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GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

GOVERNMENT SECURITIES MARKET

MONTHLY REPORT

APRIL 2009

The deficit of the central government amounted to HUF 604.1 billion in four months of 2009. The net balance of transfers from the EAGGF fund of the European Union (EU) worth HUF 338.3 billion decreased the net borrowing requirement. Privatisation revenues amounted to HUF 0.2 billion, which decreased the financing requirement. Thus, the total net borrowing requirement amounted to HUF 265.6 billion in first four months. Net issuance was HUF 521.2 billion; out of which net HUF-denominated issuance was HUF 492.9 billion and net foreign currency denominated issuance was HUF 28.3 billion. Out of the international loan program HUF 1,538.9 billion was placed in the National Bank of Hungary as of foreign currency deposits at the end of April. The total amount of other liabilities decreased by HUF 23.7 billion in 2009.

The HUF denominated debt of the central government increased by HUF 494.4 billion in 2009, which is the sum of the HUF 1,164.0 billion increase in the volume of HUF loans and the HUF 669.6 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 -736.4 billion, while discount Treasury bills increased by HUF 94.6 billion and retail government securities decreased by HUF 26.9 billion. The HUF 1,164.0 billion increase in the volume of HUF loans in the first four 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 1,115.3 billion.

The foreign currency debt of the central government increased by HUF 631.0 billion in 2009. The drawdown of foreign currency denominated loans was HUF 235.4 billion, out of which the loans from the international loan package (IMF, EC) amounted to HUF 192.1 billion, while loans from international financing institutions amounted to HUF 43.3 billion. Redemptions of foreign currency loans worth HUF 58.1 billion and redemptions of foreign currency government bonds worth HUF 149.0 billion decreased, while exchange rate revaluations totalling HUF 602.7 billion increased the Hungarian Forint value of the foreign currency debt in 2009.

Short-term secondary market yields decreased by 50-103 basis points, while long-term yields decreased by 152-259 basis points in April. The 1-year yield decreased by 103 bps to 10.02%, the 3-year yield decreased by 259 bps to 10.39% and the 10-year benchmark yield reached 10.26% at the end of April after decreasing by 199 basis points.

Monthly OTC turnover of government securities was 12 % higher in April than a month before and reached HUF 3,389 billion. Primary dealers, who account for the decisive part of all secondary government securities trading, made 25% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities decreased altogether by HUF 118.8 billion in April, and amounted to HUF 2,346.7 billion at the end of the month. This volume represented 23.8% 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 476.8 billion in the four months of 2009. After successfully stabilizing the domestic government securities market ÁKK restarted its regular bond auction a program in late April.

The EUR/HUF exchange rate according to the National Bank of Hungary was 287.52 at the last working day of April 2009.

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

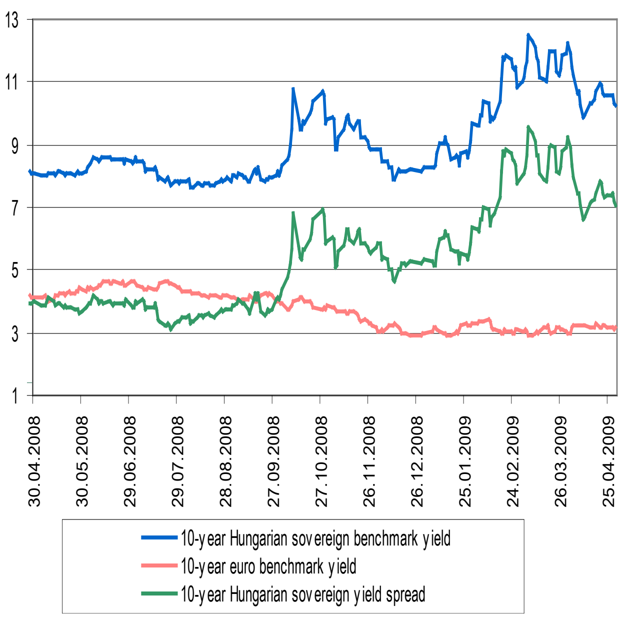
CENTRAL GOVERNMENT GROSS DEBT

HUF BILLION

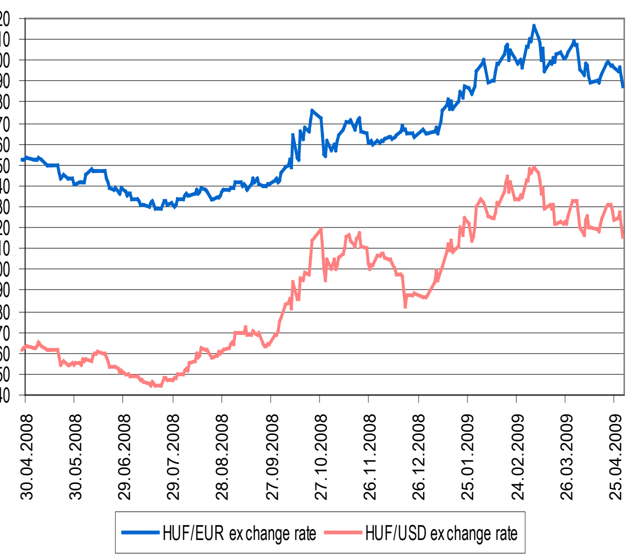
	2004	2005	2006	2007	2008	February 2009	March 2009	April 2009
1. Forint denominated debt	8,608.8	9,153.5	10,552.3	11,103.8	11,250.6	11,228.1	11,947.4	11,744.9
1.1. Loans	4.7	0.8	356.4	145.7	219.9	219.9	980.6	1 383.9
1.2. Government securities	8,604.2	9,152.7	10,195.9	10,958.1	11,030.7	11,008.2	10,966.8	10,361.1
1.2.1. Public issues	7,860.6	8,418.8	9,667.5	10,465.4	10,599.7	10,577.3	10,536.7	9,931.0
1.2.1.1. Bonds	5,768.9	6,299.1	7,244.2	8,245.3	8,570.6	8,493.7	8,418.6	7,834.2
1.2.1.2. Discount T-bills	1,463.3	1,530.9	1,755.9	1,664.9	1,482.4	1,552.3	1,592.9	1,577.1
1.2.1.3. Retail securities	628.4	588.7	667.4	555.2	546.4	531.4	525.2	519.7
1.2.2. Private placements	743.6	733.9	528.4	492.7	431.0	430.9	430.1	430.1
2. Foreign currency denominated debt*	2,983.5	3,590.7	4,124.4	4,472.6	6,774.8	7,531.2	8,426.1	7,405.8
2.1. Loans	916.8	720.6	803.7	846.5	2,529.4	2,924.8	3,622.8	2,939.5
2.1.1. Foreign loans	528.9	616.9	700.1	838.8	2,529.4	2,924.8	3,622.8	2,939.5
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	4,606.4	4,803.4	4,466.3
2.2.1. Issued abroad	2,066.8	2,870.1	3,320.7	3,626.1	4,245.5	4,606.4	4,803.4	4,466.3
2.2.1.1. Foreign currency bonds	2,066.7	2,870.0	3,320.6	3,626.1	4,245.4	4,606.4	4,803.3	4,466.2
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	18,759.3	20,373.5	19,150.8
Other liabilities		21.4	29.0	9.1	78.5	100.9	73.9	54.9
Total central government debt		12,765.6	14,705.7	15,585.5	18,103.9	18,860.2	20,447.4	19,205.6
Foreign currency deposits from the international loan program placed at the NBH					*1,483.6*	*1,446.8*	*2,081.2*	*1,538.9*
Government debt adjusted with foreign currency deposits					16 620,3	17 413,4	18 366,2	17 666,7
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*	*10,476.9*	*10,441.6*	*10,441.6*
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.

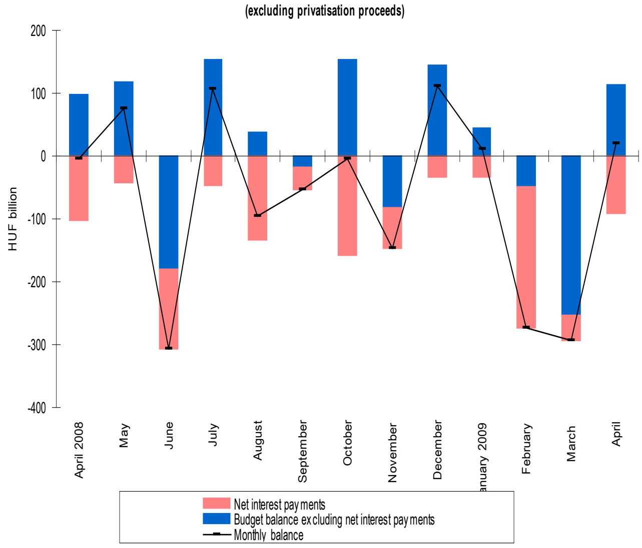
% 10-year Hungarian and eurozone benchmark yields during the last year



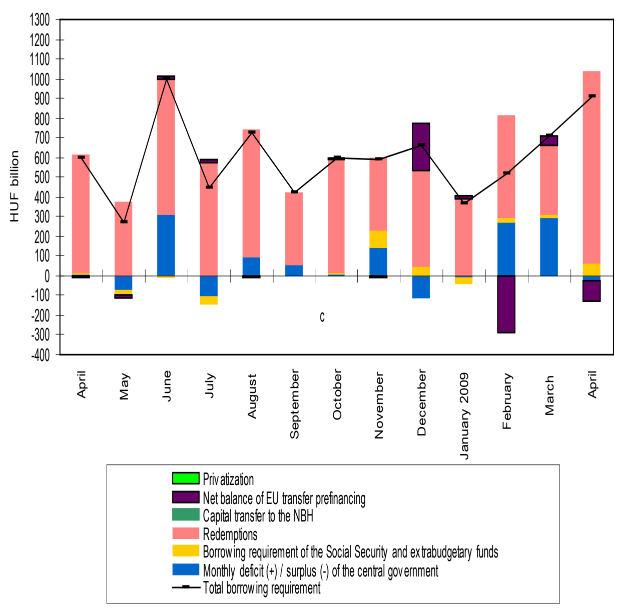
The exchange rate of the Hungarian Forint during the last year



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



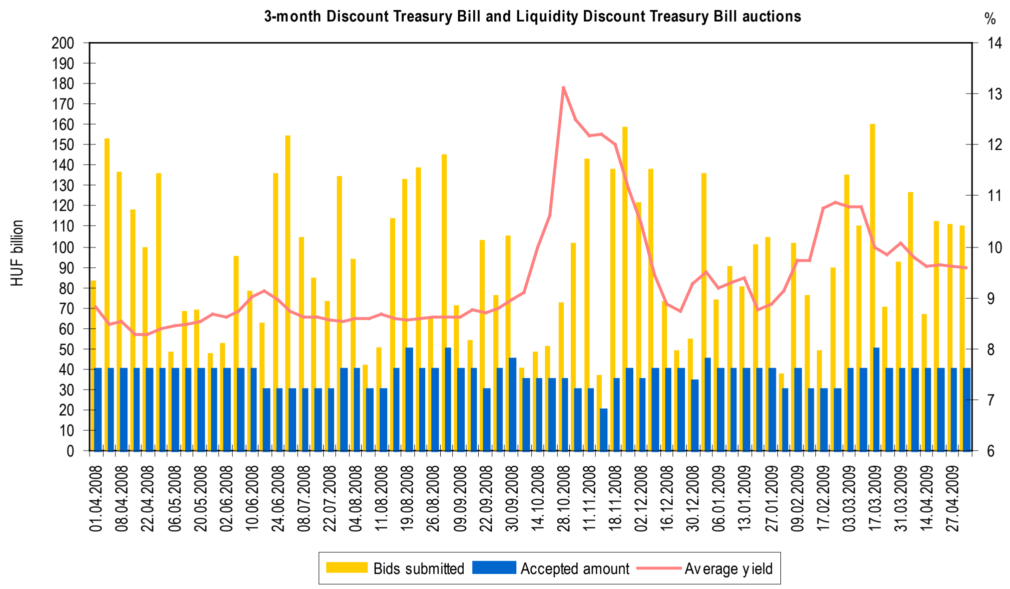
Gross borrowing requirement

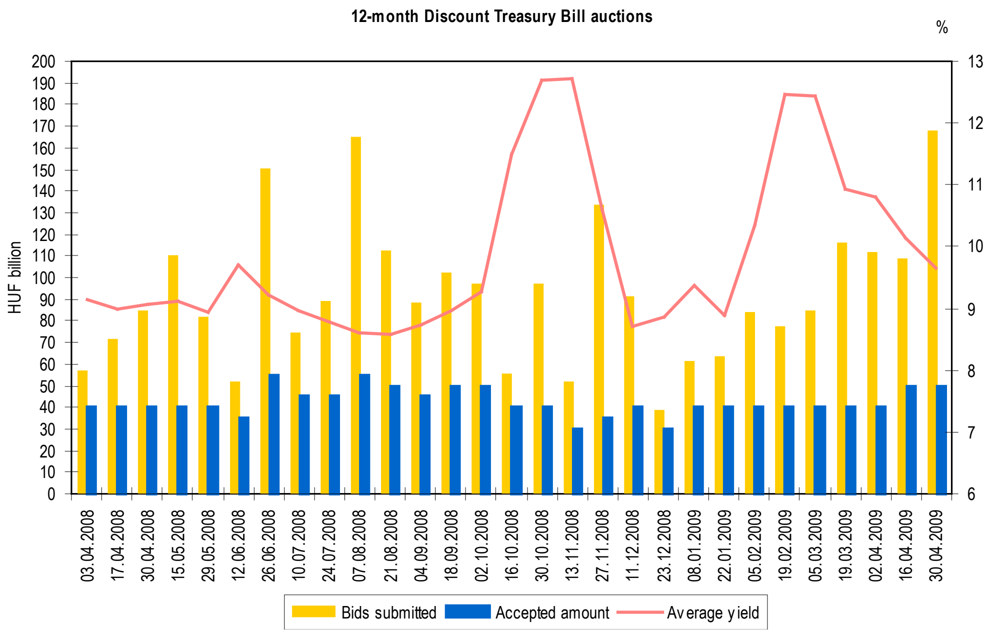


DISCOUNT TREASURY BILL AUCTION RESULTS

	Liquidity Discount T-bills	3-month Discount T-bills				12-month Discount T-bills		
Code of T-bills	D090617	D090715	D090722	D090729	D090805	D100310	D100310	D100505
ISIN code	HU0000517248	HU0000517305	HU0000517313	HU0000517024	HU0000517321	HU0000517289	HU0000517289	HU0000517412
Maturity in days	49	91	91	91	91	336	322	364
Date of auction	27.04.2009	07.04.2009	14.04.2009	21.04.2009	28.04.2009	02.04.2009	16.04.2009	30.04.2009
Date of financial settlement	29.04.2009	15.04.2009	22.04.2009	29.04.2009	06.05.2009	08.04.2009	22.04.2009	06.05.2009
Redemption date	17.06.2009	15.07.2009	22.07.2009	29.07.2009	05.08.2009	10.03.2010	10.03.2010	05.05.2010
Maximum yield, (%) - ISMA	9.65	9.90	9.80	9.70	9.60	10.90	10.20	9.75
Minimum yield (%) - ISMA	9.55	9.69	9.33	9.50	9.55	10.29	9.89	9.58
Average yield (%) - ISMA	9.61	9.79	9.63	9.66	9.59	10.79	10.15	9.65
Maximum yield, (%) - EHM	9.78	10.04	9.94	9.83	9.73	11.05	10.34	9.89
Minimum yield (%) - EHM	9.68	9.82	9.46	9.63	9.68	10.43	10.03	9.71
Average yield (%) - EHM	9.74	9.93	9.76	9.79	9.72	10.94	10.29	9.78
Average selling price (%)	98.7089	97.5851	97.6236	97.6164	97.6332	90.8507	91.6770	91.1102
Amount offered for sale (HUF million)	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00
Amount of bids submitted (HUF million)	110,760.00	126,614.67	66,932.00	112,331.60	110,207.17	111,609.71	108,954.37	167,777.98
Amount of bids accepted (HUF million)	39,999.94	39,999.97	39,999.96	39,999.96	39,999.98	39,999.93	49,999.99	49,999.97
Bid-to-cover ratio	2.77	3.17	1.67	2.81	2.76	2.79	2.18	3.36
Bids submitted (pcs)	65	134	110	152	115	136	100	157
Bids accepted (pcs)	28	63	64	55	19	70	43	30
Market sales* (HUF million)	39,999.94	39,999.97	39,999.96	39,999.96	39,999.98	39,999.93	49,999.99	49,999.97
Retained on ÁKK's own account	0.06	12,000.03	12,000.04	12,000.04	12,000.02	12,000.07	15,000.01	15,000.03
Total amount issued (HUF million)	40,000.00	52,000.00	52,000.00	52,000.00	52,000.00	52,000.00	65,000.00	65,000.00

*Without issuance onto ÁKK's own account



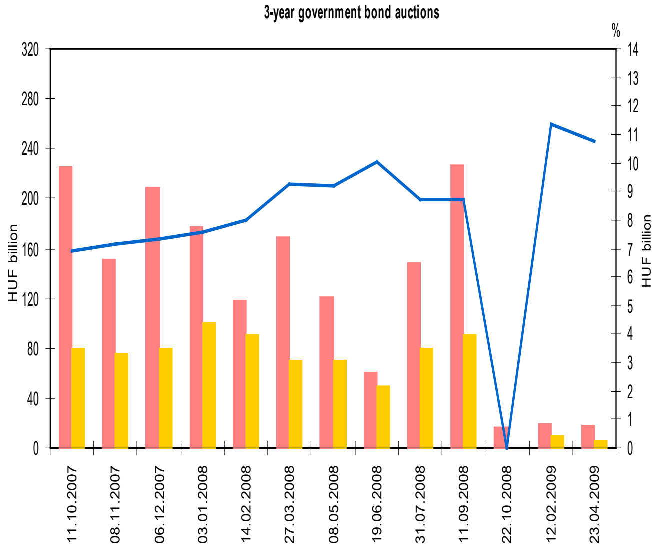


GOVERNMENT BOND AUCTION RESULTS

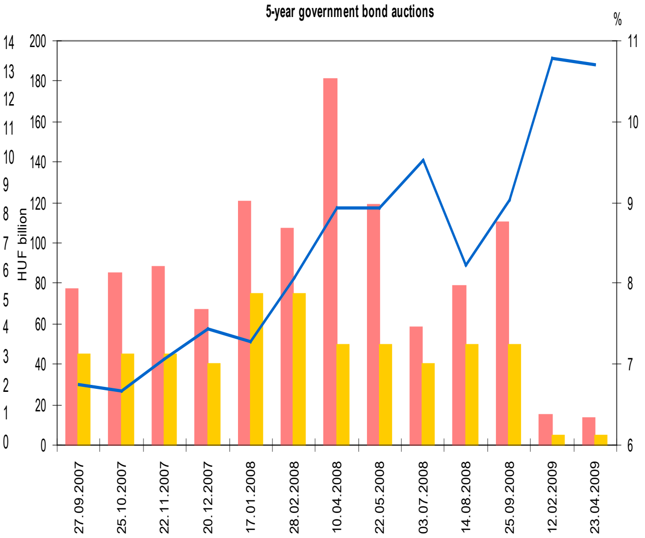
Government Bond	2013/D	2015/A	2019/A
ISIN code	HU0000402045	HU0000402268	HU0000402433
Maturity (in years)	3	5	10
Coupon (%)	6.75%	8.00%	6.50%
Auction	2nd auction	8th auction	8th auction
Date of auction	23.04.2009	23.04.2009	23.04.2009
Date of financial settlement	29.04.2009	29.04.2009	29.04.2009
Redemption date	12.02.2013	12.02.2015	24.06.2019
Maximum annual yield (%) - ISMA	10.80	10.75	10.50
Minimum annual yield (%) - ISMA	10.74	10.69	10.39
Average annual yield (%) - ISMA	10.77	10.71	10.45
Maximum annual yield (%) - EHM	10.79	10.74	10.49
Minimum annual yield (%) - EHM	10.73	10.68	10.38
Average annual yield (%) - EHM	10.76	10.70	10.44
Maximum price (%)	88.0263	88.7435	76.2410
Minimum price (%)	87.8618	88.5129	75.6849
Average price (%)	87.9518	88.6713	75.9503
Amount offered for sale (HUF million)	5,000.00	5,000.00	5,000.00
Amount of bids submitted (HUF million)	18,420.18	13,600.00	20,862.10
Amount of bids accepted (HUF million)	4,999.98	4,500.00	4,999.98
Bid-to-cover ratio	3.68	3.02	4.17
Bids submitted (pcs)	47	34	35
Bids accepted (pcs)	20	16	16
Tail (average price - minimum price)	0.09	0.16	0.27
Market sales* (HUF million)	4,999.98	4,500.00	4,999.98
Retained on ÁKK's own account (HUF million)	5,000.02	4,500.00	5,000.02
Total amount issued (HUF million)	10,000.00	9,000.00	10,000.00

*Without issuance onto ÁKK's own account

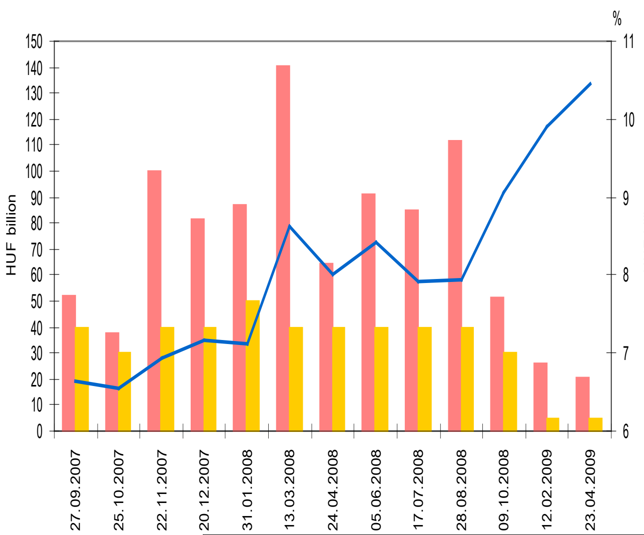
3-year government bond auctions



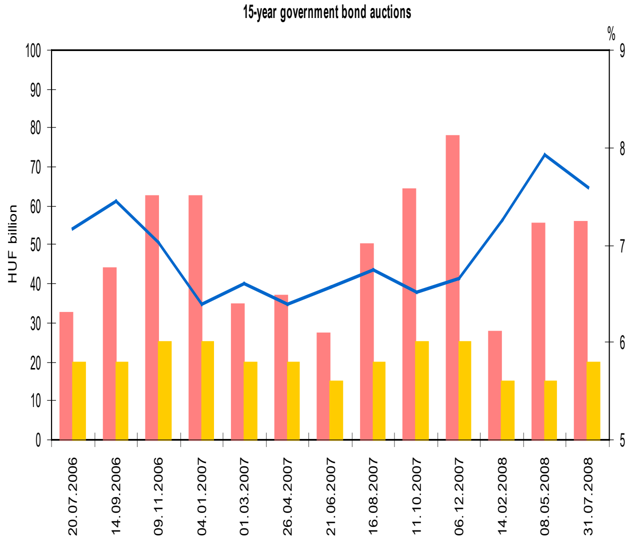
5-year government bond auctions



10-year government bond auctions



15-year government bond auctions



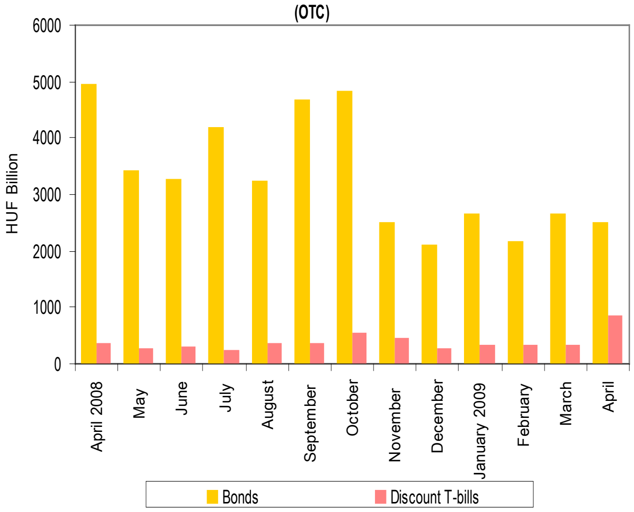
Bids submitted | Accepted amount | Average yield

GOVERNMENT SECURITIES BUY-BACK AUCTION

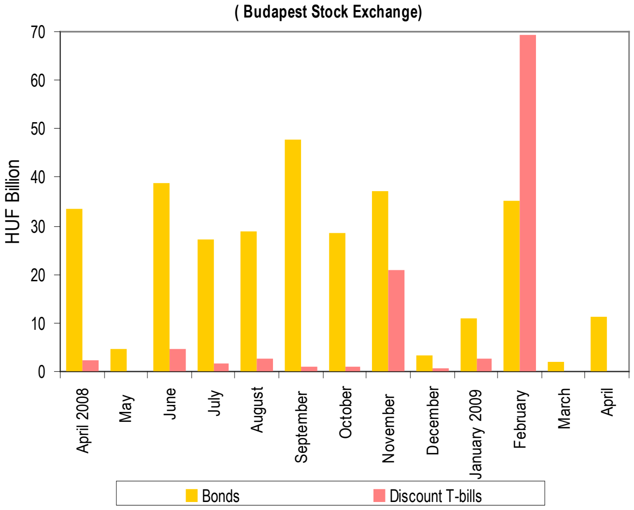
Government bond	2009/F	2010/D	2011/B	2009/F	2010/C	2012/C	2009/F	2010/D
ISIN code	HU0000402359	HU0000402409	HU0000402334	HU0000402359	HU0000402391	HU0000402417	HU0000402359	HU0000402409
Coupon (%)	6.50	6.25	6.00	6.50	6.75	6.00	6.50	6.25
Date of reverse auction	01.04.2009	01.04.2009	01.04.2009	08.04.2009	08.04.2009	08.04.2009	15.04.2009	15.04.2009
Date of financial settlement	08.04.2009	08.04.2009	08.04.2009	15.04.2009	15.04.2009	15.04.2009	22.04.2009	22.04.2009
Redemption date	12.08.2009	24.08.2010	12.10.2011	12.08.2009	12.04.2010	24.10.2012	12.08.2009	24.08.2010
Minimum annual yield (%)	10.33	11.60	12.30	9.95	10.35	10.80	9.65	10.40
Average annual yield - ISMA (%)	10.55	11.73	12.33	10.00	10.63	10.86	9.77	10.57
Average annual yield - EHM (%)	10.21	11.73	12.33	9.68	10.63	10.85	9.46	10.57
Amount of bids submitted (HUF million)	47,568.30	97,159.11	64,044.22	4,339.20	31,976.67	94,340.69	5,151.27	60,088.98
Amount of bids accepted (HUF million)	37,511.69	29,542.73	14,634.93	1,987.59	10,776.67	57,323.89	4,651.27	13,638.98

Government bond	2011/C	2009/D	2010/C	2012/C	2010/D	2011/B	2012/C
ISIN code	HU0000402425	HU0000402243	HU0000402391	HU0000402417	HU0000402409	HU0000402334	HU0000402417
Coupon (%)	6.75	8.25	6.75	6.00	6.25	6.00	6.00
Date of reverse auction	15.04.2009	22.04.2009	22.04.2009	22.04.2009	29.04.2009	29.04.2009	29.04.2009
Date of financial settlement	22.04.2009	29.04.2009	29.04.2009	29.04.2009	06.05.2009	06.05.2009	06.05.2009
Redemption date	22.04.2011	12.10.2009	12.04.2010	24.10.2012	24.08.2010	12.10.2011	24.10.2012
Minimum annual yield (%)	10.50	9.70	10.00	10.61	10.16	10.40	10.30
Average annual yield - ISMA (%)	10.60	9.75	10.05	10.69	10.17	10.42	10.34
Average annual yield - EHM (%)	10.60	9.50	10.03	10.68	10.17	10.42	10.33
Amount of bids submitted (HUF million)	28,070.00	11,244.54	9,926.78	100,916.66	52,528.15	24,929.90	63,680.00
Amount of bids accepted (HUF million)	15,670.00	5,504.54	3,076.78	58,416.66	17,700.00	2,106.37	14,280.00

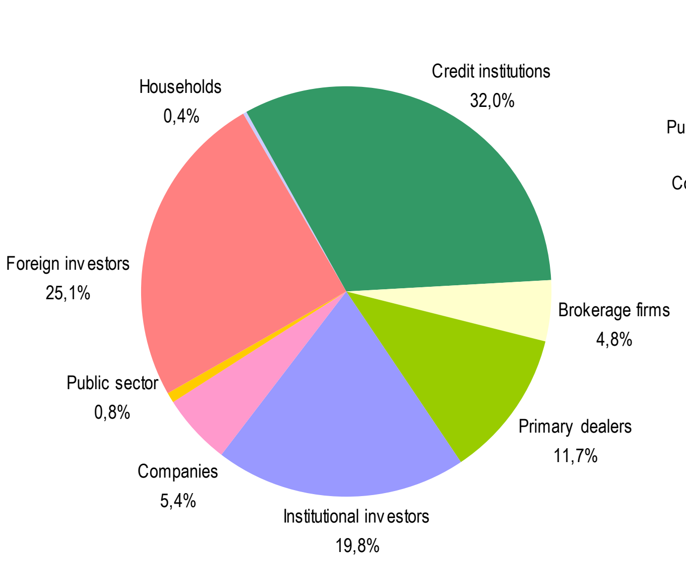
Secondary market trading of Hungarian government securities (OTC)



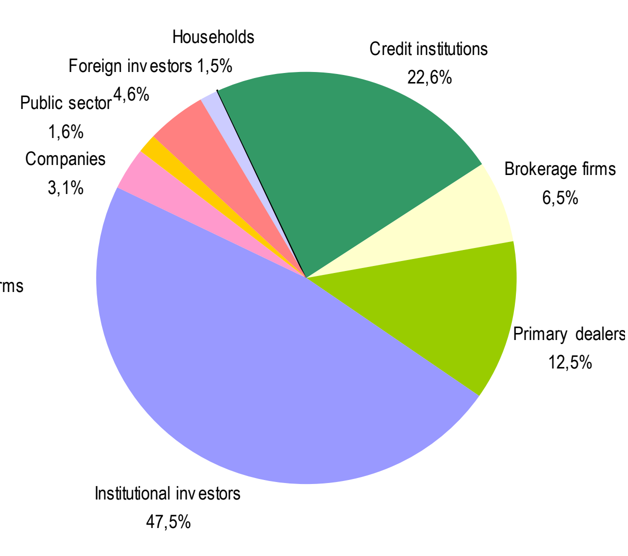
Secondary market trading of Hungarian government securities (Budapest Stock Exchange)



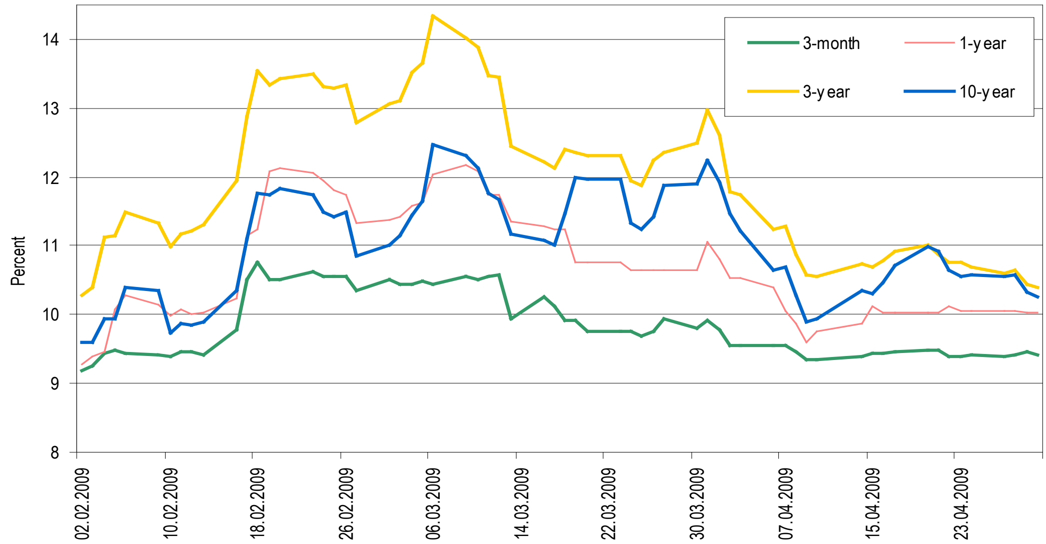
Breakdown of primary dealers' secondary market turnover in government bonds by investor groups in April 2009



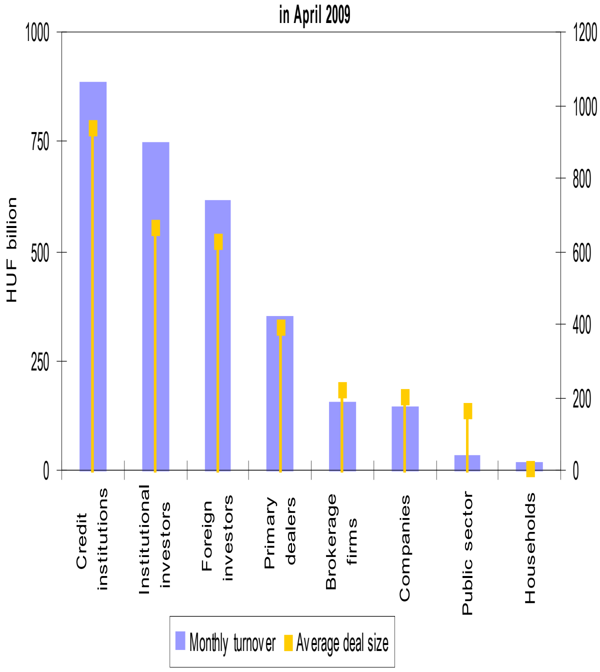
Breakdown of primary dealers' secondary market turnover in Discount Treasury Bills by investor groups in April 2009



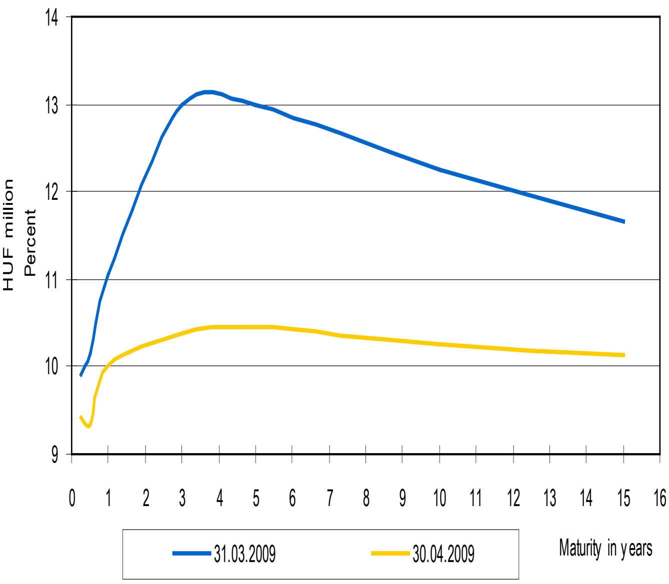
Benchmark yields in the past three months



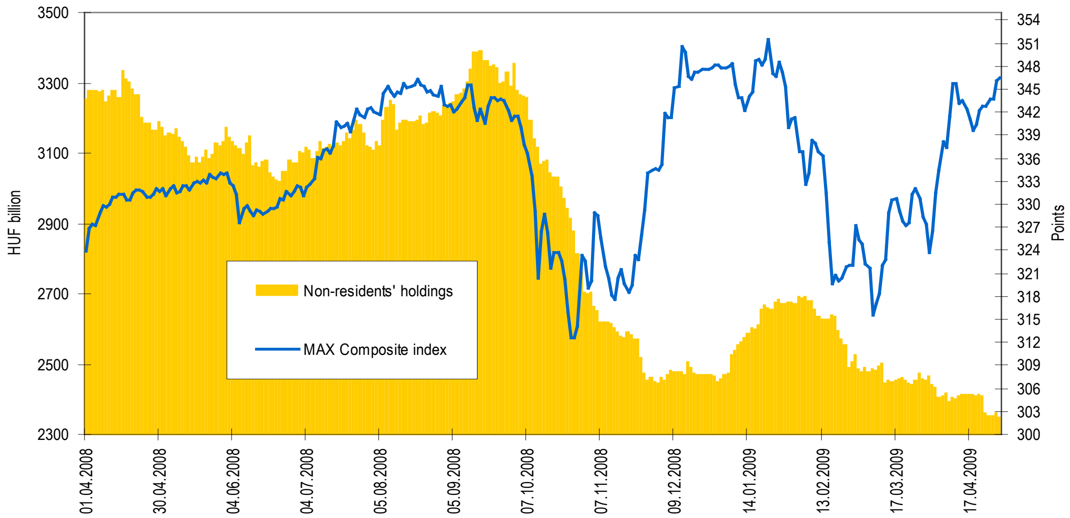
Primary dealers' trading with different investor groups in April 2009



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 APRIL 2009

Government Bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate (%)	Interest payable (%)
2026/C	23.04.2009	24.04.2009	24.10.2009	26.10.2009	10.28	9.65
2016/A	23.04.2009	24.04.2009	24.10.2009	26.10.2009	10.28	5.23

HUNGARIAN GOVERNMENT SECURITIES INDICES

	MAX index	RMAX index	MAX Composite index	ZMAX index
Value as at 30 April 2009	344.2292	378.8886	346.5204	384.6380
Changes compared to the end of the month before	27.0923	4.8269	22.8838	3.6915
Annual yield earned on the index portfolio	3.12%	9.36%	4.49%	9.64%

Government securities with the highest secondary market turnover in April 2009

Government security	Date of redemption	Turnover (HUF billion)
2012/C	24.10.2012	316.4
2009/D	12.10.2009	242.0
2011/B	12.10.2011	232.2
2019/A	24.06.2019	188.2
2017/B	24.02.2017	182.5
2010/D	24.08.2010	158.1
D100310	10.03.2010	144.9
2011/C	22.04.2011	142.7
2015/A	12.02.2015	126.4
2012/B	12.06.2012	114.2

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

	HUF billion	
Government bond	31.03.2009	30.04.2009
2012/B	539.26	539.80
2015/A	420.11	425.42
2019/A	285.26	290.28
2023/A	200.52	200.66

PRIMARY DEALERS - AS AT 30 APRIL 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