

## PHOTO OF THE DAY



MTVA/Márton Mátus

Sziget Festival ends in Budapest

## UPCOMING EVENTS

**Inauguration of local bus depot in Kaposvár**

**28th Farmer-Expo International Agricultural and Food Exhibition opens**

## TOP STORY

# HUNGARY'S GDP UP 4.9% IN SECOND QUARTER

Hungary's GDP rose by an annual 4.9% in the second quarter of 2019, the Central Statistical Office (KSH) said in a first reading of data.

The pace of growth decelerated from 5.3% in the first quarter. In the first half of the year unadjusted growth was 5.1% compared to 4.8% in the same period last year. Market-based services, the construction sector and industry contributed mostly to growth in the second quarter of 2019, KSH said.

Adjusted for calendar year effects, GDP growth reached an annual 5.1% in the second quarter, down from 5.3% in the first quarter. In the first half of the year the growth rate was 5.2%, up from 4.8% in the same period last year. In a quarter-on-quarter comparison, GDP growth was up 1.1% in the second quarter, down from 1.4% in the first quarter, adjusted for seasonal and calendar year effects. Reconciled data, adjusted for seasonal and calendar year effects, show GDP climbed by an annual 5.1% in the second quarter, edging down from a 5.2% expansion in the first quarter.

Hungary's updated Convergence Programme puts GDP growth for this year at 4.0%.

Analysts said the growth rate had exceeded expectations.

---

## **FINANCE MINISTER SEES GDP GROWTH OF 4.3-4.4% IN 2019**

The Hungarian economy is expected to grow by 4.3-4.4% this year, according to a conservative estimate, Finance Minister Mihály Varga said, commenting on the Central Statistical Office's (KSH) fresh GDP growth report. In a first reading of data, KSH said Hungary's GDP rose by an annual 4.9% in the second quarter of 2019. Varga said the economy was expected to perform well in the second half of the year, too. The economy has not lost momentum, he said, adding that the Q2 growth rate had exceeded the ministry's expectations. The preliminary data indicate that Hungary registered the highest growth rate for the second quarter in the European Union, he said. The minister said KSH's report was especially positive given that while economic output was up, public debt continued to decline. Varga said government measures, such as a six-year wage agreement with employers, improving competitiveness, home subsidies and government investments, raised economic growth by 1.6 percentage points. Growth is still being fuelled by household consumption, increasing export capacities and more efficient use of EU funds, he added.

Péter Virovác of ING Bank said economic growth in Q2 was higher than expected by analysts, and surprising as monthly economic data from different

sectors had been auguring a slowdown. In H2 the pace of growth could slow further and for the year GDP could grow by around 4.5%. Analyst Gergely Suppan of Takarékbank highlighted the role of foreign direct investments in boosting growth besides EU funds and domestic consumption. Government measures helping families and the economy could offset negative external effects in H2, leading to an average GDP growth rate of 4.8% for the year, he said.

---

## **LOCAL POLICE CHIEF RESIGNS IN WAKE OF CRITICISM FOR DISCRIMINATIVE PRACTICES**

Zoltán Teleki, the police chief of eastern Hungary's Karcag, has resigned from his post, police.hu reported. On Tuesday, conservative Jobbik demanded Teleki's removal over press reports that he had instructed his staff not to impose traffic fines on employees of the local hospital. According to a recently leaked recording, the police chief said that officers should "differentiate" when fining offenders or else they would risk losing preferential treatment at the hospital. Jobbik insisted that Teleki's practices would "undermine public confidence in the police and health care".

---

## **BUSINESSMEN, MKIK SET UP CARPATHIAN BASIN BUSINESS PROMOTION CHAMBER**

Fourteen private individuals and the Hungarian Chamber of Commerce

(MKIK) have set up a new organisation to build economic cooperation between countries of the Carpathian Basin, MKIK chief László Parragh said. Deputy Prime Minister Zsolt Semjén and chief patron of the new Carpathian Basin Business Promotion Chamber told a press conference after the founding ceremony that the government "seeks to act as a catalyst" and provide infrastructure for Hungarian businesses both in Hungary and in other countries. Helping businesses in the region "under market conditions and on a basis of a partnership of equals" is a priority for the government, he added. Parragh said that the new chamber will have its headquarters in Hungary and will focus on financing business projects. State agencies and major Hungarian companies active in other countries of the region will be encouraged to join the organisation, he added.

---

## **HUNGARIAN CATHOLICS BACK POLISH CRITICISM OF 'LGBTQ IDEOLOGY'**

András Veres, head of the Hungarian Catholic Bishops' Conference (MKPK), has expressed his solidarity and support for the Polish Catholic Bishops' Conference after Archbishop of Krakow Marek Jędraszewski came under fire for a speech criticising "LGBTQ ideologies". "History has taught us that standing up for the teachings of Christian faith often causes anger in others," Veres wrote in a letter posted on the MKPK website and addressed

to Stanisław Gądecki, the head of the Polish Catholic Bishops' Conference.

"Still, we are dumbfounded by the undeserved attacks you suffered, since all you did was explicate the teachings of the Catholic church in connection with a current phenomenon," he said. Veres said it was shocking that the same people who "demanded that their opinion should be accepted" denied others "even the right to express a differing opinion". "Considering that the attacks you suffered were peculiar, we would also like to express in a peculiar way ... our solidarity with you and our brotherly support," he added.

Jędraszewski came under fire from the Polish left wing and liberals, including the liberal Catholic weekly Tygodnik Powszechny, after talking about a "rainbow-coloured epidemic" in a sermon commemorating the 75th anniversary of the outbreak of the Warsaw uprising on August 1.

### **AUG. 20 STATE EVENTS TO BE HELD OVER 3 DAYS**

State events marking the August 20 national holiday celebrating Hungary's first Christian king, St Stephen, will be held over a period of three days, the state secretary for international communications and relations said. The celebrations will honour a more than 1,000-year-old state that protects

not only its own identity and culture but also the culture, borders and identity of Europe, Zoltán Kovács told a press conference.

Programmes include a gastronomy festival of Hungarian specialties starting on August 18. The celebrations on August 20 will begin with the hoisting of the national flag in front of Parliament and an oath-taking ceremony for 130 new soldiers. The event will be addressed by President János Áder and Defence Minister Tibor Benkő. Their speeches will be followed by a military air parade. The highlight of the celebrations will again be the traditional fireworks spectacle to be held along the banks of the River Danube.

### **SZIGET FESTIVAL ATTENDANCE ESTIMATED AT 530,000**

The week-long Sziget Festival in northern Budapest's Óbuda Island drew an estimated 530,000 visitors this year, the organisers said. That means this year's attendance will fall short of last year's record of 565,000 visitors, chief organiser Tamás Kádár said. The festival's budget exceeded 10 billion forints (EUR 30.8m), with organisers spending 500 million forints more on headliners than last year, he said. Among the headliners at this year's festival were Ed Sheeran,

Macklemore, The National, Post Malone, Florence + The Machine, Twenty One Pilots and Foo Fighters. Overall, the festival featured more than 1,000 artists from 62 countries. The event attracted visitors from some 100 countries, with most foreigners arriving from the United Kingdom, the Netherlands, France, Germany and Italy.

### **BILLE AUGUST TO BE GUEST OF HONOUR AT MISKOLC FILM FESTIVAL**

Danish Academy Award winning director Bille August will be guest of honour at the 16th Cinefest International Film Festival in Miskolc, in northern Hungary, between September 13 and 21. The festival will offer a competition of 16 new features from across the world, including a Hungarian film, festival director Tibor Bíró told public broadcaster M1. The festival programme will also include screenings of 33 short features, as well as film classics and outstanding films from recent international festivals, Bíró said. August is best known for his films Pelle the Conqueror (1987) and The Best Intentions (1991). On the sidelines of the festival, the international federation of film journalists (FIPRESCI) will hold its annual general assembly meeting in Hungary, for the first time.