

SECRETARÍA DE HACIENDA



Quarterly Government Securities Auction Calendar

Fourth Quarter 2020

Government Securities Auction Calendar

- The Ministry of Finance and Public Credit (SHCP) announces the government securities auction calendar for the fourth quarter of 2020 (Q4 2020). The first auction of Q4 2020 will take place in the next September 29.
- The auction calendar is in line with the 2020 Annual Borrowing Plan, as well as the public debt policy for 2020, and is consistent with the Economic Program approved by Congress for the fiscal year of 2020.
- The Federal Government's public debt policy will follow a proactive and flexible strategy during the Q4 2020, 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 2020 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.
- With respect to the Bondes D auction, and compared to the 3Q 2020 program, there are modifications to the tenors, as well as the range of the average amounts to be auctioned during 4Q 2020 in order to address changes in market liquidity conditions.
- For MBONOS, the quarterly auction program for Q4 2020 incorporates adjustments in the amounts to be auctioned compared to those issued during Q3 2020. In this regard, the average amounts increases in the 5y, 10y, 20y and 30-year references.
- With respect to the Udibonos, the average amounts to be placed during Q4 2020 incorporate increases in the amounts to be auctioned compared to those issued during Q3 2020.

Cetes and Bondes D

- The range of the amounts to be auctioned will be maintained for all Cetes tenors with a minimum of 5,000 and a maximum of 15,000 million pesos (mp).
- The first auction of the quarter, which includes Cetes with maturities of 28d, 91d, 182d and 364 days, will be for 5,000, 13,000, 11,00 and 6,000 mp, respectively.

Instrument	Periodicity	Q3 20 Range (mdp)	Q4 20 Range (mdp)	Δ Q4 20 VS Q3 20
28-day Cetes	Weekly	min 5,000	min 5,000	-
		max 20,000	max 20,000	-
91-day Cetes	Weekly	min 5,000	min 5,000	-
		max 20,000	max 20,000	-
182-day Cetes	Weekly	min 5,000	min 5,000	-
		max 20,000	max 20,000	-
1-year Cetes	Weekly	min 5,000	min 5,000	-
		max 20,000	max 20,000	-

- The amount to be auctioned of **Bondes D** for 1y, 3y and 5 years, will range from 7,000 to 16,000 mp.
- The amount to be auctioned will be released at its corresponding bi weekly auction announcement through Banco de Mexico.

M Bonds

- In Q4 2020, 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 2020
3-year M Bond M 230309	13-oct	6,000	+0
	03-nov	6,000	
	08-dec	6,000	
Average		6,000	

Instrument	Auction Date	Auction Amount	VS Q3 2020
5-year M Bond M 260305	29-sep	10,050	+3,200
	27-oct	10,050	
	24-nov	10,050	
	22-dec	5,850	
Average		9,000	

Instrument	Auction Date	Auction Amount	VS Q3 2020
10-year M Bond M 310529	10-nov	9,000	+3,200
	15-dec	9,000	
Average		9,000	

Instrument	Auction Date	Auction Amount	VS Q3 2020
20-year M Bond M 381118	06-oct	4,000	+1,200
	17-nov	4,000	
	29-dec	1,000	
Average		3,000	

Instrument	Auction Date	Auction Amount	VS Q3 2020
30-year M Bond M 471107	20-oct	2,750	+450
	01-dec	2,750	
Average		2,750	

Udibons

- The average amounts to be placed during Q4 2020 will increase for all maturities of Udibonos.

Instrument	Auction Date	Auction Amount	VS Q3 20
3-year Udibono S 231116	13-oct	700	+240
	03-nov	700	
	08-dec	700	
Average		700	

Instrument	Auction Date	Auction Amount	VS Q3 20
10-year Udibono S 281130	29-sep	850	+300
	27-oct	850	
	24-nov	850	
	22-dec	550	
Average		775	

Instrument	Auction Date	Auction Amount	VS Q3 20
30-year Udibono S 501103	06-oct	450	+160
	10-nov	450	
	01-dec	450	
	29-dec	250	
Average		400	

Government Securities Auction Calendar Q4 2020

Auction Date	29-sep-20	06-oct-20	13-oct-20	20-oct-20	27-oct-20	03-nov-20	10-nov-20	17-nov-20	24-nov-20	01-dec-20	08-dec-20	15-dec-20	22-dec-20	29-dec-20	
Settlement Date	01-oct-20	08-oct-20	15-oct-20	22-oct-20	29-oct-20	05-nov-20	12-nov-20	19-nov-20	26-nov-20	03-dec-20	10-dec-20	17-dec-20	24-dec-20	31-dec-20	
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	28-day Cetes	
	The amount will have a range of 5,000 to 20,000 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	91-day Cetes	
	The amount will have a range of 5,000 to 20,000 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 20,000 mp														
	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	1-year Cetes	
The amount will have a range of 5,000 to 20,000 mp															
Fixed Long Run (mp)	5-year M Bond	20-year M Bond	3-year M Bond	30-year M Bond	5-year M Bond	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	
	10,050	4,000	6,000	2,750	10,050	6,000	9,000	4,000	10,050	2,750	6,000	9,000	5,850	1,000	
Inflation-Linked (mu)	10-year Udibono	30-year Udibono	3-year Udibono		10-year Udibono	3-year Udibono	30-year Udibono		10-year Udibono	30-year Udibono	3-year Udibono		10-year Udibono	30-year Udibono	
	850	450	700		850	700	450		850	450	700		550	250	
Floating Rate (mp)		1, 3, 5 - year Bondes		1, 3, 5 - year Bondes		1, 3, 5 - year Bondes		1, 3, 5 - year Bondes		1, 3, 5 - year Bondes		1, 3, 5 - year Bondes		1, 3, 5 - year Bondes	
	The amount will have a range of 7,000 to 16,000 mp														
Net Amount* (mp)	35,614	33,946	30,582	29,750	35,614	37,582	31,946	31,000	35,614	32,696	30,582	36,000	29,450	29,637	

*/ Note: The net amount is calculated with an UDI value of 6.546024, 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. During Q4 2020, the SHCP could place new references for M BONOS, 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 transaction's specifications.
- 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 operations during the fourth quarter of 2020, 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.

Amendment to the Government Securities Auction Calendar

- The Ministry of Finance and Public Credit restates its commitment to use public debt in a responsible manner consistent with the objective of ensuring compliance with the fiscal consolidation objective and preserving the stability of the Mexican economy in an adverse environment.
- Additionally, the Ministry of Finance and Public Credit will continue to follow the evolution of the financial market to take necessary measures to ensure its proper functioning.
- In this sense, if any amendments to the Government Securities Auction Calendar should take place, these will be duly informed by the Ministry of Finance and Public Credit.

Debt Issuance by Banco de México

Bondes D:

During the fourth quarter of 2020, the total weekly amount of Bondes D auctioned by Banco de México will remain unchanged at MXN 4.5 billion. For 4Q 20, the maturities and amounts to be auctioned 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.

Extraordinary Operations

In addition, Banco de México anticipates a liquidity expansion in the financial system during the fourth quarter of 2020 given the payment of coupons and maturity of government securities. Therefore, Banco de Mexico will execute diverse operations in the market in order to sterilize such liquidity.

Debt Issuance by Banco de México

Cetes:

Banco de México may carry out new placements of Cetes through extraordinary auctions during the coming quarter for a larger amount than those instruments maturing during said months.

Bondes D:

Banco de México may also carry out extraordinary auctions of these securities.

The dates of the auctions for both types of operations, and the maturity of the government securities to be offered will be specified in each offering announcement. The total gross amount that can be placed through the aforementioned combined extraordinary operations, could be of up to MXN 200 billion.

Debt exchanges

Banco de México may also execute exchange auctions of government securities that mature in the coming months to smooth out the debt maturity profile. The amount to be offered will be determined base on the demand received. Dates of the auctions and the maturity of the government securities to be exchanged will be specified in each offering announcement.

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

IPAB's 2020 4th Quarter Auction Program

- In accordance with the Annual Financing Program approved by IPAB's Governing Board for 2020, the Institute will increase in 300 million pesos (mp) its weekly offering of Savings Protection Bonds, for the fourth quarter of 2020, as follows:
 - It maintains without changes the weekly objective amount in 1,400 million pesos (mp) for the 3 year BPAG28;
 - It maintains without changes the weekly objective amount in 1,400 mp for the 5 year BPAG91; and
 - Increases in 300 mp the weekly objective amount in 1,000 mp for the 7 year BPA182.
- Thus, the weekly target amount to be auctioned by the IPAB will be 3,800 mp. This program is consistent with the objective of keeping IPAB's liabilities from growing in real terms.

IPAB's 2020 4th Quarter Auction Program

TARGET AMOUNT BY AUCTION ISSUE CODE

SCHEDULE OF AUCTIONS FOR THE FOURTH QUARTER OF 2020

3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800
IM230810 1,400	IM230810 1,400	IM230810 1,400	IM230810 1,400	IM230810 1,400	IM230810 1,400	IM231109 1,400	IM231109 1,400	IM231109 1,400	IM231109 1,400	IM231109 1,400	IM231109 1,400	IM231109 1,400	IM231109 1,400
IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400	IQ250904 1,400
IS270401 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000	IS270930 1,000
30 sep	07 oct	14 oct	21 oct	28 oct	04 nov	11 nov	18 nov	25 nov	02 dec	09 dec	16 dec	23 dec	30 dec

Amounts in millions of pesos.

Petróleos Mexicanos

- Petróleos Mexicanos' (Pemex) financing program for 2020, is in accordance with what was authorized by the Board of Directors of Pemex and the Mexican Congress, which allows an internal net indebtedness of up to 10,000 million pesos.
- For the rest of the year, the internal financing program will remain flexible, in order to adjust to the needs of the Company, as well as to the prevalent conditions of the financial markets.
- It will be considered to carry out liability management operations, with the purpose of strengthen the financial position of the company. Pemex will be sensitive of the investor's appetite, looking for the best market conditions.
- In addition to the issuance of bonds in the debt markets, the financing strategy will contemplate credit lines, both syndicated and bilateral, as well as revolving credit facilities.
- Therefore, it is expected to carry out transactions and/or renewals of these financings, in order to strengthen the financial position of the company.
- Pemex will maintain close contact with different public and private economical agents, to identify and generate financing opportunities.

Petróleos Mexicanos

- If any issuances in the local market were to take place, this will be carried out through the communicating vessels mechanism in different formats, such as variable rate, nominal fixed rate and real fixed rate. The amount and corresponding dates will be made available through proper public offering announcements.
- The company will continue with the Market Makers program. Potential issuances will be carried out with financial institutions, based on their performance within the program.
- 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.

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