

PHOTO OF THE DAY



MTI/Péter Komka

Storm over Salgótarján, N Hungary

UPCOMING EVENTS

Coronavirus updates

Stats office prelim report on July industrial producer prices

Govt official's presser on school guard

TOP STORY

PM: STRATEGIC COOPERATION WITH SLOVENIA KEY

Prime Minister Viktor Orbán has said Hungary and Slovenia are working to ensure there is a strategic basis for cooperation in the long term.

Speaking to journalists in Bled, Slovenia, Orbán noted that in his talks with Slovenian counterpart Janez Jansa they agreed that the two countries would strive for good neighbourly relations but that it would take a few more months before a concrete plan emerged. The basis for such a plan will be each country's support for their respective national minority communities, he said, adding that the bedrock of ties was also the aid Hungary provided to Slovenia during the coronavirus epidemic. The prime minister said the tone of Hungarian-Slovenian relations was much more positive than ever before. Orbán said the primary aim was to connect the infrastructure of the two countries, and argued that there is no high-voltage electricity connection with Slovenia yet, and the gas pipeline interconnector for accessing Italy's gas pipeline network via Slovenia remains half finished. He added that air transport connections between the two countries were rather basic, and the issue of building the port of Koper and a railway line were highly sensitive issues.

JUSTICE MINISTER DEFENDS HUNGARY'S RECORD ON RULE OF LAW

Justice Minister Judit Varga has defended Hungary's record on observing the rule of law, at an international forum in Alpbach, central Austria. Speaking via weblink at the forum focusing on European integration on Monday, Varga said she hoped that the quality of cooperation between European Union member states would improve in the wake of the coronavirus pandemic, and the integration process would also be a product of close collaboration without "unnecessary ideological disputes or double standards". She said the EU's Article 7 procedure against Hungary launched in 2018 was politically motivated. Hungary has "no problems" with the rule of law, she said. Karoline Edtstadler, Austria's minister for EU and constitutional affairs, urged constant dialogue among the EU member states to improve cooperation. All member states have a right to due process in terms of rule-of-law procedures, she said.

ONE PATIENT DIES, REGISTERED CORONAVIRUS INFECTIONS UP BY 118 IN HUNGARY

A 74-year-old Covid-19 patient has died, while the number of registered coronavirus infections in Hungary

has risen by 118 to 6,257 over the past 24 hours, koronavirus.gov.hu said on Tuesday morning. The number of fatalities has increased to 616, and 3,821 people have made a recovery. There are 1,820 active infections and 96 Covid-19 patients are being treated in hospital, seven on ventilators. Fully 10,124 people are in official home quarantine and 429,942 tests have been carried out. The site warned Hungarians to observe social distancing guidelines and hygiene regulations. The government has decided to close borders to foreigners starting on September 1, with certain exceptions, re-introducing border protection measures in force during the first wave of the epidemic. Under the decision Hungarians returning from abroad will have to self-quarantine for 14 days, or until they produce two negative tests taken two days apart. Most infections have been registered in Budapest (2,762), followed by Pest County (886) and the counties of Fejér (432), Komárom-Esztergom (336) and Zala (287). Békés County has the fewest infections (26).

BUDAPEST AIRPORT IMPLEMENTING NEW ENTRY RULES

Budapest's Liszt Ferenc International Airport is implementing new rules for passengers entering the country, the airport's operator said. Budapest Airport told MTI that airport police are carrying

out passport and ID checks of all passengers disembarking from all flights, as well as measuring their temperature, but this is expected to result in procedures that take longer than usual because passengers are queried and their data recorded. Passengers are being asked to fill in a new quarantine form available at the Budapest Airport website beforehand and hand it over to the authorities during passport checks.

Foreigners who are not allowed to enter Hungary must wait for their departure in a specially designated transit area, and they are provided with blankets, unlimited Wi-Fi access and, if required, a face mask. The airport will receive flights continuously, the operator said, adding however that many airlines are cancelling services for the next month, so passenger numbers are likely to fall to similar levels to when coronavirus-related restrictions were first introduced, or around 3,000 travellers a day as opposed to 50,000 normally.

SURVEY: BROAD PUBLIC APPROVAL FOR REOPENING SCHOOLS

Hungary's public is broadly behind the policy of reopening schools and making textbooks free of charge, regardless of party preference, according to a Nézőpont survey published in Magyar Nemzet daily. Fully 78% of Hungarians agree with getting the school year under way

as usual, with 85% of respondents identifying themselves as ruling Fidesz party supporters and 70% of left-wing supporters backing the move, Nézőpont said. Also, public approval of the government's programme to make textbooks free of charge is especially strong, with 95% of Hungarians supporting it.

KÖVÉR INAUGURATES HUNGARIAN KINDERGARTEN/CRÈCHE COMPLEX IN SW SLOVAKIA

Hungarian Speaker of Parliament László Kövér inaugurated a Hungarian kindergarten and crèche complex in Nagycétény, in south-western Slovakia. The facility has been built in the framework of the Hungarian government's kindergarten and nursery development programme for the Carpathian Basin, launched in 2017. Addressing the ceremony, Kövér said that the programme was among others that were "laying the foundations of Hungary's future". "Every new Hungarian kindergarten will open up new possibilities for learning in the mother tongue and thus for a secure future for Hungarians with a sense of belonging together," he said.

Construction of the facility began in 2019. The project has cost around 620,000 euros, 500,000 of which have been provided by the Hungarian government, Lajos Ladányi, the head of the board of the foundation in charge of the project, told MTI.

The Hungarian programme has a budget of 38.5 billion forints to build or upgrade the kindergarten and crèche network in the Carpathian Basin. It covers the renovation of 165 facilities and the construction of 29 ones in the southern Slovakian region with a large Hungarian population.

SOME 100 COMPANIES IN GOVT DEVELOPMENT SUPPORT SCHEME

Some 100 companies have tendered bids for a supplementary government scheme aimed at promoting development, the minister of foreign affairs and trade told MTI. As part of the government's earlier job protection programme, participating projects could benefit from a 50% co-payment from the government for any related development components, Péter Szijjártó noted.

Szijjártó said that 673 companies out of 806 bidders have now received grants totalling 151 billion forints, adding that the combined value of government-assisted projects was over 318 billion forints. Those projects will help save 120,000 jobs, he added. The minister said that the government had originally planned to use 169 billion forints for the programme, but decided to reopen the bid earlier on Tuesday, offering another 18 billion. "Within a quarter of an hour" 98 companies tendered bids worth a combined 47.5 billion forints, applying for grants of a total of 22 billion, he added.

DRAMA UNIVERSITY BOARD: SENATE'S RESIGNATION 'IRRESPONSIBLE'

The new board of curators of the Theatre and Film University has called Monday's resignation of the university's leaders and senate members "unacceptable and irresponsible". The Theatre and Film Foundation, which under recent legislation took over the university's management on Sept. 1, said in a statement that the resigned officials had "abandoned their students and colleagues".

"Leaders of the university must ensure that classes get under way and the buildings and infrastructure are safe," with special regard to the coronavirus situation, the statement said. The university's leaders "must continue their work and ensure that the institution operates lawfully," the foundation added. Authors of the statement also insisted that the autonomy of the university had not been impacted by the recent changes and expressed their readiness to negotiate with teachers and students. The foundation is "committed to renewing the 155-year-old university, making its work better, more transparent and more modern", the statement said.

Meanwhile, students who have blockaded the university over the recent changes have demanded the resignation of the new board of

curators. The students, who occupied the building late on Monday, told a press conference that they rejected the recent law changing the structure in which the university is supposed to operate, as well as “the members of the board of curators and those of the supervisory board, and the way they were appointed”. They said they also rejected the university’s new deeds adopted by the new operator, and “any, arbitrarily appointed new leadership”. The students have demanded the restoration of the powers of the university senate, and that the state continue to provide funding.

HUNGARY Q2 GDP NOSEDIVES 13.6%

Hungary’s economic output shrank by an annual 13.6% in the second quarter this year, with industry and services contracting sharply due to the pandemic, according to a second reading of the data published by the Central Statistical Office (KSH). Adjusted for seasonal and workday effects, GDP fell by 13.5% in Q2. In a quarter-on-quarter comparison, GDP was down an adjusted 14.5%. For the first half, GDP declined by an unadjusted 6.1%. KSH said the contribution of services to the year-on-year GDP decline was 6.8 percentage points. Industry

contributed 4.3 percentage points to the drop and the construction sector 0.7 of a percentage point.

On the production side, gross added value in the industrial sector dropped 20.1% and the construction sector contracted by 13.2%. Services declined by 12.2% as the commerce, commercial accommodations and catering sector contracted by 12.6% and the ICT sector shrank 1.8%. The public administration, education, health-care and social services sector contracted by 13.0%. On the expenditure side, actual final consumption of households fell by 8.6% and gross fixed capital formation dropped 13.5%. KSH said actual final consumption contributed 4.5 percentage points to the headline decline and gross fixed capital formation 1.4 percentage points. The trade balance contributed 7.7 percentage points to the economic contraction.

ING Bank chief analyst Péter Virovác said the detailed data show a better chance of a speedier recovery as they indicate the industrial sector is finding its footing, net exports are improving at a faster clip, and consumption is declining less than expected. ING is standing by its projection for a 5.5% full-year economic contraction, at least until July industrial output data are released later in the week, he

added. K&H Bank senior analyst Dávid Németh said a pick-up in the industrial sector and in domestic tourism would support an improvement in GDP data for Q3. He put the full-year decline in GDP at around 6%.

HUNGARY PMI EDGES UP TO 52.8 IN AUGUST

Hungary’s seasonally-adjusted Purchasing Managers Index (PMI) rose to 52.8 points in August from 51.1 points in July, continuing to improve after plunging in the spring because of the pandemic, 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. The index rose back over the 50 threshold in July. Among the sub-indices that comprise the PMI, the new orders index and the production volume index both continued to rise after passing the 50-point mark in July. The employment index rose over 50 after eight months of contraction. Delivery times were longer than in July. Purchased inventories were up for the second month in a row after contracting for five consecutive months.