



Mexico City, November 29<sup>th</sup>, 2019

## Public Finances and Public Debt as of October 2019

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

- During the January-October period of 2019, the public balance registered a Ps. 154.1 billion deficit, which compares favorably with the programmed deficit of Ps. 334.2 billion for the period. Moreover, the primary balance registered a surplus of Ps. 296.5 billion, Ps. 105.1 billion higher than the primary surplus expected in the program of 191.4 billion pesos.
- In the first ten months of 2019, tax revenues of the Federal Government increased 1.6 percent in real terms compared to the same period of the previous year. Regarding the Public Sector budgetary revenues, which include the Federal Government, Pemex, CFE, as well as the direct budgetary control entities, they decreased 0.3 percent in real terms with respect to the same period of 2018 and were Ps. 33.0 billion lower than in the program.
- Between January and October 2019 the net budgetary expenditure was lower than the programmed by Ps. 155.3 billion, as a result of a lower programmable expenditure of Ps. 65.7 billion and a lower non-programmable expenditure of Ps. 89.6 billion.
- In January-October 2019, the Public Sector Borrowing Requirements (PSBRs), the broadest measure of the Federal Public Sector balance, registered a Ps. 196.0 billion deficit. This figure is consistent with a 2.7 percent of GDP deficit, higher than that presented in the 2019 Economic Program. This increase is mainly explained by the reduction of financial assets of the Federal Government as a result of the use of the Budgetary Revenues Stabilization Fund (FEIP) to compensate for the lower Federal Government's revenues with respect to those approved in the 2019 Federal Income Law, in accordance with the Federal Budget and Fiscal Responsibility Law (LFPRH).
- As of October 2019, the Historical Balance of the Public Sector Borrowing Requirements (HBPSBR) amounted to Ps. 10.560 trillion. The public sector's net debt stood at Ps. 10.932 trillion, and the Federal Government's net debt amounted to Ps. 8.331 trillion. These levels are consistent with the indebtedness ceilings approved by Congress for 2019.

\* \* \* \* \*





Today, the Ministry of Finance handed to Congress the information on Public Finances and Public Debt as of October 2019, 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 Ministry's website. The main aspects of this information are presented below.

## Evolution of Public Finances

As of October 2019, the main public finances balances were better than programmed. In January-October 2019, the public balance presented a deficit of Ps. 154.1 billion, which compares favorably with the Ps. 334.2 billion deficit forecasted in the program and with the Ps. 275.2 billion deficit observed in the same period of the previous year.

The primary balance presented a Ps. 296.5 billion surplus, a greater amount than the Ps. 191.4 billion surplus projected in the program and the Ps. 156.2 billion surplus registered in the same period of the previous year.

The public balance excluding up to 2.0 percent of GDP of State Productive Enterprises and the Federal Government's investments to assess the budgetary balance target, registered a Ps. 317.7 billion surplus as of October 2019.

The Public Sector Borrowing Requirements (PSBRs), the broadest measure of Public Sector balance, registered a Ps. 196.0 billion deficit, lower than the Ps. 303.2 billion deficit registered in the same period of the previous year. This result is consistent with a 2.7 percent of GDP deficit, higher than that presented in the 2019 Economic Program of 2.5 percent of GDP. This increase is mainly explained by the use of the Budgetary Revenues Stabilization Fund (FEIP) to compensate for the lower Federal Government's revenues with respect to those approved in the 2019 Federal Revenues Law.

In order to strengthen Pemex's financial position and to improve its profitability and its long-term strategic contribution to the Mexican economy, in September, the Federal Government made a capital contribution to the company of Ps. 97.1 billion. This operation will not have an impact on the net debt of the public sector nor the Historical Balance of the Public Sector Borrowing Requirements (HBPSBR). Furthermore, the operation was conditional on the company meeting its financial balance target –before the capital contribution– committed for the fiscal year 2019, or the company improving its financial balance in an equal amount to the transfer received.





## Public Sector Budgetary Revenues

In January-October 2019, the Public Sector total budgetary revenues were below the program by Ps. 33.0 billion<sup>1</sup>, 0.3 percent lower in real terms with respect to the same period of 2018.

This difference with respect to the program is explained by Ps. 95.1 billion lower oil revenues, mainly due to lower oil production platform and Pemex's internal sales volume; lower CFE's revenues by Ps. 3.7 billion; and lower tax revenues of Ps. 80.1 billion compared to the program. These were partially offset by Ps. 125.3 billion higher non-tax revenues than expected and by Ps. 20.6 billion higher revenues from the entities of direct budgetary control (IMSS and ISSSTE). If the Federal Government's capital contribution to Pemex is excluded, oil revenues registered a Ps. 192.2 billion deviation from the program, which implies a 20.0 percent drop in real terms with respect to January-October 2018.

The evolution of the main components of these revenues was as follows:

- Oil revenues stood at Ps. 759.6 billion, 8.3 percent lower in real terms than the previous year, due to a decrease in oil production (9.1 percent annual) and a lower volume of Pemex's internal sales.

### Oil indicators (Cash flow)

| Concept                              | January-October |                |                 | Nominal difference |        | Growth %            |       |
|--------------------------------------|-----------------|----------------|-----------------|--------------------|--------|---------------------|-------|
|                                      | 2018<br>(1)     | Program<br>(2) | Observed<br>(3) | (3-1)              | (3-2)  | (3/1) <sup>*/</sup> | (3/2) |
| Oil production (kbd)                 | 1,848.0         | 1,837.6        | 1,679.3         | -168.7             | -158.3 | -9.1                | -8.6  |
| Export platform (kbd)                | 1,227.5         | 989.5          | 1,127.3         | -100.2             | 137.8  | -8.2                | 13.9  |
| Oil price (dpb)                      | 61.1            | 54.6           | 56.4            | -4.7               | 1.8    | -7.6                | 3.3   |
| Natural gas reference price (\$MBTU) | 3.0             | 2.9            | 2.9             | -0.1               | 0.0    | -3.0                | 0.7   |
| <b>Memorandum items</b>              |                 |                |                 |                    |        |                     |       |
| Exchange rate (pesos per dollar)     | 19.1            | 19.9           | 19.3            | 0.3                | -0.5   | -2.2                | -2.6  |

Note: Figures may not add up due rounding.

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

Source: Ministry of Finance.

- Non-oil tax revenues amounted to Ps. 2.685 trillion, an increase of 1.6 percent in real terms with respect to 2018. Within, revenues from IEPS grew at a rate of 31.6 percent in real terms, while the collection of the VAT and the Income-tax decreased in 3.2 and 1.2 percent in real terms, respectively, as a result of lower economic activity.

<sup>1</sup> Corresponds to the Agreement that releases the monthly calendar of revenues forecast contained in Article 1 of 2019 Federal Revenues Law and based on the methodology used to compute such forecast, published on January 21, 2019 in the Official Gazette of the Federation (DOF).



- Federal Government non-tax revenues amounted to Ps. 227.7 billion, 3.0 percent lower in real terms than the previous year.
- IMSS and ISSSTE's own revenues added to Ps. 347.1 billion, 1.7 percent higher in real terms than the observed in 2018.
- CFE's own revenues amounted to Ps. 347.9 billion, higher in real terms by 4.1 percent with respect to the same period of 2018.

### Public Sector Net Budgetary Expenditure

As of October 2019, net paid expenditure stood at Ps. 4.580 trillion, Ps. 155.3 billion lower than the amount forecasted in the program<sup>2</sup>. Within, programmable expenditure was lower than the program by Ps. 65.7 billion, mainly due to a lower expenditure of Ps. 10.7 billion from the Centralized Public Administration (Ps. 107.9 billion if the Federal Government's capital contribution to PEMEX is excluded), Ps. 15.7 billion from the autonomous branches, and Ps. 82.6 billion from IMSS, ISSSTE and Pemex jointly, which were partially offset by CFE's higher expenditure compared to what was originally planned by Ps. 36.9 billion.

Non-programmable expenditure was Ps. 89.6 billion less than expected, due to the lower financial cost of Ps. 42.4 billion, to lower non-earmarked transfers to states for Ps. 37.0 billion and to a lower payment of debits acquired by the Federal Government in previous fiscal years (ADEFAS) and others for Ps. 10.3 billion.

With respect to January-October 2018, net paid expenditure, non-programmable expenditure, and programmable expenditure were 2.2, 1.9, and 2.3 percent lower in real terms, respectively. During this period, the following stand out:

- Physical investment was 13.5 percent lower in real terms.
- Operating expenditure decreased by 5.4 percent in real terms. Within, personal services decreased 4.9 percent in real terms.
- Subsidies, transfers and contributions, other than wages, were 4.2 percent lower in real terms.
- Non-earmarked transfers to subnational governments increased 0.7 percent in real terms.

---

<sup>2</sup> Corresponds to the Authorized Budget Calendar for fiscal year 2019, published on January 14, 2019 in the Federal Official Gazette (DOF).





- Pensions and retirement payments increased 4.4 percent in real terms.
- Debt financial cost increased 6.2 percent in real terms, due to a higher payment of interests and greater resources to support programs to bank savers and debtors.

## Public Debt Balance

At the end of October 2019, the Historical Balance of the Public Sector Borrowing Requirements (HBPSBR) amounted Ps. 10.560 trillion. The domestic component of the HBPSBR stood at Ps. 6.772 trillion, while the external component amounted to USD 198.2 billion (equivalent to Ps. 3.788 trillion).

The Federal Public Sector net debt balance (Federal Government, State Productive Enterprises and development banks) stood at Ps. 10.932 trillion at the end of October 2019. The Federal Public Sector net domestic debt stood at Ps. 7.054 trillion, while the Federal Public Sector net external debt amounted to USD 202.9 billion (equivalent to Ps. 3.878 trillion).

Finally, the Federal Government net debt balance stood at Ps. 8.331 trillion at the end of October 2019. Regarding its composition, the Federal Government net domestic debt amounted Ps. 6.411 billion, while the net external debt stood at USD 100.4 billion (equivalent to Ps. 1.920 trillion).

## Relevant debt management operations

### *Private placement*

On October 2<sup>nd</sup>, the Federal Government placed a new reference of M Bonds at a fixed interest rate at 3 years in the local debt market for a total amount of Ps. 15.0 billion.

The placement of the new reference was carried out under favorable conditions for the Federal Government despite the high volatility in international financial markets and the uncertainty associated with the world economy.

The new reference bond due in March 2023 will pay a coupon of 6.75 percent and will offer investors a yield of 6.71 percent, 14 basis points below the maximum rate of return offered at the private placement.

Both national and foreign investors participated, and there was a total demand of more than Ps. 28.2 billion, equivalent to 1.9 times the amount placed.



The placement was made through a syndicated auction via Market Makers, a method that allows placing a relevant amount among investors so that the new issues have more liquidity, as well as contributes to the price formation process and promotes an adequate distribution of the placed instruments.

### *Government securities swap*

On October 16<sup>th</sup>, the second cross-swap operation was carried out, allowing the exchange of short-term M and Udibonos bonds for long-term M and Udibonos bonds. In this auction, instruments with maturities in 2020 and 2021 that amounted to Ps. 41.1 billion were canceled, while government securities (M-Bonds and long-term Udibonos) with maturities between 2023 and 2050 for a total amount of Ps. 38.8 billion were delivered at market interest rates. The above happened without incurring additional indebtedness.

In total, the amortizations were reduced by Ps. 31.6 billion for 2020 and by 9.5 billion for 2021. The total demand for this placement amounted to Ps. 59.4 billion and had the participation of both national and foreign investors.

The operation will soften the Federal Government's maturity profile and improve the liquidity of the local debt market, offering investors a wider range of alternatives for rebalancing their portfolios.

#### **M Bonds & Udibonos swap operation results (Million pesos)**

| <b>M Bonds Target</b>                |                       |
|--------------------------------------|-----------------------|
| <b>Instrument</b>                    | <b>Amount swapped</b> |
| Jun-20                               | 24,409.9              |
| Jun-21                               | 6,748.0               |
| Dec-21                               | 2,772.7               |
| <b>Total - M Bonds</b>               | <b>33,930.6</b>       |
| <b>Udibono Target</b>                |                       |
| <b>Instrument</b>                    | <b>Amount swapped</b> |
| Dec-20                               | 7,185.7               |
| <b>Total - Udibono</b>               | <b>7,185.7</b>        |
| <b>Total - M Bonds &amp; Udibono</b> | <b>41,116.3</b>       |

Source: Ministry of Finance.

You can find more details on statistics of public finances and debt on the Ministry of Finance website: <http://presto.hacienda.gob.mx/EstoporLayout/statistics.jsp>





## ANNEX 1

### Public Sector Financial Situation (Million pesos)

| Concept   | January - October |                   |                                | Nominal difference<br>(3-2) | Growth % real<br>(3/1) |
|---|-------------------|-------------------|--------------------------------|-----------------------------|------------------------|
|   | 2018<br>(1)       | 2019              |                                |                             |                        |
|   |                   | Program<br>(2)    | Observed <sup>P./</sup><br>(3) |                             |                        |
| <b>Public balance</b>                                   | <b>-275,168.5</b> | <b>-334,178.6</b> | <b>-154,051.2</b>              | <b>180,127.4</b>            | <b>n.s.</b>            |
| <b>Public balance excluding investment<sup>L/</sup></b> | <b>195,183.7</b>  | <b>169,662.7</b>  | <b>317,731.9</b>               | <b>148,069.2</b>            | <b>56.8</b>            |
| Budgetary balance                                       | -291,040.5        | -334,378.6        | -211,985.8                     | 122,392.8                   | n.s.                   |
| Budgetary revenues                                      | 4,220,794.7       | 4,400,647.0       | 4,367,691.4                    | -32,955.6                   | -0.3                   |
| Net budgetary expenditure                               | 4,511,835.2       | 4,735,025.7       | 4,579,677.2                    | -155,348.4                  | -2.2                   |
| Programmable expenditure                                | 3,297,876.0       | 3,410,007.9       | 3,344,300.1                    | -65,707.8                   | -2.3                   |
| Non-programmable expenditure                            | 1,213,959.1       | 1,325,017.7       | 1,235,377.1                    | -89,640.6                   | -1.9                   |
| Entities under indirect budgetary control               | 15,872.0          | 200.0             | 57,934.6                       | 57,734.6                    | 251.7                  |
| Primary balance   | 156,187.1         | 191,399.7         | 296,478.3                      | 105,078.6                   | 82.9                   |
| <b>Public balance by entities</b>                       | <b>-275,168.5</b> | <b>-334,178.6</b> | <b>-154,051.2</b>              | <b>180,127.4</b>            | <b>n.s.</b>            |
| Budgetary balance                                       | -291,040.5        | -334,378.6        | -211,985.8                     | 122,392.8                   | n.s.                   |
| Federal Government balance                              | -291,637.6        | -382,047.7        | -302,036.4                     | 80,011.3                    | n.s.                   |
| State productive enterprises                            | -125,039.8        | -42,443.8         | -41,803.0                      | 640.9                       | n.s.                   |
| PEMEX   | -81,738.3         | -66,383.7         | -25,947.8                      | 40,435.9                    | n.s.                   |
| CFE   | -43,301.5         | 23,939.8          | -15,855.1                      | -39,795.0                   | n.s.                   |
| Entities under direct budgetary control                 | 125,636.9         | 90,112.9          | 131,853.5                      | 41,740.6                    | 1.1                    |
| IMSS  | 102,631.0         | 85,407.0          | 109,719.5                      | 24,312.5                    | 3.0                    |
| ISSSTE  | 23,005.9          | 4,705.9           | 22,134.0                       | 17,428.1                    | -7.3                   |
| Entities under indirect budgetary control               | 15,872.0          | 200.0             | 57,934.6                       | 57,734.6                    | 251.7                  |
| <b>Memorandum items</b>                                 |                   |                   |                                |                             |                        |
| PSBRs   | -303,230.4        |                   | -196,018.9                     |                             | n.s.                   |
| Primary PSBRs   | 377,239.2         |                   | 527,715.5                      |                             | 34.8                   |

Note: Figures may not add up due to rounding.

P./ Preliminary figures.

n.s.: Not significant.

<sup>L/</sup> Excludes up to 2.0 percent of the GDP of both State productive enterprises and Federal Government's physical investment as per the Article 1 of the 2018 Federal Income Law.

Source: Ministry of Finance.





Public Sector Budgetary Revenues  
(Million pesos)

| Concept  | January - October  |                        |  | Nominal difference<br>(3-2) | Growth % real<br>(3/1) |
|--|--------------------|------------------------|--|-----------------------------|------------------------|
|  | 2018<br>(1)        | 2019<br>Program<br>(2) | 2019<br>Observed <sup>P-/</sup><br>(3) |                             |                        |
| <b>Total</b>   | <b>4,220,794.7</b> | <b>4,400,647.1</b>     | <b>4,367,691.4</b>                     | <b>-32,955.6</b>            | <b>-0.3</b>            |
| <b>Oil</b>   | <b>798,008.2</b>   | <b>854,728.0</b>       | <b>759,649.8</b>                       | <b>-95,078.2</b>            | <b>-8.3</b>            |
| State productive enterprise (Pemex)                      | 345,608.3          | 419,579.2              | 395,780.7                              | -23,798.5                   | 10.3                   |
| Federal Government                                       | 452,399.9          | 435,148.8              | 363,869.1                              | -71,279.7                   | -22.5                  |
| Mexican Oil Fund   | 452,400.1          | 435,148.8              | 363,826.9                              | -71,321.9                   | -22.5                  |
| Income tax from contractors and assignees                | -0.2               | 0.0                    | 42.2                                   | 42.2                        | n.s.                   |
| <b>Non-oil</b>   | <b>3,422,786.5</b> | <b>3,545,919.0</b>     | <b>3,608,041.6</b>                     | <b>62,122.6</b>             | <b>1.6</b>             |
| Federal Government                                       | 2,771,803.6        | 2,867,810.1            | 2,913,011.4                            | 45,201.3                    | 1.3                    |
| Tax  | 2,545,587.6        | 2,765,396.6            | 2,685,266.0                            | -80,130.6                   | 1.6                    |
| Income Tax   | 1,378,868.7        | 1,459,641.8            | 1,413,808.1                            | -45,833.7                   | -1.2                   |
| Value Added Tax  | 781,593.9          | 835,835.4              | 784,941.6                              | -50,893.8                   | -3.2                   |
| Excise Tax   | 281,128.2          | 364,746.5              | 383,893.9                              | 19,147.4                    | 31.6                   |
| Imports  | 53,352.7           | 58,563.6               | 54,905.2                               | -3,658.4                    | -0.8                   |
| Tax on hydrocarbon exploration and extraction activities | 4,466.0            | 3,747.7                | 5,068.2                                | 1,320.5                     | 9.3                    |
| Others   | 46,178.2           | 42,861.6               | 42,648.9                               | -212.7                      | -11.0                  |
| Non tax  | 226,216.0          | 102,413.5              | 227,745.4                              | 125,331.9                   | -3.0                   |
| Entities under direct budgetary control                  | 328,860.5          | 326,545.5              | 347,120.1                              | 20,574.6                    | 1.7                    |
| IMSS   | 285,466.2          | 297,534.3              | 310,461.1                              | 12,926.8                    | 4.8                    |
| ISSSTE   | 43,394.4           | 29,011.1               | 36,658.9                               | 7,647.8                     | -18.6                  |
| State productive enterprise (CFE)                        | 322,122.3          | 351,563.5              | 347,910.2                              | -3,653.3                    | 4.1                    |
| <b>Memorandum items</b>                                  |                    |                        |  |                             |                        |
| Tax revenues excluding fuels Excise Tax                  | 2,398,615.8        | 2,541,631.3            | 2,438,725.5                            | -102,905.8                  | -2.0                   |

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

P-/ Preliminary figures.

n.s.: Not significant.

Source: Ministry of Finance.





## Public Sector Total Budgetary Expenditures (Million pesos)

| Concept  | January - October  |                        |  | Nominal difference<br>(3-2) | Growth %<br>real<br>(3/1) |
|--|--------------------|------------------------|--|-----------------------------|---------------------------|
|  | 2018<br>(1)        | 2019<br>Program<br>(2) | 2019<br>Observed <sup>P./</sup><br>(3) |                             |                           |
| <b>Total</b>   | <b>4,511,835.2</b> | <b>4,735,025.7</b>     | <b>4,579,677.2</b>                     | <b>-155,348.4</b>           | <b>-2.2</b>               |
| <b>Primary expenditure</b>   | <b>4,073,489.3</b> | <b>4,209,663.4</b>     | <b>4,096,693.8</b>                     | <b>-112,969.5</b>           | <b>-3.1</b>               |
| Programmable   | 3,297,876.0        | 3,410,007.9            | 3,344,300.1                            | -65,707.8                   | -2.3                      |
| Federal Government   | 2,428,354.0        | 2,489,728.3            | 2,463,281.3                            | -26,447.0                   | -2.3                      |
| Autonomous branches  | 89,147.7           | 92,374.2               | 76,664.6                               | -15,709.5                   | -17.1                     |
| Administrative branches  | 972,862.7          | 947,342.7              | 986,752.5                              | 39,409.8                    | -2.3                      |
| General branches   | 1,366,343.6        | 1,450,011.4            | 1,399,864.2                            | -50,147.3                   | -1.3                      |
| Entities under direct budgetary control  | 773,219.6          | 883,271.0              | 855,652.7                              | -27,618.3                   | 6.6                       |
| IMSS   | 514,407.0          | 592,988.7              | 577,661.0                              | -15,327.7                   | 8.2                       |
| ISSSTE   | 258,812.6          | 290,282.3              | 277,991.7                              | -12,290.6                   | 3.5                       |
| State productive enterprises   | 707,353.9          | 730,724.3              | 712,629.5                              | -18,094.8                   | -2.9                      |
| Pemex  | 322,515.1          | 377,987.2              | 323,032.9                              | -54,954.3                   | -3.5                      |
| CFE  | 384,838.8          | 352,737.1              | 389,596.6                              | 36,859.5                    | -2.5                      |
| (-) Compensated operations   | 611,051.5          | 693,715.7              | 687,263.4                              | -6,452.3                    | 8.4                       |
| Non-programmable   | 775,613.3          | 799,655.4              | 752,393.7                              | -47,261.7                   | -6.5                      |
| Non-earmarked transfers  | 708,735.2          | 777,910.4              | 740,919.5                              | -36,990.9                   | 0.7                       |
| Debits of previous fiscal years ( <i>Adefas</i> )  | 66,878.1           | 21,745.1               | 11,474.2                               | -10,270.9                   | -83.5                     |
| <b>Financial cost</b>  | <b>438,345.8</b>   | <b>525,362.3</b>       | <b>482,983.4</b>                       | <b>-42,378.9</b>            | <b>6.2</b>                |
| <b>Memorandum items</b>  |                    |                        |  |                             |                           |
| Total net expenditure without outlays on financial investments, pension payments, non-earmarked transfers and financial cost | 2,640,496.2        | 2,654,158.0            | 2,500,109.0                            | -154,049.0                  | -8.8                      |
| Total net expenditure without outlays on financial investments, pension payments and non-earmarked transfers                 | 3,078,842.0        | 3,179,520.2            | 2,983,092.4                            | -196,427.9                  | -6.6                      |
| Total net expenditure without outlays on financial investments   | 4,443,186.1        | 4,693,572.5            | 4,434,210.0                            | -259,362.5                  | -3.8                      |
| Current structural expenditure   | 1,855,037.6        | 1,887,177.9            | 1,794,692.1                            | -92,485.8                   | -6.8                      |

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

P./ Preliminary figures.

Source: Ministry of Finance.



**Federal Government Domestic Debt, October \*-/  
(Million pesos)**

| Concept                                    | Balance as of December 2018 | Indebtedness       |                    |                  | Adjust. <sup>1_/</sup> | Balance as of October 2019 <sup>p_/_</sup> |
|--|-----------------------------|--------------------|--------------------|------------------|------------------------|--|
|  |                             | Disp.              | Amort.             | Net              |                        |  |
| <b>1. Net debt (3-2)</b>                   | <b>6,203,635.4</b>          |                    |                    |                  |                        | <b>6,410,863.0</b>                         |
| 2. Assets <sup>2_/</sup>                   | 225,709.0                   |                    |                    |                  |                        | 536,818.9                                  |
| <b>3. Gross debt</b>                       | <b>6,429,344.4</b>          | <b>2,693,262.7</b> | <b>2,203,326.8</b> | <b>489,935.9</b> | <b>28,401.6</b>        | <b>6,947,681.9</b>                         |
| Securities                                 | 5,836,953.9                 | 2,461,368.5        | 1,923,147.5        | 538,221.0        | 22,900.6               | 6,398,075.5                                |
| Cetes                                      | 734,487.2                   | 1,495,165.2        | 1,494,593.0        | 572.2            | 0.0                    | 735,059.4                                  |
| Bondes "D"                                 | 548,240.4                   | 159,009.4          | 77,585.3           | 81,424.1         | 0.0                    | 629,664.5                                  |
| Fixed rate bonds                           | 2,890,327.4                 | 578,889.8          | 124,933.6          | 453,956.2        | -331.7                 | 3,343,951.9                                |
| Udibonos                                   | 1,656,001.7                 | 228,304.1          | 225,994.7          | 2,309.4          | 23,119.4               | 1,681,430.5                                |
| <i>Udibonos udi's</i>                      | 265,954.7                   | 36,385.2           | 36,070.9           | 314.3            | -49.3                  | 266,219.7                                  |
| Segregated Udibonos                        | 7,897.2                     | 0.0                | 40.9               | -40.9            | 112.9                  | 7,969.2                                    |
| <i>Segregated Udibonos udi's</i>           | 1,268.3                     | 0.0                | 6.5                | -6.5             | 0.0                    | 1,261.8                                    |
| Saving Fund S.A.R.                         | 135,951.0                   | 229,334.0          | 232,480.5          | -3,146.5         | 3,339.3                | 136,143.8                                  |
| Obligations by ISSSTE's Law <sup>3_/</sup> | 141,843.5                   | 54.2               | 10,726.7           | -10,672.5        | 1,877.0                | 133,048.0                                  |
| PEMEX Pension bonds <sup>4_/</sup>         | 133,774.4                   | 0.0                | 32,272.8           | -32,272.8        | 0.0                    | 101,501.6                                  |
| CFE Pension bonds <sup>5_/</sup>           | 160,187.5                   | 0.0                | 1,194.5            | -1,194.5         | 0.0                    | 158,993.0                                  |
| Others                                     | 20,634.1                    | 2,506.0            | 3,504.8            | -998.8           | 284.7                  | 19,920.0                                   |

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, October<sup>\*\_/</sup>**  
(Million dollars)

| Concept                                      | Balance as of<br>December<br>2018 | Indebtedness    |                |                | Adjust. <sup>1_/_</sup> | Balance as<br>of October<br>2019 <sup>p_/_</sup> |
|--|-----------------------------------|-----------------|----------------|----------------|-------------------------|--|
|  |                                   | Disp.           | Amort.         | Net            |                         |  |
| <b>1. Net debt (3-2)</b>                     | <b>95,698.5</b>                   |                 |                |                |                         | <b>100,430.6</b>                                 |
| 2. Assets <sup>2_/_</sup>                    | 147.1                             |                 |                |                |                         | 1,807.0  |
| <b>3. Gross debt</b>                         | <b>95,845.6</b>                   | <b>11,659.8</b> | <b>5,106.6</b> | <b>6,553.2</b> | <b>-161.2</b>           | <b>102,237.6</b>                                 |
| Capital market                               | 67,817.9                          | 9,881.0         | 4,461.7        | 5,419.3        | -128.9                  | 73,108.3   |
| International Financial Institutions (IFI's) | 26,089.7                          | 1,778.8         | 512.5          | 1,266.3        | 1.0                     | 27,357.0   |
| External trade                               | 1,938.0                           | 0.0             | 132.4          | -132.4         | -33.3                   | 1,772.3  |

Note: Figures may not add up due to rounding.

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

p\_/\_ Preliminary figures.

1\_/\_ It corresponds mainly to the effect of the exchange variation. In the capital market, it includes debt repurchase operations.

2\_/\_ Includes the net balance denominated in dollars of the Federal Treasury's General Account.

Source: Ministry of Finance.



**Federal Public Sector Domestic Debt, October <sup>1</sup>/<sub>1</sub>**  
**(Million pesos)**

| Concept  | Balance as of<br>December<br>2018 | Indebtedness       |                    |                  | Adjust. <sup>2</sup> / <sub>1</sub> | Balance as of<br>October<br>2019 <sup>p</sup> / <sub>1</sub> |
|--|-----------------------------------|--------------------|--------------------|------------------|-------------------------------------|--|
|  |                                   | Origin.            | Amort.             | Net              |                                     |  |
| <b>1. Net debt (3-2)</b>                             | <b>6,867,594.7</b>                |                    |                    |                  |                                     | <b>7,053,642.8</b>   |
| 2. Assets <sup>3</sup> / <sub>1</sub>                | 168,678.5                         |                    |                    |                  |                                     | 502,066.1  |
| <b>3. Gross debt</b>                                 | <b>7,036,273.2</b>                | <b>3,368,642.4</b> | <b>2,884,991.5</b> | <b>483,650.9</b> | <b>35,784.8</b>                     | <b>7,555,708.9</b>   |
| <b>Structure by term</b>                             | <b>7,036,273.2</b>                | <b>3,368,642.4</b> | <b>2,884,991.5</b> | <b>483,650.9</b> | <b>35,784.8</b>                     | <b>7,555,708.9</b>   |
| Long-term  | 6,463,924.9                       | 1,380,539.4        | 937,638.4          | 442,901.0        | 49,910.1                            | 6,956,736.0  |
| Short-term   | 572,348.3                         | 1,988,103.0        | 1,947,353.1        | 40,749.9         | -14,125.3                           | 598,972.9  |
| <b>Structure by user</b>                             | <b>7,036,273.2</b>                | <b>3,368,642.4</b> | <b>2,884,991.5</b> | <b>483,650.9</b> | <b>35,784.8</b>                     | <b>7,555,708.9</b>   |
| Federal Government                                   | 6,429,344.4                       | 2,693,262.7        | 2,203,326.8        | 489,935.9        | 28,401.6                            | 6,947,681.9  |
| Long-term  | 5,911,049.2                       | 1,347,763.8        | 896,983.9          | 450,779.9        | 28,401.6                            | 6,390,230.7  |
| Short-term   | 518,295.2                         | 1,345,498.9        | 1,306,342.9        | 39,156.0         | 0.0                                 | 557,451.2  |
| State Productive Enterprises                         | 378,073.9                         | 260,398.0          | 270,114.0          | -9,716.0         | -1,034.4                            | 367,323.5  |
| Long-term  | 366,773.9                         | 2,500.0            | 29,945.3           | -27,445.3        | -1,034.4                            | 338,294.2  |
| Short-term   | 11,300.0                          | 257,898.0          | 240,168.7          | 17,729.3         | 0.0                                 | 29,029.3   |
| Development Banks                                    | 228,854.9                         | 414,981.7          | 411,550.7          | 3,431.0          | 8,417.6                             | 240,703.5  |
| Long-term  | 186,101.8                         | 30,275.6           | 10,709.2           | 19,566.4         | 22,542.9                            | 228,211.1  |
| Short-term   | 42,753.1                          | 384,706.1          | 400,841.5          | -16,135.4        | -14,125.3                           | 12,492.4   |
| <b>Structure by source of financing</b>              | <b>7,036,273.2</b>                | <b>3,368,642.4</b> | <b>2,884,991.5</b> | <b>483,650.9</b> | <b>35,784.8</b>                     | <b>7,555,708.9</b>   |
| Issuance of Securities                               | 6,321,902.1                       | 2,491,636.0        | 1,950,842.7        | 540,793.3        | 32,707.6                            | 6,895,403.0  |
| Savings Fund   | 135,951.0                         | 229,334.0          | 232,480.5          | -3,146.5         | 3,339.3                             | 136,143.8  |
| Commercial Banks                                     | 99,700.5                          | 481,204.2          | 482,792.9          | -1,588.7         | -248.9                              | 97,862.9   |
| ISSSTE's Law obligations <sup>4</sup> / <sub>1</sub> | 141,843.5                         | 54.2               | 10,726.7           | -10,672.5        | 1,877.0                             | 133,048.0  |
| PEMEX Pension bonds <sup>5</sup> / <sub>1</sub>      | 133,774.4                         | 0.0                | 32,272.8           | -32,272.8        | 0.0                                 | 101,501.6  |
| CFE Pension bonds <sup>6</sup> / <sub>1</sub>        | 160,187.5                         | 0.0                | 1,194.5            | -1,194.5         | 0.0                                 | 158,993.0  |
| Others   | 42,914.2                          | 166,414.0          | 174,681.4          | -8,267.4         | -1,890.2                            | 32,756.6   |

Note: Figures may not add up due to rounding.

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

p\_/ Preliminary figures.

1\_/ Includes the Federal Government, Productive Enterprises of the State and the development bank.

2\_/ It corresponds to debt swap operations, inflationary effect and others.

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

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

5\_/ Obligations associated with the financial support from the Federal Government to PEMEX given the savings in their pension obligations, according to the "Agreement on the general provisions concerning the Federal Government's assumption of PEMEX and its Subsidiary Productive Enterprises' pensions and retirement obligations", published in the Federal Official Gazette on December 24<sup>th</sup>, 2015.

6\_/ Obligations associated with the financial support from the Federal Government to CFE given the savings in their pension obligations, according to 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 February 14<sup>th</sup>, 2016.

Source: Ministry of Finance.

**Federal Public Sector External Debt, October \*\_/1\_/**  
**(Million dollars)**

| Concept  | Balance as of<br>December<br>2018 | Indebtedness    |                 |                | Adjustments <sup>2/</sup> | Balance<br>as of<br>October<br>2019 <sup>p_/</sup> |
|--|-----------------------------------|-----------------|-----------------|----------------|---------------------------|--|
|  |                                   | Obligations     | Amort.          | Net            |                           |  |
| <b>1. Net debt (3-2)</b>                                 | <b>201,307.3</b>                  |                 |                 |                |                           | <b>202,870.0</b>                                   |
| 2. Financial assets in foreign currencies <sup>3_/</sup> | 1,048.0                           |                 |                 |                |                           | 3,020.8  |
| <b>3. Gross debt</b>                                     | <b>202,355.3</b>                  | <b>45,122.1</b> | <b>41,088.8</b> | <b>4,033.3</b> | <b>-497.8</b>             | <b>205,890.8</b>                                   |
| <b>Structure by term</b>                                 | <b>202,355.3</b>                  | <b>45,122.1</b> | <b>41,088.8</b> | <b>4,033.3</b> | <b>-497.8</b>             | <b>205,890.8</b>                                   |
| Long-term  | 198,204.6                         | 27,587.0        | 22,310.3        | 5,276.7        | -381.8                    | 203,099.5  |
| Short-term   | 4,150.7                           | 17,535.1        | 18,778.5        | -1,243.4       | -116.0                    | 2,791.3  |
| <b>Structure by user</b>                                 | <b>202,355.3</b>                  | <b>45,122.1</b> | <b>41,088.8</b> | <b>4,033.3</b> | <b>-497.8</b>             | <b>205,890.8</b>                                   |
| Federal Government                                       | 95,845.6                          | 11,659.8        | 5,106.6         | 6,553.2        | -161.2                    | 102,237.6  |
| Long-term  | 95,845.6                          | 11,659.8        | 5,106.6         | 6,553.2        | -161.2                    | 102,237.6  |
| Short-term   | 0.0                               | 0.0             | 0.0             | 0.0            | 0.0                       | 0.0  |
| State Productive Enterprises                             | 94,691.2                          | 24,062.7        | 25,278.6        | -1,215.9       | -450.7                    | 93,024.6   |
| Long-term  | 94,391.2                          | 15,426.7        | 16,797.0        | -1,370.3       | -450.7                    | 92,570.2   |
| Short-term   | 300.0                             | 8,636.0         | 8,481.6         | 154.4          | 0.0                       | 454.4  |
| Development Banks  | 11,818.5                          | 9,399.6         | 10,703.6        | -1,304.0       | 114.1                     | 10,628.6   |
| Long-term  | 7,967.8                           | 500.5           | 406.7           | 93.8           | 230.1                     | 8,291.7  |
| Short-term   | 3,850.7                           | 8,899.1         | 10,296.9        | -1,397.8       | -116.0                    | 2,336.9  |
| <b>Structure by source of financing</b>                  | <b>202,355.3</b>                  | <b>45,122.1</b> | <b>41,088.8</b> | <b>4,033.3</b> | <b>-497.8</b>             | <b>205,890.8</b>                                   |
| Capital markets  | 155,907.5                         | 24,728.7        | 20,176.0        | 4,552.7        | -549.8                    | 159,910.4  |
| International Financing Institutions (IFI's)             | 30,214.6                          | 1,782.1         | 713.0           | 1,069.1        | 73.7                      | 31,357.4   |
| International Trade                                      | 5,894.3                           | 604.1           | 768.7           | -164.6         | -34.2                     | 5,695.5  |
| Commercial Banks   | 10,063.8                          | 17,731.2        | 19,209.5        | -1,478.3       | 19.2                      | 8,604.7  |
| Pidiregas  | 275.1                             | 276.0           | 221.6           | 54.4           | -6.7                      | 322.8  |

Note: Figures may not add up due to rounding.

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

p\_/ Preliminary figures.

1\_/ Includes the Federal Government, Productive Enterprises of the State and the development bank.

2\_/ It corresponds mainly, to the effect of the exchange variation, debt repurchase operations and others.

3\_/ Considers the net US dollar denominated balance of the General Account of the Federal Treasury as well as the availabilities of State Productive Enterprises.

Source: Ministry of Finance.



## ANNEX 2

### Summary of the Main Indicators on Public Finances (Billion pesos)

| Concept   | January - October |                     | Growth<br>%<br>real | Annual   |                        |                          | % advance with respect to: |                        |                          |
|---|-------------------|---------------------|---------------------|----------|------------------------|--------------------------|----------------------------|------------------------|--------------------------|
|   | 2018              | 2019 <sup>P./</sup> |                     | 2018     | 2019                   |                          | 2018                       | 2019                   |                          |
|   |                   |                     |                     |          | Program <sup>1./</sup> | Estimated <sup>2./</sup> |                            | Program <sup>1./</sup> | Estimated <sup>2./</sup> |
| 1. Budgetary revenues   | 4,220.8           | 4,367.7             | -0.3                | 5,115.1  | 5,298.2                | 5,360.0                  | 82.5                       | 82.4                   | 81.5                     |
| 2. Tax revenues   | 2,545.6           | 2,685.3             | 1.6                 | 3,062.3  | 3,311.4                | 3,237.2                  | 83.1                       | 81.1                   | 83.0                     |
| 3. Tax revenues without fuels excise tax (IEPS)   | 2,398.6           | 2,438.7             | -2.0                | 2,874.7  | 3,042.1                | 2,933.4                  | 83.4                       | 80.2                   | 83.1                     |
| 4. Total net expenditure without outlays on financial investments, pension payments, non-earmarked transfers and financial cost | 2,640.5           | 2,500.1             | -8.8                | 3,232.0  | 3,209.7                | 3,184.1                  | 81.7                       | 77.9                   | 78.5                     |
| 5. Total net expenditure without outlays on financial investments pension payments and non-earmarked transfers                  | 3,078.8           | 2,983.1             | -6.6                | 3,847.1  | 3,958.8                | 3,892.9                  | 80.0                       | 75.4                   | 76.6                     |
| 6. Total net expenditure without outlays on financial investments   | 4,443.2           | 4,434.2             | -3.8                | 5,483.8  | 5,756.1                | 5,679.7                  | 81.0                       | 77.0                   | 78.1                     |
| 7. Total net expenditure  | 4,511.8           | 4,579.7             | -2.2                | 5,589.4  | 5,802.0                | 5,827.1                  | 80.7                       | 78.9                   | 78.6                     |
| 8. Current structural expenditure   | 1,855.0           | 1,794.7             | -6.8                | 2,304.1  | 2,314.2                | 2,314.2                  | 80.5                       | 77.6                   | 77.6                     |
| 9. Primary balance  | 156.2             | 296.5               | 82.9                | 141.4    | 245.7                  | 242.3                    | 110.5                      | 120.7                  | 122.4                    |
| 10. PSBRs   | -303.2            | -196.0              | n.a.                | -517.0   | -629.0                 | -681.0                   | 58.6                       | 31.2                   | 28.8                     |
| 11. HBPSBR  | 10,295.9          | 10,559.9            | -1.2                | 10,551.7 | 11,288.3               | 11,245.7                 | 97.6                       | 93.5                   | 93.9                     |
| 12. Public debt   | 10,517.6          | 10,931.8            | 0.1                 | 10,829.9 | 11,363.9               | 11,378.0                 | 97.1                       | 96.2                   | 96.1                     |

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

<sup>P./</sup> Preliminary figures.

n.a.: Does not apply.

<sup>1./</sup> Corresponds to the Federal Income Law and the Federal Budget for the fiscal year 2019 approved by the Congress.

<sup>2./</sup> Corresponds to the revision of public finances estimates of 2019.

Source: Ministry of Finance.







