



PUBLIC FINANCE AND PUBLIC DEBT REPORT, FEBRUARY 2012

The public finance and public debt preliminary results as of February 2012 were released today.

The main results for the January-February period are the following:

- The total deficit of the Public Sector was Ps. 24.3 billion. Excluding investment by PEMEX a surplus of Ps. 4.3 billion is observed. These results are consistent with the approved budget deficit for the year.
- Budgetary revenues were higher by 6.6% in real annual terms. Oil revenues, revenues of public entities under direct budgetary control other than PEMEX and non-oil tax revenues increased by 17.4, 9.4, and 3.7%, respectively.
- Net expenditures were higher by 12.4% in real annual terms. Programmable expenditures increased by 13.2% in real terms.
- Federal resources transferred to federal entities and municipalities increased by 12.6% in real terms. Shared revenues increased by 10.8% in real terms.
- The Federal Public Sector's net domestic debt increased by Ps. 63.1 billion while the **Federal Public Sector's** net external debt increased by USD 2.2 billion, both with respect to the end of 2011.

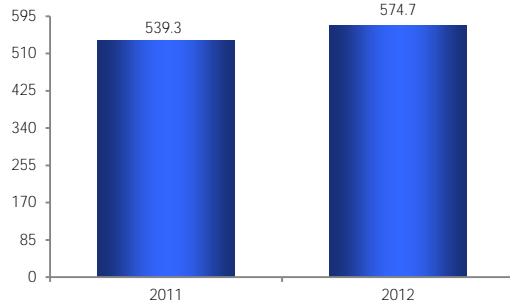
Evolution of the Public Finances during January-February

As of February 2012, the Public Sector posted a deficit of Ps. 24.3 billion. The primary balance posted a surplus of Ps. 8.0 billion. If investment by PEMEX is excluded, the public balance is a surplus of Ps. 4.3 billion. These results are consistent with the approved deficit for 2012, in compliance with Article 17 of the Federal Budget and Fiscal Responsibility Law.

Public Sector Budgetary Revenues during January-February

The Public Sector's **budgetary revenues** were Ps. 574.7 billion, amount 6.6% higher in real annual terms. The evolution of the main components of budgetary revenues was the following:

**BUDGETARY REVENUES,
JANUARY-FEBRUARY**
(Billion pesos of 2012)



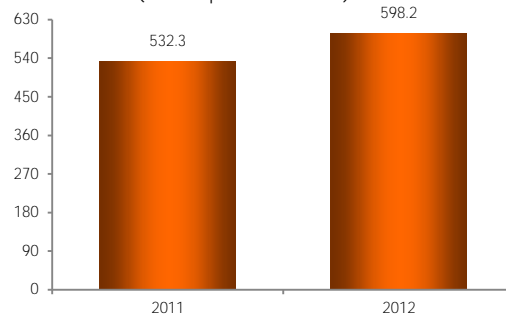
- Non-oil tax revenues were Ps. 281.1 billion, with an increase of 3.7% in real annual terms. Collections from excise taxes (IEPS), import taxes, the income tax (including the IETU and the Tax on Cash Deposits) and the VAT increased by 10.5, 9.2, 5.9 and 2.0% in real terms, respectively.
- Oil related revenues –which include **PEMEX's own revenues, excise tax** collection on gasoline and diesel, royalties and fees, and taxes on oil returns – totaled Ps. 188.0 billion, increasing by 17.4% in real annual terms. This result is explained mainly by the higher price of the Mexican oil mix (106.8 dpb compared with 83.7 dpb observed in the same period of last year), that was partially offset by a lower price of natural gas by 19.8%, a higher value of hydrocarbon imports by 11.6% in real terms and a lower oil production platform by 1.6%, all with respect to the same period of 2011.
- Revenues of public entities under direct budgetary control other than PEMEX were Ps. 84.3 billion, which represents an increase of 9.4% in real annual terms. This is mainly explained by higher revenues from electricity sales and higher social security contributions.

- Non-tax non-oil revenues totaled Ps. 21.3 billion, amount lower by 31.3% in real annual terms due to the high non-recurrent revenues obtained in January-February of 2011.

Net Budgetary Public Sector Expenditures during January-February

During the first two months of the year, net budgetary expenditures of the Public Sector totaled Ps. 598.2 billion, amount higher by 12.4% in real annual terms.

**BUDGETARY NET EXPENDITURES,
JANUARY-FEBRUARY**
(Billion pesos of 2012)



Paid programmable expenditures totaled Ps. 443.8 billion, amount higher by 13.2% in real annual terms.

Resources transferred to federal entities and municipalities through shared revenues, federal contributions, decentralization agreements and reallocations, increased by 12.6% in real terms. Shared revenues increased by 10.8% in real terms due to higher federal shareable revenues, while the remainder of the resources transferred to federal entities and municipalities increased by 14.1% in real annual terms.

The Public Sector's financial cost was Ps. 26.1 billion, higher by 11.5% in real annual terms. This increase is explained mainly by the



exchange rate depreciation that was observed in this period.

More details on public finance and public debt statistics can be obtained in the Ministry of Finance's web page at:

<http://t.co/pmRnBb1>

Stock of Public Debt as of February

At the end of February, the Federal Government's **net domestic debt** was Ps. 3,176.2 billion, amount Ps. 64.1 billion higher than that observed at the end of 2011. The change in the stock is explained by net indebtedness of Ps. 117.0 billion, upward adjustments to the inflation indexed debt by Ps. 14.6 billion and an increase in the Federal Government's **financial assets** by Ps. 67.5 billion.

The stock of the Federal Government's **net external debt** at the end of February was USD 60.9 billion, amount USD 1.2 billion higher than the one observed at the end of 2011. This result is explained by a net indebtedness of USD 1.1 billion and a decrease in financial assets in foreign currency by USD 0.1 billion.

The stock of the Federal Public Sector's **net domestic debt** (Federal Government, **PEDBC's** and development banks) at the end of February was Ps. 3,321.6 billion, which implies an increase of Ps. 63.1 billion with respect to the stock recorded at the end of 2011. This is due to net domestic indebtedness during the period of Ps. 123.1 billion, upward accounting adjustments by Ps. 15.1 billion and an increase in domestic financial assets by Ps. 75.1 billion.

The stock of the Federal Public Sector's **net external debt** was USD 115.9 billion, amount that is higher by USD 2.2 billion than the one registered at the end of 2011. This result is explained by net indebtedness of Ps. 3.0 billion, upward accounting adjustments by USD 0.2 billion and an increase in foreign financial assets by USD 1.0 billion.

ANNEX I

PUBLIC SECTOR BALANCE (Million pesos)

Concept	January-February		Real % Growth	Composition %	
	2011 ^{p./}	2012 ^{p./}		2011 ^{p./}	2012 ^{p./}
PUBLIC BALANCE	11,257.7	-24,300.9	n.s.		
PUBLIC BALANCE EXCLUDING PEMEX'S INVESTMENT^{1/}	35,045.2	4,313.8	-88.2		
Budgetary Balance	6,683.4	-23,551.9	n.s.		
Budgetary Revenues	518,731.2	574,667.7	6.6	100.0	100.0
Oil Related	154,102.1	188,033.0	17.4	29.7	32.7
Federal Government	114,878.2	140,811.6	17.9	22.1	24.5
PEMEX	39,223.9	47,221.4	15.8	7.6	8.2
Non-oil related	364,629.1	386,634.6	2.0	70.3	67.3
Federal Government	290,560.9	302,384.6	0.1	56.0	52.6
Tax	260,719.5	281,078.4	3.7	50.3	48.9
Non-tax	29,841.4	21,306.2	-31.3	5.8	3.7
PEDBC	74,068.2	84,250.0	9.4	14.3	14.7
Net Budgetary Expenditures	512,047.8	598,219.6	12.4	100.0	100.0
Programmable	377,043.6	443,838.6	13.2	73.6	74.2
Non programmable	135,004.2	154,381.0	10.0	26.4	25.8
PEIBC	4,574.3	-749.0	n.s.		
Primary Balance	33,049.8	7,999.9	-76.7		

Note: Figures may not add up due to rounding.

p./ Preliminary figures.

n.s.: Not significant.

1_/ PEMEX's physical investment is excluded.

Source: Ministry of Finance and Public Credit.



Press Release

Mexico City, March 30th, 2012.

PUBLIC SECTOR REVENUES (Million pesos)

Concept	January-February		Real % Growth	Composition %	
	2011 ^{p./}	2012 ^{p./}		2011 ^{p./}	2012 ^{p./}
BUDGETARY REVENUES(I+II)	518,731.2	574,667.7	6.6	100.0	100.0
I. Oil Related (a+b)	154,102.1	188,033.0	17.4	29.7	32.7
a) PEMEX	39,223.9	47,221.4	15.8	7.6	8.2
b) Federal Government	114,878.2	140,811.6	17.9	22.1	24.5
Rights and royalties	125,784.8	173,437.1	32.6	24.2	30.2
Excise taxes ^{1_/}	-11,073.7	-32,880.8	n.s.	-2.1	-5.7
Tax on Oil Returns	167.1	255.3	47.0	0.0	0.0
II. Non-oil related (c+d)	364,629.1	386,634.6	2.0	70.3	67.3
c) Federal Government	290,560.9	302,384.6	0.1	56.0	52.6
Tax	260,719.5	281,078.4	3.7	50.3	48.9
Income Tax, IETU and IDE	140,408.4	154,619.5	5.9	27.1	26.9
Income Tax	129,782.8	148,351.6	10.0	25.0	25.8
IMPAC	-232.8	-284.7	n.s.	0.0	0.0
IETU (Unique Rate Corporate Tax)	10,570.3	8,501.2	-22.6	2.0	1.5
IDE (Tax on Cash Deposits)	288.1	-1,948.5	n.s.	0.1	-0.3
VAT	93,908.3	99,622.0	2.0	18.1	17.3
Excise taxes	14,734.9	16,920.4	10.5	2.8	2.9
Import taxes	4,025.3	4,567.6	9.2	0.8	0.8
Others ^{2_/}	7,642.6	5,348.9	-32.7	1.5	0.9
Non-tax	29,841.4	21,306.2	-31.3	5.8	3.7
Rights	7,233.2	8,240.4	9.6	1.4	1.4
Fees	22,080.9	12,254.1	-46.6	4.3	2.1
Others	527.4	811.7	48.1	0.1	0.1
d) PEDBC ^{3_/}	74,068.2	84,250.0	9.4	14.3	14.7
Memorandum items:					
Total tax related	249,812.9	248,452.9	-4.3	48.2	43.2
Total non-tax related	268,918.3	326,214.8	16.7	51.8	56.8

Note: Figures may not add up due to rounding.

p./ Preliminary figures.

n.s.: Not significant.

1_/ The negative sign implies that tax compensations were greater than receipts.

2_/ Includes taxes on new vehicles, on vehicle ownership, exports, those that do not belong to the aforementioned and accessories.

3_/ Excludes federal government transfers to the ISSSTE.

Source: Ministry of Finance and Public Credit.



Press Release

Mexico City, March 30th, 2012.

PUBLIC SECTOR NET EXPENDITURES (Million pesos)

Concept	January-February		Real % Growth	Composition %	
	2011 ^{p./}	2012 ^{p./}		2011 ^{p./}	2012 ^{p./}
TOTAL (I+II)	512,047.8	598,219.6	12.4	100.0	100.0
I. Primary Expenditures (a+b)	489,491.5	572,078.6	12.4	95.6	95.6
a) Programmable	377,043.6	443,838.6	13.2	73.6	74.2
b) Non- programmable	112,447.9	128,240.0	9.7	22.0	21.4
II. Financial Cost ^{1_}	22,556.3	26,141.0	11.5	4.4	4.4

Note: Figures may not add up due to rounding.

p./ Preliminary figures.

1_/ Includes interests, commissions and other public debt expenditures associated to debtor support programs, as well as expenditures to support savers and bank debtors.

Source: Ministry of Finance and Public Credit.



Press Release

Mexico City, March 30th, 2012.

FEDERAL GOVERNMENT DOMESTIC DEBT, FEBRUARY ^{*_/_}
(Million pesos)

Concept	Outstanding as of December 2011	Indebtedness			Adjustments ^{1_/_}	Outstanding as of February 2012 ^{p_/_}
		Originations	Amort.	Net		
1. Net Debt (3-2)	3,112,093.2					3,176,197.3
2. Assets ^{2_/_}	85,610.0					153,092.0
3. Gross Domestic Debt	3,197,703.2	362,243.3	245,247.7	116,995.6	14,590.5	3,329,289.3
Government Securities	2,882,799.6	335,820.6	217,815.8	118,004.8	9,604.4	3,010,408.8
Cetes	456,600.8	232,365.4	212,615.3	19,750.1	0.0	476,350.9
Bonds "D"	202,473.1	6,116.5	5,200.0	916.5	0.0	203,389.6
Fixed Rate Bonds	1,581,580.5	72,313.1	0.3	72,312.8	0.0	1,653,893.3
Udibonos	642,145.2	25,025.6	0.2	25,025.4	9,604.4	676,775.0
<i>Udibonos udi's</i>	136,922.7	5,292.2	0.0	5,292.2	0.0	142,214.9
S.A.R.	81,193.5	25,884.4	20,321.3	5,563.1	1,599.4	88,356.0
Obligations from ISSSTE Law	171,932.8	18.7	6,539.0	-6,520.3	2,488.2	167,900.7
Others	61,777.3	519.6	571.6	-52.0	898.5	62,623.8

Note: Figures may not add up due to rounding.

*_/_ Figures subject to revisions and methodological changes.

p_/_ Preliminary figures.

1_/_ Refers to adjustment for inflation.

2_/_ Represents the balance, denominated in pesos, of the General Account of the Federal Treasury.

Source: Ministry of Finance and Public Credit.



Press Release

Mexico City, March 30th, 2012.

FEDERAL GOVERNMENT EXTERNAL DEBT, FEBRUARY ^{*_/_}
(Million dollars)

Concept	Outstanding as of December 2011	Indebtedness			Adjustments	Outstanding as of February 2012 ^{p_/_}
		Originations	Amort.	Net		
1. Net Debt (3-2)	59,642.5					60,877.5
2. Assets ^{1_/_}	1,709.0					1,658.0
3. Gross Debt	61,351.5	2,010.7	871.0	1,139.7	44.3	62,535.5
Public Bonds	40,668.5	2,000.0	743.5	1,256.5	19.6	41,944.6
IFI's	19,606.7	10.7	124.5	-113.8	0.6	19,493.5
Bilateral	1,076.3	0.0	3.0	-3.0	24.1	1,097.4

Note: Figures may not add up due to rounding.

*_/_ Figures subject to revisions and methodological changes.

p_/_ Preliminary figures.

1_/_ Considers the US Dollar denominated balance of the General Account of the Federal Treasury.

Source: Ministry of Finance and Public Credit.

PUBLIC SECTOR DOMESTIC DEBT, FEBRUARY ^{1_}/_{1_}
(Million pesos)

Concept	Outstanding as of December 2011	Indebtedness		Net	Adjustments	Outstanding as of February 2012 ^{p_}
		Originations	Amort.			
1. Net Debt (3-2)	3,258,479.5					3,321,607.4
2. Assets ^{2_}	188,329.1					263,394.0
3. Gross Debt	3,446,808.6	370,539.3	247,473.4	123,065.9	15,126.9	3,585,001.4
By Term	3,446,808.6	370,539.3	247,473.4	123,065.9	15,126.9	3,585,001.4
Long-term	3,092,803.3	153,369.1	48,269.3	105,099.8	15,182.5	3,213,085.6
Short-term	354,005.3	217,170.2	199,204.1	17,966.1	-55.6	371,915.8
By User	3,446,808.6	370,539.3	247,473.4	123,065.9	15,126.9	3,585,001.4
Federal Government	3,197,703.2	362,243.3	245,247.7	116,995.6	14,590.5	3,329,289.3
Long-term	2,847,897.4	153,368.4	47,932.5	105,435.9	14,590.5	2,967,923.8
Short-term	349,805.8	208,874.9	197,315.2	11,559.7	0.0	361,365.5
PEDBC's	203,641.0	8,295.3	2,222.3	6,073.0	675.7	210,389.7
Long-term	200,141.0	0.0	333.4	-333.4	675.7	200,483.3
Short-term	3,500.0	8,295.3	1,888.9	6,406.4	0.0	9,906.4
Development Banks	45,464.4	0.7	3.4	-2.7	-139.3	45,322.4
Long-term	44,764.9	0.7	3.4	-2.7	-83.7	44,678.5
Short-term	699.5	0.0	0.0	0.0	-55.6	643.9
By Financing Source	3,446,808.6	370,539.3	247,473.4	123,065.9	15,126.9	3,585,001.4
Bonds Placed in Domestic Markets	3,081,872.3	335,820.6	217,815.8	118,004.8	9,950.5	3,209,827.6
SAR	81,193.5	25,884.4	20,321.3	5,563.1	1,599.4	88,356.0
Commercial Banks	42,243.9	0.7	836.8	-836.1	-177.0	41,230.8
ISSSTE's Law obligations	171,932.8	18.7	6,539.0	-6,520.3	2,488.2	167,900.7
Others	69,566.1	8,814.9	1,960.5	6,854.4	1,265.8	77,686.3

Note: Figures may not add up due to rounding.

*_/_ Figures subject to revisions and methodological changes.

p_/_ Preliminary figures.

1_/_ Including the federal government, PEDBC's and Development Banks debt.

2_/_ Includes the balance, denominated in pesos, of the General Account of the Federal Treasury and deposits in the national banking system as well as assets from PEDB's and Developments Banks.

Source: Ministry of Finance and Public Credit.



Press Release

Mexico City, March 30th, 2012.

PUBLIC SECTOR EXTERNAL DEBT, FEBRUARY ^{*_/_}1_/_
(Million dollars)

Concept	Outstanding as of December 2011	Indebtedness			Adjustments	Outstanding as of February 2012 ^{p_/_}
		Originations	Amort.	Net		
1. Net Debt (3-2)	113,631.6					115,870.0
2. Financial Assets in Foreign Currency ^{2_/_}	2,788.6					3,784.3
3. Gross Debt	116,420.2	7,439.7	4,418.2	3,021.5	212.6	119,654.3
By Term	116,420.2	7,439.7	4,418.2	3,021.5	212.6	119,654.3
Long-term	113,650.9	4,915.0	1,967.4	2,947.6	212.1	116,810.6
Short-term	2,769.3	2,524.7	2,450.8	73.9	0.5	2,843.7
By User	116,420.2	7,439.7	4,418.2	3,021.5	212.6	119,654.3
Federal Government	61,351.5	2,010.7	871.0	1,139.7	44.3	62,535.5
Long-term	61,351.5	2,010.7	871.0	1,139.7	44.3	62,535.5
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
PEDBC's	47,439.5	3,162.3	1,064.0	2,098.3	163.5	49,701.3
Long-term	47,439.5	2,876.2	1,032.4	1,843.8	163.5	49,446.8
Short-term	0.0	286.1	31.6	254.5	0.0	254.5
Development Banks	7,629.2	2,266.7	2,483.2	-216.5	4.8	7,417.5
Long-term	4,859.9	28.1	64.0	-35.9	4.3	4,828.3
Short-term	2,769.3	2,238.6	2,419.2	-180.6	0.5	2,589.2
By Financing Source	116,420.2	7,439.7	4,418.2	3,021.5	212.6	119,654.3
Public Bonds	68,913.6	4,850.0	743.5	4,106.5	176.2	73,196.3
IFI's	23,427.8	36.0	164.2	-128.2	32.4	23,332.0
Bilateral	14,013.9	23.5	362.6	-339.1	-4.5	13,670.3
Commercial Banks	9,778.6	2,244.1	3,116.3	-872.2	-10.6	8,895.8
Pidiregas	286.3	286.1	31.6	254.5	19.1	559.9

Note: Figures may not add up due to rounding.

*_/_ Figures subject to revisions and methodological changes.

p_/_ Preliminary figures.

1_/_ Includes the federal government, PEDBC's and Development Banks debt.

2_/_ Considers the US Dollar denominated balance of the federal treasury's General Account and other federal government assets in foreign currency, as well as other held by PEDBC's and Development Banks.

Source: Ministry of Finance and Public Credit.

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