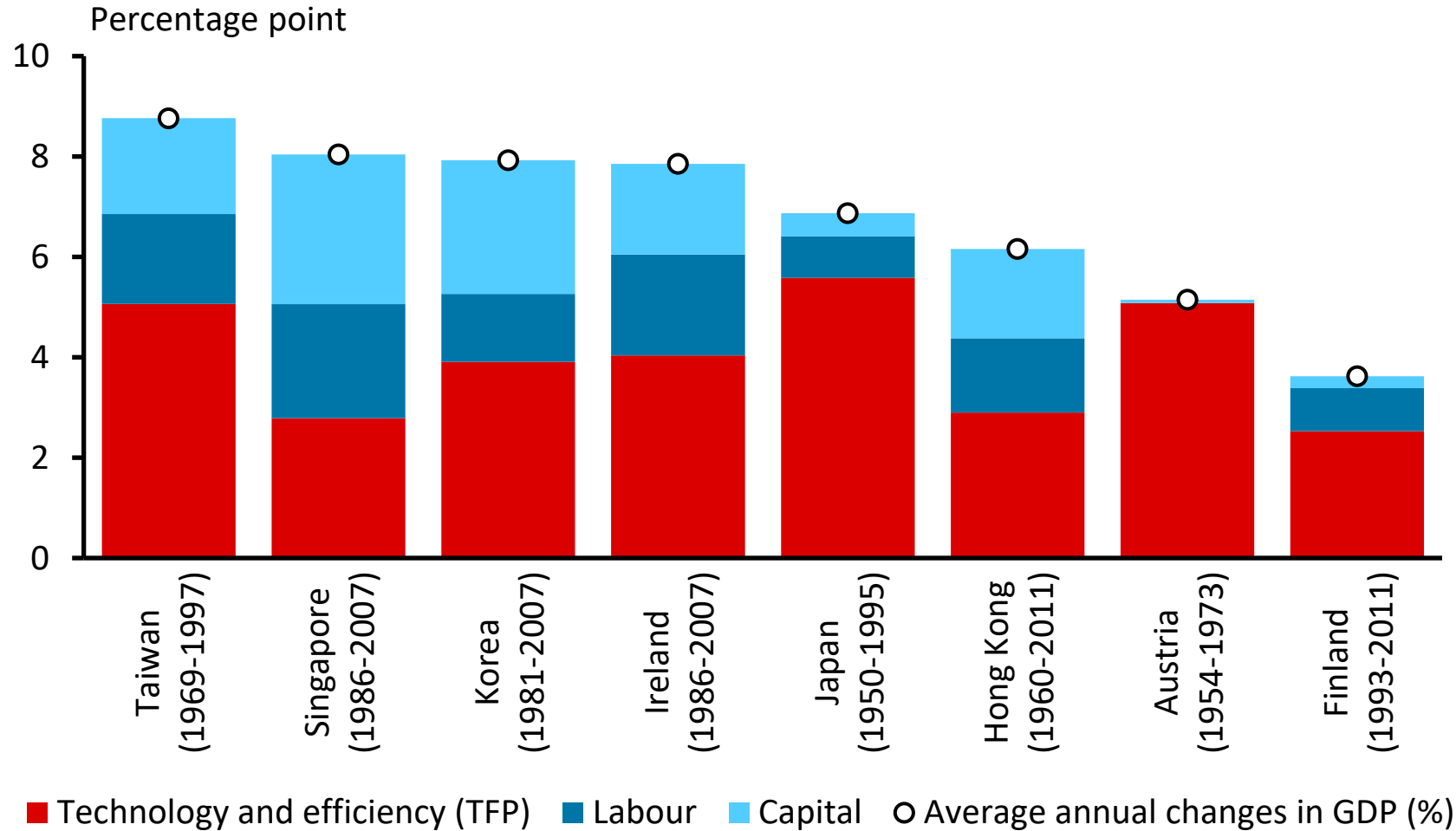




CHALLENGES OF ECONOMIC GROWTH IN THE DECADE OF TENSIONS



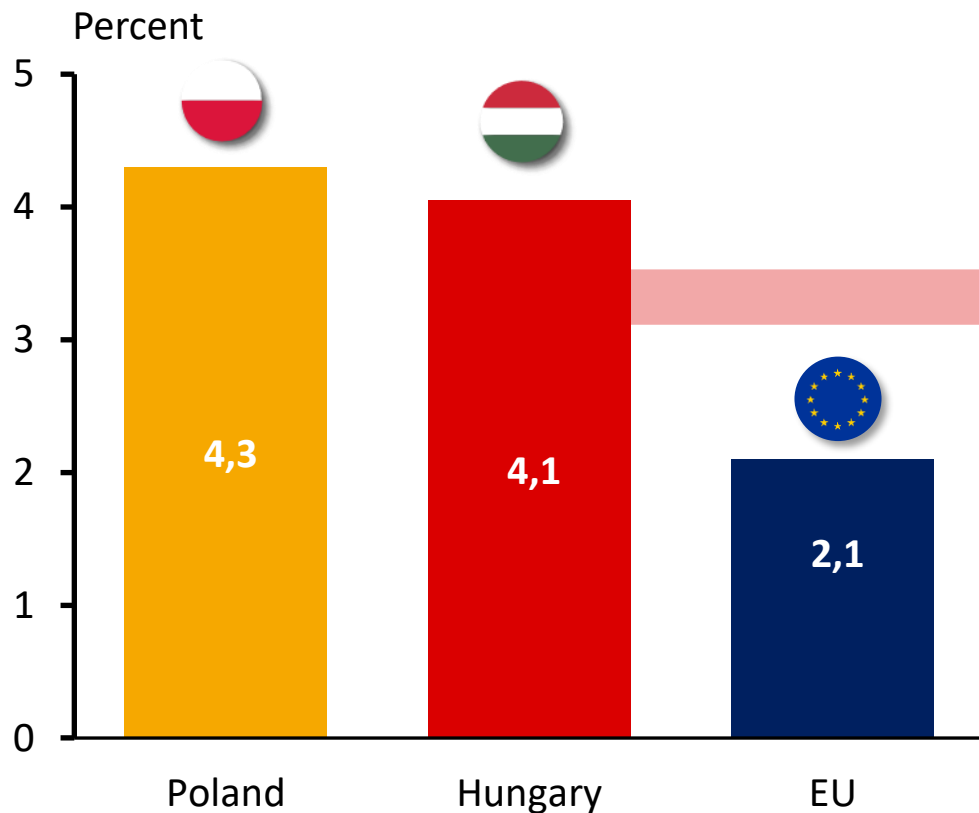
TFP GROWTH PLAYED A MAJOR ROLE IN THE SUCCESSFUL CONVERGENCE PERIODS



GROWTH CHARACTERISTICS OF SUCCESSFUL INTERNATIONAL CONVERGENCE PERIODS

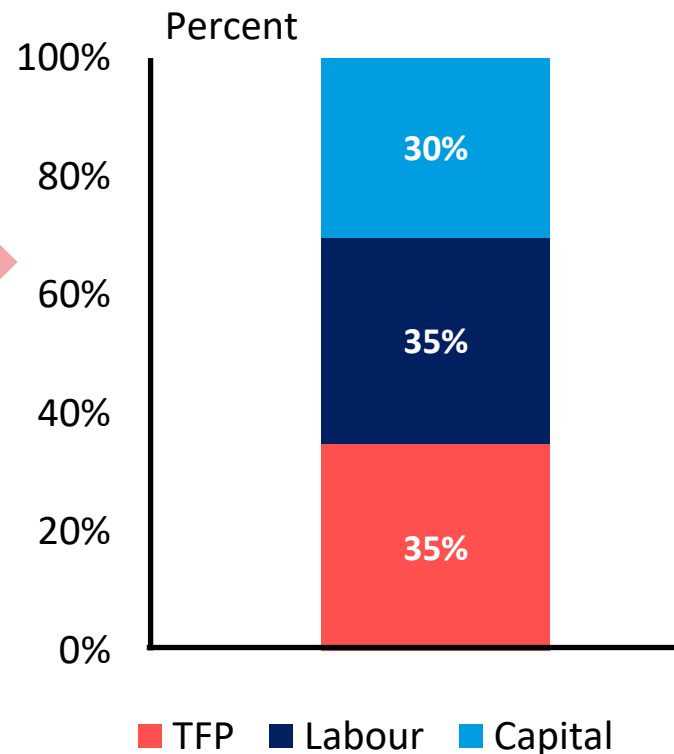
Source | Penn World Table, MNB estimation

IN HUNGARY, TFP, LABOUR AND CAPITAL NEARLY EQUALLY CONTRIBUTED TO ECONOMIC GROWTH, SUPPORTED BY THE REFORMS OF THE EARLY 2010S



AVERAGE ANNUAL GDP GROWTH RATE (2013-2019)

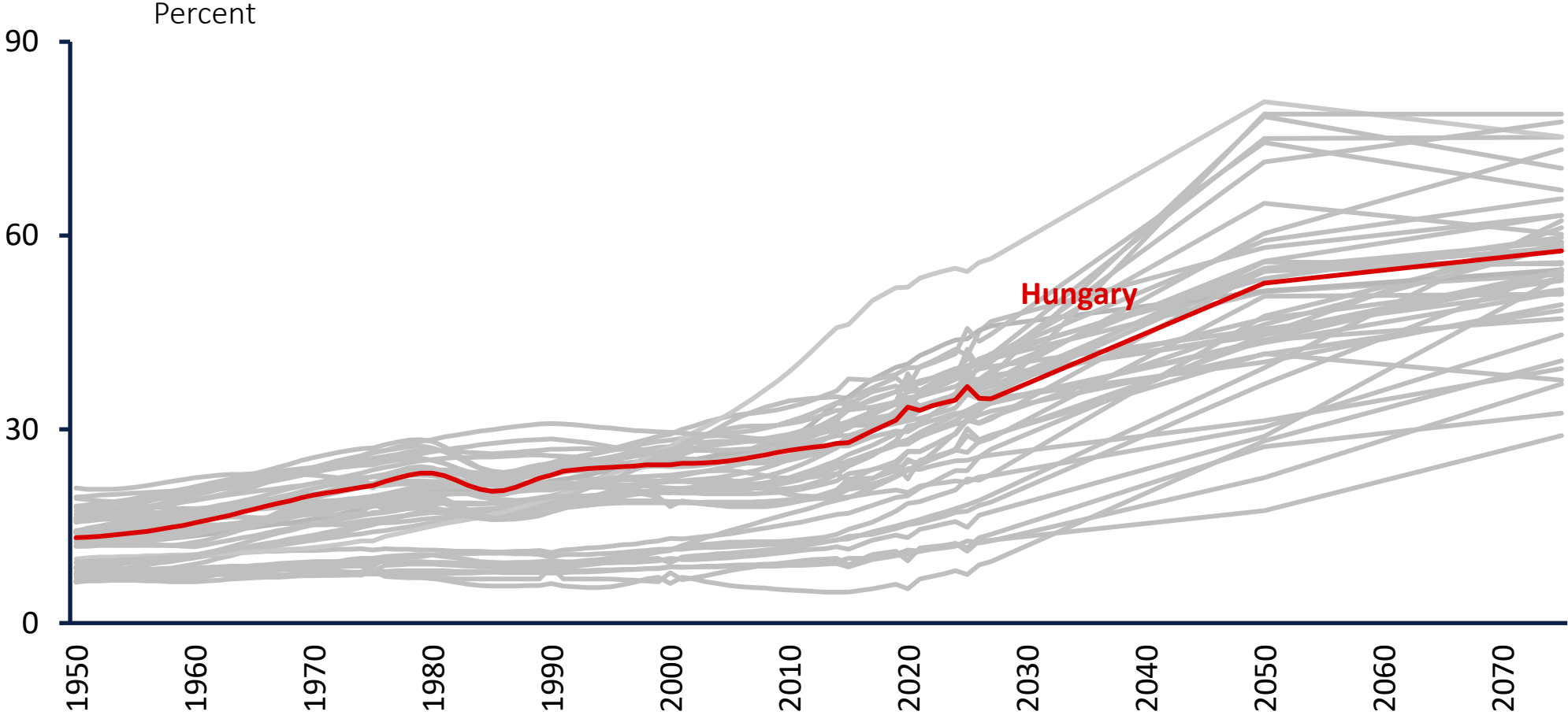
Source | HSCO, Eurostat



DECOMPOSITION OF ECONOMIC GROWTH IN HUNGARY (2013-2019)

Source | HSCO, MNB estimation

HOWEVER, QUANTITATIVE FACTORS REACHED THEIR LIMITS...
UNFAVOURABLE DEMOGRAPHIC TRENDS ARE AN EFFECTIVE BARRIER

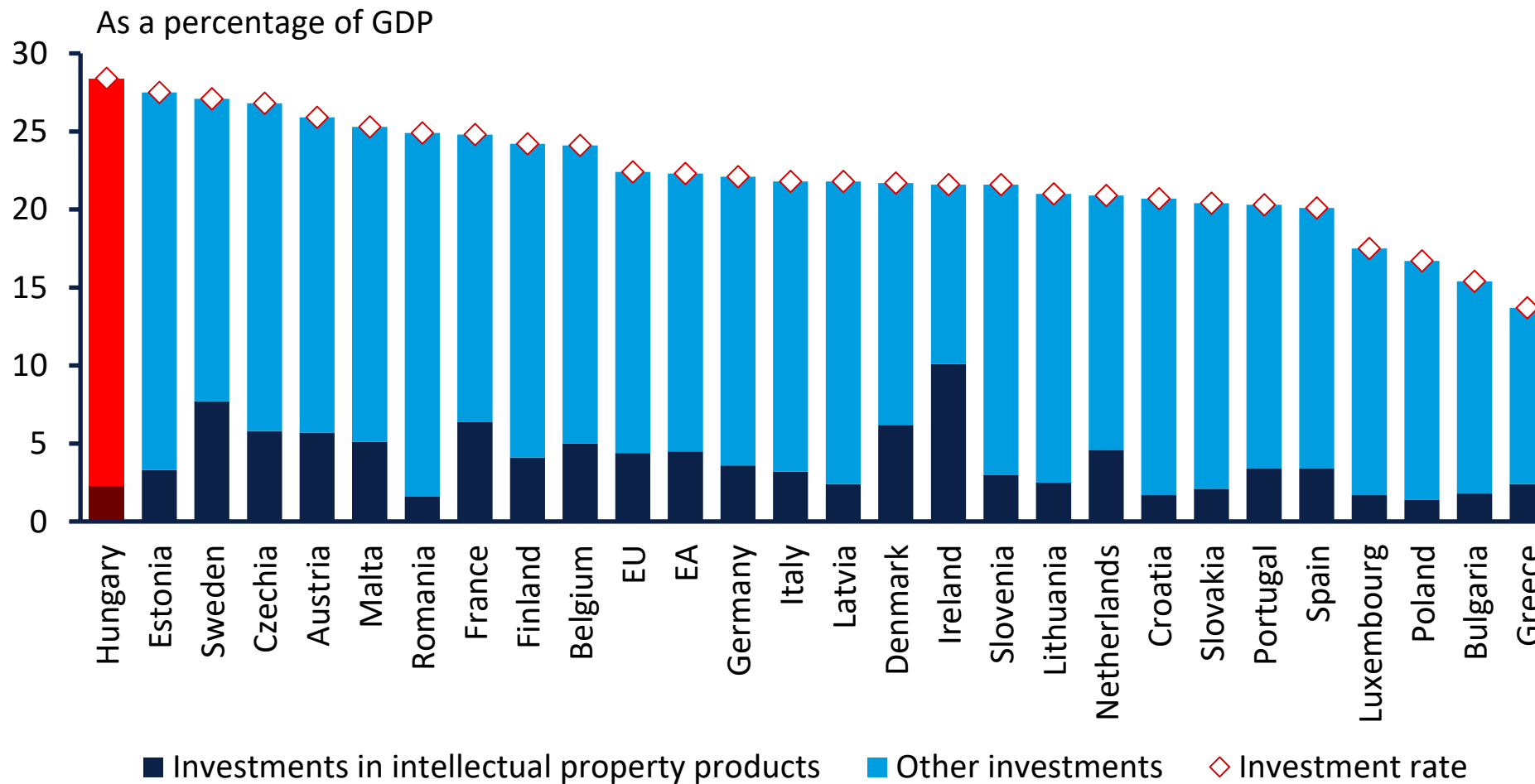


CHANGE IN THE PROPORTION OF ELDERLY DEPENDENTS IN AN INTERNATIONAL COMPARISON

Note | The international comparison was made based on the OECD „Old-age dependancy ratio” database. In addition to the data of OECD and G20 countries, we also indicated the proportions of Bulgaria, Croatia and Romania.

Source | OECD

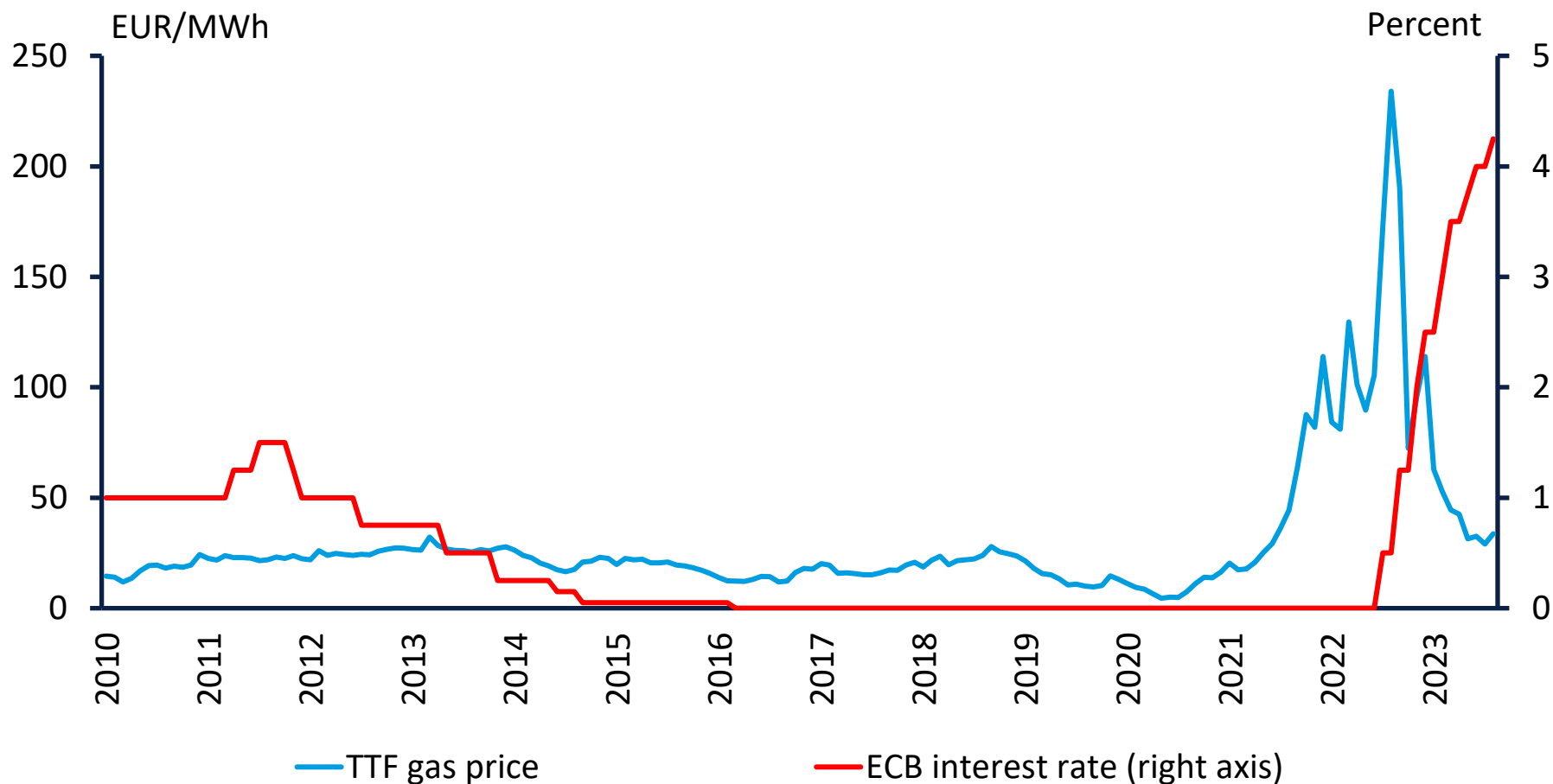
THE INVESTMENT RATE IS IMPORTANT BUT MORE EMPHASIS SHOULD BE PUT ON SMART INVESTMENTS



THE INVESTMENT RATE AND THE PROPORTION OF SMART INVESTMENTS IN THE EU COUNTRIES IN 2022

Source | Eurostat

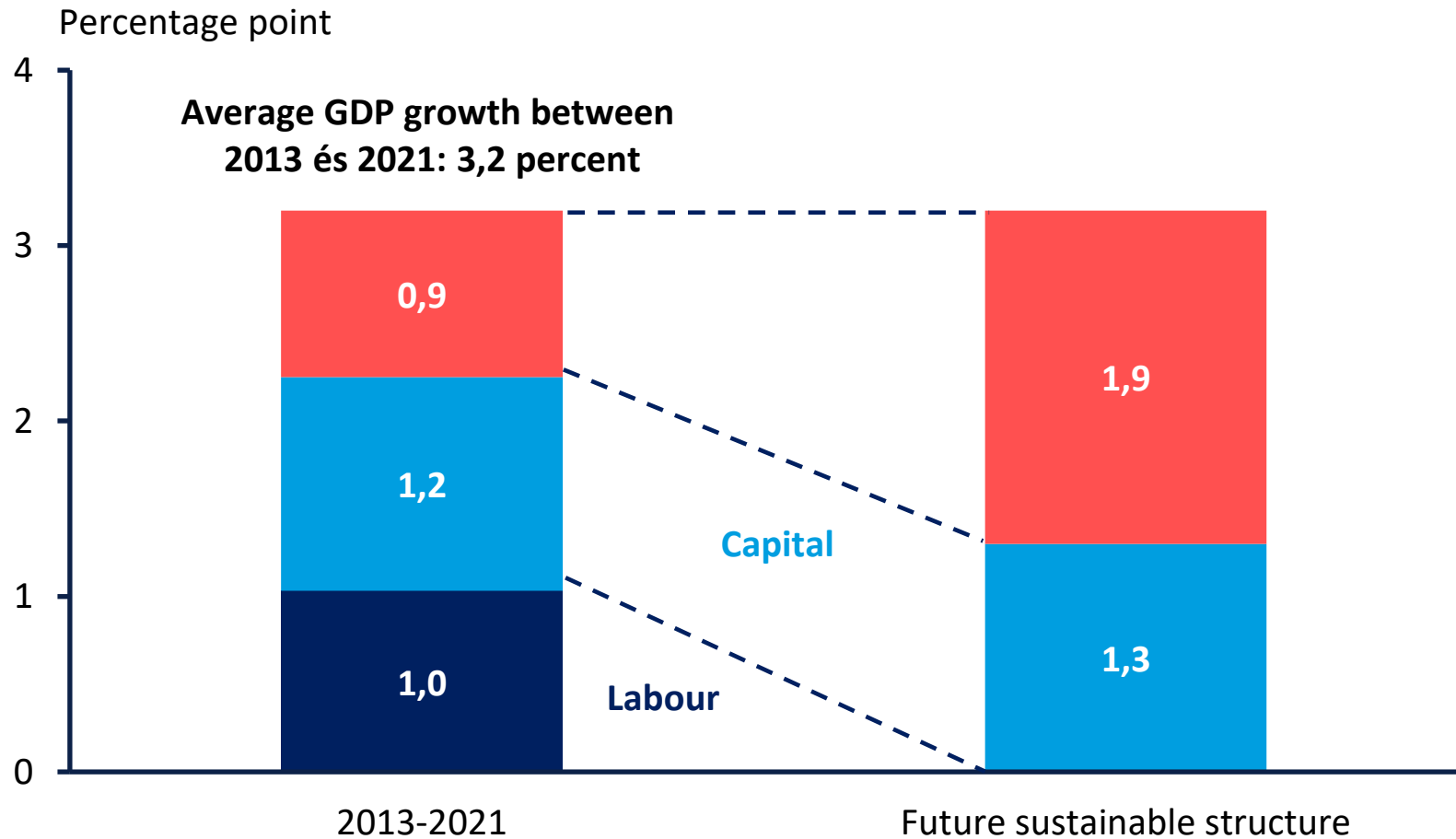
FINANCING COSTS AND ENERGY PRICES HAVE RISEN GLOBALLY



CHANGE IN TTF GAS PRICE AND ECB INTEREST RATE

Source | BIS, Reuters

THE DRIVING FORCE OF FUTURE ECONOMIC GROWTH MUST BE TECHNOLOGY AND PRODUCTIVITY (TFP)



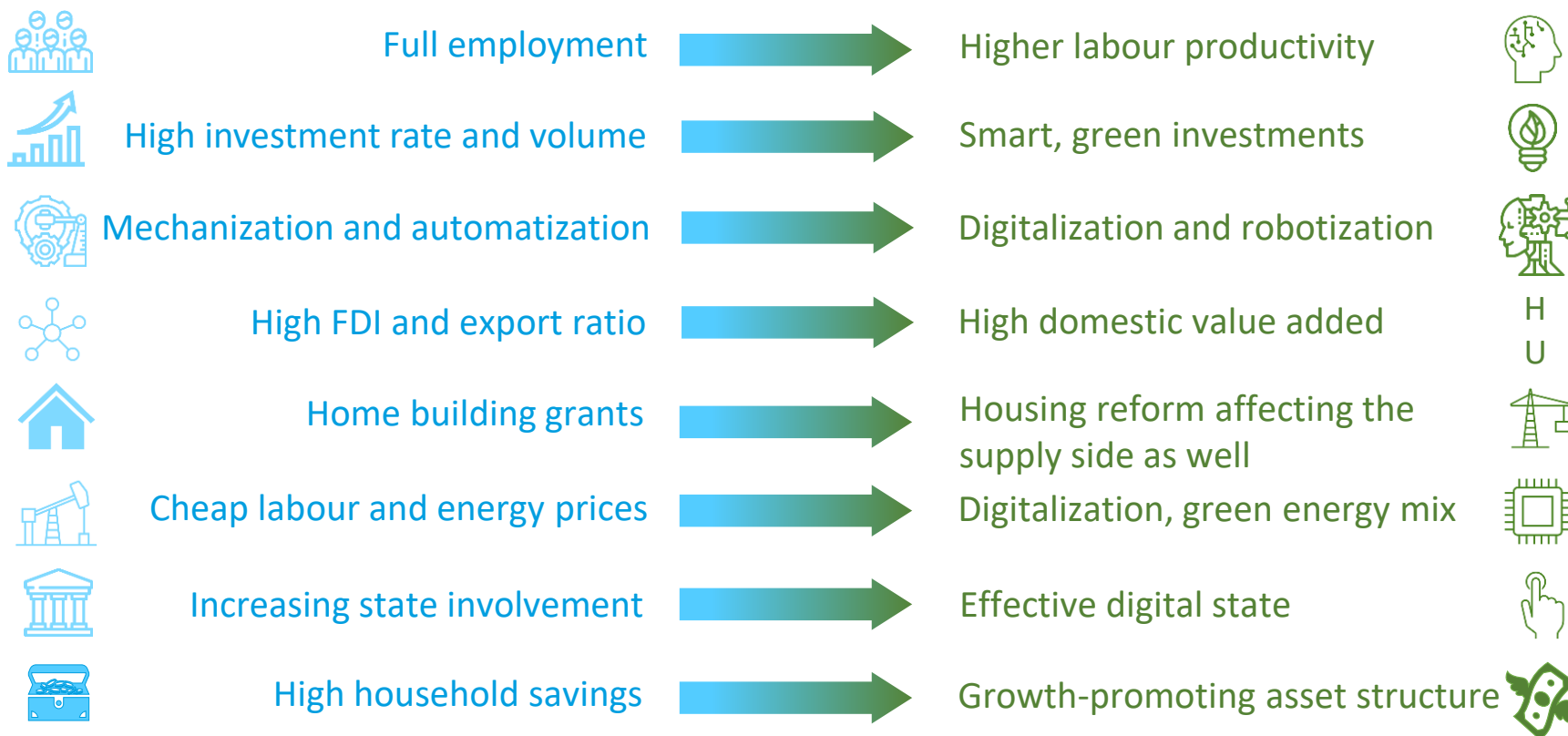
DECOMPOSITION OF ECONOMIC GROWTH IN HUNGARY

Source | HSCO, MNB estimation

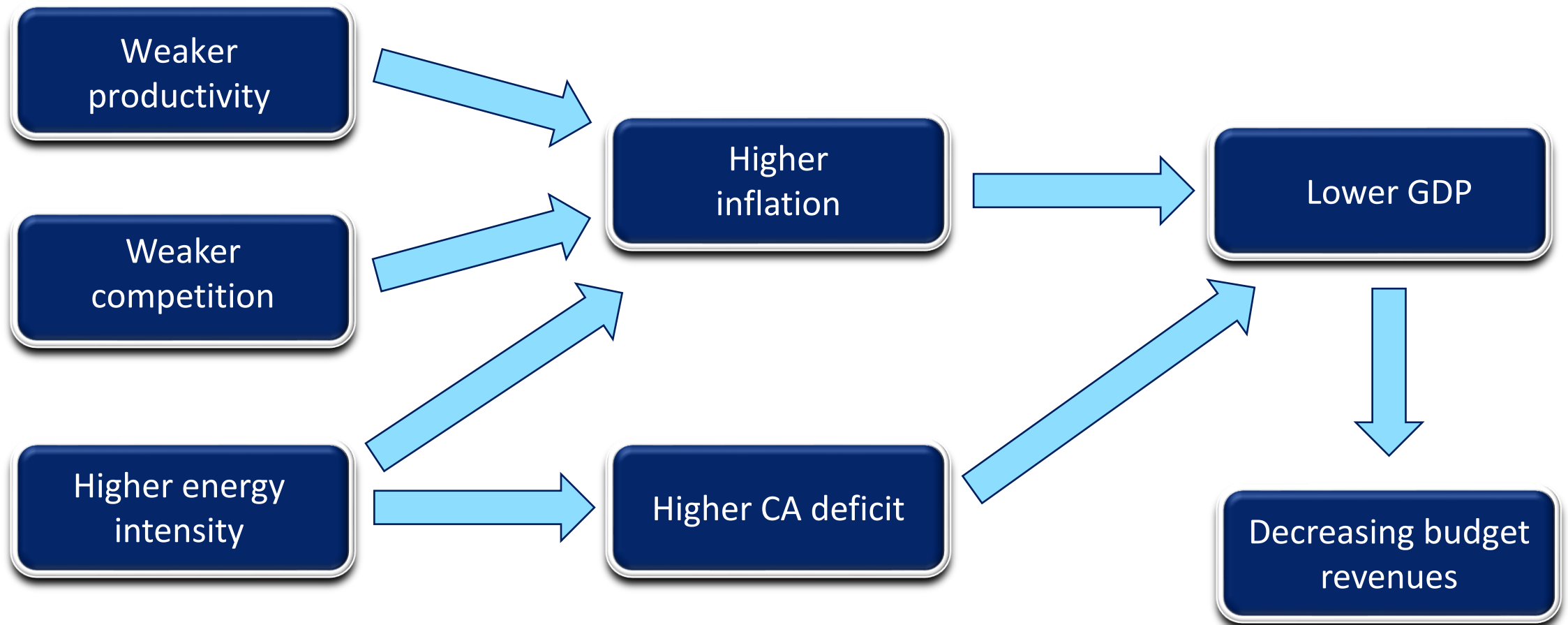
A TRANSITION FROM EXTENSIVE TO INTENSIVE GROWTH IS NECESSARY

EXTENSIVE GROWTH

INTENSIVE GROWTH



THE CONSEQUENCES OF COMPETITIVENESS DEFICITS CAN BE SEEN IN MORE AND MORE AREAS





THANK YOU FOR YOUR ATTENTION!

