

Uruguay

Sovereign Debt Report



Quarterly report published by the Debt Management Unit (DMU) of the Ministry of Economy and Finance

June 2024

Highlights

- Update on government's borrowing needs and funding strategies in 2024.
- In May 2024, the government launched a dual-tranche global offering of local currency bonds, denominated in both CPI-indexed (UI) and nominal fixed rate pesos (UYU), for a total USD 1.8 billion equivalent.
- In March, 2024, Moody's upgraded Uruguay's sovereign rating to Baa1 with a stable outlook; in June 2024, Fitch affirmed Uruguay's credit rating at BBB with stable outlook.
- On May 31st, 2024, Uruguay published the second Annual Report of its Sovereign Sustainability-Linked Bond (SSLB).

I. Updated government's borrowing needs and financing sources.

I.1. Financing program and net indebtedness

First quarter of 2024. During the first quarter of 2024, gross borrowing incurred by the Central Government (the nominal value of bonds issued in domestic markets and loans disbursed) was the equivalent of USD 797 million.¹ Total nominal amortizations of bonds and loans was USD 620 million. Thus, net borrowing during the first quarter of the year was USD 177 million. In addition, the Central Government run down its financial assets by USD 330 million during this period. As a result, government's Net Indebtedness was the equivalent of USD 507 million over the period January-March 2024 (see [Table 4](#) in Annex).

Annual projection for 2024:

- Total financing needs for 2024 are projected at USD 5,340 million (up from USD 4,752 million projected in the previous Sovereign Debt Report). This figure aggregates the estimated fiscal deficit (primary deficit plus interest payments) of approximately USD 2.5 billion, contractual amortizations of bonds and loans for USD 2.4 billion and USD 422 million of projected financial asset accumulation by the government (see [Table 5](#) in Annex).
- In terms of total funding sources for 2024, gross borrowing is projected at USD 5,127 million. This is made up of bond market issuances (in both domestic and international markets) for a projected USD 4,333 million, plus loan disbursements from multilaterals expected to be USD 794 million (see [Table 5](#) in the Annex).
- The Government's total Net Indebtedness is defined by law as gross borrowing minus amortizations and financial asset accumulation. Given the fiscal projections for 2024 laid out in the Annual Budget Law submitted to Congress on June 30th, 2024 (3.1 percent of GDP), the projected total net indebtedness for 2024 is USD 2,294 million (up from the previous estimate of USD 2,284 million). The legal limit on total net indebtedness for 2024 is USD 2.3 billion, set under the fiscal rule.

The difference between the projected fiscal deficit (USD 2.5 billion) and the projected net indebtedness (USD 2.29 billion) is captured in the "Others (net)" category (USD 213 million) in [Table 5](#) of the Financing Needs and Funding Sources. This category reflects the net effect of: (i) financing operations that do not

¹ This figure covers the period through March 2024. Thus, it does not reflect the results of the global CPI-indexed-denominated and nominal peso denominated issuances and liability management operations, settled in May 2024.

have an impact on gross debt statistics (see Annex for the definition of central government debt statistics), (ii) valuation effects from bond issuance prices above or below par, and (iii) financial sources of cash increases for the Treasury that do not entail government revenue in fiscal statistics.²

The Annual Budget Law also includes updated funding projections for the period 2025-2028.

I.2. Debt stock and currency composition

The gross debt stock of the central government reached 59.8% of nominal GDP by end-2024Q1, up 1.5 percentage points of GDP from end-2023. On the other hand, net debt reached 56.5% of GDP, up 2 percentage points of GDP from the end of 2023 (see [Debt Indicators](#) in Annex).

The share of local currency debt continued to increase, reaching 55.5% of total debt. Compared to end-2023, the share of local currency-denominated debt increased by 1.1 percentage points by the end of the first quarter of 2024. This increase can be attributed to (i) the fact that all bond market issuances during the first three months of the year having been in local currency in the domestic market; and, (ii) valuation effects on the indexed local currency debt stock, tied to real exchange rate appreciation and increase nominal wages in dollar terms over the first quarter of the year.

I.3. Debt management strategies for the rest of 2024

For the rest of the current year, the funding and debt management strategies will focus on:

- Continuing to promote the development of domestic local currency debt markets. The issuance program of local currency Treasury Notes will continue to be anchored on a six-month calendar to provide predictability. Still, the DMU will retain flexibility in terms of base amounts, frequency and cut-off auction rates, factoring in potential changes during the year in investor demand across instruments and maturities, as well as secondary market dynamics.
- Keeping refinancing risk low through liability management operations. The government will continue to carry out exchange and/or repurchase transactions of short-term government securities, continuing the long-standing policy of extending maturities and minimizing roll-over risk.
- Proactively managing currency and interest rate exposure in the foreign currency loan portfolio of outstanding multilateral loans, to diversify currency risk and reduce expected interest payments.
- Further developing multilateral borrowing instruments that link the cost of capital to the country's climate change mitigation performance, by embedding positive economic incentives for countries that contribute to environmental global public goods.

II. In May 2024, the government launched a dual-tranche global offering of local currency bonds, CPI-indexed (UI) and nominal fixed rate (UYU), for a total USD 1.8 billion equivalent.

On May 8th, 2024, the government announced the pricing of a new CPI-indexed (UI) global bond with final maturity in 2045, and launched a reopening of its nominal fixed rate peso (UYU) global bonds maturing in 2033. Simultaneously, it announced a switch and cash tender offer for existing CPI-linked global bonds (maturing in 2027 and 2028) and for domestic securities (Treasury Notes and Monetary Bills).³ The total amount issued through both currency tranches was USD 1.8 billion equivalent, the largest trade execution in local-currency markets by Uruguay in history.

Initial price thoughts for the UI global bond was “3.65% area”, while for the UYU 2033 reopening it was “9.40% area”. On the back of strong book momentum that peaked at USD 2.6 billion equivalent, guidance was compressed to “3.45% +/- 5 bps” and “9.20% +/- 5 bps”, respectively. The Republic priced a new USD 1.5 billion equivalent UI bond at a real rate of 3.40%, achieving close to 10 bps of new issue concession. The government

² These include transfers to the Treasury of loan repayments of restructured mortgage loans administered by the National Housing Agency on behalf of the Minister of Finance, and transfers from the Social Security Trust Fund to the Banco de Previsión Social (BPS) under the legislation enacted by Congress in December 2017.

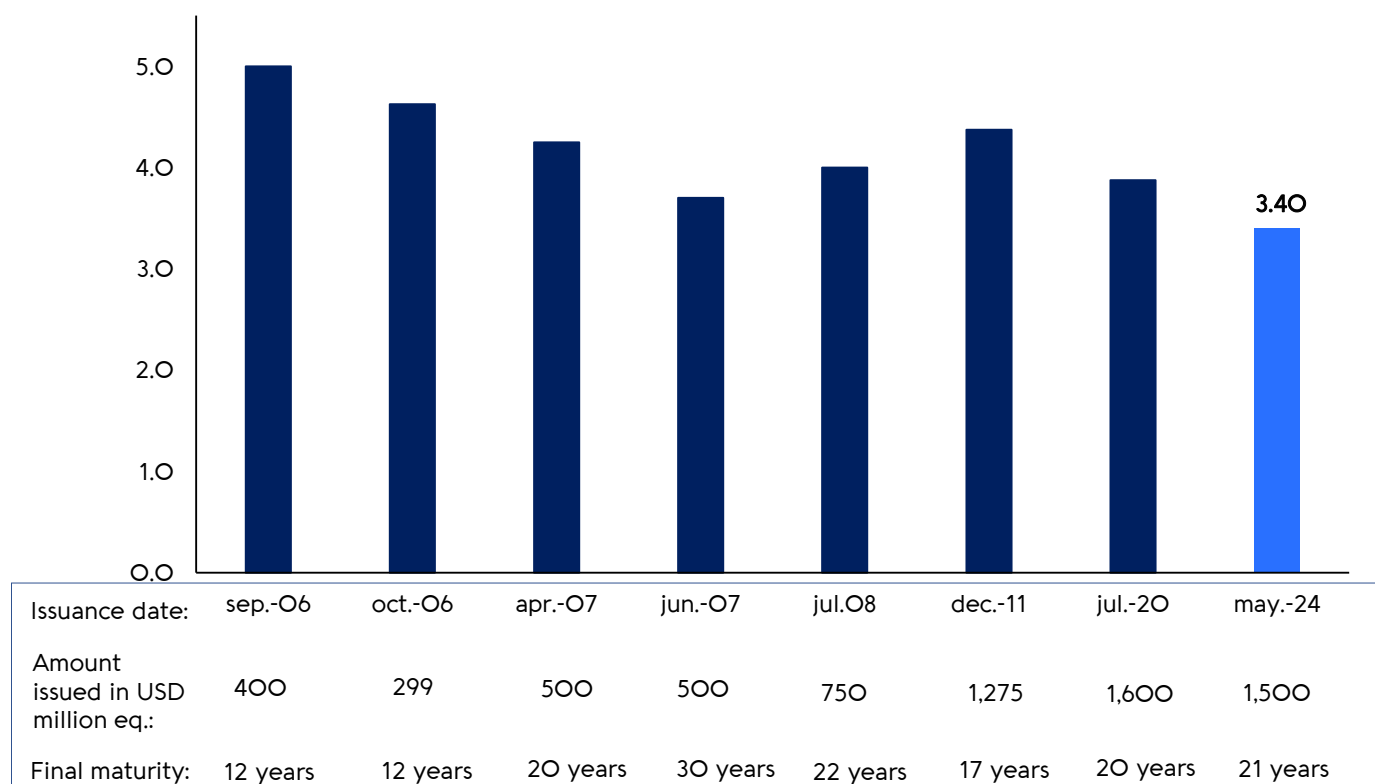
³ All components of the transaction (new cash issuance, liability management of domestic and external securities and tender for cash) were executed intra-day.

also priced a USD 300 million equivalent re-tap of the UYU 2033 bond, with a yield of 9.15% (almost in line with secondary market yields in the eve of the launch).

The landing yield levels achieved were better than those of printed most recently in global format for both tranches: 47.5 bps lower than the Global UI 2040 issued in 2020, and 60bps below the nominal issuance yield in 2023 of the Global UYU 2033. The sustained reduction in inflation and in inflation expectations over the last year, together with improvements in Uruguay’s credit ratings, fundamentally explained the improvement in financing terms.

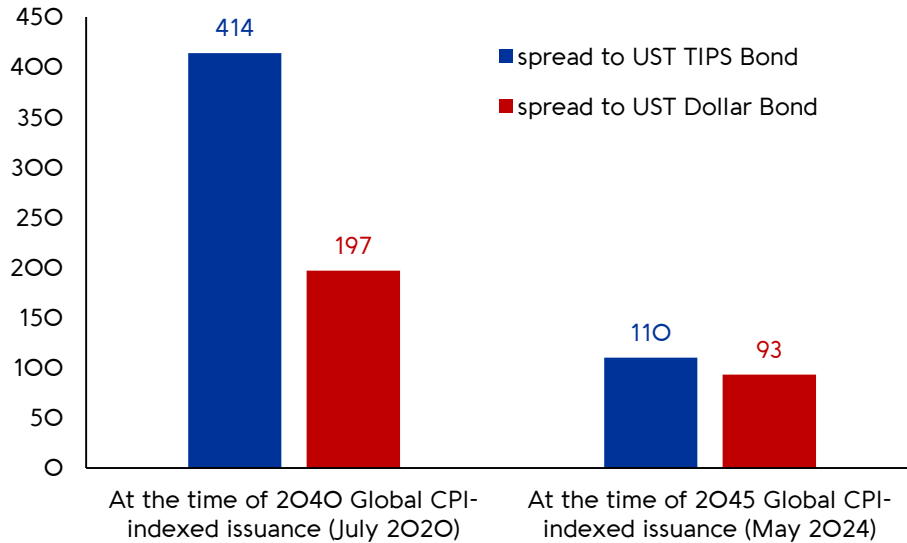
With regards to the CPI-linked global bond issued, as shown in Figure 1, the issuance yield was the lowest achieved since the Republic first tapped global markets in UI back in 2006, across different maturities and issuance amounts.

Figure 1: Evolution of Uruguay’s sovereign issuances of CPI-indexed (UI) Global Bonds
(Real yield at Issuance, in %)



Based on the pricing results of the new UI 2045 bond, it is possible to estimate and compare the evolution of the spread in real yields and the spread in dollar yields of Uruguay’s global bonds relative to the comparable ones of the United States Treasury (UST). At the time of the issuance (May 8th, 2024), the difference (spread) between the real yield of the UI global bond 2045 (3.4%) and the 21-year maturity real yield on U.S. Treasury Inflation Indexed bond, TIPS (2.33%), was 110 bps. At the same time, the secondary market spread on 21-year dollar instruments was 93 bps. Performing the same calculations at the time of issuance of the UI global bond in July 2020 (with a 20-year maturity), the spread in real rates was 414 bps and the spread of comparable Uruguay/UST bonds in dollars was 197 bps. The nominal exchange rate at the time of issuance in May 2024 was 38,52 pesos per dollar, while the rate was 42,82 at the time of the Global UI 20240 launch. The compression in Uruguay’s bond spreads in both types of currencies between 2020 and 2024 can be seen Figure 2.

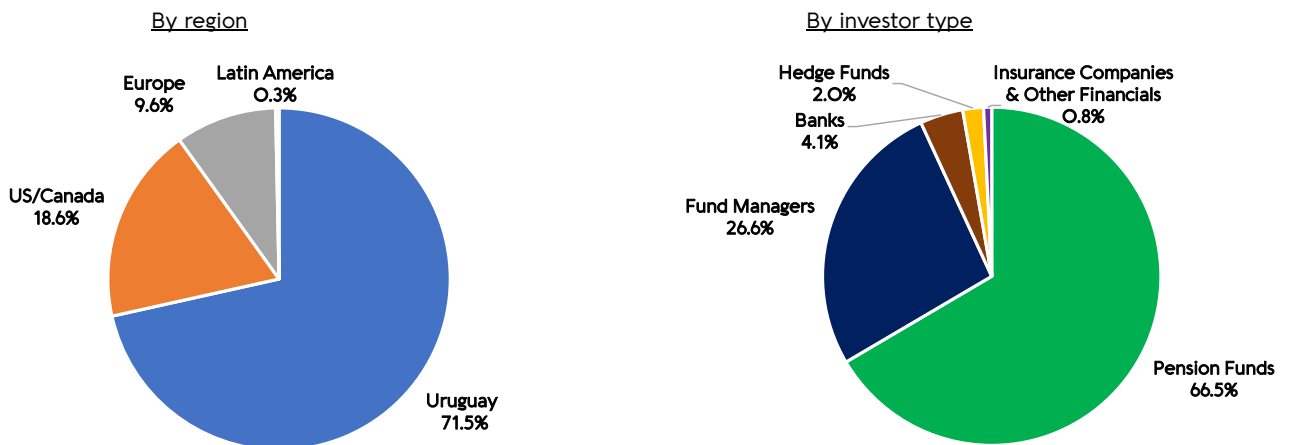
Figure 2: Uruguay's bond spreads to US Treasury TIPS and dollar bonds
(in basis points)



Based on these estimates, it is possible to calculate the *relative spread* (i.e. the spread in real yields minus the spread in dollar yields) at each point in time. During the most recent issuance in 2024, the *relative spread* of real-dollar rates was 0.13% annually (equivalent to the difference between 110 bps and 93 bps). In 2020, this was equivalent to 2.17% annually (equivalent to the difference between 414 bps and 197 bps). Under arbitrage relationships, these differentials can be interpreted as the premium or compensation at the time of issuance for the expected average annual percent change of the real exchange rate (RER) between Uruguay and the U.S. over the maturity of the global bond.⁴

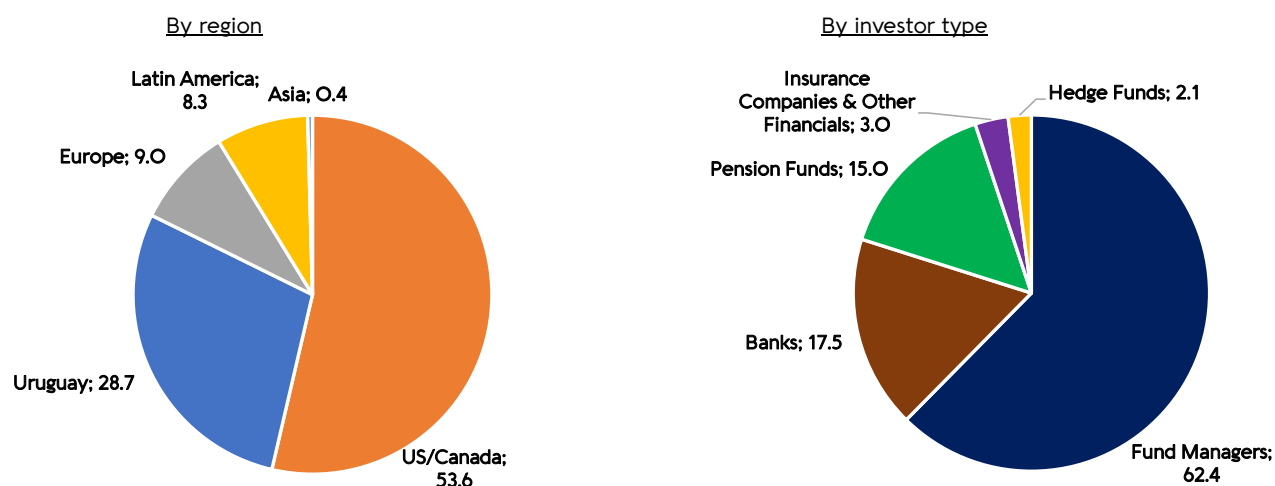
The consolidated order book of the transaction was made up of 58 investment accounts from the United States, Europe, Asia, Latin America and Uruguay. At the peak of investor demand during the intra-day execution, 77% was for the new UI global bond with maturity in 2045.

Figure 3a: Breakdown allocation for UI global bond maturing in 2045



⁴ We thank Aldo Lema for highlighting this point.

Figure 3b: Breakdown allocation for UYU global bond maturing in 2033



This was the first time the government executed a dual-tranche/dual-format local currency issuance in global markets. Likewise, it was also the first time that the government concurrently launched a liability management transaction targeting both global and domestic securities. Both resident and non-resident investors had the option to purchase the global bonds being issued by paying them with cash and shorter-term global bonds, as well as domestic securities from the government (Treasury Notes) or the Monetary Authority (Central Bank Bills). Incorporating this financial mechanism required close coordination between the Ministry of Finance and technical and operational areas of the Central Bank, including the Payment Settlement System department.

The inclusion of domestic securities as tender instruments sought to provide investors with greater financial flexibility and boost the demand for the issued bonds, thus seeking better funding conditions for the government.

III. Moody's upgraded Uruguay's sovereign rating to Baa1 with a stable outlook; Fitch affirmed Uruguay's credit rating at BBB and released a credit market commentary; S&P released its credit analysis.

On June 4th, 2024, Fitch Ratings affirmed Uruguay's credit rating at BBB with a stable outlook. This rating is supported by relatively high GDP per capita, strong governance indicators, and robust external finances. The agency also highlighted the improving inflation path, noting that the April 2024 YoY inflation print was the 11th consecutive month within the Central Bank's target range and the lowest in almost 19 years. Fitch Ratings also pointed out the enhanced credibility and transparency around fiscal performance due to the established fiscal rule. Access the press release [here](#).

On May 2nd, 2024, S&P Global Ratings published its credit analysis of the country. It highlights the stability of institutions, which underpins sustained investments and economic growth, external strength and a manageable debt profile. Access the report [here](#).

On March 28th, 2024, Fitch Ratings published a credit market commentary evaluating the new fiscal institutionalization and its financial implications for the central government. The credit agency considers that policy credibility has been enhanced due to the fiscal rule, as it enables for greater scrutiny and accountability on fiscal performance. Also, Fitch Ratings mentions that debt reduction derived from greater fiscal consolidation could contribute to a further uplift in the rating. Access the commentary [here](#).

On March 15th, 2024, Moody's Ratings improved the rating of the Uruguayan debt to Baa1 from Baa2, and changed the outlook to stable. According to Moody's, the key drivers of the rating decision were strong institutions that back the implementation of reforms and the continued commitment to strong fiscal and monetary policy frameworks, which can contribute to obtaining higher growth rates. Furthermore, the credit profile is supported by large fiscal reserves and external buffers, as well as robust asset-liability management practices. However, Moody's highlights moderate levels of debt, structural rigidities in expenditure and a declining, but still relatively high, share of foreign-currency debt as balancing the strengths mentioned. Access the press release [here](#) and the credit opinion [here](#).

IV. Publication of the second Annual Report on the Sovereign Sustainability-Linked Bond (SSLB).

On May 31st, 2024, Uruguay published the second Annual Report of the Sovereign Sustainability-Linked Bond (SSLB). The SSLB, first issued in October 2022, directly links Uruguay's financing strategy and cost of capital to the achievement of its climate and nature-based goals set under the Paris Agreement.

This second Annual Report updates the evolution of the Key Performance Indicator tied to the intensity of Greenhouse Gas emissions (KPI-1, with annual reporting), through the year 2022. It also provides quantitative and qualitative information on the Key Performance Indicator tied to the maintenance of native forests (KPI-2, which is reported every four years). The Report lays out Uruguay's ongoing action plan, institutional arrangements and policy incentives to the private sector to deliver on its ambitious sustainability goals and timelines. By doing so, it enhances transparency and accountability with the investor community, multilateral institutions and civil society.

The United Nations Development Program (UNDP) has provided an external, independent, and qualified review of KPI-1 through 2022. The External Verification Report, published at the time of the second SSLB Annual Report, concludes that the reported values for KPI-1 adhere to the methodology and good practices established in the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines. It also states that the data and information used in this report comply with the quality principles in terms of Transparency, Accuracy, Consistency, Comparability and Completeness established by the IPCC.

Access the Annual Reports [here](#) and UNDP's reports [here](#).

ANNEX: CENTRAL GOVERNMENT'S DEBT, ASSETS, AND FINANCING STATISTICS

The DMU of the Ministry of Economy and Finance compiles central government's statistics to monitor debt portfolio indicators and support the design and execution of debt management strategies. Debt figures include all loans and financial market securities contracted/issued by the central government in domestic and foreign currency, in both local and international markets, and held or disbursed by private, multilateral, and/or other domestic or foreign public sector entities. Debt figures include central government securities held by the public Social Security Trust Fund (tied to the "Cincuentones Law") and the SiGa Trust Funds (underpinning loan guarantees to SMEs). The "Gross debt" category excludes non-market central government securities outstanding as the result of the capitalization of the Central Bank.⁵

The government's financial assets include liquid assets, in both local and foreign currency, held by the National Treasury at the Central Bank and the state-owned *Banco de la República* (BROU), including the credit balances of governmental agencies considered in the National Budget. It also includes other financial claims of the central government on financial and non-financial public sector entities, including those as a result of loan disbursements contracted by the Republic on behalf of public sector entities. It also encompasses assets under management in the SiGa Trust Funds. The "Other financial assets" category excludes assets under management of the Social Security Trust Fund and Trust Funds of restructured mortgage loans administered by the National Housing Agency on behalf of the Minister of Finance.

Table 1. Debt, Assets, and Multilateral Credit Lines
(in USD million, end-period)

	2016	2017	2018	2019	2020	2021	2022	2023	2024Q1(*)
Gross Debt	26,098	28,664	29,383	29,838	32,879	35,498	40,898	45,034	46,692
Financial Assets	3,794	3,431	3,174	2,204	2,759	2,773	2,919	2,896	2,576
Liqud Assets	2,515	2,230	2,132	1,213	1,582	1,611	1,590	1,759	1,373
Other Assets	1,279	1,201	1,042	991	1,177	1,162	1,330	1,138	1,202
Net Debt	22,304	25,233	26,208	27,634	30,120	32,726	37,979	42,138	44,116
Multilateral Credit Lines ⁽¹⁾	2,418	2,418	2,434	2,191	1,415	1,865	1,515	1,039	664

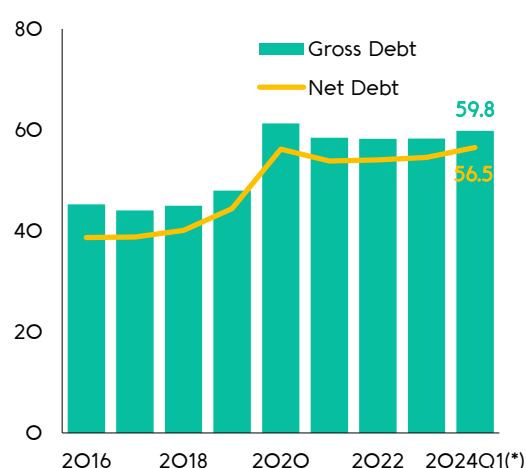
(*) Preliminary.

(1) These include available credit lines with Fondo Latinoamericano de Reservas (FLAR), and the Interamerican Development Bank (IDB).

Figure 1. Debt Indicators

1a. Gross and Net Debt

(in % of GDP, as of end-period)⁶

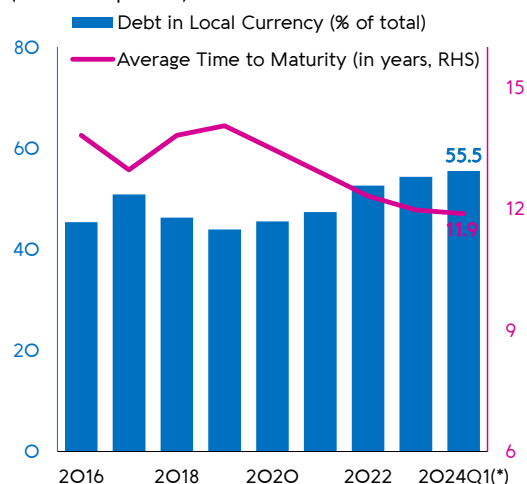


(*) Preliminary

Note: Figures reported cover the period through March 2024, and thus do not reflect the results of the global CPI-indexed-denominated and nominal peso denominated issuances and liability management operations, settled in May 2024.

1b. Currency and Maturity Composition of Debt

(as of end-period)



⁵ The first capitalization bond was issued in 2008 and further issuances were made in 2010, 2011, 2012 and 2013 and more recently in December 2023. Data on outstanding stock of government bonds issued to capitalize the Central Bank, as of 2024Q1, can be found at: <https://www.bcu.gub.uy/Estadisticas-e-Indicadores/Finanzas%2OPblicas/dpspnm.pdf>

The capitalization bond issued in December 2023 was zero-coupon, hence, it is considered in the Central Bank's balance sheet at its effective value with a hold to maturity criteria, consistent with accruing the price until par.

⁶ Figures for the Debt-to-GDP ratios are presented starting in 2016, given that the new GDP figures released by the Central Bank under the re-based national accounts statistics are only available from that year onwards. For 2024Q1, the annual nominal GDP figure is the official one as published by the Central Bank in June 2024. Debt-to-GDP ratios figures are calculated by taking the ratio between total debt measured in dollars at the end of each period (using the end-of-period nominal exchange rate to express local currency and other foreign-denominated debt into dollars) and nominal GDP measured in dollars (using the period average nominal exchange rate to convert the local currency GDP numbers into dollars).

Table 2. Structure of Debt
(in % of total, end-period)

	2005	2010	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024Q1(*)
By Currency ⁽¹⁾													
Foreign Currency (FX)	88.5	65.9	48.2	54.8	54.7	49.2	53.8	56.1	54.5	52.7	47.4	45.7	44.5
Dollars	67.8	59.1	44.8	51.7	52.0	47.6	51.4	53.9	49.1	47.8	43.6	42.4	41.3
Yens	1.9	3.3	2.6	2.5	2.3	1.2	2.1	2.1	3.7	3.3	2.4	1.9	2.0
Swiss francs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7	1.5	1.3	1.3	1.1
Other	18.9	3.4	0.8	0.7	0.3	0.3	0.3	0.1	0.1	0.1	0.1	0.1	0.1
Local Currency	11.5	34.1	51.8	45.2	45.3	50.8	46.2	43.9	45.5	47.3	52.6	54.3	55.5
Nominal Fixed-Rate	0.0	0.0	4.8	6.0	5.0	12.8	10.1	8.6	5.6	7.3	6.5	9.0	9.1
CPI-Indexed (UI)	11.5	34.1	42.4	35.3	36.4	34.0	30.7	28.1	31.3	30.0	31.9	28.6	28.4
Wage-Indexed	0.0	0.0	4.6	3.9	3.9	4.0	5.3	7.3	8.6	10.1	14.2	16.6	17.9
By Residual Maturity													
Short-Term (less than one year)	16.0	5.5	4.1	2.6	5.1	5.5	3.9	5.6	4.7	5.3	4.4	4.5	4.2
Medium and Long Term	84.0	94.5	95.9	97.4	94.9	94.5	96.1	94.4	95.3	94.7	95.6	95.5	95.8
By Rate													
Fixed ⁽²⁾	78.4	87.9	93.7	94.3	93.7	94.4	94.4	94.3	95.8	94.6	94.3	92.3	91.8
Floating	21.6	12.1	6.3	5.7	6.3	5.6	5.6	5.7	4.2	5.4	5.7	7.7	8.2
By Instrument													
Bonds	60.4	81.0	90.5	91.5	91.2	91.2	90.6	90.8	88.0	87.9	88.7	87.9	87.9
Loans	39.6	19.0	9.5	8.5	8.8	8.8	9.4	9.2	12.0	12.1	11.3	12.1	12.1
By Residency of Creditors ⁽³⁾													
Residents	27.3	34.9	33.7	35.1	44.5	46.5	45.0	42.6	41.3	44.6	50.1	51.7	50.8
Non-Residents	72.7	65.1	66.3	64.9	55.5	53.5	55.0	57.4	58.7	55.4	49.9	48.3	49.2
Bond Holders	36.3	46.1	56.4	46.7	44.7	45.6	48.2	46.9	43.8	38.3	37.4	37.2	37.2
Loans from Financial Institutions	36.4	19.0	8.5	8.8	8.8	9.4	9.2	11.8	11.6	11.6	11.0	12.1	12.1
By Contractual Jurisdiction													
Domestic	21.9	17.6	28.8	25.9	25.9	24.1	22.9	21.6	22.0	23.4	28.9	29.5	30.4
International	78.1	82.4	71.2	74.1	74.1	75.9	77.1	78.4	78.0	76.6	71.1	70.5	69.6

(*) Preliminary. The sum of the components may differ from the totals due to rounding.

(1) Foreign currency composition is defined on a contractual basis and reflects currency conversions of multilateral debt.

(2) Includes local currency securities issued at a fixed real rate, both CPI-indexed and wage-indexed.

(3) Information reflects the latest data available as of 2023.

Table 3. Cost of Debt and Risk Indicators
(in %, except where noted; end-period)

	2005	2010	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024Q1(*)
Average Interest Rate on Outstanding Debt ⁽¹⁾													
Dollars	7.8	6.5	5.3	5.1	5.1	5.2	5.2	5.0	4.8	4.6	5.1	5.2	5.2
Euros	6.9	6.9	5.9	5.9	5.3	5.3	5.3	0.3	0.2	0.1	0.1	0.1	0.1
Yens	2.5	2.3	1.9	1.9	1.9	1.6	1.3	1.3	0.9	0.7	0.7	0.7	0.7
Swiss francs	-	-	-	-	-	-	-	-	0.3	0.4	0.4	0.3	0.3
Nominal Pesos	-	-	9.6	12.8	13.5	10.9	10.6	10.6	9.6	8.8	8.8	9.2	9.1
CPI-Indexed (UI)	5.4	4.3	3.9	4.0	4.1	4.1	3.8	3.8	3.6	3.4	3.3	3.4	3.4
Wage-Indexed	-	-	2.3	2.3	2.3	2.3	2.2	2.3	2.3	2.2	2.1	2.2	2.1
Exchange Rate Risk													
Share of Total Debt denominated in FX	88.5	65.9	48.2	54.8	54.7	49.2	53.8	56.1	54.5	52.7	47.4	45.7	44.5
Share of Short Term FX Debt in Total Debt	-	3.4	1.4	0.8	1.7	0.9	2.2	1.1	2.3	1.9	1.5	2.3	2.2
Interest Rate Risk													
Duration (in years)	8.0	10.4	12.5	12.4	12.1	11.6	12.3	12.5	12.1	11.7	11.1	10.7	10.6
Share of Floating Rate	21.6	12.1	6.3	5.7	6.3	5.6	5.6	5.7	4.2	5.4	5.7	7.7	8.2
Share of Total Debt that Resets in One Year	33.7	15.1	10.9	8.1	11.2	10.7	9.2	11.1	8.5	10.0	9.9	11.7	11.9
Roll-Over and Liquidity Risk													
Average Time to Maturity (in years)	7.9	12.3	14.4	14.4	13.8	13.0	13.8	14.0	13.5	12.9	12.3	12.0	11.9
Share of Short-Term Debt	16.0	5.5	4.1	2.6	5.1	5.5	3.9	5.6	4.7	5.3	4.4	4.5	4.2
(Liquid Assets + Credit Lines) / Short Term Debt Service ⁽²⁾	33.1	39.0	187.5	289.2	188.2	154.0	172.8	108.0	95.7	105.2	88.3	71.1	51.2

(*) Preliminary.

(1) Weighted average by currency.

(2) Short term debt service is defined as amortization plus interest payments over the following 12 months.

Note: Figures reported cover the period through March 2024, and thus do not reflect the results of the global CPI-indexed-denominated and nominal peso denominated issuances and liability management operations, settled in May 2024.

Figure 2. Amortization Profile, by Currency Denomination of Debt
(in USD million, as of end-March 2024)

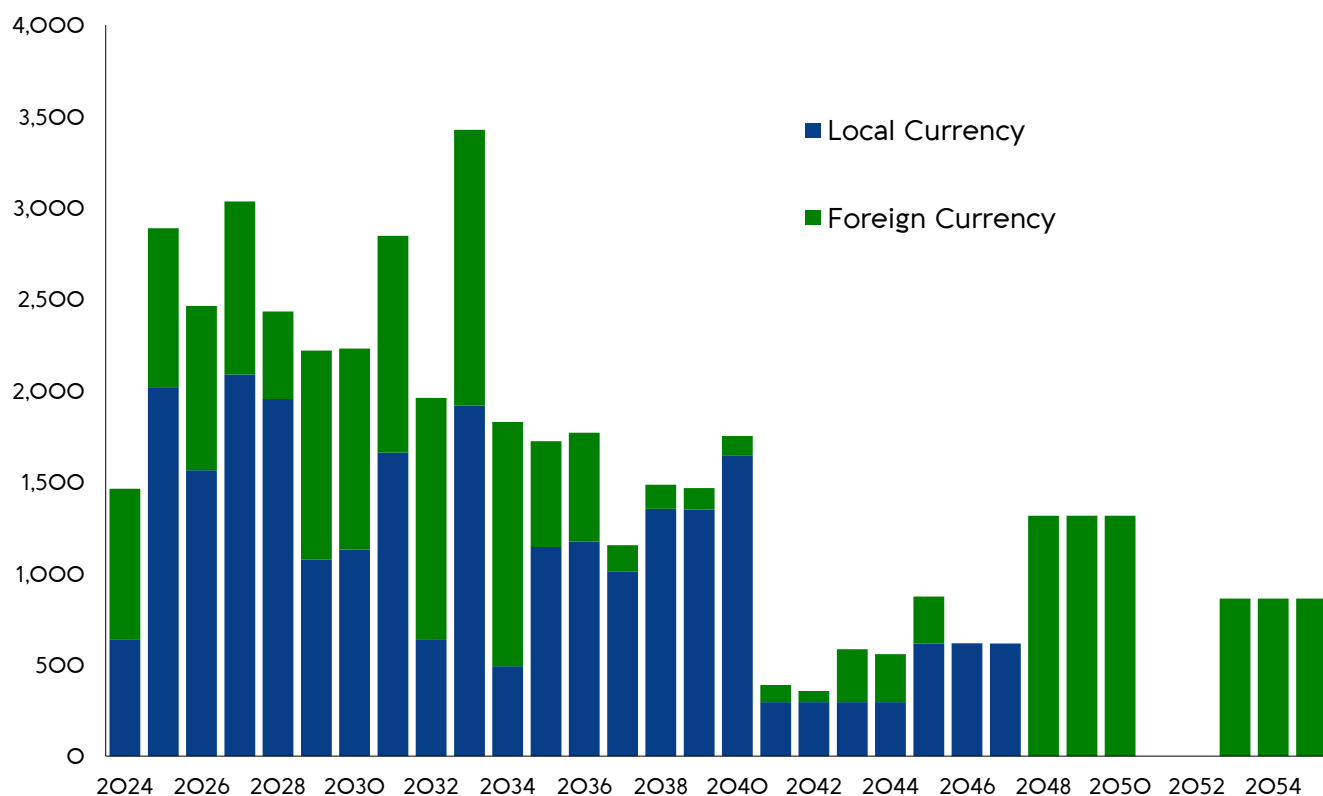
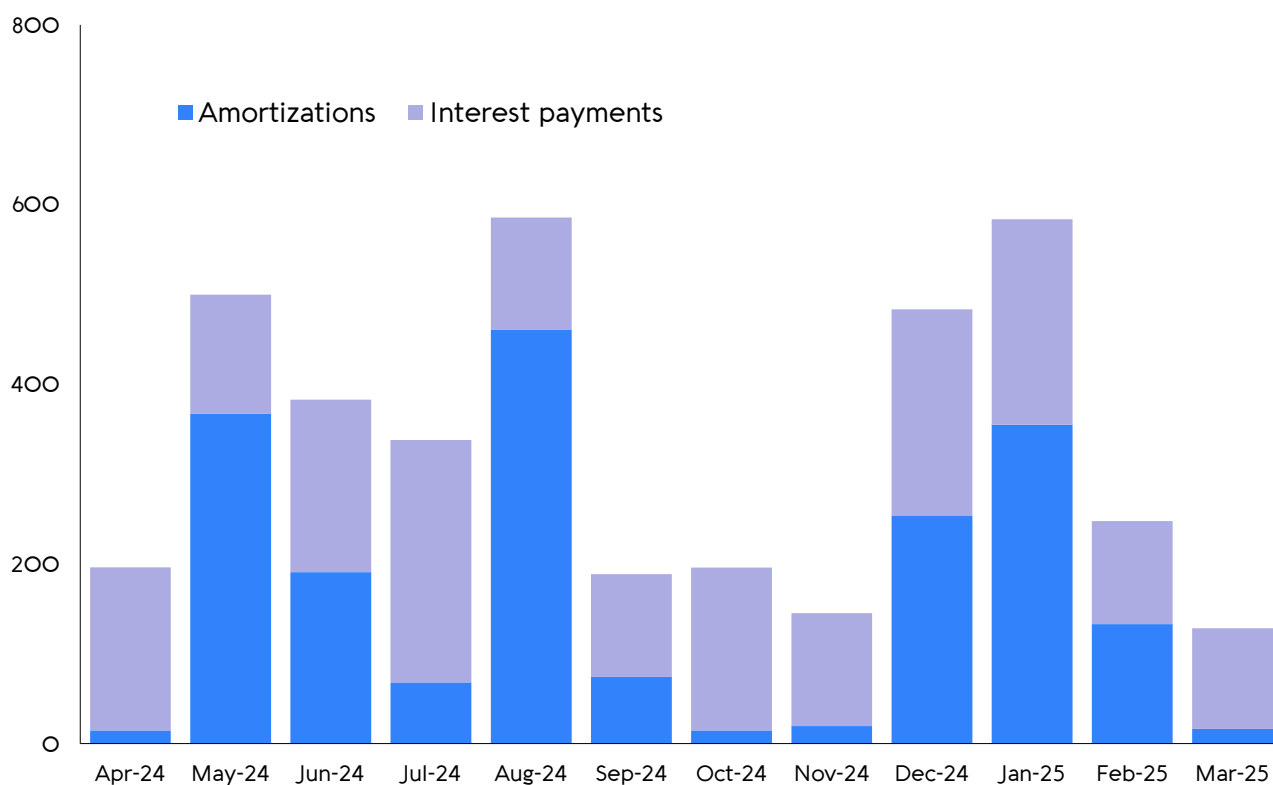


Figure 3. Short-Term Debt Service Profile
(in USD million, as of end-March 2024)



Note: Figures reported cover the period through March 2024, and thus do not reflect the results of the global CPI-indexed-denominated and nominal peso denominated issuances and liability management operations, settled in May 2024.

Table 4. Central Government's Net Indebtedness
(January-March 2024, in USD million)^{1/}

(1) Gross Indebtedness	797
Disbursements from Multilaterals and Financial Institutions	390
Total Issuance of Market Debt	407
<i>Local Market</i>	407
<i>International Market</i>	0
(2) Amortizations of Bonds and Loans	620
Market Debt	496
<i>Contractual obligations</i>	354
<i>Early redemptions</i>	142
Loans	124
(3) Change in Financial Assets	-330
Net Indebtedness = (1) - (2) - (3)	507

^{1/} Preliminary. The sum of the components may differ from the totals due to rounding.

Note: Figures reported cover the period through March 2024, and thus do not reflect the results of the global CPI-indexed-denominated and nominal peso denominated issuances and liability management operations, settled in May 2024.

Table 5. Central Government's Financing Needs and Funding Sources
(annual, in USD million)

	2023 (*)	2024 (Proj.)
FINANCING NEEDS	5,365	5,340
Primary Deficit ^{1/}	652	378
Interest Payments ^{2/}	1,898	2,129
Amortizations of Bonds and Loans ^{3/}	2,816	2,411
Change in Financial Assets	-23	422
FUNDING SOURCES	5,365	5,340
Disbursements from Multilaterals and Fin. Instit.	1,011	794
Total Issuance of Market Debt ^{4/}	4,228	4,333
Others (net) ^{5/}	105	213
<i>Memo Item : Government Net Indebtedness (GNI)</i>	<i>2,446</i>	<i>2,294</i>

Notes:

(*) Preliminary. Sum of the components may differ from the totals due to rounding of decimals.

1/ Excludes extraordinary transfers to the public Social Security Trust Fund (SSTF).

2/ Includes interest payments to the SSTF on its holdings of Central Government debt.

3/ For 2024, includes the obligations coming due on a contractual basis and bonds repurchased and early redeemed through liability management operations.

4/ Includes bonds issued domestically and in international markets.

5/ Captures the net effect of financing operations that do not have an impact on gross debt statistics; valuation effects from bond issuance prices above or below par; and financial sources of cash increases for the Treasury that do not entail a government revenue in fiscal statistics

Source: Ministry of Economy and Finance.

Table 6. Current Domestic Issuance Calendar of Treasury Notes (January - June 2024)

Find below the results of the calendar auctions held through during the first semester of 2024:

Auction Date	Security	Maturity ^{1/}	Coupon (%) ^{2/}	Currency ^{3/}	Amount auctioned (in millions)		Amount issued (in millions)		Auction Rate (%)
					Original Currency	USD equiv.	Original Currency	USD equiv.	
01-16-2024	Series 6	07-20-2036	2.250	UP	850	33.1	800	31.2	1.89
01-23-2024	Series 31	01-18-2029	3.250	UI	200	30.3	400	60.6	2.74
02-06-2024	Series 11	12-07-2026	9.125	UYU	600	15.4	1,200	30.8	9.04
02-20-2024	Series 7	02-21-2029	1.200	UP	1,200	47.1	2,400	94.2	1.29
02-27-2024	Series 32	02-28-2036	3.125	UI	200	30.4	195	29.6	3.12
03-05-2024	Series 11	12-07-2026	9.125	UYU	1,000	25.7	2,000	51.3	8.95
03-12-2024	Series 6	07-20-2036	2.250	UP	850	34.4	1,584	64.1	1.84
03-19-2024	Series 31	01-18-2029	3.250	UI	200	31.4	288	45.2	2.73
04-16-2024	Series 11	12-07-2026	9.125	UYU	1,000	25.8	2,000	51.6	8.76
04-23-2024	Series 7	02-21-2029	1.200	UP	1,200	50.1	1,135	47.4	1.53
04-30-2024	Series 32	02-28-2036	3.125	UI	200	31.4	126	19.8	3.26
05-21-2024	Series 6	07-20-2036	2.250	UP	850	35.4	1,640	68.3	2.12
05-28-2024	Series 31	01-18-2029	3.250	UI	200	70.0	878	136.7	2.82
06-11-2024	Series 11	12-07-2026	9.125	UYU	600	25.5	2,000	51.0	8.68
06-18-2024	Series 7	02-21-2029	1.200	UP	1,200	48.8	1,125	45.8	1.81
06-25-2024	Series 32	02-28-2036	3.125	UI	200	30.8	33	5.1	3.26

1/ All Treasury Notes, except for Series 31 in UI and Series 11 in UYU, have principal repaid in the last three years to maturity, in annual and equal installments.

2/ UI: Unidad Indexada (CPI-indexed); UP: Unidad Previsional (Wage-indexed); UYU: Fixed-rate peso.

Table 7. Outstanding Government Debt Securities
(as of June 28th, 2024)

International markets

In FOREIGN CURRENCY

Security	Issue Date	Maturity	Coupon (%)	Duration (years)	Avg. Life (years)	Amount Issued (USD mm) 1/	Outstanding Amount (USD mm) 1/	Amortizer 2/	Next Coupon Date	Bloomberg Identifier
US Dollars										
Global USD '24	08-14-2013	08-14-2024	4.500	0.1	0.1	2,000	311	Yes	08-14-2024	EJ783737 Corp
Global USD '25	09-28-2009	09-28-2025	6.875	0.7	0.7	500	117	Yes	09-28-2024	EH983569 Corp
Global USD Jul. '27	07-15-1997	07-15-2027	7.875	2.7	3.0	510	22	No	07-15-2024	TT334611 Corp
Global USD Oct. '27	10-27-2015	10-27-2027	4.375	2.2	2.3	2,100	1,419	Yes	10-27-2024	QJ2218924 Corp
Global USD '31	01-23-2019	01-23-2031	4.375	4.9	5.6	2,441	2,074	Yes	07-23-2024	AW7271116 Corp
Global USD '33	05-29-2003	01-15-2033	7.875	6.4	8.5	1,056	841	No	07-15-2024	EC939210 Corp
Global USD SSLB '34	10-28-2022	10-28-2034	5.750	7.4	9.6	2,200	2,200	Yes	10-28-2024	BZ876934 Corp
Global USD '36	03-21-2006	03-21-2036	7.625	7.6	10.7	1,421	1,057	Yes	09-21-2024	EF330974 Corp
Global USD '45	11-20-2012	11-20-2045	4.125	13.3	20.4	854	731	Yes	11-20-2024	EJ442676 Corp
Global USD '50	06-18-2014	06-18-2050	5.100	14.0	25.0	3,947	3,947	Yes	12-18-2024	EK3264687 Corp
Global USD '55	04-20-2018	04-20-2055	4.975	14.9	29.8	2,588	2,588	Yes	10-20-2024	AS2148789 Corp
Yens										
Samurai '24	12-09-2021	12-09-2024	0.520	0.4	0.4	231	231	No	12-09-2024	JP585800AMC1 Corp
Samurai '26	12-09-2021	12-09-2026	0.670	2.4	2.4	2	2	No	12-09-2024	JP585800BMC9 Corp
Samurai '28	12-09-2021	12-08-2028	0.840	4.1	4.4	4	4	No	12-09-2024	JP585800CMC7 Corp
Samurai '31	12-09-2021	12-09-2031	1.000	6.5	7.4	2	2	No	12-09-2024	JP585800DMC5 Corp
Samurai '36	12-09-2021	12-09-2036	1.320	9.3	12.4	71	71	No	12-09-2024	JP585800EMC3 Corp

In LOCAL CURRENCY

Security	Issue Date	Maturity Date	Coupon (%)	Duration (years)	Avg. Life (years)	Amount Issued (USD mm) 1/	Outstanding Amount (USD mm) 1/	Amortizer 2/	Next Coupon Date	Bloomberg Identifier
Nominal Fixed-Rate (UYU)										
Global UYU '28	09-15-2017	03-15-2028	8.500	3.2	3.7	790	638	No	09-15-2024	AP0760557 Corp
Global UYU '31	05-21-2021	05-21-2031	8.250	5.3	6.9	1,284	1,284	No	11-21-2024	US917288BM35 Corp
Global UYU '33	07-20-2023	07-20-2033	9.750	6.0	9.1	1,489	1,489	No	07-20-2024	Z1749841 Corp
Linked to CPI (UI)										
Global UI '27	04-03-2007	04-05-2027	4.250	1.7	1.7	1,120	589	Yes	10-05-2024	EG3199437 Corp
Global UI '28	12-15-2011	12-15-2028	4.375	3.2	3.4	2,606	2,151	Yes	12-15-2024	E18993764 Corp
Global UI '30	07-10-2008	07-10-2030	4.000	4.5	5.0	1,224	1,224	Yes	07-10-2024	EH4525315 Corp
Global UI '37	06-26-2007	06-26-2037	3.700	9.8	11.8	1,073	1,073	Yes	12-26-2024	EG5893227 Corp
Global UI '40	07-02-2020	07-02-2040	3.875	11.6	14.8	2,226	2,226	Yes	07-02-2024	BK2453227 Corp
Global UI '45	05-16-2024	05-16-2045	3.400	14.5	19.6	1,456	1,456	Yes	11-16-2024	ZB990259 Corp

Domestic market

In LOCAL CURRENCY

Security	Issue Date	Maturity Date	Coupon (%)	Duration (years)	Avg. Life (years)	Amount Issued (USD mm) 1/	Outstanding Amount (USD mm) 1/	Amortizer 2/	Next Coupon Date	Bloomberg Identifier
Nominal Fixed-Rate (UYU)										
Treasury Notes 9	08-18-2021	08-18-2025	7.500	1.1	1.1	253	230	No	08-18-2024	BR0604115 Corp
Treasury Notes 10	02-01-2023	02-01-2029	10.500	3.4	4.6	164	164	No	08-01-2024	ZM7497484 Corp
Treasury Notes 11	02-07-2024	12-07-2026	9.125	2.1	2.4	180	180	No	12-07-2024	ZF9780734 Corp
Linked to CPI (UI)										
Treasury Notes 13	05-25-2010	05-25-2025	4.000	0.9	0.9	1,458	283	Yes	11-25-2024	E13977911 Corp
Treasury Notes 21	11-26-2014	11-26-2025	4.000	1.4	1.4	589	579	Yes	11-26-2024	EK9574097 Corp
Treasury Notes 25	01-24-2018	07-24-2030	2.900	5.5	6.1	641	641	Yes	07-24-2024	AR4175741 Corp
Treasury Notes 28	01-20-2021	01-20-2026	1.575	1.0	1.1	1,071	596	Yes	07-20-2024	BN5826324 Corp
Treasury Notes 29	08-24-2021	08-24-2034	2.500	8.0	9.1	1,000	1,000	Yes	08-24-2024	BR1714806 Corp
Treasury Notes 30	01-19-2022	01-19-2027	1.125	2.5	2.6	905	905	No	07-19-2024	BT5601823 Corp
Treasury Notes 31	01-18-2023	01-18-2029	3.250	4.2	4.5	521	521	No	07-18-2024	ZM4879866 Corp
Treasury Notes 32	02-28-2024	02-28-2036	3.125	8.9	10.7	54	54	Yes	08-28-2024	ZD3376021 Corp
Linked to Nominal Wage Index (UP) 3/										
Treasury Notes 1	07-25-2018	07-25-2025	1.500	0.6	0.6	703	128	Yes	07-25-2024	AT7277862 Corp
Treasury Notes 2	08-29-2018	08-29-2033	1.800	8.4	8.2	773	773	Yes	08-28-2024	AU7040093 Corp
Treasury Notes 3	05-13-2019	05-13-2040	2.200	13.0	15.9	1,609	1,609	Yes	11-13-2024	Z56932199 Corp
Treasury Notes 4	01-27-2020	01-27-2037	2.450	9.9	11.6	1,773	1,773	Yes	07-27-2024	ZP7855163 Corp
Treasury Notes 5	09-01-2021	09-01-2047	2.000	17.7	22.2	1,745	1,745	Yes	09-01-2024	BR2601176 Corp
Treasury Notes 6	07-20-2023	07-20-2036	2.250	9.8	13.0	440	440	Yes	07-20-2024	Z18592405 Corp
Treasury Notes 7	02-21-2024	02-21-2029	1.200	3.5	3.6	187	187	Yes	08-21-2024	ZD1725781 Corp
Linked to After-tax Wage Index (UR) 4/										
Treasury Notes 1	03-31-2014	03-31-2044	2.250	15.2	18.8	1,396	1,396	Yes	09-31-2024	•

1/ Dollar-equivalent as of June 28th, 2024.

2/ Amortizer bonds have principal repaid in the last three years to maturity, in annual and equal installments.

3/ The value of the UP varies daily to reflect, at the end of the month, the monthly variation of the Nominal Average Wage Index. While the Unidad Reajutable (UR) resets every month based on the Average Net Salary Index.

4/ Given that this Treasury Note does not currently have a market price, duration is calculated assuming a price of 100.

Source: Debt Management Unit and Bloomberg.

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