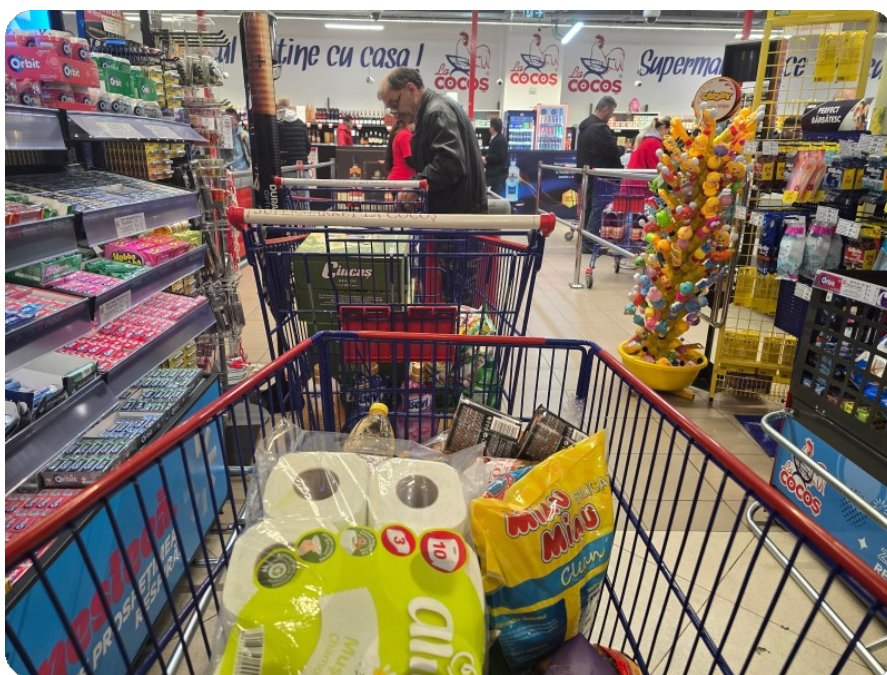


Snap | 11 September 2026

ROMANIA

Romanian inflation is no cause for celebration yet

Romania's annual inflation rate eased to 6.2% in August, more than reversing July's upside surprise print and coming in below expectations. Lower prices for some food items and natural gas were the main drivers of disinflation. That said, volatile energy markets continue to heighten the risk. We maintain our year-end CPI forecast of 6.5%



Falling fruit, vegetable and natural gas prices helped ease inflation pressures in August

August CPI: a welcome surprise, but with caveats

Food and non-food inflation came in softer than expected, at 2.6% and 6.3%, respectively, in August. Seasonal declines in vegetables and fresh fruit were particularly pronounced, with prices falling by 7.0% and 5.5% month-on-month, respectively. Natural gas prices also declined by more than 4.0%.

The picture was less benign elsewhere. Fuel prices rose by more than 6.0% on the month, highlighting the continued sensitivity of headline inflation to developments in global energy markets. Meanwhile, services inflation remained broadly unchanged, suggesting that underlying price pressures have yet to ease meaningfully.

Wages: showing signs of life but momentum remains modest

Today's data also showed the latest wage developments. As of July, the average net wage growth picked up to 5.5%, jumping from June's 3.5% and taking the year-to-date average to 3.9%. The July pick-up led to an increase in the average net wage to 5820 lei, up from 5734 lei, likely an indirect impact of the rise in minimum wage during the month.

Nevertheless, 2026 will shape up to be the year with the weakest wage growth since 2010, as both public sector freezes and private sector weakness have taken their toll on demand and the labour market. While these headwinds may be approaching their peak, a convincing recovery has yet to emerge.

Outlook: running out of synonyms for “uncertainty”

Taken in isolation, today's print would imply a somewhat lower inflation path ahead. However, part of this improvement is likely to be offset by the recent rebound in oil prices, limiting the scope for further disinflation in the very near term.

Developments in the Middle East remain the key risk factor. The resilience of oil prices in the first half of September suggests that markets are increasingly reassessing both the duration and potential impact of the conflict. The outlook remains highly uncertain.

For now, we retain our 6.5% year-end inflation forecast. In a more favourable scenario, characterised by a rapid easing of geopolitical tensions and lower energy prices, inflation could finish the year closer to 6.0%, bringing the National Bank of Romania's 6.1% projection within reach.

More fundamentally, domestic demand imbalances are likely to unwind only gradually. As a result, the current disinflation process is unlikely to accelerate materially in the near term. Put differently, stagflationary pressures appear to be easing, but their full dissipation is more likely to be a story for 2027.

Much of the outlook will ultimately depend on developments in global energy markets, which currently dictate both inflation dynamics and, to some extent, the pace of domestic demand recovery. On the policy side, we continue to expect the National Bank of Romania's first rate cut in January 2027. Recent communication from the central bank has suggested that discussions about policy easing would become relevant once headline inflation falls below the policy rate, a threshold that has now technically been crossed.

In that respect, our January 2027 call for the first rate cut still looks reasonable. That said, domestic fundamentals are only part of the story. If yields in core markets continue to drift higher, the NBR may find it difficult to ease policy against an

unfavourable global backdrop. In other words, while the case for rate cuts is gradually strengthening at home, global financial conditions could still dictate the timing and pace of the easing cycle.

Author

Valentin Tataru

Chief Economist, Romania
valentin.tataru@ing.com

Stefan Posea

Economist, Romania
tiberiu-stefan.posea@ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit www.ing.com.