

Romania's trade balance deficit increases by 827.5 M euros in Jan-Oct

Romania's trade balance deficit (FOB/CIF) increased by 827.5 million euros, January through October 2019, up to 14.858 billion euros, according to data released by the National Institute of Statistics (INS), published on Thursday.

According to the official statistics, between January 1 and October 31, 2020, FOB exports totalled 51.072 billion euros, and CIF imports reached 65.930 billion euros. Exports decreased by 12.2 per cent, and imports decreased by 8.7 per cent, compared to the same period in 2019.

According to the INS, in October 2020, FOB exports amounted to 6.261 billion euros, and CIF imports amounted to 8.059 billion euros, resulting in a deficit of 1.798 billion euros. Compared to October 2019, exports in October 2020 decreased by 1.1 per cent, and imports decreased by 2.9 per cent.

Between 1 January and 31 October 2020, important shares in the structure of exports and imports are held by the product groups: machinery and transport equipment (47.9 per cent for export and 36.9 per cent for import) and other manufactured products (30.6 per cent for exports and 30.4 per cent for imports, respectively).

The value of intra-EU trade in goods in the first 10 months was 37.684 billion euros in shipments and 48.339 billion euros in introductions, representing 73.8 per cent of total exports and 73.3 per cent of total imports.

The value of extra-EU27 trade in goods during the mentioned period was 13.387 billion euros for exports and 17.591 billion euros for imports, representing 26.2 per cent of total exports and 26.7 per cent of total imports.

According to the INS, the FOB/CIF trade balance is calculated based on the value of the FOB export and the CIF import, as the difference between them. The negative balance of the trade balance is called the deficit, and the positive balance is called the surplus.

The FOB (Free on Board) price represents the price at the border of the exporting country, which includes the value of the good, all transport costs to the point of embarkation, as well as all the fees that the good must bear in order to be loaded on board.

The CIF price (Cost, Insurance, Freight) represents the price at the border of the importing country, which includes both the components of the FOB price and the cost of insurance and international transport.