

Refinancing Transactions 2019 - 2021

External Debt Issuance

HACIENDA

SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO



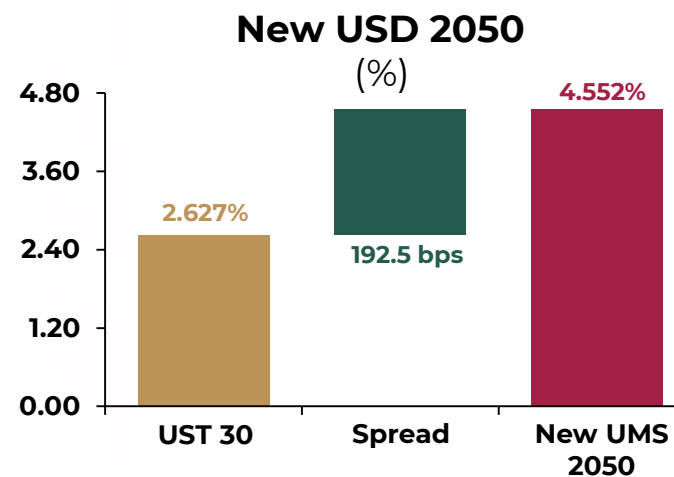
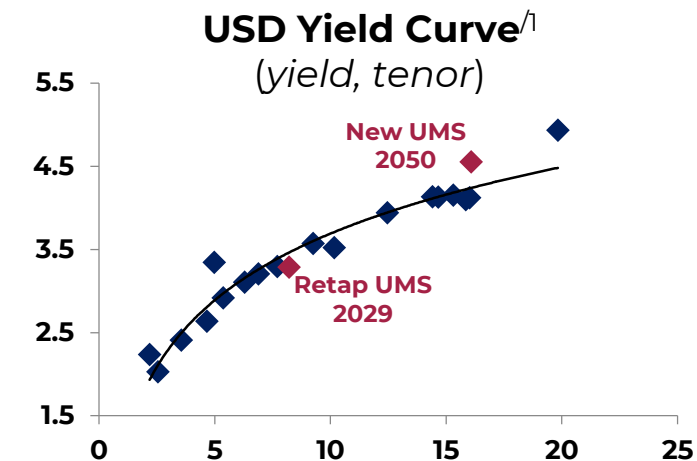
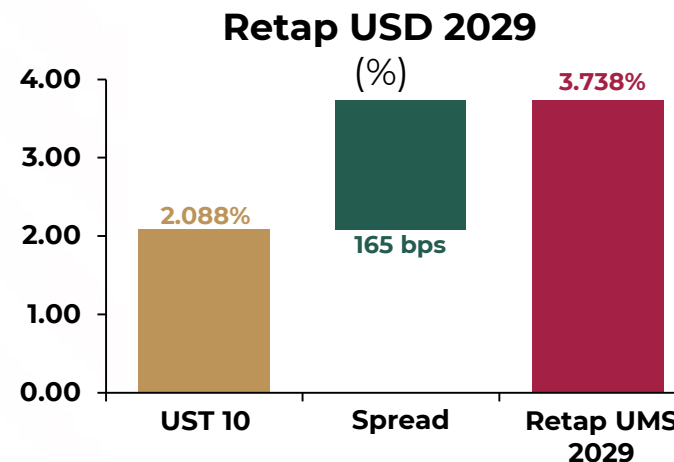
July 2019 - US dollar market (1/2)

In June 2019, the Federal Government detected that in the next four years it would be facing significantly elevated amounts of debt amortizations in external markets, representing a potentially high refinancing risk. Therefore, in July 2019 a comprehensive refinancing program began with a new issuance accompanied by a liability management exercise. On the one hand, the new issuance consisted of the following:



Final Terms

United Mexican States		
Credit Rating	A3/BBB+/BBB (Moody's/S&P/Fitch)	
Currency	USD	
Bond	Retap USD 2029	New USD 2050
Tenor	10 years	30 years
Maturity	April 22, 2029	January 31, 2050
Amount (million)	1,456	2,104
IPT	+185 bps area	+220 bps area
Benchmark	2.088%	2.627%
Spread over benchmark	+165 bps	+192.5 bps
Yield	3.738%	4.552%
Coupon	4.500%	4.500%
Price	106.162%	99.147%



4.500%²

Fourth minimum coupon ever for a bond in US dollars at a tenor of 30 years

2.6x

Maximum demand of 9,500 million US dollars

¹For simplicity, it does not include the USD Century bond (UMS 2110).

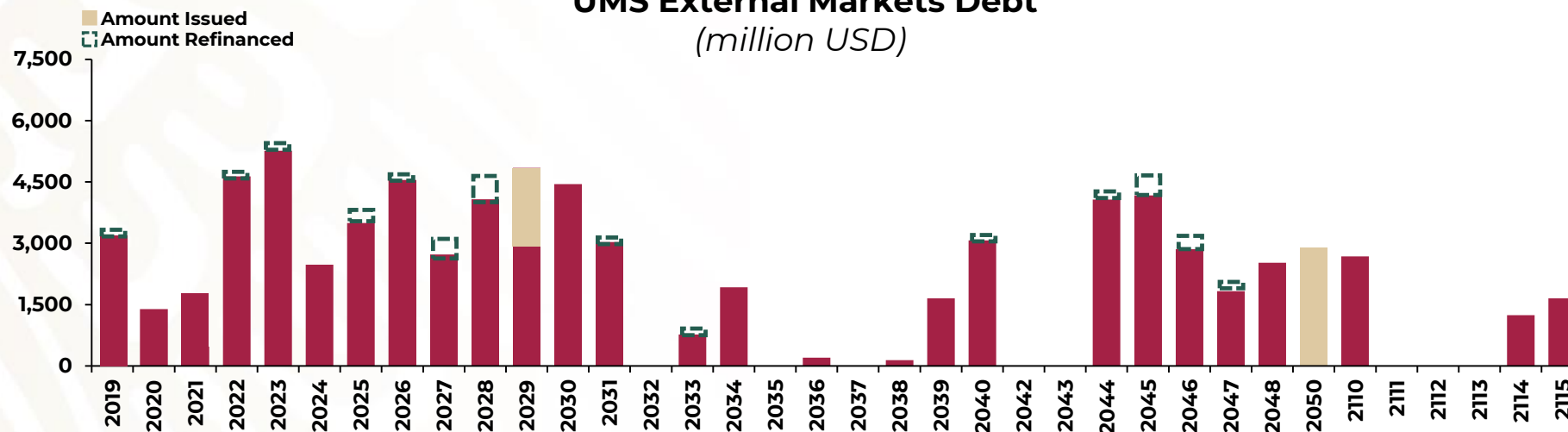
²New USD 2050 coupon.

On the other hand, the liability management exercise consisted of the following:

Issuance of July 23, 2019 (million USD)		Liability Management Component (million USD)	
Retap USD 2029 Coupon: 4.500%	1,456	Make-whole USD 2021 Coupon: 3.500%	-933
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New USD 2050 Coupon: 4.500%	2,104	Cash-Tender Offer ¹	-227
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Switch-Tender Offer ²			-2,400
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Total Issued	3,560	Total Refinanced	-3,560

Debt Neutral

UMS External Markets Debt
(million USD)



¹Investors were offered the option to exchange their bonds for cash.

²Investors were offered the option to exchange their bonds for the retap USD 2029 or for the new USD 2050.

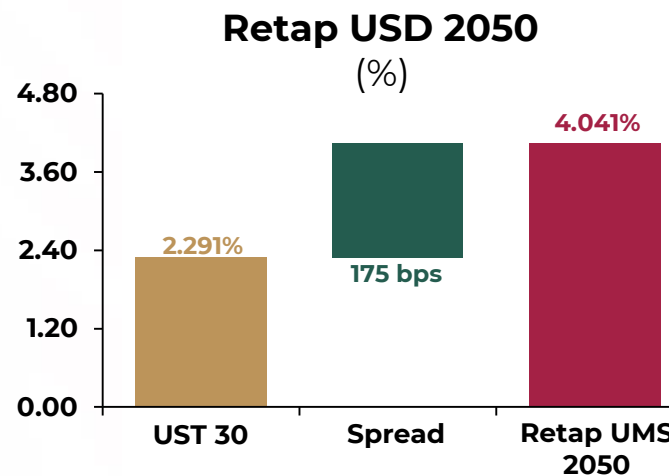
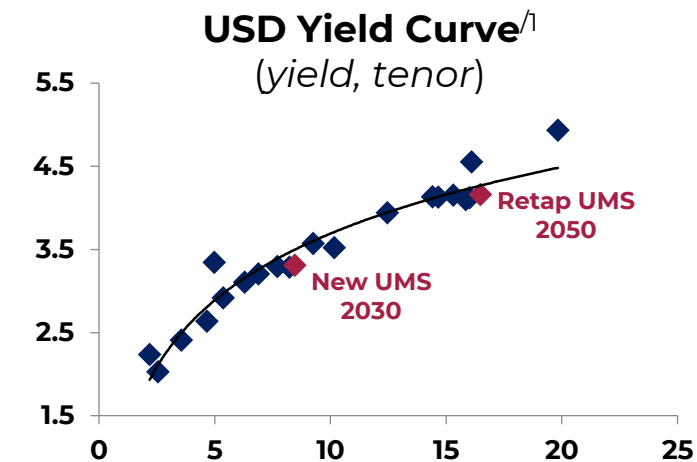
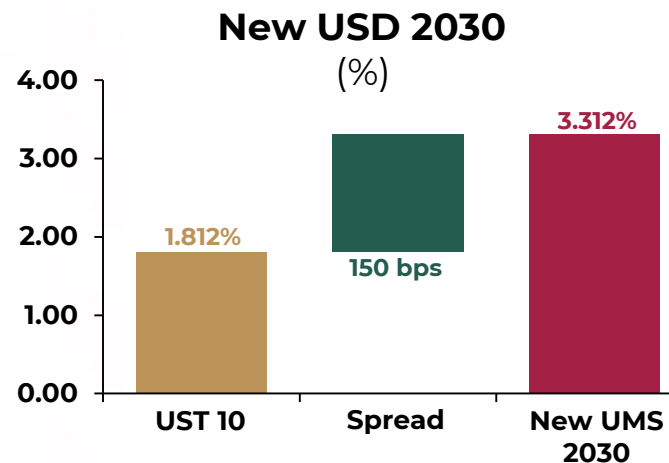
January 2020 - US dollar market (1/2)

In January 2020, the Federal Government started the year by carrying out a new issuance accompanied with a liability management exercise to improve its maturity profile and cover 100% of its external market debt repayments scheduled for that year. On the one hand, the new issuance consisted of the following:



Final Terms

United Mexican States		
Credit Rating	A3/BBB+/BBB (Moody's/S&P/Fitch)	
Currency	USD	
Bond	New USD 2030	Retap USD 2050
Tenor	10 years	30 years
Maturity	April 16, 2030	January 31, 2050
Amount (million)	3,069	800
IPT	+180 bps area	+205 bps area
Benchmark	1.812%	2.291%
Spread over benchmark	+150 bps	+175 bps
Yield	3.312%	4.041%
Coupon	3.250%	4.500%
Price	99.468%	107.873%



3.250%

Second minimum coupon ever for a bond in US dollars at any tenor

6.4x

Maximum demand of 14,700 million US dollars

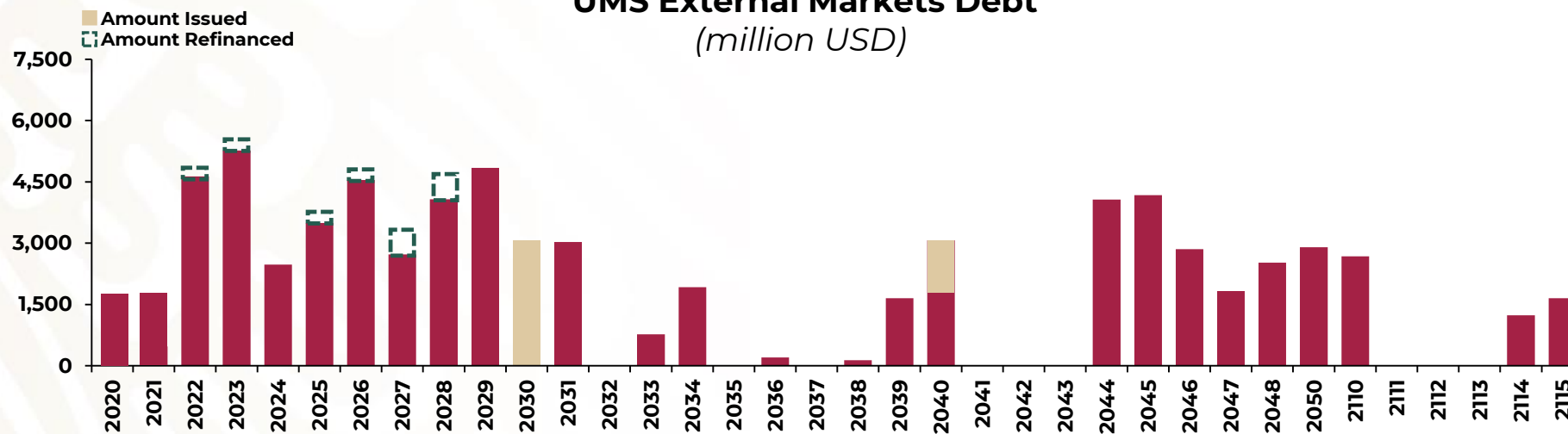
¹For simplicity, it does not include the USD Century bond (UMS 2110).

On the other hand, the liability management exercise consisted of the following:

Issuance of January 6, 2020 (million USD)			Liability Management Component (million USD)	
New USD 2030 Coupon: 3.250%	3,069	=	Cash-Tender Offer ¹	-244
Retap USD 2050 Coupon: 4.500%	800		Switch-Tender Offer ²	-1,319
Total Issued	3,869		Total Refinanced	-1,563

2,306 million in new money

UMS External Markets Debt (million USD)



¹Investors were offered the option to exchange their bonds for cash.

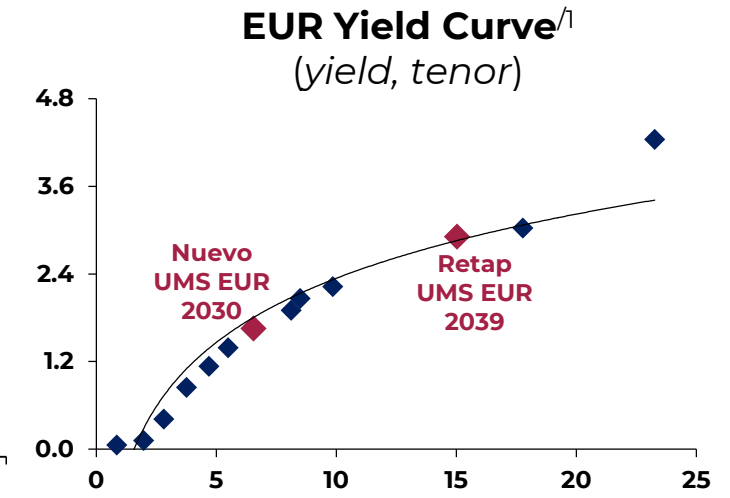
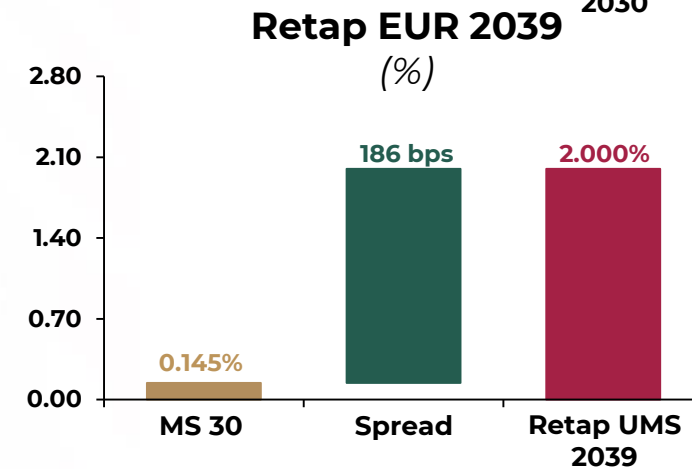
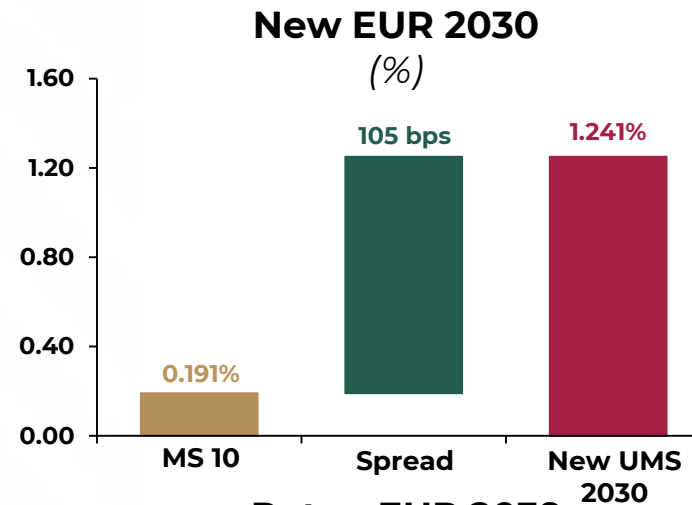
²Investors were offered the option to exchange their bonds for the new USD 2030.

In January 2020, the Federal Government carried out a transaction in the euro market for a total amount of 1,750 million. Of the resources raised, 1,000 million were used to redeem in advance a bond denominated in euros with a coupon rate of 2.375% and original maturity date on April 2021. On the one hand, the new issuance consisted of the following:



Final Terms

United Mexican States		
Credit Rating	A3/BBB+/BBB (Moody's/S&P/Fitch)	
Currency	EUR	
Bond	New EUR 2030	Retap EUR 2039
Tenor	10 years	20 years
Maturity	January 17, 2030	April 8, 2039
Amount (million)	1,250	500
IPT	+ 125/130 bps	2.15%/2.20%
Benchmark	0.191%	0.145%
Spread over benchmark	105 bps	185.5 bps
Yield	1.241%	2.000%
Coupon	1.125%	2.875%
Price	98.915%	113.845%



0.125%

Minimum coupon ever for a bond in euros at any tenor

3.8x

Maximum demand of 6,600 million of euros

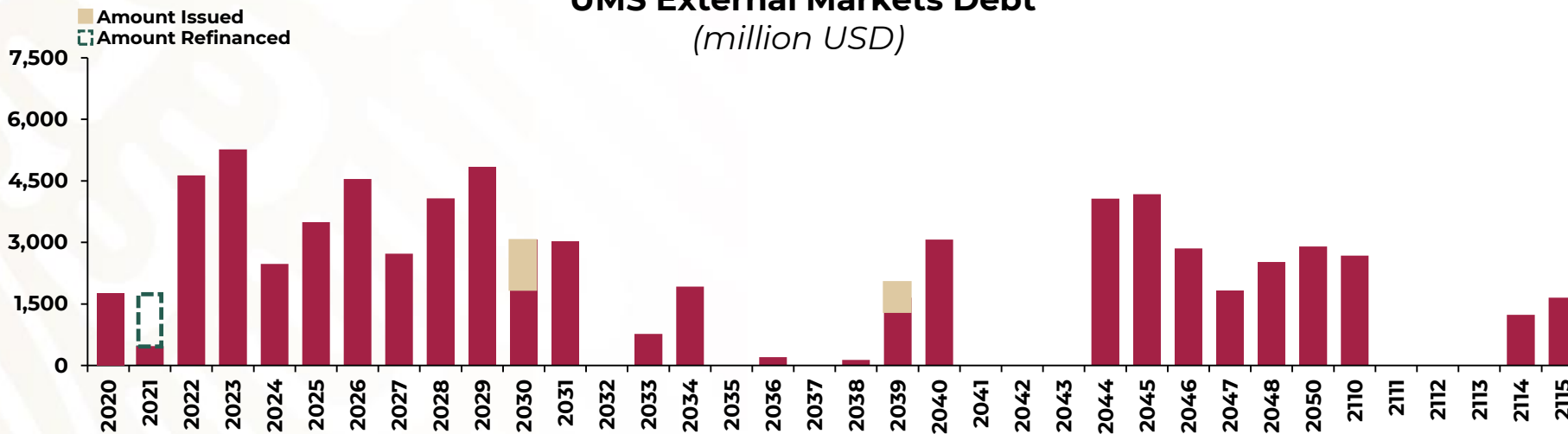
¹For simplicity, it does not include the EUR Century bond (UMS 2110).

On the other hand, the liability management exercise consisted of the following:

Issuance of January 13, 2020 (million EUR)		Liability Management Component (million EUR)	
New EUR 2030 Coupon: 1.250%	1,000	≠	Make-whole EUR 2021 Coupon: 2.375%
Retap EUR 2039 Coupon: 2.875%	750		
Total Issued	1,750	Total Refinanced	-1,000

750 million in new money

UMS External Markets Debt
(million USD)



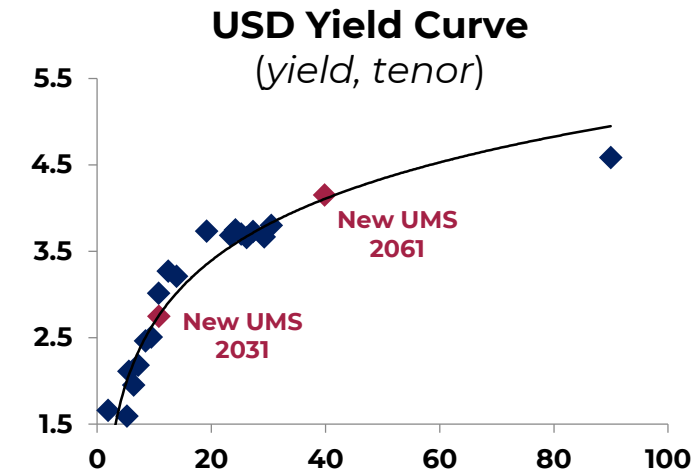
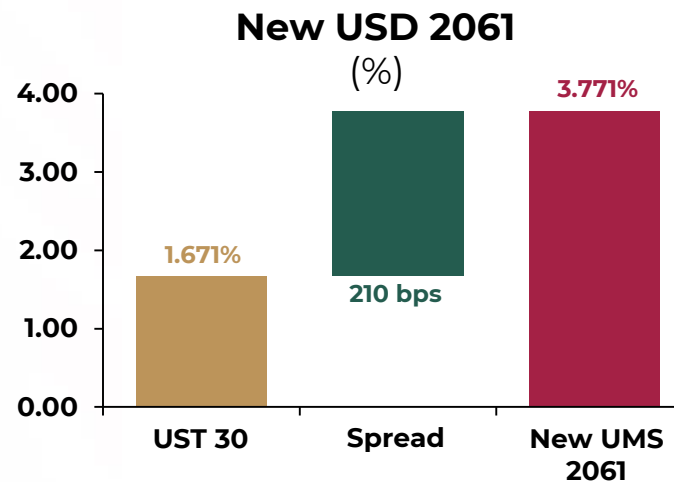
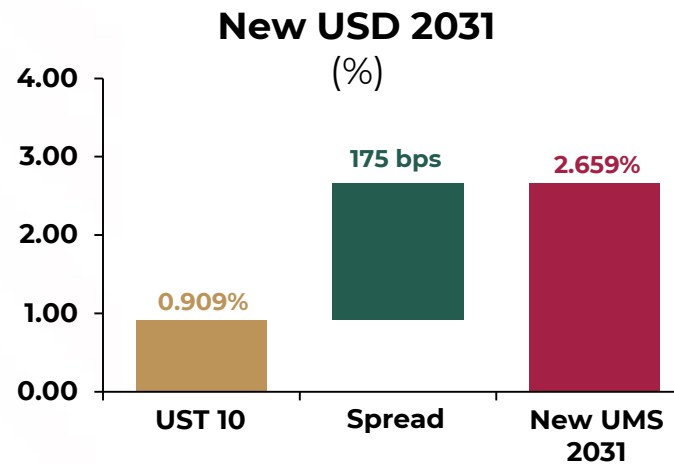
November 2020 - US dollar market (1/2)

In November 2020, the Federal Government carried out the largest liability management exercise in its history (in terms of the total amount refinanced). This exercise was carried out without incurring in additional net indebtedness and was the first time the Federal Government simultaneously executed the early redemption clause of two bonds (one in US dollars and one in euros). On the one hand, the new issuance consisted of the following:



Final Terms

MÉXICO		
Credit Rating	Baa1/BBB/BBB- (Moody's/S&P/Fitch)	
Currency	USD	
Bond	New USD 2031	New USD 2061
Tenor	10 years	40 years
Maturity	May 24, 2031	May 24, 2061
Amount (million)	3,396	3,208
IPT	+low 200 bps	+mid 205 bps
Benchmark	0.909%	1.671%
Spread over benchmark	+175 bps	+210 bps
Yield	2.659%	3.771%
Coupon	2.659%	3.771%
Price	100.000%	100.000%



2.659%

Minimum coupon ever for a bond in US dollars at any tenor

4.4x

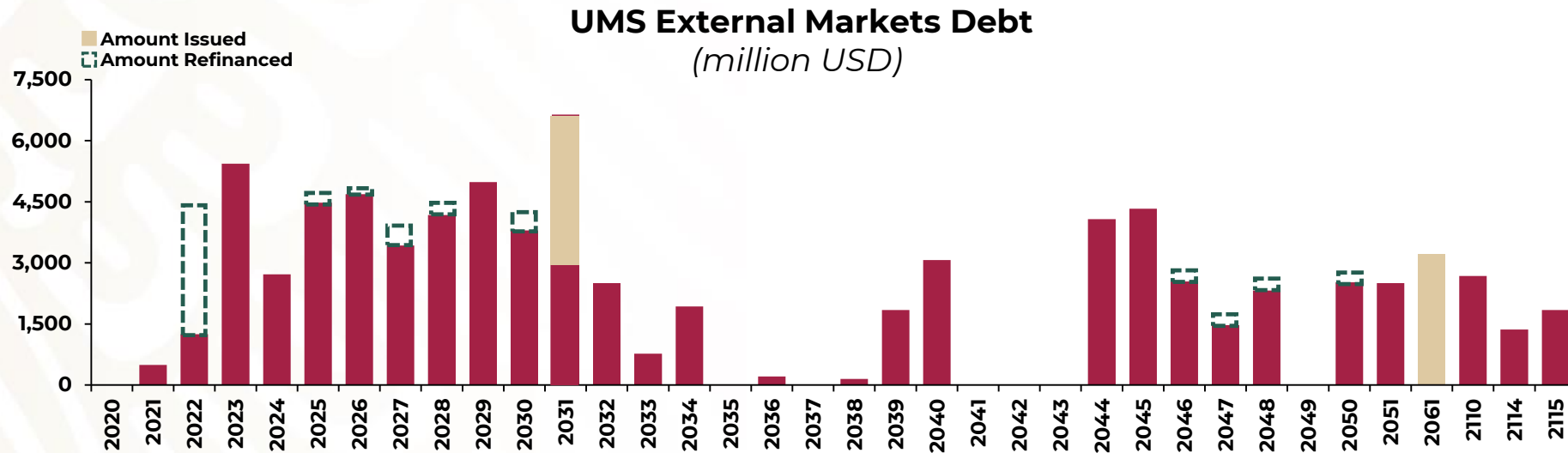
Maximum demand of 16,000 million US dollars



On the other hand, the liability management exercise consisted of the following:

Issuance of November 16, 2020 (million USD)		Liability Management Component (million USD)	
New USD 2031 Coupon: 2.659%	3,396	Make-whole USD 2022 Coupon: 3.625%	-1,825
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New USD 2061 Coupon: 3.771%	3,208	Make-whole EUR 2022 Coupon: 1.875%	-1,800
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		Switch-Tender Offer ^{1/}	-2,979
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Total Issued	6,604	Total Refinanced	-6,604

Debt Neutral



^{1/}Investors were offered the option to exchange their bonds for the new USD 2031 or the new USD 2061.

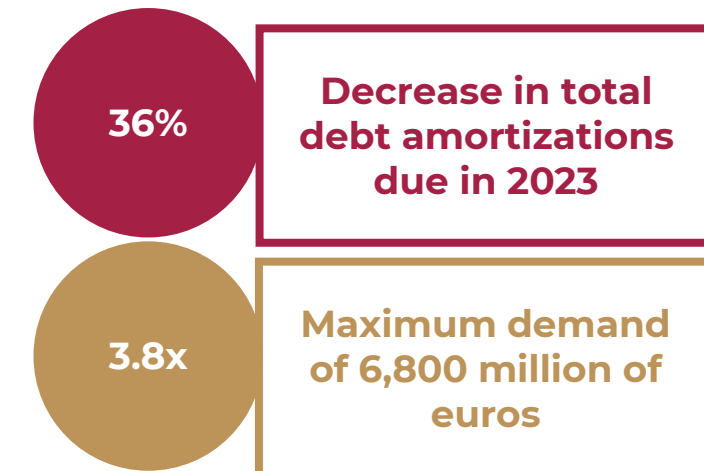
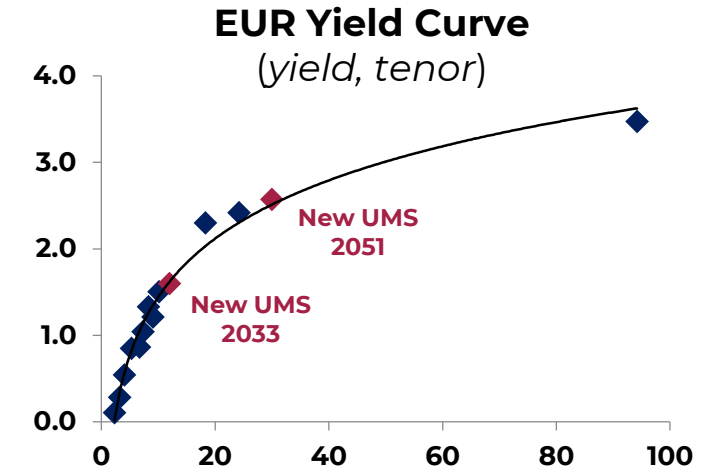
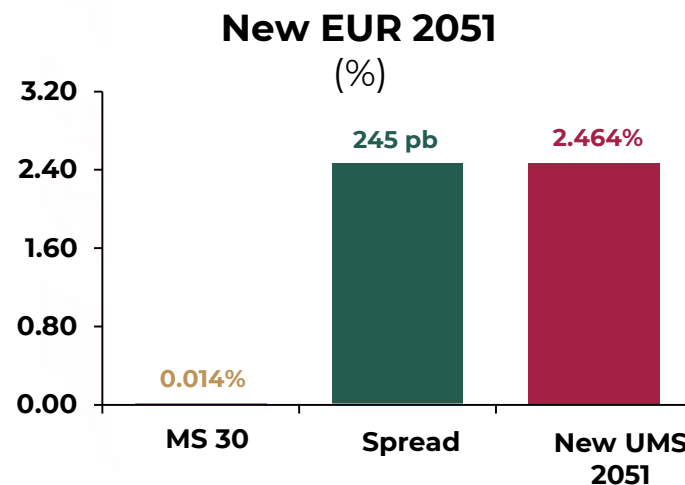
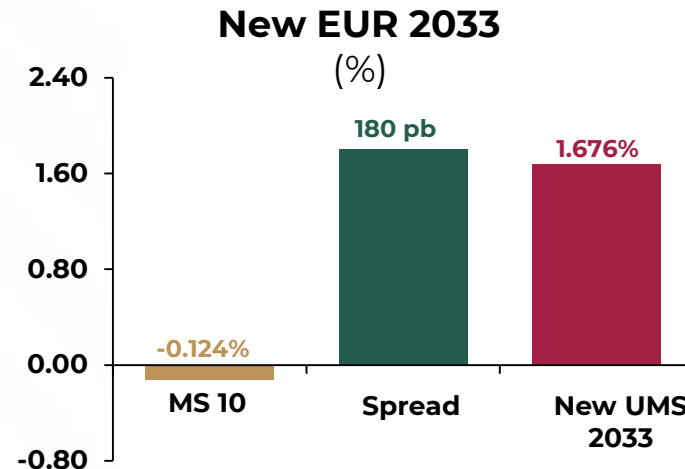
January 2021 - Euro market (1/2)

In January 2021, the Federal Government carried out a new issuance accompanied by a liability management exercise in the euro market. It was the first liability management exercise performed by UMS in the euro market since 2013, and became the most successful refinancing exercise in its market. On the one hand, the new issuance consisted of the following:



Final Terms

MÉXICO		
Credit Rating	Baa1/BBB/BBB- (Moody's/S&P/Fitch)	
Currency	EUR	
Bond	New EUR 2033	New EUR 2051
Tenor	12 years	30 years
Maturity	October 25, 2033	October 25, 2051
Amount (million)	1,659	1,128
IPT	+210 bps area	+270 bps area
Benchmark	-0.124%	0.014%
Spread over benchmark	+180 bps	+245 bps
Yield	1.676%	2.464%
Coupon	1.450%	2.125%
Price	97.427%	92.756%

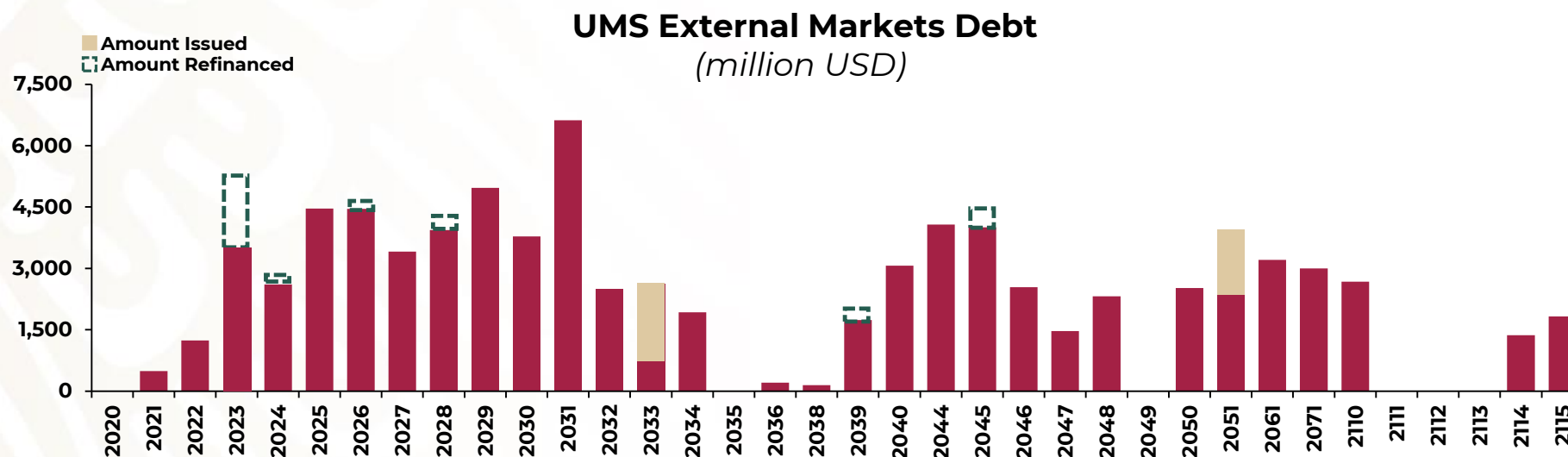




On the other hand, the liability management exercise consisted of the following:

Issuance of January 14, 2021 (million EUR)		Liability Management Component (million EUR)	
New EUR 2033 Coupon: 4.500%	1,515	Make-whole EUR 2023 Coupon: 3.500%	-1,712
New EUR 2051 Coupon: 4.500%	1,184	Cash-Tender Offer ¹	-198
Total Issued	2,699	Switch-Tender Offer ²	-789
		Total Refinanced	-2,699

Debt Neutral



¹Investors were offered the option to exchange their bonds for cash.

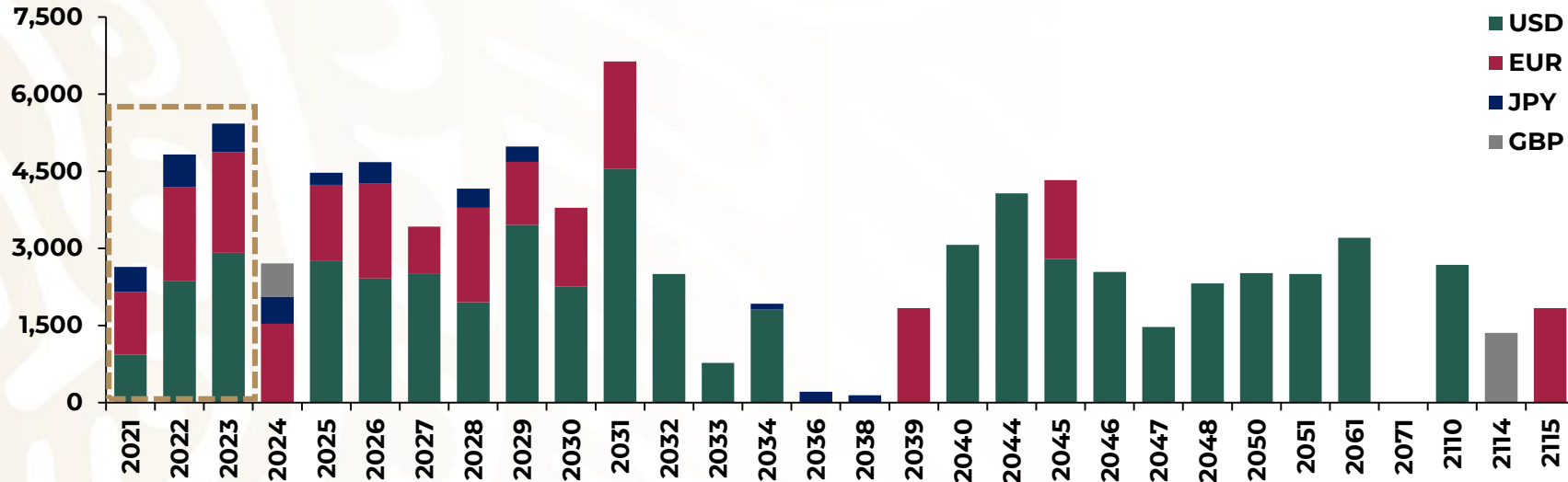
²Investors were offered the option to exchange their bonds for the new EUR 2033 or for the new EUR 2051.

External Market Debt - Amortization Profile Evolution



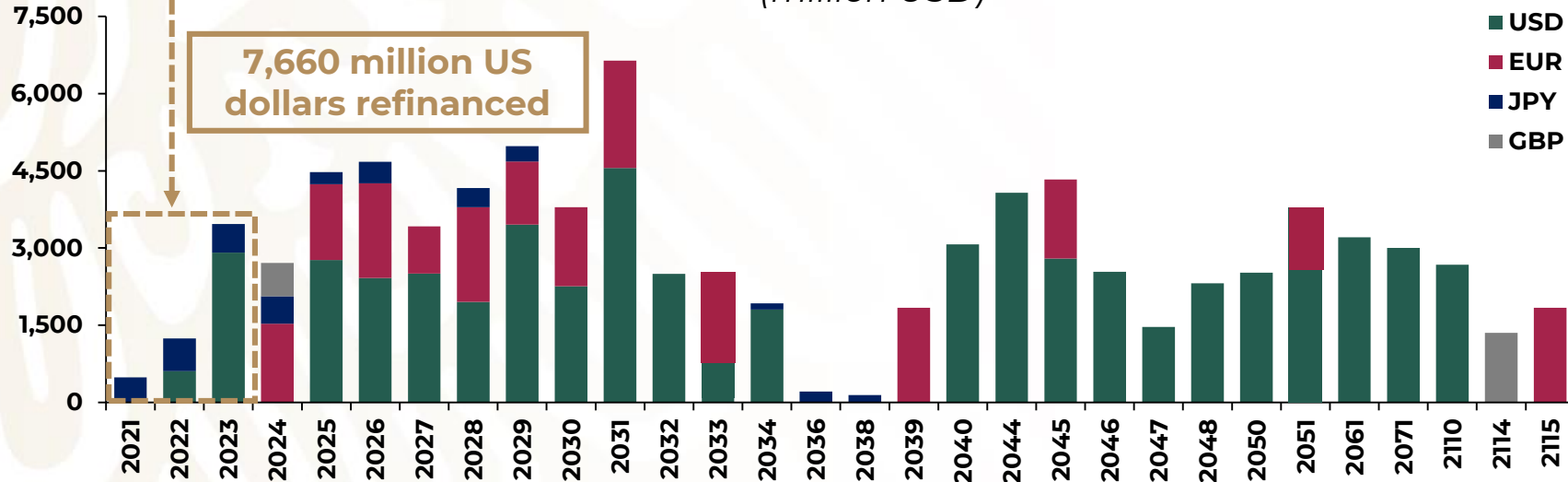
UMS External Market Debt Amortization Profile (June 2019)

(million USD)



UMS External Market Debt Amortization Profile (today)

(million USD)



July 2019
Make-whole of the UMS USD 2021

January 2020
Make-whole of the UMS EUR 2021

Nov 2020
Make-whole of the UMS USD 2022 and UMS EUR 2022

January 2021
Make-whole of the UMS EUR 2023

In summary, between July 2019 and January 2021 a total of five bonds denominated in foreign currency were early redeemed, significantly reducing the refinancing risk that the Federal Government's external market debt portfolio must tolerate in the upcoming years.

July 2019	Jan 2020	Nov 2020	Jan 2021
933 million	1,211 million	3,578 million	1,938 million

In total, during this administration, a total of 7,660 million of US dollars in debt amortizations (due between 2021 and 2023) have been refinanced.

**With these transactions,
the current
administration has
carried out the largest
external market debt
refinancing exercise in
the history of UMS**

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