



PUBLIC FINANCE AND PUBLIC DEBT REPORT, OCTOBER 2011

The public finance and public debt preliminary results as of October 2011 were released today.

The main results for the January-October period are the following:

- The total Public Sector deficit and the deficit excluding investment by PEMEX were Ps. 179.9 and Ps. 5.5 billion, respectively, results consistent with the approved deficit for the year.
- Budgetary revenues were higher by 6.5% in real annual terms.
- Oil revenues, revenues of public entities under direct budgetary control other than PEMEX and non-oil tax revenues increased by 13.6, 7.6, and 3.6%, respectively, in real annual terms.
- Net expenditures were higher by 5.1% in real annual terms. Programmable expenditures increased by 6.1% in real terms and worth highlighting are the increases in resources allocated to urbanization, housing and regional development; social security; health, and education.
- Federal resources transferred to States and Municipalities increased by 5.5% in real terms. Shared revenues increased by 4.5% in real terms.
- The Federal Public Sector's net domestic debt increased by Ps. 177.8 billion, while net external debt increased by USD 9.1 billion, both with respect to the end of 2010.

Evolution of the Public Finances during January-October

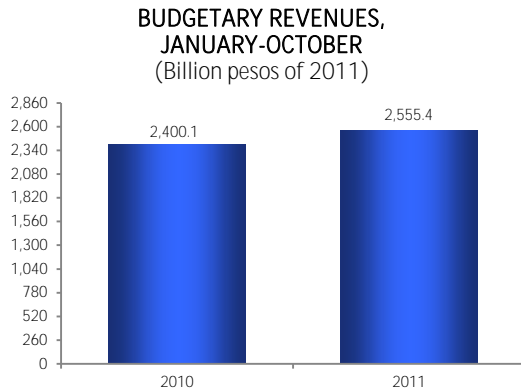
As of October 2011, the balance of the Public Sector posted a deficit of Ps. 179.9 billion. The primary balance posted a deficit of Ps. 3.9 billion. If investment by PEMEX is excluded, the balance of the Public Sector registered a deficit of Ps. 5.5 billion. These results are consistent with the approved deficit for 2011, in

compliance with Article 17 of the Federal Budget and Fiscal Responsibility Law.

Public Sector Budgetary Revenues during January-October

The Public Sector's budgetary revenues were Ps. 2 trillion 555.4 billion, amount 6.5% higher in real annual terms. The evolution of

the main components of budgetary revenues was the following:



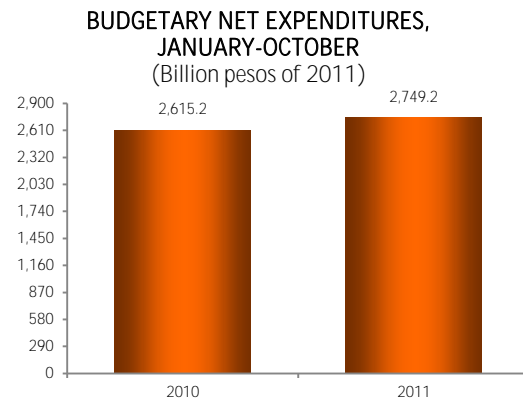
- Non-oil tax revenues were Ps. 1,175.4 billion, amount higher by 3.6% in real annual terms. In the first ten months of 2011, collection from excise taxes and the income tax (including the IETU and the Tax on Cash Deposits) increased by 10.0 and 7.1% in real terms. In contrast, VAT collection decreased by 1.3% in real terms due to an increase in tax rebates and to the high revenues that were observed at the beginning of 2010 due to tax payments that were anticipated to December 2009, before the fiscal reform came into effect in 2010.
- Oil related revenues (which include **PEMEX's own revenues, excise tax** collection on gasoline and diesel, royalties and fees, and taxes on oil returns) totaled Ps. 877.2 billion, increasing by 13.6% in real annual terms. This result is explained mainly by the higher price of the Mexican oil mix (98.1 dpb compared with 70.3 dpb observed in the same period of last year), that was partially offset by the real appreciation of the exchange rate by 8.3% in annual terms, the higher value of hydrocarbon imports by 44.4% in real terms, a lower oil production platform by

1.2% and the use of resources from the Stabilization Fund of PEMEX (FEIPEMEX) by Ps. 20.0 billion in February of 2010.

- Revenues of public entities under direct budgetary control other than PEMEX were Ps. 417.5 billion, which represented an increase of 7.6% in real annual terms. This is mainly explained by higher social security contributions and higher revenues from electricity sales.
- Non-tax non-oil revenues totaled Ps. 85.3 billion, amount lower by 19.0% in real annual terms due to the high non-recurrent revenues that were observed in the same period of last year.

Net Budgetary Public Sector Expenditures during January-October

During the first ten months of the year, net budgetary expenditures of the Public Sector totaled Ps. 2 trillion 749.2 billion, amount higher by 5.1% in real annual terms.



Paid programmable expenditures totaled Ps. 2 trillion 159.0 billion, amount higher by 6.1% in real annual terms. Within this item, worth highlighting are the increases in resources allocated to urbanization, housing and regional



development; social security; health, and education.

Resources transferred to federal entities and municipalities through shared revenues, decentralization agreements and reallocations, increased by 5.5% in real terms. Shared revenues increased by 4.5% in real terms due to higher federal shareable revenues, while the remainder of the resources transferred to federal entities and municipalities increased by 6.3% in real annual terms.

The Public Sector's financial cost was Ps. 173.4 billion, the same level in real terms than the one registered in the same period of last year.

Stock of Public Debt as of October

At the end of October, the Federal Government's net domestic debt was Ps. 3 trillion 6.3 billion, amount Ps. 197.4 billion higher than that observed at the end of 2010. The change in the stock is explained by net indebtedness by Ps. 347.0 billion, upward adjustments to the inflation indexed debt by Ps. 19.8 billion and an increase in the Federal Government's financial assets by Ps. 169.4 billion.

The stock of the Federal Government's net external debt in August was USD 59.7 billion, amount USD 7.4 billion higher than the one observed at the end of 2010. This result is explained by a net indebtedness of USD 2.3 billion, upward accounting adjustments by USD 0.4 billion and a decrease in financial assets in foreign currency by USD 4.7 billion.

The stock of the Federal Public Sector's net domestic debt (Federal Government, PEDBC's and development banks) at the end of October was Ps. 3 trillion 98.2 billion, which implies an increase of Ps. 177.8 billion with respect to the stock recorded at the end of 2010. This is due

to net domestic indebtedness during the period of Ps. 386.6 billion, upward accounting adjustments by Ps. 21.3 billion and an increase in domestic financial assets by Ps. 230.1 billion.

The stock of the Federal Public Sector's net external debt was USD 113.8 billion, amount that is higher by USD 9.1 billion than the one registered at the end of 2010. This result is explained by net indebtedness of Ps. 3.7 billion, upward accounting adjustments by USD 0.8 billion and a decrease in foreign financial assets by USD 4.6 billion.

More details on public finance and public debt statistics can be obtained in the Ministry of Finance's web page at:

<http://t.co/pmRnBb1>

ANNEX I

PUBLIC SECTOR BALANCE (Million pesos)

Concept	January-October		Real % Growth	Composition %	
	2010	2011 ^{p_/}		2010	2011 ^{p_/}
PUBLIC BALANCE	-203,007.4	-179,883.0	n.s.		
PUBLIC BALANCE EXCLUDING PEMEX'S INVESTMENT^{1_/}	-17,411.1	-5,474.1	n.s.		
Budgetary Balance	-208,096.0	-193,746.2	n.s.		
Budgetary Revenues	2,322,172.8	2,555,426.3	6.5	100.0	100.0
Oil Related	746,900.6	877,220.3	13.6	32.2	34.3
Federal Government	489,457.3	587,411.8	16.1	21.1	23.0
PEMEX	257,443.2	289,808.4	8.9	11.1	11.3
Non-oil related	1,575,272.3	1,678,206.0	3.1	67.8	65.7
Federal Government	1,199,858.8	1,260,699.2	1.7	51.7	49.3
Tax	1,098,057.8	1,175,434.0	3.6	47.3	46.0
Non-tax	101,801.0	85,265.2	-19.0	4.4	3.3
PEDBC	375,413.5	417,506.8	7.6	16.2	16.3
Net Budgetary Expenditures	2,530,268.8	2,749,172.5	5.1	100.0	100.0
Programmable	1,968,807.6	2,159,004.9	6.1	77.8	78.5
Non programmable	561,461.2	590,167.6	1.7	22.2	21.5
PEIBC	5,088.6	13,863.1	163.6		
Primary Balance	-30,866.3	-3,904.0	n.s.		

Note: Figures may not add up due to rounding.

p_/ Preliminary figures.

n.s.: Not significant.

1_/ PEMEX's physical investment is excluded.

Source: Ministry of Finance and Public Credit.



Press Release

Mexico City, November 30th, 2011.

PUBLIC SECTOR REVENUES (Million pesos)

Concept	January-October		Real % Growth	Composition %	
	2010	2011 ^{p./}		2010	2011 ^{p./}
BUDGETARY REVENUES(I+II)	2,322,172.8	2,555,426.3	6.5	100.0	100.0
I. Oil Related (a+b)	746,900.6	877,220.3	13.6	32.2	34.3
a) PEMEX	257,443.2	289,808.4	8.9	11.1	11.3
b) Federal Government	489,457.3	587,411.8	16.1	21.1	23.0
Rights and royalties	536,861.3	697,754.9	25.7	23.1	27.3
Excise taxes ^{1./}	-49,480.2	-113,122.7	n.s.	-2.1	-4.4
Tax on Oil Returns	2,076.2	2,779.6	29.5	0.1	0.1
II. Non-oil related (c+d)	1,575,272.3	1,678,206.0	3.1	67.8	65.7
c) Federal Government	1,199,858.8	1,260,699.2	1.7	51.7	49.3
Tax	1,098,057.8	1,175,434.0	3.6	47.3	46.0
Income Tax, IETU and IDE	570,818.2	632,155.2	7.1	24.6	24.7
Income Tax	521,865.3	599,708.5	11.2	22.5	23.5
IMPAC	-504.2	-943.7	n.s.	0.0	0.0
IETU (Unique Rate Corporate Tax)	39,335.4	41,114.8	1.1	1.7	1.6
IDE (Tax on Cash Deposits)	10,121.8	-7,724.3	n.s.	0.4	-0.3
VAT	417,259.2	425,641.7	-1.3	18.0	16.7
Excise taxes	50,400.4	57,303.3	10.0	2.2	2.2
Import taxes	19,733.1	21,999.8	7.9	0.8	0.9
Others ^{2./}	39,846.8	38,333.9	-6.9	1.7	1.5
Non-tax	101,801.0	85,265.2	-19.0	4.4	3.3
Rights	27,224.9	30,979.3	10.1	1.2	1.2
Fees	71,050.3	50,391.6	-31.4	3.1	2.0
Others	3,525.9	3,894.3	6.9	0.2	0.2
d) PEDBC ^{3./}	375,413.5	417,506.8	7.6	16.2	16.3
Memorandum items:					
Total tax related	1,050,653.8	1,065,090.9	-1.9	45.2	41.7
Total non-tax related	1,271,519.0	1,490,335.4	13.4	54.8	58.3

Note: Figures may not add up due to rounding.

p./ Preliminary figures.

n.s.: Not significant.

1./ The negative sign implies that tax compensations were greater than receipts.

2./ Includes taxes on new vehicles, on vehicle ownership, exports, those that do not belong to the aforementioned and accessories.

3./ Excludes federal government transfers to the ISSSTE.

Source: Ministry of Finance and Public Credit.



Press Release

Mexico City, November 30th, 2011.

PUBLIC SECTOR NET EXPENDITURES (Million pesos)

Concept	January-October		Real % Growth	Composition %	
	2010	2011 ^{p./}		2010	2011 ^{p./}
TOTAL (I+II)	2,530,268.8	2,749,172.5	5.1	100.0	100.0
I. Primary Expenditures (a+b)	2,362,601.7	2,575,810.5	5.5	93.4	93.7
a) Programmable	1,968,807.6	2,159,004.9	6.1	77.8	78.5
b) Non- programmable	393,794.1	416,805.6	2.4	15.6	15.2
II. Financial Cost ^{1_}	167,667.1	173,361.9	0.0	6.6	6.3

Note: Figures may not add up due to rounding.

p./ Preliminary figures.

1_/ Includes interests, commissions and other public debt expenditures associated to debtor support programs, as well as expenditures to support savers and bank debtors.

Source: Ministry of Finance and Public Credit.



Press Release

Mexico City, November 30th, 2011.

FEDERAL GOVERNMENT DOMESTIC DEBT, JANUARY-OCTOBER^{*_/_}
(Million pesos)

Concept	Outstanding as of December 2010	Indebtedness			Adjustments ^{1_/_}	Outstanding as of October 2011 ^{p_/_}
		Originations	Amort.	Net		
1. Net Debt (3-2)	2,808,920.2					3,006,340.7
2. Assets^{2_/_}	79,357.0					248,796.0
3. Gross Domestic Debt	2,888,277.2	1,576,311.0	1,229,282.3	347,028.7	19,830.8	3,255,136.7
Government Securities	2,553,925.8	1,414,817.1	1,082,630.2	332,186.9	12,289.5	2,898,402.2
Cetes	393,977.2	969,025.5	931,508.2	37,517.3	0.0	431,494.5
Bondes "D"	183,056.1	26,840.9	10,824.1	16,016.8	0.0	199,072.9
Fixed Rate Bonds	1,446,781.0	312,475.3	107,767.8	204,707.5	1,728.5	1,653,217.0
Udibonos	530,111.5	106,475.4	32,530.1	73,945.3	10,561.0	614,617.8
<i>Udibonos udi's</i>	<i>117,117.9</i>	<i>23,266.6</i>	<i>7,157.6</i>	<i>16,109.0</i>	<i>111.5</i>	<i>133,338.4</i>
S.A.R.	110,308.6	115,958.1	104,193.8	11,764.3	3,438.6	125,511.5
Obligations from ISSSTE Law	193,033.0	29.1	25,793.8	-25,764.7	3,039.0	170,307.3
Others	31,009.8	45,506.7	16,664.5	28,842.2	1,063.7	60,915.7

Note: Figures may not add up due to rounding.

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

p_/_ Preliminary figures.

1_/_ Refers to adjustment for inflation. Fixed Rate Bonds refers to the adjustment for Debt Exchange Operations.

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

Source: Ministry of Finance and Public Credit.



Press Release

Mexico City, November 30th, 2011.

FEDERAL GOVERNMENT EXTERNAL DEBT, JANUARY-OCTOBER^{*_/}
(Million dollars)

Concept	Outstanding as of December 2010	Indebtedness			Adjustments	Outstanding as of October 2011 ^{p_/_}
		Originations	Amort.	Net		
1. Net Debt (3-2)	52,339.0					59,731.8
2. Assets^{1_/_}	4,848.0					126.0
3. Gross Debt	57,187.0	4,780.7	2,530.5	2,250.2	420.6	59,857.8
Public Bonds	39,563.8	3,000.0	1,978.1	1,021.9	395.1	40,980.8
IFI's	16,995.2	1,469.4	521.9	947.5	0.9	17,943.6
Bilateral	628.0	311.3	30.5	280.8	24.6	933.4

Note: Figures may not add up due to rounding.

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

p_/_ Preliminary figures.

1_/_ Considers the US Dollar denominated balance of the General Account of the Federal Treasury.

Source: Ministry of Finance and Public Credit.

PUBLIC SECTOR DOMESTIC DEBT, JANUARY-OCTOBER ^{*_/_1_/_}
(Million pesos)

Concept	Outstanding as of December 2010	Indebtedness		Adjustments Net	Outstanding as of October 2011 ^{p_/_}	
		Originations	Amort.			
1. Net Debt (3-2)	2,920,348.3				3,098,179.4	
2. Assets ^{2_/_}	160,536.7				390,663.8	
3. Gross Debt	3,080,885.0	1,652,091.8	1,265,463.1	386,628.7	21,329.5	3,488,843.2
By Term	3,080,885.0	1,652,091.8	1,265,463.1	386,628.7	21,329.5	3,488,843.2
Long-term	2,781,973.5	763,751.5	411,352.9	352,398.6	21,329.5	3,155,701.6
Short-term	298,911.5	888,340.3	854,110.2	34,230.1	0.0	333,141.6
By User	3,080,885.0	1,652,091.8	1,265,463.1	386,628.7	21,329.5	3,488,843.2
Federal Government	2,888,277.2	1,576,311.0	1,229,282.3	347,028.7	19,830.8	3,255,136.7
Long-term	2,593,865.7	696,486.8	384,223.4	312,263.4	19,830.8	2,925,959.9
Short-term	294,411.5	879,824.2	845,058.9	34,765.3	0.0	329,176.8
PEDBC's	166,863.5	62,777.8	34,491.2	28,286.6	1,369.5	196,519.6
Long-term	162,363.5	55,261.7	26,439.9	28,821.8	1,369.5	192,554.8
Short-term	4,500.0	7,516.1	8,051.3	-535.2	0.0	3,964.8
Development Banks	25,744.3	13,003.0	1,689.6	11,313.4	129.2	37,186.9
Long-term	25,744.3	12,003.0	689.6	11,313.4	129.2	37,186.9
Short-term	0.0	1,000.0	1,000.0	0.0	0.0	0.0
By Financing Source	3,080,885.0	1,652,091.8	1,265,463.1	386,628.7	21,329.5	3,488,843.2
Bonds Placed in Domestic Markets	2,693,867.6	1,461,828.8	1,088,739.1	373,089.7	12,652.6	3,079,609.9
SAR	110,308.6	115,958.1	104,193.8	11,764.3	3,438.6	125,511.5
Commercial Banks	46,033.1	20,753.0	22,520.6	-1,767.6	91.8	44,357.3
ISSSTE's Law obligations	193,033.0	29.1	25,793.8	-25,764.7	3,039.0	170,307.3
Others	37,642.7	53,522.8	24,215.8	29,307.0	2,107.5	69,057.2

Note: Figures may not add up due to rounding.

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

p_/_ Preliminary figures.

1_/_ Including the federal government, PEDBC's and Development Banks debt.

2_/_ Includes the balance, denominated in pesos, of the General Account of the Federal Treasury and deposits in the national banking system as well as assets from PEDB's and Developments Banks.

Source: Ministry of Finance and Public Credit.

PUBLIC SECTOR EXTERNAL DEBT, JANUARY-OCTOBER*¹/₁
(Million dollars)

Concept	Outstanding as of December 2010	Indebtedness			Adjustments	Outstanding as of October 2011 ^p / ₁
		Originations	Amort.	Net		
1. Net Debt (3-2)	104,679.1					113,761.2
2. Financial Assets in Foreign Currency²/₁	5,748.9					1,171.2
3. Gross Debt	110,428.0	21,401.1	17,727.4	3,673.7	830.7	114,932.4
By Term	110,428.0	21,401.1	17,727.4	3,673.7	830.7	114,932.4
Long-term	108,088.9	10,178.6	7,260.7	2,917.9	828.5	111,835.3
Short-term	2,339.1	11,222.5	10,466.7	755.8	2.2	3,097.1
By User	110,428.0	21,401.1	17,727.4	3,673.7	830.7	114,932.4
Federal Government	57,187.0	4,780.7	2,530.5	2,250.2	420.6	59,857.8
Long-term	57,187.0	4,780.7	2,530.5	2,250.2	420.6	59,857.8
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
PEDBC's	45,577.3	5,496.3	4,166.7	1,329.6	418.0	47,324.9
Long-term	45,557.3	5,155.9	3,876.0	1,279.9	418.0	47,255.2
Short-term	20.0	340.4	290.7	49.7	0.0	69.7
Development Banks	7,663.7	11,124.1	11,030.2	93.9	-7.9	7,749.7
Long-term	5,344.6	242.0	854.2	-612.2	-10.1	4,722.3
Short-term	2,319.1	10,882.1	10,176.0	706.1	2.2	3,027.4
By Financing Source	110,428.0	21,401.1	17,727.4	3,673.7	830.7	114,932.4
Public Bonds	63,591.1	7,500.0	1,982.4	5,517.6	728.7	69,837.4
IFI's	21,133.6	1,657.6	1,166.6	491.0	-21.9	21,602.7
Bilateral	15,151.0	1,969.5	3,742.2	-1,772.7	164.8	13,543.1
Commercial Banks	10,219.2	9,933.6	10,565.5	-631.9	5.9	9,593.2
Pidiregas	333.1	340.4	270.7	69.7	-46.8	356.0

Note: Figures may not add up due to rounding.

*₁/₁ Figures subject to revisions and methodological changes.

p₁/₁ Preliminary figures.

1₁/₁ Includes the federal government, PEDBC's and Development Banks debt.

2₁/₁ Considers the US Dollar denominated balance of the federal treasury's General Account and other federal government assets in foreign currency, as well as other held by PEDBC's and Development Banks.

Source: Ministry of Finance and Public Credit.

--- 0 ---