

## PHOTO OF THE DAY



The Paloznak Jazz Festival in W Hungary

MTVA/Balázs Mohai

## UPCOMING EVENTS

Events related to war in Ukraine,  
refugee data

Local by-elections

## TOP STORY

### PEOPLE SMUGGLERS 'GETTING MORE AGGRESSIVE'

Hungary is setting up its new border ranger units because it is seeing more and more people smugglers at its borders who are becoming increasingly aggressive, a state secretary of the interior ministry said on Friday.

Altogether 10% of Hungary's 19,000 prison inmates, or some 2,000 people, are foreign people smugglers, Bence Rétvári told public current affairs channel M1, adding that their share was over 20% in the prison in Szeged, in southern Hungary. Because the handling of people smugglers -- most of whom are Bulgarian, Serbian, Macedonian and Middle Eastern -- requires the authorities to perform a range of additional administrative tasks, they cost the budget an extra 4 billion forints (EUR 10.1m) a month, Rétvári said. Illegal migration into Hungary has not slowed despite the war in Ukraine, the state secretary said, adding that more and more people smugglers were reaching the country and becoming increasingly aggressive. So far this year, a total of 133,000 illegal migrants have tried to enter Hungary, compared with 122,000 all of last year, he said. The authorities have apprehended 999 people smugglers so far this year, as against 600 by mid-summer 2015 during the first large migration wave, he added.

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## **GOVT OFFICIAL: OVER 7,700 HAVE EXPRESSED INTEREST IN BECOMING BORDER RANGERS**

So far, more than 7,700 people have expressed interest in becoming part of the new border ranger units, interior ministry state secretary Bence Rétvári told public current affairs channel M1 on Friday. He said the border rangers could begin serving at the southern border in September alongside the police officers currently posted there before gradually taking over border protection duties from them. Rétvári said a shooting between migrant groups in Subotica (Szabadka), near the Hungarian border, last month indicated that people smuggler rings were fighting each other for control over migration routes. If Hungary's borders weren't properly protected, this could happen in Hungary, too, he added. "Meanwhile, Brussels is busy speeding up its procedures against Hungary," Rétvári said. "They're inviting migrants to Europe, while migrant-sending countries aren't stabilising, which is why the border rangers are needed."

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## **POLICE: 15,605 REFUGEES ARRIVE FROM UKRAINE ON THURSDAY**

Fully 7,116 people crossed into Hungary directly from Ukraine on Thursday, while another 8,489 from Ukraine crossed from Romania, the national

police headquarters (ORFK) said. Police issued temporary residence permits valid for thirty days to 424 people, ORFK told MTI on Friday. Holders of such permits must contact a local immigration office near their place of residence within thirty days to apply for permanent documents, it added. Budapest received 223 people, 66 children among them, by train, ORFK said.

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## **INDUSTRIAL OUTPUT UP 1.5% IN JUNE**

Industrial output in Hungary grew by an annual 1.5% in June, the Central Statistical Office (KSH) said in a first reading of data on Friday. Adjusted for the number of workdays, industrial output was up by 4.8% compared with June 2021, KSH said. Month on month, June output rose by a seasonally and workday-adjusted 0.6%. KSH said output of Hungary's biggest manufacturing segments increased during the month, to a smaller degree in the automotive and computer, electronics and optical equipment segments, and to a larger degree in the food, drinks and tobacco products segment. Output of "most other" manufacturing segments fell, it added. In January-June, industrial output rose by 5.1% from the same period a year earlier.

ING Bank chief analyst Péter Virovác said the fresh data showed industrial output had returned to levels early in the year, suggesting the supply chain interruptions caused by the war

were being managed. He pointed to an "extraordinarily high" degree of uncertainty, in spite of PMI indicating continued growth in the sector. Magyar Bankholding senior analyst Gergely Suppan noted that industrial output was up over 71% in June from the low point in April 2020, at the start of the coronavirus crisis, but added that year-on-year growth had slowed a bit in Q2 from Q1. Hungary's economy could "benefit significantly" in the mid-term from investments by BMW and Mercedes as well as an increase in defence industry capacities, he said.

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## **GUEST NIGHTS UP BY 58% IN JUNE FROM LOW PANDEMIC BASE**

Guest nights at commercial accommodations in Hungary climbed by an annual 58% to 2,596,000 in June, rebounding from a low pandemic base, data released by the Central Statistical Office (KSH) on Friday show. The number of guest nights spent by domestic travellers increased by 18% to 1,602,000 and the number spent by foreign visitors soared 254% to 994,000. Revenue of commercial accommodations increased by an annual 71% to 43 billion forints (EUR 109m) in June.

Germans spent 158,700 guest nights at commercial accommodations in Hungary in June, more than any other nationality. Czechs spent 78,600 guest nights and Poles spent 70,900. Ukrainians spent 59,300 guest nights. Lake Balaton was the most popular

destination in June, accounting for 678,000 guest nights. The capital was runner-up, with 601,000 guest nights. KSH noted that real-time data collected by the National Tourism Data Service Centre (NTAK) replaced its own data for statistics on the sector from June, and a three-month test period followed. The data KSH publishes on the sector will be gradually expanded between August and October, it said.

### **NBH UPDATES GREEN RECOMMENDATION**

The National Bank of Hungary (NBH) on Friday announced the issue of an update to its supervisory recommendation for lenders on climate-related and environmental risks. The recommendation, updated to reflect changes to European Union rules as well as market feedback, outlines more specific expectations and clearer goals related to making local banking operations more sustainable. It also establishes a compliance timeline with deadlines in September 2022, July 2023 and January 2025. The recommendation extends to lending policies, which should be sustainable from the environmental aspect and contain targets and standards.

### **THREE KILLED, ELEVEN INJURED IN ACCIDENT CAUSED BY HUMAN SMUGGLER**

Three people died and eleven were injured in an accident caused by a human smuggler near Bócsa, in southern Hungary, early on Friday, the Bács-Kiskun County police said on police.hu. A man from Georgia wanted to smuggle fifteen people through Hungary in a car and refused to stop for a police road check in Tázlár, trying to flee by driving away. He did not slow down approaching a junction on road 54 and failed to give way to a vehicle approaching from the right. Both cars fell in a roadside ditch from the collision and caught fire. Two of the illegal migrants travelling with the human smuggler died in the fire on the spot and a third died after being taken to hospital. The driver from Georgia is being investigated for human smuggling and careless driving causing a mass accident.

### **MOL Q2 NET INCOME CLIMBS 60%**

Second-quarter net income of Hungarian oil and gas company MOL

rose by 60% year-on-year to 298.0 billion forints as revenue growth outpaced the increase in overall costs, an earnings report released ahead of the opening bell on Friday shows. Excluding discontinued operation - MOL has agreed to divest its UK upstream assets - net income increased by 40% to 249.5 billion forints. Total revenue rose by 76% to 2,495.2 billion forints. Cost of raw materials and consumables climbed 76% to 1,856.6 billion forints, but total operating expenses increased by just 67% to 2,129.3 billion forints. Operating profit jumped 160% to 365.9 billion forints. Basic earnings per share came to 435 forints for the period. Operating profit of MOL's upstream business rose to 200.0 billion forints from 32.0 billion forints in the base period. Operating profit of the downstream business climbed to 258.1 billion forints from 104.7 billion forints. Operating profit of the consumer services division slipped to 6.3 billion forints from 39.4 billion forints. MOL acknowledged that EBITDA of the consumer services business "collapsed" in Q2 due to fuel price regulation in various countries in Central and Eastern Europe and because of a retail tax in Hungary.