



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

Á | K | K

GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
JUNE 2024



The Central Government Debt increased by HUF 4,005.6 billion to HUF 54,870.8 billion in 2024. Total net issuance was HUF 3,646.7 billion; out of which net HUF denominated issuance including repos was HUF 1,822.5 billion and net foreign currency denominated issuance was HUF 1,824.2 billion in 2024.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2023		2024		Change	
	December	%	June	%	HUF billion	%
HUF denominated debt	36,888.0	72.5	38,710.6	70.5	1,822.5	4.9
Loans	868.2	1.7	886.9	1.6	18.6	2.1
Government bonds	24,058.9	47.3	24,652.3	44.9	593.4	2.5
Retail securities	10,077.2	19.8	11,067.4	20.2	990.3	9.8
Discount treasury bills	1,883.8	3.7	2,104.0	3.8	220.2	11.7
Foreign exchange denominated debt	13,678.3	26.9	16,006.6	29.2	2,328.3	17.0
Total	50,566.3	99.4	54,717.2	99.7	4,150.8	8.2
Other obligations	298.8	0.6	153.6	0.3	-145.2	-48.6
Total central government debt	50,865.2	100.0	54,870.8	100.0	4,005.6	7.9

Source: ÁKK

The HUF denominated debt of the central government increased by HUF 1,822.5 billion in 2024. The increase in domestic debt was the result of the net government bond issuance of HUF 593.4 billion and the increase of discount Treasury bills by HUF 220.2 billion. The total amount of retail government securities increased by HUF 990.3 billion. The majority of the demand for retail government securities was the sale of Fix Hungarian Government Securities and Bonus Hungarian Government Securities. The volume of HUF loans increased by HUF 18.6 billion in 2024.

The foreign currency debt of the central government increased by HUF 2,328.3 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 512.9 billion and the issuance of domestic foreign currency bonds grew by HUF 51.2 billion. The exchange rate revaluations totalling HUF 504.1 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 13.5 billion. The total amount of other liabilities decreased by HUF 145.2 billion in 2024.

BENCHMARK YIELDS

Maturity	29.12.2023	31.05.2024	28.06.2024	Change in June basis point
3-month	6.23	6.56	6.21	-35
6-month	6.26	6.71	6.29	-42
1-year	6.45	6.70	6.17	-53
3-year	6.12	6.96	6.62	-34
5-year	5.78	6.91	6.67	-24
10-year	5.86	6.94	6.81	-13
15-year	6.11	6.94	6.80	-14
20-year	6.07	6.97	6.80	-17

Source: ÁKK

Monthly OTC turnover of government securities decreased by 21% to HUF 5,539.7 billion in June. Primary dealers, who account for the decisive part of all secondary government securities trading, made 70% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities decreased altogether by HUF 778.8 billion in June and amounted to HUF 6,332.9 billion at the end of June. This volume represented 16.7% of the total amount of domestic government securities. The EUR/HUF exchange rate according to the National Bank of Hungary was 395.15 on the last working day of June.

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

CENTRAL GOVERNMENT GROSS DEBT

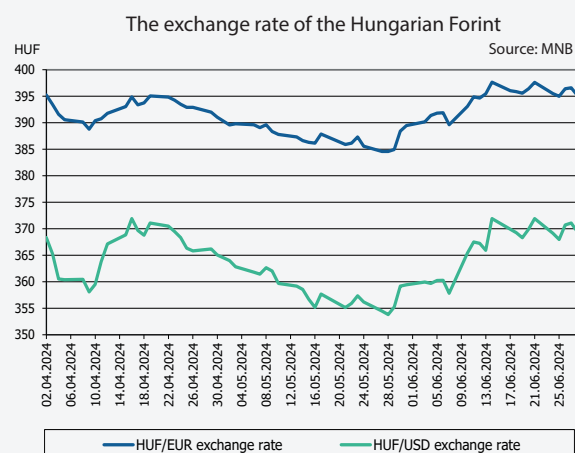
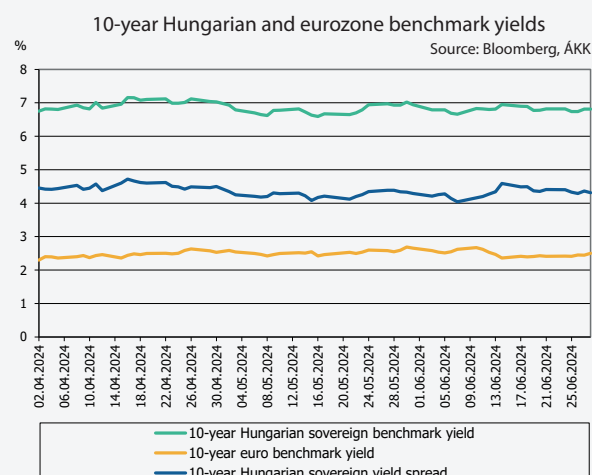
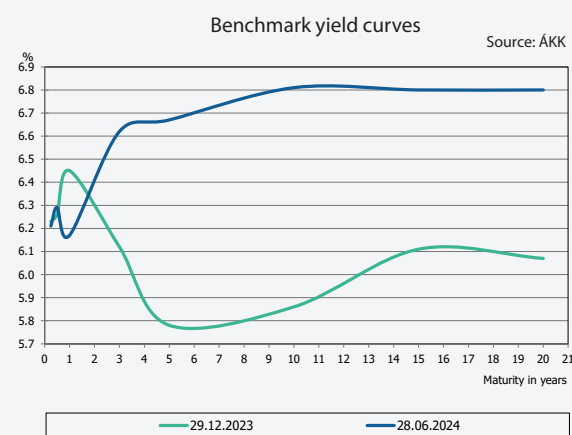
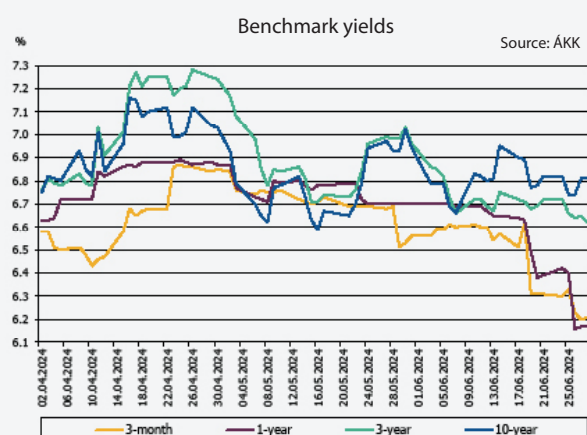
HUF BILLION

	2019	2020	2021	2022	2023	2024 April	2024 May	2024 June
1. Forint denominated debt	24,357.1	29,237.3	32,121.2	33,775.6	36,888.0	38,286.5	38,800.2	38,710.6
1.1. Loans	1,208.1	1,161.6	1,307.7	1,024.2	868.2	832.0	876.4	886.9
1.2. Government securities	23,149.0	28,075.7	30,813.5	32,751.4	36,019.8	37,454.6	37,923.9	37,823.7
1.2.1. Public issues	23,109.8	28,036.5	30,813.5	32,751.4	36,019.8	37,454.6	37,923.9	37,823.7
1.2.1.1. Bonds	13,378.5	18,206.6	20,220.0	22,346.3	24,058.9	24,809.8	24,909.3	24,652.3
1.2.1.2. Discount T-bills	657.3	658.2	583.2	1,785.8	1,883.8	1,736.0	1,988.4	2,104.0
1.2.1.3. Retail securities	9,074.0	9,171.7	10,010.2	8,619.4	10,077.2	10,908.9	11,026.2	11,067.4
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	15,794.8	15,758.1	16,006.6
2.1. Loans	825.4	1,291.1	1,345.2	1,959.1	2,670.0	3,152.3	3,159.4	3,220.7
2.2. Government securities	4,295.8	6,027.1	7,049.9	9,438.2	11,008.3	12,642.4	12,598.7	12,785.9
2.2.1. Issued abroad	3,713.5	5,481.3	6,594.9	9,085.5	10,535.4	12,131.9	12,083.4	12,259.5
2.2.2. Issued domestically	582.3	545.9	455.0	352.8	472.9	510.5	515.3	526.4
Total	29,478.3	36,555.5	40,516.4	45,173.0	50,566.3	54,081.3	54,558.3	54,717.2
Other liabilities	203.70	128.80	180.60	389.40	298.80	54.40	74.30	153.60
Total central government debt	29,682.0	36,684.3	40,697.0	45,562.4	50,865.2	54,135.7	54,632.6	54,870.8
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	26,545.8	26,897.7	26,756.3
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

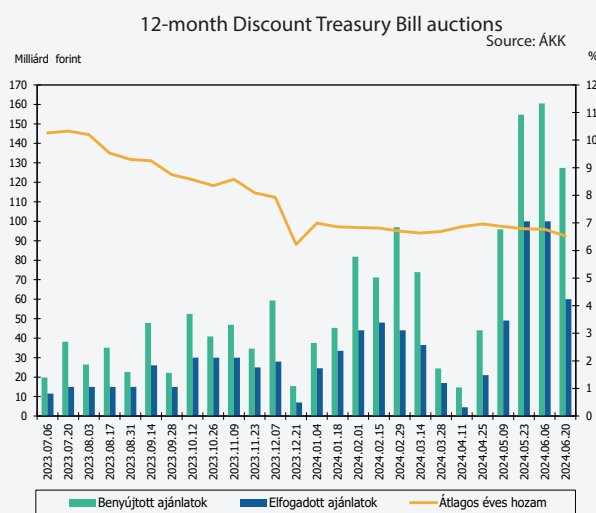
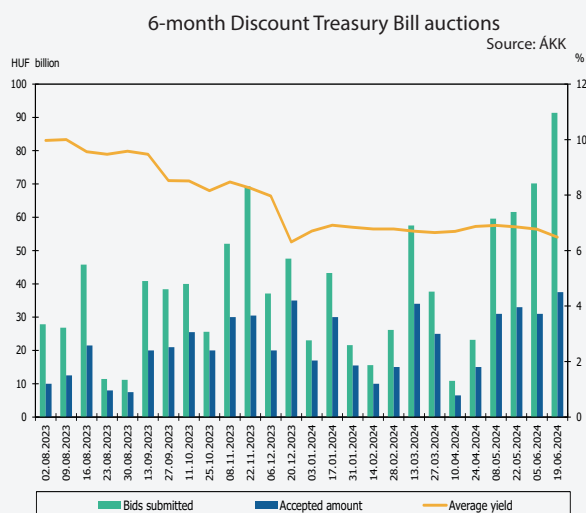
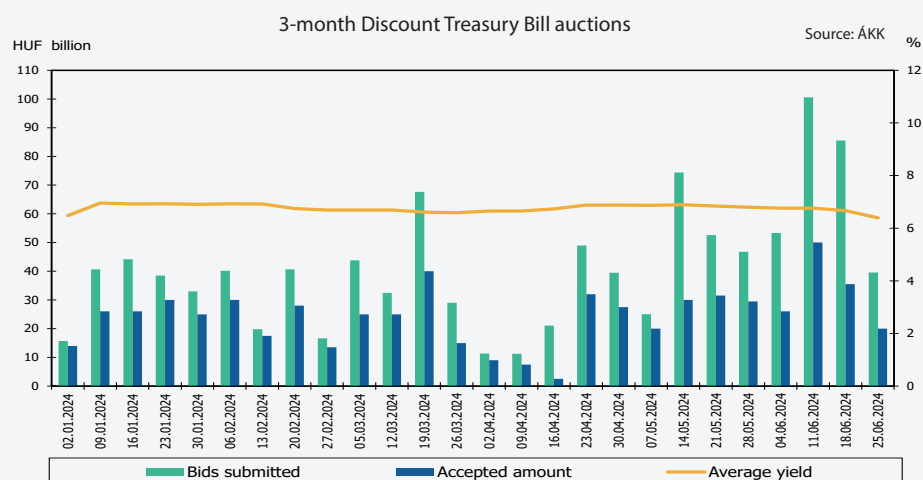


MNB - National Bank of Hungary

DISCOUNT TREASURY BILL AUCTION RESULTS

	3-month Discount T-bills				6-month Discount T-bills		12-month Discount T-bills	
Code of T-bills	D240918	D241030	D241030	D241030	D241223	D241223	D250430	D250625
ISIN code	HU0000525027	HU0000524939	HU0000524939	HU0000524939	HU0000525019	HU0000525019	HU0000525068	HU0000525092
Maturity in days	98	133	126	119	194	180	322	364
Date of auction	04.06.2024	11.06.2024	18.06.2024	25.06.2024	05.06.2024	19.06.2024	06.06.2024	20.06.2024
Date of financial settlement	12.06.2024	19.06.2024	26.06.2024	03.07.2024	12.06.2024	26.06.2024	12.06.2024	26.06.2024
Redemption date	18.09.2024	30.10.2024	30.10.2024	30.10.2024	23.12.2024	23.12.2024	30.04.2025	25.06.2025
Maximum yield (%) - ISMA	6.79	6.77	6.69	6.44	6.80	6.48	6.78	6.58
Minimum yield (%) - ISMA	6.56	6.50	6.50	6.30	6.70	6.40	6.60	6.35
Average yield (%) - ISMA	6.76	6.76	6.67	6.39	6.77	6.48	6.77	6.53
Maximum yield (%) - EHM	6.88	6.86	6.78	6.53	6.89	6.57	6.87	6.67
Minimum yield (%) - EHM	6.65	6.59	6.59	6.39	6.79	6.49	6.69	6.44
Average yield (%) - EHM	6.85	6.85	6.76	6.48	6.87	6.57	6.86	6.62
Average selling price (%)	98.1932	97.5641	97.7190	97.9299	96.4780	96.8619	94.2926	93.8062
Amount offered for sale (HUF million)	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	30,000.00	30,000.00
Amount of bids submitted (HUF million)	53,363.48	100,592.88	85,543.51	39,571.18	70,185.47	91,356.20	160,524.53	127,425.41
Amount of bids accepted (HUF million)	25,999.97	49,999.94	35,499.99	19,999.99	30,999.97	37,500.00	99,999.96	59,999.98
Bid-to-cover ratio	2.05	2.01	2.41	1.98	2.26	2.44	1.61	2.12
Bids submitted (pcs)	97	78	117	87	83	94	76	96
Bids accepted (pcs)	67	53	37	63	59	11	55	60
Market sales (HUF million)	25,999.97	49,999.94	35,499.99	19,999.99	30,999.97	37,500.00	99,999.96	59,999.98
Retained on ÁKK's own account (HUF million)	12,000.03	4,000.06	9,000.01	0.01	0.03	18,800.00	8,000.04	60,000.02
Total amount issued (HUF million)	38,000.00	54,000.00	44,500.00	20,000.00	31,000.00	56,300.00	108,000.00	120,000.00

Source: ÁKK

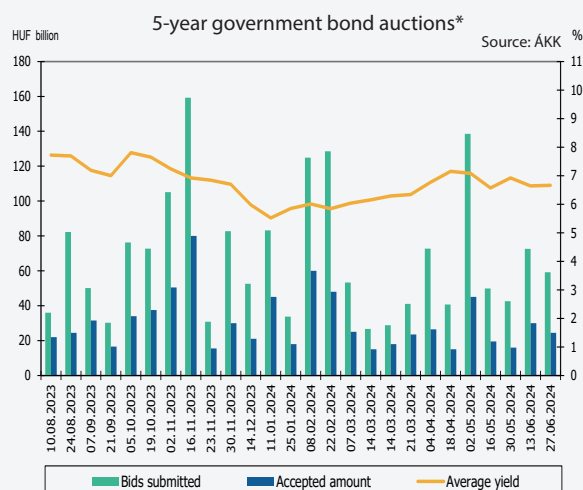
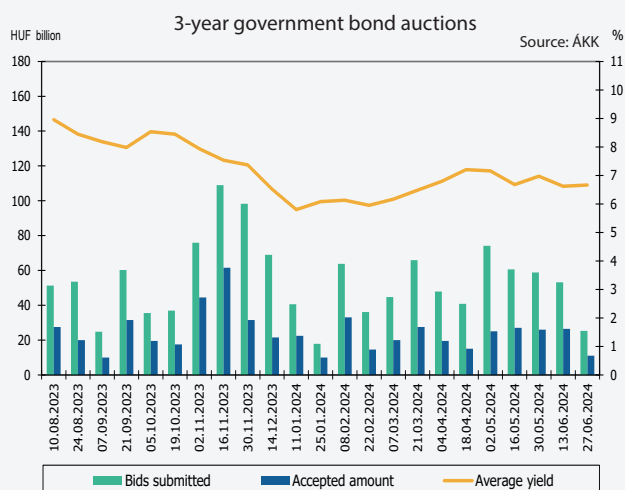


GOVERNMENT BOND AUCTION RESULTS

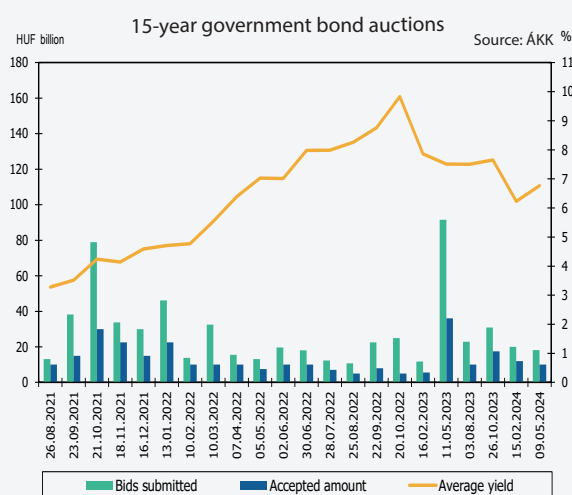
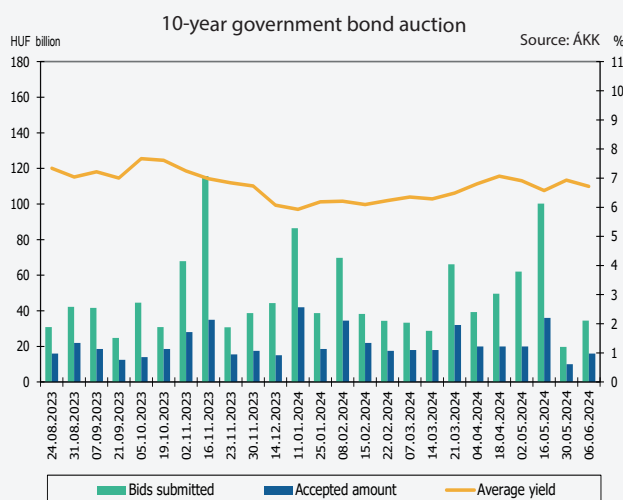
Government Bond	2032/G	2026/H	2029/A	2035/A	2029/B
ISIN code	HU0000405535	HU0000406160	HU0000404603	HU0000406624	HU0000404926
Maturity (in years)	7	3	5	10	5
Coupon	4.50%	9.50%	2.00%	7.00%	7.28%
Auction	16th auction	37th auction	77th auction	21st auction	50th auction
Date of auction	06.06.2024	13.06.2024	13.06.2024	13.06.2024	20.06.2024
Date of financial settlement	12.06.2024	19.06.2024	19.06.2024	19.06.2024	26.06.2024
Redemption date	27.05.2032	21.10.2026	23.05.2029	24.10.2035	22.08.2029
Maximum annual yield (%) - ISMA	6.73	6.64	6.65	6.76	-
Minimum annual yield (%) - ISMA	6.69	6.60	6.62	6.74	-
Average annual yield (%) - ISMA	6.72	6.62	6.64	6.75	-
Maximum annual yield (%) - EHM	6.73	6.64	6.64	6.76	-
Minimum annual yield (%) - EHM	6.69	6.60	6.62	6.73	-
Average annual yield (%) - EHM	6.71	6.62	6.64	6.75	-
Maximum price (%)	86.8136	106.0325	81.0992	101.9603	99.2600
Minimum price (%)	86.5937	105.9443	81.0001	101.7631	99.1700
Average price (%)	86.6604	105.9901	81.0262	101.8608	99.1900
Amount offered for sale (HUF million)	10,000.00	15,000.00	12,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	34,500.00	53,200.00	72,567.00	15,409.50	37,075.30
Amount of bids accepted (HUF million)	15,999.98	26,499.98	29,999.99	10,000.00	15,499.99
Bid-to-cover ratio	2.16	2.01	2.42	1.54	2.39
Bids submitted (pcs)	52	40	50	39	38
Bids accepted (pcs)	27	20	16	21	22
Tail (%) (average price - minimum price)	0.07	0.05	0.03	0.10	0.02
Market sales (HUF million)	15,999.98	26,499.98	29,999.99	10,000.00	15,499.99
Non-competitive offer (HUF million)	5,919.98	1,151.34	0.00	0.00	5,539.79
Total amount sales (HUF million)	21,919.96	27,651.32	29,999.99	10,000.00	21,039.78

Government Bond	2032/B	2027/A	2029/A	2035/A
ISIN code	HU0000406087	HU0000403118	HU0000404603	HU0000406624
Maturity (in years)	7	3	5	10
Coupon	7.06%	3.00%	2.00%	7.00%
Auction	24th auction	62nd auction	78th auction	22nd auction
Date of auction	20.06.2024	27.06.2024	27.06.2024	27.06.2024
Date of financial settlement	26.06.2024	03.07.2024	03.07.2024	03.07.2024
Redemption date	25.08.2032	27.10.2027	23.05.2029	24.10.2035
Maximum annual yield (%) - ISMA	-	6.68	6.69	6.85
Minimum annual yield (%) - ISMA	-	6.63	6.64	6.80
Average annual yield (%) - ISMA	-	6.66	6.66	6.84
Maximum annual yield (%) - EHM	-	6.68	6.68	6.85
Minimum annual yield (%) - EHM	-	6.63	6.63	6.79
Average annual yield (%) - EHM	-	6.66	6.66	6.84
Maximum price (%)	99.1100	89.4803	81.1603	101.4903
Minimum price (%)	99.0000	89.3442	80.9803	101.0927
Average price (%)	99.0400	89.3863	81.0623	101.1681
Amount offered for sale (HUF million)	10,000.00	10,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	11,240.00	25,300.00	59,200.00	12,533.54
Amount of bids accepted (HUF million)	8,499.99	10,999.98	24,500.00	8,999.99
Bid-to-cover ratio	1.32	2.30	2.42	1.39
Bids submitted (pcs)	24	36	57	34
Bids accepted (pcs)	19	19	24	25
Tail (%) (average price - minimum price)	0.04	0.04	0.08	0.08
Market sales (HUF million)	8,499.99	10,999.98	24,500.00	8,999.99
Non-competitive offer (HUF million)	0.00	1,053.32	6,100.00	0.00
Total amount sales (HUF million)	8,499.99	12,053.30	30,600.00	8,999.99

Source: ÁKK



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



GOVERNMENT SECURITIES BUY-BACK AUCTION RESULTS

Government bond	2024/C	2025/B	2024/C	2025/B
ISIN code	HU0000403571	HU0000402748	HU0000403571	HU0000402748
Coupon (%)	2.5	5.5	2.5	5.5
Date of reverse auction	12.06.2024	12.06.2024	26.06.2024	26.06.2024
Date of financial settlement	19.06.2024	19.06.2024	03.07.2024	03.07.2024
Redemption date	24.10.2024	24.06.2025	24.10.2024	24.06.2025
Minimum annual yield (%)	6.94	6.69	6.51	6.47
Average annual yield- ISMA (%)	6.95	6.71	6.51	6.49
Average annual yield - EHM (%)	6.78	6.71	6.35	6.48
Amount of bids submitted (HUF million)	3,120.00	19,359.01	1,000.00	9,000.00
Amount of bids accepted (HUF million)	2,120.00	6,185.16	1,000.00	5,000.00

Source: ÁKK

INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN JUNE 2024

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2025/N	25.06.2024	30.06.2024	30.09.2024	30.09.2024	7.68%	1.96%
2028/K	14.06.2024	20.06.2024	20.06.2025	20.06.2025	19.10%	19.10%

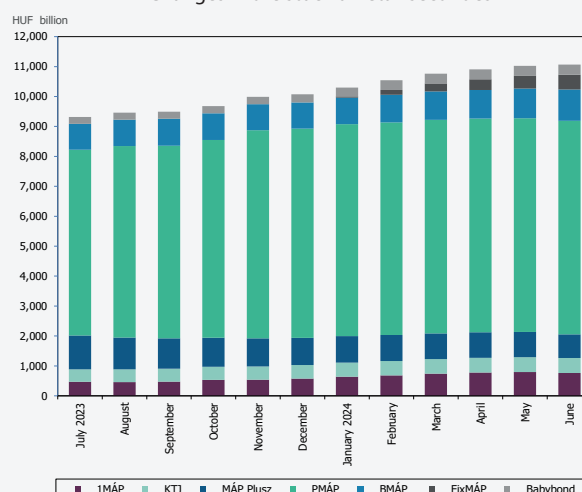
Source: ÁKK

OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2023	30.06.2024	Change
1-year Hungarian Government Security / 1MÁP	574.0	763.7	189.7
Treasury Saving Bills / KTJ	453.7	499.3	45.6
Hungarian Government Security Plus / MÁP Plusz	907.3	790.1	-117.2
Premium Hungarian Government Security / PMÁP	6,992.7	7,138.1	145.4
Bonus Hungarian Government Security / BMÁP	873.2	1,043.9	170.7
Fix Hungarian Government Security / FixMÁP	0.0	494.2	494.2
Babybond	276.1	338.1	62.0
Total	10,077.1	11,067.4	990.3

Source: ÁKK

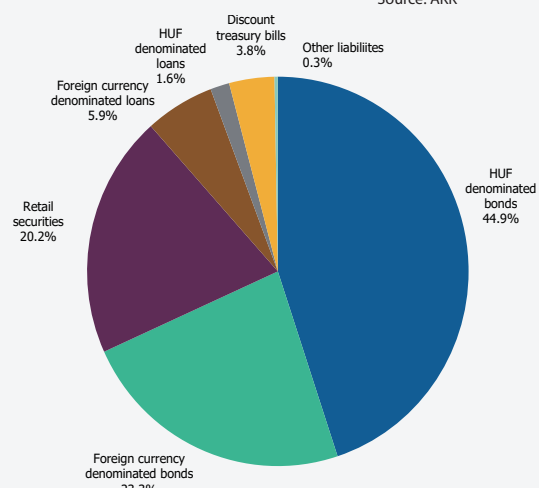
Changes in the stock of retail securities



Source: ÁKK

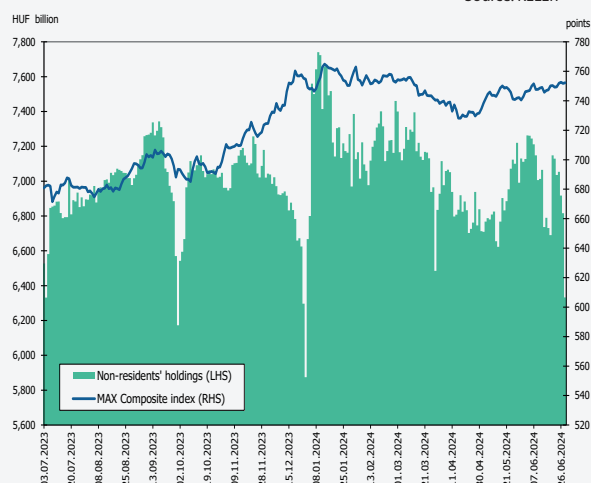
Debt structure at 30.06.2024

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 28.06.2024	784.1880	90.6956	752.2856	680.6241	672.7043
Changes compared to the end of the previous month	10.2579	1.3441	9.5003	4.9094	4.2451
Annual yield earned on the index portfolio (%)	11.00	9.50	10.91	11.01	9.29

Source: ÁKK

Government bonds with the highest secondary market turnover in June 2024

Government bond	Date of redemption	Turnover (HUF billion)
2026/H	21.10.2026	283.3
2029/A	23.05.2029	200.0
2035/A	24.10.2035	140.7
D241030	30.10.2024	133.8
2024/C	24.10.2024	130.0
2028/A	22.10.2028	126.9
D250430	30.04.2025	125.1
2032/A	24.11.2032	103.0
2033/A	20.04.2033	89.6
D241223	23.12.2024	83.3

Source: Primary Dealers, ÁKK

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

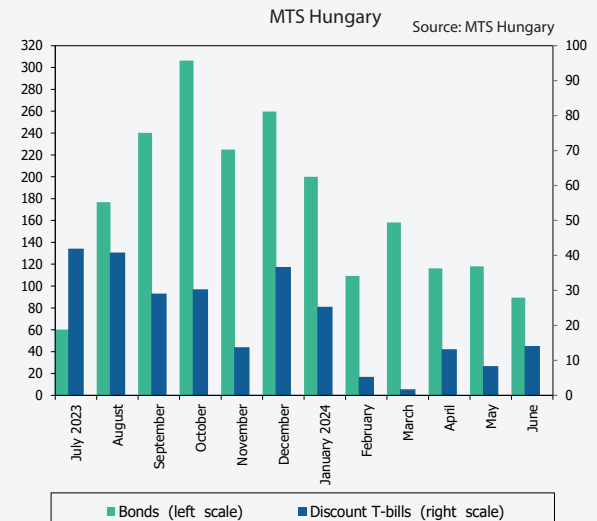
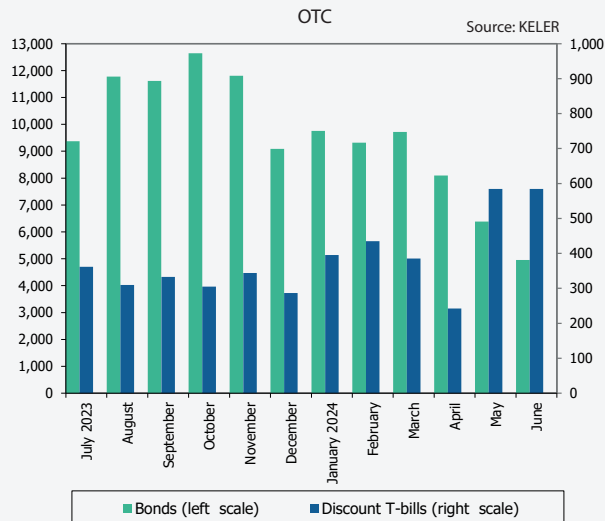
Government bond	HUF billion	
	31.05.2024	30.06.2024
2026/H	946.7	1,003.5
2029/A	1,140.9	1,187.6
2035/A	458.2	478.3
2038/A	1,013.2	1,013.2
2041/A	610.4	610.4

Source: ÁKK The outstanding volume of the three largest government bonds at the end of June 2024

Government bond	HUF billion
2028/A	1,960.2
2031/A	1,584.2
2033/A	1,518.0

Source: ÁKK

Secondary market trading of Hungarian government securities (HUF billion)



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

