# GOVERNMENT SECURITIES MARKET

## QUARTERLY REPORT

## SECOND QUARTER 2005

MAGYAR ÁLLAMPAPÍR

ÁLLAMI GARANCIÁVAL

The deficit of the central government amounted to HUF 988.2 billion in the first half of 2005. The pre-financing of cash transfers from the EU's EAGGF fund increased the net borrowing requirement by HUF 74.3 billion, as did the HUF 1.1 billion capital transfer to the National Bank of Hungary (NBH) by law. The total net financing requirement of HUF 1063.6 billion (ca. EUR 4.3 billion) was met by a net issuance of HUF 1100.2 billion (ca. EUR 4.4 billion) in the first half of the year, out of which net domestic issuance was HUF 474.4 billion (ca. EUR 1.9 billion) and net foreign exchange issuance totalled HUF 625.7 billion (ca. 2.5 EUR billion).

The average term-to-maturity of the HUF debt portfolio was 3.45 years, while that of the foreign currency debt portfolio was 6.57 years at the end of June. During the first half of 2005 the average term-to-maturity increased by almost a year in the case of the foreign exchange debt and was stable in the case of domestic debt.

Benchmark government securities yields fluctuated in the first two months of the quarter, but started a massive decreasing trend from the beginning of June. The National Bank of Hungary cut its base rate three times in the quarter by 75 basis points altogether. Treasury bill yields were lower by 77-83 basis points by the end of the June compared to the end of the previous quarter, while benchmark government bond yields declined by 46-82 basis points. At the end of June the 1-year yield was 6.45%, the 3-year yield 6.40%, while the 10-year yield was 6.25%.

In the second quarter of 2005 a new bond series gained benchmark status: the 5-year 2010/B bond took the place of the 2009/D in May. The volume of the previous 5-year benchmark series reached HUF 365 billion (EUR 1.5 billion), which was in line with the strategic target to build up large, liquid bond series.

The OTC turnover of government securities in the second quarter of 2005 was lower by 3% than in the previous quarter, it amounted to HUF 5,965 billion. Primary dealers, who account for the decisive part of all secondary government securities trading, made 37% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities followed a declining trend until the end of May, but increased continuously in June. Non-residents' holdings decreased by HUF 13 billion over the quarter to HUF 2574 billion, which represented 30.4% of the total volume of domestic government bonds and discount Treasury bills at the end of June 2005.

The Republic of Hungary issued a GBP 500 million (EUR 700 million) 12-year, fixed rate bond in May. The lead managers of the deal were Citigroup and the Royal Bank of Scotland.

The HUF/EUR mid exchange rate was 247.36 at the end of June 2005.

The credit rating of the long-term foreign currency debt of the Republic of Hungary: A- / A1 / A-

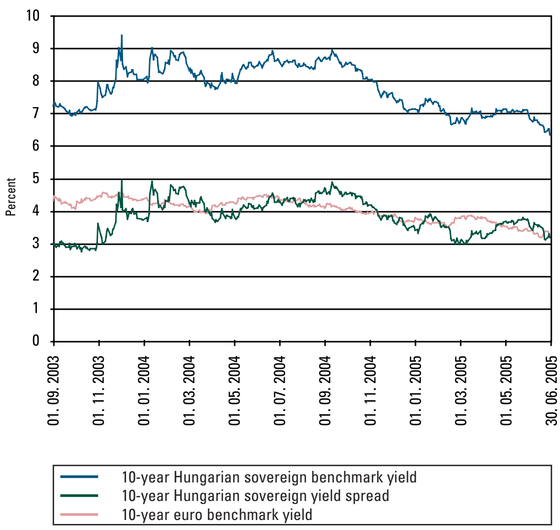
## MACROECONOMIC INDICATORS

| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | April 2005 | May 2005 | June 2005 |
|---|---|---|---|---|---|---|---|---|---|---|
| GDP growth (YoY) | 4,9 | 4.2 | 5.2 | 3.8 | 3.5 | 3.5 | 4.0 | | | |
| Industrial production[1] | 12.5 | 10.4 | 18.1 | 3.6 | 2.8 | 5.9 | 8.3 | 8.9 | 10.1 | |
| Unemployment rate (%) | 7.8 | 7.0 | 6.4 | 5.7 | 5.9 | 5.9 | 6.1 | 7.2 | 7.2 | |
| Consumer price index (yearly change)[2] | 10.3 | 11.2 | 10.1 | 6.8 | 4.8 | 5.7 | 5.5 | 3.9 | 3.6 | 3.8 |
| Consumer price index (yearly average) | 14.2 | 10.0 | 9.8 | 9.2 | 5.3 | 4.7 | 6.8 | | | |
| Consumer price index (monthly change) | | | | | | | | 0.8 | 0.6 | 0.3 |
| Producer price index (yearly change)[2] | 8.0 | 7.1 | 12.4 | -0.4 | -1.3 | 6.2 | 1.6 | 5.3 | 5.2 | |
| Producer price index (yearly average) | 12.2 | 5.0 | 11.6 | 5.2 | -1.8 | 2.4 | 3.5 | | | |
| Producer price index (monthly change) | | | | | | | | 0.8 | 0.5 | |
| Net lending position of households (HUF Bn)[3] | 943.3 | 776.2 | 791.7 | 756.7 | 457.5 | 41.1 | 371.1 | | | |
| Current account of balance of payments (EUR M)[4] | -3,026.1 | -3,531.4 | -4,380.0 | -3,612.5 | -4,973.7 | -6,575.5 | -7,123.0 | | | |
| Net direct investments (EUR M)[5] | 2,742.9 | 2,871.7 | 2,334.0 | 3,992.2 | 2,889.0 | 562.0 | 2,940.0 | | | |
| Balance of the central government budget (HUF Bn)[6] | -333.9 | -337.2 | -367.8 | -402.9 | -957,7[7] | -727.9 | -857.4 | -588.9 | -680.5 | -798.6 |
| Central government gross debt (HUF Bn) | 6,165.8 | 6,886.4 | 7,226.2 | 7,719.5 | 9,224.2 | 10,587.7 | 11,592.4 | 12,458.0 | 12,646.4 | 12,714.9 |
| Central government gross debt (per cent of GDP) | 61.1% | 60.4% | 54.9% | 52.0% | 55.1% | 57.5% | 57.0% | | | |
| Net foreign debt (EUR M)[8] | 7,401.5 | 7,344.4 | 9,686.8 | 8,398.1 | 11,871.0 | 16,606.0 | 20,122.1 | | | |
| Net foreign debt (per cent of GDP) | 17.7% | 16.3% | 19.1% | 14.5% | 17.2% | 22.7% | 25.1% | | | |
| HUF/USD mid exchange rate at the end of period | 219.03 | 252.52 | 284.73 | 279.03 | 225.16 | 221.12 | 180.29 | 194.86 | 204.96 | 204.79 |
| HUF/EUR mid exchange rate at the end of period | 255.70 | 254.92 | 264.94 | 246.33 | 235.90 | 265.03 | 245.93 | 252.66 | 253.91 | 247.36 |

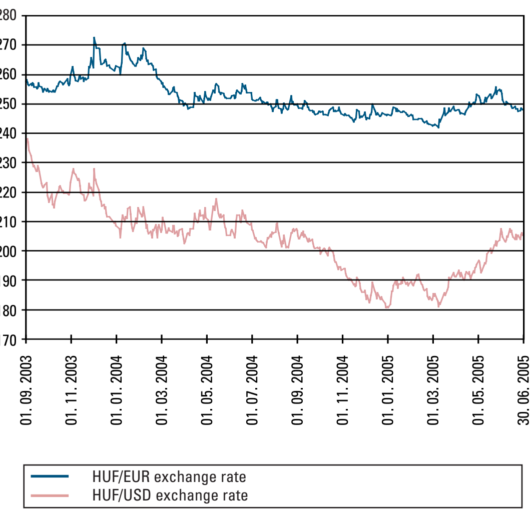
**Source: Central Statistical Office, National Bank of Hungary (NBH), Ministry of Finance**

[1] Same period of previous year = 100%, working-days adjusted
[2] In case of yearly data: December / previous December; otherwise: month/same month of the previous year
[3] Non-consolidated data
[4] Data compiled in accordance with the new methodology used by the NBH from 2004
[5] Including intercompany loans
[6] Excluding privatisation proceeds
[7] Excluding debt assumptions and bond-transfers amounting to HUF 512.05 billion at the end of 2002
[8] Excluding intercompany loans

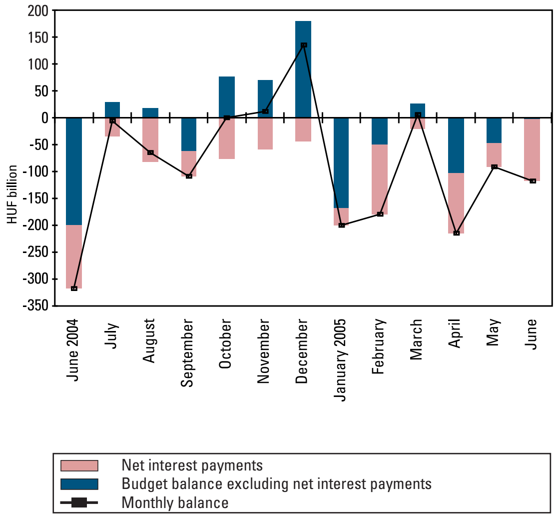
**10-year Hungarian and eurozone benchmark yields**



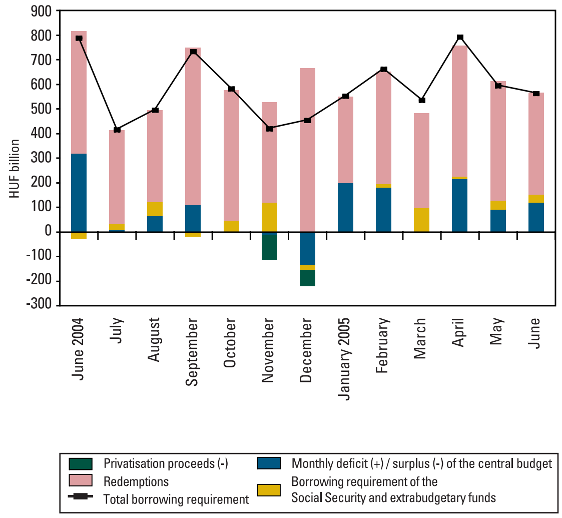

**The exchange rate of the Hungarian Forint**




**Monthly balance of the central government budget (excluding privatisation proceeds)**




**Gross borrowing requirement**



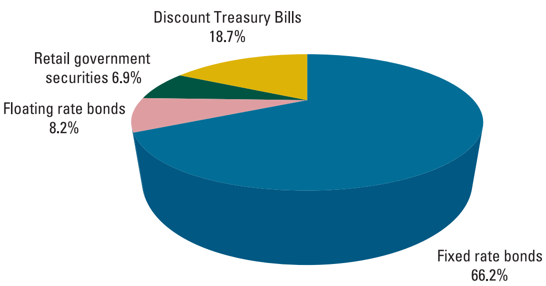
## CENTRAL GOVERNMENT GROSS DEBT

HUF billion

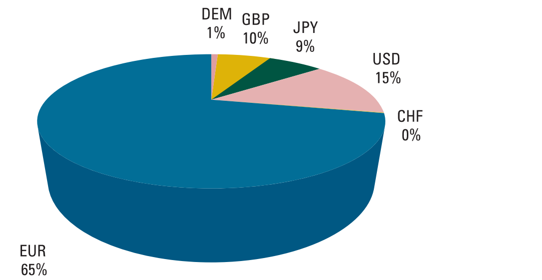
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | April 2005 | May 2005 | June 2005 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1. Forint denominated debt | 3,733.9 | 4,350.2 | 4,717.5 | 5,397.4 | 6,956.9 | 8,008.7 | 8,608.8 | 8,932.4 | 8,914.5 | 9,083.3 |
| 1.1. Loans | 435.0 | 380.2 | 303.8 | 228.3 | 353.2 | 117.9 | 4.7 | 1.1 | 1.1 | 1.1 |
| 1.1.1. Foreign loans | 0.0 | 0.0 | 0.0 | 0.0 | 1.7 | 1.4 | 1.1 | 1.1 | 1.1 | 1.1 |
| 1.1.2. Domestic loans | 435.0 | 380.2 | 303.8 | 228.3 | 351.5 | 116.5 | 3.5 | 0.0 | 0.0 | 0.0 |
| 1.1.2.1. Raised from National Bank of Hungary (NBH) | 434.9 | 362.4 | 289.5 | 217.4 | 144.0 | 71.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1.1.2.2. Other loans | 0.1 | 17.8 | 14.3 | 10.9 | 207.5 | 45.3 | 3.5 | 0.0 | 0.0 | 0.0 |
| 1.2. Government securities | 3,299.0 | 3,970.0 | 4,413.6 | 5,169.1 | 6,603.7 | 7,890.8 | 8,604.2 | 8,931.3 | 8,913.3 | 9,082.2 |
| 1.2.1. Public issues | 2,432.8 | 3,116.8 | 3,582.4 | 4,360.0 | 5,826.3 | 7,131.5 | 7,860.6 | 8,189.6 | 8,171.6 | 8,341.3 |
| 1.2.1.1. Bonds | 1,386.5 | 1,790.8 | 2,221.2 | 2,782.0 | 3,829.2 | 5,056.5 | 5,768.9 | 6,027.4 | 5,910.9 | 6,015.5 |
| 1.2.1.2. Discount T-bills | 689.9 | 826.7 | 837.9 | 1,033.3 | 1,436.8 | 1,541.4 | 1,463.3 | 1,536.1 | 1,634.7 | 1,700.7 |
| 1.2.1.3. Retail securities | 356.5 | 499.3 | 523.3 | 544.7 | 560.3 | 533.5 | 628.4 | 626.0 | 626.1 | 625.1 |
| 1.2.2. Private placements | 866.1 | 853.2 | 831.3 | 809.1 | 777.4 | 759.3 | 743.6 | 741.7 | 741.7 | 740.9 |
| 2. Foreign currency denominated debt* | 2,431.9 | 2,536.2 | 2,508.8 | 2,322.1 | 2,267.3 | 2,579.0 | 2,983.5 | 3,525.6 | 3,732.0 | 3,631.6 |
| 2.1. Loans | 2,367.8 | 1,929.6 | 1,772.8 | 1,410.4 | 1,394.3 | 1,084.1 | 916.8 | 858.8 | 864.7 | 838.3 |
| 2.1.1. Foreign loans | 249.6 | 361.2 | 368.8 | 317.8 | 461.9 | 598.8 | 528.9 | 536.7 | 540.9 | 523.6 |
| 2.1.2. Domestic loans | 2,118.2 | 1,568.4 | 1,404.0 | 1,092.6 | 932.3 | 485.3 | 387.8 | 322.2 | 323.8 | 314.7 |
| 2.1.2.1. Raised from National Bank of Hungary (NBH) | 2,118.2 | 1,568.4 | 1,404.0 | 1,092.6 | 849.6 | 466.5 | 355.7 | 289.1 | 290.6 | 283.1 |
| 2.1.2.2. Other loans | 0.0 | 0.0 | 0.0 | 0.0 | 82.8 | 18.8 | 32.2 | 33.0 | 33.2 | 31.6 |
| 2.2. Government securities | 64.0 | 606.7 | 736.0 | 911.7 | 873.0 | 1,494.9 | 2,066.8 | 2,666.8 | 2,867.3 | 2,793.3 |
| 2.2.1. Issued abroad | 44.4 | 587.1 | 715.7 | 911.7 | 873.0 | 1,494.9 | 2,066.8 | 2,666.8 | 2,867.3 | 2,793.3 |
| 2.2.1.1. Foreign currency bonds | 43.8 | 586.8 | 715.4 | 911.5 | 872.9 | 1,494.7 | 2,066.7 | 2,666.7 | 2,867.2 | 2,793.2 |
| 2.2.1.2. Kingdom of Hungary 1924 issues | 0.6 | 0.3 | 0.3 | 0.3 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| 2.2.2 Issued domestically | 19.6 | 19.6 | 20.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 6,165.8 | 6,886.4 | 7,226.2 | 7,719.5 | 9,224.2 | 10,587.7 | 11,592.4 | 12,458.0 | 12,646.5 | 12,714.9 |
| Gross debt/GDP | 61.1% | 60.4% | 54.9% | 52.0% | 55.1% | 57.5% | 57.0% | | | |

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

**Composition of HUF government securities as at 30.06.2005**

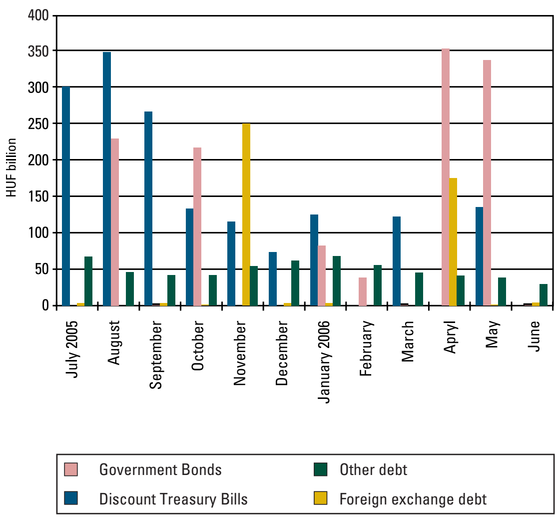



**Currency composition of the foreign exchange debt portfolio as at 30.06.2005***

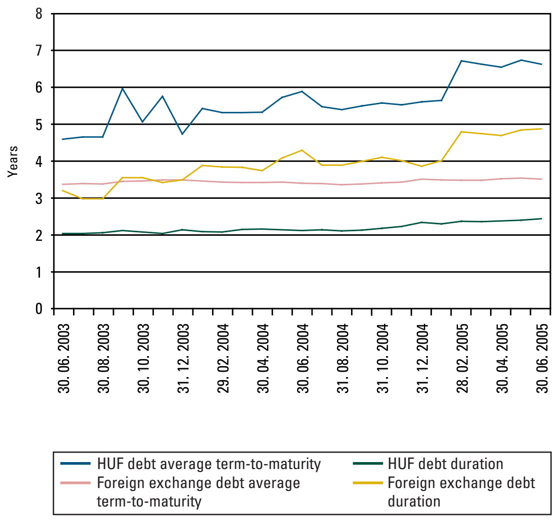



*** Composition before swaps. By using cross-currency swaps, 99.99% of the actual foreign exchange debt of the central government was due in euros.**

**Maturity profile of the central government gross debt over the next 12 months, as at 30.06. 2005**




**Duration and average term-to-maturity of the HUF and foreign currency debt portfolios**

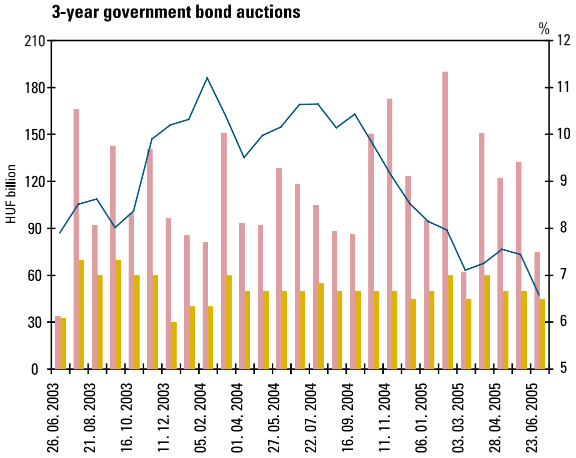


## GOVERNMENT BOND AUCTION RESULTS

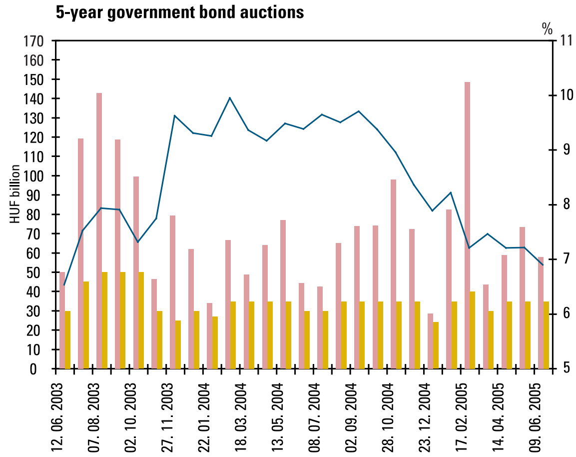
| Government Bond | 2010/B | 2015/A | 2020/A | 2008/D | 2010/B | 2015/A | 2008/D | 2010/B | 2015/A | 2008/E | 2020/A |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ISIN code | HU0000402292 | HU0000402268 | HU0000402235 | HU0000402276 | HU0000402292 | HU0000402268 | HU0000402276 | HU0000402292 | HU0000402268 | HU0000402300 | HU0000402235 |
| Maturity (in years) | 5 | 10 | 15 | 3 | 5 | 10 | 3 | 5 | 10 | 3 | 15 |
| Coupon (%) | 6.75% | 8.00% | 7.50% | 7.25% | 6.75% | 8.00% | 7.25% | 6.75% | 8.00% | 6.50% | 7.50% |
| Auction | 1. auction | 11. auction | 9. auction | 5. auction | 2. auction | 12. auction | 6. auction | 3. auction | 13. auction | 1. auction | 10. auction |
| Date of auction | 14. 04. 2005 | 14. 04. 2005 | 28. 04. 2005 | 28. 04. 2005 | 12. 05. 2005 | 12. 05. 2005 | 26. 05. 2005 | 09. 06. 2005 | 09. 06. 2005 | 23. 06. 2005 | 23. 06. 2005 |
| Date of financial settlement | 20. 04. 2005 | 20. 04. 2005 | 04. 05. 2005 | 04. 05. 2005 | 18. 05. 2005 | 18. 05. 2005 | 01. 06. 2005 | 15. 06. 2005 | 15. 06. 2005 | 29. 06. 2005 | 29. 06. 2005 |
| Date of redemption | 12. 10. 2010 | 12. 02. 2015 | 12. 11. 2020 | 24. 04. 2008 | 12. 10. 2010 | 12. 02. 2015 | 24. 04. 2008 | 12. 10. 2010 | 12. 02. 2015 | 12. 08. 2008 | 12. 11. 2020 |
| Maximum annual yield (%) - ISMA | 7.20 | 6.87 | 6.89 | 7.53 | 7.20 | 7.00 | 7.42 | 6.90 | 6.74 | 6.57 | 6.38 |
| Minimum annual yield (%) - ISMA | 7.13 | 6.78 | 6.81 | 7.48 | 7.16 | 6.97 | 7.35 | 6.84 | 6.69 | 6.52 | 6.36 |
| Average annual yield (%) - ISMA | 7.18 | 6.82 | 6.87 | 7.52 | 7.19 | 6.98 | 7.41 | 6.87 | 6.72 | 6.55 | 6.37 |
| Maximum annual yield (%) - EHM | 7.20 | 6.87 | 6.89 | 7.52 | 7.20 | 7.00 | 7.41 | 6.90 | 6.74 | 6.56 | 6.38 |
| Minimum annual yield (%) - EHM | 7.13 | 6.78 | 6.81 | 7.47 | 7.16 | 6.97 | 7.34 | 6.84 | 6.69 | 6.51 | 6.36 |
| Average annual yield (%) - EHM | 7.17 | 6.81 | 6.86 | 7.51 | 7.19 | 6.98 | 7.40 | 6.87 | 6.72 | 6.54 | 6.37 |
| Maximum price (%) | 98.3843 | 108.5044 | 106.4275 | 99.3997 | 98.2586 | 107.0594 | 99.7236 | 99.6386 | 109.0504 | 99.9156 | 110.9234 |
| Minimum price (%) | 98.0802 | 107.8411 | 105.6446 | 99.2713 | 98.0869 | 106.8427 | 99.5471 | 99.3794 | 108.6826 | 99.7784 | 110.7164 |
| Average price (%) | 98.1749 | 108.2184 | 105.8593 | 99.2979 | 98.1257 | 106.9540 | 99.5835 | 99.4893 | 108.8262 | 99.8422 | 110.7803 |
| Amount offered for sale (HUF million) | 35,000.00 | 25,000.00 | 15,000.00 | 50,000.00 | 35,000.00 | 25,000.00 | 50,000.00 | 35,000.00 | 25,000.00 | 50,000.00 | 15,000.00 |
| Amount of bids submitted (HUF million) | 58,695.00 | 63,882.22 | 31,111.18 | 122,302.50 | 73,505.00 | 76,950.00 | 132,230.44 | 57,850.00 | 44,455.00 | 74,550.00 | 62,480.00 |
| Amount of bids accepted (HUF million) | 34,999.91 | 24,999.91 | 14,999.93 | 49,999.93 | 34,999.91 | 29,999.93 | 49,999.91 | 34,999.95 | 25,000.00 | 44,999.91 | 19,999.98 |
| Bid-to-cover ratio | 1.68 | 2.56 | 2.07 | 2.45 | 2.10 | 2.57 | 2.64 | 1.65 | 1.78 | 1.66 | 3.12 |
| Bids submitted (pcs) | 129 | 102 | 120 | 146 | 122 | 113 | 174 | 95 | 61 | 119 | 80 |
| Bids accepted (pcs) | 94 | 32 | 69 | 68 | 63 | 48 | 91 | 67 | 42 | 79 | 18 |
| Tail (average price - minimum price) | 0.09 | 0.38 | 0.21 | 0.03 | 0.04 | 0.11 | 0.04 | 0.11 | 0.14 | 0.06 | 0.06 |
| Market sales* (HUF million) | 34,999.91 | 24,999.91 | 14,999.93 | 49,999.93 | 34,999.91 | 29,999.93 | 49,999.91 | 34,999.95 | 25,000.00 | 44,999.91 | 19,999.98 |
| Retained on ÁKK's own account (HUF million) | 10,500.09 | 0.09 | 3,000.07 | 0.07 | 7,000.09 | 0.07 | 0.09 | 7,000.05 | 0.00 | 13,500.09 | 4,000.02 |
| Total amount issued (HUF million) | 45,500.00 | 25,000.00 | 18,000.00 | 50,000.00 | 42,000.00 | 30,000.00 | 50,000.00 | 42,000.00 | 25,000.00 | 58,500.00 | 24,000.00 |

* Without issuance onto ÁKK's own account

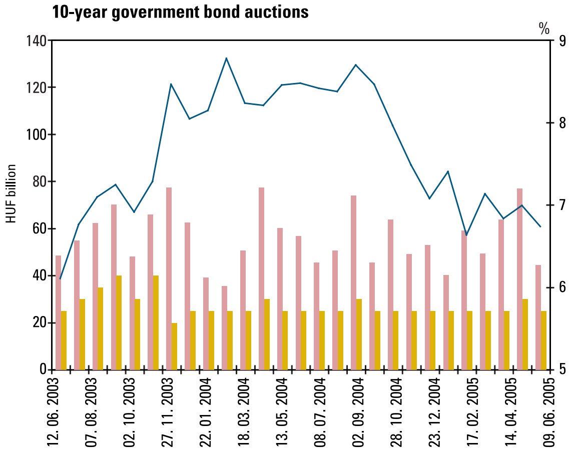
**3-year government bond auctions**



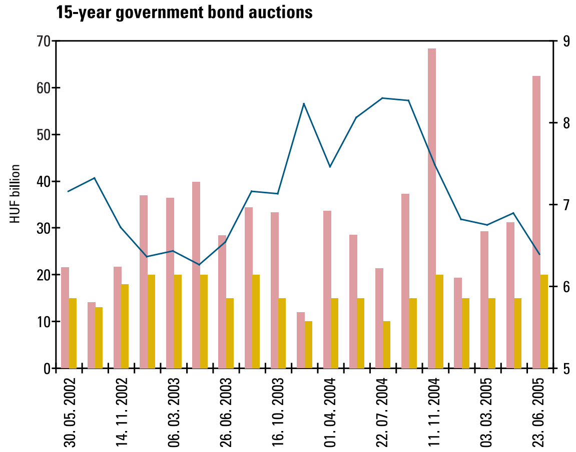

**5-year government bond auctions**




**10-year government bond auctions**




**15-year government bond auctions**

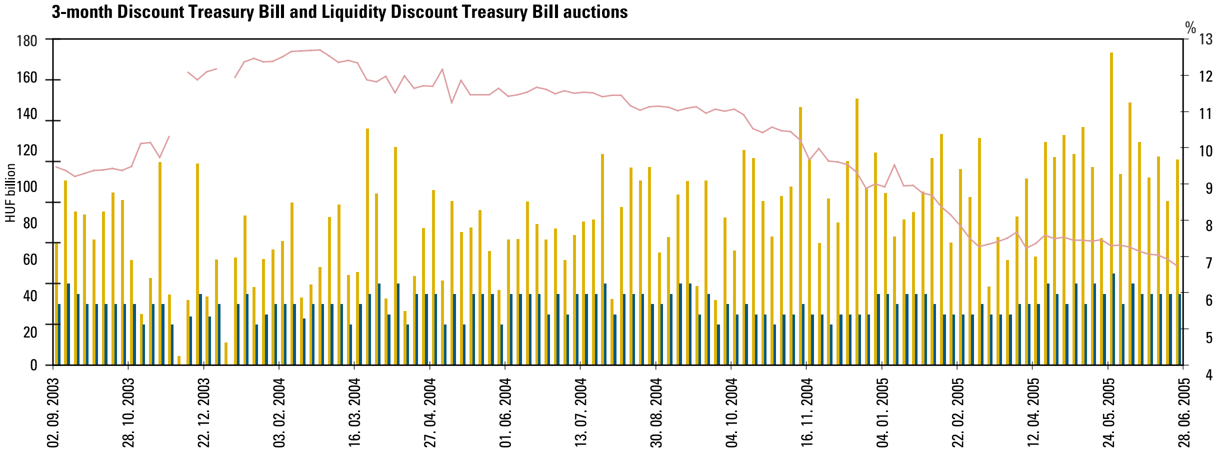



Bids submitted | Accepted amount | Average yield

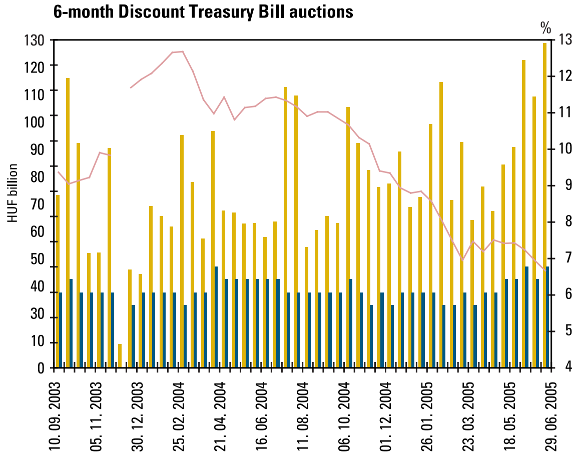
## GOVERNMENT BOND BUY-BACK AUCTION RESULTS

| Government bond | 2005/I | 2006/F | 2005/I | 2006/F | 2005/I | 2006/F |
|---|---|---|---|---|---|---|
| ISIN code | HU0000402086 | HU0000402094 | HU0000402086 | HU0000402094 | HU0000402086 | HU0000402094 |
| Coupon (%) | 8.50% | 7.00% | 8.50% | 7.00% | 8.50% | 7.00% |
| Date of buy-back auction | 25. 05. 2005 | 25. 05. 2005 | 08. 06. 2005 | 08. 06. 2005 | 22. 06. 2005 | 22. 06. 2005 |
| Date of financial settlement | 01. 06. 2005 | 01. 06. 2005 | 15. 06. 2005 | 15. 06. 2005 | 29. 06. 2005 | 29. 06. 2005 |
| Date of redemption | 12. 10. 2005 | 12. 04. 2006 | 12. 10. 2005 | 12. 04. 2006 | 12. 10. 2005 | 12. 04. 2006 |
| Minimum annual yield (%) | 7.47 | 7.40 | 7.10 | 7.00 | 6.90 | 6.80 |
| Average annual yield (%) - ISMA | 7.48 | 7.42 | 7.10 | 7.02 | 6.94 | 6.81 |
| Amount of bids submitted (HUF million) | 12,396.57 | 22,439.69 | 19,655.62 | 21,178.22 | 14,883.43 | 8,761.67 |
| Amount of bids accepted (HUF million) | 11,896.57 | 10,104.43 | 3,151.90 | 11,178.22 | 6,079.71 | 2,626.41 |
| Bids submitted (pcs) | 7 | 25 | 14 | 19 | 14 | 9 |
| Bids accepted (pcs) | 6 | 10 | 8 | 15 | 7 | 3 |

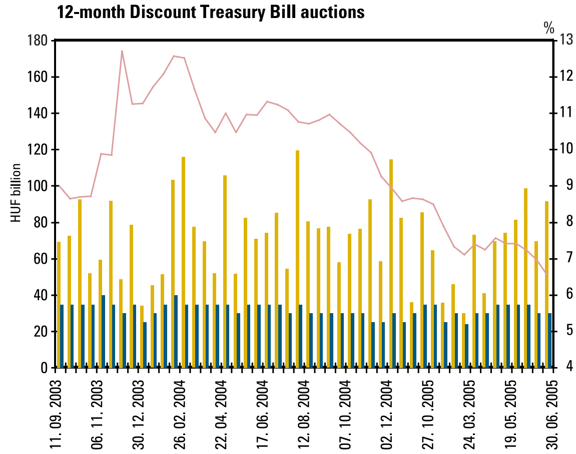
**3-month Discount Treasury Bill and Liquidity Discount Treasury Bill auctions**




**6-month Discount Treasury Bill auctions**



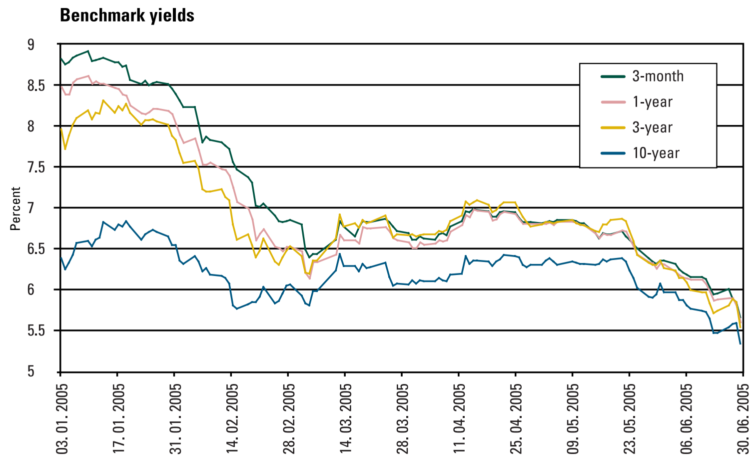

**12-month Discount Treasury Bill auctions**

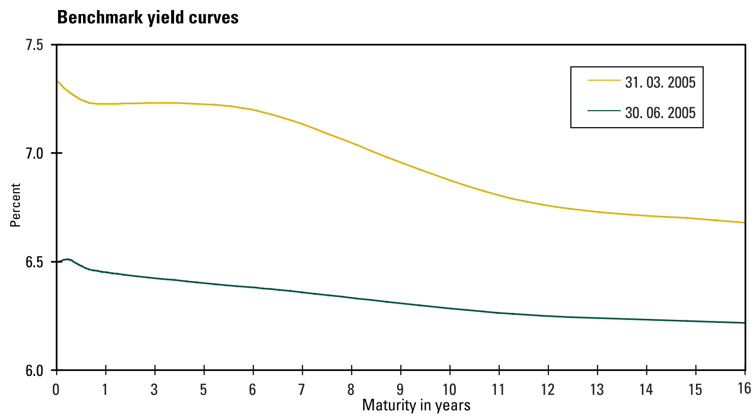



Bids submitted | Accepted amount | Average yield

## INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN Q2 2005

| Government Bond | Date of interest rate reset | Interest period | | Date of interest payment | Reset interest rate (%) | Interest payable (%) |
|---|---|---|---|---|---|---|
| 2026/B | 22. 04. 2005 | 24. 04. 2005 | 24. 10. 2005 | 24. 04. 2006 | 7.24% | |
| 2026/C | 22. 04. 2005 | 24. 04. 2005 | 24. 10. 2005 | 24. 10. 2005 | 7.24% | 9.20% |
| 2008/C | 22. 04. 2005 | 24. 04. 2005 | 24. 07. 2005 | 24. 10. 2005 | 7.14% | |
| 2014/A | 02. 05. 2005 | 02. 05. 2005 | 02. 11. 2005 | 02. 11. 2005 | 8.40% | 4.29% |
| 2007/B | 10. 06. 2005 | 12. 06. 2005 | 12. 12. 2005 | 12. 12. 2005 | 7.31% | 3.72% |
| 2013/C | 19. 06. 2005 | 20. 06. 2005 | 20. 12. 2005 | 20. 12. 2005 | 7.80% | 3.97% |
| 2014/B | 19. 06. 2005 | 20. 06. 2005 | 20. 12. 2005 | 20. 12. 2005 | 7.80% | 3.97% |
| 2016/A | 29. 06. 2005 | 30. 06. 2005 | 30. 09. 2005 | 30. 09. 2005 | 6.50% | 1.64% |




## PRIMARY DEALERS - AS AT 30 JUNE 2005

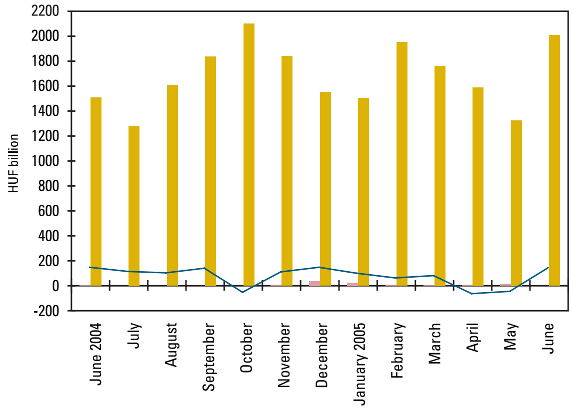
**Primary dealers:**

CIB Bank Rt.
CITIBANK Rt.
Deutsche Bank Rt.
Dresdner Bank (Hungaria) Rt.
ERSTE Bank Befektetési Magyarország Rt.
HVB Bank Hungary Rt.
ING Bank Rt.
Kereskedelmi és Hitelbank Rt.
Magyar Külkereskedelmi Bank Rt.
Magyar Takarékszövetkezeti Bank Rt.
Országos Takarékpénztár és Kereskedelmi Bank Rt.

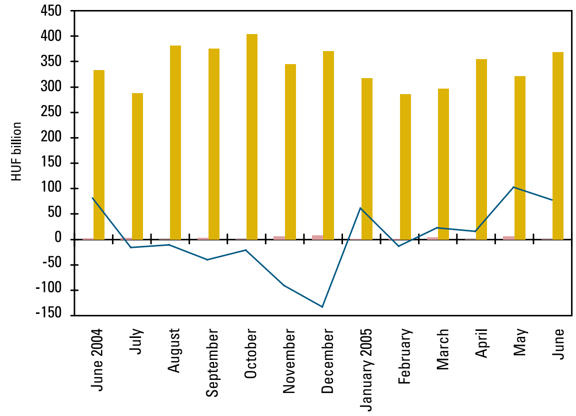
**Primary dealers for retail securities:**

CIB Bank Rt.
HVB Bank Hungary Rt.
Kereskedelmi és Hitelbank Rt.
Magyar Takarékszövetkezeti Bank Rt.
Országos Takarékpénztár és Kereskedelmi Bank Rt.
The branch network of the Hungarian State Treasury

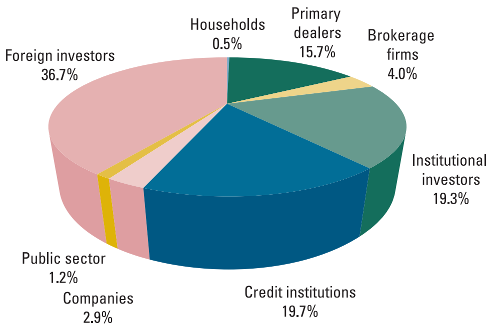
Secondary market trading of government bonds



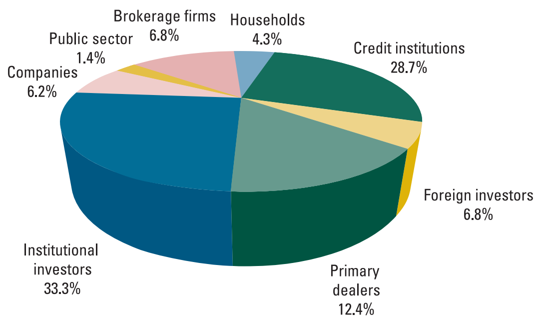

Secondary market trading of Discount Treasury Bills



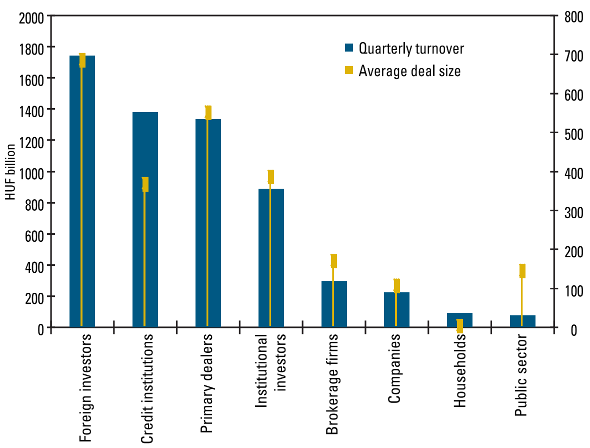

Breakdown of primary dealers' secondary market turnover in government bonds by investor groups in Q2 2005




Breakdown of primary dealers' secondary market turnover in Discount Treasury Bills by investor groups in Q2 2005

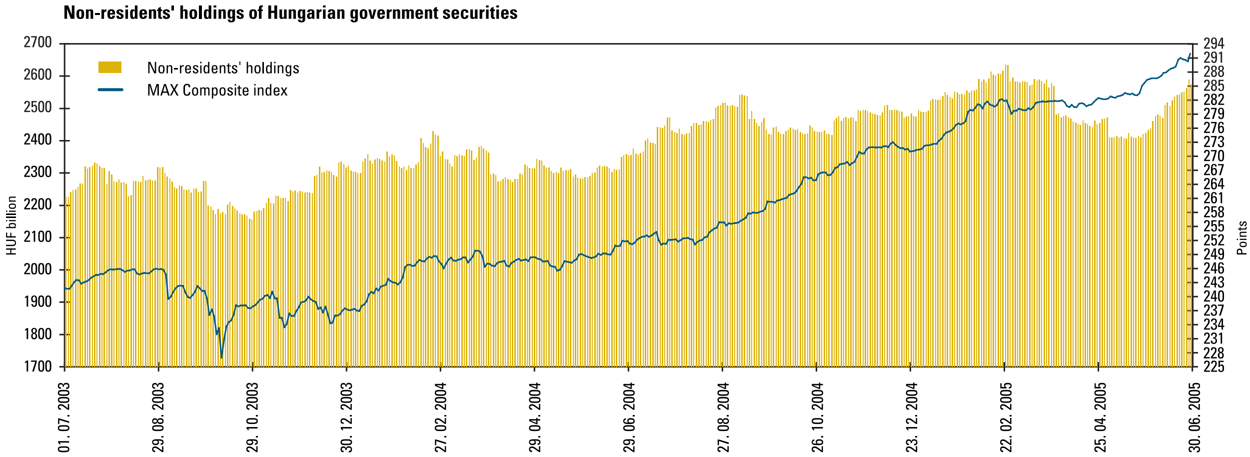



Primary dealers' trading with different investor groups in Q2 2005




## GOVERNMENT SECURITIES WITH THE HIGHEST TURNOVER ON THE SECONDARY MARKET IN Q2 2005

| Government security | Date of redemption | Turnover (HUF billion) |
|---|---|---|
| 2008/D | 24. 04. 2008 | 906.8 |
| 2015/A | 12. 02. 2015 | 791.6 |
| 2009/D | 12. 10. 2009 | 724.2 |
| 2007/G | 12. 10. 2007 | 445.9 |
| 2010/B | 12. 10. 2010 | 374.0 |
| 2013/D | 12. 02. 2013 | 332.5 |
| D060316 | 16. 03. 2006 | 314.0 |
| 2007/F | 12. 04. 2007 | 303.7 |
| 2008/C | 12. 06. 2008 | 299.0 |
| 2014/C | 12. 02. 2014 | 292.6 |




## HUNGARIAN GOVERNMENT SECURITIES INDICES

| | Value of the index | | | | Annual yield earned on the index portfolio | | | |
|---|---|---|---|---|---|---|---|---|
| | MAX index | RMAX index | MAX Composite index | ZMAX index | MAX index | RMAX index | MAX Composite index | ZMAX index |
| 31. 03. 2005 | 286.2781 | 280.1684 | 281.9470 | 282.2070 | 14.48% | 11.94% | 13.72% | 11.37% |
| 29. 04. 2005 | 285.1170 | 281.3706 | 281.2017 | 283.6802 | 14.48% | 11.60% | 13.68% | 10.92% |
| 31. 05. 2005 | 287.7260 | 283.3206 | 283.6334 | 285.5199 | 15.26% | 11.27% | 14.19% | 10.53% |
| 30. 06. 2005 | 298.8608 | 286.4520 | 292.6157 | 287.6753 | 20.71% | 11.78% | 18.34% | 10.39% |

## AMOUNT OUTSTANDING OF BENCHMARK GOVERNMENT BOND SERIES IN Q2 2005

| | HUF billion | | |
|---|---|---|---|
| Government Bond | 30. 04. 2005 | 31. 05. 2005 | 30. 06. 2005 |
| 2008/D | 237.08 | 268.38 | 318.46 |
| 2010/B | 35.14 | 70.75 | 105.40 |
| 2015/A | 281.65 | 311.20 | 336.24 |
| 2020/A | 115.49 | 130.73 | 150.54 |

## REUTERS PAGES (CODES)

Main page: HUTREASURY

| Auction results are available from 12.00 (CET) | |
|---|---|
| HUISSUE | Publication of the following issues and reverse auctions |
| HUAUCTION01 | Discount T-bill auction results |
| HUAUCTION02 | Government Bond auction results |

| Secondary market data | |
|---|---|
| HUBONDFIX | Benchmark yield fixing (updated at 14.30 CET) |
| HUBEST 3,4,5 | Best secondary market quotations |
| HUBONDAKK, HUBONDAKK4 | Best morning secondary market quotations |
| HUBONDAKK2, HUBONDAKK3 | Best afternoon secondary market quotations |
| HUBONDINDEX | Hungarian Government Total Return Index (MAX), updated at 16.00 CET |
| HUBONDINDEX2 | Benchmark Indices for Government Bonds BMX3Y-15Y (updated at 16.00 CET) |
| .HUMAXBOND | Hungarian Government Total Return Index (MAX) statistics |

| Other | |
|---|---|
| HUFLOATER | Interest rate reset of floating rate bonds |
| HUINDEXED | Accrued interest and capital uplift (inflation adjusted capital) of the index-linked government bond on a daily basis |
| HUBONDINFO | List of authorised dealers (contacts) |

## FURTHER INFORMATION PAGES:

Bloomberg pages (code): GDMA
Telerate pages (codes): 47184-47190
Homepage: www.akk.hu, www.allampapir.hu

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■ Phone: (36-1) 488-9488 ■ Fax: (36-1) 488-9405 ■ E-mail: akk@akk.hu ■ More information: www.akk.hu ■