

PHOTO OF THE DAY



Ice skaters at the opening of the Budapest 2019 European Capital of Sport series of events

UPCOMING EVENTS

Parliament holds extraordinary session

Stats office prelim report on Q3 2018 govt sector balance

HR ministry official on new subsidy for parents taking care of permanently sick children

TOP STORY

JOBLESS RATE FALLS TO 3.6% IN NOVEMBER

Hungary's rolling average three-month jobless rate was 3.6% in November, down from 3.7% in the previous month, the Central Statistical Office (KSH) said.

The rate, which covers unemployment among those between the ages of 15 and 74, was close to the average for the previous twelve months. In absolute terms, there were 168,700 unemployed, 4,200 fewer than in the previous month and 8,800 fewer than in the same month a year earlier.

The number of employed stood at 4,494,500 among 15-74-year-olds, 44,300 more than in the same period a year earlier. The employment rate was 60.5%, up 0.7 of a percentage point. The number of employed included 130,700 Hungarians in fostered work programmes and 110,200 working abroad. The number of those employed on the domestic primary labour market rose by 2.2% from a year earlier to 4,253,500, while the number of fostered workers dropped by 28.7%. The number of those working abroad was down 3.7%.

The finance ministry said that Hungary's 3.6% jobless figure is the third most favourable rate in the European Union after the Netherlands and Malta. More and more people are being employed in high value-added jobs and the gaps between regions are narrowing, it added.

ORBÁN HOLDS TALKS WITH BOLSONARO, NETANYAHU

Prime Minister Viktor Orbán held talks with new Brazilian President Jair Bolsonaro and Israeli Prime Minister Benjamin Netanyahu in Brasilia over the past two days.

Orbán, who paid a working visit to Brazil to attend the inauguration ceremony of the new president on Tuesday, held talks with Bolsonaro on opportunities for international, economic and political cooperation between the two countries, the prime minister's press chief said. At the talks, Orbán confirmed an invitation to Bolsonaro for a visit to Hungary, which the Brazilian president accepted, Bertalan Havasi told MTI.

An upcoming Israel-Visegrad Group summit to be held in Jerusalem in early 2019 was on the agenda of talks between Orbán and his Israeli counterpart. The two prime ministers reviewed current issues in Hungary-Israel relations. They agreed to tighten cooperation in security policy and defence between Hungary and Israel in the upcoming period.

NÉMETH: SOLDIERS TO RECEIVE HIGHER PAY RISE THAN PLANNED

Soldiers and other employees of the military will receive a 7.4% pay rise in January, as opposed to an originally planned 5%, Szilárd Németh, state

secretary at the defence ministry, told a press conference. He said that the hike was the last part of a programme launched in 2015 to increase soldiers' wages by 50%. The 7.4% rise will increase wages in the defence sector by 39,000-74,000 forints (EUR 121-223).

Németh said that the military is the "highest guarantee" of the country's security and sovereignty, while it is instrumental in tackling "new challenges such as terrorism, migration and cyberwarfare".

Answering a question about planned anti-government demonstrations, Németh said the opposition "only seeks trouble" and pays no heed to the country's interests. "They aim to topple the government and thwart the [European parliamentary] elections in May, which would decide if we allow migrants to enter or not," he said. He insisted that "the Hungarian people do not want [billionaire George] Soros, they do not want the Hungarian opposition".

Meanwhile, police officers' wages were raised by 5%. Károly Konrád, state secretary at the interior ministry, told MTI that the salaries of police officers had increased by an average 50% since 2015. He added that a police detective in a senior position now earns 471,000 forints before tax, while a lower ranking officer without higher education makes 342,000 forints a month. "The government will continue to provide all assistance to the police to maintain Hungary's security," Konrád said.

JOBBIK ACCUSES GOVT OF IMPOSING 'COMPREHENSIVE AUSTERITY PACKAGE'

Conservative opposition Jobbik accused the government of having imposed a "comprehensive austerity package" which it has attempted to sell to the public through propaganda.

Since 2010, "[Prime Minister] Viktor Orbán and his team" have been helped by external financing, European Union funds and remittances by Hungarians working abroad and they have only an average growth rate of 2.5% to show for it, Jobbik deputy leader Dániel Z Kárpát told a press conference.

At the same time, the government has been engaged in a "non-stop deceitful propaganda campaign" designed to portray its measures as being successful, whether they be about the CSOK home purchase subsidy scheme, demographics data or the country's economic indicators, Z Kárpát insisted. Though CSOK has helped 92,000 families over the past three and a half years, commercial banks generally only offer credit to families with monthly incomes over 350,000-400,000 forints, he said. Z Kárpát said it was impossible to rent apartments in Hungary's major cities at "fair prices", adding that people looking to renovate their properties were not receiving meaningful assistance from the government, either.

He said the government had only helped certain segments of society, while most young people had not been given sufficient help. The politician also criticised Hungary's "record-high" 27% VAT rate, which he said affects the majority of basic foodstuffs and almost all products needed for families with children.

Meanwhile, Z Kárpát said his party would not back down from fighting for the repeal of the recent amendment to the labour code, adding that Jobbik also wants to get the government to renegotiate its strategic agreements with multinational companies.

PÁRBESZÉD: NEW PM'S OFFICE 'OVERPRICED PRESTIGE INVESTMENT'

The new premises of the Prime Minister's Office in the Buda castle district are an overpriced prestige investment and a display of lavish extravagance, the opposition Párbeszéd party said.

Moving the government offices to the Castle District is an attempt to "restore the monarchy ... to copy and restore the Horthy era," the party's Budapest representative Márta V Naszályi told a press conference. The castle does not need the government to give it prestige but the government of Prime Minister Viktor Orbán needs to gain prestige from the Buda Castle "because it

is uncertain even about its own legitimacy," she added.

Moving the prime minister's office to Buda will paralyse life there, considering that the three roads leading to the castle are already overcrowded, she said. The government has created a legislative environment which enables them to take away anybody's property overnight so "people living in the area are afraid and there is utter uncertainty in the district," she added.

GOVT OFFICIAL: POSITIVE JOB MARKET TRENDS CONTINUING IN 2019

Fully, 785,000 more people work in Hungary at present than in 2010 and 662,000 work in the primary labour market, Zoltán Istvan Marczinkó, deputy state secretary for labour at the finance ministry, said in an interview to public television, commenting on the Central Statistical Office's (KSH) latest jobs report. Marczinkó said positive trends in employment were expected in 2019, too, thanks to a robust economic environment and government measures such as the cut in the corporate tax rate to 9%. Whereas the number of employees dropped by a few thousand from a month earlier, this would not affect the trend of employment growth over the longer horizon, he added.

PMI RISES TO 54.2 IN DECEMBER

Hungary's seasonally adjusted Purchasing Managers Index (PMI) rose to 54.2 points in December from 53.5 in November, the Hungarian Association of Logistics, Purchasing and Inventory Management (Halpim), which compiles the index, said. An index value above 50 shows expansion in the manufacturing sector, while a value under 50 signals contraction. Among the sub-indices that comprise the PMI, the new orders index rose and remained over the 50 threshold.

NEW CAR SALES CLIMB ALMOST 18% IN 2018

New passenger car sales in Hungary rose 17.5% to 136,601 last year, Carinfo.hu said, based on figures compiled by DataHouse. Light commercial vehicle (LCV) sales increased 14% to 22,725. Heavy commercial vehicle (HCV) sales rose by 6.7% to 6,245 and bus sales were up 2.8% at 663. Sales of motorcycles climbed by 30.9% to 2,986.

Alone in the month of December, new passenger car sales fell by an annual 10.6% to 9,685. Sales of LCVs were up 18.7% at 2,780, HCV sales fell by 21.5% to 406, bus sales plunged 63.3% to 36 and motorcycle sales dropped 6.8% to 55. Tractor sales dropped 28.9% to 3,026 for the full year and were down 75.9% year-on-year at 266 in December.