

## PHOTO OF THE DAY



MTI/János Nemes

The renovated Butler House in Serednie (Szerednye), in western Ukraine

## UPCOMING EVENTS

**Plenary session of parliament**

**Coronavirus updates**

**European Parliament holds plenary session**

**Unveiling of statue of former PM Pál Teleki in Szeged**

## TOP STORY

### MIDDLE-AGED, ELDERLY INFECTED ON INCREASE

An increasing number of people aged between 40 and 49 as well as people above 65 are among those infected with the novel coronavirus, the chief medical officer has said.

Cecília Müller told a press conference of the operative board responsible for handling the epidemic response that comparing data from the past two weeks showed a shift, with 40-49 year-olds representing nearly 20% of all infected people, slightly more than 20-29 year-olds. The proportion of people aged above 65 has also increased, she said. The average age of the infected is currently 44.4 years, she added. The proportion of children is still low at 4.6%. Müller said schools will be disinfected during the upcoming autumn break and the army will help in cleaning operations in institutions where the number of infections has been especially high.

Last week's number of registered coronavirus cases per 100,000 people rose to 488 from 397 the week before, the chief medical officer said. The operative board has ordered 17 schools and 153 classes to revert to digital education and 46 kindergartens and 21 schools have gone on emergency breaks, she said. So far 909 health-care workers have been transferred to hospitals treating Covid-19 patients from other institutions, Müller added.

## **SZIJJÁRTÓ: HUAWEI TO SET UP R&D CENTRE IN BUDAPEST**

Chinese telecommunications giant Huawei is setting up a research and development centre in Budapest, Minister of Foreign Affairs and Trade Péter Szijjártó said. The investment, which will create jobs for at least 100 Hungarian engineers, is Huawei's third in Hungary, he said. Szijjártó said cooperation between Hungary and China was better than ever. The investment represents a milestone in Hungary's Opening to the East strategy, he added.

The new centre will focus on artificial intelligence, streaming, image processing, signal transmission technologies and extremely large distribution systems, he said. The development project will give the country an opportunity to further boost the reputation of Hungarian engineering skills, he added.

Szijjártó noted that Huawei was the first Chinese company that Hungary signed a strategic cooperation with seven years ago. Players in the Hungarian telecommunications market have greatly relied on the company's technologies over the years, he added. The company's logistics centre in Hungary is its largest outside China, he said. The minister added that despite the pandemic, Huawei has announced a significant investment in Hungary, and he thanked the company for its donations to anti-pandemic efforts.

Szijjártó said the strategy of opening to the East had resulted in a 22% increase in Hungarian exports to the East over ten years and 25% growth in trade. Last year, 60% of investments, in value terms, in Hungary came from the East and 40% of new jobs were linked to such companies.

He said one of the main objectives of the strategy was to develop close, pragmatic cooperation based on mutual benefits with China. Over the past ten years, 5 billion US dollars-worth of Chinese investments have been carried out in Hungary, and Chinese companies employ 15,000 Hungarians, he added.

Szijjártó said it was easy to understand why Hungary was the first EU country to join the Belt and Road initiative. Last year, China was Hungary's 10th most important trade partner, he added.

## **LAWMAKERS EXTEND REPAYMENT MORATORIUM**

Parliament unanimously approved legislation to extend a moratorium on loan repayments, but only for vulnerable borrowers. The legislation extends the loan repayment moratorium by six months to next June. It covers families with children, pensioners, the jobless, fostered workers and companies struggling financially because of the pandemic. The moratorium was one of the first measures the government introduced in the spring to shield against the economic fallout from the pandemic.

Banks are now prohibited from cancelling any retail or corporate pre-crisis loan contracts until the end of next June, effectively putting the onus on lenders to restructure the credit of distressed borrowers who are not covered by the extended moratorium. State secretary for financial affairs, Gábor Gion, has said the extension could leave up to 450 billion (EUR 1.2bn) forints with households and businesses.

## **PUBLIC PROSECUTOR FILES CHARGES BASED ON OLAF PROPOSAL**

The Budapest public prosecutor has filed charges based on a proposal by Europe's anti-fraud office, OLAF, against four men for overcharging for work on playgrounds part-financed by the European Union. Budapest Chief Prosecutor Tibor Ibolya said that his office had initiated prison sentences for the men for overcharging by more than 700 million forints (EUR 1.9m) and misusing EU subsidies and Hungarian budget resources. One of the men, aged 59, was the head of a company involved in drawing up applications for funding. In 2007, he learnt that EU support was available for revamping playgrounds from 2008, the statement said. He deliberately set out to abuse application procedures and apply for excessive amounts for the works. He involved his co-workers in the scheme as well as a businessman who set up a company to carry out the works, Ibolya added. They visited towns and villages

with fewer than 5,000 residents and offered local councils their services, making over-priced proposals for jobs that were carried out using much smaller amounts. The revamp projects were financed 75% from EU resources and 25% from Hungarian budget resources, the statement said.

### **38 PATIENTS DIE, NUMBER OF CORONAVIRUS INFECTIONS UP BY 989**

Fully 38 Covid-19 patients have died over the past 24 hours in Hungary – most of them elderly and suffering from an underlying illness – while 989 have been officially diagnosed with coronavirus, bringing the total number of registered infections to 48,757, [koronavirus.gov.hu](http://koronavirus.gov.hu) said on Tuesday. The death toll has risen to 1,211, while 14,637 have made a recovery. There are 32,909 active infections and 1,960 Covid patients being cared for in hospital, 197 on ventilators. Fully 24,780 people are in official home quarantine, and the number of tests has increased to 910,368. Border controls and restrictions on entry are still in place, and Hungarians have been urged to forego any skiing holidays abroad. Wearing face masks is obligatory in shops, on public transport and in cinemas, theatres, shopping malls, health-care and social-care facilities. Restaurants and entertainment venues must close after 11pm. Also, a ban is in place on visits to hospitals and nursing homes. Temperature measurements are taking place at school gates. Most

registered infections are in Budapest (14,889), Pest County (6,244) and the counties of Győr-Moson-Sopron (3,000), and Borsod-Abaúj-Zemplén (2,715), followed by Szabolcs-Szatmár-Bereg County (2,351). Tolna County (504) has the fewest infections.

### **JUSTICE MINISTER: STRICTER PAROLE RULES AIMED AT HIGHER PROTECTION AGAINST CRIME**

Parliament has passed an amendment under which convicts sentenced for murder cannot be released on parole, Justice Minister Judit Varga said on Facebook. The minister said that the package of amendments was aimed at ensuring protection for victims of crime and to the population at large. The new rules, she added, would help diminish the possibility of repeat offences, noting the case of two children in Győr, in western Hungary, murdered by their father who had been released from prison on parole. Under the changes, parole can be granted in exceptional cases, but these do not include homicide, Varga said. Those granted parole will be placed under police surveillance if they were convicted of gross violence, while a restraining order to protect previous victims must be in place unless justified otherwise. The new rules will also make it easier to take psychiatric patients in mandatory care, the minister said.

### **HUNGARY TO HELP UKRAINE WITH ECOLOGY ISSUE IN BEREHOVE**

The Hungarian government will provide a budget of 1.2 billion forints (EUR 3.3m) to help Berehove (Beregszász) in Transcarpathia resolve ecological issues concerning its Verke river, Levente Magyar, state secretary at the foreign ministry, said during talks with Berehove mayor Zoltán Babják. Magyar said the sum would be sufficient to remove sludge from the riverbed and renew its banks, as well as building a dam outside the city to regulate the river's water supply and prevent sludge from being deposited. The government will also help Berehove's waterworks with a grant of 200 million forints aimed at improvements in the sewerage system to prevent sewage from flowing into the river, he added.

### **NEW UK AMBASSADOR TO HUNGARY AIMS TO STRENGTHEN BILATERAL COOPERATION**

The United Kingdom's new ambassador to Hungary, Paul Fox, said his aim during his tenure in his post would be to "maintain and further strengthen the friendship and collaboration" between the two countries. In an introductory video on Facebook, Fox named climate change, environment protection, trade, investment, academic and scientific

cooperation, strengthening shared democratic values, foreign policy and cultural relations as some of the areas in which he was counting on the continued close cooperation with the Hungarian government, business sector, civil society and people. The ambassador said he was looking forward to the two countries' shared achievements and working with Hungarians. He said the UK Embassy would continue to work with the Hungarian authorities to make sure that the rights of all UK nationals in Hungary are observed.

### **MINISTRY OFFICIAL: GOVT PROMOTING ELECTRIC CAR PURCHASES**

The government has so far awarded grants totalling 6 billion forints (EUR 16.4m) to help 1,600 bidders buy over 2,000 electric vehicles, a state secretary of the innovation and technology ministry said. Péter Kaderják said that the programme, initially launched under the government's Climate and Environment Protection Action Plan in May with a budget of 5 billion forints, reached its limit on the first day due to a rush of demand. The government then decided to increase the budget so that "all bidders meeting the tender criteria" could receive a grant. The scheme is aimed at making traffic greener and promoting cheaper electric cars, the state secretary said, adding that increasing the popularity of electric cars was crucial to meeting climate neutrality goals by 2050.

Kaderják also noted the government's Green Bus programme, under which municipalities can apply for grants to buy electric buses for their public transport systems. The budget for the ten-year programme is 36 billion forints, he added.

### **NOVÁK: PROPERTY BUYERS ELIGIBLE FOR GOVT FAMILY SUPPORT WON'T HAVE TO PAY STAMP DUTY, VAT FROM JAN**

Hungarians who enjoy the government's family housing support (CSOK) will be exempted from paying tax on the purchase of a property, Katalin Novák, the minister for family affairs, said on Facebook. In a video message, she said the tax holiday could save families 2 million forints (EUR 5,500) in stamp duty on a house or flat worth 50 million, and 15.5 million altogether with a VAT rebate. Novák urged people to take advantage of the opportunity.

### **POLICY-MAKERS KEEP BASE RATE ON HOLD**

The Monetary Council of the National Bank of Hungary (NBH) decided to leave the central bank base rate unchanged, at 0.60%, at a monthly policy meeting. The Council also decided to leave the O/N deposit rate at -0.05% and the O/N and one-week collateralised loan rates at 1.85%. The O/N deposit rate and the collateralised

loan rate mark the bottom and the top, respectively, of the central bank's "interest rate corridor". The base rate is paid on mandatory reserves and preferential deposits.

In a statement released after the meeting, the Council said "the monetary conditions established at the short end support price stability, the preservation of financial stability and the recovery of economic growth in a sustainable manner", without making any direct reference to the 0.60% base rate, as in earlier policy meeting communications. The Council reiterated that it is "key" to keep short-term yields at a "safe distance from a range close to zero" as well as its commitment to "maintaining price stability during the coronavirus pandemic". The Council said it closely monitors "the persistence of inflationary effects" resulting from the economic recovery as well as "possible inflationary effects of financial market developments". "If warranted by a change in the outlook for inflation, the [NBH] will be ready to use the appropriate instruments," the policy-makers said.

### **RESALE HOME PRICES DROP 6.3% IN Q2**

Resale home prices were down 6.3% annually in the second quarter, which is the biggest drop in prices in the past five years, realtor Ingatlan.com said in an analysis compiled from its own and the Central Statistical Office's (KSH) preliminary data. The

annual drop can be mostly attributed to trends from mid-March to the end of April when demand was down by an annual 10-40% while advertisement numbers also fell by 10-30% because of spring lockdown measures to fight the coronavirus outbreak. Ingatlan.com analyst László Balogh said sellers had to lower their prices in that period to finalise deals. Resale prices fell by 8% in Q2 compared to Q1 but compared to the price level in 2015 they were still up by 60%. While the price of resale homes was down, new home prices grew by 1.4% in Q2. Balogh said the housing market will be volatile in the coming months. Fresh data of Ingatlan.com show that in the first three weeks of October demand for resale homes was down an annual 19% and the number of available resale properties was 8% lower.

### **USED CAR SALES EDGE DOWN 2% IN Q1-Q3**

Used car sales in Hungary reached 586,489 in Q1-Q3, down 2.1% from the same period a year earlier, used car dealer DasWeltAuto said, citing figures compiled by Datahouse. DasWeltAuto head György Frank said used car sales

could catch up to last year's volume in the fourth quarter. DasWeltAuto's own car sales climbed 15% to 6,306 during the period.

### **BUDAPEST TO HOST MTV EUROPEAN MUSIC AWARDS ON NOV 8**

This year's MTV European Music Awards ceremony will be held in Budapest on November 8, offering television viewers a virtual show broadcast from Budapest and London, the Hungarian Tourism Agency said in a statement. Government spokesperson Alexandra Szentkirályi said in the statement that "one of the largest and most followed awards ceremonies of pop music" being held in Budapest is "a huge opportunity for Hungary and for Budapest" in terms of its exposure to the global tourism market.

Tourism agency head Zoltán Guller said programmes featuring "iconic Budapest sites" can be viewed by nearly one billion people in 200 countries on television and via the internet. "We can show that Budapest is the best destination in the region". The Hungarian government is supporting the event.

### **BAÁN RECEIVES HIGH ITALIAN STATE AWARD**

László Baán, head of Budapest's Museum of Fine Arts and the Hungarian National Gallery, has been awarded the Order of Merit of the Italian Republic, commander grade, for his "outstanding efforts in deepening cultural ties" between Hungary and Italy. The honour, awarded by Italian President Sergio Mattarella, was handed over to Baán by Italian Ambassador to Hungary, Massimo Rustico, in Budapest. In his laudation, the ambassador noted Baán's "long-term and committed endeavours" in the past 15 years, making special mention of the Museum of Fine Arts' international exhibitions, which facilitated displays of the works of such Italian masters as Da Vinci, Michelangelo, Botticelli, Titian, Parmigianino, Caravaggio and Modigliani, the museum told MTI. The ambassador also praised the "exemplary" renovation of the museum building, a Budapest landmark, saying that the Liget Budapest project, a new museum complex to be built in the City Park headed by Baán, was a "cultural initiative of extremely great importance and high quality, with European significance".