

August 16<sup>th</sup>, 2021

*Domestic Auction of Nominal Fixed-Rate Pesos (UYU) Treasury Notes*

As part of the domestic market issuance calendar for [July-December 2021](#), the Republic of Uruguay will start auctioning a new local currency Treasury Note denominated in Nominal Fixed-Rate Pesos (UYU Notes), due 2025 (Series 9). The first auction will be on August 17<sup>th</sup>, for a base amount of UYU 1,350 million (approximately equivalent to USD 31 million). Below are the key features of this Treasury Note:

**Issuer:** Republic of Uruguay.

**Currency:** Nominal fixed-rate pesos (UYU).

**Auction date:** August 17<sup>th</sup>, 2021.

**Amount auctioned:** UYU 1,350 million (approx. USD 31 million).

**Annual coupon:** 7.50%.

**Coupon frequency:** Semi-annual.

**Average years to maturity:** 4 yrs.

**Amortization:** at maturity ("bullet").

**Settlement options:** Uruguayan pesos; U.S. dollars and Treasury Notes due in 2021, 2022 and 2023.

**Issuance format:** New issue.

**ISIN:** TBD.

**Settlement date:** August 18<sup>th</sup>, 2021.

**Governing law:** Republic of Uruguay.

**Use of proceeds:** General purposes of the Government.

**Participation and Bids.** Both resident and non-resident investors can participate in the offering through any local broker and/or financial institution authorized by the Central Bank of Uruguay, provided they have an open account at one of these institutions. Holders of eligible securities willing to tender in the exchange offer that cannot bid directly, should arrange with a local broker and/or financial institution to execute as needed. Neither residents nor non-residents are subject to income tax when investing in Uruguayan government securities. There are no foreign exchange restrictions.

In addition, the Treasury Notes offered in these auctions can also be accessed in Global Depositary Notes format (Euroclear, Clearstream and DTC-eligible), through financial institutions that offer this cross-border investment vehicle.

**Pricing Mechanism, Issuance Amount and Allocation.** Treasury Notes will be issued through a Dutch auction method (single price), as in the regular semi-annual calendar issuances of the Uruguayan government. Participants can place their bids through the electronic platform VALNET. The minimum amount of each bid is UYU 100,000 and multiples of UYU 10,000 thereof. All accepted bids will be allocated to investors at the same price. Government is legally authorized to issue up to an additional 100% of the original base amount on each auction. Likewise, total bids per institution cannot exceed this maximum limit. The Republic reserves the right to accept part or all of the submitted bids, or reject all of them.

**Tenders and Settlement.** Repurchase prices for eligible securities will be communicated on August 17<sup>th</sup>, 2021 and posted on the Debt Management Unit's website. Accepted bids may be settled in Uruguayan Pesos, U.S. dollars, and/or eligible short-term Treasury Notes, as detailed in the Annex. Treasury Notes denominated in UI are converted into UYU at the correspondent index UI/UYU at the settlement date (Bloomberg ticker: *URUDUD* <Index>). For those investors settling in U.S. dollars, the peso equivalent amount will be calculated using the exchange rate set by the Central Bank of Uruguay at the close of the business day prior to settlement (closing price, as reported by the Central Bank: Bloomberg ticker: *USDUYU CBUY* <Curncy>).

**Queries.** Investors can clear any doubts by referring to the contacts below, as follows:

- For Treasury Notes issuances:
  - Ministry of Economy and Finance Debt Management Unit: +598 (2) 1712 2957/2785 / [debtinfo@mef.gub.uy](mailto:debtinfo@mef.gub.uy)

**Annex - Eligible Securities for Tender**

CPI-linked Treasury Notes

<b>Series</b>	<b>Maturity</b>	<b>Outstanding in original currency</b>	<b>Outstanding in USD million- equivalent</b>
24	12-29-2021	4,542,169.801	520
19	09-27-2022	3,107,473.000	355
26	05-13-2023	4,103,195.177	469