

December 28nd, 2020

Ministry of Finance announces the 2021 Treasury Bond Issuance Plan

Santiago, December 28th, 2020. The Ministry of Finance plans on issuing Treasury bonds for a total of USD19 billion during 2021, within the debt limit authorized by the 2021 National Budget Law. Of this total, approximately USD12.75 billion will be new indebtedness, and USD6.25 billion refer to bonds issued to finance debt amortizations.

Following the experience of recent years, the 2021 debt issuance plan considers the issuance of Treasury bonds in local and foreign currencies. Local currency issuances are planned in the order of USD13 billion, and foreign currency issuances are estimated at USD6 billion. Considering the 2021 issuances, the Central Government's gross public debt by the end of 2021 is estimated to be 74% denominated in local currency, and 26% in foreign currency.

Regarding local currency Treasury bond issuances.

The local currency financing plan considers the issuance of short-term notes for approximately USD4 billion, and the remaining USD9 billion in medium to long-term bonds. Local currency instruments will be issued in two mechanisms:

- Auctions for a total of USD10 billion, through the auction system of the Central Bank of Chile (SOMA, by its Spanish acronym), acting as Fiscal Agent of the Republic of Chile. The quarterly calendar will be announced shortly.
- Issuance(s) of peso "social" bonds for a total of USD3 billion allocated through a book-building process, in operations that will be duly informed before their execution.

The Ministry of Finance will continue implementing liability management operations of local currency bonds throughout 2021, with details and calendar to be announced in the near future.

Regarding foreign currency issuances.

The Ministry of Finance plans on issuing up to USD6 billion in Treasury bonds in foreign currency, subject to market conditions, which will be duly informed before their execution. These issuances will likely include bonds with the "green" or "social" labels. Finally, the 2021 issuance plans are subject to be revised in case of unforeseen changes in market conditions and/or adjustments in the government's funding needs. If this were to occur, it will be appropriately informed.