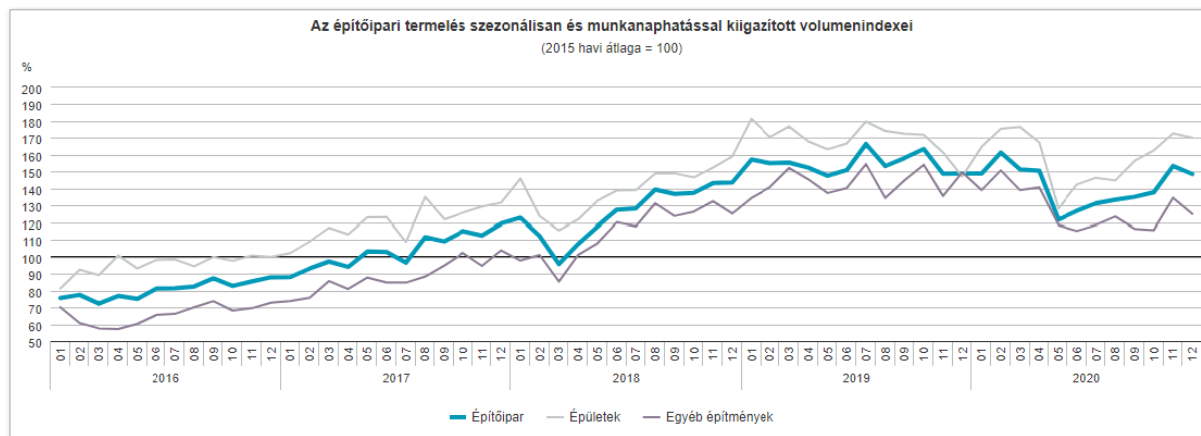




## Construction Industry Status Report – Declining Output

This article highlights figures reported by the Hungarian Central Statistical Office, indicating that the output of the construction industry fell short of the 2019 level by 9.1%.



### Figures from the Central Statistical Office

- [1] In the definition that the Hungarian Central Statistical Office (“KSH”) uses when it collects data, construction industry activities include the shell and core construction of buildings and other facilities, the construction of new buildings, as well as the renovation and remodelling of existing buildings.
- [2] According to the latest figures reported by the KSH, the output of the construction industry fell by 9.1 % in 2020, with a drop of 5% in buildings and 13.1% in other facilities, compared with 2019.
- [3] Raw data indicate that construction output in December 2020 remained under the year-on-year figure by 0.3%. The two main categories showed opposite trends: the construction of buildings was up by 15.1%, while the construction of other facilities was down by 16.5%.
- [4] According to indices adjusted for seasonal changes and monthly business days, output in the construction industry fell by 3.1% compared with November 2020, although the December 2020 figure was higher by 22.2% than the figure reported in May 2020, the worst month of the year.
- [5] The value of new contracts signed in December 2020 increased by 6.1%, where the increase was 3.5% in the case of contracts for buildings and 8.8% for other facilities.
- [6] The overall value of existing construction contracts was higher by 7.8% than at the end of December 2019. The value of contracts for buildings increased by 60.8%, while the value of contracts for other facilities declined by 11% compared with the year-on-year data.
- [7] The prices charged by construction companies were higher by 1.1% in Q4 2020 than in Q3 2020. The year-on-year growth in construction prices was



6.3% in Q4 2020. As compared to Q4 2019, construction prices grew by 5.8% in the case of buildings, by 6.5% in the case of other facilities, and by 6.6% in the case of specialised construction activities.

- [8] The growing number of commissions is a cause for optimism with regard to the estimated construction output in 2021.

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