



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

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GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
MARCH 2024



The Central Government Debt increased by HUF 3,451.0 billion to HUF 54,316.1 billion in 2024. Total net issuance was HUF 2,591.9 billion; out of which net HUF denominated issuance including repos was HUF 1,211.0 billion and net foreign currency denominated issuance was HUF 1,380.9 billion in 2024.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2023		2024		Change	
	December	%	March	%	HUF billion	%
HUF denominated debt	36,888.0	72.5	38,099.1	70.1	1,211.0	3.3
Loans	868.2	1.7	832.0	1.5	-36.3	-4.2
Government bonds	24,058.9	47.3	24,557.4	45.2	498.5	2.1
Retail securities	10,077.2	19.8	10,765.6	19.8	688.5	6.8
Discount treasury bills	1,883.8	3.7	1,944.0	3.6	60.3	3.2
Foreign exchange denominated debt	13,678.3	26.9	15,587.8	28.7	1,909.5	14.0
Total	50,566.3	99.4	53,686.8	98.8	3,120.5	6.2
Other obligations	298.8	0.6	629.3	1.2	330.5	110.6
Total central government debt	50,865.2	100.0	54,316.1	100.0	3,451.0	6.8

Source: ÁKK

The HUF denominated debt of the central government increased by HUF 1,211.0 billion in 2024. The increase in domestic debt was the result of the net government bond issuance of HUF 498.5 billion and the increase of discount Treasury bills by HUF 60.3 billion. The total amount of retail government securities increased by HUF 688.5 billion. The majority of the demand for retail government securities was the sale of Fix Hungarian Government Securities and 1-year Hungarian Government Securities. The volume of HUF loans decreased by HUF 36.3 billion in 2024.

The foreign currency debt of the central government increased by HUF 1,909.5 billion in 2024. The increase is mainly due to the foreign currency bond issuances in January. On 3 January 2024, Hungary's first international bond issuance this year was made in the amount of USD 2.5 billion (HUF 863.6 billion) with 12-year maturity, followed by Hungary's third EUR Green Bond issuance on 18 January in the amount of EUR 1.5 billion (HUF 577.6 billion) with a maturity of 5.5-year. The amount of foreign currency securities issued under the ECP (Euro Commercial Paper) programme was HUF 180.4 billion (USD 500 million) in March. The drawdown of foreign currency loans further increased the foreign currency debt by HUF 83.8 billion and the issuance of domestic foreign currency bonds grew by HUF 28.8 billion. The exchange rate revaluations totalling HUF 528.6 billion increased the Hungarian forint value of the foreign currency debt.

Foreign currency debt was decreased by the redemption of foreign currency bond by HUF 294.2 billion and the repayments of domestic foreign currency bond by HUF 6.0 billion. The total amount of other liabilities increased by HUF 330.5 billion in 2024.

BENCHMARK YIELDS

Maturity	29.12.2023	29.02.2024	28.03.2024	Change in March basis point
3-month	6.23	6.61	6.59	-2
6-month	6.26	6.65	6.63	-2
1-year	6.45	6.57	6.62	5
3-year	6.12	6.21	6.79	58
5-year	5.78	6.07	6.73	66
10-year	5.86	6.42	6.74	32
15-year	6.11	6.40	6.70	30
20-year	6.07	6.42	6.71	29

Source: ÁKK

Monthly OTC turnover of government securities increased by 4% to HUF 10,104.8 billion in March. Primary dealers, who account for the decisive part of all secondary government securities trading, made 73% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities decreased altogether by HUF 975.4 billion in March and amounted to HUF 6,484.7 billion at the end of March. This volume represented 17.4% of the total amount of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 395.83 on the last working day of March.

The credit rating of the long-term foreign currency debt of Hungary is as follows on the last working day of March: BBB- (Standard & Poor's); Baa2 (Moody's); BBB (Fitch).

CENTRAL GOVERNMENT GROSS DEBT

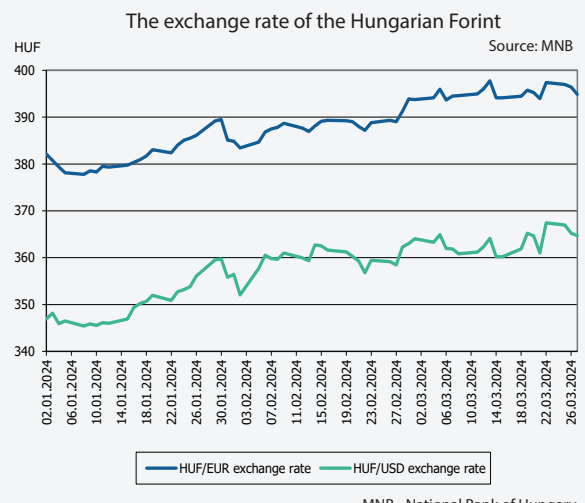
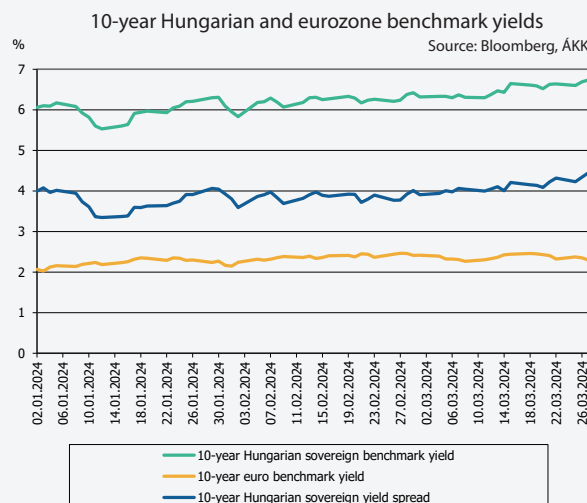
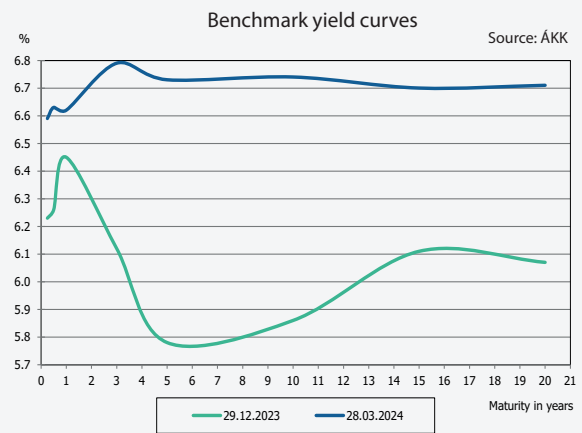
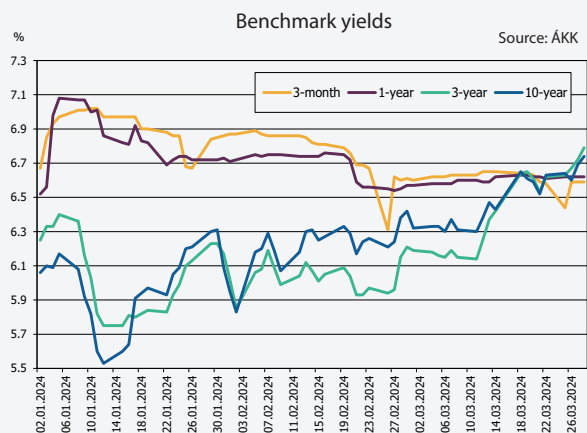
HUF BILLION

	2019	2020	2021	2022	2023	2024 January	2024 February	2024 March
1. Forint denominated debt	24,357.1	29,237.3	32,121.2	33,775.6	36,888.0	37,313.1	37,734.7	38,099.1
1.1. Loans	1,208.1	1,161.6	1,307.7	1,024.2	868.2	848.1	848.1	832.0
1.2. Government securities	23,149.0	28,075.7	30,813.5	32,751.4	36,019.8	36,465.0	36,886.6	37,267.1
1.2.1. Public issues	23,109.8	28,036.5	30,813.5	32,751.4	36,019.8	36,465.0	36,886.6	37,267.1
1.2.1.1. Bonds	13,378.5	18,206.6	20,220.0	22,346.3	24,058.9	24,241.6	24,383.5	24,557.4
1.2.1.2. Discount T-bills	657.3	658.2	583.2	1,785.8	1,883.8	1,925.7	1,960.4	1,944.0
1.2.1.3. Retail securities	9,074.0	9,171.7	10,010.2	8,619.4	10,077.2	10,297.7	10,542.7	10,765.6
1.2.2. Private placements	39.2	39.2	0.0	0.0	0.0	0.0	0.0	0.0
2. Foreign currency denominated debt*	5,121.2	7,318.2	8,395.2	11,397.3	13,678.3	15,298.2	15,667.4	15,587.8
2.1. Loans	825.4	1,291.1	1,345.2	1,959.1	2,670.0	2,758.4	2,834.1	2,795.1
2.2. Government securities	4,295.8	6,027.1	7,049.9	9,438.2	11,008.3	12,539.7	12,833.3	12,792.7
2.2.1. Issued abroad	3,713.5	5,481.3	6,594.9	9,085.5	10,535.4	12,056.0	12,331.5	12,280.5
2.2.2. Issued domestically	582.3	545.9	455.0	352.8	472.9	483.7	501.8	512.2
Total	29,478.3	36,555.5	40,516.4	45,173.0	50,566.3	52,611.3	53,402.1	53,686.8
Other liabilities	203.70	128.80	180.60	389.40	298.80	318.40	313.70	629.30
Total central government debt	29,682.0	36,684.3	40,697.0	45,562.4	50,865.2	52,929.7	53,715.8	54,316.1
Marketable HUF debt (1.2.1.1+1.2.1.2+1.2.2)	14,075.0	18,904.0	20,803.2	24,132.1	25,942.7	26,167.3	26,343.9	26,501.4
Gross debt/GDP	62.3%	75.8%	73.7%	69.0%	67.8%			

* Foreign exchange debt is recorded at the mid exchange rate of the NBH at the end of the year/month.

Source: ÁKK, KSH

ÁKK - Government Debt Management Agency
KSH - Hungarian Central Statistical Office



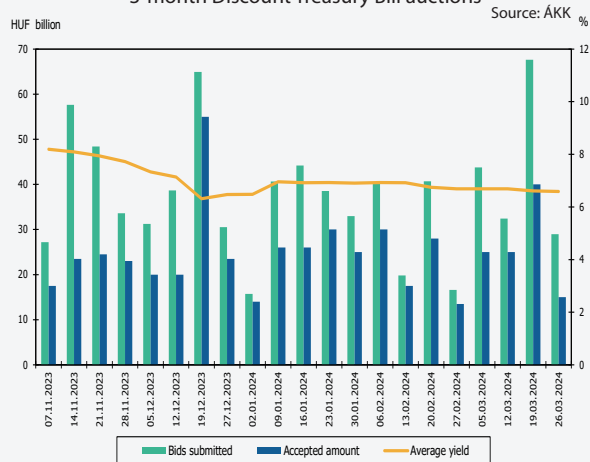
MNB - National Bank of Hungary

DISCOUNT TREASURY BILL AUCTION RESULTS

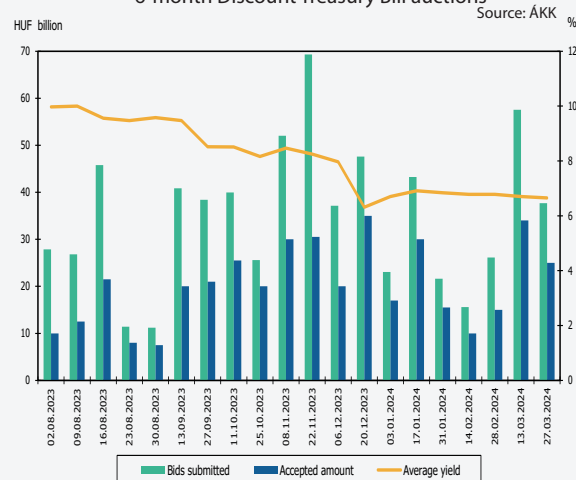
	3-month Discount T-bills				6-month Discount T-bills		12-month Discount T-bills	
Code of T-bills	D240626	D240626	D240724	D240724	D241030	D241030	D250219	D250219
ISIN code	HU0000524756	HU0000524756	HU0000525001	HU0000525001	HU0000524939	HU0000524939	HU0000525076	HU0000525076
Maturity in days	105	98	119	112	224	210	336	322
Date of auction	05.03.2024	12.03.2024	19.03.2024	26.03.2024	13.03.2024	27.03.2024	14.03.2024	28.03.2024
Date of financial settlement	13.03.2024	20.03.2024	27.03.2024	03.04.2024	20.03.2024	03.04.2024	20.03.2024	03.04.2024
Redemption date	26.06.2024	26.06.2024	24.07.2024	24.07.2024	30.10.2024	30.10.2024	19.02.2025	19.02.2025
Maximum yield (%) - ISMA	6.77	6.79	6.62	6.62	6.77	6.70	6.73	6.73
Minimum yield (%) - ISMA	6.60	6.30	6.45	6.40	6.50	6.50	6.18	6.20
Average yield (%) - ISMA	6.69	6.69	6.61	6.59	6.70	6.65	6.63	6.69
Maximum yield (%) - EHM	6.86	6.88	6.71	6.71	6.86	6.79	6.82	6.82
Minimum yield (%) - EHM	6.69	6.39	6.54	6.49	6.59	6.59	6.27	6.29
Average yield (%) - EHM	6.79	6.78	6.70	6.68	6.79	6.74	6.72	6.79
Average selling price (%)	98.0854	98.2122	97.8611	97.9910	95.9977	96.2670	94.1714	94.3510
Amount offered for sale (HUF million)	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	30,000.00	25,000.00
Amount of bids submitted (HUF million)	43,766.18	32,431.54	67,643.14	28,983.26	57,539.94	37,683.72	73,861.28	24,472.04
Amount of bids accepted (HUF million)	25,000.00	24,999.98	40,000.00	14,999.99	33,999.98	24,999.96	36,499.98	17,000.00
Bid-to-cover ratio	1.75	1.30	1.69	1.93	1.69	1.51	2.02	1.44
Bids submitted (pcs)	75	75	55	124	106	82	80	59
Bids accepted (pcs)	49	68	16	80	73	61	64	50
Market sales (HUF million)	25,000.00	24,999.98	40,000.00	14,999.99	33,999.98	24,999.96	36,499.98	17,000.00
Retained on ÁKK's own account (HUF million)	-	0.02	69,000.00	0.01	16,000.02	14,000.04	7,000.02	7,000.00
Total amount issued (HUF million)	25,000.00	25,000.00	109,000.00	15,000.00	50,000.00	39,000.00	43,500.00	24,000.00

Source: ÁKK

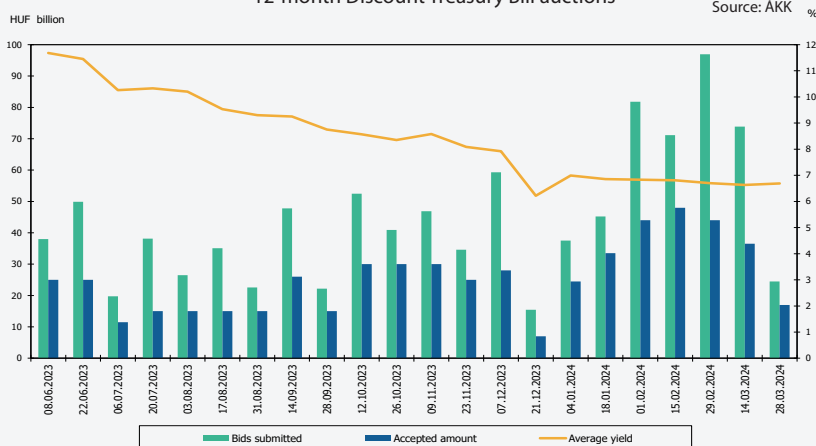
3-month Discount Treasury Bill auctions



6-month Discount Treasury Bill auctions



12-month Discount Treasury Bill auctions

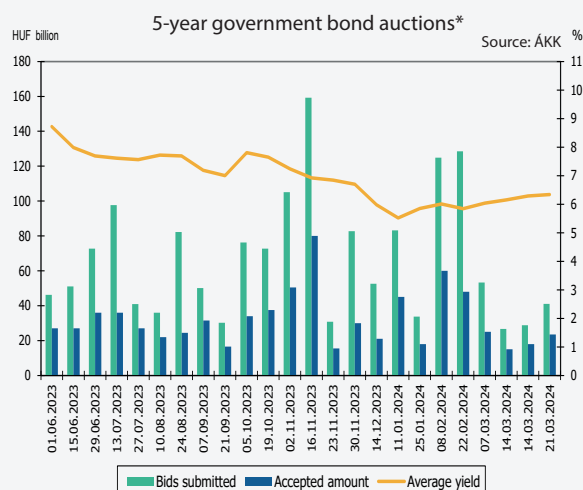
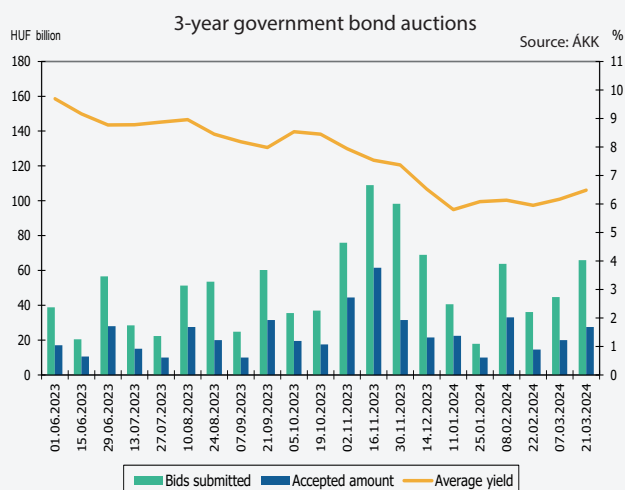


GOVERNMENT BOND AUCTION RESULTS

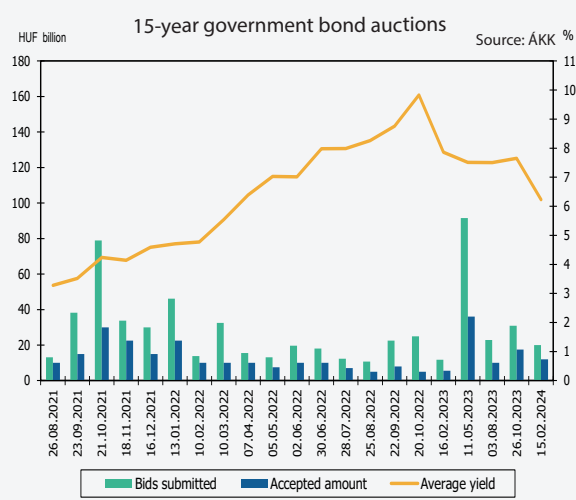
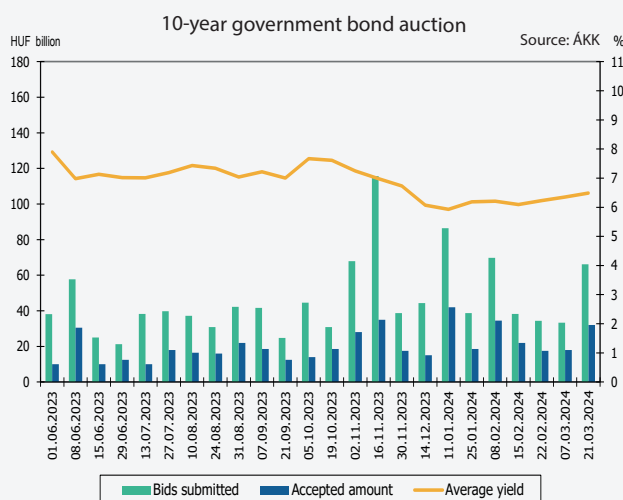
Government Bond	2026/H	2028/A	2035/A	2029/A	2032/G
ISIN code	HU0000406160	HU0000402532	HU0000406624	HU0000404603	HU0000405535
Maturity (in years)	3	5	10	5	7
Coupon	9.50%	6.75%	7.00%	2.00%	4.50%
Auction	30th auction	77th auction	13th auction	71st auction	15th auction
Date of auction	07.03.2024	07.03.2024	07.03.2024	14.03.2024	14.03.2024
Date of financial settlement	13.03.2024	13.03.2024	13.03.2024	20.03.2024	20.03.2024
Redemption date	21.10.2026	22.10.2028	24.10.2035	23.05.2029	27.05.2032
Maximum annual yield (%) - ISMA	6.19	6.05	6.37	6.19	6.31
Minimum annual yield (%) - ISMA	6.12	6.00	6.32	6.10	6.23
Average annual yield (%) - ISMA	6.17	6.04	6.35	6.15	6.29
Maximum annual yield (%) - EHM	6.19	6.04	6.37	6.19	6.31
Minimum annual yield (%) - EHM	6.12	5.99	6.32	6.10	6.23
Average annual yield (%) - EHM	6.16	6.03	6.34	6.14	6.28
Maximum price (%)	107.8548	102.8975	105.4034	82.2526	89.1433
Minimum price (%)	107.6809	102.6973	104.9866	81.9086	88.6772
Average price (%)	107.7427	102.7561	105.1784	82.0698	88.8011
Amount offered for sale (HUF million)	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00
Amount of bids submitted (HUF million)	44,712.70	53,300.00	33,367.78	26,700.00	28,800.00
Amount of bids accepted (HUF million)	19,999.99	24,999.96	18,000.00	15,000.00	17,999.99
Bid-to-cover ratio	2.24	2.13	1.85	1.78	1.60
Bids submitted (pcs)	42	61	44	27	42
Bids accepted (pcs)	25	33	27	14	30
Tail (%) (average price - minimum price)	0.06	0.06	0.19	0.16	0.12
Market sales (HUF million)	19,999.99	24,999.96	18,000.00	15,000.00	17,999.99
Non-competitive offer (HUF million)	6,091.23	8,708.82	5,285.20	1,240.00	4,788.88
Total amount sales (HUF million)	26,091.22	33,708.78	23,285.20	16,240.00	22,788.87

Government Bond	2026/H	2028/A	2035/A	2029/B	2032/B
ISIN code	HU0000406160	HU0000402532	HU0000406624	HU0000404926	HU0000406087
Maturity (in years)	3	5	10	5	7
Coupon	9.50%	6.75%	7.00%	8.90%	8.83%
Auction	31st auction	78th auction	14th auction	47th auction	21st auction
Date of auction	21.03.2024	21.03.2024	21.03.2024	28.03.2024	28.03.2024
Date of financial settlement	27.03.2024	27.03.2024	27.03.2024	03.04.2024	03.04.2024
Redemption date	21.10.2026	22.10.2028	24.10.2035	22.08.2029	25.08.2032
Maximum annual yield (%) - ISMA	6.49	6.40	6.50	-	-
Minimum annual yield (%) - ISMA	6.44	6.28	6.46	-	-
Average annual yield (%) - ISMA	6.48	6.34	6.49	-	-
Maximum annual yield (%) - EHM	6.49	6.39	6.50	-	-
Minimum annual yield (%) - EHM	6.44	6.27	6.45	-	-
Average annual yield (%) - EHM	6.47	6.34	6.48	-	-
Maximum price (%)	106.9646	101.7684	104.2403	100.3100	99.7600
Minimum price (%)	106.8434	101.2991	103.9035	100.1000	99.6600
Average price (%)	106.8776	101.5283	104.0231	100.1700	99.6700
Amount offered for sale (HUF million)	10,000.00	12,000.00	10,000.00	10,000.00	13,000.00
Amount of bids submitted (HUF million)	65,895.00	40,995.50	66,190.30	13,519.26	84,950.76
Amount of bids accepted (HUF million)	27,500.00	23,499.97	31,999.97	10,000.00	46,499.99
Bid-to-cover ratio	2.40	1.74	2.07	1.35	1.83
Bids submitted (pcs)	39	51	76	24	55
Bids accepted (pcs)	15	23	34	19	15
Tail (%) (average price - minimum price)	0.03	0.23	0.12	0.07	0.01
Market sales (HUF million)	27,500.00	23,499.97	31,999.97	10,000.00	46,499.99
Non-competitive offer (HUF million)	2,380.00	0.00	10,099.07	1,200.00	14,359.98
Total amount sales (HUF million)	29,880.00	23,499.97	42,099.04	11,200.00	60,859.97

Source: ÁKK



*The graph shows the yield on fixed-rate bonds.



GOVERNMENT SECURITIES BUY-BACK AUCTION RESULTS

Government bond	2024/B	2024/C	2024/B	2024/C
ISIN code	HU0000403068	HU0000403571	HU0000403068	HU0000403571
Coupon (%)	3.0%	2.5%	3.0%	2.5%
Date of reverse auction	06.03.2024	06.03.2024	20.03.2024	20.03.2024
Date of financial settlement	13.03.2024	13.03.2024	27.03.2024	27.03.2024
Redemption date	26.06.2024	24.10.2024	26.06.2024	24.10.2024
Minimum annual yield (%)	7.00	7.00	6.89	7.00
Average annual yield- ISMA (%)	7.08	7.02	6.94	7.03
Average annual yield - EHM (%)	6.89	6.91	6.75	6.91
Amount of bids submitted (HUF million)	30,135.22	54,438.02	11,040.00	22,769.37
Amount of bids accepted (HUF million)	30,135.22	46,400.00	8,820.00	19,769.37

Source: ÁKK

INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN MARCH 2024

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2025/K	21.03.2024	27.03.2024	27.03.2025	27.03.2025	18.35%	18.35%
2025/N	25.03.2024	30.03.2024	30.06.2024	01.07.2024	7.66%	1.96%
2027/I	19.03.2024	24.03.2024	24.03.2025	24.03.2025	19.10%	19.10%
2028/N	18.03.2024	22.03.2024	22.03.2025	24.03.2025	9.75%	9.89%
2028/O	18.03.2024	22.03.2024	22.03.2025	24.03.2025	9.75%	9.89%
2029/J	14.03.2024	21.03.2024	21.03.2025	21.03.2025	19.10%	19.10%
2030/J	13.03.2024	20.03.2024	20.03.2025	20.03.2025	19.10%	19.10%

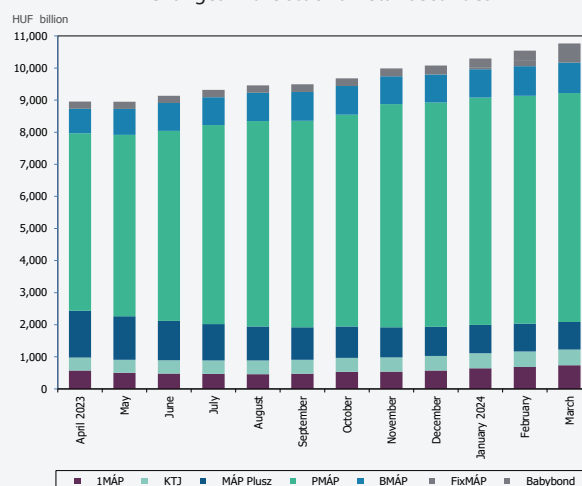
Source: ÁKK

OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2023	31.03.2024	Change
1-year Hungarian Government Security / 1MÁP	574.0	738.7	164.7
Treasury Saving Bills / KTJ	453.7	486.6	32.9
Hungarian Government Security Plus / MÁP Plusz	907.3	859.8	-47.6
Premium Hungarian Government Security / PMÁP	6,992.7	7,134.2	141.5
Bonus Hungarian Government Security / BMÁP	873.2	949.8	76.6
Fix Hungarian Government Security / FixMÁP	0.0	268.6	268.6
Babybond	276.1	327.9	51.8
Total	10,077.1	10,765.6	688.5

Source: ÁKK

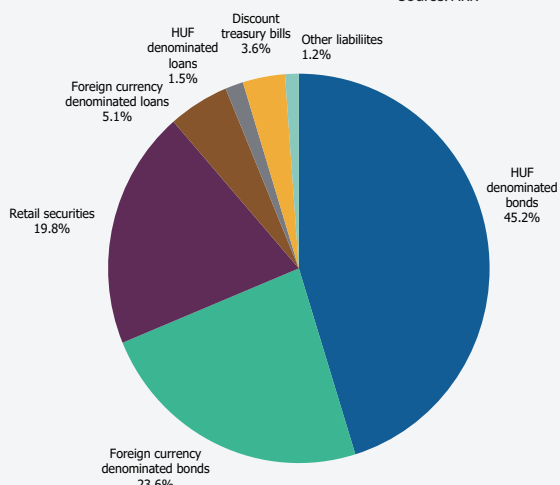
Changes in the stock of retail securities



Source: ÁKK

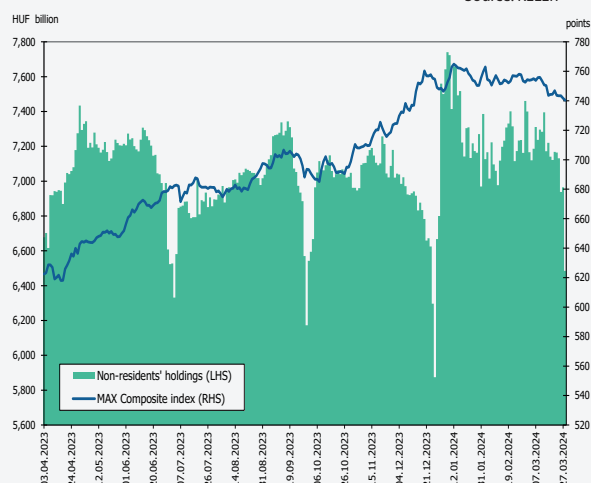
Debt structure at 31.03.2024

Source: ÁKK



Non-residents' holdings of Hungarian government securities and the MAX index

Source: KELER



HUNGARIAN GOVERNMENT SECURITIES INDICES

	MAX index	HMAX index	MAX Composite index	RMAX index	ZMAX index
Value as at 28.03.2024	771.8324	89.4094	740.3282	668.1890	660.7348
Changes compared to the end of the previous month	-14.6872	-2.3266	-12.2823	3.5200	3.7213
Annual yield earned on the index portfolio (%)	17.67	17.99	17.25	14.15	12.22

Source: ÁKK

Government bonds with the highest secondary market turnover in March 2024

Government bond	Date of redemption	Turnover (HUF billion)
2028/A	22.10.2028	388.7
2026/H	21.10.2026	314.2
2032/A	24.11.2032	267.0
2030/A	21.08.2030	189.6
2035/A	24.10.2035	176.5
2027/A	27.10.2027	120.9
2032/B	25.08.2032	97.8
2029/A	23.05.2029	86.0
2033/A	20.04.2033	80.9
2031/A	22.10.2031	79.0

Source: Primary Dealers, ÁKK

The outstanding volume of government bonds with benchmark status at the end of March 2024

Government bond	HUF billion	
	29.02.2024	31.03.2024
2026/H	777.1	833.3
2028/A	1,902.8	1,960.0
2035/A	267.7	333.2
2038/A	1,003.2	1,003.2
2041/A	600.2	600.3

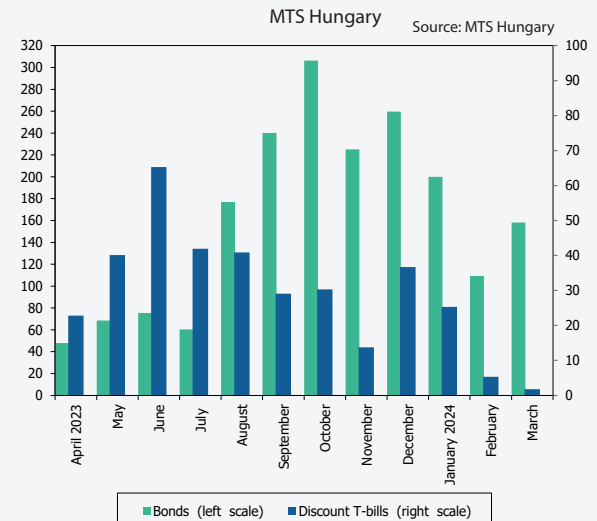
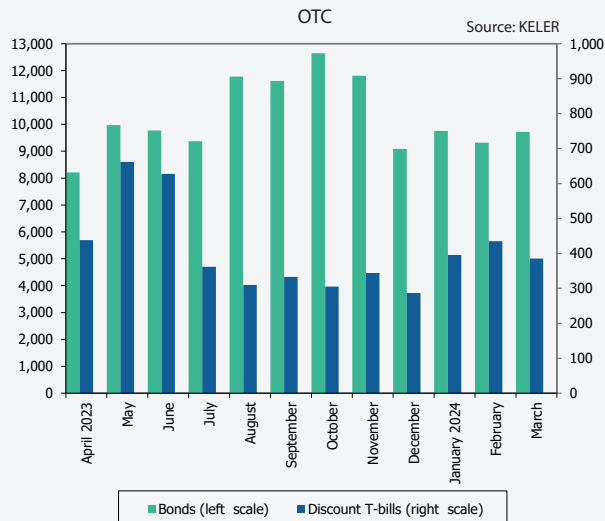
Source: ÁKK

The outstanding volume of the three largest government bonds at the end of March 2024

Government bond	HUF billion
2028/A	1,960.0
2031/A	1,540.1
2033/A	1,445.0

Source: ÁKK

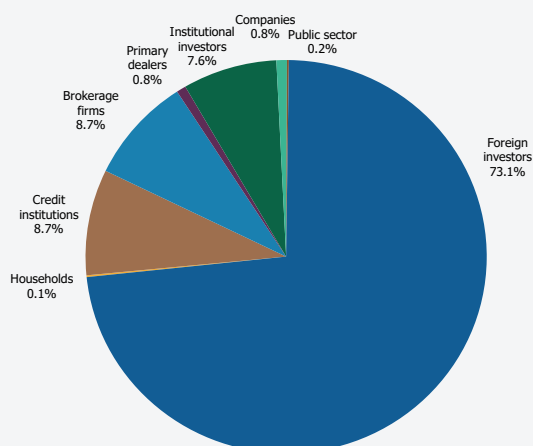
Secondary market trading of Hungarian government securities (HUF billion)



Breakdown of primary dealers' secondary market turnover by investor groups in March 2024

Government Bonds

Source: Primary Dealers, ÁKK



Discount Treasury Bills

Source: Primary Dealers, ÁKK

