



**BANCO CENTRAL
DEL URUGUAY**



**Ministerio
de Economía
y Finanzas**

Public Debt Coordination Committee Press Release

On September 27th, 2024, the Public Debt Coordination Committee (CCDP), comprised of the Central Bank of Uruguay (CBU) and the Ministry of Economy and Finance (MEF), held a committee meeting.

The following agenda items were discussed during the meeting:

- **Evaluation of the Government's global bond issuance in September 2024.**

The global issuance carried out by the Republic during September was considered a very positive event by both institutions considering the results obtained in terms of issuance, terms and rates.

In a context of volatility in emerging markets and ample primary issuance supply in global markets, investor demand exceeded the amount offered. The bond was launched with an initial spread of 145 basis points above the yield of the benchmark American Treasury bond. Robust demand allowed to compress the differential during the transaction, with a final value of 115 basis points (minimum level ever for a new issuance of a global dollar bond). For the first time since 2018, the Government managed to issue a new bond in the long end of the dollar curve. The order book was composed of a high-quality and diversified investor base, with a total of 154 participating accounts. Among these, there were accounts that invested in Uruguayan bonds for the first time, coming from countries such as Ireland, South Korea, United Arab Emirates, Singapore, Taiwan, Luxembourg, among others. This new issue confirmed, once again, the confidence of investors, both local and international, in the macroeconomic strength of Uruguay.

- **Analysis of the evolution of the public securities market.** The evolution of the domestic and global public debt market was discussed. In the context of the market assessment on the possible consequences of Social Security plebiscite, changes in the investment strategy of resident and non-resident investors became evident during September 2024, particularly in local currency global

bonds. Some non-resident investors reduced their holdings of global securities in Uruguayan pesos (both, indexed and nominal), which were acquired by domestic institutional investors (AFAPs). In this context, there was an increase in the volumes traded in the global bond market, and an increase in the yield of government securities, in particular, those denominated in pesos at a nominal fixed rate in the long part of the curve. Likewise, there was an increase in daily operations in the domestic exchange market, as well as in the level and volatility of the nominal exchange rate.

The next meeting of the Committee will take place in December 2024.