FINANCING OF THE CENTRAL GOVERNMENT IN MAY 2026

1. Government debt data

The debt of the central government increased by HUF 2,556.6 billion to HUF 63,096.4 billion by the end of May due to the following reasons:

- **The first increasing factor** is the net forint issuance of HUF 2,762.9 billion, which finances the deficit of the central government budget.
- **The second increasing factor** is the net foreign currency issuance of HUF 1,359.2 billion, which finances the deficit and increased the foreign currency deposit, and also increased the debt of the central government.
- **The third – which had contrary effect than the above mentioned factors –** is the appreciation of the forint that decreased the HUF value of the foreign currency debt by HUF 1,561.2 billion.
- **The fourth also decreasing factor** is the change of the foreign currency exchange rates and other factors that decreased the mark-to-market deposits placed at GDMA by HUF 4.3 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	31.05.2026		change
	Debt stock (preliminary data)	Breakdown	January to May				Debt stock (preliminary data)	Breakdown	percent
1. HUF denominated debt	**42,575.955**	*70.3%*	**9,096.734**	**6,333.832**	**0.000**	**2,762.902**	**45,338.858**	***71.9%***	***1.53%***
1.1. Loans	**723.302**	*1.2%*	**0.000**	**116.142**	**0.000**	**-116.142**	**607.160**	***1.0%***	***-0.23%***
1.1.1. Foreign	723.302	*1.2%*	0.000	116.142	0.000	-116.142	607.160	***1.0%***	***-0.23%***
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%*	**9,096.734**	**6,217.690**	**0.000**	**2,879.044**	**44,731.698**	***70.9%***	***1.76%***
1.2.1. Bonds	27,192.370	*44.9%*	3,532.790	1,717.248	0.000	1,815.542	29,007.913	***46.0%***	***1.06%***
1.2.2. Discount T-bills	2,934.250	*4.8%*	3,191.341	3,007.889	0.000	183.452	3,117.701	***4.9%***	***0.09%***
1.2.3. Retail securities	11,726.033	*19.4%*	2,372.603	1,492.553	0.000	880.050	12,606.083	***20.0%***	***0.61%***
2. Foreign currency denominated debt	**17,809.666**	*29.4%*	**1,901.795**	**542.617**	**-1,561.164**	**-201.987**	**17,607.680**	***27.9%***	***-1.51%***
2.1. Loans	**3,487.645**	*5.8%*	**325.906**	**7.886**	**-302.959**	**15.061**	**3,502.706**	***5.6%***	***-0.21%***
2.1.1. Foreign	3,487.645	*5.8%*	325.906	7.886	-302.959	15.061	3,502.706	***5.6%***	***-0.21%***
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%*	**1,575.888**	**534.731**	**-1,258.205**	**-217.048**	**14,104.973**	***22.4%***	***-1.30%***
2.2.1. Issued abroad	13,758.891	*22.7%*	1,540.182	514.718	-1,212.474	-187.010	13,571.882	***21.5%***	***-1.22%***
2.2.1.1. Foreign currency bond	13,589.307	*22.4%*	1,540.182	357.517	-1,200.091	-17.426	13,571.882	***21.5%***	***-0.94%***
2.2.1.2. ECP program	169.584	*0.3%*	0.000	157.201	-12.383	-169.584	0.000	***0.0%***	***-0.28%***
2.2.2. Issued in Hungary	563.130	*0.9%*	35.706	20.013	-45.732	-30.039	533.092	***0.8%***	***-0.09%***
Total	**60,385.622**	*99.7%*	**10,998.529**	**6,876.449**	**-1,561.164**	**2,560.916**	**62,946.537**	***99.8%***	***0.02%***
Other debt	154.083	*0.3%*	183.550	177.622	-10.197	-4.269	149.814	***0.2%***	***-0.02%***
Total central government debt	**60,539.705**	***100.0%***	**11,182.079**	**7,054.071**	**-1,571.362**	**2,556.647**	**63,096.351**	***100.0%***	***0.00%***

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The foreign currency debt of the central government decreased by HUF 202.0 billion in 2026 and amounted to HUF 17,607.7 billion at the end of May 2026. The share of foreign currency denominated debt within the total debt decreased from 29.4% to 27.9% in 2026.

On 7 January 2026, 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 amount of foreign currency loan drawdowns increased, while the amount of foreign currency bond repayments reduced the outstanding of foreign currency debt and the appreciation of the exchange rate also contributed to the decline in the share of foreign currency debt.

The forint denominated debt increased by HUF 2,762.9 billion to HUF 45,338.9 billion. The share of HUF-denominated debt reached 71.9% of the total debt, this ratio was 70.3% in December 2025.

The stock of retail securities increased by HUF 880.1 billion since the end of 2025 to HUF 12,606.1 billion at the end of May. The Fixed Hungarian Government Security increased by HUF 1,228.6 billion and amounted to HUF 4,880.5 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 391.7 billion and amounted to HUF 1,539.9 billion. The stock of Bonus Hungarian Government Security decreased in this month by HUF 55.2 billion and amounted to HUF 2,015.3 billion. The portfolio of Premium Hungarian Government Security with a long-term maturity decreased by HUF 745.1 billion, thus amounted to HUF 2,964.7 billion.

The volume of non-resident holdings of Hungarian government securities increased by HUF 871.6 billion to HUF 9,284.0 in May. 99.4% of non-resident holdings was Hungarian Government Bonds, which amounted to HUF 9,226.9 billion. The non-resident holdings of Discount Treasury Bills amounted to HUF 57.1 billion, that represented only 0.6% of total non-resident holdings. The duration of the non-resident stock was 6.5 years at the end of May 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 five months of the year marked-to-market and other deposits decreased by HUF 4.3 billion and reached HUF 149.8 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 2.7 to 2.3. The bid-to-cover ratio of Hungarian Government Bonds auctions increased from 3.8 to 6.5 in May.

The average yield of the last 3-month Discount Treasury Bill auction in May was 5.68%, 30 basis points lower than in the previous month and the 6-month Treasury bill was 5.72%, 22 basis points lower than at the end of April. The average yield of the last 12-month Discount Treasury Bill auction in May was 5.66%, 25 basis points lower than in the previous month.

The average yield of the latest 3-year Hungarian Government Bond auctions in May was 5.43% and 54 basis points lower compared to the auction in April. The average yield of the 5-year Hungarian Government Bond auction in May was 5.42%, 52 basis points lower than in April. The average yield of the 10-year Hungarian Government Bond auction in May was 5.40%, 72 basis points lower than in the previous month. The average yield of the 15-year bond auction was 5.92%, lower by 79 basis points compared to the auction in April.

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