



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

Á | K | K

GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
MARCH 2023



The Central Government Debt increased by HUF 1,813.5 billion to HUF 47,375.9 billion in 2023. Total net issuance was HUF 2,510.7 billion; out of which net HUF denominated issuance including repos was HUF 1,103.1 billion and net foreign currency denominated issuance was HUF 1,407.6 billion in 2023.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2022		2023		Change	
	December	%	March	%	HUF billion	%
HUF denominated debt	33,775.6	74.1	34,878.7	73.6	1,103.1	3.3
Loans	1,024.2	2.2	964.7	2.0	-59.5	-5.8
Government bonds	22,346.3	49.0	23,012.5	48.6	666.2	3.0
Retail securities	8,619.4	18.9	8,885.1	18.8	265.7	3.1
Discount treasury bills	1,785.8	3.9	2,016.4	4.3	230.6	12.9
Foreign exchange denominated debt	11,397.3	25.0	12,177.0	25.7	779.7	6.8
Total	45,173.0	99.1	47,055.7	99.3	1,882.7	4.2
Other obligations	389.4	0.9	320.2	0.7	-69.2	-17.8
Total central government debt	45,562.4	100.0	47,375.9	100.0	1,813.5	4.0

The HUF denominated debt of the central government increased by HUF 1,103.1 billion in 2023. The increase in domestic debt was the result of the net government bond issuance of HUF 666.2 billion and the increase of discount Treasury bills by HUF 230.6 billion. The total amount of retail government securities increased by HUF 265.7 billion. The majority of the demand for retail government securities was the sale of Premium Hungarian Government Securities with a maturity of more than one year. The volume of HUF loans decreased by HUF 59.5 billion in 2023.

The foreign currency debt of the central government increased by HUF 779.7 billion in 2023. The increase is mainly due to the foreign currency bonds issuance in January: 5-year foreign currency bond in the amount of USD 1.5 billion (HUF 558.1 billion) and 10-year foreign currency bond in the amount of USD 1.5 billion (HUF 558.1 billion), and 30-year foreign currency bond in the amount of 1.25 billion USD (HUF 465.1 billion HUF) was also issued. The foreign currency debt was further increased by the private placement in March. The 5- and 10-year foreign currency bonds issued in January were increased in the amounts of USD 150 million (HUF 54.3 billion) and USD 300 million (HUF 108.6 billion). The drawdown of foreign currency loans further increased the foreign currency debt by HUF 102.0 billion and the issuance of domestic foreign currency bonds grew by HUF 91.1 billion. The exchange rate revaluations totalling HUF 627.9 billion decreased the Hungarian forint value of the foreign currency debt. Foreign currency debt was decreased by the redemption of foreign currency bond by HUF 525.2 billion and the repayments of domestic foreign currency bond by HUF 3.9 billion. The total amount of other liabilities decreased by HUF 69.2 billion in 2023.

BENCHMARK YIELDS

Maturity	30.12.2022	28.02.2023	31.03.2023	Change in March basis point
3-month	12.32	14.06	14.48	42
6-month	13.89	14.71	15.21	50
1-year	13.82	13.82	14.57	75
3-year	10.71	10.50	10.45	-5
5-year	9.73	9.23	9.36	13
10-year	8.98	8.55	8.44	-11
15-year	8.41	8.22	8.10	-12
20-year	8.41	8.06	7.92	-14

Monthly OTC turnover of government securities increased by 25% to HUF 11,160.2 billion in March. Primary dealers, who account for the decisive part of all secondary government securities trading, made 79% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities increased altogether by HUF 227.2 billion in March and mounted to HUF 6,578.3 billion at the end of March. This volume represented 19.4% of the total amount of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 380.99 on the last working day of March.

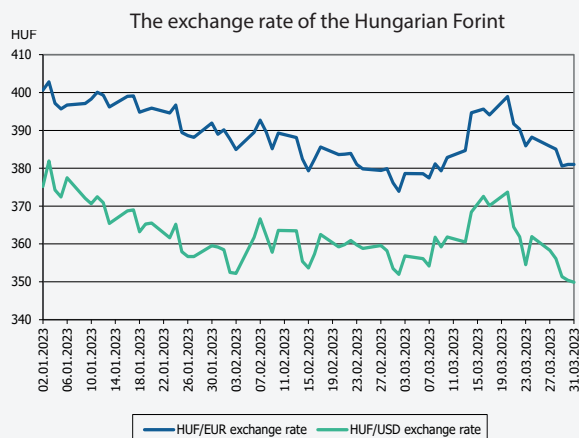
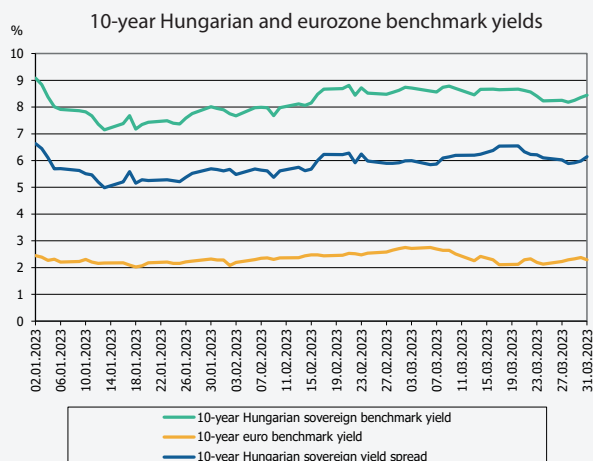
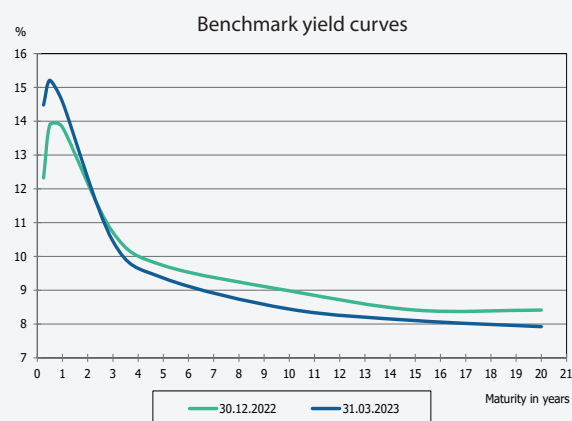
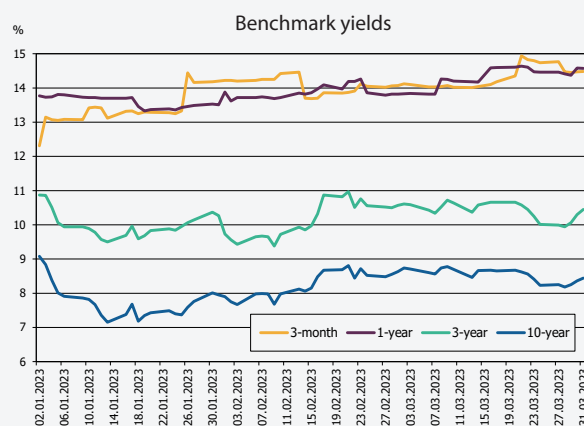
The credit rating of the long-term foreign currency debt of Hungary is as follows on the last working day of March: BBB- (Standard & Poor's); Baa2 (Moody's); BBB (Fitch).

CENTRAL GOVERNMENT GROSS DEBT

HUF BILLION

	2018	2019	2020	2021	2022	2023 January	2023 February	2023 March
1. Forint denominated debt	22,796.0	24,357.1	29,237.3	32,121.2	33,775.6	33,848.4	34,471.8	34,878.7
1.1. Loans	1,167.7	1,208.1	1,161.6	1,307.7	1,024.2	979.6	977.0	964.7
1.2. Government securities	21,628.3	23,149.0	28,075.7	30,813.5	32,751.4	32,868.8	33,494.7	33,914.0
1.2.1. Public issues	21,589.1	23,109.8	28,036.5	30,813.5	32,751.4	32,868.8	33,494.7	33,914.0
1.2.1.1. Bonds	12,836.1	13,378.5	18,206.6	20,220.0	22,346.3	22,177.5	22,708.6	23,012.5
1.2.1.2. Discount T-bills	1,237.3	657.3	658.2	583.2	1,785.8	1,980.8	1,966.7	2,016.4
1.2.1.3. Retail securities	7,515.7	9,074.0	9,171.7	10,010.2	8,619.4	8,710.5	8,819.5	8,885.1
1.2.2. Private placements	39.2	39.2	39.2	0.0	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	12,421.7	11,890.4	12,177.0
2.1. Loans	795.0	825.4	1,291.1	1,345.2	1,959.1	1,939.2	1,906.1	1,960.7
2.1.1. Foreign loans	795.0	825.4	1,291.1	1,345.2	1,959.1	1,939.2	1,906.1	1,960.7
2.1.2. Domestic loans	0.0	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	10,482.5	9,984.3	10,216.3
2.2.1. Issued abroad	4,246.2	3,713.5	5,481.3	6,594.9	9,085.5	10,112.0	9,605.4	9,795.3
2.2.2. Issued domestically	683.6	582.3	545.9	455.0	352.8	370.5	378.8	420.9
Total	28,520.7	29,478.3	36,555.5	40,516.4	45,173.0	46,270.1	46,362.2	47,055.7
Other liabilities	167.40	203.70	128.80	180.60	389.40	237.80	320.40	320.20
Total central government debt	28,688.2	29,682.0	36,684.3	40,697.0	45,562.4	46,507.9	46,682.5	47,375.9
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	24,158.3	24,675.3	25,028.9
Gross debt/GDP	66.1%	62.4%	76.0%	73.8%	68.1%			

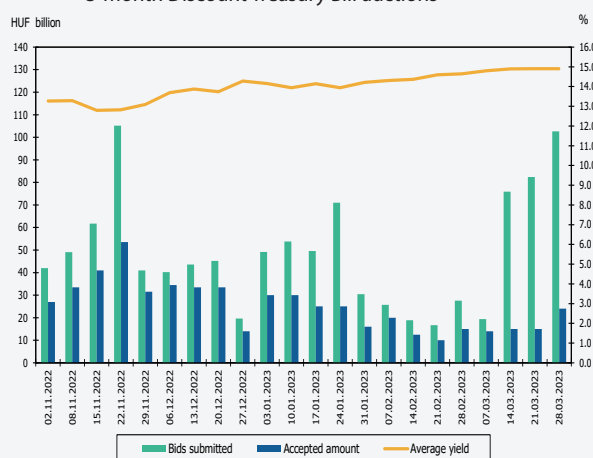
* Foreign exchange debt is recorded at the mid exchange rate of the NBH at the end of the year/month.



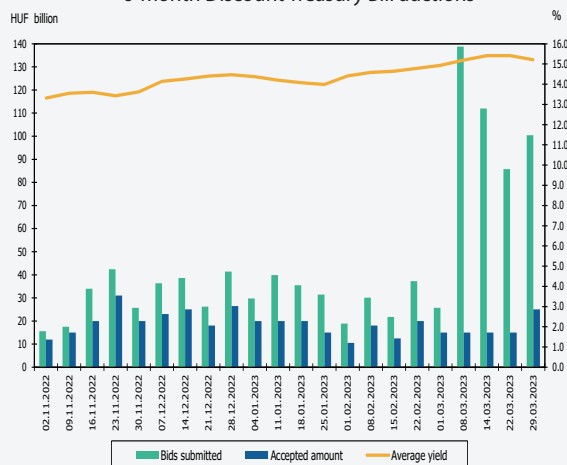
DISCOUNT TREASURY BILL AUCTION RESULTS

	3-month Discount T-bills				6-month Discount T-bills					12-month Discount T-bills		
Code of T-bills	D230614	D230621	D230628	D230705	D230920	D230920	D230920	D230920	D230920	D240221	D240221	D240221
ISIN code	HU0000524582	HU0000524590	HU0000524210	HU0000524608	HU0000524541	HU0000524541	HU0000524541	HU0000524541	HU0000524541	HU0000524624	HU0000524624	HU0000524624
Maturity in days	90	91	91	91	196	188	182	175	168	350	336	322
Date of auction	07.03.2023	14.03.2023	21.03.2023	28.03.2023	01.03.2023	08.03.2023	14.03.2023	22.03.2023	29.03.2023	02.03.2023	16.03.2023	30.03.2023
Date of financial settlement	16.03.2023	22.03.2023	29.03.2023	05.04.2023	08.03.2023	16.03.2023	22.03.2023	29.03.2023	05.04.2023	08.03.2023	22.03.2023	05.04.2023
Redemption date	14.06.2023	21.06.2023	28.06.2023	05.07.2023	20.09.2023	20.09.2023	20.09.2023	20.09.2023	20.09.2023	21.02.2024	21.02.2024	21.02.2024
Maximum yield (%) - ISMA	14.99	15.09	15.14	14.99	15.05	15.68	15.48	15.51	15.29	14.50	15.01	14.65
Minimum yield (%) - ISMA	13.85	13.50	14.00	14.40	14.00	14.00	14.50	14.70	14.70	13.50	12.50	14.00
Average yield (%) - ISMA	14.80	14.89	14.90	14.90	14.93	15.19	15.41	15.41	15.21	14.33	14.69	14.56
Maximum yield (%) - EHM	15.20	15.30	15.35	15.20	15.26	15.90	15.70	15.73	15.50	14.70	15.22	14.85
Minimum yield (%) - EHM	14.04	13.69	14.19	14.60	14.19	14.19	14.70	14.90	14.90	13.69	12.67	14.19
Average yield (%) - EHM	15.01	15.10	15.10	15.11	15.14	15.40	15.62	15.62	15.43	14.53	14.89	14.77
Average selling price (%)	96.4314	96.3730	96.3710	96.3698	92.4803	92.6492	92.7738	93.0311	93.3708	87.7736	87.9453	88.4748
Amount offered for sale (HUF million)	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Amount of bids submitted (HUF million)	19,349.79	75,915.88	82,418.02		25,726.38			85,749.00		34,275.68	89,376.43	
Amount of bids accepted (HUF million)	13,999.97	15,000.00	14,999.99	23,999.99	15,000.00	15,000.00	15,000.00	14,999.99	24,999.99	14,999.98	25,000.00	25,499.98
Bid-to-cover ratio	1.38	5.06	5.49	4.28	1.72	9.25	7.46	5.72	4.02	2.29	3.58	4.51
Bids submitted (pcs)	66	57	65	87	51	52	59	81	97	74	50	90
Bids accepted (pcs)	65	45	58	56	42	45	30	63	53	55	40	32
Market sales (HUF million)	13,999.97	15,000.00	14,999.99	23,999.99	15,000.00	15,000.00	15,000.00	14,999.99	24,999.99	14,999.98	25,000.00	25,499.98
Retained on ÁKK's own account (HUF million)	20,000.03	20,000.00	20,000.01	20,000.01	9,000.00	5,000.00	10,000.00	15,000.01	8,000.01	30,000.02	50,000.00	25,500.02
Total amount issued (HUF million)	34,000.00	35,000.00	35,000.00	44,000.00	24,000.00	20,000.00	25,000.00	30,000.00	33,000.00	45,000.00	75,000.00	51,000.00

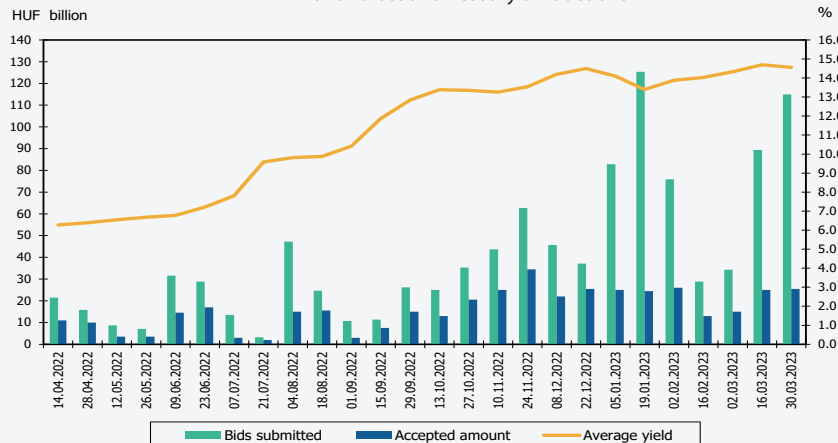
3-month Discount Treasury Bill auctions



6-month Discount Treasury Bill auctions



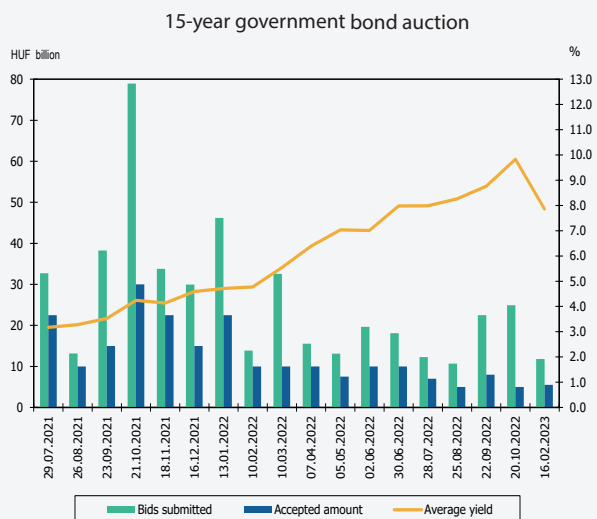
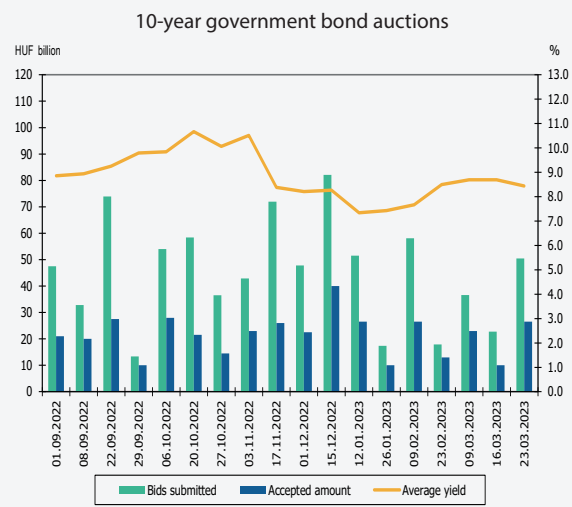
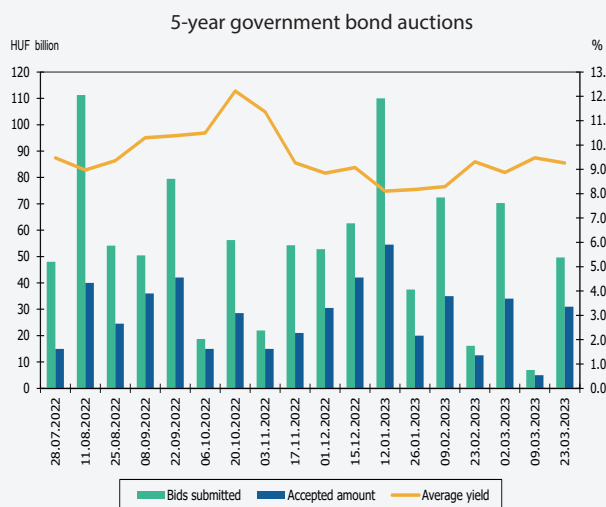
12-month Discount Treasury Bill auctions



GOVERNMENT BOND AUCTION RESULTS

Government Bond	2029/A	2032/B	2026/H	2028/A	2032/A
ISIN code	HU0000404603	HU0000406087	HU0000406160	HU0000402532	HU0000405550
Maturity (in years)	7	10	3	5	10
Coupon	2.00%	16.29%	9.50%	6.75%	4.75%
Auction	69th auction	9th auction	5th auction	52nd auction	30th auction
Date of auction	02.03.2023	02.03.2023	09.03.2023	09.03.2023	09.03.2023
Date of financial settlement	08.03.2023	08.03.2023	16.03.2023	16.03.2023	16.03.2023
Redemption date	23.05.2029	25.08.2032	21.10.2026	22.10.2028	24.11.2032
Maximum annual yield (%) - ISMA	8.89	-	10.55	9.50	8.71
Minimum annual yield (%) - ISMA	8.84	-	10.49	9.44	8.67
Average annual yield (%) - ISMA	8.87	-	10.52	9.47	8.69
Maximum annual yield (%) - EHM	8.88	-	10.54	9.49	8.70
Minimum annual yield (%) - EHM	8.83	-	10.48	9.43	8.66
Average annual yield (%) - EHM	8.86	-	10.52	9.46	8.68
Maximum price (%)	68.3427	96.0100	97.1800	88.6100	74.9508
Minimum price (%)	68.1590	95.7000	97.0016	88.3900	74.7285
Average price (%)	68.2218	95.8400	97.0738	88.5126	74.8462
Amount offered for sale (HUF million)	15,000.00	15,000.00	20,000.00	15,000.00	10,000.00
Amount of bids submitted (HUF million)	70,329.30	33,950.00	6,400.00	6,950.00	36,631.00
Amount of bids accepted (HUF million)	34,000.00	15,000.00	4,499.98	5,000.00	22,999.98
Bid-to-cover ratio	2.07	2.26	1.42	1.39	1.59
Bids submitted (pcs)	42	37	14	13	45
Bids accepted (pcs)	13	20	9	7	27
Tail (%) (average price - minimum price)	0.06	0.14	0.07	0.12	0.12
Market sales (HUF million)	34,000.00	15,000.00	4,499.98	5,000.00	22,999.98
Non-competitive offer (HUF million)	12,186.24	4,750.00	0.00	0.00	0.00
Total amount sales (HUF million)	46,186.24	19,750.00	4,499.98	5,000.00	22,999.98

Government Bond	2032/G	2026/H	2028/A	2032/A	2032/B
ISIN code	HU0000405535	HU0000406160	HU0000402532	HU0000405550	HU0000406087
Maturity (in years)	10	3	5	10	10
Coupon	4.50%	9.50%	6.75%	4.75%	16.29%
Auction	12th auction	6th auction	53rd auction	31st auction	10th auction
Date of auction	16.03.2023	23.03.2023	23.03.2023	23.03.2023	30.03.2023
Date of financial settlement	22.03.2023	29.03.2023	29.03.2023	29.03.2023	05.04.2023
Redemption date	27.05.2032	21.10.2026	22.10.2028	24.11.2032	25.08.2032
Maximum annual yield (%) - ISMA	8.72	10.32	9.28	8.46	-
Minimum annual yield (%) - ISMA	8.66	10.28	9.24	8.41	-
Average annual yield (%) - ISMA	8.69	10.29	9.26	8.44	-
Maximum annual yield (%) - EHM	8.71	10.31	9.27	8.45	-
Minimum annual yield (%) - EHM	8.65	10.27	9.23	8.40	-
Average annual yield (%) - EHM	8.69	10.28	9.25	8.43	-
Maximum price (%)	74.3451	97.7810	89.4610	76.3902	95.6500
Minimum price (%)	74.0392	97.6702	89.3000	76.1198	95.4100
Average price (%)	74.1676	97.7436	89.3724	76.2200	95.5200
Amount offered for sale (HUF million)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	22,752.00	46,750.00	49,650.00	50,460.43	12,500.00
Amount of bids accepted (HUF million)	10,000.00	19,000.00	31,000.00	26,499.96	7,999.99
Bid-to-cover ratio	2.28	2.46	1.60	1.90	1.56
Bids submitted (pcs)	39	30	35	68	22
Bids accepted (pcs)	26	9	13	32	14
Tail (%) (average price - minimum price)	0.13	0.07	0.07	0.10	0.11
Market sales (HUF million)	10,000.00	19,000.00	31,000.00	26,499.96	7,999.99
Non-competitive offer (HUF million)	1,191.36	5,280.00	7,920.00	9,327.78	0.00
Total amount sales (HUF million)	11,191.36	24,280.00	38,920.00	35,827.74	7,999.99

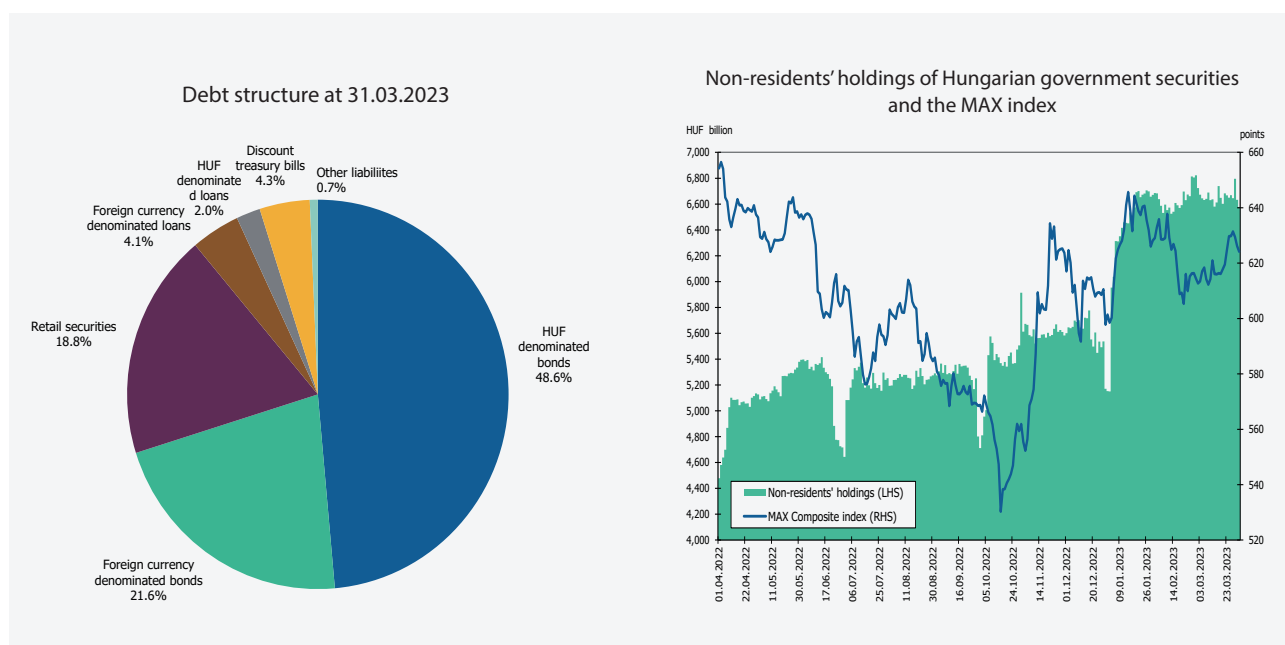
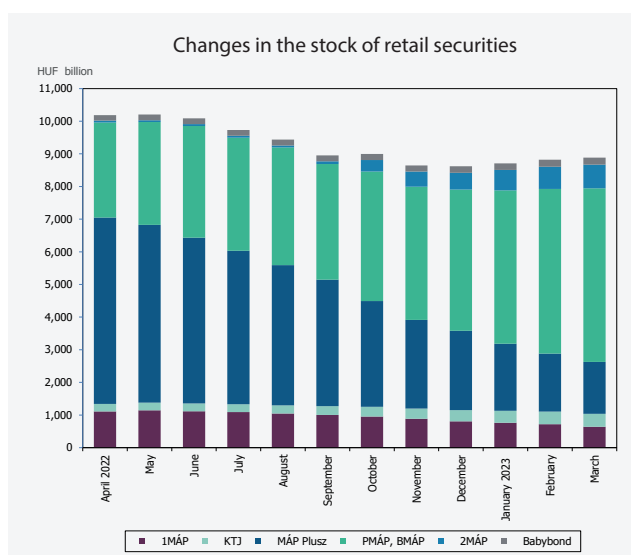


INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN MARCH 2023

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2025/K	21.03.2023	27.03.2023	27.03.2024	27.03.2024	15.25%	15.25%
2025/N	24.03.2023	30.03.2023	30.06.2023	30.06.2023	15.81%	4.04%
2027/I	20.03.2023	24.03.2023	24.03.2024	25.03.2024	16.00%	16.00%
2028/N	16.03.2023	22.03.2023	22.03.2024	22.03.2024	17.25%	17.54%
2028/O	16.03.2023	22.03.2023	22.03.2024	22.03.2024	17.25%	17.54%
2029/J	14.03.2023	21.03.2023	21.03.2024	21.03.2024	16.00%	16.00%
2030/J	21.03.2023	28.03.2023	20.03.2024	20.03.2024	16.00%	15.65%

OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2022	31.03.2023	Change
1-year Hungarian Government Security / 1MÁP	807.8	643.3	-164.5
Treasury Saving Bills / KTJ	341.8	396.4	54.5
Hungarian Government Security Plus / MÁP Plusz	2,434.5	1,586.1	-848.4
Premium Hungarian Government Security / PMÁP	4,321.6	5,319.7	998.0
Bonus Hungarian Government Security / BMÁP	514.7	723.9	209.2
Babybond	198.8	215.7	16.9
Total	8,619.3	8,819.4	265.7



HUNGARIAN GOVERNMENT SECURITIES INDICES

	MAX index	HMAX index	MAX Composite index	RMAX index	ZMAX index
Value as at 31.03.2023	647.4880	74.5776	624.1902	586.1561	590.1889
Changes compared to the end of the previous month	8.1213	0.8021	7.8734	7.8615	7.3650
Annual yield earned on the index portfolio (%)	-5.95	-7.54	-5.13	6.23	8.98

Government bonds with the highest secondary market turnover in March 2023

Government bond	Date of redemption	Turnover (HUF billion)
2032/A	24.11.2032	328.7
2028/A	22.10.2028	179.0
2033/A	20.04.2033	161.1
2024/C	24.10.2024	129.2
2031/A	22.10.2031	116.5
D230920	20.09.2023	116.1
2024/B	26.06.2024	95.2
2028/B	23.03.2028	94.5
2026/H	21.10.2026	90.9
2026/D	22.12.2026	81.3

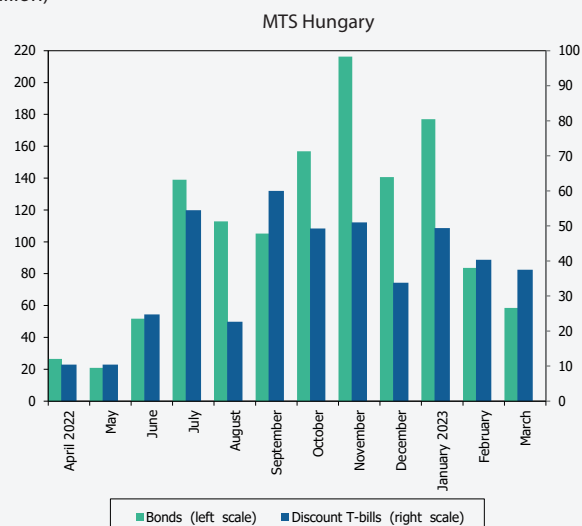
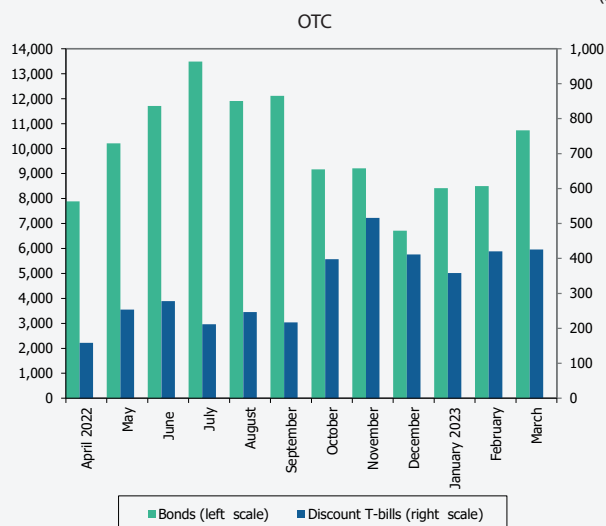
The outstanding volume of government bonds with benchmark status at the end of March 2023

Government bond	HUF billion	
	28.02.2023	31.03.2023
2026/H	98.67	139.40
2028/A	861.49	917.90
2032/A	790.99	862.90
2038/A	907.17	907.18
2041/A	540.31	540.33

The outstanding volume of the three largest government bonds at the end of March 2023

Government bond	HUF billion
2031/A	1,530.13
2025/C	1,480.19
2033/A	1,315.15

Secondary market trading of Hungarian government securities (HUF billion)



Breakdown of primary dealers' secondary market turnover by investor groups in March 2023

