

Embassy of India Budapest

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Economic and Commercial Report for the month of April 2016

Executive Summary

1. ECB warns Hungarian Central Bank against taking over state expenses
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3. Hungary repays IMF-EU loan
4. Government revokes Sunday shopping ban
5. Hungary goes ahead with first yuan-denominated bond issue
6. Five persons indicted in Buda-Cash scandal
7. German companies report shortage of skilled labour

Economy

ECB warns Central Bank against taking over state expenses: The European Central Bank (ECB) has expressed concern that the Central Bank (MNB) is using some of the money at its disposal for state financing purposes, in contravention of regulations. The MNB engaged in several activities in 2014 that were not related to its monetary policy and could be considered as financing of the budget, the ECB observed, such as the purchase of real estate and artworks. The European regulator also expressed concerns regarding the MNB's purchase of a majority stake in the Budapest Stock Exchange in 2015

Gov't must compensate slot machine operators: The European Court of Justice ruled in favour of casino operators who had filed suit against the government because their licences to operate slot machines were withdrawn in a matter of days in late 2012. The Court left decisions on compensation to be decided by the Hungarian courts. Gambling Association head István Schreiber estimated the damage caused to slot machine operators and casino owners at Ft 100 billion.

Out-of-court settlement for "asphalt case" dispute with EU: Hungary will enter into negotiations with the European Commission towards an out-of-court settlement in the so-called "asphalt case," Prime Minister's Office leader János Lázár announced. The EU has been withholding Ft 500 billion of EU subsidies after finding that Hungary had since 2007 wrongfully linked the award of road construction contracts to companies that had an asphalt mixer within 50 kilometres of the work site. The amount at stake of Ft 503 billion is nearly 1.5% of GDP.

Eurostat would include Eximbank in state budget figures: Eurostat has disputed Hungarian government's claim that state-owned export lender Eximbank is an independent entity and should not be included in general government budget data. The inclusion of Eximbank's financial data in government statistics would raise the state debt by about two percentage points. Eximbank's external liabilities amounted to Ft 572 billion in 2014, or 1.8% of GDP. Economy Minister Mihály Varga said the government is ready to defend its position in court in the dispute with Eurostat.

Hungary repays IMF-EU loan: Hungary repaid €1.5 billion to the EU, the final instalment of the IMF-EU loan taken at the height of the financial crisis in 2008. The EU provided €11.9 billion, while the IMF made €6.5 billion available. The IMF loan had been repaid in 2013.

Fazekas discusses TTIP in Washington: Agriculture Minister Sándor Fazekas on 12 April held talks in Washington on the proposed EU-US free trade agreement TTIP. Fazekas stressed that Hungary has an interest in the free trade agreement but only if it is mutually beneficial. He reaffirmed the government's opposition to GMO products.

Constitutional Court strikes down MNB secrecy law: The Constitutional Court ruled that the legislation allowing the MNB (Central Bank) to withhold data on the use of money by its foundations is unconstitutional. The amendment passed by Parliament in March would have sealed off from the public data on the use of funds by the MNB foundations for 30 years.

Government revokes Sunday shopping ban: Parliament voted to allow shops to again open on Sundays repealing an unpopular law that has restricted Sunday shopping for 13 months. The bill stipulates that store employees are entitled to a 50% wage bonus for working on Sundays, rising to 100% on the Easter and Pentecost holidays.

Gov't to lower VAT on dairy products and catering services next year: The government proposes to reduce VAT on a wide range of products and services in the 2017 budget, Economy Minister Mihály Varga announced. The VAT on milk, eggs and poultry would fall from today's 27% to 5%. The rate for catering services will be trimmed to 18%, with plans to further reduce the tax to 5% in 2018. VAT on internet services will also be cut to 18% from today's 27%.

2015 budget deficit hits record low: The 2015 budget deficit came to a new record low of 1.9% of GDP, according to preliminary figures released by the Central Statistics Office. The budget deficit at the end of 2015 stood at Ft 625.5 billion, down from Ft 739.1 billion in 2014, or 2.3% of GDP. Revenues expanded by 7.7% last year to Ft 1.17 trillion, outpacing the 6.6% rise in spending to Ft 1.06 trillion. The budget deficit was Ft 125.8 billion in the first quarter, the lowest level in 15 years, the Economy Ministry announced. The March deficit came to Ft 140.8 billion.

IMF lowers GDP forecast for Hungary: GDP growth in Hungary will slow down in Hungary as the effects of the high absorption of EU funds fades, the IMF concludes in its latest World Economic Outlook. The IMF has cut its 2016 GDP growth forecast to 2.3% from the 2.5% projected in October 2015. The economic growth for 2017 is projected at 2.5%.

MNB lets foreign reserves decline: The MNB's foreign-currency reserves fell to €27.6 billion in March 2016, from €31.7 billion in February, the central bank announced. The MNB had announced earlier that it would let its foreign reserves shrink, because it considers the amount excessive in the present circumstances.

Hungary goes ahead with first yuan-denominated issue: Hungary issued a three-year 1 billion yuan (Ft 42.6 billion) bond at 6.25% interest, Economy Minister Mihály Varga announced. Hungary became the first country in the Central and Eastern Europe to issue bonds denominated in the Chinese currency, in an issue that was 2.5 times oversubscribed. There could be a follow-up later this year with a possible 2 billion yuan issue, Varga added. State debt manager ÁKK had commissioned the Bank of China to arrange the issue.

Deflation returns in March CPI data: The consumer price index returned to negative territory in March 2016, as prices were 0.2% lower than one year earlier, the Central Statistics Office announced. Core inflation – which excludes energy and food prices – came to 1.3% year-on-year and 0% month-on-month.

Industrial growth remains lacklustre: Industrial output was up 6.3%, year-on-year, in February 2016, but was only 1.8% higher in the seasonally adjusted figures, according to preliminary data from the Central Statistics Office. Output saw a 0.8% shrinkage from January, the fourth consecutive monthly decline. Such a steady drop has not been recorded since the financial crisis, when output fell for seven months in a row in 2008-09.

Industrial prices still declining: Industrial producer prices saw a year-on-year decline for the seventh consecutive month in February 2016, down 1.6% year-on-year, according to preliminary data from the Central Statistics Office.

Construction sinks without EU funds: Construction industry output slumped for the second straight month in February 2016, down 19.2%, year-on-year, due to high base figures and the decline in EU-funded projects.

Trade surplus higher in February: The trade surplus grew to €979 million in February 2016, up from €867 million one year earlier, the Central Statistics Office announced. Exports expanded 8% in February to €7.8 billion, after a 0.9% rise in January. Imports went up 7.4% to €6.8 billion, after 3.9% growth in January.

Hungary sixth in jobless statistics: Hungary has the sixth lowest unemployment rate in the EU at 5.9%, according to figures from Eurostat. In the latest country report issued in February, the European Commission welcomed Hungary's achievement in reducing the jobless rate from 11% in 2010 to below 6% in 2015. The rise in employment was mostly due to the rising number of people employed on public works schemes, but more recently the majority of jobs are created in the private sector.

Five indicted in Buda-Cash scandal: The Capital Prosecutor's Office has indicted five people because of suspected embezzlement, fraud and other crimes in the collapse one year ago of the Buda-Cash brokerage. If found guilty they could be sentenced to up to 25 years in prison, Budapest Prosecutor General Tibor Ibolya announced. He estimated the total losses to clients at Ft 115 billion. Ibolya said six of the original eleven suspects have not been charged, due to lack of evidence.

German companies report shortage of skilled labour: The lack of skilled labour is a growing problem in Hungary, members of the German-Hungarian Chamber of Commerce said in the latest annual survey. Generally, 54% of the companies surveyed are unsatisfied with the supply of skilled labour, a figure that goes up to 66% in the manufacturing sector. More positively, respondents were considerably more optimistic about their company's prospects and the economy in general. The chamber forecasts 3% GDP growth in Hungary this year.

Varga announces lower bank tax: The government will collect Ft 79 billion from the bank tax in 2016, reduced from Ft 144 billion in 2015, Economy Minister Mihály Varga said. The revenue target will be lowered by a further Ft 20 billion in 2017, he added. The lowering of the bank tax is part of the agreement concluded with the EBRD early in 2015.

Commercial

Utility company Engie takes state to court of arbitration: Engie, formerly GDF Suez, has taken the Hungarian government to an international court of arbitration over the "pipeline tax" on utility network infrastructure introduced in 2013 and the mandatory setting of margins. GDF Suez Energia Holding Hungary has turned to Washington-based ICSID, a forum for investor-state dispute settlement, claiming Ft 200 billion from the government. At the same time, the utility company is in talks with the government on the sale of its gas distributor company, Égáz-Dégáz, which is its last remaining asset in Hungary, as it has sold its other retail and business gas units to the state.

MKB sale price was set at Ft 37 billion: The government agreed a price of Ft 37 billion for the sale of MKB bank. Hungarian private equity fund Metis will buy a 45% stake in MKB, Blue Robin Investments SCA will also take a 45% stake, and Hungarian pension fund Pannónia Nyugdíjpénztár the remaining 10%, pending approval by the European Commission, expected before June 30. MKB bank ran up losses of Ft 76.4 billion last year, down from Ft 148.1 billion in 2014, chairman and CEO Ádám Balog said.

Evopro wins top innovation prize: Engineering company, Evopro, was awarded the 2015 Innovation Grand Prize by the Hungarian Innovation Association at a ceremony in Hungarian Parliament. The company, known for its electric buses made of composites, received the award for its dynamic railway diagnostic system (eRDM), which makes railway freight transport faster and safer.

BorgWarner plans Ft 15bn expansion: US car parts supplier BorgWarner will invest Ft 15.5 billion to expand its plant in Oroszlány, creating 600 jobs, with the help of a Ft 1.7 billion subsidy from the government, it was announced. The company, which began production in Hungary 15 years ago, opened two new factories in 2015.

Schaeffler plans investment of Ft 25bn in Debrecen: Auto parts maker FAG Magyarország, part of Germany's Schaeffler group, announced a Ft 25 billion expansion project in Debrecen, with the help of a Ft 4.5 billion government subsidy.

Bilateral

Embassy of India, Budapest participates in Mostar International Trade Fair: Embassy of India, Budapest participated in the 19th Mostar International Trade Fair (12-16 April 2016), Bosnia & Herzegovina for the first time. The international trade fair attracted a number of international exhibitors and visitors from the region spanning several sectors, including agricultural machinery, food and beverages, food processing, telecommunication, tourism, engineering, and services, etc. India showcased 'Make in India' initiative of the government of India, as also tourism and culture, including yoga and Ayurveda. Indian Pavilion was inaugurated by Chairman of the Council of Ministers, H.E. Mr. Denis Zvizdic, and Deputy Chairman & Minister of Foreign Trade and Economic Relations, H.E. Mr. Mirko Sarovic.

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

Global trade of Hungary (USD, EUR billion)

	2014	2015	2016 Q1	% change 2016Q1/2015Q1
Global imports	104.3 USD 78.2 EUR	91.4 USD 82.4 EUR	22.2 USD 20.2 EUR	-0.1% +2.4%
Global exports	112.8 USD 84.5 EUR	100.4 USD 90.5 EUR	24.9 USD 22.6 EUR	-0.8% +1.6%
Total	217.1 USD 167.2 EUR	191.8 USD 172.9 EUR	47.2 USD 42.8 EUR	-0.5% +1.9%

Bilateral Trade (USD, EUR million)

	2014	2015	2016 Q1	% change 2016Q1/2015Q1
Import from India	385.1 USD 286.7 EUR	364.9 USD 329.2 EUR	83.7 USD 76.1 EUR	-6.1% -1.8%
Export to India	210.5 USD 157.3 EUR	213.8 USD 193.7 EUR	42.1 USD 38.2 EUR	-18.8% -15.8%
Total	595.6 USD 444.0 EUR	578.7 USD 522.8 EUR	125.8 USD 114.3 EUR	-10.8% -7.0%

Top 10 items of Export to the World 2015 (USD mln)

Product	2014. year	2015. year	% growth	% total
Total Product (according to the Combined Nomenclature)	112,536.9	100,387.6	-10.8%	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	22,201.1	20,074.7	-9.6%	20%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	21,090.3	18,902.4	-10.4%	19%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	17,814.6	18,003.0	1.1%	18%
30 PHARMACEUTICAL PRODUCTS	4,990.3	4,822.7	-3.4%	5%
39 PLASTICS AND ARTICLES THEREOF	4,303.3	3,834.5	-10.9%	4%
90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	4,591.4	3,311.8	-27.9%	3%
40 RUBBER AND ARTICLES THEREOF	2,607.9	2,373.8	-9.0%	2%
27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	3,778.6	2,334.2	-38.2%	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	1,969.5	1,760.6	-10.6%	2%

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

Product	2014. year	2015. year	% growth	% total
Total Product (according to the Combined Nomenclature)	104,188.1	91,384.8	-12.3%	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	20,096.9	18,693.9	-7.0%	20%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	17,232.4	15,592.7	-9.5%	17%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	9,839.7	9,516.3	-3.3%	10%
27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	12,480.1	7,432.8	-40.4%	8%
39 PLASTICS AND ARTICLES THEREOF	4,582.1	4,167.8	-9.0%	5%
30 PHARMACEUTICAL PRODUCTS	3,874.0	3,958.2	2.2%	4%
73 ARTICLES OF IRON OR STEEL	2,380.8	2,104.7	-11.6%	2%
90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	2,054.4	1,923.7	-6.4%	2%
40 RUBBER AND ARTICLES THEREOF	2,018.8	1,836.2	-9.0%	2%
72 IRON AND STEEL	2,474.1	1,835.7	-25.8%	2%

Top 10 items of Export to India 2015 (USD mln)

Product	2014. year	2015. year	% growth	% total
Total Product (according to the Combined Nomenclature)	210.5	213.8	1.6%	100%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	86.8	77.6	-10.6%	36%
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	34.9	52.2	49.7%	24%
29 ORGANIC CHEMICALS	22.5	26.6	18.1%	12%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	6.1	9.4	53.2%	4%
39 PLASTICS AND ARTICLES THEREOF	9.4	7.5	-20.3%	4%
90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	13.0	7.1	-45.3%	3%
48 PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	5.4	4.5	-16.1%	2%
73 ARTICLES OF IRON OR STEEL	5.7	4.0	-30.8%	2%
74 COPPER AND ARTICLES THEREOF	3.8	3.8	-0.5%	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	5.0	2.9	-42.7%	1%

Top 10 items of Import from India 2015 (USD mln)

Product	2014. year	2015. year	% growth	% total
Total Product (according to the Combined Nomenclature)	385.1	364.9	-5.2%	100%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	82.3	94.4	14.7%	26%

29 ORGANIC CHEMICALS	97.5	84.5	-13.3%	23%
30 PHARMACEUTICAL PRODUCTS	72.8	72.6	-0.2%	20%
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	58.3	51.2	-12.2%	14%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	9.8	9.2	-5.7%	3%
64 FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	9.4	6.4	-32.0%	2%
40 RUBBER AND ARTICLES THEREOF	5.6	5.7	2.6%	2%
73 ARTICLES OF IRON OR STEEL	6.1	4.7	-23.5%	1%
39 PLASTICS AND ARTICLES THEREOF	5.5	4.0	-26.7%	1%
41 RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	3.6	2.4	-32.8%	1%

Average Monthly Exchange rates for APR 2016

1US\$= 274.74 HUF

1EUR= 311.54 HUF

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

Upcoming Trade Fairs in Hungary:

(I) <u>BNV 29 Sept - 2nd October 2016</u> – International consumer trade fair with focus on Home and Garden, Children, Gastro, Lifestyle
(II) <u>Automotive Hungary 19-21 OCT 2016</u> – International exhibition for Auto industry suppliers
(III) <u>Autumn Wedding Exhibition</u> , 5-6 November 2016 –Featuring all related products
(IV) <u>AGROMash Expo 25 - 28th January 2017</u> –International trade fair for Agricultural machinery

Further information: www.hungexpo.hu

Trade enquiries: In the month of April 2016 Embassy of India, Budapest received 33 enquiries from India and no trade enquiries from Hungary.

Indian Trade inquiries for the month of April 2016

S. No.	Enquiry originator	Product	HS codes	Nature Export/Import value (\$ mln)	Action taken
1	Vss Expoprts	Miscellaneous		Export to Hungary	All inquires have been answered
2	SRB Group	Medical products		Export to Hungary	
3	Yamina Exim	Agro: spices		Export to Hungary	
4	Rudra Transworld Services	Miscellaneous		Export to Hungary	
5	Fortune Exports	Chemicals		Export to Hungary	
6	Right international	Miscellaneous		Export to Hungary	
7	Oscar Overseas	Miscellaneous		Export to Hungary	

8	Shalom Merchants	Misc: Agro: vegetables, fruits, spice, Handicrafts		Export to Hungary	
9	Edison Exports	Chemicals: Salt		Export to Hungary	
10	Loyal Polypack Pvt. Ltd	Plastic bags: PP bags, fabrics		Export to Hungary	
11	Sri Varagi	Miscellaneous		Export to Hungary	
12	Dipin Bhatt	Engineering: steel and metal		Export to Hungary	
13	Pachvati Foods.	Agro: vegetables		Export to Hungary	
14	Kriya Exports	Engineering: brass fittings		Export to Hungary	
15	Minna Exports	Agro: vegetables		Export to Hungary	
16	Namasvi International	Agro: vegetables and Food: castor oil		Export to Hungary	
17	Shipra Enterprise	Handicrafts		Export to Hungary	
18	Vishvas Tractors Ltd	Engineering: tractor and agro machinery parts, bicycle parts		Export to Hungary	
19	SS Exports	Agro: vegetables		Export to Hungary	
20	H. P. Ore Processors Pvt. Ltd.	Minerals		Export to Hungary	
21	Veronica Export	Handicrafts		Export to Hungary	
22	Durga Tractors	Engineering: Loader, drilling, earth moving machinery		Export to Hungary	
23	Natural Storage Solutions Pvt. Ltd.	Engineering: Warehouses		Looking for investors, cooperation	
24	Shruti Engineering	Engineering: brakes		Export to Hungary	
25	Credence Overseas	Agro: nuts, grain, rice		Export to Hungary	
26	Primus Intertea	Tea		Export to Hungary	
27	Shashi Minerals	Minerals		Export to Hungary	
28	Mahit Ceramic	Ceramic sanitary wares		Export to Hungary	
29	Dayal International	Miscellaneous		Export to Hungary	
30	Keramikos Pvt. Ltd.	Misc: tiles, pp bags, ropes, sanitary wares,etc		Export to Hungary	
31	Jasmine Export	Miscellaneous		Export to Hungary	
32	Abhigna Exim	Packaging: paper egg trays		Export to Hungary	
33	Edison Exports	Food: chips, snacks, organic, pickles, seafood		Export to Hungary	

Bosnia & Herzegovina (BiH)

Federation's Mining Companies Post 96 Million KM Loss in 2015: The state-controlled mining companies in Bosnia's Federation last year recorded a 96 million KM loss, it was announced during a meeting of Federation's PM Fadil Novalic and a delegation of the entity's miners trade union..

Budapest-Sarajevo Direct Route to Be Established: Mr. Levente Magyar, MOS for Foreign Affairs and Trade of Hungary, said that a direct route will be established between Budapest and Sarajevo with Hungarian support and funding in 2016. Chairman of the Joint Committee for Economic Cooperation between Bosnia and Herzegovina and Hungary and Deputy Minister of Foreign Trade and Economic Relations Mato Franjicevic and Deputy Minister of Foreign Affairs and Economy of Hungary Levente Magyar also concluded at a meeting in Sarajevo that the sectors of energy, agriculture and tourism still have great potential for development of cooperation between the two countries. In 2015, BiH imports from Hungary amounted to about 400 million KM, while at the same time BiH exports amounted to 190 million KM. These are mainly agricultural products, and food and metal industry. He pointed out that the most interesting investments for Hungary are in the energy sector and water management.

Arms Industry Igman Posts 32 Million KM Net Profit in 2015: Konjic-based arms firm Igman recorded a net profit of 32 million KM in 2015. This is much better results in relation to 2014 when the net profit amounted to 8.3 million KM. Igman increased operating income by some 60% from 58.9 million KM in 2014 to 93.9 million KM in 2015. The income growth is a result of strong sales on foreign market, where the

company exported most of its products. The majority owner of Igman is Bosnia's Federation with 51% stake.

TRADE FAIRS in Bosnia and Herzegovina

ENERGA	International trade fair for energy, industry and mining	Stadion TušanjTuzla	07-09 .06 2016	www.tuzlanskisajam.ba
ZEPS	23rd General B&H Fair	Kamberovića polje, in Zenica	04-08.10.2016	http://zeps.com
RENEXPO	International Trade Fair and Conferences on Renewables and Energy Efficiency	Hotel Hollywood DeLuxe, Sarajevo	03-04. .11 2016	www.renexpo-bih.com

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

Average Monthly Exchange rates for April 2016

1US\$= 1.724799 KM

1EUR= 1.955830 KM

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

Vijay Khanduja
First Secretary (Com/Pol)
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