



GOVERNMENT DEBT MANAGEMENT AGENCY PTE LTD.

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GOVERNMENT SECURITIES MARKET

MONTHLY REPORT
JULY 2024



The Central Government Debt increased by HUF 4,326.3 billion to HUF 55,191.5 billion in 2024. Total net issuance was HUF 3,981.7 billion; out of which net HUF denominated issuance including repos was HUF 2,139.4 billion and net foreign currency denominated issuance was HUF 1,842.3 billion in 2024.

CENTRAL GOVERNMENT DEBT

(HUF billion)	2023		2024		Change	
	December	%	July	%	HUF billion	%
HUF denominated debt	36,888.0	72.5	39,027.4	70.7	2,139.4	5.8
Loans	868.2	1.7	886.9	1.6	18.6	2.1
Government bonds	24,058.9	47.3	24,551.5	44.5	492.6	2.0
Retail securities	10,077.2	19.8	11,150.3	20.2	1,073.2	10.6
Discount treasury bills	1,883.8	3.7	2,438.7	4.4	555.0	29.5
Foreign exchange denominated debt	13,678.3	26.9	16,047.1	29.1	2,368.7	17.3
Total	50,566.3	99.4	55,074.4	99.8	4,508.1	8.9
Other obligations	298.8	0.6	117.1	0.2	-181.8	-60.8
Total central government debt	50,865.2	100.0	55,191.5	100.0	4,326.3	8.5

Source: ÁKK

The HUF denominated debt of the central government increased by HUF 2,139.4 billion in 2024. The increase in domestic debt was the result of the net government bond issuance of HUF 492.6 billion and the increase of discount Treasury bills by HUF 555.0 billion. The total amount of retail government securities increased by HUF 1,073.2 billion. The majority of the demand for retail government securities was the sale of Fix Hungarian Government Securities and Bonus 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 2,368.7 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 528.2 billion and the issuance of domestic foreign currency bonds grew by HUF 57.3 billion. The exchange rate revaluations totalling HUF 526.4 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 16.6 billion. The total amount of other liabilities decreased by HUF 181.8 billion in 2024.

BENCHMARK YIELDS

Maturity	29.12.2023	28.06.2024	31.07.2024	Change in July basis point
3-month	6.23	6.21	5.03	-118
6-month	6.26	6.29	5.88	-41
1-year	6.45	6.17	5.55	-62
3-year	6.12	6.62	5.93	-69
5-year	5.78	6.67	5.94	-73
10-year	5.86	6.81	6.39	-42
15-year	6.11	6.80	6.44	-36
20-year	6.07	6.80	6.46	-34

Source: ÁKK

Monthly OTC turnover of government securities increased by 10% to HUF 6,098.6 billion in July. Primary dealers, who account for the decisive part of all secondary government securities trading, made 64% of their secondary government securities deals with non-resident investors.

The volume of non-residents' holdings of Hungarian government securities increased altogether by HUF 254.2 billion in July and amounted to HUF 6,587.1 billion at the end of July. This volume represented 17.3% of the total amount of domestic government securities. The EUR/HUF exchange rate according to the National Bank of Hungary was 395.70 on the last working day of July.

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

CENTRAL GOVERNMENT GROSS DEBT

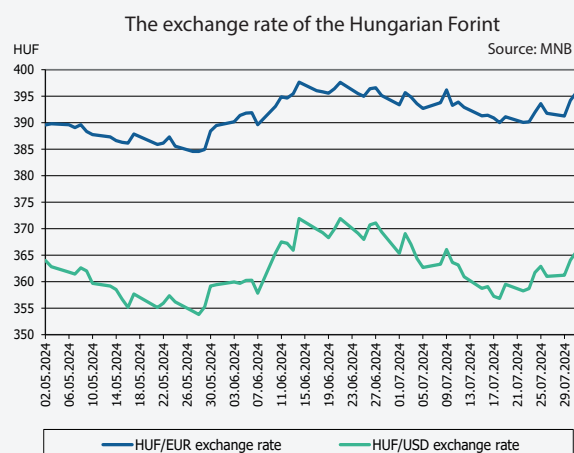
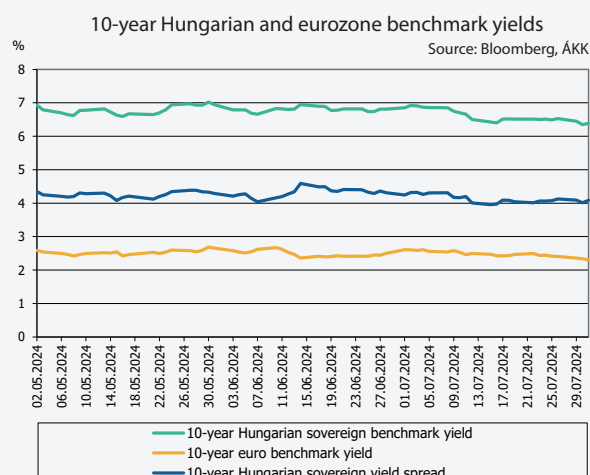
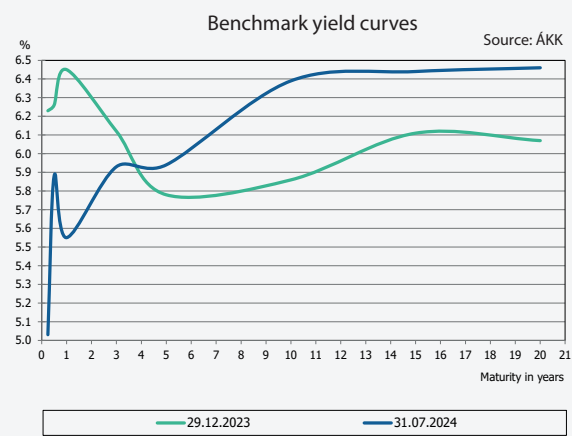
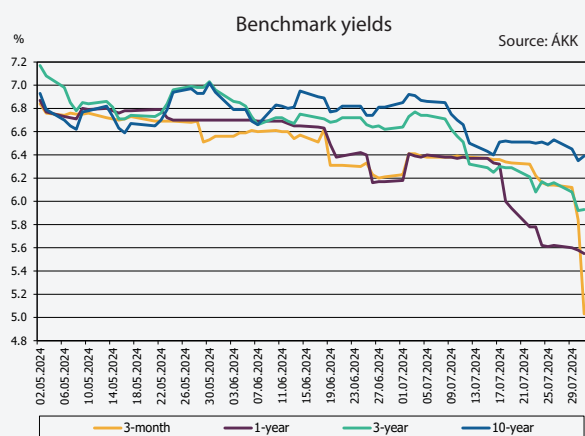
HUF BILLION

	2019	2020	2021	2022	2023	2024 May	2024 June	2024 July
1. Forint denominated debt	24,357.1	29,237.3	32,121.2	33,775.6	36,888.0	38,800.2	38,710.6	39,027.4
1.1. Loans	1,208.1	1,161.6	1,307.7	1,024.2	868.2	876.4	886.9	886.9
1.2. Government securities	23,149.0	28,075.7	30,813.5	32,751.4	36,019.8	37,923.9	37,823.7	38,140.5
1.2.1. Public issues	23,109.8	28,036.5	30,813.5	32,751.4	36,019.8	37,923.9	37,823.7	38,140.5
1.2.1.1. Bonds	13,378.5	18,206.6	20,220.0	22,346.3	24,058.9	24,909.3	24,652.3	24,551.5
1.2.1.2. Discount T-bills	657.3	658.2	583.2	1,785.8	1,883.8	1,988.4	2,104.0	2,438.7
1.2.1.3. Retail securities	9,074.0	9,171.7	10,010.2	8,619.4	10,077.2	11,026.2	11,067.4	11,150.3
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	15,758.1	16,006.6	16,047.1
2.1. Loans	825.4	1,291.1	1,345.2	1,959.1	2,670.0	3,159.4	3,220.7	3,240.5
2.2. Government securities	4,295.8	6,027.1	7,049.9	9,438.2	11,008.3	12,598.7	12,785.9	12,806.6
2.2.1. Issued abroad	3,713.5	5,481.3	6,594.9	9,085.5	10,535.4	12,083.4	12,259.5	12,276.3
2.2.2. Issued domestically	582.3	545.9	455.0	352.8	472.9	515.3	526.4	530.2
Total	29,478.3	36,555.5	40,516.4	45,173.0	50,566.3	54,558.3	54,717.2	55,074.4
Other liabilities	203.70	128.80	180.60	389.40	298.80	74.30	153.60	117.10
Total central government debt	29,682.0	36,684.3	40,697.0	45,562.4	50,865.2	54,632.6	54,870.8	55,191.5
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	26,897.7	26,756.3	26,990.2
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	D241030	D241030	D241030	D241127	D241127	D241223	D250219	D250219	D250625	D250625
ISIN code	HU0000524939	HU0000524939	HU0000524939	HU0000525035	HU0000525035	HU0000525019	HU0000525076	HU0000525076	HU0000525092	HU0000525092
Maturity in days	112	105	98	119	112	166	210	196	350	336
Date of auction	02.07.2024	09.07.2024	16.07.2024	23.07.2024	30.07.2024	03.07.2024	17.07.2024	31.07.2024	04.07.2024	18.07.2024
Date of financial settlement	10.07.2024	17.07.2024	24.07.2024	31.07.2024	07.08.2024	10.07.2024	24.07.2024	07.08.2024	10.07.2024	24.07.2024
Redemption date	30.10.2024	30.10.2024	30.10.2024	27.11.2024	27.11.2024	23.12.2024	19.02.2025	19.02.2025	25.06.2025	25.06.2025
Maximum yield (%) - ISMA	6.49	6.48	6.40	6.10	5.90	6.47	6.34	5.85	6.49	6.25
Minimum yield (%) - ISMA	6.15	6.30	6.25	6.03	5.85	6.15	6.20	5.75	6.30	6.05
Average yield (%) - ISMA	6.40	6.41	6.38	6.07	5.87	6.37	6.28	5.82	6.48	6.15
Maximum yield (%) - EHM	6.58	6.57	6.49	6.18	5.98	6.56	6.43	5.93	6.58	6.34
Minimum yield (%) - EHM	6.24	6.39	6.34	6.11	5.93	6.24	6.29	5.83	6.39	6.13
Average yield (%) - EHM	6.49	6.50	6.47	6.15	5.95	6.46	6.37	5.91	6.57	6.24
Average selling price (%)	98.0468	98.1654	98.2938	98.0342	98.2065	97.1465	96.4640	96.9262	94.0750	94.5679
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	20,000.00
Amount of bids submitted (HUF million)	37,444.68	12,065.28	35,862.72	127,135.00	62,069.05	11,628.87	105,277.12	92,299.36	111,185.02	243,074.72
Amount of bids accepted (HUF million)	19,999.99	7,000.00	18,999.96	49,999.99	22,499.98	5,000.00	29,999.99	36,999.93	54,499.99	74,999.99
Bid-to-cover ratio	1.87	1.72	1.89	2.54	2.76	2.33	3.51	2.49	2.04	3.24
Bids submitted (pcs)	130	55	53	83	74	53	56	67	55	90
Bids accepted (pcs)	98	39	31	17	10	45	13	39	31	29
Market sales (HUF million)	19,999.99	7,000.00	18,999.96	49,999.99	22,499.98	5,000.00	29,999.99	36,999.93	54,499.99	74,999.99
Retained on ÁKK's own account (HUF million)	17,000.01	11,000.00	14,000.04	50,000.01	22,500.02	10,000.00	45,500.01	3,000.07	48,000.01	4,000.01
Total amount issued (HUF million)	37,000.00	18,000.00	33,000.00	100,000.00	45,000.00	15,000.00	75,500.00	40,000.00	102,500.00	79,000.00

Source: ÁKK

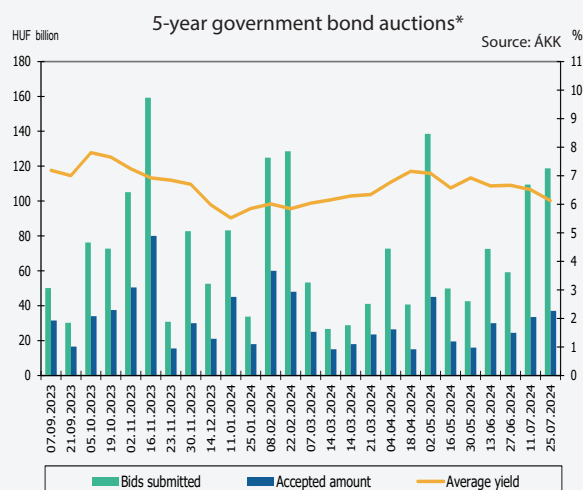
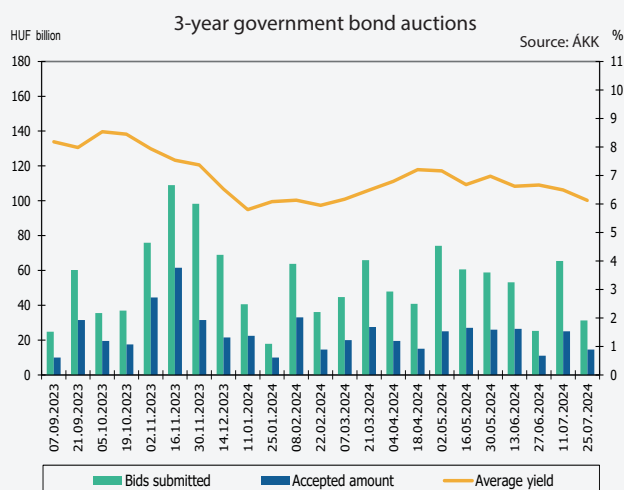


GOVERNMENT BOND AUCTION RESULTS

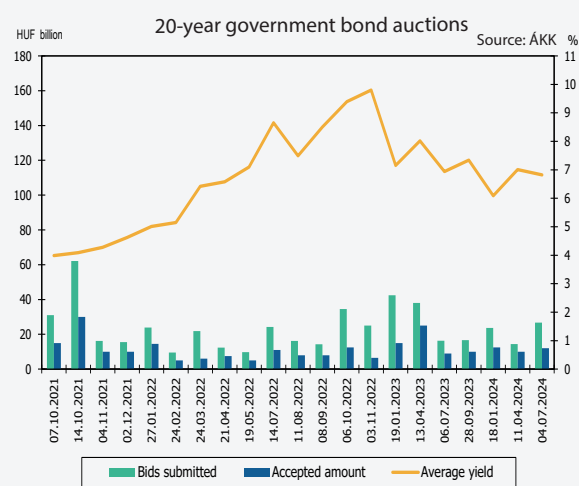
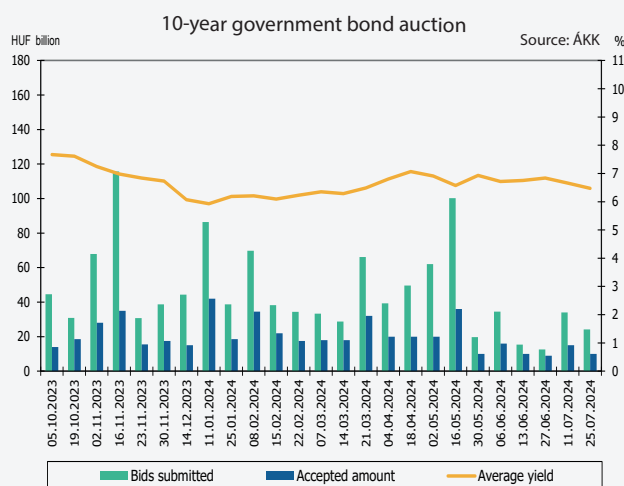
Government Bond	2041/A	2027/A	2029/A	2035/A	2029/B
ISIN code	HU0000404165	HU0000403118	HU0000404603	HU0000406624	HU0000404926
Maturity (in years)	20	3	5	10	5
Coupon	3.00%	3.00%	2.00%	7.00%	7.28%
Auction	48th auction	63rd auction	79th auction	23rd auction	51st auction
Date of auction	04.07.2024	11.07.2024	11.07.2024	11.07.2024	18.07.2024
Date of financial settlement	10.07.2024	17.07.2024	17.07.2024	17.07.2024	24.07.2024
Redemption date	25.04.2041	27.10.2027	23.05.2029	24.10.2035	22.08.2029
Maximum annual yield (%) - ISMA	6.83	6.52	6.52	6.69	-
Minimum annual yield (%) - ISMA	6.81	6.45	6.50	6.64	-
Average annual yield (%) - ISMA	6.82	6.49	6.51	6.66	-
Maximum annual yield (%) - EHM	6.83	6.52	6.52	6.69	-
Minimum annual yield (%) - EHM	6.81	6.45	6.50	6.64	-
Average annual yield (%) - EHM	6.82	6.49	6.51	6.66	-
Maximum price (%)	62.5435	90.0697	81.7768	102.7401	100.1000
Minimum price (%)	62.3989	89.8823	81.7018	102.3454	99.9500
Average price (%)	62.4440	89.9507	81.7277	102.5430	100.0300
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)	26,690.00	65,402.00	109,450.00	33,970.00	28,256.00
Amount of bids accepted (HUF million)	11,999.95	24,999.98	33,500.00	15,000.00	14,999.99
Bid-to-cover ratio	2.22	2.62	3.27	2.26	1.88
Bids submitted (pcs)	46	55	70	57	29
Bids accepted (pcs)	23	21	18	29	13
Tail (%) (average price - minimum price)	0.05	0.07	0.03	0.20	0.08
Market sales (HUF million)	11,999.95	24,999.98	33,500.00	15,000.00	14,999.99
Non-competitive offer (HUF million)	3,338.43	9,599.99	12,920.00	5,600.00	4,919.99
Total amount sales (HUF million)	15,338.38	34,599.97	46,420.00	20,600.00	19,919.98

Government Bond	2032/B	2027/A	2029/A	2035/A
ISIN code	HU0000406087	HU0000403118	HU0000404603	HU0000406624
Maturity (in years)	7	3	5	10
Coupon	7.06%	3.00%	2.00%	7.00%
Auction	25th auction	64th auction	80th auction	24th auction
Date of auction	18.07.2024	25.07.2024	25.07.2024	25.07.2024
Date of financial settlement	24.07.2024	31.07.2024	31.07.2024	31.07.2024
Redemption date	25.08.2032	27.10.2027	23.05.2029	24.10.2035
Maximum annual yield (%) - ISMA	-	6.13	6.14	6.48
Minimum annual yield (%) - ISMA	-	6.10	6.10	6.46
Average annual yield (%) - ISMA	-	6.12	6.12	6.47
Maximum annual yield (%) - EHM	-	6.13	6.14	6.48
Minimum annual yield (%) - EHM	-	6.10	6.10	6.45
Average annual yield (%) - EHM	-	6.12	6.12	6.46
Maximum price (%)	99.5100	91.1112	83.3298	104.1903
Minimum price (%)	99.4500	91.0305	83.1850	104.0134
Average price (%)	99.5000	91.0559	83.2418	104.1050
Amount offered for sale (HUF million)	10,000.00	10,000.00	12,000.00	10,000.00
Amount of bids submitted (HUF million)	23,700.00	31,300.00	118,800.00	24,200.00
Amount of bids accepted (HUF million)	9,999.98	14,499.99	37,000.00	10,000.00
Bid-to-cover ratio	2.37	2.16	3.21	2.42
Bids submitted (pcs)	29	37	63	44
Bids accepted (pcs)	13	16	24	17
Tail (%) (average price - minimum price)	0.05	0.03	0.06	0.09
Market sales (HUF million)	9,999.98	14,499.99	37,000.00	10,000.00
Non-competitive offer (HUF million)	3,666.65	2,085.26	12,800.00	1,620.00
Total amount sales (HUF million)	13,666.63	16,585.25	49,800.00	11,620.00

Source: ÁKK



*The graph shows the yield on fixed-rate bonds.



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	10.07.2024	10.07.2024	24.07.2024	24.07.2024
Date of financial settlement	17.07.2024	17.07.2024	31.07.2024	31.07.2024
Redemption date	24.10.2024	24.06.2025	24.10.2024	24.06.2025
Minimum annual yield (%)	6.42	6.40	6.33	5.86
Average annual yield- ISMA (%)	6.45	6.41	6.36	5.91
Average annual yield - EHM (%)	6.29	6.40	6.19	5.89
Amount of bids submitted (HUF million)	23,602.65	8,045.07	17,500.00	25,970.59
Amount of bids accepted (HUF million)	18,705.35	8,045.07	17,500.00	24,970.59

Source: ÁKK

INTEREST RATE RESETS OF FLOATING RATE GOVERNMENT BONDS IN JULY 2024

Government bond	Date of interest rate reset	Interest period		Date of interest payment	Reset interest rate	Interest payable
2026/I	16.07.2024	20.07.2024	20.07.2025	21.07.2025	18.85%	18.85%
2026/O	16.07.2024	21.07.2024	21.10.2024	21.10.2024	7.39%	1.89%
2027/B	17.07.2024	22.07.2024	22.10.2024	22.10.2024	6.81%	1.74%
2028/L	22.07.2024	26.07.2024	26.07.2025	28.07.2025	17.85%	17.85%
2029/N	22.07.2024	26.07.2024	26.10.2024	28.10.2024	7.89%	2.02%

Source: ÁKK

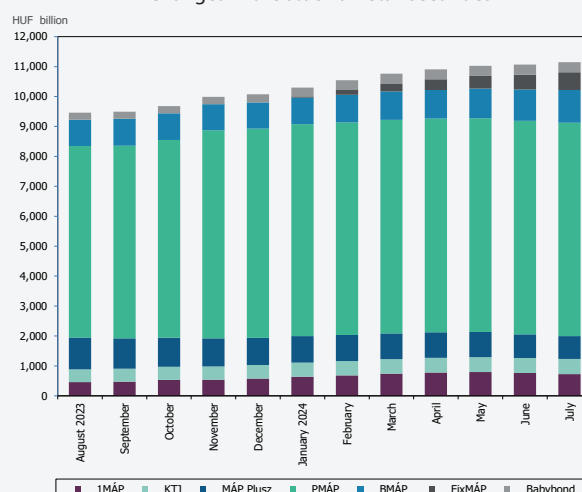
OUTSTANDING AMOUNT OF RETAIL SECURITIES

Retail securities	HUF billion		
	31.12.2023	31.07.2024	Change
1-year Hungarian Government Security / 1MÁP*	574.0	725.8	151.8
Treasury Saving Bills / KTJ	453.7	505.5	51.8
Hungarian Government Security Plus / MÁP Plusz	907.3	761.8	-145.6
Premium Hungarian Government Security / PMÁP	6,992.7	7,133.6	140.9
Bonus Hungarian Government Security / BMÁP	873.2	1,090.4	217.2
Fix Hungarian Government Security / FixMÁP	0.0	592.2	592.2
Babybond	276.1	340.9	64.8
Total	10,077.1	11,150.3	1,073.2

Source: ÁKK

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

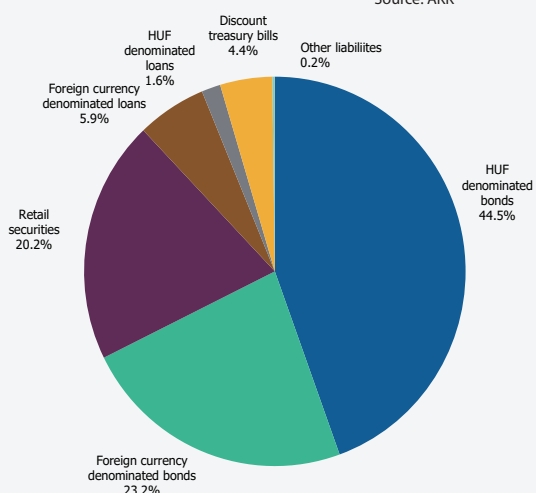
Changes in the stock of retail securities



Source: ÁKK

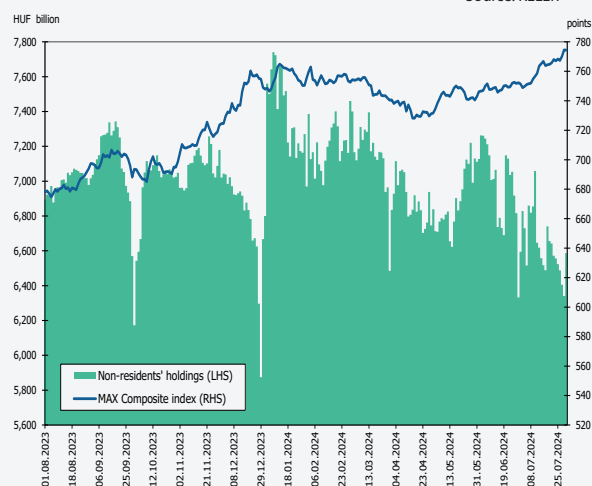
Debt structure at 31.07.2024

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 31.07.2024	809.2963	94.2283	774.3730	686.9842	677.0038
Changes compared to the end of the previous month	25.1083	3.5327	22.0874	6.3601	4.2995
Annual yield earned on the index portfolio (%)	14.23	14.08	13.68	10.42	8.87

Source: ÁKK

Government bonds with the highest secondary market turnover in July 2024

Government bond	Date of redemption	Turnover (HUF billion)
2029/A	23.05.2029	335.0
2032/A	24.11.2032	333.6
2026/H	21.10.2026	320.9
2028/A	22.10.2028	270.9
2027/A	27.10.2027	256.0
2029/B	22.08.2029	171.2
2035/A	24.10.2035	171.0
2030/A	21.08.2030	138.3
2024/C	24.10.2024	137.1
2033/A	20.04.2033	128.0

Source: Primary Dealers, ÁKK

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

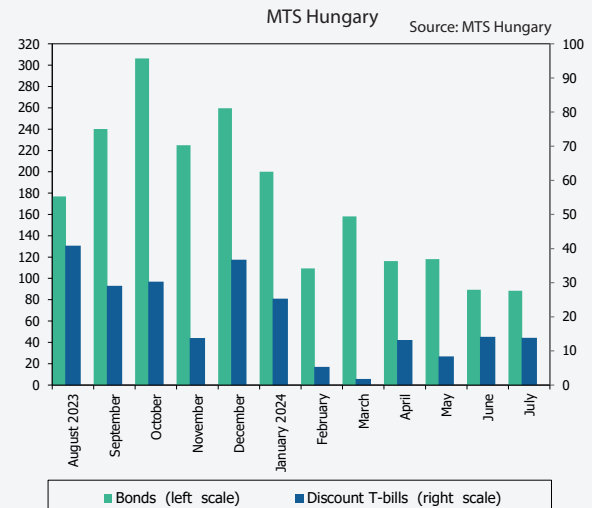
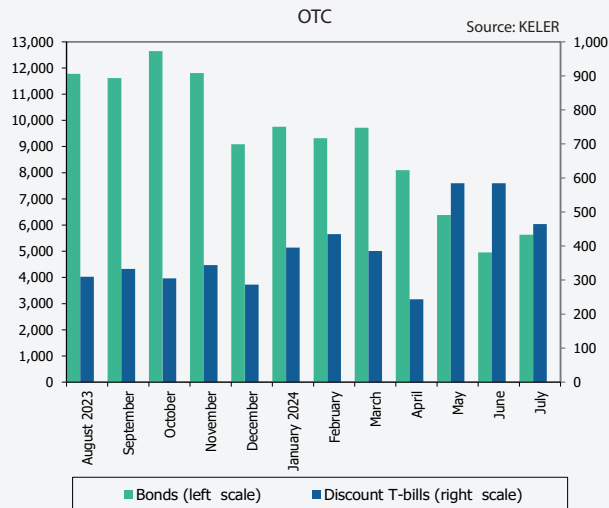
Government bond	HUF billion	
	30.06.2024	31.07.2024
2026/H - 2027/A	1,003.5	1,327.0
2029/A	1,187.6	1,321.3
2035/A	478.3	519.6
2038/A	1,013.2	1,013.2
2041/A	610.4	625.7

Source: ÁKK The outstanding volume of the three largest government bonds at the end of July 2024

Government bond	HUF billion
2028/A	1,960.3
2031/A	1,594.2
2033/A	1,549.0

Source: ÁKK

Secondary market trading of Hungarian government securities (HUF billion)



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

