

Mexico City, December 22<sup>th</sup>, 2016

## GOVERNMENT SECURITIES AUCTION CALENDAR FOR THE FIRST QUARTER OF 2017

The Ministry of Finance and Public Credit (SHCP) announces the government securities auction calendar for the first quarter of 2017, which will take effect as of the first auction of the quarter.

This schedule is consistent with the Economic Program approved by Congress for the 2017 fiscal year and with the Annual Borrowing Plan considered for the same year.

During 2017, the government securities auction program will keep its high flexibility in order to adapt itself to the prevailing market conditions.

The amounts to be auctioned during the first quarter of 2017 are similar to those auctioned during the first quarter of 2016 before taking into account the adjustments due to the Central Bank's Operational Surplus<sup>1</sup> and the recent volatility in the financial markets caused by the results of the electoral process in the United States.<sup>2</sup>

The most important aspects of the Government Securities Auction Calendar for the first quarter of 2017 are the following:

### **Treasury Bills (Cetes)**

- During the first quarter of 2017, the ranges for 28 and 91-day Cetes will remain unchanged. The specific amounts to be auctioned of 28 and 91-day Cetes will be announced in the corresponding auction announcement through the Central Bank
- The weekly minimum and maximum amount to be auctioned for 28-day Cetes will remain at 4,000 and 11,000 million pesos, respectively. 9,000 million pesos will be auctioned in the first week of the quarter.
- The weekly minimum and maximum amount to be auctioned for 91-day Cetes will remain at 7,000 and 14,000 million pesos, respectively. 12,000 million pesos will be auctioned in the first week of the quarter.
- The amount to be issued for 182-day Cetes will be reduced by 500 million pesos.
- The amount to be issued for 364-day Cetes will be increased by 500 million pesos.

### **Fixed Rate Bonds (Bonos M)**

- The amounts to be issued for 3 and 5-year Bonos M will be decreased by 1,000 million pesos.
- The amounts to be issued for 10-year Bonos M will be increased by 2,500 million pesos.

<sup>1</sup> For further details, check the press release number 046 published on April 11<sup>th</sup> 2016.

<sup>2</sup> For further details, check the press release number 157 published on November 10<sup>th</sup> 2016.

- The amounts to be issued for 20 and 30-year Bonos M will be increased by 500 and 2,000 million pesos, respectively.

### **Inflation Linked Bonds (Udibonos)**

- The amounts to be issued for 3-year Udibonos will be increased by 100 million udis.
- The amounts to be issued for 10-year Udibonos will be increased by 200 million udis.
- The amounts to be issued for 30-year Udibonos will be increased by 50 million udis.

### **Floating Rate Notes (Bondes D)**

- The amounts to be issued for 5-year Bondes D will be increased by 500 million pesos.

Starting on the first quarter of 2017, the 3-year benchmark securities for Bonos M and Udibonos to be auctioned will be changed to those maturing in June 2020 (M 200611) and December 2020 (S 201210), respectively.

On the other hand, the 5 and 20-year benchmark securities for Bonos M to be auctioned will be changed to those maturing in June 2022 (M 220609) and November 2036 (M 361120), respectively.

The change in benchmark securities will allow the SHCP to auction previously issued bonds, in favor of fostering liquidity among the sovereign debt market.

The auctions of 30-year stripped Udibonos will continue to take place every 12 weeks. As in previous auctions, the amount to be issued will be announced the week prior to the transaction.

The auctions of Cetes, Bonos M, Udibonos, Bondes D and the auctions of stripped Udibonos to be executed in the first quarter will have the following characteristics.

### **Government Securities Auction during the First Quarter of 2017 Offered Amounts for each Auction (million pesos)**

Instrument	Frequency	1Q-16 Without Central Bank's Surplus (a)	4Q-16 With Central Bank's Surplus (b)	4Q-16 Program With Central Bank's Surplus and Amendments (c)	1Q-17 (d)	Change (d-a)	Change (d-c)
<b>Cetes (Treasury Bills)</b>							
28-day Cetes	Weekly range	mín. 4,000 máx. 11,000	mín. 4,000 máx. 11,000	mín. 4,000 máx. 11,000	mín. 4,000 máx. 11,000	-	-
91-day Cetes	Weekly range	mín. 7,000 máx. 14,000	mín. 7,000 máx. 14,000	mín. 7,000 máx. 14,000	mín. 7,000 máx. 14,000	-	-
182-day Cetes	Weekly	11,000	11,000	12,000	<b>11,500</b>	<b>500</b>	<b>-500</b>
1-year Cetes	Every 4 weeks	11,000	10,000	11,000	<b>12,000</b>	<b>500</b>	<b>500</b>
<b>Fixed Rate Bonds (Bonos M)</b>							
3-year Bonos M	Every 4 weeks	9,000	7,500	9,500	<b>8,500</b>	<b>-500</b>	<b>-1,000</b>
5-year Bonos M	Every 4 weeks	8,500	7,500	9,500	<b>8,500</b>	<b>0</b>	<b>-1,000</b>
10-year Bonos M	Every 6 weeks	8,000	7,000	5,500	<b>8,000</b>	<b>0</b>	<b>2,500</b>
20-year Bonos M	Every 6 weeks	3,000	2,500	1,500	<b>2,000</b>	<b>-1,000</b>	<b>500</b>
30-year Bonos M	Every 6 weeks	2,500	2,000	1,000	<b>2,000</b>	<b>500</b>	<b>2,000</b>
<b>Inflation Linked Bonds (Million Udis)</b>							
3-year Udibonos	Every 4 weeks	800	750	850	<b>950</b>	<b>150</b>	<b>100</b>
10-year Udibonos	Every 4 weeks	700	650	500	<b>700</b>	<b>0</b>	<b>200</b>
30-year Udibonos	Every 4 weeks	450	400	250	<b>300</b>	<b>-150</b>	<b>50</b>
Stripped 30-year Udibonos	Every 12 weeks	2,500 lots of SP & SC	2,500 lots of SP & SC	2,500 lots of SP & SC	To be defined	-	-
<b>Floating Rate Notes (Bondes D)</b>							
5-year Bondes D	Every 2 weeks	4,500	3,000	4,000	4,500	<b>0</b>	<b>500</b>

## Auction's Calendar for January – March 2017

Date	Fixed Short Term	Fixed Long Term	Inflation Linked	Floating
January 3 <sup>th</sup> , 2017	28, 91, 182-day and 1-year Cetes	30-year Bond Code: M 421113	30-year Udibono* Code: S 461108	5-year Bondes D
January 10 <sup>th</sup> , 2017	28, 91, 182-day Cetes	<b>3-year Bond</b> <b>Code: M 200611</b>	<b>3-year Udibono</b> <b>Code: S 201210</b>	
January 17 <sup>th</sup> , 2017	28, 91 and 182-day Cetes	10-year Bond Code: M 260305		5-year Bondes D
January 24 <sup>th</sup> , 2017	28, 91 and 182-day Cetes	<b>5-year Bond</b> <b>Code: M 220609</b>	10-year Udibono Code: S 251204	
January 31 <sup>th</sup> , 2017	28, 91, 182-day and 1-year Cetes	<b>20-year Bond</b> <b>Code: M 361120</b>	30-year Udibono Code: S 461108	5-year Bondes D
February 7 <sup>th</sup> , 2017	28, 91, 182-day and Cetes	<b>3-year Bond</b> <b>Code: M 200611</b>	<b>3-year Udibono</b> <b>Code: S 201210</b>	
February 14 <sup>th</sup> , 2017	28, 91 and 182-day Cetes	30-year Bond Code: M 421113		5-year Bondes D
February 21 <sup>th</sup> , 2017	28, 91 and 182-day Cetes	5-year Bond Code: M 220609	10-year Udibono Code: S 251204	
February 28 <sup>th</sup> , 2017	28, 91, 182-day and 1-year Cetes	10-year Bond Code: M 260305	30-year Udibono Code: S 461108	5-year Bondes D
March 7 <sup>th</sup> , 2017	28, 91, 182-day and Cetes	<b>3-year Bond</b> <b>Code: M 200611</b>	<b>3-year Udibono</b> <b>Code: S 201210</b>	
March 14 <sup>th</sup> , 2017	28, 91 and 182-day Cetes	<b>20-year Bond</b> <b>Code: M 361120</b>		5-year Bondes D
March 21 <sup>th</sup> , 2017	28, 91 and 182-day Cetes	<b>5-year Bond</b> <b>Code: M 220609</b>	10-year Udibono Code: S 251204	
March 28 <sup>th</sup> , 2017	28, 91, 182-day and 1-year Cetes	30-year Bond Code: M 421113	30-year Udibono* Code: S 461108	5-year Bondes D

**IMPORTANT:** In case an instrument is auctioned using the syndicated method, the current instrument will be replaced by the new issuance.  
\* The auction of stripped 30-year Udibonos will be executed the next business day after the primary auction of Udibonos.

### Other Transactions

#### **Syndicated Auctions**

- ✓ As announced in previous quarters, syndicated auctions will remain under a flexible format. This format allows the SHCP to choose the right timing for each transaction based on investors' appetite as well as market conditions. These auctions are not part of the amounts announced for the quarterly calendars nor as substitutes of primary auctions. Once the new references are issues, the reopening policy will continue.

#### **Liability Management Transactions (Exchange and/or Repurchase Transactions)**

- ✓ The SHCP will look for opportunities in the financial markets to execute exchange and/or repurchase transactions of government securities during the first quarter of 2017 in order to keep improving the maturity profile of the Federal Government, and also increasing efficiency in its portfolio.
- ✓ These transactions may include any issuance outstanding. In case one of these transactions is executed, the SHCP will specify, through the Central Bank, the instruments, terms and sizes of each transaction.