

PHOTO OF THE DAY



MTI/Balázs Mohai

Detail on City Park's Millennium House set to open in the autumn

UPCOMING EVENTS

Local election campaign events

Final day of meeting between EU foreign ministers in Helsinki

Stats office releases 2nd reading of Q2 GDP, report on H1 wages

**Closing presser on conference on future of Hungarian theatre
Zoo Night 2019**

TOP STORY

HUNGARY LOOKING FORWARD TO NEW EC

Foreign Minister Péter Szijjártó said Hungary was looking forward to the replacement of the outgoing European Commission.

Europe, he told MTI, faced many challenges, and the outgoing commission had shown itself unfit to handle them. The minister said that in the past five years the EC's decisions had run contrary to Europe's economic and security interests. After attending a meeting of European Union foreign ministers in Helsinki, Szijjártó said the commission had deepened the migration crisis by opening up its borders and inviting in "hundreds of thousands, or rather millions" of migrants. "This is a clear security risk," he said.

Szijjártó insisted that the EC "will do everything it can" in the remainder of its term to "take revenge" for Hungarian measures protecting the EU's borders and keeping migrants out. Reimbursing just one percent of Hungary's costs incurred to protect the border is one of those steps, he said. "Whatever happens", the Hungarian government will stand by the fence on its southern border, Szijjártó said, adding that Hungary's opposition parties, by contrast, promoted illegal migration.

TRÓCSÁNYI: TALKS WITH VON DER LEYEN 'CONSTRUCTIVE'

Hungary's EU commissioner-designate László Trócsányi has called his most recent talks with European Commission President-elect Ursula von der Leyen "constructive". "Constructive discussions at second meeting with President-elect @vonderleyen. I believe Hungary has an important contribution to make to the EU project," Trócsányi said in a tweet. Von der Leyen has started conducting interviews with commission candidates even though Italy has yet to propose a nominee due to its ongoing political crisis.

PALKOVICS: FIVE HUNGARIAN UNIVERSITIES IN EUROPEAN UNIVERSITIES INITIATIVE

Five Hungarian universities are involved as full partners in the newly established European Universities Initiative, the minister of innovation and technology said. The European Commission's initiative for the alliance of European universities aims to help the development of world-class higher education institutions, László Palkovics told a press conference. It will also help Hungarian higher education to join European research and innovation platforms which is necessary for improving the competitiveness of the institutions, he added.

One of the greatest challenges in new EU member states is to boost the willingness of higher education institutions and research institutes to cooperate, he said. They must catch up with western European countries, and the initiative has been launched with this in mind, he added. The budget of the Horizon Europe scheme to be launched in 2021 could be as high as 100 billion euros, he said. The 13 EU member states that joined after 2004 only won 5% of the allocations available in the current Horizon 2020 scheme which is even less than the 8.5% share granted to non-EU states, he added. With a thousand successful applications, Hungary is in third place behind Poland and the Czech Republic, he said.

ORBÁN: SALVINI 'BROTHER IN ARMS'

Prime Minister Viktor Orbán expressed his appreciation in a letter to Matteo Salvini, head of Italy's League party, and thanked him for his efforts "benefitting Italy and the whole of Europe including Hungary", the prime minister's press chief said. "We, Hungarians, will never forget that you were the first western European leader to make an attempt to prevent illegal migrants from flooding Europe via the Mediterranean Sea," Bertalan Havasi quoted from the letter. "Irrespective of future political developments in Italy or the fact that we belong to different European party groups, we consider you as a brother in arms in the fight to preserve Europe's Christian heritage and stop migration," Orbán's letter said.

INVESTMENT VOLUME CLIMBS ALMOST 19% IN Q2

Investment volume in Hungary rose by an annual 18.8% in the second quarter, the Central Statistical Office (KSH) said. In absolute terms, investments came to 2,400.3 billion (EUR 7.28bn) forints during the period. Construction investments increased by 22.3%, reaching 1,381.3 billion forints. Machinery investments climbed by 15.2% and stood at 996.8 billion forints. Manufacturing sector investments jumped 29.7%, reaching 618.7 billion forints. Investments in the logistics sector were up 19.7% at 397.7 billion forints. Real estate investments increased by 14.6% to reach 381.2 billion forints. Private sector investments were up 30.7% at 1,429.9 billion forints. Public sector investments increased by 20.9% to 353.1 billion forints.

Commenting on the data, Gábor Gion, state secretary at the finance ministry, said the fast expansion pointed to a stimulating business environment in the country. Currently, capacity expansion investments to the tune of 3,300 billion forints, or 8% of GDP, are under way in Hungary, he said. This points to further economic expansion in the future, he said. In a statement to MTI, the finance ministry said that the first half of the year saw over 4,000 billion forints invested in the country. The government's incentives, good use of EU funding, the successful

home purchase subsidy scheme and a good business environment have been instrumental in the increase, the statement said. Investment in Hungary has been growing constantly since 2017, and is expected to grow further, the ministry added.

Takarékbank chief analyst Gergely Suppan said high levels of business and consumer confidence support continued increase in investments. Full-year investment growth is expected to be close to last year's 17%, he said. K&H Bank senior analyst Dávid Németh put full-year investment growth a little over 15%.

DK CALLS FOR EU TO PRESS HUNGARY TO ADOPT EURO

The opposition Democratic Coalition (DK) will propose in the European Parliament that the European Union should legally compel Hungary to introduce the euro, DK MEP Csaba Molnár said. The euro is expected to reach "historic highs" against the forint within days, impacting the prices of fuel, food and drugs, Molnár warned. Hungary pledged to introduce the common currency during its accession negotiations (before joining the bloc in 2004), Molnár said. Adopting the euro "immediately" would boost the

Hungarian economy, and has the support of the majority of citizens, he said.

Commenting on the press conference, ruling Fidesz said in a statement "Gyurcsány and company want to put Hungary at Brussels' mercy". While in power, Gyurcsány's government gave up Hungary's financial sovereignty and "ruined and nearly bankrupted the country", the statement said. Under Fidesz, Hungary is growing stronger financially and has become one of the most dynamically growing economies of the EU with permanently low deficit and inflation, they said.

FORINT REACHES NEW RECORD LOW AGAINST EURO

The forint traded at 331.75 against the euro a little after 3pm on Thursday, reaching a record low. After trading a little over 330 for most of the morning, the forint started softening after 2pm. Analysts said there was technical resistance at the 332 mark.

FARM MINISTER: FUNDING FOR FORESTATION RAISED

Farmers investing in forestation could receive by up to 130% more in subsidies, in a bid aimed at boosting

forestation to combat climate change, István Nagy, the farm minister, told public news channel M1. The subsidies have been raised to 432 euros from 172 euros per hectare and will be available for a longer, 12-year term, he said. The funding for planting certain species of trees, such as acacias, has also been raised substantially, Nagy added.

FOOD AUTHORITY PROVIDES GUIDELINES TO REDUCE FOOD WASTE

Hungary's food safety authority Nébih has prepared guidelines for the food industry, catering, and civil organisations aimed at preventing or reducing the production of food waste. According to a statement from Nébih, an annual 1.8 million tonnes of food is wasted in Hungary, a large part of which could be saved. Nébih started a programme dubbed No Leftovers three years ago aimed at reducing that waste. The statement noted that households dumped the largest amounts of food, but added that it was important to raise awareness of the problem across the whole of the food chain. Representatives of the food industry and trade, research institutes and universities have contributed to the Nébih programme, which is also supported by the European Commission, the statement said.