt by institutional sector	46
Chart 40	Long-term external debt by instrument	46
Chart 41	Short-term external debt by institutional sector	47
Chart 42	Short-term external debt by instrument	47
Chart 43	External debt service	47
Chart 44	Net external debt	48
Chart 45	Net external debt at end-2020	48
Chart 46	Short-term external debt, by institutional sector, at remaining maturity as at end-2020	48

Tables

Table 1	Balance of payments in relation to the EU and the euro area in 2020	9
Table 2	Components' contributions to developments in the current account deficit	9
Table 3	Balance of goods and services (trade balance)	11
Table 4	Balance on trade in goods	11
Table 5	Exports of goods by economic activity	13
Table 6	Main groups of goods reporting higher exports	15
Table 7	Exports of goods by group of countries	15
Table 8	Imports of goods by activity of the economy of origin	16
Table 9	Main groups of goods reporting higher imports	18
Table 10	Imports of goods (FOB) by group of countries	18
Table 11	Energy exports and imports (FOB)	19

Table 12	Volume and price influences on energy exports and imports	20
Table 13	Exports of services by group of countries	21
Table 14	Imports of services by group of countries	21
Box		
Table A	Services exports intensity by economic activity	23
Table B.a	Concentration of exports of main types of services in 2020	25
Table B.b	Concentration of imports of main types of services in 2020	25
Table 15	Personal remittances	28
Table 16	Direct investment	30
Table 17	Direct investment under the directional principle	31
Table 18	Portfolio investment	32
Table 19	Other investment	33
	Balance of payments, 2019-2020	53
	Quarterly balance of payments, 2020	54
	Romania's international investment position, 2012-2020	56
	Romania's gross international reserve, 2012-2020	58
	External debt indicators, 2012-2020	58
	Romania's international investment position at end-2020 by institutional sector	59
	Romania's international investment position at end-2020 by item	62

