



Summary

World economy processes have been overshadowed in 2024, too, by armed and diplomatic conflicts. The potential growth of our narrower economic environment, the European Union was hindered the war on our continent in a larger degree than in the case of the competitors; the economic performance of Germany, our most significant export partner lagged behind, as in 2023, the one year earlier level. The unfavourable international environment had a negative impact on the Hungarian economic processes as well.

Still, in spite of the economic hardship the number of employees remained on a high level, their ratio within the population reaching record-high levels. Unemployment rate moderately grew, being still more favourable than the EU average, Hungary was in the top third of the member states, as was in the case of employment rate.

The performance of the Hungarian economy improved in 2024 by 0.5%. From the expenditure approach households' consumption was the main driving force of the growth. Inflation related pressure eased in 2024, the purchasing power of earnings increasing once again, leading to the growth in consumption, and having a positive impact on retail trade turnover, too.

The volume of investments lagged behind the previous year's level, owing in part to arrears of EU funds, decreasing state financed orders, market uncertainties, as well as high financing costs. Fall-back in construction investments left a mark on construction performance and on the construction on dwellings, too. The debt-to-GDP ratio of the government sector was the lowest since

2020, the debt rate decrease, however, came to a halt in 2024.

The improvement of the external trade balance had a positive impact on the economic performance, owing to the larger decrease pace of import than that of export. In the case of the decline in export the performance setback of commodity producing sections, within industry production dropping in the large weight carrying, export-driven fields, like vehicle production, the electronics industry and the manufacture of electrical equipment played decisive parts. These trends also resulted in the lessening of the import-demand on the production side, which generated a setback in investments – the latter relying on import, too.

On production side services were the growth engine of the 2024 GDP increase, within it the performance of basically all sections, group of sections surpassed the one year earlier level. At the same time, among the commodity producing sections, beside industry and construction, agriculture also showed a decreasing performance, owing in part to rainless weather spells.

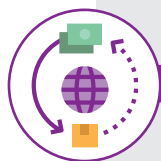
Hungary's energy consumption, after the decrease of the last two years, slightly grew, while the energy-import dependency declined to the most favourable value of the period following the turn of the millennium.

The number of births significantly decreased, along with a lessening in the fertility rate and the number of women of childbearing potential. Mortality decrease continued, too, while the life expectancy at birth went further up. The international migration surplus slowed in 2024 as well the population decline rate.

Summary table

Denomination	2015	2019	2020	2023	2024
Macroeconomic environment					
Volume index of gross domestic product (GDP), 2015 = 100.0	100.0	118.4	113.2	125.5	126.2 ⁺
GDP per capita, EU average = 100.0 ^{a)}	69.7	73.2	74.7	77.2 ⁺	76.9 ⁺
Volume index of investments, 2015 = 100.0 ^{b)}	100.0	144.9	141.0	139.2	120.0 ⁺
Balance of external trade in goods, billions of euros	8.6	4.3	5.6	9.0	11.6 ⁺
Balance of general government sector, as a percentage of the GDP	-2.0	-2.0	-7.5	-6.7	-4.9 ⁺
Share of small- and medium sized enterprises in the value added of businesses, %	43.2	45.6	44.6	41.2	..
R&D expenditures, as % of GDP	1.34	1.46	1.58	1.39	..
Consumer price index, 2015 = 100.0	100.0	109.3	112.9	159.8	165.7
Labour market state of affairs					
Employment rate, % ^{c)}	65.9	72.4	72.1	74.9	75.1
Unemployment rate, % ^{d)}	6.6	3.3	4.1	4.1	4.5
Share of job vacancies, % ^{e)}	1.5	2.5	2.0	2.4	2.1
Performance of branches					
Volume index of industrial production, 2015 = 100.0	100.0	115.5	108.8	119.2	114.1 ⁺
Freight transport performance index, 2015 = 100.0 ^{f)}	100.0	105.7	94.8	90.3	90.3 ⁺
Volume index of turnover of retail shops, 2015 = 100.0 ^{g)}	100.0	125.6	125.1	126.0	129.2 ⁺
Volume index of sales of catering units, 2015 = 100.0	100.0	136.9	93.7	130.5	137.1 ⁺
Volume index of construction output, 2015 = 100.0	100.0	153.9	138.9	149.8	149.3 ⁺
Volume index of agricultural output, 2015 = 100.0 ^{h)}	100.0	107.5	105.0	108.9	104.8 ⁺
The digital world					
Fixed-line internet subscriptions, 2015 = 100.0	100.0	119.1	122.6	132.8	135.4
Share of e-commerce in sales revenue of enterprises, % ⁱ⁾	19	24	23	23	22
Share of households with Internet access, %	76	86	88	93	95
Demographic snapshot					
Number of live births, thousand	91.7	89.2	92.3	85.2	77.5 ⁺
Number of deaths, thousand	131.7	129.6	141.0	128.2	127.5 ⁺
Total fertility rate	1.45	1.51	1.59	1.51	1.38 ⁺
Living conditions					
Index of change in real earnings, 2018 = 100.0 ^{j)}	..	108.2	114.2	117.6	128.4
Share of people at risk of poverty or social exclusion, %	28.6	19.4	19.4	20.2	..
Average life expectancy at birth, years	75.44	76.16	75.52	76.54	76.66 ⁺
Number of students in tertiary education, thousand students	295.3	285.1	287.5	310.4	328.6
Environment and energy management					
Greenhouse gas emission index 2015=100.0 ^{k)}	100.0	102.5	97.0	90.1	..
Total energy consumption of the national economy, PJ	1 049	1 101	1 095	1 001	1 013

^{a)} Calculated at purchasing power parity. – ^{b)} Data for 2024 is calculated based on quarterly data, for other years calculation is based on annual data collections. – ^{c)} Within the population aged 15–64. – ^{d)} Within the population aged 15–74. – ^{e)} Data preceding the 2025 revision. – ^{f)} Based on freight-tonne kilometres. – ^{g)} Calendar adjusted volume index. – ^{h)} At basic prices. – ⁱ⁾ At enterprises employing at least 10 persons, excluding financial organisations. – ^{j)} Calculated from net earnings. Data regarding the full scale of employers available since 2019. – ^{k)} Based on Eurostat data.



Trends in world economy

- Military and political opposition overshadowed trends in the world economy in 2024, too. All the same, the global economy grew by 3.2% compared to a year earlier, and the rate of increase in consumer prices decelerated. The economic performance was up by 5.0% in China, by 2.8% in the United States and by 1.0% in the European Union. Nearly the half of global GDP was concentrated in the three centres. The weight of the European Union in the world economy went on decreasing in 2024.



Performance of Hungary's economy

- Hungary's economy grew at a lower rate than the EU average, by 0.5% in 2024. The performance of service sector industries went up, while that of goods-producing areas (industry, agriculture and construction) decreased. From the expenditure approach to GDP, the main driver of the growth was the actual final consumption of households. With the inflationary wave calming down, the purchasing power of earnings rose again, which considerably helped consumption pick up. The balance of external trade had a positive impact, too, on GDP volume change. The larger external trade surplus than a year earlier was generated along with decreasing volumes of exports and imports. However, investment activity further lessened, which significantly slowed down the economic growth.



Investments

- The volume of investments in the economy was 14% lower in 2024 than a year earlier. The fall was influenced by the partial absence of EU funds, a decrease in public orders, market uncertainties and high costs of funds. The volumes of construction investments and machinery and equipment investments were both lower than in the previous year. Investments went down in most areas of the economy, in turn, they increased in vehicle industry.



External trade

- In external trade in goods, the volume of exports lessened by 2.1% and that of imports by 3.7% in 2024 compared to 2023. A surplus of 11.6 billion euros was generated over the year, which was an improvement of 2.6 billion euros in the balance compared to 2023. A surplus of as large an amount as this has been unprecedented since 1999, the beginning of the time series kept in euros. The euro value of service exports expanded by 3.1% and that of service imports by 1.7% in 2024 compared to 2023, and the surplus was up by 0.7 billion euros, to 11.2 billion euros.



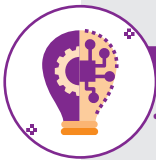
Price trends

- Following the large inflationary wave in 2022–2023, domestic economic trends took place already in a relatively stable price environment in 2024. Consumer prices were 3.7% higher on average than one year earlier. Food prices as a whole rose moderately over the year compared to the high base in the previous year (in the second half of the year, however, food inflation accelerated). Electricity, gas and other fuels as well as consumer durables became cheaper, and annual average motor fuel prices were close to the 2023 level. However, service inflation remained at a high level, consistently basically with retrospective pricing, and alcoholic beverage and tobacco as well as clothing and footwear prices also went up at a higher rate than the average. Producer prices decreased in agriculture and rose only slightly in industry compared to a year earlier, which influenced consumer price trends in 2024. There was no considerable inflationary pressure through imported goods either, and the imports of energy carriers became cheaper.



World of enterprises

- The number of domestic registered enterprises was reduced in 2024. Fewer entrepreneurs were registered at the end of 2024, while the number of private entrepreneurs, making part of those, rose and that of business partnerships was lower than one year earlier. Small- and medium-sized enterprises accounted for 41% of the value added by all enterprises in 2023. The weight of foreign affiliates rose to 52% within domestic investments in 2023.



Science and technology

- The amount of the national economy's expenditure on research and development, at current prices, has grown since 2017, and it was 1,041 billion forints in 2023. The expenditure as a proportion of GDP has about doubled since the turn of the millennium, being 1.39% in 2023 according to preliminary data. The continuous increase since 2017 in the number of people engaged in research and development broke, which number was 5.3% lower in 2023 than a year earlier.



General government sector

- Hungary's budget deficit corresponded to 4.9% of annual GDP in 2024. Although it was lower than in years 2020–2023, it continued to exceed the Maastricht criterion of 3%. The moderation in government debt as a proportion of GDP, following again a path of decrease from 2021, stopped, however. Out of economic trends, the budget was largely influenced among others by a significant wage outflow, increasing tax and contribution revenues, which at the same time (through the wages of employees paid from the state budget) was also recorded from the expenditure approach. Growing earnings stimulated household consumption, which affected VAT revenues. Its growth, however, was limited by a cut down on public consumption and on investments.



Labour market

- In the working-age population aged 15-74, an average of 4 million 699 thousand people were in work in 2024. Compared to the previous year, the number of people working in the domestic primary labour market and in foreign establishments increased slightly, while the number of people in public work schemes decreased further.
- The share of the working-age population aged 15-64 in employment reached a record high of 75.1% in 2024.
- The number of unemployed people aged 15-74 increased to 220 thousand and the unemployment rate to 4.5%, 19 thousand more than a year earlier, or 0.4 percentage points higher than a year earlier.
- Labour market tightness has eased: the potential labour reserve of 15-74 year olds increased by 17 thousand on average to 315 thousand persons in 2024, while the number of vacancies decreased by 9.7 thousand to 69 thousand. 62% of labour demand was in businesses, 34% in the public sector and 2.6 thousand vacancies in the non-profit sector.
- Hungary's employment and unemployment rates in 2024 were also better than the EU average, and we ranked in the top third of Member States for both indicators.



Industry

- The volume of industrial production in 2024 was 4.0% lower than a year earlier. Only four manufacturing subsections managed to increase their output, with the most important of them, the manufacture of food products, expanding by 3.9%, also thanks to falling inflation. Production in the largest weigh representing subsection, the manufacture of transport equipment, fell by 9.0% due to global challenges. Output in the manufacture of electrical equipment, which includes battery production, fell by the largest amount (14%).



Transport

- In 2024, performance remained stable overall for freight transport and increased for local and interurban passenger transport compared to a year earlier. The number of passenger cars registered for the first time increased by 9.0% in 2024 compared to the previous year, but was still lower (by 26%) than the previous peak in 2019.



Real estate market

- In 2024, the number of construction permits issued and housing units built continued to decline. In addition to the capital, the negative trend also affected most of the counties. At the same time, the housing market turnover increased, mainly in the large cities. Compared to a year earlier, housing price growth accelerated again to double digits. Both the number and the amount of loans disbursed increased significantly from the low base of the previous year, with a further increase in the dominance of loans for the purchase of secondhand dwellings.



Retail trade

- Retail sales volume was 2.6% higher than in the previous year. Within this, sales volumes of specialized and non-specialized food shops, increased by 3.8% and non-food stores by 2.5%, while petrol stations decreased by 0.8% compared to a year earlier. The number of retail shops has been falling steadily since 2013, with around 7 thousand fewer shops at the end of June 2024 than a year earlier.



Tourism and food services

- In 2024, spending by foreign citizens visiting Hungary and by Hungarians travelling abroad continued to rise. The turnover of domestic accommodation establishments in terms of tourism nights exceeded 44 million, 5.8% higher than in 2023, mainly due to a dynamic expansion of foreign demand. Domestic guests using the Széchenyi recreation card (SZÉP card) spent nearly HUF 43 billion at

tourist accommodation establishments, 3.9% more than a year earlier at current prices. The volume of sales at food service establishments increased by 5.0% compared to 2023.



Infocommunications

- Infocommunications was one of the sectors whose performance increased in 2024, growing by 4.3%, the second highest among the sectors. The market for mobile phone subscriptions continued to expand, driven by the proliferation of M2M cards for device-to-device communications, whose number grew by 18% in a year.



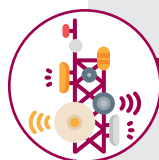
Construction

- In 2024, the volume of construction output decreased by 0.4% compared to a year earlier. Within this, the volume of construction of buildings was 0.5% lower, while that of civil engineering works was essentially unchanged (-0.1%). The volume of new contracts signed by construction firms in 2024 was 2.6% lower than a year earlier, while the year-end contract portfolio was 16% higher than in December 2023.



Agriculture

- In 2024, the volume of total agricultural output was 3.7% lower than in 2023, which ended with an outstanding result. The early spring rainfall deficit and the summer heat had a negative impact on crop performance, with wheat and maize production down 10% and 16% respectively compared to a year earlier. On 1 December 2024, of the main livestock animals, the number of pigs and chickens was up (7.5% and 2.4% respectively), sheep down (6.6%) and cattle almost the same as a year earlier.



Internet network

- The number of localised internet subscribers grew by 1.5% in 2024, within it optical network was the most common connection type. Mobile network data traffic increased by 23% year-on-year.



Digital economy

- The proportion of enterprises using artificial intelligence doubled in 2024, year-on-year, reaching 7.4%. In the information and communication sector this rate was significantly higher, 33%. The proportion of companies employing at least 10 people those selling online came close to the EU average, more than one-fifth of the enterprises' revenues came from e-commerce in 2023. The number of enterprises in the infocommunication sector, the basis of digital economy, grew uninterruptedly, year after year, the trend, however, halted in 2023, the number of enterprises in this sector decreasing from close to 49 thousand to under 41 thousand.



Digital society

- Degree of internet supply at households is expanding, being 94.8% in 2024, surpassing the EU average. The 16–74 age group used the internet in a proportion of 90% on a daily basis, 82% of this age group purchased goods or services online. Among online buyers most people (64%) purchased clothing in January–March 2024, food and beverage from catering units (44%), ordered tickets for cultural and other events (38%). This age group paid bills online in a proportion of 53% as well as 47% for internet or mobile services, and 47% paid for public utility services or entered into a contract for these online. The occurrence of managing these two services among online buyers within the EU is for many years one of the highest in Hungary.



Population number and age structure

- Hungary's population on 1 January 2025 was 9 million 540 thousand people, 45 thousand fewer than a year earlier. In 2024, natural population flows resulted in a decrease of 50 thousand persons, mitigated by an international immigration surplus of 5 thousand persons. There were 146 elderly people per hundred children, compared to 143 in the previous year, meaning that the age structure of the population continued to age.



Natural population change

- In 2024, a total of 77.5 thousand children were born, 9.1% fewer than a year earlier. The total fertility rate fell from 1.51 a year earlier to 1.38, in addition to a decline in the number of women of childbearing age.
- 2024, 127.5 thousand people died. The number of deaths decreased by 700 persons, or 0.5% compared to 2023.
- The number of births declined to a larger extent than the number of deaths, and the resulting natural decrease of 50.0 thousand people was 16%, or 7 thousand people higher than in the previous year.



Marriages, divorces

- In 2024, 46.6 thousand couples concluded a marriage. This number was 7.2%, or 3.6 thousand lower than in 2023.
- The courts dissolved 16.9 thousand marriages in 2024. The number of divorces is one of the lowest in the last 60 years.



Migration

- In 2024, a total of 243 thousand people changed their permanent and 285 thousand people their temporary residences, which represents a 4.9% increase of nearly 25 thousand people in total domestic migration, compared to the previous year.
- International immigration and emigration incidents resulted in a population increase of 4.9 thousand people, which was about 23 thousand people fewer than in 2023. During the year, 41.3 thousand Hungarian citizens moved abroad and 28.9 thousand returned home.



Household income

- The net monthly household income per capita amounted to 212 thousand forints in 2023, an increase of 38% in real terms, compared to 2015. In 2024, the real value of pensions was 2.2% higher than in the previous year. The state spent 1.1% of GDP on family support benefits in 2023. Benefits linked to employment have dominated family support expenditures since 2022, with forms of benefits based on subjective right accounting for only 44% in 2023. In Hungary, the share of people exposed to the risk of poverty or social exclusion was 20.2% in 2023.



Earnings

- In 2024, the average gross earnings of full-time employees – for the full circle of employers – amounted to 646,600 forints, while the average net earnings including tax and contribution benefits and exemptions were 444,900 forints, 13.2% and 13.0% higher than in the previous year, respectively. The real value of earnings increased by 9.0%. In all sections of the national economy, the average gross earnings increased nominally (by between 10.2% and 27.6%). Regional disparities continued to narrow, with the county with the lowest average earnings showing the highest wage growth.



Social care

- Since the organisational transformation of young children's day care, the number of places increased by 39% between 2017 and 2024. Simultaneously, the number of young children who do not have access to any form of day care at their place of residence decreased year by year. In 2023, almost 87 thousand people in care lived in social institutions providing long-term residential or temporary accommodation. In 2023, almost 30 thousand children were registered as being under protection, a 28% increase compared to 2015.



Health care

- Between 2021 and 2023, the country's medical coverage improved, but the number of general practitioners and family paediatricians continued to decrease. In 2023, the number of consultations in inpatient and outpatient care did not reach the pre-pandemic frequency of 2019, but it was higher than in the preceding two years. Nearly two-thirds of the population were satisfied with their state of health in 2023.



Road traffic accidents

- In 2024, there were 1.6% more road traffic accidents involving personal injury on the roads than in the previous year, with a total of 14,688. The number of fatal accidents was 1.8%, those with minor injuries 2.7% more, and those with serious injuries 0.9% less than in 2023. The influence of alcohol was detected in 5.7% of accidents; their number fell by 19% to 844. There were 7.4% more accidents on highways and motorways than in the previous year, with a total of 701 accidents.



Public education, vocational education and tertiary education

- In the 2024/2025 school year, 1.1% more people participated in formal education in Hungary - including full-time and part-time courses in public education, vocational education and tertiary education - than a year earlier. In 2024, a total of 325 thousand children attended kindergartens, 715 thousand pupils studied in primary school and 548 thousand students received secondary education. 2.6 thousand children with severe and multiple disabilities fulfilled their compulsory education in the framework of developmental education. 329 thousand people studied in tertiary education, 67% of them participating in full-time courses.



Cultural consumption and leisure time

- Cultural expenditures in the budget accounted for 1.0% of GDP in 2023. Attendance at cinemas, theatres and museums increased gradually after the coronavirus pandemic, with the last falling slightly behind the previous year in 2024. More books were published in 2024, but overall fewer copies than a year earlier.



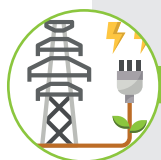
Subjective well-being

- Life satisfaction among the population aged 16 years and over, measured on a scale of 0 to 10, scored 7.1 in 2024. Compared to the previous year, subjective well-being deteriorated slightly in terms of both individual dimensions of satisfaction and individual social groups. Satisfaction with the financial situation of the household was 1.0 point lower than overall satisfaction, while trust in the political system received the lowest average score (4.4).



Environment

- The quantity of greenhouse gas emissions in quarters 1–3 was lower in 2024 than in any year from 2010, since the relevant data is available. Pollution by the energy industry, the section with the largest emissions, showed a decreasing trend already previously, independently of the sudden stop in the economy.
- The growth in drinking water consumption per inhabitant went up from 2015 to 2022, and somewhat decreased in 2023. The public sewerage network is increasingly available; sewage water could be drained into public sewers from 69% of settlements and from 84% of the dwelling stock by the end of 2023.
- As an effect of the new funding cycle, the number of producers in ecological farming grew in 2022. Nearly 6 thousand producers performed production this way in 2023, and the size of their cultivated land area was 320 thousand hectares.
- The area of newly planted forests was 5.0 thousand hectares in 2023, however, the state of health of forests further worsened.



Energy management

- Domestic economic actors used up slightly, 1.2% more (1,013 petajoules of) energy in 2024 than in the previous year. Based on the distribution of energy produced from basic energy sources, the weight of fossil sources (natural gas, petroleum and coal) has fallen, that of nuclear energy has practically stagnated and the weight of renewables has risen since 2015.
- In 2024, Hungary's energy import dependency was down to the most favourable value in the period after the turn of the millennium.
- Hungary's electricity production from renewables has continuously grown since 2013, increasing to a record level, 11.6 billion kilowatt hours in 2024, thus ensuring three-tenths of our power production.