

Mexico City, March 30<sup>th</sup> of 2017

## Public Finances and Public Debt as of February 2017

To comply with the transparency provisions of the evolution of the public finances for the timely monitoring of the evolution of the fiscal indicators, the Federal Government, through the Ministry of Finance, releases the preliminary information of the Public-Sector financial situation and debt as of February of 2017. The main results are the following:

- During the first two months of 2017, the budgetary revenues increased by 6.9% in real terms compared to the same period of 2016, and were higher than expected in the program by Ps. 47.3 billion. Within the budgetary revenues, it is worth noting the 15.1% oil revenue growth, the 4.7% tax revenue and the 8.5% non-tax revenue increase compared to the previous year.
- Primary expenditures, which exclude the financial cost of debt, were lower than expected in the program by Ps 49.4 billion during January and February. Net budgetary expenditures grew 2.2% with respect to the previous year. Net expenditures that do not consider financial investments, pensions, non-earmarked transfers, and financial cost, decreased by 5.5% in real terms. Finally, the expenditures that exclude only financial investments decreased by 0.2% on an annual basis.
- The cumulative public deficit between January and February of 2017 stood at Ps. 31.5 billion, which implied a reduction of 57.1% in real terms compared to the same period last year. Meanwhile, the primary balance went from a deficit of Ps.17.3 billion to a surplus of Ps. 39.7 billion in the period January-February 2017. Note that the aforementioned result is consistent with the goal of achieving the first primary surplus since 2008.
- The Public-Sector Borrowing Requirements (PSBRs), which are the broadest measure of the deficit, registered a reduction of 22.6% in real terms with respect to the same period of 2016, i.e. a reduction of Ps. 13.3 billion. The observed level of PSBRs shows the commitment of the Federal Government to keep on the fiscal consolidation path.
- As of February of 2017, the Federal Government net debt stood at Ps. 7,146.2 billion; the Public-Sector net debt amounted to Ps. 9,621.7 billion, and the Historical Balance of the Public Sector Borrowing Requirements (HBPSBR), the broadest measure of public debt, increased to Ps. 9,698.6 billion. These levels are consistent with the debt ceilings approved by Congress for 2017.
- Finally, it is important to mention that these actions reflect the Federal Government's commitment to preserve the macroeconomic stability and to maintain sound public finances.

## ***Developments in public finances***

In line with the fiscal consolidation process, as of February of 2017 the PSBRs registered a deficit of Ps. 56.8 billion, lower by Ps. 13.3 billion than the ones of the same month of the previous year, which showed a 22.6% decrease in real terms. In particular, the Public-Sector balance registered a deficit of Ps. 31.5 billion, which is lower in Ps. 38.6 billion as compared to the same period of last year (Ps. 70.1 billions), and lower than the expected deficit for the month of Ps. 135.4 billion.

The primary balance went from a deficit of Ps. 17.3 billion to a surplus of Ps. 39.7 billion from January to February. This result contrasts favorably with the projected deficit of Ps. 67.9 billion and it is also consistent with the goal of achieving the first primary surplus since 2008.

The public balance that excludes investments of high economic and social impact, which is the basis for evaluating the target of public balance approved by Congress, registered a surplus of Ps. 30.0 billion. This surplus compares favorably with the deficit of Ps. 1.6 billion recorded in the period of January-February of 2016 and also with the expected amount of February at Ps. 83.3 billion.

## ***Public sector budgetary revenues***

During January-February 2017, Public Sector's budgetary revenues stood at Ps. 759.1 billion, an amount higher by Ps. 47.3 billion with respect to the programmed.<sup>1</sup> during this period, Oil and tax revenues grew, Oil revenues increased Ps. 17.6 billion and tax revenues increased were higher by Ps. 11.3 billion. Non-tax revenues decreased Ps. 15.0 billion in comparison to the expected amount.

Compared to the period January-February of 2016, the budgetary revenues were 6.9% higher in real terms. The evolution of the main components of these revenues was as follows:

- Oil revenues stood at Ps. 138.6 billion and they were higher by 15.1% in real terms to the ones of the same period of last year. This increase is mainly explained by a 14.1% depreciation of the exchange rate (the average exchange rate was 17.5 pesos per dollar in January-February of 2016 while the average in the same period of 2017 was of 20.9 pesos per dollar), the 68.3% increase in the average export price of the Mexican oil mix (\$26.3 dollars per barrel -dpb- in 2016 versus 44.3 dbp in 2017), and a higher natural gas price which increased by 36.5%. The latter effect was compensated by a decrease in oil production of 10.6% (2,267 thousand barrels per day - kbd - in 2016 against 2,028 kbd in 2017).
- The revenues of CFE amounted to Ps. 50.7 billion and they were higher by 12.4% in real terms than last year. This is mainly explained by the economic performance and the evolution of electricity rates.
- Non-oil tax revenues amounted to Ps. 483.1 billion and they were 4.7% higher in real terms with respect to the ones of the January-February period of 2016. Excluding the fuel excise tax (IEPS), tax collection increased by 6.2% in real terms. It is worth noting the growth of the income tax system by 7.8%, and of the import tax income by 8.8%, while the income from the value-added tax (VAT) registered an increase of 3.8%. The excise tax (IEPS) decreased 6.0% in real terms, but if we exclude the fuel excise tax (IEPS), it increased by 2.3%
- Revenues from IMSS and ISSSTE added to Ps. 55.5 billion. This amount was higher by 2.0% in real terms with respect to 2016 due to both higher contributions to IMSS and financial products.
- Federal Government non-tax revenues amounted to Ps. 31.2 billion. This revenues were higher than the ones of the previous year by 8.5% in real terms because of both higher contributions of duties and exploitation rights.

<sup>1</sup> The Agreement regarding the monthly calendar of the contained revenues forecast in article 1 of the Federal Law for the fiscal year 2017, and based on the methodology for such forecast, published on December 7, 2016 in the Federal Official Gazette (DOF).

## ***Net public sector budgetary expenditures***

In the January-February period, net paid expenditures stood at Ps. 798 billion and they were lower than what was foreseen in the program<sup>2</sup> by Ps. 49.4 billion. Programmable expenditures were lower by Ps. 78.8 billion, of which Ps. 27.8 billion corresponds to Pemex, Ps. 39.2 billion to the Central Public Administration and Ps. 14.9 billion to IMSS and ISSSTE. Meanwhile, non-programmable expenditures increased due to higher non-earmarked transfers by Ps. 21.4 billion with respect to the ones expected. The latter, this is explained by the tax collection dynamics and a by higher financial costs of Ps. 3.8 billion, due to a higher exchange rate.

With respect to January-February of 2016, the net paid expenditure was higher by 2.2% in real terms and the primary expenditure was lower by 1.2%. The January-February period of 2017 registered the following:

- The total net expenditure excluding financial investments, pensions, non-earmarked transfers and financial costs decreased by 5.5% in real terms and current structural expenditure decreased by 8.3% in real terms. Both indicators reveal the efforts regarding the public expenditure containment.
- Subsidies, transfers and current contributions were 14.6 percent lower in real terms.
- Pensions and retirement payments increased by 0.5% in real terms.
- Operating expenses increased by 2.7% in real terms, mainly due to CFE's higher operation costs because of higher fuel prices for energy generation.
- Non-earmarked transfers to states increased 19.4% in real terms, due to the third four-month adjustment for 2016 and the favorable evolution of tax collection.
- Financial costs increased 57.1% in real terms, this is associated with the exchange rate and the interest rate behavior

## ***Public debt balance***

As of February 2017, the Federal Government's net debt balance was of Ps. 7,146.2 billion, compared to the balance of Ps. 7,193.0 billion at the end of 2016. The Federal Government net domestic debt was of Ps. 5,463.9 billion, while the external debt stood at USD 84.8 billion (equivalent to Ps. 1,682.3 billion).

The Federal Public-Sector net debt balance (Federal Government, State Productive Enterprises, and development banks) was of Ps. 9,621.7 billion, compared to the balance registered at the end of 2016 of Ps. 9,693.2 billion. The Federal Public-Sector's net domestic debt balance was of Ps. 6,018.3 billion, while the Federal Public Sector's external debt was of USD 181.7 billion (equivalent to Ps. 3,603.3 billion).

Moreover, the Historical Balance of the Public-Sector Borrowing Requirements (HBPSBR), the broadest measure of public debt, amounted to Ps. 9,689.6 billion, while the one observed at the end of 2016 amounted to Ps. 9,797.4 billion. The domestic component of the HBPSBR stood at Ps. 6,188.1 billion, whereas the external was of Ps. 3,501.4 billion.

<sup>2</sup> Corresponds to the Authorized Budget Calendars for fiscal year 2017, published on December 14, 2016 in the Official Gazette.

## ***Relevant Debt Management Operations***

### ***International debt markets refinancing operations***

On March 17, 2017, a refinancing operation of liabilities in international markets was concluded for an amount of USD 3.15 billion. This operation which was carried out without incurring in additional indebtedness and, allowed to improve the profile of maturities in foreign currency, as well as the financial position of the Federal Government's debt portfolio.

With this operation, foreign currency liabilities are refinanced as follows: i) payment in advance of a US dollar bond maturing in March 2019 for an amount of USD 1,644 million, which represents approximately 30 percent of the Federal Government's liabilities in foreign currency scheduled for that year, (ii) repurchase of dollar-denominated bonds maturing along the yield curve for a total amount of USD 500 million, which results on a more liquid and efficient secondary market, and (iii) withdrawal of outstanding bonds with maturities between 2020 and 2025 amounting to USD 1,006 million in possession of investors who were offered the possibility of repurchase or exchange of their bonds for the new 10-year dollar reference bond.

The resources to finance this transaction were obtained through the issuance of a new 10-year dollar reference bond maturing in March 2027 for a total amount of USD 3.15 billion. This new bond has a yield to maturity of 4.19 percent and a coupon yield of 4.15 percent. The issue had a total demand of approximately USD 10.1 billion, equivalent to 3.2 times of the amount issued, with the participation of more than 380 investors from the Americas, Europe, Asia and the Middle East.

### ***Debt swap transactions in the local debt market***

As established in the Annual Financing Plan, the strategy for 2017 contemplates the carrying out of exchange operations and/or the repurchase of government securities. These operations aim to contribute to the development of the market and to the smooth functioning of the yield curve, as well as to improve the debt repayment profile in the upcoming years.

As reported since the previous release of this report, during the first months of 2017 the swap operations of Fixed Rate Bonds were as follows:

- Between January and February four operations were carried out to improve the price discovery in the long-term part of the yield curve, with which bonds with maturity at 2031, 2034 and 2038, were exchanged for a bond with maturity in November of 2042. The first operation was carried out on January 25 for an amount of Ps. 3.0 billion, while the second and the third ones, were executed on February 1 and February 8, for Ps. 5.0 billion each one. The fourth one was executed on February 22 for Ps.7.0 billion.
- In addition, in March 16 a swap operation was carried out to improve the Federal Government's profile amortizations of debt, in which "Target Bonds" were received with 3 years of maturity (between 2017 and 2019) for a total amount of Ps. 32.5 billion and "Liquidation Bonds" were delivered with maturities in 2020, 2021, 2024, 2026 and 2031.

		Liquidation Bonds					
		June-20	June-21	Dec-24	mar-26	may-31	Total
Target Bonds	June -17	-	-	1,062	-	-	1,062
	Dec-17	4,087	2,911	3,242	1,620	303	12,163
	June -18	1,391	3,227	4,031	628	1,050	10,327
	Dec-18	1,360	-	4,646	1,119	-	7,125
	Dec-19	1,791	-	-	-	-	1,791
	Total	8,629	6,138	12,981	3,367	1,353	32,468

- Finally, on March 22 a swap operation was carried out for an amount of Ps. 10.8 billions. This operation aimed strengthen the new 30-year reference Bond. In this transaction, the Fixed Rate Bonds were exchanged in the long-term part of the curve (maturities between 2031 and 2042) for the new 30-year reference Bond (2047).

### *Syndicated loan issuance*

In March 8, a Fixed Rate Bond placement was carried out in local markets through a syndicated loan amounting to Ps. 15 billion with a maturity of 30 years. The new Bond, with maturity date of November 2047, will provide a yield to maturity of 7.85 per cent with a coupon rate of 8.0 per cent. The total demand surpassed the Ps. 30 billion, i.e., more than two times the amount placed. This new bond replaces the one that had a maturity date of 2042 as the new reference of 30 years maturity.

This transaction is part of the national debt strategy underwritten in the Annual Borrowing Plan of 2017, which is intended to satisfy Federal Government financing needs in the best terms and conditions, as well to contribute to the local debt market smooth functioning, and strengthen the market references to other issuers.

More details on the statistics of finance and public debt is available at the Ministry's website: <http://bit.ly/1MJmqgZ>

## ANNEX 1

### SUMMARY OF INDICATORS ON THE DEVELOPMENTS IN PUBLIC FINANCES

(Billion pesos)

Concept	January-February		Growth % real	Annual		Progress % with respect to:	
	2016 <sup>p_/</sup>	2017 <sup>p_/</sup>		2016	2017 <sup>1_/</sup>	2016	2017 <sup>1_/</sup>
1. Budgetary revenues	677.6	759.1	6.9	4,840.9	4,360.9	14.0	17.4
2. Tax revenues	440.2	483.1	4.7	2,716.0	2,739.4	16.2	17.6
3. Tax revenues excluding fuels excise tax (IEPS)	402.8	448.2	6.2	2,438.7	2,454.9	16.5	18.3
4. Total net expenditure without outlays on financial investments, pension payments, transfers and financial cost	468.4	463.8	-5.5	3,074.4	2,803.2	15.2	16.5
5. Total net expenditure without outlays on financial investments, pension payments and transfers	511.7	535.1	-0.2	3,547.5	3,375.7	14.4	15.9
6. Total net expenditure without outlays on financial investments	731.3	788.0	2.8	4,889.8	4,838.4	15.0	16.3
7. Net total expenditure	744.9	798.0	2.2	5,343.8	4,855.8	13.9	16.4
8. Current structural expenditure	320.0	307.7	-8.3	2,205.7	2,061.3	14.5	14.9
9. Primary balance	-17.3	39.7	n.s.	-24.0	78.2	72.3	50.8
10. PSBRs	-70.1	-56.8	n.s.	-556.6	-596.7	12.6	9.5
11. HBPSBR	8,883.0	9,689.6	4.1	9,797.4	10,197.7	90.7	95.0
12. Public Debt	8,478.3	9,621.7	8.3	9,693.2	9,828.9	87.5	97.9

Note: Figures may not add up due to rounding.

p\_/ Preliminary Figures

1\_/ Corresponds to the Federal Law on Income and Budget of Expenditures for the fiscal year 2017 approved by Congress.

Source: Ministry of Finance.

## PUBLIC SECTOR BALANCE

(Million pesos)

Concept	January-February			Nominal Difference (3-2)	Growth % real (3/1)
	2017				
	2016 <sup>p./</sup> (1)	Program <sup>1./</sup> (2)	Observed <sup>p./</sup> (3)		
<b>PUBLIC BALANCE</b>	<b>-70,096.7</b>	<b>-135,395.6</b>	<b>-31,543.6</b>	<b>103,851.9</b>	<b>n.s.</b>
<b>PUBLIC BALANCE EXCLUDING PRODUCTIVE INVESTMENT<sup>2./</sup></b>	<b>-1,595.3</b>	<b>-53,326.2</b>	<b>29,976.0</b>	<b>83,302.2</b>	<b>n.s.</b>
I. Budgetary Balance	-67,299.9	-135,495.6	-38,822.5	96,673.1	n.s.
a) Budgetary Revenue	677,632.4	711,837.9	759,130.3	47,292.4	6.9
Oil <sup>3./</sup>	114,926.2	120,966.9	138,597.4	17,630.5	15.1
PEMEX	65,490.9	52,158.4	57,203.2	5,044.8	-16.6
Federal Government	49,435.3	68,808.5	81,394.2	12,585.7	57.1
Non-oil	562,706.2	590,871.0	620,532.9	29,661.9	5.2
Federal Government	467,683.5	488,045.5	514,269.8	26,224.3	4.9
Tax	440,247.5	471,824.1	483,084.7	11,260.6	4.7
Non-tax	27,436.1	16,221.4	31,185.1	14,963.7	8.5
PEDBC <sup>4./</sup>	95,022.7	102,825.5	106,263.1	3,437.6	6.7
b) Net Budgetary Expenditures	744,932.3	847,333.5	797,952.8	-49,380.7	2.2
Programmable	566,665.9	641,493.5	562,690.3	-78,803.1	-5.2
Non-programmable	178,266.5	205,840.0	235,262.4	29,422.4	25.9
II. PEIBC <sup>5./</sup>	-2,796.8	100.0	7,278.8	7,178.8	n.s.
<b>PRIMARY BALANCE</b>	<b>-17,348.2</b>	<b>-67,935.2</b>	<b>39,683.6</b>	<b>107,618.7</b>	<b>n.s.</b>

Note: Figures may not add up due to rounding.

p./ Preliminary figures.

n. s.: Not significant.

1./ Corresponds to the calendars of the Law on Income and Expenditure Budget for fiscal year 2017 approved by the Congress and published in the Federal Official Gazette on December 7 and December 14 of 2016 respectively.

2./ Excludes the physical investment of Pemex, CFE and high impact investments of the Federal Government.

3./ Includes revenues from PEMEX, transfers from the Mexican Oil Fund for Stabilization and Development, the income tax on contractors and assignees for the extraction of hydrocarbons.

4./ PEDBC: Public Entities under Direct Budgetary Control.

5./ PEIBC: Public Entities under Indirect Budgetary Control

Source: Ministry of Finance, Economic Planning Unit

## PUBLIC SECTOR BUDGETARY REVENUES

(Million pesos)

Concept	January-February			Nominal Difference (3-2)	Growth % real (3/1)
	2017		Observed <sup>p_/</sup> (3)		
	2016 <sup>p_/</sup> (1)	Program <sup>1_/</sup> (2)			
<b>BUDGETARY REVENUES (I+II)</b>	<b>677,632.4</b>	<b>711,837.9</b>	<b>759,130.3</b>	<b>47,292.4</b>	<b>6.9</b>
I. Oil (a+b) <sup>2_/</sup>	114,926.2	120,966.9	138,597.4	17,630.5	15.1
a) PEMEX	65,490.9	52,158.4	57,203.2	5,044.8	-16.6
b) Federal Government	49,435.3	68,808.5	81,394.2	12,585.7	57.1
Mexican Oil Fund	49,435.3	68,808.5	81,394.2	12,585.7	57.1
Income tax from contractors and assignees	0.0	0.0	0.0	0.0	n.s.
Existing rights until 2014	0.0	0.0	0.0	0.0	n.s.
II. Non-oil (c+d+e)	562,706.2	590,871.0	620,532.9	29,661.9	5.2
c) Federal Government	467,683.5	488,045.5	514,269.8	26,224.3	4.9
Tax	440,247.5	471,824.1	483,084.7	11,260.6	4.7
Income Tax	227,827.7	244,572.2	257,454.8	12,882.6	7.8
Value Added Tax	136,528.6	142,801.6	148,507.0	5,705.4	3.8
Excise Tax	61,699.4	70,541.7	60,802.0	-9,739.7	-6.0
Import Tax	8,036.3	7,578.6	9,166.5	1,587.9	8.8
IAEEH <sup>3_/</sup>	690.4	685.8	661.8	-24.0	-8.5
Other <sup>4_/</sup>	5,465.1	5,644.2	6,492.6	848.4	13.4
Non-tax	27,436.1	16,221.4	31,185.1	14,963.7	8.5
Duties	9,562.7	4,784.4	10,338.0	5,553.6	3.2
Fees	14,964.5	10,423.1	18,940.8	8,517.7	20.8
Other	2,908.8	1,013.9	1,906.3	892.4	-37.5
d) PEDBC <sup>5_/</sup>	51,960.9	54,449.9	55,544.3	1,094.4	2.0
IMSS	45,235.3	47,632.1	48,665.4	1,033.3	2.7
ISSSTE	6,725.6	6,817.8	6,878.9	61.1	-2.4
e) State Productive Enterprise (CFE)	43,061.7	48,375.6	50,718.8	2,343.2	12.4
<b>Memorandum items</b>					
Total tax-related	440,247.5	471,824.1	483,084.7	11,260.6	4.7
Total non-tax related	237,384.9	240,013.8	276,045.5	36,031.8	11.0

Note: Partial sums and variations may not add up due to rounding.

p\_/ Preliminary figures.

n. s.: not significant.

1\_/ Corresponds to the calendars of the Law on Revenue for fiscal year 2017 approved by the Congress and published in the Federal Official Gazette on December 7, 2016.

2\_/ Includes revenues from PEMEX, transfers from the Mexican Oil Fund for Stabilization and Development, the income tax on contractors and assignees for the extraction of hydrocarbons.

2\_/ Tax on hydrocarbon exploration and extraction activities (Impuesto por la actividad de exploración y extracción de hidrocarburos in Spanish).

3\_/ Includes taxes on new vehicles, exports, petroleum spread, not included in the aforementioned sections and accessories.

4\_/ Excludes Federal Government's transfers to ISSSTE.

5\_/ PEDBC: Public Entities under Direct Budgetary Control.

Source: Ministry of Finance, Economic Planning Unit.



## PUBLIC SECTOR NET EXPENDITURES

(Million pesos)

Concept	January-February			Nominal Difference (3-2)	Growth % real (3/1)
	2017		Observed <sup>p_/</sup> (3)		
	2016 <sup>p_/</sup> (1)	Program <sup>1_/</sup> (2)			
<b>TOTAL (I+II)</b>	<b>744,932.3</b>	<b>847,333.5</b>	<b>797,952.8</b>	<b>-49,380.7</b>	<b>2.2</b>
I. Primary expenditures	701,599.6	779,856.2	726,626.7	-53,229.5	-1.2
Programmable	566,665.9	641,493.5	562,690.3	-78,803.1	-5.2
Autonomous Branches	12,440.4	19,896.2	12,642.3	-7,253.9	-3.0
Administrative Branches	172,607.3	173,159.1	155,898.1	-17,260.9	-13.8
General Branches	265,276.0	286,020.0	264,078.8	-21,941.1	-5.0
PEDBC <sup>2_/</sup>	114,067.4	142,447.2	127,538.4	-14,908.8	6.7
IMSS	66,807.5	81,831.3	73,609.4	-8,221.9	5.1
ISSSTE	47,259.8	60,615.9	53,929.0	-6,686.9	8.9
State Productive Enterprises	115,900.2	149,174.6	129,973.2	-19,201.4	7.0
PEMEX	72,776.0	101,395.9	73,613.3	-27,782.6	-3.5
CFE	43,124.2	47,778.7	56,359.9	8,581.2	24.7
(-) Compensated operations <sup>3_/</sup>	113,625.3	129,203.6	127,440.5	-1,763.1	7.0
Non-programmable	134,933.7	138,362.8	163,936.4	25,573.6	15.9
Non-earmarked transfers	109,045.8	114,987.1	136,434.3	21,447.2	19.4
Adefas and other	25,887.9	23,375.7	27,502.0	4,126.4	1.4
II. Financial cost <sup>4_/</sup>	43,332.8	67,477.2	71,326.0	3,848.8	57.1

Note: Partial sums and variations may not add up due to rounding.

p\_/ Preliminary figures.

1\_/ Corresponds to the calendars of the Law on Revenue for fiscal year 2017 approved by the Congress and published in the Federal Official Gazette on December 14, 2016.

2\_/ PEDBC: Public Entities under direct budgetary control.

3\_/ Refers to transactions that represent a revenue for social security institutions and an expenditure for the Federal Government, which are eliminated to avoid double accounting of revenues and expenditure.

4\_/ Includes interests, commissions and other public debt expenditures, as well as expenditures for financial restructuring and to support bank savers and debtors.

Source: Ministry of Finance, Economic Planning Unit.

**FEDERAL GOVERNMENT DOMESTIC DEBT, FEBRUARY <sup>\*\_/</sup>**

(Million pesos)

Concept	Outstanding as of December 2016 <sup>p_/</sup>	Indebtness			Adjustments <sup>1_/</sup>	Outstanding as of February 2017 <sup>p_/</sup>
		Originations	Amort.	Net		
<b>1. Net Debt (3-2)</b>	<b>5,396,301.4</b>					<b>5,463,897.1</b>
2. Assets <sup>2_/</sup>	224,044.0					296,944.0
<b>3. Gross Domestic Debt</b>	<b>5,620,345.4</b>	<b>437,641.6</b>	<b>331,224.3</b>	<b>106,417.3</b>	<b>34,078.4</b>	<b>5,760,841.1</b>
Government Securities	4,915,318.3	406,285.2	297,883.9	108,401.3	28,512.9	5,052,232.5
Cetes	634,660.9	285,068.3	272,306.6	12,761.7	0.0	647,422.6
Bondes "D"	397,881.9	18,001.1	6,000.4	12,000.7	0.0	409,882.6
Fixed Rate Bonds	2,652,075.1	77,031.5	19,576.9	57,454.6	456.3	2,709,986.0
Udibonos	1,223,498.0	26,184.3	0.0	26,184.3	27,894.1	1,277,576.4
<i>Udibonos udi's</i>	219,996.6	4,655.0	0.0	4,655.0	0.0	224,651.6
Segregated Udibonos	7,202.4	0.0	0.0	0.0	162.5	7,364.9
<i>Segregated Udibonos udi's</i>	1,295.1	0.0	0.0	0.0	0.0	1,295.1
Savings Fund S.A.R.	115,163.3	29,193.5	30,618.2	-1,424.7	1,431.8	115,170.4
Obligations by ISSSTE's Law <sup>3_/</sup>	147,532.8	24.3	416.1	-391.8	3,314.8	150,455.8
PEMEX Pension Bonds <sup>4_/</sup>	137,639.7	0.0	0.0	0.0	0.0	137,639.7
CFE Pension Bonds <sup>5_/</sup>	161,080.2	0.0	0.0	0.0	0.0	161,080.2
Others	143,611.1	2,138.6	2,306.1	-167.5	818.9	144,262.5

Note: Figures may not add up due to rounding.

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

p\_/ Preliminary figures.

1\_/ Refers to adjustments for inflation. For Fixed Rate Development Bonds and Udibonos includes adjustments by operations of debt buybacks.

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

3\_/ Obligations associated with the new ISSSTE law.

4\_/ Obligations associated with the financial support by the Federal Government to Pemex given the savings in their pension obligation, pursuant to the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of Petroleos Mexicanos and its Subsidiary Productive Enterprises' pension and retirement obligations," published in the Federal Official Gazette on December 24, 2015.

5\_/ Obligations associated with the financial support by the Federal Government to CFE given the savings in their pension obligations, pursuant to the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of the Federal Electricity Commission' pension and retirement obligations," published in the Federal Official Gazette on December 14, 2016.

Source: Ministry of Finance, Public Credit Unit.

## FEDERAL GOVERNMENT EXTERNAL DEBT, FEBRUARY <sup>\*\_/</sup>

(Million dollars)

Concept	Outstanding as of December 2016 <sup>p/</sup>	Indebtedness			Adjustments <sup>1_/</sup>	Outstanding as of February 2017 <sup>p_/</sup>
		Disp.	Amort.	Neto		
<b>1. Net debt (3-2)</b>	<b>86,666.0</b>					<b>84,823.2</b>
2. Assets <sup>1_/</sup>	1,491.0					3,927.0
<b>3. Gross Debt</b>	<b>88,157.0</b>	<b>414.8</b>	<b>123.7</b>	<b>291.1</b>	<b>302.1</b>	<b>88,750.2</b>
Public Bonds	61,429.3	0.0	0.0	0.0	294.9	61,724.2
International Financial Institutions (IFI's)	24,853.1	414.8	89.2	325.6	0.1	25,178.8
Bilateral	1,874.6	0.0	34.5	-34.5	7.1	1,847.2

Note: Figures may not add up due to rounding.

\*\_/ Figures subject to revisions and methodological adjustments.

p\_/ Preliminary figures.

1\_/ Considers the net US Dollar denominated balance of the Federal Treasury's General Account.

Source: Ministry of Finance, Public Credit Unit.

**PUBLIC SECTOR DOMESTIC DEBT, FEBRUARY<sup>1/</sup>**

(Million pesos)

Concept	Outstanding as of December 2016 <sup>p/</sup>	Indebtedness			Adjustments <sup>1/</sup>	Outstanding as of February 2017 <sup>p/</sup>
		Disp.	Amort.	Neto		
<b>1. Net Debt (3-2)</b>	<b>6,009,403.1</b>					<b>6,018,344.2</b>
2. Assets <sup>2/</sup>	172,847.6					310,164.5
<b>3. Gross Debt</b>	<b>6,182,250.7</b>	<b>557,926.1</b>	<b>450,598.2</b>	<b>107,327.9</b>	<b>38,930.1</b>	<b>6,328,508.7</b>
<b>By Term</b>	<b>6,182,250.7</b>	<b>557,926.1</b>	<b>450,598.2</b>	<b>107,327.9</b>	<b>38,930.1</b>	<b>6,328,508.7</b>
Long-term	5,552,529.1	180,568.3	91,365.4	89,202.9	38,975.0	5,680,707.0
Short-term	629,721.6	377,357.8	359,232.8	18,125.0	-44.9	647,801.7
<b>By User</b>	<b>6,182,250.7</b>	<b>557,926.1</b>	<b>450,598.2</b>	<b>107,327.9</b>	<b>38,930.1</b>	<b>6,328,508.7</b>
Federal Government	5,620,345.4	437,641.6	331,224.3	106,417.3	34,078.4	5,760,841.1
Long-term	5,026,440.4	177,066.4	85,148.2	91,918.2	34,078.4	5,152,437.0
Short-term	593,905.0	260,575.2	246,076.1	14,499.1	0.0	608,404.1
State Productive Enterprises	431,176.8	13,502.6	3,413.9	10,088.7	4,953.3	446,218.8
Long-term	416,176.8	3,500.0	1,217.2	2,282.8	4,953.3	423,412.9
Short-term	15,000.0	10,002.6	2,196.7	7,805.9	0.0	22,805.9
Development Banks	130,728.5	106,781.9	115,960.0	-9,178.1	-101.6	121,448.8
Long-term	109,911.9	1.9	5,000.0	-4,998.1	-56.7	104,857.1
Short-term	20,816.6	106,780.0	110,960.0	-4,180.0	-44.9	16,591.7
<b>By Financing Source</b>	<b>6,182,250.7</b>	<b>557,926.1</b>	<b>450,598.2</b>	<b>107,327.9</b>	<b>38,930.1</b>	<b>6,328,508.7</b>
Bonds Placed in Domestic Markets	5,312,876.2	406,285.2	302,883.9	103,401.3	29,826.6	5,446,104.1
Savings Fund SAR	115,163.3	29,193.5	30,618.2	-1,424.7	1,431.8	115,170.4
Commercial Banks	142,087.0	5,001.9	4,200.0	801.9	-115.0	142,773.9
ISSSTE's Law obligations <sup>3/</sup>	147,532.8	24.3	416.1	-391.8	3,314.8	150,455.8
PEMEX Pension Bonds <sup>4/</sup>	137,639.7	0.0	0.0	0.0	0.0	137,639.7
CFE Pension Bonds <sup>5/</sup>	161,080.2	0.0	0.0	0.0	0.0	161,080.2
Others	165,871.5	117,421.2	112,480.0	4,941.2	4,471.9	175,284.6

Note: Figures may not add up due to rounding.

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

p\_/ Preliminary figures.

1\_/ Includes Federal Government, State Productive Enterprises and Development Banks debt.

2\_/ Includes the net balance, denominated in Mexican pesos, of the Federal Treasury's General Account and assets from State Productive Enterprises and Development Banks.

3\_/ Obligations associated with the new ISSSTE law.

4\_/ Obligations associated with the financial support by the Federal Government to Pemex given the savings in their pension obligations, pursuant to the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of Petroleos Mexicanos and its Subsidiary Productive Enterprises' pension and retirement obligations," published in the Federal Official Gazette on December 24, 2015.

5\_/ Obligations associated with the financial support by the Federal Government to CFE given the savings in their pension obligations, pursuant to the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of the Federal Electricity Commission's pension and retirement obligations," published in the Federal Official Gazette on November 14, 2016.

Source: Ministry of Finance, Public Credit Unit.

**PUBLIC SECTOR EXTERNAL DEBT, FEBRUARY <sup>\*/ 1/</sup>**

(Million dollars)

Concept	Outstanding as of December 2016 <sup>p/</sup>	Indebtedness			Adjustments <sup>1-</sup>	Outstanding as of February 2017 <sup>p/</sup>
		Disp.	Amort.	Neto		
<b>1. Net Debt (3-2)</b>	<b>177,692.5</b>					<b>181,679.4</b>
2. Financial Assets in Foreign Currency <sup>2/</sup>	3,293.5					5,961.7
<b>3. Gross Debt</b>	<b>180,986.0</b>	<b>10,951.9</b>	<b>4,839.7</b>	<b>6,112.2</b>	<b>542.9</b>	<b>187,641.1</b>
<b>By Term</b>	<b>180,986.0</b>	<b>10,951.9</b>	<b>4,839.7</b>	<b>6,112.2</b>	<b>542.9</b>	<b>187,641.1</b>
Long-term	177,892.8	7,271.5	1,515.5	5,756.0	540.9	184,189.7
Short-term	3,093.2	3,680.4	3,324.2	356.2	2.0	3,451.4
<b>By User</b>	<b>180,986.0</b>	<b>10,951.9</b>	<b>4,839.7</b>	<b>6,112.2</b>	<b>542.9</b>	<b>187,641.1</b>
Federal Government	88,157.0	414.8	123.7	291.1	302.1	88,750.2
Long-term	88,157.0	414.8	123.7	291.1	302.1	88,750.2
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
State Productive Enterprises	82,687.8	7,036.9	1,388.4	5,648.5	123.7	88,460.0
Long-term	82,687.8	6,854.5	1,375.2	5,479.3	123.7	88,290.8
Short-term	0.0	182.4	13.2	169.2	0.0	169.2
Development Banks	10,141.2	3,500.2	3,327.6	172.6	117.1	10,430.9
Long-term	7,048.0	2.2	16.6	-14.4	115.1	7,148.7
Short-term	3,093.2	3,498.0	3,311.0	187.0	2.0	3,282.2
<b>By Financing Source</b>	<b>180,986.0</b>	<b>10,951.9</b>	<b>4,839.7</b>	<b>6,112.2</b>	<b>542.9</b>	<b>187,641.1</b>
Public Bonds	136,902.4	4,515.2	1,149.1	3,366.1	416.1	140,684.6
International Financial Institutions (IFI's)	28,601.6	414.8	105.5	309.3	101.8	29,012.7
Bilateral	7,279.4	128.5	109.9	18.6	11.4	7,309.4
Commercial Banks	8,023.0	5,711.0	3,462.0	2,249.0	5.7	10,277.7
Pidiregas	179.6	182.4	13.2	169.2	7.9	356.7

Note: Figures may not add up due to rounding.

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

p\_/ Preliminary figures.

1\_/ Includes the Federal Government, State Productive Enterprises' and Development Banks debt.

2\_/ Considers the net US Dollar denominated balance of the Federal Treasury's General Account and assets held by State Productive Enterprises and Development Banks.

Source: Ministry of Finance, Public Credit Unit.

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