



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

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GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
AUGUST 2024



The Central Government Debt increased by HUF 4,449.2 billion to HUF 55,314.4 billion in 2024. Total net issuance was HUF 4,254.6 billion; out of which net HUF denominated issuance including repos was HUF 2,386.4 billion and net foreign currency denominated issuance was HUF 1,868.2 billion in 2024.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2023		2024		Change	
	December	%	August	%	HUF billion	%
HUF denominated debt	36,888.0	72.5	39,274.4	71.0	2,386.4	6.5
Loans	868.2	1.7	886.9	1.6	18.6	2.1
Government bonds	24,058.9	47.3	24,774.5	44.8	715.6	3.0
Retail securities	10,077.2	19.8	11,225.8	20.3	1,148.7	11.4
Discount treasury bills	1,883.8	3.7	2,387.2	4.3	503.4	26.7
Foreign exchange denominated debt	13,678.3	26.9	15,947.0	28.8	2,268.7	16.6
Total	50,566.3	99.4	55,221.4	99.8	4,655.0	9.2
Other obligations	298.8	0.6	93.0	0.2	-205.8	-68.9
Total central government debt	50,865.2	100.0	55,314.4	100.0	4,449.2	8.7

Source: ÁKK

The HUF denominated debt of the central government increased by HUF 2,386.4 billion in 2024. The increase in domestic debt was the result of the net government bond issuance of HUF 715.6 billion and the increase of discount Treasury bills by HUF 503.4 billion. The total amount of retail government securities increased by HUF 1,148.7 billion. The majority of the demand for retail government securities was the sale of Fix Hungarian Government Securities. The volume of HUF loans increased by HUF 18.6 billion in 2024.

The foreign currency debt of the central government increased by HUF 2,268.7 billion in 2024. The increase is mainly due to the foreign currency bond issuances in January. On 3 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) programme was USD 500 million (HUF 180.4 billion) in March. The drawdown of foreign currency loans further increased the foreign currency debt by HUF 544.7 billion and the issuance of domestic foreign currency bonds grew by HUF 69.5 billion. The exchange rate revaluations totalling HUF 400.4 billion increased the Hungarian forint value of the foreign currency debt.

Foreign currency debt was decreased by the redemption of foreign currency bond by HUF 294.2 billion and the repayments of domestic foreign currency bond by HUF 19.2 billion. The total amount of other liabilities decreased by HUF 205.8 billion in 2024.

BENCHMARK YIELDS

Maturity	29.12.2023	31.07.2024	30.08.2024	Change in August basis point
3-month	6.23	5.03	5.46	43
6-month	6.26	5.88	5.46	-42
1-year	6.45	5.55	5.47	-8
3-year	6.12	5.93	5.86	-7
5-year	5.78	5.94	5.84	-10
10-year	5.86	6.39	6.29	-10
15-year	6.11	6.44	6.37	-7
20-year	6.07	6.46	6.42	-4

Source: ÁKK

Monthly OTC turnover of government securities increased by 3% to HUF 6,298.1 billion in August. Primary dealers, who account for the decisive part of all secondary government securities trading, made 62% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities decreased altogether by HUF 183.6 billion in August and amounted to HUF 6,403.5 billion at the end of August. This volume represented 16.7% of the total amount of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 392.61 on the last working day of August.

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

CENTRAL GOVERNMENT GROSS DEBT

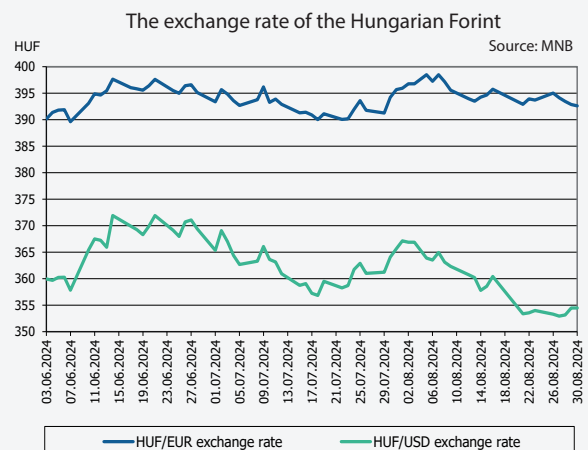
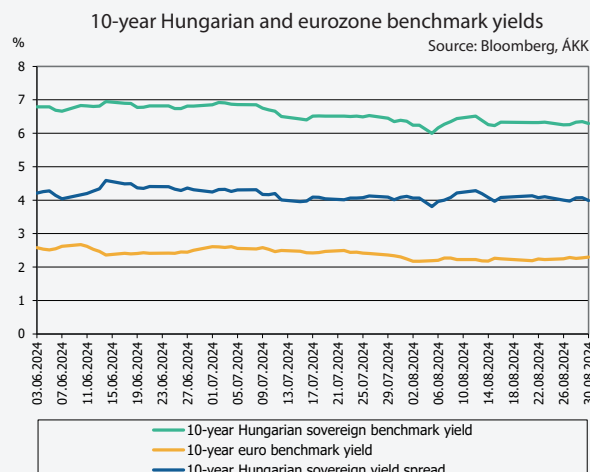
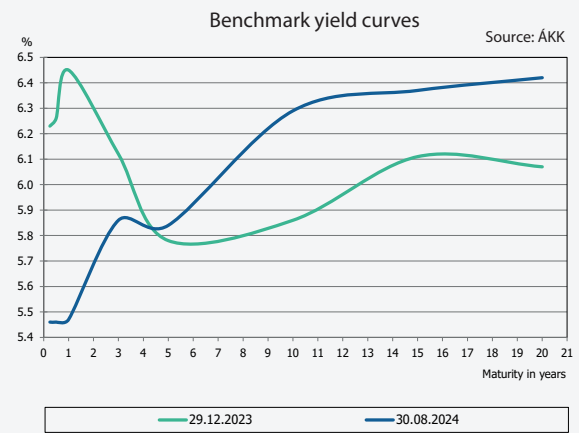
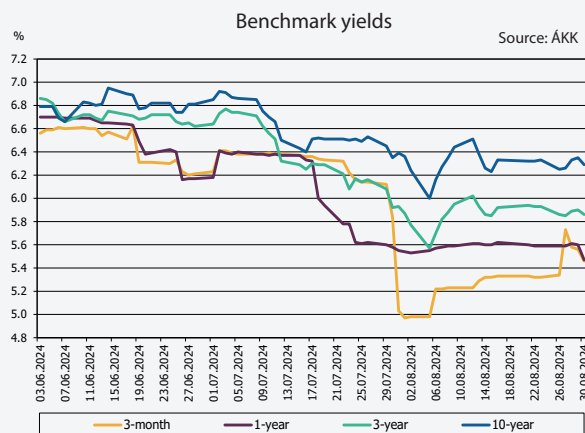
HUF BILLION

	2019	2020	2021	2022	2023	2024 June	2024 July	2024 August
1. Forint denominated debt	24,357.1	29,237.3	32,121.2	33,775.6	36,888.0	38,710.6	39,027.4	39,274.4
1.1. Loans	1,208.1	1,161.6	1,307.7	1,024.2	868.2	886.9	886.9	886.9
1.2. Government securities	23,149.0	28,075.7	30,813.5	32,751.4	36,019.8	37,823.7	38,140.5	38,387.5
1.2.1. Public issues	23,109.8	28,036.5	30,813.5	32,751.4	36,019.8	37,823.7	38,140.5	38,387.5
1.2.1.1. Bonds	13,378.5	18,206.6	20,220.0	22,346.3	24,058.9	24,652.3	24,551.5	24,774.5
1.2.1.2. Discount T-bills	657.3	658.2	583.2	1,785.8	1,883.8	2,104.0	2,438.7	2,387.2
1.2.1.3. Retail securities	9,074.0	9,171.7	10,010.2	8,619.4	10,077.2	11,067.4	11,150.3	11,225.8
1.2.2. Private placements	39.2	39.2	0.0	0.0	0.0	0.0	0.0	0.0
2. Foreign currency denominated debt*	5,121.2	7,318.2	8,395.2	11,397.3	13,678.3	16,006.6	16,047.1	15,947.0
2.1. Loans	825.4	1,291.1	1,345.2	1,959.1	2,670.0	3,220.7	3,240.5	3,231.3
2.2. Government securities	4,295.8	6,027.1	7,049.9	9,438.2	11,008.3	12,785.9	12,806.6	12,715.6
2.2.1. Issued abroad	3,713.5	5,481.3	6,594.9	9,085.5	10,535.4	12,259.5	12,276.3	12,180.1
2.2.2. Issued domestically	582.3	545.9	455.0	352.8	472.9	526.4	530.2	535.6
Total	29,478.3	36,555.5	40,516.4	45,173.0	50,566.3	54,717.2	55,074.4	55,221.4
Other liabilities	203.70	128.80	180.60	389.40	298.80	153.60	117.10	93.00
Total central government debt	29,682.0	36,684.3	40,697.0	45,562.4	50,865.2	54,870.8	55,191.5	55,314.4
Marketable HUF debt (1.2.1.1+1.2.1.2+1.2.2)	14,075.0	18,904.0	20,803.2	24,132.1	25,942.7	26,756.3	26,990.2	27,161.7
Gross debt/GDP	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

ÁKK - Government Debt Management Agency
KSH - Hungarian Central Statistical Office



MNB - National Bank of Hungary

DISCOUNT TREASURY BILL AUCTION RESULTS

	3-month Discount T-bills				6-month Discount T-bills		12-month Discount T-bills		
Code of T-bills	D241127	D241127	D241223	D241223	D250219	D250219	D250625	D250821	D250821
ISIN code	HU0000525035	HU0000525035	HU0000525019	HU0000525019	HU0000525076	HU0000525076	HU0000525092	HU0000525100	HU0000525100
Maturity in days	105	98	117	110	182	168	322	365	351
Date of auction	06.08.2024	13.08.2024	21.08.2024	27.08.2024	14.08.2024	28.08.2024	01.08.2024	15.08.2024	29.08.2024
Date of financial settlement	14.08.2024	21.08.2024	28.08.2024	04.09.2024	21.08.2024	04.09.2024	07.08.2024	21.08.2024	04.09.2024
Redemption date	27.11.2024	27.11.2024	23.12.2024	23.12.2024	19.02.2025	19.02.2025	25.06.2025	21.08.2025	21.08.2025
Maximum yield (%) - ISMA	5,95	5,81	5,90	5,77	5,89	5,76	5,60	5,74	5,68
Minimum yield (%) - ISMA	4,90	5,05	5,60	5,60	5,50	5,50	5,45	5,45	5,50
Average yield (%) - ISMA	5,61	5,40	5,83	5,75	5,79	5,73	5,55	5,66	5,64
Maximum yield (%) - EHM	6,03	5,89	5,98	5,85	5,97	5,84	5,68	5,82	5,76
Minimum yield (%) - EHM	4,97	5,12	5,68	5,68	5,58	5,58	5,53	5,53	5,58
Average yield (%) - EHM	5,68	5,48	5,91	5,83	5,87	5,81	5,63	5,74	5,72
Average selling price (%)	98,3913	98,5504	98,1420	98,2732	97,1563	97,3938	95,2679	94,5760	94,7849
Amount offered for sale (HUF million)	20 000,00	20 000,00	20 000,00	20 000,00	20 000,00	20 000,00	20,000.00	20,000.00	20,000.00
Amount of bids submitted (HUF million)	27 615,31	26 726,14	33 273,64	41 464,30	32 730,77	53 880,56	33,562.35	74,482.01	60,553.00
Amount of bids accepted (HUF million)	17 500,00	15 000,00	20 000,00	19 999,99	24 000,00	19 999,99	17,500.00	37,000.00	27,499.99
Bid-to-cover ratio	1,58	1,78	1,66	2,07	1,36	2,69	1,92	2,01	2,20
Bids submitted (pcs)	37	42	44	97	41	71	30	83	78
Bids accepted (pcs)	35	19	29	38	25	39	20	38	36
Market sales (HUF million)	17 500,00	15 000,00	20 000,00	19 999,99	24 000,00	19 999,99	17,500.00	37,000.00	27,499.99
Retained on ÁKK's own account (HUF million)	2 000,00	-	27 000,00	13 000,01	8 000,00	30 000,01	3,000.00	74,000.00	34,000.01
Total amount issued (HUF million)	19 500,00	15 000,00	47 000,00	33 000,00	32 000,00	50 000,00	20,500.00	111,000.00	61,500.00

Source: ÁKK

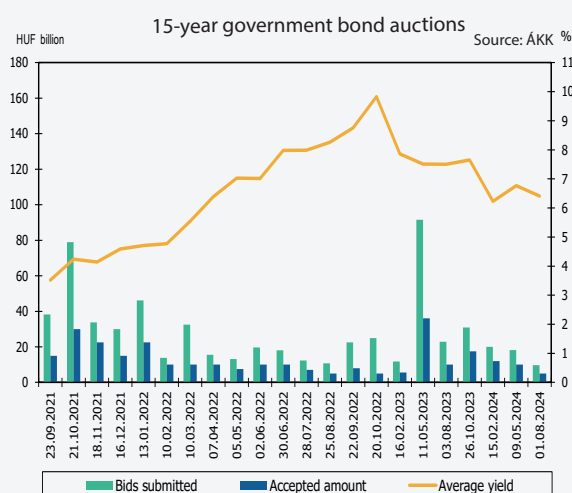
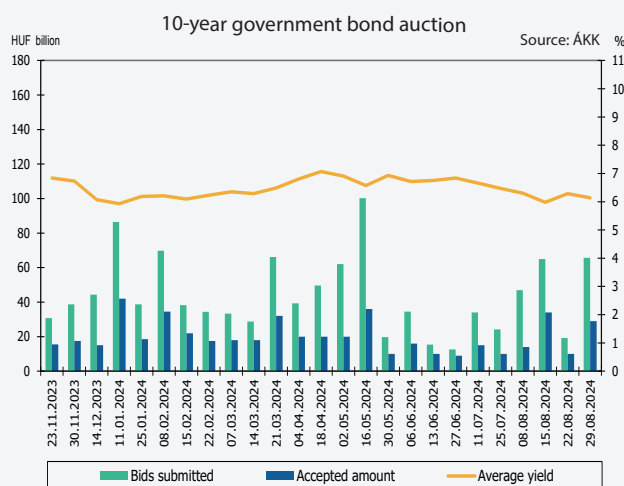
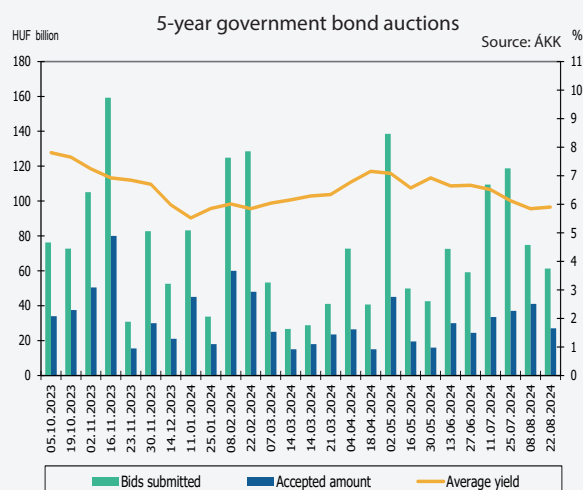
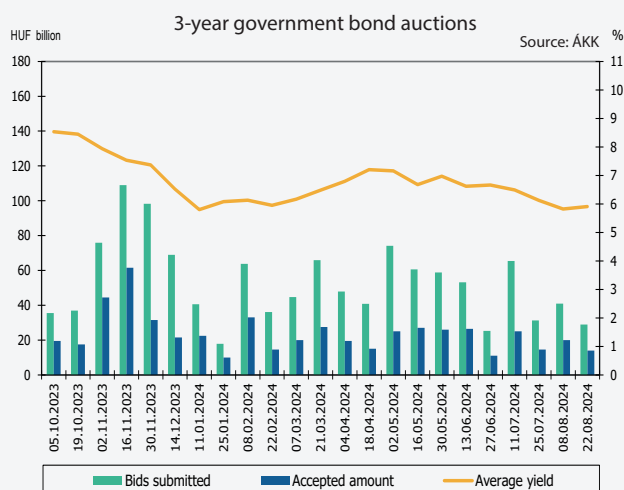


GOVERNMENT BOND AUCTION RESULTS

Government Bond	2038/A	2027/A	2029/A	2035/A	2031/A
ISIN code	HU0000403555	HU0000403118	HU0000404603	HU0000406624	HU0000403001
Maturity (in years)	15	3	5	10	7
Coupon	3.00%	3.00%	2.00%	7.00%	3.25%
Auction	66th auction	65th auction	81st auction	25st auction	72nd auction
Date of auction	01.08.2024	08.08.2024	08.08.2024	08.08.2024	15.08.2024
Date of financial settlement	07.08.2024	14.08.2024	14.08.2024	14.08.2024	21.08.2024
Redemption date	27.10.2038	27.10.2027	23.05.2029	24.10.2035	22.10.2031
Maximum annual yield (%) - ISMA	6.42	5.84	5.87	6.31	6.00
Minimum annual yield (%) - ISMA	6.40	5.80	5.80	6.29	5.95
Average annual yield (%) - ISMA	6.41	5.82	5.84	6.30	5.98
Maximum annual yield (%) - EHM	6.42	5.84	5.87	6.31	6.00
Minimum annual yield (%) - EHM	6.40	5.80	5.80	6.29	5.95
Average annual yield (%) - EHM	6.41	5.82	5.84	6.30	5.97
Maximum price (%)	68.8452	92.0121	84.5334	105.5462	84.5924
Minimum price (%)	68.7007	91.9043	84.2785	105.3832	84.3356
Average price (%)	68.7775	91.9457	84.3692	105.4515	84.4557
Amount offered for sale (HUF million)	10,000.00	10,000.00	15,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	9,685.00	40,962.00	74,791.00	46,898.00	65,000.00
Amount of bids accepted (HUF million)	4,999.99	19,999.99	41,000.00	13,999.98	34,000.00
Bid-to-cover ratio	1.94	2.05	1.82	3.35	1.91
Bids submitted (pcs)	21	36	58	52	48
Bids accepted (pcs)	12	20	35	18	12
Tail (%) (average price - minimum price)	0.08	0.04	0.09	0.07	0.12
Market sales (HUF million)	4,999.99	19,999.99	41,000.00	13,999.98	34,000.00
Non-competitive offer (HUF million)	0.00	7,125.90	15,240.00	3,863.99	13,200.00
Total amount sales (HUF million)	4,999.99	27,125.89	56,240.00	17,863.97	47,200.00

Government Bond	2032/B	2027/A	2029/A	2035/A	2032/G
ISIN code	HU0000406087	HU0000403118	HU0000404603	HU0000406624	HU0000405535
Maturity (in years)	7	3	5	10	7
Coupon	7.06%	3.00%	2.00%	7.00%	4.50%
Auction	26th auction	66th auction	82nd auction	26st auction	17th auction
Date of auction	15.08.2024	22.08.2024	22.08.2024	22.08.2024	29.08.2024
Date of financial settlement	21.08.2024	28.08.2024	28.08.2024	28.08.2024	04.09.2024
Redemption date	25.08.2032	27.10.2027	23.05.2029	24.10.2035	27.05.2032
Maximum annual yield (%) - ISMA	-	5.92	5.90	6.30	6.15
Minimum annual yield (%) - ISMA	-	5.89	5.88	6.27	6.12
Average annual yield (%) - ISMA	-	5.91	5.90	6.29	6.14
Maximum annual yield (%) - EHM	-	5.92	5.90	6.30	6.15
Minimum annual yield (%) - EHM	-	5.89	5.88	6.27	6.12
Average annual yield (%) - EHM	-	5.91	5.89	6.29	6.14
Maximum price (%)	100.1000	91.8615	84.3502	105.7031	90.2313
Minimum price (%)	99.9000	91.7818	84.2777	105.4588	90.0622
Average price (%)	99.9900	91.8128	84.2882	105.5314	90.1126
Amount offered for sale (HUF million)	10,000.00	10,000.00	15,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	55,300.00	28,887.00	61,281.00	19,213.00	65,698.72
Amount of bids accepted (HUF million)	33,500.00	14,000.00	26,999.94	9,999.98	28,999.98
Bid-to-cover ratio	1.65	2.06	2.27	1.92	2.27
Bids submitted (pcs)	31	35	55	34	51
Bids accepted (pcs)	20	19	25	19	20
Tail (%) (average price - minimum price)	0.09	0.03	0.01	0.07	0.05
Market sales (HUF million)	33,500.00	14,000.00	26,999.94	9,999.98	28,999.98
Non-competitive offer (HUF million)	12,090.00	4,061.44	9,010.23	2,802.28	10,723.63
Total amount sales (HUF million)	45,590.00	18,061.44	36,010.17	12,802.26	39,723.61

Source: ÁKK



GOVERNMENT SECURITIES BUY-BACK AUCTION RESULTS

Government bond	2024/C	2025/B	2024/C	2025/B
ISIN code	HU0000403571	HU0000402748	HU0000403571	HU0000402748
Coupon (%)	2.5%	5.5%	2.5%	5.5%
Date of reverse auction	07.08.2024	07.08.2024	21.08.2024	21.08.2024
Date of financial settlement	14.08.2024	14.08.2024	28.08.2024	28.08.2024
Redemption date	24.10.2024	24.06.2025	24.10.2024	24.06.2025
Minimum annual yield (%)	6.18	5.67	0.00	5.63
Average annual yield- ISMA (%)	6.24	5.71	0.00	5.64
Average annual yield - EHM (%)	6.07	5.69	0.00	5.61
Amount of bids submitted (HUF million)	36,217.70	30,500.00	3,827.70	3,000.00
Amount of bids accepted (HUF million)	30,200.00	30,500.00	-	3,000.00

Source: ÁKK

INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN AUGUST 2024

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2027/N	16.08.2024	26.08.2024	26.11.2024	26.11.2024	7.35%	1.88%
2029/B	15.08.2024	22.08.2024	22.11.2024	22.11.2024	6.54%	1.67%
2032/B	21.08.2024	25.08.2024	25.11.2024	25.11.2024	6.54%	1.67%

Source: ÁKK

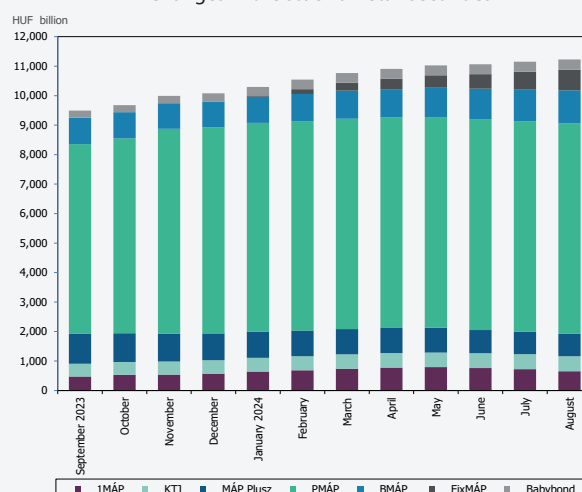
OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2023	31.08.2024	Change
1-year Hungarian Government Security / 1MÁP*	574.0	654.2	80.2
Treasury Saving Bills / KTJ	453.7	510.5	56.8
Hungarian Government Security Plus / MÁP Plusz	907.3	768.2	-139.2
Premium Hungarian Government Security / PMÁP	6,992.7	7,130.0	137.3
Bonus Hungarian Government Security / BMÁP	873.2	1,119.2	246.0
Fix Hungarian Government Security / FixMÁP	0.0	700.0	700.0
Babybond	276.1	343.7	67.6
Total	10,077.1	11,225.8	1,148.7

Source: ÁKK

* From June 2024 the 1-Year Hungarian Government Security is being phased out.

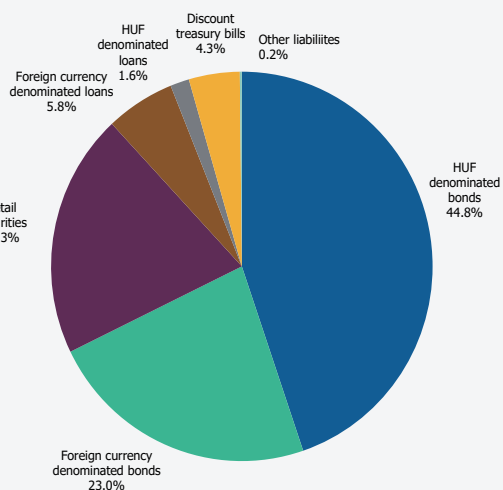
Changes in the stock of retail securities



Source: ÁKK

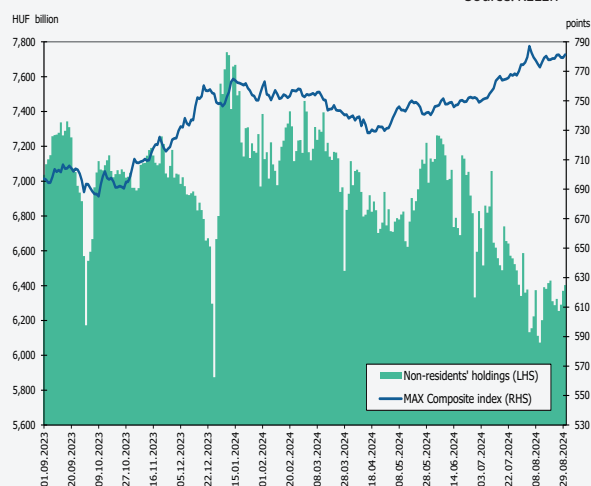
Debt structure at 31.08.2024

Source: ÁKK



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

Source: KELER



HUNGARIAN GOVERNMENT SECURITIES INDICES

	MAX index	HMAX index	MAX Composite index	RMAX index	ZMAX index
Value as at 30.08.2024	816.7668	95.2726	781.3498	691.5605	680.9601
Changes compared to the end of the previous month	7.4705	1.0443	6.9768	4.5763	3.9563
Annual yield earned on the index portfolio (%)	13.14	13.34	12.60	9.87	8.43

Source: ÁKK

Government bonds with the highest secondary market turnover in August 2024

Government bond	Date of redemption	Turnover (HUF billion)
2029/A	23.05.2029	366.7
2029/B	22.08.2029	288.6
2026/H	21.10.2026	274.4
2032/A	24.11.2032	264.7
2035/A	24.10.2035	245.3
2027/A	27.10.2027	225.0
2028/A	22.10.2028	173.7
2031/A	22.10.2031	166.0
2033/A	20.04.2033	163.3
2030/A	21.08.2030	162.0

Source: Primary Dealers, ÁKK

The outstanding volume of government bonds with benchmark status at the end of August 2024

Government bond	HUF billion	
	31.07.2024	31.08.2024
2027/A	1,327.0	1,372.3
2029/A	1,321.3	1,413.6
2035/A	519.6	550.3
2038/A	1,013.2	1,018.2
2041/A	625.7	625.7

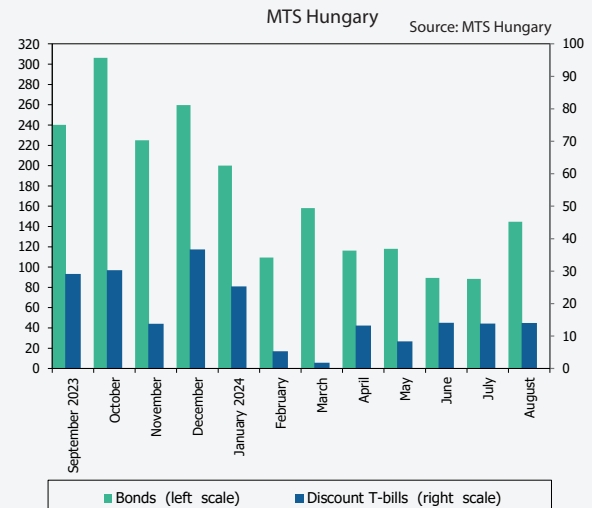
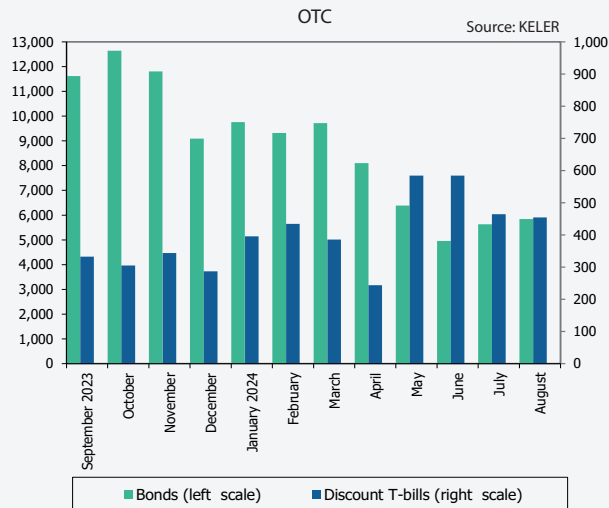
Source: ÁKK

The outstanding volume of the three largest government bonds at the end of August 2024

Government bond	HUF billion
2028/A	1,960.2
2031/A	1,659.9
2033/A	1,554.0

Source: ÁKK

Secondary market trading of Hungarian government securities (HUF billion)



Breakdown of primary dealers' secondary market turnover by investor groups in August 2024

