



Over 8.68m Romanians voted in the country (c.670,000 of diaspora voted abroad), in the first round of the presidential elections on Sunday, November 10, according to final data from the Central Electoral Office (BEC). The turnout rate was 47.66%, the lowest recorded in presidential elections in Romania after 1989.

As expected with Incumbent President Iohannis (Liberal) will face the front runner, and former PM, Mrs Viorica Dancila (Social Democrat) in the second round on November 24.



✓ Romanian retail chain Profi, controlled by investment fund Mid Europa Partners, rented 60,000 sqm of logistics space within CTPark Bucharest West logistics park operated by CTP, along the A1 Bucharest-Pitesti highway. The contract reportedly starts in 2020.

Profi has over 1,000 retail outlet units in approximately 500 cities across the country. CTP is the leading developer and owner of logistics parks in Romania, with a total leasable area of over 1m sqm in ten cities.



✓ Sameday, one of the largest Romanian courier operators, controlled by eMAG group, which also operates the largest online retailer in the country, has inaugurated a new logistics center close in NW Bucharest, following a total investment of €20m. The logistics center has an area of 22,000 sqm and is equipped with state-of-the-art technologies that

shorten up to three times the parcel sorting times, thus streamlining the processing and

shipping flows. The new logistics center will handle 80% of the total volume of the company's domestic shipments, the company informed. It is located in the industrial park developed by eMAG Logistica, a member of eMAG group, controlled by South African group Naspers and local entrepreneur Iulian Stanciu.

- “There is not enough money” to keep the public healthcare sector running by the end of the year, PM Ludovic Orban and health minister Victor Costache announced in a joint press conference on November 7, as Costache officially took over his minister seat. The payroll expenditures will exceed by some RON 4bn (€840m) the projections included in the budget planning inherited from former Government. Ministry will assess the necessities and submit the list as an input for the budget revision that the new Government, which took office in early November, has to operate.



- The European Commission has revised upwards its forecast on the growth of the Romanian economy in 2019, from 3.3% under the Spring Forecast, in May, to 4.1% according to the Autumn Forecast issued on November 7.

The Commission has also improved the forecast for next year's growth from 3.1% to 3.6% while the growth rate for 2021 is expected to decline to 3.1%. Besides the private consumption, spurred by increases in minimum and public sector wages, investment recovered in the first half of 2019 and is set to make a positive contribution to the local economy's growth this year.

On the downside, risks to economic growth stem from both external and internal conditions. Externally, a potential slowdown in some of Romania's main trading partners could negatively impact exports. Internally, political uncertainty could delay the restart of structural reforms and dampen efforts to reduce macroeconomic imbalances. The general government deficit, in particular, is set to increase to 3.6% of GDP in 2019, from 3.0% in 2018 and the EC estimates it will reach 4.4% of GDP in 2020 and 6.1% of GDP in 2021, driven by significant increases in pensions decided in summer 2019.

- ♦ Romanian economy will rise by 4% this year, but may see sudden slowdown to 2.8% in 2020, said Ciprian Dascălu, chief economist of ING Bank Romania. The currency will similarly remain steady this year to slightly weaken in nominal terms to RON 4.85/€ by the end of 2020 (from a current level or around RON 4.75), he added.



"This year we see a 4% GDP growth, but the delayed effects of the global economic slowdown will be felt. Inflation will remain in the upper half [of the target band], at 3-3.5%. (...) The exchange may reach RON4.85/€ by the end of 2020, but the risks are asymmetric. If the external environment remains friendly, [and] the interest rates are relatively low, it does not take a big effort for the central bank to maintain the stability of the exchange rate," says Dascălu.

He pointed out that the main vulnerability of the Romanian economy, and the most difficult to tackle, is that of the twin deficits, meaning the current account deficit and the budget deficit.



Romania's capital Bucharest ranks 12th based on the English Proficiency Index (EPI) score (64.45), ahead of cities such as Brussels (63.56), Prague (61.29), Paris (60.28), Barcelona (57.97) and Rome (56.28). Bucharest is included in the "Very High Proficiency" group, alongside Vienna, Berlin, Warsaw, and Budapest. The cities with the highest EPI scores are Amsterdam (71.36), Stockholm (69.24), and Copenhagen (68.52).

- √ More than 7,000 new apartments would be delivered in 2019 in the immediate vicinity of office projects in Bucharest, and another approximately 10,000 units could be launched in same areas over the next 12 to 18 months, according to the study "home_office Report 2019 " launched by real estate consulting company SVN Romania. The best (smallest) ratio between the number of employees working on a modern office project and the number of housing units scheduled for delivery can be found in the Militari area - Western Bucharest (8 to 1), while in the Dimitrie Pompeiu - Pipera Sud area (northern Bucharest) the ratio is the weakest: 110 employees per each apartment under construction. "The share of the middle market segment, mainly represented by homes located near an office project, has tripled in recent years, from 17% in 2015 to 50.5% this year," says said Andrei Sârbu, CEO of SVN Romania.

- Globalworth (GWI:LN), the leader of the office market in Romania and Poland, signed a contract for a revolving credit of up to €200m from a syndicate of seven banks including Bank of China - which is thus financing for the first time an investor operating in Romania.

The revolving credit was signed for a period of 4.5 years and the limit can be increased by €50 m. The loan was arranged by JP Morgan, and the participating banks include Banca Transilvania, Bank of China, BRD Groupe Societe Generale, Deutsche Bank, JPMorgan Chase, Intesa Sanpaolo and Raiffeisen Bank International. This is the first such financing in which Bank of China participates in Romania. [This summer, the Chinese bank started recruiting managers for Romania, with the intention of opening an office in Bucharest. The Chinese group has notified the National Bank of Romania \(BNR\) that it wants a direct presence on the local market.](#)

- “BSH Hausgeräte GmbH has decided not to continue its plans for the construction of a washing machine plant in Simeria until further notice. Due to the economic conditions and the strategic planning of sales based on them, the appliance manufacturer does not currently see the need for additional new production capacities in Europe. BSH has a production network of 22 factories in Europe that can adapt flexibly to changing demands,” Irenne Wagner, head of marketing at BSH Electrocasnice. Bosch group recorded consolidated sales of RON 2.1bn (€452m) in Romania, up by almost 9% compared to 2017. It invested some RON 555m (€120m) in 2018, especially in developing the production units for mobility solutions in Cluj and Blaj.



Bosch has been present in Romania for 25 years, being one of the biggest foreign investors in the country. The group reached 7,800 employees in Romania at the end of 2018, up by 19% compared to end-2017.

- ✓ [AFI Europe Romania, the local subsidiary of Israeli real estate group AFI Europe, is close to completing the due diligence for taking over a portfolio of four office buildings in Bucharest and Timisoara put up for sale by NEPI Rockcastle for a sum of €309m.](#)

Subject to the preliminary agreement are the office projects Floreasca Business Park (36,300 sqm), Timisoara City Business Center (47,800 sqm), The Lakeview Bucharest (25,600 sqm), and Victoriei Offices (7,800 sqm) - 117,500 sqm in total.



Over 2,000 people gathered in downtown Bucharest on the evening of November 3 to march in defence of the country's forests and denounce violence against forest rangers.

Those taking part in the march carried placards with messages such as "All for forests", "Stop the lumber mafia" or "Forests save the environment".

"Romania's forests are running out of time! The recent data in the National Forestry Inventory show that illegal logging takes place at an unprecedented pace.



U.S. tech giant Google will buy Fitbit, one of the biggest producers of smart health and fitness wearable devices (watches and bracelets), in a deal that values Fitbit at US\$2.1bn. Fitbit has over 1,600 employees in 14 offices across 10 countries, of which more than 200 are based in the company's research and development center in Bucharest. The company set foot in Romania in 2018 after buying

local smartwatch producer Vector Watch for US\$15m.

- Romania had 16 cases of police-reported robberies per 100,000 inhabitants in 2017, according to Eurostat data. Estonia and Czechia (both 15 cases per 100,000 inhabitants), Cyprus (14), Slovenia (12), Slovakia and Hungary (both 9) were the only EU Member States with lower rates than Romania. At the opposite end, the highest number of offences per 100,000 inhabitants were observed in Belgium (167), France (150), Spain (144), England and Wales (UK) (132), and Portugal (115). In the EU, the number of police-recorded robberies fell by 24% between 2011 and 2017, from 522,000 to 396,000, after an increase of 4% between 2008 and 2011.

