



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

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GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
MAY 2024



The Central Government Debt increased by HUF 3,767.4 billion to HUF 54,632.6 billion in 2024. Total net issuance was HUF 3,717.8 billion; out of which net HUF denominated issuance including repos was HUF 1,912.2 billion and net foreign currency denominated issuance was HUF 1,805.6 billion in 2024.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2023		2024		Change	
	December	%	May	%	HUF billion	%
HUF denominated debt	36,888.0	72.5	38,800.2	71.0	1,912.2	5.2
Loans	868.2	1.7	876.4	1.6	8.1	0.9
Government bonds	24,058.9	47.3	24,909.3	45.6	850.4	3.5
Retail securities	10,077.2	19.8	11,026.2	20.2	949.0	9.4
Discount treasury bills	1,883.8	3.7	1,988.4	3.6	104.6	5.6
Foreign exchange denominated debt	13,678.3	26.9	15,758.1	28.8	2,079.7	15.2
Total	50,566.3	99.4	54,558.3	99.9	3,991.9	7.9
Other obligations	298.8	0.6	74.3	0.1	-224.5	-75.1
Total central government debt	50,865.2	100.0	54,632.6	100.0	3,767.4	7.4

Source: ÁKK

The HUF denominated debt of the central government increased by HUF 1,912.2 billion in 2024. The increase in domestic debt was the result of the net government bond issuance of HUF 850.4 billion and the increase of discount Treasury bills by HUF 104.6 billion. The total amount of retail government securities increased by HUF 949.0 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 8.1 billion in 2024.

The foreign currency debt of the central government increased by HUF 2,079.7 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 497.2 billion and the issuance of domestic foreign currency bonds grew by HUF 45.1 billion. The exchange rate revaluations totalling HUF 274.2 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 11.0 billion. The total amount of other liabilities decreased by HUF 224.5 billion in 2024.

BENCHMARK YIELDS

Maturity	29.12.2023	30.04.2024	31.05.2024	Change in May basis point
3-month	6.23	6.85	6.56	-29
6-month	6.26	6.85	6.71	-14
1-year	6.45	6.87	6.70	-17
3-year	6.12	7.24	6.96	-28
5-year	5.78	7.17	6.91	-26
10-year	5.86	7.03	6.94	-9
15-year	6.11	7.04	6.94	-10
20-year	6.07	7.05	6.97	-8

Source: ÁKK

Monthly OTC turnover of government securities decreased by 16% to HUF 6,969.6 billion in May. Primary dealers, who account for the decisive part of all secondary government securities trading, made 75% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities increased altogether by HUF 273.3 billion in May and amounted to HUF 7,111.7 billion at the end of May. This volume represented 18.8% of the total amount of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 389.48 on the last working day of May.

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

CENTRAL GOVERNMENT GROSS DEBT

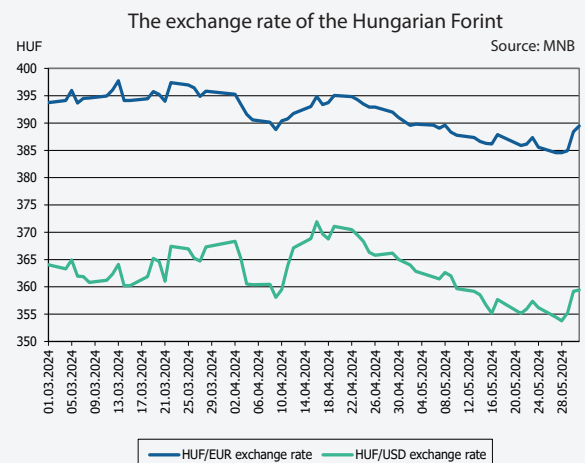
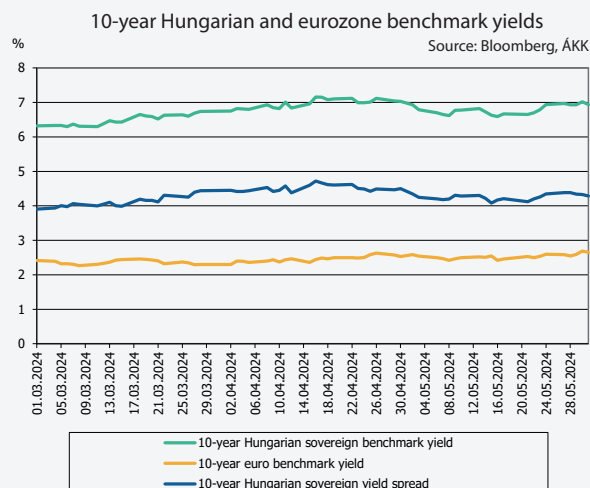
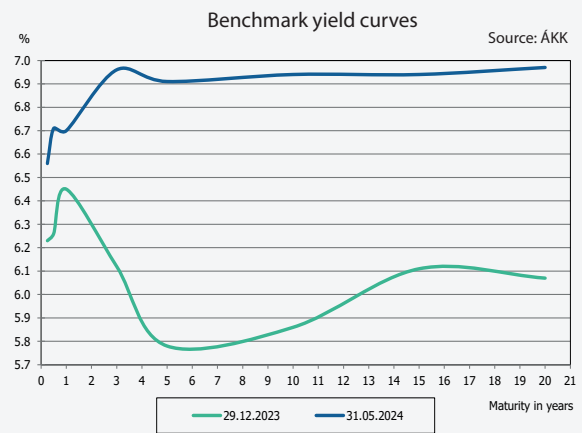
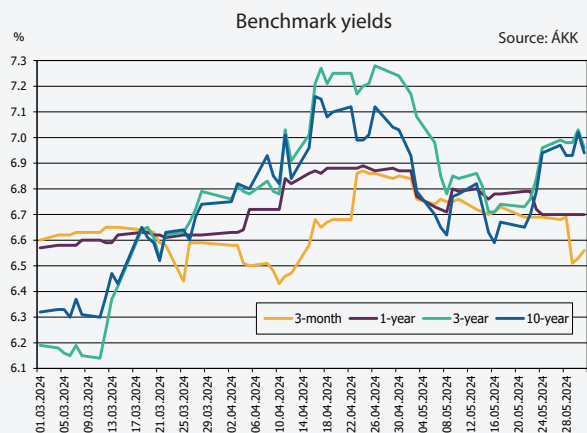
HUF BILLION

	2019	2020	2021	2022	2023	2024 March	2024 April	2024 May
1. Forint denominated debt	24,357.1	29,237.3	32,121.2	33,775.6	36,888.0	38,099.1	38,286.5	38,800.2
1.1. Loans	1,208.1	1,161.6	1,307.7	1,024.2	868.2	832.0	832.0	876.4
1.2. Government securities	23,149.0	28,075.7	30,813.5	32,751.4	36,019.8	37,267.1	37,454.6	37,923.9
1.2.1. Public issues	23,109.8	28,036.5	30,813.5	32,751.4	36,019.8	37,267.1	37,454.6	37,923.9
1.2.1.1. Bonds	13,378.5	18,206.6	20,220.0	22,346.3	24,058.9	24,557.4	24,809.8	24,909.3
1.2.1.2. Discount T-bills	657.3	658.2	583.2	1,785.8	1,883.8	1,944.0	1,736.0	1,988.4
1.2.1.3. Retail securities	9,074.0	9,171.7	10,010.2	8,619.4	10,077.2	10,765.6	10,908.9	11,026.2
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	15,587.8	15,794.8	15,758.1
2.1. Loans	825.4	1,291.1	1,345.2	1,959.1	2,670.0	2,795.1	3,152.3	3,159.4
2.2. Government securities	4,295.8	6,027.1	7,049.9	9,438.2	11,008.3	12,792.7	12,642.4	12,598.7
2.2.1. Issued abroad	3,713.5	5,481.3	6,594.9	9,085.5	10,535.4	12,280.5	12,131.9	12,083.4
2.2.2. Issued domestically	582.3	545.9	455.0	352.8	472.9	512.2	510.5	515.3
Total	29,478.3	36,555.5	40,516.4	45,173.0	50,566.3	53,686.8	54,081.3	54,558.3
Other liabilities	203.70	128.80	180.60	389.40	298.80	629.30	54.40	74.30
Total central government debt	29,682.0	36,684.3	40,697.0	45,562.4	50,865.2	54,316.1	54,135.7	54,632.6
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	26,501.4	26,545.8	26,897.7
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



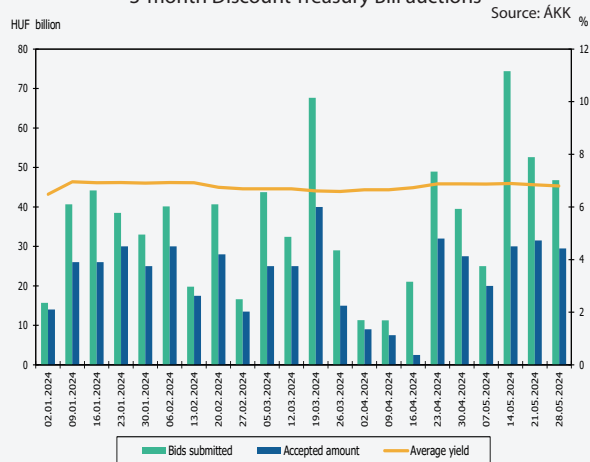
MNB - National Bank of Hungary

DISCOUNT TREASURY BILL AUCTION RESULTS

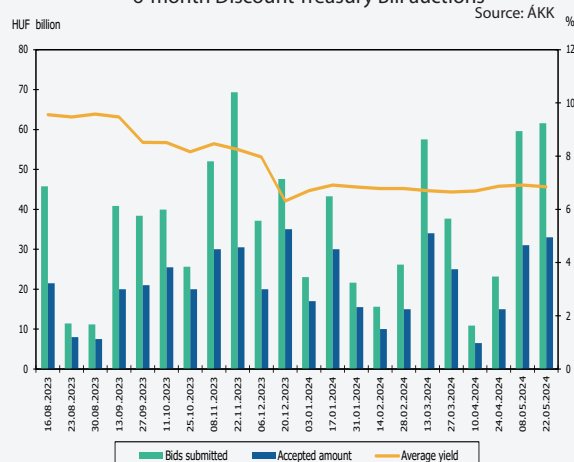
	3-month Discount T-bills				6-month Discount T-bills		12-month Discount T-bills	
Code of T-bills	D240821	D240918	D240918	D240918	D241223	D241223	D250430	D250430
ISIN code	HU0000524830	HU0000525027	HU0000525027	HU0000525027	HU0000525019	HU0000525019	HU0000525068	HU0000525068
Maturity in days	98	119	112	105	222	208	350	336
Date of auction	07.05.2024	14.05.2024	21.05.2024	28.05.2024	08.05.2024	22.05.2024	09.05.2024	23.05.2024
Date of financial settlement	15.05.2024	22.05.2024	29.05.2024	05.06.2024	15.05.2024	29.05.2024	15.05.2024	29.05.2024
Redemption date	21.08.2024	18.09.2024	18.09.2024	18.09.2024	23.12.2024	23.12.2024	30.04.2025	30.04.2025
Maximum yield (%) - ISMA	7.00	6.92	6.89	6.84	6.96	6.87	6.92	6.80
Minimum yield (%) - ISMA	6.70	6.70	6.75	6.60	6.70	6.50	6.70	6.70
Average yield (%) - ISMA	6.87	6.89	6.84	6.80	6.91	6.85	6.87	6.79
Maximum yield (%) - EHM	7.10	7.02	6.99	6.94	7.06	6.97	7.02	6.89
Minimum yield (%) - EHM	6.79	6.79	6.84	6.69	6.79	6.59	6.79	6.79
Average yield (%) - EHM	6.96	6.99	6.94	6.90	7.01	6.95	6.97	6.88
Average selling price (%)	98.1644	97.7721	97.9163	98.0542	95.9102	96.1909	93.7350	94.0437
Amount offered for sale (HUF million)	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	30,000.00
Amount of bids submitted (HUF million)	25,021.38	74,417.57	52,633.84	46,789.60	59,592.21	61,588.19	95,855.79	154,674.99
Amount of bids accepted (HUF million)	20,000.00	29,999.99	31,499.98	29,499.97	30,999.99	32,999.97	48,999.96	99,999.94
Bid-to-cover ratio	1.25	2.48	1.67	1.59	1.92	1.87	1.96	1.55
Bids submitted (pcs)	71	55	63	62	36	50	99	98
Bids accepted (pcs)	70	37	45	42	29	26	64	45
Market sales (HUF million)	20,000.00	29,999.99	31,499.98	29,499.97	30,999.99	32,999.97	48,999.96	99,999.94
Retained on ÁKK's own account (HUF million)	13,000.00	60,000.01	12,000.02	16,000.03	45,500.01	3,000.03	69,000.04	6,000.06
Total amount issued (HUF million)	33,000.00	90,000.00	43,500.00	45,500.00	76,500.00	36,000.00	118,000.00	106,000.00

Source: ÁKK

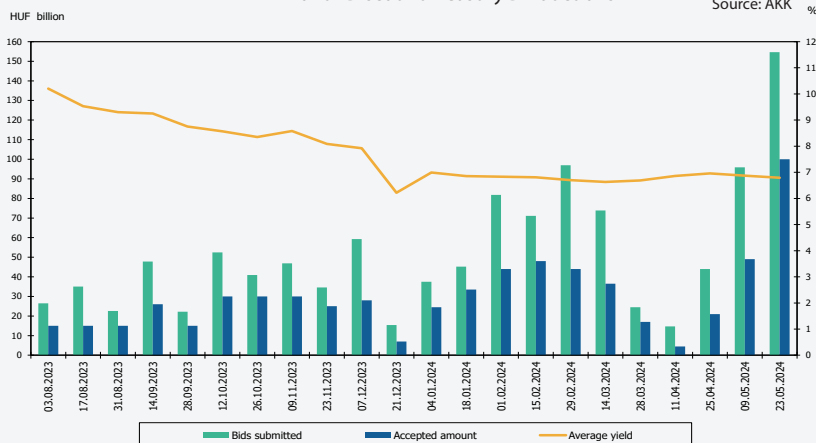
3-month Discount Treasury Bill auctions



6-month Discount Treasury Bill auctions



12-month Discount Treasury Bill auctions

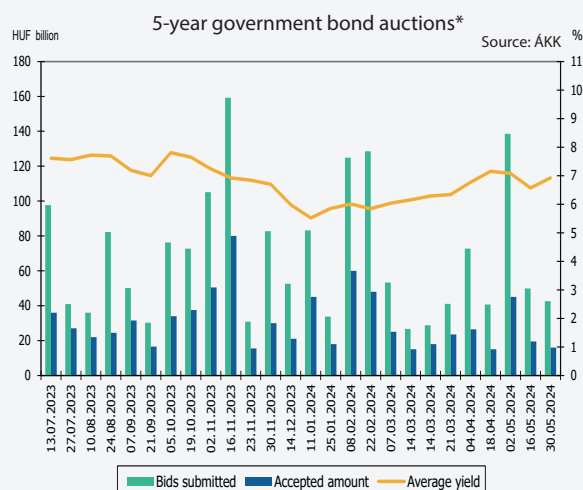
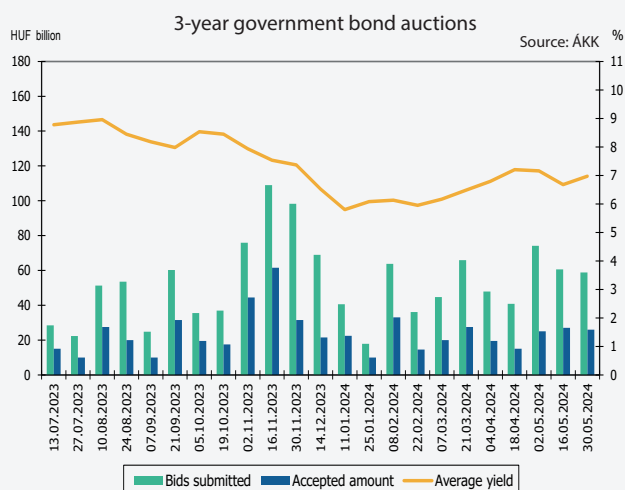


GOVERNMENT BOND AUCTION RESULTS

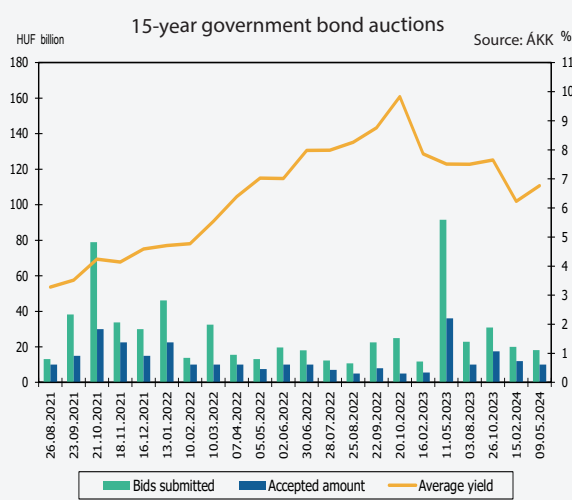
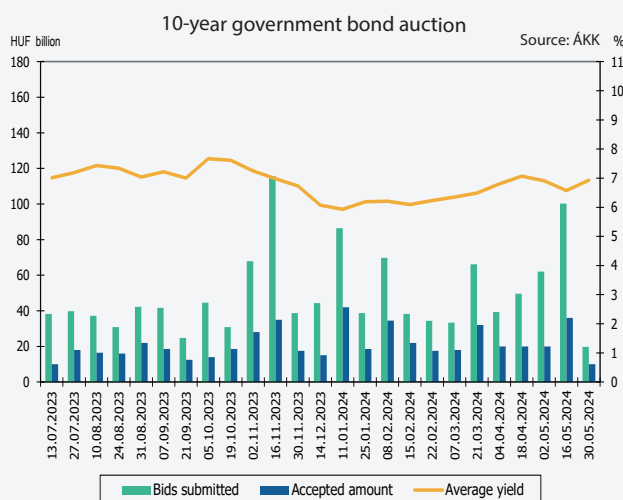
Government Bond	2026/H	2029/A	2035/A	2038/A	2051/G	2026/H
ISIN code	HU0000406160	HU0000404603	HU0000406624	HU0000403555	HU0000404991	HU0000406160
Maturity (in years)	3	5	10	15	30	3
Coupon	9.50%	2.00%	7.00%	3.00%	4.00%	9.50%
Auction	34th auction	74th auction	17th auction	65th auction	9th auction	35th auction
Date of auction	02.05.2024	02.05.2024	02.05.2024	09.05.2024	09.05.2024	16.05.2024
Date of financial settlement	08.05.2024	08.05.2024	08.05.2024	15.05.2024	15.05.2024	22.05.2024
Redemption date	21.10.2026	23.05.2029	24.10.2035	27.10.2038	28.04.2051	21.10.2026
Maximum annual yield (%) - ISMA	7.16	7.08	6.92	6.78	6.80	6.69
Minimum annual yield (%) - ISMA	7.15	7.06	6.89	6.73	6.73	6.67
Average annual yield (%) - ISMA	7.16	7.08	6.91	6.77	6.79	6.68
Maximum annual yield (%) - EHM	7.16	7.08	6.91	6.78	6.80	6.69
Minimum annual yield (%) - EHM	7.14	7.06	6.89	6.73	6.73	6.67
Average annual yield (%) - EHM	7.15	7.07	6.90	6.76	6.78	6.68
Maximum price (%)	105.0503	79.1413	100.7744	66.1761	66.4398	106.0523
Minimum price (%)	105.0100	79.0702	100.5520	65.7941	65.8090	106.0001
Average price (%)	105.0212	79.0845	100.6436	65.9166	65.9061	106.0205
Amount offered for sale (HUF million)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	74,065.74	138,557.86	62,000.93	18,110.00	11,662.50	60,586.65
Amount of bids accepted (HUF million)	25,000.00	44,999.98	20,000.00	10,000.00	5,499.99	27,000.00
Bid-to-cover ratio	2.96	3.08	3.10	1.81	2.12	2.24
Bids submitted (pcs)	56	67	65	40	45	64
Bids accepted (pcs)	19	28	15	25	24	26
Tail (%) (average price - minimum price)	0.01	0.01	0.09	0.12	0.10	0.02
Market sales (HUF million)	25,000.00	44,999.98	20,000.00	10,000.00	5,499.99	27,000.00
Non-competitive offer (HUF million)	9,203.70	16,719.98	4,520.00	0.00	0.00	8,733.34
Total amount sales (HUF million)	34,203.70	61,719.96	24,520.00	10,000.00	5,499.99	35,733.34

Government Bond	2029/A	2035/A	2029/B	2032/B	2026/H	2029/A	2035/A
ISIN code	HU0000404603	HU0000406624	HU0000404926	HU0000406087	HU0000406160	HU0000404603	HU0000406624
Maturity (in years)	5	10	5	7	3	5	10
Coupon	2.00%	7.00%	7.28%	7.06%	9.50%	2.00%	7.00%
Auction	75th auction	18th auction	49th auction	23rd auction	36th auction	76th auction	20th auction
Date of auction	16.05.2024	16.05.2024	23.05.2024	23.05.2024	30.05.2024	30.05.2024	30.05.2024
Date of financial settlement	22.05.2024	22.05.2024	29.05.2024	29.05.2024	05.06.2024	05.06.2024	05.06.2024
Redemption date	23.05.2029	24.10.2035	22.08.2029	25.08.2032	21.10.2026	23.05.2029	24.10.2035
Maximum annual yield (%) - ISMA	6.59	6.58	-	-	6.98	6.93	6.94
Minimum annual yield (%) - ISMA	6.56	6.54	-	-	6.95	6.89	6.90
Average annual yield (%) - ISMA	6.57	6.57	-	-	6.97	6.92	6.93
Maximum annual yield (%) - EHM	6.59	6.58	-	-	6.98	6.93	6.94
Minimum annual yield (%) - EHM	6.56	6.53	-	-	6.95	6.89	6.90
Average annual yield (%) - EHM	6.57	6.56	-	-	6.97	6.92	6.92
Maximum price (%)	81.0672	103.5673	99.5600	99.5600	105.3410	80.0095	100.6995
Minimum price (%)	80.9581	103.2289	99.4700	99.3800	105.2744	79.8674	100.3896
Average price (%)	81.0126	103.3416	99.5200	99.4000	105.2952	79.8973	100.4792
Amount offered for sale (HUF million)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	49,870.00	100,268.20	23,555.00	11,396.85	58,812.00	42,620.00	19,690.00
Amount of bids accepted (HUF million)	19,500.00	35,999.98	9,999.99	10,000.00	25,999.98	15,999.97	9,999.98
Bid-to-cover ratio	2.56	2.79	2.36	1.14	2.26	2.66	1.97
Bids submitted (pcs)	52	68	38	15	54	53	48
Bids accepted (pcs)	18	27	22	10	23	28	24
Tail (%) (average price - minimum price)	0.05	0.11	0.05	0.02	0.02	0.03	0.09
Market sales (HUF million)	19,500.00	35,999.98	9,999.99	10,000.00	25,999.98	15,999.97	9,999.98
Non-competitive offer (HUF million)	5,840.00	8,613.50	2,746.66	0.00	2,769.34	578.64	160.00
Total amount sales (HUF million)	25,340.00	44,613.48	12,746.65	10,000.00	28,769.32	16,578.61	10,159.98

Source: ÁKK



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



GOVERNMENT SECURITIES BUY-BACK AUCTION RESULTS

Government bond	2024/B	2024/C	2024/B	2024/C
ISIN code	HU0000403068	HU0000403571	HU0000403068	HU0000403571
Coupon (%)	3.0	2.5	3.0	2.5
Date of reverse auction	15.05.2024	15.05.2024	29.05.2024	29.05.2024
Date of financial settlement	22.05.2024	22.05.2024	05.06.2024	05.06.2024
Redemption date	26.06.2024	24.10.2024	26.06.2024	24.10.2024
Minimum annual yield (%)	7.05	7.00	6.99	7.00
Average annual yield- ISMA (%)	7.12	7.01	7.01	7.08
Average annual yield - EHM (%)	6.87	6.85	6.77	6.91
Amount of bids submitted (HUF million)	12,662.56	53,789.01	11,941.14	26,170.10
Amount of bids accepted (HUF million)	7,662.56	42,889.01	6,941.14	24,670.10

Source: ÁKK

INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN MAY 2024

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2025/J	14.05.2024	21.05.2024	21.05.2025	21.05.2025	19.00%	19.00%
2027/N	21.05.2024	26.05.2024	26.08.2024	26.08.2024	8.37%	2.14%
2029/B	16.05.2024	22.05.2024	22.08.2024	22.08.2024	7.28%	1.86%
2031/I	14.05.2024	21.05.2024	21.05.2025	21.05.2025	18.60%	18.60%
2032/B	22.05.2024	25.05.2024	25.08.2024	26.08.2024	7.06%	1.80%

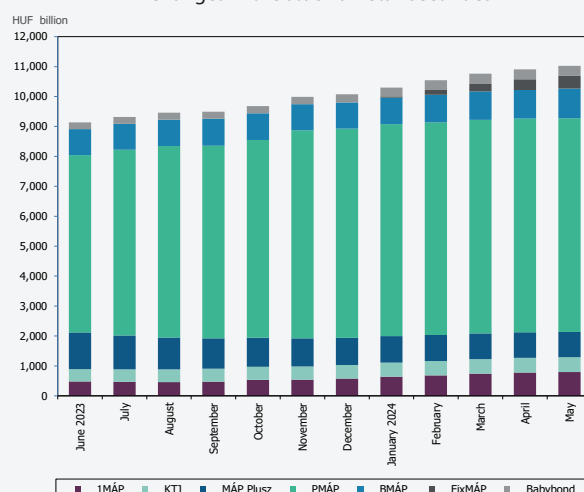
Source: ÁKK

OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2023	31.05.2024	Change
1-year Hungarian Government Security / 1MÁP	574.0	792.9	218.8
Treasury Saving Bills / KTJ	453.7	495.4	41.7
Hungarian Government Security Plus / MÁP Plusz	907.3	844.3	-63.1
Premium Hungarian Government Security / PMÁP	6,992.7	7,140.8	148.1
Bonus Hungarian Government Security / BMÁP	873.2	995.5	122.3
Fix Hungarian Government Security / FixMÁP	0.0	422.0	422.0
Babybond	276.1	335.3	59.2
Total	10,077.1	11,026.2	949.0

Source: ÁKK

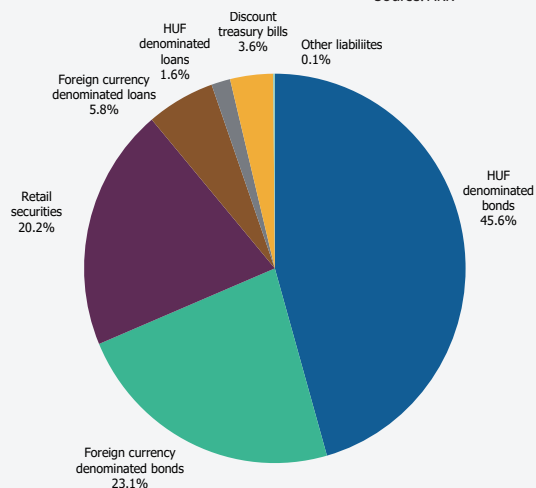
Changes in the stock of retail securities



Source: ÁKK

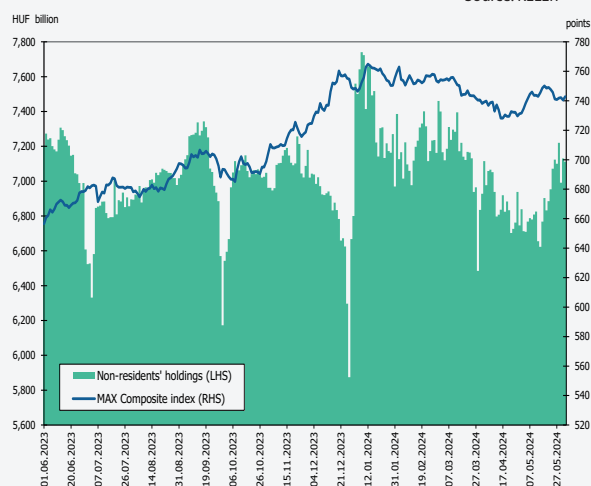
Debt structure at 31.05.2024

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 31.05.2024	773.9301	89.3515	742.7853	675.7147	668.4592
Changes compared to the end of the previous month	12.2785	1.6385	11.1633	4.5029	4.3508
Annual yield earned on the index portfolio (%)	14.22	13.41	13.95	12.45	10.59

Source: ÁKK

Government bonds with the highest secondary market turnover in May 2024

Government bond	Date of redemption	Turnover (HUF billion)
2026/H	21.10.2026	405.4
2029/A	23.05.2029	342.4
2035/A	24.10.2035	299.0
2028/A	22.10.2028	243.6
2033/A	20.04.2033	212.7
2032/A	24.11.2032	176.9
2024/C	24.10.2024	147.9
D250430	30.04.2025	107.5
D240918	18.09.2024	87.8
D241223	23.12.2024	70.7

Source: Primary Dealers, ÁKK

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

Government bond	HUF billion	
	30.04.2024	31.05.2024
2026/H	876.7	946.7
2029/A	1,053.8	1,140.9
2035/A	383.5	458.2
2038/A	1,003.2	1,013.2
2041/A	610.3	610.4

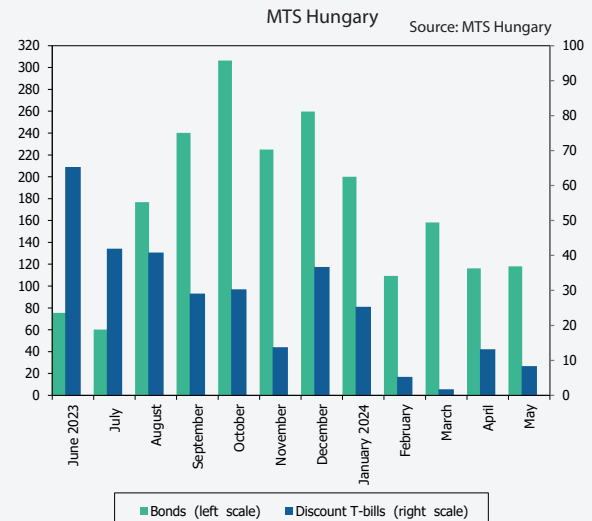
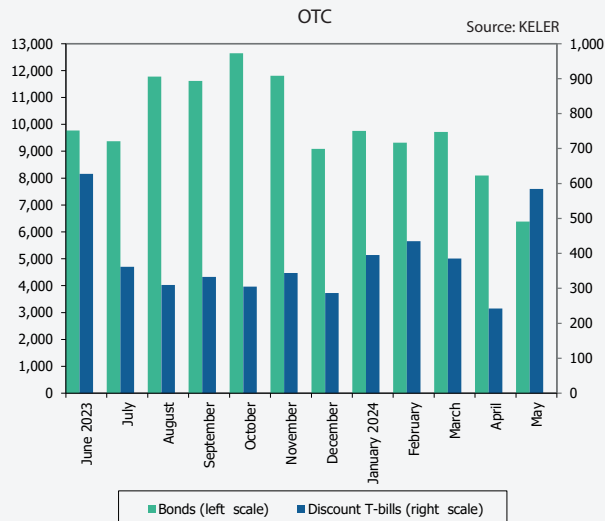
Source: ÁKK

The outstanding volume of the three largest government bonds at the end of May 2024

Government bond	HUF billion
2028/A	1,960.1
2031/A	1,569.7
2033/A	1,484.0

Source: ÁKK

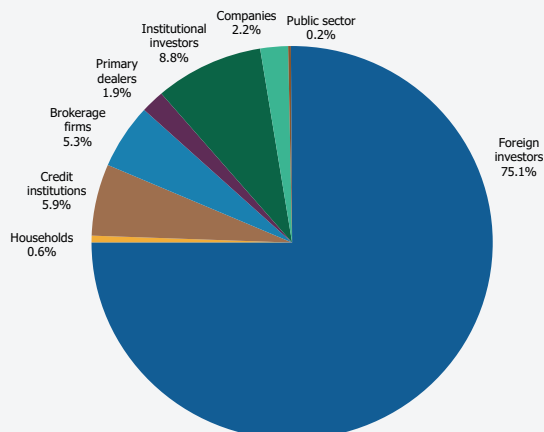
Secondary market trading of Hungarian government securities (HUF billion)



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

Government Bonds

Source: Primary Dealers, ÁKK



Discount Treasury Bills

Source: Primary Dealers, ÁKK

