



SHCP

SECRETARÍA DE HACIENDA
Y CRÉDITO PÚBLICO

Quarterly Government Securities Auction Calendar

Second Quarter 2018

Government Securities Auction Calendar

- The Ministry of Finance and Public Credit (SHCP) announces the government securities auction calendar for the second quarter 2018 (2Q 2018), which will take effect on the first auction of the quarter.
- The auction calendar is part of the public debt policy of 2018 outlined in the Annual Borrowing Plan 2018^{1/}, which is consistent both with the multi-year fiscal consolidation strategy and the Economic Program 2018 approved by the Congress.
- The Federal Government's public debt policy will follow a proactive and flexible strategy during the 2Q 2018 in order to continue strengthening the public finance and the macroeconomic foundations of the country.

^{1/} http://finanzaspublicas.hacienda.gob.mx/es/Finanzas_Publicas/Paquete_Economico_y_Presupuesto

Government Securities Auction Calendar

- The Government securities auction program for 2Q 2018 incorporates minor adjustments in relation to the amounts auctioned in the first quarter of 2018.
- Likewise, the program for the second quarter 2018 will maintain flexibility in the auctions of Cetes 28 and Cetes 91, in order to address changes caused by flow seasonality in Treasury Account or Market conditions.
- In addition to the above, it should be noted that as in previous quarters and as established in the Annual Borrowing Plan 2018, the second quarter of the year will follow a proactive strategy that allows liability management operations which focus on strengthening the Federal Government's debt portfolio.

Government Securities Auction Calendar

Below is the government securities auction program for 2Q 2018 that comprise the public debt strategy.

Cetes

- The amounts to be auctioned by Cetes remain unchanged in all terms compared to the amounts auctioned in 1Q 2018.
- Cetes with tenors of 28 and 91 days, the announced range will continue to be used and the specific amount to be auctioned each week will be released in the corresponding auction announcements through the Central Bank.
 - 28-days Cetes will have a minimum of 4,000 and a maximum of 11,000 million pesos.
 - 91-days Cetes will have a minimum of 7,000 and a maximum of 14,000 million pesos.
 - 182-days Cetes, the amount to be auctioned will be 11,500 million pesos.
 - 1-year Cetes, the amount to be auctioned will be 12,500 million pesos.

Government Securities Auction Calendar

Fixed-Rate Bonds (Bonos M)

- The amount to be auctioned of 3-year Mbond remains unchanged at 8,500 million pesos.
- The amount to be auctioned of 5-year Mbond remains unchanged at 8,500 million pesos. Stands out the 5-year Mbond benchmark change to the emission M 231207.
- The amount to be auctioned of 10-year Mbond remains unchanged at 9,000 million pesos.
- The amount to be auctioned of 20-year Mbond decreases from 2,500 to 2,000 million pesos.
- The amount to be auctioned of 30-year Mbond decreases from 3,500 to 3,000 million pesos.

Inflation-Linked Bonds (Udibonos)

- The amount to be auctioned of 3-year Udibono remains unchanged at 950 million udis.
- The amount to be auctioned of 10-year Udibono remains unchanged at 700 million udis.
- The amount to be auctioned of 30-year Udibono remains unchanged at 400 million udis.

- SHCP will maintain the flexibility to carry out auctions of segregated Udibonos when it perceives interest of investors to acquire this type of instrument. In this case, the amount and date of the auction will be announced in the corresponding call.

Floating Rate Notes (Bondes D)

- The amount to be auctioned of 5-year Bondes D increases from 4,500 to 5,000 million pesos.

Government Securities Auction Calendar

The amounts of Cetes, Mbonds, Udibonos and Bondes D that will be carried out at the first auction of the second quarter of 2018 will have the following characteristics:

**Government Securities Auction for 2Q 2018
Amounts Offered by Auction**

Instrument	Periodicity	1Q 2018 (A)	2Q 2018 (B)	Difference (B-A)
Cetes (million pesos)				
28-day Cetes	Weekly	min 4,000	min 4,000	0
		max 11,000	max 11,000	0
91-day Cetes	Weekly	min 7,000	min 7,000	0
		max 14,000	max 14,000	0
182-day Cetes	Weekly	11,500	11,500	0
1-year Cetes	Every 4 weeks	12,500	12,500	0
MBonds (million pesos)				
3-year Mbond M 200611	Every 4 weeks	8,500	8,500	0
5-year Mbond M 231207	Every 4 weeks	8,500	8,500	0
10-year Mbond M 270603	Every 6 weeks	9,000	9,000	0
20-year Mbond M 381118	Every 6 weeks	2,500	2,000	-500
30-year Mbond M 471107	Every 6 weeks	3,500	3,000	-500
Udibonos (million udis)				
3-year Udibono S 201210	Every 4 weeks	950	950	0
10-year Udibono S 281130	Every 4 weeks	700	700	0
30-year Udibono S 461108	Every 4 weeks	400	400	0
Bondes D (million pesos)				
5-year Bondes D	Every 2 weeks	4,500	5,000	+500

Government Securities Auction Calendar

Government Securities Auction Calendar April-June 2018

Instrument	apr-03-18	apr-10-18	apr-17-18	apr-24-18	abr-30-18	may-08-18	may-15-18	may-22-18	may-29-18	jun-05-18	jun-12-18	jun-19-18	jun-26-18
Fixed Short Run Million pesos	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)	Cetes 28 (4,000-11,000)
	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)	Cetes 91 (7,000-14,000)
	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500	Cetes 182 11,500
				Cetes 1YR 12,500				Cetes 1YR 12,500				Cetes 1YR 12,500	
Fixed Long Run Million pesos	Mbond 3YR 8,500	Mbond 30YR 3,000	Mbond 5YR 8,500	Mbond 10YR 9,000	Mbond 3YR 8,500	Mbond 20YR 2,000	Mbond 5YR 8,500	Mbond 30YR 3,000	Mbond 3YR 8,500	Mbond 10YR 9,000	Mbond 5YR 8,500	Mbond 20YR 2,000	Mbond 3YR 8,500
Inflation-Linked Million udis	Udibono 3YR 950		Udibono 10YR 700	Udibono 30YR 400	Udibono 3YR 950		Udibono 10YR 700	Udibono 30YR 400	Udibono 3YR 950		Udibono 10YR 700	Udibono 30YR 400	Udibono 3YR 950
Floating Rate Million pesos		Bondes 5YR 5,000		Bondes 5YR 5,000		Bondes 5YR 5,000		Bondes 5YR 5,000		Bondes 5YR 5,000		Bondes 5YR 5,000	
Net Amount Million pesos	36,711	30,500	35,208	51,404	36,711	29,500	35,208	45,404	36,711	36,500	35,208	44,404	36,711

Note: The net amount is calculated with UDI value of 6.0111, as well as the minimum amount of 28 and 91 days cetes.

IMPORTANT: In case of placing an instrument through the syndicated auction method, the syndicated instrument will substitute the title to be placed in the primary auctions.

Mechanism for Liability Management

- According to the Annual Borrowing Plan 2018, the SHCP will seek to carry out at least one liability management operation during the second quarter of 2018, always looking to improve the maturity profile and increase the efficiency of the Federal Government's debt portfolio.
- SHCP may use the tools at its disposal to improve the maturity profile, increase the efficiency of the Federal Government's debt portfolio and strengthen the new benchmark issues. The following tools stand out:
 - Swap transactions.
 - Repurchase and complementary auctions of government securities as mechanisms for liability management.^{2/}
- If any of these transactions should take place, SHCP will release the announcement through the Central Bank, which will specify the instrument, the amounts and the tenors.

^{2/}The additional government securities placement auctions will be used only as part of the liability management operations and not to make additional placements to those contemplated in the government securities auction program.

Syndicated Auctions

- SHCP will evaluate the convenience of carrying out syndicated auctions. In particular, during 2018, the execution of syndicated auctions for the introduction of new benchmarks securities will be considered:
 - 3-year Mbond.
- The amounts placed through syndicated auctions will be in addition to the amounts announced in the auction calendar.
- In case of the placement of a new benchmark, the following auctions referring to the placed tenor will continue with the reopening policy.

Debt Issuance by Banco de México

Bondes D:

The amount of Bondes D to be offered on a weekly basis will remain unchanged at 4.5 billion pesos. The maturities and amounts to be auctioned during the second quarter of 2018 are as follows:

1-year: 1.5 billion pesos on a weekly basis.

3-year: 1.5 billion pesos on a weekly basis.

5-year: 1.5 billion pesos on a weekly basis.

Cetes:

Banco de México may carry out new placements of Cetes through extraordinary auctions during the coming quarter. The purpose of these auctions would be to rollover the Cetes issued for monetary policy purposes that mature in the forthcoming period and could amount up to 87 billion pesos. The dates of the auctions and the maturity of the Cetes to be offered would be specified in each offering announcement.

These actions are neutral from the standpoint of Banco de México's monetary policy stance and as such do not lead to a change in the overnight interbank rate.

IPAB's 2018 2nd Quarter Auction Program

In accordance with the Annual Borrowing Plan approved by IPAB's Governing Board for 2018, the institute will increase in 200 million pesos its weekly offering of Savings Protection Bonds, for the second quarter of 2018, as follows:

- Increases in 100 million pesos the weekly objective amount to 1,700 million pesos for the 3 year BPAG28;
- Increases in 100 million pesos the weekly objective amount to 1,700 million pesos for the 5 year BPAG91; and
- Maintains without changes the weekly objective amount in 1,200 million pesos for the 7 year BPA182.

Thus, the weekly target amount to be auctioned by the IPAB will be 4,600 million pesos. This program is consistent with the objective of keeping IPAB's liabilities from growing in real terms.

IPAB's 2018 2nd Quarter Auction Program

Target Amount By Auction Issue Code

SCHEDULE OF AUCTIONS FOR THE SECOND QUARTER OF 2018

4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
IM210211 1,700	IM210211 1,700	IM210211 1,700	IM210211 1,700	IM210211 1,700	IM210211 1,700	IM210513 1,700	IM210513 1,700	IM210513 1,700	IM210513 1,700	IM210513 1,700	IM210513 1,700	IM210513 1,700
IQ221229 1,700	IQ221229 1,700	IQ221229 1,700	IQ221229 1,700	IQ230427 1,700	IQ230427 1,700	IQ230427 1,700	IQ230427 1,700	IQ230427 1,700	IQ230427 1,700	IQ230427 1,700	IQ230427 1,700	IQ230427 1,700
IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200	IS250306 1,200
04 apr	11 apr	18 apr	25 apr	02 may	09 may	16 may	23 may	30 may	06 jun	13 jun	20 jun	27 jun

Amounts in millions of pesos

Petróleos Mexicanos

- Petróleos Mexicanos (PEMEX) financing program for 2018 is in line with was authorized by the Congress of the Union and the Board of Directors of Petróleos Mexicanos, that established an internal net indebtedness ceiling of 30 billion pesos.
- In 2018, the domestic financing program will maintain flexibility to adapt to the conditions prevailing in the financial markets. During the second quarter of the year, the company will consider to carry out transactions aimed at strengthening its financial position, while seeking a prudent balance between risk and cost.
- The program, in addition to the issuance of bonds in the debt markets, is strengthened by syndicated credit lines and revolving credit facilities. Furthermore, and in light of the tools provided by the Energy Reform, PEMEX will analyze resorting to diverse and non-traditional sources of financing, striving to decrease funding costs and diversifying the investor base.
- The 2018 strategy also considers carrying out liability management transactions to contribute to the market development and improve the company's debt amortization profile for the following years.

Petróleos Mexicanos

- Issuances will be carried out through the communicating vessels mechanism in different formats, such as variable rate, nominal fixed rate and real fixed rate.
- PEMEX will carry out these issuances with financial institutions designated in accordance with their performance as Market Makers.
- In case the company conducts any issuance, corresponding amounts and dates will be made available through the respective public offering announcements.
- Finally, for the purpose of widening and diversifying the investor base, PEMEX's debt issued in local currency, could be offered and settled through international custodian platforms.

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