

Weekly Report on the Hungarian Government Securities Market

22. júl. 2013 - 28. júl. 2013

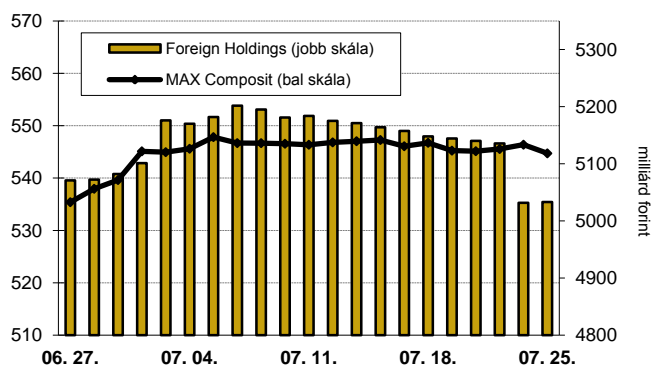
Summary of Week 30

- On Week 30 the net issuance of HUF Government Securities amounted to HUF -123,0 billion. A net amount of HUF 764,0 billion of HUF Government Securities has been issued in 2013.
- At the auction of 3-month T-bills the bid-to-cover ratio reached a level of 2,68 and the average auction yield diminished by 9 bps to 4,02%. At the auction of 3-year bonds the bid-to-cover ratio reached a level of 1,20 and the average auction yield diminished by 3 bps to 4,54%. At the auction of 5-year bonds the bid-to-cover ratio reached a level of 1,24 and the average auction yield grew by 6 bps to 4,97%. At the auction of 10-year bonds the bid-to-cover ratio reached a level of 0,98 and the average auction yield grew by 27 bps to 5,90%. GDMA held repurchase auctions of securities series 2013/E, 2014/C resulting in the buyback of HUF 21,42 and 14,82 billion.
- The reference yield of the 3-month, 6-month and 12-month maturity diminished by 3-13 bps, the yield of the 3-year maturity increased by 1, the yield of the 5-year maturity increased by 17, the yield of the 10-year and 15-year maturity grew by 31-34 bps.
- The MAX Composite government securities index decreased by 2,0 points to 544,7 while the amount of HUF Government Securities held by foreign investors diminished by HUF 115,0 billion to HUF 5033,1 billion over the week.

Next Week Summary

- On Week 31 the net issuance of HUF Government Securities is expected to amount to HUF 14,34 billion.
- The auctions of 3-month T-bills and 12-month T-bills along with series 2019/B floating rate Government Bonds are taking place over the week. The amounts offered for sale are HUF 50 billion concerning the 3-month T-bills.

MAX-index and Foreign Holdings in HUF Government Securities



Issuance of Government Securities (billion HUF)

2013	GROSS ISSUANCE			REDEMPTION			REPURCHASE			NET ISSUANCE			CUMULATED NET ISSUANCE	
	week:	29	30	31	29	30	31	29	30	31	29	30	31	29
Discount T-bills	54,43	121,73	59,40	49,46	255,08	50,82	0,00	0,00	0,00	4,96	-133,35	8,58	251,96	118,61
Government Bonds	52,43	14,10	42,00	0,00	0,00	0,00	19,79	15,23	36,24	32,65	-1,13	5,76	349,97	348,85
Interest-bearing T-bill	27,85	25,32	9,40	11,83	13,81	9,40	0,00	0,00	0,00	16,03	11,51	0,00	285,04	296,55
Semi-annual T-bill	0,88	0,71	0,68	0,48	0,25	0,68	0,00	0,00	0,00	0,40	0,46	0,00	4,19	4,65
TOTAL	134,71	161,15	110,79	61,29	268,89	60,21	19,79	15,23	36,24	53,64	-122,97	14,34	886,97	764,00

Market Yields of HUF Government Securities

2013.07.25	PRICE QUOTATION OF PRIMARY DEALERS		OTC-AVERAGE*	BENCHMARK YIELDS
	BID	ASK		
3 months	4,05	3,80	3,93	3,93
6 months	4,05	3,83	3,77	3,94
12 months	4,15	3,95	4,04	4,05
3 years	4,70	4,51	4,59	4,61
5 years	5,18	4,97	4,96	5,08
10 years	6,10	5,90	5,72	6,01
15 years	6,65	6,45	6,27	6,56

*OTC average are value day data

Secondary Market Turnover (billion HUF)

2013. 07. 19 - 2013. 07. 25.	T-bills		Gov. Bonds		Gov. Securities	
	MTS	OTC*	MTS	OTC*	MTS	OTC*
2013.07.19	0,00	13,3	3,73	161,5	3,73	174,8
2013.07.22	0,00	16,0	0,00	166,3	0,00	182,3
2013.07.23	0,00	8,9	0,62	83,9	0,62	92,8
2013.07.24	0,48	199,4	0,00	110,5	0,48	309,8
2013.07.25	0,00	15,6	4,30	125,7	4,30	141,3
TOTAL	0,48	253,2	8,66	647,9	9,14	901,1

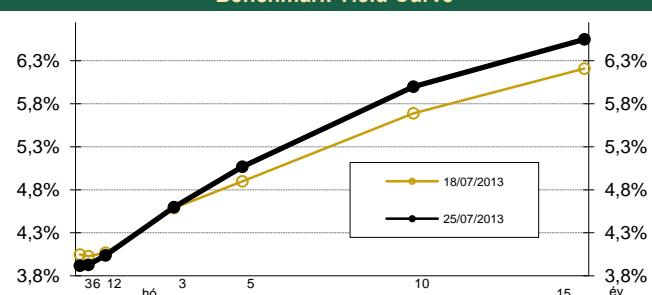
*OTC turnover are value day data

Latest Auctions of Hungarian Government Securities (billion HUF)

2013.07.26	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	2013.02.04	5,52	5,50	-16	50	55,7	40,0	1,11	0,0	40,0
3-month T-bill	2013.07.23	4,05	4,02	-9	50	134,0	60,0	2,68	0,0	60,0
12-month T-bill	2013.07.18	4,10	4,08	-20	50	171,4	75,0	3,43	0,0	75,0
3-year Gov. Bond	2013.07.25	4,58	4,54	-3	20	24,1	20,0	1,20	0,0	20,0
5-year Gov. Bond	2013.07.25	5,00	4,97	6	15	18,6	15,0	1,24	0,0	15,0
10-year Gov. Bond	2013.07.25	5,92	5,90	27	10	9,8	7,0	0,98	0,0	7,0
15-year Gov. Bond	2013.04.18	5,68	5,66	-64	8	21,2	10,0	2,64	0,9	10,9

If you have any suggestions about the report please do not hesitate to contact Mr. Andras Kadar via email kadara@akk.hu or phone +36-1-488-9404.

Benchmark Yield Curve



Zero Coupon Yield Curve

