

# Weekly Report on the Hungarian Government Securities Market

20 / 04 / 2015 - 26 / 04 / 2015

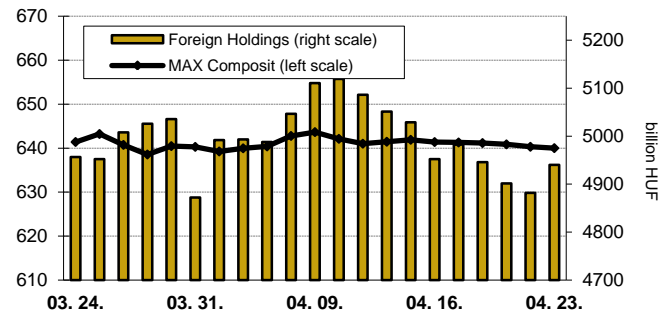
## Summary of Week 17

- On Week 17 the net issuance of HUF Government Securities amounted to HUF -36,2 billion. A net amount of HUF 342,1 billion of HUF Government Securities has been issued in 2015.
- At the auction of 3-month T-bills the bid-to-cover ratio reached a level of 2,03 and the average auction yield diminished by 3 bps to 1,51%. At the auction of 12-month T-bills the bid-to-cover ratio reached a level of 2,50 and the average auction yield diminished by 4 bps to 1,55%. Via the auction of the 5-year floating rate bond securities worth of HUF 8 billion were issued. The coverage ratio reached 1,22, the average price was 98,4. Via this week's switch auction GDMA issued Hungarian Government Bonds series 2022/A in exchange of Hungarian Government Bonds 2017/B worth HUF 8,0 billion and series 2024/B in exchange of Hungarian Government Bonds 2017/A worth HUF 17 billion.
- The reference yield of the 12-month maturity decreased by 2 bps, the yield of the 6-month and 3-year maturity did not change, the yield of the 10-year maturity increased by 1, the yield of the 3-month, 15-year and 5-year maturity grew by 7-9 bps.
- The MAX Composite government securities index decreased by 1,4 points to 640,0 while the amount of HUF Government Securities held by foreign investors diminished by HUF 11,9 billion to HUF 4940,2 billion over the week.

## Next Week Summary

- On Week 18 the net issuance of HUF Government Securities is expected to amount to HUF 28,00 billion.
- The auctions of 3-month T-bills along with 3-year 5-year and the 10-year Government Bonds are taking place over the week. The amounts offered for sale are HUF 50 billion concerning the 3-month T-bills.
- GDMA is holding repurchase auctions of government securities series 2016/C, 2016/D over the week.

## MAX-index and Foreign Holdings in HUF Government Securities



## Issuance of Government Securities (billion HUF)

2015	GROSS ISSUANCE			REDEMPTION			REPURCHASE			NET ISSUANCE			CUMULATED NET ISSUANCE	
	week:	16	17	18	16	17	18	16	17	18	16	17	18	16
Discount T-bills	89,16	49,81	89,22	79,56	89,60	70,33	0,00	0,00	0,00	9,60	-39,79	18,89	69,16	29,37
Government Bonds	51,30	58,45	33,00	0,00	0,00	0,00	33,48	58,11	23,88	17,82	0,34	9,12	213,77	214,11
Interest-bearing T-bill	30,72	29,88	25,13	18,82	26,63	25,13	0,00	0,00	0,00	11,91	3,25	0,00	95,40	98,65
Semi-annual T-bill	1,24	1,19	0,77	1,12	1,28	0,77	0,00	0,00	0,00	0,12	-0,10	0,00	5,25	5,15
<b>TOTAL</b>	<b>171,19</b>	<b>138,13</b>	<b>147,34</b>	<b>98,38</b>	<b>116,23</b>	<b>95,46</b>	<b>33,48</b>	<b>58,11</b>	<b>23,88</b>	<b>39,33</b>	<b>-36,21</b>	<b>28,00</b>	<b>378,34</b>	<b>342,13</b>

## Market Yields of HUF Government Securities

23/04/2015	PRICE QUOTATION OF PRIMARY DEALERS		OTC-AVERAGE*	BENCHMARK YIELDS
	BID	ASK		
3 months	1,64	1,45	1,63	1,55
6 months	1,55	1,36	1,51	1,45
12 months	1,65	1,48	1,57	1,57
3 years	2,17	2,07	2,09	2,13
5 years	2,77	2,62	2,67	2,70
10 years	3,36	3,21	3,21	3,29
15 years	3,60	3,48	3,49	3,55

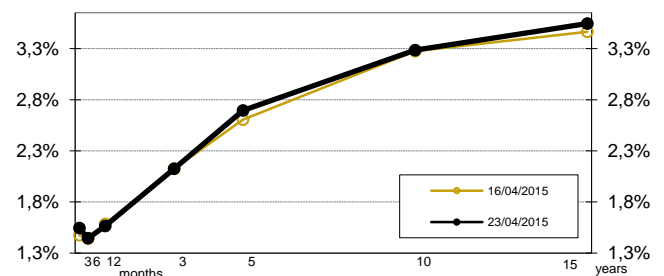
\*OTC average are value day data

## Secondary Market Turnover (billion HUF)

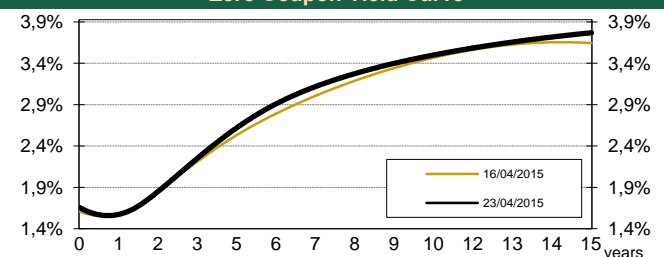
17/04/2015 - 23/04/2015	T-bills		Gov. Bonds		Gov. Securities	
	MTS	OTC*	MTS	OTC*	MTS	OTC*
17/04/2015	0,00	18,3	0,64	132,9	0,64	151,2
20/04/2015	0,00	49,5	0,00	167,2	0,00	216,7
21/04/2015	0,00	82,0	0,00	272,2	0,00	354,2
22/04/2015	0,00	113,7	4,80	642,6	4,80	756,3
23/04/2015	0,00	119,3	0,58	455,7	0,58	575,0
<b>TOTAL</b>	<b>0,00</b>	<b>382,9</b>	<b>6,02</b>	<b>1 670,6</b>	<b>6,02</b>	<b>2 053,5</b>

\*OTC turnover are value day data

## Benchmark Yield Curve



## Zero Coupon Yield Curve



## Latest Auctions of Hungarian Government Securities (billion HUF)

Fix rate Government Securities	AUCTION DATE	MAX. YIELD (%)	AVERAGE YIELD (%)	CHANGE TO PREVIOUS AUCTION (bp)	AMOUNT OFFERED	BIDS	AMOUNT ACCEPTED	BID-TO-COVER	NON COMP. ISSUANC	TOTAL MARKET ISSUANC
Liquidity T-bill	12/01/2015	1,90	1,86	-8	60	238,4	90,0	3,97	0,0	90,0
3-month T-bill	21/04/2015	1,52	1,51	-3	50	101,5	50,0	2,03	0,0	50,0
12-month T-bill	23/04/2015	1,57	1,55	-4	40	100,0	40,0	2,50	0,0	40,0
3-year Gov. Bond	16/04/2015	2,12	2,10	-1	20	38,8	22,5	1,94	7,3	29,8
5-year Gov. Bond	16/04/2015	2,60	2,59	-5	15	32,9	17,0	2,19	0,4	17,4
10-year Gov. Bond	02/04/2015	3,29	3,28	0	15	31,9	18,0	2,13	4,6	22,6
15-year Gov. Bond	16/04/2015	3,60	3,56	-26	10	20,0	10,0	2,00	1,3	11,3
Floating rate Government Bonds	AUCTION DATE	MIN. PRICE (%)	AVERAGE PRICE (%)	CHANGE TO PREVIOUS AUCTION (%)	AMOUNT OFFERED	BIDS	AMOUNT ACCEPTED	BID-TO-COVER	NON COMP. ISSUANC	TOTAL MARKET ISSUANC
3-year Floating Bond	09/04/2015	99,34	99,45	-0,18	10	28,6	12,0	2,86	0,8	12,8
5-year Floating Bond	23/04/2015	98,10	98,36	-0,09	10	12,2	8,0	1,22	0,0	8,0

If you have any suggestions about the report please do not hesitate to contact Mr. Ágoston Reguly via email [reguly.agoston@akk.hu](mailto:reguly.agoston@akk.hu) or phone +36-1-488-9446.