



**Ministerio
de Economía
y Finanzas**

Public Debt Coordination Committee Press Release

The Public Debt Coordination Committee (PDCC), headed by the Manager of Economic Policy and Markets of Banco Central del Uruguay (BCU) and the Director of the Debt Management Unit at the Ministry of Economy and Finance (MEF), gathered on October 1st, 2021.

During the meeting, the following agenda was covered:

- **Analysis of the evolution of public securities market in recent months.** Committee members exchanged views on how the public domestic debt market (Monetary Regulation Bills and Treasury Notes) and Global Bonds evolved in the third quarter of the year. In this sense, the government emphasized the strong demand received in its domestic issuances during the third quarter, allowing the government to issue 1.7 times the base amount announced in the auctions carried out thus far. Also, over this period, the Central Bank resumed issuance of Monetary Regulation Bills at two-year maturities, while the Government reintroduced the auction of four-year term Treasury Notes in nominal fixed-rate pesos. Both institutions agreed on the importance of deepening the securities market in nominal pesos, and the relevance of having benchmark public instruments throughout the entire curve.
- **Meetings with investors from Asia.** The Government held meetings in September with investors from Japan and other Asian countries, in order to assess a possible global bond issuance denominated in Japanese yens. This is part of the diversification strategy of financing sources and currencies in the debt portfolio that MEF has been carrying out through the Debt Management Unit (DMU).
- **Reserves assets management.** During the course of 2021, the Central Bank has invested a portion of its reserves in a USD-denominated fund managed by the Bank for International Settlements (BIS). The purpose of this fund is to invest in bonds applied to finance projects that are sustainable and environmentally-friendly. This investment strategy is in line with the policy framework announced by the Central Bank to promote sustainable finance and, by virtue of which, it has become a

member of the international network of official institutions promoting environmental responsibility in the sector (Network for Greening the Financial System).

During the third quarter, there was an increase in reserve assets corresponding to the allocation of special drawing rights (SDR) approved by the International Monetary Fund. This allocation took place on August 23rd for an amount of 411.2 million SDR (approximately USD 581 million market prices).

The next Committee meeting will take place in December 2021.