

Embassy of India Budapest

Economic and Commercial Report for the month of November 2016

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Economic

Budapest hosts Water Summit: The event with the title "Water Connects" was held on 28 Nov - 1 Dec 2016. President of Hungary János Áder, opened the event with a speech identifying the issue of clean potable water as the most significant issue of the 21st century. He said that the climate change and the rising sea is expected to have severe affects all around the globe in the coming years and called for action on a water-secured world. The Summit attracted around 1,800 representatives from 117 countries. During the event, 58 exhibitors from various fields including universities portrayed their innovative water-related solutions. Hungary has strong companies in water related technologies. During the sidelines of the Water Summit, Hungarian Prime Minister Viktor Orbán met with his Bangladeshi counterpart Sheikh Hasina on 29th November, the meeting being the first summit between the leaders of the two countries' governments. PM Sheikh Hasina said after the meeting that there is ample opportunity for deepening commercial and investment ties between Bangladesh and Hungary, especially in the field of water management. Speaking at a Hungarian-Bangladeshi business forum in Budapest later Tuesday, PM Orbán said Eximbank would open a USD 90 million credit line to support cooperation between the two countries, and offered scholarships for 100 Bangladeshi students to study in Hungary.

EC orders cancellation of ad tax: The European Commission ruled against Hungary's progressive advertising tax on 4th November, saying the brackets of the levy give a select advantage to certain companies. However, the government said it will ignore the Commission's order to abolish the tax. Companies with low advertising revenue paid a disproportionately lower tax than companies with large revenues, the EC found. RTL Klub paid Ft 1.5 billion (appx €4.86 mln) of this tax in 2014 and Ft 940 million (appx €3 mln) in 2015, while TV2 paid nothing in 2014 and Ft 593 million (appx €1.9 mln) in 2015. Hungary suspended the tax in early 2015 after objections for the EU, then modified and reintroduced it without informing the Commission.

EU supports new research centres: The European Commission is supporting the establishment of a Hungarian research centre for in business control systems and another for molecular medical sciences with Ft 8 billion (appx € 25.9 mln), National Research, Development and Innovation Office head József Pálincás announced. With matching Hungarian funds and support from Hungarian and international institutions, the two programmes will have Ft 22 billion (appx € 71.2 mln) available in the next seven years. The research centres won the EU funding from the EU's Horizon 2020 programme, in which 169 bids have been filed from 27 countries.

EU removes obstacles to Paks project: PMO leader János Lázár said the European Commission has closed the infringement proceedings against Hungary regarding the matter of public procurements related to the upgrade of the Paks nuclear power plant. The decision means that the €12.5 billion project can start in 2018, he added. The investment project is the biggest Hungarian and most significant Central European project over the next 30 years, said the PMO leader, adding that it will create 7,000 jobs directly and 10,000 indirectly and will add one percentage point to GDP growth.

PM Viktor Orbán meets Chinese PM in Riga : Prime Minister Viktor Orbán joined leaders of 15 other East Central European countries in Riga on 5th November for a meeting with Chinese Prime Minister Li Keqiang. Orbán stressed that the EU must open up as it struggles with economic stagnation and an obvious solution is China, “the world's most successful economy”. PM Orbán and Foreign Affairs and Trade Minister Péter Szijjártó also met leading officials of Huawei, which is the second biggest Chinese investor in Hungary. PM Orbán confirmed that Hungary will host the 2017 meeting of the prime ministers of 16 Central European countries and China in Budapest.

Szijjártó in Hong Kong talks: On 1st December, on an official visit to Hong Kong Foreign Minister Péter Szijjártó met with Finance Minister John Tsang, Development Minister Paul Chan, and Deputy Commerce and Economic Development Minister Philip Yung. Hungary and Hong Kong represent the two end points of China's modern Silk Road concept FM Szijjártó said. He also emphasized that companies in Hong Kong are particularly interested in Hungarian investment opportunities because of the low personal and corporate tax rates. Negotiations on an agreement for investment protection to encourage mutual investments have started.

EC and IMF forecast faster GDP growth for 2017: According to the latest report by the European Commission, Hungarian GDP is expected to grow by 2.1% in 2016 and 2.6% in 2017 with 2.8% in 2018. The recent slowdown in economic growth in 2016 from 3.1% in 2015 was caused by a decline in EU-funded investments, the EC concluded. According to IMF estimates, Hungary's economy will expand by 2% in 2016 and 2.5% in 2017. Growth in consumer prices will be among the highest in Hungary at 1.9%, above the forecast 1.3% average. State debt is expected to be 75.3% for 2016 and 75.1% for 2017.

Moody's upgrades Hungary's debt: International credit-rating agency Moody's upgraded its assessment of Hungarian sovereign debt from “junk” status to the Baa3 category. With this, all three major credit-rating agencies have now restored Hungarian bonds to the “investment grade” category. Explaining its decision, Moody's noted that Hungary's state debt is declining, making interest payments smaller, and that foreign-denominated debt makes up a smaller share of the total. Hungary has made structural changes to reach 2-2.5% GDP growth in 2016 and in the following years, Moody's said.

Fitch confirms Hungary rating: International credit rating agency Fitch ratings confirmed its BBB-rating for Hungary on 18 November. Fitch has also maintained its stable outlook for Hungary. The main reasons for the rating confirmation are EU membership, good macroeconomic indicators and the high per capita GDP, Fitch added.

Central Bank retains 0.9% base rate: The Monetary Council of the Central Bank, MNB, made a decision to keep the base rate at 0.9%. The Hungarian economy still maintains idle capacities and inflation remains low in the country, the Monetary Council argued. The disinflation environment in Hungary is fading gradually. The Council expressed its readiness for further monetary easing with non-traditional measures.

Foreign currency state debt drops: The amount of foreign currency state debt was Ft 6.287 trillion (appx €20.4 bln) at the end of October, dropping by Ft 1.449 trillion (appx €4.7 bln) from the end of 2015, the Economy Ministry announced. The foreign currency state debt equals 24.9% of the total state debt. The decrease in foreign currency debt was offset by an increase in forint debt of Ft 1.906 trillion (appx. €6.1 bln) Out of this increase about two thirds, Ft 1.29 trillion (appx €4.1 bln), was due to state bond sales to households.

PwC finds tax load high in Hungary: Medium-sized companies in Hungary paid 46.5% of their revenues to the state in 2016, down from 56.6% in 2004, consultancy PwC found in its “Paying taxes” survey conducted in 190 countries. Despite the drop, the Hungarian level was above the EU average of 40.3%. The effective tax rate was 21% in Luxembourg on the low end and 62.8% in France on the high end.

Parliament approves 2017 tax bill: The Parliament approved the 2017 tax law on 22nd November. The threshold for businesses exempted from VAT has been increased from an annual revenues of Ft 6 million (appx. €19,400) to Ft 8 million (appx €25,900). The ceiling on annual revenues that allows businesses opting for the simplified small business tax “kata” has been doubled from Ft 6 million (appx. €19,400) to Ft 12 million (appx €38,800). The five brackets on the health contribution will be lowered to only two: 14% and 27% and the compulsory health contribution payment on interest revenues has been cancelled. As a new tax allowance, restaurants may cut 50% of their costs for live music services from their tax base. A tax allowance will be launched on investments not larger than Ft 20 million (appx €64,700) invested with start-ups. **PM Orbán also announced that company taxes would be reduced to a unified 9%** from the present 10% for small and 19% for large companies The present rates are 19% for companies that generate more than Ft 500 million (appx €1.6 mln) in annual revenue and 10% for all others. The 9% figure would be the lowest corporate tax rate in the EU, below Bulgaria's 10% and Ireland's 12.5%. Employer organisations welcomed

the announcement of the flat 9% corporate tax rate, saying the change will increase Hungary's appeal and leave more funds for investment and wage hikes.

Wage agreement signed: Prime Minister Viktor Orbán signed a wage agreement with representatives of employers and unions on 24th November 2016. According to the agreement, the monthly minimum wage will be increased by 15% in 2017. The minimum wage for skilled labour will go up by 25% and a further 8% and 12% rise will follow in 2018. Social contribution, a tax on wages paid by employers will be cut by 5% next year and by another 2% in 2018. The agreement over raising the minimum wage and tax reduction for employers will pave the way for the economy to grow between 3-5% in the future, up from the 2-3% range at present, Economy Minister Mihály Varga said.

Bird flu impacts poultry sector: Several hundred thousand chickens, ducks, geese and other birds have had to be killed due to the outbreak of bird flu, former Chief Veterinarian Miklós Süth said. The H5N8 epidemic has also reached Italy, Croatia, Austria, Germany, Denmark, the Netherlands and Sweden. Restrictions on imports of Hungarian live and processed poultry and hatching eggs were imposed by Israel, Hong Kong, Japan and South Africa. However Hungary can continue to export to EU countries from areas unaffected by the contagion.

Commercial

OTP profits up 22% in Q3: OTP bank posted third-quarter results showing a Ft 69.8 billion (appx €226 mln) post-tax profit, well above analysts' consensus forecast of Ft 53.6 billion (appx €174 mln), and a 22% increase from the previous quarter. Total income of Ft 184.8 billion (appx €598 mln) was slightly higher than the Ft 182.5 billion (appx €591) projected by analysts.

MOL emphasises chemicals over fuel: MOL's most important project of the coming five years is a plan to invest \$1.5 billion (appx €1.4 bln) in the chemical industry, chairman and CEO Zolt Hernádi said. This investment will be repeated in every five-year period until 2030, as the company looks to ease its reliance on the motor fuel market, he added. Refineries will be gradually switched to non traditional products in the coming 15 years. Motor fuel production will drop from the present 70% of total output to below 50%, Hernádi revealed.

Hernádi dropped from Interpol list: After three years chairman and CEO of MOL Zolt Hernádi has been permanently removed from Interpol's wanted list. The Hungarian energy company welcomed the ruling. Croatian authorities charged Hernádi with bribing former Croatian Prime Minister Ivo Sanader in 2009 with millions of euro in order to allow MOL to take control of Croatian oil company INA, in which MOL has the largest stake but does not reach a majority.

Linamar plans Ft 7bn expansion: Linamar Hungary has won a Ft 508 million (appx €1.65 mln) state subsidy for its Ft 7.2 billion (appx €23.3 mln) capacity expansion project at its car parts and machine making factories in Békéscsaba and Orosháza. Foreign Affairs and Trade State Secretary László Szabó pointed out that Linamar completed a Ft 5.3 billion (appx €17.2 mln) project in 2016, creating nearly 2,500 jobs. The new development will be completed in two years and will create 83 jobs, said Linamar Hungary CEO Csaba Havasi. Revenues of Linamar Hungary exceeded Ft 24 billion (appx €77.7 mln) last year, over 90% of that from exports.

Wizz Air reports robust profits: Discount airline Wizz Air posted a record €263.3 million pretax profit for the first six months of its business year beginning March 31, up 38% year-on-year, CEO József Váradi announced. Revenues rose 10.1% year-on-year to €921 million in Wizz Air's first half, including a 4.1% rise in ticket sales to €567 million.

Richter profits double in Q3: Third-quarter net profit at Richter more than doubled from the same period of last year, to Ft 13.9 billion (appx €4.5 mln), the pharmaceutical company announced. For the first nine months of 2016, revenues were up 2.7% to Ft 284 billion (appx €91.9 mln) 10% of that from the Hungarian market. In Richter's biggest markets, sales to the EU rose by 9.8% to Ft 119.7 billion (appx €38.8 mln), while sales in Russia fell to Ft 59.2 billion (appx €19.2 mln), a 6.4% drop, as higher volume was offset by a decline in the value of the rouble. Net profit for the period was 1% lower at Ft 43.9 billion (appx €14.2 mln).

ThyssenKrupp now a strategic partner: ThyssenKrupp Presta Hungary, a producer of axles and steering systems for electric cars, signed a strategic cooperation agreement with the government on 25 November. Foreign Affairs and Trade Minister Péter Szijjártó said the agreement gives Hungary a chance to

obtain a leading role in car industry innovation. ThyssenKrupp's six subsidiaries in Hungary generate annual revenues of €500 million.

BorsodChem starts Ft 2bn project: BorsodChem is launching a Ft 2 billion (appx €6.5 mln) project to update its chemical waste processing technology, the Chinese-owned company announced. The project is financed by the European Regional Development Fund. The new technology will eliminate the use of mercury in chlorine production while reducing carbon dioxide emissions and electricity consumption. BorsodChem realised a €25.6 million operating profit in 2015, down from €33 million one year earlier. Revenues fell from €1.46 billion to €1.4 billion.

Yanfeng becomes strategic partner: The government has signed a strategic cooperation agreement with Chinese car parts supplier Yanfeng Automotive Interiors. Yanfeng employs 1,870 workers to produce interiors for premium cars at its factory in Pápa. The company has announced a Ft 7.5 billion (appx €24.3 mln) expansion project earlier this year, creating 450 jobs, with the help of a Ft 1.85 billion government subsidy.

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

2016 January-October trade (USD, EUR million and billion)

	Hungary's Exports	Hungary's Imports	Total	% growth of trade over last period		% change of Total trade over last period
				Export	Import	
India (mln)	150.0 USD	316.6 USD	466.5 USD	-11.5%	-0,3%	-4.2%
	134.4 EUR	283.6 EUR	418.0 EUR	-11.9%	-0.7%	-4,6%
World (bln)	86.3 USD	76.7 USD	163.1 USD	2.5%	0.8%	1.7%
	77.4 EUR	68.8 EUR	146.2 EUR	2.4%	0.7%	1.6%

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
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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 November 2016

1US\$= 286.13 HUF

1EUR= 308.81 HUF *Source: MNB-Hungarian National Bank www.mnb.hu*

Upcoming Trade Fairs in Hungary:

(I) <u>CONSTRUMA</u> 5-9th April 2017 –International Construction industry and Homemaking exhibition
(II) <u>CONSTRUMA GARDEN</u> 5-9th April 2017 –Exhibition on landscaping, garden planning
(III) <u>Home Design</u> 5-9th April 2017 - Exhibition on Interior Decoration, Design
(IV) <u>RENEO</u> 5-9th April 2017 – International exhibition on Renewable Energy, building engineering

Further information: www.hungexpo.hu

Trade enquiries: In the month of November 2016 Embassy of India, Budapest received 15 enquiries from India and none from Hungary.

Indian Trade inquiries for the month of November 2016

S. No.	Enquiry originator	Product	HS codes	Nature Export/Import value (\$ mln)	Action taken
1	Megaton Poly Pack	Plastic bags: PP bags, Rolls		Export to Hungary	All inquires have been answered
2	Titan Biotech Ltd	Agro: Animal feed		Export to Hungary	
3	Ampletouch Infra & Engineering Pvt. Ltd	Engineering: Construction		Cooperation	
4	Shivam Exim Handicrafts	Handicrafts & Home Décor/Gifts		Export to Hungary	
5	Whitefields Overseas Limited	Agro: Rice, Food		Export to Hungary	
6	Valpro9 Industries Pvt. Ltd.	Engineering: Air filters		Export to Hungary	
7	Shipra Enterprise	Handicrafts, gifts, decor items		Export to Hungary	
8	GD Exports	Agro: rice		Export to Hungary	
9	Ravis International	Textiles: garments		Export to Hungary	

10	Al Rabih Steel	Miscellaneous		Export to Hungary	
11	V Export	Herbs		Export to Hungary	
12	Ahuja Trading & Forwarding Co	Misc: Agro, vegetables, fruits, spices, food		Export to Hungary	
13	Aress International	Leather		Export to Hungary	
14	Saathi International	Agro: spices		Export to Hungary	
15	Nirmit International	Furniture		Export to Hungary	

Bosnia & Herzegovina (BiH)

Airport and Wizz Air Talks Hit Impass:

Negotiations between Sarajevo Airport and Wizz Air over the carrier's potential operations from the Bosnian capital have stalled over high fees. The low cost airline announced last spring it was resuming talks with the airport's management, following a failed attempt to negotiate new flights in 2015. However, the two sides have again clashed over the same issue. Wizz Air planned to launch several routes from Sarajevo, among which was Budapest. Both the airline's and airport's management held a preliminary meeting in May, with talks continuing in June, however, there has been little progress since.

Aluminum Smelter Sets Up Electricity Trading Unit: Mostar's aluminum smelter Aluminij will found a subsidiary firm, AL Trade, whose primary job will be to trade in electricity. Electricity is a key element and the most expensive item in the production of aluminum; thus by establishing AL Trade Aluminij moves towards achieving energy independence, the company said in a statement. The smelter recently signed an electricity supply deal with state-controlled power utility Elektroprivreda BiH for 2017. Aluminij was previously supplied by another power utility, Elektroprivreda HZHB, towards which it had piled up huge debts. Aluminij also said it hopes to become a desirable trading partner in the energy industry by setting up an electricity trading arm. The government of Federation entity owns 44% of Aluminij, as much is controlled by workers and minority shareholders, while the Croatian government holds a stake of 12%.

Exports of Wood and Furniture Surge 11.2% in First Nine Months of 2016: Bosnia and Herzegovina's wood industry exported 872 million KM (appx €446 mln) in the nine months of 2016, an increase by 11.2 percent from the same period last year. Of total exports, 44 percent refers to furniture, 29.6 percent to sawn timber and 14.1 percent to forestry products, the Foreign Trade Chamber of BiH said.

TRADE FAIRS in Bosnia and Herzegovina

MOSTAR SAJAM	General International Trade Fair	Mostar	April 2017	www.mostar-fair.com
ENERGA TUZLA	international trade fair for energy, industry and mining	Tuzlanski Sajam d.o.o	June 2017	www.tuzlanskisajam.ba

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

Average Monthly Exchange rates for November 2016

1US\$= 1.809759 KM

1EUR= 1.955830 KM

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

Vijay Khanduja
Counsellor (Pol / Com)
Embassy of India
Budapest