

Public Debt Coordination Committee Press Release

The Public Debt Coordination Committee (PDCC), headed by the Manager of Economic Policy and Markets of the Central Bank of Uruguay (BCU) and the Director of the Debt Management Unit at the Ministry of Economy and Finance (MEF), met on September 30, 2019.

During the meeting, the following agenda was addressed:

- **Analysis of the international and regional financial context.** The Committee discussed the increasing uncertainty surrounding the international political and financial context due to monetary and trade policy decisions announced by leading economies. At a regional level, a worsening of macroeconomic imbalances and financial volatility was observed in Argentina following the outcome of the primary elections. Locally, changes in agents' portfolio preferences were analyzed, and how this has had an impact on the FX market and the pace of monetization of the economy. In light of this context, different lines of action were assessed in order to, simultaneously, achieve monetary policy and the government's financing needs objectives.
- **Assessment of the recent sovereign issuance and liability management transaction in the international market.** The recent reopening of Uruguay's global dollar-denominated bonds with final maturity in 2031 and 2055, along with a tender offer targeting bonds of shorter maturity, was positively assessed by the Committee. With this transaction, the Republic completed its funding needs in the international market, refinancing short-term maturities and underpinning the liquidity of its 10 and 30 years' benchmarks bonds. Likewise, a net financial gain, entailing a positive fiscal impact, was achieved due to the recent price increase of Uruguay's global dollar bonds in the secondary market. The Committee assessed the low and stable funding cost in the international dollar market, and the opportunity to have carried out a transaction of such scope, despite the regional financial stress situation.

The next meeting of the Committee will take place in December 2019.