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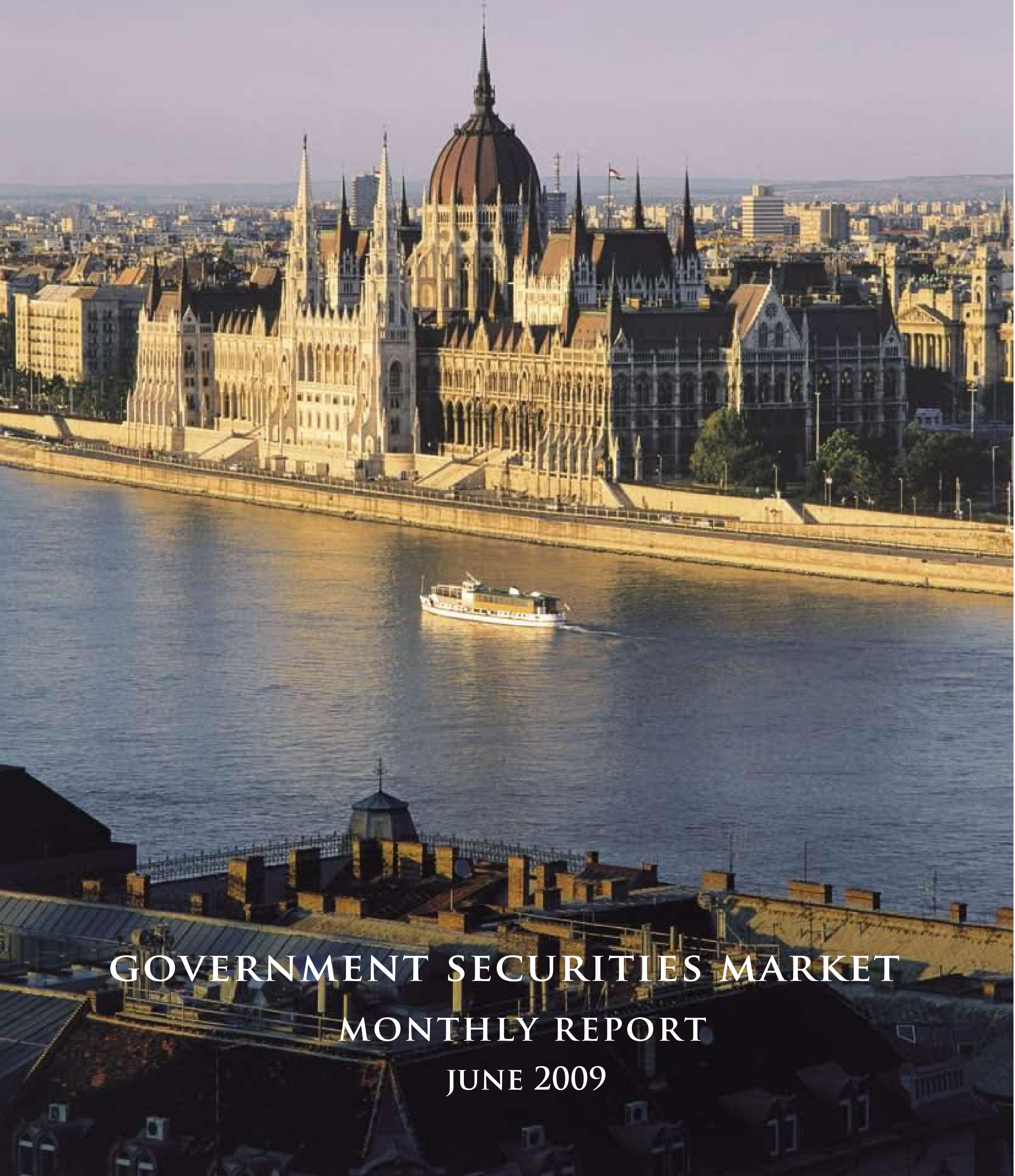
GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.



GOVERNMENT SECURITIES MARKET

MONTHLY REPORT

JUNE 2009

The deficit of the central government amounted to HUF 814.6 billion in the first six months of 2009. The net balance of transfers from the EAGGF fund of the European Union (EU) worth HUF 239.1 billion decreased the net borrowing requirement. Privatisation revenues amounted to HUF 0.6 billion, which decreased the financing requirement. Thus, the total net borrowing requirement amounted to HUF 574.9 billion in first six months. Net issuance was HUF 543.6 billion; out of which net HUF-denominated issuance was HUF 188.3 billion and net foreign currency denominated issuance was HUF 355.3 billion. Out of the international loan program HUF 1,131.2 billion was placed in the National Bank of Hungary and other banks in the form of foreign currency deposits at the end of June. The total amount of other liabilities decreased by HUF 65.4 billion in 2009.

The HUF denominated debt of the central government increased by HUF 189.4 billion in 2009, which is the sum of the HUF 816.2 billion increase in the volume of HUF loans and the HUF 626.8 billion decrease in the volume of government securities (the difference between the total net change and the net issuance was caused by the change in the volume of matured but unclaimed securities). Net government bond issuance was of HUF -791.6 billion, while discount Treasury bills increased by HUF 212.6 billion and retail government securities decreased by HUF 46.1 billion. The HUF 816.2 billion increase in the volume of HUF loans in the first six months of the year was the result of drawdowns of IMF/EU loans and project financing loans in Hungarian Forints. In order to decrease the share of foreign currency debt within the total debt – which had seen substantial increase due to unfavourable exchange rate movements – a part of the loans drawn down in 2009 was converted to HUF via FX swaps in an amount of HUF 746.7 billion.

The foreign currency debt of the central government increased by HUF 447.6 billion in 2009. The drawdown of foreign currency denominated loans was HUF 673.6 billion, out of which the loans from the international loan package (IMF, EC) amounted to HUF 560.8 billion, while loans from international financing institutions amounted to HUF 112.8 billion. Redemptions of foreign currency loans worth HUF 64.7 billion and redemptions of foreign currency government bonds worth HUF 253.6 billion decreased, while exchange rate revaluations totalling HUF 92.3 billion increased the Hungarian Forint value of the foreign currency debt in 2009.

Short-term secondary market yields did not change, while long-term yields decreased by 16-29 basis points in June. The 1-year yield decreased by 10 bps to 9.28%, the 3-year yield decreased by 28 bps to 9.75% and the 10-year benchmark yield reached 9.74% at the end of June after decreasing by 23 basis points.

Monthly OTC turnover of government securities was 17 % lower in June than a month before and reached HUF 2,157 billion. Primary dealers, who account for the decisive part of all secondary government securities trading, made 29 % of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities decreased altogether by HUF 103.3 billion in June, and amounted to HUF 2,189.1 billion at the end of the month. This volume represented 22.1% of the total amount of domestic government bonds and discount Treasury bills.

In order to stabilize the secondary market, the Government Debt Management Agency Pte. Ltd. (ÁKK) held several T-bond buy-back auctions in 2009, repurchasing a substantial amount of bonds, totalling HUF 556.7 billion in the first six months of 2009. After successfully stabilizing the domestic government securities market ÁKK restarted its regular bond auction a program in late April.

ÁKK will use more flexible issuance methods as a reaction to the changed situation in the international and domestic government securities markets from May. Normal auction issuance will be supplemented – as in several other countries – with a special window for Primary Dealers to buy more of the same securities at the average auction price after the auction. In that way ÁKK will provide more investors with the possibility to buy Hungarian government bonds if there is ample demand for them.

The EUR/HUF exchange rate according to the National Bank of Hungary was 272.43 at the last working day of June.

The credit rating of the long-term foreign currency debt of the Republic of Hungary is as follows at the last working day of June: BBB- (Standard & Poor's); Baa1 (Moody's); BBB (Fitch).

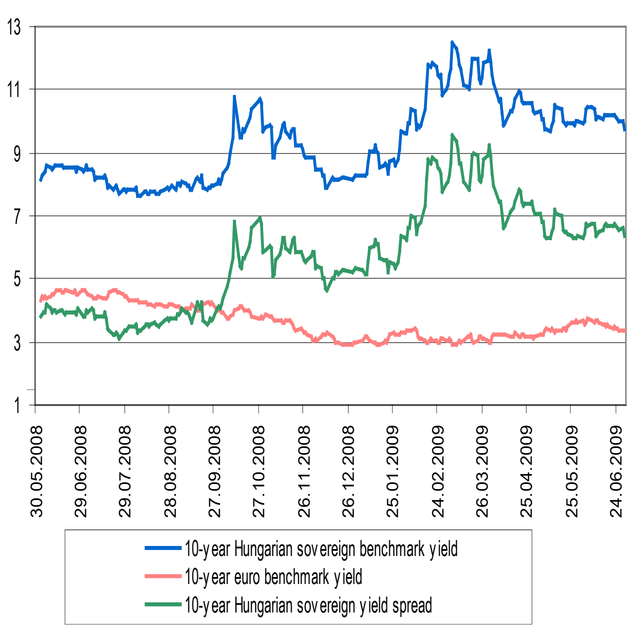
CENTRAL GOVERNMENT GROSS DEBT

HUF BILLION

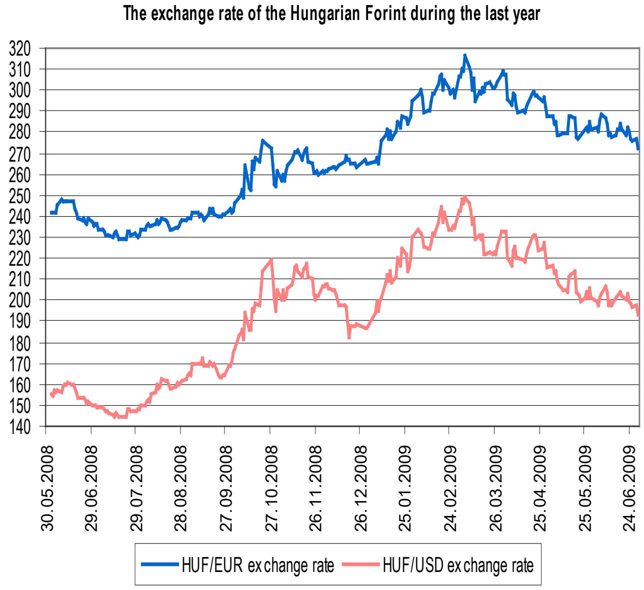
	2004	2005	2006	2007	2008	April 2009	May 2009	June 2009
1. Forint denominated debt	8,608.8	9,153.5	10,552.3	11,103.8	11,250.6	11,744.9	11,742.9	11,439.9
1.1. Loans	4.7	0.8	356.4	145.7	219.9	1 383.9	1 301.7	1 036.7
1.2. Government securities	8,604.2	9,152.7	10,195.9	10,958.1	11,030.7	10,361.1	10,441.2	10,403.8
1.2.1. Public issues	7,860.6	8,418.8	9,667.5	10,465.4	10,599.7	9,931.0	10,011.1	9,974.6
1.2.1.1. Bonds	5,768.9	6,299.1	7,244.2	8,245.3	8,570.6	7,834.2	7,796.0	7,779.0
1.2.1.2. Discount T-bills	1,463.3	1,530.9	1,755.9	1,664.9	1,482.4	1,577.1	1,705.8	1,695.1
1.2.1.3. Retail securities	628.4	588.7	667.4	555.2	546.4	519.7	509.3	500.5
1.2.2. Private placements	743.6	733.9	528.4	492.7	431.0	430.1	430.1	429.2
2. Foreign currency denominated debt*	2,983.5	3,590.7	4,124.4	4,472.6	6,774.8	7,405.8	7,262.0	7,222.4
2.1. Loans	916.8	720.6	803.7	846.5	2,529.4	2,939.5	2,888.2	3,092.7
2.1.1. Foreign loans	528.9	616.9	700.1	838.8	2,529.4	2,939.5	2,888.2	3,092.7
2.1.2. Domestic loans	387.8	103.8	103.6	104.0	0.0	0.0	0.0	0.0
2.1.2.1. Raised from National Bank of Hungary (NBH)	355.7	96.1	95.9	0.0	0.0	0.0	0.0	0.0
2.1.2.2. Other loans	32.2	7.7	7.7	7.7	0.0	0.0	0.0	0.0
2.2. Government securities	2,066.8	2,870.1	3,320.7	3,626.1	4,245.5	4,466.3	4,373.7	4,129.7
2.2.1. Issued abroad	2,066.8	2,870.1	3,320.7	3,626.1	4,245.5	4,466.3	4,373.7	4,129.7
2.2.1.1. Foreign currency bonds	2,066.7	2,870.0	3,320.6	3,626.1	4,245.4	4,466.2	4,373.7	4,129.7
2.2.1.2. Kingdom of Hungary 1924 issues	0.1	0.1	0.1	0.0	0.0	0.1	0.1	0.1
2.2.2. Issued domestically	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	11,592.4	12,744.2	14,676.7	15,576.4	18,025.4	19,150.8	19,004.9	18,662.4
Other liabilities		21.4	29.0	9.1	78.5	54.9	47.5	13.1
Total central government debt		12,765.6	14,705.7	15,585.5	18,103.9	19,205.6	19,052.4	18,675.5
Foreign currency deposits from the international loan program placed at the NBH					*1,483.6*	*1,538.9*	*1,507.0*	*1,131.2*
Government debt adjusted with foreign currency deposits					16 620,3	17 666,7	17 545,4	17 544,3
Marketable HUF debt (1.2.1.1+1.2.1.2.+1.2..2.)	*7,975.8*	*8,563.9*	*9,528.4*	*10,402.9*	*10,484.0*	*10,441.6*	*9,931.9*	*9,903.3*
Gross debt/GDP	*56.0%*	*57.9%*	*61.8%*	*61.3%*	*68.4%*			

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

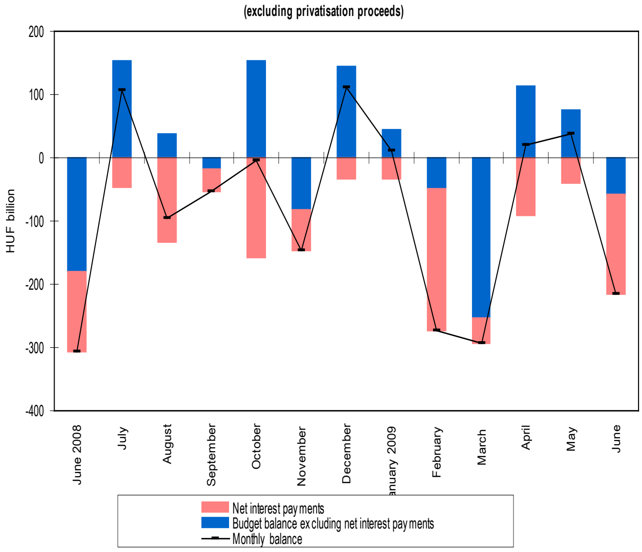
10-year Hungarian and eurozone benchmark yields during the last year



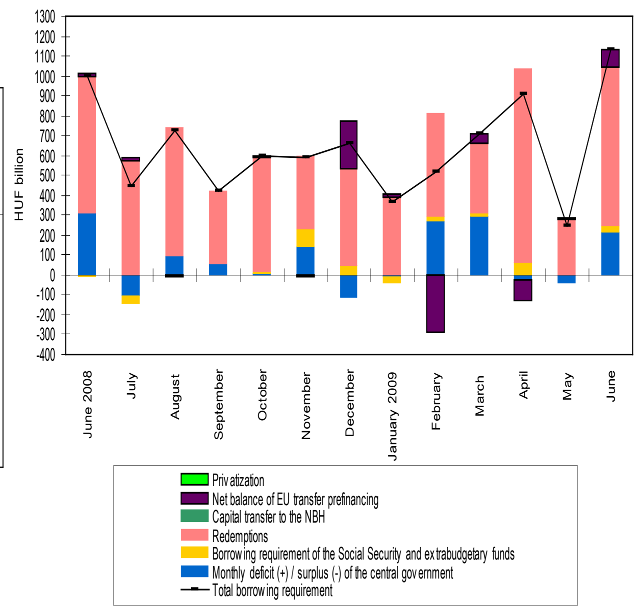
The exchange rate of the Hungarian Forint during the last year



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



Gross borrowing requirement

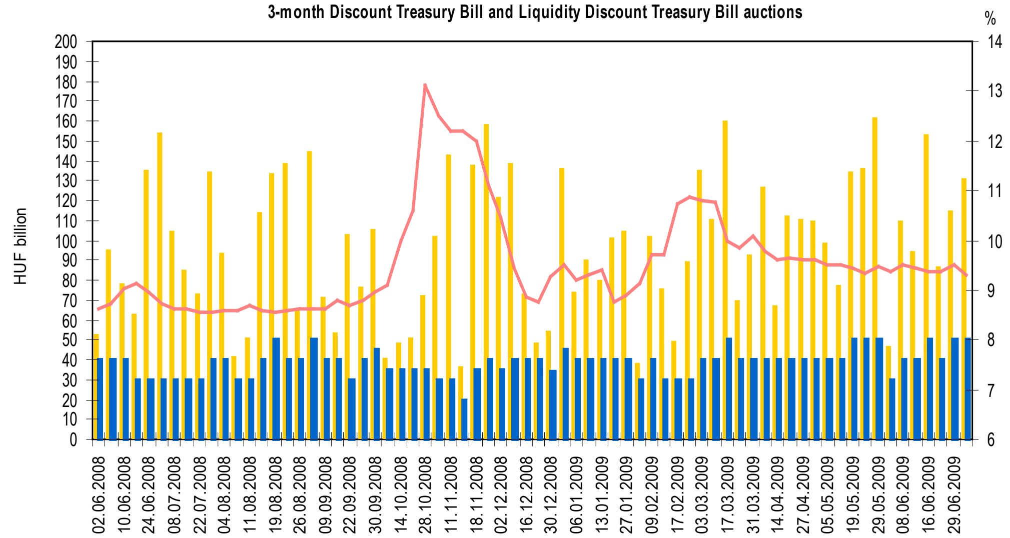


DISCOUNT TREASURY BILL AUCTION RESULTS

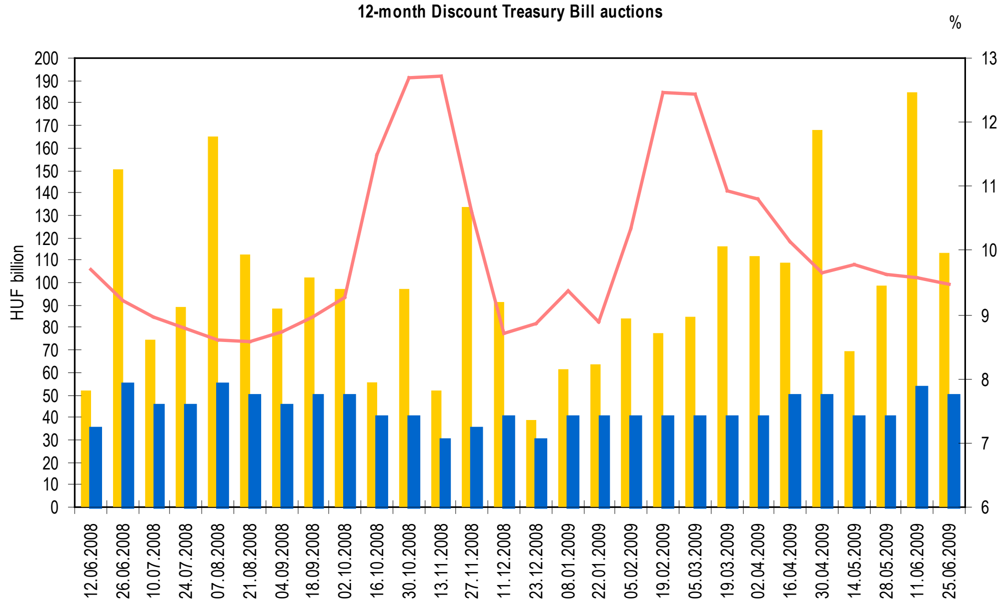
	Liquidity Discount T-bills		3-month Discount T-bills					12-month Discount T-bills	
Code of T-bills	D090722	D090826	D090909	D090916	D090923	D090930	D091007	D100505	D100630
ISIN code	HU0000517313	HU0000517354	HU0000517370	HU0000517388	HU0000517032	HU0000517396	HU0000517404	HU0000517412	HU0000517420
Maturity in days	42	56	91	91	91	91	91	322	364
Date of auction	08.06.2009	29.06.2009	02.06.2009	09.06.2009	16.06.2009	23.06.2009	30.06.2009	11.06.2009	25.06.2009
Date of financial settlement	10.06.2009	01.07.2009	10.06.2009	17.06.2009	24.06.2009	01.07.2009	08.07.2009	17.06.2009	01.07.2009
Redemption date	22.07.2009	26.08.2009	09.09.2009	16.09.2009	23.09.2009	30.09.2009	07.10.2009	05.05.2010	30.06.2010
Maximum yield, (%) - ISMA	9.54	9.52	9.44	9.45	9.39	9.42	9.34	9.60	9.54
Minimum yield (%) - ISMA	9.45	9.45	9.30	9.25	9.27	9.30	9.24	9.49	9.30
Average yield (%) - ISMA	9.52	9.50	9.37	9.42	9.36	9.38	9.32	9.57	9.47
Maximum yield, (%) - EHM	9.67	9.65	9.57	9.58	9.52	9.55	9.47	9.73	9.67
Minimum yield (%) - EHM	9.58	9.58	9.43	9.38	9.40	9.43	9.37	9.62	9.43
Average yield (%) - EHM	9.65	9.63	9.50	9.55	9.49	9.51	9.45	9.70	9.60
Average selling price (%)	98.9015	98.5437	97.6863	97.6742	97.6887	97.6839	97.6983	92.1151	91.2615
Amount offered for sale (HUF million)	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	50,000.00	40,000.00	40,000.00
Amount of bids submitted (HUF million)	109,800.00	114,900.00	46,877.05	94,135.63	153,257.07	86,929.25	130,779.14	184,730.63	112,784.76
Amount of bids accepted (HUF million)	40,000.00	49,999.99	29,999.99	39,999.97	49,999.97	39,999.97	49,999.96	52,999.96	49,999.97
Bid-to-cover ratio	2.75	2.30	1.56	2.35	3.07	2.17	2.62	3.49	2.26
Bids submitted (pcs)	26	45	98	91	111	101	97	153	130
Bids accepted (pcs)	18	29	70	54	50	45	47	55	68
Market sales* (HUF million)	40,000.00	49,999.99	29,999.99	39,999.97	49,999.97	39,999.97	49,999.96	52,999.96	49,999.97
Retained on ÁKK's own account	0.00	0.01	9,000.01	12,000.03	15,000.03	12,000.03	15,000.04	15,900.04	15,000.03
Total amount issued (HUF million)	40,000.00	50,000.00	39,000.00	52,000.00	65,000.00	52,000.00	65,000.00	68,900.00	65,000.00

*Without issuance onto ÁKK's own account

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



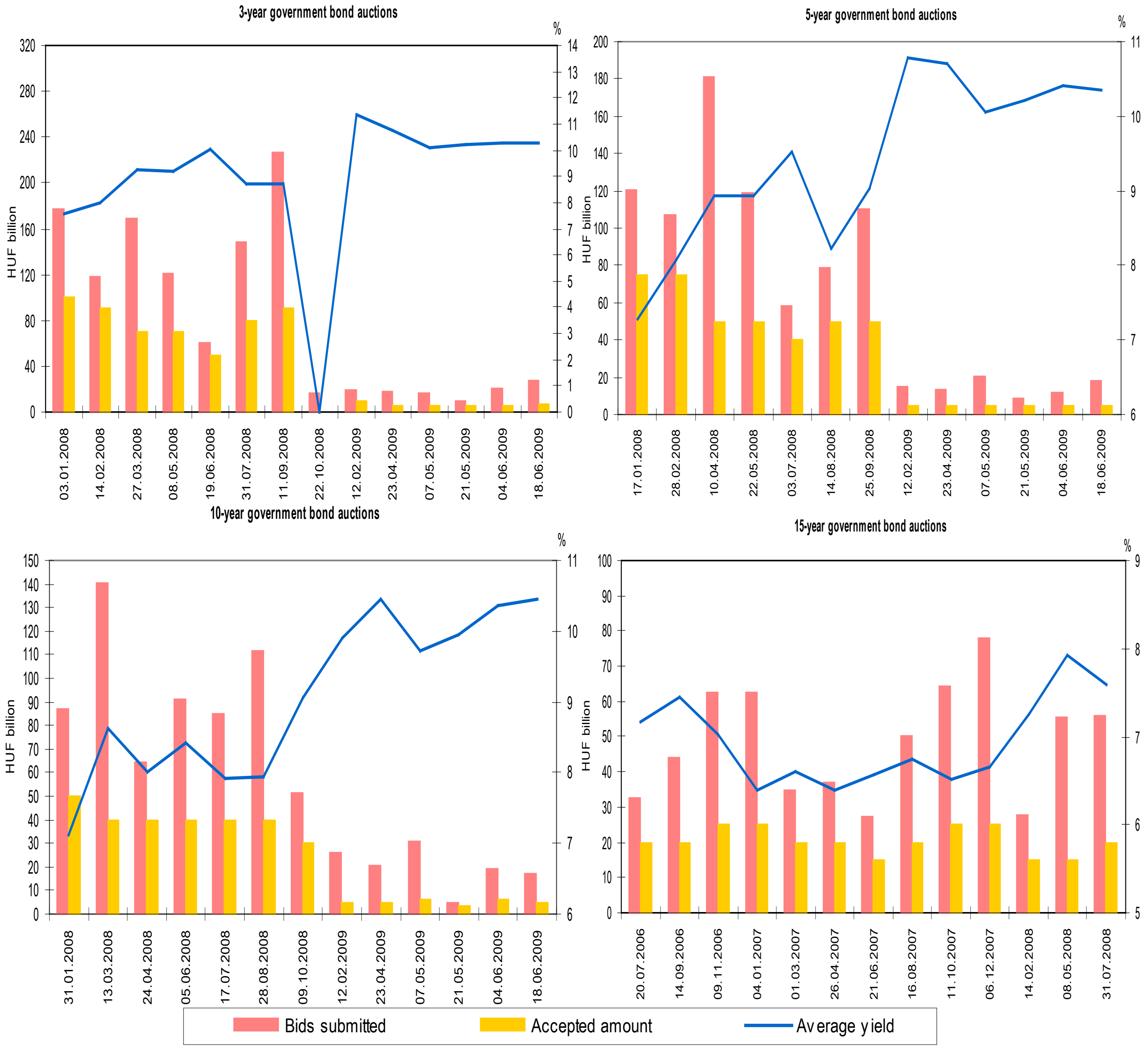
12-month Discount Treasury Bill auctions



GOVERNMENT BOND AUCTION RESULTS

Government Bond	2013/D	2015/A	2019/A	2013/D	2015/A	2019/A
ISIN code	HU0000402045	HU0000402268	HU0000402433	HU0000402045	HU0000402268	HU0000402433
Maturity (in years)	3	5	10	3	5	10
Coupon (%)	6.75%	8.00%	6.50%	6.75%	8.00%	6.50%
Auction	18th auction	21th auction	12th auction	19th auction	22th auction	13th auction
Date of auction	04.06.2009	04.06.2009	04.06.2009	18.06.2009	18.06.2009	18.06.2009
Date of financial settlement	10.06.2009	10.06.2009	10.06.2009	24.06.2009	24.06.2009	24.06.2009
Redemption date	12.02.2013	12.02.2015	24.06.2019	12.02.2013	12.02.2015	24.06.2019
Maximum annual yield (%) - ISMA	10.32	10.42	10.40	10.27	10.37	10.48
Minimum annual yield (%) - ISMA	10.25	10.35	10.30	10.25	10.35	10.38
Average annual yield (%) - ISMA	10.30	10.40	10.37	10.26	10.36	10.46
Maximum annual yield (%) - EHM	10.31	10.41	10.39	10.26	10.36	10.47
Minimum annual yield (%) - EHM	10.24	10.35	10.29	10.24	10.34	10.37
Average annual yield (%) - EHM	10.29	10.40	10.37	10.25	10.35	10.46
Maximum price (%)	89.6343	90.1904	76.8847	89.7197	90.2346	76.5433
Minimum price (%)	89.4429	89.9198	76.3776	89.6654	90.1576	76.0409
Average price (%)	89.4970	89.9930	76.5226	89.7042	90.2129	76.1235
Amount offered for sale (HUF million)	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Amount of bids submitted (HUF million)	20,495.10	12,136.00	19,397.40	27,710.00	18,030.00	17,109.30
Amount of bids accepted (HUF million)	6,000.00	4,999.99	5,999.97	6,499.99	5,000.00	4,999.96
Bid-to-cover ratio	3.42	2.43	3.23	4.26	3.61	3.42
Bids submitted (pcs)	41	30	37	51	36	31
Bids accepted (pcs)	13	14	17	12	12	17
Tail (average price - minimum price)	0.05	0.07	0.14	0.04	0.06	0.08
Market sales* (HUF million)	6,000.00	4,999.99	5,999.97	6,499.99	5,000.00	4,999.96
Non-competitive offer (HUF million)	908.00	300.00	380.00	195.80	1 280.00	1 568.00
Total amount issued (HUF million)	12,000.00	10,000.00	12,000.00	13,000.00	10,000.00	10,000.00

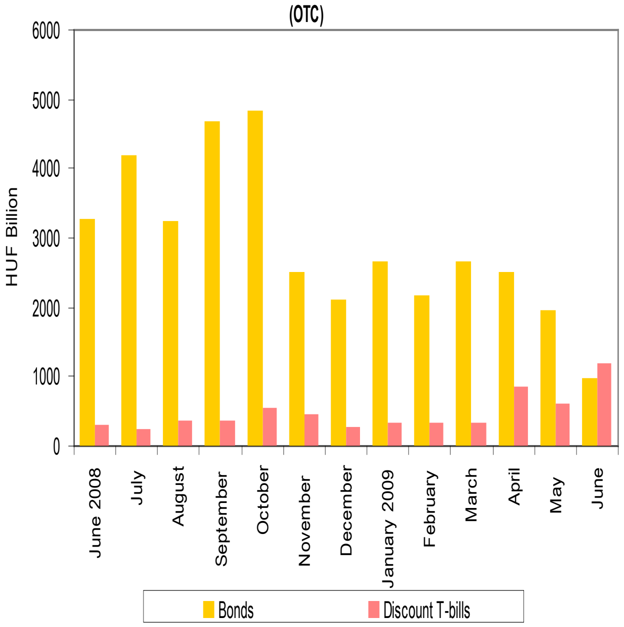
*Without issuance onto ÁKK's own account



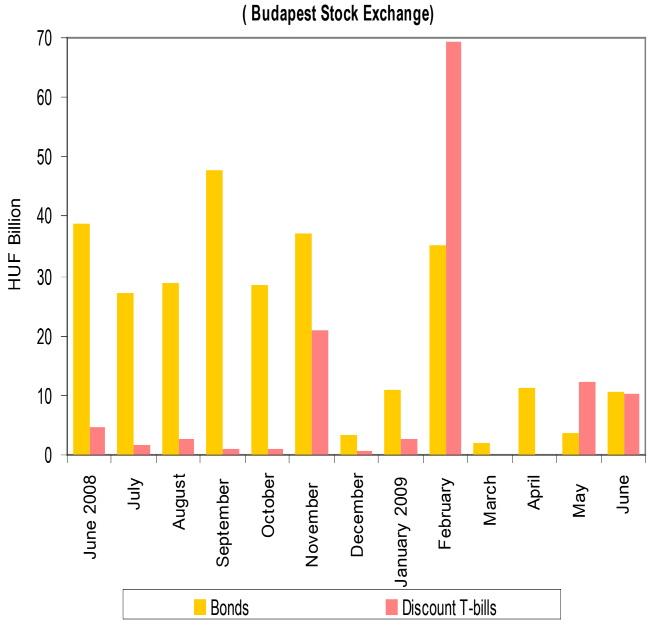
GOVERNMENT SECURITIES BUY-BACK AUCTION

Government bond	2010/D	2011/C	2010/C	2011/B
ISIN code	HU0000402409	HU0000402425	HU0000402391	HU0000402334
Coupon (%)	6.25	6.75	6.75	6.00
Date of reverse auction	03.06.2009	03.06.2009	10.06.2009	10.06.2009
Date of financial settlement	10.06.2009	10.06.2009	17.06.2009	17.06.2009
Redemption date	24.08.2010	22.04.2011	12.04.2010	12.10.2011
Minimum annual yield (%)	9.62	9.80	9.65	9.68
Average annual yield - ISMA (%)	9.66	9.84	9.65	9.76
Average annual yield - EHM (%)	9.66	9.84	9.57	9.76
Amount of bids submitted (HUF million)	7,966.87	9,085.30	1,866.38	7,735.54
Amount of bids accepted (HUF million)	4,461.87	1,727.87	1,666.38	1,735.54

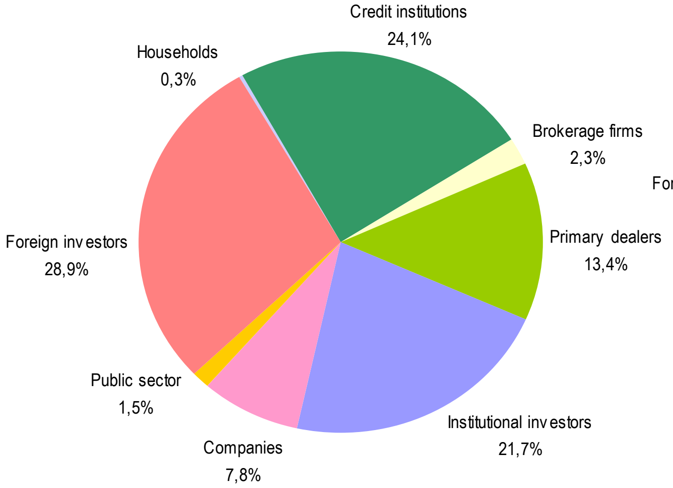
Secondary market trading of Hungarian government securities (OTC)



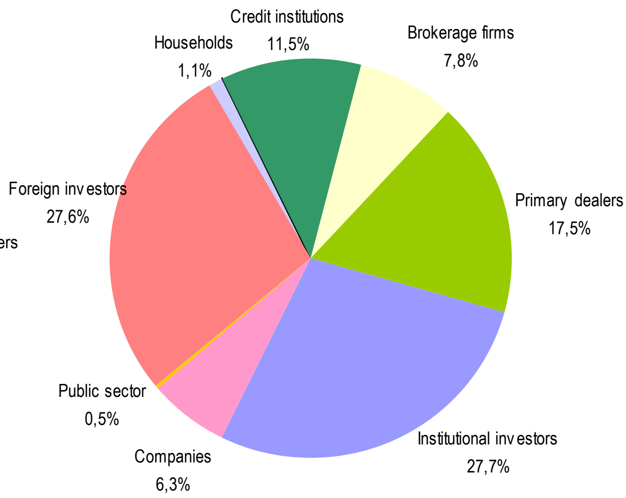
Secondary market trading of Hungarian government securities (Budapest Stock Exchange)



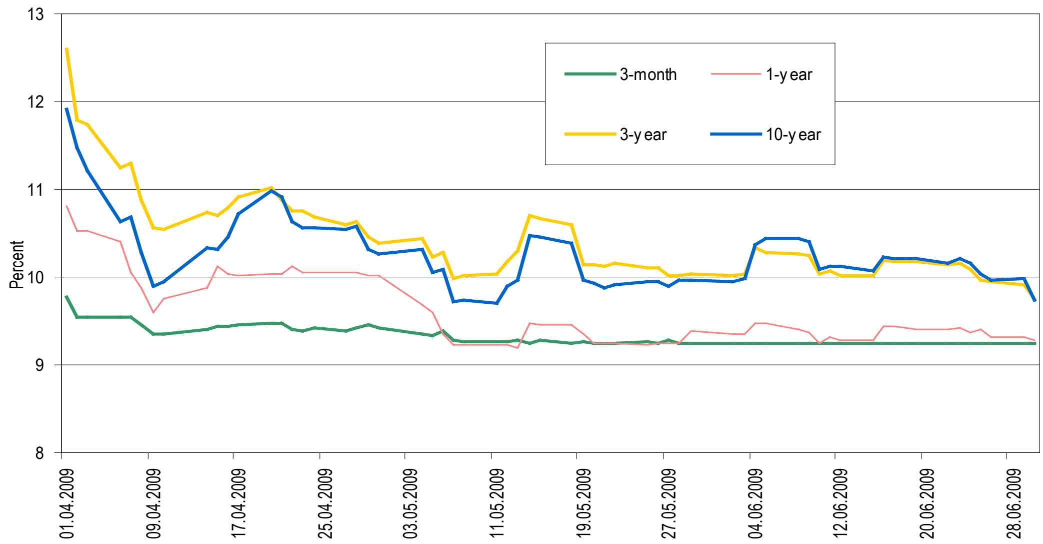
Breakdown of primary dealers' secondary market turnover in government bonds by investor groups in June 2009



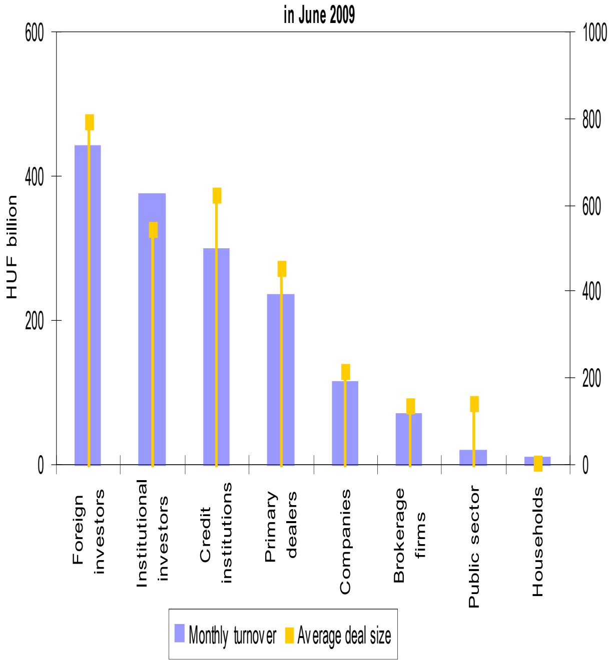
Breakdown of primary dealers' secondary market turnover in Discount Treasury Bills by investor groups in June 2009



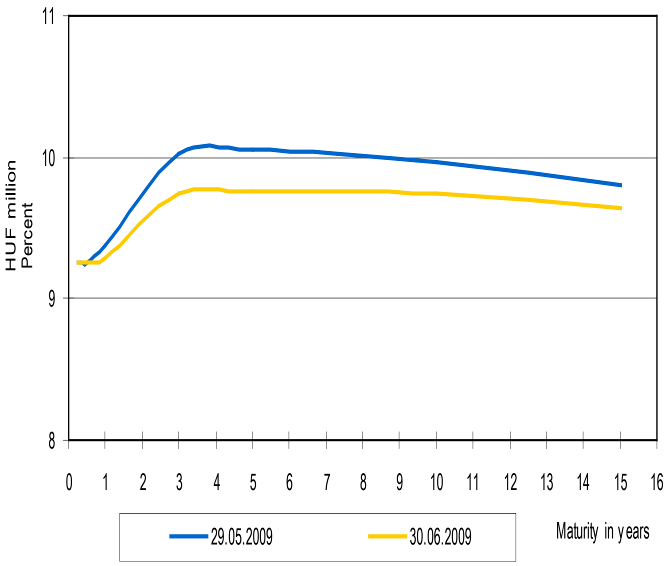
Benchmark yields in the past three months



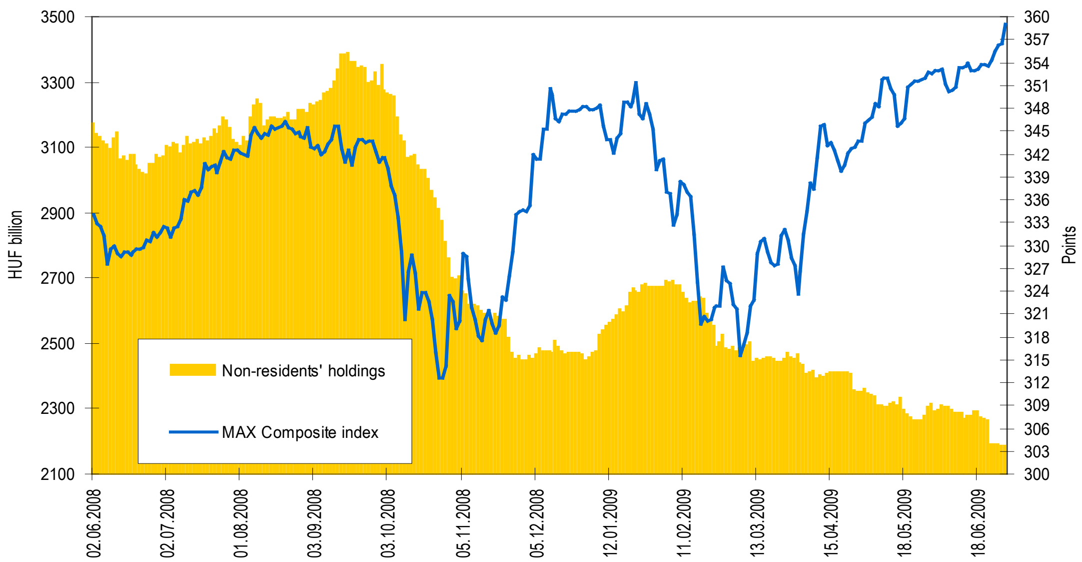
Primary dealers' trading with different investor groups in June 2009



Benchmark yield curves



Non-residents' holdings of Hungarian government securities during the last year and the MAX index



INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN JUNE 2009

Government Bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate (%)	Interest payable (%)
2014/A	30.04.2009	02.05.2009	02.11.2009	02.11.2009	10.00	5.11

HUNGARIAN GOVERNMENT SECURITIES INDICES

	MAX index	RMAX index	MAX Composite index	ZMAX index
Value as at 30 June 2009	358.2352	385.2473	358.9651	390.4171
Changes compared to the end of the month before	6.8190	3.0323	6.0959	2.7870
Annual yield earned on the index portfolio	7.52%	9.86%	8.23%	9.84%

Government securities with the highest secondary market turnover in June 2009

Government security	Date of redemption	Turnover (HUF billion)
D090923	23.09.2009	116.3
2009/D	12.10.2009	105.3
2019/A	24.06.2019	101.4
D100505	05.05.2010	94.0
2011/C	22.04.2011	87.0
2017/B	24.02.2017	84.4
2012/B	12.06.2012	75.6
2012/C	24.10.2012	75.5
D090715	15.07.2009	61.7
2015/A	12.02.2015	55.6

The outstanding volume of government bonds with benchmark status at the end of June 2009

	HUF billion	
Government bond	29.05.2009	30.06.2009
2013/D	453.90	469.57
2015/A	436.57	448.43
2019/A	302.08	315.11
2023/A	200.67	200.75

PRIMARY DEALERS - AS AT 30 JUNE 2009

Primary dealers:		Primary dealers for retail securities:
CIB Bank Zrt.	Magyar Külkereskedelmi Bank Zrt.	CIB Bank Zrt.
CITIBANK Europe Plc.	Magyar Takarékszövetkezeti Bank Zrt.	UniCredit Bank Hungary Zrt.
Deutsche Bank Zrt.	Országos Takarékpénztár és Kereskedelmi Bank Nyrt	Kereskedelmi és Hitelbank Zrt.
ERSTE Bank Befektetési Magyarország Zrt.	Raiffeisen Bank Zrt.	Magyar Takarékszövetkezeti Bank Zrt.
ING Bank N.V.	UniCredit Bank Hungary Zrt.	Országos Takarékpénztár és Kereskedelmi Bank Nyrt.
Kereskedelmi és Hitelbank Zrt.		the branch network of the Hungarian State Treasury