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CITE MEXICO CITY 38268

TO: IMMEDIATE DIRECTOR.

TEXT FOLLOWS OF MR. DONALD SYVRUD 2 NOVEMBER MESSAGE FOR
TREASURY UNDERSECRETARY YEO, SAM CROSS AND F.L. WILMAN:

"CONFIDENTIAL NODIS

TO: UNDER SECRETARY YEO, SAM CROSS, F.L. WIDMAN

FROM: D. SYVRUD

SUBJECT: MEXICO'S EXTERNAL DEBT AND US BANK EXPOSURE

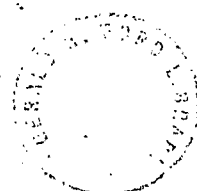
1. OUR BEST ESTIMATES OF MEXICO'S END OCTOBER EXTERNAL DEBT,
PUBLIC AND PRIVATE, IS \$25.3 BILLION WITH A PROJECTED FURTHER
INCREASE TO \$25.9 BILLION BY THE END OF 1976. THE FOLLOWING
TABLE GIVES A BREAKDOWN OF PUBLIC AND PRIVATE; SHORT AND
LONG TERM ESTIMATES AND OUR SOURCES.

2. BANK OF MEXICO OFFICIALS ESTIMATE THAT US PRIVATE BANKS
HOLD AN AVERAGE OF 70 PERCENT OF THE TOTAL DEBT, WITH SHORT
TERM DEBT ALMOST ENTIRELY HELD BY US BANKS. ON OTHER HAND,
FEDERAL RESERVE DATA FOR MARCH 1976 SHOWED US BANK EXPOSURE
AT \$10.5 BILLION, WHICH ABOUT HALF TOTAL ESTIMATED DEBT AT
THAT TIME. ACTUAL US BANK EXPOSURE PROBABLY LIES SOMEWHERE
BETWEEN THESE TWO EXTREMES, BUT CLOSER TO LOWER LEVEL.
BOM OFFICIALS SAY THAT US BANKS CHANNEL CREDITS THROUGH
ENTREPOTS WHICH ARE NOT INCLUDED IN FED DATA.

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E.O. 12958 Sec. 3.3

NR95-2, #6; Treasury Lt. 3/7/96

By Lt NARA, Date 5/3/96



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MEXICO'S EXTERNAL DEBT
(BILLIONS OF U.S. DOLLARS)

	DEC 1975	JUNE 1976	DEC 1976
PUBLIC SECTOR	14.8	17.0	19.3
SHORT TERM	2.7	3.2	3.3
LONG-TERM	12.1	13.8	16.0
PRIVATE SECTOR	NA	6.6	6.6
SHORT TERM	NA	2.7	2.7
LONG TERM	NA	3.9	3.9
TOTAL EXTERNAL DEBT	NA	23.6	25.9

SOURCES IMF SM 76/200, TABLES XXI AND XVIII FOR DECEMBER 1975 AND JUNE 1976 PUBLIC SECTOR DATA. BOM ESTIMATES FOR JUNE 1976 PRIVATE SECTOR DATA (SEE NOTES OF TABLE 5 OF PREVIOUS TELEGRAM). ALL DECEMBER 1976 DATA ARE BASED ON ASSUMPTIONS AND PROJECTIONS IN BALANCE OF PAYMENTS DATA IN TABLE 5 OF PREVIOUS CABLE.

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