FINANCING OF THE CENTRAL GOVERNMENT IN MARCH 2026

1. Government debt data

The debt of the central government increased by HUF 3,977.6 billion to HUF 64,517.3 billion by the end of March due to the following reasons:

- **The first increasing factor** is the net forint issuance of HUF 2,266.3 billion, which finances the deficit of the central government budget.
- **The second increasing factor** is the net foreign currency issuance of HUF 1,683.3 billion, which finances the deficit and increased the foreign currency deposit, and also increased the debt of the central government.
- **The third increasing factor** is the change of the foreign currency exchange rates and other factors that increased the mark-to-market deposits placed at GDMA by HUF 14.4 billion.
- **The fourth – also increasing factor–** is the depreciation of the forint that increased the HUF value of the foreign currency debt by HUF 13.5 billion.

According to the preliminary data **the domestic and foreign currency debt of the central government** was the following in 2026.

Central government gross debt and debt transactions in 2026

	31.12.2025		Issuance (increase in debt)	Redemption (decrease in debt)	Other changes	Net change	**31.03.2026**		**change**
	Debt stock (preliminary data)	**Breakdown**	**January to March**				**Debt stock (preliminary data)**	**Breakdown**	**percent**
1. HUF denominated debt	**42,575.955**	***70.3%***	**5,455.114**	**3,188.801**	**0.000**	**2,266.313**	**44,842.268**	***69.5%***	***-0.82%***
1.1. Loans	**723.302**	***1.2%***	**0.000**	**113.142**	**0.000**	**-113.142**	**610.160**	***0.9%***	***-0.25%***
1.1.1. Foreign	723.302	*1.2%*	0.000	113.142	0.000	-113.142	610.160	***0.9%***	***-0.25%***
1.1.2. Domestic	0.000	*0.0%*	0.000	0.000	0.000	0.000	0.000	***0.0%***	***0.00%***
1.2. Government securities	**41,852.653**	***69.1%***	**5,455.114**	**3,075.659**	**0.000**	**2,379.455**	**44,232.108**	***68.6%***	***-0.57%***
1.2.1. Bonds	27,192.370	*44.9%*	2,290.894	518.310	0.000	1,772.584	28,964.954	***44.9%***	***-0.02%***
1.2.2. Discount T-bills	2,934.250	*4.8%*	1,829.644	1,641.194	0.000	188.451	3,122.701	***4.8%***	***-0.01%***
1.2.3. Retail securities	11,726.033	*19.4%*	1,334.576	916.156	0.000	418.420	12,144.453	***18.8%***	***-0.55%***
2. Foreign currency denominated debt	**17,809.666**	***29.4%***	**1,695.516**	**12.195**	**13.511**	**1,696.831**	**19,506.498**	***30.2%***	***0.82%***
2.1. Loans	**3,487.645**	***5.8%***	**136.210**	**1.630**	**-9.213**	**125.367**	**3,613.012**	***5.6%***	***-0.16%***
2.1.1. Foreign	3,487.645	*5.8%*	136.210	1.630	-9.213	125.367	3,613.012	***5.6%***	***-0.16%***
2.1.2. Domestic	0.000	*0.0%*	0.000	0.000	0.000	0.000	0.000	***0.0%***	***0.00%***
2.2. Government securities	**14,322.021**	***23.7%***	**1,559.306**	**10.565**	**22.724**	**1,571.464**	**15,893.486**	***24.6%***	***0.98%***
2.2.1. Issued abroad	13,758.891	*22.7%*	1,540.182	-2.019	21.990	1,564.191	15,323.082	***23.8%***	***1.02%***
2.2.1.1. Foreign currency bond	13,589.307	*22.4%*	1,540.182	-2.019	21.424	1,563.625	15,152.933	***23.5%***	***1.04%***
2.2.1.2. ECP program	169.584	*0.3%*	0.000	0.000	0.566	0.566	170.149	***0.3%***	***-0.02%***
2.2.2. Issued in Hungary	563.130	*0.9%*	19.124	12.584	0.734	7.274	570.404	***0.9%***	***-0.05%***
Total	**60,385.622**	***99.7%***	**7,150.630**	**3,200.997**	**13.511**	**3,963.144**	**64,348.766**	***99.7%***	***-0.01%***
Other debt	154.083	*0.3%*	96.337	82.322	0.407	14.423	168.506	***0.3%***	***0.01%***
Total central government debt	**60,539.705**	***100.0%***	**7,246.967**	**3,283.319**	**13.918**	**3,977.567**	**64,517.272**	***100.0%***	***0.00%***

The foreign currency debt of the central government increased by HUF 1,696.8 billion in 2026 and amounted to HUF 19,506.5 billion at the end of March 2026. The share of foreign currency denominated debt within the total debt increased from 29.4% to 30.2% in 2026.

The increase is mainly due to the foreign currency bond issuances in 2026. On 7 January Hungary's first international bond issuance this year was made in the total amount of EUR 3.0 billion (HUF 1.157.9 billion) by issuing two series with different maturities. One of the two series is a 7-year maturity conventional bond in the amount of EUR 2.0 billion (HUF 771.9 billion) and the other one is a 12-year maturity green bond in the amount of EUR 1.0 billion (HUF 386.0 billion). On March 3, 2026, the USD-denominated bond, maturing on September 26, 2035, was increased by USD 1.2 billion (HUF 382.3 billion) through a private placement in response to investors demand.
The drawdown of foreign currency loans and the exchange rate depreciation further increased the share of foreign currency debt.

The forint denominated debt increased by HUF 2,266.3 billion to HUF 44,842.3 billion. The share of HUF-denominated debt reached 69.5% of the total debt, this ratio was 70.3% in December 2025.

The stock of retail securities increased by HUF 418.4 billion since the end of 2025 to HUF 12,144.5 billion at the end of March. The Fixed Hungarian Government Security increased by HUF 659.6 billion and amounted to HUF 4,311.5 billion at the end of the month. The Hungarian Government Security Plus (dematerialised and printed MÁP Plusz), together with previously sold MÁP Plusz, increased by HUF 215.4 billion and amounted to HUF 1,363.6 billion. The stock of Bonus Hungarian Government Security also increased in this month by HUF 8.8 billion and amounted to HUF 2,079.4 billion. The portfolio of Premium Hungarian Government Security with a long-term maturity decreased by HUF 514.5 billion, thus amounted to HUF 3,195.3 billion.

The volume of non-resident holdings of Hungarian government securities decreased by HUF 770.5 billion to HUF 7,550.2 in March. 99.2% of non-resident holdings was Hungarian Government Bonds, which amounted to HUF 7,492.9 billion. The non-resident holdings of Discount Treasury Bills amounted to HUF 57.3 billion, that represented only 0.8% of total non-resident holdings. The duration of the non-resident stock was 6.0 years at the end of March 2026.

In order to reduce counterparty risk associated with the swap transactions concluded by GDMA, so-called marked-to-market deposits are being placed as collateral covering the net value of the swap positions. Such deposits placed at GDMA are counted as part of the government debt as ‘other obligations’. During the first tree months of the year marked-to-market and other deposits increased by HUF 14.4 billion and reached HUF 168.5 billion (EUR 0.4 billion) at the end of the month.

2. Forint yields

The average bid-to-cover ratio of Discount Treasury bill auctions decreased from 1.8 to 1.1. The bid-to-cover ratio of Hungarian Government Bonds auctions decreased from 4.8 to 3.4 in March.

The average yield of the last 3-month Discount Treasury Bill auction in March was 6.44%, 37 basis points higher than in the previous month and the 6-month Treasury bill was 6.38%, 35 basis points higher than at the end of February. The average yield of the last 12-month Discount Treasury Bill auction in March was 6.44%, 48 basis points higher than in the previous month.

The average yield of the latest 3-year Hungarian Government Bond auctions in March was 6.96% and 92 basis points higher compared to the auction in February. The average yield of the 5-year Hungarian Government Bond auction in March was 7.08%, 94 basis points higher than in February. The average yield of the 10-year Hungarian Government Bond auction in March was 7.26%, 80 basis points higher than in the previous month. The average yield of the latest 15-year bond auction was 7.31%, higher by 54 basis points compared to the last February’s average yield.

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