

**Embassy of India  
Budapest**

**ECONOMIC AND COMMERCIAL REPORT  
FOR THE MONTH OF DECEMBER 2018**

**HUNGARY**

**(I) Bilateral Trade**

**2018 January-October trade (USD, EUR million)**

	<b>Import JAN-OCT</b>	<b>Export JAN-OCT</b>	<b>Total</b>	<b>Growth% of Import (y-o-y)</b>	<b>Growth% of Export (y-o-y)</b>
<b>Hungary's trade with India (mln)</b>	389.7 USD 327.0 EUR	227.5 USD 191.3 EUR	617.2 USD 518.3 EUR	+4.5% -3.0%	+25.4% +16.6%
<b>Hungary's Total Global Trade (mln)</b>	98.415 USD 82.752 EUR	104.700 USD 87.916 EUR	203,217 USD 170,668 EUR	+14.0% +7.0%	+11.3% +4.5%

Source: Central Statistical Office ([www.ksh.hu](http://www.ksh.hu))

Analysis: In the period of January to October 2018, in USD terms, exports to India increased by 25.4% while imports from India grew by 4.5%. Balance of trade is in India's favour in value of USD 162.1 mln. In EUR terms, exports to India increased by 16.6%, while imports from India fell back by 3%, resulting in a balance of trade in India's favour in value of EUR 135.7 mln.

**(II) Top 10 Items of Export to India (In millions of US\$)**

<b>S.No.</b>	<b>Commodity</b>	<b>2018 JAN-OCT</b>	<b>Growth (%) (y-o-y)</b>	<b>(%) Share in Total Exports to India</b>
	<b>TOTAL</b>	<b>227.5</b>	<b>25.4%</b>	<b>100.0%</b>
1	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	68.7	60.8%	30.2%
2	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	47.6	17.1%	20.9%
3	29 ORGANIC CHEMICALS	44.8	4.1%	19.7%
4	73 ARTICLES OF IRON OR STEEL	9.0	22.0%	4.0%
5	90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	7.6	-19.0%	3.3%
6	87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	6.7	4.8%	2.9%
7	40 RUBBER AND ARTICLES THEREOF	4.9	202.0%	2.1%
8	48 PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	4.4	2.9%	1.9%
9	39 PLASTICS AND ARTICLES THEREOF	3.6	5.7%	1.6%
10	30 PHARMACEUTICAL PRODUCTS	3.5	295.9%	1.6%

Source: Central Statistical Office ([www.ksh.hu](http://www.ksh.hu))

**(III) Top 10 Items of Export to the World (In millions of US\$)**

<b>S.No.</b>	<b>Commodity</b>	<b>2018 JAN-OCT</b>	<b>Growth (%) (y-o-y)</b>	<b>(%) Share in Total Exports to the World</b>
	<b>TOTAL</b>	<b>104,699.5</b>	<b>11.3%</b>	<b>100.0%</b>
1	85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND	21,797.1	14.6%	20.8%

	REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES			
2	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	18,634.2	8.5%	17.8%
3	87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	17,203.3	6.5%	16.4%
4	30 PHARMACEUTICAL PRODUCTS	5,094.0	19.5%	4.9%
5	39 PLASTICS AND ARTICLES THEREOF	4,072.6	11.9%	3.9%
6	90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	3,564.0	2.8%	3.4%
7	27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	2,862.8	24.0%	2.7%
8	40 RUBBER AND ARTICLES THEREOF	2,438.7	13.6%	2.3%
9	29 ORGANIC CHEMICALS	1,767.8	16.1%	1.7%
10	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	1,671.2	13.3%	1.6%

Source: Central Statistical Office ([www.ksh.hu](http://www.ksh.hu))

**(IV) Top 10 items of imports from India (In millions of US\$)**

S.No.	Commodity	2018 JAN-OCT	Growth (%) (y-o-y)	(%) Share in Total Exports to the World
	<b>TOTAL</b>	<b>389.7</b>	<b>4.5%</b>	<b>100.0%</b>
1	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	114.0	15.8%	29.2%
2	29 ORGANIC CHEMICALS	85.4	7.2%	21.9%
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	62.9	25.3%	16.1%
4	30 PHARMACEUTICAL PRODUCTS	45.2	-27.8%	11.6%
5	73 ARTICLES OF IRON OR STEEL	9.8	40.1%	2.5%
6	64 FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	8.1	12.8%	2.1%
7	40 RUBBER AND ARTICLES THEREOF	7.6	14.3%	2.0%
8	72 IRON AND STEEL	6.3	-7.3%	1.6%
9	24 TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES	5.5	50.4%	1.4%
10	87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	5.2	-12.4%	1.3%

Source: Central Statistical Office ([www.ksh.hu](http://www.ksh.hu))

**(V) Top 10 Items of Import from the World (In millions of US\$)**

S.No.	Commodity	2018 JAN-OCT	Growth (%) (y-o-y)	(%) Share in Total Imports from the World
	<b>TOTAL</b>	<b>98,517.6</b>	<b>14.0%</b>	<b>100.0%</b>
1	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	19,941.6	13.4%	20.2%

2	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	15,324.7	7.3%	15.6%
3	87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	10,413.8	11.1%	10.6%
4	27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	8,000.7	18.8%	8.1%
5	39 PLASTICS AND ARTICLES THEREOF	4,736.2	15.6%	4.8%
6	30 PHARMACEUTICAL PRODUCTS	4,370.1	29.2%	4.4%
7	72 IRON AND STEEL	2,505.0	23.1%	2.5%
8	73 ARTICLES OF IRON OR STEEL	2,414.0	17.5%	2.5%
9	90 OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF	2,157.2	13.0%	2.2%
10	76 ALUMINIUM AND ARTICLES THEREOF	2,049.0	19.1%	2.1%

Source: Central Statistical Office ([www.ksh.hu](http://www.ksh.hu))

#### (VI) Top 5 Competitors of India's Top 5 Exports to Hungary JAN-OCT 2018

S. No.	Commodity	Competitors		Amount
				(In millions of US\$)
1	84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	1	Germany	5,366.6
		2	China	1,265.4
		3	Italy	904.4
		4	Poland	641.1
		5	Netherlands	638.5
2	29 ORGANIC CHEMICALS	1	Italy	165.2
		2	Germany	162.1
		3	China	159.7
		4	Czech Republic	109.5
		5	Netherlands	106.3
3	85 ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS	1	Germany	5,463.3
		2	China	2,308.5
		3	Netherlands	1,840.8
		4	Poland	841.8
		5	Austria	714.8
4	30 PHARMACEUTICAL PRODUCTS	1	Germany	756.8
		2	Korea, Rep.	624.3
		3	France	616.9
		4	Belgium	560.7
		5	Netherlands	341.2
5	73 ARTICLES OF IRON OR STEEL	1	Germany	730.7
		2	Italy	235.1
		3	Austria	152.0
		4	Czech Republic	151.6
		5	Poland	145.8

Source: Central Statistical Office ([www.ksh.hu](http://www.ksh.hu))

#### (VI) Global Investment (Source: Hungary around the Clock media, Hungarian Government [www.kormany.hu](http://www.kormany.hu))

S. No.	Name of Company	Sector	Amount (US\$ million)

- EIB lends €200mn to Budapest Airport €20 mln to car software firm:** The European Investment Bank (EIB) is providing a €200 million loan to Budapest Airport for its expansion and development project, the European Commission announced. The loan helps job creation, the growth of the Hungarian economy and creates a better environment for passengers, said EIB Vice-President Vazil Hudák. The EIB also announced that it is lending €20 million to Hungarian self-driving car

software developer Aimotive. The loan helps Aimotive to further develop a secure version of its software, that can be sold on the market, the EIB added.

2. **Linamar investing in Békéscsaba:** Canadian-based vehicle supplier Linamar plans to build a Ft 17.6 billion, 10,000m<sup>2</sup> production facility to supply electric powertrains for Daimler, Foreign Affairs and Trade Minister Péter Szijjártó announced. The government is providing a Ft 3.9 billion (appx € 12 mln) grant for the investment in Békéscsaba as part of an agreement that also covers cooperation in dual training with universities in Szeged, Debrecen, and Miskolc.
3. **Audi expands tool manufacturing:** Audi Hungaria has expanded its tool making capacity by opening a 15,000m<sup>2</sup> unit, the car maker announced. With the help of the tools manufactured in the new facility, the subsidiary of the German company will produce 120 individually designed car body elements for Audi and Volkswagen models daily.

### (VII) Significant trends in trade and investment in JAN-OCT 2018

(Source: Central Statistical Office [www.ksh.hu](http://www.ksh.hu), News, local media.)

Details of significant trends	Analysis (Indian exports to Hungary)
(HS 84) NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS	The product group grew by <b>15.8%</b> in JAN-OCT of 2018 over the same period of 2017. It represents <b>29.2%</b> of total Indian exports to Hungary.
(HS 29) ORGANIC CHEMICALS	The product group exhibited a growth of <b>7.2%</b> in JAN-OCT of 2018 over the same period of 2017 and represents <b>21.9%</b> of total Indian exports to Hungary.
(HS 85) ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS...ETC.	Trade grew by <b>25.3%</b> in this product group in JAN-OCT of 2018 over the same period of 2017. It represents <b>16.1%</b> of total Indian exports to Hungary.
(HS 30) PHARMACEUTICAL PRODUCTS	The product group experienced a drop of <b>-27.8%</b> in JAN-OCT of 2018 over the same period of 2017. It represents <b>11.6%</b> of total exports to Hungary.
(HS 73) ARTICLES OF IRON OR STEEL	Although the product group experienced a significant growth in the JAN-OCT period of 2018, its value of 9.8 mln USD represents only <b>2.5%</b> of Indian exports to Hungary.

### Upcoming Trade Fairs in Hungary:

(I) <u>FEHOVA 7 - 10th February 2019</u>
(II) <u>BUDAPEST BOAT SHOW 21 - 24th February 2019</u>
(III) <u>TRAVEL 21 - 24th February 2019</u>
(IV) <u>CONSTRUMA &amp; HOME DESIGN 3-7 April 2019</u>
(V) <u>CONSTRUMA GARDEN &amp; HUNGAROTHERM 3-7 April 2019</u>
(VI) <u>INDUSTRY DAYS – MACH TECH -14-17 May 2019</u>
(VII) <u>HOMEDESIGN AUTUMN 11 - 13th October 2019</u>

Further information: [www.hungexpo.hu](http://www.hungexpo.hu)

### VISAS

Number of Regular Visas issued	(DEC)	84
Number of Business Visas issued	(DEC)	13

- **Investment:**
  - **Opportunities for investments/assets on offer/major company divestment:**

S. No.	Particulars of the asset/company	Contact details

The Hungarian Investment Promotion Agency HIPA offers a list of investment opportunities in Hungary on its website:

[http://www.investhipa.hu/index.php?option=com\\_iproperty&view=allproperties&Itemid=854](http://www.investhipa.hu/index.php?option=com_iproperty&view=allproperties&Itemid=854)

- **Information on Tender Notices of interest to Indian project exporters (USD 15 million & above)-**

- a.) The Hungarian Public Procurement Authority is the official body for public procurement tenders: <http://www.kozbeszerzes.hu/english/>
- b.) European Union Tenders Electronic Daily, the main official database of English language public procurement tenders from Hungary: <http://ted.europa.eu/TED/search/search.do>

**Tenders up from € 15 mln uploaded on the India Trade Portal** [/www.indiantradeportal.in](http://www.indiantradeportal.in)

**Celebration of ITEC Day:** The ITEC Day was celebrated in the Embassy of India on 14 December'2018. Ambassador Kumar Tuhin, addressed the gathering of more than 70 persons. Officials from the Ministry of Foreign Affairs & Trade, members of press, members from Indian community, and ITEC alumni attended the event. Dr. Sándor Sipos, Director General, Ministry of Foreign Affairs & Trade, was the Chief Guest for the evening.

**Publicity of upcoming Indian Trade Fairs:**

The Embassy gave publicity to the following events:

- 6th Edition of SVUM 2019 Rajkot Gujarat 11-15 Feb 2019
- IHGF Delhi Fair 18-22 February 2019
- 2nd Global Textile Technology and Engineering Show 2019, Jan 18-20
- 62nd IIGF India International Garment Fair 16-18 Jan 2019
- India Steel Expo 2019 Jan 22-24

- **Details of activities conducted out of Trade Promotion budget:**

BE for 2018-19 Rs.	RE for 2017-18 Rs.	Amount utilized (till DEC 2018) Rs.	Details of Activity
427,000	500,000	352,333	Purchase of Make in India yoga T-shirts in connection to the 4th IDY and 3rd Ganga Danube Cultural Festival  Expenditure towards delivery of 100 pcs of Shawls with Make in India Logo for distribution at various events  Subscription of HBI.hu and Partnercontrol.hu databases

- **Action taken on the previous JWGs, Joint Commissions, sub-commissions etc. (issues that Mission had to follow up with host government):** The 5<sup>th</sup> JCEC and 10<sup>th</sup> S&T Meeting was held on 7<sup>th</sup> March and 21<sup>st</sup> March 2018 respectively. Follow up on a number of issues is being made such as agriculture, water management, science and technology funding, trade frauds, etc.

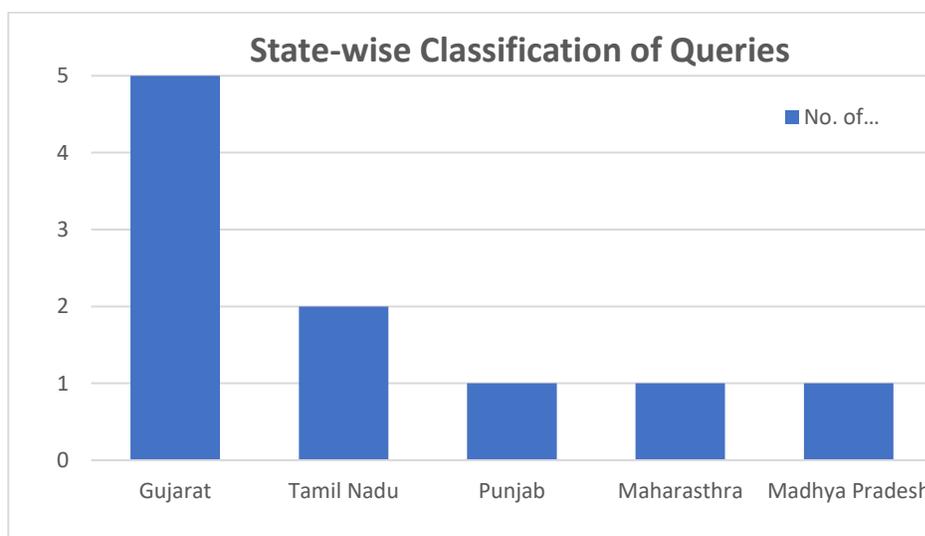
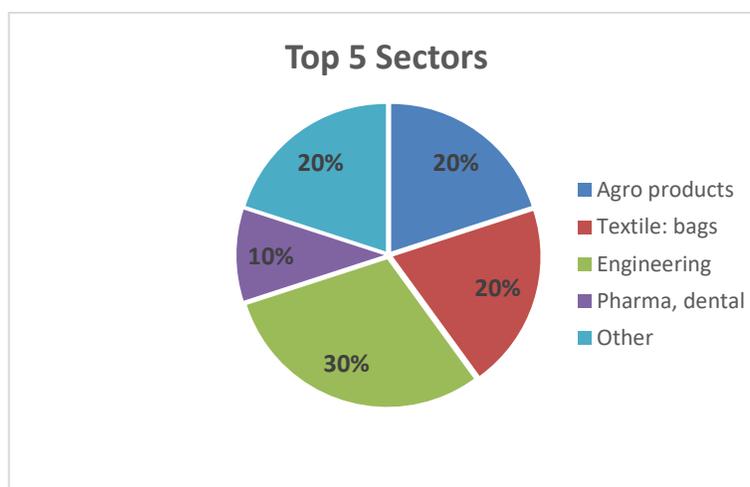
- **Trade Queries for Imports/Exports (from Hungary for the month of December 2018)**

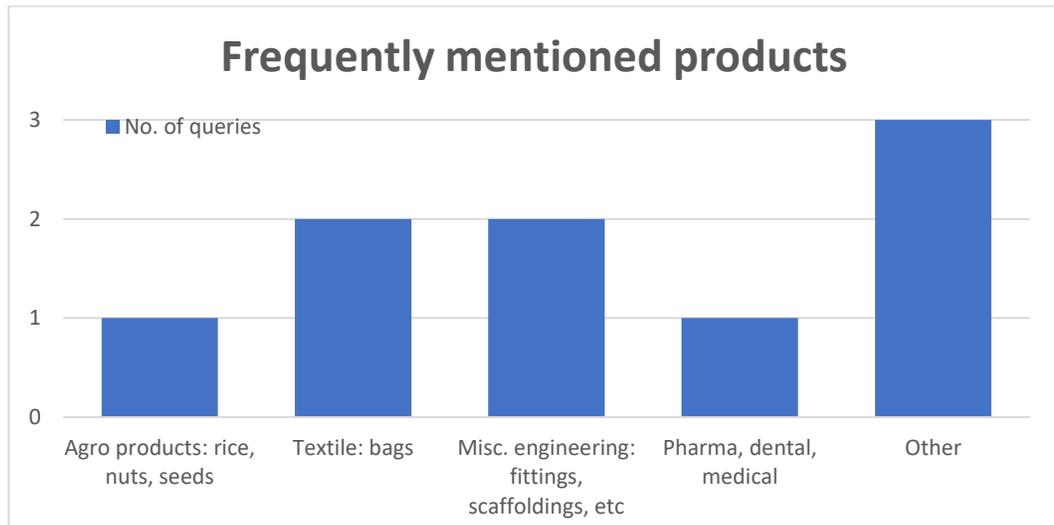
The Embassy received trade inquiries from 10 Indian companies and nil Hungarian companies.

No.	Company	Contact person	Sector	Action Taken
1	Alps Cotton Apparel/AJAY WEBER International	L.S Shivakumar	Bags	Answered
2	Keyva Corporation	Alkesh Ahir	Autocomponents	Answered
3	KV Fire Chemicals (India) Pvt. Ltd.	Manish Nawalakha	Fire safety equipment	Answered
4	Dental Fruits	Bhawna Lalwani	Pharma: dental, Medical	Answered
5	Eastman Industries Ltd.	Shashi Paul	Engineering: scaffolding	Answered
6	Various Engineering		Engineering: Misc	Answered
7	Stallion Enterprise   Fuletra Agro Food	Ms. Binal Stallion	Agro: nuts and seeds	Answered
8	ALPS Coton Apparel	L.S Shivakumar	Textile: bags	Answered
9	Keyur Patel		Engineering: fittings	Answered
10	Pitambar Cerelacs Pvt Lt Co.	Rahul P.	Agro: Rice	Answered

**FAQs on trade queries have been created and uploaded on the Mission's website**  
<http://www.eoibudapest.gov.in/page-link/?page=trade-s-and-t>

### **ANALYSIS OF TRADE QUERIES RECEIVED**





#### Any Other Issue of Importance:

1. **Moody's: Hungary is less vulnerable:** The robust growth of the economy and the government's commitment to keeping the budget deficit within the Maastricht standard significantly reduce Hungary's vulnerability, Moody's Investors Service said in London as it presented its year-end report. The state debt is still relatively high, at 73.3% of GDP at the end of 2017, Moody's underlined as it forecast only a gradual decrease in the future. The global credit-rating agency has classified Hungary's sovereign debt in its Baa3 category with a stable outlook, a position confirmed in Moody's scheduled review in November.
2. **Q3 GDP growth revised to 4.9%:** The Central Statistics Office adjusted its third-quarter GDP growth figure to 4.9% year-on-year, from the preliminary figure of 4.8%. Seasonally and workday adjusted figures show even faster year-on-year growth, of 5.2%, as well as a 1.3% rise in GDP from the previous quarter. Domestic consumption of GDP expanded by 7.2%, while exports went up by 6.2% and imports rose by 7.5%. The rise in domestic consumption has led to increased imports, cutting into the trade surplus.
3. **Bank sector profits lower this year:** The combined profit of the banking sector was Ft 425 billion (appx € 1.3 bln) in the first three quarters, down from Ft 483 billion (appx € 1.5 bln) a year earlier, the MNB announced. The drop was mostly due to rising operating costs and lower loss reserve releases. The return on equity was 13.7% over the 12-month period ending in the third quarter, which is below the recently seen 15%.

#### Average Monthly Exchange rates for December 2018

1US\$= 283.74 HUF

1EUR= 322.90 HUF

Source: MNB-Hungarian National Bank [www.mnb.hu](http://www.mnb.hu)

**Embassy of India  
Budapest**

**ECONOMIC AND COMMERCIAL REPORT  
FOR THE MONTH OF DECEMBER 2018**

**Bosnia & Herzegovina (BiH)**

**Trends in bilateral trade JAN-OCT 2018:**

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

	<b>BiH's Imports</b>	<b>BiH's Exports</b>	<b>Total</b>	<b>Growth% of Import (y-o-y)</b>	<b>Growth% of Export (y-o-y)</b>
<b>BiH's trade with India (mln)</b>	63.9 USD 53.7 EUR	7.2 USD 6.1 EUR	71.1 USD 59.8 EUR	+6.9% +0.3%	+29.1% +21.2%
<b>BiH's Total Global Trade (mln)</b>	9,809 USD 8,247 EUR	6,028 USD 5,068 EUR	15,837 USD 13,315 EUR	+14.3% +7.3%	+16.0% +8.9%

Analysis: In the period of January to October 2018, in USD terms, exports to India increased by 29.1% and imports from India grew by 6.9%. Balance of trade is in India's favour in value of USD 56.7 mln. In EUR terms, exports to India increased by 21.2%, while imports from India grew by 0.3%. The balance of trade is in India's favour in value of EUR 47.6 mln.

**Top 10 items of export to India from BiH**

<b>Product</b>	<b>2018 JAN-OCT</b>	<b>% growth</b>	<b>% total</b>
<b>Total</b>	<b>7.2</b>	<b>29.1%</b>	<b>100.0%</b>
28 - INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPES	5.7	43.8%	79.3%
48 - PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	0.6	-8.0%	7.7%
79 - ZINC AND ARTICLES THEREOF	0.3	72.4%	3.8%
44 - WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL	0.2	549.6%	3.3%
73 - ARTICLES OF IRON OR STEEL	0.1	19.3%	1.6%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	0.1	-46.8%	1.1%
22 - BEVERAGES, SPIRITS AND VINEGAR	0.1	86.5%	0.8%
38 - MISCELLANEOUS CHEMICAL PRODUCTS	0.0	7.8%	0.7%
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	0.0	-65.6%	0.6%
72 - IRON AND STEEL	0.0	-68.8%	0.3%

**Top 10 items of export to the World from BiH**

<b>Product</b>	<b>2018 JAN-OCT</b>	<b>% growth</b>	<b>% total</b>
<b>TOTAL</b>	<b>6,027.6</b>	<b>16.0%</b>	<b>100.0%</b>
27 - MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	601.5	42.4%	10.0%
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	585.0	7.5%	9.7%

44 - WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL	401.3	8.1%	6.7%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	387.4	15.5%	6.4%
76 - ALUMINIUM AND ARTICLES THEREOF	375.5	22.4%	6.2%
64 - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	371.3	15.0%	6.2%
73 - ARTICLES OF IRON OR STEEL	357.6	31.4%	5.9%
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	340.5	22.5%	5.6%
28 - INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPES	320.1	10.6%	5.3%
72 - IRON AND STEEL	314.8	29.3%	5.2%

### Top 10 items of Import from India to BiH

Product	2018 JAN-OCT	% growth	% total
<b>TOTAL</b>	<b>63.9</b>	<b>6.9%</b>	<b>100.0%</b>
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	14.3	19.6%	22.4%
09 - COFFEE, TEA, MATÉ AND SPICES	8.4	-12.1%	13.2%
64 - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	3.5	6.7%	5.4%
41 - RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	3.2	13.9%	5.0%
25 - SALT; SULPHUR; EARTHS AND STONE; PLASTERING MATERIALS, LIME AND CEMENT	3.0	12.3%	4.7%
56 - WADDING, FELT AND NONWOVENS; SPECIAL YARNS; TWINE, CORDAGE, ROPES AND CABLES AND ARTICLES THEREOF	2.7	34.3%	4.3%
52 - COTTON	2.2	-20.0%	3.5%
62 - ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, NOT KNITTED OR CROCHETED	2.0	-3.6%	3.1%
30 - PHARMACEUTICAL PRODUCTS	1.8	11.1%	2.9%
29 - ORGANIC CHEMICALS	1.7	32.3%	2.6%

### Top 10 items of Import from the World to BiH [USD Million]

Product	2018 JAN-OCT	% growth	% total
<b>TOTAL</b>	<b>9,808.9</b>	<b>14.3%</b>	<b>100.0%</b>
27 - MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	1,460.3	19.3%	14.9%
84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	776.7	17.4%	7.9%
87 - VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	682.4	13.9%	7.0%
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	563.6	6.7%	5.7%
39 - PLASTICS AND ARTICLES THEREOF	519.9	15.1%	5.3%
72 - IRON AND STEEL	362.5	37.3%	3.7%
30 - PHARMACEUTICAL PRODUCTS	287.4	12.1%	2.9%
73 - ARTICLES OF IRON OR STEEL	271.0	10.0%	2.8%
76 - ALUMINIUM AND ARTICLES THEREOF	183.6	34.6%	1.9%
48 - PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	178.2	18.2%	1.8%

**(VI) Top 5 Competitors of India's Top 5 Exports to BiH in JAN-OCT 2018**

S. No.	Commodity	Competitors		Amount (In millions of US\$)
1	84 - NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	1.	GERMANY	131.1
		2.	CHINA	113.5
		3.	ITALY	96.2
		4.	SLOVENIA	44.6
		5.	TURKEY	43.8
2	09 - COFFEE, TEA, MATÉ AND SPICES	1.	BRAZIL	28.8
		2.	ITALY	7.2
		3.	VIETNAM	1.6
		4.	CROATIA	1.5
		5.	UGANDA	1.0
3	64 - FOOTWEAR, GAITERS AND THE//ARTICLES	1.	ITALY	42.3
		2.	CHINA	38.6
		3.	VIETNAM	14.7
		4.	SERBIA	9.0
		5.	AUSTRIA	8.1
4	41 - RAW HIDES AND SKINS (OTHE//LEATHER	1.	ITALY	55.6
		2.	SLOVENIA	43.1
		3.	CROATIA	12.4
		4.	AUSTRIA	10.8
		5.	GERMANY	10.5
5	25-SALT; SULPHUR; EARTH AND//CEMENT	1.	CROATIA	30.8
		2.	GREECE	4.0
		3.	SERBIA	3.1
		4.	ITALY	2.2
		5.	TURKEY	1.9

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

**(iX) Significant trends in trade and investment in JAN-OCT 2018**

Source: Eurostat (<http://epp.eurostat.ec.europa.eu>), News, local media.

Details of significant trends	Analysis
(HS 84) NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	The product group exhibited a growth of <b>19.6%</b> in JAN-OCT 2018 over the same period of 2017 and represents <b>22.4%</b> of total Indian exports to BiH with 14.3 mln USD.
(HS 09) COFFEE, TEA, MATÉ AND SPICES	The product group fell back by <b>12.1%</b> in JAN-OCT 2018 over the same period of 2017. It represents <b>13.2%</b> of total exports to BiH with 8.4 mln USD.
(HS 64) - FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	Trade increased by <b>6.7%</b> in JAN-OCT 2018 over the same period of 2017. However, it represents only <b>5.4%</b> of total Indian exports to BiH with a value of 2.33.5 mln USD.
(HS 41) RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	Trade increased by <b>13.9%</b> in JAN-OCT 2018 over the same period of 2017 in this product group. However, it represents <b>5.0%</b> of total Indian exports to BiH with 3.2 mln USD.
(HS 25) - SALT; SULPHUR; EARTH AND STONE; PLASTERING MATERIALS, LIME AND CEMENT	The product group increased by <b>12.3%</b> in JAN-OCT 2018 over the same period of 2017. It represents <b>4.7%</b> of total exports to BiH with only 3.0 mln USD.

**TRADE FAIRS in Bosnia and Herzegovina**

INTERIO	International fair of forestry, wood, furniture and interior design	Sarajevo	March 2019	<a href="http://www.skenderija.ba">www.skenderija.ba</a>
MOSTAR FAIR	International Economy Fair Mostar	Mostar	April 9-13, 2019	<a href="http://www.mostar-fair.com">www.mostar-fair.com</a>

SARAJEVO BUSINESS FORUM	International Business and Investment Conference	Sarajevo	April 17-19, 2019	<a href="http://www.sarajevo-businessforum.com">http://www.sarajevo-businessforum.com</a>
ENERGA	International trade fair for energy, industry and mining	Sarajevo	June 11-13	<a href="http://www.skenderija.ba">www.skenderija.ba</a>
RENEXPO	International Trade Fair and Conferences on Renewables and Energy Efficiency	Sarajevo	October 23-24	<a href="http://www.renexpo-bih.com">www.renexpo-bih.com</a>

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

<http://komorabih.ba/wp-content/uploads/2019/01/calendar-of-bh-fairs-manifestations-2019.pdf>

## VISAS

Number of Tourist Visas issued	(Dec)	7
Number of Business Visas	(Dec)	0

- **Investment:**

- **Opportunities for investments/assets on offer/major company divestment:**

S. No.	Particulars of the asset/company	Contact details

- **Public Call for Wind farm “Grebak”:** Ministry of Industry, Energy and Mining of the Republic of Srpska announced a Public Call to award a Concession to build and operate the Grebak Wind farm in Nevesinje, with estimated capacity of 50 MW and 130 GWh of electricity annual production. Power Plant will not receive incentives for Renewable Energy Sources. Estimated investment value is 130 million BAM (€ 65 million).
  - **Information on Tender Notices of interest to Indian project exporters (USD 15 million & above)-**  
Foreign Investment Promotion Agency (FIPA) provides a database of investment projects in BiH [www.fipa.gov.ba](http://www.fipa.gov.ba)  
Delegation of the European Union to BiH Tenders (Euopeaid tenders):  
[http://europa.ba/?page\\_id=320](http://europa.ba/?page_id=320)

## Publicity of upcoming Indian Trade Fairs:

The Embassy gave publicity to the following events:

- 6th Edition of SVUM 2019 Rajkot Gujarat 11-15 Feb 2019
- IHGF Delhi Fair 18-22 February 2019
- 2nd Global Textile Technology and Engineering Show 2019, Jan 18-20
- 62nd IIGF India International Garment Fair 16-18 Jan 2019
- India Steel Expo 2019 Jan 22-24

- **Details of activities conducted out of Trade Promotion budget:**

BE for 2018-19 Rs.	RE for 2018-19 Rs.	Amount utilized (till DEC 2018) Rs.	Details of Activity
427,000	500,000	352,333	Participation in the Mostar International Trade Fair  Purchase of Make in India yoga T-shirts in connection to the 4th IDY and 3rd Ganga Danube Cultural Festival  Expenditure towards delivery of 100 pcs of Shawls with Make in India Logo for use in various events  Subscription of HBI.hu and Partnercontrol.hu databases

- **Trade Queries for Imports/Exports (from BiH for the month of December 2018)**

The Embassy received *nil* inquiries/questions/initiatives from Bosnian companies:

**Any Other Issue of Importance:**

1. **GDP growth to accelerate to 3.5%:** Most international institutions expect that Bosnia's economic growth will accelerate to 3.5% in 2019 from an estimated 3% in 2018. According to the European Bank for Reconstruction and Development (EBRD), investment in public roads is expected to play a more growth-supportive role in the coming period, if the country carries out the necessary reforms and the political situation does not worsen. Bosnia's Directorate for Economic Planning has a slightly more positive projection for economic growth, which it expects to rise by an annual 3.6% in 2019 and 2020. Domestic demand, backed by the constantly falling unemployment level in Bosnia, is seen as the main driver of the economic growth. Inflation is seen rising to 1.8% in 2019 from an expected 1.8% in 2018.
2. **FDI is forecast to rise to 2.3%:** FDI in 2019 is forecast to rise to 2.3% of GDP, with the planned privatization of state-owned stakes in two telecoms operators, BH Telekom and HT Telekom. Hydropower plants that have been delayed due to administrative hurdles are also expected to start in 2019. Meanwhile, plans for a new unit at the Tuzla coal-fired power plant appear to have stalled. In July 2018, Bosnia's state aid body approved a guarantee for the € 614mn loan from China's Exim Bank to finance the project. However, environmental NGOs have objected that the guarantee that is supposed to be provided by the Federation's government is not state aid and might be illegal. This was backed up by the Energy Community secretariat, which has urged the parliament of the Federation to halt its plans to approve the guarantee. According to FIPA in 2017, 777 million BAM (€ 397.3 mln) were registered as foreign investments, which is about 40% more than in 2016. The trend of foreign investment growth continued in 2018, and for the first 6 months, foreign investments totaled 452 million BAM (€ 231.1 mln).

**Average Monthly Exchange rates for December 2018**

1US\$= 1.718630 KM

1EUR= 1.955830 KM

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

Sanjeev Manchanda  
Second Secretary (Com/Pol)/CR  
Embassy of India  
Budapest  
Dated: February 9, 2019