

# Corporate Bond Market Review

## Issued amount as of October larger than all 2020

- In October, 13 issuances were placed in the debt capital markets for MXN 30.3 billion (+4.7% y/y), marking the largest amount in a single month since June
- After a clear preference for 'AAA' rated, unsecured bonds observed in the last few months, issuances in October showed a better balance between structures, credit ratings and reference rates
- Meanwhile, in the short-term market MXN 16.0 billion were placed, an 11.9% decrease than in the same month in 2020; the amount outstanding stood at MXN 47.3 billion (-11.5% y/y)
- In the banking bond market, MXN 16.0 billion were placed through five bonds from SHF and Bancomext, extending the preference in 2021 for development bank securities

November 5, 2021

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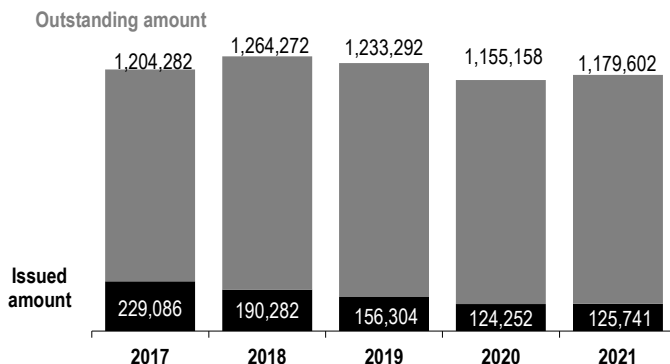
**Long-term corporate bond market.** October continued with the dynamic observed in the last weeks of September, with the placement of 13 long-term bonds for an amount of MXN 30.3 billion (4.7% y/y). The issued amount was boosted by the return of recurring issuers to the market, signaling a return to pre-pandemic placement levels. Also, contrary to the observed in 2020 issuances and at the beginning of the year where proceeds were used mainly to refinance debt, it stands out that most of the month's issued amount is deemed as new debt, pointing to investments in working capital by the issuers. It is also reflected in the amount outstanding, which shows a positive trend (+0.7% y/y) after the continuous fall observed since 2019. Regarding spreads, despite the large supply of corporate bonds, they have remained in below-the-curve levels. Going forward, we expect a moderation in placements, although the pipeline remains robust with issuers trying to cover their financing needs prior year-end.

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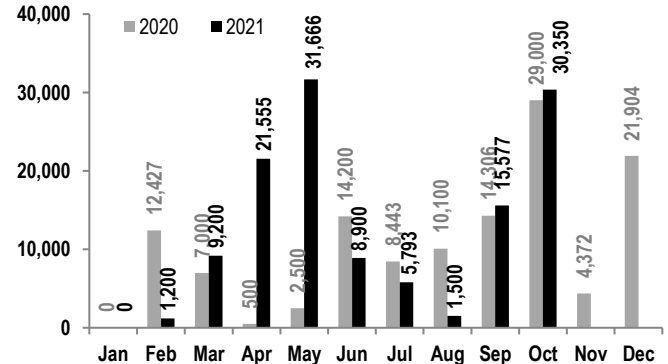
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**Corporate bond market volume – Long-Term**  
MXN Million



Source: Banorte / BMV / BIVA / PIP as of October 2021.

**Monthly issued volume – Long-Term**  
MXN Million

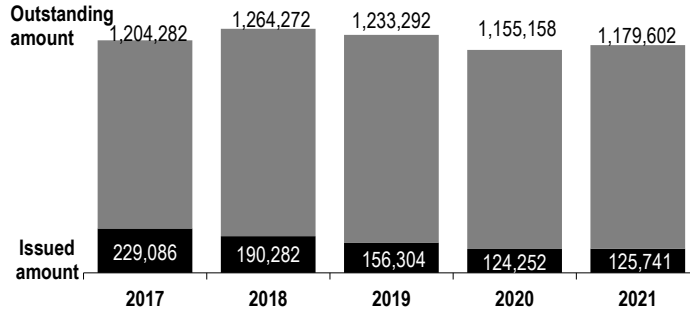


## Corporate Bond Market – Long Term

**Market Evolution.** As of October 2021, the corporate mid- and long-term corporate bond market added up to MXN 1.18 trillion, considering securities such as Corporate Bonds (CB's) issued by corporates, states, municipalities, infrastructure programs and state-owned.

### Corporate Bond Market Volume – Long-Term

MXN Million



Source: Banorte / BMV / BIVA / PIP, as of October 2021.

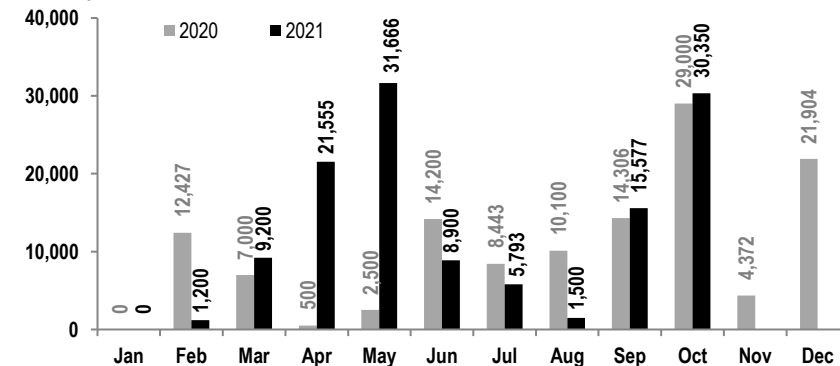
	2017	2018	2019	2020	2021*
<b>Securities Certificates</b>					
Issued	229,086	190,282	156,304	124,752	125,741
Outstanding	1,198,245	1,258,236	1,227,255	1,155,158	1,179,602
<b>CPO's**</b>					
Outstanding	6,037	6,037	6,037	0	0
<b>Total Issued</b>	<b>229,086</b>	<b>190,282</b>	<b>156,304</b>	<b>124,752</b>	<b>125,741</b>
YoY Growth*	127.9%	-16.9%	-17.9%	-20.2%	1.2%
<b>Total Outstanding</b>	<b>1,204,282</b>	<b>1,264,272</b>	<b>1,233,292</b>	<b>1,155,158</b>	<b>1,179,602</b>
YoY Growth*	8.6%	5.0%	-2.5%	-6.3%	2.1%

Source: Banorte / BMV / PIP, as of October 2021. \*October 2021 YTD vs 2020

**September issuances.** Throughout the month, 13 placements were carried out in the long-term market for MXN 30.35 billion (+4.7% y/y).

### Monthly issued volume

MXN Million



Source: Banorte / BMV / BIVA / PIP as of October 2021.

### Monthly Issuances

MXN Million

Issue	Amount	Str.	Settlement Date	Maturity Date	Ref. Rate Spread %	Rating S&P/ Moody's / Fitch/ HR / Verum	Issuer
TOYOTA 21	1,000	No	11-Oct-21	07-Oct-24	TIIE-28 + 0.24%	mxAAA//AAA(mex)/	Toyota FSM
TOYOTA 21-2	1,000	No	11-Oct-21	06-Apr-26	FIXED : 7.62%	mxAAA//AAA(mex)/	Toyota FSM
FHIPOCB 21-2	3,000	MBS	11-Oct-21	12-Oct-51	FIXED : 8.96%	mxAAA/Aaa.mx//HRAAA	FHipo
VOLARCB 21L	1,500	ABS	13-Oct-21	20-Oct-26	TIIE-28 + 2%	///HR AA/AA+/M	Volaris
GAP 21V	1,500	No	15-Oct-21	09-Oct-26	TIIE-28 + 0.25%	mxAAA/Aaa.mx//	GAP
GAP 21-2	1,000	No	15-Oct-21	28-Apr-28	FIXED : 7.91%	mxAAA/Aaa.mx//	GAP
TFOVICB 21U	10,000	MBS	15-Oct-21	29-Jan-51	UDIS : 3.16%	//AAA(mex)/HR AAA	FOVISSTE
FUNO 21X	2,900	No	21-Oct-21	12-Oct-28	FIXED : 8.98%	//AAA(mex)/HR AAA	Fibra Uno
FUNO 21-2X	5,200	No	21-Oct-21	16-Oct-25	TIIE-28 + 0.9%	//AAA(mex)/HR AAA	Fibra Uno
ARA 21X	1,000	No	21-Oct-21	17-Oct-24	TIIE-28 + 1.4%	//AA-(mex)/HR AA+	Consortio ARA
ARA 21-2X	500	No	21-Oct-21	12-Oct-28	FIXED : 9.63%	//AA-(mex)/HR AA+	Consortio ARA
CETELM 21-3*	1,500	No	26-Oct-21	20-Sep-24	TIIE-28 + 0.18%	mxAAA//AAA(mex)/	Cetelem
LEAFUCB 21	250	ABS	28-Oct-21	28-Oct-26	TIIE-28 + 2.75%	mxAA//HR AAA	Lease For You
<b>Total</b>	<b>30,350</b>						

Source: Banorte / BMV / BIVA with information on Prospects, CNBV applications, Public Offer Notices and "Selling Memos". na: Not available or preliminary data. The information set forth herein may differ materially from the final or current information. \* Tap issue

**Reference Rate Breakdown.** Throughout the year, a slight preference has been observed for issuances referenced to 28-day TIIE with 55.2% of the total amount. With our expectation of [two additional 25bps hikes by Banxico for the rest of 2021](#), we expect investors to keep the preference with floating rate bonds.

Regarding the **Federal Reserve**, in its latest monetary policy decision, the Fed kept unchanged the Fed funds range at 0.0%-0.25% and announced the start of the tapering, with a more hawkish tone in the communiqué and Powell's press conference. Our Economic Research team now expects the Fed to hike twice the Fed funds range in 2022, once in September and once in December.

Meanwhile, **Banxico** published the minutes from its last meeting, in which they hiked the rate by 25pbs to 4.75%. The document reinforced the statement's more hawkish tone, highlighting greater concerns about current inflation dynamics and its potential impact on mid- and long-term expectations. Our Economic Research team still expects two additional 25bps hikes for the rest of 2021, taking the reference rate to 5.25%. For 2022 they see two more hikes of the same magnitude at the start of the year and one more at the end, closing at 6.00%.

#### Securities Certificates – Reference Rate

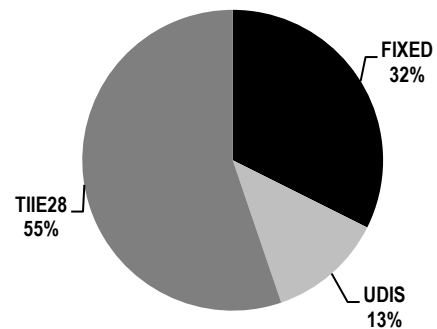
MXN Million, %

Ref. Rate	2021 Issuances	%
FIXED	40,713	32.4%
UDIS	15,582	12.4%
Total floating rate	69,446	55.2%
TIIE28	69,446	55.2%
TIIE91	0	0.0%
CETE 182	0	0.0%
LIBOR	0	0.0%
MIX	0	0.0%
<b>Total</b>	<b>125,741</b>	<b>100%</b>

Source: Banorte / BMV / BIVA / PIP, as of October 2021.

#### Reference Rate Breakdown, 2021

%

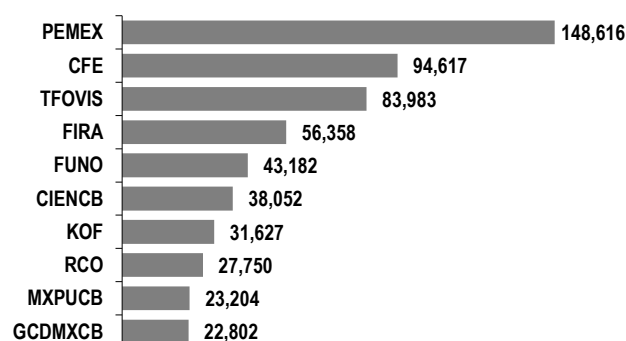


Due to rounding, totals may not correspond to the sum of all figures shown.

**Main Issuers.** Ten issuers represented 48.3% of the market, of which state-owned companies PEMEX & CFE hold 20.6% of the total volume outstanding of long-term private debt, ranking first and second in the total market, respectively. It is worth noting that of the ten main issuers, only Pemex ('A2.mx' by Moody's) is not rated 'AAA' or equivalent.

**Main issuers or trustors\***

MXN Million



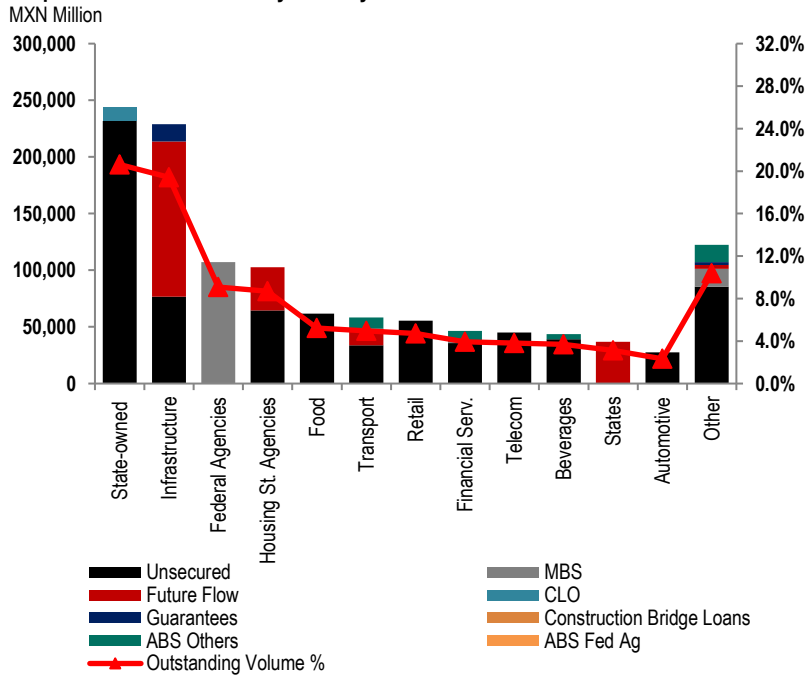
**Issuer Credit Rating\***

	PEMEX	CFE	TFOVIS	FIRA	CIENCB	FUNO	KOF	RCO	MXPUCB	GCDMXCB
S&P	mx AAA	mx AAA	mx AAA	mx AAA	nd	nd	mx AAA	nd	nd	mx AAA
Moody's	A3.mx	Aaa.mx	nd	nd	nd	nd	Aaa.mx	nd	nd	Aaa.mx
Fitch	nd	AAA (mex)	nd	AAA (mex)	AAA (mex)	nd	AAA (mex)	nd	nd	AAA (mex)
HR	HR AAA	nd	nd	HR AAA	HR AAA	nd	HR AAA	nd	nd	nd

Source: Banorte / BMV / BIVA / Rating agencies as of October 2021. nd: not available. \* The outstanding amount of the "issuer" includes structured issues whose trustor is equal to the issuer; however, the ratings are from the issuer (unsecured).

**Leading Industry Groups.** As of October 2021, six sectors (State-owned companies, Infrastructure, Federal Agencies, Housing support, Food and Retail) make up 68.0% of the total outstanding volume of the long-term corporate bond market. As we already mentioned, the State-owned companies, Pemex and CFE, account for the 20.6% of the total market. The remaining 32.0% is spread in 18 sectors.

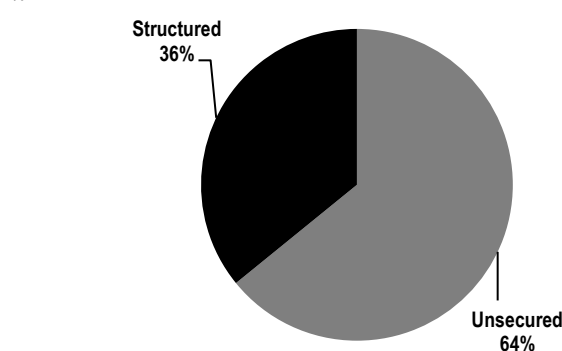
### Corporate debt breakdown by industry and structure



Source: Banorte / BMV / BIVA / PIP as of October 2021.

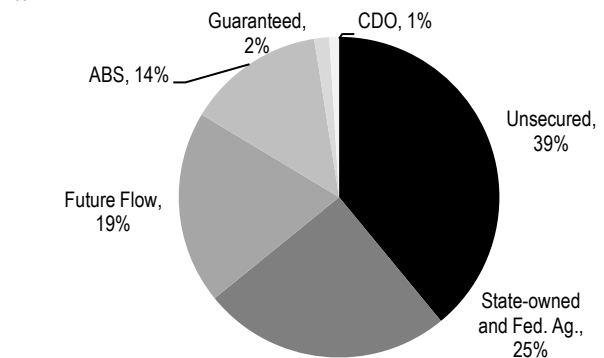
**Breakdown by type of risk (Structure).** As of October 2021, the market accounts for 240 structured issuances, which represent 35.9% (MXN 423.0 billion) of the total outstanding volume, below the 36.7% (MXN 429.6 billion) registered during the same period of 2020. Two types of structure make up 33.4% of the total outstanding volume of the market: (1) Asset Backed Securities with 13.9%; and (2) Future Flows with 19.5%. Meanwhile, there are 254 unsecured notes (64.1% of the outstanding volume) with seven sectors accounting for 48.7% of total long-term outstanding debt (State-owned companies 19.6%, Infrastructure 6.5%, Federal Agencies 5.5%, Food 5.2%, Consumer Discretionary 4.7%, Beverages 3.8%, and Telecom 3.3%).

### Outstanding corporate debt



Source: Banorte / BMV / BIVA / PIP, as of October 2021.

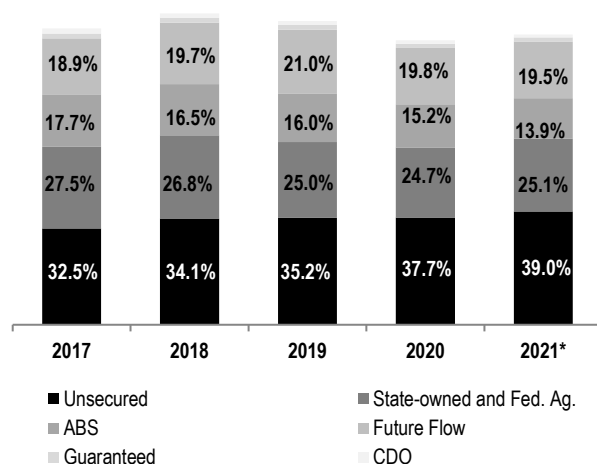
### Breakdown by structure



Source: Banorte / BMV / BIVA / PIP, as of October 2021.

### Outstanding volume by structure

MXN Million; %



Source: Banorte / BMV / BIVA / PIP, as of October 2021\*.

### Issued volume

MXN Million

	2019	2020	2021
<b>Corporate</b>			
Issued	84,361	68,356	80,513
Outstanding	433,888	435,197	460,466
<b>State-Owned Entities / Fed. Agencies</b>			
Issued	19,100	32,443	23,677
Outstanding	308,397	285,088	296,149
<b>ABS</b>			
Issued	25,678	23,450	21,550
Outstanding	197,434	175,604	163,909
<b>Future Flow</b>			
Issued	27,164	0	0
Outstanding	258,848	228,169	229,744
<b>Total / Partially Guaranteed</b>			
Issued	0	502	0
Outstanding	19,321	17,195	17,772
<b>CLO</b>			
Issued	0	0	0
Outstanding	15,404	13,905	11,563
<b>Total</b>			
Issued	156,304	124,752	125,741
Outstanding	1,233,292	1,155,158	1,179,602

Source: Banorte / BMV / PIP, as of October 2021\*

**Corporate Debt Maturities.** During October, seven long-term notes matured for an amount of MXN 7.8 billion; standing out that four of them were early amortizations.

### Month's Maturities

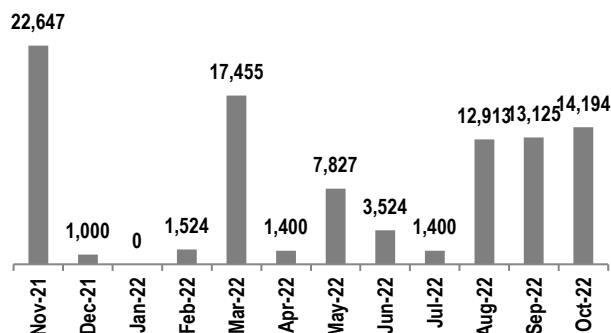
Issue	Amount (MXN Million)	Term (years)	Maturity	Coupon	Amort.	Credit Rating
91AC11-2	2,000	10.1	01-Oct-21	FIXED : 7.63%	Bullet	mxAAA//AAA(mex)/
91ARA17*	831	5.1	13-Oct-21	TIIE-28 + 2.5%	Bullet	mxAA+//HR AA-
91CIE17-2	500	4.0	14-Oct-21	TIIE-28 + 2.25%	Bullet	//A(mex)/HR AA-
95FEFA18V	2,500	3.0	19-Oct-21	TIIE-28 + 0.25%	Bullet	mxAAA//AAA(mex)/HR AAA
95CEDEVIS08-2U*	407	22.4	20-Oct-21	UDIS : 4.78%	Parcial	mx AAA/Aaa.mx/AAA(mex)/
91UNFINCB17-3*	1,093	5.1	25-Oct-21	TIIE-28 + 2.1%	Parcial	mxAA+//HR AAA
91UNFINCB17-4*	437	5.1	25-Oct-21	FIXED : 9.38%	Parcial	mxAA+//HR AAA
<b>Total</b>	<b>7,768</b>					

Source: Banorte with information on Prospects. \* Early Amortization.

In the next 12 months 8.2% (MXN 97.0 billion) of the total outstanding volume will mature. The most relevant issuances by amount are: PEMEX 11-3 for MXN 20.0 billion, ELEKTRA 19 and MFRISCO 18 for MXN 5.0 billion, and ELEKTRA 21 and AZTECA 17 for MXN 4.0 billion. In addition, 8.3% (MXN 97.4 billion) of the outstanding volume will mature in 2022.

## Maturities – Next 12 months

MXN Million



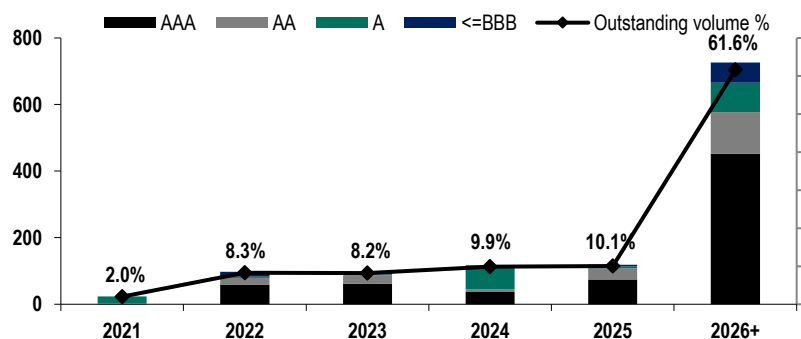
Source: Banorte / BMV / BIVA / PIP, as of October 2021.

## Maturities

Nov. 21	TOYOTA17-4 (\$646.7; AAA); PEMEX11-3 (\$20000; A-); INCARSO17 (\$2000; AA+)
Dec. 21	GCDMXCB16V (\$1000; AAA)
Jan. 22	nd
Feb. 22	DAIMLER19D (\$923.8; AAA); ARREACT19 (\$600; AA-)
Mar. 22	MONTPIO17 (\$500; AA+); ELEKTRA19 (\$5000; AA+); FEFA20 (\$1500; AAA); DAIMLER19 (\$1500; AAA); DAIMLER20 (\$1000; AAA); TOYOTA17 (\$333.3; AAA); LIVEPOL12-2 (\$1900; AAA); CETELEM19 (\$1400; AAA); ITTO17 (\$150; BBB-); GICSA19 (\$2671.7; B); GAP17 (\$1500; AAA)
Apr. 22	FEFA20-3 (\$1400; AAA)
May. 22	ACTINVR17-2 (\$350; A+); VWLEASE18 (\$2000; AAA); ADAMFIN07 (\$1400; BBB); FEFA19-2 (\$3076.5; AAA); GMFIN19-2 (\$1000; AA+)
Jun. 22	FEFA17-5 (\$2024; AAA); KOF17-2 (\$1500; AAA)
Jul. 22	FSHOP17 (\$1400; A+)
Aug. 22	BACHOCO17 (\$1500; AAA); MFRISCO18 (\$5000; BBB+); DAIMLER19-3 (\$1500; AAA); GEOCB11 (\$41.7; nd); GEOCB11-2 (\$66.7; nd); GEOCB12 (\$55; nd); LIVEPOL17-2 (\$1500; AAA); FNCOT19 (\$2000; AAA); TOYOTA17-3 (\$1250; AAA)
Sep. 22	GBM19 (\$1650; AA-); ACBE17-2 (\$1000; AAA); CETELEM19-3 (\$1300; AAA); CETELEM19-4 (\$1700; AAA); AZTECA17 (\$4000; C); GMXT17-2 (\$1475; AAA); INVEX19 (\$1000; A-); ALSEA17 (\$1000; A-)
Oct. 22	ELEKTRA19-2 (\$2500; AA+); CIE20 (\$500; A); FEFA21 (\$2684; AAA); CFE20 (\$2999.9; AAA); FERROMX07-2 (\$1500; AAA); ELEKTRA21 (\$4009.8; AA+)

## Maturity profile

MXN million



Source: Banorte / BMV / BIVA / PIP, as of October 2021.

## In the Oven – Long-term Corporate Debt

*Note: The information below is not intended as a recommendation to buy or sell bonds. All data shown is public (BMV and BIVA) and is subject to change without notice.*

According to preliminary programs registered in the BMV (Mexican Stock Exchange) and in BIVA (Institutional Stock Exchange), the following issuances are pending:

### Unsecured Issuances

MXN Million

Issue	Called Amount	Auction Date	Maturity Date	Ref. Rate	Amort.	Sector	Credit Rating S&P/Moody's /Fitch/HR/Ver	Book Runner	Issuer
MONTPIO 21	500	10-Nov-21	nd-Nov-26	TIIE-28	Bullet	Fin. Serv.	///HR AA+/AA+/M	Actinver	Montepío Luz Saviñón
MOLYMET 21	4,000	10-Nov-21	07-Nov-25	TIIE-28	Bullet	Mining	//AAA(mex)/HR AAA/	Citibanamex - Scotia	Molibdenos y Metales
MOLYMET 21-2		10-Nov-21	05-Nov-27	FIXED	Bullet	Mining	//AAA(mex)/HR AAA/	Citibanamex - Scotia	Molibdenos y Metales
BBPEN 21	2,500	17-Nov-21	nd-nd-26	TIIE-28	Bullet	Beverages	//AAA(mex)/HR AAA/	Actinver - Banorte - Sant	Bepensa Bebidas
BBPEN 21-2		17-Nov-21	nd-nd-28	FIXED	Bullet	Beverages	//AAA(mex)/HR AAA/	Actinver - Banorte - Sant	Bepensa Bebidas
GMFIN 21	1,500	24-Nov-21	10-May-24	TIIE-28	Bullet	Automotive	///	Actinver - BBVA	GM Financial de Mex
FSHOP 21V	2,000	24-Nov-21	07-Jun-24	TIIE-28	Bullet	Infrastr.	///HR AA+/	BBVA - HSBC - Scotia	Fibra Shop
FSHOP 21UV		24-Nov-21	20-Nov-26	Udis	Bullet	Infrastr.	///HR AA+/	BBVA - HSBC - Scotia	Fibra Shop
<b>Total</b>	<b>\$10,500</b>								

Source: Banorte / BMV / BIVA with information on Prospects, CNBV applications, Public Offer Notices and "Selling Memos". nd: Not available or preliminary data. The information set forth herein may differ materially from the final or current information. \* Tap Issue.

### Structured Issuances

MXN Million

Issue	Called Amount	Auction Date	Maturity Date	Ref. Rate	Amort.	Sector	Str.	Credit Rating S&P/Moody's /Fitch/HR/Verum	Book Runner	Issuer
ENCAPCB 21	2,000	11-Nov-21	nd-May-27	TIIE-28	Partial	Fin. Serv.	ABS	//AAA((mex)/HR AAA/	Bnrte - Citi - Sant - Scotia	Engen Capital
ENCAPCB 21-2		11-Nov-21	nd-May-27	FIXED	Partial	Fin. Serv.	ABS	//AAA((mex)/HR AAA/	Bnrte - Citi - Sant - Scotia	Engen Capital
SERFICB 21	400	17-Nov-21	nd-nd-26	TIIE-28	Partial	Fin. Serv.	ABS	mxAAA///HR AAA/	Banorte - BX+	Serfime Capital
FUTILCB 21	600	24-Nov-21	nd-May-25	TIIE-28	Partial	Fin. Serv.	ABS	///	Actinver - Banorte	Fin Útil
MERCFCB 21	450	nd-nd-21	nd-nd-26	TIIE-28	Partial	Fin. Serv.	ABS	///HR AAA/	Intercam	Mercader Fin.
<b>Total</b>	<b>\$3,450</b>									

Source: Banorte / BMV / BIVA with information on Prospects, CNBV applications, Public Offer Notices and "Selling Memos". nd: Not available or preliminary data. The information set forth herein may differ materially from the final or current information. \* Reopening.

### Bank Issuances

MXN Million

Issue	Called Amount	Auction Date	Maturity Date	Ref. Rate	Amort.	Credit Rating S&P/Moody's /Fitch/HR/Verum	Book Runner	Issuer
COMPART 21S	2,000	17-Nov-21	nd-nd-24	TIIE-28	Bullet	mxAA//AA(mex)/	Actinver - Banorte - BBVA	Banco Compartamos
COMPART 21-2S		17-Nov-21	nd-nd-26	FIXED	Bullet	mxAA//AA(mex)/	Actinver - Banorte - BBVA	Banco Compartamos
BLADEX 21	2,000	17-Nov-21	nd-nd-24	TIIE-28	Bullet	mxAAA//AAA(mex)/	BBVA - Santander	Bladex
SABADEL 21V	2,000	nd-nd-21	nd-nd-24	TIIE-28	Bullet	mxAA//HR AA+	Banorte - Citibanamex	Banco Sabadell
<b>Total</b>	<b>\$6,000</b>							

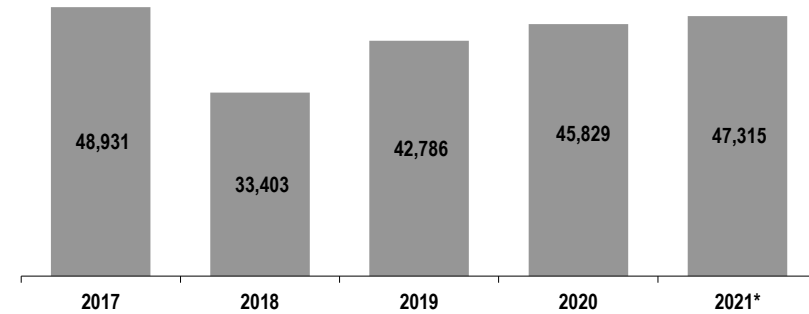
Source: Banorte / BMV / BIVA with information on Prospects, CNBV applications, Public Offer Notices and "Selling Memos". nd: Not available or preliminary data. The information set forth herein may differ materially from the final or current information. \* Reopening.



## Corporate Debt Market – Short-Term

At the end of October 2021, the outstanding amount of the short-term (ST) Corporate Debt Market, which includes short-term securities certificates (tickers 92 and 93), totaled MXN 47.3 billion, a 11.5% decrease y/y. In this period, MXN 16.0 billion of short-term debt were placed, 11.9% lower than the amount recorded in the same month in 2020. In recent months, we have observed the reinstatement of major issuers that, because of the health crisis, had suspended their short-term issuances seeking longer terms, which has been reflected in the short-term market placements. Regarding the percentage issued, in October it was 92.9%, like the average observed in months prior to the COVID-19 pandemic.

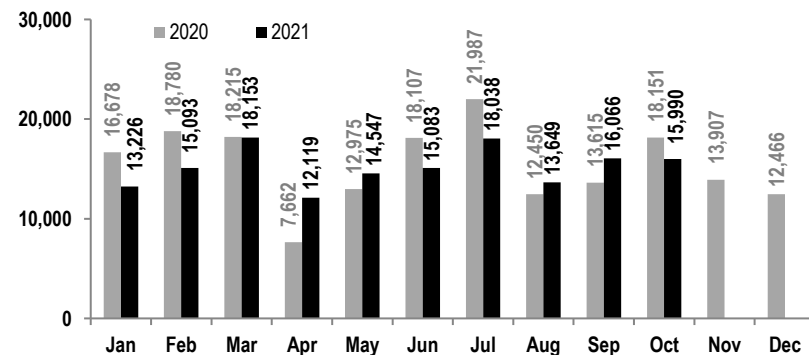
**Corporate Debt Market Volume Short-Term (ST)**  
MXN Million



Source: Banorte / BMV / BIVA / PIP, \*as of October 2021.

**October issuances.** The issued amount during the month (MXN 16.0 billion) was 11.9% lower than in October 2020 (MXN 18.1 billion). Moreover, the aggregated volume placed in 2021 (MXN 151.9 billion) was 4.6% lower than the recorded in 2020.

**Monthly Issued amount**  
MXN Million



Source: Banorte / BMV / BIVA / PIP, as of October 2021.

**Market Conditions –Auctions.** During October 2021, 92.9% of the resources summoned were placed. Throughout the month, the average spread of short-term unsecured bonds pegged to the 28-day TIIE resulted in 0.55%, that is 26bps lower than the average of 0.81% recorded in October 2020. Meanwhile, of the amount placed in the month (MXN 16.0 billion), 72.3% maintains a national scale short-term rating of 'F1+'. During the month, issuers such as Almacénadora Afirme, VW Leasing and GM Financial México stood out for having issued the largest amounts.

**Amount called and issued in short-term corporate debt by issuer**

MXN Million

Issuer	Called	% Issued	Issuer	Called	% Issued
Almacénadora Afirme S.A. de C.V., Org Aux Créd	3,180	99%	Toyota Financial Services México S.A. de C.V.	500	86%
Volkswagen Leasing, S.A. de C.V.	3,300	90%	Paccar Financial México, SA de CV, SOFOM, ENR	800	53%
GM Financial de México, SA de CV, SOFOM ENR	2,600	90%	ION Financiera, S.A.P.I. de C.V., SOFOM, E.R.	314	99%
Arrendadora Actinver, S.A. de C.V.	1,346	100%	Navistar Financial, S.A. de C.V. SFOM ENR	291	100%
Daimler México, S.A. de C.V.	1,000	100%	Factoring Corporativo, S.A. de C.V. SFOM ENR	220	100%
Financiera Bepensa, S.A. de C.V., SOFOM, E.R.	700	100%	Genomma Lab Internacional, S.A.B. de C.V.	250	60%
Cetelem, S.A. de C.V., SOFOM, E.R.	700	95%	Factoraje Afirme SA de CV, Org Aux Créd	106	100%
Start Banregio, S.A. de C.V., SOFOM, ER	666	100%	Fideicomiso Hipotecario	100	100%
Arrendadora Afirme S.A. de C.V.	558	100%	Mexarrend, S.A.P.I. de C.V	82	100%
Corporación Interamericana de Entretenimiento	500	100%			
<b>TOTAL</b>				<b>17,288</b>	<b>92.93%</b>

Source: Banorte with information of Auctions and Public Offer Notices of October 2021 debt published by Emisnet and BIVA.

**Short-term debt renewals per week**

MXN Million

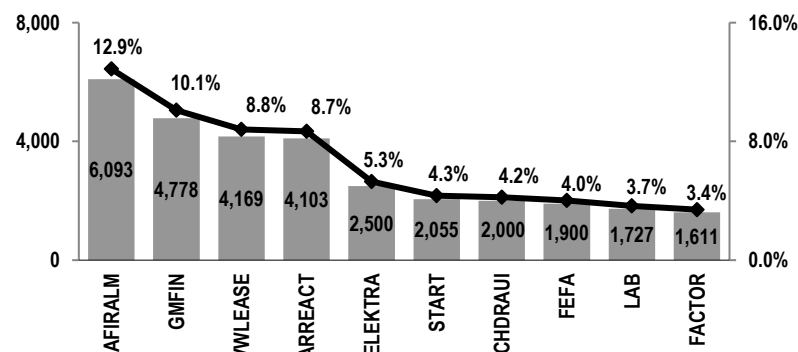
Week	Called Amount	Issued Amount	%	Spread	Avr Term	F1+	ST Ratings*							Main Issuers
October 1 to 8	5,014	4,745	94.6%	0.23%	83 days	68%	0%	31%	1%	0%	0%	0%	0%	AFIRALM, ARREACT, VWLEASE
October 11 to 15	4,476	4,176	93.3%	0.26%	101 days	88%	1%	11%	0%	0%	0%	0%	0%	VWLEASE, FINBE, GMFIN
October 18 to 22	4,155	4,035	97.1%	0.25%	114 days	69%	1%	26%	3%	0%	0%	0%	0%	AFIRALM, VWLEASE, GMFIN
October 25 to 29	3,568	3,034	85.0%	0.39%	89 days	62%	0%	34%	4%	0%	0%	0%	0%	AFIRALM, VWLEASE, GMFIN
<b>Total</b>	<b>17,213</b>	<b>15,990</b>	<b>92.90%</b>	<b>0.28%</b>	<b>97 days</b>	<b>72.3%</b>	<b>0.7%</b>	<b>25%</b>	<b>2%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>AFIRALM, VWLEASE, GMFIN</b>

Source: Banorte with information of Auctions and Public Offer Notices of debt of October 2021. \* Rating's percentage on the amount placed per week.

**Main Issuers.** Ten issuers account for 65.4% of the short-term Corporate Market, among which stand out for its outstanding amount: Almacénadora Afirme (MXN 6.1 billion), GM Financial (MXN 4.8 billion) and VW Leasing (MXN 4.2 billion). It should be noted that nine of the top ten issuers have a credit rating (by at least one agency) higher or equal to 'F1' (or equivalent).

#### Main issuers – short-term

MXN Million



#### ST Ratings (local scale)

	AFIRALM	GMFIN	VWLEASE	ARREACT	ELEKTRA	START	CHDRAUI	FEFA	LAB	FACTOR
S&P	mxA-2	mxA-1+	mxA-1+	-	-	-	-	mxA-1+	-	-
Moody's	-	-	MX-1	-	-	MX-1	-	-	-	-
Fitch	-	F1+mex	-	F1+mex	F1+mex	-	F1+mex	F1+mex	F1+mex	F2mex
HR Ratings	HR1	-	HR+1	HR1	HR1	HR+1	HR+1	HR+1	HR1	HR2
PCR Verum	-	-	-	1+/M	1+/M	1+/M	-	-	-	-

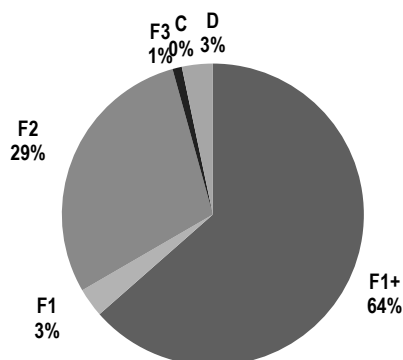
Source: Banorte / BMV / Rating agencies as of October 2021.

**Main Sectors and Ratings.** During October 2021 the Financial Services sector keeps leading with the highest percentage of the amount outstanding (45.6% vs. 51.1% in October 2020), explained by the contributions of Arrendadora Actinver and Almacénadora Afirme. This sector is followed by the Retail with a 14.8% share (vs. 9.2% in October 2020) due to the active auctions of Chedraui and Elektra.

#### Distribution by sector and rating

MXN Million

Sector	2021*		2020		Var.
	Amount	%	Amount	%	
Financial Services	21,585	45.6%	21,585	51.1%	-5.5%
Retail	7,003	14.8%	7,003	9.2%	5.6%
Automotive	6,411	13.5%	6,411	14.7%	-1.1%
NFE – SME	2,055	4.3%	2,055	5.5%	-1.1%
NFE – Inter	1,611	3.4%	1,611	2.1%	1.3%
NFE – Auto	1,393	2.9%	1,393	2.2%	0.7%
Others	7,258	15.3%	7,258	-	-
<b>Total*</b>	<b>47,315</b>	<b>100%</b>			

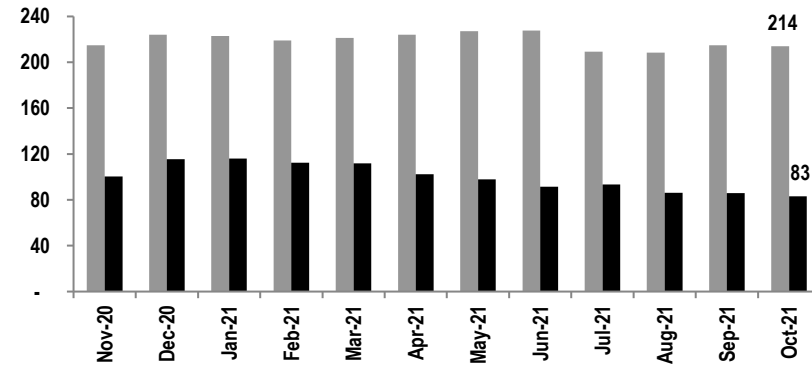


Source: Banorte / BMV / BIVA / Rating agencies, \*as of October 2021.

**Maturity profile.** During October 2021, the weighted average days to maturity of the short-term debt were 83 days, below the 91 days recorded in October 2020.

**Term vs DtM**

Days

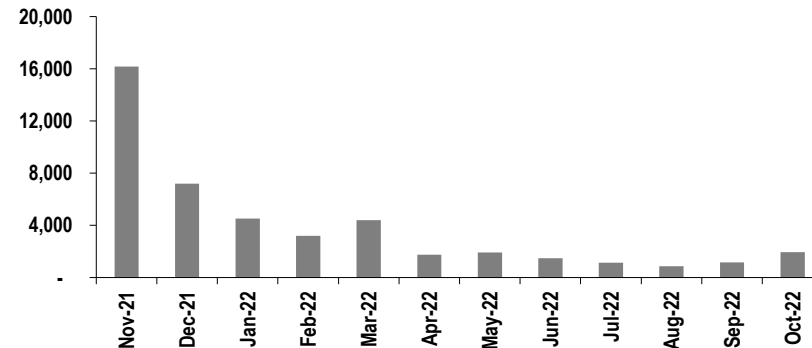


Source: Banorte / BMV / BIVA / PIP, as of October 2021.

In November, we expect maturities for MXN 16.2 billion, equivalent to 34.2% of the outstanding ST Corporate Debt outstanding amount. While at the end of September 28.5% was expected to expire during October 2021. It is important to consider that the issuers of this market refinance their maturities on a frequent basis.

**Maturity Profile**

MXN Million

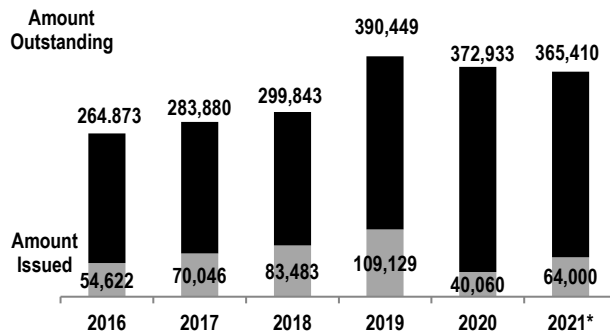


Source: Banorte / BMV / BIVA / PIP, as of October 2021.

## Banking Bond Market

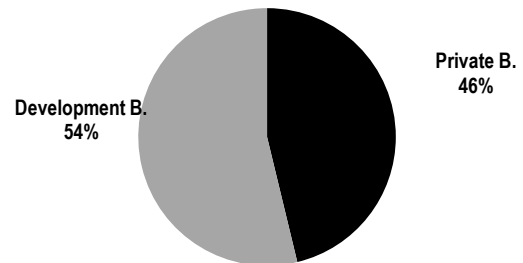
**Market evolution.** As of October 2021, the banking bond market outstanding amount totaled MXN 365.4 billion, a 0.9% decrease compared with the outstanding volume as of October 2020. For this market we consider bonds issued by private banks (94) and development banks (CD). In this regard, as of October 2021, 46.2% of the market amount outstanding comes from private banks.

**Banking Bond Market Volume**  
MXN Million



Source: Banorte / BMV / BIVA / PIP, \*as of October 2021.

**Breakdown by bank type**  
%



Source: Banorte / BMV / BIVA / PIP, as of October 2021.

**Last Issuances.** During October there were five placements for MXN 16 billion by SHF and Bancomext. Issuances recorded in 2021 (MXN 64 billion) were higher (109.4%) than the same period in 2020 (MXN 30.6 billion).

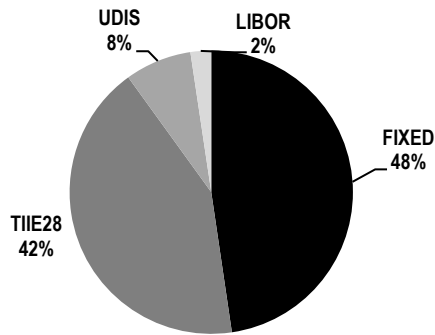
**Last issuances**  
MXN Million

Issuance	Amount	Date Issued	Maturity	Reference Rate	Amort.	Rating S&P/Moody's/Fitch/HR	Sector	Issuer
CDSHF21-3	3,260	08-oct-21	24-ene-25	TIIE-28 - 0.06%	Bullet	mxAAA/Aaa.mx/AAA (mex)/	Development B.	SHF
CDSHF21-4	2,740	08-oct-21	02-oct-26	TIIE-28 - 0.03%	Bullet	mxAAA/Aaa.mx/AAA (mex)/	Development B.	SHF
CDBACMEXT21X	3,000	29-oct-21	25-oct-24	TIIE-28 - 0.07%	Bullet	mxAAA/Aaa.mx/AAA (mex)/	Development B.	Bancomext
CDBACMEXT21-2X	1,000	29-oct-21	23-oct-26	TIIE-28 - 0.05%	Bullet	mxAAA/Aaa.mx/AAA (mex)/	Development B.	Bancomext
CDBACMEXT21-3X	6,000	29-oct-21	17-oct-31	FIXED: 7.83%	Bullet	mxAAA/Aaa.mx/AAA (mex)/	Development B.	Bancomext
<b>Total</b>	<b>\$16,000</b>							

Source: Banorte / BMV / BIVA with information from Prospectus, CNBV Applications, and Selling Memos. na: not available. Information displayed here may differ substantially from final o current information. \*Reopening.

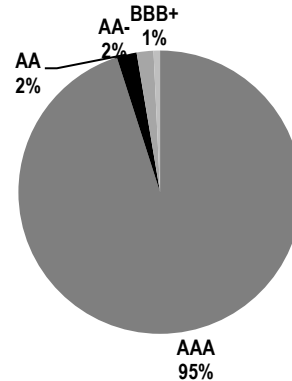
**Market conditions.** As of October 2021, 47.7% of the outstanding amount corresponds to a fixed rate. Also, pegged to a floating rate (28-day TIEE or LIBOR) placements are found in this market (44.7%), as well as a smaller part in UDIS (7.6%). Moreover, it's worth noting that most bank issuances hold the highest local credit ratings 'AAA' (95.1% of the outstanding volume).

**Breakdown by reference rate**  
%



Source: Banorte / BMV / BIVA / PIP, as of October 2021.

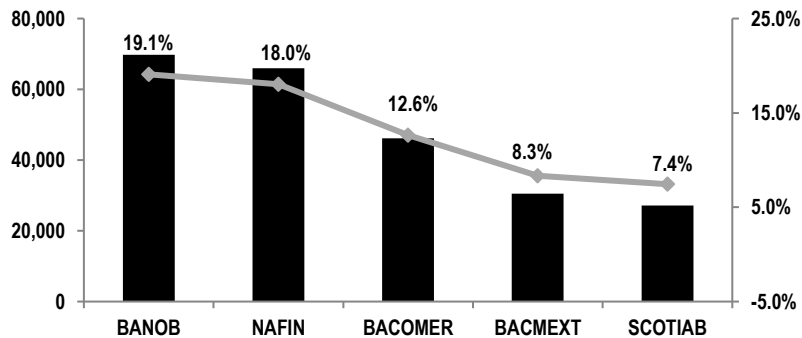
**Credit rating distribution**  
%



Source: Banorte / BMV / BIVA / PIP, as of October 2021.

**Main issuers.** As of October 2021, five issuers make up for the 65.5% of the outstanding volume, of which Banobras leads the market with the 19.1%.

**Largest Issuers**  
MXN Million / %

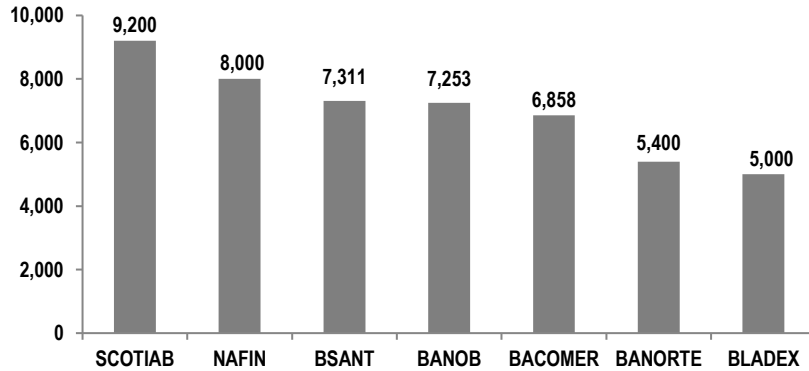


Source: Banorte / BMV / BIVA / PIP, as of October 2021.

**Maturity profile.** Throughout October of 2021, there were no maturities. Moreover, for the next 12 months we expect maturities adding up to MXN 61.6 billion, which represent 16.9% of the outstanding amount. It's worth noticing that maturities from Scotiabank account for MXN 9.2 billion.

#### Forthcoming maturities (NTM)

MXN Million

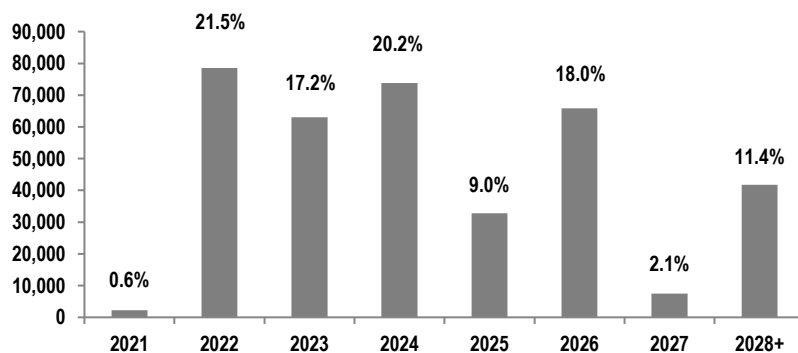


Source: Banorte / BMV / BIVA / PIP. \*Early maturities.

In 2022, 21.5% (MXN 78.5 billion) of the total outstanding volume will mature, while in 2023 and 2024 we expect the maturity of 17.2% (MXN 63.0 billion) and 20.2% (MXN 73.8 billion). The most relevant issuances by amount are: SCOTIAB 18 (MXN 6.3 billion), SCOTIAB 19 (MXN 6.0 billion) and BANORTE 19 (MXN 5.4 billion).; as for 2024, largest maturities expected are: NAFF 240308 (MXN 15 billion), BINBUR 14-7 (MXN 14.7 billion) and BANOB 14-2 (MXN 12 billion).

#### Maturity profile

MXN Million / %



Source: Banorte / BMV / BIVA / PIP, as of October 2021.

**Attachment 1. Main Issuers\* - Long-term corporate bond market**

	Ticker	Issued amount (mxn million)	%	Issuer credit rating (S&P/Moody's/Fitch/HR)	Issuer
1	PEMEX	148,616	12.60%	mx AAA/A3.mx/nd/HR AAA	Petróleos Mexicanos
2	CFE	94,617	8.02%	mx AAA/Aaa.mx/AAA (mex)/nd	Comisión Federal de Electricidad
3	TFOVIS	83,983	7.12%	mx AAA/nd/nd/nd	FOVISSSTE
4	FIRA	56,358	4.78%	mx AAA/nd/AAA (mex)/HR AAA	Fondo Especial para Financiamientos Agropecuarios
5	FUNO	43,182	3.66%	nd/nd/AAA (mex)/HR AAA	Fibra Uno Administración, S.A. de C.V.
6	CIENCB	38,052	3.23%	nd/nd/nd/nd	Corporación Mexicana de Inversiones de Capital, S.A. de C.V.
7	KOF	31,627	2.68%	mx AAA/Aaa.mx/AAA (mex)/HR AAA	Coca-Cola Femsa
8	RCO	27,750	2.35%	nd/nd/nd/nd	Red de Carreteras de Occidente, S.A.P.I.B. de C.V.
9	MXPUCE	23,204	1.97%	nd/nd/nd/nd	Fonadin
10	GCDMXCB	22,802	1.93%	mx AAA/Aaa.mx/AAA (mex)/nd	Gobierno del Distrito Federal
11	GMXT	22,800	1.93%	mx AAA/nd/AAA (mex)/nd	GMéxico Transportes, S.A. de C.V.
12	GAP	22,500	1.91%	mx AAA/Aaa.mx/nd/nd	Grupo Aeroportuario del Pacífico, S.A.B. de C.V.
13	LALA	21,634	1.83%	nd/nd/AA (mex)/HR AA-	Grupo LALA, S.A.B. de C.V.
14	OSM	18,943	1.61%	mx AA-/nd/AAA (mex)/HR AA+	Operadora de Sites Mexicanos, S.A. de C.V.
15	BIMBO	18,000	1.53%	mx AA+/Aa2.mx/AAA (mex)/nd	Grupo Bimbo, S.A. de C.V.
16	ELEKTRA	17,643	1.50%	nd/nd/A+ (mex)/HR AA+	Grupo Elektra, S.A.B. de C.V.
17	LIVEPOL	16,900	1.43%	mx AAA/nd/AAA (mex)/nd	El Puerto de Liverpool, S.A.B. de C.V.
18	CHIHCB	15,002	1.27%	mx A+/A2.mx/BBB+ (mex)/nd	Gobierno del Estado de Chihuahua
19	TMMCB	14,522	1.23%	nd/nd/nd/nd	Transportación Marítima Mexicana y TMM División Marítima
20	CETEM	14,500	1.23%	mx AAA/nd/AAA (mex)/nd	Cetelem, S.A. de C.V., Sociedad Financiera de Objeto Múltiple, E.R.
21	ARCA	13,350	1.13%	mx AAA/Aaa.mx/AAA (mex)/nd	Arca Continental, S.A.B. DE C.V.
22	FHIPO	10,963	0.93%	nd/nd/nd/HR AA	Fideicomiso Hipotecario (FHIPO)
23	CEDEVIS	10,476	0.89%	mx AAA/nd/AAA (mex)/nd	Infonavit
24	GICSA	10,295	0.87%	mx B/nd/nd/HR BBB+	Grupo GICSA, S.A.B. de C.V.
25	CONMEX	10,208	0.87%	mx AAA/nd/AAA (mex)/nd	Concesionaria Mexiquense
26	CAMS	9,453	0.80%	nd/nd/nd/nd	Concesionaria de la Autopista Monterrey Saltillo, S.A. de C.V.
27	FIBRAPL	9,136	0.77%	nd/nd/AAA (mex)/HR AAA	Prologis Property México, S.A. de C.V.
28	PAMMCB	8,808	0.75%	nd/nd/nd/nd	Red Estatal de Autopistas de Nuevo León
29	DAIMLER	8,624	0.73%	mx AAA/nd/AAA (mex)/nd	DAIMLER México, S.A. de C.V.
30	VWLEASE	8,500	0.72%	mx AAA/Aaa.mx/nd/nd	Volkswagen Leasing, S.A. de C.V.
31	FERROMX	8,500	0.72%	mx AAA/nd/AAA (mex)/nd	Ferrocarril Mexicano
32	EDONL	8,280	0.70%	nd/nd/nd/nd	Red Estatal de Autopistas de Nuevo León
33	FONACOT	8,120	0.69%	mx AAA/nd/AAA (mex)/HR AAA	Instituto del Fondo Nacional para el Consumo de los Trabajadores
34	GASN	8,100	0.69%	mx AA+/nd/AAA (mex)/nd	Naturgy México, S.A. de C.V.
35	ALSEA	8,000	0.68%	nd/nd/A- (mex)/HR A-	ALSEA, S.A.B. de C.V.
36	PASACB	7,655	0.65%	nd/nd/nd/nd	Pápagos Servicios para la Infraestructura, y Sarre Infraestructura y Servicios
37	HERDEZ	7,500	0.64%	mx AA/nd/AA (mex)/nd	Grupo Herdez, S.A.B. de C.V.
38	GPH	7,500	0.64%	nd/nd/AAA (mex)/HR AAA	Grupo Palacio de Hierro, S.A.B. de C.V.
39	SORIANA	6,500	0.55%	nd/nd/AA+ (mex)/HR AA+	Organización Soriana, S.A.B. de C.V.
40	CHIACB	6,472	0.55%	mx A/A1.mx/A- (mex)/nd	Estado de Chiapas
41	CASITA	6,212	0.53%	nd/C.mx/nd/nd	Hipotecaria Su Casita, S.A. de C.V.
42	TOYOTA	6,105	0.52%	mx AAA/nd/AAA (mex)/nd	Toyota Financial Services México, S.A. de C.V.
43	IPORCB	6,021	0.51%	nd/nd/nd/nd	Operadora Metropolitana de Carreteras, S.A. de C.V.
44	INCARSO	6,000	0.51%	nd/nd/AA+ (mex)/HR AA+	INMUEBLES CARSO, S.A.B. DE C.V.
45	LPSLCB	5,775	0.49%	nd/nd/nd/nd	Libramiento ICA La Piedad, S.A. de C.V., ICA San Luis, S.A. de C.V.
46	FSHOP	5,635	0.48%	nd/nd/A+ (mex)/HR AA+	Fibra Shop Portafolios Inmobiliarios, S.A.P.I. de C.V.
47	DANHOS	5,500	0.47%	nd/nd/AAA (mex)/HR AAA	Concentradora Fibra Danhos, S.A. de C.V.
48	AMX	5,184	0.44%	mx AAA/Aaa.mx/AAA (mex)/nd	America Móvil S.A. De C.V.
49	AERMXCB	5,150	0.44%	nd/nd/nd/nd	Aerovías de México
50	OPI	5,062	0.43%	nd/nd/nd/nd	Organización de Proyectos de Infraestructura, S. de R.L. de C.V.
51	TELMEX	5,000	0.42%	mx AAA/Aaa.mx/nd/nd	Teléfonos de México, S.A. de C.V.
52	MFRISCO	5,000	0.42%	nd/B3.mx/A- (mex)/HR BBB+	Minera Frisco, S.A.B. de C.V.
53	OMA	5,000	0.42%	mx AAA/nd/AAA (mex)/nd	Grupo Aeroportuario del Centro Norte, S.A.B. de C.V. (OMA)
54	GRUMA	5,000	0.42%	mx AA+/nd/AAA (mex)/nd	GRUMA, S.A.B. de C.V.
55	GMAFIN	4,504	0.38%	mx CC/nd/CCC (mex)/nd	Gmac Financiera
<b>Total Sample*</b>		<b>1,010,223</b>	<b>85.64%</b>		

Source: Banorte / BMV / PIP / Rating agencies, as of September 2021. \* The sample does not consider the whole market, only 85.6% of outstanding volume. Includes CB's, PMP, CPO's & debentures.



**Attachment 2. Main Issuers\* - Short-term corporate bond market**

	<b>Ticker</b>	<b>Issued amount (mxn million)</b>	<b>%</b>	<b>Issuer credit rating S&amp;P/Moody's/Fitch/HR</b>	<b>Issuer</b>
1	AFIRALM	6,093	12.9%	mxA-2 / - / - / HR1	Almacenadora Afirme S.A. de C.V., Org. Aux. del Créd., Afirme Gpo. Fin.
2	GMFIN	4,778	10.1%	mxA-1+ / - / F1+mex / -	GM Financiamiento de México, S.A. de C.V., SOFOM ENR
3	VWLEASE	4,169	8.8%	mxA-1+ / MX-1 / - / HR+1	Volkswagen Leasing, S.A. de C.V.
4	ARREACT	4,103	8.7%	- / - / F1+mex / HR1	Arrendadora Actinver, S.A. de C.V.
5	ELEKTRA	2,500	5.3%	- / - / F1+mex / HR1	Grupo Elektra S.A. de C.V.
6	START	2,055	4.3%	- / MX-1 / - / HR+1	Start Banregio, S.A. de C.V., SOFOM, ER, Banregio Grupo Financiero
7	CHDRAUI	2,000	4.2%	- / - / F1+mex / HR+1	Grupo Comercial Chedraui, S.A.B. de C.V.
8	FEFA	1,900	4.0%	mxA-1+ / - / F1+mex / HR+1	Fondo Especial para Financiamientos Agropecuarios
9	LAB	1,727	3.7%	- / - / F1+mex / HR1	Genomma Lab Internacional, S.A.B. de C.V.
10	FACTOR	1,611	3.4%	- / - / F2mex / HR2	Factoring Corporativo, S.A. de C.V. SFOM ENR
11	CETELM	1,399	3.0%	mxA-1+ / - / F1+mex / -	Cetelem, S.A. de C.V., Sociedad Financiera de Objeto Múltiple, E.R.
12	NAVISTS	1,393	2.9%	mxA-1+ / - / - / HR+1	Navistar Financiamiento, S.A. de C.V. SFOM ENR
13	MEXAMX	1,234	2.6%	mxA-2 / - / F2mex / HR2	Mexarrend, S.A.P.I. de C.V.
14	AEROMEX	1,162	2.5%	- / - / - / HRD	Grupo Aeromexico, S.A.B. de C.V.
15	DAIMLER	1,000	2.1%	mxA-1+ / - / F1+mex / -	Daimler México, S.A. de C.V.
16	FORTALE	1,000	2.1%	- / MX-2 / F2mex / -	Elementia, S.A.B. de C.V.
17	AFIRMAR	936	2.0%	mxA-2 / - / - / HR1	Arrendadora Afirme S.A. de C.V.
18	SFPLUS	910	1.9%	- / - / F2mex / HR2	Sofoplus, S.A.P.I. de C.V. SOFOM, ER
19	TOYOTA	822	1.7%	mxA-1+ / - / F1+mex / -	Toyota Financiamiento México S.A. de C.V.
20	FINBE	700	1.5%	- / - / F1+mex / HR1	Financiera Bepensa, S.A. de C.V., SOFOM, E.R.
21	FHIPO	589	1.2%	- / - / - / HR1	Fideicomiso Hipotecario
22	MINSA	544	1.1%	- / MX-2 / - / -	Grupo Minsa S.A.B. de C.V.
23	AUTLAN	541	1.1%	- / - / F2mex / HR2	Compañía Minera Autlán, S.A.B. de C.V.
24	MFRISCO	500	1.1%	- / - / F2mex / HR2	Minera Frisco, S.A.B. de C.V.
25	CIE	500	1.1%	- / - / - / HR1	Corporación Interamericana de Entretenimiento, S.A.B. de C.V.
26	ION	474	1.0%	- / - / - / HR3	ION Financiera, S.A.P.I. de C.V., SOFOM, E.R.
27	MERCFIN	474	1.0%	- / - / F2mex / HR2	Mercader Financiamiento, S.A. de C.V., SOFOM, ENR
28	PCARFM	420	0.9%	mxA-1+ / - / F1+mex / -	Paccar Financiamiento México, S.A. de C.V., SOFOM, E.N.R.
29	GFAMSA	358	0.8%	- / - / Dmex / -	Grupo Famsa, S.A.B. de C.V.
30	ALMER	350	0.7%	- / - / F1mex / HR1	Almacenadora Mercader, S.A., Org. Aux. del Crédito
31	VASCONI	300	0.6%	- / - / F2mex / HR2	Grupo Vasconia, S.A.B.
32	HYCSA	200	0.4%	- / - / - / HR2	Grupo Hyc, S.A. de C.V.
33	PDN	200	0.4%	- / - / F1mex / HR1	Portafolio de Negocios
34	CREDICL	150	0.3%	- / - / F2mex / HR2	Crediclub, S.A. de C.V., S.F.P.
35	AFIRFAC	106	0.2%	mxA-1 / - / - / -	Factoraje Afirme S.A. de C.V., Org. Aux. del Créd., Afirme Grupo Financiero
36	CIRCLEK	75	0.2%	- / - / - / HR2	Comercializadora Círculo CCK, S.A. de C.V.
37	COMERCI	43	0.1%	- / - / Dmex / -	Controladora Comercial Mexicana, S.A.B. de C.V.
	<b>Total *</b>	<b>47,315</b>	<b>100%</b>		

Source: Banorte / BMV / PIP / BIVA / Rating agencies, as of October 2021. \*Includes all commercial papers (D) and short-term CBs (92 and 93).

### Attachment 3. Main issuers\* - Banking Bond Market

	Ticker	Issued amount (mxn million)	%	Issuer credit rating S&P/Moody's/Fitch/HR	Issuer
1	BANOB	69,728	19.1%	mxAAA/Aaa.mx/AAA (mex)/	Banco Nacional de Obras y Servicios Públicos
2	NAFIN	65,950	18.0%	mxAAA/Aaa.mx/AAA (mex)/HRAAA	Nacional Financiera
3	BACOMER	46,155	12.6%	mxAAA/Aaa.mx/AAA (mex)/	BBVA Bancomer
4	BACMEXT	30,480	8.3%	mxAAA/Aaa.mx/AAA (mex)/	Banco Nacional de Comercio Exterior
5	SCOTIAB	27,184	7.4%	mxAAA/Aaa.mx/AAA (mex)/	Scotiabank Inverlat
6	SHF	23,345	6.4%	mxAAA/Aaa.mx/AAA (mex)/	Sociedad Hipotecaria Federal
7	BINBUR	19,740	5.4%	mxAAA/AAA (mex)/HRAAA	Banco Inbursa
8	HSBC	19,115	5.2%	mxAAA/Aaa.mx/AAA (mex)/	HSBC
9	BSANT	17,461	4.8%	mxAAA/Aaa.mx/AAA (mex)/	Banco Santander S.A.
10	BANORTE	10,192	2.8%	mxAAA/Aaa.mx/AAA (mex)/	Banco Mercantil del Norte
11	BLADEX	10,000	2.7%	mxAAA/AAA (mex)/	Banco Latinoamericano de Comercio Exterior
12	COMPART	8,360	2.3%	mxAA/AA (mex)/	Banco Compartamos
13	KEXIM	7,000	1.9%	/Aaa.mx/HRAAA	Banco de Exportaciones e Importaciones de Corea
14	BACTIN	7,000	1.9%	//AA (mex)/HRAA-	Banco Actinver
15	CSBANCO	2,700	0.7%	mxBBB+//A- (mex)/HRA	Consurbanco S.A.
16	VW BANK	1,000	0.3%	mxAAA/Aaa.mx//	Volkswagen Bank
<b>Total</b>		<b>365,410</b>	<b>100.0%</b>		

Source: Banorte / BMV / BIVA Rating Agencies, as of October 2021. \*Includes bonds issued by private Banks (94) and development banks (CD).

#### **Attachment 4. Breakdown by type of risk (Structure)**

As the private bond market grows, different types of classifications are emerging, depending on the type of risk and/or structure:

##### **Unsecured**

**Corporate bonds.** This category includes unsecured (“plain vanilla”) issues or issues backed directly by the parent company.

**State-owned companies and federal agency corporate bonds.** Issues whose issuer or trustor has a close relationship and interdependence with the government, although it is not directly endorsed. We break out these issues according to their risk (linked to the country's).

##### **Structured**

**Collateralized Debt Obligations (CDO).** These are securitizations of other loans from banks or financial institutions.

**Asset-Backed Securities (ABS).** Issues that have a payment structure or mechanism in which assets back the issue payment and thus the issue risk depends on the quality of the assets and/or their management.

**Future Flows (FF).** The sources of payment for these issues are future flows or contributions from some source or revenues (operations). The risk depends on the certainty and magnitude of those flows.

**Totally or Partially Guaranteed Corporate Debt.** The issue risk depends partly on the creditworthiness of the guarantor and partly on the credit risk of the issuer or trustor.

## Attachment 5. Glossary

**Rating Agencies:** Credit-risk rating companies, specifically Standard & Poor's (S&P), Fitch Ratings, Moody's, HR Ratings and Verum.

**CBs:** Securities Certificates. A debt instrument whose ticker symbol on the Mexican Exchanges is 91 (for corporate CBs) or 90 (for government issues, including state-owned enterprises).

**CPO's:** Ordinary Debt Participation Certificates. Fixed-income instrument whose ticker symbol on the Mexican Exchange is R1.

**Corporate Debt:** Debt securities issued by companies (corporates) or government (states and municipalities). Includes CBs, CPO's, Debentures and Medium-Term Notes.

**Structured Issues:** Fixed-income issues that have some form of payment structure (future flows, ABS, etc.) and/or partial endorsement.

**Unsecured Issues:** Generally unsecured (without collateral or "plain vanilla") or without a payment structure.

**Outstanding amount:** In this document, the unpaid balance of current corporate debt issues.

**"MXN Million".-** Millon of pesos.

**Gross up:** To calculate the gross coupon rate, taxes are added back in (the issuer pays the tax).

**Debentures:** Debt obligations. A debt instrument whose ticker symbol on the Mexican Exchange is 2.

**MTN:** Medium-term note. Debt instrument whose ticker symbol on the Mexican Exchange is 71.

**Basis points (bp):** Hundredths of a percentage point.

**Spread:** Difference between one rate and another.

**Placement Rate:** Coupon rate paid by a debt issue at the time it is issued. Base rate + initial spread.

**Yield to Maturity (YTM):** Refers to the rate of the yield being paid on the market for a given debt security. Expected flows on the issue (interest and principal payment) are discounted from this rate to obtain its price.

## Certification of Analysts.

We, Alejandro Padilla Santana, Juan Carlos Alderete Macal, Manuel Jiménez Zaldívar, Marissa Garza Ostos, Francisco José Flores Serrano, Katia Celina Goya Ostos, Santiago Leal Singer, José Itzamna Espitia Hernández, Alik Daniel García Álvarez, Víctor Hugo Cortes Castro, Hugo Armando Gómez Solís, Miguel Alejandro Calvo Domínguez, Luis Leopoldo López Salinas, Leslie Thalía Orozco Vélez, Gerardo Daniel Valle Trujillo and Juan Barbier Arizmendi, certify that the points of view expressed in this document are a faithful reflection of our personal opinion on the company (s) or firm (s) within this report, along with its affiliates and/or securities issued. Moreover, we also state that we have not received, nor receive, or will receive compensation other than that of Grupo Financiero Banorte S.A.B. of C.V for the provision of our services.

## Relevant statements.

In accordance with current laws and internal procedures manuals, analysts are allowed to hold long or short positions in shares or securities issued by companies that are listed on the Mexican Stock Exchange and may be the subject of this report; nonetheless, equity analysts have to adhere to certain rules that regulate their participation in the market in order to prevent, among other things, the use of private information for their benefit and to avoid conflicts of interest. Analysts shall refrain from investing and holding transactions with securities or derivative instruments directly or through an intermediary person, with Securities subject to research reports, from 30 calendar days prior to the issuance date of the report in question, and up to 10 calendar days after its distribution date.

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Analysts' compensation is based on activities and services that are aimed at benefiting the investment clients of Casa de Bolsa Banorte and its subsidiaries. Such compensation is determined based on the general profitability of the Brokerage House and the Financial Group and on the individual performance of each analyst. However, investors should note that analysts do not receive direct payment or compensation for any specific transaction in investment banking or in other business areas.

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**Grupo Financiero Banorte S.A.B. de C.V.**, through its business areas, provides services that include, among others, those corresponding to investment banking and corporate banking, to a large number of companies in Mexico and abroad. It may have provided, is providing or, in the future, will provide a service such as those mentioned to the companies or firms that are the subject of this report. Casa de Bolsa Banorte or its affiliates receive compensation from such corporations in consideration of the aforementioned services.

Over the course of the last twelve months, Grupo Financiero Banorte S.A.B. C.V., has not obtained compensation for services rendered by the investment bank or by any of its other business areas of the following companies or their subsidiaries, some of which could be analyzed within this report.

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Casa de Bolsa Banorte, Grupo Financiero Banorte or its subsidiaries expect to receive or intend to obtain revenue from the services provided by investment banking or any other of its business areas, by issuers or their subsidiaries, some of which could be analyzed in this report.

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The Analysts of Grupo Financiero Banorte S.A.B. of C.V. do not maintain direct investments or through an intermediary person, in the securities or derivative instruments object of this analysis report.

## Guide for investment recommendations.

	Reference
<b>BUY</b>	When the share expected performance is greater than the MEXBOL estimated performance.
<b>HOLD</b>	When the share expected performance is similar to the MEXBOL estimated performance.
<b>SELL</b>	When the share expected performance is lower than the MEXBOL estimated performance.

Even though this document offers a general criterion of investment, we urge readers to seek advice from their own Consultants or Financial Advisors, in order to consider whether any of the values mentioned in this report are in line with their investment goals, risk and financial position.

## Determination of Target Prices

For the calculation of estimated target prices for securities, analysts use a combination of methodologies generally accepted among financial analysts, including, but not limited to, multiples analysis, discounted cash flows, sum-of-the-parts or any other method that could be applicable in each specific case according to the current regulation. No guarantee can be given that the target prices calculated for the securities will be achieved by the analysts of Grupo Financiero Banorte S.A.B. C.V, since this depends on a large number of various endogenous and exogenous factors that affect the performance of the issuing company, the environment in which it performs, along with the influence of trends of the stock market, in which it is listed. Moreover, the investor must consider that the price of the securities or instruments can fluctuate against their interest and cause the partial and even total loss of the invested capital.

**The information contained hereby has been obtained from sources that we consider to be reliable, but we make no representation as to its accuracy or completeness. The information, estimations and recommendations included in this document are valid as of the issue date, but are subject to modifications and changes without prior notice; Grupo Financiero Banorte S.A.B. of C.V. does not commit to communicate the changes and also to keep the content of this document updated. Grupo Financiero Banorte S.A.B. of C.V. takes no responsibility for any loss arising from the use of this report or its content. This document may not be photocopied, quoted, disclosed, used, or reproduced in whole or in part without prior written authorization from Grupo Financiero Banorte S.A.B. of C.V.**

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