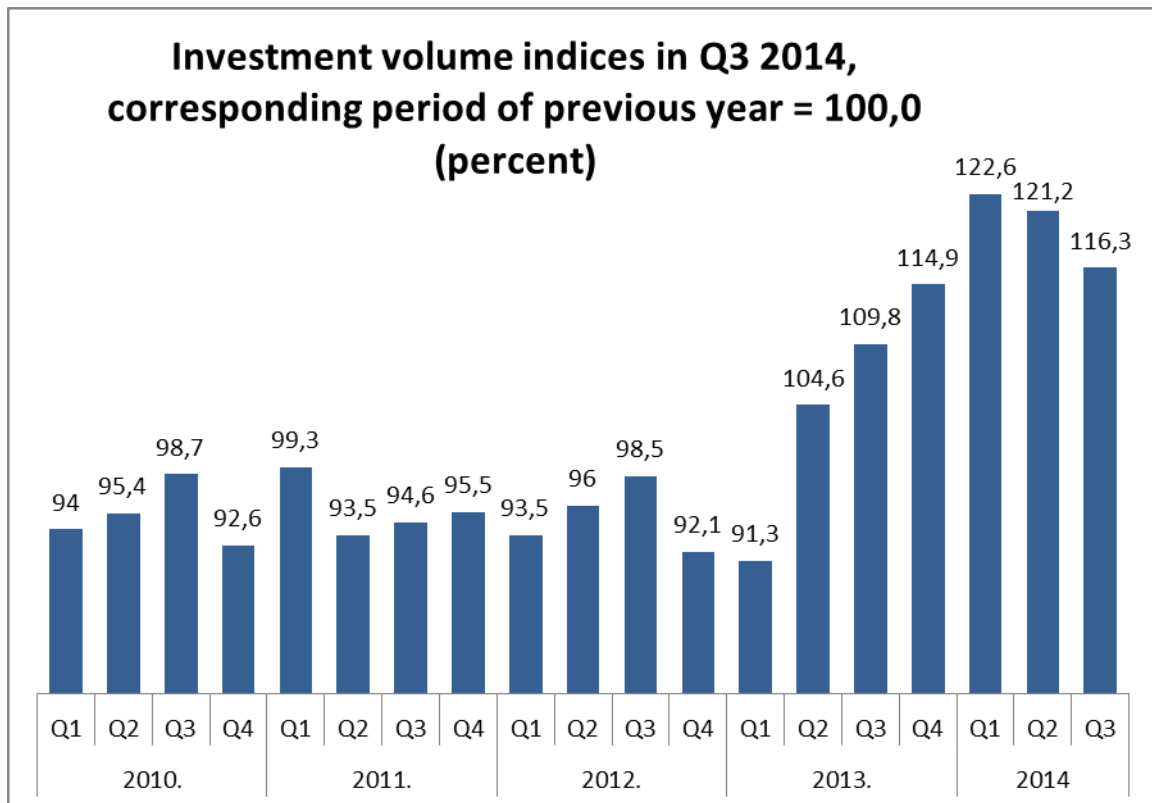




Investment volume up for the fifth consecutive quarter in Hungary

On 28 November, the Hungarian Central Statistical Office (KSH) published the latest data on the volume of investment in Hungary. These show that investment volume in the third quarter was 16.3 percent higher year-on-year. Thus, this indicator has risen for the fifth month in a row.



Source: Hungarian Central Statistical Office (KSH)

Due to the high base, growth was below that of the previous quarter, when 21.2 percent year-on-year increase was registered. Investment volume was higher in fifteen sectors within the national economy. In comparison to the second quarter, data show growth of 0.8 percent in the third quarter. The 22.2 percent increase in the investment volume of the machinery and equipment sector was a significant factor behind this result. The construction sector contributed to the excellent figure with 12.2 percent growth – in line with the performance of the previous quarter. Investment volume with regard to transport and storage soared by 33.5 percent. Investment within this sector was mainly fuelled by railway, public road and motorway projects, metropolitan transport network and fleet modernization projects. Manufacturing industry investment

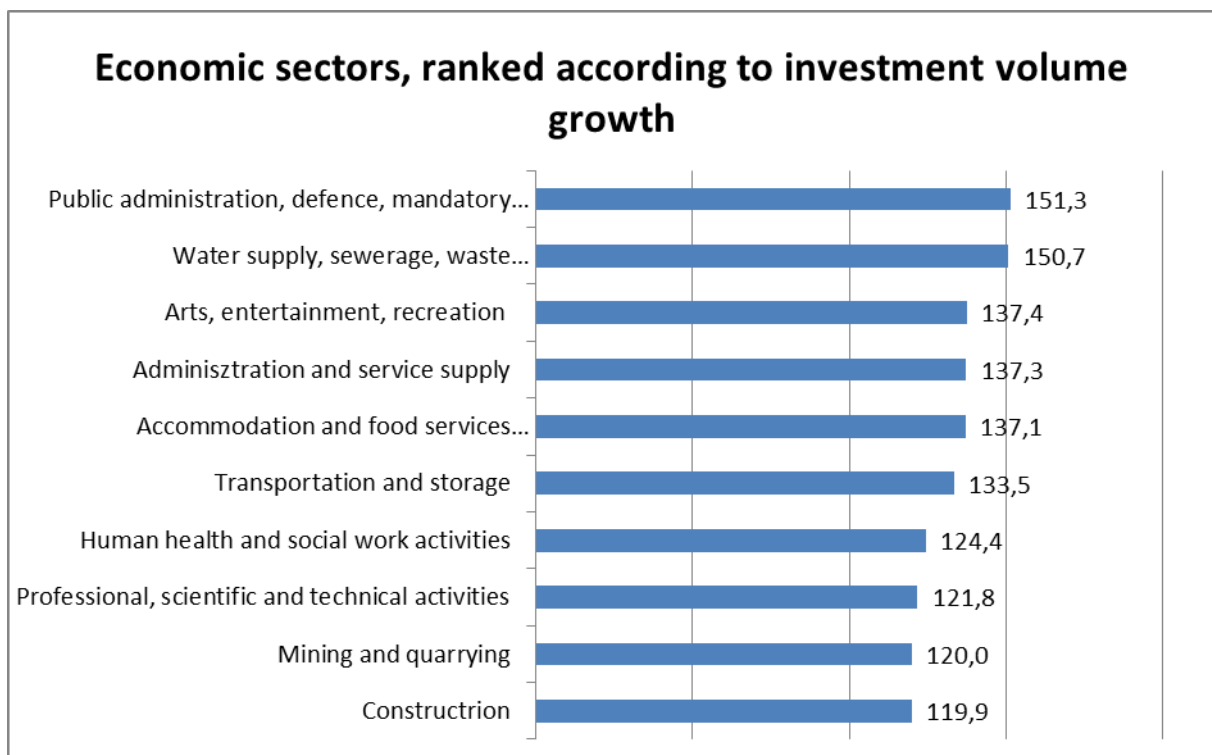


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expanded by 10.8 percent, but investment volume was also sharply higher within the food sector and the manufacturing of chemicals and chemical products.

Growth in the manufacturing sector, which constitutes one-third of total investment volume, was mainly driven by the projects of supplier divisions related to vehicle manufacturing. In the field of arts, entertainment and recreation, investment volume surged by 37.4 percent, thanks to large, one-off projects.

As a result of the renovation of public buildings, building of public parks and emergency management and protection service projects, investment volume was 51.3 percent higher concerning the sector of public administration, defence and mandatory social insurance. Water purifying and sewerage projects increased investment volume in the category of water supply, sewerage, waste management and remediation by 50.7 percent.



Source: Hungarian Central Statistical Office (KSH)

While investment volume increased within the public sector, the private sector's contribution to the 16.3 percent growth was smaller than in the second quarter. In the initial three quarters of 2014, the total volume of investment implemented in Hungary was some 20 percent higher



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compared to the same period of the previous year. In the first nine months of the year, the value of investment volume totalled some HUF 3400bn.

The efficient utilization of EU funding, the steady flow of manufacturing sector orders and the Funding for Growth Scheme of the National Bank of Hungary have all contributed to the remarkable results that Hungary has achieved yet again.