

MEXICAN NEWS

"The recapture of Mexico's most wanted drug trafficker, 13 years after his escape from a high security prison, is a huge hit to criminal cartels and a support for the image of the President Enrique Peña Nieto".¹

"CNBV (a mexican regulator, equivalent to the SEC) will expedite the legal framework for the securities sector: " The Commission seeks to streamline the listing processes of companies that want to go public or collect debt..²

"Unemployment in Mexico drops in January" According to the national survey of occupation and employment, which unveiled the National Institute of statistics and geography (INEGI), the unemployment rate decrease to 5.05% compared with 5.42% twelve months ago.³

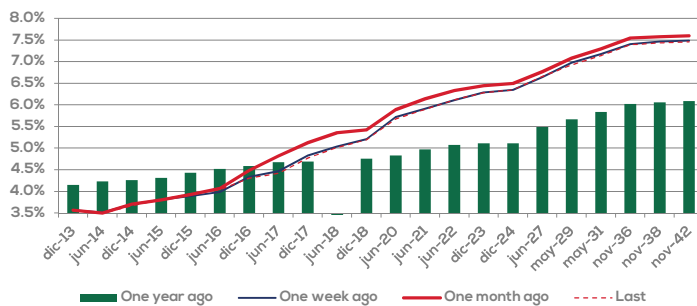
MARKET

	Last	WoW chg	YTD chg
MEXBOL	40085	-0.8%	-6.2%
USDMXN	13.20	-0.3%	1.3%
MX 10 y	6.33	-1.6bps	-9.8bps
IRS 10 y	6.68	0bps	-14.6bps
MX real 10y	2.57	3bps	3bps
Spd US 10y	0	0bps	-340.3bps
Spd IRS 10y	382	-4.4bps	9.6bps
MX Breakeven 10y	3.64	0bps	0bps
CDS 5yr	0.00	-100.0%	-100.0%

Source: Bloomberg.

MEXICAN FIXED INCOME CURVES

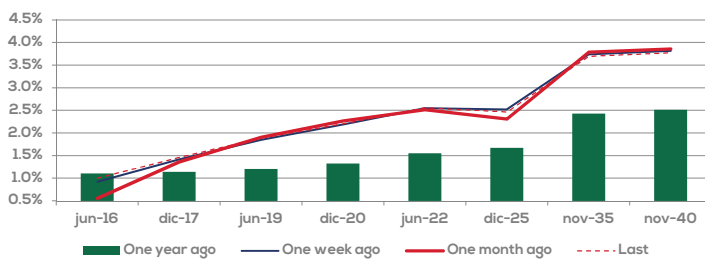
MBONO CURVE



Source: PIP.

No information of one year ago available for bond jun-18.

INFLATION LINKED BONDS



Source: PIP.

MEXICAN FUNDAMENTALS

Loc. Debt rating (Fitch)	A-
Surplus/Deficit %GDP	-0.05
Foreign reserves (M)	179841
Real GDP YoY	0.7
BoP	-5457
Consumer Prices (monthly)	0.89
Unemployment	5.05
Consumer Confidence	84.5
Central Bank rate	3.5

Source: Bloomberg.

CORPORATE AAA(mx) MARKET

Sector	Spread	Maturity
NOMINAL		
Industrial	129	2/2/2023
Retail	120	3/17/2022
Energy	132	9/12/2024
Utilities	115	8/18/2042
INFLATION LINKED		
MBS	160	11/27/2041

Source: PIP.

1. Source newspaper "EL FINANCIERO".
 2. Source newspaper "EL ECONOMISTA".
 3. Source newspaper "EL ECONOMISTA".

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