

Embassy of India Budapest

Economic and Commercial Report for the month of February 2018

Executive Summary

1. MNB leaves base rate unchanged
2. EU spending swells budget deficit
3. Gov't announces large company subsidy program
4. GDP rising faster than expected
5. Wages up 13% in 2017
6. GE selling East European units
7. Ayush Day in Bosnia and Herzegovina

Economic

MNB leaves base rate unchanged: The central bank's monetary policy council decided at its regular rate to keep the base rate unchanged at 0.9%, the MNB announced. The move was in line with analysts' expectations. The monetary council reiterated that it intends to maintain loose monetary conditions. It forecast that inflation will reach the 3% target in a sustainable way by the middle of 2019.

EU spending swells budget deficit: The January budget deficit was at an 11-year high because advance payments on future EU funds rose to Ft 950 billion (appx €3.1 bln), from Ft 553 billion (appx €1.7 bln) a year ago, the Economy Ministry announced. Total budget spending was up 34.6% year-on-year in January to Ft 1.765 trillion (appx €5.67 bln), leading to a deficit of Ft 192.8 billion (appx €618.6 mln). The deficit figure is 14% of the year-end target of Ft 1.361 trillion (€4.4 bln). The central budget recorded a Ft 258.9 billion (appx €830.7 mln) deficit, social security funds a Ft 49.8 billion (appx €159.8 mln) surplus and independent state funds a Ft 16.3 billion surplus. In January 2017, there was a Ft 123 billion (appx €394.6 mln) surplus just like in January, 2016, where the surplus was Ft 92 billion (appx €295.2 mln).

C/A surplus higher in December: The current account surplus grew to €501 million in December, from €390 million in November, the MNB announced. There was a slight trade deficit of €3.7 million in the month, after a €403 million surplus in November. Hungary's net financing ability – the sum of the current account and the capital account – rose from €667 million in November to €747 million in December.

Trade surplus lower in November: The trade surplus was €713 million in November, down from €797 million one year earlier, the Central Statistics Office (KSH) announced. Exports were up 5% year-on-year and imports were 6.8% higher, according to the workday and seasonally adjusted figures. The trade surplus for the first 11 months of 2017 shrank to €7.7 billion from €9.2 billion one year earlier. Import growth of 8.7% exceeded the 6.3% rise in exports in January-November. As the forint prices of exports went up 1.6% while import prices increased 2.1%, the terms of trade worsened by 0.5 percentage points in the first 11 months.

Inflation drops in January: Inflation stood at 2.1% year-on-year in January, buoyed by higher food prices, but down from 2.4% in December, the KSH reports. Consumer prices went up 0.3% from December to January. Due to the expected low rise in fuel prices, inflation will stay low in the early months of 2018, analyst Gergely Suppan of Takarékbank forecast.

Gov't announces large company subsidy program: Hungarian companies with at least 50 employees can apply for Ft 15 billion (appx €481 mln) in subsidies under the large company subsidy programme this year by September 15. The Economy Ministry launched the program to support industrial companies that are not eligible for EU funds. The ministry will assess the impact of the investments on the added value of the projects, as well as its effects on modernisation and employment growth in the region. Winning applicants have an obligation to maintain their operations five years after completing state funded projects.

GDP rising faster than expected: Hungary's year-on-year GDP growth in the fourth quarter of 2017 came to 4.4%, the Central Statistics Office announced as it released preliminary data. According to seasonally

and workday adjusted figures, the increase was 4.8%. The raw figure exceeds the 3.9% annual growth recorded for the third quarter. For the whole year of 2017, GDP was up 4%, or 4.2% according to seasonally and workday adjusted data.

Wages up 13% in 2017: The average gross wage was Ft 327,713 (€1051) a month in December 2017, up 13.5% from one year earlier, the Central Statistics Office announced. The average net wage of Ft 217,900 (€699) was also 13.5% higher than one year earlier. The average monthly gross wage for 2017 was Ft 297,000 (€953), up 12.9% from 2016.

S&P leaves Hungary rating unchanged: Credit-rating agency Standard & Poor's (S&P) reaffirmed Hungary's sovereign credit rating at BBB-/A-3 with a positive outlook, in a decision in line with analysts' forecasts. The rating reflects the country's strengthening economic outlook and the continuous improvement in the bank sector, S&P said. In its analysis, S&P projects GDP growth of 3.5%, which is higher than the long-term potential growth of the country. Hungary's economic growth is forecast to decelerate to 2.5% or less in 2019-21, due to structural challenges.

Unemployment rate keeps falling: The unemployment rate was 3.8% on average between November 2017 and January 2018, down from 4.3% a year earlier, the central statistics office KSH announced. The average number of people in employment was 4,435,900 in November-January, up from 4,401,000 a year earlier. Out of the total, 175,200 were employed in budget-funded public work schemes, down from 208,000 a year earlier.

Commercial

Foreign Minister Szijjártó on record investments in 2017 year: Foreign Affairs and Trade Minister Péter Szijjártó said that the government's incentive system brought in a record €3.5 billion in foreign capital investments in 2017. He said the 96 projects were also a record adding that the contracts signed created more than 17,000 jobs. At these jobs the average monthly wage was above Ft 304,000 (appx € 975), up from Ft 255,000 (appx € 818) in 2016. Among investing countries, Germany led the list with 29 projects, followed by 18 Hungarian investments, 10 by US companies and four from Indian investors. Three projects came from each of China, South Korea and Japan and two from Turkey.

GE selling East European units: General Electric is selling its East European units to a company owned by Jörg Bauer, the former chairman of GE Magyarország. This includes all five of GE's Hungarian factories, in Budapest, Nagy-kanizsa, Kisvárd, Zalaegerszeg and Hajdú-böszörmény, with a total of 4,000 employees. GE is selling its whole lighting business in the Europe, Middle East, Africa and Turkey region. The transaction also includes representative offices outside Hungary and other properties, as well as trade and distribution agreements, parts manufacturing units and the global organisation and capacity of the automotive lighting business. The sale will be completed by the middle of the year in several phases. The former GE units will form a new Tungsram group that will also use the GE Lighting brand name for a temporary transition period.

Richter earnings below expectations: Richter reported disappointing fourth-quarter results, below analysts' lowest expectations, as profit after taxes plunged 70% to Ft 6.6 billion (appx €21.2 mln), hit by financial losses on currency revaluations. The drug maker suffered financial losses of Ft 1 billion (appx 3.2 bln) in the last three months of 2017, compared with a Ft 9 billion (appx €28.9 mln) gain one year earlier. For the full year, revenues were up 14% to Ft 110 billion (appx €352.9 mln), driven by robust growth in sales to the US and Russia, up 47% and 20.2% in euro terms. Sales to the EU, which account for 48.5% of all revenues, went up 15.6% in 2017.

Wizz Air profits hit record high: Wizz Air realised a record high €14 million net profit in the fourth quarter of 2017, up 3.6% from one year earlier. Revenues rose 24% year-on-year to €421 million. Additional revenues saw a 21.3% rise to €181 million. Operating profit declined by 5.6% to €14.6 million.

Trade Fairs in Hungary

(I) CONSTRUMA: 11-15 April 2018
(II) INDUSTRY DAYS: 15-18 May 2018
(III) AUTOMOTIVE HUNGARY: 17-19 October 2018
(IV) HUNGAROMEDICA: 11-13 October 2018
(V) HOMEDESIGN AUTUMN: 12-14 October 2018
(VI) BEAUTY & STYLE: 26-28 October 2018

Further information: www.hungexpo.hu

Trends in bilateral trade: Source: Central Statistical Office (www.ksh.hu)

2017 January-November trade (USD, EUR billion)

	Hungary's Exports		Hungary's Imports		Total Trade		% Growth Y on Y basis
	2016 Jan-Nov	2017 Jan-Nov	2016 Jan-Nov	2017 Jan-Nov	2016 Jan-Nov	2017 Jan-Nov	2017 Jan-Nov /2016 Jan-Nov
Hungary's trade with India (mln)	167.7 USD 150.6 EUR	206.7 USD 185.6 EUR	354.3 USD 318.0 EUR	417.6 USD 375.1 EUR	522.0 USD 468.5 EUR <small>(0.29 % of Global Trade)</small>	624.3 USD 560.8 EUR <small>(0.31 % of Global Trade)</small>	+19.6% +19.7%
Hungary's Total Global Trade (mln)	95,319 USD 85,713 EUR	104,786 USD 93,313 EUR	85,045 USD 76,478 EUR	96,114 USD 85,577 EUR	180,364 USD 162,191 EUR	200,900 USD 178,891 EUR	+11.4% +10.3%

Top 10 items of Export to the World (USD mln)

Product	2015 Jan-Dec	2016 Jan-Dec	% growth	% total
TOTAL	100,299.1	103,072.6	2.8%	100%
85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	20,085.3	21,168.7	5.4%	21%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	18,867.8	19,546.5	3.6%	19%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	18,009.5	18,551.1	3.0%	18%
30 PHARMACEUTICAL PRODUCTS	4,808.9	4,741.1	-1.4%	5%
39 PLASTICS AND ARTICLES THEREOF	3,820.2	3,821.7	0.0%	4%
90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	3,317.2	3,690.1	11.2%	4%
40 RUBBER AND ARTICLES THEREOF	2,388.7	2,430.9	1.8%	2%
27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	2,305.1	1,893.4	-17.9%	2%
94 FURNITURE; BEDDING, MATTRESSES, MATTRESS SUPPORTS, CUSHIONS AND SIMILAR STUFFED FURNISHINGS; LAMPS AND LIGHTING FITTINGS, NOT ELSEWHERE SPECIFIED OR INCLUDED; ILLUMINATED SIGNS, ILLUMINATED NAME-PLATES AND THE LIKE; PREFABRICATED BUILDINGS	1,759.9	1,824.3	3.7%	2%

Top 10 items of import from the World (USD mln)

Product	2015 Jan-Dec	2016 Jan-Dec	% growth	% total
TOTAL	90,770.2	92,053.8	1.4%	100.0%
85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	18,133.0	18,749.3	3.4%	20.4%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	15,695.0	16,237.8	3.5%	17.6%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	9,525.1	10,049.3	5.5%	10.9%
27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	7,426.4	5,871.6	-20.9%	6.4%
39 PLASTICS AND ARTICLES THEREOF	4,179.3	4,402.6	5.3%	4.8%
30 PHARMACEUTICAL PRODUCTS	3,884.8	3,872.8	-0.3%	4.2%
73 ARTICLES OF IRON OR STEEL	2,109.9	2,177.2	3.2%	2.4%
90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	1,962.8	2,046.8	4.3%	2.2%
72 IRON AND STEEL	1,819.2	1,924.6	5.8%	2.1%
40 RUBBER AND ARTICLES THEREOF	1,817.3	1,840.8	1.3%	2.0%

Top 10 items of Export to India (USD mln)

Product	2015 Jan-Dec	2016 Jan-Dec	% growth	% total
TOTAL	213.4	186.1	-12.8%	100%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	77.6	53.4	-31.2%	28.7%
85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	51.8	42.6	-17.9%	22.9%
29 ORGANIC CHEMICALS	26.6	34.4	29.2%	18.5%
90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	7.1	9.8	37.7%	5.3%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	9.4	6.0	-35.7%	3.2%
48 PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	4.5	4.9	9.2%	2.6%
73 ARTICLES OF IRON OR STEEL	4.0	4.3	9.4%	2.3%
74 COPPER AND ARTICLES THEREOF	3.8	4.2	11.1%	2.3%
39 PLASTICS AND ARTICLES THEREOF	7.5	4.1	-45.3%	2.2%
41 RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	1.9	2.3	18.4%	1.2%

Top 10 items of Import from India (USD mln)

Product	2015 Jan-Dec	2016 Jan-Dec	% growth	% total
TOTAL	364.9	382.0	4.7%	100.0%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	95.0	105.1	10.7%	27.5%
29 ORGANIC CHEMICALS	84.5	79.7	-5.7%	20.9%
30 PHARMACEUTICAL PRODUCTS	72.6	67.1	-7.7%	17.6%

85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	51.2	59.1	15.5%	15.5%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	8.7	13.0	50.4%	3.4%
64 FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	6.4	7.1	11.2%	1.9%
40 RUBBER AND ARTICLES THEREOF	5.7	5.9	2.8%	1.5%
73 ARTICLES OF IRON OR STEEL	4.7	4.7	0.2%	1.2%
39 PLASTICS AND ARTICLES THEREOF	4.0	4.4	9.9%	1.2%
72 IRON AND STEEL	1.9	3.7	95.2%	1.0%

Average Monthly Exchange rates for February 2018

1US\$= 252.19 HUF

1EUR= 311.67 HUF

Source: MNB-Hungarian National Bank www.mnb.hu

Trade enquiries: In the month of February 2018 Embassy of India, Budapest received 9 enquiries from India and 1 trade enquiry from Hungary.

Indian Trade inquiries for the month of February 2018

S. No.	Enquiry originator	Product	HS codes	Nature Export/Import value (\$ mln)	Action taken
1	Arun Singh	Textiles: Garments		Export to Hungary	All inquiries have been answered
2	Jyoti Chemiela Centre	Pharma ingredient		Export to Hungary	
3	Manish Bhatia	Agro: edible oils, flours, rice, spice		Export to Hungary	
4	Jagdish Enterprise	Agro: animal feed, grain, flour, pulses, oil seeds, rice		Export to Hungary	
5	Sunil Saini	Stationery: writing equipment		Export to Hungary	
6	Khemsingh Parmar	Engineering: fittings, steel, metal		Export to Hungary	
7	SJS exports	Agro: animal feed, vegetables		Export/Import	
8	Exploring Tourism	Tourism		Cooperation	
9	Passage Overseas	Autocomponents: Gear box		Export	

Bosnia & Herzegovina (BiH)

Jobless Numbers Drop in 2017: The number of unemployed people in Bosnia decreased 6.9% on the year to 475,084 at the end of 2017, according to data from the national statistics agency. At the end of 2016, the number of unemployed was 510,022. Out of the total in December, 39,296 unemployed had university education degree, 6,873 had completed a two-year college, 133,114 had a secondary level education, 157,390 were highly skilled, while 9,236 were semi-skilled and 129,175 were unskilled.

Trade Gap Widens in January: Bosnia's trade deficit increased 21% on the year in January, reaching 348.8 million KM (€178.3 mln), the national statistics agency said. Exports rose 25% year-on-year to 906.4 million KM (€463.4 mln) in January, while imports increased 24% to 1.3 billion KM, the agency said in a statement. In 2017, Bosnia's trade gap increased 5.0% reaching 7.081 billion KM (€ 3.62 bln).

Moody's Affirms Bosnia's Rating: Moody's Investors Service has affirmed Bosnia and Herzegovina's B3 long-term issuer ratings, which states that “the outlook is stable”. The factors supporting BiH’s credit profile include its resilient economic growth, although structural challenges, including very high unemployment, weigh on its economic strength. The analysts say that the ongoing political volatility impairs effective policymaking and keeps susceptibility to political event risk high. The “stable outlook” on Bosnia's B3 rating reflects Moody's expectation that BiH will continue to meet the conditions for concessional external financing, albeit with delays, which would provide the needed financial and technical assistance to continue to gradually progress the reform agenda.

High Unemployment, Low Wages Trouble Bosnia despite Macroeconomic Progress: The International Monetary Fund said that job creation has been limited in Bosnia, unemployment has remained high and the income convergence with the EU has stalled, despite progress in maintaining the stability of macroeconomic conditions. Although some progress has been made in Bosnia’s business environment, institutional weaknesses and weak coverage and quality of public infrastructure remain the key factors undermining private sector development and foreign investment. The IMF also underscored that priority should be given to upgrading physical infrastructure, lowering the fiscal and administrative burden on businesses, further reforming the labor market, improving governance of State-Owned-Enterprises, and enhancing competition. The fund projects that Bosnia's GDP will expand to 3.2% in 2018, after growing 2.7% in 2017.

Average Net Salary Rises 1.1% in December on Yearly Basis: The average net monthly salary in Bosnia and Herzegovina increased by a nominal 1.1 percent year-on-year in December 2017, reaching 862 KM (440.7 €), after rising by 1.2 percent in November, official figures showed. The average gross salary increased by a nominal 1.1 percent on the year, reaching 1,340 KM (685.1 €).

Sarajevo Airport Passenger Traffic Up 25% in January on Yearly Basis: Traffic at the Sarajevo international airport reached 54,147 passengers in January, up 25 percent year on year, the airport operator said. The percentage increase is record-high for the winter season and is close to the record set in the wake of the summer season when in July passengers grew 28 percent year-on-year, the operator of the Sarajevo airport said in a statement. The airport operator noted that the growth trend seen over the past couple of years is set to continue in 2018. In 2017, Sarajevo airport saw 957,969 passengers, an increase of 14 percent.

Bilateral

Ayush Day in Bosnia and Herzegovina: Embassy of India, Budapest organized an Ayush Day in Sarajevo on 1st February 2018 under the auspices of the Faculty of Medicine, University of Sarajevo and the Bosnian-Indian Friendship Society to promote knowledge on Ayurveda, Homeopathy and Yoga. The event was preceded by the visit of the delegation in the morning on the Dean of the Faculty of Medicine, Prof. Dr Semra Cavaljuga and Vice-Dean for International Relations Prof. Dr. Mirza Dilic. The two sides exchanged views on Ayush and Integrated holistic health. The university authorities expressed keen interest in integrating modern healing processes with alternative healing methods. The university also requested for accreditation by the Medical Council of India. The Ayush Day was opened by remarks of the Dean of the Faculty and Second Secretary (Pol&Com) of Embassy of India, who stressed on the importance of alternative health systems and India-BiH relationship respectively. This was followed by the presentation of Dr. Asmita Wele and on Yoga, by Ms. Ankita Sood, Chairperson of the Hungarian Scientific Ayurveda Medical Association, Dr. Péter Tóth and on homeopathy by Dr. Saila Kulenovic. Prof Wele and Ms. Sood were also interviewed by media houses separately. The event was attended by approximately 60 persons and was successful in showcasing Indian ancient wisdom of holistic & integrative healing to a captive audience in the capital city of Sarajevo.

Trends in bilateral trade:

Source: Eurostat (<http://epp.eurostat.ec.europa.eu>)

	BiH's Exports		BiH's Imports		Total Trade		% Growth Y on Y basis
	2016	2017	2016	2017	2016	2017	2017/2016
BiH's trade with India (mln)	3.2 USD 2.9 EUR	6.5 USD 5.8 EUR	75.7 USD 68.4 EUR	71.8 USD 63.7 EUR	78.8 USD 71.2 EUR (0.55 % of Global Trade)	78.3 USD 69.5 EUR (0.47 % of Global Trade)	-0.6% -2.4%
BiH's Total Global Trade (mln)	5,327 USD 4,815 EUR	6,369 USD 5,651 EUR	9,141 USD 8,263 EUR	10,448 USD 9,272 EUR	14,468 USD 13,078 EUR	16,818 USD 14,923 EUR	+16.2% +14.1%

Top 10 items of Import from the World to B&H [USD Million]

Product	2016 Jan-Dec	2017 Jan-Dec	% growth	% total
TOTAL	9,140.6	10,448.8	14.3%	100.0%
27 - MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	1,094.2	1,492.7	36.4%	14.3%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	726.3	812.0	11.8%	7.8%
87 - VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	638.6	720.1	12.8%	6.9%
85 - ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS	542.9	643.4	18.5%	6.2%
39 - PLASTICS AND ARTICLES THEREOF	487.3	544.9	11.8%	5.2%
72 - IRON AND STEEL	250.0	322.5	29.0%	3.1%
30 - PHARMACEUTICAL PRODUCTS	306.4	313.8	2.4%	3.0%
73 - ARTICLES OF IRON OR STEEL	257.6	295.0	14.5%	2.8%
41 - RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	192.1	205.7	7.1%	2.0%
22 - BEVERAGES, SPIRITS AND VINEGAR	181.6	187.7	3.4%	1.8%

Top 10 items of export to the World from B&H

Product	2016 Jan-Dec	2017 Jan-Dec	% growth	% total
TOTAL	5,326.9	6,368.9	19.6%	100.0%
94 - FURNITURE; BEDDING, MATTRESSES, MATTRESS SUPPORTS, CUSHIONS AND SIMILAR STUFFED FURNISHINGS; LAMPS AND LIGHTING FITTINGS, NOT ELSEWHERE SPECIFIED OR INCLUDED; etc	601.4	661.4	10.0%	10.4%
27 - MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	362.5	530.6	46.4%	8.3%
44 - WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL	403.3	442.6	9.8%	6.9%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	348.6	404.6	16.1%	6.4%
64 - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	369.6	395.5	7.0%	6.2%
76 - ALUMINIUM AND ARTICLES THEREOF	276.9	375.1	35.5%	5.9%

28 - INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPE	278.9	347.8	24.7%	5.5%
73 - ARTICLES OF IRON OR STEEL	252.6	334.6	32.5%	5.3%
85 - ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES	239.3	333.3	39.3%	5.2%
72 - IRON AND STEEL	221.1	265.8	20.2%	4.2%

Top 10 items of Import from India to B&H

Product	2016 Jan-Dec	2017 Jan-Dec	% growth	% total
TOTAL	75.7	71.8	-5.1%	100.0%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	15.3	14.7	-3.8%	20.5%
09 - COFFEE, TEA, MATÉ AND SPICES	8.9	11.5	29.2%	16.0%
64 - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	4.5	3.6	-20.4%	5.0%
41 - RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	3.9	3.5	-9.1%	4.9%
52 - COTTON	3.6	3.4	-5.5%	4.7%
25 - SALT; SULPHUR; EARTHS AND STONE; PLASTERING MATERIALS, LIME AND CEMENT	2.6	3.1	23.0%	4.4%
62 - ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, NOT KNITTED OR CROCHETED	2.2	2.5	12.6%	3.5%
56 - WADDING, FELT AND NONWOVENS; SPECIAL YARNS; TWINE, CORDAGE, ROPES AND CABLES AND ARTICLES THEREOF	2.0	2.3	15.5%	3.1%
85 - ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION , ect	1.6	2.0	26.1%	2.7%
30 - PHARMACEUTICAL PRODUCTS	2.1	1.9	-9.7%	2.7%

Top 10 items of export to India from B&H

Product	2016 Jan-Dec	2017 Jan-Dec	% growth	% total
TOTAL	3.2	6.5	106.6%	100.0%
28 - INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPE	1.6	4.5	187.7%	68.5%
48 - PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	0.4	0.9	116.9%	13.4%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	0.2	0.2	5.0%	2.9%
79 - ZINC AND ARTICLES THEREOF	0.2	0.2	22.0%	2.8%
41 - RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	0.0	0.1	463.9%	2.0%
85 - ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, PARTS	0.0	0.1	4799.8%	1.9%
83 - MISCELLANEOUS ARTICLES OF BASE METAL	0.1	0.1	54.3%	1.8%

73 - ARTICLES OF IRON OR STEEL	0.1	0.1	95.6%	1.8%
72 - IRON AND STEEL	0.0	0.1	148.7%	1.2%
38 - MISCELLANEOUS CHEMICAL PRODUCTS	0.0	0.1		0.9%

TRADE FAIRS in Bosnia and Herzegovina

INTERIO	International fair for landscaping, architecture and horticulture	Centar Skenderija Sarajevo	March 2018	www.skenderija.ba
MOSTAR SAJAM	General International Trade Fair	Mostar	April 2018	www.mostar-fair.com
SARAJEVO BUSINESS FORUM	Business forum on Investment and trade	Sarajevo	April 2018	www.sarajevobusinessforum.com
ENERGA	International trade fair for energy, industry and mining	Tuzla	June 2018	www.tuzlanskisajam.ba/en
RENEXPO BiH	International Trade Fair and Conferences on Renewables and Energy Efficiency	Sarajevo	November 2018	www.renexpo-bih.com

<https://www.tradefairdates.com/Fairs-Bosnia-and-Herzegovina-Z18-S1.html>

Average Monthly Exchange rates for February 2018

1US\$= 1.581661 KM

1EUR= 1.955830 KM

Source: Central Bank BIH <http://cbbh.ba>

Sanjeev Manchanda
Second Secretary (Com/Pol)
Embassy of India
Budapest