



Construction Industry Status Report – The volume of newly signed contracts has fallen dramatically

This article is a summary of the figures published by the Hungarian Central Statistical Office on the performance of the construction industry in November 2021. Positive conclusions can still be drawn from the available data, with the exception of the volume of newly signed contracts.

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] The [latest raw data reported by the Central Statistical Office](#) show that construction output in November 2021 was higher by 12,3% than a year before.
- [3] Output grew in both of the main categories of construction in November 2021, with a 11,6% increase in buildings, and with a 14,8% increase in other facilities. There was an increase in the construction sector of buildings, with a 28,4% increase, in the sector of specialised construction activities, with a 2,2% increase and in the sector of other facilities with a 13,8% increase.
- [4] According to indices adjusted for seasonal changes and monthly business days, output in the construction industry grew by 4,9% compared with October.
- [5] There was a year-on-year decrease of 50,0% in the value of newly signed construction contracts, with a decrease of 41,5% in the case of contacts for buildings and with a decrease of 58,1% in the case of contracts for other facilities.
- [6] The overall value of existing construction contracts at the end of November 2021 was lower by 6,7% than a year before. The value of contracts for buildings and for other facilities was lower by 7,8% and 6,0%, respectively, compared with year-on-year data.
- [7] Based on the available data, it can be confirmed that the construction output has turned out to be positive: it has increased by 11,2% in the first eleven months of 2021, compared to the same period of 2020.
- [8] However, data on contracts show a drastic drop in the number of new contracts signed compared to a last year's data.

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