



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

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GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
FEBRUARY 2024



The Central Government Debt increased by HUF 2,850.6 billion to HUF 53,715.8 billion in 2024. Total net issuance was HUF 2,385.5 billion; out of which net HUF denominated issuance including repos was HUF 846.7 billion and net foreign currency denominated issuance was HUF 1,538.8 billion in 2024.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2023		2024		Change	
	December	%	February	%	HUF billion	%
HUF denominated debt	36,888.0	72.5	37,734.7	70.2	846.7	2.3
Loans	868.2	1.7	848.1	1.6	-20.1	-2.3
Government bonds	24,058.9	47.3	24,383.5	45.4	324.6	1.3
Retail securities	10,077.2	19.8	10,542.7	19.6	465.6	4.6
Discount treasury bills	1,883.8	3.7	1,960.4	3.6	76.6	4.1
Foreign exchange denominated debt	13,678.3	26.9	15,667.4	29.2	1,989.1	14.5
Total	50,566.3	99.4	53,402.1	99.4	2,835.7	5.6
Other obligations	298.8	0.6	313.7	0.6	14.8	5.0
Total central government debt	50,865.2	100.0	53,715.8	100.0	2,850.6	5.6

Source: ÁKK

The HUF denominated debt of the central government increased by HUF 846.7 billion in 2024. The increase in domestic debt was the result of the net government bond issuance of HUF 324.6 billion and the increase of discount Treasury bills by HUF 76.6 billion. The total amount of retail government securities increased by HUF 465.6 billion. The majority of the demand for retail government securities was the sale of Premium Hungarian Government Securities and Fix Hungarian Government Securities. The volume of HUF loans decreased by HUF 20.1 billion in 2024.

The foreign currency debt of the central government increased by HUF 1,989.1 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 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 18.6 billion. The exchange rate revaluations totalling HUF 450.2 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 1.1 billion and the repayments of domestic foreign currency bond by HUF 3.7 billion. The total amount of other liabilities increased by HUF 14.8 billion in 2024.

BENCHMARK YIELDS

Maturity	29.12.2023	31.01.2024	29.02.2024	Change in February basis point
3-month	6.23	6.86	6.61	-25
6-month	6.26	6.71	6.65	-6
1-year	6.45	6.73	6.57	-16
3-year	6.12	6.17	6.21	4
5-year	5.78	5.86	6.07	21
10-year	5.86	6.09	6.42	33
15-year	6.11	6.20	6.40	20
20-year	6.07	6.23	6.42	19

Source: ÁKK

Monthly OTC turnover of government securities decreased by 4% to HUF 9,753.8 billion in February. Primary dealers, who account for the decisive part of all secondary government securities trading, made 71% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities increased altogether by HUF 490.6 billion in February and amounted to HUF 7,460.0 billion at the end of February. This volume represented 20.2% of the total amount of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 393.89 on the last working day of February.

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

CENTRAL GOVERNMENT GROSS DEBT

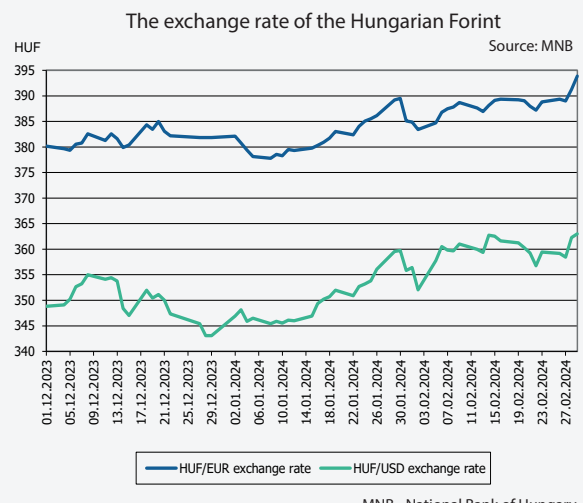
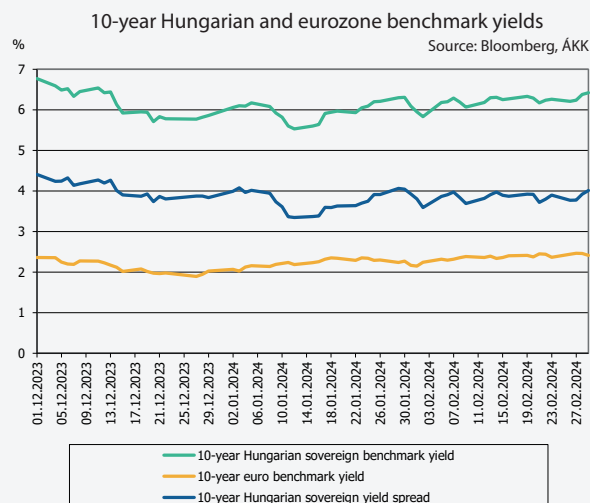
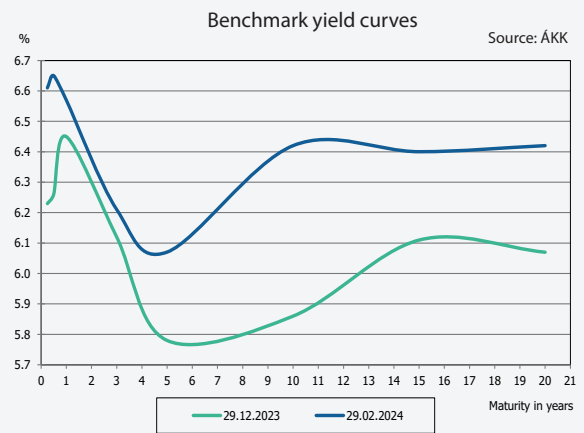
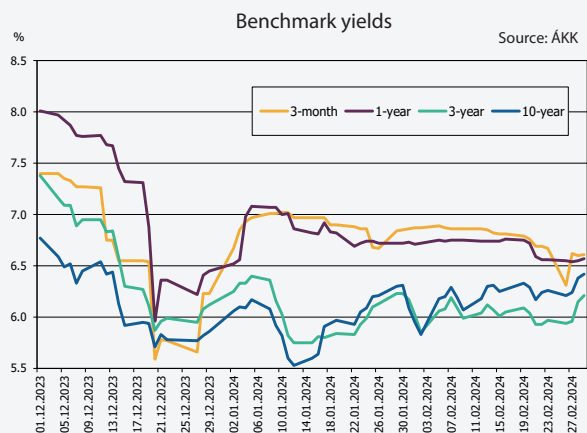
HUF BILLION

	2018	2019	2020	2021	2022	2023 December	2024 January	2024 February
1. Forint denominated debt	22,796.0	24,357.1	29,237.3	32,121.2	33,775.6	36,888.0	37,313.1	37,734.7
1.1. Loans	1,167.7	1,208.1	1,161.6	1,307.7	1,024.2	868.2	848.1	848.1
1.2. Government securities	21,628.3	23,149.0	28,075.7	30,813.5	32,751.4	36,019.8	36,465.0	36,886.6
1.2.1. Public issues	21,589.1	23,109.8	28,036.5	30,813.5	32,751.4	36,019.8	36,465.0	36,886.6
1.2.1.1. Bonds	12,836.1	13,378.5	18,206.6	20,220.0	22,346.3	24,058.9	24,241.6	24,383.5
1.2.1.2. Discount T-bills	1,237.3	657.3	658.2	583.2	1,785.8	1,883.8	1,925.7	1,960.4
1.2.1.3. Retail securities	7,515.7	9,074.0	9,171.7	10,010.2	8,619.4	10,077.2	10,297.7	10,542.7
1.2.2. Private placements	39.2	39.2	39.2	0.0	0.0	0.0	0.0	0.0
2. Foreign currency denominated debt*	5,724.8	5,121.2	7,318.2	8,395.2	11,397.3	13,678.3	15,298.2	15,667.4
2.1. Loans	795.0	825.4	1,291.1	1,345.2	1,959.1	2,670.0	2,758.4	2,834.1
2.2. Government securities	4,929.8	4,295.8	6,027.1	7,049.9	9,438.2	11,008.3	12,539.7	12,833.3
2.2.1. Issued abroad	4,246.2	3,713.5	5,481.3	6,594.9	9,085.5	10,535.4	12,056.0	12,331.5
2.2.2. Issued domestically	683.6	582.3	545.9	455.0	352.8	472.9	483.7	501.8
Total	28,520.7	29,478.3	36,555.5	40,516.4	45,173.0	50,566.3	52,611.3	53,402.1
Other liabilities	167.40	203.70	128.80	180.60	389.40	298.80	318.40	313.70
Total central government debt	28,688.2	29,682.0	36,684.3	40,697.0	45,562.4	50,865.2	52,929.7	53,715.8
Marketable HUF debt (1.2.1.1+1.2.1.2+1.2.2)	14,112.6	14,075.0	18,904.0	20,803.2	24,132.1	25,942.7	26,167.3	26,343.9
Gross debt/GDP	66.1%	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



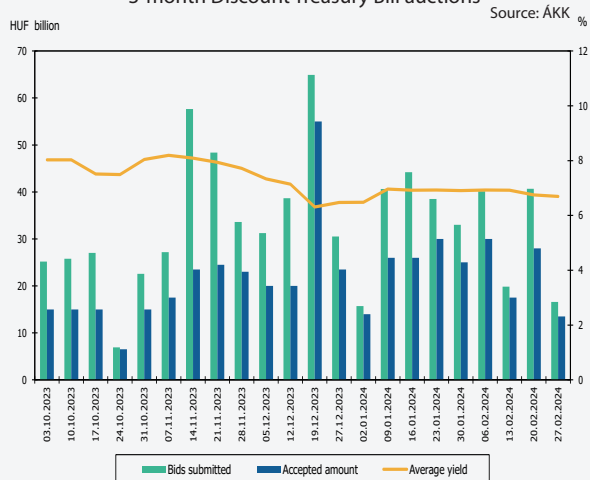
MNB - National Bank of Hungary

DISCOUNT TREASURY BILL AUCTION RESULTS

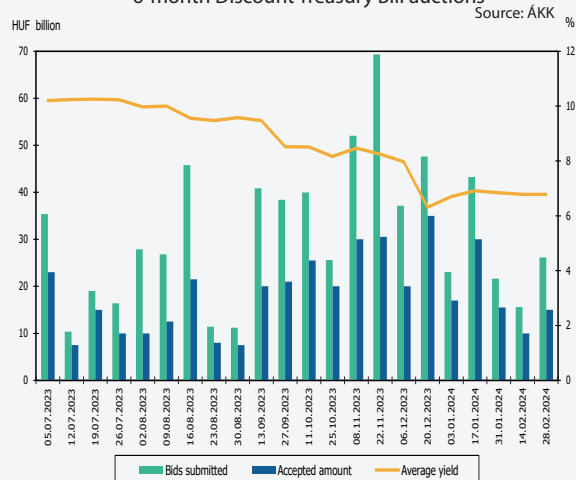
	3-month Discount T-bills				6-month Discount T-bills		12-month Discount T-bills		
Code of T-bills	D240529	D240529	D240626	D240626	D240821	D240821	D241223	D250219	D250219
ISIN code	HU0000525084	HU0000525084	HU0000524756	HU0000524756	HU0000524830	HU0000524830	HU0000525019	HU0000525076	HU0000525076
Maturity in days	105	98	119	112	182	168	320	364	350
Date of auction	06.02.2024	13.02.2024	20.02.2024	27.02.2024	14.02.2024	28.02.2024	01.02.2024	15.02.2024	29.02.2024
Date of financial settlement	14.02.2024	21.02.2024	28.02.2024	06.03.2024	21.02.2024	06.03.2024	07.02.2024	21.02.2024	06.03.2024
Redemption date	29.05.2024	29.05.2024	26.06.2024	26.06.2024	21.08.2024	21.08.2024	23.12.2024	19.02.2025	19.02.2025
Maximum yield (%) - ISMA	6.97	6.95	6.83	6.80	6.85	6.85	6.86	6.84	6.74
Minimum yield (%) - ISMA	6.40	6.20	6.60	6.50	6.70	6.50	6.73	6.69	6.55
Average yield (%) - ISMA	6.93	6.92	6.75	6.69	6.78	6.78	6.83	6.81	6.70
Maximum yield (%) - EHM	7.07	7.05	6.92	6.89	6.95	6.94	6.96	6.93	6.83
Minimum yield (%) - EHM	6.49	6.29	6.69	6.59	6.79	6.59	6.82	6.78	6.64
Average yield (%) - EHM	7.02	7.01	6.84	6.78	6.87	6.88	6.92	6.91	6.80
Average selling price (%)	98.0193	98.1520	97.8186	97.9607	96.6856	96.9317	94.2768	93.5536	93.8812
Amount offered for sale (HUF million)	30,000.00	30,000.00	20,000.00	25,000.00	30,000.00	25,000.00	30,000.00	30,000.00	30,000.00
Amount of bids submitted (HUF million)	40,160.03	19,821.19	40,681.56	16,598.72	15,605.58	26,149.95	81,806.62	71,147.07	96,956.25
Amount of bids accepted (HUF million)	29,999.94	17,499.99	27,999.99	13,499.98	9,999.99	15,000.00	43,999.98	47,999.98	43,999.96
Bid-to-cover ratio	1.34	1.13	1.45	1.23	1.56	1.74	1.86	1.48	2.20
Bids submitted (pcs)	82	40	54	83	53	42	75	59	116
Bids accepted (pcs)	63	35	29	79	29	36	50	35	68
Market sales (HUF million)	29,999.94	17,499.99	27,999.99	13,499.98	9,999.99	15,000.00	43,999.98	47,999.98	43,999.96
Retained on ÁKK's own account (HUF million)	0.06	8,000.01	21,000.01	0.02	0.01	-	2,000.02	48,000.02	53,000.04
Total amount issued (HUF million)	30,000.00	25,500.00	49,000.00	13,500.00	10,000.00	15,000.00	46,000.00	96,000.00	97,000.00

Source: ÁKK

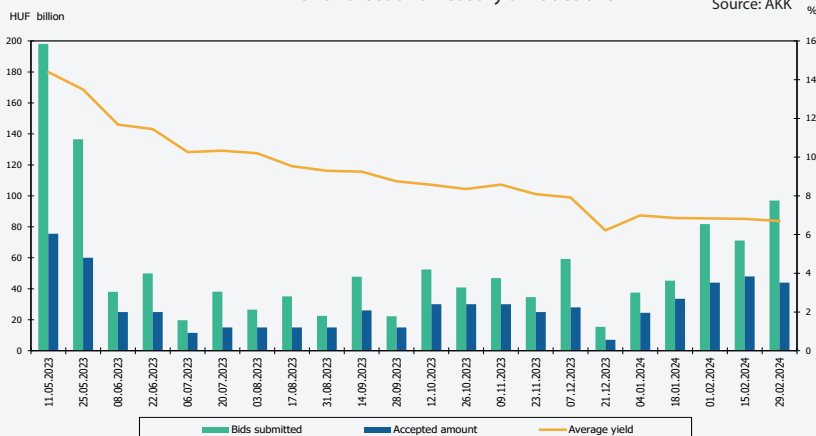
3-month Discount Treasury Bill auctions



6-month Discount Treasury Bill auctions



12-month Discount Treasury Bill auctions

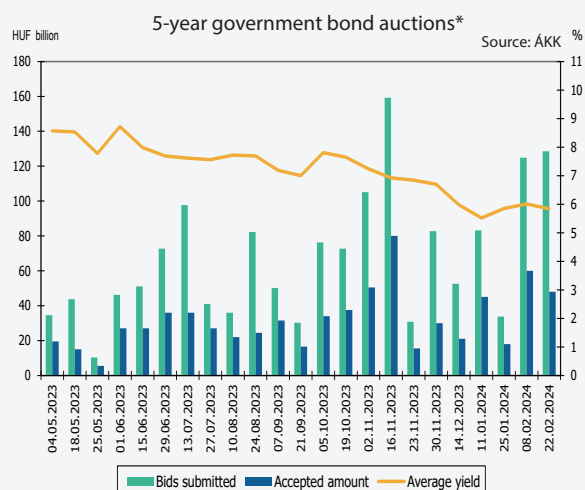
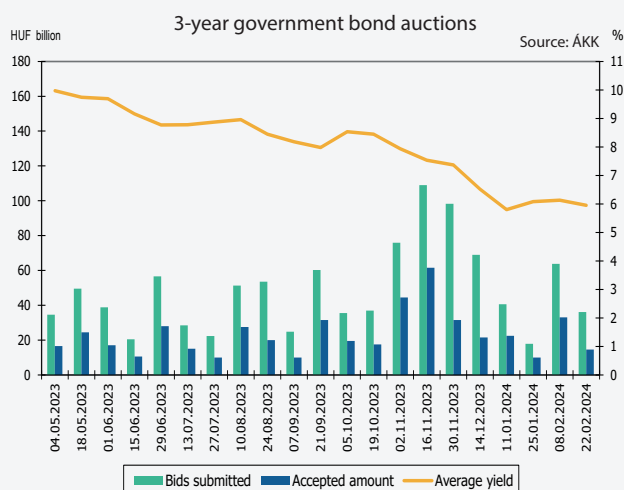


GOVERNMENT BOND AUCTION RESULTS

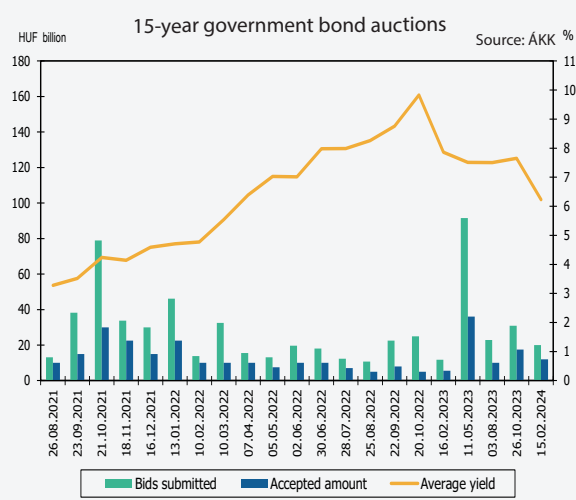
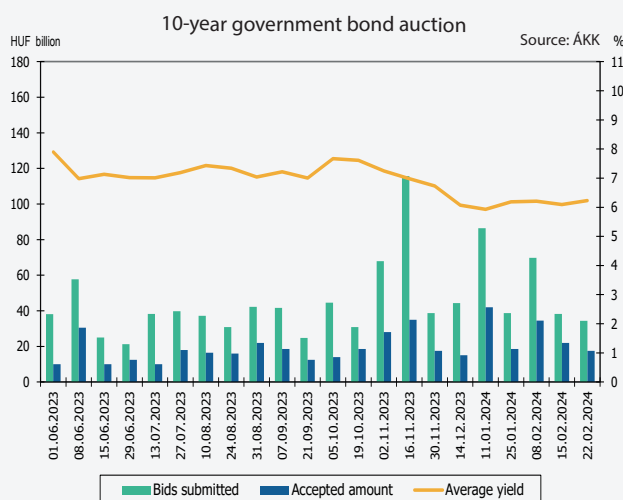
Government Bond	2032/B	2026/H	2028/A	2035/A	2033/A
ISIN code	HU0000406087	HU0000406160	HU0000402532	HU0000406624	HU0000404744
Maturity (in years)	10	3	5	10	10
Coupon	10.82%	9.50%	6.75%	7.00%	2.25%
Auction	19th auction	28th auction	75th auction	11th auction	59th auction
Date of auction	01.02.2024	08.02.2024	08.02.2024	08.02.2024	15.02.2024
Date of financial settlement	07.02.2024	14.02.2024	14.02.2024	14.02.2024	21.02.2024
Redemption date	25.08.2032	21.10.2026	22.10.2028	24.10.2035	20.04.2033
Maximum annual yield (%) - ISMA	-	6.15	6.02	6.23	6.10
Minimum annual yield (%) - ISMA	-	6.06	5.95	6.15	6.08
Average annual yield (%) - ISMA	-	6.13	6.01	6.21	6.09
Maximum annual yield (%) - EHM	-	6.15	6.01	6.23	6.10
Minimum annual yield (%) - EHM	-	6.06	5.94	6.15	6.08
Average annual yield (%) - EHM	-	6.12	6.00	6.21	6.09
Maximum price (%)	99.2100	108.2291	103.1480	106.8698	73.6813
Minimum price (%)	98.9800	107.9990	102.8632	106.1886	73.5600
Average price (%)	99.0400	108.0623	102.9029	106.3442	73.5993
Amount offered for sale (HUF million)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	88,573.40	63,808.00	124,854.00	69,800.00	38,300.00
Amount of bids accepted (HUF million)	38,499.98	32,999.96	60,000.00	34,499.94	22,000.00
Bid-to-cover ratio	2.30	1.93	2.08	2.02	1.74
Bids submitted (pcs)	94	46	67	77	44
Bids accepted (pcs)	29	28	31	44	16
Tail (%) (average price - minimum price)	0.06	0.06	0.04	0.16	0.04
Market sales (HUF million)	38,499.98	32,999.96	60,000.00	34,499.94	22,000.00
Non-competitive offer (HUF million)	14,791.54	8,399.97	17,520.00	12,512.21	4,440.00
Total amount sales (HUF million)	53,291.52	41,399.93	77,520.00	47,012.15	26,440.00

Government Bond	2038/A	2026/H	2028/A	2035/A	2029/B	2032/B
ISIN code	HU0000403555	HU0000406160	HU0000402532	HU0000406624	HU0000404926	HU0000406087
Maturity (in years)	15	3	5	10	5	7
Coupon	3.00%	9.50%	6.75%	7.00%	8.90%	8.83%
Auction	64th auction	29th auction	76th auction	12th auction	46th auction	20th auction
Date of auction	15.02.2024	22.02.2024	22.02.2024	22.02.2024	29.02.2024	29.02.2024
Date of financial settlement	21.02.2024	28.02.2024	28.02.2024	28.02.	06.03.2024	06.03.2024
Redemption date	27.10.2038	21.10.2026	22.10.2028	24.10.2035	22.08.2029	25.08.2032
Maximum annual yield (%) - ISMA	6.24	5.96	5.89	6.25	-	-
Minimum annual yield (%) - ISMA	6.21	5.93	5.81	6.18	-	-
Average annual yield (%) - ISMA	6.23	5.95	5.84	6.23	-	-
Maximum annual yield (%) - EHM	6.24	5.96	5.88	6.25	-	-
Minimum annual yield (%) - EHM	6.21	5.93	5.80	6.18	-	-
Average annual yield (%) - EHM	6.23	5.95	5.84	6.23	-	-
Maximum price (%)	69.6363	108.4463	103.6920	106.6003	100.4100	99.3600
Minimum price (%)	69.4095	108.3694	103.3661	106.0044	100.2800	99.1000
Average price (%)	69.4805	108.3890	103.5497	106.1471	100.3300	99.2300
Amount offered for sale (HUF million)	12,000.00	12,000.00	12,000.00	10,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	19,976.24	36,050.00	128,500.00	34,362.93	24,914.25	102,504.00
Amount of bids accepted (HUF million)	12,000.00	14,500.00	47,999.97	17,499.97	10,000.00	39,999.98
Bid-to-cover ratio	1.66	2.49	2.68	1.96	2.49	2.56
Bids submitted (pcs)	40	33	63	52	33	77
Bids accepted (pcs)	21	15	37	29	17	29
Tail (%) (average price - minimum price)	0.07	0.02	0.18	0.14	0.05	0.13
Market sales (HUF million)	12,000.00	14,500.00	47,999.97	17,499.97	10,000.00	39,999.98
Non-competitive offer (HUF million)	1,999.99	3,680.00	16,052.37	3,837.06	3,517.90	15,566.72
Total amount sales (HUF million)	13,999.99	18,180.00	64,052.34	21,337.03	13,517.90	55,566.70

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	07.02.2024	07.02.2024	21.02.2024	21.02.2024
Date of financial settlement	14.02.2024	14.02.2024	28.02.2024	28.02.2024
Redemption date	26.06.2024	24.10.2024	26.06.2024	24.10.2024
Minimum annual yield (%)	6.76	6.70	6.97	6.80
Average annual yield- ISMA (%)	6.79	6.74	6.99	6.80
Average annual yield - EHM (%)	6.63	6.65	6.81	6.70
Amount of bids submitted (HUF million)	147,686.26	69,964.25	95,569.72	122,150.85
Amount of bids accepted (HUF million)	72,680.72	45,334.25	59,529.72	41,925.85

INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN FEBRUARY 2024

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2025/I	14.02.2024	20.02.2024	20.02.2025	20.02.2025	19.00%	19.00%
2026/J	14.02.2024	20.02.2024	20.02.2025	20.02.2025	18.35%	18.35%
2027/K	20.02.2024	24.02.2024	24.02.2025	24.02.2025	18.35%	18.35%
2027/N	20.02.2024	26.02.2024	26.05.2024	27.05.2024	8.37%	2.09%
2028/I	19.02.2024	23.02.2024	23.02.2025	24.02.2025	19.10%	19.10%
2029/I	15.02.2024	21.02.2024	21.02.2025	21.02.2025	19.10%	19.10%
2029/B	19.02.2024	22.02.2024	22.05.2024	22.05.2024	8.90%	2.23%
2030/I	14.02.2024	20.02.2024	20.02.2025	20.02.2025	19.10%	19.10%
2032/B	21.02.2024	25.02.2024	25.05.2024	27.05.2024	8.83%	2.21%

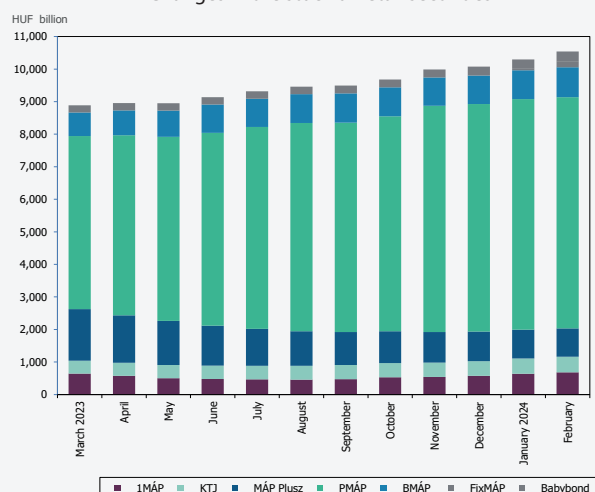
Source: ÁKK

OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2023	29.02.2024	Change
1-year Hungarian Government Security / 1MÁP	574.0	685.1	111.1
Treasury Saving Bills / KTJ	453.7	479.4	25.7
Hungarian Government Security Plus / MÁP Plusz	907.3	869.3	-38.0
Premium Hungarian Government Security / PMÁP	6,992.7	7,103.1	110.4
Bonus Hungarian Government Security / BMÁP	873.2	920.5	47.3
Fix Hungarian Government Security / FixMÁP	0.0	164.3	164.3
Babybond	276.1	321.1	45.0
Total	10,077.1	10,542.7	465.6

Source: ÁKK

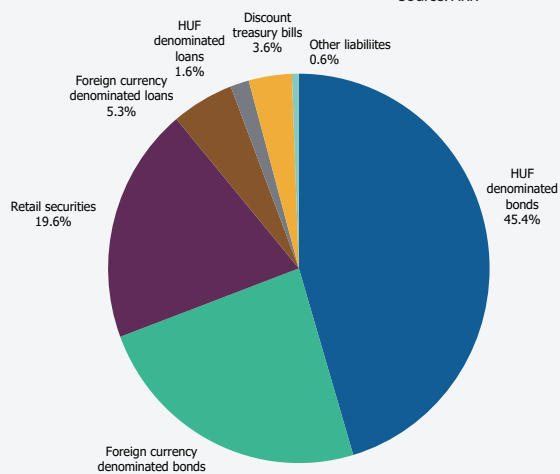
Changes in the stock of retail securities



Source: ÁKK

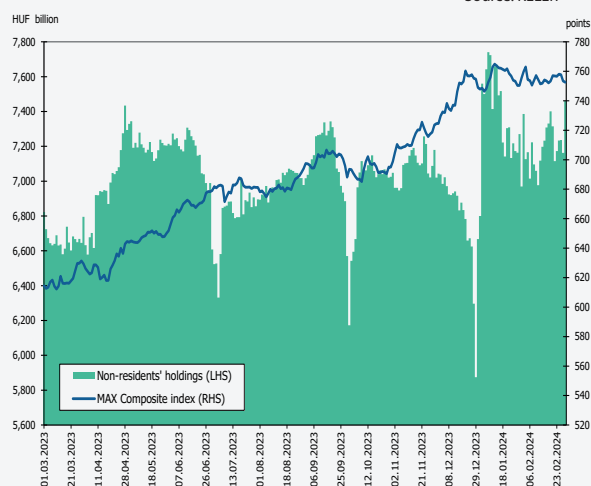
Debt structure at 29.02.2024

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 29.02.2024	786.5196	91.7360	752.6105	664.6690	657.0135
Changes compared to the end of the previous month	-3.8315	-0.9959	-2.9069	2.9514	3.2018
Annual yield earned on the index portfolio (%)	23.02	24.34	22.11	14.94	12.73

Source: ÁKK

Government bonds with the highest secondary market turnover in February 2024

Government bond	Date of redemption	Turnover (HUF billion)
2026/H	21.10.2026	445.7
2028/A	22.10.2028	406.3
2032/A	24.11.2032	224.2
2031/A	22.10.2031	190.9
2035/A	24.10.2035	180.4
2033/A	20.04.2033	158.3
2024/B	26.06.2024	133.3
2030/A	21.08.2030	117.2
2038/A	27.10.2038	112.6
2024/C	24.10.2024	77.5

Source: Primary Dealers, ÁKK

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

Government bond	HUF billion	
	31.01.2024	29.02.2024
2026/H	717.30	777.12
2028/A	1,761.22	1,902.77
2035/A	199.33	267.74
2038/A	989.17	1,003.15
2041/A	600.14	600.17

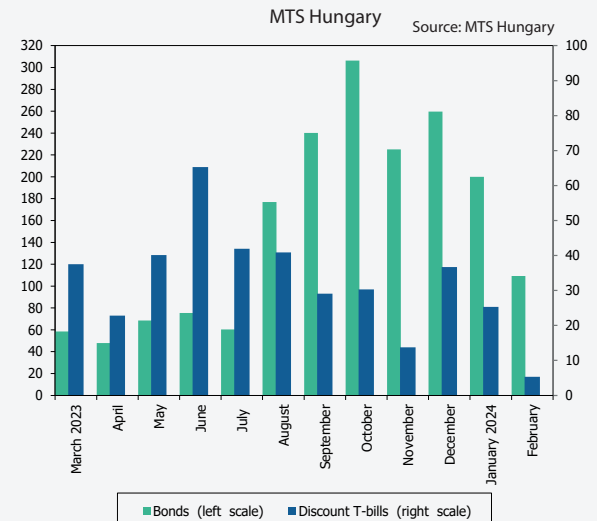
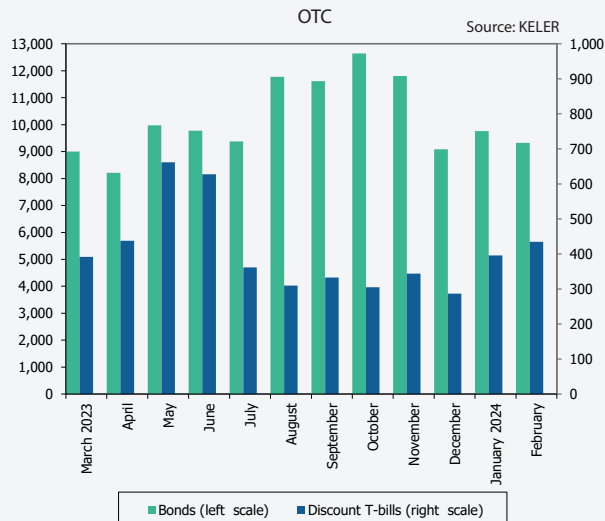
Source: ÁKK

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

Government bond	HUF billion
2028/A	1,902.77
2031/A	1,540.15
2025/C	1,438.93

Source: ÁKK

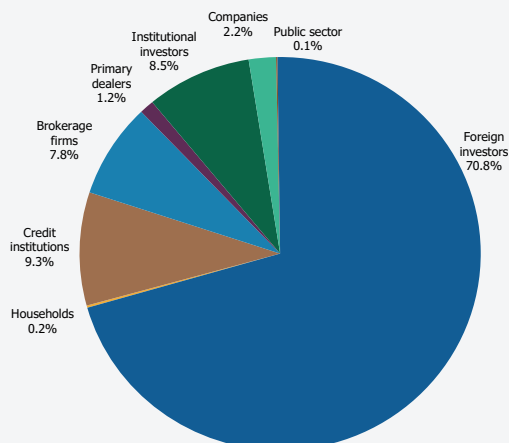
Secondary market trading of Hungarian government securities (HUF billion)



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

Government Bonds

Source: Primary Dealers, ÁKK



Discount Treasury Bills

Source: Primary Dealers, ÁKK

