

**Embassy of India  
Budapest**

**Economic and Commercial Report for the month of October 2017**

**Executive Summary**

1. Budapest region gets half of the investments
2. Orbán opens Révész logistics centre
3. MTelekom, Ericsson test ultra fast 5G technology for first time
4. MOL ranking improves significantly

**Economic**

**Hungarian GDP growth 3.7% in Q1-Q3 2017:** Hungary's third-quarter GDP growth was 3.6% year-on-year, according to the Central Statistical Office (KSH). The pace of growth accelerated from a revised 3.3% in Q2. The main contributors to growth were market-based services. The third quarter GDP was up by 3.6% according to raw data, and by 3.8% according to seasonally and calendar-adjusted and reconciled data, compared to the corresponding period of the previous year. The volume of GDP rose by 3.7% in the first three quarters of 2017, compared to the first three quarters of 2016.

**State debt down slightly at end of Q3:** Hungary's state debt, calculated according to Maastricht rules, stood at 72.7% of GDP at the end of September, down from 73.6% of GDP at the end of June. The state debt ratio in Q3 2017 fell from 74.2% at the end of the third quarter of 2016. In nominal terms, state debt reached HUF 26,956 billion (appx €86.9 bln) at the end of Q3.

**Industrial producer prices up 4.1%:** Industrial producer prices as a whole were 4.1% higher in September 2017 than in the same month of 2016. Domestic output prices rose by 4.8% on average, while non-domestic output prices went up by 3.7% compared to September 2016, according to KSH.

**Hungary PMI drops to 58.3 in October:** Hungary's seasonally-adjusted Purchasing Managers' Index (PMI) stood at 58.3 points in October, falling from 59.3 in September according to the Hungarian Association of Logistics, Purchasing and Inventory Management (Halpim). An index value above 50 shows expansion in the manufacturing sector, while a value under 50 signals contraction.

**Budget deficit keeps climbing in October:** Hungary's cash flow-based general government budget, excluding local councils, ran a HUF 1,418.2 billion (appx. € 4.57 bln) deficit at the end of October - amounting to 122% of the full-year target. According to the Ministry of National Economy, the 2.4% of GDP deficit target for the full year, calculated according to EU accounting rules, is "achievable with certainty".

**Unemployment rate down to 4.1%:** Hungary's rolling average three-month jobless rate dropped to 4.1% in July-September 2017, from 4.2% in the previous three-month period, and 4.9% in the equivalent period of 2016. The average number of unemployed was 189,000, some 38,000 fewer than a year earlier, according to a first release of data for the period from the Central Statistical Office (KSH).

**Consumer price growth continues to slow:** Consumer prices in Hungary rose 2.2% year-on-year in October, slowing from 2.5% in the previous month, according to a first release of monthly consumer price data published by KSH. In the period January–October 2017, compared to the equivalent ten-month period of the previous year, consumer prices rose by 2.4% on average. Core inflation, which excludes volatile fuel and food prices, was up 2.7% year-on-year in October.

**Half of all investments land in Budapest and environs:** More than half of all investments were concentrated in Budapest (42%) and Pest county (11%), in the first half of the year, according to figures from the KSH. Per capita investments in Budapest were the highest, at Ft 503,000, (appx € 1 622 ) some 2.5 times above the national average, dominated by investments in the service sector. Győr-Moson-Sopron county was ranked second, at Ft 268,000 (appx € 864) per capita, with investments in the industrial sector accounting

for 69% of capital expenditures. Nógrád and Zala counties attracted the lowest per capita investments, of Ft 68,000 (appx € 219) and Ft 70,000, (appx € 225) respectively, with most of that flowing into the agriculture sector.

## Commercial

**Arena Plaza was sold for €275mn:** The property manager Symmetry Arena Ingatlankezelő sold the Aréna Plaza shopping mall to South African property fund NEPI Rockcastle for €275 million. The deal, announced a month ago, was not only a large transaction but also brought a new investor in Hungary. The ten-year-old Aréna Plaza has full occupancy and an annual 10 million visitors.

**Krones expanding in Debrecen:** German packaging machine maker Krones has launched a nearly Ft 15 billion (appx € 48.18 mln) expansion project in Debrecen, helped by a Ft 5.5 billion (appx € 17.7 mln) government subsidy to create 500 jobs in the coming years. Krones is the third large German investor in Debrecen this year, due to the result of the government and the city's investor-friendly policy.

**Agroproduct joins Bonafarm group:** The Bonafarm is in the process of integrating Agroproduct into its group structure. Bonafarm, an agricultural holding company owned by OTP chairman and CEO Mr. Sándor Csányi, purchased the Pápa-based Agro-product in September, thereby gaining access to 10,000 hectares of arable land. After the integration of Agroproduct, the Bonafarm group will have 11 members. The other members are BonOffice, Pick Szeged, Sole-Mizo, B-Bábolna Takarmány, Bóly, Dalmand, Fiorács, Bólyi Agrokémia, Csányi Pincészet and Bonafarm.

**Orbán opens Révész logistics centre:** Prime Minister Mr. Viktor Orbán opened a logistics centre built by the Révész transport group in Nyíregyháza. The Hungarian family business invested Ft 9 billion (appx € 29 mln) in the project, which was completed in 10 months. With 500 trucks and 600 employees, Révész is one of the ten largest logistics and forwarding companies in Europe, according to CEO Mr. Zsolt Székely.

**Knorr-Bremse expands in Budapest:** Knorr-Bremse inaugurated the world's biggest railway brake systems factory in Budapest. Knorr-Bremse Rail Systems Budapest has a 20-year history and employs 1,500 workers. It has invested Ft 5.3 billion (appx € 17 mln) in the expansion.

**MTelekom, Ericsson test ultra fast 5G technology for first time:** Mobile operator Magyar Telekom and network developer Ericsson staged the first presentation of 5G technology at the Swedish company's R&D network in Budapest. The download-speed achieved was a staggering 22Gbp/s, which is some 20 times faster than what is currently available. The first areas where it would be used would be the manufacturing, robotic technology, transport, healthcare and agricultural industry. The network developer sees huge business opportunities in 5G.

**MOL ranking improves significantly:** MOL was in 65th place on the Platts Top 250 index of energy companies this year, up 150 places from one year earlier. This was the largest improvement seen this year. The ranking is based on the wealth, revenues, profits and invested capital of companies. According to the analyst the higher ranking was due to the high profitability of the refineries, retail and petrochemical activities of MOL.

**Erste bank maintains profits in H1:** Erste bank Hungary realised Ft 31.2 billion (appx € 100.6 mln) after-tax profit in the first half, 1.2% less than a year earlier. Erste bank had purchased the retail client portfolio of Citibank but total loans increased by only 1.7%.

## Trade Fairs in Hungary

(I) AGROMASHEXPO: 24-27 January 2018. -Trade Fair for Agricultural Machinery
(II) TRAVEL: 01-04 March 2018
(III) CONSTRUMA: 11-15 April 2018
(IV) INDUSTRY DAYS: 15-18 MAY 2018

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

**Trends in bilateral trade:** Source: Central Statistical Office ([www.ksh.hu](http://www.ksh.hu))

**2017 January-October trade (USD, EUR billion)**

	Hungary's Exports		Hungary's Imports		Total Trade		% Growth Y on Y basis
	2016 H1	2017 H1	2016 H1	2017 H1	2016 H1	2017 H1	2017 H1 /2016 H1
<b>Hungary's trade with India (mln)</b>	89.9 USD 80.6 EUR	112.1 USD 104.4 EUR	182.9 USD 164.1 EUR	223.9 USD 208.9 EUR	272.8 USD 244.7 EUR (0.28 % of Global Trade)	336.0 USD 313.3 EUR (0.32 % of Global Trade)	+23.2% +28.0%
<b>Hungary's Total Global Trade (bln)</b>	51.8 USD 46.4 EUR	55.1 USD 50.1 EUR	45.7 USD 41.0 EUR	49.9 USD 46.2 EUR	97.5 USD 87.4 EUR	105.0 USD 97.2 EUR	+7.6% +11.1%

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

Product	2015. year	2016. year	% growth	% total
Total Product (according to the Combined Nomenclature)	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. year	2016. year	% growth	% total
Total Product (according to the Combined Nomenclature)	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. year	2016. year	% growth	% total
Total Product (according to the Combined Nomenclature)	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. year	2016. year	% growth	% total
Total Product (according to the Combined Nomenclature)	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 October 2017

1US\$= 263.70 HUF

1EUR= 310.03HUF

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

**Trade enquiries:** In the month of October 2017 Embassy of India, Budapest received 18 enquiries from India and 0 trade enquiries from Hungary.

### Indian Trade inquiries for the month of October 2017

S. No.	Enquiry originator	Product	HS codes	Nature Export/Import value (\$ mln)	Action taken
1	Kudarat material			Export to Hungary - Question of fraud	All inquiries have been answered
2	MIPL-Manohar International Pvt. Ltd.	Aluminium Foil and Hairdressing Aluminium Foil		Export/Import	
3	Tarang Kardani	Groundnuts		Export/Import	
4	Intas Pharmaceuticals Limited	Animal Health		Export to Hungary	
5	JAYDADA INTERNATIONAL	Spices		Export to Hungary	
6	Semitronik Instruments	Textile		Export to Hungary	
7	Marks General Trading	Bedsheets, Jaggery(Cube, Ball, Powder) & Bakery Snacks Products, rice, spices		Export to Hungary	
8	M.S.INTERNATIONAL.	AGRO PRODUCTS, FOOD PRODUCTS, HERBAL PRODUCT, COCONUT		Export to Hungary	
9	SJS Export and Trading	Animal Feed		Export to Hungary	
10	Ohm Shakthi International	Detergent		Export to Hungary	
11	DHD General Trading LLC	Waste paper		Export to Hungary - Question of fraud	
12	M/s VISTTA COSMETICS //M/s CONVEX LATEX PVT. LTD	Cosmetics		Export to Hungary	
13	EVERGREEN INTERNATIONAL EXPORT & IMPORT	Food		Export to Hungary	
14	Infinite Corporation	Cosmetics, Wellness, Agro		Export to Hungary	
15	Sun group			Export to Hungary - Question of fraud	
16	Zenith Industrial Rubber Products Pvt. Ltd	industrial rubber products		Export to Hungary	
17	Shree Enterprise	Betel Nuts		Export to Hungary - Question of fraud	
18	VIP BK INTERNATIONAL EXPORT	Food		Export to Hungary	

## Bilateral

**Visit of Four-member delegation from Ministry of AYUSH to Hungary:** A delegation headed by Dr. Rajesh Kotecha, Special Secretary, Ministry of AYUSH, and Prof. K. S. Dhiman, Director General, Central Council for Research in Ayurvedic Sciences (CCRAS), an autonomous institution under Ministry of Ayush, visited Hungary from 1-4 October, 2017. The MOU for establishment of the European Institute of Ayurvedic Sciences (EIAS) was signed on 01 October 2017 by Prof. K.S. Dhiman, Director General, CCRAS, and Dr. Laszlo Csernoch, Vice Rector for Scientific Affairs, University of Debrecen, in the presence of Dr. Rajesh Kotecha, Special Secretary, and Ambassador Rahul Chhabra. The signing of the MOU is an important step in furtherance of bilateral relationship and for promotion of Ayurveda in Hungary. The Indian government will help in providing professional manpower requirements and technical support within the framework of MOU to the proposed Institute.

On 2 October 2017 the delegation participated the Symposium on Evidence Based Ayurveda with the title of "Integration in Research and Clinical Practice" at the Aula of the University of Debrecen. Over 75 researchers, students and medical doctors attended the event. The visiting delegation also had a meeting with Dr. Péter Medgyessy, former Prime Minister and Founder and Head of the Foundation of Traditional Indian Medicine for the Public Health in Hungary. The visiting delegation subsequently met with Dr. Zoltán Ónodi-Szűcs, Minister of State for Health Care, Government of Hungary, and discussed ways to further strengthen collaboration in the field of Ayurveda.

**Open4Business Matchmaking event, Pécs:** At the Open4Business forum held on 5 October 2017 at the Chamber of Commerce and Industry of Pècs-Baranya county, Ambassador gave a presentation highlighting the advantages of doing business with India. Ambassador, in his presentation, also highlighted the new initiatives taken by the Government to give thrust to specific sectors of the economy, like StartUp India, Make in India, Smart Cities, Skill India, Digital India, Financial inclusion scheme Jan Dhan Yojana, Clean India, etc. Ambassador also gave an overview of the Indo-Hungarian relations, encompassing political, economic and commercial, and cultural fields. The bilateral trade is showing promising results, having grown by about 28% in the first half of the year. Wizz Air is planning to have a direct flight between Budapest and Mumbai. The event was well attended with participation of around 150 businessmen. This was a part of a three-day event aiming to introduce the EU-supported programmes and funding opportunities, importance of clusters and a highlight of the PTE University development programmes and other opportunities to the companies and entrepreneurs representing a wide range of sectors from the region.

**World Export Development Forum:** India participated in the World Export Development Forum (WEDF) on 25-26 October, 2017 in Budapest, Hungary. The Chamber of Indian Industry (CII) sent a four member delegation led by Mr. Deep Kapuria – Chairman, CII Central Europe Committee, and Chairman of The Hi-Tech Group, India. Ambassador H.E. Mr. Rahul Chhabra along with the visiting delegation attended the opening ceremony on 25 October in the Budapest Congress Centre. The forum was officially inaugurated by H.E. Mr. János Áder, President of Hungary, H.E. Mr. Péter Szijjartó, Minister of Foreign Affairs and Trade, Government of Hungary and Ms. Arancha González, Executive Director, International Trade Centre. On the sidelines of the forum the CII delegation attended several B2B meetings. They met with the representatives of the Hungarian Chamber of Commerce and Industry, the Budapest Chamber of Commerce and Industry, the Hungarian Investment Promotion Agency, the Ministry of Foreign Affairs and Trade, and the Autonomous Vehicle Test Track from Zalaegerszeg. After the meetings, Mr. Deep Kapuria participated in the 'New Regional Trade Routes' plenary session and spoke about Global Value Chains, Standards and Technologies.

## Bosnia & Herzegovina (BiH)

**Foreign Subsidiaries Operating in Bosnia:** There are 407 foreign subsidiaries registered in BiH, which is 12.7% of the total number of business entities with 20 and more employees, according to data of the country's Agency for Statistics. The largest share of foreign affiliates is in the fields of Manufacturing (46.2%) and Wholesale and Retail - repair of motor vehicles and motorcycles (28.0%). The foreign subsidiaries employ 19.8% of the total number of employees. Viewed by country of origin, 77.9% of foreign subsidiaries come from EU member states, employing 72.3% of the people working in foreign subsidiaries in BiH, while 22.1% originate from non-EU countries with 27.7% of employees. The share of foreign subsidiaries in total added value is 24.6%, with the manufacturing industry accounting for some 48%.

**Tuzla Airport Passenger Numbers Rise 74%:** Passenger numbers at the Tuzla International Airport increased to 406,668 in the first nine months of 2017 from 233,097 in the same period last year, according to data from the airport operator. In September alone, passenger traffic jumped 90% on the year, but fell 17.2% on the month, reaching 52,816. In March, Hungarian low-cost carrier Wizz Air deployed a second aircraft at its base in Tuzla to operate five new routes and increase the frequency on the existing routes to Eindhoven, Gothenburg, Malmo and Frankfurt Hahn. During 2017, Wizz Air has announced the launch of six new routes from Bosnia and Herzegovina to four countries.

**Qatar Airways Begins Direct Flights to Sarajevo from Doha:** The first direct Qatar Airways flight between Sarajevo and Doha landed in October at the Sarajevo International Airport, marking the beginning of a regular service between the two cities. Direct flights will operate four times a week with an Airbus A320 aircraft.

**Republika Srpska Collects 1.74 Billion KM (appx €890 mln) in Public Revenues:** The Tax Authority of the Republika Srpska entity collected 1.746 billion KM (appx €890 mln) in public revenues in the first nine months of 2017, an increase by 9% from the same period last year. When it comes to direct taxes, the Republika Srpska's Tax Authority collected 355.3 million KM (appx €181.7 mln) in the period January-September this year, an increase by or 8% from the comparable period.

**Raiffeisen Bank Affirms BiH's 2017, 2018 Growth Forecast:** Raiffeisen Bank International has affirmed its projections for Bosnia's GDP growth at 2.5% in 2017 and 3% in 2018. Bosnia's GDP is expected to expand by 3.5% in 2019. BiH is predicted to turn to an inflation of 1.5% this year from a deflation of 1.1% last year. In 2018, inflation is forecast to remain at 1.5% before hitting 2% a year later. Bosnia's current account deficit is seen to decrease further to 6% of the GDP in 2017, from 4.4% in 2016, and on to 6.2% and 6.6% in 2018 and 2019, respectively.

**Roughly 35,000 BiH citizens moved abroad this year:** According to the Union for Sustainable Return and Integration (of refugees) in BiH a survey conducted by some one hundred organizations found that more than 150,000 Bosnians left the country since 2013. Most of them emigrated to Western Europe countries like Germany, Austria and The Netherlands, the Scandinavian countries, the United States and Australia. The main reasons Bosnians leave the country are a declining economy and a deteriorating political situation.

## Bilateral

**International Sarajevo Tourism Festival:** India participated as a Partner Country in the 39th International Sarajevo Tourism Festival in Sarajevo, 19-21 October, 2017. The opening ceremony took place on 18th October 2017 in the Youth House, Sarajevo. The Festival was inaugurated by Mr. Amer Kapo, Director of Skenderija Center, Mr. Rahul Chhabra, Ambassador, Mr. Muharem Sabic, Minister of Economy of Sarajevo Canton, Mr. Nermin Muzur, President of Tourist Community of Sarajevo Canton, and Mrs Edita Dapo, Minister of Tourism. The official ceremony ended with a reception hosted by the Mayor of Sarajevo, Mr. Abdulah Skaka in the City Hall. On the first day of the Festival, on 19th October an Indian cultural programme was organized in Skenderija Centre. The theme of India pavilion was on States of India. The day ended with the screening of the Bollywood movie, '3 Idiots' in the Youth House. On 20th October, Counsellor (Pol/Com) addressed the audience and informed about online visa available to BiH nationals and scholarship opportunities for BiH Nationals.

**8th Scholarship Fair, University of Sarajevo:** Embassy of India participated at the 8th Scholarship Fair at the Faculty of Technical Engineering at the University of Sarajevo and promoted ITEC Scholarship Scheme. On 19 October, 2017 H. E. Mr. Rahul Chhabra, Ambassador of India met with Prof. Dr. Rifat Skrijelj, Rector, University of Sarajevo, and Prof. Dr. Alexandra Nikolic, Vice Rector for International Cooperation, and discussed bilateral cooperation in the field of education.

### 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
	2016H1	2017H1	2016H1	2017H1	2016H1	2017H1	2017H1/2016H1
<b>BiH's trade with India (mln)</b>	0.14 USD 0.12 EUR	3.3 USD 3.0 EUR	38.3 USD 34.3 EUR	34.6 USD 32.0 EUR	38.4 USD 34.4 EUR (0.55 % of Global Trade)	37.9 USD 35.0 EUR (0.50 % of Global Trade)	-1.3% 1.7%
<b>BiH's Total Global Trade (bln)</b>	2.6 USD 2.3 EUR	2.8 USD 2.6 EUR	4.4 USD 3.9 EUR	4.8 USD 4.4 EUR	7.0 USD 6.3 EUR	7.6 USD 7.1 EUR	+8.6% +12.7%

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

Product	2015 USD	2016 USD	% growth	% total
TOTAL	8,993.0	9,128.4	1.5%	100.0%
27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	1,215.5	1,082.1	-11.0%	11.9%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	733.9	726.2	-1.0%	8.0%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	596.1	638.6	7.1%	7.0%
39 PLASTICS AND ARTICLES THEREOF	461.3	487.3	5.6%	5.3%
30 PHARMACEUTICAL PRODUCTS	298.5	306.4	2.6%	3.4%
73 ARTICLES OF IRON OR STEEL	258.8	257.6	-0.5%	2.8%
72 IRON AND STEEL	23.0	250.0	988.5%	2.7%
41 RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	196.2	192.1	-2.1%	2.1%
22 BEVERAGES, SPIRITS AND VINEGAR	189.5	181.6	-4.2%	2.0%
48 PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	166.2	175.3	5.5%	1.9%

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

Product	2015 USD	2016 USD	% growth	% total
TOTAL	5,098.8	5,326.1	4.5%	100.0%
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	548.1	601.4	9.7%	11.3%



44 WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL	372.8	403.2	8.2%	7.6%
27 MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES	357.6	362.5	1.4%	6.8%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	337.2	348.6	3.4%	6.5%
28 INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPES	267.9	278.9	4.1%	5.2%
73 ARTICLES OF IRON OR STEEL	214.2	252.6	18.0%	4.7%
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	23.7	239.3	911.1%	4.5%
72 IRON AND STEEL	265.2	221.1	-16.6%	4.2%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	176.3	175.8	-0.2%	3.3%
62 ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, NOT KNITTED OR CROCHETED	15.2	153.0	909.2%	2.9%

### Top 10 items of Import from India to B&H

Product	2015 USD	2016 USD	% growth	% total
TOTAL	59.7	75.7	26.8%	100.0%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	12.9	15.3	18.9%	20.2%
09 COFFEE, TEA, MATÉ AND SPICES	7.7	8.9	15.6%	11.7%
64 FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	3.7	4.5	21.7%	5.9%
29 ORGANIC CHEMICALS	0.9	4.2	347.9%	5.5%
41 RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	4.1	3.9	-4.4%	5.1%
52 COTTON	3.0	3.6	21.0%	4.7%
25 SALT; SULPHUR; EARTHS AND STONE; PLASTERING MATERIALS, LIME AND CEMENT	2.4	2.6	5.6%	3.4%
62 ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, NOT KNITTED OR CROCHETED	2.0	2.2	8.3%	2.9%
30 PHARMACEUTICAL PRODUCTS	1.1	2.1	100.5%	2.8%
56 WADDING, FELT AND NONWOVENS; SPECIAL YARNS; TWINE, CORDAGE, ROPES AND CABLES AND ARTICLES THEREOF	0.0	2.0	11933.4%	2.6%

### Top 10 items of export to India from B&H

Product	2015 USD	2016 USD	% growth	% total
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TOTAL	1.4	3.2	127.5%	100.0%
28 INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPE	0.1	1.6	953.7%	49.2%
87 VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING-STOCK, AND PARTS AND ACCESSORIES THEREOF	0.0	0.5	640554.3%	15.3%
48 PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD	0.8	0.4	-47.8%	12.7%
84 NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	0.1	0.2	206.2%	5.8%
79 ZINC AND ARTICLES THEREOF	0.1	0.2	159.0%	4.8%
44 WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL	0.2	0.1	-12.7%	4.5%
73 ARTICLES OF IRON OR STEEL	0.0	0.1	67632.0%	1.9%
41 RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER	0.1	0.0	-74.2%	0.7%
22 BEVERAGES, SPIRITS AND VINEGAR		0.0		0.5%
46 MANUFACTURES OF STRAW, OF ESPARTO OR OF OTHER PLAITING MATERIALS; BASKETWARE AND WICKERWORK		0.0		0.4%

### TRADE FAIRS in Bosnia and Herzegovina

INTERIO	International fair for landscaping, architecture and horticulture	Centar Skenderija Sarajevo	March 2018	<a href="http://www.skenderija.ba">www.skenderija.ba</a>
MOSTAR SAJAM	General International Trade Fair	Mostar	April 2018	<a href="http://www.mostar-fair.com">www.mostar-fair.com</a>
	Sarajevo Business Forum	Sarajevo	April 2018	<a href="http://www.sarajevobusinessforum.com">www.sarajevobusinessforum.com</a>
ENERGA	International trade fair for energy, industry and mining	Stadion Tušanj, Tuzla	June 2018	<a href="http://www.tuzlanskisajam.ba/en">http://www.tuzlanskisajam.ba/en</a>

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

#### Average Monthly Exchange rates for October 2017

1US\$= 1.662797 KM

1EUR= 1.955830 KM

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

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