



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

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GOVERNMENT SECURITIES MARKET

QUARTERLY REPORT
Q1 2024



Summary

The deficit of the central government amounted to HUF 2,321.4 billion (about EUR 5.9 billion) in Q1 2024. The net financing need was decreased by HUF 467.2 billion of the net balance of transfers from the European Union and other sources. Thus, the total net financing need amounted to HUF 1,854.2 billion. Net issuance was HUF 2,591.9 billion, out of which net HUF denominated issuance was HUF 1,211.0 billion and net foreign currency denominated issuance was HUF 1,380.9 billion. The total amount of other liabilities increased by HUF 330.5 billion in 2024.

ÁKK had set up benchmarks to maintain the optimal cost-risk characteristics of public debt. The 90-day moving average values of those benchmarks at the end of Q1 2024 were as follows:

- The share of foreign currency denominated debt within the total debt was 28.8%.
- 100% of the foreign currency debt was denominated in euro.
- The fixed-floating mix of the total (foreign currency and HUF-denominated) debt portfolio was 68.8% and 31.2%.
- The average time to refixing (ATR) of the total debt portfolio was 5.0 years.
- The average term to maturity (ATM) of the total debt was 6.2 years.
- The share of retail government securities held by the households within total debt was 20.6%.

All benchmark targets were met in Q1 2024.

The short term and the long term secondary market yields also increased in Q1. The 3-6 month yields increased by 36-37 basis points and the 12 month yields increased by 17 basis points compared to December. The 3 year yield increased by 67 basis points, the 5-10 year yields increased by 95-88 basis points and the 15-20 year yields increased by 59-64 basis points. At the end of March the 1-year benchmark yield stood at 6.62%, the 5-year yield at 6.73% and the 10-year yield at 6.74% respectively. The yield of 20-year government bond was 6.71% at the last day of the first quarter.

In 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) program was USD 500 million (HUF 180.4 billion) in 2024.

The liquidity in the secondary market was lower by 13% in Q1 compared to the previous quarter. OTC turnover of government securities amounted to HUF 30,012.3 billion. Primary dealers, who account for the decisive part of all secondary government securities trading, made 71% of their secondary government securities deals with non-resident investors.

The volume of non-resident holdings of Hungarian government securities increased by HUF 610.3 billion from end-December and amounted to HUF 6,484.7 billion at the end of March. This amount represented 17.4% of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 395.83 on the last working day of March.

The credit rating of the long-term foreign currency denominated debt of Hungary was: BBB- (Standard & Poor's); BBB (Fitch); Baa2 (Moody's) as at 31 March 2024.

MACROECONOMIC INDICATORS

	2018	2019	2020	2021	2022	2023	Q1 2024
GDP growth (yearly average) ¹	5.4	4.6	-4.5	7.1	4.6	-0.8	1.7
Industrial production ¹	3.5	5.6	-6.0	9.5	6.1	-5.5	-1.5
Unemployment rate (%) (3-month average)	3.6	3.3	4.1	4.1	3.7	4.0	4.5
Consumer price index (yearly change) ²	2.7	4.0	2.7	7.4	24.5	5.5	-4.7
Consumer price index (yearly average)	2.8	3.4	3.3	5.1	14.5	17.6	
Producer price index (yearly change) ²	4.7	2.4	6.8	22.3	34.9	-7.2	-4.7
Producer price index (yearly average)	5.5	2.1	4.2	13.5	33.7	7.8	
Net lending position of households (HUF Bn) ³	2,711.7	2,392.4	3,235.8	3,559.2	2,626.3	5,023.3	
Current account of balance of payments (EUR M) ⁴	215.9	-1,194.9	-1,570.9	-6,552.8	-14,095.6	430.9	
Net direct investments (EUR M) ⁵	-2,611.8	-879.3	-2,210.3	-3,752.4	-5,003.2	-2,547.2	
Balance of the central government budget (HUF Bn)	-1,375.5	-1,023.8	-4,953.5	-4,662.3	-4,611.5	-4,293.3	-2,338.3
Balance of the central government budget (GFS, per cent of GDP) ⁶	-2.8	-2.5	-11.2	-8.5	-7.2	-6.1	
Balance of the state budget (ESA, percent of GDP) ⁶	-2.1	-2.0	-7.5	-7.1	-6.2	-6.7	
Central government gross debt (HUF Bn)	28,688.2	29,682.0	36,684.3	40,697.0	45,562.4	50,865.2	54,316.1
Central government gross debt (per cent of GDP)	66.1	62.3	75.8	73.7	69.0	67.8	
Net foreign debt (EUR M) ⁷	11,919.1	11,463.5	11,712.9	18,290.1	21,912.9	28,835.4	
Net foreign debt (per cent of GDP) ⁸	8.8	7.8	8.3	11.9	12.9	14.6	
HUF/USD mid exchange rate at the end of period	280.94	294.74	297.36	325.71	375.68	346.44	367.33
HUF/EUR mid exchange rate at the end of period	321.51	330.52	365.13	369.00	400.25	382.78	395.83

Source: ÁKK, KSH, MNB, PM

¹ Same period of previous year = 100%, working day adjusted

² In case of yearly data: December/previous December, otherwise month/same month of the previous year

³ Non-consolidated data

⁴ Data compiled in accordance with the methodology used by the NBH from 2004

⁵ Including intercompany loans

⁶ Proportion of seasonally adjusted GDP

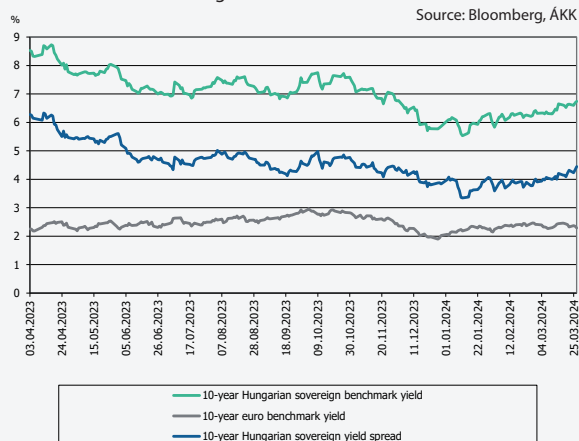
⁷ Excluding intercompany loans

⁸ 2021 value based on HUF data

ÁKK - Government Debt Management Agency
KSH - Hungarian Central Statistical Office
MNB - National Bank of Hungary
PM - Finance Ministry

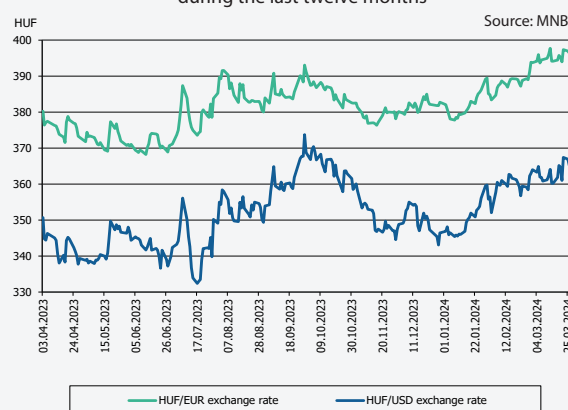
10-year Hungarian and eurozone benchmark yields during the last twelve months

Source: Bloomberg, ÁKK



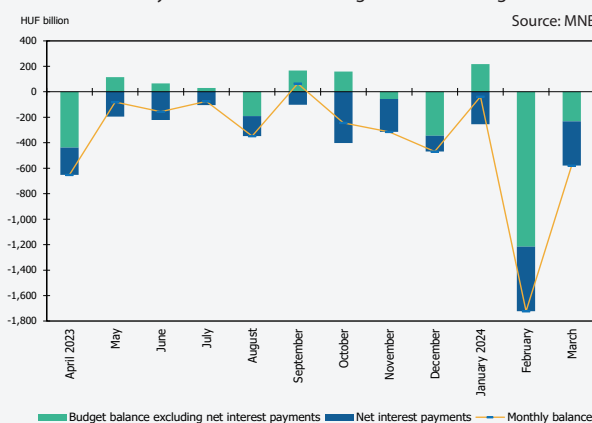
The exchange rate of the Hungarian Forint during the last twelve months

Source: MNB



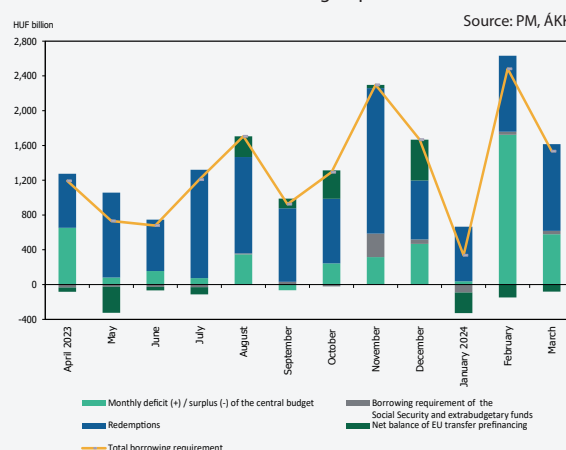
Monthly balance of the central government budget

Source: MNB



Gross borrowing requirement

Source: PM, ÁKK



CENTRAL GOVERNMENT GROSS DEBT

HUF BILLION

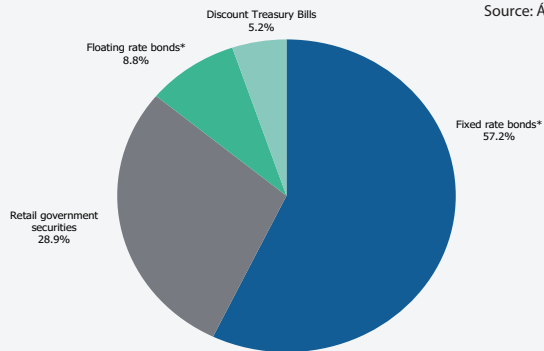
	2018	2019	2020	2021	2022	2023	Q1 2024
1. Forint denominated debt	22,796.0	24,357.1	29,237.3	32,121.2	33,775.6	36,888.0	38,099.1
1.1. Loans	1,167.7	1,208.1	1,161.6	1,307.7	1,024.2	868.2	832.0
1.2. Government securities	21,628.3	23,149.0	28,075.7	30,813.5	32,751.4	36,019.8	37,267.1
1.2.1. Public issues	21,589.1	23,109.8	28,036.5	30,813.5	32,751.4	36,019.8	37,267.1
1.2.1.1. Bonds	12,836.1	13,378.5	18,206.6	20,220.0	22,346.3	24,058.9	24,557.4
1.2.1.2. Discount T-bills	1,237.3	657.3	658.2	583.2	1,785.8	1,883.8	1,944.0
1.2.1.3. Retail securities	7,515.7	9,074.0	9,171.7	10,010.2	8,619.4	10,077.2	10,765.6
1.2.2. Private placements	39.2	39.2	39.2	0.0	0.0	0.0	0.0
2. Foreign currency denominated debt*	5,724.8	5,121.2	7,318.2	8,395.2	11,397.3	13,678.3	15,587.8
2.1. Loans	795.0	825.4	1,291.1	1,345.2	1,959.1	2,670.0	2,795.1
2.1.1. Foreign loans	795.0	825.4	1,291.1	1,345.2	1,959.1	2,670.0	2,795.1
2.1.2. Domestic loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.2. Government securities	4,929.8	4,295.8	6,027.1	7,049.9	9,438.2	11,008.3	12,792.7
2.2.1. Issued abroad	4,246.2	3,713.5	5,481.3	6,594.9	9,085.5	10,535.4	12,280.5
2.2.2. Issued domestically	683.6	582.3	545.9	455.0	352.8	472.9	512.2
Total	28,520.7	29,478.3	36,555.5	40,516.4	45,173.0	50,566.3	53,686.8
Other liabilities	167.4	203.7	128.8	180.6	389.4	298.8	629.3
Total central government debt	28,688.2	29,682.0	36,684.3	40,697.0	45,562.4	50,865.2	54,316.1
Marketable HUF debt (1.2.1.1+1.2.1.2+1.2.2)	14,112.6	14,075.0	18,904.0	20,803.2	24,132.1	25,942.7	26,501.4
Gross debt/GDP	66.1%	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

Composition of HUF government securities
as at 31.03.2024

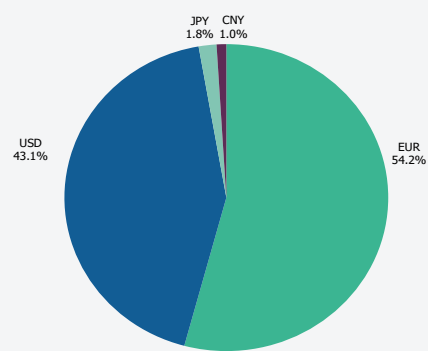
Source: ÁKK



* Without retail government securities.

Currency composition of the foreign exchange debt portfolio
before swaps as at 31.03.2024*

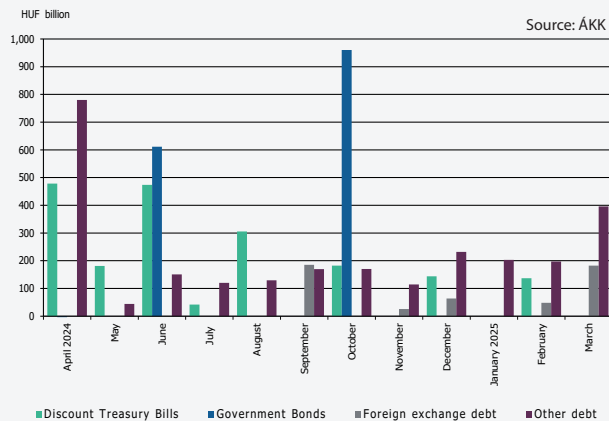
Source: ÁKK



* Composition before swaps. By using cross-currency swaps, 100% of the actual foreign exchange debt of the central government was due in euros.

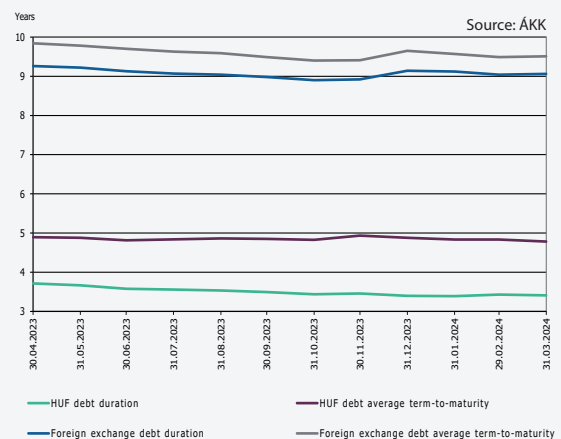
Maturity profile of the central government gross debt over
the next 12 months, as at 31.03.2024

Source: ÁKK



Average term-to-maturity of the HUF and
foreign currency debt portfolios

Source: ÁKK



GOVERNMENT BOND AUCTION RESULTS

Government Bond	2029/B	2032/B	2026/H	2028/A	2035/A	2041/A	2026/H	2028/A	2035/A	2032/B
ISIN code	HU0000404926	HU0000406087	HU0000406160	HU0000402532	HU0000406624	HU0000406165	HU0000406160	HU0000402532	HU0000406624	HU0000406087
Maturity (in years)	5	10	3	5	10	20	3	5	10	10
Coupon	11.08%	10.82%	9.50%	6.75%	7.00%	3.00%	9.50%	6.75%	7.00%	10.82%
Auction	45th auction	18th auction	26th auction	73rd auction	9th auction	46th auction	27th auction	74th auction	10th auction	19th auction
Date of auction	04.01.2024	04.01.2024	11.01.2024	11.01.2024	11.01.2024	18.01.2024	25.01.2024	25.01.2024	25.01.2024	01.02.2024
Date of financial settlement	10.01.2024	10.01.2024	17.01.2024	17.01.2024	17.01.2024	24.01.2024	31.01.2024	31.01.2024	31.01.2024	07.02.2024
Redemption date	22.08.2029	25.08.2032	21.10.2026	22.10.2028	24.10.2035	25.04.2041	21.10.2026	22.10.2028	24.10.2035	25.08.2032
Maximum annual yield (%) - ISMA	-	-	5.82	5.55	5.95	6.11	6.11	5.88	6.21	-
Minimum annual yield (%) - ISMA	-	-	5.78	5.50	5.89	6.06	6.04	5.82	6.15	-
Average annual yield (%) - ISMA	-	-	5.80	5.52	5.93	6.09	6.08	5.85	6.19	-
Maximum annual yield (%) - EHM	-	-	5.82	5.54	5.95	6.11	6.11	5.87	6.21	-
Minimum annual yield (%) - EHM	-	-	5.78	5.49	5.89	6.06	6.04	5.81	6.14	-
Average annual yield (%) - EHM	-	-	5.80	5.51	5.93	6.09	6.08	5.85	6.18	-
Maximum price (%)	100.5500	99.0100	109.1960	105.0843	109.1703	67.7882	108.3944	103.7093	106.9103	99.2100
Minimum price (%)	100.3900	98.8000	109.0899	104.8712	108.6415	67.3803	108.2128	103.4617	106.3746	98.9800
Average price (%)	100.4800	98.8400	109.1308	104.9968	108.7997	67.5081	108.2896	103.5763	106.5512	99.0400
Amount offered for sale (HUF million)	10,000.00	10,000.00	12,000.00	12,000.00	12,000.00	10,000.00	12,000.00	12,000.00	12,000.00	10,000.00
Amount of bids submitted (HUF million)	16,833.53	51,234.23	40,570.00	83,200.00	86,440.00	23,711.00	17,800.00	33,800.00	38,657.00	88,573.40
Amount of bids accepted (HUF million)	10,000.00	21,000.00	22,499.99	44,999.99	41,999.97	12,500.00	10,000.00	18,000.00	18,499.98	38,499.98
Bid-to-cover ratio	1.68	2.44	1.80	1.85	2.06	1.90	1.78	1.88	2.09	2.30
Bids submitted (pcs)	27	28	49	56	66	51	28	39	53	94
Bids accepted (pcs)	18	18	22	35	23	23	20	32	34	29
Tail (average price - minimum price)	0.09	0.04	0.04	0.13	0.16	0.13	0.08	0.11	0.18	0.06
Market sales (HUF million)	10,000.00	21,000.00	22,499.99	44,999.99	41,999.97	12,500.00	10,000.00	18,000.00	18,499.98	38,499.98
Non-competitive offer (HUF million)	2,240.00	7,400.00	1,986.66	14,339.08	231.10	2,865.60	0.00	1,880.00	2,020.00	14,791.54
Total amount sales (HUF million)	12,240.00	28,400.00	24,486.65	59,339.07	42,231.07	15,365.60	10,000.00	19,880.00	20,519.98	53,291.52

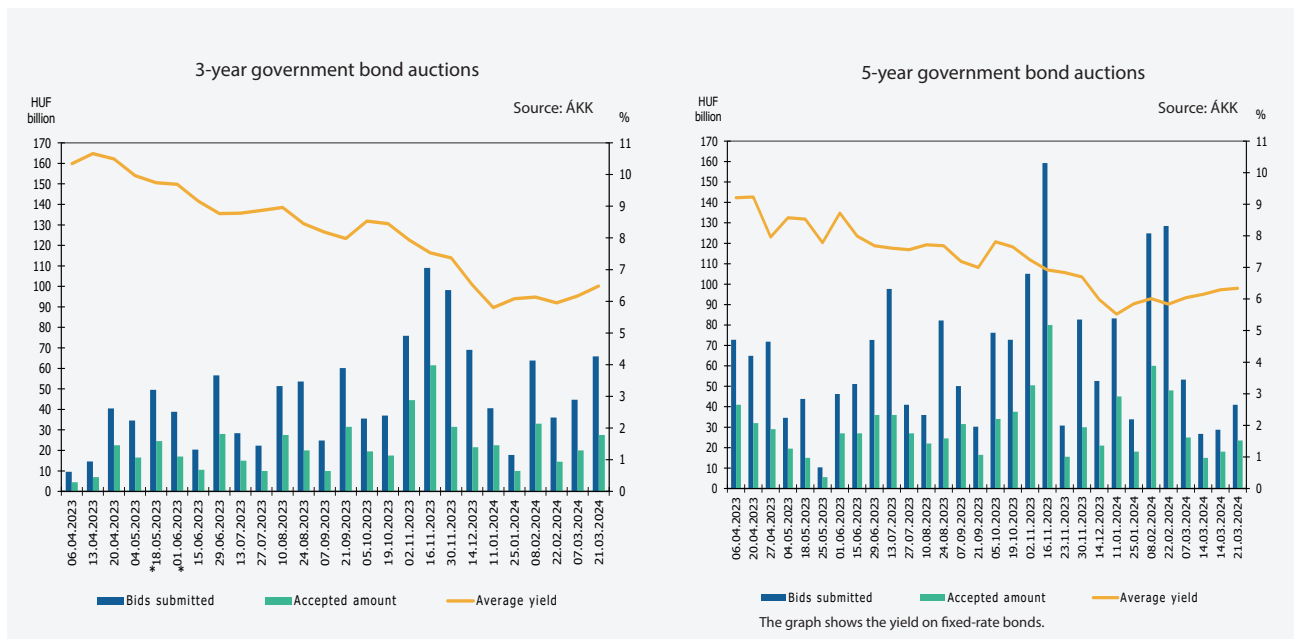
Government Bond	2026/H	2028/A	2035/A	2033/A	2038/A	2026/H	2028/A	2035/A	2029/B	2032/B
ISIN code	HU0000406160	HU0000402532	HU0000406624	HU0000404744	HU0000403555	HU0000406160	HU0000402532	HU0000406624	HU0000404926	HU0000406087
Maturity (in years)	3	5	10	10	15	3	5	10	5	7
Coupon	9.50%	6.75%	7.00%	2.25%	3.00%	9.50%	6.75%	7.00%	8.90%	8.83%
Auction	28th auction	75th auction	11th auction	59th auction	64th auction	29th auction	76th auction	12th auction	46th auction	20th auction
Date of auction	08.02.2024	08.02.2024	08.02.2024	15.02.2024	15.02.2024	22.02.2024	22.02.2024	22.02.2024	29.02.2024	29.02.2024
Date of financial settlement	14.02.2024	14.02.2024	14.02.2024	21.02.2024	21.02.2024	28.02.2024	28.02.2024	28.02.2024	06.03.2024	06.03.2024
Redemption date	21.10.2026	22.10.2028	24.10.2035	20.04.2033	27.10.2038	21.10.2026	22.10.2028	24.10.2035	22.08.2029	25.08.2032
Maximum annual yield (%) - ISMA	6.15	6.02	6.23	6.10	6.24	5.96	5.89	6.25	-	-
Minimum annual yield (%) - ISMA	6.06	5.95	6.15	6.08	6.21	5.93	5.81	6.18	-	-
Average annual yield (%) - ISMA	6.13	6.01	6.21	6.09	6.23	5.95	5.84	6.23	-	-
Maximum annual yield (%) - EHM	6.15	6.01	6.23	6.10	6.24	5.96	5.88	6.25	-	-
Minimum annual yield (%) - EHM	6.06	5.94	6.15	6.08	6.21	5.93	5.80	6.18	-	-
Average annual yield (%) - EHM	6.12	6.00	6.21	6.09	6.23	5.95	5.84	6.23	-	-
Maximum price (%)	108.2291	103.1480	106.8698	73.6813	69.6363	108.4463	103.6920	106.6003	100.4100	99.3600
Minimum price (%)	107.9990	102.8632	106.1886	73.5600	69.4095	108.3694	103.3661	106.0044	100.2800	99.1000
Average price (%)	108.0623	102.9029	106.3442	73.5993	69.4805	108.3890	103.5497	106.1471	100.3300	99.2300
Amount offered for sale (HUF million)	10,000.00	10,000.00	10,000.00	10,000.00	12,000.00	12,000.00	12,000.00	10,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	63,808.00	124,854.00	69,800.00	38,300.00	19,976.24	36,050.00	128,500.00	34,362.93	24,914.25	102,504.00
Amount of bids accepted (HUF million)	32,999.96	60,000.00	34,499.94	22,000.00	12,000.00	14,500.00	47,999.97	17,499.97	10,000.00	39,999.98
Bid-to-cover ratio	1.93	2.08	2.02	1.74	1.66	2.49	2.68	1.96	2.49	2.56
Bids submitted (pcs)	46	67	77	44	40	33	63	52	33	77
Bids accepted (pcs)	28	31	44	16	21	15	37	29	17	29
Tail (average price - minimum price)	0.06	0.04	0.16	0.04	0.07	0.02	0.18	0.14	0.05	0.13
Market sales (HUF million)	32,999.96	60,000.00	34,499.94	22,000.00	12,000.00	14,500.00	47,999.97	17,499.97	10,000.00	39,999.98
Non-competitive offer (HUF million)	8,399.97	17,520.00	12,512.21	4,440.00	1,999.99	3,680.00	16,052.37	3,837.06	3,517.90	15,566.72
Total amount sales (HUF million)	41,399.93	77,520.00	47,012.15	26,440.00	13,999.99	18,180.00	64,052.34	21,337.03	13,517.90	55,566.70

Source: ÁKK

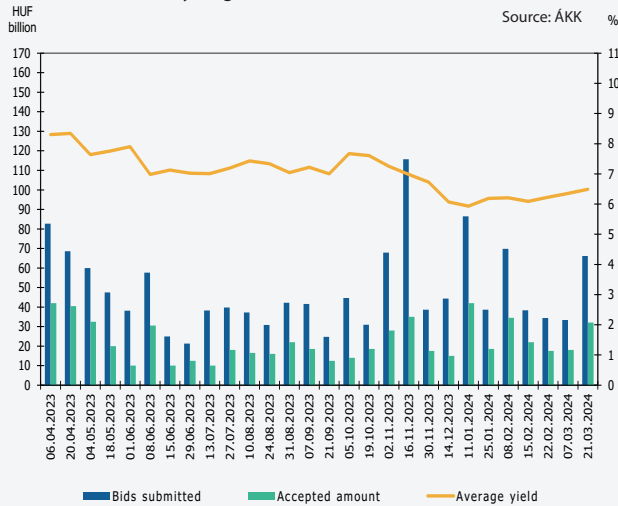
GOVERNMENT BOND AUCTION RESULTS

Government Bond	2026/H	2028/A	2035/A	2029/A	2032/G	2026/H	2028/A	2035/A	2029/B	2032/B
ISIN code	HU0000406160	HU0000402532	HU0000406624	HU0000404603	HU0000405535	HU0000406160	HU0000402532	HU0000406624	HU0000404926	HU0000406087
Maturity (in years)	3	5	10	5	7	3	5	10	5	7
Coupon	9.50%	6.75%	7.00%	2.00%	4.50%	9.50%	6.75%	7.00%	8.90%	8.83%
Auction	30th auction	77th auction	13th auction	71st auction	15th auction	31st auction	78th auction	14th auction	47th auction	21st auction
Date of auction	07.03.2024	07.03.2024	07.03.2024	14.03.2024	14.03.2024	21.03.2024	21.03.2024	21.03.2024	28.03.2024	28.03.2024
Date of financial settlement	13.03.2024	13.03.2024	13.03.2024	20.03.2024	20.03.2024	27.03.2024	27.03.2024	27.03.2024	03.04.2024	03.04.2024
Redemption date	21.10.2026	22.10.2028	24.10.2035	23.05.2029	27.05.2032	21.10.2026	22.10.2028	24.10.2035	22.08.2029	25.08.2032
Maximum annual yield (%) - ISMA	6.19	6.05	6.37	6.19	6.31	6.49	6.40	6.50	-	-
Minimum annual yield (%) - ISMA	6.12	6.00	6.32	6.10	6.23	6.44	6.28	6.46	-	-
Average annual yield (%) - ISMA	6.17	6.04	6.35	6.15	6.29	6.48	6.34	6.49	-	-
Maximum annual yield (%) - EHM	6.19	6.04	6.37	6.19	6.31	6.49	6.39	6.50	-	-
Minimum annual yield (%) - EHM	6.12	5.99	6.32	6.10	6.23	6.44	6.27	6.45	-	-
Average annual yield (%) - EHM	6.16	6.03	6.34	6.14	6.28	6.47	6.34	6.48	-	-
Maximum price (%)	107.8548	102.8975	105.4034	82.2526	89.1433	106.9646	101.7684	104.2403	100.3100	99.7600
Minimum price (%)	107.6809	102.6973	104.9866	81.9086	88.6772	106.8434	101.2991	103.9035	100.1000	99.6600
Average price (%)	107.7427	102.7561	105.1784	82.0698	88.8011	106.8776	101.5283	104.0231	100.1700	99.6700
Amount offered for sale (HUF million)	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	10,000.00	12,000.00	10,000.00	10,000.00	13,000.00
Amount of bids submitted (HUF million)	44,712.70	53,300.00	33,367.78	26,700.00	28,800.00	65,895.00	40,995.50	66,190.30	13,519.26	84,950.76
Amount of bids accepted (HUF million)	19,999.99	24,999.96	18,000.00	15,000.00	17,999.99	27,500.00	23,499.97	31,999.97	10,000.00	46,499.99
Bid-to-cover ratio	2.24	2.13	1.85	1.78	1.60	2.40	1.74	2.07	1.35	1.83
Bids submitted (pcs)	42	61	44	27	42	39	51	76	24	55
Bids accepted (pcs)	25	33	27	14	30	15	23	34	19	15
Tail (average price - minimum price)	0.06	0.06	0.19	0.16	0.12	0.03	0.23	0.12	0.07	0.01
Market sales (HUF million)	19,999.99	24,999.96	18,000.00	15,000.00	17,999.99	27,500.00	23,499.97	31,999.97	10,000.00	46,499.99
Non-competitive offer (HUF million)	6,091.23	8,708.82	5,285.20	1,240.00	4,788.88	2,380.00	0.00	10,099.07	1,200.00	14,359.98
Total amount sales (HUF million)	26,091.22	33,708.78	23,285.20	16,240.00	22,788.87	29,880.00	23,499.97	42,099.04	11,200.00	60,859.97

Source: ÁKK

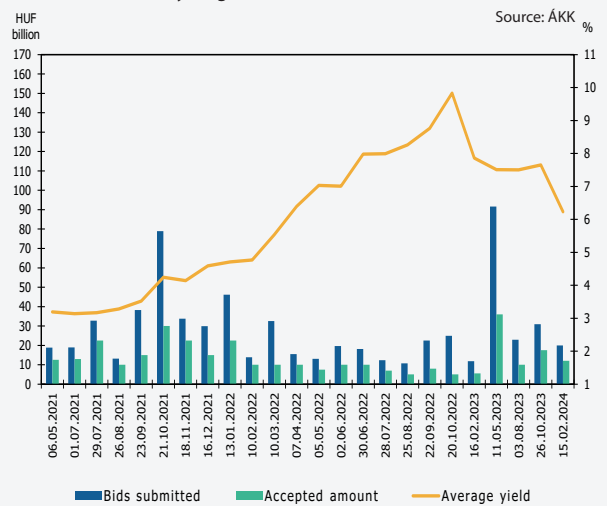


10-year government bond auctions

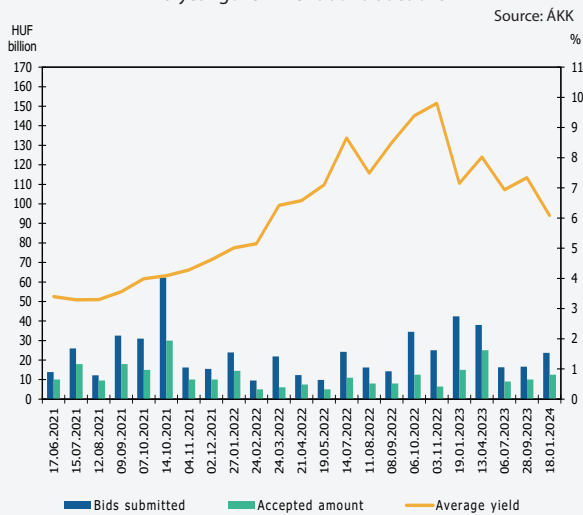


The graph shows the yield on fixed-rate bonds.

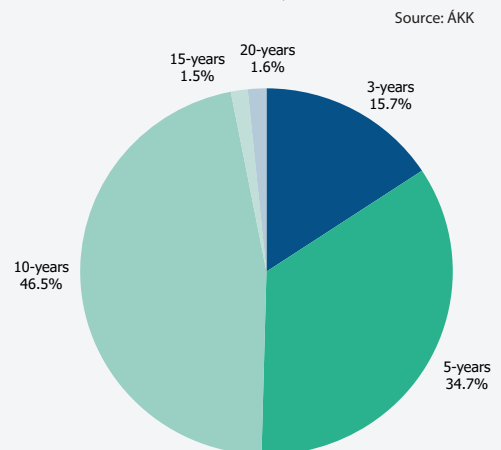
15-year government bond auctions



20-year government bond auctions



T-bond sales composition by tenor in Q1 2024



INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN Q1 2024

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2027/J	23.01.2024	27.01.2024	27.01.2025	27.01.2025	18.35%	18.35%
2027/B	17.01.2024	22.01.2024	22.04.2024	22.04.2024	9.65%	2.44%
2029/N	02.01.2024	09.01.2024	26.04.2024	26.04.2024	8.01%	2.40%
2033/I	16.01.2024	20.01.2024	20.01.2025	20.01.2025	17.85%	17.85%
2033/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2034/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2035/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2036/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2037/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2038/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2039/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2040/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2041/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2042/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2043/S	26.01.2024	01.02.2024	01.02.2025	03.02.2025	20.60%	20.60%
2025/I	14.02.2024	20.02.2024	20.02.2025	20.02.2025	19.00%	19.00%
2026/J	14.02.2024	20.02.2024	20.02.2025	20.02.2025	18.35%	18.35%
2027/K	20.02.2024	24.02.2024	24.02.2025	24.02.2025	18.35%	18.35%
2027/N	20.02.2024	26.02.2024	26.05.2024	27.05.2024	8.37%	2.09%
2028/I	19.02.2024	23.02.2024	23.02.2025	24.02.2025	19.10%	19.10%
2029/I	15.02.2024	21.02.2024	21.02.2025	21.02.2025	19.10%	19.10%
2029/B	19.02.2024	22.02.2024	22.05.2024	22.05.2024	8.90%	2.23%
2030/I	14.02.2024	20.02.2024	20.02.2025	20.02.2025	19.10%	19.10%
2032/B	21.02.2024	25.02.2024	25.05.2024	27.05.2024	8.83%	2.21%
2025/K	21.03.2024	27.03.2024	27.03.2025	27.03.2025	18.35%	18.35%
2025/N	25.03.2024	30.03.2024	30.06.2024	01.07.2024	7.66%	1.96%
2027/I	19.03.2024	24.03.2024	24.03.2025	24.03.2025	19.10%	19.10%
2028/N	18.03.2024	22.03.2024	22.03.2025	24.03.2025	9.75%	9.89%
2028/O	18.03.2024	22.03.2024	22.03.2025	24.03.2025	9.75%	9.89%
2029/J	14.03.2024	21.03.2024	21.03.2025	21.03.2025	19.10%	19.10%
2030/J	13.03.2024	20.03.2024	20.03.2025	20.03.2025	19.10%	19.10%

Source: ÁKK

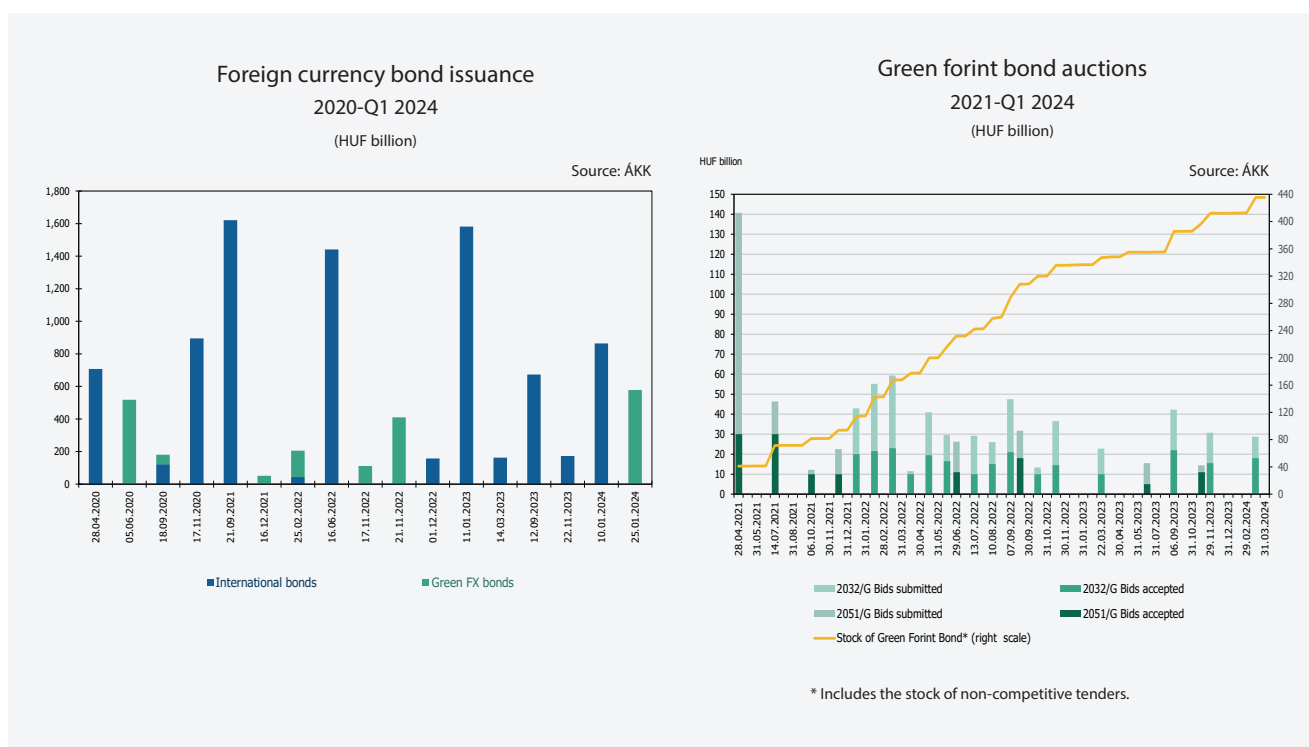
GREEN BOND ISSUANCE

In line with international efforts, Hungary, through ÁKK Zrt., intends to actively contribute to sustainable financing internationally as well as on the Hungarian domestic capital market by issuing green bonds. Within the ESG (Environmental, Social, and Governance) system, a green bond is an innovative financial product that specifically targets resources to support green investment. Green bond is issued to finance and refinance environmentally friendly projects that also take sustainability into account.

Hungary's first international euro Green Bond was issued on 2 June 2020 in the amount of EUR 1.5 billion (HUF 518.4 billion). The next green bond issue was in September 2020 denominated in Japanese yen. It was a Samurai bond in the amount of JPY 20.0 billion (HUF 57.5 billion), making Hungary the first foreign state to issue green bond in Japan. In December 2021, the first green Panda bond was also issued in the amount of CNY 1.0 billion (HUF 50 billion). The investors' interest was strong in the Chinese yuan-denominated green bond. The interest rate on the euro was below 0% (-0.013%) through the conversion to the euro in a fixed rate foreign exchange swap, making it the cheapest foreign currency bond issuance ever. In February 2022, Samurai bonds denominated in Japanese yen were issued again in the total amount of JPY 59.3 billion (HUF 161.8 billion). In November 2022, EUR 1 billion (HUF 410.5 billion) of Green Bonds and CNY 2 billion (HUF 110.9 billion) of Green Panda Bonds were issued.

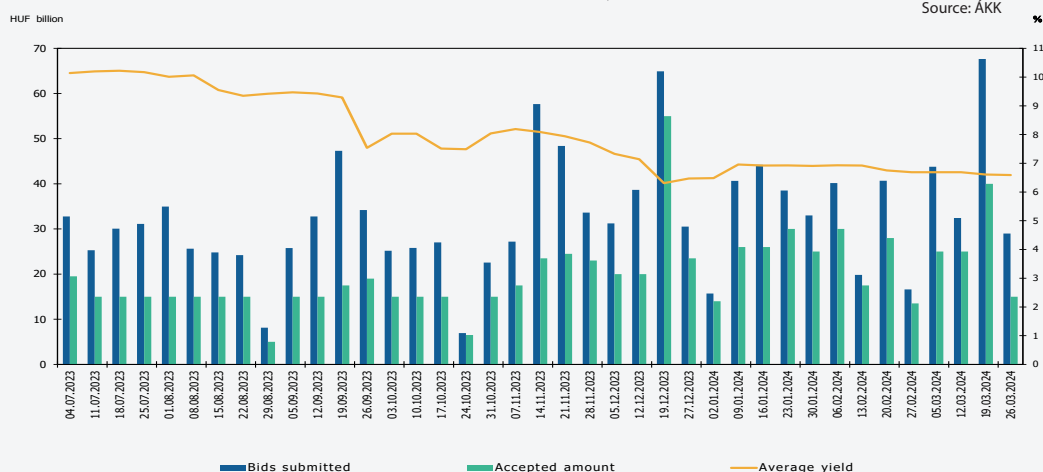
In January 2024, Hungary's third EUR Green Bond was issued in the amount of EUR 1.5 billion (HUF 577.6 billion) with a maturity of 5.5-year.

The Green Bond Framework Program was expanded to the HUF government bond market too. In April 2021 a 30-year green bond was issued, followed by the sale of a 10-year green forint bond in January 2022. By the end of March 2024, via the auctions, the green HUF bond portfolio reached HUF 435.5 billion (EUR 1.1 billion).



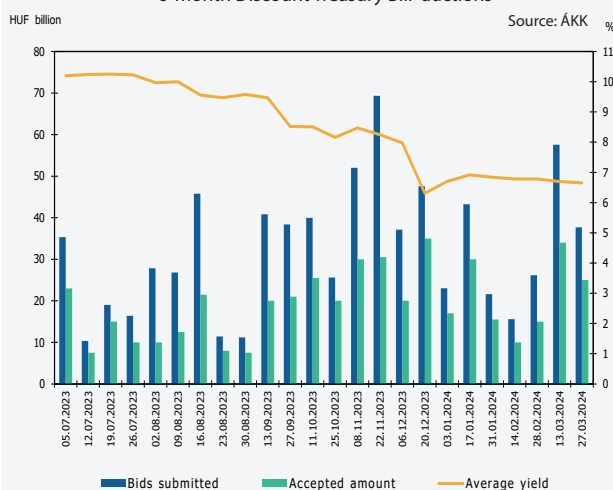
3-month Discount Treasury Bill auctions

Source: ÁKK



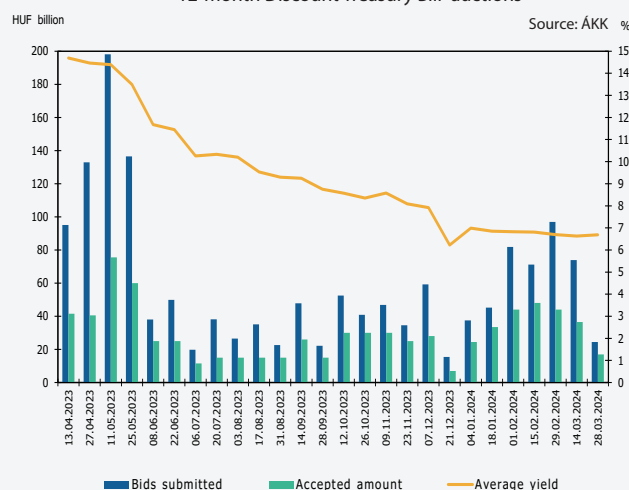
6-month Discount Treasury Bill auctions

Source: ÁKK



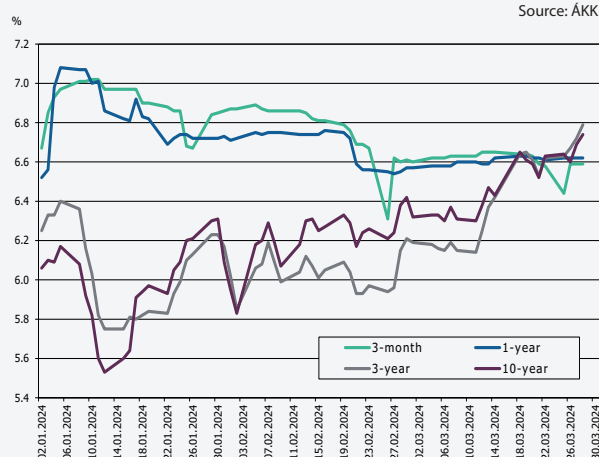
12-month Discount Treasury Bill auctions

Source: ÁKK



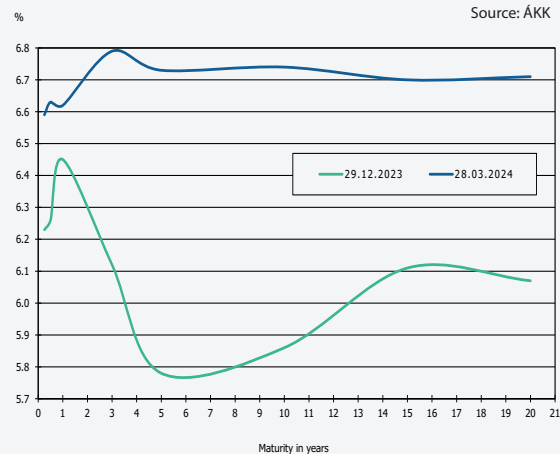
Benchmark yields in the past three months

Source: ÁKK



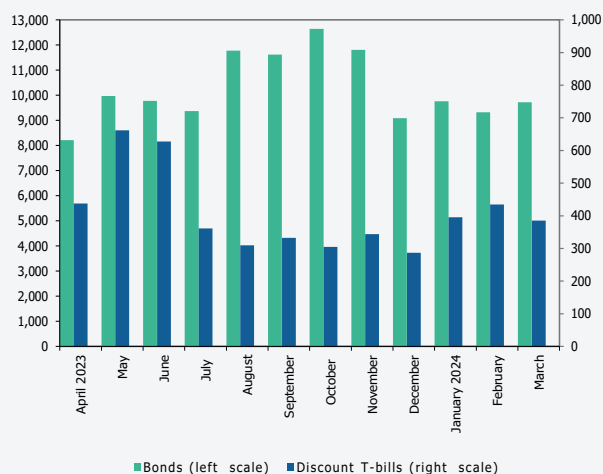
Benchmark yield curves

Source: ÁKK



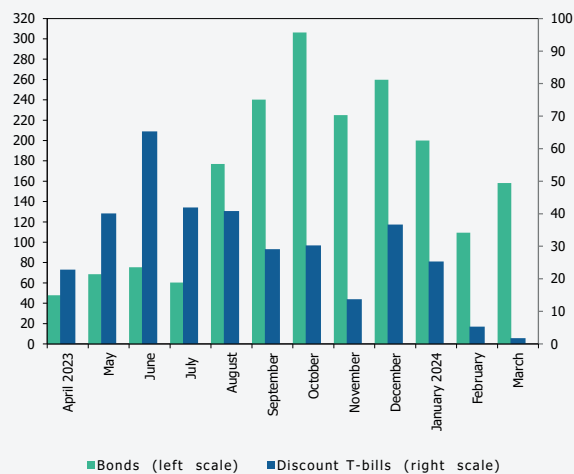
OTC
Secondary market trading of Hungarian government securities
(HUF billion)

Source: KELER



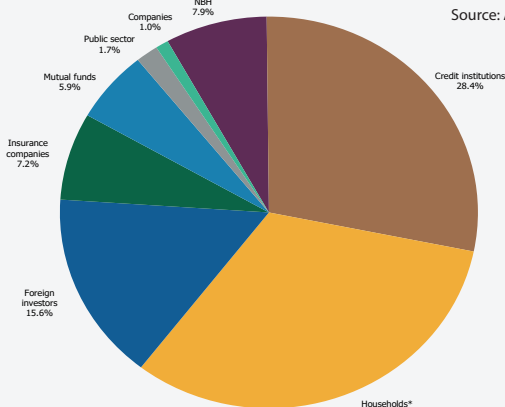
MTS Hungary trading
Secondary market trading of Hungarian government securities
(HUF billion)

Source: MTS Hungary



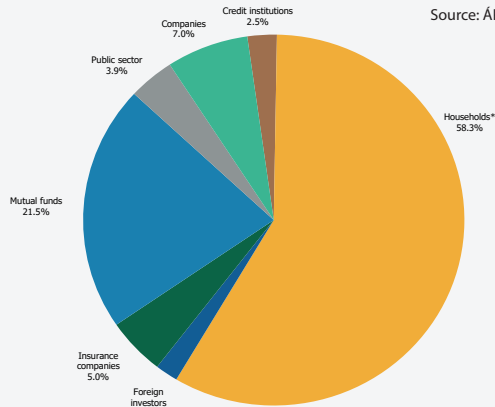
Breakdown of government securities with a maturity of over one year
by investor sector in Q1 2024

Source: ÁKK



Breakdown of government securities with maturity up to one year
by investor sector in Q1 2024

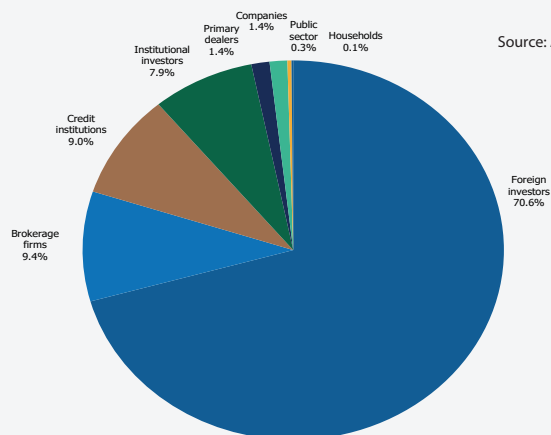
Source: ÁKK



*Government securities with a maturity of up to one year and with a maturity of over one year, the stock of Households also includes the stock of non-profit institutions serving households.

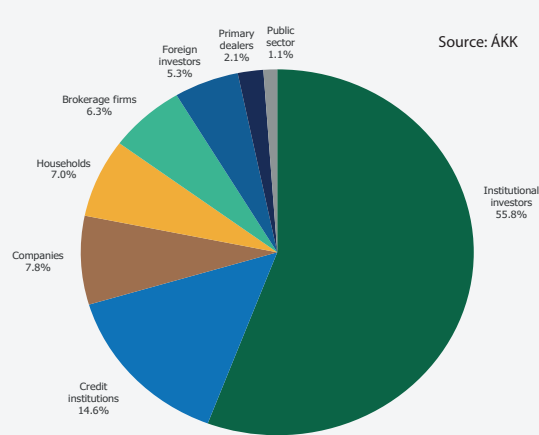
Breakdown of primary dealers' secondary market turnover in government bonds by investor groups in Q1 2024

Source: ÁKK

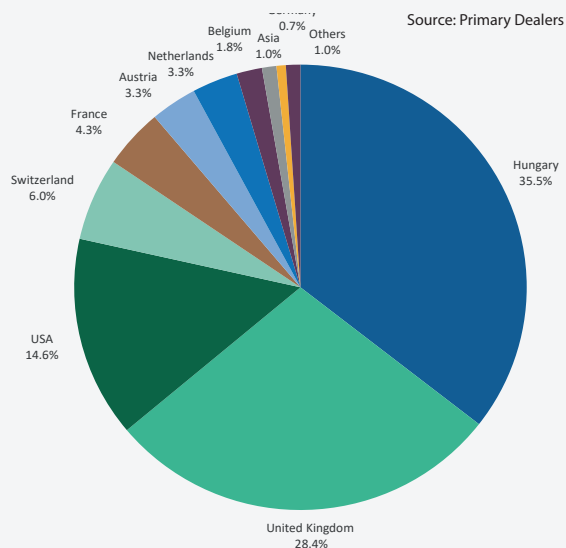


Breakdown of primary dealers' secondary market turnover in Discount Treasury Bills by investor groups in Q1 2024

Source: ÁKK

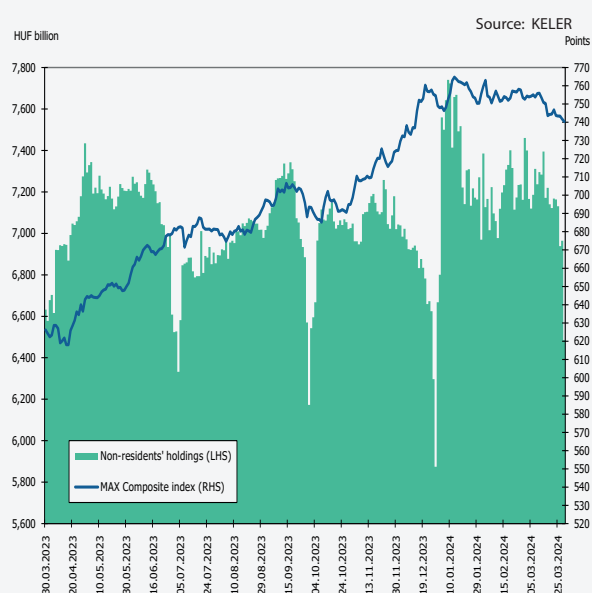


Geographical breakdown of gross turnover* of primary dealers in Q1 2024

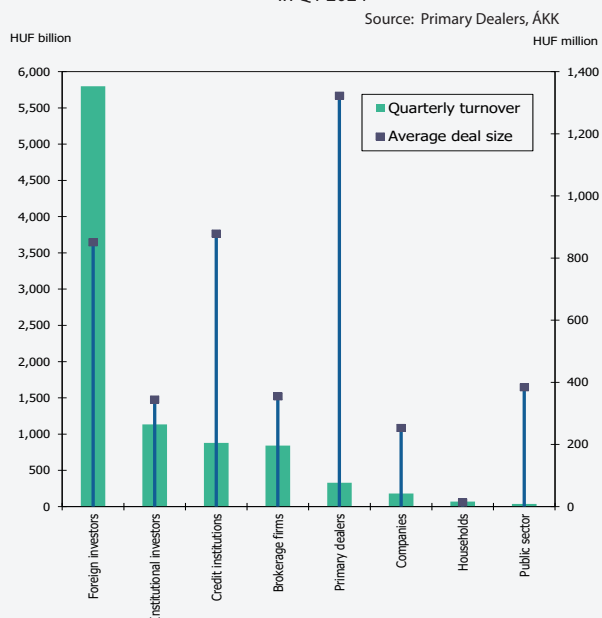


*Government bonds, Discount T-bills, OTC markets, MTS

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



Primary dealers' trading with different investor groups in Q1 2024



Government securities with the highest secondary market turnover in Q1 2024

Government security	Date of redemption	Turnover (HUF billion)
2026/H	21.10.2026	1,279.1
2028/A	22.10.2028	1,063.3
2032/A	24.11.2032	901.8
2035/A	24.10.2035	626.7
2033/A	20.04.2033	483.3
2030/A	21.08.2030	384.5
2031/A	22.10.2031	340.9
2024/C	24.10.2024	303.2
2028/B	23.03.2028	280.8
2027/A	27.10.2027	264.8

Source: ÁKK

HUNGARIAN GOVERNMENT SECURITIES INDICES

	Value of the index					Annual yield earned on the index portfolio (%)				
	MAX index	HMAX index	MAX Composite index	RMAX index	ZMAX index	MAX index	HMAX index	MAX Composite index	RMAX index	ZMAX index
29.12.2023	790.1281	93.0723	754.7111	657.0470	649.6933	27.67	31.75	26.25	15.33	13.64
31.01.2024	790.3511	92.7319	755.5174	661.7176	653.8117	20.95	22.17	20.27	15.00	13.14
29.02.2024	786.5196	91.7360	752.6105	664.6690	657.0135	23.02	24.34	22.11	14.94	12.73
28.03.2024	771.8324	89.4094	740.3282	668.1890	660.7348	17.67	17.99	17.25	14.15	12.22

Source: ÁKK

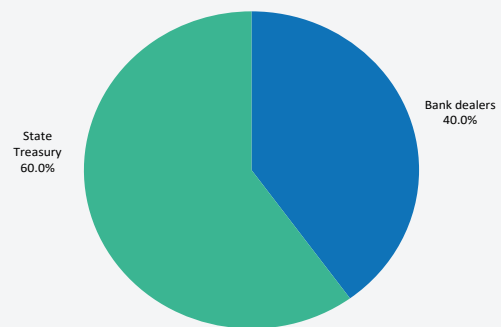
Outstanding amount of benchmark government bond series in Q1 2024

Source: ÁKK

Government bond	HUF billion		
	31.01.2024	29.02.2024	31.03.2024
2026/H	717.30	777.12	833.33
2028/A	1,761.22	1,902.77	1,960.00
2035/A	199.33	267.74	333.19
2038/A	989.17	1,003.15	1,003.16
2041/A	600.14	600.17	600.31

Breakdown of retail securities stock by distributors in Q1 2024

Source: ÁKK



PRIMARY DEALERS - AS AT 31 MARCH 2024

BNP Paribas	J.P. Morgan Securities SE
CIB Bank Zrt.	K&H Bank Zrt.
Citibank Europe plc Hungarian Branch	MBH Bank Nyrt.
Deutsche Bank AG	OTP Bank Nyrt.
Erste Befektetési Zrt.	Raiffeisen Bank Zrt.
Goldman Sachs Bank Europe SE	UniCredit Bank AG
ING Bank N.V. Hungarian Branch	

NON-PRIMARY DEALER MARKET MAKER - AS AT 31 MARCH 2023

Morgan Stanley Europe SE

Source: ÁKK

REUTERS PAGES (CODES)

main page: HUTREASURY

Auction results are available from 11.30 (CET)	
HUISSUE	Publication of the following issues and 1-year Hungarian Government Security underwriting and results
HUAUCTION01	Discount T-bill auction result
HUAUCTION02	Government Bond auction results
HUAUCTION03	Non-competitive fixed rate benchmark bonds offer
HUAUCTION04	Non-competitive floating rate bonds offer's result
HUAUCTION05	Non-competitive fixed rate non-benchmark bonds offer
HUBUYBACK	Government Bond buyback auction results
HUEXCHANGE	Government Bond exchange auction results
Secondary market data	
HUBONDFIX	Benchmark yield fixing
HUBONDAKK, HUBONDAKK4	Best morning secondary market quotations
HUBONDAKK2, HUBONDAKK3	Best afternoon secondary market quotations
HUBONDINDEX1	Hungarian Government Total Return Index (MAX)
HUMAXCOMP, HUMAXCOMP2	MAX Composite Index
HUAKK01,HUAKK02,HUAKK03, HUAKK04, HUAKK05	Hungarian Government Total Return Index (MAX) statistics
Other	
HUFLOATER	Interest rate reset of floating rate bonds

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