Ministerio de Economía y Finanzas

Montevideo, June 30, 2025

Uruguay Issues First Sovereign Bonds in Swiss Franc Market

On June 26, 2025, Uruguay issued its first sovereign bond in the Swiss market, totalling 320 million Swiss francs (USD 400 million). The bonds, with 5- and 10-year maturities, carry an average annual interest rate of 1.33%.

I. Objectives

- *Advance Uruguay's 2025 international financing program based on projected funding needs.*

- *Diversify financing sources (by currencies and investor base) by accessing advanced economies' markets with lower interest costs.*

II. Results

- The public offering, listed on the Swiss Stock Exchange, comprised two equal tranches of 160 million Swiss francs for 5- and 10-year maturities.
- Annual interest rates: 1.04% (5-year) and 1.62% (10-year), with spreads of 93 and 113 basis points over the SARON mid-swap, respectively.
- A total of 75 accounts participated in the operation, primarily based in Switzerland.
- The issuance was preceded by an extensive investor engagement process through a two-day, in-person roadshow (involving over 30 investors) across three Swiss cities on June 23 and 24: Geneva, Basel, and Zurich. This was followed by a virtual roadshow (also including investors from Bern and Lucerne) on June 25, prior to launching the transaction on Thursday, June 26.
- This investor engagement was especially relevant for the price discovery process, as few emerging sovereigns have issued bonds in the Swiss market, and there are currently no outstanding Latin American sovereign bonds in this currency to serve as benchmarks.
- The lead managers for this issuance were BNP Paribas and UBS, institutions with broad experience in debt placements in the Swiss capital market.
- The legal advisory team from the Debt Management Unit (UGD) of the Ministry of Economy and Finance led the preparation of the legal

documentation and procedures required for access to this new market. They were supported by the international law firm Cleary & Gottlieb, the Swiss firm Homburger, and the legal teams of the structuring banks.

III. Assessment

- The inaugural issuance in Swiss francs opens a new financing channel for the Government of Uruguay, which may be tactically used, providing enhanced financial flexibility for cost optimization and liability management.

- Access to the conservative Swiss market, typically reserved for A- or higher-rated issuers, reflects confidence in Uruguay’s institutional strength and the new administration’s policy framework.