

**PROSPECTUS SUPPLEMENT**  
(TO PROSPECTUS DATED MARCH 9, 2001)

**U.S. \$3,300,000,000**  
**United Mexican States**

**8.125% Global Bonds due December 30, 2019 ("Global Bonds")**

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The Global Bonds will mature at par on December 30, 2019. Interest on the Global Bonds is payable in U.S. dollars on June 30 and December 30 of each year, commencing on June 30, 2001. From March 30 to, but not including, June 30, 2001, Mexico will pay a "short" first coupon. The Global Bonds will not be redeemable before maturity and will not be entitled to the benefit of any sinking fund.

The Global Bonds are expected to be issued in an aggregate principal amount of \$3,300,000,000, subject to Mexico's right to reject offers that do not comply with the terms and conditions of the Invitation (as defined below). The Global Bonds will be issued in book-entry form and will be represented by one or more global securities in fully registered form only, without coupons.

The Global Bonds are being issued pursuant to the invitation (the "Invitation") by Mexico to holders of its U.S. dollar-denominated Collateralized Fixed Rate Bonds Due 2019 (Series A and B) (the "Par Bonds") and U.S. dollar-denominated Collateralized Floating Rate Bonds due 2019 (series A, B, C and D) (the "Discount Bonds"), in each case together with Series B through Q of the associated Value Recovery Rights, both attached and unattached (the "Brady Bonds"), to submit offers to exchange, pursuant to a modified Dutch auction, Brady Bonds for a combination of Global Bonds and a U.S. dollar amount of cash. Further details regarding the Invitation are described in Mexico's prospectus supplement dated March 15, 2001 to prospectus dated March 9, 2001 and supplement no. 1 dated March 21, 2001 and supplement no. 2 dated March 22, 2001, each to the prospectus supplement dated March 15, 2001. See "Plan of Distribution" for a summary of the results of the Invitation.

The issue price of the Global Bonds offered by Mexico pursuant to the Invitation is approximately 89.00%. If either of the joint dealer managers acquires any Global Bonds pursuant to the Invitation, it may resell those Global Bonds from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices to be determined at the time of sale.

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Application has been made to list the Global Bonds on the Luxembourg Stock Exchange.

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Neither the United States Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

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*The joint dealer managers for the Invitation are:*

**Credit Suisse First Boston**

March 23, 2001

**Salomon Smith Barney**

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## INTRODUCTORY STATEMENT

**When you make your investment decision, you should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. The United Mexican States ("Mexico") has not authorized anyone to provide you with information that is different. This document may only be used where it is legal to offer and sell these securities. The information in this prospectus supplement and the prospectus may only be accurate as of the date of this prospectus supplement or the prospectus, as applicable.**

The Global Bonds are debt securities of Mexico, which are being offered under Mexico's registration statements nos. 333-12460 and 333-13260 filed with the SEC under the U.S. Securities Act of 1933, as amended. The accompanying prospectus is part of the registration statement. The prospectus provides you with a general description of the securities that Mexico may offer, and this prospectus supplement contains specific information about the Global Bonds. This prospectus supplement also adds, updates or changes information provided or incorporated by reference in the prospectus. You should read this prospectus supplement together with the prospectus as well as the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. The documents incorporated by reference consist of Mexico's Annual Report for 1999 on Form 18-K, and all amendments to the Annual Report. You can inspect those documents at the office of the SEC, and you may obtain copies of them free of charge at the office of the Luxembourg listing agent, exchange agent and paying agent, Kredietbank S.A. Luxembourgeoise, listed on the back cover page of this document.

Mexico confirms that:

- the information contained in this prospectus supplement and the prospectus is true and correct in all material respects and is not misleading,
- it has not omitted other facts the omission of which makes this prospectus supplement and the prospectus as a whole misleading, and
- it accepts responsibility for the information it has provided in this prospectus supplement and the prospectus.

## PURPOSE OF THE INVITATION

The Invitation is part of a broader program of Mexico to manage its external liabilities. In addition, the issuance of the Global Bonds is intended to provide a liquid, sovereign risk benchmark for Mexico.

## SUMMARY DESCRIPTION OF THE GLOBAL BONDS

*This summary highlights information contained elsewhere in this prospectus supplement. It is not complete and may not contain all the information that you should consider before investing in the Global Bonds. You should read the entire prospectus supplement and the accompanying prospectus carefully.*

<b>Issuer</b> .....	United Mexican States.
<b>Title</b> .....	8.125 % U.S. dollar-denominated Global Bonds due 2019.
<b>Issue Amount</b> .....	The Global Bonds are expected to be issued in an aggregate principal amount of \$3,300,000,000, subject to Mexico's right to reject offers that do not comply with the Invitation.
<b>Original Issue Date</b> .....	March 30, 2001.
<b>Maturity</b> .....	The Global Bonds will mature on December 30, 2019.
<b>Interest</b> .....	The Global Bonds will bear interest from March 30 at the rate of 8.125% per year. Mexico will pay interest semi-annually in arrears on June 30 and December 30 of each year, commencing on June 30, 2001. From March 30 to, but not including, June 30, 2001, Mexico will pay a "short" first coupon.
<b>Status</b> .....	The Global Bonds will be direct, unconditional and general obligations of Mexico and will rank, without any preference among themselves, equal in right of payment with all of Mexico's existing and future unsecured and unsubordinated public external indebtedness.
<b>Redemption</b> .....	Mexico may not redeem the Global Bonds prior to maturity. At maturity, Mexico will redeem the Global Bonds at par.
<b>Further Issues</b> .....	Mexico may, from time to time, issue additional debt securities that may form a single series with the Global Bonds.
<b>Taxation</b> .....	The Global Bonds will be issued with original issue discount for U.S. federal income tax purposes.
<b>Governing Law</b> .....	New York, except that all matters governing authorization and execution of the Global Bonds by Mexico will be governed by the laws of Mexico.
<b>Denominations</b> .....	Mexico will issue the Global Bonds only in denominations of \$1,000 and integral multiples of \$1,000.
<b>Listing</b> .....	Application has been made to list the Global Bonds on the Luxembourg Stock Exchange.

## RECENT DEVELOPMENTS

*The information included in this section supplements the information about Mexico corresponding to the reading below that is contained in Exhibit D to Mexico's annual report on Form 18-K for the fiscal year ended December 31, 1999, as amended, and incorporated by reference in the accompanying prospectus. To the extent that the information included in this section differs from the information incorporated by reference in the prospectus, you should rely on the information in this section.*

## **The Economy**

### ***Gross Domestic Product***

According to preliminary figures, real Gross Domestic Product ("GDP") increased by 6.9% in real terms in 2000, as compared with 1999. GDP grew by 7.7% in real terms in the first quarter of 2000, 7.6% in the second quarter, 7.3% in the third quarter and 5.1% in the fourth quarter. Transportation, storage and communications, and commerce, hotels and restaurants were the most dynamic sectors of the economy in 2000, growing by 12.7% and 11.1% in real terms, respectively, followed by manufacturing, which grew by 7.1%, electricity, gas and water, which grew by 6.2%, and construction, which grew by 5.0%, each as compared with 1999. Also, during 2000, the financial services, insurance and real estate sector grew by 4.5%, mining, petroleum and gas grew by 4.0%, agriculture, livestock, fishing and forestry grew by 3.4%, and community, social and personal services grew by 3.0%, each as compared with 1999.

### ***Prices and Wages***

Inflation during 2000 was 8.96% as compared with 12.32% in 1999. The level of inflation during 2000 was 1.04 percentage points below the official target of 10.0% and was the lowest rate registered during the last six years. Inflation during the first two months of 2001 was 0.49%, 1.75 percentage points lower than during the same period of 2000.

On January 1, 2001, the minimum wage increased by 7.0%. In addition, the Government announced that electricity, gasoline and diesel prices will increase by 6.5% during 2001.

### ***Interest Rates***

During 2000, interest rates on 28-day certificates of deposit (*Certificados de la Tesorería de la Federación* or "*Cetes*") averaged 15.25% and interest rates on 91-day *Cetes* averaged 16.17%, as compared with average rates on 28-day *Cetes* and 91-day *Cetes* of 21.41% and 22.38%, respectively, during 1999. During January and February 2001, interest rates on 28-day *Cetes* averaged 17.89% and 17.34%, respectively, and interest rates on 91-day *Cetes* averaged 18.50% and 18.07%, respectively, as compared with the average rates on 28-day *Cetes* of 16.19% and 15.81% during January and February 2000 and on 91-day *Cetes* of 17.43% and 16.44% during January and February of 2000. On March 8, 2001, the 28-day *Cetes* rate was 15.89% and the 91-day *Cetes* rate was 16.50%.

## **Principal Sectors of the Economy**

### ***Petroleum and Petrochemicals***

For the first nine months of 2000, *Petróleos Mexicanos* and its subsidiary entities ("*PEMEX*") reported total sales revenues (net of the *Impuesto Especial Sobre Producción y Servicios* (Special Tax on Production and Services, or the "*IEPS Tax*") of Ps. 272.0 billion, representing an increase of 74.4% over total sales revenues of Ps. 156.0 billion for the same period of 1999.

During the first nine months of 2000, *PEMEX*'s net income, as calculated in accordance with Mexican Financial Reporting Standards, amounted to approximately Ps. 5,900 million, as compared with net income during the same period of 1999 of Ps. 775 million. This increase was due primarily to the increase in sales revenues resulting from the increase in crude oil export prices during the first nine months of 2000 as compared with the same period of 1999, as well as to a decrease in certain costs related to labor reserves and to the recognition of the net gain in the *Repsol* equity swap, which were partially offset by an increase in taxes and duties.

During the first nine months of 2000, *PEMEX*'s export sales amounted to Ps. 112.3 billion, representing an increase of 79.7% over export sales of Ps. 62.5 billion during the first nine months of 1999. In the first nine months of 2000, *PEMEX*'s domestic sales (net of the *IEPS tax*) amounted to Ps. 159.7 billion, 70.9% more than the Ps. 93.5 billion recorded during the first nine months of 1999. Domestic prices for *PEMEX*'s products are set by *PEMEX* in conjunction with the Government, taking into consideration both macroeconomic factors and *PEMEX*'s production

costs. It is the current policy of the Government and PEMEX to keep PEMEX's domestic wholesale prices generally in line with the international prices of its products.

During 2000, the estimated weighted average price per barrel of crude oil exported by PEMEX was U.S. \$24.62 per barrel and the average price of its benchmark, West Texas Intermediate crude oil, was U.S. \$30.37 per barrel. Oil prices fell sharply during December 2000. On March 8, 2001, the spot price for the PEMEX crude oil basket was estimated at U.S. \$20.16 per barrel, and the spot price of West Texas Intermediate crude oil was U.S. \$28.60 per barrel.

On January 24, 2001, the Secretary of Energy of Mexico announced that, effective February 1, 2001, Mexico would reduce its oil exports by 75 thousand barrels per day. Mexico agreed with other oil producing countries to reduce its oil exports in conjunction with production cuts by other oil producing countries in order to stabilize oil prices, which fell sharply in December 2000.

## **Financial System**

### ***Central Bank and Monetary Policy***

The primary objective of Banco de México's 2001 monetary program is to reduce inflation to 6.5% in 2001 and to 3.0% in 2003. To this end, the 2001 monetary program relies on four basic elements: (a) restrictive monetary policy, (b) adjustments to the prices of goods and services administered by the public sector to react to inflationary pressures whenever necessary, (c) a prudent fiscal stance, and (d) salary increases congruent with sustainable productivity gains and with inflation targets. The monetary program also assumes the absence of certain external factors, such as reduction in the prices of commodities exported by Mexico or the inflows of foreign capital, which could result in a considerable modification of the real exchange rate.

Banco de México will publish quarterly reports on inflation throughout 2001. Monetary policy will be restricted if and when necessary to bring inflation in line with the Mexican Government's medium-term goal.

In 2001, Banco de México expects to continue to use the "short" mechanism as an instrument to indicate modifications in its monetary stance, and to induce the necessary movements of interest rates to achieve inflation objectives. Banco de México identifies the following factors that may lead it to use the "short" mechanism (i) increased aggregated demand which exceeds increases in production, (ii) increased inflationary pressures in the United States and in other principal developed economies and (iii) disorderly conditions in the money and foreign exchange markets.

In January 2001, the "short" was increased from Ps. 350 million to Ps. 400 million. The January increase was in response to increased internal and external factors that could threaten the achievement of the inflation target for 2001. Banco de México identified as an internal factor increases in aggregate demand which exceeded increases in production. Banco de México identified as an external factor a deceleration of economic growth in the U.S., beginning in the second half of 2000.

The Bank Savings Insurance Institute (the "IPAB") announced that Grupo Financiero Inverlat ("GFI") was recapitalized on November 30, 2000 through the acquisition by The Bank of Nova Scotia ("Scotiabank") of 55% of GFI's capital stock. In that transaction, IPAB received Ps. 1,836 million plus an additional \$40,000,000 from Scotiabank for a 45% interest in GFI, which, in addition to a 10% interest already held by Scotiabank, resulted in Scotiabank controlling 55% of the outstanding capital stock of GFI. IPAB still retains a 36% interest in GFI, which it intends to sell by the end of 2003. The remaining 9% of the capital stock of GFI is to be distributed among the eligible original shareholders of GFI. In addition to the proceeds from the GFI transaction, from January through September 2000, IPAB received Ps. 1,460 million from GFI's loan recoveries and asset sales.

At February 28, 2001, the monetary base totaled Ps. 176,274 million, a 16.0% decrease in real terms as compared to the level at December 29, 2000. By December 31, 2001, Banco de México estimates that the monetary base will total Ps. 237.4 million, a 13.6% increase than that registered during December 29, 2000.

### ***The Securities Market***

At February 28, 2001, the Stock Market Index stood at 6,032.10 points, representing a 6.7% increase in nominal peso terms and a 6.2% increase in real peso terms from the level at December 29, 2000.

### ***Banking Supervision and Support***

At September 30, 2000, and calculated in accordance with the accounting criteria applicable to credit institutions since the beginning of 1997, the total amount of past-due loans of commercial banks (excluding banks under Government intervention and those in special situations) was Ps. 51,562 million, as compared with Ps. 80,745 million at December 31, 1999 and Ps. 99,511 million at December 31, 1998. The past-due loans of the banking system decreased by 39.8% in real terms from the level at December 31, 1999, primarily due to the positive impact of the debt-relief program implemented on January 1, 1999 and also due to write-offs and recoveries made by some banks. The total loan portfolio of the banking system decreased by 1.8% in real terms during the third quarter of 2000. As a consequence, the past-due loan ratio of commercial banks was 5.7% at September 30, 2000, as compared with 8.9% at December 31, 1999 and 11.3% at December 31, 1998.

Loan loss reserves created by commercial banks (excluding banks under Government intervention and those in special situations) totaled Ps. 60,405 million at September 30, 2000, as compared with Ps. 87,027 million at December 31, 1999. At this level, commercial banks have reserves covering 117.2% of their past-due loans, exceeding the minimum reserves level of 45% required by the applicable accounting criteria.

### **External Sector of the Economy**

#### ***Foreign Trade***

In 2000, Mexican exports grew by 22.0%, reaching U.S. \$166.4 billion. Imports grew by 22.9% as compared with 1999, reaching U.S. \$174.5 billion. Imports were mainly driven by the dynamism of domestic demand and the greater availability of external resources. As a result, the accumulated trade deficit for 2000 was U.S. \$8.0 billion, 44.2% greater than in 1999.

Petroleum exports increased by 65.0% in 2000, non-petroleum exports increased by 18.6%, and exports of manufactured good increased by 19.0%, in each case as compared with 1999. Imports of intermediate goods increased by 22.2%, imports of capital goods increased by 18.1%, and imports of consumer goods increased by 37.1%, each as compared with 1999.

During January 2001, Mexico registered a trade deficit of U.S. \$1,224 million, as compared with a trade deficit of U.S. \$574 million for the same period of 2000. Merchandise exports increased by 12.3% during the first month of 2001, to U.S. \$12,676 million, as compared with U.S. \$11,286 million in the same period of 2000. During the first month of 2001, petroleum exports increased by 4.7% and non-petroleum exports increased by 13.2%, in each case as compared with the same period of 2000. Exports of manufactured goods, which represented 86.1% of total merchandise exports, increased by 13.7% during the first month of 2001. Total imports were U.S. \$13,899 million during the first month of 2001, a 17.2% increase as compared with the same period of 2000. Imports of intermediate goods increased by 18.2%, imports of capital goods increased by 1.4% and imports of consumer goods increased by 35.0% during the first month of 2001, each as compared with the same period of 2000.

#### ***Balance of International Payments***

According to preliminary figures, during 2000, Mexico's current account registered a deficit of 3.1% of GDP or U.S. \$17,690 million, U.S. \$3,365 million more than the current account deficit in 1999. The capital account surplus for 2000 totaled U.S. \$17,920 million, as compared with a surplus of U.S. \$14,336 million during 1999. During 2000, direct foreign investment totaled U.S. \$13,162 million and portfolio investment (including securities placed abroad) registered a negative balance (*i.e.*, an outflow) of U.S. \$2,224 million.

At March 2, 2001, Mexico's international reserves totaled U.S. \$37,332 million, an increase of U.S. \$3,777 million from the level at December 29, 2000. The net international assets of Banco de México totaled U.S. \$39,759 million at March 2, 2001, an increase of U.S. \$4,130 million from the level at December 29, 2000.

During 1999 and 2000 and the first two months of 2001, the Foreign Exchange Commission maintained the size limit of its monthly auctions of options to sell dollars to Banco de México at U.S. \$250 million per month. During this period, Banco de México accumulated international assets totaling U.S. \$4,554 million through this program.

#### *Exchange Controls and Foreign Exchange Rates*

During 2000, the monthly average peso/U.S. dollar exchange rate was Ps. 9.456 = U.S. \$1.00. During the first two months of 2001, the monthly average peso/U.S. dollar exchange rate was Ps. 9.736 = U.S. \$1.00. The peso/U.S. dollar exchange rate announced by Banco de México on March 8, 2001 (to take effect on the second business day thereafter) was Ps. 9.6468 = U.S. \$1.00.

#### **Public Finance**

The assumptions and targets underlying the 2001 Budget, as embodied in the *Criterios Generales de Política Económica* (General Economic Policy Guidelines) for 2001, as well as the preliminary results for 1999 and 2000 are set forth below.

#### **Preliminary 1999 and 2000 Results; 2001 Budget Assumptions and Targets**

	<b>1999 Results (1)</b>	<b>2000 Results (1)</b>	<b>2001 Budget</b>
Real GDP growth (%).....	3.7	6.9	4.5
Increase in the national consumer price index (%).....	12.3	8.9	6.5
Average export price of Mexican oil mix (U.S. \$/barrel).....	15.7	26.9	18.0
Current account balance as % of GDP.....	(2.9)	3.1	(3.8)
Average exchange rate (Ps./\$1.00).....	9.556	9.456	10.1
Average rate on 28-day <i>Cetes</i> (%).....	21.4	15.2	12.4
Public sector balance as % of GDP.....	(1.1)	(1.1)	(0.65)
Primary balance as % of GDP.....	2.5	2.6	2.74

Source: Ministry of Finance and Public Credit.  
(1) Preliminary.

The increase in international oil prices and the strength of economic activity in Mexico favorably influenced the public finance results in 2000. During 2000, the public sector recorded an overall deficit of Ps. 60.5 billion or 1.1% of GDP, slightly lower than the deficit recorded in 1999.

The overall primary balance registered a surplus of Ps. 143.4 billion, or 2.6% of GDP, in 2000, 13.7% greater in real terms than the primary balance registered in 1999.

On December 28, 2000, the Congress approved the Federal Annual Revenue Law for 2001 and on December 29, 2000, the Congress approved the Federal Expenditure Budget for 2001 (together with the Federal Annual Revenue Law for 2001, the "2001 Budget"). The principal objectives of the 2001 Budget are to maintain sound public finances and a tight fiscal stance in order to promote a more stable economic environment, higher domestic savings and investment rates and higher employment rates.

Under the 2001 Budget, the Government estimates that it will devote Ps. 236.988 billion (25.6% of total budgetary programmable expenditures) to education and Ps. 261.293 billion (28.3% of total budgetary programmable expenditures) to health and social security.

The Government also expects that it will devote Ps. 51.491 billion (5.6% of total budgetary programmable expenditures) to regional and urban development and Ps. 12.696 billion (1.2% of total budgetary programmable expenditures) to social spending and nutrition. In addition, the 2001 Budget contemplates that Ps. 184.231 billion will be used for the debt service of the Government and that Ps. 22.854 billion will be used for the debt service of the public sector agencies included in the 2001 Budget.

### **Public Debt**

On August 31, 2000, the Ministry of Finance and Public Credit announced the early repayment of the entire debt owed to the IMF, which totaled SDR 2,293 million, equivalent to approximately U.S. \$3.0 billion. The original maturities of the debt ranged from September 2000 to March 2005. This prepayment will enable the Government to lighten its debt service burden over the next five years.

At December 29, 2000, the net internal debt of the Government totaled U.S. \$63.3 billion, an increase of U.S. \$15.6 billion (or 32.7%) from the U.S. \$47.7 billion outstanding at December 31, 1999. The increase in net internal debt was attributable to the fact that, as was the case in previous years, the Government financed its deficit primarily through borrowings in the domestic market. At the end of December 2000, the average maturity of internal debt was 538 days, as compared with 561 days on December 31, 1999.

At December 29, 2000, Mexico's gross external public debt totaled U.S. \$84.1 billion, a decrease of U.S. \$8.2 billion from the U.S. \$92.3 billion outstanding at December 31, 1999. The sharp reduction in the stock of gross external public debt was largely due to the Government's repurchase and redemptions of more than U.S. \$7.0 billion of Brady Bonds, in a series of transactions during 2000 and prior years, as part of the Government's debt management initiatives. Overall, total public debt (gross external debt plus net internal debt) at December 29, 2000, represented approximately 24.2% of nominal GDP.

On January 16, 2001, the Government issued U.S. \$1.5 billion of 8.375% Global Notes due 2011.

On March 13, 2001, the Government issued €750 million of 7.375% Notes of 2001/2008 (due in 2008).

### **DESCRIPTION OF THE GLOBAL BONDS**

*This prospectus supplement describes the terms of the Global Bonds in greater detail than the prospectus and may provide information that differs from the prospectus. If the information in this prospectus supplement differs from the prospectus, you should rely on the information in this prospectus supplement.*

*Mexico will issue the Global Bonds under the fiscal agency agreement, dated as of September 1, 1992, as amended by Amendment No. 1, dated as of November 28, 1995, between Mexico and Citibank, N.A., as fiscal agent. The information contained in this section and in the prospectus summarizes some of the terms of the Global Bonds and the fiscal agency agreement. Because this is a summary, it does not contain all of the information that may be important to you as a potential investor in the Global Bonds. Therefore, Mexico urges you to read the fiscal agency agreement and the form of the Global Bonds in making your investment decision. Mexico has filed or will file copies of these documents with the SEC and will also file copies of these documents at the offices of the fiscal agent and the Luxembourg listing agent.*

### **General Terms of the Global Bonds**

The Global Bonds:

- are expected to be issued in an aggregate principal amount of \$3,300,000,000, subject to Mexico's right to reject offers that do not comply with the Invitation;

- will mature at par on December 30, 2019;
- will bear interest at a fixed rate of 8.125%, accruing from March 30, 2001;
- will pay interest in U.S. dollars on June 30 and December 30 of each year, commencing on June 30, 2001. From March 30, 2001 to but not including June 30, 2001, Mexico will pay a “short” first coupon. Interest will be computed on the basis of a 360-day year of twelve 30-day months;
- will pay interest to persons in whose names the Global Bonds are registered at the close of business on June 15 or December 15, as the case may be, preceding each payment date;
- will not be redeemable before maturity and not be entitled to the benefit of any sinking fund;
- will be direct, unconditional and general obligations of Mexico and will rank, without any preference among themselves, equal in right of payment with all of Mexico’s existing and future unsecured and unsubordinated public external indebtedness;
- will be represented by one or more global securities in fully registered form only, without coupons;
- will be registered in the name of a nominee of The Depository Trust Company (“DTC”) and recorded on, and transferred through, the records maintained by DTC and its participants, including the depositories for Euroclear and Clearstream Banking, société anonyme (“Clearstream, Luxembourg”);
- will be available in definitive form only under certain limited circumstances; and
- will be issued in denominations of \$1,000 and integral multiples of \$1,000.

#### **Payment of Principal and Interest**

Mexico will make payments of principal and of interest on the Global Bonds in U.S. dollars to DTC or to its nominee as the registered owner of the Global Bonds, which will receive the funds for distribution to the holders. Mexico expects that the holders will be paid in accordance with the procedures of DTC, Euroclear and Clearstream, Luxembourg, the clearing systems through which the Global Bonds will trade, and their respective participants. Neither Mexico nor any paying agent will have any responsibility or liability for any aspect of the records of, or payments made by, DTC or its nominee, or the other clearing systems.

If the Global Bonds are issued in definitive, certificated form, Mexico will make its interest and principal payments to you, if you are the person in whose name the certificated Global Bonds are registered, by wire transfer if:

- you own at least \$1,000,000 aggregate principal amount of the Global Bonds, and
- not less than 15 days before the payment date, you notify the fiscal agent of your election to receive payment by wire transfer and provide it with your bank account information and wire transfer instructions;

**OR**

- Mexico is making the payments at maturity, and
- you surrender the certificated Global Bonds at the corporate trust office of the fiscal agent or at the office of one of the other paying agents that Mexico appoints pursuant to the fiscal agency agreement.

If Mexico does not pay interest by wire transfer for any reason, it will, subject to applicable laws and regulations, mail a check to you on or before the due date for the payment at your address as it appears on the security register maintained by the fiscal agent on the applicable record date.

If any date for an interest or principal payment is a day on which the law at the place of payment permits or requires banking institutions to close, Mexico will make the payment on the next banking day at such place. Mexico will treat such payments as if they were made on the due date, and no interest on the Global Bonds will accrue as a result of the delay in payment.

If any money that Mexico pays to the fiscal agent for the payment of principal or interest on the Global Bonds is not claimed at the end of two years after the principal or interest was due and payable, then the fiscal agent will repay the money to Mexico. After any such repayment, the fiscal agent will not be liable with respect to the payments. However, Mexico's obligations to pay the principal of and interest on the Global Bonds as they become due will not be affected by such repayment. The Global Bonds will be void unless you present them for payment within five years after the maturity date (or a shorter period if provided by law).

### **Paying Agents and Transfer Agent**

Until the Global Bonds are paid, Mexico will maintain a paying agent in The City of New York. Mexico has initially appointed Citibank, N.A., to serve as its paying agent and transfer agent in The City of New York. In addition, so long as any of the Global Bonds are listed on the Luxembourg Stock Exchange and the rules of the exchange require, Mexico will maintain a paying agent and a transfer agent in Luxembourg. Mexico has initially appointed Kredietbank S.A. Luxembourgeoise to serve as its Luxembourg paying agent and transfer agent. Mexico will promptly provide notice of the termination or appointment of, or of any change in the office of, any paying agent or transfer agent.

### **Further Issues**

Mexico may, without the consent of holders of the Global Bonds, create and issue additional debt securities having the same terms and conditions as the Global Bonds (or the same except for the amount of the first interest payment and issue price). Mexico may also consolidate the additional debt securities to form a single series with the outstanding Global Bonds.

### **Notices**

Mexico will mail notices to the holders at the address appearing in the security register maintained by the fiscal agent. Mexico will consider a notice to be given at the time it is mailed. So long as the Global Bonds are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, Mexico will also publish notices to the holders in a leading newspaper having general circulation in Luxembourg. Mexico expects that it will initially make such publication in the *Luxemburger Wort*. If publication in a leading newspaper in Luxembourg is not practicable, Mexico will give notices in another way consistent with the rules of the Luxembourg Stock Exchange. Mexico will consider notice to be given on the date of its first publication.

### **Additional Amounts**

Mexico will make all principal and interest payments on the Global Bonds without withholding or deduction for any Mexican taxes. If Mexican law requires Mexico to withhold or deduct taxes, Mexico will pay you the additional amounts necessary to ensure that you receive the same amount as you would have received without such withholding or deduction.

Mexico will not, however, pay you any such additional amounts if you are liable for Mexican taxes due to one of the following reasons:

- you have some connection with Mexico other than merely owning the Global Bonds or receiving principal and interest payments on the Global Bonds;
- you have failed to comply with any reasonable certification or other reporting requirement concerning your nationality, residence, identity or connection with Mexico, and Mexican law or an international treaty requires your compliance with such reporting requirements as a precondition to exemption from Mexican withholding taxes or deductions; or
- you fail to present your Global Bonds for payment within 30 days after Mexico makes principal or interest available for payment to you.

## Registration and Book-Entry System

Mexico will issue the Global Bonds in the form of one or more fully registered Global Bonds, registered in the name of a nominee of DTC. Financial institutions, acting as direct and indirect participants in DTC, will represent your beneficial interests in the global security. These financial institutions will record the ownership and transfer of your beneficial interests through book-entry accounts, eliminating the need for physical movements of securities.

If you wish to purchase securities under the DTC system, you must either be a direct participant in DTC or make your purchase through a direct participant in DTC. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations which have accounts with DTC. Euroclear and Clearstream, Luxembourg participate in DTC through their New York depositories. Indirect participants are securities brokers and dealers, banks and trust companies that do not have an account with DTC, but that clear through or maintain a custodial relationship with a direct participant. Thus, indirect participants have access to the DTC system through direct participants. The laws of some states require that certain purchasers of securities take physical delivery of securities in definitive form. Such laws may impair the ability to transfer beneficial interests in the Global Bonds. The SEC has on file a set of the rules applicable to DTC and its participants.

You may hold your beneficial interests in the global security through Euroclear or Clearstream, Luxembourg, or indirectly through organizations that are participants in such systems. Euroclear and Clearstream, Luxembourg will hold their participants' beneficial interests in the global security in their customers' securities accounts with their depositories. These depositories of Euroclear and Clearstream, Luxembourg in turn will hold such interests in their customers' securities accounts with DTC. Euroclear's or Clearstream, Luxembourg's ability to take actions as a holder under the Global Bonds or the fiscal agency agreement will be limited by the ability of their respective depositories to carry out such actions for them through DTC.

In sum, you may elect to hold your beneficial interests in the global security:

- in the United States, through DTC;
- in Europe, through Euroclear or Clearstream, Luxembourg; or
- through organizations that participate in such systems.

DTC may grant proxies or authorize its participants (or persons holding beneficial interests in the Global Bonds through such participants) to exercise any rights of a holder or take any other actions that a holder is entitled to take under the fiscal agency agreement or the Global Bonds. Euroclear's or Clearstream, Luxembourg's ability to take actions as a holder under the Global Bonds or the fiscal agency agreement will be limited by the ability of their respective depositories to carry out such actions for them through DTC. Euroclear and Clearstream, Luxembourg will take such actions only in accordance with their respective rules and procedures.

## Definitive Securities

Mexico will issue securities in definitive form in exchange for a global security only if:

- DTC is unwilling, unable or no longer qualified to continue to act as depository and Mexico does not appoint a successor depository within 90 days after DTC notifies Mexico or Mexico becomes aware of this situation; or
- Mexico decides not to have all or part of the Global Bonds represented by a global security.

If Mexico issues definitive securities, they will have the same terms and authorized denominations as the global security. You may present definitive securities for transfer or exchange at the corporate trust office of the fiscal agent in The City of New York, or at the office of the Luxembourg transfer agent, according to the procedures in the fiscal agency agreement. When you surrender a security for transfer or exchange, the fiscal agent will authenticate and deliver to you a security or securities of the appropriate form and denomination and of the same aggregate principal amount as the security you are surrendering. You will not be charged a fee for the registration of

transfers or exchanges of definitive securities. However, you may be charged for any stamp tax or other governmental charge that must be paid in connection with the transfer, exchange or registration. Mexico, the fiscal agent and any other agent of Mexico may treat the person in whose name any definitive security is registered as the owner of such security for all purposes.

Payments of principal and interest on definitive securities will be made at the offices of either of the paying agents listed on the inside back cover of this prospectus supplement upon your surrender (in the case of payments of principal) or presentation (in the case of payments of interest) of the definitive securities, as discussed under “— Payment of Principal and Interest” above.

If any definitive security becomes mutilated, destroyed, stolen or lost, you can have it replaced by delivering the security or the evidence of its loss, theft or destruction to the fiscal agent or the Luxembourg transfer agent. Mexico and the fiscal agent may require you to sign an indemnity under which you agree to pay Mexico, the fiscal agent and any other agent for any losses they may suffer relating to the security that was mutilated, destroyed, stolen or lost. Mexico and the fiscal agent may also require you to present other documents or proof. After you deliver these documents, if neither Mexico nor the fiscal agent have notice that a bona fide purchaser has acquired the security you are exchanging, Mexico will execute, and the fiscal agent will authenticate and deliver to you, a substitute security with the same terms as the security you are exchanging. You will be required to pay all expenses and reasonable charges associated with the replacement of the mutilated, destroyed, stolen or lost security.

## CLEARANCE AND SETTLEMENT

*Mexico has obtained the information in this section from sources it believes to be reliable, including from DTC, Euroclear and Clearstream, Luxembourg, but Mexico takes no responsibility for the accuracy of this information. DTC, Euroclear and Clearstream, Luxembourg are under no obligation to perform or continue to perform the procedures described below, and they may modify or discontinue them at any time. None of Mexico, the fiscal agent, the exchange agent or the Luxembourg exchange agent will be responsible for DTC's, Euroclear's or Clearstream, Luxembourg's performance of their obligations under their rules and procedures. Nor will Mexico, the fiscal agent, the exchange agent or the Luxembourg exchange agent be responsible for the performance by direct or indirect participants of their obligations under their rules and procedures.*

### The Clearing Systems

#### *The Depository Trust Company*

DTC is:

- a limited-purpose trust company organized under the New York Banking Law;
- a “banking organization” under the New York Banking Law;
- a member of the Federal Reserve System;
- a “clearing corporation” under the New York Uniform Commercial Code; and
- a “clearing agency” registered under Section 17A of the Securities Exchange Act of 1934.

DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between its participants. It does this through electronic book-entry changes in the accounts of its direct participants, eliminating the need for physical movement of securities certificates. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc.

DTC can act only on behalf of its direct participants, who in turn act on behalf of indirect participants and certain banks. In addition, unless a global security is exchanged in whole or in part for a definitive security, it may not be physically transferred, except as a whole among DTC, its nominees and their successors. Therefore, your ability to pledge a beneficial interest in the global security to persons that do not participate in the DTC system, and to take other actions, may be limited because you will not possess a physical certificate that represents your interest.

### ***Euroclear and Clearstream, Luxembourg***

Like DTC, Euroclear and Clearstream, Luxembourg hold securities for their participants and facilitate the clearance and settlement of securities transactions between their participants through electronic book-entry changes in their accounts. Euroclear and Clearstream, Luxembourg provide various services to their participants, including the safekeeping, administration, clearance and settlement and lending and borrowing of internationally traded securities. Euroclear and Clearstream, Luxembourg participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and other organizations. Both of the joint dealer managers are participants in Euroclear or Clearstream, Luxembourg. Other banks, brokers, dealers and trust companies have indirect access to Euroclear or Clearstream, Luxembourg by clearing through or maintaining a custodial relationship with a Euroclear or Clearstream, Luxembourg participant.

### **Secondary Market Trading**

The purchaser of securities determines the place of delivery in secondary market trading. Therefore, it is important for you to establish at the time of the trade where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date (*i.e.*, the date specified by the purchaser and seller on which the price of the securities is fixed).

#### ***Trading between DTC Purchasers and Sellers***

DTC participants will transfer interests in the securities among themselves in the ordinary way according to the rules and operating procedures of DTC governing global security issues. Participants will pay for such transfers by wire transfer.

#### ***Trading between Euroclear and/or Clearstream, Luxembourg Participants***

Euroclear and Clearstream, Luxembourg participants will transfer interests in the securities among themselves in the ordinary way according to the rules and operating procedures of Euroclear and Clearstream, Luxembourg governing conventional Eurobonds. Participants will pay for such transfers by wire transfer.

#### ***Trading between a DTC Seller and a Euroclear or Clearstream, Luxembourg Purchaser***

When the securities are to be transferred from the account of a DTC participant to the account of a Euroclear or Clearstream, Luxembourg participant, the purchaser must first send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day before the settlement date. Euroclear or Clearstream, Luxembourg will then instruct its depository to receive the securities and make payment for them. On the settlement date, the depository will make payment to the DTC participant's account and the securities will be credited to the depository's account. After settlement has been completed, DTC will credit the securities to Euroclear or Clearstream, Luxembourg, Euroclear or Clearstream, Luxembourg will credit the securities, in accordance with its usual procedures, to the participant's account, and the participant will then credit the purchaser's account. These securities credits will appear the next day (European time) after the settlement date. The cash debit from the account of Euroclear or Clearstream, Luxembourg will be back-valued to the value date (which will be the preceding day if settlement occurs in New York). If settlement is not completed on the intended value date (*i.e.*, the trade fails), the cash debit will instead be valued at the actual settlement date.

Participants in Euroclear and Clearstream, Luxembourg will need to make funds available to Euroclear or Clearstream, Luxembourg in order to pay for the securities by wire transfer on the value date. The most direct way of doing this is to preposition funds (*i.e.*, have funds in place at Euroclear or Clearstream, Luxembourg before the value date), either from cash on hand or existing lines of credit. Under this approach, however, participants may take on credit exposure to Euroclear and Clearstream, Luxembourg until the securities are credited to their accounts one day later.

As an alternative, if Euroclear or Clearstream, Luxembourg has extended a line of credit to a participant, the participant may decide not to preposition funds, but to allow Euroclear or Clearstream, Luxembourg to draw on

the line of credit to finance settlement for the securities. Under this procedure, Euroclear or Clearstream, Luxembourg would charge the participant overdraft charges for one day, assuming that the overdraft would be cleared when the securities were credited to the participant's account. However, interest on the securities would accrue from the value date. Therefore, in many cases the interest income on securities which the participant earns during that one-day period will substantially reduce or offset the amount of the participant's overdraft charges. Of course, this result will depend on the cost of funds to (i.e., the interest rate that Euroclear or Clearstream, Luxembourg charges) each participant.

Since the settlement will occur during New York business hours, a DTC participant selling an interest in the securities can use its usual procedures for transferring global securities to the depositaries of Euroclear or Clearstream, Luxembourg for the benefit of Euroclear or Clearstream, Luxembourg participants. The DTC seller will receive the sale proceeds on the settlement date. Thus, to the DTC seller, a cross-market sale will settle no differently than a trade between two DTC participants.

#### ***Trading between a Euroclear or Clearstream, Luxembourg Seller and a DTC Purchaser***

Due to time zone differences in their favor, Euroclear and Clearstream, Luxembourg participants can use the usual procedures to transfer securities through their depositaries to a DTC participant. The seller must first send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day before the settlement date. Euroclear or Clearstream, Luxembourg will then instruct its depository to credit the securities to the DTC participant's account and receive payment. The payment will be credited in the account of the Euroclear or Clearstream, Luxembourg participant on the following day, but the receipt of the cash proceeds will be back-valued to the value date (which will be the preceding day if settlement occurs in New York). If settlement is not completed on the intended value date (i.e., the trade fails), the receipt of the cash proceeds will instead be valued at the actual settlement date.

If the Euroclear or Clearstream, Luxembourg participant selling the securities has a line of credit with Euroclear or Clearstream, Luxembourg and elects to be in debit for the securities until it receives the sale proceeds in its account, then the back-valuation may substantially reduce or offset any overdraft charges that the participant incurs over that one-day period.

## **TAXATION**

### **Mexican Taxation**

*The following is a summary of certain Mexican federal income tax considerations that may be relevant to non-Mexican holders of Global Bonds that do not hold the Global Bonds through a permanent establishment or fixed base in Mexico. This summary is based upon Mexico's federal income tax laws in effect on the date hereof, which are subject to change, possibly on a retroactive basis. This summary is for general information only and does not constitute tax advice. This summary does not purport to consider all aspects of Mexican federal income taxation or treaties for the avoidance of double taxation entered into by Mexico. This summary is not intended to include any of the tax consequences that may be applicable to residents of Mexico.*

*Mexico has negotiated treaties to avoid double taxation with several countries. Certain of these treaties are currently in effect and others have been signed but have yet to enter into force. Mexico does not expect that these treaties will have an effect on the tax treatment of payments on the Global Bonds to, or sales or transfers of the Global Bonds by, non-residents of Mexico.*

#### **Taxation of Payments of Principal and Interest**

Under Mexico's Income Tax Law, the principal and interest payments that you, as a non-Mexican holder, receive on the Global Bonds will not be subject to any Mexican withholding or other similar tax.

You will be considered a non-Mexican holder if:

- you are not a resident of Mexico for tax purposes; and
- you hold the Global Bonds directly and not through a permanent establishment or a fixed base in Mexico to which such principal or interest payments are attributable.

### ■ **Capital Gains**

You will not be subject to capital gains taxes applicable in Mexico on the sale or transfer of the Global Bonds, if you are a non-Mexican holder and the sale or transfer is made to another non-Mexican holder.

### ■ **Other Taxes**

There are no Mexican stamp, registration or similar taxes payable by a non-Mexican holder in connection with the acquisition, ownership or disposition of the Global Bonds. A foreign holder will not be liable for Mexican estate, gift, inheritance or similar tax with respect to the Global Bonds.

### ■ **United States Federal Income and Estate Taxation**

The following discussion summarizes certain U.S. federal income and estate tax considerations that may be relevant to the acquisition, ownership and sale of Global Bonds. This summary deals only with holders that acquire the Global Bonds pursuant to the Invitation and hold the Global Bonds as capital assets. It does not address tax considerations that may be relevant to you if you are an investor that is subject to special tax rules, such as a bank, trust, real estate investment trust, tax-exempt organization, regulated investment company, life insurance company, dealer or trader in securities, currencies or commodities, trader in securities that makes a mark-to-market election with respect to the Global Bonds, a person that holds Global Bonds as a hedge against interest rate risk or as a position in a "straddle" or conversion transaction or other integrated investment of a person whose "functional currency" is not the U.S. dollar. This summary is based on laws, regulations, rulings and decisions in effect on the date of this prospectus supplement, all of which are subject to change, possibly with retroactive effect. No assurances can be given that any such changes will not affect the accuracy of the discussion set forth herein.

*You should consult your own tax advisors in determining the tax treatment of the acquisition, ownership and disposition of the Global Bonds, including the relevance to your particular situation of the tax considerations discussed below and of any relevant state, local or other tax laws.*

Except as discussed under the headings "Non-United States Holders" and "Backup Withholding and Information Reporting", this discussion applies to you if you are a "United States Holder." You are a United States Holder if you are:

- An individual citizen or resident of the United States;
- a domestic corporation; or
- any other person that is subject to U.S. federal income tax on a net income basis in respect of Global Bonds.

### ■ **United States Holders**

#### ■ **Interest on the Global Bonds**

Interest on the Global Bonds will not be exempt from United States taxation generally. Except as described below, you will be subject to tax on such interest as ordinary income at the time it accrues or is received in accordance with your method of accounting for tax purposes. Interest income will be treated as foreign source income and, subject to certain exceptions, will be treated as "passive income" or "financial services income" for purposes of computing the foreign tax credit allowable under the U.S. federal income tax laws.

The Global Bonds will be subject to the special tax accounting rules for obligations issued with original issue discount ("OID"). The difference between the issue price of the Global Bonds and their stated principal amount is the amount of OID on the Global Bonds. You should be aware that, as described in greater detail below, you generally must include OID in ordinary gross income for United States federal income tax purposes as it accrues, before you receive the cash attributable to that income.

The issue price of the Global Bonds is the fair market value of the Global Bonds, determined as of the "issue date" of the Global Bonds for U.S. federal income tax purposes, provided that a substantial amount of Global Bonds is traded on an established securities market. Mexico believes, and the remainder of this discussion assumes, that the Global Bonds are traded on an established securities market. A debt instrument is considered to be traded on an established securities market if, at any time during the 60 day period ending 30 days after the issue date of the debt instrument, the debt instrument appears on a system of general circulation (including computer listings disseminated to subscribing brokers, dealers or traders) that provides a reasonable basis to determine fair market value by disseminating either recent price quotations (including rates, yields or other price information) of one or more identified brokers, dealers or traders or actual prices (including rates, yields or other pricing information) of recent sales transactions.

In general, regardless of whether you use the cash or the accrual method of tax accounting, you will be required to include in ordinary gross income the sum of the "daily portions" of OID on the Global Bonds for all days during the taxable year that you own the Global Bonds. The daily portions of OID on a Global Bond are determined by allocating to each day in any accrual period a ratable portion of the OID allocable to that accrual period. Accrual periods may be any length and may vary in length over the term of the Global Bonds, provided that no accrual period is longer than one year and each scheduled payment of principal or interest occurs on either the final day or the first day of an accrual period. The amount of OID on a Global Bond allocable to each accrual period is determined by:

- multiplying the "adjusted issue price" (as defined below) of the Global Bonds at the beginning of the accrual period by the yield to maturity of such Global Bonds (appropriately adjusted to reflect the length of the accrual period); and
- subtracting from that product the amount of stated interest payable on the Global Bonds that is allocable to that accrual period.

The "adjusted issue price" of a Global Bond at the beginning of any accrual period will generally be the sum of its issue price and the amount of OID allocable to all prior accrual periods, reduced by the amount of all payments other than payments of interest made with respect to such Global Bond in all prior accrual periods. The "yield to maturity" of a Global Bond is the discount rate that causes the present value of all payments on the Global Bond to equal the issue price of such Global Bond.

#### **Disposition of the Global Bonds**

You will generally recognize gain or loss on the sale, exchange or other disposition of the Global Bonds in an amount equal to the difference between the amount you realize on such sale, exchange or other disposition (less payments of accrued interest, which will be taxable as such) and your adjusted basis in the Global Bonds. In general, your adjusted basis in the Global Bonds will be equal to the adjusted issue price of such Global Bonds as discussed above under the heading "United States Holders – Interest on the Global Bonds." Such gain or loss will generally be long-term capital gain or loss if your holding period for the Global Bonds is more than one year.

#### **Non-United States Holders**

##### **Interest on the Global Bonds**

Subject to the discussion of backup withholding below, if you are a holder that is, with respect to the United States, a foreign corporation or nonresident alien individual (a "Non-United States Holder"), you will not be

subject to United States federal income tax, including withholding tax, on interest or OID, if any, on the Global Bonds unless:

- you are an insurance company carrying on a United States insurance business to which the interest is attributable within the meaning of the United States Internal Revenue Code, or
- you have an office or other fixed place of business in the United States to which the interest is attributable and the interest either
  - is derived in the active conduct of a banking, financing or similar business within the United States, or
  - is received by a corporation the principal business of which is in trading stocks or securities for its own account and that is otherwise engaged in a U.S. trade or business.

#### **Disposition of the Global Bonds**

Subject to the discussion of backup withholding below, if you are a Non-United States Holder, you will not be subject to U.S. federal income tax on any capital gain realized on the sale or exchange of Global Bonds unless:

- the gain is effectively connected with the conduct of your trade or business within the United States or
- if you are an individual, you are present in the United States for a total of 183 days or more during the taxable year in which the gain is realized and either:
  - the gain is attributable to an office or fixed place of business that you maintain in the United States or
  - you have a tax home in the United States.

#### **State Tax**

A Global Bond held by an individual holder who at the time of death is a nonresident alien will not be subject to U.S. federal estate tax.

#### **Backup Withholding and Information Reporting**

In general, information reporting requirements will apply to payments in respect of the Global Bonds within the United States if you are not a corporation. Backup withholding at a rate of 31% also generally will apply to such payments if you fail to provide an accurate taxpayer identification number or you are notified by the Internal Revenue Service that you have failed to report all interest and dividends required to be shown on your federal income tax return.

Backup withholding and information reporting will not apply to payments made by Mexico or any agent thereof (acting in such capacity) to you if you are a Non-United States Holder so long as either (i) if you are the beneficial owner, you certify, under penalties of perjury, that you are a Non-United States Holder and provide your name and address or (ii) you have otherwise established an exemption, and provided that neither Mexico nor its agent has actual knowledge that you are not a Non-United States Holder or that the conditions of any exemption are not in fact satisfied.

Similar rules requiring information reporting and, in certain circumstances, backup withholding will apply with respect to sales of Global Bonds through certain brokers.

## PLAN OF DISTRIBUTION

Mexico has entered into a dealer manager agreement with Credit Suisse First Boston Corporation and Salomon Smith Barney Inc., as the joint dealer managers for the Invitation. Pursuant to the dealer manager agreement, Mexico has (a) retained the joint dealer managers to act, directly or through affiliates, on behalf of Mexico as the joint dealer managers in connection with the Invitation, (b) agreed to pay the joint dealer managers a fee equal to 0.55% of the aggregate principal amount of Global Bonds issued pursuant to accepted exchange offers, (c) agreed to reimburse the joint dealer managers for certain expenses in connection with the Invitation, and (d) agreed to indemnify the joint dealer managers against certain liabilities and expenses in connection with the Invitation, including liabilities under the U.S. Securities Act of 1933. The dealer manager agreement contains various other representations, warranties, covenants and conditions customary for agreements of this sort.

Mexico has retained Citibank, N.A., to act as exchange agent in connection with the Invitation, and Kredietbank S.A. Luxembourgeoise to act as Luxembourg exchange agent in connection with the Invitation.

Mexico has agreed to (a) pay the exchange agent and the Luxembourg exchange agent customary fees for their services, (b) reimburse the exchange agent and the Luxembourg exchange agent for certain of their out-of-pocket expenses in connection with the Invitation, and (c) indemnify the exchange agent and the Luxembourg exchange agent against certain liabilities, including liabilities under the Securities Act. Mexico estimates that its share of the total expenses of the Invitation, excluding fees and commissions, will be approximately U.S. \$850,000.

Pursuant to the Invitation, Mexico expects to issue U.S. \$3,300,000,000 in an aggregate principal amount of Global Bonds and pay approximately U.S. \$102,258,240 of cash (excluding accrued interest on the Brady Bonds) in exchange for approximately U.S. \$2,283,196,000 aggregate principal amount of Par Bonds, comprised of approximately U.S. \$517,599,000 principal amount of Series A Par Bonds and approximately U.S. \$1,765,597,000 principal amount of Series B Par Bonds, and approximately U.S. \$1,016,804,000 aggregate principal amount of Discount Bonds, comprised of approximately U.S. \$163,393,000 principal amount of Series A Discount Bonds, approximately U.S. \$262,523,000 principal amount of Series B Discount Bonds, approximately U.S. \$123,667,000 principal amount of Series C Discount Bonds and approximately U.S. \$467,221,000 principal amount of Series D Discount Bonds, subject to Mexico's right to reject offers that do not comply with the terms and conditions of the Invitation. In determining which offers to accept pursuant to the Invitation, Mexico set the Clearing Par Bond Cash Payment at 1.25% of the principal amount of Par Bonds, and set the Clearing Discount Bond Cash Payment at 7.25% of the principal amount of Discount Bonds at the conclusion of a modified Dutch auction on March 23, 2001.

In exchange for each U.S. \$1,000 of Par Bonds accepted for exchange, Mexico will issue \$1,000 principal amount of Global Bonds and pay U.S. \$12.50 in cash, plus accrued interest on the Brady Bonds to, but excluding, March 30, 2001. In exchange for each U.S. \$1,000 of Discount Bonds accepted for exchange, Mexico will issue \$1,000 principal amount of Global Bonds and pay U.S. \$72.50 in cash, plus accrued interest on the Brady Bonds to, but excluding, March 30, 2001.

Mexico intends to cancel the Brady Bonds it acquires pursuant to the Invitation. Accordingly, this transaction will reduce the aggregate principal amount of Brady Bonds that otherwise might trade in the market, which could adversely affect the liquidity and market value of the remaining Brady Bonds that Mexico did not acquire.

After the exchange of Brady Bonds for Global Bonds and following the expected cancellation, an aggregate principal amount of approximately U.S. \$7,020,620,000 of Par Bonds, comprised of approximately U.S. \$2,051,959,000 principal amount of Series A Par Bonds and approximately U.S. \$4,969,661,000 principal amount of Series B Par Bonds, and an aggregate principal amount of approximately U.S. \$2,136,593,000 of Discount Bonds, comprised of approximately U.S. \$445,040,000 principal amount of Series A Discount Bonds, approximately U.S. \$230,119,000 principal amount of Series B Discount Bonds, approximately U.S. \$459,426,000 principal amount of Series C Discount Bonds and approximately U.S. \$1,001,998,000 principal amount of Series D Discount Bonds are expected to remain outstanding, subject to change as a result of Mexico's right to reject offers that do not comply with the terms and conditions of the Invitation. A more detailed discussion of the Invitation and the modified Dutch auction may be found in the prospectus supplement dated March 15, 2001 to the prospectus dated March 9, 2001.

and in supplement No. 1 dated March 21, 2001 and supplement No. 2 dated March 22, 2001 to the prospectus supplement dated March 15, 2001, each of which have been filed with the SEC.

The Global Bonds are a new issue of securities with no established trading market. Application has been made to list the Global Bonds on the Luxembourg Stock Exchange. Mexico has been advised by the joint dealer managers that they intend to make a market in the Global Bonds but that they are not obligated to do so and may discontinue market making at any time without notice. No assurance can be given as to the liquidity of the trading market for the Global Bonds. The price at which the Global Bonds will trade in the secondary market is uncertain.

This prospectus supplement and the prospectus are to be used in connection with (i) exchanges of Brady Bonds for Global Bonds pursuant to, and in accordance with the terms of, the Invitation, (ii) offers and sales by the joint dealer managers of Global Bonds received by them pursuant to the Invitation at prices that may vary from time to time and (iii) transactions in the Global Bonds effected by dealers in the United States, to the extent required by applicable law.

If either of the joint dealer managers acquires any Global Bonds pursuant to the Invitation, it may resell these Global Bonds from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices to be determined at the time of sale. Any Global Bonds may be offered to the public either through underwriting syndicates represented by either of the joint dealer managers or directly by the joint dealer managers. Any public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

#### JURISDICTIONAL RESTRICTIONS

The distribution of this prospectus supplement and the prospectus may be restricted by law in certain jurisdictions. Persons into whose possession this prospectus supplement and the prospectus come are required by Mexico to inform themselves of and to observe any of these restrictions. This prospectus supplement and the prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which an offer or solicitation is not authorized or in which the person making an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make an offer or solicitation.

##### Argentina

The Global Bonds have not been registered with the *Comisión Nacional de Valores* and may not be offered or sold publicly in Argentina. The Invitation may not be publicly distributed in Argentina. Neither Mexico nor the joint dealer managers will solicit the public in Argentina in connection with the Global Bonds.

##### Austria

No Austrian prospectus has been deposited with *Oesterreichische Kontrollbank AG*, and the Global Bonds may not be publicly offered or sold in Austria. In addition, (a) no public offer of the Global Bonds is being made in Austria, (b) the Invitation is a private placement in Austria and (c) the offering of the Global Bonds is only made in Austria to persons who trade or invest in securities in the conduct of their trade, profession or occupation within the meaning of Section 3 para. 1 no. 11 of the Capital Markets Act of Austria.

##### Bahamas

You should be aware that:

- we can give no assurance regarding the liquidity of the trading market for the Global Bonds,
- the price at which the Global Bonds may trade in the secondary market is uncertain, and
- the price of the Global Bonds, as well as the value of your overall investment, may go down as well as up.

Mexico accepts responsibility for the information it has provided in this prospectus supplement. To the best of the knowledge and belief of Mexico (which has taken all reasonable care to ensure that such is the case), the information contained in the prospectus supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

If you are a Bahamian resident, you are subject to Bahamian Exchange Control Regulations.

## Belgium

Neither this prospectus supplement nor the prospectus has been notified to or approved by the *Commission bancaire et financierè/Commissie voor het Bank-en Financiewezen*. Accordingly,

- this prospectus supplement and the prospectus may not be distributed,
- the Global Bonds may not be offered or sold,

in each case directly or indirectly, to any persons in Belgium other than the following, acting for their own account:

- the Belgian State, Regions and Communities (*Communautés/Gemeenschappen*),
- the European Central Bank,
- the National Bank of Belgium,
- the *Fonds des Rents/Rentefonds*,
- the *Fonds de Protection des dépôts et des instruments financiers/Beschermingsfonds voor deposito's en financiële instrumenten*,
- the *Caisse des Dépôts et Consignations/Deposito-en Consignatiekas*,
- authorized, licensed or registered credit institutions,
- securities firms and portfolio managers,
- collective investment institutions,
- insurance and reinsurance companies and pension funds,
- holding companies,
- licensed Belgian coordination centers, and
- Belgian or foreign companies listed on a Belgian or a foreign regulated exchange with a consolidated own funds in excess of Euro 25 million, within the meaning of Article 3.2 of the Royal Decree of July 7, 1999, relating to the public nature of certain transactions aiming at solicitation of savings funds.

## Brazil

The Global Bonds may not be offered or sold to the public in Brazil. Accordingly, neither this prospectus supplement nor the prospectus has been nor will either be registered with the *Comissão de Valores Mobiliários* (the Brazilian Securities and Exchange Commission) nor has either been submitted to the foregoing agency for approval. Neither this prospectus supplement nor the prospectus, nor the information contained herein and therein, may be supplied to the public in Brazil, as the offering of the Global Bonds is not a public offering of securities in Brazil, nor be used in connection with any offer for subscription or sale of Global Bonds to the public in Brazil.

## Canada

### Provinces

The Global Bonds are being offered in Canada only to investors located in the province of Ontario and Québec.

### **Resale Restrictions**

The distribution of the Global Bonds in Canada will be made only on a private placement basis and will be exempt from the requirement that Mexico prepare and file a prospectus with the relevant Canadian securities regulatory authorities. Accordingly, any resale of the Global Bonds must be made in accordance with applicable securities laws which may require resales to be made in accordance with exemptions from registration and prospectus requirements. Purchasers are advised to seek legal advice prior to any resale of the Global Bonds.

### **Representations of Purchasers**

Each Canadian investor who purchases Global Bonds will be deemed to have represented to Mexico, the joint dealer managers and any dealer who offers or sells Global Bonds to such purchaser that:

- the offer and sale of the Global Bonds was made exclusively through the Invitation and was not made through an advertisement of the Global Bonds in any printed media of general and regular paid circulation, radio, television or any other form of advertising;
- such purchaser has reviewed the terms referred to above under “Resale Restrictions”;
- where required by law, such purchaser is purchasing as principal and not as agent; and
- such purchaser or any ultimate purchaser for which such purchaser is acting as agent is not an individual and is entitled under applicable Canadian securities laws to purchase such Global Bonds without the benefit of a prospectus qualified under such securities laws, and
  - in the case of a purchaser located in Ontario, such purchaser is a person to which a dealer registered as an international dealer in Ontario may offer or sell Global Bonds, and
  - in the case of a purchaser located in Québec, such purchaser is a “sophisticated purchaser” within the meaning of the *Securities Act* (Québec).

### **Language of Documents**

Each Canadian investor, by submitting an offer, acknowledges that it is such investor's express wish that all documents evidencing or relating in any way to the sale of the Global Bonds be drawn up in the English language only. *Chaque investisseur Canadien en soumettant une offre, reconnaît que c'est à sa volonté expresse que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des Obligations Globales soient rédigés en anglais seulement.*

### **France**

The Global Bonds may not be offered or sold to the public in France. Accordingly, neither this prospectus supplement nor the prospectus has been submitted to the *Commission des Opérations de Bourse* or the Ministry of Economy for approval. Neither this prospectus supplement nor the prospectus, nor the information contained herein and therein may be supplied to the public in France or be used in connection with any offer for subscription or sale of Global Bonds to the public in France.

## Germany

No Sales Prospectus has been published according to the German Securities Sales Prospectus Act (*Wertpapier-Verkaufprospektgesetz*). Accordingly, Global Bonds may be offered only to persons who purchase and/or sell securities (as principal or agent) as part of their profession or business. Recipients of this prospectus supplement and the prospectus confirm that they have not and will not pass on the prospectus supplement or the prospectus to persons in Germany except to persons who purchase and sell securities (as principal or agent) as part of their profession or business.

## Hong Kong

With respect to persons in Hong Kong, Global Bonds may be offered only to persons whose business involves the acquisition, disposal or holding of securities, whether as principal or agent.

The joint dealer managers and Mexico have agreed that they have not issued and will not issue any prospectus supplement, prospectus or advertisements relating to the Global Bonds in Hong Kong, unless if permitted to do so by the securities laws of Hong Kong, other than with respect to the Global Bonds which are intended to be disposed of only:

- to persons outside of Hong Kong, or
- to persons whose business involves the acquisition, disposal or holding of securities, whether as principal or agent.

## Italy

The public will not be solicited in connection with the offering of the Global Bonds, and none of the joint dealer managers will offer, sell or deliver any Global Bonds in Italy or distribute copies of this prospectus supplement, the accompanying prospectus or any offering documents relating to the Global Bonds in Italy, unless such activities (i) are carried out by or through intermediaries authorized to perform investment services in Italy, (ii) either do not qualify as solicitation of investment or qualify as a solicitation exempted from the requirement of a prospectus; and (iii) are carried out in compliance with applicable *Commissione Nazionale per le Società e la Borsa* and banking regulations, including any relevant limitations which the Bank of Italy may impose upon the offer or sale of the Global Bonds in Italy.

## Japan

The Global Bonds have not been and will not be registered under the Securities and Exchange Law of Japan. The Global Bonds (or any beneficial interest therein) may not be transferred by any holder thereof in Japan to any other person unless such Global Bonds (or such beneficial interests therein) and all other Global Bonds (or beneficial interests therein) acquired by such holder are transferred in one lot to a single person, or to a non-resident of Japan (as defined in the Foreign Exchange and Foreign Trade Law of Japan).

## Luxembourg

The joint dealer managers have represented and agreed that they will not publicly offer or sell any Global Bonds in the Grand Duchy of Luxembourg, except for Global Bonds listed on the Luxembourg Stock Exchange through such Exchange. The joint dealer managers have not taken any action to offer securities to the public in any jurisdiction where registration would be required for such offer.

## Mexico

Mexico will register the Global Bonds with the National Registry of Securities and Intermediaries of Mexico, which is maintained by the Mexican National Banking and Securities Commission. This registration does not certify the credit quality of Mexico, that the Global Bonds are of investment quality or that the information contained in this prospectus supplement or the prospectus is complete. The Global Bonds may not be offered or sold publicly in Mexico.

## **The Netherlands**

The Global Bonds may not be offered, sold, transferred or delivered in or from The Netherlands as part of their initial distribution or at any time thereafter, directly or indirectly, other than to individuals or legal entities who which trade or invest in securities in the conduct of their profession or trade. These include:

- banks,
- pension funds,
- insurance companies,
- securities firms,
- investment institutions,
- central governments, and
- large international and supranational institutions and other comparable entities, including, among others, treasuries and finance companies of large enterprises, which regularly, as an ancillary activity, invest in securities.

Individuals or legal entities who or which do not trade or invest in securities in the conduct of their trade or business may not acquire the Global Bonds, and this prospectus supplement may not be considered an offer or the prospect of an offer to sell or exchange Global Bonds.

## **Panama**

The Global Bonds have not been and will not be registered with the National Securities Commission of the Republic of Panama under Decree Law N°1 of July 8, 1999 (the "Panamanian Securities Law") and may not be publicly offered or sold within Panama, except in certain limited transactions exempt from the registration requirements of the Panamanian Securities Law.

## **Portugal**

The Global Bonds have not been registered with the Portuguese Stock Exchange Commission and, therefore, the Global Bonds may not be offered or sold publicly in Portugal. In addition, the prospectus supplement and the prospectus may not be publicly distributed in Portugal.

## **Spain**

The Global Bonds have not been registered with the National Commission for Securities Markets. Therefore, no Global Bonds may be offered, sold or delivered, nor may any solicitation of an offer in respect of Global Bonds be made, nor may any prospectus or any other offering or publicity material relating to the Global Bonds be distributed, in the Kingdom of Spain by Mexico, by the joint dealer managers or any other person on its or their behalf.

## **Switzerland**

The Global Bonds are being offered in Switzerland on the basis of a private placement, not as a public offering. The Global Bonds will not be listed on the SWX Swiss Exchange. This prospectus supplement does not, therefore, constitute a prospectus in the sense of Art. 1156 of the Swiss Federal Code of Obligations or Arts. 32 ss. of the Listing Rules of the SWX Swiss Exchange.

## **United Arab Emirates**

The Invitation is not intended to constitute an offer, sale or delivery of Global Bonds under the laws of the United Arab Emirates. The Global Bonds have not been and will not be registered under U.A.E. Central Bank Circular 22/99, Federal Law No. 4 of 2000 Concerning the Emirates Securities and Commodities Authority and the

Emirates Securities and Commodities Exchange, or with the U.A.E. Central Bank, the Dubai Financial Market, the Abu Dhabi Securities Market or with any other U.A.E. exchanges.

#### **United Kingdom and Jersey**

The applicable provisions of the Financial Services Act of 1986 must be complied with in respect of anything done in relation to the Invitation in, from or otherwise involving the United Kingdom.

### **GENERAL INFORMATION**

#### **Due Authorization**

The President of Mexico will authorize the issuance of the Global Bonds in a decree to be issued in March 2001. Mexico has obtained, or will obtain before the date the Global Bonds are issued, all other consents and authorizations that are necessary under Mexican law for (1) the issuance of the Global Bonds in exchange for the Brady Bonds and (2) Mexico's performance of its obligations under Global Bonds and the fiscal agency agreement.

#### **Litigation**

Neither Mexico nor any governmental agency of Mexico is involved in any litigation, arbitration or administrative proceeding relating to claims or amounts that are material in the context of the issue of the Global Bonds and that would materially and adversely affect Mexico's ability to meet its obligations under the Global Bonds or the fiscal agency agreement with respect to the Global Bonds. Mexico is not aware of any such litigation, arbitration or administrative proceeding that is pending or threatened.

#### **Where You Can Find More Information**

Mexico has filed its annual report for 1999 on Form 18-K (except for certain exhibits) with the SEC. You may request copies of this annual report, including its various exhibits and amendments, by contacting the Luxembourg exchange agent, paying agent and listing agent or:

Director General of Public Credit  
Ministry of Finance of Public Credit  
Avenida Insurgentes Sur 826, 9° Piso  
Colonia del Valle  
03100 Mexico D.F.  
Telephone: 52-5682-2799 and 2209  
Facsimile: 52-5228-1690

Each additional amendment to Form 18-K or each subsequent annual report on Form 18-K that Mexico files with the SEC after the date of this prospectus supplement but before the end of the offering of the securities is considered part of and incorporated by reference in this prospectus supplement. You may obtain a copy of all such documents, free of charge, at the office of the Luxembourg exchange agent, paying agent and listing agent.

You may inspect copies of the fiscal agency agreement and the form of the Global Bonds during normal business hours on any weekday (except public holidays) at the offices of the fiscal agent and the paying agents.

#### **Hearing**

The Global Bonds have been accepted for clearance through Euroclear, Clearstream, Luxembourg and JTC (Common Code No. 012690282, ISIN No. US593048BN00 and CUSIP No. 593048BN0).

### THE ISSUER

United Mexican States  
Secretaría de Hacienda y Crédito  
Público  
Avenida Insurgentes Sur 826, 9° Piso  
Colonia del Valle  
03100 Mexico, D.F.

### JOINT DEALER MANAGERS

Credit Suisse First Boston  
Corporation  
Eleven Madison Avenue  
New York, New York 10010

Salomon Smith Barney Inc.  
388 Greenwich Street  
New York, New York 10013

### LUXEMBOURG PAYING AND LISTING AGENT

Créditbank S.A. Luxembourgeoise  
43, Boulevard Royal  
L-2955 Luxembourg

### FISCAL AGENT AND PAYING AGENT

Citibank, N.A.  
Corporate Agency and Trust  
Department  
111 Wall Street, 14<sup>th</sup> Floor  
New York, New York 10043

### LEGAL ADVISORS

*To Mexico as to U.S. law:*

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One Liberty Plaza  
New York, New York 10006

*To the joint dealer managers as to  
U.S. law:*

Sullivan & Cromwell  
125 Broad Street  
New York, New York 10004

*To Mexico as to Mexican law:*

■ Fiscal Attorney of the Federation  
■ Ministry of Finance and Public  
Credit  
Torre Caballito, 4° Piso  
Paseo de la Reforma 10  
Colonia Tabacalera  
06030 Mexico, D.F.

*To the joint dealer managers as to  
Mexican law:*

Ritch, Heather y Mueller, S.C.  
Amberes No. 5  
Colonia Juárez  
06600 Mexico, D.F.

# United Mexican States

## Debt Securities and Warrants

Mexico may from time to time offer and sell its securities in amounts, at prices and on terms to be determined at the time of sale and provided in supplements to this prospectus. Mexico may sell securities having an aggregate initial offering price of up to \$4,101,229,176 in the United States. The securities will be direct, general and unconditional external indebtedness of Mexico and will rank equal in right of payment among themselves and with all other unsecured and unsubordinated public external indebtedness of Mexico.

Mexico may sell the securities directly, through agents designated from time to time or through underwriters. The names of any agents or underwriters will be provided in the applicable prospectus supplement.

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You should read this prospectus and any supplements carefully. You should not assume that the information in this prospectus, any prospectus supplement or any document incorporated by reference in them is accurate as of any date other than the date on the front of these documents.

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**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

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March 9, 2001.

## ABOUT THIS PROSPECTUS

This prospectus provides you with a general description of the securities Mexico may offer. Each time Mexico sells securities, it will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. If the information

in this prospectus differs from any prospectus supplement, you should rely on the information in the prospectus supplement. You should read both this prospectus and the accompanying prospectus supplement together with additional information described below under the heading "Where You Can Find More Information".

## FORWARD-LOOKING STATEMENTS

The following documents relating to Mexico's debt securities or warrants may contain forward-looking statements:

- this prospectus;
- any prospectus supplement;
- any pricing supplement to a prospectus supplement; and
- the documents incorporated by reference in this prospectus and any prospectus supplement or pricing supplement.

Statements that are not historical facts, including statements about Mexico's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and Mexico undertakes no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. Mexico cautions you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to:

- Adverse external factors, such as high international interest rates, low oil prices and recession or low growth in Mexico's trading partners. High international interest rates could increase Mexico's expenditures, low oil prices could decrease the Mexican Government's revenues and recession or low growth in Mexico's main trading partners could lead to fewer exports. A combination of these factors could negatively affect Mexico's current account.
- Instability or volatility in the international financial markets. This could lead to domestic volatility, making it more complicated for the Government to achieve its macroeconomic goals. This could also lead to declines in foreign investment inflows, portfolio investment in particular.
- Adverse domestic factors, such as domestic inflation, high domestic interest rates, exchange rate volatility and political uncertainty. Each of these could lead to lower growth in Mexico, declines in foreign direct and portfolio investment and potentially lower international reserves.

## DATA DISSEMINATION

Mexico is a subscriber to the International Monetary Fund's Special Data Dissemination Standard ("SDDS"), which is designed to improve the timeliness and quality of information of subscribing member countries. The SDDS requires subscribing member countries to provide schedules indicating, in advance, the date on which data will be released or the so-called "Advance Release Calendar". For Mexico, precise dates or "no-later-than-dates" for the release of data under the SDDS

are disseminated three months in advance through the Advance Release Calendar, which is published on the Internet under the International Monetary Fund's Dissemination Standards Bulletin Board. Summary methodologies of all metadata to enhance transparency of statistical compilation are also provided on the Internet under the International Monetary Fund's Dissemination Standards Bulletin Board. The Internet website is located at <http://dsbb.imf.org/country/mexcats.htm>.

## USE OF PROCEEDS

Unless otherwise specified in a prospectus supplement, Mexico will use the net proceeds from the sale of securities for the general purposes of the Government of Mexico,

including the refinancing, repurchase or retirement of domestic and external indebtedness of the Government.

## DESCRIPTION OF THE SECURITIES

### Debt Securities

*Mexico will issue the debt securities under a fiscal agency agreement, dated September 1, 1992, between Mexico and Citibank, N.A., as fiscal agent. This agreement was amended on November 28, 1995. Mexico has filed or will file the fiscal agency agreement and the forms of debt securities with the SEC. The following description summarizes some of the terms of the debt securities and the fiscal agency agreement. This summary does not contain all of the information that may be important to you as a potential investor in the securities. You should read the fiscal agency agreement and the forms of debt securities before making your investment decision.*

### General

The prospectus supplement relating to any series of debt securities offered will include specific terms relating to the debt securities of that series. These terms will include some or all of the following:

- the title;
- any limit on the aggregate principal amount;
- the issue price;
- the maturity date;
- if the debt securities will bear interest, the interest rate, which may be fixed or floating, the date from which interest will accrue, the interest payment dates and the record dates for these interest payment dates;
- the form of debt security (global or certificated and registered or bearer);
- any mandatory or optional sinking fund provisions;

- any provisions that allow Mexico to redeem the debt securities at its option;
- any provisions that entitle the holders to repayment at their option;
- the currency in which the debt securities are denominated and the currency in which Mexico will make payments;
- the authorized denominations;
- a description of any index Mexico will use to determine the amount of principal or any premium or interest payments; and
- any other terms that do not conflict with the provisions of the fiscal agency agreement.

Mexico may issue debt securities at a discount below their stated principal amount, bearing no interest or interest at a rate which at the time of issuance is below market rates. Mexico may also issue debt securities that have floating rates of interest but are exchangeable for fixed rate debt securities. Mexico will describe the U.S. federal income tax consequences and other relevant considerations in the prospectus supplements for these offerings.

Mexico is not required to issue all of its debt securities under the fiscal agency agreement and this prospectus, but instead may issue debt securities other than those described in this prospectus under other fiscal agency agreements and documentation. That documentation may contain different terms from those included in the fiscal agency agreement and described in this prospectus.

### Status

The debt securities will be the direct, general and unconditional external indebtedness of Mexico. They will rank equal in right of payment among themselves and with all of Mexico's existing and future unsecured and

subordinated public external indebtedness, as defined under “—Negative Pledge” below. Mexico has pledged its full faith and credit to make all payments on the debt securities when due.

### ***Payment of Principal and Interest***

Mexico will make payments on global debt securities by wire transfer to the applicable clearing system, or to its nominee or common depository, as the registered owner or bearer of the debt securities, which will receive the funds or distribution to the holders. See “—Global Securities” below.

Mexico will make payments on registered certificated debt securities on the specified payment dates to the registered holders of the debt securities. Mexico may make such payments by wire transfer or by check mailed to the holders at their registered addresses.

If any money that Mexico pays to the fiscal agent to make payments on the debt securities is not claimed at the end of two years after the applicable payment was due and payable, then the fiscal agent will repay the money to Mexico on Mexico’s written request. After any such repayment, the fiscal agent will not be liable for the payment. However, Mexico’s obligations to make payments on the debt securities as they become due will not be affected. Claims against Mexico for the payment of principal, interest or other amounts will become void unless made within five years after the date on which the payment first became due, or a shorter period if provided by law.

### ***Form and Denominations***

Unless otherwise provided in the applicable prospectus supplement, Mexico will issue the debt securities:

- denominated in U.S. dollars;
- in fully registered book-entry form;
- without coupons; and

- in denominations of \$1,000 and integral multiples of \$1,000.

### ***Redemption, Repurchase and Early Repayment***

Unless otherwise provided in the applicable prospectus supplement, the debt securities will not be redeemable before maturity at the option of Mexico or repayable before maturity at the option of the holder. Nevertheless, Mexico may at any time repurchase the debt securities at any price in the open market or otherwise. Mexico may hold or resell debt securities it purchases or may surrender them to the fiscal agent for cancellation.

### ***Negative Pledge***

Mexico has agreed that as long as any of the debt securities remain outstanding, it will not create or permit to exist any security interest on its revenues or assets to secure its public external indebtedness, unless the debt securities are given an equivalent security interest.

A “security interest” is a lien, pledge, mortgage, encumbrance or other preferential right granted to any person or entity over Mexico’s revenues or assets.

“Public external indebtedness” means any indebtedness that:

- is a payment obligation or contingent liability payable in any currency other than Mexican currency, except indebtedness originally issued or incurred in Mexico. Indebtedness is issued or incurred in Mexico where settlement occurs in Mexico; and
- arises from bonds, debentures, notes or other securities that (a) are or were intended at the time they were issued to be quoted, listed or traded on any securities exchange or other securities market and (b) have an original maturity of more than one year or are combined with a commitment so that the maturity

may be extended at Mexico's option to a period of more than one year. Securities eligible for resale pursuant to Rule 144A under the U.S. Securities Act of 1933 are considered tradeable on a securities market for purposes of clause (a).

However, Mexico's agreement to restrict security interests to secure its public external indebtedness does not apply to:

- security interests created before December 3, 1993;
- security interests in bonds owned by Mexico which have been issued under the Discount and Par Bond Exchange Agreement, dated February 4, 1990, between Mexico and its creditors;
- security interests securing public external indebtedness incurred in connection with a project financing, as long as the security interest is limited to the assets or revenues of the project being financed. "Project financing" means any financing of all or part of the acquisition, construction or development costs of any project where the provider of the financing (a) agrees to limit its recourse to the project and the revenues of the project as the principal source of repayment and (b) has received a feasibility study prepared by competent independent experts on the basis of which it is reasonable to conclude that the project will generate sufficient foreign currency income to service substantially all public external indebtedness incurred in connection with the project;
- security interests securing public external indebtedness that (a) is issued by Mexico in exchange for debt of Mexican public sector bodies (other than Mexico), and (b) does not exceed an aggregate outstanding principal amount of \$29 billion or its equivalent; and

- security interests securing public external indebtedness that Mexico has incurred to finance or refinance the purchase of assets, if the security interests are limited to such assets.

#### *Default and Acceleration of Maturity*

Each of the following are events of default under any series of debt securities:

- (a) any principal, premium, if any, or interest on any debt security of that series is not paid within 30 days after payment is due;
- (b) Mexico fails to perform any other obligation under the debt securities of that series and does not cure that failure within 30 days after the fiscal agent receives written notice from the holder of any debt security of the series requiring Mexico to remedy the failure;
- (c) Mexico's creditors accelerate an aggregate principal amount of more than \$10,000,000 (or its equivalent in any other currency) of Mexico's public external indebtedness because of an event of default resulting from Mexico's failure to pay principal or interest on that public external indebtedness when due;
- (d) Mexico fails to make any payment on any of its public external indebtedness in an aggregate principal amount of more than \$10,000,000 (or its equivalent in any other currency) when due and does not cure that failure within 30 days after the fiscal agent receives written notice from the holder of any debt security of that series requiring Mexico to remedy the failure; or
- (e) Mexico declares a moratorium on the payment of principal of or interest on its public external indebtedness.

If either of the events described in clauses (a) or (e) occur and are continuing, then any holder of

Debt securities of the series may, by written notice given to Mexico and the fiscal agent, accelerate the debt securities of that series that it holds. If any of the events described in clauses (b), (c) or (d) occur, then a holder of debt securities of that series may deliver a notice of acceleration, but the notice will not be effective until the fiscal agent has received notices from the holders of at least ten percent in principal amount of all debt securities of the series then outstanding (excluding debt securities held by Mexico). Upon acceleration, all amounts of principal of, premium, if any, and any accrued interest on the debt securities of that series held by the holder will be immediately due and payable. If Mexico cures all defaults before an acceleration becomes effective, then no acceleration will occur.

#### *Meetings and Amendments*

Mexico may call a meeting of the holders of debt securities of a series at any time regarding the fiscal agency agreement or the debt securities of the series. Mexico will determine the time and place of the meeting. Mexico will notify the holders of the time, place and purpose of the meeting not less than 30 and not more than 60 days before the meeting.

The fiscal agent will call a meeting of holders of debt securities of a series if (a) an event of default for the series has occurred and is continuing and (b) the holders of at least ten percent in principal amount of all debt securities of the series then outstanding (as defined in the fiscal agency agreement) have delivered a written request to the fiscal agent setting forth the action they propose to take.

Only holders and their proxies are entitled to vote at a meeting of holders. Holders or proxies representing a majority of the outstanding principal amount of the debt securities of a series will normally constitute a quorum. However, if a meeting is adjourned for a lack of a quorum, then holders or proxies representing 25% of the outstanding principal amount will constitute a quorum when the meeting is rescheduled. The fiscal agent will set

the procedures governing the conduct of the meeting.

Mexico, the fiscal agent and the holders may generally modify or take action with respect to the fiscal agency agreement or the terms of the debt securities of a series:

- with the affirmative vote of the holders of not less than 66  $\frac{2}{3}$ % of the outstanding principal amount of the debt securities of a series that are represented at a meeting; or
- with the written consent of the holders of 66  $\frac{2}{3}$ % of the outstanding principal amount of the debt securities of that series.

However, each holder must consent to any amendment, modification or change with respect to its debt securities that would:

- change the due dates for the payment of principal, premium or interest;
- reduce any amounts payable on a debt security;
- reduce the amount of principal payable upon acceleration of the maturity of a debt security;
- change the payment currency or places of payment;
- permit early redemption or, if early redemption is already permitted, set a redemption date earlier than the date previously specified or reduce the redemption price;
- reduce the percentage of holders of a series of debt securities whose vote or consent is needed to amend, supplement or modify the fiscal agency agreement or the terms and conditions of the debt securities of the series or to take any other action; or

- change Mexico's obligation to pay any additional amounts.

Mexico and the fiscal agent may, without the vote or consent of any holder of debt securities of a series, amend the fiscal agency agreement or the debt securities of the series for the purpose of:

- adding to Mexico's covenants for the benefit of the holders;
- surrendering any of Mexico's rights or powers;
- providing collateral for the debt securities;
- curing any ambiguity or correcting or supplementing any defective provision; or
- making any other change which (a) is not inconsistent with the debt securities of the series and (b) does not adversely affect the interest of any holder of debt securities of the series in any material respect.

## Warrants

*If Mexico issues warrants, it will describe their specific terms in a prospectus supplement. If any warrants are registered with the SEC, Mexico will file a warrant agreement and form of warrant with the SEC. The following description briefly summarizes some of the general terms that apply to warrants. You should read the applicable prospectus supplement, warrant agreement and form of warrant before making your investment decision.*

Mexico may issue the warrants separately or together with any debt securities. All warrants will be issued under a warrant agreement between Mexico and a bank or trust company, as warrant agent. The applicable prospectus supplement will include some or all of the following specific terms relating to the warrants:

- the initial offering price;
- the currency you must use to purchase the warrants;
- the title and terms of the debt securities or other consideration that you will receive on exercise of the warrants;
- the principal amount of debt securities or amount of other consideration that you will receive on exercise of the warrants;
- the exercise price or ratio;
- the procedures of, and conditions to, exercise of the warrants;
- the date or dates on which you must exercise the warrants;
- whether and under what conditions Mexico may cancel the warrants;
- the title and terms of any debt securities issued with the warrants and the amount of debt securities issued with each warrant;
- the date, if any, on and after which the warrants and any debt securities issued with the warrants will trade separately;
- the form of the warrants (global or certificated and registered or bearer), whether they will be exchangeable between such forms and, if registered, where they may be transferred and exchanged;
- the identity of the warrant agent;
- any special U.S. federal income tax considerations; and
- any other terms of the warrants.

## Global Securities

*DTC, Euroclear and Cedelbank are under no obligation to perform or continue to perform the procedures described below, and they may modify or discontinue them at any time. Neither Mexico nor the fiscal agent will be responsible for DTC's, Euroclear's or Cedelbank's performance of their obligations under their rules and procedures. Additionally, neither Mexico nor the fiscal agent will be responsible for the performance by direct or indirect participants of their obligations under their rules and procedures.*

Mexico may issue the debt securities or warrants in the form of one or more global securities, the ownership and transfer of which are recorded in computerized book-entry accounts, eliminating the need for physical movement of securities. Mexico refers to the intangible securities represented by a global security as "book-entry" securities.

When Mexico issues book-entry securities, it will deposit the applicable global security with a clearing system. The global security will be either registered in the name of, or held in bearer form by, the clearing system or its nominee or common depository. Unless a global security is exchanged for certificated securities, as discussed below under "Certificated Securities," it may not be transferred, except among the clearing system, its nominees or common depositories and their successors. Clearing systems include The Depository Trust Company, known as DTC, in the United States and Euroclear and Cedelbank in Europe.

Clearing systems process the clearance and settlement of book-entry notes for their direct participants. A "direct participant" is a bank or financial institution that has an account with a clearing system. The clearing systems act on behalf of their direct participants, who in turn act on behalf of indirect participants. An "indirect participant" is a bank or financial institution that gains access to a clearing system by clearing through or maintaining a relationship with a direct participant.

Euroclear and Cedelbank are connected to each other by a direct link and participate in DTC through their New York depositories, which act as links between the clearing systems. These arrangements permit you to hold book-entry securities through participants in any of these systems, subject to applicable securities laws.

### **Ownership of Book-Entry Securities**

If you wish to purchase book-entry securities, you must either be a direct participant or make your purchase through a direct or indirect participant. Investors who purchase book-entry securities will hold them in an account at the bank or financial institution acting as their direct or indirect participant. Holding securities in this way is called holding in "street name."

When you hold securities in street name, you must rely on the procedures of the institutions through which you hold your securities to exercise any of the rights granted to holders. This is because the legal obligations of Mexico and the fiscal agent run only to the registered owner or bearer of the global security, which will be the clearing system or its nominee or common depository. For example, once Mexico and the fiscal agent make a payment to the registered holder or bearer of a global security, they will no longer be liable for the payment, even if you do not receive it. In practice, the clearing systems will pass along any payments or notices they receive from Mexico to their participants, which will pass along the payments to you. In addition, if you desire to take any action which a holder of the global security is entitled to take, then the clearing system would authorize the participant through which you hold your book-entry securities to take such action, and the participant would then either authorize you to take the action or would act for you on your instructions. The transactions between you, the participants and the clearing systems will be governed by customer agreements, customary practices and applicable laws and regulations, and not by any legal obligation of Mexico or the fiscal agent.

As an owner of book-entry securities represented by a global security, you will also be subject to the following restrictions:

- you will not be entitled to (a) receive physical delivery of the securities in certificated form or (b) have any of the securities registered in your name, except under the circumstances described below under “—Certificated Securities”;
- you may not be able to transfer or sell your securities to some insurance companies and other institutions that are required by law to own their securities in certificated form; and
- you may not be able to pledge your securities in circumstances where certificates must be physically delivered to the creditor or the beneficiary of the pledge in order for the pledge to be effective.

#### ***Cross-Market Transfer, Clearance and Settlement of Book-Entry Securities***

*The following description reflects Mexico’s understanding of the current rules and procedures of DTC, Euroclear and Cedelbank relating to cross-market trades in book-entry securities where Euroclear and Cedelbank hold securities through their respective depositaries and DTC. These systems could change their rules and procedures at any time, and Mexico takes responsibility for their actions or the accuracy of this description.*

It is important for you to establish at the time of the trade where both the purchaser’s and seller’s accounts are located to ensure that settlement can be made on the desired value date, *i.e.*, the date specified by the purchaser and seller on which the price of the securities is fixed.

When book-entry notes are to be transferred from a DTC seller to a Euroclear or Cedelbank purchaser, the purchaser must first send instructions to Euroclear or Cedelbank

through a participant at least one business day before the settlement date. Euroclear or Cedelbank will then instruct its New York depositary to receive the securities and make payment for them. On the settlement date, the New York depositary will make payment to the DTC participant through which the seller holds its securities, which will make payment to the seller, and the securities will be credited to the New York depositary’s account. After settlement has been completed, Euroclear or Cedelbank will credit the securities to the account of the participant through which the purchaser is acting. This securities credit will appear the next day European time after the settlement date, but will be back-valued to the value date, which will be the preceding day if settlement occurs in New York. If settlement is not completed on the intended value date, the securities credit and cash debit will instead be valued at the actual settlement date.

A participant in Euroclear or Cedelbank, acting for the account of a purchaser of book-entry securities, will need to make funds available to Euroclear or Cedelbank in order to pay for the securities on the value date. The most direct way of doing this is for the participant to preposition funds, *i.e.*, have funds in place at Euroclear or Cedelbank before the value date, either from cash on hand or existing lines of credit. The participant may require the purchaser to follow these same procedures.

When book-entry securities are to be transferred from a Euroclear or Cedelbank seller to a DTC purchaser, the seller must first send instructions to and preposition the securities with Euroclear or Cedelbank through a participant at least one business day before the settlement date. Euroclear or Cedelbank will then instruct its New York depositary to credit the book-entry securities to the account of the DTC participant through which the purchaser is acting and to receive payment in exchange. The payment will be credited to the account of the Euroclear or Cedelbank participant through which the seller is acting on the following day, but the receipt of the cash proceeds will be back-valued to the value date, which will be the preceding day if settlement occurs in New York.

If settlement is not completed on the intended value date, the receipt of the cash proceeds and securities debit will instead be valued at the actual settlement date.

### **Certificated Securities**

Mexico will only issue securities in certificated form in exchange for book-entry securities represented by a global security if:

- in the case of a global security deposited with or on behalf of DTC, DTC is unwilling or unable to continue as depositary or is ineligible to act as depositary, and Mexico does not appoint a successor depositary within 90 days after DTC notifies Mexico or Mexico becomes aware of this situation;
- in the case of a global security deposited directly with, or with a common depositary for, Euroclear or Cedelbank, Euroclear or Cedelbank is closed for a continuous period of 14 days other than by reason of holidays or announces an intention to cease business permanently; or
- Mexico elects not to have the securities of a series represented by a global security or securities.

In any of these cases, you will be entitled to have registered in your name, if the global security was in registered form, and have physically delivered to you, securities in certificated form equal to the amount of book-entry securities you own. If Mexico issues certificated securities, they will have the same terms and authorized denominations as the global security.

You may transfer or exchange registered certificated securities by presenting them at the corporate trust office of the fiscal agent in The City of New York, or, if applicable, at the office of the Luxembourg transfer agent, according to the procedures in the fiscal agency agreement. When you surrender a registered certificated security for transfer or exchange, the fiscal agent

will authenticate and deliver to you or the transferee a security or securities of the appropriate form and denomination and of the same aggregate principal amount as the security you are surrendering. You will not be charged a fee for the registration of transfers or exchanges of certificated securities. However, you may be charged for any stamp, tax or other governmental charge associated with the transfer, exchange or registration. Mexico, the fiscal agent and any other agent of Mexico may treat the person in whose name any certificated security is registered as the legal owner of such security for all purposes.

If any registered certificated security becomes mutilated, destroyed, stolen or lost, you can have it replaced by delivering the security or the evidence of its loss, theft or destruction to the fiscal agent or, if applicable, the Luxembourg transfer agent. Mexico and the fiscal agent may require you to sign an indemnity under which you agree to pay Mexico, the fiscal agent and any other agent for any losses they may suffer relating to the security that was mutilated, destroyed, stolen or lost. Mexico and the fiscal agent may also require you to present other documents or proof. After you deliver these documents, if neither Mexico nor the fiscal agent has notice that a bona fide purchaser has acquired the security you are exchanging, Mexico will execute, and the fiscal agent will authenticate and deliver to you, a substitute security with the same terms as the security you are exchanging. You will be required to pay all expenses and reasonable charges associated with the replacement of the mutilated, destroyed, stolen or lost security.

### **Jurisdiction, Consent to Service, Enforcement of Judgments and Immunities from Attachment**

Mexico is a sovereign government. Thus, it may be difficult for you to obtain or enforce judgments against Mexico in U.S. courts or in Mexico. Mexico has appointed its Consul General in New York as its authorized agent for service of process in any action based on the securities or the fiscal agency agreement which a holder may institute in any state or federal court

the Borough of Manhattan, The City of New York. Mexico and the fiscal agent have irrevocably submitted to the jurisdiction of these courts and Mexico has waived any objection which it may have to the venue of these courts and any right to which it may be entitled on account of place of residence or domicile. Mexico has also waived any immunity from the jurisdiction of these courts to which it might be entitled (including sovereign immunity and immunity from pre-judgment attachment, post-judgment attachment and execution) in any action based upon the securities. You may also institute an action against Mexico based on the securities in any competent court in Mexico.

Nevertheless, Mexico may still plead sovereign immunity under the U.S. Foreign Sovereign Immunities Act of 1976 in actions brought against it under U.S. federal securities laws or any state securities laws, and its submission to jurisdiction, appointment of the Consul General as its agent for service of process and waiver of immunity do not include these actions. Without Mexico's waiver of immunity regarding these actions, you will not

be able to obtain a judgment in a U.S. court against Mexico unless the court determines that Mexico is not entitled to sovereign immunity under the Immunities Act. In addition, execution on Mexico's property in the United States to enforce a judgment may not be possible except under the limited circumstances specified in the Immunities Act.

Even if you are able to obtain a judgment against Mexico in the United States or in Mexico, you might not be able to enforce it in Mexico. Under Article 4 of the Federal Code of Civil Procedure of Mexico, Mexican courts may not order attachment before judgment or attachment in aid of execution against the property of Mexico.

### **Governing Law**

The fiscal agency agreement and the securities are governed by and interpreted in accordance with the law of the State of New York, except that all matters governing Mexico's authorization and execution of the fiscal agency agreement or the securities will be governed by the law of Mexico.

## PLAN OF DISTRIBUTION

### Terms of Sale

Mexico will describe the terms of a particular offering of securities in the applicable prospectus supplement, including the following:

- the name or names of any underwriters or agents;
- the purchase price of the securities;
- the proceeds to Mexico from the sale;
- any underwriting discounts and other items constituting underwriters' compensation;
- any agents' commissions;
- any initial public offering price of the securities;
- any concessions allowed or reallocated or paid to dealers; and
- any securities exchanges on which such securities may be listed.

Mexico may agree to indemnify any agents and underwriters against certain liabilities, including liabilities under the U.S. Securities Act of 1933. The agents and underwriters may also be entitled to contribution from Mexico for payments they make relating to these liabilities. Agents and underwriters may engage in transactions with or perform services for Mexico in the ordinary course of business.

Mexico will register the securities with the National Registry of Securities and Intermediaries of Mexico, which is maintained by the National Banking and Securities Commission. This registration does not certify that the securities are of investment quality or that the information contained in this prospectus or in any prospectus supplement is accurate or complete, nor does it attest to the creditworthiness of Mexico. Mexico may not publicly offer or sell the securities in Mexico

unless it so specifies in the applicable prospectus supplement.

### Method of Sale

Mexico may sell the securities in any of three ways:

- through underwriters or dealers;
- directly to one or more purchasers; or
- through agents.

If Mexico uses underwriters or dealers in a sale, they will acquire the securities for their own account and may resell them in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. Mexico may offer the securities to the public either through underwriting syndicates represented by managing underwriters or directly through underwriters. The obligations of the underwriters to purchase a particular offering of securities may be subject to conditions. The underwriters may change the initial public offering price or any concessions allowed or reallocated or paid to dealers.

Mexico may also sell the securities directly or through agents. Any agent will generally act on a reasonable best efforts basis for the period of its appointment.

Mexico may authorize agents, underwriters or dealers to solicit offers by certain institutions to purchase a particular offering of securities at the public offering price using delayed delivery contracts. These contracts provide for payment and delivery on a specified date in the future. The applicable prospectus supplement will describe the commission payable for solicitation and the terms and conditions of these contracts.

Mexico may offer the securities to holders of other securities of Mexico as consideration for Mexico's purchase or

exchange of the other securities. Mexico may conduct such an offer either (a) through a publicly announced tender or exchange offer for the other securities or (b) through privately negotiated transactions. This type of offer may be in addition to sales of the same securities using the methods discussed above.

#### ■ Non-U.S. Offerings

Mexico will generally not register the securities that it will offer and sell outside the United States under the Securities Act. Thus, subject to certain exceptions, Mexico cannot offer, sell or deliver such securities within the United States or to U.S. persons. When Mexico offers or sells securities outside the United States, each underwriter or dealer will be knowledgeable that the securities:

- have not been and will not be registered under the Securities Act; and
- may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each underwriter or dealer will agree that:

- it has not offered or sold, and will not offer or sell, any of these non-SEC-registered securities within the United States, except pursuant to Rule 903 of Regulation S under the Securities Act; and
- neither it nor its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts regarding these securities.

## OFFICIAL STATEMENTS

Mexico has included the information in this prospectus, including in the documents incorporated by reference, whose source is identified as a publication of Mexico or one of its agencies or instrumentalities in reliance on the authority of the publication as a public official document. All other information that

Mexico has provided in this prospectus and in the related registration statement is included as a public official statement made on the authority of Dr. Alonso García Tamés, Director General of Public Credit of the Ministry of Finance and Public Credit of Mexico, or his successor.

## VALIDITY OF THE SECURITIES

The following persons, whose addresses will appear on the inside back cover of the applicable prospectus supplement or pricing supplement, will give opinions regarding the validity of the securities:

*For Mexico:*

- ◆ as to all matters of Mexican law, the Fiscal Attorney of the Federation of Mexico or the Deputy Fiscal Attorney of the Federation for Financial Affairs of Mexico or the Director of Legal Procedures of Credit of the Ministry of Finance; and
- ◆ as to all matters of U.S. law, Cleary, Gottlieb, Steen & Hamilton, U.S. counsel to Mexico.

■ *For the underwriters, if any:*

- ◆ as to all matters of U.S. law, Sullivan & Cromwell, or any other U.S. counsel to the underwriters named in the applicable prospectus supplement; and
- ◆ as to all matters of Mexican law, Ritch, Heather y Mueller, S.C., or any other Mexican counsel to the underwriters named in the applicable prospectus supplement.

As to all matters of Mexican law:

- Cleary, Gottlieb, Steen & Hamilton may rely on the opinion of the Fiscal Attorney or the Deputy Fiscal Attorney or the Director of Legal Procedures of Credit of the Ministry of Finance; and
- Sullivan & Cromwell, or any other U.S. counsel to the underwriters, may rely on the opinions of the Fiscal Attorney or the Deputy Fiscal Attorney or the Director of Legal Procedures of Credit of the Ministry of Finance and Ritch, Heather y Mueller, S.C., or any other Mexican counsel to the underwriters.

As to all matters of U.S. law:

- the Fiscal Attorney or the Deputy Fiscal Attorney or the Director of Legal Procedures of Credit of the Ministry of Finance may rely on the opinion of Cleary, Gottlieb, Steen & Hamilton; and
- Ritch, Heather y Mueller, S.C., or any other Mexican counsel to the underwriters, may rely on the opinion of Sullivan & Cromwell, or any other U.S. counsel to the underwriters.

The Fiscal Attorney has given an opinion concerning all statements in this prospectus relating to matters of Mexican law, and Mexico has made such statements in reliance on the authority of the Fiscal Attorney.

## AUTHORIZED REPRESENTATIVE

The Authorized Representative of Mexico in the United States is José Antonio Mas Hurtado, Financial Representative—

New York Office, Banco Nacional de Comercio Exterior, S.N.C., 375 Park Avenue, Suite 1905, New York, New York 10152.

## WHERE YOU CAN FIND MORE INFORMATION

This prospectus is part of a registration statement that Mexico filed with the U.S. Securities and Exchange Commission using a self registration process. This prospectus does not contain all of the information provided in the registration statement. For further information, you should refer to the registration statement.

Mexico files annual reports and other information with the SEC relating to the securities. You can request copies of these documents, upon payment of a duplicating fee, by writing to the SEC. You may also read and copy these documents at the SEC's public reference room in Washington, D.C. or at the SEC's regional offices:

Room 1024, Judiciary Plaza  
450 Fifth Street, N.W.  
Washington, D.C. 20549

Seven World Trade Center  
New York, NY 10048

500 West Madison Street, Suite 1400  
Chicago, Illinois 60661-2511

Please call the SEC at 1-800-SEC-0330 for further information.

The SEC allows Mexico to incorporate by reference some information that Mexico files with the SEC. Incorporated documents are considered part of this prospectus. Mexico can disclose important information to you by referring you to those documents. Information that Mexico later files with the SEC will update and supersede this incorporated information. The following documents are incorporated by reference in this prospectus and any accompanying prospectus supplement:

- Mexico's Annual Report on Form 18-K for the year ended December 31, 1999, as amended by Amendment No. 1, as filed with the SEC on November 13, 2000, and by Amendment No. 2, as filed with the SEC on January 16, 2001; and
- each subsequent Annual Report on Form 18-K and any amendment on Form 18-K/A filed after the date of this prospectus and before all of the securities are sold.

Any person receiving a copy of this prospectus may obtain, without charge and upon request, a copy of any of the above documents, including any exhibits that are incorporated by reference in them. Requests for such documents should be directed to:

Director General of Public Credit  
Ministry of Finance and Public Credit  
Avenida Insurgentes Sur 826, 9° Piso  
Colonia del Valle  
03100 Mexico, D.F.  
Mexico  
telephone: 52-5682-2799 and 2209  
facsimile: 52-5228-1690

As long as any of the securities remain outstanding and are listed on the Luxembourg Stock Exchange, you may also obtain, free of charge, copies of Mexico's Annual Report on Form 18-K, this prospectus and any prospectus supplement or pricing supplement at the office of the paying agent for the securities in Luxembourg. Mexico has initially appointed Kredietbank S.A. Luxembourggeoise as its Luxembourg paying agent.

As long as any of the securities remain outstanding and are listed on the Luxembourg

Stock Exchange, if there is a material change to the terms and conditions of the securities or in the economic affairs of Mexico that is not reflected in any of the documents relating to the securities, Mexico will amend the applicable prospectus supplement relating to the securities and incorporate new or updated documents in the manner discussed above.

