

Weekly Report on the Hungarian Government Securities Market

01. 03. 2010 - 07. 03. 2010

Week 10

On Week 10 the net issuance of HUF Government Securities amounted to HUF 37,14 billion. A net amount of HUF 241,01 billion of HUF Government Securities has been issued in 2010.

Next Week Summary

On Week 11 the net issuance of HUF Government Securities is expected to amount to HUF -131,70 billion. The auctions of 3-month T-bills along with 3-year 5-year and 10-year Government Bonds are taking place over the week. The amounts offered for sale are HUF 30 billion concerning the 3-month T-bills and HUF 25 billion 15 billion and 10 billion respectively concerning the Government Bonds.

Issuance of Government Securities (billion HUF)

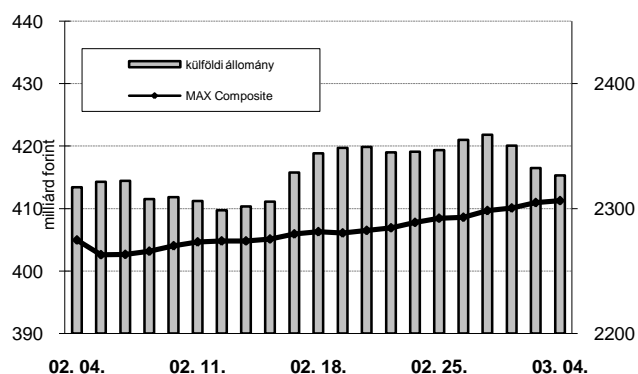
2010 <i>week:</i>	GROSS ISSUANCE			REDEMPTION			REPURCHASE			NET ISSUANCE			CUMULATED NET ISSUANCE	
	9	10	11	9	10	11	9	10	11	9	10	11	9	10
Discount T-bills	67,55	29,58	67,70	44,31	39,41	193,28	0,00	0,00	0,00	23,25	-9,82	-125,58	40,17	30,35
Government Bonds	20,00	58,26	20,00	0,00	0,00	0,00	20,00	10,81	20,00	0,00	47,45	0,00	181,49	228,93
Interest-bearing T-bill	0,87	2,68	1,53	4,88	1,32	6,47	0,00	0,00	0,00	-4,01	1,36	-4,93	-8,15	-6,79
Treasury Saving Bill*	3,94	5,40	3,87	5,03	7,24	5,05	0,00	0,00	0,00	-1,09	-1,85	-1,18	-10,25	-11,48
TOTAL	92,37	95,92	93,10	54,21	47,97	204,80	20,00	10,81	20,00	18,15	37,14	-131,70	203,26	241,01

*concerning the Treasury Saving Bill, data are approximations for the current week as well

Summary of Week 10

The reference yield of the 5-year maturity decreased by 24 bps, the yield of the 3-year, 15-year, 10-year and 6-month maturity diminished by 10-15 bps, the yield of the 12-month and 3-month maturity diminished by 5-6 bps. The MAX Composite government securities index increased by 2,8 points to 411,3 while the amount of HUF Government Securities held by foreign investors diminished by HUF 20,2 billion to HUF 2326,7 billion over the week. At the auction of 3-month T-bills the bid-to-cover ratio reached a level of 4,69 and the average auction yield diminished by 8 bps to 5,49%. At the auction of 12-month T-bills the bid-to-cover ratio reached a level of 2,04 and the average auction yield diminished by 16 bps to 5,56%. Via this week's switch auction GDMA issued Hungarian Government Bonds series 2014/C in exchange of Hungarian Government Bonds 2012/B and 2012/C worth HUF 10-10 billion.

MAX-index and Foreign Holdings in HUF Government Securities

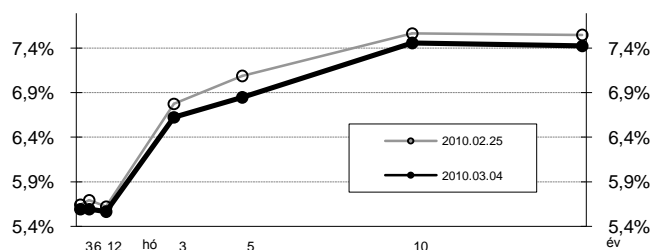


Market Yields of HUF Government Securities

2010.03.04	PRICE QUOTATION of PRIMARY DEALERS		OTC-AVERAGE*	BENCH-MARK YIELDS
	BID	ASK		
3 months	5,80	5,30	5,80	5,55
6 months	5,80	5,30	5,44	5,55
12 months	5,70	5,30	5,47	5,52
3 years	6,70	6,40	7,01	6,58
5 years	6,90	6,60	6,82	6,80
10 years	7,50	7,30	7,43	7,41
15 years	7,55	7,20	7,43	7,38

*OTC average are value day data

Benchmark Yield Curve



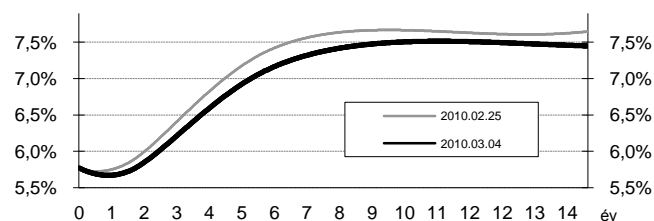
Secondary Market Turnover (billion HUF)

2010. 02. 26 - 2010. 03. 04.	T-bills		Gov. Bonds		Gov. Securities	
	BSE*	OTC**	BSE	OTC	BSE	OTC
2010.02.26	0,00	54,7	0,00	180,4	0,00	235,2
2010.03.01	0,00	55,6	0,20	248,7	0,20	304,3
2010.03.02	0,00	69,1	0,00	165,1	0,00	234,2
2010.03.03	0,00	33,0	0,00	309,6	0,00	342,6
2010.03.04	0,00	125,1	0,06	242,6	0,06	367,7
TOTAL	0,00	337,4	0,26	1 146,5	0,26	1 484,0

*Budapest Stock Exchange

**OTC turnover are value day data

Zero Coupon Yield Curve



Latest Auctions of Hungarian Government Securities (billion HUF)

2010.03.05	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	2009.11.30	6,52	6,48	12	40	75,0	40,0	1,87	0,0	40,0
3-month T-bill	2010.03.02	5,51	5,49	-8	30	140,7	30,0	4,69	0,0	30,0
12-month T-bill	2010.03.04	5,59	5,56	-16	40	81,5	40,0	2,04	0,0	40,0
3-year Gov. Bond	2010.02.25	6,71	6,69	-30	25	67,4	25,0	2,70	6,1	31,1
5-year Gov. Bond	2010.02.25	6,99	6,97	-45	15	39,7	15,0	2,64	2,1	17,1
10-year Gov. Bond	2010.02.25	7,48	7,46	-36	10	31,7	10,0	3,17	0,1	10,1
15-year Gov. Bond	2009.08.13	8,16	8,14	55	7	13,9	7,0	1,98	0,0	7,0