

SECRETARÍA DE HACIENDA



Quarterly Government Securities Auction Calendar

Fourth Quarter 2019

Government Securities Auction Calendar

- The Ministry of Finance and Public Credit (SHCP) announces the government securities auction calendar for the fourth quarter of 2019 (Q4 2019). The first auction of Q4 2019 will take place in the first week of October.
- The auction calendar is in line with the 2019 Annual Borrowing Plan, as well as the public debt policy for 2019, and is consistent with the Economic Program approved by Congress for the fiscal year of 2019.
- The Federal Government's public debt policy will follow a proactive and flexible strategy during the Q4 2019, will seek to cover the financing needs favoring the local market, and will adjust to meet the public deficit targets in order to continue strengthening the macroeconomic fundamentals and public finance of the country.

Government Securities Auction Calendar

- For Cetes, the Q4 2019 auction program will maintain the ranges of the amounts to be auctioned with respect to the last quarter for all the maturities, this is in order to address changes arising from Federal Treasury's cash flow seasonality and from market conditions.
- The quarterly auction program for Q4 2019 incorporates adjustments in relation to the amounts auctioned during Q3 2019. In this regard, the decrease in the average amounts to be auctioned for the 5, 10, 20 and 30-year M Bond references stand out.
- With respect to the Udibonos, the average amounts to be placed during Q4 2019 incorporate adjustments in relation to the amounts auctioned during Q3 2019. The average amounts to be auctioned for the 3, 10 and 30-year Udibonos reference will decline.
- The average amount to be placed during Q4 2019 of Bondes D will remain unchanged in relation to the amounts auctioned during Q3 2019.

Government Securities Auction Calendar

In the following slides are the government securities auction program for Q4 2019:

Cetes

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

Instrument	Periodicity	Q3 19 Range (mp)	Q4 19 Range (mp)	Δ Q4 19 VS Q3 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 amounts of Cetes to be auctioned will be released at its corresponding auction announcement through Banco de Mexico.
- The first auction of the quarter, which includes Cetes with maturities of 28, 91 and 182 days, will be for an amount of 6,000; 10,500 and 14,500 mp, respectively.

Floating Rate Notes (Bondes D)

- The amount to be auctioned of 5-year Bondes D will be 6,500 mp.

Government Securities Auction Calendar

M Bonds

- In Q4 2019, the 5, 10, 20 and 30-year M Bonds average amounts to be auctioned weekly will be adjusted.

Instrument	Auction Date	Auction Amount	VS Q3 2019
3-year M Bond M211209	15-oct	10,500	+0
	12-nov	10,500	
	09-dec	10,500	
Average		10,500	

Instrument	Auction Date	Auction Amount	VS Q3 2019
5-year M Bond M240905	01-oct	11,000	-1,700
	29-oct	11,000	
	26-nov	11,000	
	23-dec	6,200	
Average		9,800	

Instrument	Auction Date	Auction Amount	VS Q3 2019
10-year M Bond M290531	22-oct	10,000	-2,200
	03-dec	10,000	
Average		10,000	

Instrument	Auction Date	Auction Amount	VS Q3 2019
20-year M Bond M381118	05-nov	3,500	-700
	17-dec	2,500	
Average		3,000	

Instrument	Auction Date	Auction Amount	VS Q3 2019
30-year M Bond M471107	08-oct	4,000	-1,000
	19-nov	4,000	
Average		4,000	

Government Securities Auction Calendar

Inflation-Linked Bonds (Udibonos)

- The average amounts to be placed during Q4 2019 will decrease for all maturities of Udibonos.

Instrument	Auction Date	Auction Amount	VS Q3 19
3-year Udibono	15-oct	875	
S 220609	12-nov	875	-250
	09-dec	875	
	Average	875	
Instrument	Auction Date	Auction Amount	VS Q3 19
10-year Udibono	01-oct	950	
S 281130	29-oct	950	-75
	26-nov	950	
	23-dec	650	
	Average	875	
Instrument	Auction Date	Auction Amount	VS Q3 19
30-year Udibono	08-oct	550	
S 501103	05-nov	550	-50
	03-dec	550	
	Average	550	

Government Securities Auction Calendar

Government Securities Auction Calendar Q4 2019

Auction Date	01-oct-19	08-oct-19	15-oct-19	22-oct-19	29-oct-19	05-nov-19	12-nov-19	19-nov-19	26-nov-19	03-dec-19	09-dec-19	17-dec-19	23-dec-19	
Settlement Date	03-oct-19	10-oct-19	17-oct-19	24-oct-19	31-oct-19	07-nov-19	14-nov-19	21-nov-19	28-nov-19	05-dec-19	11-dec-19	19-dec-19	26-dec-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	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			
The amount will have a range of 5,000 to 15,000 mp														
Fixed Long Run (mp)	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	3-year M Bond	20-year M Bond	5-year M Bond	
	11,000	4,000	10,500	10,000	11,000	3,500	10,500	4,000	11,000	10,000	10,500	2,500	6,200	
Inflation-Linked (mu)	10-year Udibono	30-year Udibono	3-year Udibono		10-year Udibono	30-year Udibono	3-year Udibono		10-year Udibono	30-year Udibono	3-year Udibono		10-year Udibono	
	950	550	875		950	550	875		950	550	875		650	
Floating Rate (mp)		5-year Bondes		5-year Bondes		5-year Bondes		5-year Bondes		5-year Bondes		5-year Bondes		
		6,500		6,500		6,500		6,500		6,500		6,500		
Net Amount* (mp)	31,972	33,958	31,001	31,500	31,972	33,458	31,001	25,500	31,972	39,958	31,001	24,000	25,286	

*/ Note: The net amount is calculated with an UDI value of 6.286663, as well as the minimum amount of the range auctions for 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.

Syndicated Auctions

- The SHCP will evaluate the convenience of carrying out syndicated auctions. During Q4 2019, the SHCP could place new references for M Bonds, as well as Udibonos, subject to market conditions.
- In case of carrying out any of the operations mentioned above, the SHCP will release the announcement through Banco de Mexico along with the specifications of the transaction.
- The amounts placed through syndicated auctions will be in addition to the amounts announced in the Quarterly Government Securities Auction Calendar. In case of placing a new reference, the subsequent primary auctions of the term placed will 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 might carry out a liability management operation during the fourth quarter of 2019, as long as the market conditions are favorable and always seeking 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 operation.

Debt Issuance by Banco de México

Banco de México intends to maintain unchanged its existing Bondes D auction schedule calendar for the fourth quarter of 2019.

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 following quarter 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.

Debt Issuance by Banco de México

Extraordinary Operations

Banco de México anticipates a liquidity expansion in the financial system during the fourth quarter of 2019, associated to, among other factors, the principal and coupon payments of Federal Government securities at maturity. In order to sterilize this expansion of liquidity, Banco de México could conduct any of the following operations:

Cetes:

Banco de México may carry out new placements of Cetes through extraordinary auctions during the coming quarter for an amount greater than the maturities of the aforementioned period. The dates of the auctions and the maturity of the Cetes to be offered will be specified in each offering announcement.

Bondes D:

Banco de México may also analyze the convenience of executing exchange auctions of Bondes D that mature in the coming months for longer dated Bondes D, or of carrying out extraordinary auctions of these instruments. The dates of the auctions for both types of operations, and the maturity of the Bondes D to be offered will be specified in each offering announcement.

- The total amount for the combined extraordinary operations, may be of up to 100 billion pesos.

Debt Issuance by Banco de México

Debt Exchange Auctions

Finally, Banco de México acting on its own, and in coordination with the Ministry of Finance and Public Credit, could execute, debt exchange auctions of Government securities during the fourth quarter of 2019.

In particular, the Central Bank could repurchase M Bonds maturing on December 11th, 2019, and offer Cetes with different tenors. The purpose of these operations is to smooth out the monetary effect of the amortization of this security and thus improve the efficiency of liquidity operations that the Central Bank carries out in the money market on a daily basis.

- The dates, amounts and maturity of the securities involved in these auctions would be made public in each corresponding exchange offering announcement.

All the previously mentioned operations 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 4th Quarter Auction Program

- In accordance with the Annual Borrowing Plan approved by IPAB's Governing Board for 2019, the Institute informs that for the fourth quarter of 2019, it decreases in 100 million pesos (mp) the weekly objective amount of Savings Protection Bonds, as follows:
 - The weekly offering of 3 year BPAG28 will decrease 100 mp from 1,600 mp to 1,500 mp;
 - The weekly offering of 5 year BPAG91 will decrease 100 mp, from 1,600 mp to 1,500 mp, and
 - The weekly offering of 7 year BPA182 will increase 100 mp, from 1,200 mp to 1,300 mp.
- Thus, the weekly target amount to be auctioned by the IPAB will be 4,300 mp. This program is consistent with the objective of keeping IPAB's liabilities from growing in real terms.

IPAB's 2019 4th Quarter Auction Program

TARGET AMOUNT BY AUCTION ISSUE CODE

SCHEDULE OF AUCTIONS FOR THE FOURTH QUARTER OF 2019

4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300
IM220811 1,500	IM220811 1,500	IM220811 1,500	IM220811 1,500	IM220811 1,500	IM220811 1,500	IM221110 1,500	IM221110 1,500	IM221110 1,500	IM221110 1,500	IM221110 1,500	IM221110 1,500	IM221110 1,500
IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500	IQ240829 1,500
IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300	IS260903 1,300
02 oct	09 oct	16 oct	23 oct	30 oct	06 nov	13 nov	20 nov	27 nov	04 dec	10 dec	18 dec	24 dec

Amounts in millions of pesos.

Petróleos Mexicanos

- Petróleos Mexicano's (Pemex) financing program for 2019 is in accordance with what was approved by the Mexican Congress and the company's Board of Directors, and allows for a net indebtedness of up to 4,350 million pesos.
- In the remainder of the year, the internal financing program will remain flexible to support the company's business strategy and maintain an adequate balance of the company's finances.
- In this sense, during the fourth quarter of the year, Pemex will analyze the possibility to carry out issuances, re-tap outstanding issuances and potentially perform liability management transactions, that will allow the company to improve its liquidity and the price discovery process. Pemex will be sensitive to volatility conditions, investors appetite and liquidity, looking for the best market conditions for the company.
- Likewise, in addition of considering the bond issuances in the debt capital markets, the program includes the contract of revolving and direct credit lines, both syndicated and bilateral, in line with the goal of the new administration to limit the indebtedness level of the company.

Petróleos Mexicanos

- Pemex will evaluate to issue at specific terms of the curve, and on different formats, including fixed rate, floating rate and real fixed rate, under the communicating vessels mechanism.
- The company will continue the Market Makers program. Potential issuances will be carried out with financial institutions, based on their performance within the program.
- If an issuance were to take place, amounts and corresponding dates will be made available through proper public offering announcements.
- Finally, with the objective of widening its investor base and strengthening securities' demand, Pemex local-currency denominated bonds could be offered and settled through international clearing houses.

www.gob.mx/shcp