SECRETARÍA DE HACIENDA

Quarterly Government Securities Auction Calendar

First Quarter 2019

Government Securities Auction Calendar

- The Ministry of Finance and Public Credit (SHCP) announces the government securities auction calendar for the first quarter 2019 (Q1 2019), which will take effect on the first auction of the quarter.[1]

- The auction calendar is part of the public debt policy of 2019, which is consistent with both the multi-year fiscal consolidation strategy and the Economic Program 2019 approved by the Congress and with the 2019 Annual Borrowing Plan (ABP).

- The Federal Government's public debt policy will follow a proactive and flexible strategy during the Q1 2019 in order to continue strengthening public finances and the macroeconomic fundamentals of Mexico.

[1] The first auction will take place on Monday, December 31, 2018 with a settlement date of January 3, 2019, because Tuesday, January 1, 2019 is not a work day.

Government Securities Auction Calendar

- The quarterly auction program for Q1 2019 incorporates adjustments in relation to the amounts auctioned during Q4 2018. In this regard, the increase in the average amount to be placed along the M Bond and Udibono curve stands out. Similarly, the Bondes D are adjusted upwards during Q1 2019.

- For Cetes, the placement program for Q1 2019 maintains the range of the amounts to be auctioned as well as its flexibility for all terms, the aforementioned in order to address changes arising from the seasonality of the Federal Treasury's cash and conditions of market liquidity.

- However, anticipating the seasonality of the demand and the decrease in the activity of investors in the financial markets during the first week of the year, the program for Q1 2019 contemplates a change in the periodicity of the placement of Cetes, M Bonds and Udibonos to be auctioned during the first two weeks of the quarter, with the objective of decreasing duration and the amount to be placed during the first auction of 2019.

Government Securities Auction Calendar

Below is the government securities auction program for Q1 2019:

Cetes

- The range of amounts will be maintained for all Cetes terms with a minimum of 5,000 and a maximum of 15,000 million pesos (mp).

Instrument	Periodicity	Q4 18 Range (mp)	Q1 19 Range (mp)	Δ Q4 18 VS Q1 19
28-day Cetes	Weekly	min 5,000	min 5,000	-
		max 15,000	max 15,000	-
91-day Cetes	Weekly	min 5,000	min 5,000	-
		max 15,000	max 15,000	-
182-day Cetes	Weekly	min 5,000	min 5,000	-
		max 15,000	max 15,000	-
1-year Cetes	Every 4 weeks	min 5,000	min 5,000	-
		max 15,000	max 15,000	-

- The amount to be auctioned will be released in the corresponding auction announcements through Banco de Mexico.
- The first auction of the quarter, which includes Cetes with terms of 28, 91 and 182 days, will be for an amount of 6,000, 10,000 and 10,000 mp, respectively.

Floating Rate Notes (Bondes D)

- The amount to be auctioned of 5-year Bondes D will be 5,500 mp.

Government Securities Auction Calendar

M Bonds

- In the Q1 2019, the amounts of M Bonds to be auctioned weekly will be adjusted.
- Considering the seasonality of the demand for government securities and the low activity of investors in the financial markets during the first week of the year, the SHCP considers decreasing the amount to be auctioned during the first week which will be compensated with an increase during the rest of the quarter.

Instrument	Auction Date	Auction Amount	VS 4Q 2018
3-year M Bond M 211209	31-dec	6,000	+1,200
	05-feb	11,550	
	05-mar	11,550	
	Average Amount	**9,700**	
Instrument	**Auction Date**	**Auction Amount**	**VS 4Q 2018**
5-year M Bond M 231207	22-jan	9,700	+1,200
	19-feb	9,700	
	19-mar	9,700	
	Average Amount	**9,700**	
Instrument	**Auction Date**	**Auction Amount**	**VS 4Q 2018**
10-year M Bond M 290531	08-jan	10,200	+1,200
	12-feb	10,200	
	26-mar	10,200	
	Average Amount	**10,200**	
Instrument	**Auction Date**	**Auction Amount**	**VS 4Q 2018**
20-year M Bond M 381118	15-jan	2,700	+700
	26-feb	2,700	
	Average Amount	**2,700**	
Instrument	**Auction Date**	**Auction Amount**	**VS 4Q 2018**
30-year M Bond M 471107	29-jan	3,700	+700
	12-mar	3,700	
	Average Amount	**3,700**	

Figures in millions of pesos. All differences are compared to the amount originally announced for Q4 2018 and calculated as the average amount auctioned in each quarter. The auction corresponding to December 31, 2018 will be settled on January 3, 2019.

Government Securities Auction Calendar

Inflation-Linked Bonds (Udibonos)

- In the Q4 2018, the amounts to be auctioned weekly for Udibonos will be adjusted.
- As for the M Bond program, due to the little activity that occurs in the financial markets at the beginning of the year, the SHCP considers to decrease the amount to be auctioned during the first week which will be compensated with an increase during the rest of the quarter.

Instrument	Auction Date	Auction Amount	VS Q4 18
3-year Udibono S 220609	31-dec	600	0
	05-feb	1,125	
	05-mar	1,125	
	Average Amount	**950**	
Instrument	**Auction Date**	**Auction Amount**	**VS Q4 18**
10-year Udibono S 281130	22-jan	800	+100
	19-feb	800	
	19-mar	800	
	Average Amount	**800**	
Instrument	**Auction Date**	**Auction Amount**	**VS Q4 18**
30-year Udibono S 461108	08-jan	450	+50
	29-jan	450	
	26-feb	450	
	26-mar	450	
	Average Amount	**450**	

Figures in millions of Udis. All differences are compared to the amount originally announced for 4Q 2018 and calculated as the average amount auctioned in each quarter. The auction corresponding to December 31, 2018 will be settled on January 3, 2019.

Government Securities Auction Calendar

Government Securities Auction Calendar 1Q 2019

Auction Date (Settlement Date)	31-dec-18 (03-jan-19)	08-jan-19 (10-jan-19)	15-jan-19 (17-jan-19)	22-jan-19 (24-jan-19)	29-jan-19 (31-jan-19)	05-feb-19 (07-feb-19)	12-feb-19 (14-feb-19)	19-feb-19 (21-feb-19)	26-feb-19 (28-feb-19)	05-mar-19 (07-mar-19)	12-mar-19 (14-mar-19)	19-mar-19 (21-mar-19)	26-mar-19 (28-mar-19)
Fixed Short Run (mp)	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes	28-day Cetes
	The amount will have a range of 5,000 to 15,000 mp												
	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes	91-day Cetes
	The amount will have a range of 5,000 to 15,000 mp												
	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes	182-day Cetes
	The amount will have a range of 5,000 to 15,000 mp												
		1-year Cetes			1-year Cetes				1-year Cetes				1-year Cetes
	The amount will have a range of 5,000 to 15,000 mp												
Fixed Long Run (mp)	3-year M Bond	10-year M Bond	20-year M Bond	5-year M Bond	30-year M Bond	3-year M Bond	10-year M Bond	5-year M Bond	20-year M Bond	3-year M Bond	30-year M Bond	5-year M Bond	10-year M Bond
	6,000	10,200	2,700	9,700	3,700	11,550	10,200	9,700	2,700	11,550	3,700	9,700	10,200
Inflation-Linked (mu)	3-year Udibono	30-year Udibono		10-year Udibono	30-year Udibono	3-year Udibono		10-year Udibono	30-year Udibono	3-year Udibono		10-year Udibono	30-year Udibono
	600	450		800	450	1,125		800	450	1,125		800	450
Floating Rate (mp)		5-year Bondes D	5-year Bondes D		5-year Bondes D		5-year Bondes D		5-year Bondes D		5-year Bondes D		5-year Bondes D
		5,500	5,500		5,500		5,500		5,500		5,500		5,500
Net Amount* (mp)	**24,716**	**38,487**	**23,200**	**29,654**	**31,987**	**33,517**	**30,700**	**29,654**	**30,987**	**33,517**	**24,200**	**29,654**	**38,487**

*/ **Note**: The net amount is calculated with an UDI value of 6.192879, as well as the minimum amount of the range auctions.

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.

Syndicated Auctions

- The SHCP will evaluate the convenience of carrying out syndicated auctions. In particular, during 2019, the possibility of introducing new reference bonds at a fixed rate for 3 and 5 years, as well as Udibonos for 3 and 30 years will be analyzed.

- In case of carrying out any of these operations, the SHCP will announce through the Banco de Mexico the respective call with the specifications of the transaction.

- The amounts placed through syndicated auctions will be in addition to the amounts announced in the quarterly securities auction calendar. In case of placing a new reference, the following primary auctions related to the term placed would continue with the reopening policy.

Mechanism for Liability Management

- The 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 SHCP will seek to carry out at least one liability management operation during the first quarter of 2019, as long as the market conditions are favorable and always looking to improve the maturity profile and increase the efficiency of the Federal Government's debt portfolio.

- If any of these transactions should take place, the SHCP will release the announcement through Banco de Mexico with the specifications of the transaction.

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 first quarter of 2019 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 52 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 2019 1st Quarter Auction Program

- In accordance with the Annual Borrowing Plan approved by IPAB's Governing Board for 2019, the Institute informs that for the first quarter of 2019, it decreases in 200 million pesos (mp) the weekly objective amount of Savings Protection Bonds, as follows:

    - It maintains without changes the weekly objective amount in 1,700 million pesos (mp) for the 3 year BPAG28;

    - It maintains without changes the weekly objective amount in 1,700 mp for the 5 year BPAG91; and

    - It reduces in 200 mp the weekly objective amount to 1,000 mp for the 7 year BPA182.

- Thus, the weekly target amount to be auctioned by the IPAB will be 4,400 mp. This program is consistent with the objective of keeping IPAB's liabilities from growing in real terms.

IPAB's 2019 1st Quarter Auction Program

TARGET AMOUNT BY AUCTION
ISSUE CODE

SCHEDULE OF AUCTIONS FOR THE FIRST QUARTER OF 2019													
Total	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400
	IM211111 1,700	IM211111 1,700	IM211111 1,700	IM211111 1,700	IM211111 1,700	IM211111 1,700	IM220210 1,700	IM220210 1,700	IM220210 1,700	IM220210 1,700	IM220210 1,700	IM220210 1,700	IM220210 1,700
	IQ230831 1,700	IQ230831 1,700	IQ240111 1,700	IQ240111 1,700	IQ240111 1,700	IQ240111 1,700	IQ240111 1,700	IQ240111 1,700	IQ240111 1,700	IQ240111 1,700	IQ240111 1,700	IQ240111 1,700	IQ240111 1,700
	IS251002 1,000	IS251002 1,000	IS251002 1,000	IS251002 1,000	IS251002 1,000	IS251002 1,000	IS251002 1,000	IS251002 1,000	IS260219 1,000	IS260219 1,000	IS260219 1,000	IS260219 1,000	IS260219 1,000
	02 jan	09 jan	16 jan	23 jan	30 jan	06 feb	13 feb	20 feb	27 feb	06 mar	13 mar	20 mar	27 mar

Amounts in millions of pesos

Petróleos Mexicanos

- Petróleos Mexicanos (Pemex) financing program for 2019 is in line with the one authorized by the Congress of the Union and the Board of Directors of Petróleos Mexicanos. The program allows an internal net indebtedness up to 4.350 billion pesos, besides it gives flexibility to manage the authorized debt ceiling, through communicating vessels between external and internal debt.

- During 2019, the internal financial program shall keep flexibility to adapt to the prevailing conditions in the financial markets.

- Accordingly, in the first quarter of the year the possibility to realize issuances, reopen prevailing issuances, and potentially liability management transactions will be analyzed in order to improve the liquidity and the prices discovery process. Pemex will be responsive to the volatility conditions, investors appetite, and liquidity.

- All the operations will be executed with the purpose of strengthen the financial position of the company, looking for a cautious balance between risk and cost.

- Furthermore, the program includes the contract of revolving and direct credit lines, both syndicated and bilateral, so it is expected to proceed with transactions and/or renovations of this financial sources.

Petróleos Mexicanos

- Pemex will evaluate issuances to specific term placements in the curve and in different formats such as fixed rate, floating rate and real fixed rate, through the communicating vessels mechanism.

- The program Market Makers will continue and the potential issuances will be executed with the financial institutions who will be selected in accordance with their performance in the program.

- 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 broaden the investors base and strengthen the debt instrument's demand, Pemex's debt securities in local currency could be offered and settled through international custodian platforms.

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