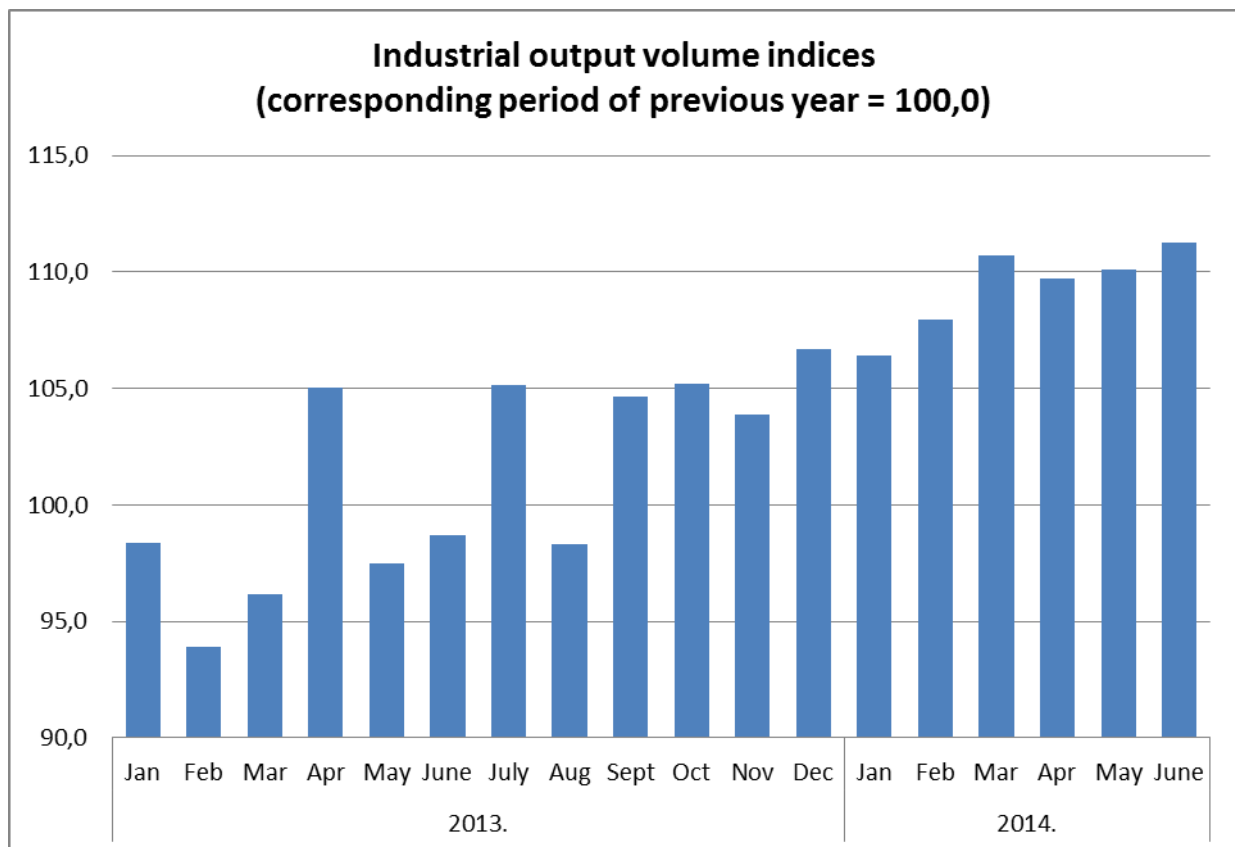




Hungarian industrial sector: the top performer within the EU

In June 2014, the volume of industrial output grew by 11.3 percent in comparison to the corresponding period of the previous year, according to both unadjusted and workday-adjusted data. In the initial six months of the year, output was up by 9.4 percent year-on-year, while compared to the month of May it increased by 1.8 percent in light of unadjusted and workday-adjusted statistics. The outstanding performance continues to be driven by the vehicle manufacturing and related supplier sectors; however, output within the food and consumer electronics sectors was also stronger.



Source: Hungarian Central Statistical Office (KSH)

According to data by the Hungarian Central Statistical Office (KSH), industrial output increased in June 2014 by 11.3 percent year-on-year, thanks to a low base and the 12.9 percent growth of the manufacturing sector. **Growth was recorded in twelve out of the altogether thirteen manufacturing sub sectors, ranging between 1.1 percent and 53.8 percent, in comparison**



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to the corresponding month of the previous year. The increase of output volume was mainly attributable to growth within the vehicle manufacturing and related supplier sectors as well as to the higher output at the food and consumer electronics sectors.

In June 2014, the total stock of new orders of manufacturing sub sectors observed by KSH increased by 17.7 percent year-on-year, signalling a favourable outlook for this field within the national economy.

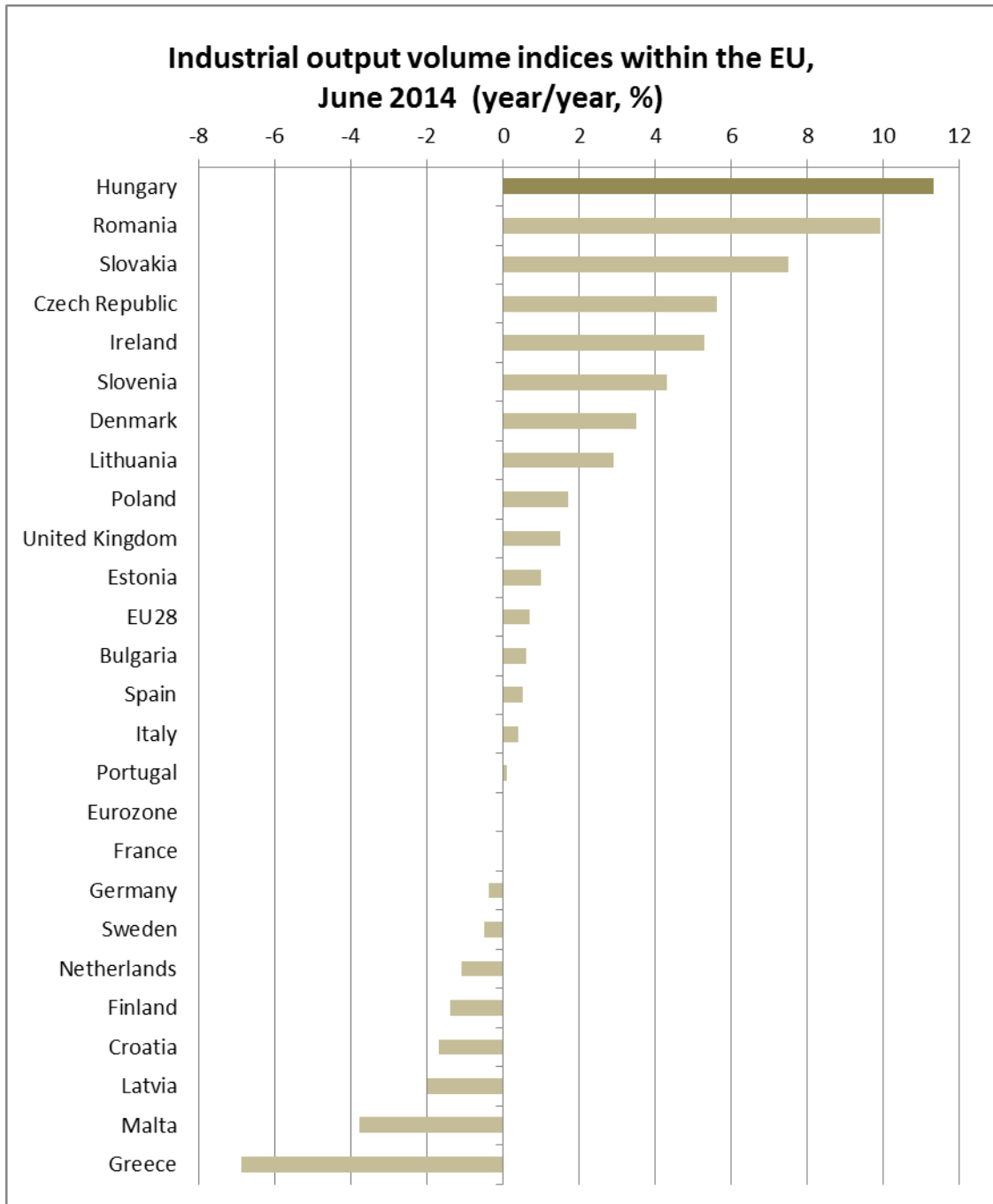
Output jumped by 23.5 percent in June 2014 at the vehicle manufacturing sector, one of the most significant industrial sub sectors of Hungary. Output of consumer electronics was 1.4 percent higher, while that of food, beverages and tobacco products soared by 14.6 percent. Thanks to favourable demand on external markets, output of textiles, wearing apparel, leather and leather products, constituting the smallest sub sector, surged by 17.4 percent. The largest output growth, 53.8 percent, was recorded within coke and refined petroleum production, a sector representing medium weight. This figure was partly the result of a very low base.

As far as regions are concerned, industrial output increased in each of them in the first half of 2014. The largest output growth, 20 percent, was registered in Western Transdanubia while in other regions the sector expanded by 3.8-15 percent. Regarding counties, industrial output growth was the highest in Győr-Moson-Sopron County again, where in January-June 2014 this indicator was up by 26.1 percent year-on-year.

Domestic sales of industrial products increased by 1 percent in the initial six months of the year, while they were up by 8.4 percent in June, compared to the level of one year ago. **Hungary's industrial exports were 12.2 percent higher in the period January-June and 15.1 percent higher in June compared to the performance of 2013.**

From a European Union perspective

Eurostat has recently published data, according to which industrial output fell month-on-month by 0.3 percent in the eurozone and by 0.1 percent in the EU28. Year-on-year, output growth was flat in the eurozone and it was down by 0.7 percent in the EU28. The largest year-on-year industrial output increase within the European Union was registered in Hungary, whereas the most severe slump, -6.9 percent, was seen in Greece.



Source: Eurostat