



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

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GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
NOVEMBER 2023



The Central Government Debt increased by HUF 4,356.0 billion to HUF 49,918.4 billion in 2023. Total net issuance was HUF 5,285.8 billion; out of which net HUF denominated issuance including repos was HUF 2,841.0 billion and net foreign currency denominated issuance was HUF 2,444.8 billion in 2023.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2022		2023		Change	
	December	%	November	%	HUF billion	%
HUF denominated debt	33,775.6	74.1	36,616.6	73.4	2,841.0	8.4
Loans	1,024.2	2.2	894.7	1.8	-129.5	-12.6
Government bonds	22,346.3	49.0	23,813.6	47.7	1,467.4	6.6
Retail securities	8,619.4	18.9	9,989.8	20.0	1,370.4	15.9
Discount treasury bills	1,785.8	3.9	1,918.4	3.8	132.6	7.4
Foreign exchange denominated debt	11,397.3	25.0	13,160.8	26.4	1,763.5	15.5
Total	45,173.0	99.1	49,777.4	99.7	4,604.5	10.2
Other obligations	389.4	0.9	141.0	0.3	-248.4	-63.8
Total central government debt	45,562.4	100.0	49,918.4	100.0	4,356.0	9.6

Source: ÁKK

The HUF denominated debt of the central government increased by HUF 2,841.0 billion in 2023. The increase in domestic debt was the result of the net government bond issuance of HUF 1,467.4 billion and the increase of discount Treasury bills by HUF 132.6 billion. The total amount of retail government securities increased by HUF 1,370.4 billion. The majority of the demand for retail government securities was the sale of Premium Hungarian Government Securities with a maturity of more than one year. The volume of HUF loans decreased by HUF 129.5 billion in 2023.

The foreign currency debt of the central government increased by HUF 1,763.5 billion in 2023. The increase is mainly due to the foreign currency bonds issuance in January: 5-year foreign currency bond in the amount of USD 1.5 billion (HUF 558.1 billion) and 10-year foreign currency bond in the amount of USD 1.5 billion (HUF 558.1 billion), and 30-year foreign currency bond in the amount of 1.25 billion USD (HUF 465.1 billion HUF) was also issued. The foreign currency debt was further increased by the private placement in March. The 5- and 10-year foreign currency bonds issued in January were increased in the amounts of USD 150 million (HUF 54.3 billion) and USD 300 million (HUF 108.6 billion). Further EUR 1.75 billion (HUF 673.2 billion) of 10-year foreign currency bond was issued in September. The foreign currency bond maturing in May 2028 was further increased by USD 500 million (HUF 173.3 billion) in the private placement in November. Foreign currency securities issued under the ECP (Euro Commercial Paper) programme amounted to USD 500 million (HUF 176.8 billion) at the end of November.

The drawdown of foreign currency loans further increased the foreign currency debt by HUF 461.0 billion and the issuance of domestic foreign currency bonds grew by HUF 169.0 billion. The exchange rate revaluations totalling HUF 681.4 billion decreased the Hungarian forint value of the foreign currency debt. Foreign currency debt was decreased by the redemption of foreign currency bond by HUF 854.0 billion and the repayments of domestic foreign currency bond by HUF 38.2 billion. The total amount of other liabilities decreased by HUF 248.4 billion in 2023.

BENCHMARK YIELDS

Maturity	30.12.2022	31.10.2023	30.11.2023	Change in November basis point
3-month	12.32	8.04	7.40	-64
6-month	13.89	7.98	8.00	2
1-year	13.82	7.99	8.01	2
3-year	10.71	8.15	7.39	-76
5-year	9.73	7.48	6.75	-73
10-year	8.98	7.48	6.76	-72
15-year	8.41	7.49	6.85	-64
20-year	8.41	7.50	6.83	-67

Source: ÁKK

Monthly OTC turnover of government securities decreased by 6% to HUF 12,149.7 billion in November. Primary dealers, who account for the decisive part of all secondary government securities trading, made 65% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities decreased altogether by HUF 27.2 billion in November and amounted to HUF 7,020.5 billion at the end of November. This volume represented 19.7% of the total amount of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 379.51 on the last working day of November.

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

CENTRAL GOVERNMENT GROSS DEBT

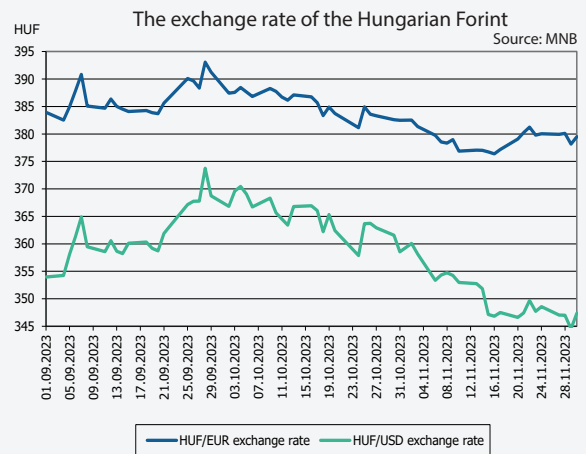
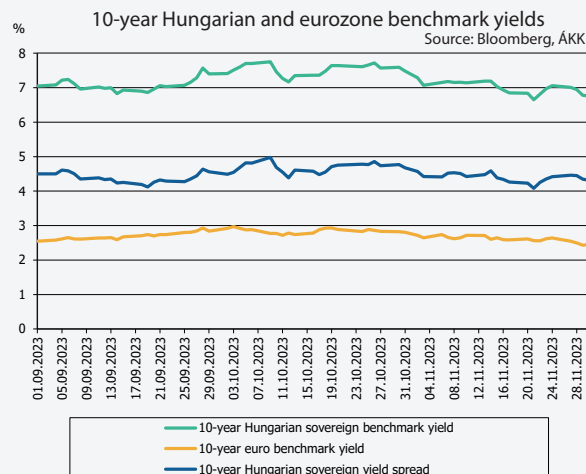
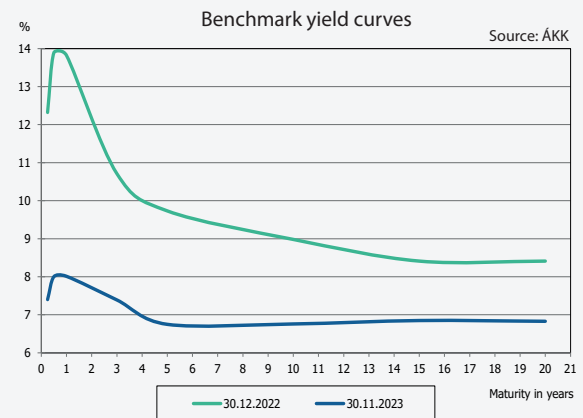
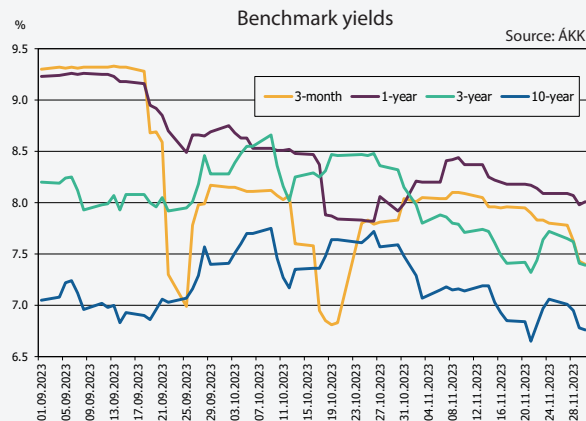
HUF BILLION

	2018	2019	2020	2021	2022	2023 September	2023 October	2023 November
1. Forint denominated debt	22,796.0	24,357.1	29,237.3	32,121.2	33,775.6	36,237.2	36,361.5	36,616.6
1.1. Loans	1,167.7	1,208.1	1,161.6	1,307.7	1,024.2	921.8	921.8	894.7
1.2. Government securities	21,628.3	23,149.0	28,075.7	30,813.5	32,751.4	35,315.4	35,439.7	35,721.9
1.2.1. Public issues	21,589.1	23,109.8	28,036.5	30,813.5	32,751.4	35,315.4	35,439.7	35,721.9
1.2.1.1. Bonds	12,836.1	13,378.5	18,206.6	20,220.0	22,346.3	23,667.3	23,749.5	23,813.6
1.2.1.2. Discount T-bills	1,237.3	657.3	658.2	583.2	1,785.8	2,155.3	2,011.6	1,918.4
1.2.1.3. Retail securities	7,515.7	9,074.0	9,171.7	10,010.2	8,619.4	9,492.8	9,678.6	9,989.8
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	13,544.3	13,249.5	13,160.8
2.1. Loans	795.0	825.4	1,291.1	1,345.2	1,959.1	2,259.8	2,209.3	2,252.2
2.1.1. Foreign loans	795.0	825.4	1,291.1	1,345.2	1,959.1	2,259.8	2,209.3	2,252.2
2.1.2. Domestic loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2. Government securities	4,929.8	4,295.8	6,027.1	7,049.9	9,438.2	11,284.5	11,040.2	10,908.6
2.2.1. Issued abroad	4,246.2	3,713.5	5,481.3	6,594.9	9,085.5	10,823.4	10,580.7	10,445.6
2.2.2. Issued domestically	683.6	582.3	545.9	455.0	352.8	461.1	459.5	463.0
Total	28,520.7	29,478.3	36,555.5	40,516.4	45,173.0	49,781.5	49,611.0	49,777.4
Other liabilities	167.40	203.70	128.80	180.60	389.40	179.90	107.20	141.00
Total central government debt	28,688.2	29,682.0	36,684.3	40,697.0	45,562.4	49,961.4	49,718.2	49,918.4
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	25,822.6	25,761.1	25,732.0
Gross debt/GDP	66.1%	62.3%	75.8%	73.7%	69.0%			

Source: ÁKK, KSH

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

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



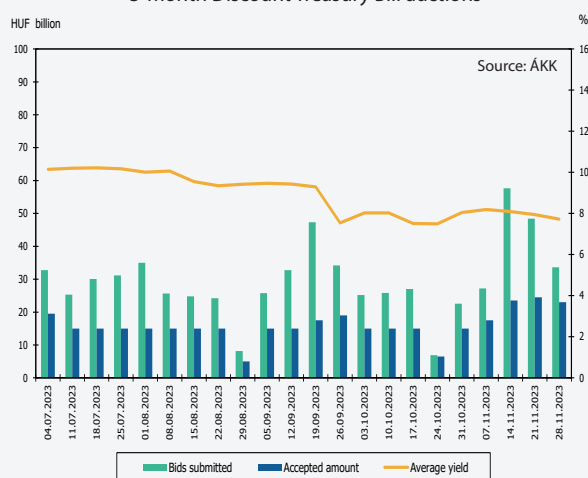
MNB - National Bank of Hungary

DISCOUNT TREASURY BILL AUCTION RESULTS

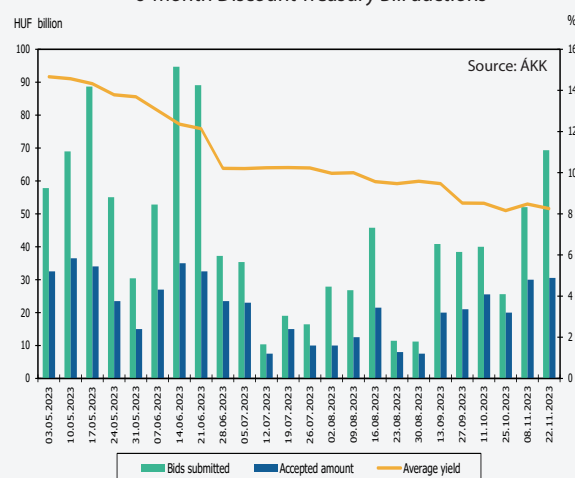
	3-month Discount T-bills				6-month Discount T-bills		12-month Discount T-bills	
Code of T-bills	D240214	D240221	D240228	D240306	D240626	D240626	D241030	D241030
ISIN code	HU0000524954	HU0000524624	HU0000524962	HU0000524970	HU0000524756	HU0000524756	HU0000524939	HU0000524939
Maturity in days	91	91	91	91	224	210	350	336
Date of auction	07.11.2023	14.11.2023	21.11.2023	28.11.2023	08.11.2023	22.11.2023	09.11.2023	23.11.2023
Date of financial settlement	15.11.2023	22.11.2023	29.11.2023	06.12.2023	15.11.2023	29.11.2023	15.11.2023	29.11.2023
Redemption date	14.02.2024	21.02.2024	28.02.2024	06.03.2024	26.06.2024	26.06.2024	30.10.2024	30.10.2024
Maximum yield (%) - ISMA	8.27	8.14	8.00	7.85	8.53	8.30	8.65	8.17
Minimum yield (%) - ISMA	8.00	7.97	7.85	7.50	7.90	8.00	8.00	7.80
Average yield (%) - ISMA	8.19	8.09	7.94	7.72	8.47	8.25	8.58	8.09
Maximum yield (%) - EHM	8.39	8.25	8.11	7.96	8.65	8.42	8.77	8.28
Minimum yield (%) - EHM	8.11	8.08	7.96	7.60	8.01	8.11	8.11	7.91
Average yield (%) - EHM	8.30	8.21	8.05	7.83	8.59	8.37	8.70	8.20
Average selling price (%)	97.9717	97.9950	98.0321	98.0864	94.9915	95.4080	92.2987	92.9779
Amount offered for sale (HUF million)	15,000.00	15,000.00	15,000.00	20,000.00	20,000.00	20,000.00	25,000.00	25,000.00
Amount of bids submitted (HUF million)	27,193.10	57,650.23	48,392.62	33,620.95	52,025.31	69,318.35	46,886.71	34,595.09
Amount of bids accepted (HUF million)	17,500.00	23,499.98	24,499.91	22,999.99	29,999.99	30,499.95	29,999.99	25,000.00
Bid-to-cover ratio	1.55	2.45	1.98	1.46	1.73	2.27	1.56	1.38
Bids submitted (pcs)	85	109	116	75	69	106	86	83
Bids accepted (pcs)	62	48	55	30	48	53	71	56
Market sales (HUF million)	17,500.00	23,499.98	24,499.91	22,999.99	29,999.99	30,499.95	29,999.99	25,000.00
Retained on ÁKK's own account (HUF million)	20,000.00	0.02	20,000.09	20,000.01	4,000.01	4,000.05	38,000.01	5,000.00
Total amount issued (HUF million)	37,500.00	23,500.00	44,500.00	43,000.00	34,000.00	34,500.00	68,000.00	30,000.00

Source: ÁKK

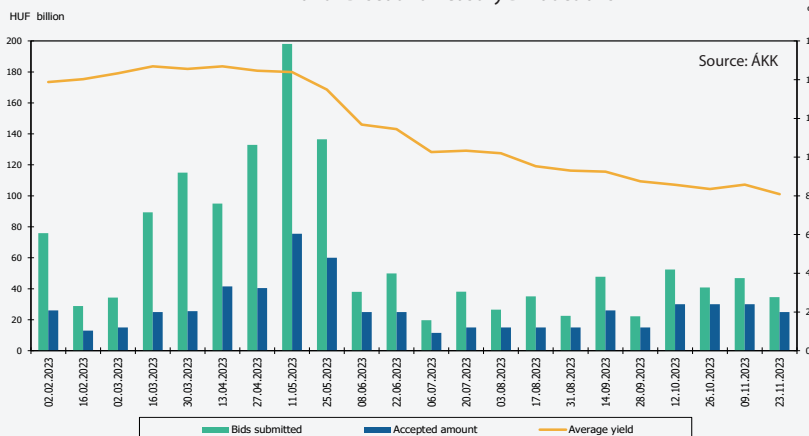
3-month Discount Treasury Bill auctions



6-month Discount Treasury Bill auctions



12-month Discount Treasury Bill auctions

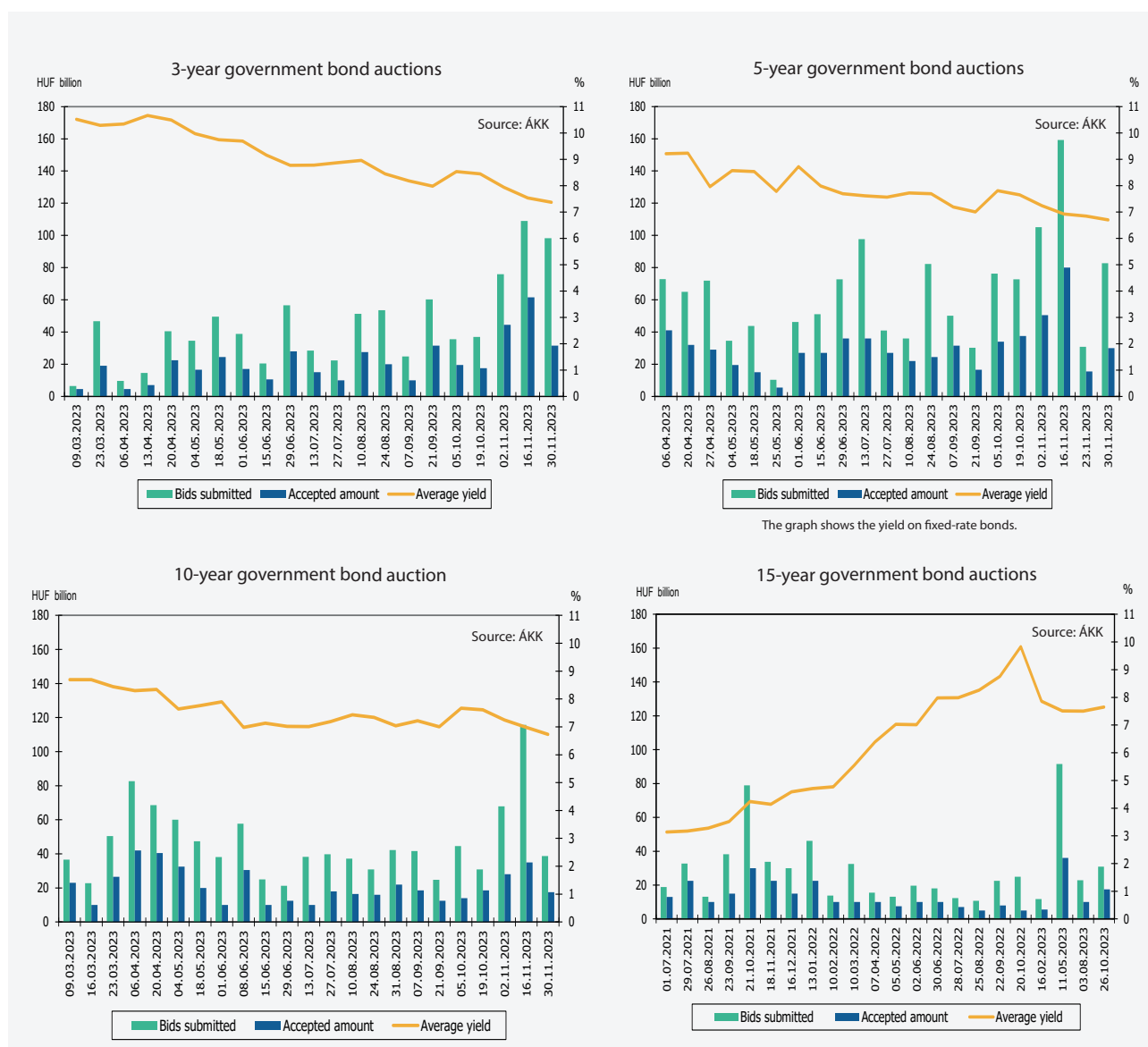


GOVERNMENT BOND AUCTION RESULTS

Government Bond	2026/H	2028/A	2032/A	2027/B	2032/B	2026/H
ISIN code	HU0000406160	HU0000402532	HU0000405550	HU0000404157	HU0000406087	HU0000406160
Maturity (in years)	3	5	10	3	10	3
Coupon	9.50%	6.75%	4.75%	11.98%	13.93%	9.50%
Auction	22nd auction	69th auction	47th auction	44th auction	16th auction	23rd auction
Date of auction	02.11.2023	02.11.2023	02.11.2023	09.11.2023	09.11.2023	16.11.2023
Date of financial settlement	08.11.2023	08.11.2023	08.11.2023	15.11.2023	15.11.2023	22.11.2023
Redemption date	21.10.2026	22.10.2028	24.11.2032	22.04.2027	25.08.2032	21.10.2026
Maximum annual yield (%) - ISMA	7.96	7.27	7.26	-	-	7.55
Minimum annual yield (%) - ISMA	7.91	7.21	7.23	-	-	7.50
Average annual yield (%) - ISMA	7.94	7.24	7.25	-	-	7.53
Maximum annual yield (%) - EHM	7.95	7.26	7.25	-	-	7.54
Minimum annual yield (%) - EHM	7.90	7.20	7.22	-	-	7.49
Average annual yield (%) - EHM	7.94	7.24	7.24	-	-	7.53
Maximum price (%)	104.0275	98.1288	83.9362	101.2500	99.0000	105.0378
Minimum price (%)	103.8968	97.8893	83.7626	101.0100	98.9000	104.9066
Average price (%)	103.9389	97.9893	83.8236	101.1100	98.9700	104.9493
Amount offered for sale (HUF million)	15,000.00	15,000.00	10,000.00	10,000.00	10,000.00	15,000.00
Amount of bids submitted (HUF million)	75,870.00	105,100.00	67,904.00	28,674.00	46,250.00	108,965.24
Amount of bids accepted (HUF million)	44,499.98	50,499.98	27,999.98	20,000.00	29,999.99	61,499.96
Bid-to-cover ratio	1.70	2.08	2.43	1.43	1.54	1.77
Bids submitted (pcs)	41	63	53	39	22	62
Bids accepted (pcs)	28	37	27	28	9	32
Tail (%) (average price - minimum price)	0.04	0.10	0.06	0.10	0.07	0.04
Market sales (HUF million)	44,499.98	50,499.98	27,999.98	20,000.00	29,999.99	61,499.96
Non-competitive offer (HUF million)	0.00	0.00	3,736.22	6,310.40	11,651.09	23,879.94
Total amount sales (HUF million)	44,499.98	50,499.98	31,736.20	26,310.40	41,651.08	85,379.90

Government Bond	2028/A	2032/A	2027/B	2032/G	2026/H	2028/A	2032/A
ISIN code	HU0000402532	HU0000405550	HU0000404157	HU0000405535	HU0000406160	HU0000402532	HU0000405550
Maturity (in years)	5	10	3	7	3	5	10
Coupon	6.75%	4.75%	11.98%	4.50%	9.50%	6.75%	4.75%
Auction	70th auction	48th auction	45th auction	14th auction	24th auction	71st auction	49th auction
Date of auction	16.11.2023	16.11.2023	23.11.2023	23.11.2023	30.11.2023	30.11.2023	30.11.2023
Date of financial settlement	22.11.2023	22.11.2023	29.11.2023	29.11.2023	06.12.2023	06.12.2023	06.12.2023
Redemption date	22.10.2028	24.11.2032	22.04.2027	27.05.2032	21.10.2026	22.10.2028	24.11.2032
Maximum annual yield (%) - ISMA	6.95	6.99	-	6.85	7.38	6.74	6.75
Minimum annual yield (%) - ISMA	6.88	6.94	-	6.79	7.30	6.57	6.71
Average annual yield (%) - ISMA	6.92	6.98	-	6.84	7.37	6.70	6.73
Maximum annual yield (%) - EHM	6.94	6.98	-	6.84	7.37	6.73	6.74
Minimum annual yield (%) - EHM	6.87	6.93	-	6.78	7.29	6.56	6.70
Average annual yield (%) - EHM	6.92	6.97	-	6.83	7.36	6.69	6.73
Maximum price (%)	99.4557	85.6879	101.1500	85.5429	105.4885	100.7080	87.1010
Minimum price (%)	99.1800	85.3923	100.9900	85.2009	105.2797	100.0169	86.8720
Average price (%)	99.2754	85.4653	101.0300	85.2556	105.3176	100.1928	86.9512
Amount offered for sale (HUF million)	15,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	159,250.00	115,713.10	28,050.00	30,755.53	98,200.00	82,700.00	38,690.00
Amount of bids accepted (HUF million)	80,000.00	34,999.97	18,500.00	15,499.97	31,499.96	29,999.98	17,500.00
Bid-to-cover ratio	1.99	3.31	1.52	1.98	3.12	2.76	2.21
Bids submitted (pcs)	83	70	35	43	56	63	47
Bids accepted (pcs)	43	23	23	24	26	24	18
Tail (%) (average price - minimum price)	0.10	0.07	0.04	0.05	0.04	0.18	0.08
Market sales (HUF million)	80,000.00	34,999.97	18,500.00	15,499.97	31,499.96	29,999.98	17,500.00
Non-competitive offer (HUF million)	31,280.00	13,359.97	5,280.00	120.00	11,342.21	7,706.66	1,680.00
Total amount sales (HUF million)	111,280.00	48,359.94	23,780.00	15,619.97	42,842.17	37,706.64	19,180.00

Source: ÁKK



INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN NOVEMBER 2023

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2027/N	02.11.2023	09.11.2023	26.02.2024	26.02.2024	9.31%	2.82%
2029/B	17.11.2023	22.11.2023	22.02.2024	22.02.2024	11.08%	2.83%
2032/I	22.11.2023	30.11.2023	22.04.2025	22.04.2025	9.90%	13.80%
2032/B	22.11.2023	25.11.2023	25.02.2024	26.02.2024	10.82%	2.77%
2032/S	29.11.2023	02.12.2023	02.12.2024	02.12.2024	17.50%	17.50%

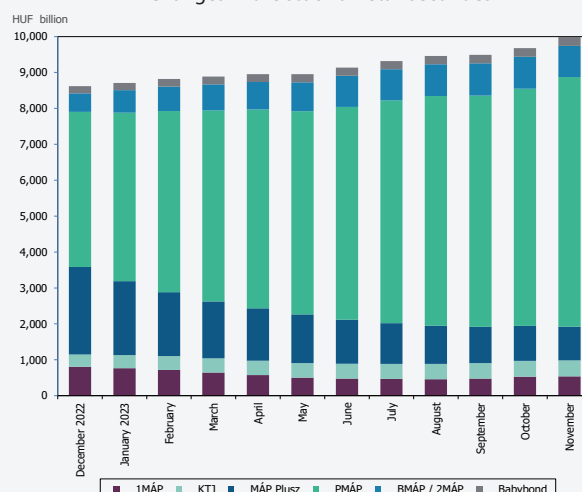
Source: ÁKK

OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2022	30.11.2023	Change
1-year Hungarian Government Security / 1MÁP	807.8	540.1	-267.7
Treasury Saving Bills / KTJ	341.8	443.4	101.6
Hungarian Government Security Plus / MÁP Plusz	2,434.5	936.9	-1,497.6
Premium Hungarian Government Security / PMÁP	4,321.6	6,954.2	2,632.6
Bonus Hungarian Government Security / BMÁP	514.7	867.8	353.1
Babybond	198.8	247.4	48.5
Total	8,619.3	9,989.7	1,370.4

Source: ÁKK

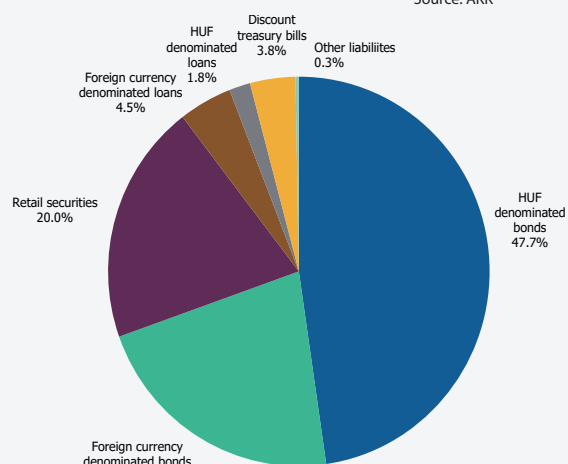
Changes in the stock of retail securities



Source: ÁKK

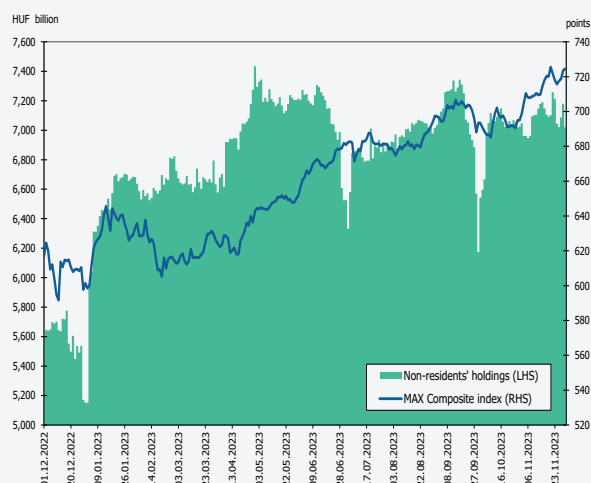
Debt structure at 30.11.2023

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 30.11.2023	755.7781	88.0381	724.4836	647.0555	643.7505
Changes compared to the end of the previous month	29.6017	4.3424	25.7421	4.8510	4.9012
Annual yield earned on the index portfolio (%)	16.48	17.92	16.16	13.84	13.60

Source: ÁKK

Government bonds with the highest secondary market turnover in November 2023

Government bond	Date of redemption	Turnover (HUF billion)
2028/A	22.10.2028	699.2
2026/H	21.10.2026	683.3
2032/A	24.11.2032	521.1
2024/B	26.06.2024	339.1
2024/C	24.10.2024	278.9
2033/A	20.04.2033	236.4
2029/A	23.05.2029	145.2
2035/A	24.10.2035	136.8
2026/E	22.04.2026	131.8
2031/A	22.10.2031	122.3

Source: Primary Dealers, ÁKK

The outstanding volume of government bonds with benchmark status at the end of November 2023

Government bond	HUF billion	
	31.10.2023	30.11.2023
2026/H	483.47	613.82
2028/A	1,460.00	1,621.84
2032/A	1,222.35	1,306.87
2038/A	970.20	989.15
2041/A	584.64	584.75

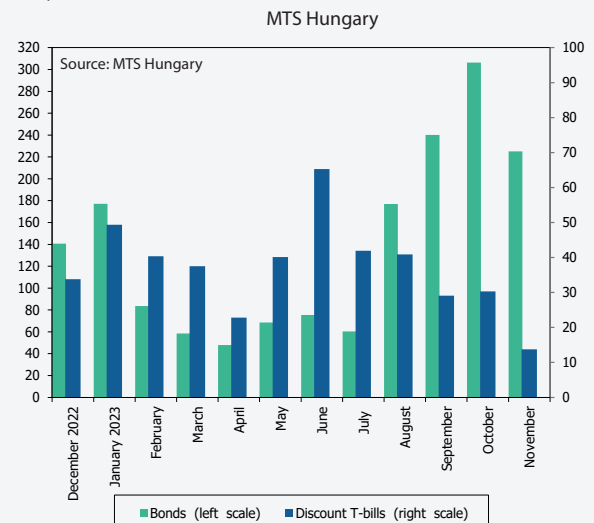
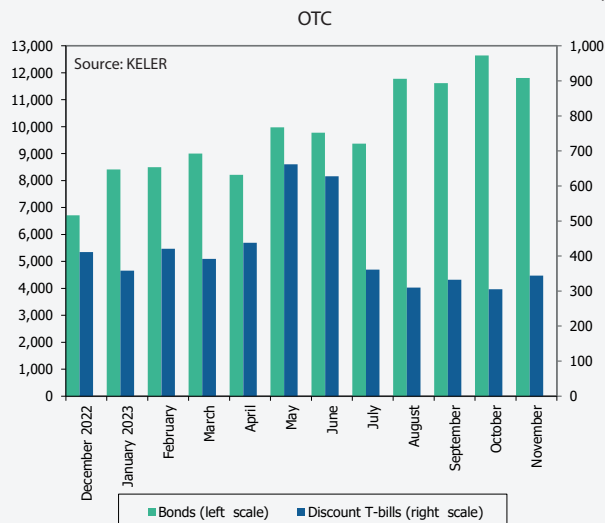
Source: ÁKK

The outstanding volume of the three largest government bonds at the end of November 2023

Government bond	HUF billion
2028/A	1,621.84
2031/A	1,530.15
2025/C	1,462.66

Source: ÁKK

Secondary market trading of Hungarian government securities (HUF billion)



Breakdown of primary dealers' secondary market turnover by investor groups in November 2023

