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# **Government Securities Auction Calendar for the First Quarter of 2012**

# Government Securities Auction Calendar

## *Important Aspects*

- ❑ The Ministry of Finance and Public Credit (the “Ministry”) announces the government securities auction calendar for the first quarter of 2012, which will be valid beginning January 3<sup>rd</sup>, 2012. The government securities auction calendar is consistent with the Economic Program approved by Congress for the 2012 fiscal year.
- ❑ For the year 2012, the Federal Government will implement a new mechanism, detailed in the following slides, to determine the amount to be issued of the 28-day and 91-day Cetes.
- ❑ The issuance strategy for the rest of government securities for the first quarter of 2012 remains unchanged. The amounts to be issued are specified next.
- ❑ Moreover, the issuance strategy is coherent with the 2012 Annual Borrowing Program released on December 12<sup>th</sup>, 2011.



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## *Change in the issuance strategy for 28-day and 91-day Cetes*

- ❑ The short-term debt instruments such as Cetes, fulfill several functions, among which are: i) provide a short-term benchmark interest rate and ii) have a financing tool that allows treasury management and the cash management strategy to meet short-term requirements. With the purpose of having a more efficient cash management, for the year 2012, the Federal Government will implement a new mechanism to determine the amount to be issued of the 28-day and 91-day Cetes.
- ❑ In particular, each quarter the Federal Government will announce the average weekly amount to be issued of the 28-day and 91-day Cetes. This may lead the amount to be issued each week to be more or less than the average amount announced, satisfying the short-term cash management requirements.
- ❑ Additionally, a minimum amount to be issued will be established with the objective of maintaining the 28-day and 91-day Cetes auctions as benchmark interest rates. The minimum amount will be 50 percent of the average weekly amount announced.



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## *Change in the issuance strategy for 28-day and 91-day Cetes*

- ❑ It is important to mention that with this issuance mechanism, even though the weekly amounts for the 28-day and 91-day Cetes auctions could change, the total amount to auction during the quarter will be fixed and determined in advance in the auction calendar, thus maintaining the relative order within the total supply of the securities to issue in each quarter, as it has been done in the last years.
- ❑ It is important to note that the mechanism described does not affect the clarity and transparency that has prevailed in the announcement of each government securities auction calendar and that has allowed the market to know the securities supply to issue in the next quarter.



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## Government Securities Auction during the First Quarter of 2012 Offered Amounts for each Auction (million pesos)

| Instrument                      | Auction 4 <sup>th</sup> quarter 2011 | Frequency     | New auction 1 <sup>st</sup> quarter 2012 | Frequency             |
|---------------------------------|--------------------------------------|---------------|--|-----------------------|
| <b>Cetes</b>                    |                                      |               |  |                       |
| 28-day                          | 6,500                                | Weekly        | <b>7,000</b> <sup>2/</sup>               | <b>Weekly average</b> |
| 91-day                          | 7,500                                | Weekly        | <b>8,000</b> <sup>2/</sup>               | <b>Weekly average</b> |
| 182-day                         | 8,000                                | Weekly        | <b>8,500</b>                             | Weekly                |
| 364-day                         | 8,000                                | Every 4 weeks | <b>9,500</b>                             | Every 4 weeks         |
| <b>Nominal Fixed Rate Bonds</b> |                                      |               |  |                       |
| 3-year Bond                     | 5,500                                | Every 4 weeks | <b>7,500</b>                             | Every 4 weeks         |
| 5-year Bond                     | 4,500                                | Every 4 weeks | <b>6,500</b>                             | Every 4 weeks         |
| 10-year Bond <sup>1/</sup>      | 7,500                                | Every 6 weeks | <b>To be defined</b>                     | <b>One issuance</b>   |
| 20-year Bond                    | 4,000                                | Every 6 weeks | <b>4,500</b>                             | Every 6 weeks         |
| 30-year Bond                    | 3,500                                | Every 6 weeks | <b>4,000</b>                             | Every 6 weeks         |
| <b>Udibonos (Million Udis)</b>  |                                      |               |  |                       |
| 3-year Udibono                  | 550                                  | Every 4 weeks | <b>750</b>                               | Every 4 weeks         |
| 10-year Udibono                 | 550                                  | Every 4 weeks | <b>700</b>                               | Every 4 weeks         |
| 30-year Udibono                 | 500                                  | Every 4 weeks | <b>600</b>                               | Every 4 weeks         |
| <b>Bondes D</b>                 |                                      |               |  |                       |
| 5-year Bondes D                 | 1,500                                | Every 2 weeks | <b>1,500</b>                             | Every 2 weeks         |

*1/ Instruments to be issued through the Debt Syndication Scheme.*

*2/ Average weekly amount to be issued during the quarter.*

# Government Securities Auction Calendar

## Auction's Calendar for January-March 2012

| Date                        | Fixed Short Term              | Fixed Long Term                | Inflation Index                   | Floating        |
|-----------------------------|-------------------------------|--------------------------------|-----------------------------------|-----------------|
| Jan 3 <sup>rd</sup> , 2012  | 28, 91 and 182-day Cetes      | 5-year Bond<br>Code: M 160616  | 10-year Udibono<br>Code: S 201210 |                 |
| Jan 10 <sup>th</sup> , 2012 | 28, 91, 182 and 364-day Cetes | 20-year Bond<br>Code: M 310529 | 30-year Udibono<br>Code: S 401115 | 5-year Bondes D |
| Jan 17 <sup>th</sup> , 2012 | 28, 91 and 182-day Cetes      | 3-year Bond<br>Code: M 141218  | 3-year Udibono<br>Code: S 141218  |                 |
| Jan 24 <sup>th</sup> , 2012 | 28, 91 and 182-day Cetes      | 30-year Bond<br>Code: M 381118 |                                   | 5-year Bondes D |
| Jan 31 <sup>st</sup> , 2012 | 28, 91 and 182-day Cetes      | 5-year Bond<br>Code: M 160616  | 10-year Udibono<br>Code: S 201210 |                 |
| Feb 7 <sup>th</sup> , 2012  | 28, 91, 182 and 364-day Cetes |                                | 30-year Udibono<br>Code: S 401115 | 5-year Bondes D |
| Feb 14 <sup>th</sup> , 2012 | 28, 91 and 182-day Cetes      | 3-year Bond<br>Code: M 141218  | 3-year Udibono<br>Code: S 141218  |                 |
| Feb 21 <sup>st</sup> , 2012 | 28, 91 and 182-day Cetes      | 20-year Bond<br>Code: M 310529 |                                   | 5-year Bondes D |
| Feb 28 <sup>th</sup> , 2012 | 28, 91 and 182-day Cetes      | 5-year Bond<br>Code: M 160616  | 10-year Udibono<br>Code: S 201210 |                 |
| Mar 6 <sup>th</sup> , 2012  | 28, 91, 182 and 364-day Cetes | 30-year Bond<br>Code: M 381118 | 30-year Udibono<br>Code: S 401115 | 5-year Bondes D |
| Mar 13 <sup>th</sup> , 2012 | 28, 91 and 182-day Cetes      | 3-year Bond<br>Code: M 141218  | 3-year Udibono<br>Code: S 141218  |                 |
| Mar 20 <sup>th</sup> , 2012 | 28, 91 and 182-day Cetes      |                                |                                   | 5-year Bondes D |
| Mar 27 <sup>th</sup> , 2012 | 28, 91 and 182-day Cetes      | 5-year Bond<br>Code: M 160616  | 10-year Udibono<br>Code: S 201210 |                 |



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## *Exchange and repurchase transactions*

- ❑ The Ministry of Finance may execute exchange and repurchase transactions during the first quarter of 2012. These transactions may involve Fixed Rate Bonds, Udibonos and Cetes.
- ❑ In case one of these transactions is executed, the SHCP will specify two days prior to the transaction, through the Central Bank, the specific instruments and the amounts involved.



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## *Debt placement by Banco de México*

Banco de México will reduce the weekly amount of Bondes D auctions from 9,000 million to 6,000 million pesos. Maturities and amounts to be offered during the first quarter of 2012 will be as follows:

- ❑ For the 3-year maturity the offered amount remains at 3,000 million pesos on a weekly basis.
- ❑ For the 5-year maturity the weekly offered amount will be reduced from 3,000 to 2,000 million pesos.
- ❑ For the 7-year maturity the weekly offered amount will be reduced from 3,000 to 1,000 million pesos.

In addition, Banco de México will conduct an extraordinary auction of Cetes during the first quarter of 2012. The auction will be similar to those held last December of 2010, March, June, September and December of 2011. The auction will take place on March 7<sup>th</sup>, 2012.

These actions are neutral from the point of view of Banco de México's monetary policy stance since the overnight interbank rate will not change as a result of them.



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## *IPAB's Offering Announcement*

In accordance with the Annual Financing Program approved by IPAB's Governing Board for 2012, the Institute informs a reduction of 200 million of pesos in the weekly offering of Savings Protection Bonds to be auctioned, and will redistribute the weekly offering amounts of BPAs and BPAT for the first quarter of 2012, as follows:

- ❑ The weekly offering of 3 year BPAs will increase 250 million pesos (mp), from 950 mp to 1,200 mp.
- ❑ The weekly offering of 5 year BPAT will decrease 250 mp, from 1,900 to 1,650 mp.
- ❑ The weekly offering of 7 year BPA182 will decrease 200 mp, from 1,550 to 1,350 mp.

Thus, the weekly target amount to be auctioned by the IPAB will be 4,200 mp. This program is consistent with the objective of keeping IPAB's liabilities from growing in real terms.

# Government Securities Auction Calendar

## IPAB's 1st Quarter Auction Program



### TARGET AMOUNT BY AUCTION ISSUE CODE- IN MILLION PESOS

| 4,200             | 4,200             | 4,200             | 4,200             | 4,200             | 4,200             | 4,200             | 4,200             | 4,200             | 4,200             | 4,200             | 4,200             | 4,200             |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| IS181011<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 | IS190103<br>1,350 |
| IT161229<br>1,650 | IT161229<br>1,650 | IT161229<br>1,650 | IT161229<br>1,650 | IT161229<br>1,650 | IT161229<br>1,650 | IT170209<br>1,650 | IT170209<br>1,650 | IT170209<br>1,650 | IT170209<br>1,650 | IT170209<br>1,650 | IT170209<br>1,650 | IT170209<br>1,650 |
| IP141231<br>1,200 | IP141231<br>1,200 | IP141231<br>1,200 | IP141231<br>1,200 | IP141231<br>1,200 | IP141231<br>1,200 | IP150212<br>1,200 | IP150212<br>1,200 | IP150212<br>1,200 | IP150212<br>1,200 | IP150212<br>1,200 | IP150212<br>1,200 | IP150212<br>1,200 |
| jan 4             | jan 11            | jan 18            | jan 25            | feb 1             | feb 8             | feb 15            | feb 22            | feb 29            | mar 7             | mar 14            | mar 21            | mar 28            |

# Government Securities Auction Calendar

## *Petróleos Mexicanos' Issuances*

- ❑ Throughout the first quarter of 2012, PEMEX could raise funds in the local market as part of its financing program.
- ❑ In this sense, PEMEX could issue Certificados Bursátiles in the local markets for up to \$15,000 million pesos.
- ❑ Specific amounts and issuance dates shall be released when the public offering takes place.
- ❑ As it is customary, issuances would take place in accordance to internal market conditions.



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