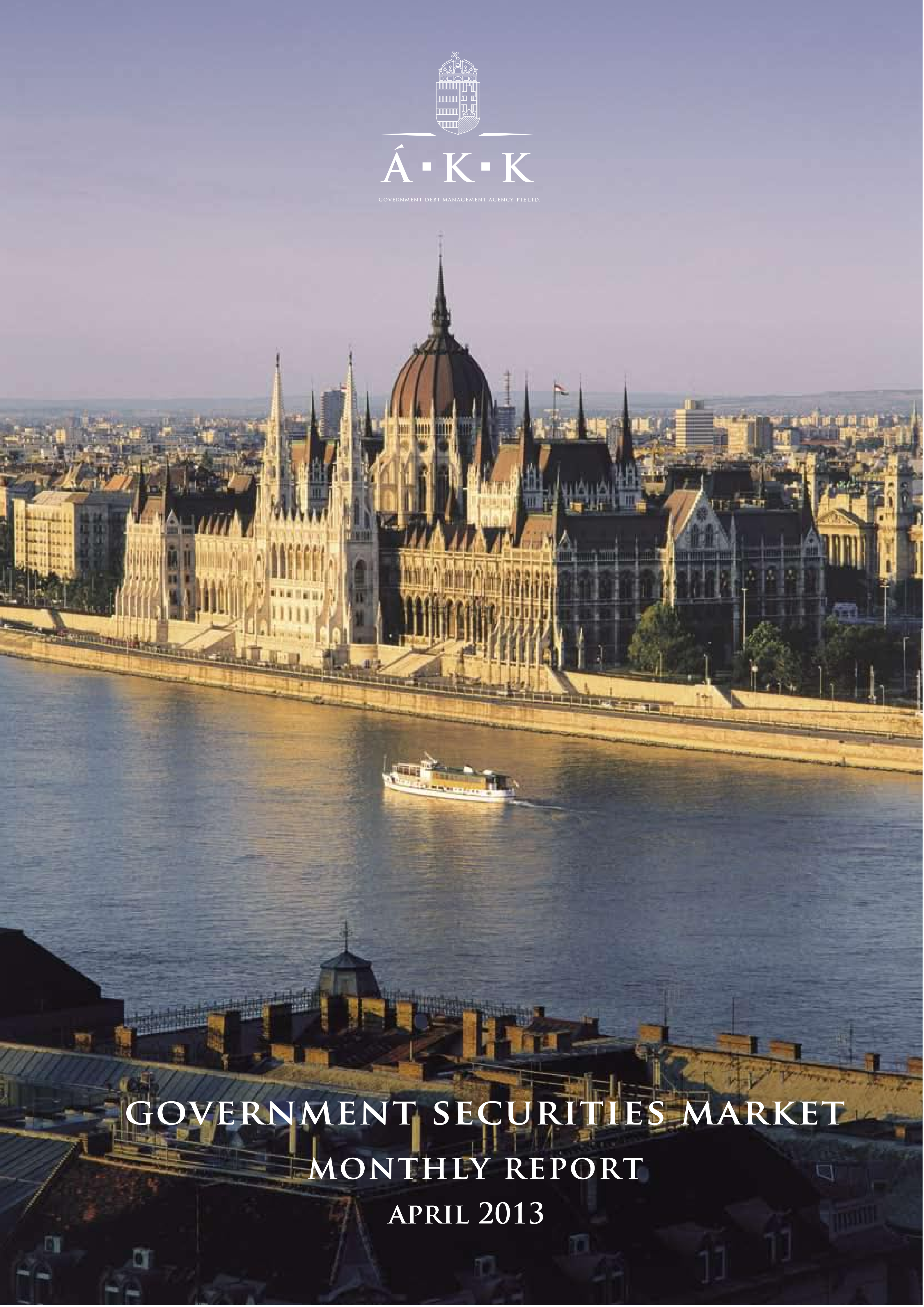

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GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

GOVERNMENT SECURITIES MARKET

MONTHLY REPORT

APRIL 2013

The deficit of the central government amounted to HUF 530.1 billion in the first 4 months of 2013. The net prefinancing of cash transfers from the European Union decreased the net borrowing requirement by HUF 9.0 billion. Thus, the total net financing requirement amounted to HUF 521.1 billion in April. Net issuance was HUF 847.5 billion; out of which net HUF-denominated issuance was HUF 514.4 billion and net foreign currency denominated issuance was HUF 333.0 billion.

	2012		2013		Change	
HUF billion	December	%	April	%	HUF billion	%
Foreign exchange denominated debt	8,326.6	48.5	8,931.2	41.1	604.6	7.3
Government securities	5,014.1	27.3	5,719.6	26.3	705.5	14.1
Loans	3,312.5	21.3	3,211.6	14.8	-100.8	-3.0
HUF denominated debt	12,042.4	49.4	12,551.9	57.7	509.4	4.2
Government securities	11,475.6	46.6	11,987.0	55.1	511.4	4.5
Loans	566.8	2.8	564.8	2.6	-2.0	-0.4
Total	20,369.0	98.0	21,483.1	98.7	1,114.1	5.5
Other obligations	351.1	2.0	273.8	1.3	-77.3	-22.0
Total central government debt	20,720.1	100.0	21,756.9	100.0	1,036.8	5.0

The HUF denominated debt of the central government increased by HUF 509.4 billion in the first 4 months of 2013 (the difference between the total net change and the net issuance was caused by the change in the volume of matured but unclaimed securities). The increase in domestic debt was the result of net government bond issuance of HUF 84.5 billion, the amount of discount Treasury bills increased by HUF 233.3 billion and the total amount of retail government securities increased by HUF 271.2 billion. The stock of non-marketable government bonds decreased by HUF 77.5 billion because of redemption. The volume of HUF loans decreased by HUF 2.0 billion in the first 4 months of the year.

The foreign currency debt of the central government increased by HUF 604.6 billion in the first 4 months of 2013. The foreign currency bond issue increased the debt by HUF 712.4 billion, the P€MAK bond issuance also increased the debt by HUF 373.5 billion, the drawdown of foreign currency denominated loans worth HUF 100.4 billion increased, while the redemptions of foreign currency debt worth HUF 853.2 billion decreased the debt. The exchange rate revaluations totalling HUF 271.6 billion increased the Hungarian Forint value of the foreign currency debt in 2013.

Benchmark yields

Maturity	28.12.2012.	28.03.2013.	30.04.2013.	Change, basis points
3-month	5.33	4.71	4.21	-50
6-month	5.28	4.63	4.08	-55
1-year	5.40	4.58	4.08	-50
3-year	5.61	5.12	4.65	-47
5-year	5.89	5.61	4.93	-68
10-year	6.11	6.27	5.32	-95
15-year	6.11	6.43	5.53	-90

Monthly OTC turnover of government securities was 45 % higher in April than a month before and reached HUF 4,702.3 billion. Primary dealers, who account for the decisive part of all secondary government securities trading, made 68% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities increased altogether by HUF 66.7 billion in April, and amounted to HUF 4,903.9 billion at the end of the month. This volume represented 40.9% of the total amount of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 300.03 on the last working day of April.

The credit rating of the long-term foreign currency debt of the Republic of Hungary is as follows on the last working day of April: BB (Standard & Poor's); Ba1 (Moody's); BB+ (Fitch).

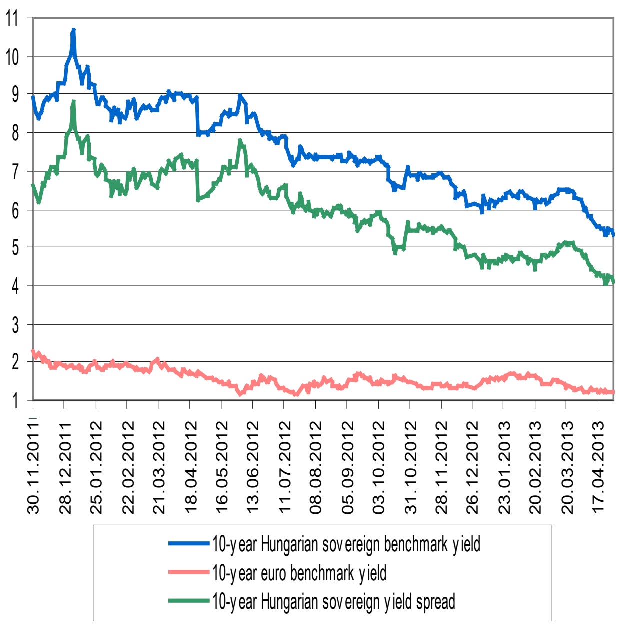
CENTRAL GOVERNMENT GROSS DEBT

HUF BILLION

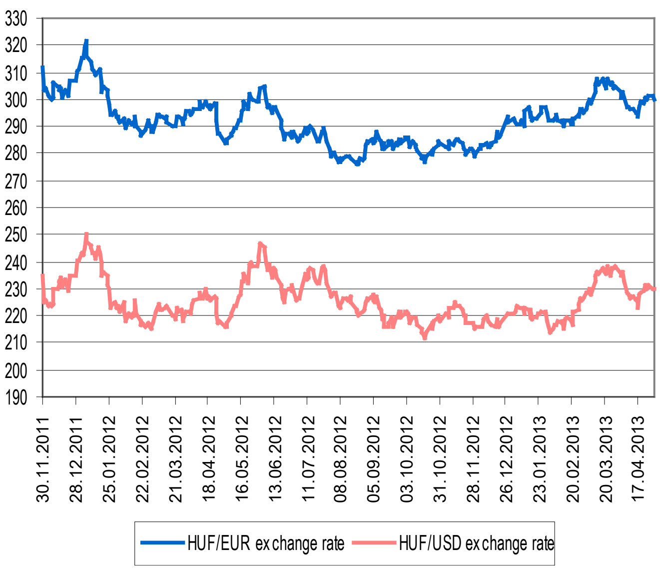
	2007	2008	2009	2010	2011	2012	February 2013	March 2013	April 2013
1. Forint denominated debt	11,103.8	11,250.6	10,476.2	10,978.2	10,362.2	12,042.4	12,350.5	12,436.9	12,551.9
1.1. Loans	145.7	219.9	438.7	540.8	590.8	566.8	565.8	565.8	564.8
1.2. Government securities	10,958.1	11,030.7	10,037.5	10,437.4	9,771.4	11,475.6	11,784.7	11,871.0	11,987.0
1.2.1. Public issues	10,465.4	10,599.7	9,613.2	10,019.6	9,378.1	11,077.1	11,386.2	11,549.2	11,666.1
1.2.1.1. Bonds	8,245.3	8,570.6	7,519.2	7,965.8	7,353.4	8,184.1	8,190.5	8,228.5	8,268.5
1.2.1.2. Discount T-bills	1,664.9	1,482.4	1,647.3	1,618.2	1,540.9	1,906.5	2,085.8	2,143.7	2,139.7
1.2.1.3. Retail securities	555.2	546.4	446.6	435.7	473.8	986.6	1,109.9	1,177.0	1,257.8
1.2.2. Private placements	492.7	431.0	424.3	417.8	403.2	398.5	398.5	321.8	321.0
2. Foreign currency denominated debt*	4,472.6	6,774.8	8,466.7	8,842.8	10,170.4	8,326.6	9,034.1	8,967.8	8,931.2
2.1. Loans	846.5	2,529.4	4,112.7	4,292.8	4,458.1	3,312.5	3,172.2	3,198.7	3,211.6
2.1.1. Foreign loans	838.8	2,529.4	4,112.7	4,292.8	4,361.9	3,229.0	3,101.5	3,126.9	3,141.4
2.1.2. Domestic loans	104.0	0.0	0.0	0.0	96.2	83.5	70.7	71.8	70.3
2.1.2.1. Raised from National Bank of Hungary (NBH)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.1.2.2. Other loans	7.7	0.0	0.0	0.0	96.2	83.5	70.7	71.8	70.3
2.2. Government securities	3,626.1	4,245.5	4,354.0	4,550.0	5,712.3	5,014.1	5,862.0	5,769.2	5,719.6
2.2.1. Issued abroad	3,626.1	4,245.5	4,354.0	4,550.0	5,712.3	4,924.2	5,432.3	5,471.6	5,394.8
2.2.1.1. Foreign currency bonds	3,626.1	4,245.4	4,354.0	4,550.0	5,712.3	4,924.2	5,432.3	5,471.6	5,394.8
2.2.1.2. Kingdom of Hungary 1924 issues	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2.2. Issued domestically	0.0	0.0	0.0	0.0	0.0	89.9	429.7	297.5	324.7
Total	15,576.4	18,025.4	18,942.9	19,821.0	20,532.6	20,369.0	21,384.6	21,404.7	21,483.1
Other liabilities	9.1	78.5	20.1	220.01	422.9	351.1	245.4	287.7	273.8
Total central government debt	15,585.5	18,103.9	18,963.1	20,041.0	20,955.5	20,720.1	21,630.0	21,692.4	21,756.9
Marketable HUF debt (1.2.1.1+1.2.1.2.+1.2..2.)	*10,402.9*	*10,484.0*	*9,623.3*	*10,001.8*	*9,297.6*	*10,489.1*	*10,674.8*	*10,694.0*	*10,729.2*
Gross debt/GDP	*61.3%*	*68.2%*	*74.0%*	*75.3%*	*75.1%*	*73,3%*			

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

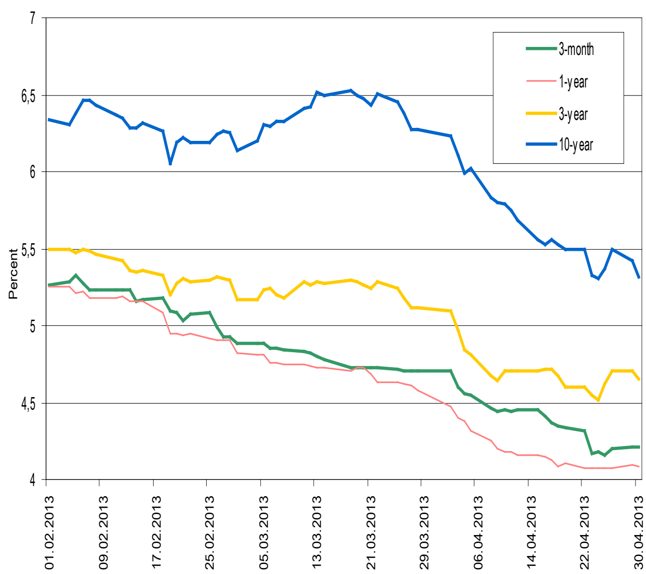
% 10-year Hungarian and eurozone benchmark yields during the last year



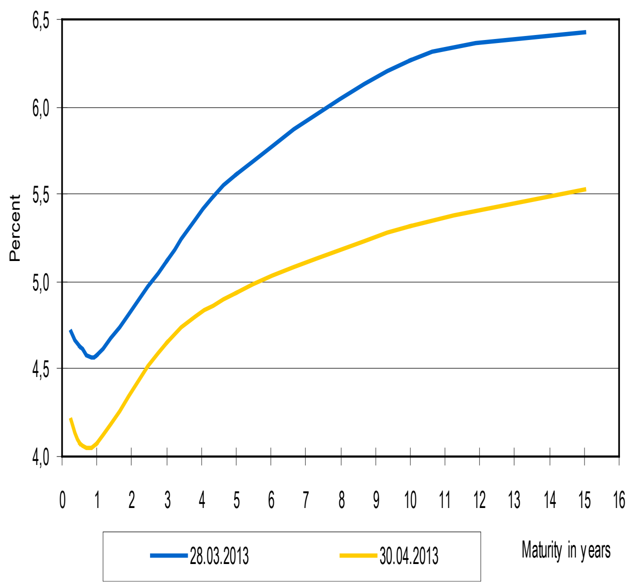
The exchange rate of the Hungarian Forint during the last year



Benchmark yields in the past three months



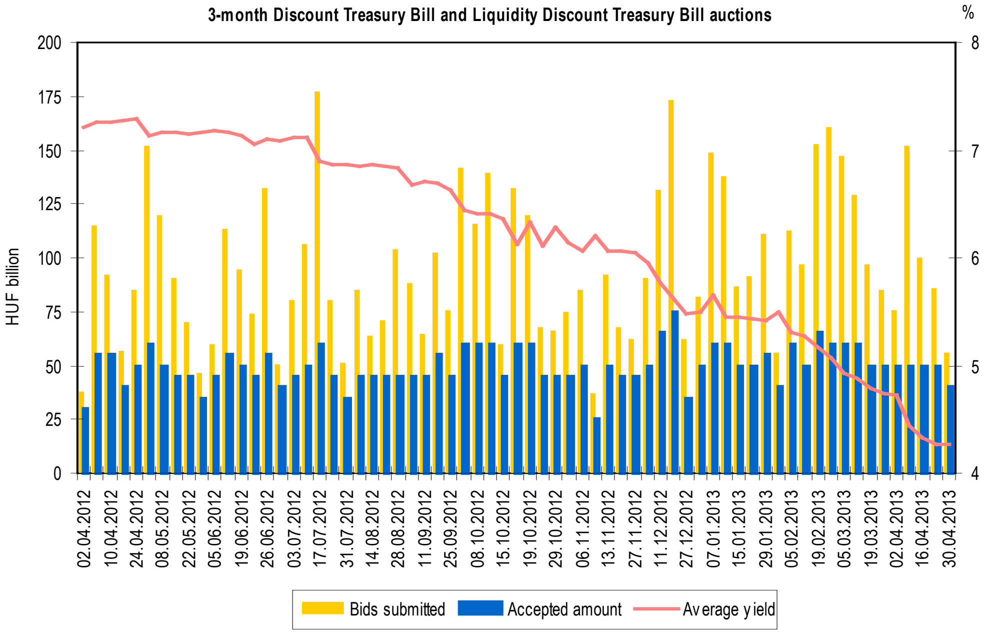
Benchmark yield curves



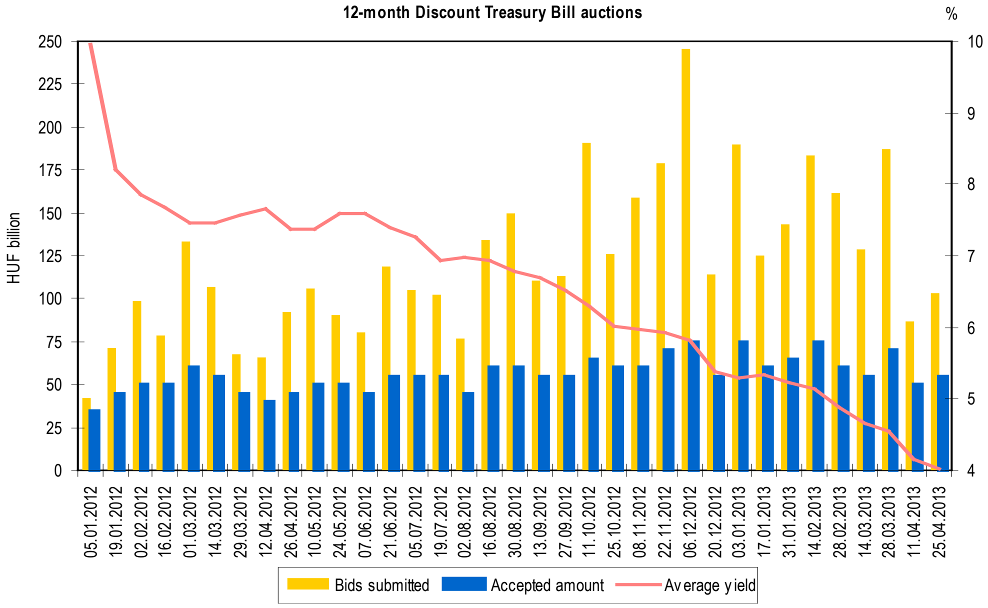
DISCOUNT TREASURY BILL AUCTION RESULTS

	3-month Discount T-bills					12-month Discount T-bills	
Code of T-bills	D130710	D130717	D130724	D130731	D130807	D140305	D140430
ISIN code	HU0000519418	HU0000519426	HU0000519038	HU0000519434	HU0000519459	HU0000519350	HU0000519442
Maturity in days	91	91	91	90	91	322	363
Date of auction	02.04.2013	09.04.2013	16.04.2013	23.04.2013	30.04.2013	11.04.2013	25.04.2013
Date of financial settlement	10.04.2013	17.04.2013	24.04.2013	02.05.2013	08.05.2013	17.04.2013	02.05.2013
Redemption date	10.07.2013	17.07.2013	24.07.2013	31.07.2013	07.08.2013	05.03.2014	30.04.2014
Maximum yield, (%) - ISMA	4.76	4.49	4.40	4.32	4.30	4.18	4.05
Minimum yield (%) - ISMA	4.61	4.41	4.27	4.10	4.19	4.11	3.96
Average yield (%) - ISMA	4.72	4.44	4.34	4.26	4.27	4.16	4.02
Maximum yield, (%) - EHM	4.83	4.55	4.46	4.38	4.36	4.24	4.11
Minimum yield (%) - EHM	4.67	4.47	4.33	4.16	4.25	4.17	4.02
Average yield (%) - EHM	4.79	4.50	4.40	4.32	4.33	4.22	4.08
Average selling price (%)	98.8210	98.8901	98.9148	98.9462	98.9322	96.4126	96.1044
Amount offered for sale (HUF million)	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Amount of bids submitted (HUF million)	75,698.60	152,243.37	99,641.22	85,484.82	56,105.00	87,104.00	103,450.10
Amount of bids accepted (HUF million)	49,999.97	49,999.99	49,999.94	49,999.96	39,999.95	49,999.97	54,999.95
Bid-to-cover ratio	1.51	3.04	1.99	1.71	1.40	1.74	1.88
Bids submitted (pcs)	99	98	107	120	97	100	142
Bids accepted (pcs)	79	37	45	65	73	48	64
Market sales* (HUF million)	49,999.97	49,999.99	49,999.94	49,999.96	39,999.95	49,999.97	54,999.95
Retained on ÁKK's own account	15,000.03	15,000.01	15,000.06	15,000.04	12,000.05	15,000.03	55,000.05
Total amount issued (HUF million)	65,000.00	65,000.00	65,000.00	65,000.00	52,000.00	65,000.00	110,000.00

3-month Discount Treasury Bill and Liquidity Discount Treasury Bill auctions



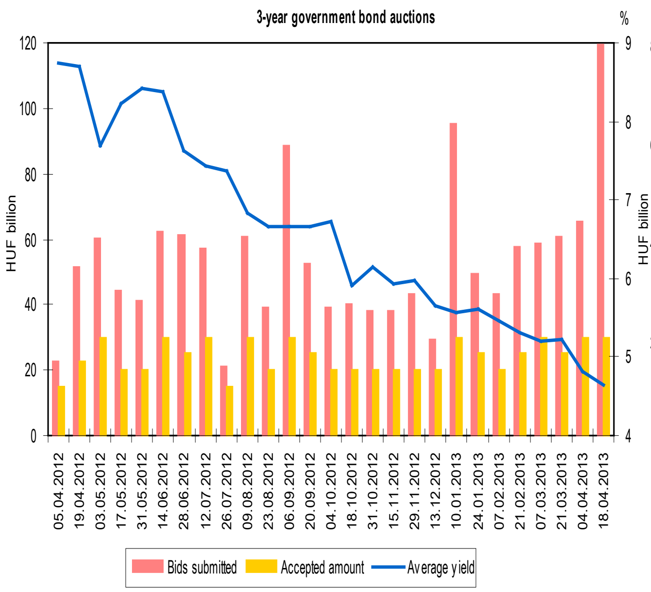
12-month Discount Treasury Bill auctions

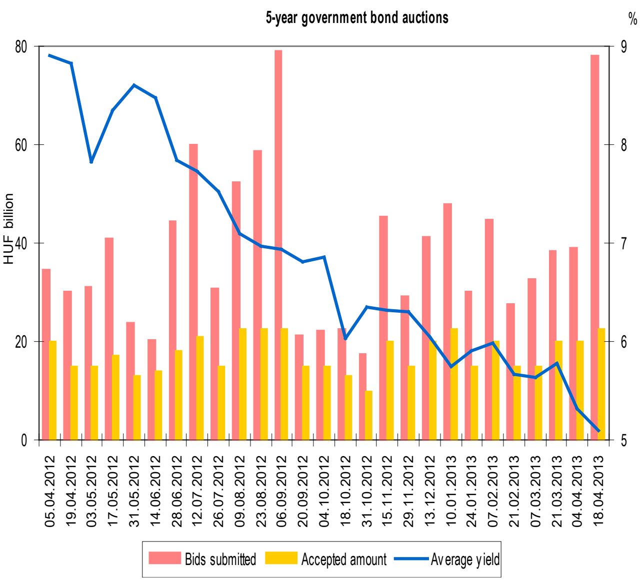


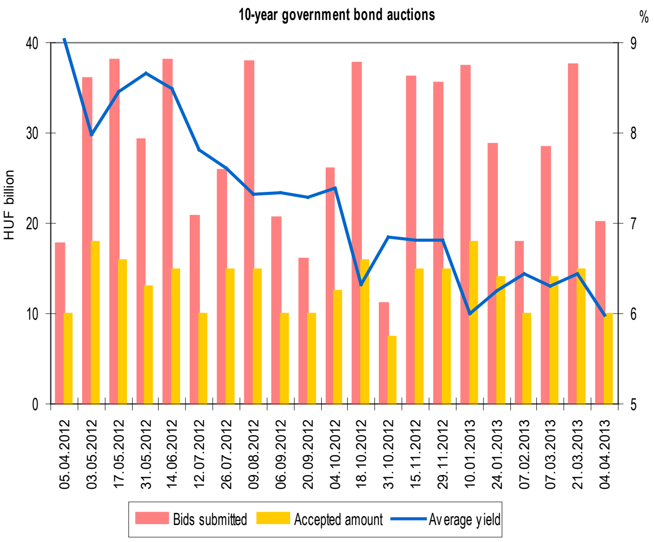
GOVERNMENT BOND AUCTION RESULTS

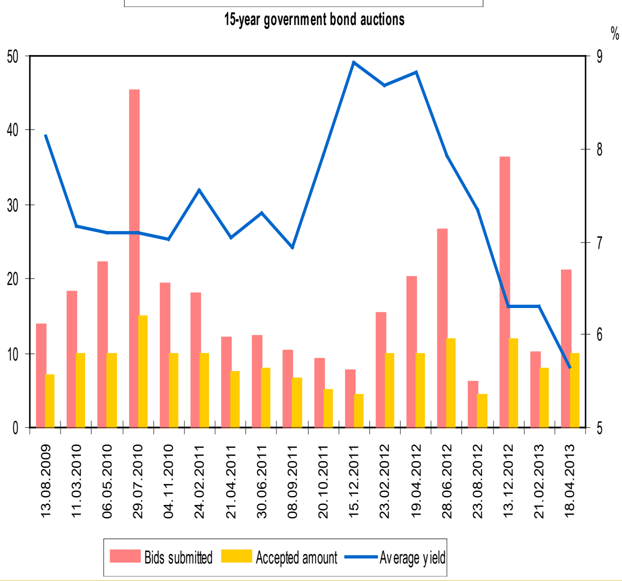
Government Bond	2016/D	2018/A	2023/A	2019/B	2016/D	2018/A	2028/A
ISIN code	HU0000402623	HU0000402631	HU0000402383	HU0000402649	HU0000402623	HU0000402631	HU0000402532
Maturity (in years)	3	5	10	5	3	5	15
Coupon (%)	5.50%	5.50%	6.00%	5.47%	5.50%	5.50%	6.75%
Auction	7th auction	7th auction	35th auction	4th auction	8th auction	8th auction	13th auction
Date of auction	04.04.2013	04.04.2013	04.04.2013	11.04.2013	18.04.2013	18.04.2013	18.04.2013
Date of financial settlement	10.04.2013	10.04.2013	10.04.2013	17.04.2013	24.04.2013	24.04.2013	24.04.2013
Redemption date	22.12.2016	20.12.2018	24.11.2023	20.05.2019	22.12.2016	20.12.2018	22.10.2028
Maximum annual yield (%) - ISMA	4.83	5.34	6.01		4.66	5.10	5.68
Minimum annual yield (%) - ISMA	4.77	5.27	5.95		4.60	5.06	5.60
Average annual yield (%) - ISMA	4.81	5.31	5.99		4.65	5.09	5.66
Maximum annual yield (%) - EHM	4.83	5.34	6.01		4.66	5.10	5.68
Minimum annual yield (%) - EHM	4.77	5.27	5.95		4.60	5.06	5.60
Average annual yield (%) - EHM	4.81	5.30	5.99		4.64	5.09	5.65
Maximum price (%)	102.4066	101.0883	100.3450	96.4500	102.9520	102.0982	111.6627
Minimum price (%)	102.2042	100.7496	99.8821	96.2500	102.7500	101.9032	110.7886
Average price (%)	102.2635	100.9185	100.0501	96.3100	102.7948	101.9607	111.0527
Amount offered for sale (HUF million)	20,000.00	15,000.00	10,000.00	8,000.00	20,000.00	15,000.00	8,000.00
Amount of bids submitted (HUF million)	65,510.00	39,140.00	20,210.00	33,650.00	119,323.00	77,950.00	21,150.00
Amount of bids accepted (HUF million)	30,000.00	19,999.95	9,999.98	11,999.98	29,999.97	22,499.96	10,000.00
Bid-to-cover ratio	2.18	1.96	2.02	2.80	3.98	3.46	2.12
Bids submitted (pcs)	92	71	61	53	92	93	53
Bids accepted (pcs)	46	50	37	18	19	29	32
Tail (average price - minimum price)	0.06	0.17	0.17	0.06	0.04	0.06	0.26
Market sales* (HUF million)	30,000.00	19,999.95	9,999.98	11,999.98	29,999.97	22,499.96	10,000.00
Non-competitive offer (HUF million)	12,000.00	20,000.05	10,000.02	12,000.02	12,000.03	9,000.04	10,000.00
Total amount issued (HUF million)	42,000.00	40,000.00	20,000.00	24,000.00	42,000.00	31,500.00	20,000.00

*Without issuance onto ÁKK's own account



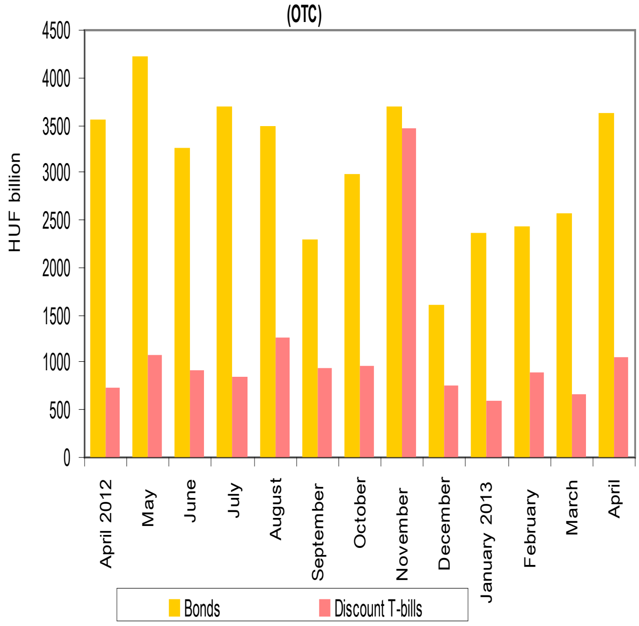




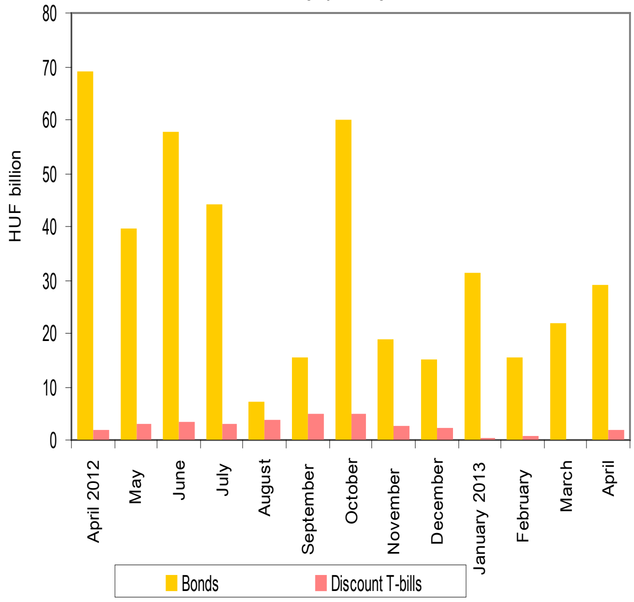


Government bond	2013/E	2014/C	2013/E	2014/C	2014/D	2013/E	2014/C
ISIN code	HU0000402466	HU0000402193	HU0000402466	HU0000402193	HU0000402516	HU0000402466	HU0000402193
Coupon (%)	7.50	5.50	7.50	5.50	6.75	7.50	5.50
Date of reverse auction	03.04.2013	03.04.2013	17.04.2013	17.04.2013	17.04.2013	30.04.2013	30.04.2013
Date of financial settlement	10.04.2013	10.04.2013	24.04.2013	24.04.2013	24.04.2013	08.05.2013	08.05.2013
Redemption date	24.10.2013	12.02.2014	24.10.2013	12.02.2014	22.08.2014	24.10.2013	12.02.2014
Minimum annual yield (%)	0.00	4,30	0.00	4,18	4,18	4,07	3.97
Average annual yield - ISMA (%)	0.00	4.32	0.00	4.19	4.19	4.09	3.97
Average annual yield - EHM (%)	0.00	4.31	0.00	4.17	4.19	4.05	3.95
Amount of bids submitted (HUF million)	2,425.00	11,926.68	6,438.26	27,029.71	66,051.66	7,609.87	6,590.63
Amount of bids accepted (HUF million)	0.00	3,926.68	0.00	15,893.48	43,609.80	2,459.87	6,590.63

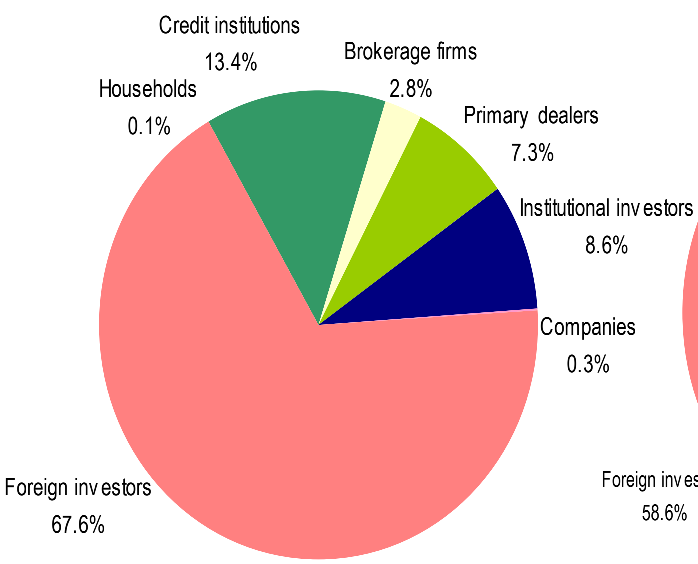
Secondary market trading of Hungarian government securities (OTC)



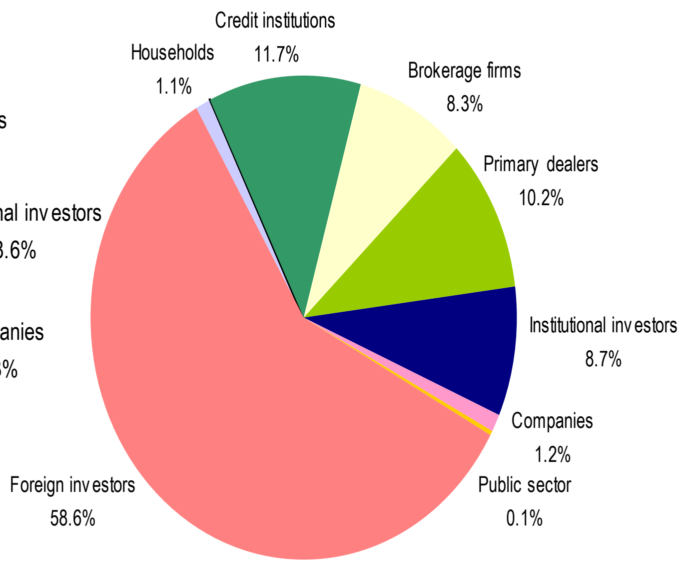
Secondary market trading of Hungarian government securities (MTS Hungary trading)



Breakdown of primary dealers' secondary market turnover in government bonds by investor groups in April 2013



Breakdown of primary dealers' secondary market turnover in Discount Treasury Bills by investor groups in April 2013



INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN APRIL 2013

Government Bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate (%)	Interest payable (%)
2026/C	24.04.2013	24.04.2013	24.10.2013	24.10.2013	4.84	5.84
2026/B	24.04.2013	24.04.2013	24.10.2013	24.10.2013	4.84	2.46
2018/I	23.04.2013	25.04.2013	25.04.2014	25.04.2014	5.20	5.20
2016/J	30.04.2013	02.05.2013	02.05.2014	02.05.2014	5.20	5.20
2016/A	02.04.2013	31.03.2013	30.06.2013	01.07.2013	5.75	1.43

HUNGARIAN GOVERNMENT SECURITIES INDICES

	MAX index	RMAX index	MAX Composite index	ZMAX index
Value as at 30 April 2013	555.8795	502.8201	543.2371	497.8628
Changes compared to the end of the month before	16.0604	3.3935	13.0354	2.3597
Annual yield earned on the index portfolio	18.52%	8.00%	16.69%	6.74%

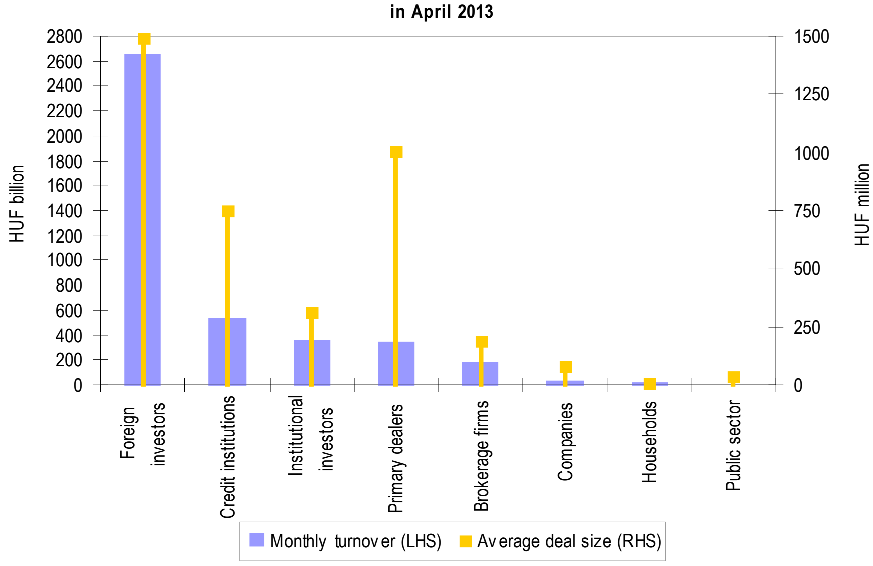
Government securities with the highest secondary market turnover in April 2013

Government security	Date of redemption	Turnover (HUF billion)
2022/A	24.06.2022	538.7
2017/A	24.11.2017	391.1
2018/A	20.12.2018	364.3
2023/A	24.11.2023	303.3
D140305	05.03.2014	219.2
2016/D	22.12.2016	215.2
2015/C	24.08.2015	191.3
D140108	08.01.2014	186.3
D130626	26.06.2013	157.9
D130724	12.02.2014	147.9

The outstanding volume of government bonds with benchmark status at the end of April 2013

	HUF billion	
Government bond	31.03.2013	30.04.2013
2016/D	190.68	271.18
2018/A	127.30	181.28
2023/A	366.33	378.92
2028/A	106.58	117.56

Primary dealers' trading with different investor groups in April 2013



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