DEBT MANAGEMENT OUTLOOK

2004

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▪ CONTENTS ▪

INTRODUCTION

The aim of the Government Debt Management Agency Ltd. (ÁKK Rt.) with this report on its funding strategy and financing programme for 2004 is to help the securities market participants in drawing up their investment intentions, just like it did in the previous years. The publication contains the revised deficit figures announced by Hungary's new Minister of Finance and also shows the increased government securities issuance, which was disclosed by ÁKK at its January press conference. Due to these changes the gross issuance and its breakdown differs somewhat from the financing plan published in December 2003.

The current publication gives information on the projected net borrowing requirement and redemptions, the amount of gross financing and its structure i.e. instruments, currency denomination, tenor, the characteristics of government securities issuance and loan raising and also the expected development of the government debt in the year 2004.

I. THE INSTITUTIONAL FRAMEWORK AND TASKS OF DEBT MANAGEMENT

Pursuant to the Act XXXVIII of 1992 on Public Finances, the Minister of Finance - representing the Republic of Hungary in legal acts connected with civil law - is authorised to finance the budget deficit, record and repay the government debt. This general authority is specified in the annual Budget Act by assigning the financing and debt management duties in the current year to the Minister's scope of authority.
According to the Act on Public Finances the Minister of Finance carries out the tasks related to financing and to public debt and liquidity management through ÁKK Rt.

DEBT MANAGEMENT TASKS

Activities of ÁKK Rt. include the following tasks:
- Management of the government debt;
- Handling and management of the temporarily free cash funds of the state (liquidity management);
- Elaboration of the long-term financing strategy in accordance with economic policy, which sets the objectives of debt management and the instruments of implementation;
- The drawing up of the annual financing plan of the central government budget and planning the annual interest expenditures, both based on the annual Budget Act and in line with the strategy;
- The implementation of all necessary financing operations in the domestic and international markets (organisation and settlement of auctions and subscriptions, foreign bond issuances and raising foreign currency loans);
- Effecting interest payments and debt redemptions;
- The development of the government securities market's institutional structure (including the primary dealer system, market conventions, sales channels and the secondary market);
- Dissemination of information and analyses on financing and the government securities market (through its own publications, electronic systems – Reuters, Bloomberg –, and its website);
- Cooperation in government guaranteed borrowings, including the financing of student loans on the basis of the related government decree.

II. THE BORROWING REQUIREMENT

The balance of the central government is the sum of the balance of the central government budget, the social security funds and the extrabudgetary funds in the given year.

As of 2004, special emphasis is given to the ESA'95 deficit statistics that indicate the economic effects of the general government, and is compiled on an accrual basis. The consolidated balance of the central budget, the social security funds and the extrabudgetary funds together is planned to reach 4.6 per cent of the GDP in 2004 on accrual basis.

From the point of view of financing, however, cash-basis indicators are relevant. On cash-basis the deficit of the central budget - excluding loan assumptions - is expected to reach HUF 874.3 billion, the deficit of the social security funds is projected at HUF 321.8 billion, whereas the planned surplus of the extrabudgetary funds is HUF 17.5 billion.

On cash-basis the deficit of the general government is expected at HUF 1,178.6 billion, 5.8 per cent of the GDP.

An extraordinary financing item, the pre-financing of the agricultural subsidies from the EU EAGGF Fund arises in 2004, with a planned amount of HUF 17.2 billion.

The Budget Act estimates privatisation revenues of HUF 146.2 billion in 2004, which reduce the borrowing requirement.

The total net borrowing requirement on cash-basis is projected to reach HUF 1,049.6 billion in 2004, 4 per cent lower than the HUF 1,095.2 billion in 2003 (preliminary fact).

HUF billion

	2000	2001	2002	2003 [1]	2004 [2]
Deficit of the central budget (excl. priv. revenues) [3]	-367.8	-402.9	-957.7	-727.9	-874.3
Financing requirement of the Social Security Funds	-81.9	-28.8	-100.9	-345.1	-321.8
Financing requirement of the extrabudgetary funds	2.1	-2.3	1.5	18.7	17.5
Net borrowing requirement	-447.6	-434.1	-1057.1	-1054.3	-1178.6
Funds covering the exchange rate losses of the NBH	0.0	0.0	-250.2	-82.9	0.0
Privatisation revenues	0.9	0.0	0.0	42.0	146.2
EU - EAGGF prefinancing	0.0	0.0	0.0	0.0	-17.2
Total net borrowing requirement	-446.7	-434.1	-1307.3	-1095.2	-1049.6
Within-the-year redemptions (Treasury-bills)	-2024.0	-2004.5	-2888.6	-3635.2	-4413.6
Over-the-year redemptions	-984.2	-990.9	-1053.4	-1861.7	-1206.1
Gross borrowing requirement	-3454.8	-3429.4	-5249.3	-6592.1	-6669.2

[1] *Preliminary*
[2] *Projection*
[3] *In 2002 excludes the HUF 512 billion loan assumptions and bond transfers at the end of December, and in 2004 excludes the HUF 29.1 billion loan assumptions, which are part of the deficit but are not items to be financed*

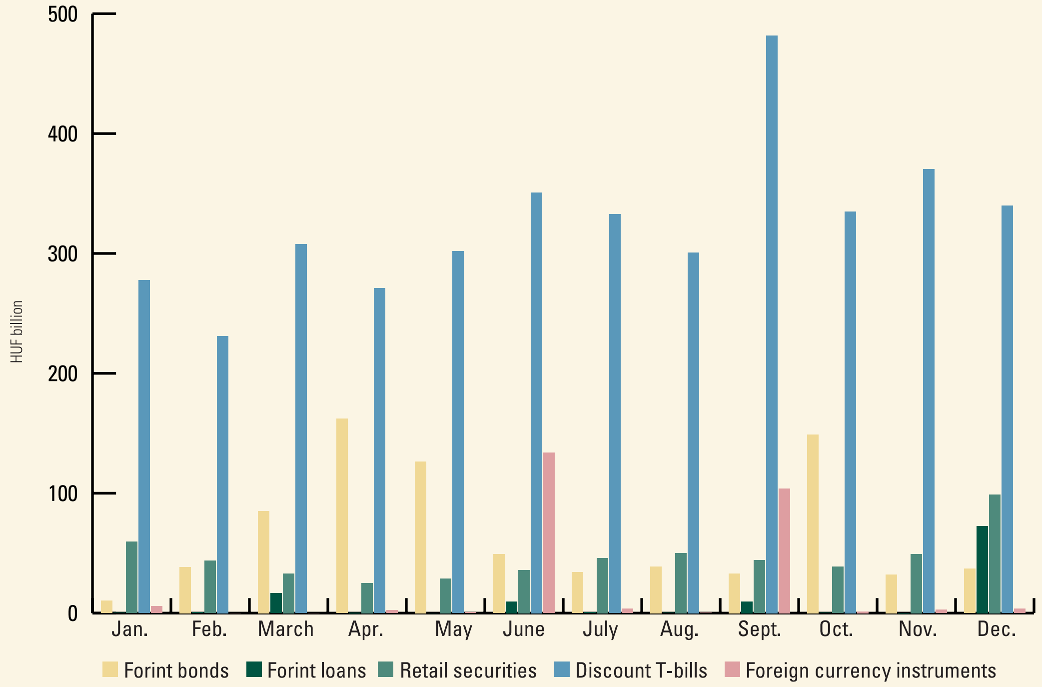
The gross financing requirement includes the net borrowing requirement and the amount of government debt maturing in the year. In 2004, HUF 5,619.7 billion debt will be redeemed, including both short-term (less than one year) and medium-term maturities. The gross financing requirement thus will amount to HUF 6,669.2 billion in 2004, 1 per cent higher than in the previous year. Within that, however, the redemption of long-term debt declines considerably (by 32 per cent) to HUF 1,206.1 billion.

In 2004, the redemption of Forint denominated debt amounts to HUF 5,361.4 billion, while that of foreign currency denominated debt will reach HUF 258.2 billion (approximately EUR 1 billion). The main part (72.8 per cent) of Forint redemptions is made up by discount T-bills with HUF 3,900.6 billion, while government bonds will account for HUF 795.9 billion (14.8 per cent, approximately EUR 3.1 billion). Repayment of retail government securities will amount to HUF 553.4 billion (10.3 per cent), HUF 513.0 billion of which are 1-year securities. The repayment of Forint denominated loans is estimated at HUF 111.5 billion (2.1 per cent) in 2004.

II. THE BORROWING REQUIREMENT

Within the foreign currency denominated debt HUF 130.0 billion is required to repay a EUR 500 million eurobond issued in 1999; HUF 104 billion will be used for the redemption of a EUR 400 million syndicated loan and HUF 24.2 billion for the repayment of project financing and other foreign currency loans. The breakdown of redemptions during the year is shown in the chart below.

MONTHLY REDEMPTIONS IN 2004



Government bond buy-backs at reverse auctions form an important part of government securities redemptions, the significance of which is continuously growing as ÁKK aims at building up liquid government securities series. Buy-backs help ÁKK to create a more balanced maturity profile among years and within the year, and also help investors to exchange their maturing government bond investments into on-the-run government securities. Since in 2004 the maturing amount of Forint government bonds will be lower than in the previous and the following years, the aim of the buy-backs in 2004 is to make advance payments for part of the redemptions due in 2005. Within the planned HUF 796 billion Forint bond maturities the amount of redemptions brought forward from 2005 is HUF 168 billion, which might vary in line with the bids submitted at the reverse auctions.

In case of Forint loans, extraordinary prepayments are also to be expected in 2004, that is, ÁKK plans to replace loans with unfavourable interest conditions by marketable instruments. These prepayments will also change flexibly in light of the financing situation.

III. ISSUANCE OF GOVERNMENT SECURITIES IN 2004

According to the financing plan, domestic issuance will amount to HUF 5,860.1 billion while foreign currency denominated issuance will make up HUF 882.2 billion in 2004. Totalling at HUF 6,742.2 billion this issuance covers the gross financing requirement on the one hand and the increase in the level of cash funds on the Treasury Single Account on the other.

A. FINANCING STRATEGY

The structure of the annual issuance reflects the principles laid down in the debt management strategy. There are four main principles determining the financing plan:

1. Maturing domestic debt is refinanced domestically, in Forint.
2. Redemption of foreign exchange debt is covered by foreign currency funds raised in the international capital markets, provided that there are no other economic policy requirements. For these economic policy considerations, however, the Minister of Finance decided to raise EUR 3 billion in foreign currency in 2004, which exceeds the amount of the maturing foreign currency denominated debt.
3. The financing requirement of the budgetary central government, the social security funds and the extrabudgetary funds are financed mainly out of Forint issues, besides which the surplus foreign exchange issuance over maturities offers partial financing.
4. The fourth viewpoint concerns security of financing. This means the maintenance of an adequate and stable level of liquid funds on the Treasury Single Account that serves as reserves for
   a. expenditures of the budgetary central government, social security funds and extrabudgetary funds,
   b. financing unexpected deficits of the central government, social security funds and extrabudgetary funds,
   c. offsetting the possible negative effects that international financial and economic crises and domestic capital market developments may have on the financing of the budget.

In order to smoothen the fluctuation of the balance of the Treasury Single Account ÁKK has introduced special liquidity management measures and instruments, the detailed description of which is given in Chapter IV.

With a view to both risks and costs, the most important objectives laid down in the financing strategy for 2004 are the following:

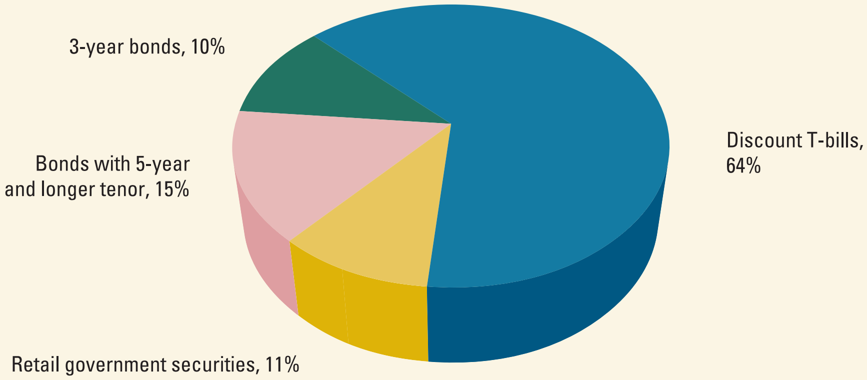
- Lengthening the maturity of the Forint denominated government debt;
- Increasing the share of fixed rate government securities;
- Decreasing the non-market government debt;
- Development of issuance techniques;
- Modernisation of the government securities market and the intermediation system;
- Product development;
- Development of sales channels.

B. STRUCTURE OF GROSS DOMESTIC ISSUANCE

In 2004 the gross domestic issuance is projected to reach HUF 5,860.1 billion. Financing in Forint means exclusively the issuance of HUF denominated government securities, no Forint loans are planned for 2004. Within the total gross government securities issuance discount T-bills have the largest proportion (64 per cent), amounting to HUF 3,722.5 billion. The share of bonds with a tenor of 5 years and longer will be 15 per cent in 2004, that of 3-year bonds will reach 10 per cent, and retail government securities will account for 11 per cent.

III. ISSUANCE OF GOVERNMENT SECURITIES IN 2004

BREAKDOWN OF GROSS DOMESTIC ISSUANCE IN 2004



In line with the strategic principles only fixed rate bonds with tenors of 3, 5, 10 and 15 years will be sold at auctions in 2004. 1 and 2-year special government securities will be issued for retail investors.
Discount T-Bills have an important role in short-term funding and liquidity management, their high share within the gross issuance comes from the frequent refinancing of these instruments. In 2004 the choice of discount T-bills widens: beside the 3, 6 and 12-month discount T-bills issued until now, discount T-bills with shorter than 3-month term-to-maturity will also be sold for liquidity management purposes.

C. STRUCTURE OF FOREIGN CURRENCY FINANCING

Financing in foreign currency is executed mainly through borrowing in the international capital markets based on the following principles:

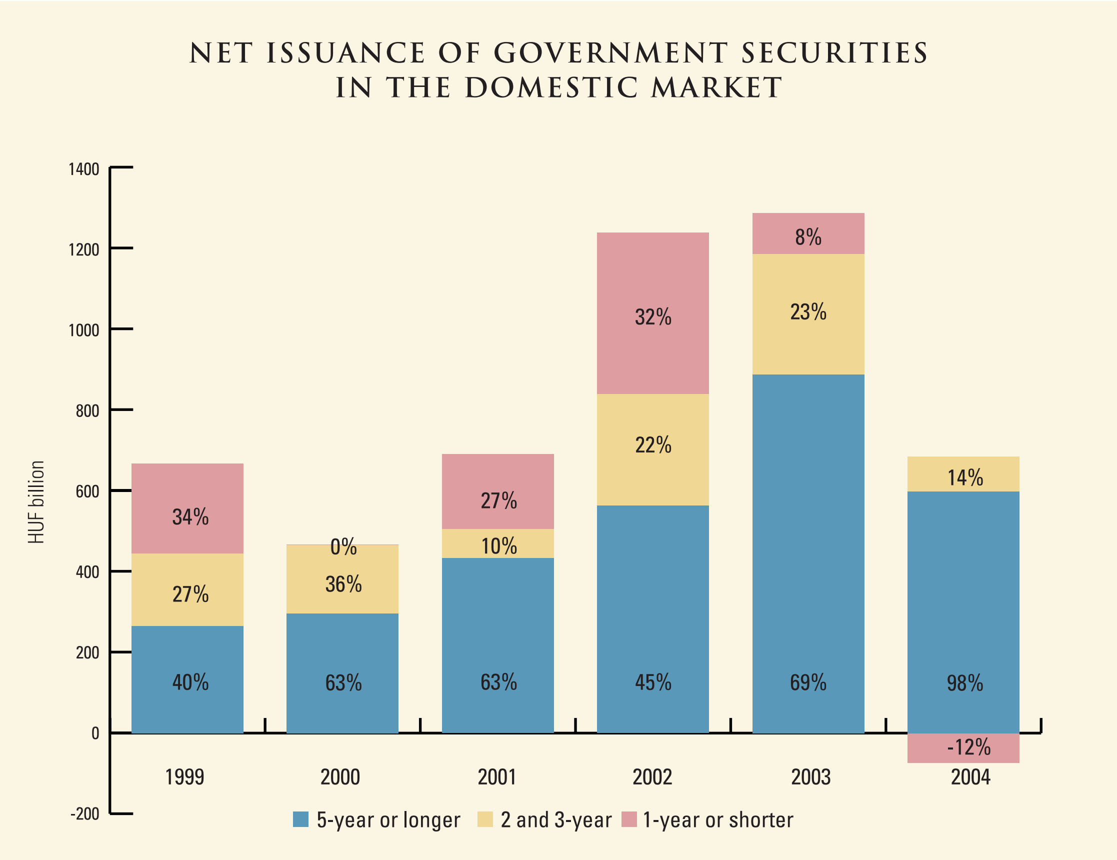
- Bonds are issued primarily in the euro market in benchmark sizes to create liquid bond series, in line with the debt management strategy;
- The aim is to create a euro yield curve for Hungarian government securities;
- In 2004 in order to widen the investor base ÁKK will examine the possibilities of issuance in other capital markets.

In 2004, the Republic of Hungary plans a total EUR 3 billion issuance in the international capital markets. Borrowing from international financial institutions will also take place with the purpose of project financing in an amount of approximately EUR 390 million.

D. STRUCTURE OF NET ISSUANCE

According to the financing plan, net issuance in 2004 amounts to HUF 1,122.6 billion. Out of that HUF 498.6 billion is the value of the net domestic issuance and HUF 624.0 billion is the net foreign currency denominated issuance. Since no domestic loans will be raised but an amount of HUF 111,5 billion will be redeemed, the total net domestic issuance is made up of HUF 610 billion net Forint government securities issuance and HUF 111,5 billion redemption of loans.
10 and 15-year bonds will have a 66% share out of the HUF 610 billion net Forint government securities issuance, whereas 5-year bonds will account for 32% and 2-year retail securities and 3-year bonds together will reach 14%. The net issuance of short-term government securities will be negative (-12 per cent.)

III. ISSUANCE OF GOVERNMENT SECURITIES IN 2004



Out of the net government securities issuance government bond sales will account for HUF 510 billion and the sale of retail securities for HUF 100 billion.

Net foreign currency denominated issuance will amount to HUF 624 billion in 2004, which will consist of 5-10-year tenor foreign currency bonds and 10-15-year project financing loans.

IV. LIQUIDITY MANAGEMENT

As a consequence of the seasonality of budgetary revenues, expenditures and debt operations (redemptions and borrowing) the daily fluctuation of the balance of the Treasury Single Account is very significant; it might reach +/- HUF 100 billion. It is extremely important from both debt management and monetary policy aspects to smoothen this fluctuation, as more stable and predictable liquidity in the money market can increase the security of budget financing and decrease the cost as well.

The amendment of the Act on Public Finances in 2003 assigned the responsibility of handling and managing the temporarily free financial assets of the state to the ÁKK Rt. The amendment made it possible to introduce new instruments (e.g. repos) as well. The objective of smoothing the Treasury Single Account and the management of temporarily free financial assets is that at the end of the day the level of cash funds on the Treasury Single Account should fluctuate within a narrow band, similar to the practice in the EMU member countries. This means that above a certain limit funds should be invested in the market, and ÁKK should borrow funds from the money market in case the balance doesn't reach the target. It is clear that the complete implementation of this regime may be reached only on a longer time horizon.

In order to smooth the Treasury Single Account, ÁKK has introduced the following instruments in 2004:

- Issuance of so-called liquidity discount T-bills with a tenor shorter than 3 months;
- Introduction of same value dates - namely Wednesdays - for the financial settlement of government bond and T-bill operations;
- More active use of bond buy-backs;
- More active adjustment of the amount of discount T-bills offered and sold at auctions in order to manage the liquidity of the Treasury Single Account;
- Use of repurchase agreements (repos) to tailor the end-of-the-day level of the Treasury Single Account into the targeted band.

The instruments of liquidity management - similar to international practice - are completed with a stand-by loan facility with the main target to balance the difference in the timing of foreign exchange revenues and expenditures within the year (e.g. EU transfers and foreign currency denominated debt transactions).

ÁKK can decide to issue liquidity T-bills in any week, but the issuance of these short-term instruments will usually fall on the date of maturity of large bond and discount T-bill series, whereas their redemption – as a main rule – will fall on such Wednesdays, when large net issuance of T-bills is expected. The ÁKK's auction calendar includes the possible days of public offers and auctions, the issuer, however, decides upon the actual announcement and the amount offered and accepted on the basis of the actual liquidity situation. In addition, the maturity of the instrument is not constant either, mostly it is 6 weeks but variations are possible. For the purpose of liquidity management, the offered and accepted quantities of the traditional 3, 6 and 12-month discount T-bills and bond buy-backs can vary more actively as well.

For the sake of transparency and predictability, ÁKK announces the width of the end-of-the-day fluctuation band of the Treasury Single Account's level to be maintained and fixes it for one year. If the cash reserve is projected to leave this band, ÁKK executes transactions to bring it back into the targeted band in a pre-announced way. In 2004, when the use of the different instruments and the size of the necessary transactions are a novelty for the market, ÁKK defines a rather wide band of HUF 100 billion, which can be narrowed later on.

In case the level of funds exceeds the upper limit of the band, ÁKK may use active repo transactions, and if the expected volume is lower than the lower limit of the band, it may issue short-term discount T-bills and conclude passive repo transactions. The tenor of repo transactions is mainly 7 days, however, other maturities, e.g. 1-day transactions, can also be concluded.

V. THE DEVELOPMENT OF DEBT IN 2004

The gross debt of the central government amounted to HUF 10,588 billion at the end of 2003 (preliminary data), or 57 per cent of the GDP. The gross debt is expected to rise to HUF 11,715 billion by the end of 2004, whereas the debt-to-GDP ratio will not change.

It is still an important objective of the economic policy to reduce the debt/GDP and budget deficit/GDP ratios. These two factors are closely interrelated since high deficit induces high financing requirement, which increases debt, and vice versa, interest payments on the high debt affect adversely the budget. The proportion of interest payment over GDP will continue to decline, just like in previous years. In 2003 it reached 4.3 per cent (preliminary figure), and it is not expected to change in 2004.

COMPOSITION OF THE DEBT IN 2004

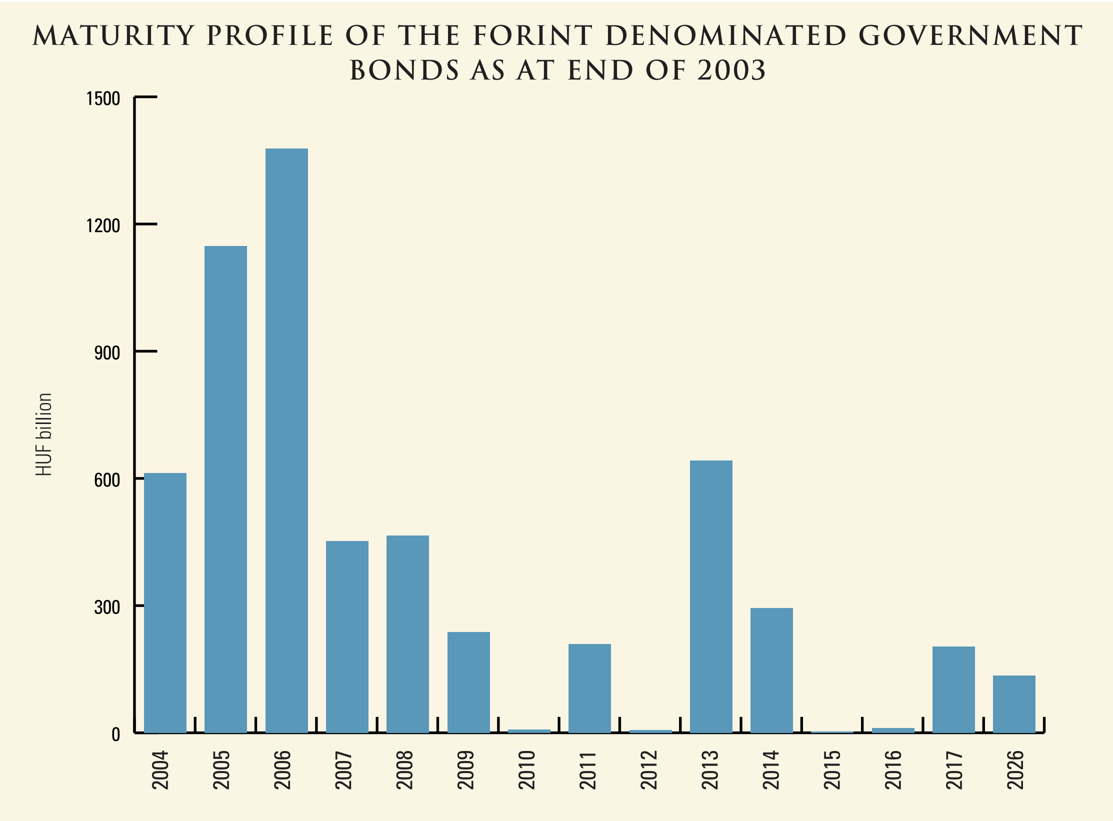
As at end of 2003, 24.4 per cent of the total debt consisted of foreign currency instruments and 75.6 per cent of Forint denominated debt.
Because of positive net foreign currency issuance the share of foreign exchange debt is expected to grow to 27.3 per cent by the end of 2004. Since – in line with the currency benchmark set in the debt management strategy – the currency composition of the foreign exchange debt is to be identical to the FX composition of the currency basket of the Forint (100 per cent EUR), the Forint value of the foreign currency component might vary by the net foreign currency issuance and the fluctuation of the Forint exchange rate within the intervention band in 2004.

In case of the Forint denominated debt the earlier debt management practice will be continued in line with the strategic objectives to improve its structure and duration. These objectives are the following:

A. IMPROVEMENT OF THE MATURITY PROFILE OF THE MARKETABLE FORINT DEBT AND THE LENGTHENING OF THE AVERAGE TERM-TO-MATURITY

The maturity profile of Forint denominated bonds is uneven; it is concentrated in the next few years. The volume of government bond redemptions is very high, 70 per cent of total maturities are due in the 2004-2008 period. Consequently, by the end of 2003, 11 per cent of the outstanding Forint government bonds are due within one year, 20 per cent in the second year and 40 per cent in the 3-5 years period.
In order to decrease the proportion of short-term debt within the total in 2004, similarly to previous years, long-term securities will play a dominant role in the financing. This helps to lengthen the average term-to-maturity and to create a more balanced maturity profile.

V. THE DEVELOPMENT OF DEBT IN 2004



The average term-to-maturity of market government bonds increased to 3.97 years by the end of 2003, compared to 3.38 years at the end of 2002. Average term-to-maturity will continue to increase in 2004 and reach 4.07 years by the end of the year. At the same time, it is important that the shift of emphasis towards longer-term maturities should be gradual and in line with investors' demand.

B. INCREASE IN THE SHARE OF FIXED RATE MARKETABLE FORINT GOVERNMENT BONDS

Fixed rate government bonds issued in Forint represented 63.0 per cent of the total stock of government securities at the end of 2003; this proportion will rise to 67.8 per cent in 2004. The fact that only fixed rate bonds will be issued in 2004 will raise their share within total debt as well. The duration of the total Forint denominated market debt increases to 2.42 years in 2004 from 2.31 years in 2003 due to the higher share of long-term fixed rate government securities, which means smaller interest rate and refinancing risks of the total Forint denominated debt.

Fixed rate issuance proved to be more favourable in the last 5 years also from the aspect of costs (interest payments). The reason for that is that the average interest rate paid for fixed rate government securities is continuously below the average interest payment on the floating rate and short-term government securities – as a consequence of declining coupons due to the inverse yield-curve. Another advantage of fixed rates is that the interest payment of the bond is more easily predictable.
Moreover, raising the proportion of fixed rate debt contributes to the development of the secondary market and the increase in turnover.

C. RETAIL TRADE

Households represent safe and stable government debt demand, an alternative financing channel for ÁKK. This was proven again when yields started to rise at the end of 2003 and demand for bonds declined, yet demand for retail government securities increased considerably. Retail investors invest in relatively short-term (usually one-year) securities, however a considerable part of these funds are reinvested again due to their conservative investment behaviour. Therefore, this investor segment is less sensitive to unfavourable developments and can be regarded as more stable than others. The volume of retail government securities is expected to grow in 2004, and their share in the total Forint denominated debt will rise.

B. INTRODUCTION OF EURO-ZONE CONVENTIONS

Preparation for entering the capital market of the European Union is an important part of the strategy of ÁKK Rt., which resulted in considerable changes in the government securities market in the last few years. As of January 1, 2003 the yield-price calculation method (actual/360) used in the member states of the European Monetary Union (EMU) and based on the recommendations of the International Securities Market Association (ISMA) was introduced for all discount T-bills. Moreover, as of the same day the calculation of accrued interest on floating rate Hungarian Government Bonds has also changed. In the case of bonds with coupon payments linked to Discount T-bill yields the calculation follows that of the T-bills. In the case of bonds with coupon payments linked to the consumer price index, the method used in the calculation of the accrued interest is the same as in the case of fixed rate Hungarian Government Bonds (actual/actual).

With the above-mentioned modifications the harmonisation of financial calculation in the Hungarian government securities market has been completed, the calculation methods for all Hungarian government securities are now consistent with those used in the EMU government securities markets.

With these measures the intention of ÁKK was to create a competitive Hungarian government securities market that is attractive both to domestic and international investors. The present role of foreign investors in the domestic market confirms the effectiveness of earlier efforts in this direction.

VI. FACTORS THAT MAY CHANGE THE ISSUANCE STRUCTURE

The financing programme and this publication were prepared on the basis of information available by January 2004. Therefore it may happen that the structure of issuance will be slightly different during the year. The issuer will respond flexibly to changes in the net borrowing requirement and in investor demand by changing the auctioned volumes of government securities. This, however, will not modify the pre-announced issuance calendar.
The possible changing volume of retail government securities sales may also modify the financing plan as well.

This publication is available also on the website of ÁKK Rt. (www.akk.hu or www.allampapir.hu). The website gives more and up-to-date information on the developments of the government securities market.

Further information on this and other publications is available from

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NOTES

NOTES

ISSUING CALENDAR

Discount Treasury Bills

Types	3, 6 and 12-month; liquidity discount T-bills
Coupon payment frequency	zero coupon security
Sales method	auction
Transfer of ownership (1st day of interest accrual)	settlement date
Average amount sold (based on primary market sales data in 2003)	3-month – HUF 27 billion 6-month – HUF 30 billion 12-month – HUF 35 billion
Stock exchange listing*	settlement date
Minimum denomination	HUF 10,000
Form	dematerialised
Investors	both **residents** and **non-residents**
Availability	**at auctions:** by order to primary dealers
	secondary market: among others from primary dealers and in the branch network of the Hungarian State Treasury

* The 3-month Discount Treasury Bill is not listed on the Stock Exchange.

Government Bonds

Types	3, 5, 10 and 15-year fixed rate
Coupon payment frequency	semi-annual and annual (issues after 2003 pay only annual)
Sales method	auction
Transfer of ownership (1st day of interest accrual)	settlement date
Average amount sold (based on primary market sales data in 2003)	3-year – HUF 60 billion 5-year – HUF 40 billion 10-year – HUF 35 billion 15-year – HUF 18 billion
Stock exchange listing	settlement date
Minimum denomination	HUF 10,000
Form	dematerialised
Investors	both **residents** and **non-residents**
Availability	**at auctions:** by order to primary dealers
	secondary market: among others from primary dealers and in the branch network of the Hungarian State Treasury

ISSUING CALENDAR 2004

MAGYAR ÁLLAMPAPÍR

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ISSUING CALENDAR
2004 FIRST HALF

JANUARY

	2. Week			3. Week			4. Week			5. Week		
	Tuesday 06	Wednesday 07	Thursday 08	Tuesday 13	Wednesday 14	Thursday 15	Tuesday 20	Wednesday 21	Thursday 22	Tuesday 27	Wednesday 28	Thursday 29
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Settlement			Auction			Settlement			Auction	
Discount Treasury Bills (12 m)		Settlement				Auction		Settlement				Auction
Government Bonds (3 years)			Auction		Settlement							
Government Bonds (5-10 years)									Auction		Settlement	
Government Bonds (15 year, other)		Reverse auction						Reverse auction				Reverse auction

FEBRUARY

	6. Week			7. Week			8. Week			9. Week		
	Tuesday 03	Wednesday 04	Thursday 05	Tuesday 10	Wednesday 11	Thursday 12	Tuesday 17	Wednesday 18	Thursday 19	Tuesday 24	Wednesday 25	Thursday 26
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Settlement			Auction			Settlement			Auction	
Discount Treasury Bills (12 m)		Settlement				Auction		Settlement				Auction
Government Bonds (3 years)			Auction		Settlement							
Government Bonds (5-10 years)									Auction		Settlement	
Government Bonds (15 year, other)		Reverse auction	Auction		Settlement			Reverse auction				

MARCH

	10. Week			11. Week				12. Week			13. Week		
	Tuesday 02	Wednesday 03	Thursday 04	Tuesday 09	Wednesday 10	Thursday 11	Péntek 12	Tuesday 16	Wednesday 17	Thursday 18	Tuesday 23	Wednesday 24	Thursday 25
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement			Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Settlement			Auction				Settlement			Auction	
Discount Treasury Bills (12 m)		Settlement				Auction			Settlement				Auction
Government Bonds (3 years)			Auction		Settlement								
Government Bonds (5-10 years)										Auction		Settlement	
Government Bonds (15 year, other)		Reverse auction					Redemption					Redemption	

APRIL

	14. Week				15. Week			16. Week			17. Week			18. Week		
	Monday 29	Tuesday 30	Wednesday 31	Thursday 01	Tuesday 06	Wednesday 07	Thursday 08	Tuesday 13	Wednesday 14	Thursday 15	Tuesday 20	Wednesday 21	Thursday 22	Tuesday 27	Wednesday 28	Thursday 29
Discount Treasury Bills (3 m)		Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)			Settlement			Auction			Settlement			Auction			Settlement	
Discount Treasury Bills (12 m)			Settlement				Auction		Settlement				Auction		Settlement	
Government Bonds (3 years)				Auction		Settlement										Auction
Government Bonds (5-10 years)										Auction		Settlement				
Government Bonds (15 year, other)	Redemption			Auction		Settlement		Redemption								

MAY

	19. Week			20. Week			21. Week			22. Week		
	Tuesday 04	Wednesday 05	Thursday 06	Tuesday 11	Wednesday 12	Thursday 13	Tuesday 18	Wednesday 19	Thursday 20	Tuesday 25	Wednesday 26	Thursday 27
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Auction			Settlement			Auction			Settlement	
Discount Treasury Bills (12 m)			Auction		Settlement				Auction		Settlement	
Government Bonds (3 years)		Settlement										Auction
Government Bonds (5-10 years)						Auction		Settlement				
Government Bonds (15 year, other)					Redemption						Reverse auction	Auction

JUNE

	23. Week			24. Week			25. Week			26. Week		
	Tuesday 01	Wednesday 02	Thursday 03	Tuesday 08	Wednesday 09	Thursday 10	Tuesday 15	Wednesday 16	Thursday 17	Tuesday 22	Wednesday 23	Thursday 24
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Auction			Settlement			Auction			Settlement	
Discount Treasury Bills (12 m)			Auction		Settlement				Auction		Settlement	
Government Bonds (3 years)		Settlement										Auction
Government Bonds (5-10 years)						Auction		Settlement				
Government Bonds (15 year, other)		Settlement			Reverse auction						Reverse auction	

The data serve information purposes. Status as of 15 January 2004.

= Auction = Settlement = Redemption = Reverse auction

ISSUING CALENDAR
2004 SECOND HALF

JULY

	27. Week Tuesday 29	27. Week Wednesday 30	27. Week Thursday 01	28. Week Tuesday 06	28. Week Wednesday 07	28. Week Thursday 08	29. Week Tuesday 13	29. Week Wednesday 14	29. Week Thursday 15	30. Week Tuesday 20	30. Week Wednesday 21	30. Week Thursday 22	31. Week Tuesday 27	31. Week Wednesday 28	31. Week Thursday 29
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Auction			Settlement			Auction			Settlement			Auction	
Discount Treasury Bills (12 m)			Auction		Settlement				Auction		Settlement				Auction
Government Bonds (3 years)		Settlement										Auction		Settlement	
Government Bonds (5-10 years)						Auction		Settlement							
Government Bonds (15 year, other)			Redemption		Reverse auction						Reverse auction	Auction		Settlement	Reverse auction

AUGUST

	32. Week Tuesday 03	32. Week Wednesday 04	32. Week Thursday 05	33. Week Tuesday 10	33. Week Wednesday 11	33. Week Thursday 12	34. Week Tuesday 17	34. Week Wednesday 18	34. Week Thursday 19	35. Week Tuesday 24	35. Week Wednesday 25	35. Week Thursday 26
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Settlement			Auction			Settlement			Auction	
Discount Treasury Bills (12 m)		Settlement				Auction		Settlement				Auction
Government Bonds (3 years)									Auction		Settlement	
Government Bonds (5-10 years)			Auction		Settlement							
Government Bonds (15 year, other)		Reverse auction					Redemption	Reverse auction				

SEPTEMBER

	36. Week Tuesday 31	36. Week Wednesday 01	36. Week Thursday 02	37. Week Tuesday 07	37. Week Wednesday 08	37. Week Thursday 09	38. Week Tuesday 14	38. Week Wednesday 15	38. Week Thursday 16	39. Week Tuesday 21	39. Week Wednesday 22	39. Week Thursday 23
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Settlement			Auction			Settlement			Auction	
Discount Treasury Bills (12 m)		Settlement				Auction		Settlement				Auction
Government Bonds (3 years)									Auction		Settlement	
Government Bonds (5-10 years)			Auction		Settlement							
Government Bonds (15 year, other)		Reverse auction						Reverse auction	Auction		Settlement	

OCTOBER

	40. Week Tuesday 28	40. Week Wednesday 29	40. Week Thursday 30	41. Week Tuesday 05	41. Week Wednesday 06	41. Week Thursday 07	42. Week Tuesday 12	42. Week Wednesday 13	42. Week Thursday 14	43. Week Tuesday 19	43. Week Wednesday 20	43. Week Thursday 21	44. Week Tuesday 26	44. Week Wednesday 27	44. Week Thursday 28
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Settlement			Auction			Settlement			Auction			Settlement	
Discount Treasury Bills (12 m)		Settlement				Auction		Settlement				Auction		Settlement	
Government Bonds (3 years)									Auction		Settlement				
Government Bonds (5-10 years)			Auction		Settlement										Auction
Government Bonds (15 year, other)							Redemption						Redemption	Reverse auction	

NOVEMBER

	45. Week Tuesday 02	45. Week Wednesday 03	45. Week Thursday 04	46. Week Tuesday 09	46. Week Wednesday 10	46. Week Thursday 11	47. Week Tuesday 16	47. Week Wednesday 17	47. Week Thursday 18	48. Week Tuesday 23	48. Week Wednesday 24	48. Week Thursday 25
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Auction			Settlement			Auction			Settlement	
Discount Treasury Bills (12 m)			Auction		Settlement				Auction		Settlement	
Government Bonds (3 years)						Auction		Settlement				
Government Bonds (5-10 years)		Settlement										Auction
Government Bonds (15 year, other)					Reverse auction	Auction		Settlement			Reverse auction	

DECEMBER

	49. Week Tuesday 30	49. Week Wednesday 01	49. Week Thursday 02	50. Week Tuesday 07	50. Week Wednesday 08	50. Week Thursday 09	51. Week Tuesday 14	51. Week Wednesday 15	51. Week Thursday 16	52. Week Tuesday 21	52. Week Wednesday 22	52. Week Thursday 23	53. Week Tuesday 28	53. Week Wednesday 29	53. Week Thursday 30
Discount Treasury Bills (3 m)	Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement		Auction	Settlement	
Discount Treasury Bills (6 m)		Auction			Settlement			Auction			Settlement			Auction	
Discount Treasury Bills (12 m)			Auction		Settlement				Auction		Settlement				Auction
Government Bonds (3 years)						Auction		Settlement							
Government Bonds (5-10 years)		Settlement										Auction		Settlement	
Government Bonds (15 year, other)					Reverse auction										

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