

AGRICULTURE

Helgi's Pocket Guide

January 2013

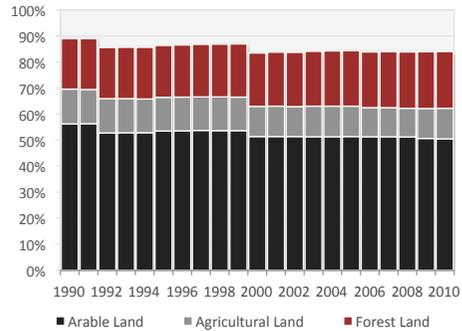


Hungary

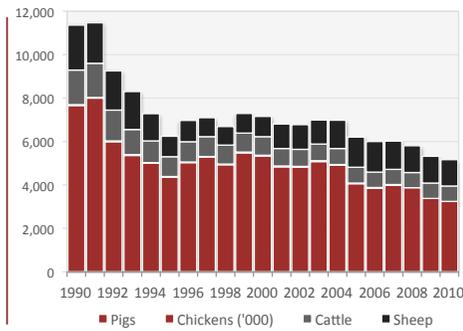
HUNGARIAN AGRICULTURE AT A GLANCE	1990	1995	2000	2005	2010
Agricultural Land Area (sq.km)	64,740	61,790	58,540	58,630	57,830
Agricultural Land Area (As % Of Country Land Area)	69.6%	66.4%	62.9%	63.0%	62.2%
Arable Land Area (sq.km)	50,540	48,060	46,020	46,010	46,010
Arable Land Area (As % Of Country Land Area)	56.2%	53.5%	51.4%	51.3%	50.6%
Forest Land Area (sq.km)	18,010	18,540	19,070	19,830	20,290
Forest Land Area (As % Of Country Land Area)	19.4%	19.9%	20.5%	21.3%	21.8%
Agriculture, Value Added (As % Of GDP)	14.5%	8.0%	5.5%	4.2%	3.5%
Employment In Agriculture (As % Of Total Workforce)	18.2%	8.0%	6.5%	5.0%	4.5%
Cattle Livestock (mil)	1,598	910	857	723	700
Pigs Livestock (mil)	7,660	4,356	5,335	4,059	3,247
Wheat Production (mil tonnes)	6,198	4,614	3,692	5,088	3,764
Meat Consumption Per Capita (kg)	100.8	80.3	87.2	81.5	76.0
Food Exports (As % Of Merchandise Exports)	22.8%	21.4%	7.3%	6.2%	7.5%



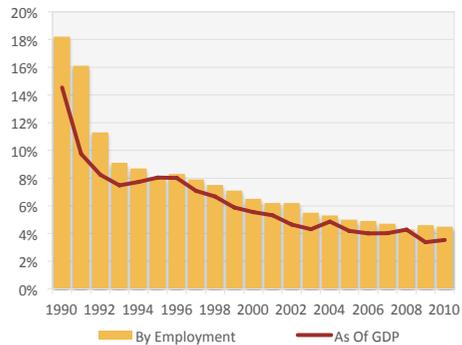
COUNTRY LAND USE (As Of Total Land Area)



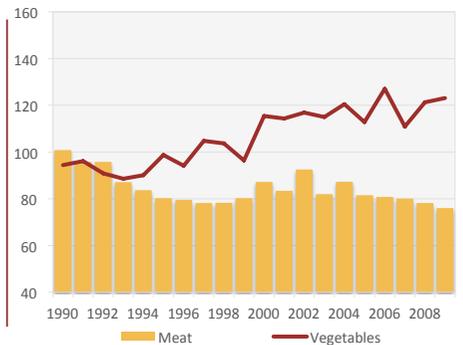
LIVESTOCK ('000)



ROLE OF AGRICULTURE



CONSUMPTION PER CAPITA (kg)

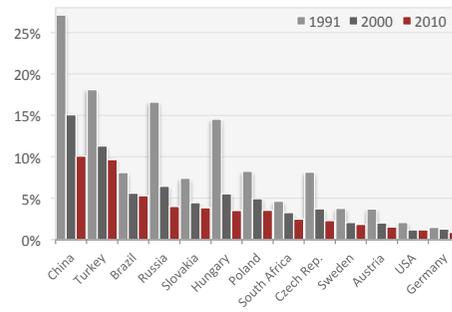


Source: World Bank, National Statistical Office, United Nations, OECD, Faostat, Helgi Analytics calculation

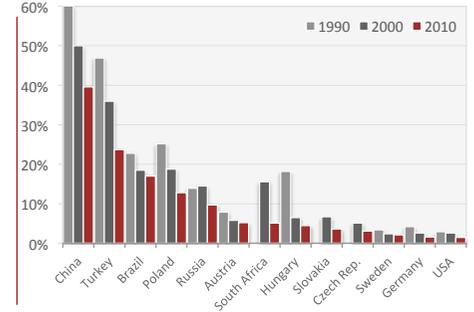


www.HelgiAnalytics.com

AGRICULTURE (As Of GDP)

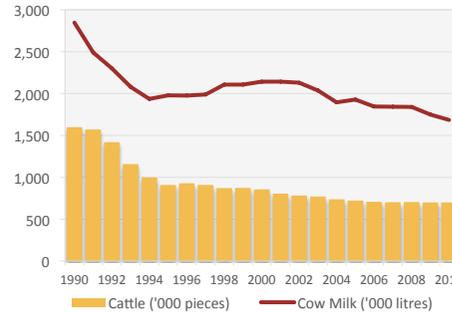


EMPLOYMENT IN AGRICULTURE (As Of Total)

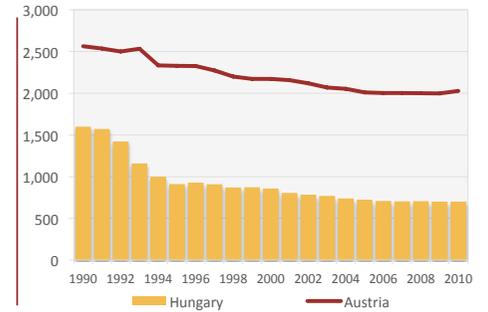


Agriculture's role in the Hungarian economy declined steadily in the generations following World War II, dropping from half of GDP to around 4% now. Nevertheless, agriculture remains important, and Hungary is virtually self-sufficient in food production. The Hungarian climate is favourable for agriculture, and half of the country's land is arable. Agriculture accounted for nearly a quarter of Hungarian exports before the economic transition of the 1990s, during which animal stocks decreased by one-third and agricultural output and exports declined by half.

CATTLE & MILK PRODUCTION

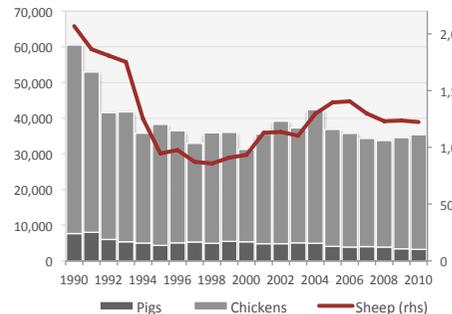


CATTLE LIVESTOCK ('000)

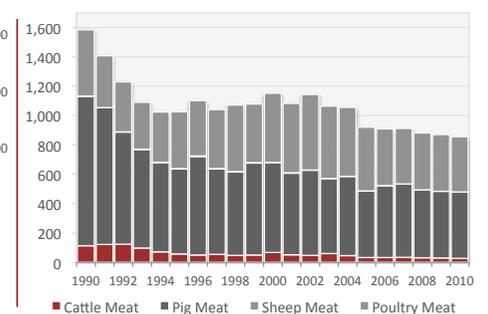


Most of the agricultural production has been falling since the 1990s. The situation has stabilised somewhat since 2004, when Hungary entered the EU (and started receiving subsidies from the CAP); however, the negative trends in terms of production and livestock, as well as employment, continue. The negative trend is especially visible when a comparison is made with the figures from neighbouring Austria, as shown above. Hungary contributes, for example, only 1% of milk production to the total EU27 milk production and is placed 19th.

LIVESTOCK ('000)



MEAT PRODUCTION ('000 tonnes)



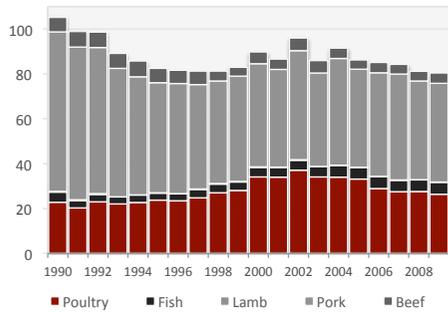
Between 1989 and 2007, agricultural production fell by about 25%. The major decrease took place at the beginning of the 1990s. At that time, animal production fell to 63% of its pre-1990s level and crop production to 70%. Apart from the collapse of the Soviet market, market liberalisation, rising energy prices and cuts in state subsidies were among the other culprits. Livestock farming was further hit following accession to the EU by rising competition from abroad, weak management and the high levels of indebtedness and small size of Hungarian farms.

Source: World Bank, National Statistical Office, United Nations, OECD, Faostat, Helgi Analytics calculation

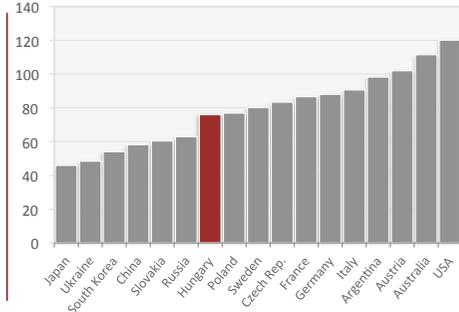


www.HelgiAnalytics.com

MEAT CONSUMPTION PER CAPITA (kg)

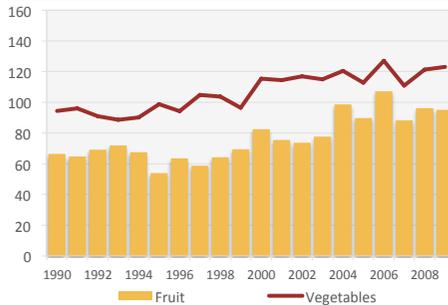


MEAT CONSUMPTION PER CAPITA (kg), 2009

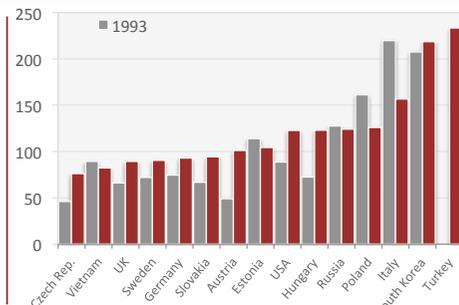


The consumption of meat has been declining since the collapse of the Soviet Bloc in 1989. In 2009, 76 kg was consumed per person, nearly 25% less than in 1990. The structure of the meat consumption had also changed, from pork and beef more towards poultry and fish. Having said that, Hungarians still eat only 5.3 kg of fish a year per person, a fraction of what their Western neighbours consume.

FRUITS & VEGETABLES CONSUMPTION (kg Per Capita)

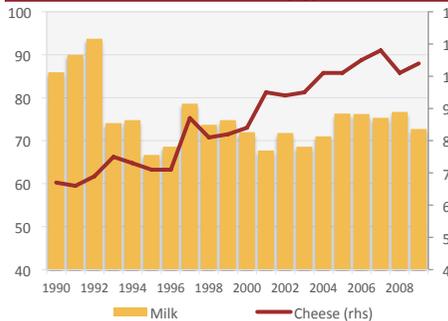


CONSUMPTION OF VEGETABLES (kg Per Capita)

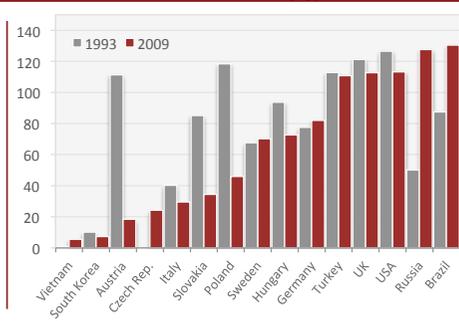


The consumption of meat has been gradually being replaced by more fruits and vegetables. Fresh fruit and vegetables are served in almost all Hungarian households and Hungarians eat around 218 kg of fruit and vegetables per person a year. The Statistical Office claims green peppers, tomatoes and bananas are the most common vegetables and fruit that are bought. As regards the total amount, the highest volumes that are bought are of apples and melons among fruit, and of potatoes among vegetables.

DAIRY CONSUMPTION PER CAPITA (kg)



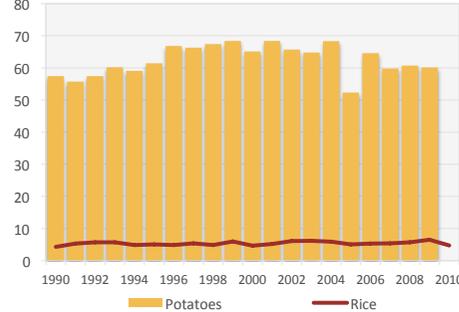
DAIRY CONSUMPTION PER CAPITA (kg)



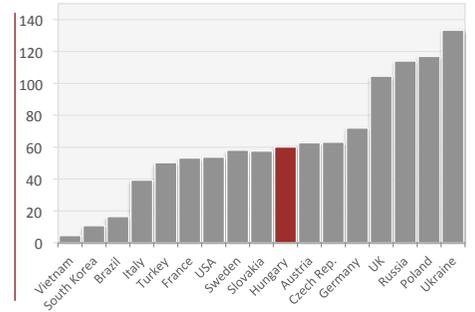
Similarly to other CEE countries, the consumption of milk products has been declining since the collapse of socialism in 1989. In 2009, Hungarians consumed 73 kg of dairy products on average and ate around 10 kg of cheese. Unlike milk, the consumption of cheese is on the rise and increased by 50% compared to 1990. Having said that, this is still only half of what is consumed in the European Union on average.

Source: World Bank, National Statistical Office, United Nations, OECD, Faostat, Helgi Analytics calculation

POTATO & RICE CONSUMPTION (kg Per Capita)

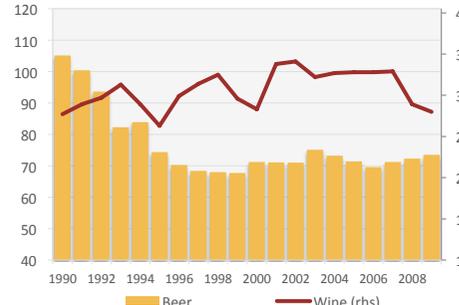


POTATO CONSUMPTION (kg Per Capita), 2009

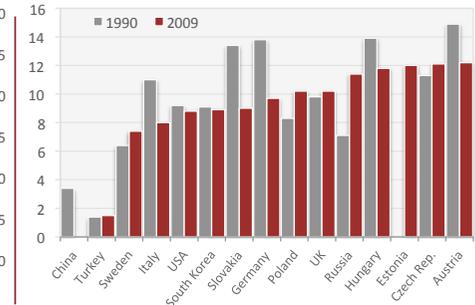


Potatoes are the most popular and important side dish in Central Europe. Russia, Ukraine and Poland consume more than 110 kg of potatoes per person a year, compared to less than 40 kg in Italy and 4 kg in Vietnam. Hungarians consume around 60 kg of potatoes a year, a similar amount to two decades ago.

BEER & WINE CONSUMPTION (litres Per Capita)

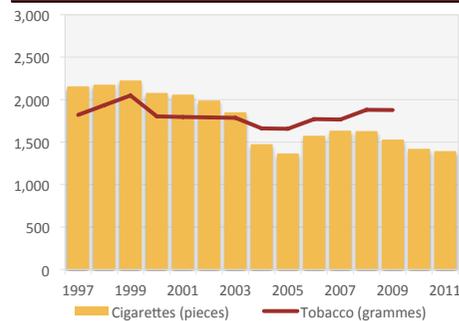


PURE ALCOHOL CONSUMPTION (litres Per Capita)

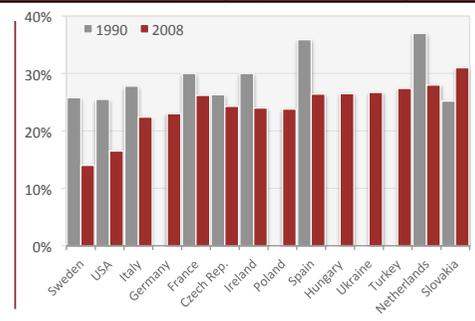


In spite of a marked decline compared to the levels at the beginning of the 1990s (at around 14 litres), Hungarians still drink a lot, as they consumed 11.5 litres of pure alcohol per capita in 2009. This is one of the highest levels in the world. In terms of structure, the consumption of beer has been declining (from over 100 litres per capita to around 70 litres); on the other hand, more wine (and of a better quality) is being drunk, as a number of small, family-owned wineries have been flourishing since the 1990s.

TOBACCO CONSUMPTION

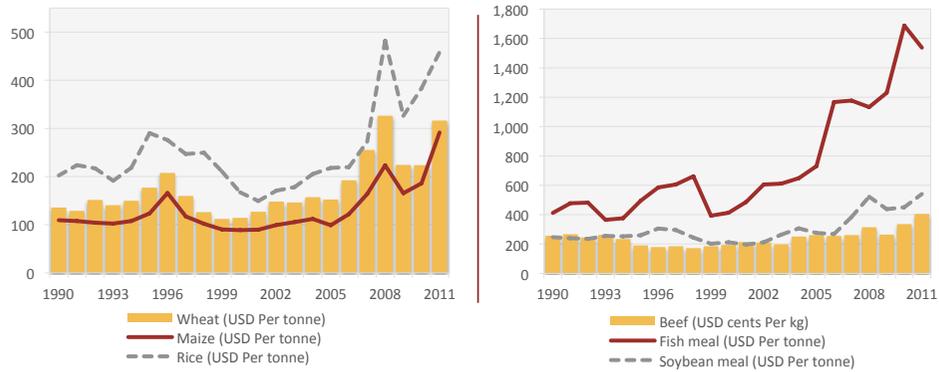
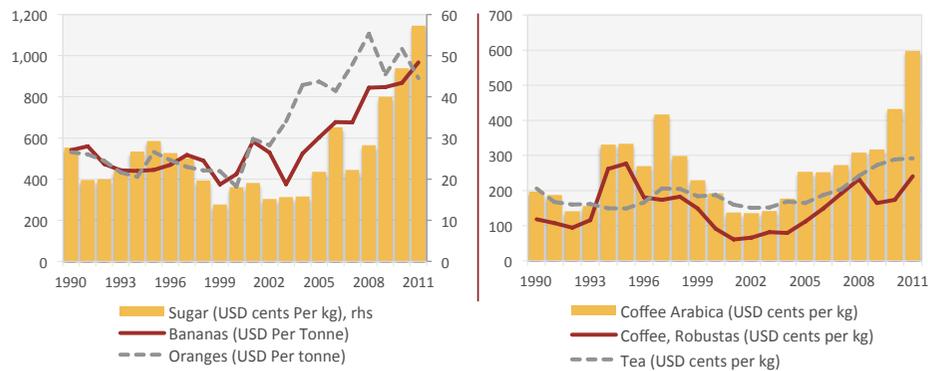
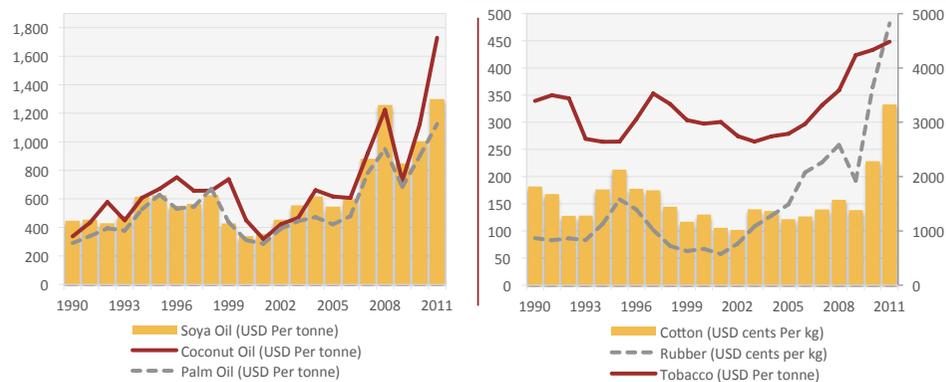


TOBACCO CONSUMPTION (Proportion Of Smokers)



Hungarians also smoke a lot. Tobacco consumption is the single leading cause of death in Hungary, which is one of the reasons why Hungarians are expected to live 5 years less than the average OECD citizen. The proportion of daily smokers among adults has shown a marked decline in Hungary, from 35.5% in 1994 to 26.5% in 2009, but is still above the OECD average (of 21% in 2010).

Source: World Bank, National Statistical Office, United Nations, OECD, Faostat, Helgi Analytics calculation

AGRICULTURAL COMMODITY PRICES (MAIZE, WHEAT, RICE, SOYA BEANS, BEEF & FISHMEAL)

AGRICULTURAL COMMODITY PRICES (BANANAS, ORANGES, SUGAR, COCOA, COFFEE & TEA)

AGRICULTURAL COMMODITY PRICES (OILS, RUBBER, TOBACCO & COTTON)


Source: World Bank, National Statistical Office, United Nations, OECD, Faostat, Helgi Analytics calculation

POPULATION		2003	2004	2005	2006	2007	2008	2009	2010	2011
Population	mil	10.1	10.1	10.1	10.1	10.1	10.0	10.0	10.0	10.0
Population (As % Of World Population)	%	0.16%	0.16%	0.16%	0.15%	0.15%	0.15%	0.15%	0.15%	0.14%
Persons Per Household	persons	2.59	2.57	2.56	2.55	2.53	2.49	2.48	2.47	2.45
Share Of Population (0-14 Years Of Age)	%	16%	16%	16%	15%	15%	15%	15%	15%	15%
Share Of Population (15-64 Years Of Age)	%	69%	69%	69%	69%	69%	69%	69%	69%	69%
Share Of Population (65+ Years Of Age)	%	16%	16%	16%	16%	16%	16%	16%	17%	17%
Median Age	years	38.9	39.0	39.1	39.2	39.4	39.5	39.7	39.8	40.0
Old Age Dependency Ratio	%	23%	23%	23%	23%	23%	24%	24%	24%	24%
Youth Dependency Ratio	%	23%	23%	23%	22%	22%	22%	22%	21%	21%
Life Expectancy, both sexes	years	72.3	72.6	72.6	73.1	73.2	73.7	73.9	74.2	
Life Expectancy At 65, both sexes	years	15.3	15.6	15.5	16.0	16.1	16.4	16.4	16.5	
Total Fertility Rate	children	1.27	1.28	1.31	1.34	1.32	1.35	1.32	1.25	
Urban Population	mil	6.7	6.7	6.7	6.7	6.8	6.8	6.9	6.9	6.9
Urban Population As Of Total	%	66%	66%	67%	67%	67%	68%	68%	69%	69%

AGRICULTURE		2003	2004	2005	2006	2007	2008	2009	2010	2011
Country Land Area	sq km	93,030	93,030	93,030	93,030	93,030	93,030	93,030	93,030	93,030
Agricultural Land Area	sq km	58,650	58,640	58,630	58,090	58,070	57,900	57,830		
Agricultural Land Area (As % Of Country Land Area)	%	63%	63%	63%	62%	62%	62%	62%		
Arable Land Area	sq km	45,970	45,980	46,010	45,970	45,920	45,730			
Arable Land Area (As % Of Country Land Area)	%	51%	51%	51%	51%	51%	51%			
Forest Land Area	sq km	19,526	19,678	19,830	19,922	20,014	20,106	20,198	20,290	
Forest Land Area (As % Of Country Land Area)	%	21%	21%	21%	21%	22%	22%	22%	22%	
Timber Removals	'000 cbm	5,785	5,660	5,940	5,913	5,640	5,276	5,244	5,740	6,073
Total Sawwood Production	'000 cbm	299	205	215	186	235	207	102	133	324
Agriculture, Value Added (As % Of GDP)	%	4.3%	4.9%	4.2%	4.0%	4.0%	4.3%	3.4%	3.5%	
Employment In Agriculture (As Of Total)	%	5.5%	5.3%	5.0%	4.9%	4.7%	4.3%	4.6%	4.5%	
Cattle Livestock (Total)	'000	770	739	723	708	702	705	701	700	
Pigs Livestock (Total)	'000	5,082	4,913	4,059	3,853	3,987	3,871	3,383	3,247	
Sheep Livestock (Total)	'000	1,103	1,296	1,397	1,405	1,298	1,231	1,236	1,223	
Chickens Livestock (Total)	chickens	32,206	37,502	32,814	31,902	30,303	29,866	31,165	32,128	
Wheat Production	'000 tonnes	2,941	6,007	5,088	4,376	3,987	5,631	4,419	3,764	
Cow Milk Production (Whole, Fresh)	'000 litres	2,037	1,895	1,929	1,844	1,842	1,840	1,748	1,685	
Cattle Meat Production	'000 tonnes	61	46	32	34	35	32	30	28	
Pig Meat Production	'000 tonnes	510	540	454	489	499	461	453	452	
Sheep Meat Production	'000 tonnes	1.0	2.0	0.9	0.9	0.7	0.9	0.8	0.8	
Grapes Production	'000 tonnes	581	789	476	523	540	571	550	295	
Rice Production	'000 tonnes	11	10	9	8	10	10	12	8	
Number Of Agricultural Tractors		117,610	119,044	120,477						
Precipitation In Depth (Annual Average)	mm per year					589	589	589		
Cereal Yield	kg per ha	3,039	5,590	5,527	5,097	3,492	5,668	4,715	4,759	
Fertiliser Consumption (kg Per hectare Of Arable Land)		95	99	85	99	110	94	80		
Food Exports (As % Of Merchandise Exports)	%	7.1%	6.6%	6.2%	5.7%	6.4%	7.1%	7.9%	7.5%	7.8%
Food Imports (As % Of Merchandise Imports)	%	3.3%	3.9%	4.1%	3.9%	4.1%	4.4%	5.3%	4.8%	4.9%
Terrestrial And Marine Protected Areas (As Of Total Territorial Area)	%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	
Terrestrial Protected Areas (As Of Total Land Area)	%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	

HOUSEHOLD CONSUMPTION PER CAPITA		2003	2004	2005	2006	2007	2008	2009	2010	2011
Pure Alcohol Consumption Per Capita	litres	13.2	13.2	13.0	13.2	12.6	11.8	11.5		
Wine Consumption Per Capita	litres	32.2	32.7	32.8	32.8	32.9	28.9	28.0		
Beer Consumption Per Capita	litres	75	73	71	70	71	72	74		
Cigarette Consumption Per Capita	cigarettes	1,851	1,475	1,366	1,574	1,634	1,630	1,530	1,420	1,394
Tobacco Consumption Per Capita	grammes	1,786	1,662	1,657	1,771	1,767	1,881	1,878		
Smokers As Of Population, +15 Years	%	30.5%						26.5%		
Smokers As Of 15-24 Year-Old-Population	%	38.3%						37.2%		
Overweight Population As Of Total	%	34%						34%		
Meat Consumption Per Capita	kg	82.0	87.3	81.5	80.8	80.1	78.2	76.0		
Fish Consumption Per Capita	kg	4.60	5.10	5.20	5.30	5.10	5.10	5.30		
Consumption Of Milk And Dairy Products Per Capita	kg	68.6	71.0	76.3	76.2	75.3	76.7	72.7		
Cheese Consumption Per Capita	kg	9.5	10.1	10.1	10.5	10.8	10.1	10.4		
Oil And Fat Consumption Per Capita	kg	13.0	12.0	11.7	14.0	15.0	14.8	14.7	14.3	0.0
Fruit Consumption Per Capita	kg	77.7	98.6	89.8	107.1	88.2	96.2	95.1		
Consumption Of Vegetables Per Capita	kg	115	121	113	127	111	121	123		

Source: World Bank, National Statistical Office, United Nations, OECD, Faostat, Helgi Analytics calculation. For more details, description and explanation of particular indicators, please, visit www.helgilibrary.com

MACROECONOMIC ROUND-UP		2003	2004	2005	2006	2007	2008	2009	2010	2011
GDP	USD bil	83.5	101.9	110.3	112.5	136.1	154.2	126.6	128.6	140.0
GDP Growth	%	3.9%	-4.8%	4.0%	3.9%	0.1%	0.9%	-6.8%	1.3%	1.7%
GDP Per Capita	USD	8,247	10,085	10,937	11,174	13,535	15,365	12,635	12,863	14,044
Industrial Production Growth	%	6.9%	7.8%	6.8%	9.9%	7.9%	-0.1%	-17.6%	10.5%	
Retail Sales Growth	%									
Government Budget Balance (As % Of GDP)	%	-7.2%	-6.4%	-7.9%	-9.4%	-5.1%	-3.7%	-4.5%	-4.3%	4.2%
Public Debt (As % Of GDP)	%	58%	59%	62%	66%	67%	73%	80%	81%	81%
Unemployment Rate	%	5.9%	6.1%	7.2%	7.5%	7.4%	7.8%	10.0%	11.2%	10.9%
Gross Average Monthly Wage	USD	698	864	936	935	1,143	1,313	1,133	1,111	1,174
Foreign Debt (As % Of GDP)	%	70%	80%	77%	118%	130%	145%	188%	161%	
Imports (As % Of GDP)	%	65%	67%	68%	79%	80%	81%	73%	80%	85%
Exports (As % Of GDP)	%	61%	63%	66%	78%	81%	82%	78%	87%	92%
Current Account Balance (As % Of GDP)	%	-8.0%	-8.6%	-7.6%	-7.6%	-7.3%	-7.4%	-0.2%	1.2%	1.4%
Foreign Exchange Reserves (Including Gold)	USD bil	12.8	16.0	18.6	21.6	24.1	33.9	44.2	45.0	48.8
Foreign Exchange Reserves (As % Of Imports)	%	23%	23%	25%	24%	22%	27%	48%	44%	41%
Foreign Direct Investments	USD bil	2.2	4.3	8.5	18.7	70.6	75.0	-3.0	-20.7	9.6
Foreign Direct Investments (As % Of GDP)	%	2.6%	4.2%	7.7%	16.6%	51.9%	48.6%	-2.3%	-16.1%	6.9%
Foreign Direct Investments (As % Of CA Deficit)	%	33%	49%	102%	217%	713%	657%	-1531%	1313%	-490%
Workers' Remittances, Received (As % Of GDP)	%	0.4%	1.7%	1.7%	1.8%	1.7%	1.6%	1.7%	1.7%	1.7%
Portfolio Investments (As % Of GDP)	%	3.5%	6.7%	4.1%	5.6%	-1.7%	-2.0%	-4.1%	-0.3%	6.2%
Development Assistance (As % Of GDP)	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

INFLATION, FOREX & INTEREST RATES		2003	2004	2005	2006	2007	2008	2009	2010	2011
Inflation, CPI (Average)	%	4.4%	6.8%	3.6%	3.9%	7.9%	6.1%	4.2%	4.9%	3.9%
Long-Term Interest Rate (10-Year Gov. Bond Yield)	%	6.8%	8.3%	6.6%	7.1%	6.7%	8.2%	9.1%	7.3%	7.6%
Short-Term Interbank Interest Rate (3-Month)	%	8.2%	11.3%	7.0%	6.9%	7.6%	8.9%	8.5%	5.4%	6.0%
Interest Spread To US\$, 10-Year Gov. Bond	%	2.8%	4.0%	2.3%	2.3%	2.1%	4.6%	5.9%	4.1%	4.8%
Interest Spread To US\$, 3M IBOR	%	7.0%	9.7%	3.5%	1.7%	2.3%	5.7%	7.5%	4.8%	5.6%
FX Rate To USD (Average)	per USD	224	203	200	210	184	172	202	208	201
FX Rate To EUR (Average)	per EUR	253	252	248	264	251	252	280	275	279

Source: National Statistical Office, World Bank, Eurostat, United Nations. For more details, description and explanation of particular indicators, please, visit www.helgilibrary.com



www.HelgiAnalytics.com

ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 95% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit www.helgilibrary.com or contact us at info@helgianalytics.com.

Helgi Analytics

Eliasova 38, Prague 6
160 00, Czech Republic
www.helgianalytics.com

DISCLAIMER

© 2012, HELGI ANALYTICS LTD. ALL RIGHTS RESERVED. All information contained herein is protected by Copyright Law and no such information may be copied or otherwise reproduced, in whole or in part, in any form or manner, by any Person or Company without Helgi Analytics' prior written consent. All information contained herein is obtained by Helgi Analytics from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error, as well as other factors, however, all information contained herein is provided without warranty of any kind. Under no circumstances is Helgi Analytics under any liability to any person or entity for any loss or damage caused by any error, or other circumstance or contingency within or beyond the control of Helgi Analytics or any of its directors, employees, or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication, or delivery of any such information, or any direct or indirect damages whatsoever. The financial reporting, analysis, projections, observations, and other information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell, or hold any securities.