



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

Á | K | K

GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
JANUARY 2024



The Central Government Debt increased by HUF 2,064.5 billion to HUF 52,929.7 billion in 2024. Total net issuance was HUF 1,944.4 billion; out of which net HUF denominated issuance including repos was HUF 425.1 billion and net foreign currency denominated issuance was HUF 1,519.3 billion in 2024.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2023		2024		Change	
	December	%	January	%	HUF billion	%
HUF denominated debt	36,888.0	72.5	37,313.1	70.5	425.1	1.2
Loans	868.2	1.7	848.1	1.6	-20.1	-2.3
Government bonds	24,058.9	47.3	24,241.6	45.8	182.7	0.8
Retail securities	10,077.2	19.8	10,297.7	19.5	220.5	2.2
Discount treasury bills	1,883.8	3.7	1,925.7	3.6	41.9	2.2
Foreign exchange denominated debt	13,678.3	26.9	15,298.2	28.9	1,619.8	11.8
Total	50,566.3	99.4	52,611.3	99.4	2,044.9	4.0
Other obligations	298.8	0.6	318.4	0.6	19.5	6.5
Total central government debt	50,865.2	100.0	52,929.7	100.0	2,064.5	4.1

Source: ÁKK

The HUF denominated debt of the central government increased by HUF 425.1 billion in 2024. The increase in domestic debt was the result of the net government bond issuance of HUF 182.7 billion and the increase of discount Treasury bills by HUF 41.9 billion. The total amount of retail government securities increased by HUF 220.5 billion. The majority of the demand for retail government securities was the sale of Premium Hungarian Government Securities and 1-year 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 1,619.8 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 71.3 billion and the issuance of domestic foreign currency bonds grew by HUF 9.8 billion. The exchange rate revaluations totalling HUF 100.5 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 1.9 billion. The total amount of other liabilities increased by HUF 19.5 billion in 2024.

BENCHMARK YIELDS

Maturity	30.12.2022	29.12.2023	31.01.2024	Change in January basis point
3-month	12.32	6.23	6.86	63
6-month	13.89	6.26	6.71	45
1-year	13.82	6.45	6.73	28
3-year	10.71	6.12	6.17	5
5-year	9.73	5.78	5.86	8
10-year	8.98	5.86	6.09	23
15-year	8.41	6.11	6.20	9
20-year	8.41	6.07	6.23	16

Source: ÁKK

Monthly OTC turnover of government securities increased by 8% to HUF 10,154.7 billion in January. Primary dealers, who account for the decisive part of all secondary government securities trading, made 69% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities increased altogether by HUF 1,095.1 billion in January and amounted to HUF 6,969.4 billion at the end of January. This volume represented 19.1% of the total amount of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 385.09 on the last working day of January.

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

CENTRAL GOVERNMENT GROSS DEBT

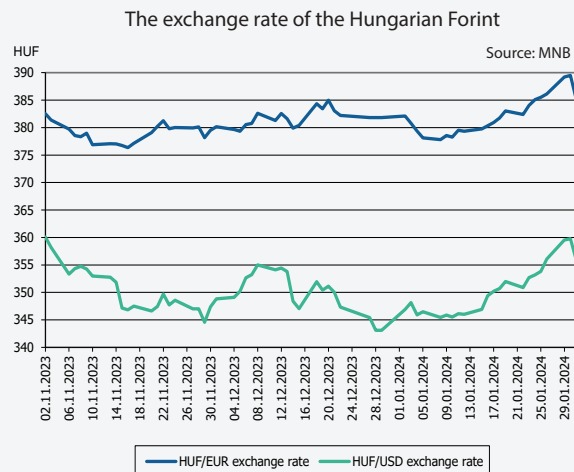
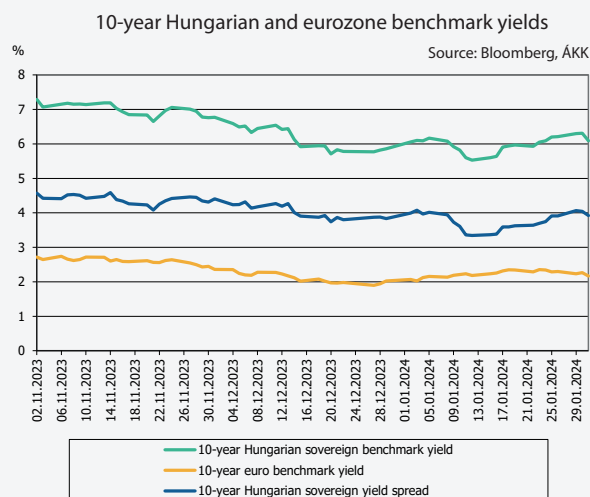
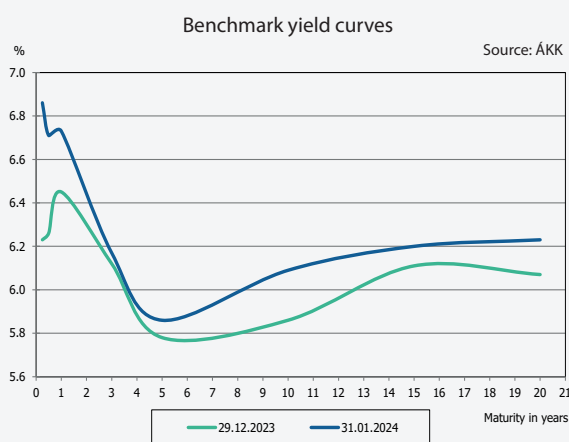
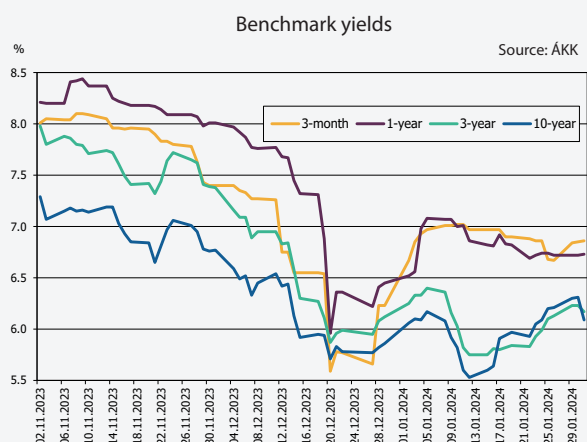
HUF BILLION

	2018	2019	2020	2021	2022	2023 November	2023 December	2024 January
1. Forint denominated debt	22,796.0	24,357.1	29,237.3	32,121.2	33,775.6	36,616.6	36,888.0	37,313.1
1.1. Loans	1,167.7	1,208.1	1,161.6	1,307.7	1,024.2	894.7	868.2	848.1
1.2. Government securities	21,628.3	23,149.0	28,075.7	30,813.5	32,751.4	35,721.9	36,019.8	36,465.0
1.2.1. Public issues	21,589.1	23,109.8	28,036.5	30,813.5	32,751.4	35,721.9	36,019.8	36,465.0
1.2.1.1. Bonds	12,836.1	13,378.5	18,206.6	20,220.0	22,346.3	23,813.6	24,058.9	24,241.6
1.2.1.2. Discount T-bills	1,237.3	657.3	658.2	583.2	1,785.8	1,918.4	1,883.8	1,925.7
1.2.1.3. Retail securities	7,515.7	9,074.0	9,171.7	10,010.2	8,619.4	9,989.8	10,077.2	10,297.7
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	13,160.8	13,678.3	15,298.2
2.1. Loans	795.0	825.4	1,291.1	1,345.2	1,959.1	2,252.2	2,670.0	2,758.4
2.2. Government securities	4,929.8	4,295.8	6,027.1	7,049.9	9,438.2	10,908.6	11,008.3	12,539.7
2.2.1. Issued abroad	4,246.2	3,713.5	5,481.3	6,594.9	9,085.5	10,445.6	10,535.4	12,056.0
2.2.2. Issued domestically	683.6	582.3	545.9	455.0	352.8	463.0	472.9	483.7
Total	28,520.7	29,478.3	36,555.5	40,516.4	45,173.0	49,777.4	50,566.3	52,611.3
Other liabilities	167.40	203.70	128.80	180.60	389.40	141.00	298.80	318.40
Total central government debt	28,688.2	29,682.0	36,684.3	40,697.0	45,562.4	49,918.4	50,865.2	52,929.7
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	25,732.0	25,942.7	26,167.3
Gross debt/GDP	66.1%	62.3%	75.8%	73.7%	69.0%			

* 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



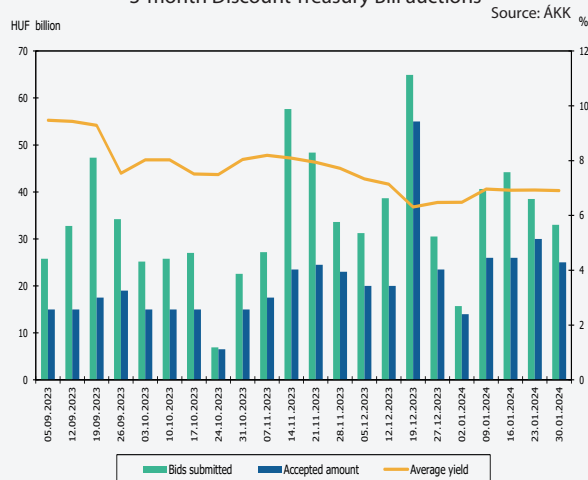
MNB - National Bank of Hungary

DISCOUNT TREASURY BILL AUCTION RESULTS

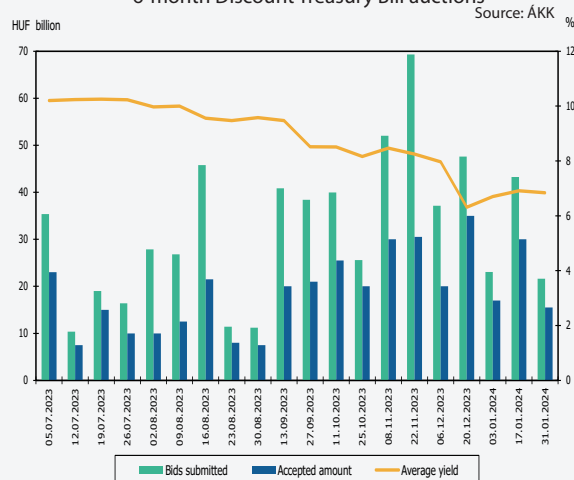
	3-month Discount T-bills					6-month Discount T-bills			12-month Discount T-bills	
Code of T-bills	D240430	D240430	D240430	D240529	D240529	D240626	D240821	D240821	D241223	D241223
ISIN code	HU0000524673	HU0000524673	HU0000524673	HU0000525084	HU0000525084	HU0000524756	HU0000524830	HU0000524830	HU0000525019	HU0000525019
Maturity in days	111	104	97	119	112	168	210	196	348	334
Date of auction	02.01.2024	09.01.2024	16.01.2024	23.01.2024	30.01.2024	03.01.2024	17.01.2024	31.01.2024	04.01.2024	18.01.2024
Date of financial settlement	10.01.2024	17.01.2024	24.01.2024	31.01.2024	07.02.2024	10.01.2024	24.01.2024	07.02.2024	10.01.2024	24.01.2024
Redemption date	30.04.2024	30.04.2024	30.04.2024	29.05.2024	29.05.2024	26.06.2024	21.08.2024	21.08.2024	23.12.2024	23.12.2024
Maximum yield (%) - ISMA	6.55	7.08	7.02	6.95	6.96	6.79	6.98	6.89	7.09	6.90
Minimum yield (%) - ISMA	6.25	6.50	6.50	6.80	6.50	6.40	6.90	6.50	6.40	6.79
Average yield (%) - ISMA	6.48	6.96	6.92	6.93	6.91	6.70	6.91	6.84	6.99	6.85
Maximum yield (%) - EHM	6.64	7.18	7.12	7.05	7.06	6.88	7.08	6.99	7.19	7.00
Minimum yield (%) - EHM	6.34	6.59	6.59	6.89	6.59	6.49	7.00	6.59	6.49	6.88
Average yield (%) - EHM	6.57	7.06	7.02	7.02	7.00	6.80	7.01	6.94	7.09	6.95
Average selling price (%)	98.0405	98.0292	98.1686	97.7621	97.8959	96.9671	96.1228	96.4088	93.6699	94.0206
Amount offered for sale (HUF million)	30,000.00	20,000.00	20,000.00	30,000.00	30,000.00	30,000.00	20,000.00	30,000.00	30,000.00	20,000.00
Amount of bids submitted (HUF million)	15,702.85	40,649.81	44,201.09	38,518.76	32,986.43	23,043.32	43,247.89	21,620.59	37,504.99	45,218.63
Amount of bids accepted (HUF million)	14,000.00	25,999.99	25,999.99	29,999.96	24,999.99	17,000.00	29,999.99	15,500.00	24,499.99	33,499.97
Bid-to-cover ratio	1.12	1.56	1.70	1.28	1.32	1.36	1.44	1.39	1.53	1.35
Bids submitted (pcs)	22	96	63	59	95	46	45	53	45	78
Bids accepted (pcs)	20	63	49	46	72	37	29	40	37	49
Market sales (HUF million)	14,000.00	25,999.99	25,999.99	29,999.96	24,999.99	17,000.00	29,999.99	15,500.00	24,499.99	33,499.97
Retained on ÁKK's own account (HUF million)	-	17,500.01	2,500.01	69,000.04	5,000.01	11,000.00	23,900.01	-	49,000.01	45,000.03
Total amount issued (HUF million)	14,000.00	43,500.00	28,500.00	99,000.00	30,000.00	28,000.00	53,900.00	15,500.00	73,500.00	78,500.00

Source: ÁKK

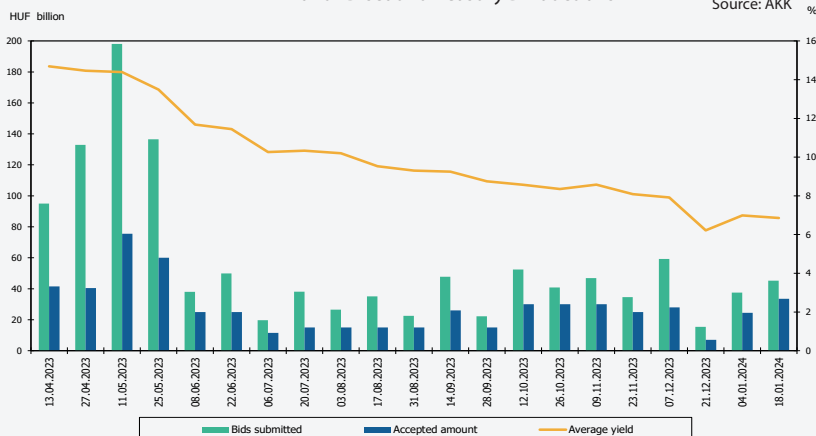
3-month Discount Treasury Bill auctions



6-month Discount Treasury Bill auctions



12-month Discount Treasury Bill auctions

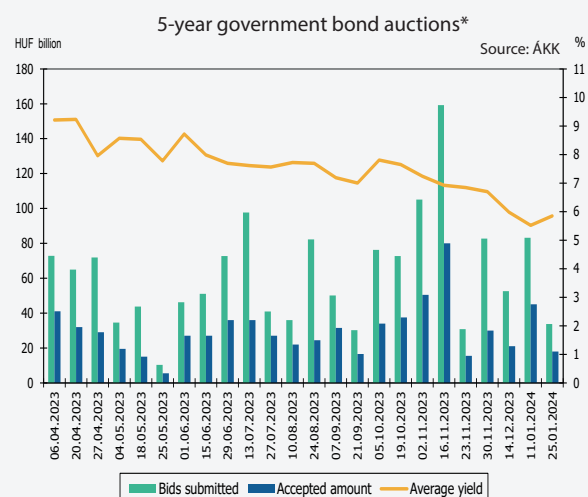
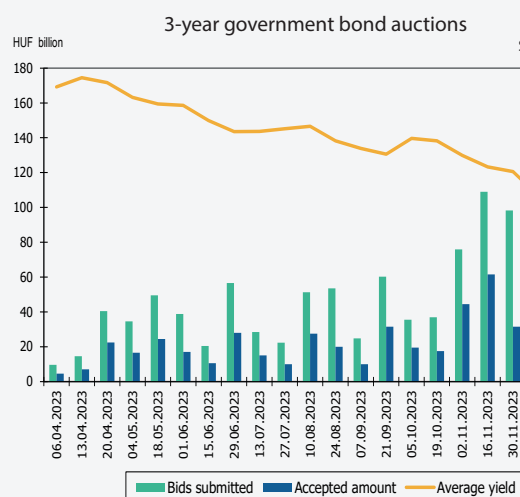


GOVERNMENT BOND AUCTION RESULTS

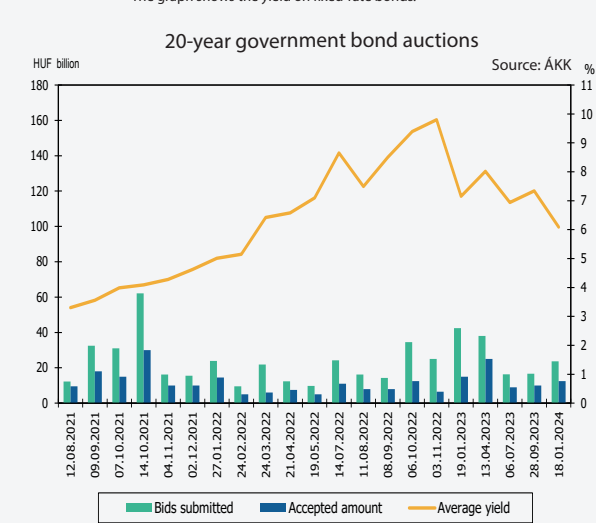
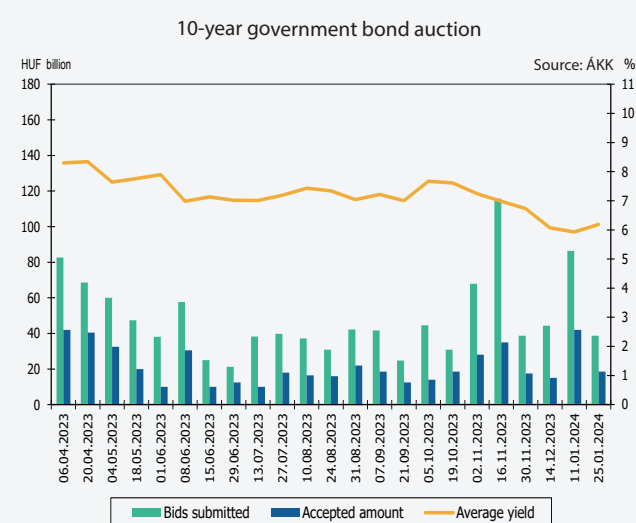
Government Bond	2029/B	2032/B	2026/H	2028/A
ISIN code	HU0000404926	HU0000406087	HU0000406160	HU0000402532
Maturity (in years)	5	10	3	5
Coupon	11.08%	10.82%	9.50%	6.75%
Auction	45th auction	18th auction	26th auction	73rd auction
Date of auction	04.01.2024	04.01.2024	11.01.2024	11.01.2024
Date of financial settlement	10.01.2024	10.01.2024	17.01.2024	17.01.2024
Redemption date	22.08.2029	25.08.2032	21.10.2026	22.10.2028
Maximum annual yield (%) - ISMA	-	-	5.82	5.55
Minimum annual yield (%) - ISMA	-	-	5.78	5.50
Average annual yield (%) - ISMA	-	-	5.80	5.52
Maximum annual yield (%) - EHM	-	-	5.82	5.54
Minimum annual yield (%) - EHM	-	-	5.78	5.49
Average annual yield (%) - EHM	-	-	5.80	5.51
Maximum price (%)	100.5500	99.0100	109.1960	105.0843
Minimum price (%)	100.3900	98.8000	109.0899	104.8712
Average price (%)	100.4800	98.8400	109.1308	104.9968
Amount offered for sale (HUF million)	10,000.00	10,000.00	12,000.00	12,000.00
Amount of bids submitted (HUF million)	16,833.53	51,234.23	40,570.00	83,200.00
Amount of bids accepted (HUF million)	10,000.00	21,000.00	22,499.99	44,999.99
Bid-to-cover ratio	1.68	2.44	1.80	1.85
Bids submitted (pcs)	27	28	49	56
Bids accepted (pcs)	18	18	22	35
Tail (%) (average price - minimum price)	0.09	0.04	0.04	0.13
Market sales (HUF million)	10,000.00	21,000.00	22,499.99	44,999.99
Non-competitive offer (HUF million)	2,240.00	7,400.00	1,986.66	14,339.08
Total amount sales (HUF million)	12,240.00	28,400.00	24,486.65	59,339.07

Government Bond	2035/A	2041/A	2026/H	2028/A	2035/A
ISIN code	HU0000406624	HU0000404165	HU0000406160	HU0000402532	HU0000406624
Maturity (in years)	10	20	3	5	10
Coupon	7.00%	3.00%	9.50%	6.75%	7.00%
Auction	9th auction	46th auction	27th auction	74th auction	10th auction
Date of auction	11.01.2024	18.01.2024	25.01.2024	25.01.2024	25.01.2024
Date of financial settlement	17.01.2024	24.01.2024	31.01.2024	31.01.2024	31.01.2024
Redemption date	24.10.2035	25.04.2041	21.10.2026	22.10.2028	24.10.2035
Maximum annual yield (%) - ISMA	5.95	6.11	6.11	5.88	6.21
Minimum annual yield (%) - ISMA	5.89	6.06	6.04	5.82	6.15
Average annual yield (%) - ISMA	5.93	6.09	6.08	5.85	6.19
Maximum annual yield (%) - EHM	5.95	6.11	6.11	5.87	6.21
Minimum annual yield (%) - EHM	5.89	6.06	6.04	5.81	6.14
Average annual yield (%) - EHM	5.93	6.09	6.08	5.85	6.18
Maximum price (%)	109.1703	67.7882	108.3944	103.7093	106.9103
Minimum price (%)	108.6415	67.3803	108.2128	103.4617	106.3746
Average price (%)	108.7997	67.5081	108.2896	103.5763	106.5512
Amount offered for sale (HUF million)	12,000.00	10,000.00	12,000.00	12,000.00	12,000.00
Amount of bids submitted (HUF million)	86,440.00	23,711.00	17,800.00	33,800.00	38,657.00
Amount of bids accepted (HUF million)	41,999.97	12,500.00	10,000.00	18,000.00	18,499.98
Bid-to-cover ratio	2.06	1.90	1.78	1.88	2.09
Bids submitted (pcs)	66	51	28	39	53
Bids accepted (pcs)	23	23	20	32	34
Tail (%) (average price - minimum price)	0.16	0.13	0.08	0.11	0.18
Market sales (HUF million)	41,999.97	12,500.00	10,000.00	18,000.00	18,499.98
Non-competitive offer (HUF million)	231.10	2,865.60	0.00	1,880.00	2,020.00
Total amount sales (HUF million)	42,231.07	15,365.60	10,000.00	19,880.00	20,519.98

Source: ÁKK



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



INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN JANUARY 2024

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2027/J	23.01.2024	27.01.2024	27.01.2025	27.01.2025	18.35%	18.35%
2027/B	17.01.2024	22.01.2024	22.04.2024	22.04.2024	9.65%	2.44%
2029/N	02.01.2024	09.01.2024	26.04.2024	26.04.2024	8.01%	2.40%
2033/I	16.01.2024	20.01.2024	20.01.2025	20.01.2025	17.85%	17.85%
2033/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2034/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2035/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2036/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2037/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2038/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2039/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2040/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2041/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2042/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2043/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%

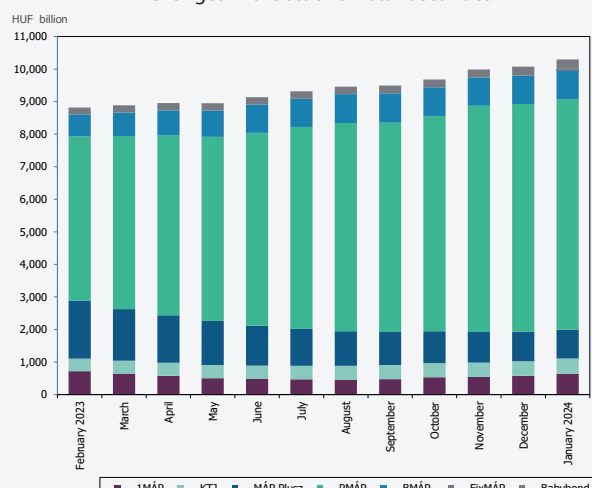
Source: ÁKK

OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2023	31.01.2024	Change
1-year Hungarian Government Security / 1MÁP	574.0	640.8	66.8
Treasury Saving Bills / KTJ	453.7	469.1	15.4
Hungarian Government Security Plus / MÁP Plusz	907.3	886.0	-21.3
Premium Hungarian Government Security / PMÁP	6,992.7	7,082.1	89.4
Bonus Hungarian Government Security / BMÁP	873.2	886.1	12.9
Babybond	276.1	43.6	43.6
Total	10,077.1	289.9	13.8

Source: ÁKK

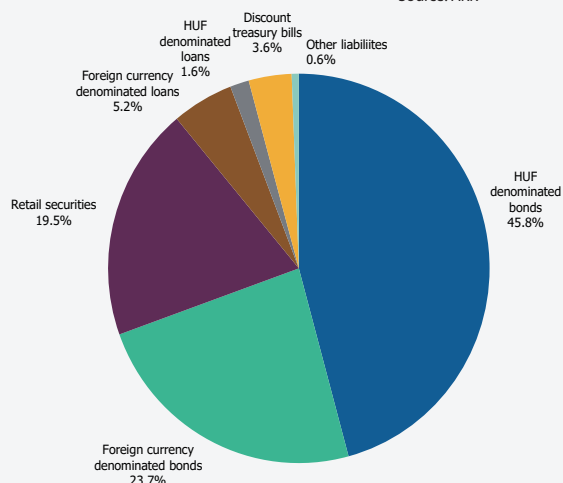
Changes in the stock of retail securities



Source: ÁKK

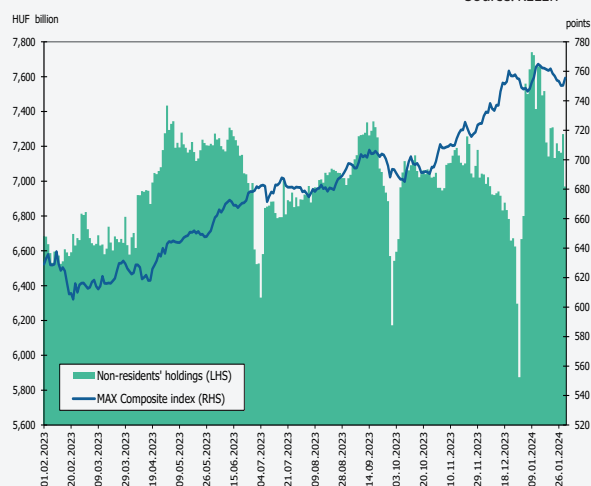
Debt structure at 31.01.2024

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 31.01.2024	790.3511	92.7319	755.5174	661.7176	653.8117
Changes compared to the end of the previous month	0.2230	-0.3404	0.8063	4.6706	4.1184
Annual yield earned on the index portfolio (%)	20.95	22.17	20.27	15.00	13.14

Source: ÁKK

Government bonds with the highest secondary market turnover in January 2024

Government bond	Date of redemption	Turnover (HUF billion)
2026/H	21.10.2026	519.2
2032/A	24.11.2032	410.6
2035/A	24.10.2035	269.9
2028/A	22.10.2028	268.3
2033/A	20.04.2033	244.0
2028/B	23.03.2028	168.3
2024/C	24.10.2024	150.6
2029/A	23.05.2029	103.8
2026/E	22.04.2026	83.2
D240430	30.04.2024	80.8

Source: Primary Dealers, ÁKK

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

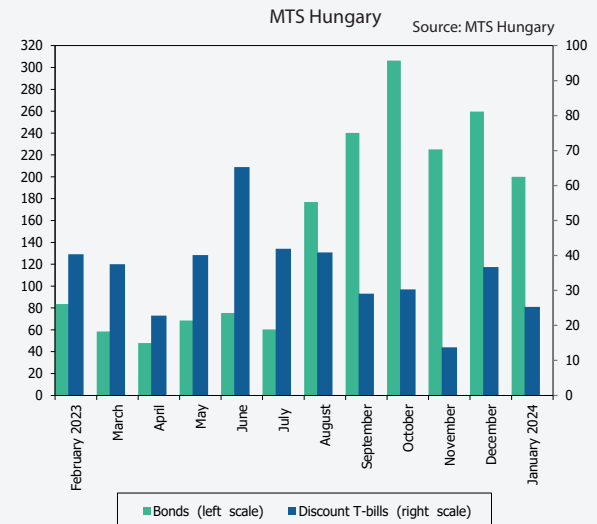
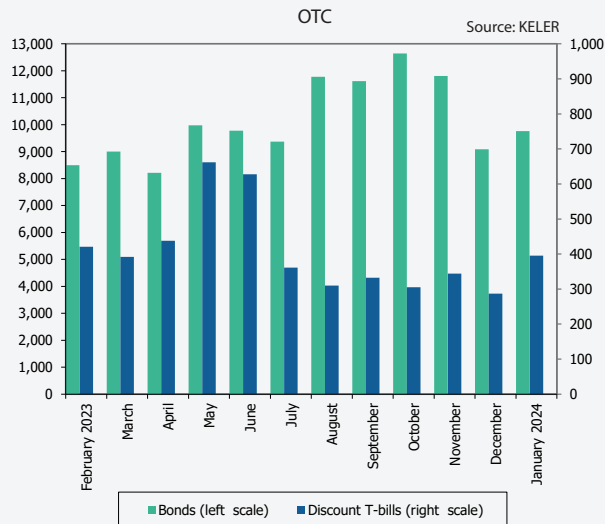
Government bond	HUF billion	
	31.12.2023	31.01.2024
2026/H	682.66	717.30
2028/A	1,682.04	1,761.22
2032/A - 2035/A	1,343.71	199.33
2038/A	989.16	989.17
2041/A	584.75	600.14

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

Government bond	HUF billion
2028/A	1,761.22
2031/A	1,540.15
2025/C	1,451.98

Source: ÁKK

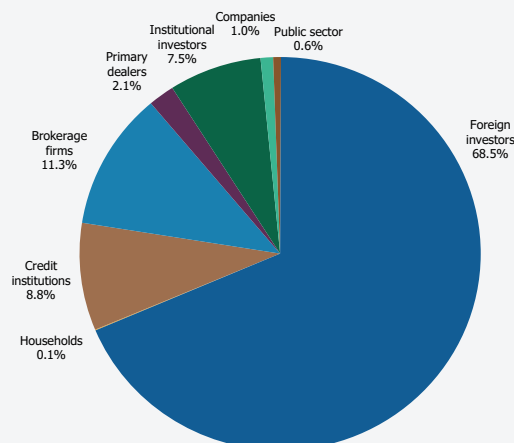
Secondary market trading of Hungarian government securities (HUF billion)



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

Government Bonds

Source: Primary Dealers, ÁKK



Discount Treasury Bills

Source: Primary Dealers, ÁKK

