

Mexico City, August 30th, 2017

Public Finances and Public Debt as of July 2017

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

- During the January-July period of 2017, budgetary revenues increased in 7.2 percent in real terms compared to the same period in 2016, and were higher than the amount expected in the program by Ps. 515.5 billion if Banco de México's Operating Surplus (BMOS) of Ps. 321.7 billion is included. Excluding BMOS, revenues increased in 5.2 percent in real terms and were higher than the expected in the program by 193.9 billion.
- Total net budgetary expenditures were 2.7 percent lower in real terms relative to the same period in 2016, and Ps. 58.5 billion lower than the amount expected in the program if the transfers to purchase financial assets using the BMOS resources are excluded. These Ps. 95.5 billion transfers improve the Federal Government financial position but increase expenditures, when considering them total net expenditures were lower in 1.9 percent in real terms compared to the January-July period of 2016, and were Ps. 37.2 billion higher with respect to the program.
- Public Sector Borrowing Requirements (PSBRs), the broadest measure of fiscal balance, registered a Ps. 146 billion surplus, presenting an improvement of Ps. 246.7 billion compared to the deficit observed during the same period in 2016. This result is in line with the objective of achieving a deficit of 1.4 percent of GDP when considering the BMOS, and achieving a deficit of 2.9 percent of GDP if excluding the BMOS at the end of 2017.
- As of July 2017, the evolution of public debt is consistent with the objective of decreasing the Historical Balance of the Public Sector Borrowing Requirements (HBPSBR), from 50.1¹ percent of GDP in 2016 to 48.0 percent of GDP at the end of 2017, when considering BMOS of approximately 1.5 percent of GDP. Excluding BMOS, the HBPSBR estimate will decrease to 49.5 percent of GDP.

Today, the Ministry of Finance delivered to the Congress the Information of Public Finances and Public Debt for the January-July period of 2017, in compliance with the provisions of Article 107 of the Federal Budget and Fiscal Responsibility Law (LFPRH). The reports have also been made available to the public through the website of the Ministry. The main aspects of these reports are presented below.

Recent developments in public finances

As of July 2017, the Public Sector Borrowing Requirements (PSBRs) registered a surplus of Ps. 146.9 billion, an improvement of Ps. 246.7 billion compared to the deficit in the same period of 2016. This result reflects the fiscal consolidation efforts included in the economic program for the current year, the evolution of tax revenues, and Banco de México's Operating Surplus (BMOS).

¹ The 2016 HBPSBR as percentage of GDP was updated from 50.2 percent (published in April, 2017), to 50.1 percent, due to the National Institute of Statistics and Geography's (INEGI) revision of the year's nominal GDP in May.

The cumulative public sector balance registered a Ps. 119.3 billion surplus, which compares favorably both with the Ps. 157.2 billion deficit registered during the same period in the previous year, and respect to the expected deficit for the period of Ps. 378.7 billion.

Primary balance stood at Ps. 431.3 billion, 3.3 times larger than the Ps. 129.1 billion surplus registered in 2016, and which contrasts favorably with the expected deficit for the period of Ps. 42.2 billion. This result is consistent with the objective of achieving the first primary surplus since 2008.

Public balance that excludes investments of high economic and social impact, registered a surplus of Ps. 321.9 billion during the January-July period of 2017. This surplus is higher in Ps. 465.4 billion than the one expected for the period.

Public sector budgetary revenues

During the January-July period of 2017, Public Sector's budgetary revenues stood at Ps. 3.07 trillion, and were Ps. 515.5 billion higher than expected². Within, oil revenues were higher by Ps. 39.0 billion, tax revenues were higher by Ps. 81.1 billion, revenues from entities different from Pemex were higher by Ps. 29.6 billion, and non-tax revenues were higher by Ps. 365.8 billion (Ps. 321.7 billion correspond to the BMOS).

Compared to the January-July period in 2016, budgetary revenues were 7.2 percent higher in real terms, and 5.2 percent higher if excluding BMOS in both years. The evolution of the main components of these revenues was as follows:

- Oil revenues stood at Ps. 491.5 billion and were 20.4 percent higher in real terms relative to the same period in the previous year. This gain is mainly explained by a 41.2 percent increase in the average export price of the Mexican oil mix (30.7 dollars per barrel -dpb- in 2016 versus 43.4 dbp in 2017), a higher price of natural gas which increased in 50.8 percent, and a 3.7 percent depreciation of the exchange rate adjusted by inflation³. However, this effect was partially offset by an 8.8 percent decrease in oil production (2,213 thousand barrels daily -kbd- in 2016 versus 2,018 kbd in 2017).
- CFE revenues amounted to Ps. 202.3 billion and were 17.6 percent higher in real terms compared to those in the previous year. This is mainly explained by the economic performance and the evolution of electricity rates.
- Non-oil tax revenues amounted to Ps. 1.73 trillion and were 0.5 percent higher in real terms with respect to the same period of 2016. If excluding fuel excise tax (IEPS), tax collection increased by 3.7 percent in real terms. Within tax revenues, there was a 4.6 percent increase in real terms of the income tax system, a 1.3 percent increase of value-added tax (VAT), and a 5.6 percent increase in fuel excise tax (IEPS).
- IMSS and ISSSTE revenues added to Ps. 205.3 billion. This amount was 3.3 percent higher in real terms compared to the ones in 2016 due to larger social security contributions and financial products.
- Federal Government non-tax revenues amounted to Ps. 445.7 billion. These revenues were higher than the ones in the previous year by 21.1 percent in real terms due to larger contributions of duties and exploitation rights. Excluding the BMOS in both years, a growth of 7.5 percent in real terms is observed compared to the same period in 2016.

² Corresponds to the Agreement that displays the monthly calendar of revenue forecast contained in Article 1 of the 2017 Federal Revenues Law and based on the methodology used to make such forecast, published on December, 7 of 2016 in the Federal Official Gazette (DOF).

³ For Pemex sales, the effective exchange rate corresponds to the one-month lagged exchange rate, that is, the average exchange rate from December 2015 to June 2016 vs the average exchange rate from December 2016 to June 2017.

Public sector net budgetary expenditures

During January-July of 2017, net budgetary expenditures stood at Ps. 2.97 trillion, and were Ps 37.2 billion higher than the expected in the program⁴. As of July, the Federal Government has registered as expenditure the acquisition of financial assets by Ps 95.5 billion, which come from the 30 percent share of the BMOS, as per the Article 19 of the Federal Budget and Fiscal Responsibility Law. These expenditures have been registered as follows: a Ps 80.0 billion transfer to the Budgetary Revenues Stabilization Fund (FEIP), a Ps. 13.6 billion transfer to the Protection against Catastrophic Expenditures Fund (FPGC) of the Social Security Protection System Trust, and a Ps. 1.9 billion contribution to international organizations where Mexico is member⁵. If this non-recurrent operation is excluded, net budgetary expenditure is Ps. 58.4 billion lower compared to the expected for the period.

Excluding these transfers, programmable expenditures were lower by Ps. 68.8 billion, of which Ps. 39.2 billion correspond to Pemex, Ps. 37.7 billion to the Central Public Administration, and Ps. 15.6 billion to IMSS and ISSSTE. On the other hand, non-programmable expenditures increased by Ps. 10.4 billion due to higher payment of Ps. 28.2 billion in non-earmarked transfers, which is explained by the good dynamics of federal tax collection.

Relative to the January-July period of 2016, net paid expenditures, primary expenditures and programmable expenditures were lower in 1.9, 3.5 and 5.9 percent in real terms for each case. During this period, it is worth noting the following:

- Total net expenditures excluding financial investments, pensions, non-earmarked transfers and financial cost decreased 7.6 percent in real terms. Current structural expenditures were lower by 5.1 percent in real terms. Both indicators reveal the efforts regarding public expenditure containment.
- Subsidies, transfers and non-earmarked transfers were 14.9 percent lower in real terms.
- Physical investment decreased by 23.8 percent in real terms.
- Pensions and retirement payments increased 3.6 percent in real terms.
- Operating expenditures increased by 3.2 percent in real terms, mainly due to CFE's higher operating costs due to an increase in the price of fuels for power generation
- Non-earmarked transfers to the states increased by 8.5 percent in real terms, mainly due to the favorable evolution of tax collection.
- Financial cost of debt increased in 13.4 percent in real terms.

⁴ Corresponds to the Authorized Budget Calendar for 2017 Fiscal Year, published on December 14, 2016 in the Federal Official Gazette (DOF).

⁵ The Reports on the Economic Activity, Public Finances and Public Debt for the second quarter of 2017 mentioned that in July, Ps. 2.9 billion were transferred as contributions to international organizations; the amount exercised at July 31 was Ps. 1.9 billion, remaining Ps. 1.0 billion of contributions to international financial organizations in the following months.

Public Debt Balance

At the end of July 2017, the Federal Government's net debt balance stood at Ps. 6.95 trillion, compared to the balance of Ps. 7.193 trillion at the end of 2016. Within, the Federal Government net domestic debt was Ps. 5.364 trillion, while the external debt stood at USD 89.9 billion (equivalent to Ps. 1.589 trillion).

At the end of July 2017, the Federal Public Sector net debt balance (Federal Government, State Productive Enterprises, and development banks) stood at Ps. 9.29 trillion, compared to the Ps. 9.69 trillion balance registered at the end of 2016. The Federal Public Sector's net domestic debt balance stood at Ps. 5.97 trillion, while the Federal Public Sector's external debt was of USD 188.3 billion (equivalent to Ps. 3.33 trillion).

Finally, the Historical Balance of the Public Sector Borrowing Requirements (HBPSBR), the broadest measure of public debt, amounted to Ps. 9.27 trillion, while the balance observed at the end of 2016 amounted Ps. 9.79 trillion. The domestic component of the HBPSBR stood at Ps 6.017 trillion, while the external one amounted to USD 183.8 billion (equivalent to Ps. 3.25 trillion).

These levels are consistent with the borrowing ceilings approved by the Congress for 2017, and also with the forecast of a reduction in the level of public debt to GDP ratio from 50.1 percent at the end of 2016 to 49.5 percent at the end of 2017 without considering the BMOS. In line with this number, a 48.0 percent level is estimated at the end of 2017 when the BMOS is considered.

Recent developments regarding the use of the Banco de Mexico's Operating Surplus

As reported on previous releases, on March 28, 2017, Banco de Mexico delivered Ps. 321.653 billion to the Federal Treasury corresponding to its operating surplus of approximately 1.5 percent of GDP. According to the provisions of the Federal Fiscal Responsibility Law, the Federal Government may use at least 70 percent of these resources, equivalent to Ps. 225.157 billion, for public debt amortization or to reduce the financing needs for the current year. The remaining 30.0 percent will be used to strengthen the Budgetary Revenues Stabilization Fund (FEIP) and to increase assets that strengthen the financial position of the Federal Government.

As mentioned in the March 2017 press release published by the Ministry of Finance and Public Credit⁶, the strategy for the use of the BMOS in 2017 aims to increase the efficiency of the debt portfolio, continuing the improvement of the maturities profile, and strengthening the financial position of the Federal Government.

⁶ Press Release number 058. <https://www.gob.mx/shcp/prensa/comunicado-no-058-la-secretaria-de-hacienda-y-credito-publico-anuncia-la-recepcion-del-remanente-de-operacion-2016-del-banco-de-mexico> (only available in Spanish).

As of now, the following actions have been taken related to the 70.0 percent of BMOS:

Banco de Mexico's Operating Surplus used to reduce the Federal Government indebtedness	Amount (million pesos)
Total resources (70 percent of the BMOS)	225,157
Buy-back operation of May 25	-40,000
Reduction in Placement Program as of the 3Q 2017	-5,620
No External Indebtedness in 2017	-74,480
Available resources to reduce Federal Government indebtedness in 2017	105,057

The Ministry of Finance will continue analyzing the conditions in the financial markets to use the remaining resources corresponding to 70 percent share of the BMOS, equivalent to Ps. 105.057 billion, in order to reduce Federal Government indebtedness in 2017.

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

ANNEX 1

SUMMARY OF INDICATORS ON THE DEVELOPMENTS IN PUBLIC FINANCES (Million pesos)

Concept	January-July		Growth % real	Annual			Progress % with respect to:		
	2016 ^{p./}	2017 ^{p./}		2016	2017		2016	2017	
					Program ^{1./}	Estimated ^{2.-}		Program ^{1./}	Estimated ^{2./}
1. Budgetary revenues ^{3./}	2,711.5	3,071.3	7.2	4,845.5	4,360.9	4,832.8	56.0	70.4	63.6
2. Tax revenues	1,625.8	1,726.4	0.5	2,716.0	2,739.4	2,769.4	59.9	63.0	62.3
3. Tax revenues without fuels excise tax (IEPS)	1,454.7	1,594.7	3.7	2,438.7	2,454.9	2,551.6	59.6	65.0	62.5
4. Total net expenditure without outlays on financial investments, pension payments, transfers and financial cost	1,700.6	1,660.4	-7.6	3,078.6	2,803.2	2,921.4	55.2	59.2	56.8
5. Total net expenditure without outlays on financial investments, pension payments and transfers	1,966.7	1,979.3	-4.8	3,551.6	3,375.7	3,498.5	55.4	58.6	56.6
6. Total net expenditure without outlays on financial investments	2,752.6	2,861.1	-1.6	4,893.9	4,838.4	4,988.6	56.2	59.1	57.4
7. Net total expenditure ^{3./}	2,866.6	2,971.9	-1.9	5,347.8	4,855.8	5,102.5	53.6	61.2	58.2
8. Current structural expenditure	1,208.3	1,212.2	-5.1	2,227.4	2,061.3	2,373.2	54.2	58.8	51.1
9. Primary balance	129.1	431.3	216.2	-25.0	78.2	307.9	-516.6	551.6	140.1
10. PSBR	-99.8	146.9	n.s.	-556.6	-596.7	-296.9	17.9	-24.6	-49.5
11. HBPSBR	8,884.6	9,268.5	-1.3	9,797.4	10,197.7	10,170.5	90.7	90.9	91.1
12. Public debt	8,763.2	9,298.5	0.4	9,693.2	9,828.9	10,183.9	90.4	94.6	91.3

Note: Figures may not add up due to rounding.

p./ Preliminary figures.

n.s.: not significant: -o-: Greater than 500 percent.

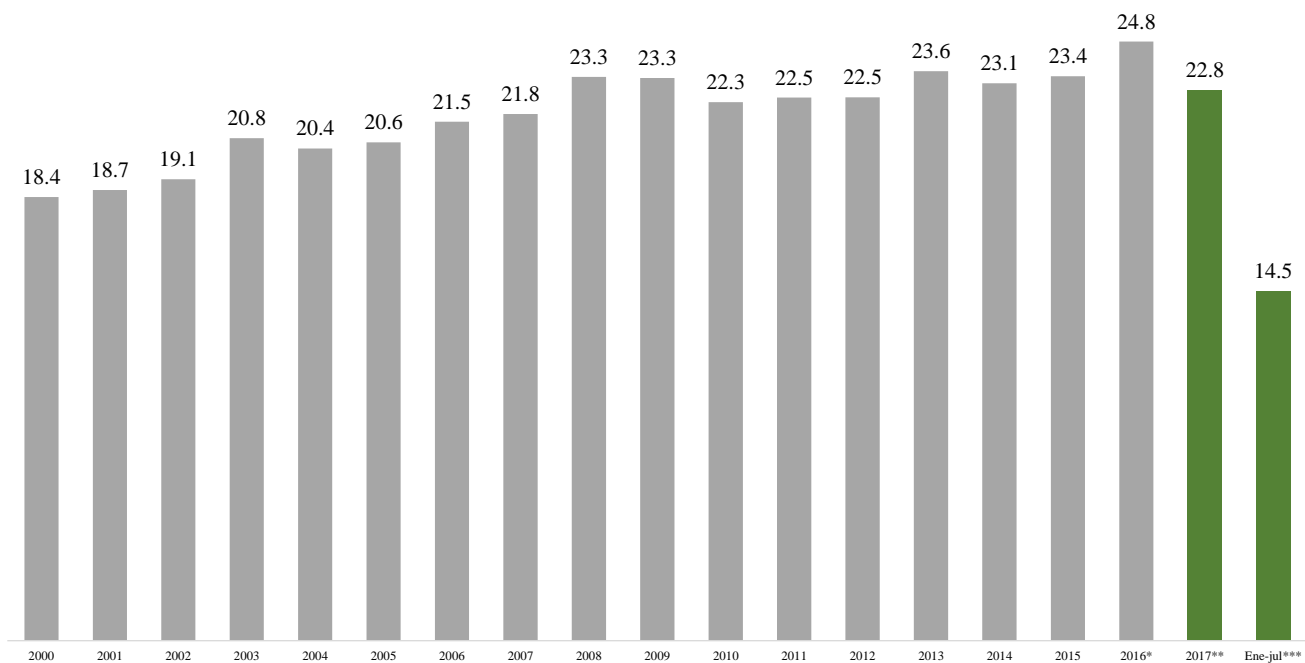
1./ Corresponds to the Federal Law on Income and Budget of Expenditures for the fiscal year 2017 approved by Congress.

2./ Corresponds to the revision presented in the Reports on Economic Activity, Public Finances and Public Debt for the Second Quarter of 2017.

3./ The 2016 annual data includes resources for the support of the Federal Government for pension payments of Pemex and CFE via non-earmarked transfers' contribution of 134,230.6 and 161,080.2 Million pesos, respectively.

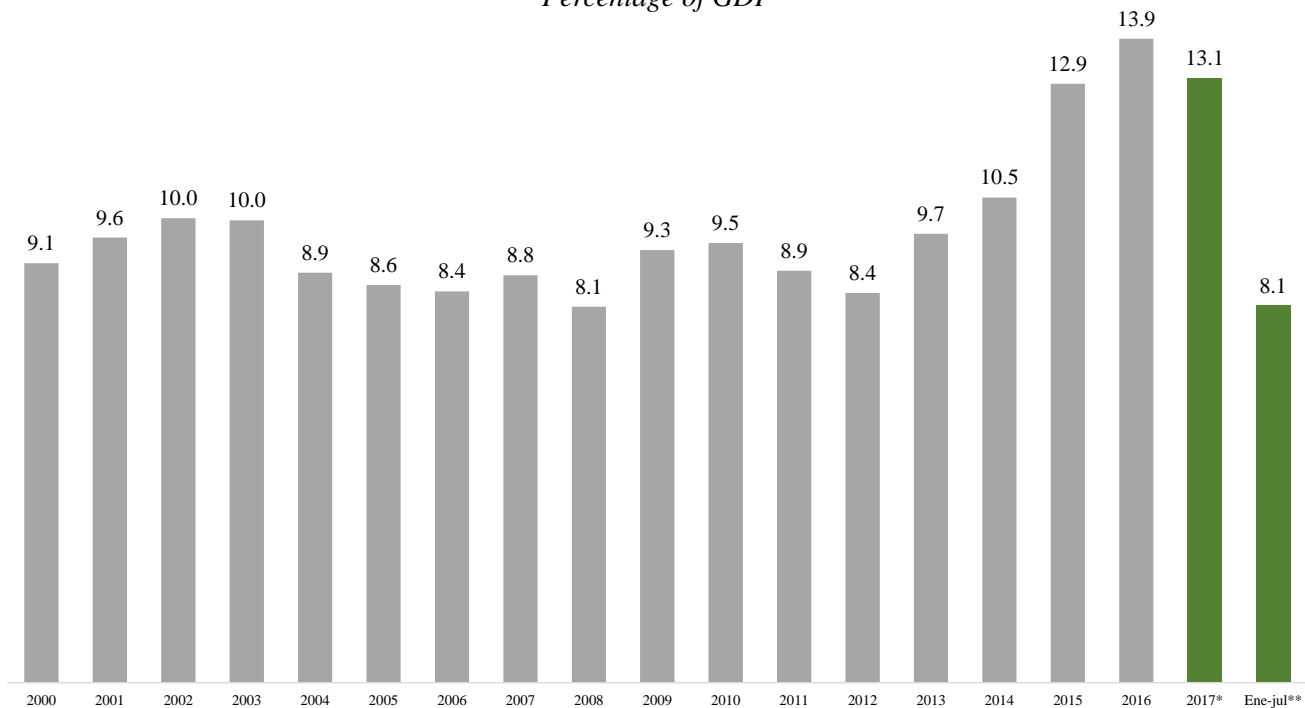
Source: Ministry of Finance.

Budgetary Revenues Percentage of GDP



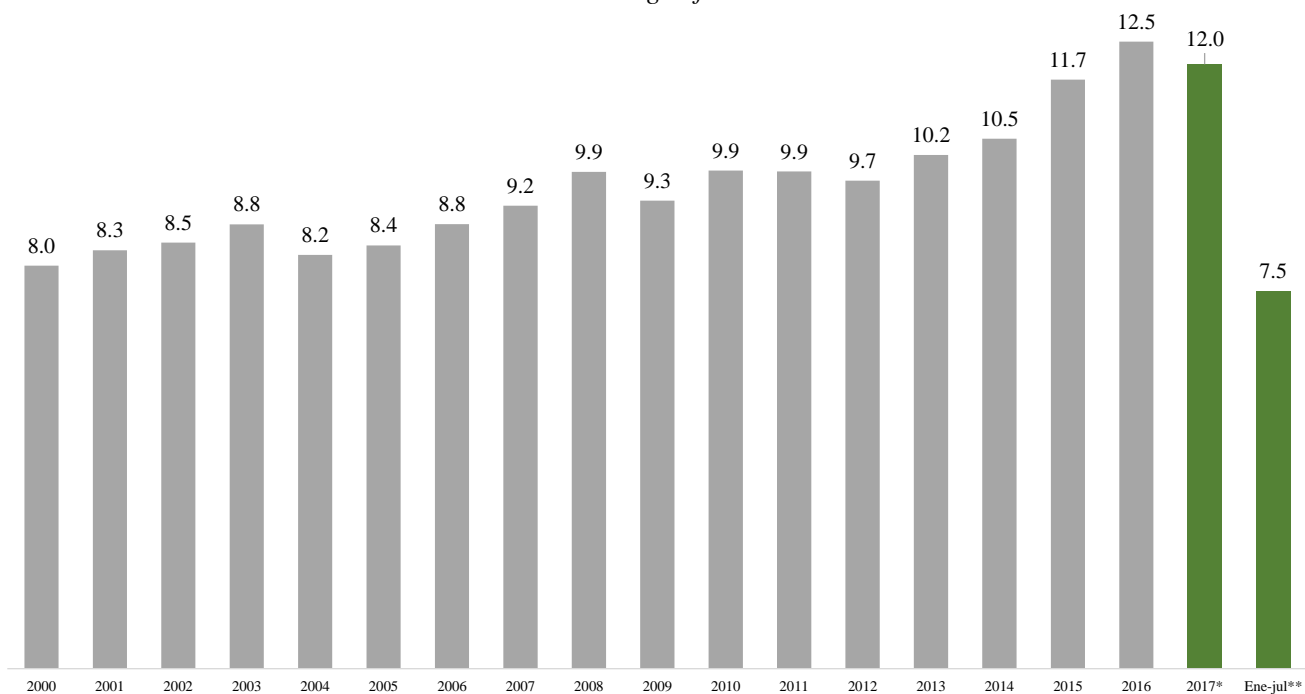
*/ Including the resources from the Federation given to Pemex and CFE equivalent to 1.5% of GDP.
 **/ Estimated.
 ***/ Proportional to annual GDP.
 Source: Ministry of Finance.

Tax Revenues Percentage of GDP



*/ Estimated.
 **/ Proportional to annual GDP.
 Source: Ministry of Finance.

Tax revenues excluding fuels excise tax (IEPS)
Percentage of GDP

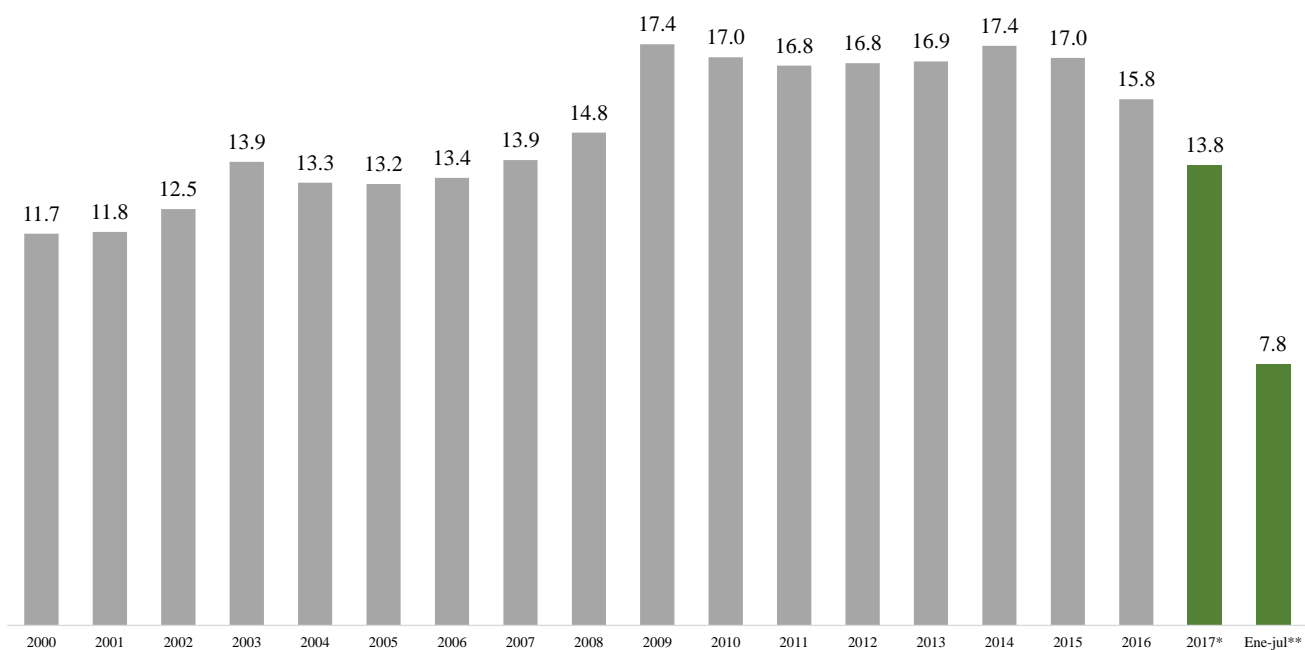


*/ Estimated.

**/ Proportional to annual GDP.

Source: Ministry of Finance.

Total net expenditure without outlays on financial investments, pension payments and non-earmarked transfers and financial cost
Percentage of GDP



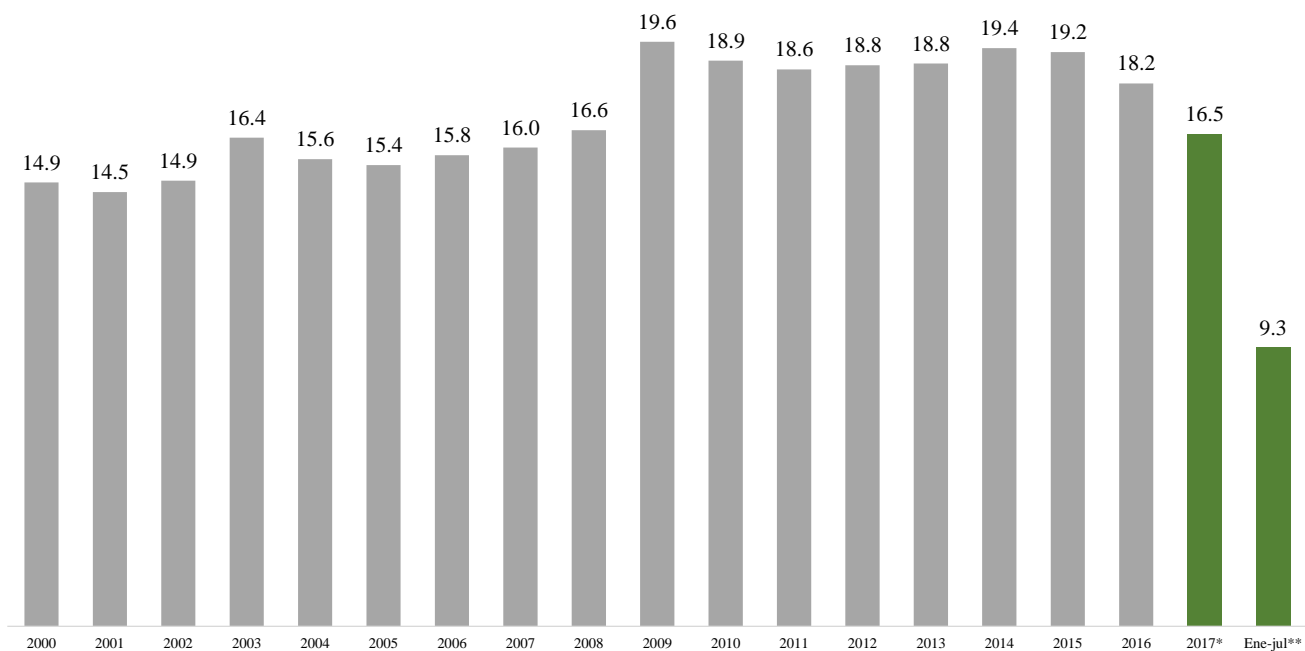
*/ Estimated.

**/ Proportional to annual GDP.

Source: Ministry of Finance.

Total net expenditure without outlays on financial investments, pension payments and non-earmarked transfers

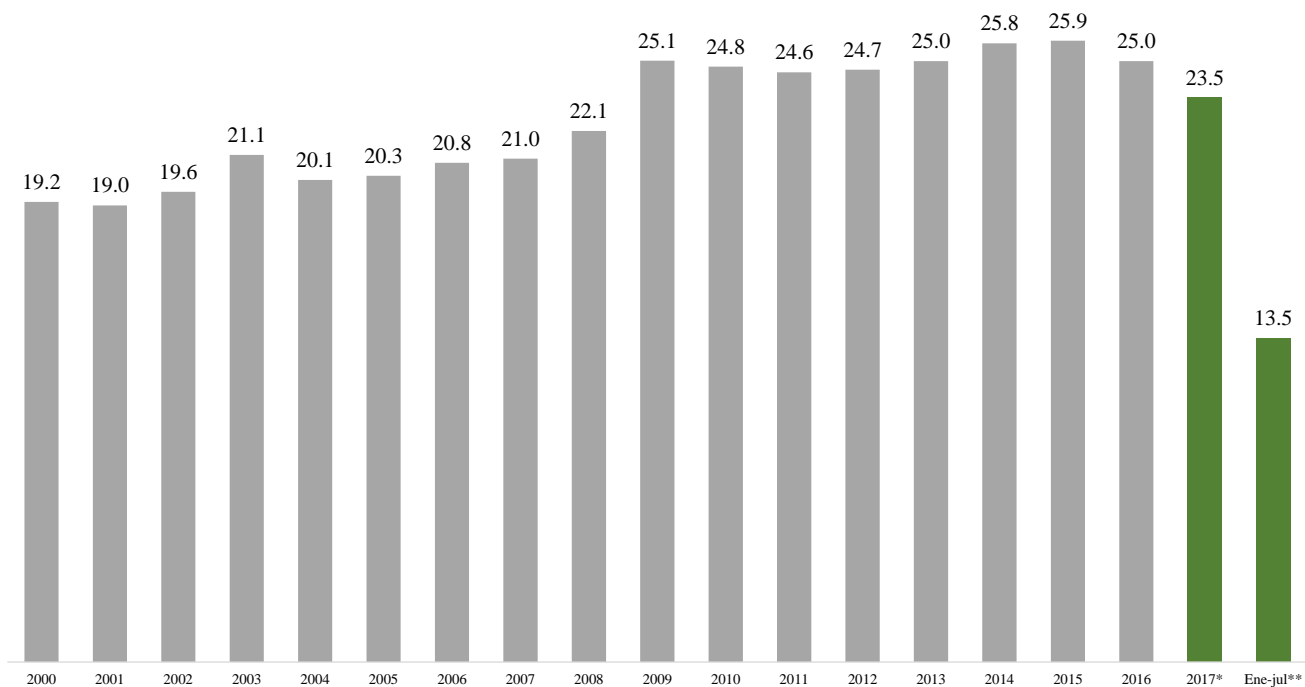
Percentage of GDP



*/ Estimated.
 **/ Proportional to annual GDP.
 Source: Ministry of Finance.

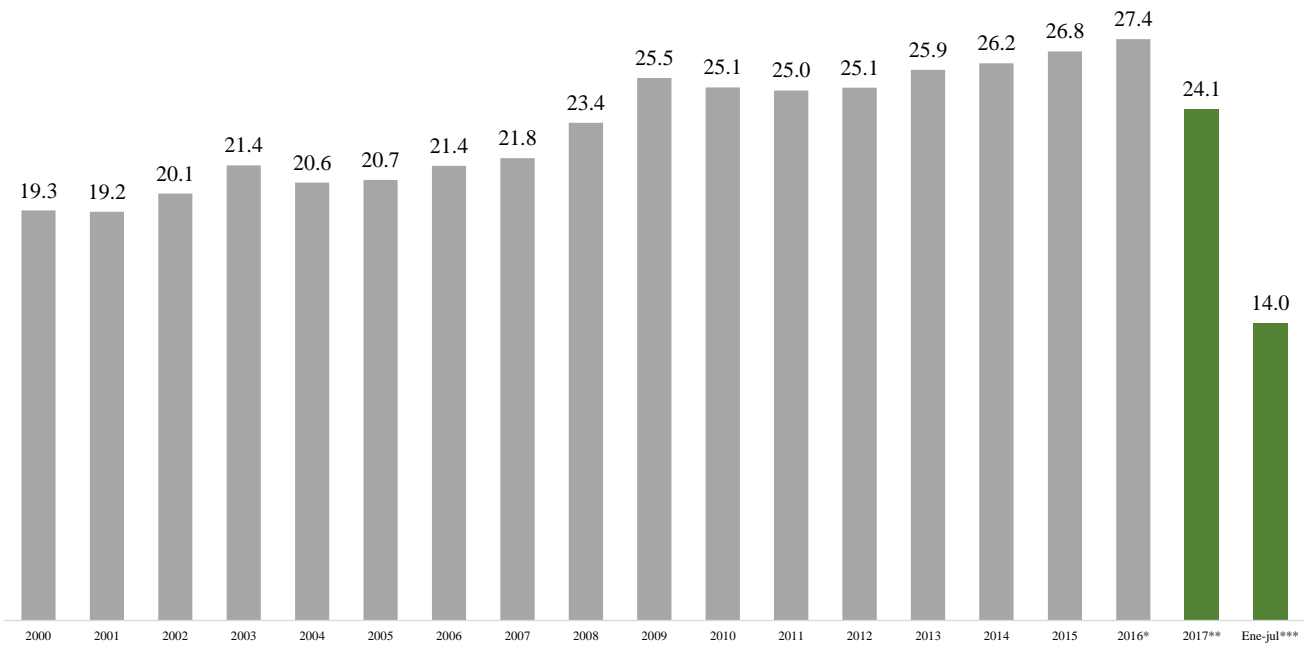
Total net expenditure without outlays on financial investments

Percentage of GDP



*/ Estimated.
 **/ Proportional to annual GDP.
 Source: Ministry of Finance.

Net total expenditure
Percentage of GDP



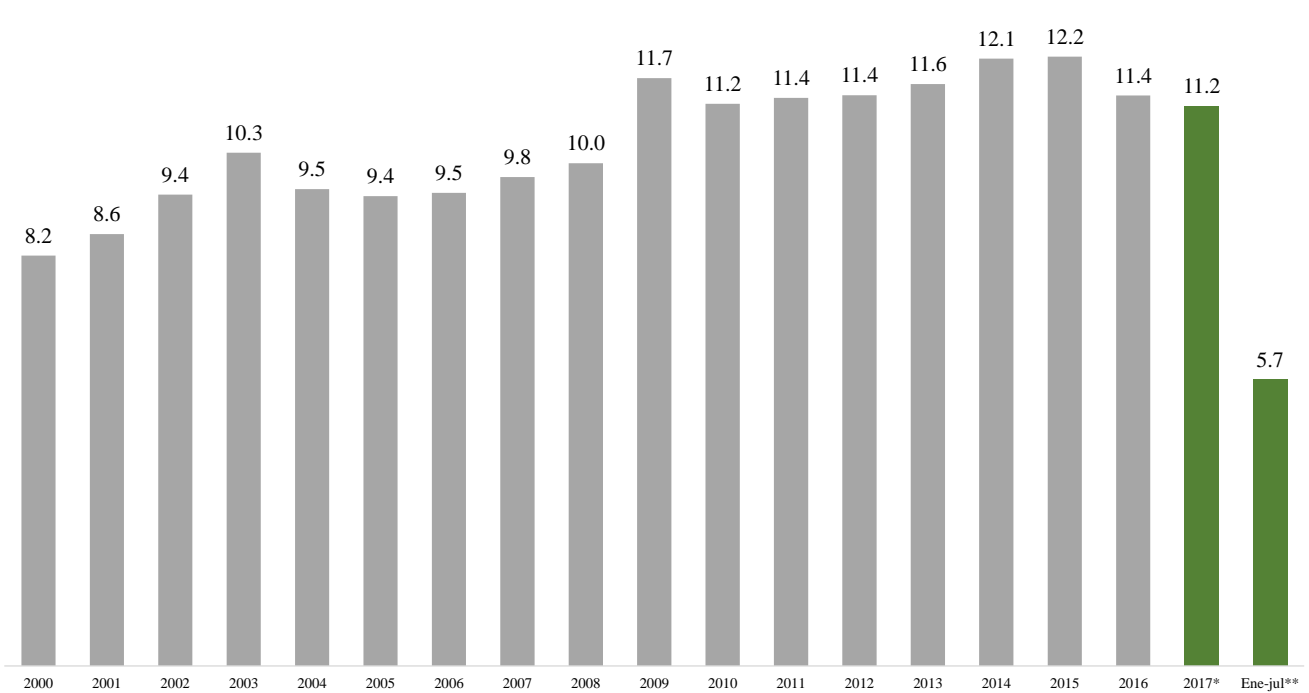
*/ Including the resources from the Federation given to Pemex and CFE equivalent to 1.5% of GDP.

**/ Includes the use up to 30% of BMOS, registered in accounting as a expenditure, representing a saving in terms of economy, and upgrading in federation financial position.

***/ Proportional to annual GDP.

Source: Ministry of Finance.

Current Structural expenditure
Percentage of GDP

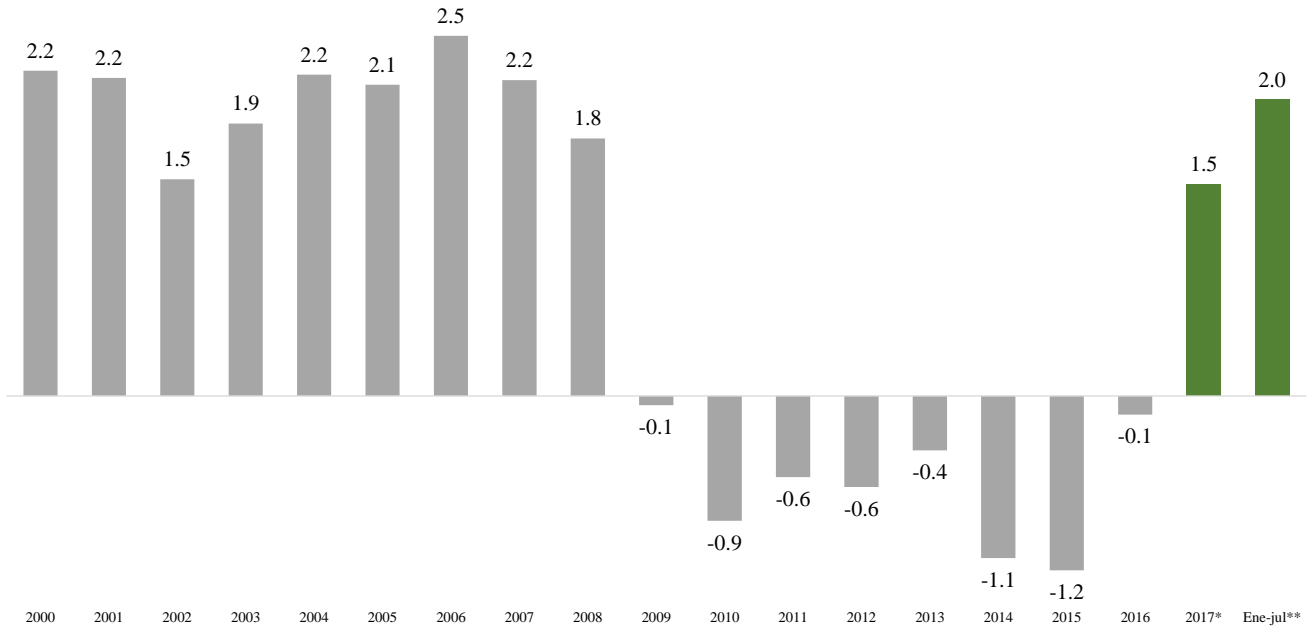


*/ Estimated.

**/ Proportional to annual GDP.

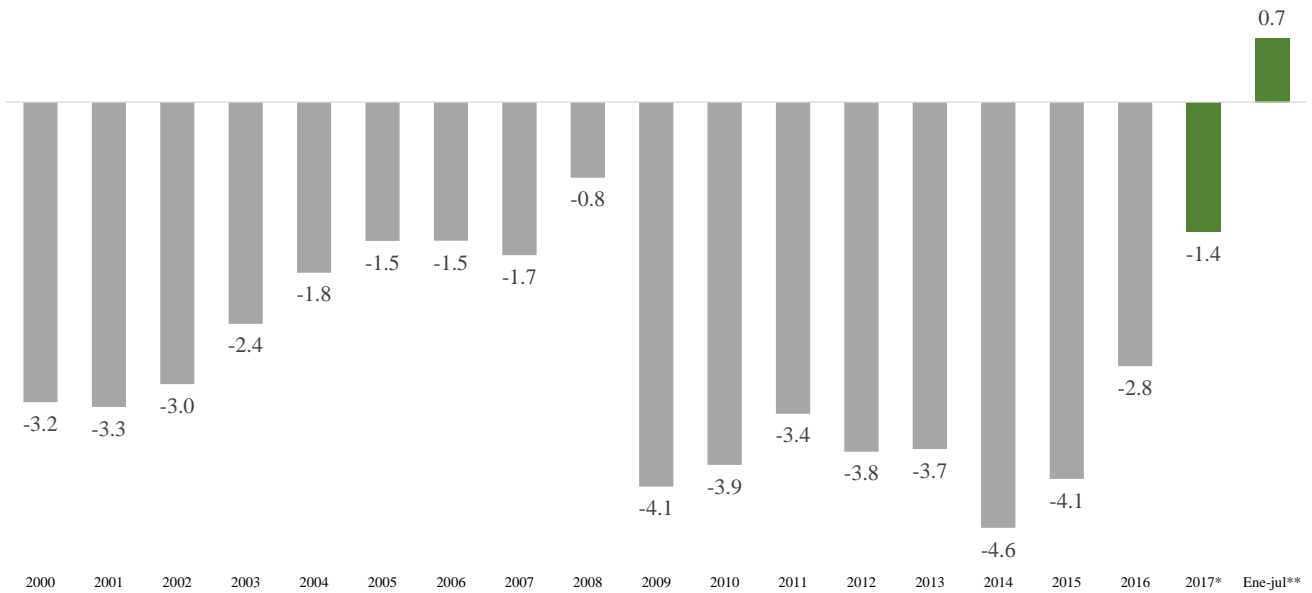
Source: Ministry of Finance.

Primary balance
Percentage of GDP



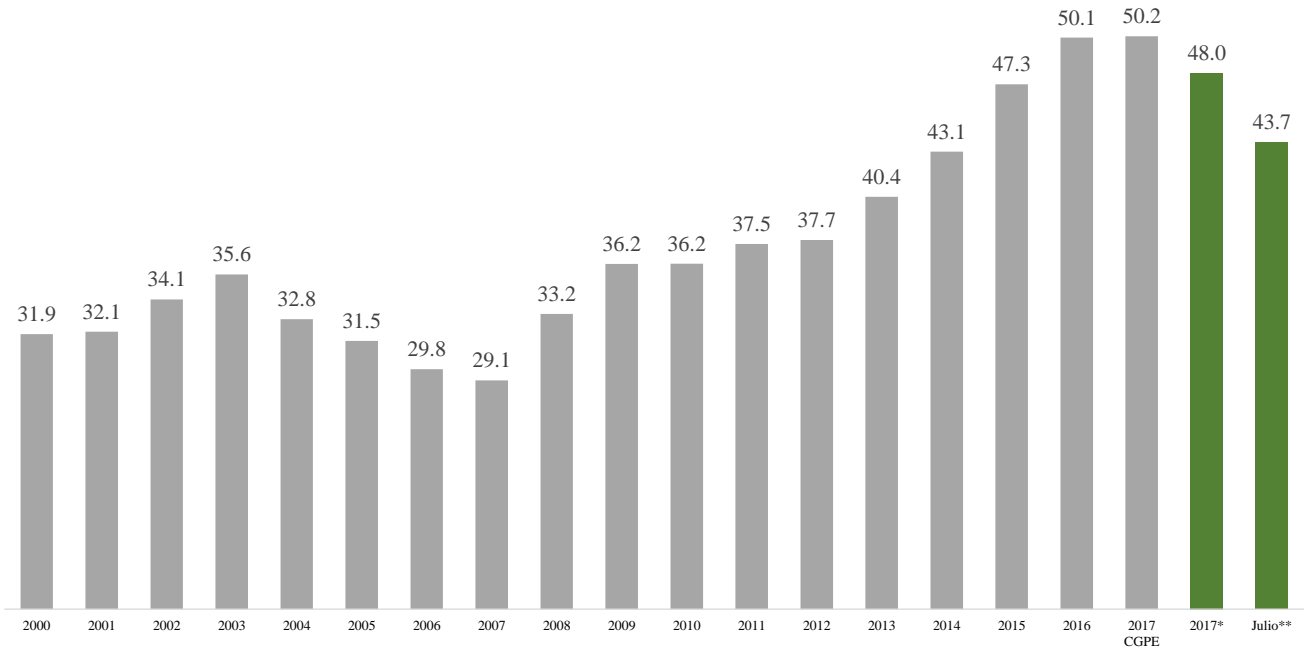
*/ Estimated.
 **/ Proportional to annual GDP.
 Source: Ministry of Finance.

PSBR
Percentage of GDP



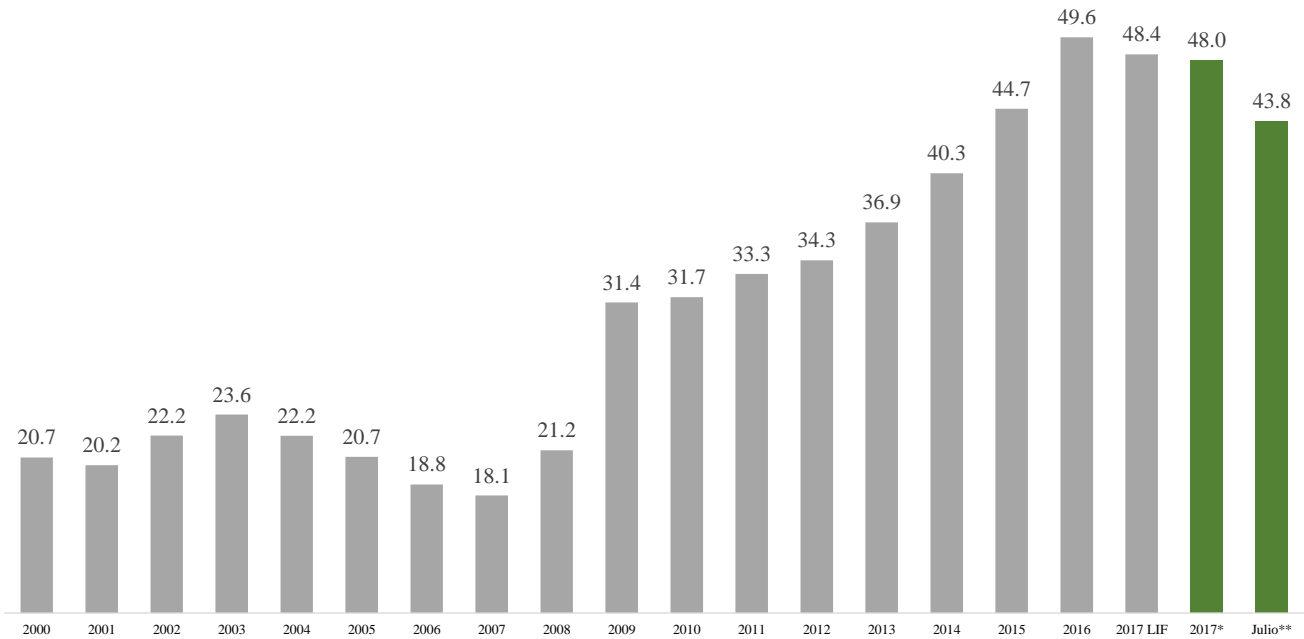
*/ Estimated.
 **/ Proportional to annual GDP.
 Source: Ministry of Finance.

HBPSBR
Percentage of GDP



*/ Estimated.
 **/ Proportional to annual GDP.
 Source: Ministry of Finance.

Public debt
Percentage of GDP



*/ Estimated.
 **/ Proportional to annual GDP.
 Source: Ministry of Finance.

PUBLIC SECTOR BALANCE

(Million pesos)

Concept	January-July			Nominal Difference	Growth% real
	2017				
	2016 ^{p_/}	Program ^{1_/}	Observed ^{1_/}		
(1)	(2)	(3)	(3-2)	(3/1)	
PUBLIC BALANCE	-157,177.4	-378,668.0	119,289.6	497,957.6	n.s.
<i>PUBLIC BALANCE EXCLUDING PRODUCTIVE INVESTMENT</i> ^{2_/}	141,966.7	-143,488.9	321,945.4	465,434.3	114.6
I. Budgetary Balance	-155,103.2	-378,968.0	99,383.2	478,351.2	n.s.
a) Budgetary Revenue	2,711,465.5	2,555,736.1	3,071,264.4	515,528.3	7.2
Oil ^{3_/}	386,482.3	452,557.6	491,510.6	38,953.1	20.4
PEMEX	211,158.8	226,876.6	226,177.2	-699.4	1.4
Federal Government	175,323.5	225,681.0	265,333.4	39,652.4	43.2
Non-oil	2,324,983.1	2,103,178.5	2,579,753.7	476,575.2	5.0
Federal Government	1,974,104.4	1,725,190.6	2,172,146.6	446,956.0	4.1
Tax	1,625,757.8	1,645,289.6	1,726,416.1	81,126.5	0.5
Non-tax	348,346.6	79,901.0	445,730.5	365,829.5	21.1
PEDBC	350,878.7	377,987.9	407,607.2	29,619.2	9.9
b) Net Budgetary Expenditures	2,866,568.7	2,934,704.1	2,971,881.1	37,177.1	-1.9
Programmable	2,165,580.3	2,126,542.6	2,153,322.9	26,780.3	-5.9
Non-programmable	700,988.4	808,161.4	818,558.2	10,396.8	10.5
II. PEIBC	-2,074.2	300.0	19,906.4	19,606.4	n.s.
PRIMARY BALANCE	129,070.5	-42,166.8	431,277.7	473,444.4	216.2

Note: Figures may not add up due to rounding.

p_/ Preliminary figures.

n.s.: not significant.

1_/ Corresponds to the calendars of Law on Income and Expenditure Budget for fiscal year 2017 approved by the Congress and published in the Federal Official Gazette on December 7 and December 14 of 2016 respectively.

2_/ Excludes the physical investment of PEMEX, CFE and high impact investments of the Federal Government.

3_/ Includes revenues from PEMEX, transfers from the Mexican Oil Fund for Stabilization and Development, the income tax on contractors and assignees for the extraction of hydrocarbons.

Source: Ministry of Finance.

PUBLIC SECTOR BUDGETARY REVENUES

(Million pesos)

Concept	January-July			Nominal Difference (3-2)	Growth% real (3/1)
	2016 ^{p_/}	2017			
		Program ^{1_/}	Observed ^{p_/}		
	(1)	(2)	(3)		
BUDGETARY REVENUES (I+II)	2,711,465.5	2,555,736.1	3,071,264.4	515,528.3	7.2
I. Oil (a+b) ^{2_/}	386,482.3	452,557.6	491,510.6	38,953.1	20.4
a) PEMEX	211,158.8	226,876.6	226,177.2	-699.4	1.4
b) Federal Government	175,323.5	225,681.0	265,333.4	39,652.4	43.2
Mexican Oil Fund	175,105.4	225,681.0	269,488.3	43,807.3	45.6
Income tax from contractors and assignees	218.1	0.0	-4,154.8	-4,154.8	n.s.
Existing rights until 2014	0.0	0.0	0.0	0.0	n.s.
II. Non-oil (c+d+e)	2,324,983.1	2,103,178.5	2,579,753.7	476,575.2	5.0
c) Federal Government	1,974,104.4	1,725,190.6	2,172,146.6	446,956.0	4.1
Tax	1,625,757.8	1,645,289.6	1,726,416.1	81,126.5	0.5
Income Tax	869,131.4	881,679.9	960,693.7	79,013.8	4.6
Value Added Tax	454,253.8	464,289.8	486,012.4	21,722.6	1.3
Excise Tax	252,049.8	250,495.6	222,090.5	-28,405.1	-16.6
Import Tax	27,475.4	25,803.6	28,978.8	3,175.2	-0.2
IAEEH ^{3_/}	2,264.9	2,400.3	2,463.7	63.4	2.9
Other ^{4_/}	20,582.6	20,620.4	26,176.9	5,556.5	20.4
Non-tax	348,346.6	79,901.0	445,730.5	365,829.5	21.1
Duties	40,076.3	32,692.9	46,056.3	13,363.4	8.8
Fees	303,308.4	43,426.6	395,196.1	351,769.5	23.3
Other	4,961.9	3,781.5	4,478.1	696.6	-14.6
d) PEDBC ^{5_/}	188,122.7	196,019.8	205,332.6	9,312.7	3.3
IMSS	161,088.5	168,187.8	177,077.5	8,889.7	4.0
ISSSTE	27,034.2	27,832.0	28,255.1	423.1	-1.1
e) State Productive Enterprise (CFE)	162,756.0	181,968.1	202,274.6	20,306.5	17.6
Memorandum items					
Total tax-related	1,625,975.9	1,645,289.6	1,722,261.3	76,971.7	0.2
Total non-tax related	1,085,489.6	910,446.5	1,349,003.1	438,556.6	17.6

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

p_/ Preliminary figures.

n.s.: not significant.

1_/ Corresponds to the calendar of the Law on Revenue for fiscal year 2017 approved by the Congress and published in the Federal Official Gazette on December 7, 2016.

2_/ Includes revenues from PEMEX, transfers from the Mexican Oil Fund for Stabilization and Development, the income tax on contractors and assignees for the extraction of hydrocarbons.

3_/ Tax on hydrocarbons exploration and extraction activities (Impuesto por la actividad de exploración y extracción de hidrocarburos in Spanish).

4_/ Includes taxes on new vehicles, exports, petroleum spread, not included in the aforementioned sections and accessories.

5_/ PEDBC: Public Entities under Direct Budgetary Control. Excludes Federal Government's transfers to ISSSTE.

Source: Ministry of Finance.

PUBLIC SECTOR BUDGETARY NET EXPENDITURES

(Million pesos)

Concept	January-July			Nominal Difference (3-2)	Growth% real (3/1)
	2016 ^{p./} (1)	2017			
		Program ^{1./} (2)	Observed ^{p./} (3)		
TOTAL (I+II)	2,866,568.7	2,934,704.1	2,971,881.1	37,177.1	-1.9
I. Primary expenditures	2,600,477.8	2,598,194.1	2,652,965.6	54,771.5	-3.5
Programmable	2,165,580.3	2,126,542.6	2,153,322.9	26,780.3	-5.9
Autonomous Branches	47,588.4	66,782.4	51,179.3	-15,603.1	1.8
Administrative Branches	687,817.1	605,114.4	614,143.1	9,028.6	-15.5
General Branches	880,573.1	897,103.7	945,849.0	48,745.3	1.7
PEDBC ^{2./}	431,526.9	492,267.2	476,654.3	-15,612.8	4.5
IMSS	287,767.4	326,941.7	315,246.3	-11,695.5	3.7
ISSSTE	143,759.4	165,325.4	161,408.1	-3,917.3	6.3
State Productive Enterprises	455,199.8	451,739.2	439,766.6	-11,972.6	-8.6
PEMEX	291,007.5	267,060.6	227,888.0	-39,172.6	-25.9
CFE	164,192.3	184,678.6	211,878.7	27,200.0	22.1
(-) Compensated operations ^{3./}	337,125.0	386,464.2	374,269.4	-12,194.8	5.1
Non-programmable	434,897.5	471,651.4	499,642.6	27,991.2	8.7
Non-earmarked transfers	415,534.0	448,275.7	476,504.1	28,228.4	8.5
Adefas and other	19,363.6	23,375.7	23,138.5	-237.2	13.1
II. Financial Cost ^{4./}	266,090.9	336,510.0	318,915.6	-17,594.4	13.4

Note: Partial sums and variations may not add up due the rounding.

p./ Preliminary figures.

1./ Corresponds to the calendars of the Law on Revenue for fiscal year 2017 approved by the Congress and published in the Federal Official Gazette on December 14, 2016.

2./ PEDBC: Public Entities under direct budgetary control.

3./ Refers to transactions that represents a revenue for social security institutions and an expenditure for the Federal Government, which are eliminated to avoid double accounting of revenues and expenditure.

4./ Includes interests, commissions and other public debt expenditures, as well as expenditures for financial restructuring and to support bank savers and debtors.

Source: Ministry of Finance.

PUBLIC SECTOR DOMESTIC DEBT, JULY ^{*/}

(Million pesos)

Concept	Outstanding as of December 2016	Indebtedness			Adjustments ^{1/}	Outstanding as of July 2017 ^{p/}
		Originations	Amort.	Net		
1. Net Debt (3-2)	5,396,301.4					5,364,681.7
2. Assets ^{2/}	224,044.0					506,864.1
3. Gross Debt	5,620,345.4	1,787,851.5	1,595,726.8	192,124.7	59,075.7	5,871,545.8
Government Securities	4,915,318.3	1,640,650.2	1,323,423.3	317,226.9	47,786.8	5,280,332.0
Cetes	634,660.9	1,085,494.4	1,052,742.6	32,751.8	0.0	667,412.7
Bondes "D"	397,881.9	69,647.1	19,501.9	50,145.2	0.0	448,027.1
Fixed Rate Bonds	2,652,075.1	373,167.5	251,139.9	122,027.6	1,872.1	2,775,974.8
Udibonos	1,223,498.0	112,341.2	0.0	112,341.2	45,652.2	1,381,491.4
<i>Udibonos udi's</i>	219,996.6	19,668.3	0.0	19,668.3	0.0	239,664.9
Segregated Udibonos	7,202.4	0.0	38.9	-38.9	262.5	7,426.0
<i>Segregated Udibonos udi's</i>	1,295.1	0.0	6.8	-6.8	0.0	1,288.3
Savings Fund S.A.R.	115,163.3	145,000.8	145,517.6	-516.8	4,762.4	119,408.9
Obligations by ISSSTE's Law ^{3/}	147,532.8	61.9	11,279.2	-11,217.3	5,231.6	141,547.1
PEMEX Pension Bonds ^{4/}	137,639.7	0.0	1,512.3	-1,512.3	0.0	136,127.4
CFE Pension Bonds ^{5/}	161,080.2	0.0	0.0	0.0	0.0	161,080.2
Others	143,611.1	2,138.6	113,994.4	-111,855.8	1,294.9	33,050.2

Note: Figures may not add up due to rounding.

^{*} / Figures subject to revisions and methodological changes.

^{p/} Preliminary figures.

^{1/} Corresponds mainly to the inflation adjustment. For Fixed Rate Development Bonds (Bondes "D"), includes adjustments for debt swap transactions.

^{2/} Includes the net balance denominated in Mexican pesos of the Federal Treasury's General Account.

^{3/} Obligations associated with the new ISSSTE law.

^{4/} Obligations associated with the financial support by the Federal Government to PEMEX given the savings in their pension obligations, pursuant to the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of PEMEX and its Subsidiary Productive Enterprises' pension and retirement obligations", published in the Federal Official Gazette on December 24, 2015.

^{5/} Obligations associated with the financial support by the Federal Government to CFE given the savings in their pension obligations, pursuant to the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of the Federal Electricity Commission's pension and retirement obligations", published in the Federal Official Gazette on November 14, 2016.

Source: Ministry of Finance

FEDERAL PUBLIC SECTOR DEBT BALANCES, JULY ^{*_/}

(Million dollars)

Concept	Outstanding as of December 2016	Indebtedness			Adjustments	Outstanding as Of July 2017 ^{p_/}
		Originations	Amort.	Net		
1. Net Debt (3-2)	86,666.0					89,864.8
2. Assets ^{L/}	1,491.0					194.7
3. Gross Debt	88,157.0	4,015.5	4,284.2	-268.7	2,171.2	90,059.5
Public bonds	61,429.3	3,150.4	3,773.7	-623.3	2,045.7	62,851.7
International Financial Institutions (IFI's)	24,853.1	756.2	400.5	355.7	1.3	25,210.1
Bilateral	1,874.6	108.9	110.0	-1.1	124.2	1,997.7

Note: Figures may not add-up due to rounding.

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

p_/ Preliminary figures.

L_/ Considers the net balance denominated in dollars of the General Account of the Treasury of the Federation.

Source: Ministry of Finance

PUBLIC SECTOR DOMESTIC DEBT, JULY ^{*_1_}

(Million pesos)

Concept	Outstanding as of December 2016	Indebtedness			Adjustments	Outstanding as of July 2017 ^{p_}
		Originations	Amort.	Net		
1. Net Debt (3-2)	6,009,403.1					5,967,699.6
2. Assets ^{2_}	172,847.6					439,700.3
3. Gross Debt	6,182,250.7	2,089,267.5	1,929,183.9	160,083.6	65,065.6	6,407,399.9
By Term	6,182,250.7	2,089,267.5	1,929,183.9	160,083.6	65,065.6	6,407,399.9
Long-term	5,552,529.1	858,899.9	614,020.0	244,879.9	65,211.4	5,862,620.4
Short-term	629,721.6	1,230,367.6	1,315,163.9	-84,796.3	-145.8	544,779.5
By User	6,182,250.7	2,089,267.5	1,929,183.9	160,083.6	65,065.6	6,407,399.9
Federal Government	5,620,345.4	1,787,851.5	1,595,726.8	192,124.7	59,075.7	5,871,545.8
Long-term	5,026,440.4	800,989.5	541,282.8	259,706.7	59,075.7	5,345,222.8
Short-term	593,905.0	986,862.0	1,054,444.0	-67,582.0	0.0	526,323.0
State Productive Enterprises	431,176.8	48,663.9	85,294.1	-36,630.2	6,338.6	400,885.2
Long-term	416,176.8	33,500.0	62,992.6	-29,492.6	6,338.6	393,022.8
Short-term	15,000.0	15,163.9	22,301.5	-7,137.6	0.0	7,862.4
Development Banks	130,728.5	252,752.1	248,163.0	4,589.1	-348.7	134,968.9
Long-term	109,911.9	24,410.4	9,744.6	14,665.8	-202.9	124,374.8
Short-term	20,816.6	228,341.7	238,418.4	-10,076.7	-145.8	10,594.1
By Financing Source	6,182,250.7	2,089,267.5	1,929,183.9	160,083.6	65,065.6	6,407,399.9
Bonds Placed in Domestic Markets	5,312,876.2	1,672,941.2	1,340,110.7	332,830.5	49,934.8	5,695,641.5
Savings Fund S.A.R	115,163.3	145,000.8	145,517.6	-516.8	4,762.4	119,408.9
Commercial Banks	142,087.0	36,507.1	85,773.4	-49,266.3	-385.6	92,435.1
ISSSTE's Law obligations ^{3_}	147,532.8	61.9	11,279.2	-11,217.3	5,231.6	141,547.1
PEMEX Pension Bonds ^{4_}	137,639.7	0.0	1,512.3	-1,512.3	0.0	136,127.4
CFE Pension Bonds ^{5_}	161,080.2	0.0	0.0	0.0	0.0	161,080.2
Others	165,871.5	234,756.5	344,990.7	-110,234.2	5,522.4	61,159.7

Note: Figures may not add up due to rounding.

*_ / Figures subject to revisions and methodological changes.

p_ / Preliminary figures.

1_ / Includes Federal Government Debt, state productive enterprises, and development Banks.

2_ / Includes the net balance denominated in national currency of the General Account of the Treasury of the Federation, as well as the availability of productive enterprises of the State and development banks.

3_ / Obligations associated with the new ISSSTE law.

4_ / Obligations associated with the financial support by the Federal Government to Pemex given the savings in their pension obligations, pursuant to the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of Petroleos Mexicanos and its Subsidiary Productive Enterprises' pension and retirement obligations," published in the Federal Official Gazette on December 24, 2015..

5_ / Obligations associated with the financial support by the Federal Government to CFE given the savings in their pension obligations, pursuant to the provisions of the "Agreement on the general provisions concerning the Federal Government's assumption of the Federal Electricity Commission' pension and retirement obligations," published in the Federal Official Gazette on November 14, 2016.

Source: Ministry of Finance.

PUBLIC SECTOR EXTERNAL DEBT, JULY*_{1/}

(Million dollars)

Concept	Outstanding as of December 2016	Indebtedness			Adjustments	Outstanding as of July 2017 _{p/}
		Originations	Amort.	Net		
1. Net Debt (3-2)	177,692.5					188,299.7
2. Financial Assets in Foreign Currency _{2/}	3,293.5					3,231.3
3. Gross Debt	180,986.0	28,662.2	22,205.9	6,456.3	4,088.7	191,531.0
By term	180,986.0	28,662.2	22,205.9	6,456.3	4,088.7	191,531.0
Long-term	177,892.8	18,754.4	11,981.5	6,772.9	4,079.3	188,745.0
Short-term	3,093.2	9,907.8	10,224.4	-316.6	9.4	2,786.0
By user	180,986.0	28,662.2	22,205.9	6,456.3	4,088.7	191,531.0
Federal Government	88,157.0	4,015.5	4,284.2	-268.7	2,171.2	90,059.5
Long-term	88,157.0	4,015.5	4,284.2	-268.7	2,171.2	90,059.5
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
State Productive Enterprises	82,687.8	14,617.2	7,620.9	6,996.3	1,495.8	91,179.9
Long-term	82,687.8	14,422.7	7,540.5	6,882.2	1,495.8	91,065.8
Short-term	0.0	194.5	80.4	114.1	0.0	114.1
Development Banks	10,141.2	10,029.5	10,300.8	-271.3	421.7	10,291.6
Long-term	7,048.0	316.2	156.8	159.4	412.3	7,619.7
Short-term	3,093.2	9,713.3	10,144.0	-430.7	9.4	2,671.9
By Financing Source	180,986.0	28,662.2	22,205.9	6,456.3	4,088.7	191,531.0
Public bonds	136,902.4	12,755.3	6,933.7	5,821.6	3,468.0	146,192.0
International Financial Institutions (IFI's)	28,601.6	864.0	507.7	356.3	393.0	29,350.9
Bilateral	7,279.4	342.3	824.2	-481.9	134.3	6,931.8
Commercial Banks	8,023.0	14,506.1	13,859.9	646.2	71.2	8,740.4
Pidiregas	179.6	194.5	80.4	114.1	22.2	315.9

Note: Figures may not add up due to rounding.

*_{1/} Figures subject to revisions and methodological changes

p_{1/} Preliminary figures.

1_{1/} Includes Federal Government Debt, state productive enterprises, and development Banks.

2_{1/} Considers the net US Dollar denominated balance of the Federal Treasury's General Account and assets held by State Productive Enterprises and Development Banks.

Source: Ministry of Finance.

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