DEBT MANAGEMENT REPORT

2002

MAGYAR ÁLLAMPAPÍR

ÁLLAMI GARANCIÁVAL

CONTENTS

I. FOREWORD

2002 was a successful year from the point of view of debt management – just like previous years, although much more complex than those. Following eight years' decline, the debt to GDP ratio rose again, and several challenges turned up during the financing of the deficit, significantly complicating the job of the debt manager. These issues were the following:

1. Because of the monetary situation and the level of foreign exchange reserves the Government – in agreement with the central bank – decided to refinance the total foreign exchange debt maturing in 2002 in the domestic government securities market. Thus, an additional borrowing requirement of about HUF 230 billion emerged in the forint government securities market.
2. The modification of the Act on the National Bank of Hungary came into effect, stipulating that the central government had to cover the losses of the central bank due to the appreciation of the exchange rate. Since the forint had strengthened considerably against the euro in 2000 and 2001, a refunding obligation of about HUF 250 billion and thus an additional borrowing requirement emerged in the domestic government securities market.
3. The net borrowing requirement of the central budget increased to nearly double the target – excluding one-off measures. Moreover, the increase in the borrowing requirement emerged only gradually, so that the total amount of the overshooting of the target became known only by the end of the year.
4. Some political events had a more significant influence than usually on the economic developments of the year 2002. These were the Parliamentary elections in Hungary in April 2002, and the referendum in Ireland, since only after the positive outcome of the latter did it become clear that Hungary may join the European Union in 2004.

Despite the combined effect of these factors the budget deficit and debt redemption were financed smoothly, at appropriate yield levels and consistently with the objectives specified in the debt management strategy. Only one important indicator, the debt ratio, developed negatively – it increased by 2.3 percentage points - due to the high budget deficit, debt assumptions at the end of the year and the above mentioned capital transfer to the central bank. At the same time, the basic aims of debt management were reached: the average term to maturity and duration of the forint marketable debt increased and the interest rate costs of the debt declined. In order to support Hungary's accession to the European Union, ÁKK successfully continued the adjustment of the domestic government securities market conventions to those used in the European Union. Converting all retail government securities into registered securities assisted compliance with international agreements against money laundering.

Ferenc Szarvas
Chief Executive Officer

II. MACROECONOMIC DEVELOPMENTS

1. GENERAL

The growth rate of the Hungarian economy in 2002 was high by international comparison. The annual 3.3 percent real GDP growth rate was the result of the slowing down of Hungarian exports due to low demand on the one hand, and an increase in domestic consumption on the other. Overall, quarterly data indicate rising activity; in Q4 growth showed already a 3.7 percent dynamism. Consumption of households increased by about 9 percent, a rate never seen before, and the rise in public investment activity was strong too, mainly in the field of infrastructural developments and highway constructions.

As a consequence of the accelerating domestic consumption the external balance deteriorated, and the annual current account deficit amounted to about 4 percent of the GDP (EUR 2.7 billion) in 2002. The decline in the revenues from tourism had a decisive part in the deterioration of the balance. The current account deficit was financed mainly by foreigners' portfolio investments in Hungary, resulting in a rise of the net foreign debt by EUR 2.15 billion within one year.

The index of the Budapest Stock Exchange, the BUX, fluctuated hectically during the year. The development of stock prices was significantly influenced by events experienced on the leading foreign stock exchanges, however, the BUX performed better over the year than the indices of these.

2. FINANCIAL DEVELOPMENTS

The deficit of the general government amounted to 9.4 percent of GDP in 2002. Of this 3.6 percent was accounted for by one-off items in the form of loan assumptions and buy-outs (described later).
Financing was made more difficult by the decline in households' savings throughout the year alongside the high borrowing requirement. The drop in the financial savings of households was first of all the consequence of the dynamically expanding construction of new homes. The deterioration in the external balance was somewhat decreased by the low financing need of the corporate sector.

The new monetary policy regime – inflation targeting – initiated in 2001 continued throughout 2002. At the beginning of the year the central bank – in accordance with market developments – had reduced its reference interest rate by 125 basis points by mid-February. During the summer, however, the declining trend of interest rates was replaced by tightening monetary conditions. Because of concerns regarding the rise of inflation the Monetary Council raised interest rates by altogether 100 basis points during the summer.

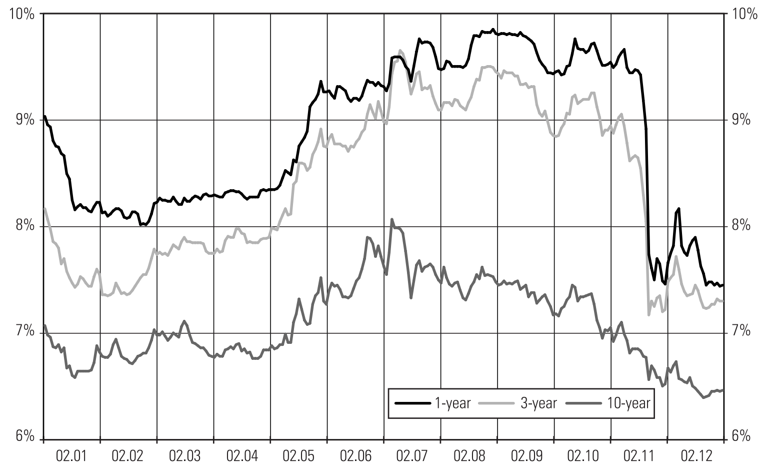
Investors' rather pessimistic mood was changed in the autumn by the referendum in Ireland. The Irish "yes" vote lifted a major obstacle in the way of Hungary's accession to the EU, as a consequence of which Hungarian investments became more attractive to foreigners. The central bank, however, was only partly willing to give way to the pressure to loosen monetary conditions. In order to meet its inflation target it needed to strengthen the exchange rate, therefore it kept interest rates high and decreased them slowly and gradually. In November the central bank lowered its two-week reference interest rate by 50 basis points, and in December by a further 50 basis points.

The exchange rate was stable during most of the year; it fluctuated within a 9-10 percentage range at the strong end of the band. A considerable strengthening of the exchange rate started following the referendum in Ireland in October, and continued until the end of the year.
The rate of inflation was 2 percentage points lower at the end of 2002 than a year before, the decline was significant primarily in the first half of the year. The development of food prices had a positive effect on the rate of inflation, and the postponement of the rise in regulated prices contributed to disinflation too – obviously on a short term basis only.

3. YIELDS

The secondary market yields of government securities decreased considerably early in the year similarly to the previous years.

Selected benchmark yields in 2002

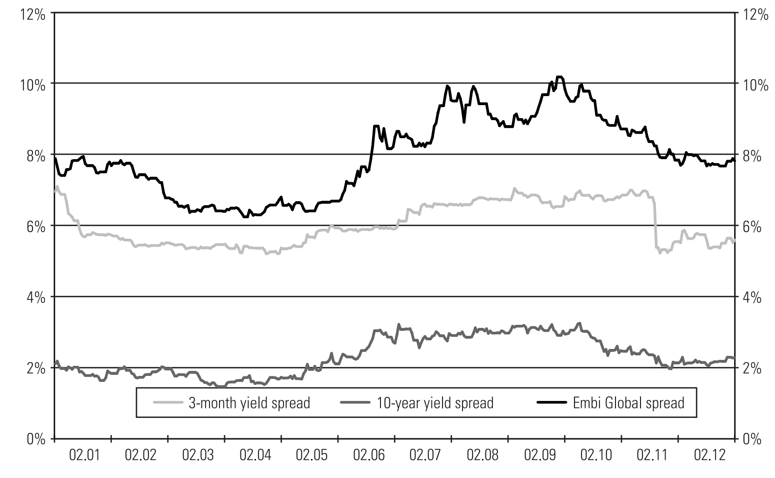


Later on a correction followed, which was the result of domestic macroeconomic developments (inflationary expectations and the deficit) and the tightening measures of the central bank. A further factor in the rise in yields was the decline in the risk bearing appetite of foreign investors concerning the emerging markets.

This depressed mood was interrupted by the Irish referendum when the yield curve plunged by 0.5-2 percentage points within a very short period. It became evident that foreign investors were more interested in the country's convergence to the European Union and subsequently to the EMU than by temporary macroeconomic problems.

Compared to the beginning of the year, yields of within-the-year maturities declined by 1.5-1.8 percentage points, while in the case of longer maturities by 0.3-0.9 percent.

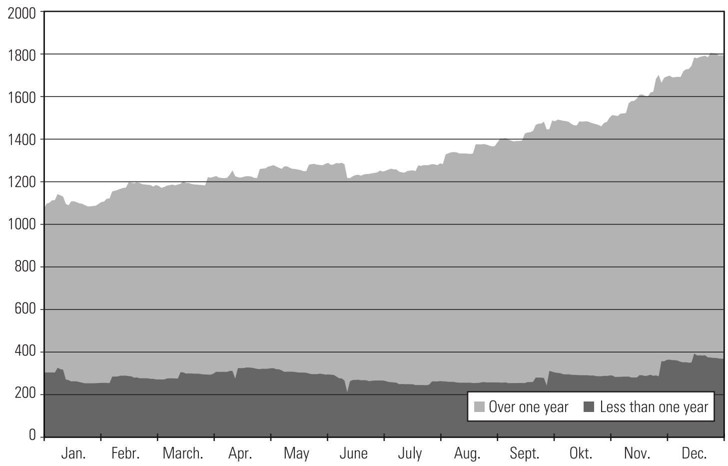
Spread of the 3-month and 10-year benchmark yields over the corresponding euro benchmark yields in 2002



At the beginning and towards the end of 2002 the yield spread of the 10-year Hungarian government bond above the corresponding euro benchmark developed in line with the Maastricht-criterion. The fluctuation of the risk premium on Hungarian investments moved only partly in line with the development of yield spreads in the emerging markets (JP Morgan Embi+ spread). Following the Irish referendum these two premia diverged considerably, indicating an improvement in the evaluation of the Hungarian economy, its separation from those of other emerging economies and the progress of the convergence process.

The most important participants in government funding in 2002 were foreign investors.

Non-resident holdings of forint government securities
by term-to-maturity (2002, in HUF billion)



Out of all government securities purchased by non-resident investors, government bonds had a decisive share. The portfolio of foreign investors increased from HUF 1000 billion at the beginning of the year by about HUF 700 billion, out of which 654 billion were investments with over one year maturity.

The credit rating of Hungary changed twice during 2002[1]. At the end of 2002 Standard and Poor's and Fitch Ratings rated the foreign exchange debt as 'A-', Moody's Investor Service as 'A1'. The rating of the forint debt was the following: Moody's Investor Service - 'A1', Standard and Poor's - 'A' and Fitch Ratings - 'A+'.

1 *On November 12, 2002 Moody's Investor Service adjusted the rating of long-term foreign exchange debt to the rating of domestic debt of countries joining the EU in the first round. Thus, the rating of the long-term foreign exchange debt of Hungary was raised to 'A1'. Standard and Poor's changed the rating of the forint debt to 'A' on November 19.*

III. DEBT MANAGEMENT STRATEGY

According to the debt management strategy approved by the Minister of Finance the *task of the debt management is to finance the borrowing requirement of the central government with minimum costs in the long term, running acceptable risks, and to do this in an integrated way.*
Based on the combined analysis of risks and costs the most important objectives stipulated in the strategy are:

- lengthening the maturity of the forint government debt,
- increasing the liquidity of forint government securities,
- increasing the share of fixed rate government securities,
- cutting back the volume of non-marketable government debt,
- improving the techniques of issuance,
- modernising the markets and the primary dealer system,
- development of products and
- development of sales channels.

According to the principle stipulated in the strategy – provided that there is no special economic policy decision affecting debt management – ÁKK finances the net borrowing requirement of the budget and maturing forint debt by issuing domestic securities, and refinances maturing foreign exchange debt by issuing FX denominated securities.

However, in 2002, on the basis of the Government's resolution – regarding the monetary situation and the level of foreign exchange reserves of the country – ÁKK refinanced the maturing foreign exchange debt by issuing forint denominated debt on the domestic government securities market.

BORROWING REQUIREMENT AND FINANCING

The combined deficit of the central budget, Social Security funds and the extrabudgetary funds was HUF 1569.0 billion in 2002. The net borrowing requirement from the government securities market, however, was only HUF 1057.1 billion[2], because the total amount of HUF 511.9 billion of debt assumptions, buy-outs and capital transfers were both expenditure and financing items of the budget and did not require direct financing from the capital market.

THE BORROWING REQUIREMENT IN 2002

	HUF billion
Deficit of the central government	957.7
Financing requirement of the Social Security Funds	100.9
Financing requirement of the Extrabudgetary Funds	-1.5
Net borrowing requirement	**1057.1**
Funds covering the exchange rate losses of the National Bank of Hungary (NBH)	250.2
Privatisation revenues	0.0
Debt redemptions	3952.2
Gross borrowing requirement	**5259.5**

Beside the net borrowing requirement the capital transfer to the central bank (HUF 250.2 billion) and the amount of debt maturing in the year (HUF 3,952.2 billion) had to be financed, giving the gross borrowing requirement in 2002.

REDEMPTIONS

The foreign exchange debt of the central budget maturing in 2002 was EUR 944 million[3] (HUF 230 billion). Redemptions in forint amounted to HUF 3,722.9 billion in 2002. Out of that loans represented HUF 86.8 billion, government bonds HUF 693.7 billion and Treasury Bills HUF 2,932.4 billion. An additional HUF 10 billion was used to convert a forint loan assumed in 2002 into a foreign exchange loan.

Total debt redemptions included the buy-back of government securities in order to reduce the fluctuation of the borrowing requirement caused by the maturity of large bond series. In 2002 ÁKK bought back government bonds on 13 occasions before their original redemption date, in a total amount of HUF 125 billion. Government bond buy-backs also included a redemption of HUF 10 billion pursuant to the Act No. LVI of 2001 (local authorities).

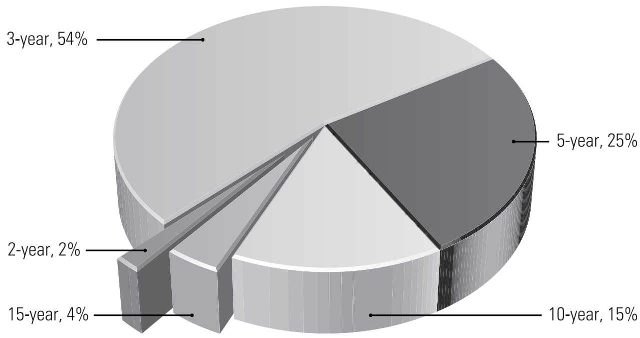
2 *Even so it was more than twice of the projected amount.*
3 *Four loans from the NBH –two in Japanese Yen, one in US dollars and one in German Mark – matured in the course of the year in a total amount of EUR 834 million.*

1. DOMESTIC ISSUES

Gross domestic issuance of government securities amounted to HUF 4,911.5 billion in 2002.

Six series of Hungarian Government Bonds were issued in a total amount of HUF 1,544.5 billion, out of which HUF 1,520.0 billion was sold at auctions, and the rest through the branch network of the Treasury. The breakdown of gross forint bond issues is shown in the chart.

Breakdown of gross forint government bond issuance by maturity in 2002



Pursuant to the debt management strategy an important objective of ÁKK is to issue a small number of government bond series with high volume in order to improve secondary market liquidity. At the end of 2002 the 2007/D five-year benchmark bond had the largest amount outstanding, HUF 375 billion (EUR 1.6 billion). At the four auctions of the longest, 15-year, bond a total amount of over HUF 60 billion was sold in 2002.

The gross issuance of Discount Treasury Bills was HUF 2,838.9 billion, with the 3, 6 and 12-month maturities accounting for 43%, 27% and 29% respectively. The 6 and 12-month Discount Treasury Bills are sold by reopening earlier issues – similar to the issuance technique of bonds.

Households' government securities (Interest Bearing Treasury Bills and Treasury Savings Bills) were sold in an amount of HUF 528.2 billion. Out of that the instruments with 2-year maturity accounted for HUF 37.1 billion.

As of January 2002 Interest Bearing Treasury Bills can be subscribed continuously and are available in the branch network of certain primary dealers This change created more demand for this product as it became more easily available to retail investors.

2. FOREIGN BORROWINGS

As there was no bond issuance in foreign currencies in 2002, the foreign borrowing of the Republic of Hungary was made up only of loans drawn from international financing institutions, namely the EIB, the Central European Bank and the World Bank, in an amount of HUF 65 billion. These project financing loans contributed to the financing of railway construction and environmental investments.

3. LOAN ASSUMPTIONS, BUY-OUTS AND BOND-TRANSFERS

The central government assumed part or the whole of the debt of several companies owned by the state or municipalities, on the basis of the Act on the Final Accounts of the 2000 year budget and the amendment of the 2002 Budget Act. These assumptions increased the foreign exchange debt of the central government by HUF 203 billion and its domestic debt by HUF 221.5 billion.

Beside loan assumptions the central government bought the shares of several corporations owned by the Hungarian Development Bank so as to clear the Bank's profile and handed over government bonds in a total amount of HUF 138.5 billion in exchange for shares and to raise the capital of the bank.

In the framework of the settlement of municipalities' claims connected with gas public utility assets the central government issued a new private bond series in December 2002, which it handed over to the Hungarian Privatization and State Holding Company. The amount of the issue was HUF 10.1 billion.

4. LIQUIDITY MANAGEMENT

In 2002 the gross domestic market borrowing requirement was higher than the domestic government securities issuance during the year. The difference was covered by decreasing the cash reserves of the state, i.e. the funds on the Single Treasury Account, since issues at the end of 2001 already took into consideration the special financing structure of the year 2002 resulting in a higher cash balance at the end of 2001. The use of certain foreign exchange deposits also supported financing, by a further HUF 50 billion.

IV. THE DEBT PORTFOLIO IN 2002

The central government gross debt over GDP ratio increased from 52 % at the end of 2001 to 54.3 % by the end of 2002. At the end of 2002 75 % of the gross debt portfolio was denominated in forint, 25 % in foreign exchange.

DEBT OF THE CENTRAL GOVERNMENT AS AT END OF 2002

	HUF billion
Hungarian Government Bonds	4606.3
Discount Treasury Bills	1435.0
Retail securities	559.8
Forint loans	353.2
Government Bonds issued abroad	878.3
Foreign exchange loans	1394.3
Swaps	-5.2
Matured, but not redeemed government securities	2.6
Total	**9224.2**

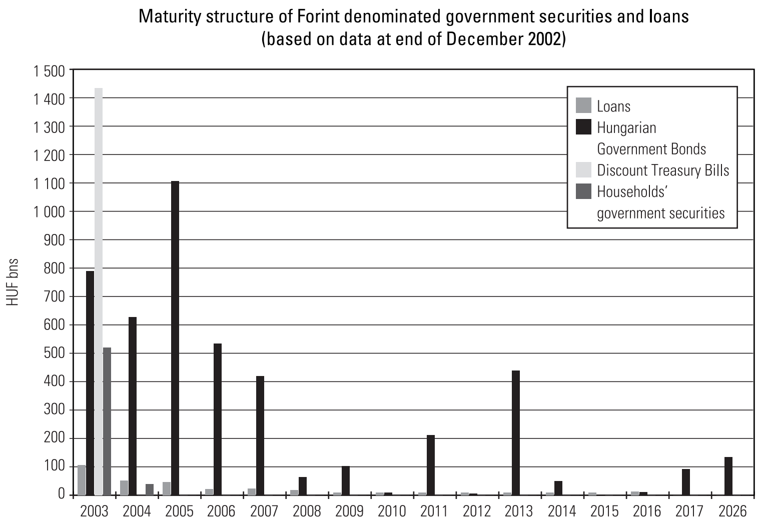
Forint and foreign exchange components of the debt show different features (average residual maturity, duration etc.), which are summarised as follows.

1. THE STRUCTURE OF THE FORINT DEBT PORTFOLIO

As regards the forint debt portfolio the strategy of debt management aims at the further lengthening of the average term to maturity and duration - which is still low by international comparisons - by increasing the role of fixed rate bonds in financing.

(A) AVERAGE RESIDUAL MATURITY AND THE MATURITY PROFILE

The maturity profile of the forint denominated bonds is uneven, large maturities being concentrated in the next few years. The amount of redemption of government bonds will be exceptionally high in the period 2003-2007 (see chart), which increases the refinancing risk. At the end of 2002, 41 percent of the forint market debt was maturing within one year, 10 percent in the second year and 35 percent in the next 3-5 years. The most efficient way to avoid maturity peaks is to increase the share of longer-term maturity government bonds (5, 10 and 15-year fixed rate bonds). Ceasing the issuance of the two-year bond served the same purpose. The average term to maturity of government securities sold in the market increased from 2.85 to 3.38 years by the end of 2002.



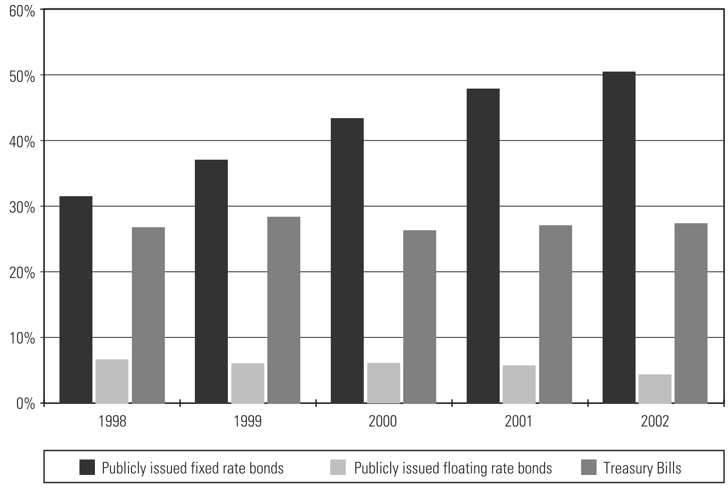
(B) TYPE OF INSTRUMENTS

Even with higher than projected sales of government bonds, their share in the portfolio increased to a minor extent only, owing to the significant increase in the volume of Discount Treasury Bills. The share of households' government securities (Interest Bearing Treasury Bills and Treasury Savings Bills) decreased from 10 to 8 percent. The share of forint loans– showing a declining trend due to continuous redemptions in recent years – increased again due to the loan assumptions at the end of the year.

(C) FIXED – FLOATING RATE STRUCTURE

The interest rate structure of the debt portfolio shifted towards the fixed rate elements, since the share of fixed rate bonds in the forint debt portfolio increased to 54 percent by the end of 2002 from 49 percent at the end of 2001 (see next chart). In 2002 only fixed rate bond series were issued which contributed considerably to this 5 percentage point increase. ÁKK had introduced several floating rate instruments into the market in the previous years (floating rate, inflation-indexed), however, due to lack of demand the sale of these instruments had been ceased.

The share of fixed rate government bonds in the Forint debt portfolio



2. THE STRUCTURE OF THE FOREIGN EXCHANGE DEBT PORTFOLIO

Although the 25 percent share of the foreign exchange debt within the total debt portfolio – about 14 percent of the GDP – might seem high by international comparisons, its weight in the portfolio is continuously declining (it was 41% in 1997)

(A) TYPE OF INSTRUMENTS

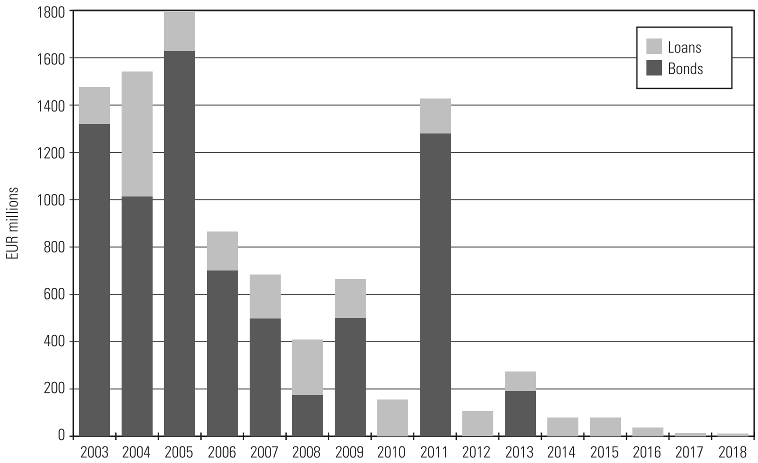
The Republic of Hungary has raised funds directly on the international markets since 1999. The share of bonds is increasing in the foreign exchange debt portfolio (41 percent at the end of 2002). The objective of bond issuance between 1999 and 2001 was to refinance the maturing elements of the foreign exchange loan created by the debt swap between the central government and the National Bank of Hungary in 1997 with the same conditions as some foreign exchange bonds issued by the NBH abroad. This debt consisted of 13 bonds by the end of 2002, amounting to 38 percent of the overall foreign exchange debt.

The amount of foreign exchange loans from international organisations and foreign banks and the loans assumed increased by HUF 226.9 billion last year and represented 21 percent of the foreign exchange debt at the end of 2002. This growth is primarily due to the loan assumptions, while borrowings from the international financing institutions contributed HUF 65 billion. Direct FX loan redemption amounted to HUF 27.1 billion while the gain on the foreign exchange rate in the case of forex loans was HUF 24 billion in 2002.

(B) MATURITY PROFILE

In the international capital markets ÁKK issues only medium and long term government securities which in the long run provides a relatively balanced maturity structure. Annual maturities will amount to EUR 0.9-1.8 billion in the next four years (see chart). The average term to maturity of the foreign exchange portfolio decreased from 4.33 years at the beginning of the year to 4.04 years by the end of the year, and the average duration declined from 2.79 years to 2.41 years due to the refinancing of the redeemed foreign exchange debt in forints. Funding conditions of the Republic of Hungary are continuously improving in the international markets, enabling prepayment and replacement of expensive foreign exchange debt elements by cheaper borrowing. Consequently, the costs of foreign debt service within the budget are continuously declining.

Maturity profile of foreign exchange debt
as at end of December 2002



(C) FOREIGN EXCHANGE AND INTEREST RATE STRUCTURE

Following exchange rate risk hedging operations (cross-currency swaps) implemented in line with the approved strategy and benchmarks, the foreign exchange debt as a whole (99.9%) was denominated in euro in 2002, that is the foreign exchange risk was limited to the change in the exchange rate of the forint against the euro. The widening of the forint exchange rate band to +/- 15% vs. the euro in May 2001 allows more room for the fluctuation of the exchange rate, which means an increase in the level of risk.

Until May 2002 the interest rate benchmark included 80% fixed and 20 % floating rate elements; in the remaining part of the year this ratio changed to 75-25 percent.

The definition of the interest rate benchmark starts with the definition of risks. A possible overshooting of the interest expenditure in the annual budget (Cash-flow-at-Risk) and an increase in the value of the portfolio above a certain level may pose a risk for the budget (Value-at-Risk) although there is a trade-off between these two types of risks. Thus, if the proportion of the fixed rate elements is increasing in the portfolio, the cash-flow based risk will decline while the Value-at-Risk will increase and vice versa.

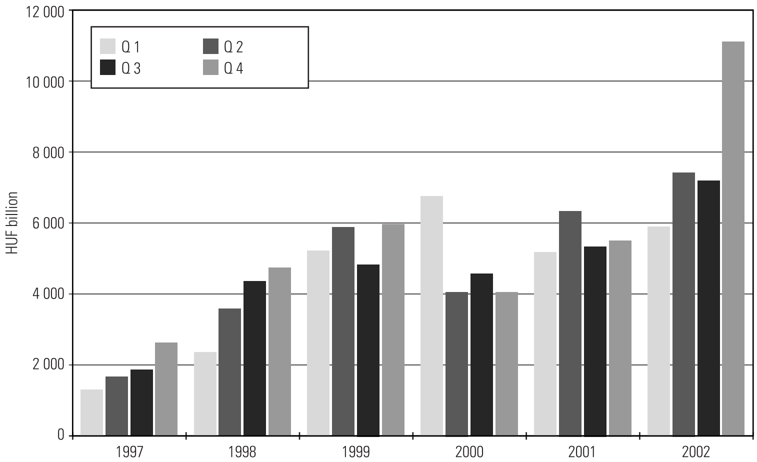
V. THE SECONDARY MARKET AND MARKET CONVENTIONS

(A) THE SECONDARY MARKET

In 2002 government securities turnover in the OTC market was HUF 15,815 billion, HUF 4,821 billion higher than in the previous year. Bonds represented 85 percent of the turnover.

Government securities turnover on the Budapest Stock Exchange was HUF 638 billion (double entry), 80 percent of which was the trading of bonds. In the total turnover of the Budapest Stock Exchange the share of government securities was 13 percent.

OTC and stock exchange (BSE) turnover of government securities



In 2002 the 5-year maturity government bond 2007/D – with the highest outstanding volume – had the most buoyant turnover, reflecting the joint effort of the issuer and dealers to increase liquidity. The number of government securities series that primary dealers quoted prices for decreased from 24 to 22 during the year. At the same time the average volume of individual series increased from HUF 100 billion to HUF 155 billion.
In the Hungarian government securities market primary dealers are among the most important players and are also the market makers as well. As at January 1, 2003 9 credit institutions and 3 investment companies belonged to the group of primary dealers. In 2002 a portfolio of HUF 4,372 billion government securities– 89 percent of the total domestic issuance – was sold to them and about 90 percent of the secondary market transactions were concluded by primary dealers.

On the secondary market most deals (23 percent) of the primary dealers were done with institutional investors. Other primary dealers and credit institutions each had a 20 percent of deals done. The share of foreign investors was 19 percent, reflecting a significant increase as against 14 percent in 2001.

The average size of the transactions concluded by primary dealers (excluding retail activity) amounted to HUF 296 million in 2002, HUF 23 million higher than in 2001. The largest lots were still made with foreign investors, with an average of HUF 528 million.

With the co-operation of the primary dealers several foreign investors were invited into the domestic government securities market. Also the modification of the regulatory environment supported their participation since several investment limits on foreign ownership were removed. Consequently, the government security portfolio owned by foreigners increased by HUF 720 billion to HUF 1795 billion in 2002, of which 1,709 billion (95%) were government bonds. This means that by the end of 2002 30.8 percent of the marketable government securities portfolio was in the ownership of foreigners (equivalent to 47 percent ownership in marketable government bonds). The term to maturity of their government securities portfolio was 3.55 years, about the same as the term to maturity of the fixed rate bond portfolio.

According to the reports of the primary dealers the volume of repo transactions was HUF 3,120 billion in 2002.

(B) GOVERNMENT SECURITIES MARKET CONVENTIONS

In order to conclude the harmonisation of the Hungarian government securities market with standards in the European Union, ÁKK took important steps in 2002 with the aim to develop the market further.

As regards the bond market, on March 1, 2002 ÁKK introduced the yield-price and the accrued interest rate calculation methods for fixed rate Hungarian Government Bonds that fully correspond with the recommendations of the International Security Market Association (ISMA) and the procedures used in the bond markets of the countries of the European Union.

These changes mean that in the yield-price and accrued interest calculation
- possible leap days are taken into consideration and
- the yield-price calculation of bonds with shorter than one-year term to maturity is based on the exponential method.

As regards Discount Treasury Bills, from January 1, 2003, in the calculation of all Discount Treasury Bills - both outstanding and under issuance -
- possible leap days are to be taken into consideration, and
- in line with the usual calculation method in the money market, one year consists of 360 days.

The calculation method of the accrued interest rate of floating rate Hungarian Government Bonds also changed from January 1, 2003. Accordingly, as of the first interest payment day of the bond in 2003 the same method of calculation of accrued interests is used as in the case of Discount Treasury Bills when the bond coupon is based on the Discount Treasury Bill yield, and the same method as in the case of fixed rate Hungarian Government Bonds when the bond is inflation-indexed.

The purpose of ÁKK with the harmonisation is to create an attractive market of Hungarian government securities for domestic and foreign investors, which is competitive in the European Union as well. The decisive role of European investors in the Hungarian government securities market indicates the success of earlier efforts.

VI. MARKET INFORMATION

Providing detailed and widespread information is not only the interest of ÁKK but its legal and contractual obligation as well. The responsibility of the Republic of Hungary - and of ÁKK acting in its name - as an issuer to supply information on securities issuance and trading is stipulated in the laws regulating the capital market, and in the case of issuances in international markets the legal requirements of foreign markets and certain institutions (e.g. stock exchanges) demand this too. Transparency of the primary market is improved by the regular and early publication of ÁKK's issuance program.

AUCTION CALENDAR (FOR A 4-WEEK PERIOD)

The auction calendar in 2002 (see table below) indicates that the central government budget is financed mainly with Hungarian Government Bonds and Discount Treasury Bills.

	Kedd	Szerda	Csütörtök
1st week	3-month Discount T-bill	6-month Discount T-bill	12-month Discount T-bill
2nd week	3-month Discount T-bill		3 and 5-year Government Bonds
3rd week	3-month Discount T-bill	6-month Discount T-bill	12-month Discount T-bill
4th week	3-month Discount T-bill		3 and 10/15-year Government Bonds

ÁKK announces the public offering of government securities in the week prior to the auction or the first day of the subscription period (only for retail securities), and their results following the auction or on the closing day of the subscription on its website and in the official newspaper "Magyar Tőkepiac" ("Hungarian Capital Market"). Additionally, investors can also have access to the latest information on the most recent government securities auctions on the following pages:

ÁKK website	www.allampapir.hu www.akk.hu
Reuters	HUTREASURY
Bloomberg	GDMA
Telerate	47184-47190

ÁKK announces the auction results through the MMTS, Reuters, Bloomberg and Telerate information systems and on its website directly after the closing of the auction, from 12:00h CET. The results include the offering amount, the number and amount of bids submitted and accepted (at nominal value), the total amount issued, and the minimum, maximum and average selling price.

PUBLICATIONS

ÁKK also issues monthly and annual reports and publications (Government Securities Market, Annual Report, Debt Management Outlook etc.). In addition to issuance and secondary market information, the development of the debt portfolio and the major macroeconomic indicators, these reports include the current programme of issuance, which highlights the events of the coming period. In order to give information to the public on the events and measures that may have a major impact on its operations, ÁKK uses other means of communication too, such as press releases, press conferences and interviews.

VI. Market information

ÁKK distributes these publications to anyone interested free of charge, and all can be downloaded from its website. Inquiries about the publications can be directed to:

Ms. Edit Huszti
Phone: (+361) 488-9438
E-mail: husztie@akk.hu

or

Mr. Ádám Mohai
Phone: (+361) 488-9436
E-mail: mohaia@akk.hu

H-1255 Budapest PO. Box 248.
Fax: (+361) 488-9445

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GOVERNMENT DEBT MANAGEMENT AGENCY LTD.

H-1027 Budapest, Csalogány u. 9–11. H-1255 Budapest, P.O.B. 248

Phone: (36-1) 488-9300 Fax: (36-1) 488-9405 E-mail: akk@allampapir.hu www.allampapir.hu