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Corporate Liquidity – Mexico

Liquidity Proves Resilient Even as Economic Environment Grows Tougher

» **Most Mexican companies have medium or low liquidity risk today, and should be able to cover debt payments, operating expenses and capital spending through 2017 with cash on hand, free cash flow and banking facilities.** Among the 27 companies in our study, the short-term refinancing burden falls most heavily on the Telecom and Oil and Gas sectors, which together account for 87% of $30 billion in total debt maturities through 2017. National oil company **PEMEX** and telecom giant **America Movil** together shoulder much of the maturities due in 2016.

» **Corporate liquidity practices in Mexico generally are still not as strong as the global norm, with ratios of corporate cash to short-term debt weakening.** Mexican companies often lack explicit policies for analyzing and making decisions about liquidity risk, and we still see companies without committed credit facilities that depend on banks or market access to refinance. Poor liquidity management contributed to the recent credit defaults of Mexican engineering and construction companies **Empresas ICA** and **Abengoa Mexico.**

» **Mexico's ongoing economic challenges will continue to pose risks for corporate liquidity through 2017, with more limited investment opportunities given uncertain environment, a volatile exchange rate, weak commodity prices and the continued fragile global economy.** PEMEX, **Grupo Minsa, Minera Frisco, SixSigma Networks** and **Telmex** all have particularly high liquidity risk, with either limited cash for addressing upcoming debt maturities, generate sizable negative free cash flow, or a lack of committed credit facilities.

» **Only about half of the Mexican companies we studied had committed credit facilities—a higher percentage than elsewhere in Latin America but a drop from a year ago, based on our expanded sample.** Investment-grade companies without committed credit lines typically compensate by holding large amounts of cash, while speculative-grade companies without these lines have higher refinancing risk, lower levels of cash on hand and weaker cash generation.

» **Seven companies that we reviewed face a high risk today of breaching loan covenants by reporting higher debt leverage than incurrence tests allow, or by failing maintenance tests.** All Mexican companies face at least some foreign-exchange risk, but despite the peso steep devaluation against the dollar in 2015, only two of the 27 companies in our study face high foreign-exchange risk today.

About this report

This report summarizes the liquidity risk of the 27 Mexican non-financial and non-utility companies we rated as of 30 April 2016. We define the degree of liquidity risk by looking at a company's cash needs over a 24-month period, from 1 January 2016 until 31 December 2017, against its available cash sources.

Cash needs include estimates of operating uses and short-term debt maturities. Maturities of interest-bearing debt are those reported as of 31 December 2015. We estimate available funds based on assumptions of each company's revenue growth, margins and cash flow generation after planned capital spending and dividends, in addition to committed bank facilities.

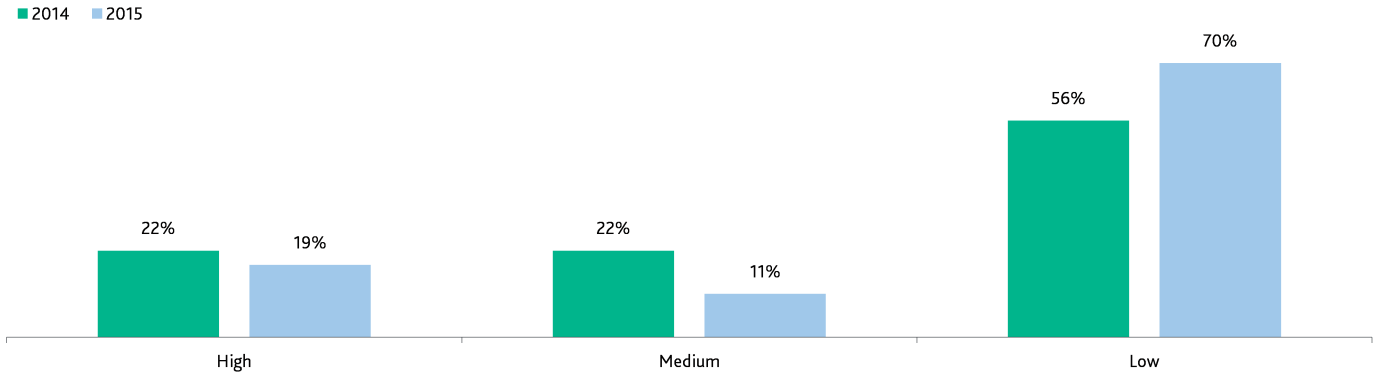
In our liquidity analysis we also take into consideration financial covenants and exposure to foreign-currency risk. The 2014 statistics reflect the historical data for the same pool of companies along with methodological refinements, so could differ from those cited in previous liquidity studies. Other reports in this series discuss corporate liquidity in Argentina, Brazil, Chile and Peru.

More than Half of Mexican Companies Have Low Liquidity Risk Today

Most of the 27 Mexican companies that we examined for this report have medium or low liquidity risk today. This finding indicates that most should be able to cover short-term debt, current maturities of long-term debt, operating expenses and regular capital spending through 2017 with cash on hand, free cash flow and available committed banking facilities.

The 81% of companies we reviewed with medium or low liquidity risk today is little changed from the 78% from our last annual review in May 2015, but still down from 88% in 2014, a sign of a more difficult economic and capital-markets environment (see Exhibit 1). Mexican corporate liquidity management also still lags global best practices. Lax financial policies and a lack of committed lines contributed to several Mexican corporate defaults after the economic crisis of 2008-09. Companies quickly adopted stronger liquidity policies and controls, arranging committed credit lines and building cash reserves. Companies also began to refinance farther ahead of upcoming maturities. We also saw an increased awareness of risk management with foreign currency exposure and financial hedges. However, since 2012 we have seen little change in corporate liquidity practices.

Exhibit 1
Mexican Companies' Exposure to Funding Risk



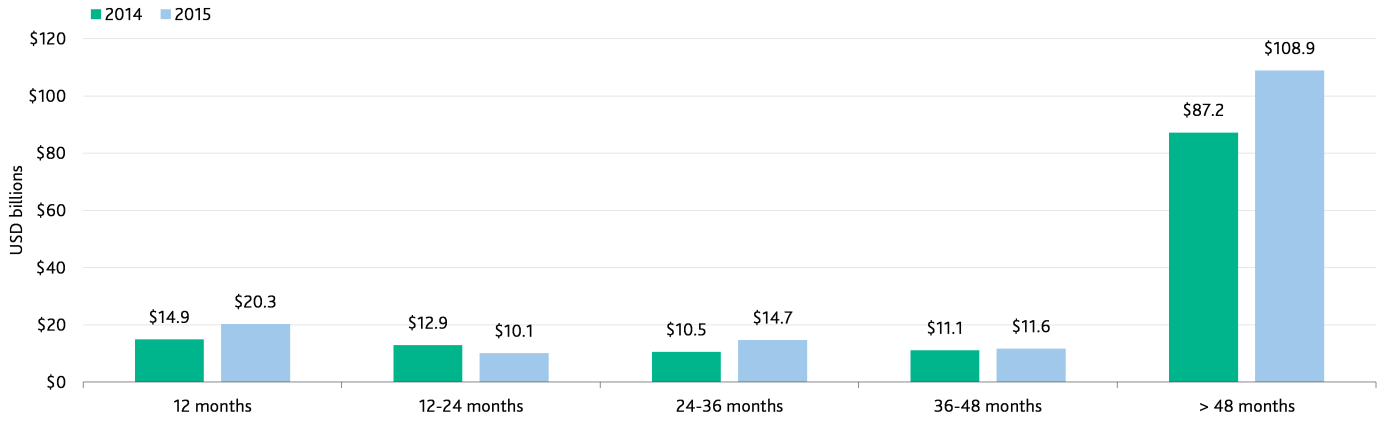
Source: Moody's Investors Service, based on companies' financial reporting

We typically define exposure to funding risk as low for Latin American companies with sufficient cash, free cash flow and committed credit facilities to cover more than 150% of debt maturities over the next 24 months; medium if liquidity sources are sufficient to cover more than 150% of maturing debt over the next 12 months, but not the next 24 months; and high if liquidity sources will cover less

than 150% of debt maturities over the next 12 months. A few companies in this analysis have significant amounts of debt due in the short term, negative free cash flow generation, or limited cash to address upcoming maturities.

The maturity profile for the 27 Mexican companies in this study remains virtually the same overall as a year ago. Most of the companies have manageable maturity profiles, with 66% due in 2020 or beyond, while 12% of total debt matures within a year (see Exhibit 2).

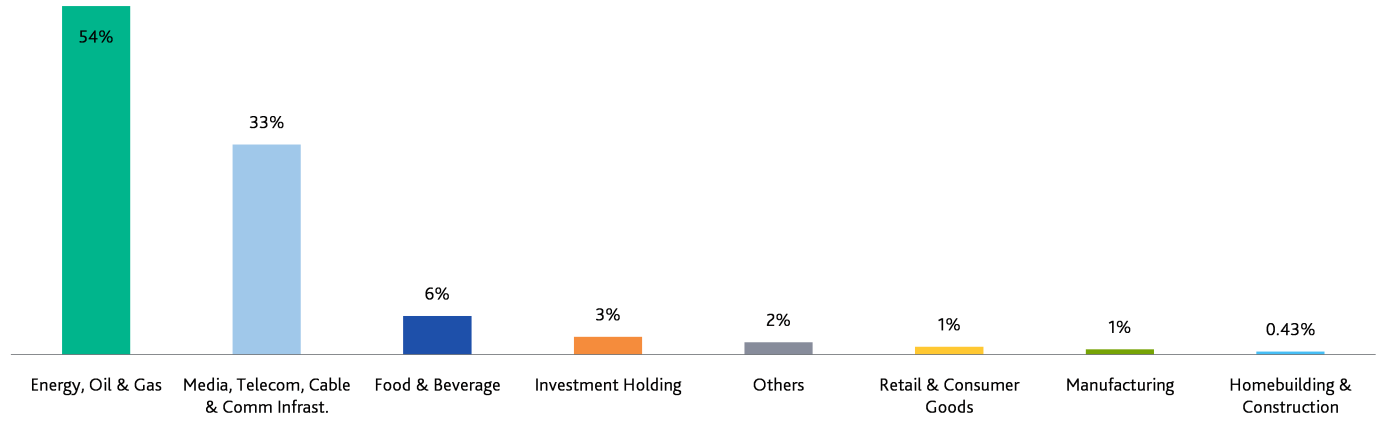
Exhibit 2
Mexican Companies' Debt Maturity Profile
2014 vs. 2015



Source: Moody's Investors Service, based on companies' financial reporting

The short-term refinancing burden falls most heavily on the Telecom and Oil and Gas sectors, which together account for 87% of $30 billion in total debt maturities through 2017 (see Exhibit 3). In 2014, the national oil company PEMEX (Baa3 negative) and telecoms giant America Movil (AMX, A2 negative) had 79% of total short-term debt. In 2015, it raised to 86%, mainly driven by PEMEX, with $11 billion coming due in 2016—about half of the total $20 billion maturing this year.

Exhibit 3
Upcoming Debt Maturities Over the Next 24 Months, by Industry
As of December 2015

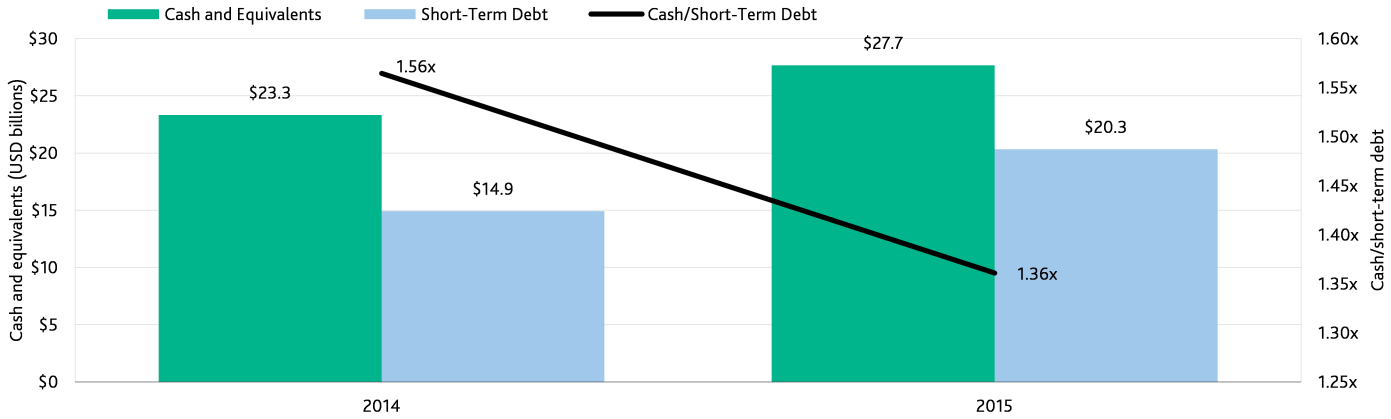


Source: Moody's Investors Service, based on companies' financial reporting

Liquidity Practices Have Significant Room for Improvement

Corporate liquidity practices in Mexico (A3 negative) generally are still not as strong as the global norm. The ratio of corporate cash to short-term debt weakened in 2015 (see Exhibit 4), mostly because PEMEX's short-term debt surpassed its cash on hand as of December 2015. Mexican companies often lack explicit policies for analyzing and making decisions about liquidity risk, and we still see companies without committed credit facilities that depend on banks or market access to refinance. Poor liquidity management contributed to the recent credit defaults of Mexican engineering and construction companies Empresas ICA (Caa3 negative) and Abengoa Mexico (C, no outlook).

Exhibit 4
Cash Position and Short-Term Debt Coverage
2014 vs. 2015



Source: Moody's Investors Service, based on companies' financial reporting

» In November 2015 **Empresas ICA** missed a coupon payment under its senior notes maturing in 2024 and defaulted after failing to resolve the payment during a 30-day cure period. ICA historically had tempered its high liquidity risk by relying heavily on short-term debt to fund working capital needs for its construction business. ICA has also had a strong asset base to use as an alternative to help raise cash, but failed to reduce leverage significantly despite selling more than MXN5 billion ($283 million). Although ICA used most of the sale proceeds to repay debt, the depreciation of the peso and an additional project finance debt effectively increased its debt by MXN4.2 billion.

» **Abengoa Mexico** in December 2015 said it had missed payments under certain issuances of its local commercial paper program, of which MXN2.1 billion was outstanding. Abengoa Mexico's default risk has had a strong correlation to that of its parent, Abengoa S.A. (Ca negative) of Spain, based on a lack of ring-fencing provisions in Abengoa Mexico's credit agreements and the existence of cash-pooling policies between the subsidiary and its parent. Abengoa S.A.'s liquidity constraints ultimately prevented Abengoa Mexico from accessing the group's centralized treasury and covering its debt payments related to its outstanding commercial paper.

Mexico's ongoing economic challenges will continue to pose risks for corporate liquidity through 2017, with more limited investment opportunities given uncertain environment, a volatile exchange rate, weak commodity prices and the continued fragile global economy. Five Mexican companies with particularly high liquidity risk either have limited cash for addressing upcoming debt maturities, generate sizable negative free cash flow, or lack committed credit facilities.

Low oil prices, a drop in oil production and historically high taxes have hurt **PEMEX,** whose efforts to reduce capital spending to help meet budgetary targets will further weaken its production. Refinancing risk adds to PEMEX's tight liquidity, with some $6 billion in cash as of December 2015. This balance leaves PEMEX with limited internal sources for its $11.2 billion in debt maturing in 2016, on top of $4.5 billion in interest-payment obligations and $12.5 billion budgeted for capital spending.

Access to the capital markets partially offsets this risk, with PEMEX recently raising financing in pesos, US dollars and euros. So far in 2016, PEMEX raised about $9 billion from global and local capital markets as well as certain banking credit lines, in addition to a potential cash transfer from the government of Mexico of up to $4.2 billion, of which $1.5 billion will be an immediate cash transfer without condition. The balance of $2.7 billion depends on PEMEX fulfilling certain cost-saving steps and will be extended through an exchange of non-negotiable government certificates for negotiable ones, and we expect PEMEX to cash in the certificates during the remainder of the year. With the debt raised so far this year and the potential government cash transfer, PEMEX can reduce to less than $13 billion the amount of additional external funding it must raise in 2016 to cover cash needs.

PEMEX's access to capital markets should continue to benefit from the Mexican government's reiterated support. Additionally, PEMEX could also sell some non-strategic assets to raise additional funds, and could create a Fibra E—a tax-advantaged financial instrument similar to a US master-limited partnership—to help reduce debt financing needs. Yet certain funding alternatives will remain difficult to execute without more time and experience under Mexico's new energy law, under which Mexico will gradually allow foreign competitors to produce the country's oil and gas.

Grupo Minsa's (Ba3 stable) liquidity is volatile but looks set to improve later in 2016. The packaged food company's liquidity depends on its highly cyclical financing, which focuses on short tenors since Minsa uses its financing mainly to cover working capital needs for building its corn inventories. Typically, Minsa's working capital needs peak in the second and fourth quarters with the corn harvest, but when scarce, the packaged food company must import its corn, distorting its working capital cycle and preventing its practice of reducing leverage throughout the year. Imports also expose Minsa to foreign currency risk, a danger especially when the peso is weak against the US dollar, as it is today. Since mid-2013, Mexican corn production has normalized after a severe drought. If it remains stable in 2016, Minsa should be able to improve liquidity materially in the third quarter.

Minera Frisco (B3 stable), which produces gold, silver, zinc, lead and copper, faces refinancing risk and weak cash generation, despite having reduced debt by MXN3 billion and generated MXN1.2 billion in free cash flow in 2015. The bulk of Frisco's debt today consists of a $1.1 billion syndicated loan and MXN5 billion in long-term bonds. The syndicated loan includes an $80 million amortization payment scheduled in 2016 and $200 million in 2017, but only a modest cash balance of MXN117 million today—about $6.8 million. Additionally, capital spending of around $130 million for 2016 will strain Frisco's cash generation.

Balancing these negatives is our expectation that production in 2016 should recover. In 2015, intense rainfalls and lower grade and recovery of ore cut Frisco's production. Production has recovered since the second half of 2015, and we expect that it will fully recover in the first quarter of 2016. As rainfall returns to normal, Frisco should strengthen its ability to generate cash. However, Frisco may need to refinance in order to protect its liquidity profile, especially if it cannot fully cover its debt commitments with cash generated internally. A lack of committed credit lines further strains Frisco's liquidity profile, limiting its alternative sources of liquidity.

IT service company **SixSigma Networks** (KIO, B2 negative) faces high working capital needs related to its delays in collections, and short-term maturities under finance leases. KIO directs most of its capital spending towards signed contracts that require equipment and infrastructure, usually under 12-to-18-month lease agreements with vendors that pay according to when they schedule collections from customers. But recent delays have created a mismatch between collections and obligations under the finance leases. KIO does not have committed lines, relying instead on uncommitted bank facilities to fund working capital needs through the year. Although KIO's main shareholder, Tresalia Capital, does not explicitly offer financial support, it has done so in the past and has ample funds available to support KIO if necessary.

In March 2016 KIO won a four-year contract worth at least MXN4.7 billion to provide IT services to Mexico's federal fiscal agency, the Servicio de Administración Tributaria. Although the contract will significantly improve KIO's revenue base in the coming years, it might also have high associated capital spending needs, and how it funds that spending will help determine its liquidity.

Telefonos de México (Telmex, A3 negative), a subsidiary of AMX, had about $64 million in cash on hand as of December 2015, with $378 million in debt maturing in 2016 and $67 million in 2018. We expect that Telmex will generate enough cash to cover its planned long-term capital spending, working capital and interest payments, and that AMX will continue to refinance Telmex's maturing debt at the parent level as appropriate. AMX fully guarantees nearly 60% of Telmex's outstanding bonds, and would likely support the remaining unguaranteed bonds if needed.

Availability of Committed Credit Facilities Still Lagging

About two-thirds of the Mexican companies we studied had committed credit facilities when we last studied their liquidity in May 2015—less than the 90% historic US average, but still evidence of improving risk management policies, and a far higher percentage than elsewhere in Latin America. Today, however, only half of the Mexican companies we studied have committed lines—partly because our sample now includes more companies, and partly because of looser financial policies in general. Newly rated issuers Frisco and KIO, for example, both have significant refinancing risk and particular risks affecting cash generation. Frisco, faces a challenging commodity price environment, and KIO has exposure to business lines that tend to delay their receivable payments. Still, Mexico's corporate coverage today far exceeds the pre-crisis levels of 2008, when only three rated Mexican companies had committed facilities.

The lack of committed facilities compared to the US reflects a corporate faith in Mexico that bank loans and uncommitted c#redit lines will always be available, thanks to supposedly strong banking relationships. Many companies in Mexico prefer not to pay for the protection of a committed facility, and most also assume that their high credit quality, large sizes or market positions mean the debt capital markets will remain open to lending. Mexican companies in the past exposed themselves to refinancing risk by using short-term debt to fund long-term investments and capital spending when long-term debt was scarce or expensive.

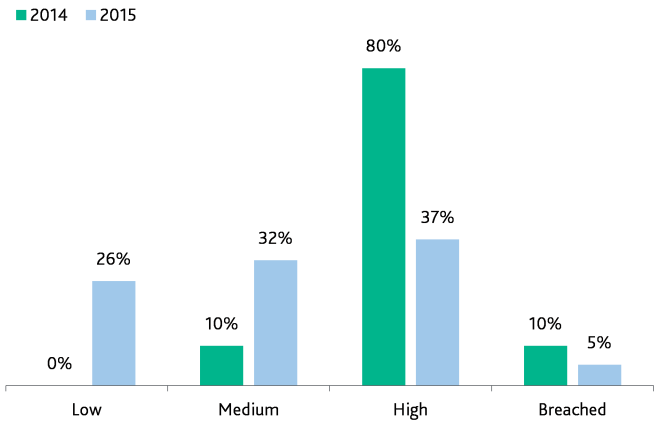
Investment-grade companies without committed credit lines typically compensate by holding large amounts of cash, and except for PEMEX and Telmex, have multiple times as much cash on hand as debt maturing in the next 24 months before mid-2018. As of December 2015, Telmex had MXN1.1 billion cash on hand, with MXN6.5 billion debt maturing in 2016, but its holding company, AMX, faces little liquidity risk.

Mexico's speculative-grade companies now have committed credit facilities in roughly the same proportion as investment-grade, but speculative-grade companies have higher refinancing risk, lower levels of cash on hand and weaker cash generation. During the 2008-09 economic crisis, several companies accustomed to issuing local commercial paper had great difficulties refinancing their maturities while the market was closed. Controladora Comercial Mexicana (unrated) used up much of its cash, ultimately defaulting on its commercial paper payments in 2008—a default that effectively closed the commercial paper market temporarily for Mexican companies. More recently, Abengoa Mexico's limited access to its corporate family treasury led it to default on commercial paper payments, illustrating the importance of having committed lines or backstop facilities when issuing commercial paper.

Seven Companies Face High Risk of Covenant Breaches

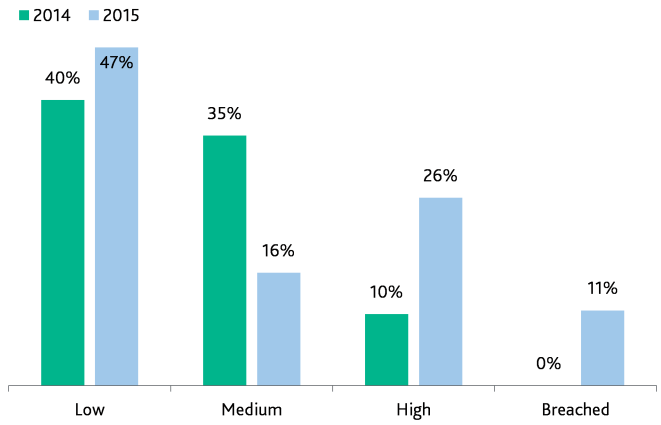
Seven companies that we reviewed face a high risk today of breaching maintenance loan covenants by reporting higher debt leverage than allowed (see Exhibits 5 and 6). Maintenance tests increase the risk of default and acceleration of debt or cross-default. Additionally, Elementia (Ba2 stable) has a tight interest coverage-maintenance covenant despite the medium risk under its leverage covenant, based on full-year 2015 figures. However, after Elementia significantly reduced debt in late 2015, we anticipate a significant improvement of its cushion under current covenants. Incurrence tests are less restrictive than maintenance covenants, because they do not constitute a risk that bondholders will accelerate debt payments. However, incurrence tests can also limit financial flexibility, since they can prevent issuers from borrowing when breached. Grupo Posadas (B2 stable), Servicios Corporativos Javer (B2 stable) and KIO all risk breaching interest-coverage incurrence tests.

Exhibit 5
Risk of Leverage-Ratio Covenant Breach
2014 vs. 2015



Moody's Investors Service, based on companies' financial reporting

Exhibit 6
Risk of Interest Coverage-Ratio Covenant Breach
2014 vs. 2015



Moody's Investors Service, based on companies' financial reporting

We define covenant breach risk as low for companies with more than 100% cushion in their most recent metrics compared to their covenant tests; medium for companies with 50%-100% cushion; and high for those with less than 50%. Some of these companies, such as Frisco and Playa Resorts (B3 stable), already have very tight liquidity, but the others all have their own particular reasons:

» Consorcio Ara(Ba2 stable), like many Mexican homebuilders, signed overly tight credit lines in 2012-13 during a homebuilding crisis period. Now that the sector is stronger and Ara's results have improved, the company will likely be able to renegotiate those terms and conditions.

» Acquisitions and the peso depreciation have hurt **Grupo Bimbo's** (Baa2 stable) credit metrics, but Bimbo has been deleveraging since its debt-financed acquisition of Canada Bread in 2014. As of December 2015, its debt/EBITDA ratio had declined to 2.9x from 3.2x a year earlier, pro forma for the acquisition. Bimbo has also reduced its dollar-denominated debt, but foreign-exchange volatility has weakened some credit metrics. We expect Bimbo to continue to reduce leverage due to its ability to generate cash, which will improve its cushion under current covenants.

» **Grupo Televisa** (Baa1 negative) has covenants only under the indenture of one MXN2.5 billion debt instrument now outstanding, of which the media group had prepaid half by April 2016, and a robust cash balance of MXN54.7 billion as of December 2015 should make the remainder easy to address. Televisa should also be able to reduce leverage gradually, improving cushion under current covenant, having recently increased leverage with the issuance of $1 billion to help fund capital investments.

» **Mexichem** (Baa3 stable) has grown through a number of acquisitions in the past several years, most recently Germany's Vestolit in late 2014. While acquisitions increased Mexichem's leverage metrics, stronger profitability from added capacity, better pricing terms and additional synergies and operating efficiencies will likely lead to some improvement in 2016. Since the last acquisition, the company reduced leverage already by half a turn to 2.9x as of December 2015. Profitability will further improve in 2017 once Mexichem's new ethylene cracker starts operations, and the company expects to raise its EBITDA margin to nearly 19% by 2017, up from 14.6% in mid-2015. However, a recent facility accident will strain Mexichem's plan to increase profitability.

» Leverage for **Sigma Alimentos** (Baa3 stable) increased following the acquisition of Spain's Campofrio Food Group (Ba3 stable). The acquisition increased Sigma's adjusted debt/EBITDA ratio to 3.9x as of December 2014, compared to less than 3x before the acquisition. We expect Sigma will strive to reduce leverage over the next couple of years, in line with its internal policy of maintaining reported net leverage below 2.5x.

» In 2015, Elementia raised over MXN3.9 billion in an IPO, selling roughly a 24.8% equity share. Elementia used these proceeds to pay a MXN3 billion maturity on a local bond. With the IPO proceeds, Elementia's adjusted EBITA/interest expense ratio will improve to above 5.5x from around 2.7x, creating a larger cushion under its current covenant.

Foreign Exchange Risk Low Among Mexican Companies

All Mexican companies face at least some foreign-exchange risk, which we define as the degree of change in leverage or interest coverage from a hypothetical 15% local currency devaluation, but for most companies the risk is low. Despite the peso steep devaluation against the dollar in 2015, only two of the 27 companies that we reviewed have high foreign-currency exposure, net of currency hedges, not fully covered by foreign currency EBITDA or eased by other factors.

Foreign-exchange risk stems from a mismatch between foreign currency EBITDA generation and foreign-denominated debt or capital spending. A sudden depreciation of the Mexican peso can aggravate this risk by reducing a company's cash for addressing imminent debt maturities and raising the risk of a covenant breach.

A number of factors can help offset a company's net foreign exchange risk, including a comfortable debt maturity profile, loose financial covenants, readily available and sizable committed credit facilities, and proven access to capital markets. Excess cash in foreign currency also eases foreign exchange risk, but depends on the length of a company's access to these funds. Companies can also ease their foreign exchange risk through cross-currency swaps—at least from US dollars to Mexican pesos, an established, liquid trading market that offers foreign exchange hedges for periods of 10 years or more. Companies facing foreign exchange risk today have conditions that ease their risk:

» Industrial conglomerate **Alfa's** (Baa3 stable) five lines of business include Sigma Alimentos, whose debt-funded acquisition of Campofrio weakened Alfa's overall leverage, but as Sigma reduces leverage, Alfa's cushion under current covenants will improve. The Campofrio acquisition will also increase Sigma's cash generation in euros, which offers a foreign-exchange benefit.

» **Grupo Elektra** (Ba3 stable) has a significant amount of dollar-denominated debt due before 2019, but also has longtime proven access to local and international markets, as well as access to bank deposits through its financial business, **Banco Azteca** (Ba1 stable).

Appendix A: Rating Universe of Mexican Companies, as of April 2016

Exhibit 7
Rating Universe of Mexican Companies
As of April 2016

Company Name	Industry	Lead Analyst	Long-Term Rating	Outlook
Alfa, S.A.B. de C.V.	Investment Holding	Alonso Sanchez	Baa3	stable
Alpek, S.A.B. de C.V.	Chemical	Alonso Sanchez	Baa3	stable
America Movil S.A.B. de C.V.	Media, Telecom, Cable & Comm Infrast.	Nymia Almeida	A2	negative
Arca Continental, S.A.B. de C.V.	Food & Beverage	Alonso Sanchez	A2	negative
Axtel, S.A.B. de C.V.	Media, Telecom, Cable & Comm Infrast.	Alonso Sanchez	Ba3	stable
Coca-Cola FEMSA, S.A.B. de C.V.	Food & Beverage	Alonso Sanchez	A2	negative
Consorcio ARA, S.A.B. de C.V.	Homebuilding & Construction	Sandra Beltran	Ba2	stable
Corpovael, S.A. de C.V.	Homebuilding & Construction	Sandra Beltran	B1	stable
Elementia S.A.	Manufacturing	Sandra Beltran	Ba2	stable
Fresnillo plc	Metals & Mining	Barbara Mattos	Baa2	stable
Grupo Bimbo, S.A.B. de C.V.	Food & Beverage	Alonso Sanchez	Baa2	stable
Grupo Elektra, S.A.B. de C.V.	Retail & Consumer Goods	Alonso Sanchez	Ba3	stable
Grupo Minsa, S.A.B. de C.V.	Food & Beverage	Sandra Beltran	Ba3	stable
Bio Pappel Scribe, S.A. de C.V.	Paper & Forest Products	Sandra Beltran	B1	stable
Grupo Posadas, S.A.B. de C.V.	Lodging & Comm Property	Sandra Beltran	B2	stable
Grupo Televisa, S.A.B.	Media, Telecom, Cable & Comm Infrast.	Nymia Almeida	Baa1	negative
Industrias Penoles S.A.B. de C.V.	Metals & Mining	Barbara Mattos	Baa3	stable
Mexichem, S.A.B. de C.V.	Chemical	Alonso Sanchez	Baa3	stable
Minera Frisco, S.A.B. De C.V.	Metals & Mining	Sandra Beltran	B3	stable
Petroleos Mexicanos	Energy, Oil & Gas	Nymia Almeida	Baa3	negative
Playa Resorts Holding B.V.	Lodging & Comm Property	Sandra Beltran	B3	stable
Sanluis Rassini, S.A. de C.V.	Manufacturing	Alonso Sanchez	Ba2	stable
Servicios Corporativos Javer, S.A.P.I. de CV	Homebuilding & Construction	Sandra Beltran	B2	stable
Sigma Alimentos S.A. de C.V.	Food & Beverage	Alonso Sanchez	Baa3	stable
SixSigma Networks Mexico S.A. de C.V.	Media, Telecom, Cable & Comm Infrast.	Sandra Beltran	B2	negative
Telefonos de Mexico, S.A.B. de C.V.	Media, Telecom, Cable & Comm Infrast.	Nymia Almeida	A3	negative
Tenedora Nemak, S.A. de C.V.	Manufacturing	Alonso Sanchez	Ba1	stable

Source: Moody's Investors Service

Appendix B: New Rated Issuances in Mexico, January 2015 - March 2016

Exhibit 8

New Rated Issuances in Mexico

January 2015 - March 2016

Issuer Name	Issuance Date	Face Value (USD millions)	Instrument Description	Due	Initial Rating	Current Rating
Petroleos Mexicanos	15-Jan-15	$3,000.00	Gtd. Global Bonds, Senior Unsecured	23-Jan-46	A3	Baa3
Petroleos Mexicanos	15-Jan-15	$1,500.00	Gtd. Global Bonds, Senior Unsecured	23-Jan-26	A3	Baa3
Petroleos Mexicanos	15-Jan-15	$1,500.00	Gtd. Global Bonds, Senior Unsecured	23-Jul-20	A3	Baa3
Petroleos Mexicanos	21-Apr-15	$1,140.75	Gtd. Euro Medium Term Notes, Senior Unsecured	21-Apr-22	A3	Baa3
Grupo Posadas, S.A.B. de C.V.	30-Jun-15	$350.00	Sr. Global Notes, Senior Unsecured	30-Jun-22	B2	B2
America Movil, S.A.B. de C.V.	17-Sep-15	$855.56	Gtd. Convertible Notes, Senior Unsecured	17-Sep-18	A2	A2
Petroleos Mexicanos	30-Sep-15	$340.79	Certificados Bursatiles, Senior Unsecured	5-Sep-35	A3	Baa3
Petroleos Mexicanos	4-Feb-16	$1,250.00	Gtd. Global Bonds, Senior Unsecured	4-Feb-21	Baa1	Baa3
Petroleos Mexicanos	4-Feb-16	$3,000.00	Gtd. Global Bonds, Senior Unsecured	4-Aug-26	Baa1	Baa3
Petroleos Mexicanos	4-Feb-16	$750.00	Gtd. Global Bonds, Senior Unsecured	4-Feb-19	Baa1	Baa3
America Movil, S.A.B. de C.V.	10-Mar-16	$3,422.24	Eurobonds, Senior Unsecured	28-May-20	A2	A2
America Movil, S.A.B. de C.V.	10-Mar-16	$969.63	Eurobonds, Senior Unsecured	10-Mar-28	A2	A2
America Movil, S.A.B. de C.V.	10-Mar-16	$741.48	Eurobonds, Senior Unsecured	10-Mar-24	A2	A2
Petroleos Mexicanos	15-Mar-16	$1,540.01	Gtd. Euro Medium Term Notes, Senior Unsecured	15-Mar-19	Baa1	Baa3
Petroleos Mexicanos	15-Mar-16	$1,026.67	Gtd. Euro Medium Term Notes, Senior Unsecured	15-Mar-23	Baa1	Baa3

Source: Moody's Investors Service

Appendix C: Mexican Companies' Rated Debt Instruments Maturing in 2016-17

Exhibit 9

Rated Debt Instruments Maturing 2016 - 2017

Issuer Name	Currency	Outstanding (USD millions)	Instrument Description	Due	Current Instrument Rating
America Movil, S.A.B. de C.V.	EUR	$ 1,140.74	Gtd. Eurobonds, Senior Unsecured	28-Jun-17	A2
America Movil, S.A.B. de C.V.	JPY	$ 47.04	Japan Bonds, Senior Unsecured	27-Oct-16	A2
America Movil, S.A.B. de C.V.	MXN	$ 112.79	Certificados Bursatiles, Senior Unsecured	19-Oct-17	A2
America Movil, S.A.B. de C.V.	SWFR	$ 283.29	Gtd. Swiss Bonds, Senior Unsecured	27-Dec-17	A2
America Movil, S.A.B. de C.V.	USD	$ 2,000.00	Gtd. Global Notes, Senior Unsecured	8-Sep-16	A2
America Movil, S.A.B. de C.V.	USD	$ 600.00	Gtd. Global Notes, Senior Unsecured	15-Nov-17	A2
America Movil, S.A.B. de C.V.	USD	$ 750.00	Floating Rate Global Notes, Senior Unsecured	12-Sep-16	A2
Grupo Bimbo, S.A.B. de C.V.	MXN	$ 112.79	Certificados Bursatiles, Senior Unsecured	6-Jun-16	Baa2
Grupo Bimbo, S.A.B. de C.V.	MXN	$ 169.19	Certificados Bursatiles, Senior Unsecured	16-Jun-16	Baa2
Grupo Posadas, S.A.B. de C.V.	USD	$ 275.00	Gtd. Sr. Global Notes, Senior Unsecured	30-Nov-17	B2
Grupo Posadas, S.A.B. de C.V.	USD	$ 35.00	Gtd. Sr. Global Notes, Senior Unsecured	30-Nov-17	B2
Petroleos Mexicanos	AUD	$ 113.55	Gtd. Medium Term Notes, Senior Unsecured	26-Apr-17	Baa3
Petroleos Mexicanos	EUR	$ 1,140.75	Euro Medium Term Notes, Senior Unsecured	9-Jan-17	Baa3
Petroleos Mexicanos	EUR	$ 228.15	Gtd. Euro Medium Term Notes, Senior Unsecured	6-Nov-17	Baa3
Petroleos Mexicanos	MXN	$ 648.55	Certificados Bursatiles, Senior Unsecured	23-Nov-17	Baa3
Petroleos Mexicanos	MXN	$ 394.77	Sr. Notes, Senior Unsecured	10-Apr-17	Baa3
Petroleos Mexicanos	EUR	$ 969.63	Gtd. Global Bonds, Senior Unsecured	5-Aug-16	Baa3
Telefonos de Mexico, S.A.B. de C.V.	MXN	$ 112.79	Certificados Bursatiles, Senior Unsecured	27-Oct-16	A3

Source: Moody's Investors Service

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