



## AUTUMN 2008 ECONOMIC OUTLOOK FOR HUNGARY: ANSWERS FROM MGYOSZ (NOVEMBER UPDATE)

MAIN FORECAST		2008	2009			
Real GDP growth		1.8	-1.0			
Consumer price inflation		6.4	4.5			
Unemployment rate		7.3	7.2			
Employment growth		0.2	0.0			
		•				
Components of aggregate de	mand					
Annual % change		2008	2009			
Private consumption		0.9	-3.0			
Public consumption		-3.5	-2.0			
Investment (Gross fixed capital	formation)	1.0	-0.5			
Exports		7.6	0.0			
Imports		8.1	4.1			
ECONOMIC SENTIMENT	Positive	Negative	Unchanged			
Trend in business climate	/ contro	Industry	ononangeu			
over the next 6 months		Services				
		Gervices				
	Positive	Negative	Unchanged			
Trend in profitability over		Industry				
the next 6 months		Services				
				-	-	
	Increase	Increase	Unchanged	Decrease	Decrease	
	(faster pace)	(slower pace)	-	(slower pace)	(faster pace)	
Investment intentions over				Industry		
the next 6 months				Services		
	<b>_</b> .					
Duising fores kabled	Replacement	Extension	Rationalisation	Innovation		
Driving force behind investment decisions in the	20	20	Lin	20		
	na	na	Up	na		
next 6 months						
	Positive	Negative	Unchanged			
Trond in occurrent:						
Trend in consumer						
confidence over the next 6		yes				
		yes				
confidence over the next 6	Industry: past 6	yes Industry: next 6	Services: past 6	Services: next 6		
confidence over the next 6	Industry: past 6 months	-	Services: past 6 months	Services: next 6 months		
confidence over the next 6	months	Industry: next 6 months	months	months		
confidence over the next 6 months		Industry: next 6	•			
confidence over the next 6 months Overall trend in	months Down	Industry: next 6 months Same	<i>months</i> Same	months		
confidence over the next 6 months Overall trend in	<i>months</i> Down Higher / more	Industry: next 6 months	months Same Lower / less	months		
confidence over the next 6 months Overall trend in employment	months Down Higher / more difficult	Industry: next 6 months Same	<i>months</i> Same	months		
confidence over the next 6 months Overall trend in employment Over the next 6 months,	<i>months</i> Down Higher / more	Industry: next 6 months Same	months Same Lower / less	months		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will	months Down Higher / more difficult Cost	Industry: next 6 months Same	months Same Lower / less	months		
confidence over the next 6 months Overall trend in employment Over the next 6 months,	months Down Higher / more difficult	Industry: next 6 months Same	months Same Lower / less	months		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will	months Down Higher / more difficult Cost Access	Industry: next 6 months Same Same	months Same Lower / less difficult	<i>months</i> Same		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be	months Down Higher / more difficult Cost	Industry: next 6 months Same	months Same Lower / less	months		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil	months Down Higher / more difficult Cost Access	Industry: next 6 months Same Same	months Same Lower / less difficult	<i>months</i> Same		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies'	months Down Higher / more difficult Cost Access to a large extent	Industry: next 6 months Same Same	months Same Lower / less difficult	<i>months</i> Same		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions	months Down Higher / more difficult Cost Access	Industry: next 6 months Same Same	months Same Lower / less difficult	<i>months</i> Same		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies'	months Down Higher / more difficult Cost Access to a large extent	Industry: next 6 months Same Same	months Same Lower / less difficult	<i>months</i> Same		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions	months Down Higher / more difficult Cost Access to a large extent	Industry: next 6 months Same Same	months Same Lower / less difficult	<i>months</i> Same		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively	months Down Higher / more difficult Cost Access to a large extent yes	Industry: next 6 months Same Same	months Same Lower / less difficult	<i>months</i> Same not at all		
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively	months Down Higher / more difficult Cost Access to a large extent	Industry: next 6 months Same Same	months Same Lower / less difficult	<i>months</i> Same	Unsatisfactory	Deteriorating
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively	months Down Higher / more difficult Cost Access to a large extent yes Not necessary,	Industry: next 6 months Same Same to some extent	months Same Lower / less difficult to a limited extent	months Same not at all Neither	Unsatisfactory	Deteriorating
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX	months Down Higher / more difficult Cost Access to a large extent yes Not necessary, situation is	Industry: next 6 months Same Same to some extent	months Same Lower / less difficult to a limited extent	months Same not at all Neither satisfactory nor	Unsatisfactory	Deteriorating
confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards medium-	months Down Higher / more difficult Cost Access to a large extent yes Not necessary, situation is	Industry: next 6 months Same Same to some extent	months Same Lower / less difficult to a limited extent	months Same not at all Neither satisfactory nor		Deteriorating
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confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards medium- term budgetary objective	months Down Higher / more difficult Cost Access to a large extent yes Not necessary, situation is satisfactory	Industry: next 6 months Same Same to some extent	months Same Lower / less difficult to a limited extent	months Same not at all Neither satisfactory nor	yes	Deteriorating
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confidence over the next 6 months Overall trend in employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards medium- term budgetary objective is	months Down Higher / more difficult Cost Access to a large extent yes Not necessary, situation is satisfactory	Industry: next 6 months Same Same to some extent Excellent Tight yes	months Same Lower / less difficult to a limited extent Satisfactory	months Same not at all Neither satisfactory nor unsatisfactory	yes Loose, appropriate	Deteriorating