



Tourism sector shows dynamic growth in Hungary

In the final quarter of 2014, the number of foreign tourist visiting Hungary was up by 11 percent year-on-year. The number of international trips by Hungarians rose by 2.3 percent, with respective spending up by 17 percent. Passenger services posted a surplus of HUF 221bn (EUR 717 million)¹, constituting an increase of HUF 47bn year-on-year. In 2014, the number of foreigners coming to Hungary increased by 5.4%, while that of Hungarians travelling abroad rose by 1.9%.

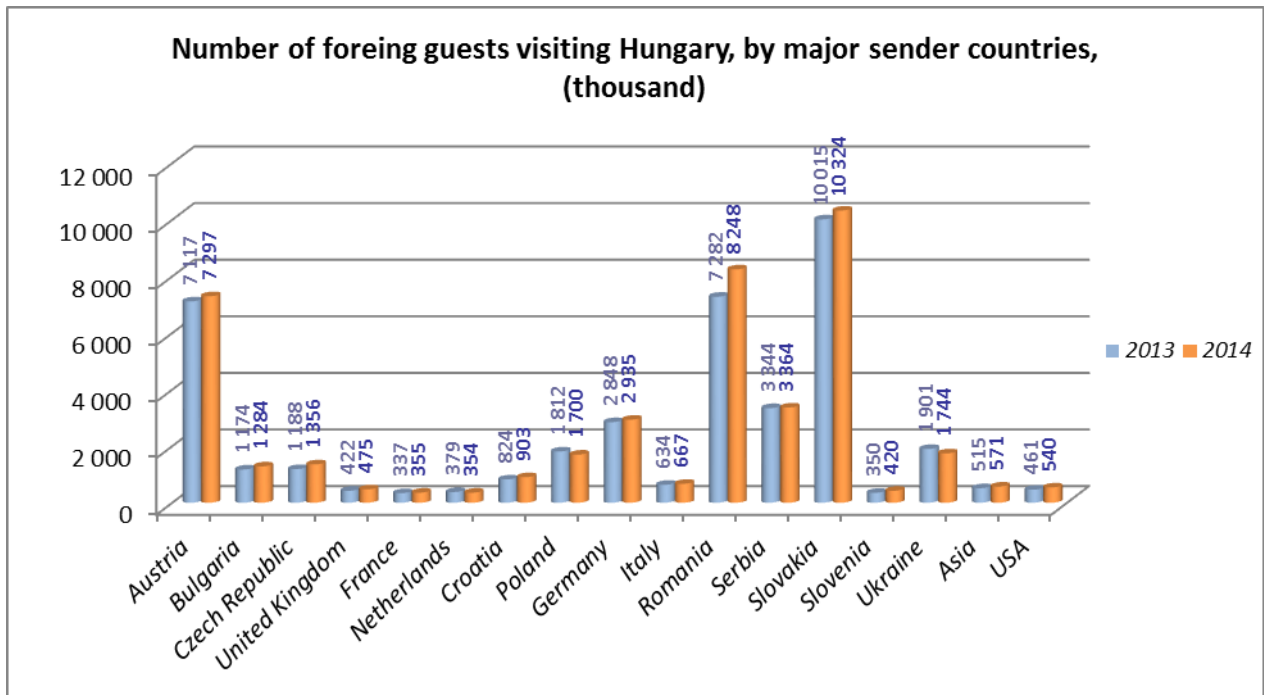
In Q4 2014, foreigner arrivals totalled 46 million to Hungary², of which 34 million were same-day and 12 million were multi-day visits. The number of same-day visits shows an increase of 2.6 percent, while that of multi-day ones soared by 14 percent. Besides business trips, expansion was recorded in each segment. Foreigners spent, as a whole, 110 million days in Hungary, thus the length of stay increased by 8.3 percent year-on-year. The duration of stay among same-day travellers and multi-day travellers was 2.6 percent and 11 percent higher, respectively. Whereas there was only single-digit growth in the first half with regard to the duration of stay, in the second half double-digit was recorded (13 percent) both in the high season and in the final quarter of 2014. The average duration of stay among those on multi-day trips varied between 5.6 days and 6.7 days during the year, while it was lower in every period in comparison to 2013. As a whole, the number of foreign visitors was up by 5.4 percent, from 43.6 million in 2013 to 46 million in 2014. The below table shows year-on-year changes in the number of foreign tourists visiting Hungary by sender country:

¹ At EUR/HUF 308.2

² Air, rail, water and road traffic excluding lorry drivers. Personal and vehicle traffic data on internal EU border sections are estimates (Hungarian Central Statistical Office - KSH)



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Source: Hungarian Central Statistical Office (KSH)

In 2014, foreign tourists spent HUF 1460bn on products and services related to their visits to Hungary, of which tourism expenditure totalled HUF 1070bn. Those on a same-day trip – who constitute some three-fourth of total foreign arrivals – spent HUF 384bn or about one-fourth (26 percent) of total amount. Accordingly, spending by multi-day travellers totalled HUF 1076bn.

Facts in 2015 and full-year outlook

In January 2015, the number of tourism nights by foreigners and domestic guests was up by 7.5 percent and 11 percent, respectively, year-on-year. Tourism traffic at accommodation establishments – in view of tourism nights – was 8.9 percent higher as a whole. The latest KSH report also concludes that gross revenues of accommodation establishments at current prices jumped by 18 percent.



Record-high passenger traffic at Ferenc Liszt International Airport

In Q1 2015, passenger traffic grew by 12.6 percent at Ferenc Liszt International Airport, in comparison to the corresponding period of 2014. The number of travellers at the airport was more than 1.9 million, the best first-quarter figure of all time. In the first quarter, the number of aircraft departures and arrivals was up by 5.5 percent. Airport statistics also reveal that charter traffic has also been picking up following flat data last year, and charter traffic rose by 16.4 percent year-on-year.

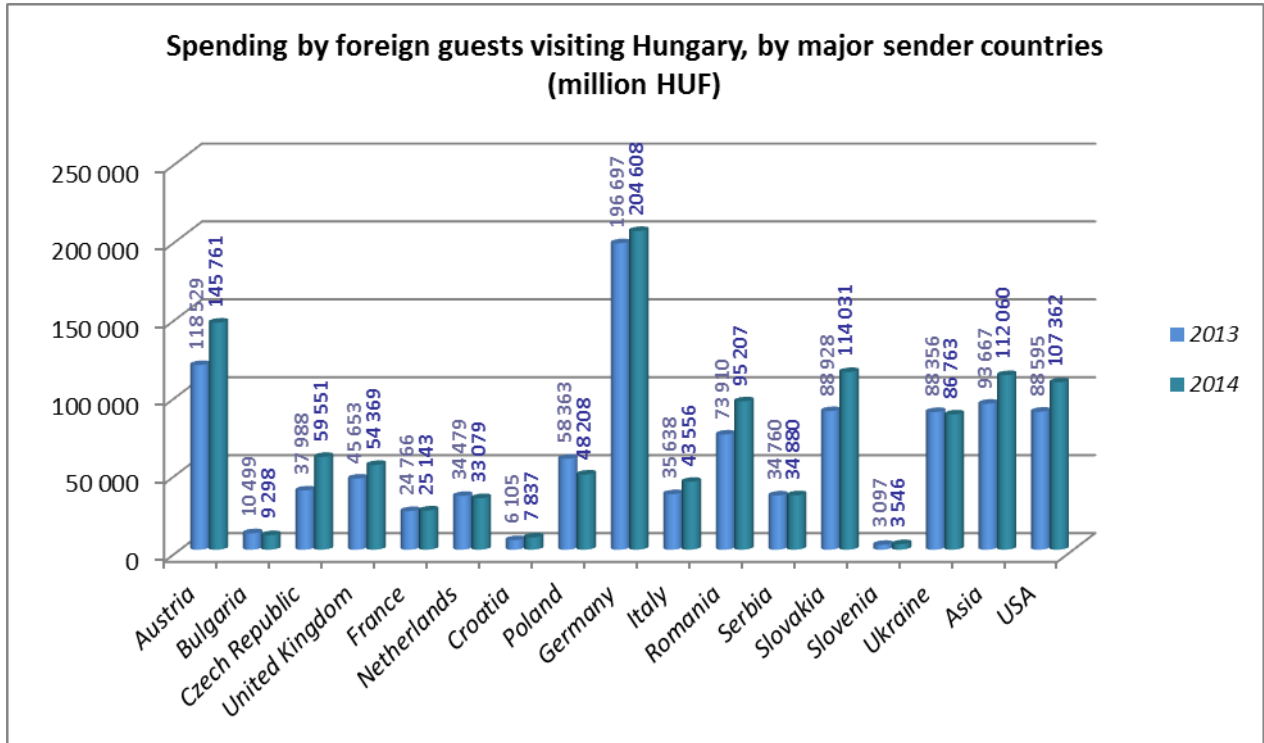
As far as sender cities are concerned, London continues to top the ranking (with flights of five airlines heading to four London airports), followed by Paris as second, Brussels, Rome, Frankfurt, Istanbul, Milan, Amsterdam, Munich and Moscow. The Budapest airport has recently won the “Best Airport – Eastern Europe 2015” award, for the second time running, of the London-based air transport consultancy Skytrax.

In light of tourist traffic volumes in the month of January, the number of tourism nights was up - among the top six sender countries in terms of traffic volume -- by 59 percent, 15 percent and 13 percent concerning visitors from the United Kingdom, Italy and Romania, respectively, while the indicator fell by 30 percent, 3.7 percent and 3.4 percent regarding Russia, Germany and Austria, respectively. Domestic guests spent 585 thousand tourism nights at accommodation establishments, which figure indicates 10 percent growth in the number of tourists and 11 percent increase in the number of respective tourism nights. The hotel room occupancy ratio improved on average by 2.5 percentage points to 38.2 percent. Revenues at accommodation establishments were up by 18 percent at current prices, totalling HUF 21bn as gross income. Within that amount, accommodation, hospitality and other earnings totalled HUF 11bn (up by 25 percent), HUF 4.7bn (up by 14 percent) and HUF 4.8bn (up by 8.6 percent), respectively. Revenues were also influenced by the increases of monthly EUR/HUF exchange rate averages. These earnings growth figures for the month of January are especially noteworthy, given the fact that last year the forint depreciated on a year-on-year basis by 15 percent, and growth dynamics could be maintained and increased, even compared to a high base.



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The below table shows changes in the spending of foreign visitors by sender country:



Source: Hungarian Central Statistical Office (KSH)