

Mexico City, July 30th, 2014.

REPORT ON ECONOMIC ACTIVITY, PUBLIC FINANCES AND PUBLIC DEBT

ACTIONS AND RESULTS AS OF THE SECOND QUARTER OF 2014

- *During the second quarter of 2014, the Mexican economy continued to strengthen, according to information from the main macroeconomic indicators. Seasonally adjusted figures indicate that in April-May 2014, the GDP proxy (IGAE) registered a bimonthly increase of 0.8%, which is the highest in eighteen months.*
- *In the first half of 2014, total public deficit amounted to Ps. 246.5 billion. Excluding PEMEX's investment, a deficit of Ps. 66.6 billion was observed. These results are consistent with the annual target approved by Congress.*
- *During January-June 2014, excess net budgetary expenditures amounted to Ps. 32.5 billion with respect to the program. This represents 101.5% of the programmed amount for the first half of 2014.*
- *As a result, during the first half of 2014, public expenditure was oriented towards supporting productive activity in the economy and the welfare of the most vulnerable population. Expenditure towards physical investment increased 31.7% in real annual terms. Subsidies, transfers and contributions, which include programs allocated to support the most vulnerable population, increased 20.8% in real terms. In contrast, operation expenditures other than personal services and pensions decreased 5.2% in real annual terms.*
- *In sum, total net expenditure of the budgetary public sector were timely executed and recorded an increase of 9.7% in real terms with respect to the same period of 2013.*
- *Expenditure by administrative branches of the Federal Government increased 19.1% in real terms with respect to the first half of 2013. Within, increases in real terms were observed in Energy, 175.6%; Tourism, 137.6%; Transport and Communications, 75.4%; Conacyt, 61.4%; Ministry of Interior, 45%; Semarnat, 35.8%; Sedatu, 27.9% and Sedesol, 26.6%.*
- *In January-June 2014, budgetary revenues increased 1.7% in real terms, due to a 7.3% increase in non-oil tax revenues in real terms. After adjusting budgetary revenues by the effect of the program for the regularization of tax liabilities "Ponte*

al Corriente”, applied in 2013, tax collections increased by 12.4% in real annual terms in the first half of 2014.

- *At the end of June 2014, the debt of the Federal Public Sector was kept at moderate and stable levels. The net debt of the Public Sector represented 37.3% of GDP, while the Historical Balance of the Public Sector Borrowing Requirements was 40.8% of GDP.*

Today, the Ministry of Finance and Public Credit submitted the Report on Economic Activity, Public Finances and Public Debt as of the Second Quarter of 2014 to Congress, in compliance with Article 107 of the Federal Budget and Fiscal Responsibility Law, which is also available in the Ministry’s website. Within the Report, the following results should be noted.

I. Economic Outlook

The results of the main macroeconomic indicators suggest that during the second quarter of 2014, economic activity and employment in Mexico continued to improve. Also, available information suggests that the economic recovery is strengthening as the year progresses.

Output

The Mexican economy continued to increase its growth pace. The global economy observed moderate signs of improvement.

The world economy, in particular the United States, seems to have recovered from the unfavorable performance registered during the first quarter of 2014. According to the Blue Chip Economic Indicators survey, growth perspectives for the United States indicate that its recovery will continue during the rest of the year, towards a GDP growth of 1.6% in 2014. More importantly for Mexico, the estimation for this country’s industrial production has been raised to 3.9%, from a previous estimate of 3.7%. In financial markets, a low-volatility environment is still observed, though uncertainty related to the normalization of monetary policy in the United States, geopolitical tensions between Ukraine and Russia, and in the Gaza Strip still remains.

The higher dynamism in the United States' economy, in particular in the manufacturing sector, was reflected in an acceleration of Mexican non-oil exports. During the second quarter of 2014, merchandise exports increased at an annual rate of 5.4%. Seasonally adjusted, total exports increased at a quarterly rate of 4.1%, which is the highest growth since the first quarter of 2012.

On the other hand, domestic demand registered an increased recovery. Increases in consumption and investment were supported by formal job creation, credit growth, Federal Government's expenditure and a recovery in consumer confidence. During the second quarter of 2014, the consumer confidence index observed, in seasonally adjusted terms, a quarterly growth of 4.3%, the highest growth since the fourth quarter of 2005.

As a result, signs of a strengthened economic activity were observed in Mexico during the second quarter of 2014. In particular, seasonally adjusted figures indicate that in April-May 2014, the GDP proxy (IGAE) registered a bimonthly increase of 0.8%, which is the highest bimonthly increase in eighteen months, as a reflection of better performance in industrial production and services.

Employment

During the first half of 2014, employment continued to grow. As of June 30th, 2014, the number of workers affiliated at IMSS reached 16.9 million workers, which represents an annual growth of 571 thousand jobs (3.5%). By type of contract, permanent jobs increased by 449 thousand workers (78.7% of the total), while temporary jobs increased by 122 thousand workers (21.3% of the total).

Prices

During the second quarter of 2014, a slight rebound in annual general inflation was observed due to temporary increases in some agricultural products. However, during this period, inflation remained below 4%. In June 2014, annual general inflation stood at 3.75%, which represents a one basis point decrease compared to the figure observed in March (3.76%). The performance observed in the general price index is explained by a lower growth in the non-core component due to lower inflation in energy and fees authorized by government, which was partially offset by higher inflation in the core component, due to higher prices in goods and services.

The stock market index (IPyC) of the Mexican Stock Exchange increased to a maximum of 43,045.27 points on June 10th, 2014 and stood at 42,737.17 at the end of the quarter, representing an increase of 5.6% from the end of March.

During the second quarter of 2014, the exchange rate appreciated 0.6% with respect to the USD. At the end of June, the exchange rate stood at 12.99 pesos per dollar, compared with 13.06 pesos per dollar at the end of March.

Credit

In May 2014, total credit from commercial and development banks increased 4.6% in real annual terms. Within, credit to the private sector registered a 5.2% increase in real annual terms. Credit for consumption, housing and firms recorded increases of 5.6, 4.5 and 7.9% in real annual terms, respectively.

II. Public Finances

The public finances preliminary results achieved during the first half of 2014 reflect the effect of the Fiscal Reform, which has allowed the strengthening of the fiscal position and the improvement of the equality in the tax system. Also, the public finances results during the first half of the year comply with the program approved by Congress within the Economic Program for 2014.

Public balance

As of the first half of 2014, a total deficit of Ps. 246.5 billion was observed, which is higher than the Ps. 78.5 billion deficit registered in the same period of 2013. Excluding PEMEX's investment, a public deficit of Ps. 66.6 billion was observed, which contrasts with the Ps. 56.9 billion surplus registered during the first half of 2013. These results are consistent with the objectives approved by Congress for 2014 for these variables.

Revenues

Budgetary revenues of the Public Sector stood at Ps. 1,912.2 billion in the first half of 2014, an amount 1.7% higher in real annual terms with respect to the same period of 2013. The evolution of its main components was as follows:

- Non-oil tax revenues amounted to Ps. 937.6 billion, increasing 7.3% in real terms with respect to the first half of 2013. Once these revenues are adjusted by the effect of the program for the regularization of tax liabilities

“Ponte al Corriente”, applied in 2013¹, tax collections increased by 12.4% in real annual terms. Collections from the excise tax, the Value Added Tax and the income tax observed real increases of 39.5, 19.2 and 7.5%, respectively.

- Oil revenues amounted to Ps. 587.2 billion and were 2.7% lower in real annual terms than the ones observed in the same period of 2013. This result is mainly explained by a lower export price of the Mexican oil mix (6.8% in USD) and a lower production platform (1.7%), all with respect to January-June 2013. On the other hand, a higher natural gas price was observed (28.2%). Compared to program, oil revenues were lower by Ps. 35.9 billion, mainly due to a lower production of crude oil and natural gas, as well as higher hydrocarbon imports.
- Revenues from public entities under direct budgetary control other than PEMEX (PEDBC's) stood at Ps. 299 billion, which represents a 3.7% increase in real terms with respect to the first half of 2013. This is mainly explained by higher electricity sales and higher social security contributions.
- Non-tax revenues of the Federal Government amounted to Ps. 88.5 billion, which represents a decrease of 22.7% in real terms, due to calendar effects in the collection of these revenues: in the same period of 2013, non-recurring revenues were obtained due to road concessions, as well as the resources from FEIPEMEX, among other aspects.

With respect to the amount established in the calendar that was published in the Official Gazette on December 11th, 2013, budgetary revenues were higher by Ps. 69.5 billion (3.8%), with more than three-quarters of them coming from non-oil tax revenues. In compliance with the Federal Budget and Fiscal Responsibility Law, surplus revenues will be allocated to the entities that generated them.

The favorable evolution of collections has allowed for a positive evolution of stabilization funds. The balance of stabilization funds as of the first half of 2014 was Ps. 96.5 billion.

¹ During the first half of 2013, the program increased the base of comparison for these revenues by Ps. 38.9 billion. A direct comparison reflects an increase of 7.3% in real annual terms in tax revenues of the first half of 2014, due to the seasonality in revenues and a one-time effect from the program.

BALANCE OF STABILIZATION FUNDS AS OF JUNE 30th, 2014

(Million pesos)

Total	96,511.9
FEIP (Federal Government)	47,178.4
FEIEF (States)	30,196.7
FEIPEMEX (PEMEX)	3,482.2
FARP (Pensions)	15,654.5

Expenditures

During the first half of 2014, total net expenditure of the Public Sector was timely executed and oriented towards supporting productive activity in the economy and the welfare of the most vulnerable population. Budgetary net expenditure of the Public Sector amounted to Ps. 2,172 billion, 9.7% higher in real terms than the amount observed during the same period of 2013, consistent with the public deficit approved by Congress for 2014.

Programmable expenditure amounted to Ps. 1,674.3 billion, which is higher by 10.9% in real terms compared to the first half of 2013. Within, the following should be noted:

- Physical budgetary investment increased 31.7% in real annual terms.
- Resources allocated towards the payment of subsidies and pensions increased 20.8 and 3.3% in real terms, respectively. Subsidies include social programs allocated to support the most vulnerable population.
- On the other hand, operative expenditure other than personal services and pensions, observed a real annual decrease of 5.2%. Outlays towards economic and social development increased 17 and 6.6% in real terms, respectively.
- Federalized expenditures increased 11.5% in real terms. Within, non-earmarked transfers to states increased 9.7% in real terms with respect to the first half of 2013.

The financial cost of the public sector increased 1.6% in real terms with respect to the same period of 2013, mainly due to the depreciation of the exchange rate and the lower effective interest rates.

In terms of budget execution with respect to the program, excess net budgetary expenditures were Ps. 32.5 billion, which represents expenditures of 101.5% of the amount that was programmed for the first half of 2014.

- This result is explained by the following factors: higher programmable expenditure of Ps. 27.3 billion, 1.7% higher than the amount programmed for the period, higher non-earmarked transfers to states and municipalities by Ps. 19.4 billion, as well as higher Adefas and other expenditures by Ps. 5.5 billion. Financial cost was lower than the programmed amount by Ps. 19.7 billion.
- Higher programmable expenditure is explained, among other factors, by the formalization process of agreements executed in coordination with states and by higher expenditure in PEDBCs.
- Within programmable expenditure, PEMEX's expenditure was higher by Ps. 53.2 billion, mainly due to an increase in physical investment.
- Expenditures by administrative branches of the Federal Government increased 19.1% in real terms with respect to the first half of 2013. Within, real increases were observed in: Energy, 175.6%; Tourism, 137.6%; Transport and Communications, 75.4%; Conacyt, 61.4%; Interior, 45%; Semarnat, 35.8%; Sedatu, 27.9% and Sedesol, 26.6%.

III. Public Debt

In compliance with the objectives established in the National Program to Finance Development 2013-2018 (Pronafide), as well as in the National Borrowing Plan 2014, the actions carried out regarding the management of public debt were aimed towards: i) covering the borrowing needs of the Federal Government with low costs in the long-run, with a low risk level and considering possible extreme scenarios; ii) preserve the diversity in access to credit in different markets; and iii) promote the development of deep and liquid markets with yield curves that facilitate access to financing for a broad spectrum of public and private economic agents.

The prudent borrowing strategy, along with the implementation process of the structural reforms, was recognized in February by *Moody's Investor Services*, who upgraded the rating of Mexico's sovereign debt from Baa1 to A3. This is the first time

that one of the main international rating agencies grants Mexico a rating within the “A” range.

The structural reforms, the improvement of the country’s fiscal framework, as well as the credit upgrade, strengthen the positive perspectives of the economy. This way, President Enrique Peña Nieto’s Administration reiterates its commitment with a prudent management of public debt.

Domestic debt

Regarding domestic debt, domestic indebtedness policy has been addressed towards implementing an issuance strategy that covers the borrowing needs of the Federal Government while considering the demand of domestic and foreign investors for different government securities, while promoting an adequate functioning in the market. For example, an issuance of Fixed-Rate Bonds with maturity in 2034 for Ps. 15 billion was made in local debt markets through a syndicated auction in April. Besides the aforementioned, an issuance of 3 billion udis in Udibonos with maturity in 2046 was made in June, also through a syndicated auction.

External debt

External indebtedness policy has been addressed to develop yield curves in different markets, as well as amplify and diversify the investor base. In this way, the issuance carried out in international debt markets by the Federal Government in April for EUR 1 billion in Global Bonds with maturity in 2021 and EUR 1 billion with maturity in 2029 are among the most relevant actions carried out during the second quarter of 2014. The financial costs obtained in this operation are the lowest costs obtained by the Federal Government in euros with 7 and 15 year maturities. Also, the highest number of investors in a Federal Government emission in international debt markets was obtained.

Thus, the results from financing operations during this quarter reflect the confidence of financial markets in the management of public finances and the management of public debt during the current administration.

Net debt of the Federal Government

At the end of the second quarter of 2014, the stock of the Federal Government’s net debt stood at Ps. 5,072.6 billion. As a percentage of GDP, it represented 30.4%. The structure of the current debt portfolio of the Federal Government maintains most of its liabilities denominated in domestic currency,

representing 80.6% of the total net debt balance of the Federal Government as of June 30th, 2014.

The balance of net domestic debt of the Federal Government at the end of the second quarter of 2014 stood at Ps. 4,089.5 billion, amount higher by Ps. 195.6 billion than the one observed at the end of 2013. As a percentage of GDP, this represents 24.5%.

At the end of the second quarter of 2014, the balance of net external debt of the Federal Government stood at USD 75.4 billion, amount higher by USD 5.5 billion than the one registered at the end of 2013. As a percentage of GDP, this amount represents 5.9%. This increase reflects the strategy to take advantage of the conditions in international markets, in order to bring forward most of the Government's external issuances to the first half of 2014.

Net debt of the Federal Public Sector

At the end of the second quarter of 2014, the Federal Public Sector's net debt, which includes net debt of the Federal Government, PEDBC's and development banks, represented 37.3% of GDP. Domestic debt represented 26% of GDP, while net external debt represented 11.3% of GDP.

Historical Balance of the Public Sector Borrowing Requirements

At the end of the second quarter of 2014, the Historical Balance of the Public Sector Borrowing Requirements, which includes the Public Sector's liabilities in their broadest version, amounted to Ps. 6,804.3 billion, equivalent to 40.8% of GDP, amount higher by 1.9 percentage points than the one observed at the end of 2013.

ANNEX

PUBLIC SECTOR OVERALL BALANCE						
January-June						
Concept	Million pesos		Real % growth	Composition %		
	2013	2014 ^{p_/}		2013	2014 ^{p_/}	
PUBLIC BALANCE	-75,620.4	-246,521.6	n.s.			
PUBLIC BALANCE EXCLUDING PEMEX	54,805.5	-66,568.5	n.s.			
I. Budgetary balance (a-b)	-96,188.8	-259,834.2	n.s.			
a) Budgetary revenues	1,810,250.6	1,912,211.3	1.7	100.0	100.0	
Oil related	580,911.0	587,151.2	-2.7	32.1	30.7	
Federal Government	369,919.8	399,671.0	4.0	20.4	20.9	
PEMEX	210,991.2	187,480.2	-14.5	11.7	9.8	
Non-oil related	1,229,339.6	1,325,060.1	3.8	67.9	69.3	
Federal Government	951,848.5	1,026,084.0	3.8	52.6	53.7	
Tax	841,632.0	937,602.4	7.3	46.5	49.0	
Non-tax	110,216.5	88,481.6	-22.7	6.1	4.6	
PEDBC	277,491.0	298,976.1	3.7	15.3	15.6	
b) Net Budgetary Expenditures	1,906,439.4	2,172,045.5	9.7	169.4	168.8	
Programmable	1,453,199.7	1,674,315.4	10.9	76.2	77.1	
<i>Programmable excluding PEMEX's investment</i>	1,322,773.7	1,494,362.3	8.8	69.4	68.8	
Non programmable	453,239.7	497,730.1	5.7	23.8	22.9	
II. PEIBC	20,568.4	13,312.6	-37.7			
PRIMARY BALANCE	82,491.9	-68,797.4	n.s.			

Note: Figures may not add up due to rounding.

p_/ Preliminary figures.

n. s.: not significant.

Source: Ministry of Finance and Public Credit.

PUBLIC SECTOR BUDGETARY REVENUES

(Million pesos)

Concept	January-June		Real % growth	% Composition	
	2013	2014 ^{p./}		2013	2014 ^{p./}
BUDGETARY REVENUES (I+II)	1,810,250.6	1,912,211.3	1.7	100.0	100.0
I. Oil related (a+b)	580,911.0	587,151.2	-2.7	32.1	30.7
a) PEMEX	210,991.2	187,480.2	-14.5	11.7	9.8
b) Federal Government	369,919.8	399,671.0	4.0	20.4	20.9
Rights and royalties on oil products	422,365.4	413,409.1	-5.8	23.3	21.6
Excise taxes ^{1./}	-54,883.8	-17,666.3	n.s.	-3.0	-0.9
Tax on Downstream Returns	2,438.3	3,928.2	55.1	0.1	0.2
II. Non-oil related (c+d)	1,229,339.6	1,325,060.1	3.8	67.9	69.3
c) Federal Government	951,848.5	1,026,084.0	3.8	52.6	53.7
Tax	841,632.0	937,602.4	7.3	46.5	49.0
Income tax, IETU and IDE	497,124.4	515,321.5	-0.2	27.5	26.9
Income tax	471,111.9	526,178.3	7.5	26.0	27.5
IMPAC	-614.8	-452.0	n.s.	0.0	0.0
IETU (Unique Rate Corporate Tax)	27,769.1	-2,111.4	n.s.	1.5	-0.1
IDE (Tax on cash deposits)	-1,141.8	-8,293.5	n.s.	-0.1	-0.4
VAT	269,498.8	333,606.2	19.2	14.9	17.4
Excise taxes	40,613.0	58,857.4	39.5	2.2	3.1
Import taxes	13,398.9	15,377.5	10.5	0.7	0.8
Others ^{2./}	20,996.9	14,439.9	-33.8	1.2	0.8
Non-tax	110,216.5	88,481.6	-22.7	6.1	4.6
Rights	26,215.7	26,874.4	-1.3	1.4	1.4
Fees	78,803.0	58,550.2	-28.5	4.4	3.1
Others	5,197.8	3,057.0	-43.4	0.3	0.2
d) PEDBC ^{3./}	277,491.0	298,976.1	3.7	15.3	15.6
Memorandum items:					
Total tax related	789,186.5	923,864.3	12.7	43.6	48.3
Total non-tax related	1,021,064.1	988,347.1	-6.8	56.4	51.7

Note: Figures may not add up due to rounding.

p./ Preliminary figures.

n.s.: not significant.

1./ The negative sign means that tax refunds and/or compensations were higher than revenues.

2./ Includes taxes on new vehicles, vehicle ownership and exports, not included in the previous branches and accessory taxes.

3./ Excludes Federal Government transfers to ISSSTE.

Source: Ministry of Finance and Public Credit.

BUDGETARY REVENUES, JANUARY–JUNE OF 2014
(Million pesos)

Concept	Programmed	Observed ^{p_/}	Difference
BUDGETARY REVENUES (I+II)	1,842,694.8	1,912,211.3	69,516.5
I. Oil related (a+b)	623,040.9	587,151.2	-35,889.7
a) PEMEX	221,831.5	187,480.2	-34,351.3
b) Federal Government	401,209.4	399,671.0	-1,538.4
Rights and royalties on oil products	392,180.0	413,409.1	21,229.1
Excise taxes ^{1_/}	8,286.0	-17,666.3	-25,952.3
Taxes on Downstream Returns	743.4	3,928.2	3,184.8
II. Non-oil related (c+d)	1,219,653.9	1,325,060.1	105,406.2
c) Federal Government	928,792.2	1,026,084.0	97,291.8
Tax	882,623.4	937,602.4	54,979.0
Income tax, IETU and IDE	500,438.7	515,321.5	14,882.8
Income tax	520,659.4	526,178.3	5,518.9
IMPAC	0.0	-452.0	-452.0
IETU (Unique Rate Corporate Tax)	-20,220.7	-2,111.4	18,109.3
IDE (Tax on cash deposits)	0.0	-8,293.5	-8,293.5
VAT	298,571.7	333,606.2	35,034.5
Excise taxes	57,118.8	58,857.4	1,738.6
Import taxes	12,665.3	15,377.5	2,712.2
Other taxes ^{2_/}	13,828.9	14,439.9	611.0
Non-tax	46,168.8	88,481.6	42,312.8
Rights	21,314.2	26,874.4	5,560.2
Fees	21,677.8	58,550.2	36,872.4
Other	3,176.8	3,057.0	-119.8
d) PEDBX ^{3_/}	290,861.7	298,976.1	8,114.4
Memorandum items:			
Total tax related	891,652.8	923,864.3	32,211.4
Total non-tax related	951,042.0	988,347.1	37,305.1

Note: Figures may not add up due to rounding.

p_/ Preliminary figures.

1_/ The negative sign means that tax refunds and/or compensations were higher than revenues.

2_/ Includes taxes on new vehicles, vehicle use, vehicle ownership and exports, not included in the previous branches and accessory taxes.

3_/ Excludes Federal Government transfers to ISSSTE.

Source: Ministry of Finance and Public Credit.

PUBLIC SECTOR BUDGETARY NET EXPENDITURES

January-June

Concept	Million pesos		Real % growth	Composition %	
	2013	2014 ^{p_}		2013	2014 ^{p_}
TOTAL (I+II)	1,906,439.4	2,172,045.5	9.7	100.0	100.0
I. Primary expenditures	1,742,328.2	1,998,859.3	10.4	91.4	92.0
Programmable	1,453,199.7	1,674,315.4	10.9	76.2	77.1
Non-programmable	289,128.5	324,543.9	8.1	15.2	14.9
Earmarked transfers	266,284.6	303,480.4	9.7	14.0	14.0
Adefas	18,054.4	26,358.8	40.6	0.9	1.2
Other operations ^{1_}	4,789.5	-5,295.3	n.s.	0.3	-0.2
II. Financing cost ^{2_}	164,111.2	173,186.2	1.6	8.6	8.0

Note: Figures might not add up due to rounding.

p_ / Preliminary figures.

n.s.: not significant.

1_ / Refers to expenditures minus revenues of the Federal Government on behalf of third parties.

2_ / Includes interests, commissions, public debt expenditures, and expenditures associated to financial restructuring and support programs for bank savers and bank debtors.

Source: Ministry of Finance and Public Credit.

FEDERAL PUBLIC SECTOR DEBT BALANCES, JUNE * _/

Concept	Outstanding as of			% of GDP			Structure (%)		
	Dec-12	Dec-13	Jun-14 ^{p_/}	Dec-12	Dec-13	Jun-14	Dec-12	Dec-13	Jun-14
Domestic Debt:									
Net (Million pesos)	3,769,999.1	4,230,924.9	4,340,700.0	23.3	25.3	26.0	70.4	71.2	69.7
Gross (Million pesos)	3,861,092.4	4,408,878.5	4,745,793.0	23.8	26.4	28.5	70.2	71.5	71.2
External Debt:									
Net (Million USD)	121,659.0	130,949.7	144,907.4	9.8	10.2	11.3	29.6	28.8	30.3
Gross (Million USD)	125,726.0	134,435.9	147,598.7	10.1	10.5	11.5	29.8	28.5	28.8
Total Debt: ^{1_/}									
Net (Million pesos)	5,352,794.7	5,943,288.0	6,229,177.1	33.1	35.5	37.3	100.0	100.0	100.0
(Million USD)	411,433.8	454,501.4	477,979.9						
Gross (Million pesos)	5,496,800.2	6,166,829.5	6,669,343.5	33.9	36.9	40.0	100.0	100.0	100.0
(Million USD)	422,502.5	471,596.3	511,754.9						

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

Net Debt results from subtracting the Federal Government's financial assets, assets from PEDBCs and of Development Banks from the Gross Debt.

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

p_/ Preliminary figures.

1_/ Includes Federal Governments liabilities, PEDBCs and Development Banks.

Source: Ministry of Finance and Public Credit.

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FEDERAL PUBLIC SECTOR DOMESTIC DEBT, JANUARY-JUNE * _/

(Million pesos)

	Outstanding 31-Dec-13	Movements January to June 2014			Adjustments	Outstanding 30-Jun-14 ^{p_} /
		Disp.	Amort.	Net		
1. Net Debt (3-2)	4,230,924.9					4,340,700.0
2. Assets ^{1_} /	177,953.6					405,093.0
3. Gross Debt	4,408,878.5	1,476,714.0	1,159,097.7	317,616.3	19,298.2	4,745,793.0
Structure by Term	4,408,878.5	1,476,714.0	1,159,097.7	317,616.3	19,298.2	4,745,793.0
Long-term	3,921,591.7	624,384.4	329,367.9	295,016.5	19,295.2	4,235,903.4
Short-term	487,286.8	852,329.6	829,729.8	22,599.8	3.0	509,889.6
Structure by User	4,408,878.5	1,476,714.0	1,159,097.7	317,616.3	19,298.2	4,745,793.0
Federal Government	4,063,184.4	1,418,605.6	1,113,058.8	305,546.8	19,022.7	4,387,753.9
Long-term	3,582,551.4	583,623.3	302,295.0	281,328.3	19,022.7	3,882,902.4
Short-term	480,633.0	834,982.3	810,763.8	24,218.5	0.0	504,851.5
PEDBC's	267,290.2	38,698.6	31,159.2	7,539.4	268.4	275,098.0
Long-term	267,290.2	28,801.3	26,300.0	2,501.3	268.4	270,059.9
Short-term	0.0	9,897.3	4,859.2	5,038.1	0.0	5,038.1
Development Banks	78,403.9	19,409.8	14,879.7	4,530.1	7.1	82,941.1
Long-term	71,750.1	11,959.8	772.9	11,186.9	4.1	82,941.1
Short-term	6,653.8	7,450.0	14,106.8	-6,656.8	3.0	0.0
Structure by Source	4,408,878.5	1,476,714.0	1,159,097.7	317,616.3	19,298.2	4,745,793.0
Bonds placed in the local market	4,013,747.1	1,354,191.0	1,022,699.9	331,491.1	13,325.1	4,358,563.3
S.A.R.	99,920.1	86,398.1	96,198.0	-9,799.9	2,885.4	93,005.6
Commercial Banks	50,101.8	16,601.3	8,799.6	7,801.7	-0.8	57,902.7
ISSSTE's Law obligations ^{2_} /	165,506.3	43.2	10,010.8	-9,967.6	2,313.2	157,851.9
Others	79,603.2	19,480.4	21,389.4	-1,909.0	775.3	78,469.5

Note:

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

p_ / Preliminary figures.

1_ / Includes the balance denominated in pesos of the General Account of the Federal Treasury, as well as assets from PEDBC's and Development Banks.

2_ / New ISSSTE's Law obligations of the Federal Government.

Source: Ministry of Finance and Public Credit.

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FEDERAL PUBLIC SECTOR EXTERNAL DEBT, JANUARY-JUNE *_/

(Million USD)

	Outstanding 31-Dec-13	Movements January to June 2014			Adjustments	Outstanding 30-Jun-14 ^{p_/}
		Disp.	Amort.	Net		
1. Net Debt (3-2)	130,949.7					144,907.4
2. Assets ^{1_/}	3,486.2					2,691.3
3. Gross Debt	134,435.9	28,924.4	16,105.3	12,819.1	343.7	147,598.7
Structure by Term	134,435.9	28,924.4	16,105.3	12,819.1	343.7	147,598.7
Long-term	130,908.7	18,744.1	6,205.4	12,538.7	341.6	143,789.0
Short-term	3,527.2	10,180.3	9,899.9	280.4	2.1	3,809.7
Structure by User	134,435.9	28,924.4	16,105.3	12,819.1	343.7	147,598.7
Federal Government	72,180.4	8,886.6	4,522.6	4,364.0	370.4	76,914.8
Long-term	72,180.4	8,886.6	4,522.6	4,364.0	370.4	76,914.8
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
PEDBC's	53,358.1	10,064.3	1,699.7	8,364.6	-66.8	61,655.9
Long-term	53,358.1	9,777.4	1,582.4	8,195.0	-66.8	61,486.3
Short-term	0.0	286.9	117.3	169.6	0.0	169.6
Development banks	8,897.4	9,973.5	9,883.0	90.5	40.1	9,028.0
Long-term	5,370.2	80.1	100.4	-20.3	38.0	5,387.9
Short-term	3,527.2	9,893.4	9,782.6	110.8	2.1	3,640.1
Structure by Source	134,435.9	28,924.4	16,105.3	12,819.1	343.7	147,598.7
Publicly Placed Bonds	90,301.7	13,826.5	4,196.3	9,630.2	393.8	100,325.7
IFTs	27,350.1	423.3	423.0	0.3	20.5	27,370.9
Bilateral	10,321.3	723.0	1,185.7	-462.7	10.1	9,868.7
Commercial Banks	6,178.1	13,664.7	10,183.0	3,481.7	9.3	9,669.1
Pidiregas	284.7	286.9	117.3	169.6	-90.0	364.3

Note:

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

p_/ Preliminary figures.

1_/ Considers the balance denominated in US dollars of the General Account of the Federal Treasury, as well as other held by PEDBC and Development Banks.

Source: Ministry of Finance and Public Credit.