



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

Á | K | K

GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
DECEMBER 2024



The Central Government Debt increased by HUF 4,613.8 billion to HUF 55,479.0 billion in 2024. Total net issuance was HUF 3,580.6 billion; out of which net HUF denominated issuance including repos was HUF 1,813.6 billion and net foreign currency denominated issuance was HUF 1,767.0 billion in 2024.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2023		2024		Change	
	December	%	December	%	HUF billion	%
HUF denominated debt	36,888.0	72.5	38,701.6	69.8	1,813.6	4.9
Loans	868.2	1.7	878.7	1.6	10.4	1.2
Government bonds	24,058.9	47.3	24,106.4	43.5	47.5	0.2
Retail securities	10,077.2	19.8	11,262.9	20.3	1,185.7	11.8
Discount treasury bills	1,883.8	3.7	2,453.7	4.4	569.9	30.3
Foreign exchange denominated debt	13,678.3	26.9	16,557.8	29.8	2,879.5	21.1
Total	50,566.3	99.4	55,259.4	99.6	4,693.1	9.3
Other obligations	298.8	0.6	219.6	0.4	-79.2	-26.5
Total central government debt	50,865.2	100.0	55,479.0	100.0	4,613.8	9.1

Source: ÁKK

The HUF denominated debt of the central government increased by HUF 1,813.6 billion in 2024. The increase in domestic debt was the result of the net government bond issuance of HUF 47.5 billion and the increase of discount Treasury bills by HUF 569.9 billion. The total amount of retail government securities increased by HUF 1,185.7 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 10.4 billion in 2024.

The foreign currency debt of the central government increased by HUF 2,879.5 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. On 5 September 2024, Hungary issued the next series of so-called Samurai bonds denominated in Japanese Yen. In the transaction, the Hungarian sovereign raised a total of JPY 39.6 billion (HUF 99.3 billion) by issuing two series with different maturities. One of the two series is a 3-year maturity conventional bond in the amount of JPY 38.3 billion (HUF 96.0 billion) and the other one is a 10-year maturity green bond in the amount of JPY 1.3 billion (HUF 3.3 billion). 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 609.9 billion and the issuance of domestic foreign currency bonds grew by HUF 115.6 billion. The exchange rate revaluations totalling HUF 1,112.5 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 557.7 billion, the repayments of domestic foreign currency bond by HUF 57.7 billion and the redemption of foreign currency loans by HUF 64.0 billion. The total amount of other liabilities decreased by HUF 79.2 billion in 2024.

BENCHMARK YIELDS

Maturity	29.12.2023	29.11.2024	30.12.2024	Change in December basis point
3-month	6.23	5.69	5.10	-59
6-month	6.26	5.85	5.23	-62
1-year	6.45	5.64	5.24	-40
3-year	6.12	6.07	6.38	31
5-year	5.78	5.81	6.07	26
10-year	5.86	6.34	6.55	21
15-year	6.11	6.58	6.90	32
20-year	6.07	6.64	6.94	30

Source: ÁKK

Monthly OTC turnover of government securities decreased by 6% to HUF 7,756.5 billion in December. Primary dealers, who account for the decisive part of all secondary government securities trading, made 57% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities decreased altogether by HUF 794.7 billion in December and amounted to HUF 4,670.4 billion at the end of December. This volume represented 12.3% of the total amount of domestic government securities.

The EUR/HUF exchange rate according to the National Bank of Hungary was 410.09 on the last working day of December.

The credit rating of the long-term foreign currency debt of Hungary is as follows on the last working day of December: BBB- (Standard & Poor's); Baa2 (Moody's); BBB (Fitch). At the beginning of December credit rating agency Fitch Ratings upgraded the outlook for Hungary's debt rating from negative to stable.

CENTRAL GOVERNMENT GROSS DEBT

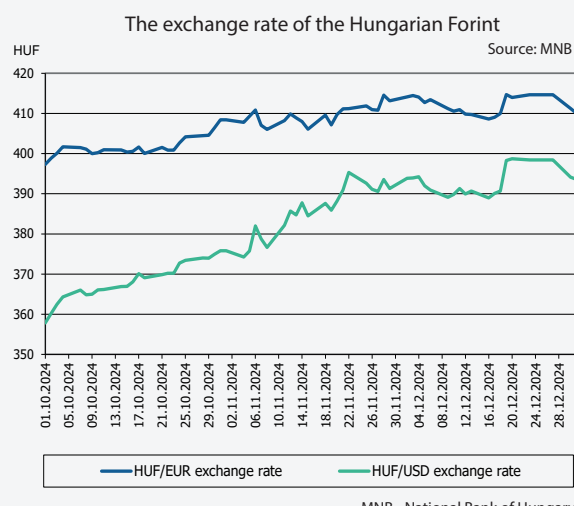
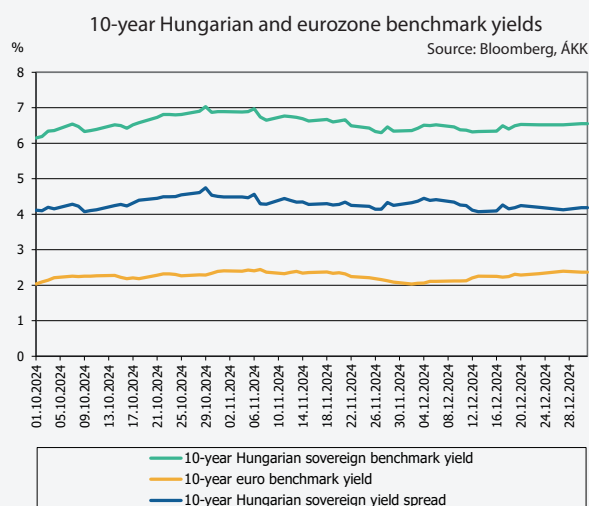
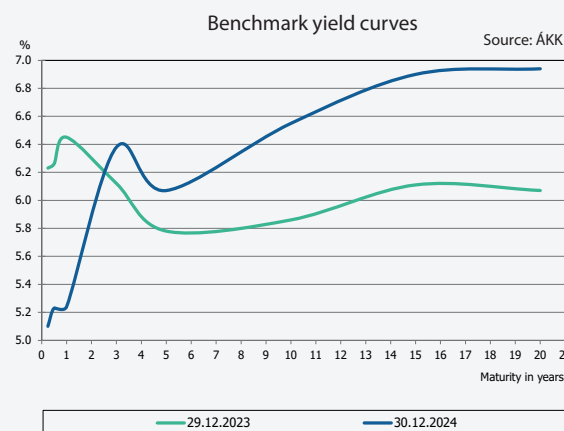
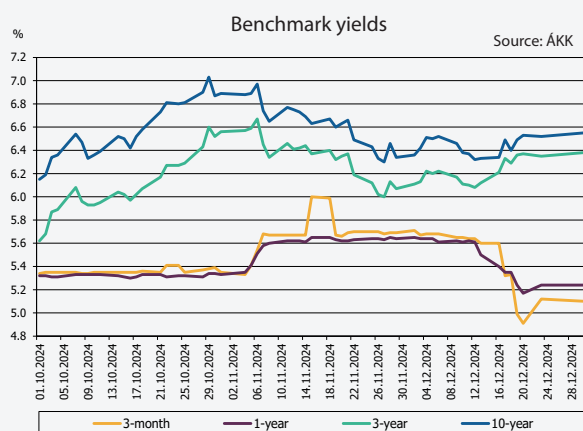
HUF BILLION

	2019	2020	2021	2022	2023	2024 October	2024 November	2024 December
1. Forint denominated debt	24,357.1	29,237.3	32,121.2	33,775.6	36,888.0	38,939.4	39,334.2	38,701.6
1.1. Loans	1,208.1	1,161.6	1,307.7	1,024.2	868.2	886.9	878.7	878.7
1.2. Government securities	23,149.0	28,075.7	30,813.5	32,751.4	36,019.8	38,052.5	38,455.5	37,823.0
1.2.1. Public issues	23,109.8	28,036.5	30,813.5	32,751.4	36,019.8	38,052.5	38,455.5	37,823.0
1.2.1.1. Bonds	13,378.5	18,206.6	20,220.0	22,346.3	24,058.9	24,371.8	24,690.9	24,106.4
1.2.1.2. Discount T-bills	657.3	658.2	583.2	1,785.8	1,883.8	2,443.7	2,492.9	2,453.7
1.2.1.3. Retail securities	9,074.0	9,171.7	10,010.2	8,619.4	10,077.2	11,236.9	11,271.8	11,262.9
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	16,543.6	16,723.9	16,557.8
2.1. Loans	825.4	1,291.1	1,345.2	1,959.1	2,670.0	3,395.2	3,451.2	3,431.5
2.2. Government securities	4,295.8	6,027.1	7,049.9	9,438.2	11,008.3	13,148.4	13,272.7	13,126.3
2.2.1. Issued abroad	3,713.5	5,481.3	6,594.9	9,085.5	10,535.4	12,583.1	12,709.6	12,559.2
2.2.2. Issued domestically	582.3	545.9	455.0	352.8	472.9	565.3	563.2	567.1
Total	29,478.3	36,555.5	40,516.4	45,173.0	50,566.3	55,483.0	56,058.1	55,259.4
Other liabilities	203.70	128.80	180.60	389.40	298.80	90.20	125.30	219.60
Total central government debt	29,682.0	36,684.3	40,697.0	45,562.4	50,865.2	55,573.2	56,183.4	55,479.0
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	26,815.5	27,183.8	26,560.1
Gross debt/GDP	61.9%	75.2%	73.3%	68.9%	67.7%			

* 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	D250319	D250430	D250430	D250430	D250430	D250625	D250625	D250625	D251029	D251223
ISIN code	HU0000525050	HU0000525068	HU0000525068	HU0000525068	HU0000525068	HU0000525092	HU0000525092	HU0000525092	HU0000525118	HU0000525126
Maturity in days	98	133	128	118	112	196	184	168	322	365
Date of auction	03.12.2024	10.12.2024	17.12.2024	23.12.2024	30.12.2024	04.12.2024	18.12.2024	30.12.2024	05.12.2024	19.12.2024
Date of financial settlement	11.12.2024	18.12.2024	23.12.2024	02.01.2025	08.01.2025	11.12.2024	23.12.2024	08.01.2025	11.12.2024	23.12.2024
Redemption date	19.03.2025	30.04.2025	30.04.2025	30.04.2025	30.04.2025	25.06.2025	25.06.2025	25.06.2025	29.10.2025	23.12.2025
Maximum yield (%) - ISMA	5.85	5.78	5.48	5.30	5.25	5.84	5.45	5.23	5.70	5.45
Minimum yield (%) - ISMA	5.70	5.60	5.00	4.80	5.15	5.75	5.21	5.20	5.65	5.25
Average yield (%) - ISMA	5.78	5.73	5.48	5.20	5.25	5.81	5.40	5.23	5.68	5.42
Maximum yield (%) - EHM	5.93	5.86	5.56	5.37	5.32	5.92	5.53	5.30	5.78	5.53
Minimum yield (%) - EHM	5.78	5.68	5.07	4.87	5.22	5.83	5.28	5.27	5.73	5.32
Average yield (%) - EHM	5.86	5.81	5.56	5.28	5.32	5.89	5.48	5.30	5.76	5.49
Average selling price (%)	98.4498	97.9257	98.0889	98.3226	98.3931	96.9352	97.3133	97.6178	95.1648	94.7951
Amount offered for sale (HUF million)	10,000.00	10,000.00	10,000.00	30,000.00	30,000.00	10,000.00	10,000.00	30,000.00	10,000.00	10,000.00
Amount of bids submitted (HUF million)	30,626.94	37,552.53	73,556.23	49,067.50	24,179.00	35,215.28	45,607.78	26,947.67	58,377.05	39,154.15
Amount of bids accepted (HUF million)	14,499.98	10,000.00	10,000.00	32,499.99	21,000.00	16,500.00	9,999.98	21,000.00	9,999.99	9,999.99
Bid-to-cover ratio	2.11	3.76	7.36	1.51	1.15	2.13	4.56	1.28	5.84	3.92
Bids submitted (pcs)	53	52	42	41	16	38	48	11	43	46
Bids accepted (pcs)	48	36	6	24	6	21	30	5	20	15
Market sales (HUF million)	14,499.98	10,000.00	10,000.00	32,499.99	21,000.00	16,500.00	9,999.98	21,000.00	9,999.99	9,999.99
Retained on ÁKK's own account (HUF million)	8,000.02	-	24,000.00	10,000.01	10,000.00	10,000.00	30,500.02	25,000.00	22,000.01	50,000.01
Total amount issued (HUF million)	22,500.00	10,000.00	34,000.00	42,500.00	31,000.00	26,500.00	40,500.00	46,000.00	32,000.00	60,000.00

Source: ÁKK

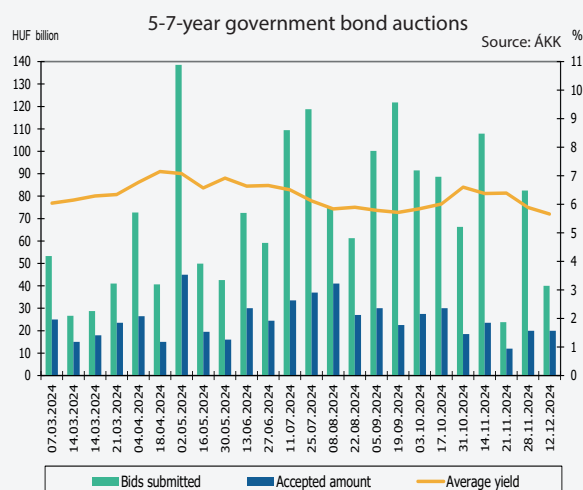
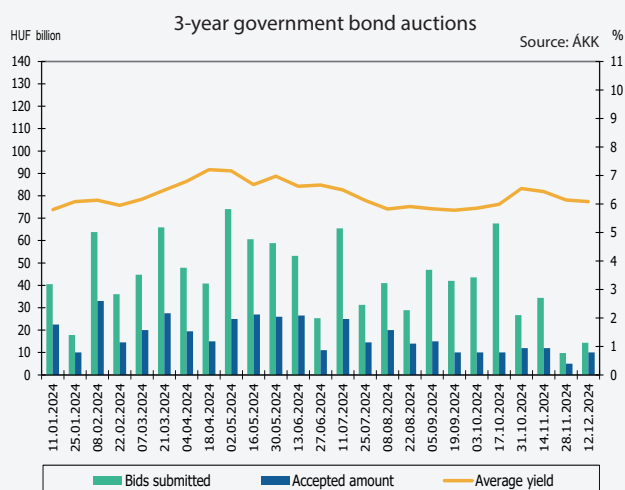


GOVERNMENT BOND AUCTION RESULTS

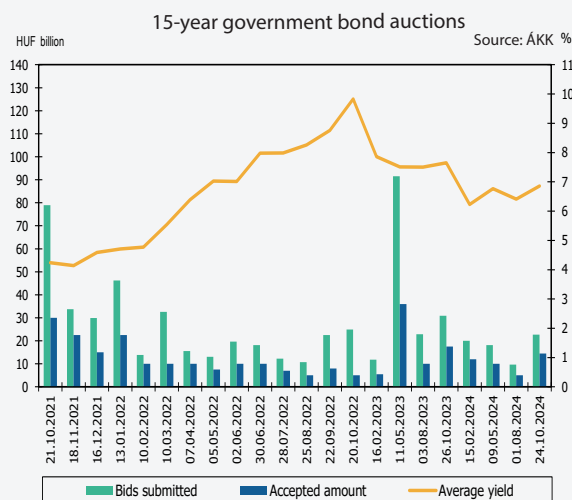
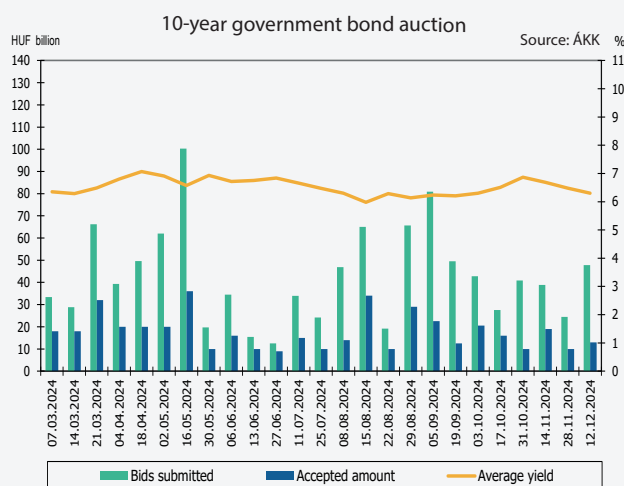
Government Bond	2032/B	2028/B
ISIN code	HU0000406087	HU0000405543
Maturity (in years)	7	3
Coupon	6.50%	4.50%
Auction	30th auction	25th auction
Date of auction	05.12.2024	12.12.2024
Date of financial settlement	11.12.2024	18.12.2024
Redemption date	25.08.2032	23.03.2028
Maximum annual yield (%) - ISMA	-	6.10
Minimum annual yield (%) - ISMA	-	6.05
Average annual yield (%) - ISMA	-	6.08
Maximum annual yield (%) - EHM	-	6.10
Minimum annual yield (%) - EHM	-	6.05
Average annual yield (%) - EHM	-	6.08
Maximum price (%)	101.3000	95.5092
Minimum price (%)	101.0900	95.3694
Average price (%)	101.1400	95.4222
Amount offered for sale (HUF million)	15,000.00	10,000.00
Amount of bids submitted (HUF million)	104,391.50	14,360.00
Amount of bids accepted (HUF million)	50,000.00	9,999.98
Bid-to-cover ratio	2.09	1.44
Bids submitted (pcs)	57	19
Bids accepted (pcs)	28	15
Tail (%) (average price - minimum price)	0.05	0.05
Market sales (HUF million)	50,000.00	9,999.98
Non-competitive offer (HUF million)	12,440.00	0.00
Total amount sales (HUF million)	62,440.00	9,999.98

Government Bond	2029/A	2035/A
ISIN code	HU0000404603	HU0000406624
Maturity (in years)	5	10
Coupon	2.00%	7.00%
Auction	90th auction	34th auction
Date of auction	12.12.2024	12.12.2024
Date of financial settlement	18.12.2024	18.12.2024
Redemption date	23.05.2029	24.10.2035
Maximum annual yield (%) - ISMA	5.69	6.31
Minimum annual yield (%) - ISMA	5.63	6.29
Average annual yield (%) - ISMA	5.66	6.30
Maximum annual yield (%) - EHM	5.68	6.31
Minimum annual yield (%) - EHM	5.62	6.29
Average annual yield (%) - EHM	5.65	6.30
Maximum price (%)	86.1200	105.4379
Minimum price (%)	85.9000	105.2778
Average price (%)	86.0143	105.3297
Amount offered for sale (HUF million)	20,000.00	10,000.00
Amount of bids submitted (HUF million)	40,000.00	47,775.00
Amount of bids accepted (HUF million)	20,000.00	13,000.00
Bid-to-cover ratio	2.00	3.68
Bids submitted (pcs)	32	44
Bids accepted (pcs)	11	14
Tail (%) (average price - minimum price)	0.11	0.05
Market sales (HUF million)	20,000.00	13,000.00
Non-competitive offer (HUF million)	0.00	4,800.00
Total amount sales (HUF million)	20,000.00	17,800.00

Source: ÁKK



The graph shows the yield on fixed-rate bonds.



GOVERNMENT SECURITIES BUY-BACK AUCTION RESULTS

Government bond	2025/B	2025/C
ISIN code	HU0000402748	HU0000404058
Coupon (%)	5.50	1.00
Date of reverse auction	11.12.2024	11.12.2024
Date of financial settlement	18.12.2024	18.12.2024
Redemption date	24.06.2025	26.11.2025
Minimum annual yield (%)	5.62	5.30
Average annual yield- ISMA (%)	5.63	5.31
Average annual yield - EHM (%)	5.56	5.30
Amount of bids submitted (HUF million)	36,318.75	26,980.00
Amount of bids accepted (HUF million)	33,466.13	16,980.00

Source: ÁKK

INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN DECEMBER 2024

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2025/N	18.12.2024	30.12.2024	30.03.2025	31.03.2025	6.68%	1.67%

Source: ÁKK

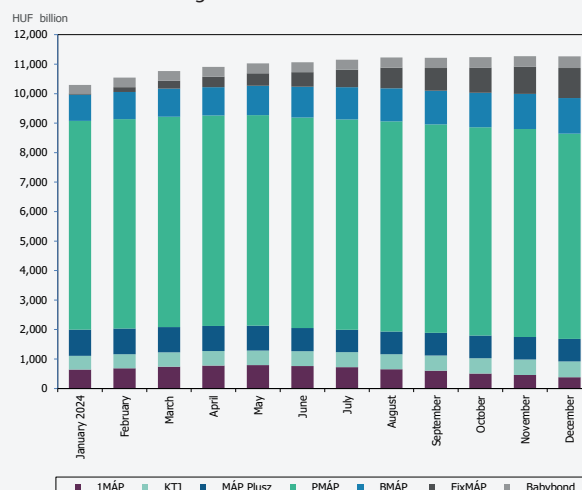
OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2023	31.12.2024	Change
1-year Hungarian Government Security / 1MÁP*	574.0	382.5	-191.6
Treasury Saving Bills / KTJ	453.7	535.7	82.0
Hungarian Government Security Plus / MÁP Plusz	907.3	762.6	-144.7
Premium Hungarian Government Security / PMÁP	6,992.7	6,961.0	-31.7
Bonus Hungarian Government Security / BMÁP	873.2	1,208.9	335.7
Fix Hungarian Government Security / FixMÁP	0.0	1,016.9	1,016.9
Babybond	276.1	395.3	119.2
Total	10,077.1	11,262.9	1,185.7

Source: ÁKK

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

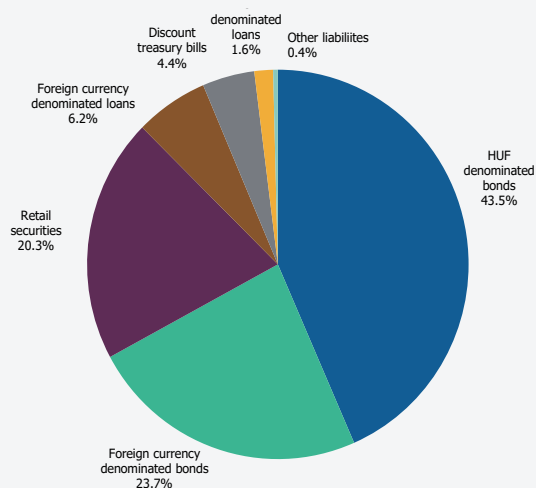
Changes in the stock of retail securities



Source: ÁKK

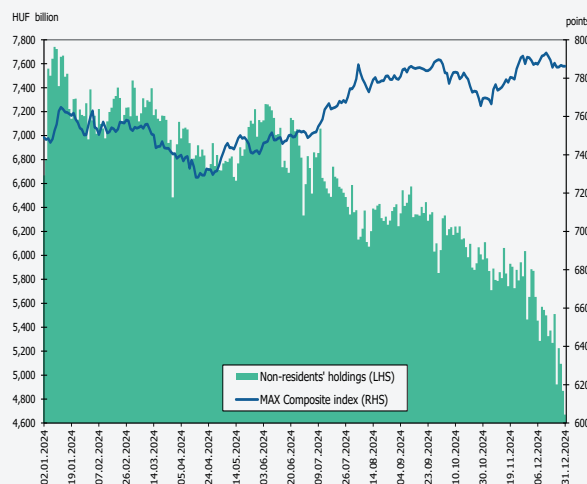
Debt structure at 31.12.2024

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 30.12.2024	819.9284	95.2007	786.1854	704.4594	693.3800
Changes compared to the end of the previous month	-6.6847	-1.3063	-4.7312	3.9648	3.7484
Annual yield earned on the index portfolio (%)	4.67	3.56	4.97	7.25	6.75

Source: ÁKK

Government bonds with the highest secondary market turnover in December 2024

Government bond	Date of redemption	Turnover (HUF billion)
2028/A	22.10.2028	277.5
2029/A	23.05.2029	272.5
2035/A	24.10.2035	251.0
2032/B	25.08.2032	241.9
2025/C	26.11.2025	226.9
2026/H	21.10.2026	224.2
2034/A	22.06.2034	216.6
2032/A	24.11.2032	199.5
2033/A	20.04.2033	194.0
2027/B	22.04.2027	127.9

Source: Primary Dealers, ÁKK

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

Government bond	HUF billion	
	30.11.2024	31.12.2024
2028/B	663.3	678.5
2029/A	1,611.0	1,658.6
2035/A	683.5	711.3
2038/A	1,033.9	626.1
2041/A	657.2	449.9

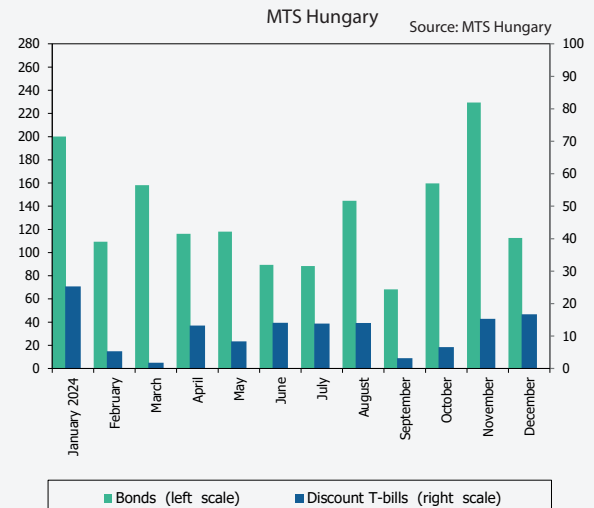
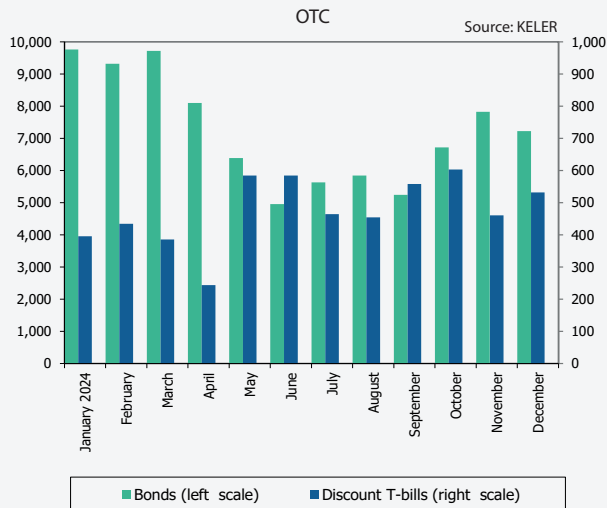
Source: ÁKK

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

Government bond	HUF billion
2028/A	2,010.5
2031/A	1,693.8
2029/A	1,658.6

Source: ÁKK

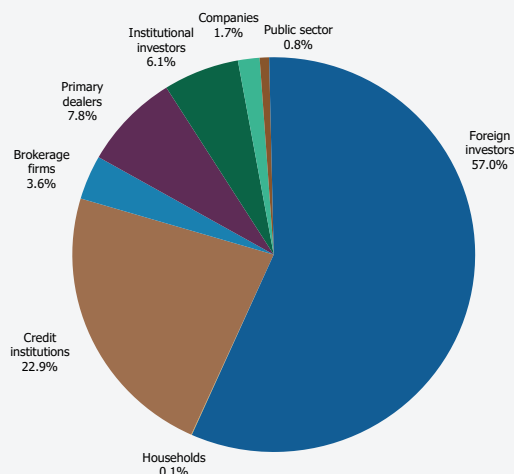
Secondary market trading of Hungarian government securities (HUF billion)



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

Government Bonds

Source: Primary Dealers, ÁKK



Discount Treasury Bills

Source: Primary Dealers, ÁKK

