

Mexico City, August 30th, 2018

Public Finances and Public Debt as of July 2018

The main results of the Public Sector financial situation as of July are the following:

- In January-July 2018, the Public Sector Borrowing Requirements (PSBRs), the broadest measure of the Federal Public Sector balance, registered a Ps. 213.1 billion deficit, which is consistent with the annual deficit target of 2.5 percent of GDP.
- During the January-July period of 2018, the main balances of the public finances were better than programmed. The public balance registered a Ps. 199.4 billion deficit, which is lower than the Ps. 363.3 billion deficit expected in the program. Likewise, the primary balance presented a Ps. 162.6 billion surplus, which compares with the Ps. 10.3 billion surplus expected in the program.
- In January-July 2018, the budgetary revenues were Ps. 296.1 billion higher than those expected in the program. Within, oil revenues and tax revenues excluding fuels excise tax (IEPS) increased by 9.1 and 4.0 percent in real annual terms, respectively.
- The net budgetary expenditure was 3.4 percent higher in real terms compared with the same period in 2017. Within, programmable and non-programmable expenditure increased by 0.9 and 10.2 percent in real annual terms, respectively. Furthermore, net budgetary expenditure was Ps. 146.3 billion higher than that expected in the program, due to the contributions made to Stabilization Funds in February 2018 stemming from the excess revenues in 2017; higher non-earmarked transfers to the states based on the evolution of federal tax collection; a higher operation expenditure resulting from an increase of international prices of fuels for power generation, and to other expenditures linked to the surplus revenues received by the Federal Government.
- As of July 2018, the Federal Government net debt stood at Ps. 7.6 trillion, the Public Sector net debt stood at Ps. 10.143 trillion, and the Historical Balance of the Public Sector Borrowing Requirements (HBPSBRs), the broadest measure of public debt, amounted to Ps. 9.996 trillion. These levels are consistent with the debt ceilings approved by Congress for 2018. They also indicate that public the debt will continue showing a downward trend as a proportion of the GDP by the end of the year.

Today, the Ministry of Finance and Public Credit delivered to Congress the Information on Public Finances and Public Debt as of July 2018, in compliance with the provisions of Article 107 of the Federal Budget and Fiscal Responsibility Law (LFPRH). The report has also been made available to the public through the website of the Ministry. The main aspects of these reports are presented below:

Recent Development in Public Finances

As of July 2018, the main balances of the public finances were better than the program, which is explained by higher revenues compared to the originally expected.

In January-July 2018, the public balance recorded a Ps. 199.4 billion deficit, which is lower than the Ps. 363.3 billion deficit expected in the program. In the same period of 2017, a Ps. 119.3 billion surplus was registered including the Banco de Mexico's Operating Surplus (BMOS).

The primary balance presented a Ps. 162.6 billion surplus, which compares with the Ps. 10.3 billion surplus expected in the program and with the Ps. 431.4 billion surplus registered in the same period of 2017, including the BMOS.

The public balance excluding up to 2 percent of GDP of both State Productive Enterprises and Federal Government's investments to assess the budgetary balance target, registered a Ps. 165.2 billion surplus in July 2018.

The Public Sector Borrowing Requirements (PSBRs), the broadest measure of the Public Sector balance, registered a Ps. 213.1 billion deficit, which is consistent with the annual deficit target of 2.5 percent of GDP. In the same period of 2017, the PSBRs registered a Ps. 148.1 billion surplus, which reflects the BMOS resources.

Public Sector Budgetary Revenues

The public sector budgetary revenues stood at Ps. 3.117 trillion during the January-July period of 2018, and were Ps. 296.1 billion higher than the expected in the program¹. Within, tax and oil revenues were higher by Ps. 106.4 billion and Ps. 84.7 billion, respectively. Non-tax revenues were Ps. 98.7 billion higher than the expected in the program, and those from CFE and Public Entities under Direct Budgetary Control of Ps. 6.3 billion.

Budgetary revenues in January-July 2018 were 4.4 percent higher in real terms compared to the same period of 2017 if excluding the BMOS. The evolution of the main components of these revenues was as follows:

- Oil revenues stood at Ps. 567.5 billion, 9.1 percent higher in real terms compared to the previous year. This was mainly explained by a 35.7 percent increase in the average export price of the Mexican oil mix. However, this effect was partially offset by a 7.6 percent decrease of oil production, and an appreciation of the exchange rate.

¹ Corresponds to the Agreement that releases the monthly calendar of revenues forecast contained in Article 1 of the 2018 Federal Income Law and based on the methodology used to compute such forecast, published on December 7 of 2017 in the Federal Official Gazette (DOF).

OIL INDICATORS
(Cash flow)

Concept	January-July			Nominal Difference		Growth %	
	2018						
	2017 (1)	Program (2)	Observed (3)	(3-1)	(3-2)	(3/1)* ¹	(3/2)
Oil production (kbd)	2,018.3	1,918.6	1,864.8	-153.4	-53.8	-7.6	-2.8
Export Platform (kbd)	1,078.6	882.1	1,247.5	168.9	365.4	15.7	41.4
Oil Price (dpb)	43.4	46.7	58.9	15.5	12.2	35.7	26.1
Natural Gas reference price (\$MBTU)	3.3	3.1	3.0	-0.3	-0.1	-8.3	-2.5
Memorandum Items							
Exchange Rate (pesos per dollar)	19.6	18.1	19.1	-0.6	0.9	-7.4	5.1

Note: Figure may not add up due rounding.

*¹/ Corresponds to real growth for the exchange rate (inflation-adjusted nominal growth).

Source: Ministry of Finance

- Non-oil tax revenues amounted to Ps. 1.834 trillion, and were 1.5 percent higher compared to same period in 2017. Excluding fuels excise tax (IEPS), tax collection increased by 4.0 percent in real terms.
- Federal Government non-tax revenues amounted to Ps. 180.9 billion. These revenues were 38.9 percent higher in real terms than the figures observed in the same period of the previous year, excluding the BMOS.
- IMSS and ISSSTE own revenues added to Ps. 225.1 billion, 4.5 percent higher in real terms compared to the figures observed in the same period of 2017.
- CFE own revenues amounted to Ps. 204.7 billion and were 3.1 percent lower in real terms compared to the previous year. This was mainly explained by lower revenues from energy sales.

Public Sector Net Budget Expenditure

As of July 2018, net paid expenditure stood at Ps. 3.225 trillion and was Ps 146.3 billion higher than programmed.² Within, programmable expenditure was higher than programmed by Ps. 67.4 billion, mainly due to CFE's higher operating expenditure of Ps. 58.7 billion, resulting from an increase in the price of fuels for power generation. Non-programmable expenditure was higher than programmed by Ps. 78.9 billion due to:

- A higher payment of non-earmarked transfers by Ps. 32.7 billion, due to the favorable evolution of Federal tax collection.
- A higher payment of commitments acquired by the Federal Government in previous fiscal years (ADEFAS) by Ps. 55.4 billion, of which Ps. 37.3 billion correspond to the acquisition of financial assets stemming from the payment of contributions to Stabilization Funds in February 2018 derived from the excess revenues in 2017, in compliance with the current regulatory framework.³

These resources strictly correspond to public savings that materialized in 2017, but for allocation, control and budgetary purposes are registered as expenditure when they are transferred from the Treasury's General Account to the Fund's assets.

² Corresponds to the Authorized Budget Calendar for fiscal year 2018, published on December 13, 2017 in the Federal Official Gazette (DOF).

³ Based on the regulatory framework, contributions were made to Stabilization Funds for a total amount of Ps. 111.4 billion resulting from excess revenues in 2017, of which Ps 83.4 billion were deposited in 2017, and based on updated information, an additional amount of Ps. 28.0 billion was contributed in February 2018.

With respect to the January-July period of 2017, net paid expenditure, primary expenditure and programmable expenditure were 3.4, 2.8 and 0.9 percent higher in real terms, respectively.⁴ This result is mainly explained by a higher payment of ADEFAS, which reflects the contributions made to Stabilization Funds stemming from the excess revenues in 2017, CFE's higher operating expenditure due to an increase in the price of fuels, pensions and retirement payments. During this period, the following stands out:

- The payment of ADEFAS was 2.0 times higher than the previous year and 0.4 times higher if the contributions to Stabilization Funds stemming from excess revenues in 2017⁵ are excluded.
- Debt's financial cost increased by 8.9 percent in real terms.
- Physical investment increased by 5.3 percent in real terms.
- Pensions and retirement payments increased by 6.7 percent in real terms.
- Subsidies, transfers and current contributions were 4.7 percent higher in real terms.
- Operating expenditure increased by 4.2 percent in real terms, mainly due to CFE's higher operating costs resulting from an increase in the price of fuels for power generation.
- Non-earmarked transfers to the states increased by 1.9 percent in real terms.
- Total net expenditure excluding financial investments, pensions, non-earmarked transfers and financial cost increased by 7.5 percent in real terms. If ADEFAS for contributions to Stabilization Funds are excluded, total net expenditure increased by 5.4 percent in real terms. The current structural expenditure increased 4.4 percent in real terms.

Public Debt Balance

The Federal Government net debt balance stood at Ps. 7.623 trillion at the end of July 2018. Within, the Federal Government net domestic debt amounted to Ps. 5.890 trillion, while the net external debt stood at USD 93.4 billion (equivalent to Ps. 1.733 trillion).

The Federal Public Sector net debt balance (Federal Government, State Productive Enterprises, and development banks) stood at Ps. 10.143 trillion at the end of July 2018. The Federal Public Sector net domestic debt stood at Ps. 6.485 trillion, while the Federal Public Sector net external debt amounted to USD 197.1 billion (equivalent to Ps. 3.657 trillion).

Finally, the Historical Balance of the Public Sector Borrowing Requirements (HBPSBRs), the broadest measure of public debt, amounted to Ps. 9.996 trillion in July 2018. The domestic component of the HBPSBRs stood at Ps 6.428 trillion, while the external component amounted to USD 192.3 billion (equivalent to Ps. 3.568 trillion).

Relevant Debt Management Operations in the Domestic Market

Bond swap operation

As part of the Federal Government debt strategy, on July 12th, a bond swap operation was conducted in the domestic market. In this transaction, M Bonds with maturities between 2018 and 2021 and Udibonos

⁴ It is important to remark that investment expenditure in 2017 was influenced upwards by a contribution to the Budgetary Income Stabilization Fund (FEIP) derived from the BMOS.

⁵ See footnote no. 3.

with maturities in 2019 and 2020 were received, while M Bonds with maturities in 2021, 2023, 2027, 2029, 2031, 2034, 2038 and 2047, as well as Udibonos with maturities in 2022, 2025, 2028, 2035, 2040 and 2046, were delivered.

A total of Ps. 177.8 billion were allocated, which decreases the amortizations for 2018, 2019, 2020 and 2021 by Ps. 51.2 billion, Ps. 27.5 billion, Ps. 73.7 billion and Ps. 25.5 billion, respectively. It should be noted that the new swapped instruments have an average duration of 4.70 years, which contributes to increase the duration of the debt portfolio.

This swap operation is comprised in the Federal Government's liability management strategy, which aims to smooth the maturity profile and increase the duration of the debt portfolio, satisfying the market's interest for bonds with longer duration.

RESULTS OF THE SWAP OPERATION	
(Million pesos)	
M Bonds	
Instrument	Swapped amount
December-18	51,211
December-19	1,079
June-20	63,561
June-21	25,450
Total - M Bonds	141,302
Udibonos	
Instrument	Swapped amount
June-19	26,431
December-20	10,109
Total - Udibonos	36,540
Total	177,842

Source: Ministry of Finance.

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

ANNEX 1

PUBLIC SECTOR FINANCIAL SITUATION (Million pesos)

Concept	January-July			Nominal Difference	Growth % real
	2017	2018			
	(1)	Program	Observed ^{p./}	(3-2)	(3/1)
		(2)	(3)		
Public Balance	119,289.6	-363,331.2	-199,386.8	163,944.4	n.s.
Public Balance Excluding Investment^{1/}	321,944.8	14,924.7	165,165.2	150,240.4	-51.1
Budgetary Balance	98,088.7	-363,631.2	-213,738.0	149,893.2	n.s.
Budgetary Revenue	3,070,428.1	2,715,517.2	3,011,662.6	296,145.4	-6.5
Net Budgetary Expenditure	2,972,339.4	3,079,148.4	3,225,400.6	146,252.2	3.4
Entities under Indirect Budgetary Control	21,201.0	300.0	14,351.2	14,051.2	-35.5
Primary Balance	431,402.9	10,279.5	162,558.9	152,279.4	-64.1
Public Balance by Entities	119,289.6	-363,331.2	-199,386.8	163,944.4	n.s.
Budgetary balance	98,088.7	-363,631.2	-213,738.0	149,893.2	n.s.
Federal Government Balance	88,327.3	-373,066.3	-205,017.7	168,048.7	n.s.
State Productive Enterprises	-64,390.0	-64,545.5	-93,076.7	-28,531.1	n.s.
Pemex	-69,176.8	-87,108.7	-50,858.8	36,249.9	n.s.
CFE	4,786.8	22,563.2	-42,217.8	-64,781.1	n.s.
Entities under Direct Budgetary Control	74,151.3	73,980.7	84,356.4	10,375.7	8.4
IMSS	59,132.1	53,400.0	69,794.0	16,394.1	12.5
ISSSTE	15,019.2	20,580.7	14,562.3	-6,018.4	-7.6
Entities under Indirect Budgetary Control Balance	21,201.0	300.0	14,351.2	14,051.2	-35.5
Memorandum Items					
PSBR	148,094.2		-213,142.2		n.s.
PSBR excluding BMOS	-173,559.0		-213,142.2		n.s.
Primary PSBR	614,716.5		292,616.0		-54.6
Primary PSBR excluding BMOS	293,063.2		292,616.0		-4.8
Public balance excluding BMOS	-106,826.0	-363,331.2	-199,386.8	163,944.4	n.s.
Primary balance excluding BMOS	205,287.2	10,279.5	162,558.9	152,279.4	-24.5

Note: Figures may not add up due to rounding.

p./ Preliminary Figures

n.s.: Not significant

1/ Excludes up to 2% of GDP of both State Productive Enterprises and Federal Government's physical investment as per the Article 1 of the Federal Income Law 2018.

Source: Ministry of Finance

PUBLIC SECTOR BUDGETARY REVENUES*_/
(Million pesos)

Concept	January-July			Nominal Difference (3-2)	Growth % real (3/1)
	2017 (1)	2018			
		Program (2)	Observed ^{p_/} (3)		
Total	2,748,774.8	2,715,517.2	3,011,662.6	296,145.4	4.4
Oil	495,873.6	482,859.4	567,540.4	84,681.0	9.1
State Productive Enterprise (Pemex)	226,383.3	223,574.6	255,587.8	32,013.2	7.6
Federal Government	269,490.3	259,284.7	311,952.6	52,667.8	10.3
Mexican Oil Fund	269,488.3	259,284.7	311,952.6	52,667.8	10.3
Income Tax from contractors and assignees	2.0	0.0	0.0	0.0	n.s.
Non-oil	2,252,901.3	2,232,657.8	2,444,122.2	211,464.3	3.4
Federal Government	1,846,312.7	1,809,217.2	2,014,362.4	205,145.1	4.0
Tax	1,722,232.7	1,727,085.4	1,833,483.8	106,398.4	1.5
Income Tax	956,957.6	944,920.3	1,009,954.4	65,034.1	0.6
Value Added Tax	486,010.5	500,601.7	558,353.5	57,751.8	9.5
Excise Tax	222,067.5	227,349.4	198,284.1	-29,065.3	-14.9
Imports	28,978.8	26,348.9	33,656.3	7,307.4	10.7
Tax on hydrocarbon exploration and extraction activities	2,463.7	2,749.0	2,944.7	195.7	13.9
Others	25,754.6	25,116.2	30,290.8	5,174.6	12.1
Non tax	124,080.0	82,131.8	180,878.5	98,746.7	38.9
Entities under Direct Budgetary Control	205,355.7	215,589.9	225,086.6	9,496.7	4.5
IMSS	177,077.5	186,023.8	195,816.0	9,792.2	5.4
ISSSTE	28,278.2	29,566.1	29,270.6	-295.5	-1.3
State Productive Enterprise (CFE)	201,232.9	207,850.8	204,673.2	-3,177.5	-3.1
Memorandum Items					
Total revenues including BMOS	3,070,428.1	2,715,517.2	3,011,662.6	296,145.4	-6.5
Federal Government non-tax revenues including BMOS	445,733.2	82,131.8	180,878.5	98,746.7	-61.3
Tax revenues excluding fuels Excise Tax	1,590,623.8	1,593,819.1	1,735,041.5	141,222.4	4.0

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

*_/ Excluding BMOS, except in those indicated figures. For comparison between 2017 and 2018, it is necessary to subtract from the figures reported for 2017 in the website of the Ministry of Finance the whole of BMOS.

p_/ Preliminary Figures.

n.s.: Not Significant.

Source: Ministry of Finance

PUBLIC SECTOR TOTAL BUDGETARY EXPENDITURE
(Million pesos)

Concept	January-July			Nominal Difference (3-2)	Growth % real (3/1)
	2017 (1)	Program (2)	Observed ^{p_/} (3)		
Total	2,972,339.4	3,079,148.4	3,225,400.6	146,252.2	3.4
Primary Expenditure	2,653,527.9	2,705,528.9	2,861,015.5	155,486.6	2.8
Programmable	2,153,749.0	2,211,488.0	2,278,887.3	67,399.3	0.9
Federal Government	1,609,780.1	1,658,785.0	1,678,852.1	20,067.1	-0.6
Autonomous Branches	49,948.1	77,625.1	61,426.5	-16,198.6	17.2
Administrative Branches	613,983.1	628,602.3	658,802.7	30,200.4	2.3
General Branches	945,849.0	952,557.6	958,623.0	6,065.3	-3.4
Entities under Direct Budgetary Control	479,605.4	532,956.9	531,806.9	-1,150.0	5.7
IMSS	315,246.3	350,726.8	350,614.9	-111.9	6.0
ISSSTE	164,359.1	182,230.1	181,191.9	-1,038.2	5.1
State Productive Enterprises	438,633.0	438,464.1	486,675.3	48,211.1	5.8
Pemex	227,820.6	238,137.9	227,654.4	-10,483.5	-4.8
CFE	210,812.4	200,326.2	259,020.9	58,694.6	17.1
(-) Compensated Operations	374,269.4	418,718.1	418,447.0	-271.1	6.6
Non-programmable	499,778.9	494,040.9	582,128.2	88,087.4	11.0
Non-earmarked transfers	476,524.5	476,949.8	509,648.2	32,698.5	1.9
Adefas and others	23,254.4	17,091.1	72,480.0	55,388.9	197.1
Financial cost	318,811.5	373,619.5	364,385.1	-9,234.4	8.9
<i>Memorandum Items</i>					
Total net expenditure without outlays on financial investments, pension payments, transfers and financial cost ^{1/}	1,659,609.9	1,757,046.0	1,872,268.5	115,222.4	7.5
Total net expenditure without outlays on financial investments, pension payments and transfers	1,978,421.4	2,130,665.5	2,236,653.5	105,988.0	7.8
Total net expenditure without outlays on financial investments	2,861,550.0	3,061,602.6	3,201,440.3	139,837.6	6.6
Current structural expenditure	1,198,852.9	1,267,670.1	1,312,665.5	44,995.4	4.4

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

1_/ If Adefas for contributions to Stabilization Funds are excluded, total net expenditure increased by 5.4 percent in real terms.

p_/ Preliminary Figures

Source: Ministry of Finance.

FEDERAL GOVERNMENT DOMESTIC DEBT, JULY *_/
(Million pesos)

Concept	Balance as of December 2017	Indebtedness			Adjustments ^{1_/}	Balance as of July 2018 ^{p_/}
		Originations	Amort.	Net		
1. Net Debt (3-2)	5,714,288.0					5,890,108.5
2. Assets ^{2_/}	205,878.8					361,253.6
3. Gross Debt	5,920,166.8	1,979,939.2	1,680,837.9	299,101.3	32,094.0	6,251,362.1
Securities	5,326,031.2	1,816,940.6	1,498,627.6	318,313.0	25,666.7	5,670,010.9
Cetes	701,554.5	1,237,151.6	1,155,713.4	81,438.2	0.0	782,992.7
Bondes "D"	471,280.6	72,338.6	20,484.8	51,853.8	0.0	523,134.4
Fixed Rate Bonds	2,747,915.9	362,074.3	285,984.7	76,089.6	-699.3	2,823,306.2
Udibonos	1,397,678.9	145,376.1	36,404.7	108,971.4	26,226.4	1,532,876.7
<i>Udibonos udi's</i>	<i>235,643.4</i>	<i>24,189.0</i>	<i>6,043.0</i>	<i>18,146.0</i>	<i>-22.4</i>	<i>253,767.0</i>
Segregated Udibonos	7,601.3	0.0	40.0	-40.0	139.6	7,700.9
<i>Segregated Udibonos udi's</i>	<i>1,281.5</i>	<i>0.0</i>	<i>6.6</i>	<i>-6.6</i>	<i>0.0</i>	<i>1,274.9</i>
Saving Fund S.A.R.	127,432.9	160,771.7	165,789.6	-5,017.9	3,435.9	125,850.9
Obligations by ISSSTE's Law ^{3_/}	145,137.4	46.9	9,502.9	-9,456.0	2,574.1	138,255.5
PEMEX Pension Bonds ^{4_/}	136,127.4	0.0	2,353.0	-2,353.0	0.0	133,774.4
CFE Pension Bonds ^{5_/}	161,080.2	0.0	0.0	0.0	0.0	161,080.2
Others	24,357.7	2,180.0	4,564.8	-2,384.8	417.3	22,390.2

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

*_/ Figures subject to revision and methodological changes

p_/ Preliminary Figures

1_/ Corresponds to the adjustment for inflation. Regarding to Fixed Rate Development Bonds, includes adjustments for debt swap operations.

2_/ Includes the net balance of the Treasury's General Account denominated in Mexican pesos.

3_/ Obligations associated with the new ISSSTE law.

4_/ Obligations associated with the financial support from the Federal Government to PEMEX given the savings in their pensions liabilities, in compliance with the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of PEMEX and its Subsidiary Productive Enterprises' pension and retirement liabilities", published in the Federal Official Gazette on December 24, 2015.

5_/ Obligations associated with the financial support from the Federal Government to CFE given the savings in their pension liabilities, in compliance with the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of CFE's pension and retirement liabilities," published in the Federal Official Gazette on February 14, 2016.

Source: Ministry of Finance.

FEDERAL GOVERNMENT EXTERNAL DEBT, JULY *_/
(Million dollars)

Concept	Balance as of December 2017	Indebtedness			Adjustments	Balance as of July 2018 ^{p_/}
		Originations	Amort.	Net		
1. Net Debt (3-2)	90,625.2					93,411.1
2. Assets ^{1_/}	447.0					2,766.9
3. Gross Debt	91,072.2	7,351.4	1,685.7	5,665.7	-559.9	96,178.0
Capital Markets	63,086.6	6,303.2	597.4	5,705.8	-524.0	68,268.4
International Financial Institutions (IFI's)	25,798.4	1,048.2	968.5	79.7	-0.3	25,877.8
Foreign Trade	2,187.2	0.0	119.8	-119.8	-35.6	2,031.8

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

*_/ Figures subject to revision and methodological changes

p_/ Preliminary Figures

1_/ Considers the net balance of the Treasury's General Account denominated in US dollars.

Source: Ministry of Finance.

FEDERAL PUBLIC SECTOR DOMESTIC DEBT, JULY * / 1 /
(Million pesos)

Concept	Balance as of December 2017	Indebtedness			Adjustments	Balance as of July 2018 ^{p_/}
		Originations	Amort.	Net		
1. Net Debt (3-2)	6,284,707.0					6,485,299.9
2. Assets ^{2_/}	163,793.8					333,990.4
3. Gross Debt	6,448,500.8	2,268,167.8	1,928,016.7	340,151.1	30,638.4	6,819,290.3
By Term	6,448,500.8	2,268,167.8	1,928,016.7	340,151.1	30,638.4	6,819,290.3
Long-term	5,903,154.0	979,063.9	679,556.7	299,507.2	28,629.2	6,231,290.4
Short-term	545,346.8	1,289,103.9	1,248,460.0	40,643.9	2,009.2	587,999.9
By User	6,448,500.8	2,268,167.8	1,928,016.7	340,151.1	30,638.4	6,819,290.3
Federal Government	5,920,166.8	1,979,939.2	1,680,837.9	299,101.3	32,094.0	6,251,362.1
Long-term	5,389,547.9	904,742.6	624,625.0	280,117.6	32,094.0	5,701,759.5
Short-term	530,618.9	1,075,196.6	1,056,212.9	18,983.7	0.0	549,602.6
State Productive Enterprises	381,555.2	82,077.1	63,612.9	18,464.2	-3,682.9	396,336.5
Long-term	381,555.2	42,308.7	49,346.0	-7,037.3	-3,682.9	370,835.0
Short-term	0.0	39,768.4	14,266.9	25,501.5	0.0	25,501.5
Development Banks	146,778.8	206,151.5	183,565.9	22,585.6	2,227.3	171,591.7
Long-term	132,050.9	32,012.6	5,585.7	26,426.9	218.1	158,695.9
Short-term	14,727.9	174,138.9	177,980.2	-3,841.3	2,009.2	12,895.8
By Source of Financing	6,448,500.8	2,268,167.8	1,928,016.7	340,151.1	30,638.4	6,819,290.3
Issuance of Securities	5,742,332.7	1,864,249.3	1,519,644.3	344,605.0	27,230.5	6,114,168.2
Saving Fund S.A.R.	127,432.9	160,771.7	165,789.6	-5,017.9	3,435.9	125,850.9
Commercial Banks	86,209.2	154,093.5	139,272.9	14,820.6	1,910.9	102,940.7
Obligations by ISSSTE's Law ^{3_/}	145,137.4	46.9	9,502.9	-9,456.0	2,574.1	138,255.5
PEMEX Pension Bonds ^{4_/}	136,127.4	0.0	2,353.0	-2,353.0	0.0	133,774.4
CFE Pension Bonds ^{5_/}	161,080.2	0.0	0.0	0.0	0.0	161,080.2
Others	50,181.0	89,006.4	91,454.0	-2,447.6	-4,513.0	43,220.4

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

*_/ Figures subject to revision and methodological changes

p_/ Preliminary Figures

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

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_/ Obligation associated with the new ISSSTE law.

4_/ Obligations associated with the financial support from the Federal Government to PEMEX given the savings in their pensions liabilities, in compliance with the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of PEMEX and its Subsidiary Productive Enterprises' pension and retirement liabilities", published in the Federal Official Gazette on December 24, 2015.

5_/ Obligations associated with the financial support from the Federal Government to CFE given the savings in their pension liabilities, in compliance with the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of CFE's pension and retirement liabilities," published in the Federal Official Gazette on February 14, 2016.

Source: Ministry of Finance.

FEDERAL PUBLIC SECTOR EXTERNAL DEBT, JULY * / 1 /
(Million dollars)

Concept	Balance as of December 2017	Indebtedness			Adjustments	Balance as of July 2018 ^{p_ /}
		Originations	Amort.	Net		
1. Net Debt (3-2)	192,344.0					197,141.0
2. Financial Asset in Foreign Currency ^{2_ /}	1,637.2					3,769.1
3. Gross Debt	193,981.2	30,555.6	22,755.1	7,800.5	-871.6	200,910.1
By Term	193,981.2	30,555.6	22,755.1	7,800.5	-871.6	200,910.1
Long-term	190,728.7	20,433.7	13,092.3	7,341.4	-890.2	197,179.9
Short-term	3,252.5	10,121.9	9,662.8	459.1	18.6	3,730.2
By User	193,981.2	30,555.6	22,755.1	7,800.5	-871.6	200,910.1
Federal Government	91,072.2	7,351.4	1,685.7	5,665.7	-559.9	96,178.0
Long-term	91,072.2	7,351.4	1,685.7	5,665.7	-559.9	96,178.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
State Productive Enterprises	91,780.0	14,787.5	12,439.2	2,348.3	-495.7	93,632.6
Long-term	91,780.0	12,973.3	11,260.3	1,713.0	-495.7	92,997.3
Short-term	0.0	1,814.2	1,178.9	635.3	0.0	635.3
Development Bank	11,129.0	8,416.7	8,630.2	-213.5	184.0	11,099.5
Long-term	7,876.5	109.0	146.3	-37.3	165.4	8,004.6
Short-term	3,252.5	8,307.7	8,483.9	-176.2	18.6	3,094.9
By Source of Financing	193,981.2	30,555.6	22,755.1	7,800.5	-871.6	200,910.1
Capital Markets	147,034.0	16,176.6	7,293.6	8,883.0	-1,000.1	154,916.9
International Financial Institutions (IFI's)	29,964.4	1,054.8	1,084.4	-29.6	162.1	30,096.9
Foreign Trade	6,772.9	284.5	679.1	-394.6	-36.2	6,342.1
Banking Market	9,950.2	12,775.5	13,569.1	-793.6	3.3	9,159.9
Pidiregas	259.7	264.2	128.9	135.3	-0.7	394.3

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

*_ / Figures subject to revision and methodological changes

p_ / Preliminary Figures

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

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

Source: Ministry of Finance.

ANNEX 2

SUMMARY OF THE MAIN INDICATORS ON PUBLIC FINANCES

(Billion pesos)

Concept	January-July		Growth % real (2/1)	Annual			Advance % with respect to:		
	2017 ^{p./} (1)	2018 ^{p./} (2)		2017 ^{p./} (3)	2018		2017 (1/3)	2018	
					Program ^{1./} (4)	Estimated ^{2./} (5)		Program ^{1./} (2/4)	Estimated ^{2./} (2/5)
1. Budgetary Revenues ^{*./}	2,748.8	3,011.7	4.4	4,626.0	4,778.3	4,965.4	59.4	63.0	60.7
2. Tax revenues	1,722.2	1,833.5	1.5	2,855.1	2,957.5	3,004.7	60.3	62.0	61.0
3. Tax Revenues without fuels excise tax (IEPS)	1,590.6	1,735.0	4.0	2,638.6	2,698.8	2,850.5	60.3	64.3	60.9
4. Total net expenditure without outlays on financial investments, pension payments, transfers and financial cost	1,659.6	1,872.3	7.5	2,915.3	2,973.3	3,110.4	56.9	63.0	60.2
5. Total net expenditure without outlays on financial investments pension payments and transfers	1,978.4	2,236.7	7.8	3,448.4	3,620.8	3,757.6	57.4	61.8	59.5
6. Total net expenditure without outlays on financial investments	2,861.6	3,201.4	6.6	4,926.9	5,226.5	5,408.7	58.1	61.3	59.2
7. Total net expenditure	2,972.3	3,225.4	3.4	5,182.6	5,245.0	5,432.1	57.4	61.5	59.4
8. Current Structural Expenditure	1,198.9	1,312.7	4.4	2,219.2	2,162.1	2,162.1	54.0	60.7	60.7
9. Primary Balance	431.4	162.6	-64.1	304.8	181.3	181.0	141.6	89.7	89.8
10. PSBR	148.1	-213.1	n.s.	-233.0	-584.8	-585.5	-63.6	36.4	36.4
11. HBPSBR	9,268.2	9,995.8	2.8	10,031.8	10,796.0	10,661.1	92.4	92.6	93.8
12. Public Debt	9,291.5	10,142.6	4.0	10,090.6	10,745.7	10,638.0	92.1	94.4	95.4

Note: Partial sums may not add up due to rounding

*./ Excluding BMOS, except in those indicated figures. For comparison between 2017 and 2018, it is necessary to subtract from the figures reported for 2017 in the website of the Ministry of Finance the whole of BMOS.

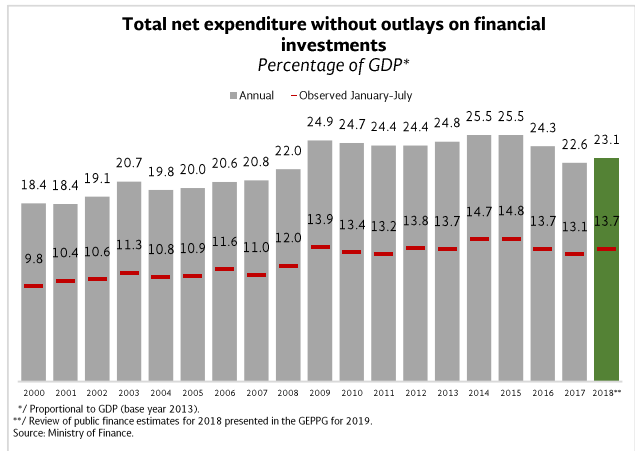
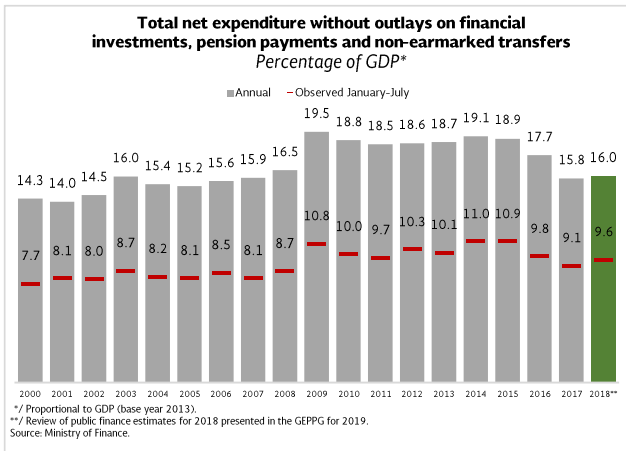
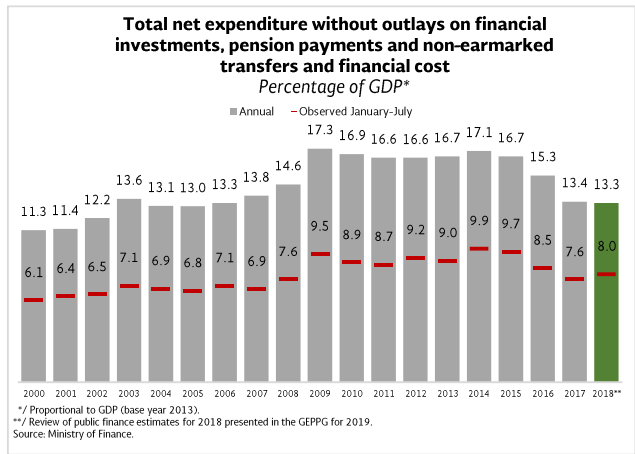
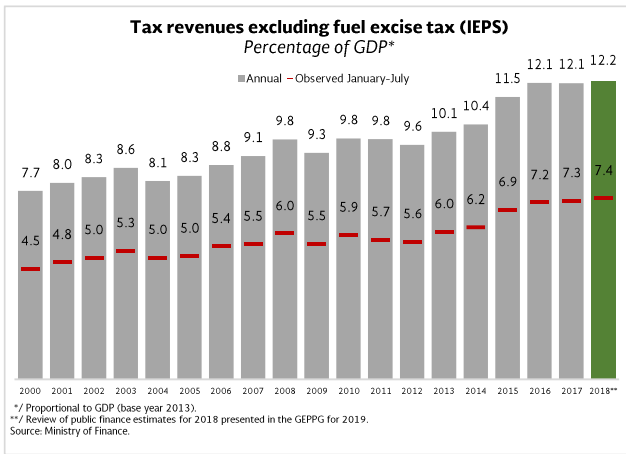
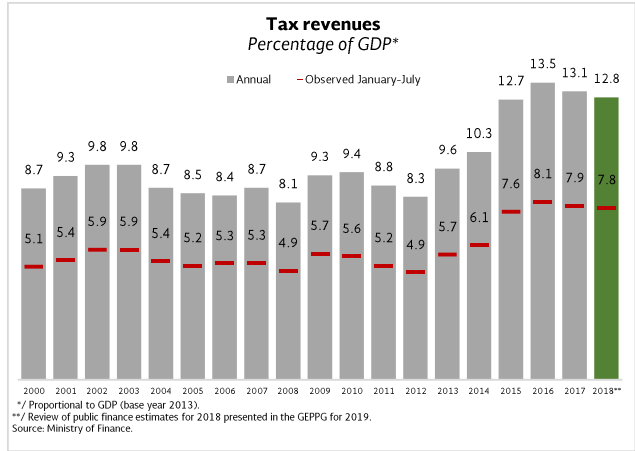
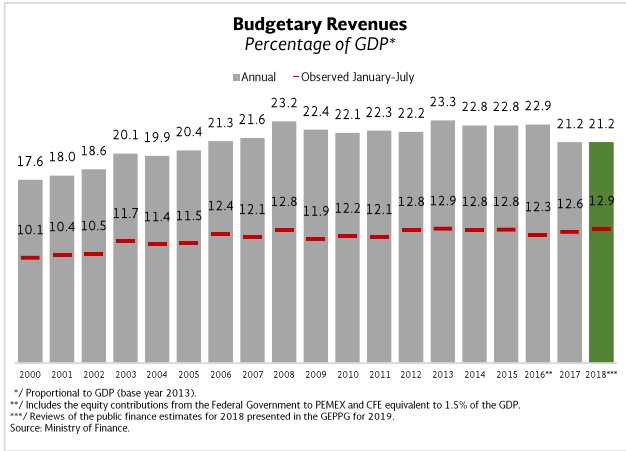
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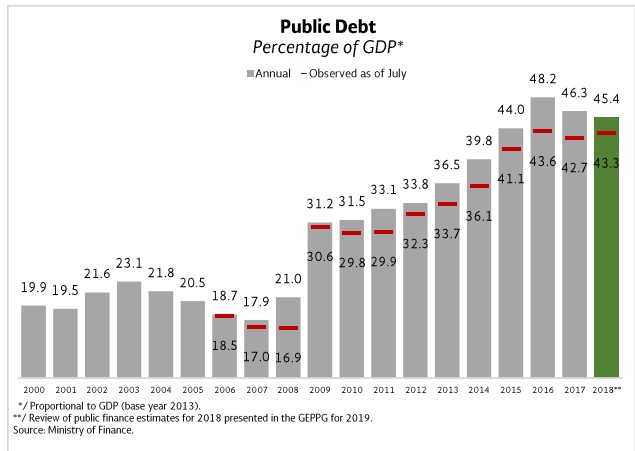
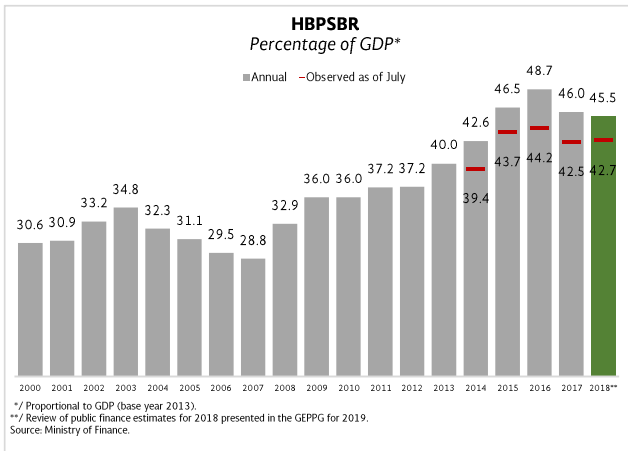
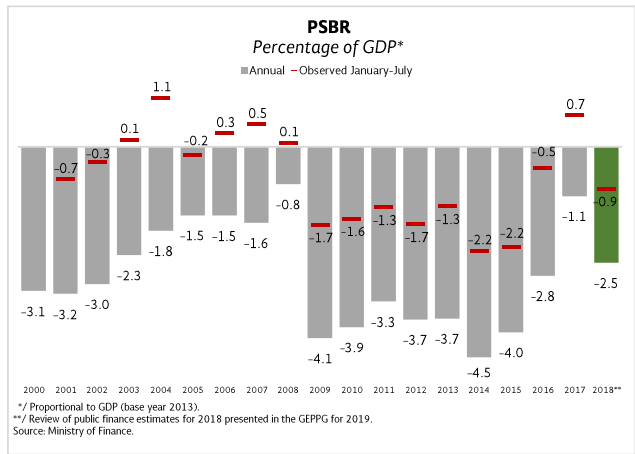
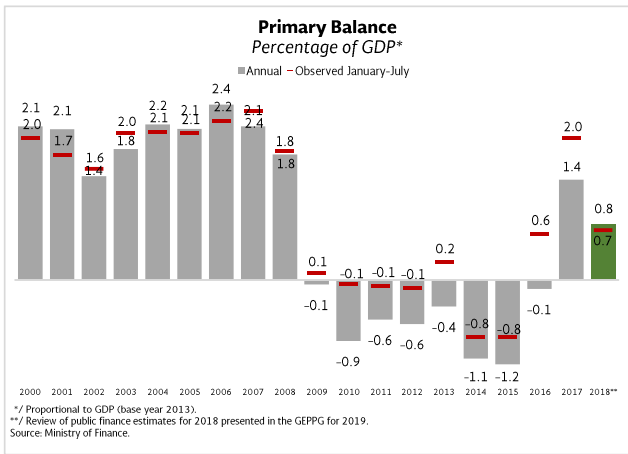
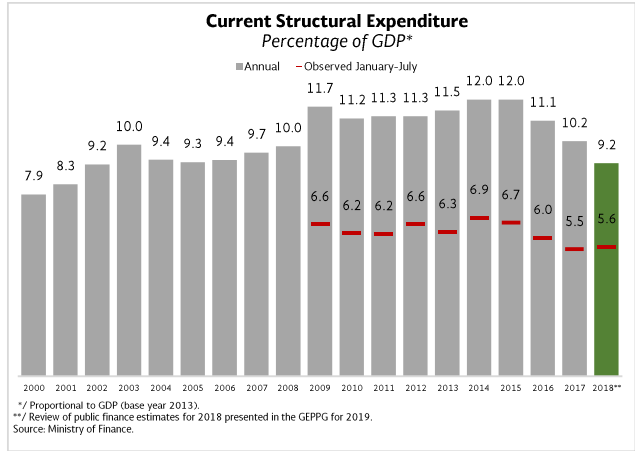
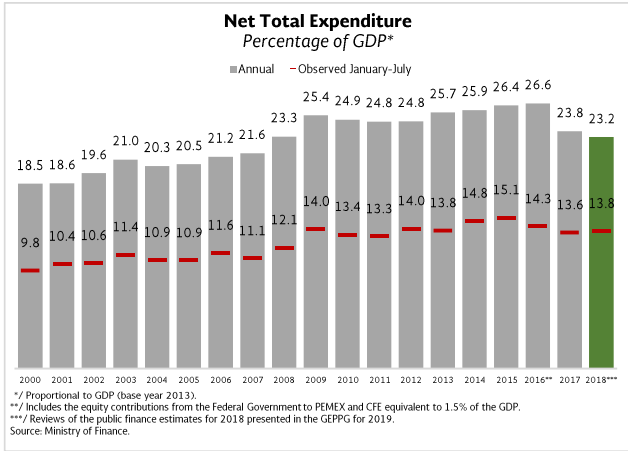
n.s.: Not Significant

1./ Corresponds to the Federal Income Law and the Federal Budget for the fiscal year 2018 approved by the Congress.

2./ Corresponds to the revision of public finances estimates presented in the General Economic Policy Preliminary Guidelines (GEPPG) for 2019.

Source: Ministry of Finance.





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