



## AUTUMN 2009 ECONOMIC OUTLOOK FOR HUNGARY: ANSWERS FROM MGYOSZ

MAIN FORECAST					
		2009	2010		
Real GDP growth		-6.5	na		
Consumer price inflation		5.0	na		
Unemployment rate		10.5	na		
Employment growth		na	na		
<b>Components of aggregate demand</b>					
<i>Annual % change</i>					
Private consumption		-5.0	na		
Public consumption		na	na		
Investment (Gross fixed capital formation)		-8.0	na		
Exports		-14.0	na		
Imports		-17.5	na		
ECONOMIC SENTIMENT					
	<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>		
<b>Trend in business climate over the next 6 months</b>		Industry Services			
	<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>		
<b>Trend in profitability over the next 6 months</b>		Industry Services			
	<i>Increase (faster pace)</i>	<i>Increase (slower pace)</i>	<i>Unchanged</i>	<i>Decrease (slower pace)</i>	<i>Decrease (faster pace)</i>
<b>Investment intentions over the next 6 months</b>				Industry Services	
	<i>Fall in global demand</i>	<i>Cost of finance</i>	<i>Availability of finance</i>		
<b>Influence on companies' investment decisions</b>	negative	negative	negative		
	<i>Replacement</i>	<i>Extension</i>	<i>Rationalisation</i>	<i>Innovation</i>	
<b>Driving force behind investment decisions in the next 6 months</b>	neutral	not important	important	important	
	<i>Industry: past 6 months</i>	<i>Industry: next 6 months</i>	<i>Services: past 6 months</i>	<i>Services: next 6 months</i>	
<b>Overall trend in employment</b>	Down	Same	Down	Same	
ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH					
<b>Compared to 6 months ago, cost/access to finance has been...</b>	<b>sharply up / restrained</b>	<b>up / more difficult</b>	<b>same</b>	<b>down / easier</b>	
<i>for SMEs</i>		Cost Access			
<i>for larger companies (&gt;250 employees)</i>		Cost Access			
<b>Over the next 6 months, cost /access to finance will be...</b>	<b>sharply up / restrained</b>	<b>up / more difficult</b>	<b>same</b>	<b>down / easier</b>	
<i>for SMEs</i>			Cost Access		
<i>for larger companies (&gt;250 employees)</i>			Cost Access		
<b>For companies, the current financing situation is...</b>	<b>threat to company existence</b>	<b>of high concern</b>	<b>somewhat concerning</b>	<b>not worrying</b>	
<b>working capital / treasury needs</b>	SMEs	large companies			
<b>debt refinancing</b>	SMEs		large companies		
<b>financing productive investments</b>		SMEs large companies			
<b>financing innovation and R&amp;D</b>		SMEs large companies			
<b>Based on measures taken at national and EU level, the crisis will lead to...</b>	a fall in the potential growth rate				



POLICY MIX					
	<i>Tight, appropriate for the euro area</i>	<i>Tight</i>	<i>Appropriate</i>	<i>Loose</i>	<i>Loose, appropriate for the euro area</i>
<i>Monetary policy is...</i>		yes			
	<i>adequate</i>	<i>inadequate</i>			
<i>Consistency between fiscal and monetary policies</i>	yes				
	<i>excellent commitment</i>	<i>satisfactory commitment</i>	<i>neither satisfactory nor unsatisfactory commitment</i>	<i>unsatisfactory commitment</i>	<i>no clear commitment creating an extremely worrying situation</i>
<i>Regarding the sustainability of public finances, government shows ...</i>		yes			
	<i>respect the 3% limit</i>	<i>be in balance</i>			
<i>In 2015, the government deficit will...</i>	yes	yes			