Evolution of subnational sector ratings

Sector Analysis

Credit Rating Agency

Public Finance and Sovereign Debt
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HR Ratings comments on the performance of subnational ratings in 2025, highlighting a moderate performance compared to the previous year, driven by the slowdown in the growth of Entities' Unrestricted Revenue

In 2025, there was a more moderate increase in the Unrestricted Revenue (UR) of the Subnational Entities rated by HR Ratings when compared to what was reported the previous year, due to a slowdown in the positive dynamics of the Federal Participations, as well as a more moderate growth in own collection, which in previous periods had experienced significant increases mainly due to tax changes. This, added to a moderate use of financing by local governments, has resulted in a brake on the downward trend that maintained the relative indebtedness of these Entities and, with it, in positive behavior, although more moderate than in 2024, in the sector's ratings. In this period, HR Ratings reviewed 101 ratings in the subnational sector, and 9 initial ratings were assigned. As for the reviews, 24 corresponded to States and 77 to Municipalities. Regarding the above, the rating of 11 States (44.0%) was ratified, 12 (48.0%) were revised upwards, a rating downgrade was reported, and the rating of a new Federal Entity was assigned. On the other hand, of the 77 Municipalities reviewed, 49 (57.6%) were ratified, 24 (28.2%) had an increase in their rating, 4 (4.7%) registered a downward movement and 8 initial ratings were assigned.

In the revisions carried out in 2025, it stands out that the UR of the States and Municipalities in Mexico reported a growth of 2.8%, when it had previously maintained an Average Annual Growth Rate from 2020 to 2023 (CAGR20-23) of 13.4% in the case of the Municipalities and 12.9% for the States. On the one hand, due to a slowdown observed in the Federal Participable Resource (RFP) in 2024, after having presented an accelerated growth dynamic from 2021 with the economic reopening after the Covid-19 health contingency. In this sense, the Net Participations of the States registered an increase of 3.6%, when in the previous revision they had registered an increase of 13.4%. On the other hand, the Shares that were transferred to the Municipalities rated by HR Ratings grew 0.9% (vs. 11.4% previously). On the other hand, Own Revenues grew 4.9% in the case of Municipalities and 1.1% in States, when they had previously reported an increase of 12.0% and 21.6%, respectively. The latter is due to the fact that from 2021 to 2023, significant efforts were observed by subnational entities for the inspection and increase of rates that, it is estimated that in 2024 reached a level of normalization with respect to the collection of Taxes and Duties.

This slowdown in the generation of UR has a direct impact on the behavior of the sector's ratings, as URs are the most widely used denominator within the metrics to evaluate relative indebtedness, because they represent the flows that could be used for the payment of financial obligations. It also highlights that, with the behavior in this type of income, tighter fiscal balances have been observed than in previous periods, translating into a lower liquidity position of subnational entities. This has a direct impact on the Adjusted Net Debt (AND) to UR, which, in the case of the United States, registered a decrease of 3.4% from 2023 to 2024, when it had previously shown a CAGR20-23 of -13.4%. In the case of the Municipalities, the Net Debt (DN) to UR increased from an average of 5.5% to one of 6.0%, when it maintained a $_{\text{20-23 CAGR}}$ of -29.6%.

It should be noted that these notoriously more moderate behaviors in the revenues that make up the URs were already considered in HR Ratings' projections, so the result in rating movements leaned towards a greater number of ratifications and changes in outlook from Positive to Stable. For the coming years, HR Ratings projects that moderate growth will be maintained in terms of Federal Participations, so the subnational sector has a significant challenge in local collection to avoid fiscal deficits that compromise its liquidity, without reducing its investments in infrastructure, and in the provision of goods and services for the population. However, a conservative estimate on the use of financing within the sector is maintained, which, combined with slow growth in URs, would keep the DN and AND-to-UR metric at a level similar to that observed during the 2025 review.

States

In 2025, HR Ratings reviewed the rating of 24 states, among which 12 had an upgrade in their rating, 11 resulted in ratification, and a rating downgrade was recorded. In addition to the review of the ratings, during 2025 the initial rating of the State of Aguascalientes was carried out. All the qualification movements made in this period are shown in the following figure:

Figure 1. Rating actions for States in 2025

Source.HR Ratings

Movements in State Ratings

During 2025, HR Ratings carried out twelve upward movements in the rating of States. An example of the above are the states of Oaxaca and Yucatán, which are in the HR AA range, and whose increase was one *notch* (HR AA- to HR AA and HR AA to HR AA+, respectively) in both cases. In both cases, the lack of use of short-term financing stands out, as well as a constant growth in Unrestricted Revenue (UR), driven by a solid own collection and the increase in Federal Participations. On the other hand, four of the entities that presented an increase remained in HR A range (Baja California Sur, Chihuahua, Quintana Roo and Veracruz), of which three had an increase of one *notch*, while Quintana Roo increased its rating by two *notches*, due to an accelerated deleveraging in relative terms, driven by an adequate dynamism in the generation of UR. It should be noted that, of these 12 entities, 8 had a positive outlook.

Among the States that changed their rating range, the State of Durango stands out, which went from HR BB+ to HR BBB, due to the fact that it reported better fiscal results than previously expected, which allowed it to reduce its level of Unsecured Debt (UD) to Adjusted Direct Debt (ADD), likewise, a qualitative adjustment that it maintained due to a default event that occurred in 2021 was withdrawn. It should be noted that, with this change in rating range, all the States rated by HR Ratings are located within investment grade. Additionally, we find that Baja California and Michoacán advanced from HR BBB+ to HR A-, while Morelos and Tabasco went from HR A+ to HR AA-.

For its part, during 2025, 11 ratings were ratified, eight of them maintaining a Stable outlook. Two changed their Outlook from Stable to Positive and one went from Positive Outlook to Stable. The States that ratified their rating and maintained their Stable Outlook were Campeche (HR AA+), Chiapas (HR AA-), Mexico City (HR AAA), Hidalgo (HR AA+), Jalisco (HR AA+), Nayarit (HR BBB-), Sonora (HR A) and Tamaulipas (HR A+), according to the similarity in the balance sheet and relative indebtedness metrics estimated by HR Ratings during its previous review with those observed during fiscal year 2024. as well as with the expectation of maintaining a similar behavior during the following years. Only in the case of Mexico City and Hidalgo, there was a combination of better financial results and a change in qualitative adjustments, in the first case because it is already in the maximum rating range and in the second due to the expected results in the next fiscal years.

As for the States that showed a ratification, but a change in their Outlook from Stable to Positive were Coahuila (HR A) and Zacatecas (HR A+). In the case of Coachella, the outlook improved due to a better performance in the generation of Own Income, adjusting the future outlook on the generation of UR, in turn impacting the projection of a more accelerated decrease in its relative indebtedness. In the case of Zacatecas, the change in the outlook responds to a significant reduction in Current Liabilities (CP) during 2024 and the expectation that it will remain at this level in the coming years. For its part, Nuevo León registered a ratification of its rating, however, its outlook changed from Positive to Stable, as a greater use of short-term financing was reported, adjusting the projection in terms of Adjusted Net Debt to UR and Unsecured Debt to Adjusted Direct Debt for the coming years.

Regarding the State of San LURs Potosí, it registered a downgrade in its rating from HR A+ to HR A and maintained its Stable outlook, as a result of a growth in the use of short-term financing. Finally, in October 2025, HR Ratings assigned the initial rating of HR AA+ with a Stable Outlook to the State of Aguascalientes, since the Entity maintains a low level of indebtedness, highlighting that it does not register the use of short-term financing.

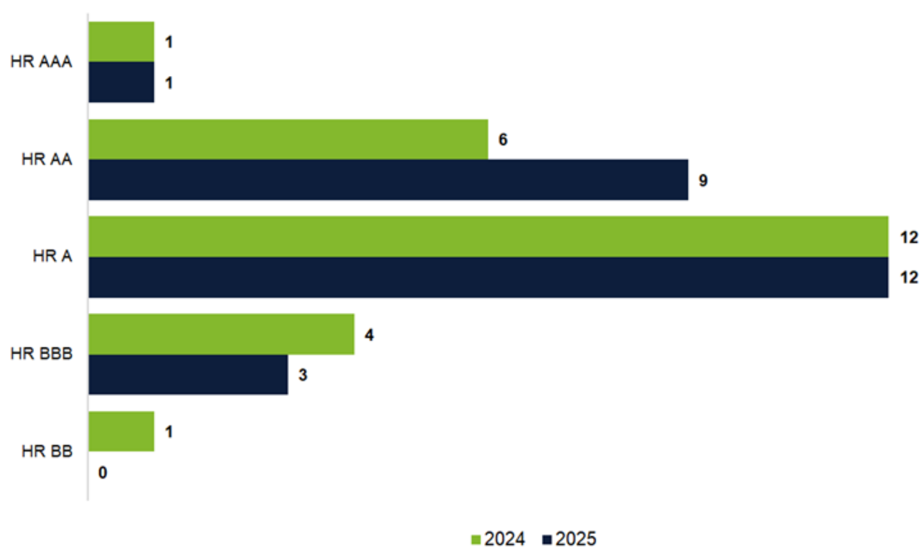
Figure 2. States rated by HR Ratings in 2025

Source: HR Ratings

The rating range within which most States are located are ratings within the range of HR A, with a proportion of 48.0% (12 entities) with respect to the total ratings reviewed and assigned in 2025. In second place, there are the ratings on some scale of HR AA with 36.0% of the ratings (9), where it stands out that, in 2025, Morelos and Tabasco entered this range due to an increase in their rating from HR A+ to HR AA-, as well as Aguascalientes, an entity that was assigned an initial rating of HR AA+. As for the Entities on an HR BBB scale, 12.0% (3) of the rated entities are located here. Finally, Mexico City remains the only State with an HR AAA rating and, due to the increase in the rating of the State of Durango (HR BBB), there are no Entities rated at HR BB.

When looking at the composition of each of the scales, the rating in which most of the states are found was HR A+ with a total of six, followed by HR AA+ with five states. In third place, in concentration, is HR A with four entities, followed by HR AA-, HR A-, with three and two states, respectively. With respect to the rest of the ratings (HR AAA, HR AA, HR BBB+, HR BBB and HR BBB-), each one is made up of a single Entity.

Figure 3. Distribution of ratings assigned by HR Ratings to States, 2024 and 2025



Source: HR Ratings

Below are some of the elements that make up the states in each rating range in 2025:

Rated states at HR AAA levels. The only state that maintains the highest rating rank is Mexico City, according to the support granted by the Federal Government to its public debt. Likewise, the Entity presents an adequate fiscal behavior due to its powers to collect local taxes, which allowed it to sustain a ratio of Own Income to Total Income of 44.2% during the last four years, a level that is above the average observed in all States rated by HR Ratings of 13.4%. Finally, despite the fact that the use of additional long-term debt is observed within the projection horizon, whose purpose is to finance Public Investment projects, the use of short-term debt is not estimated, which, together with the adequate behavior in the URs, is expected to allow it to continue with a downward trajectory in its level of relative indebtedness.

Rated states at HR AA levels. The states whose rating is in this range maintain the strength in their debt metrics, reporting an average AND to UR of 23.0% to 18.6% (vs. 38.2% of the accumulated average), in accordance with the strengthening in their UR, related in turn to the growing trend of both Federal Participations and Own Income. Likewise, for this period, no use of short-term financing was reported in the States that are in this rating range, when in the previous period only Yucatan registered this type of financing reporting a metric of Unsecured Debt (UD) to Adjusted Direct Debt (DDA) of 3.8%. Additionally, the metric from Current Liabilities (CL) to UR maintained an average of 8.2%, a level that is considered low when compared to the total sample of rated entities. Finally, it is worth highlighting the impact that adjustments for ESG factors have in these States, among which Yucatán stands out when evaluating the three labels as *superior*, while Jalisco and Aguascalientes maintain two positive adjustments for social and governance factors.

Rated states at HR A levels. Regarding the twelve states that are in this rating range, a ratio of AND to UR of 53.4% was observed, with an average ratio of UD to DDA of 12.6%. Within this group of Entities, it is worth noting that, despite reporting a significant level of indebtedness, Current Liabilities remained at an average level of 13.9%. Likewise, in qualitative terms, only three of the twelve Entities in this group report a negative adjustment associated with the assessment of ESG factors. In the above, it is worth noting that most of these states report a higher or average level in the Social and Governance factors. It should be noted that 50.0% of the Entities in this rating range (6) are at an HR A+ level, 33.0% (4) at HR A and 16.0% (2) at HR A-.

States rated at HR BBB levels. Within this rating range there are three entities, whose average ratio of AND to UR is 51.2%, similar to that observed in the group of States at the HR A level. However, this group is characterized by a higher level of Current Liabilities, with an average CP to UR of 42.6%, as well as a UD to DT of 16.9%.

Figure 4. Average Metrics by Rating Range in 2025 – Rated States by HR Ratings

Range	Primary Balance to TI	DS to UR	Adjusted Net Debt to DR	Unsecured Debt to Total Debt	Current Liabilities to DR	% of ratings assigned by Rating Agencies in 2025
HR AAA	2.6%	7.7%	28.6%	0.0%	11.7%	4.0%
HR AA	1.5%	4.3%	14.7%	0.0%	8.2%	36.0%
HR A	3.3%	10.7%	53.4%	12.6%	13.9%	48.0%
HR BBB	3.1%	18.0%	51.2%	16.9%	42.6%	12.0%

Source: HR Ratings

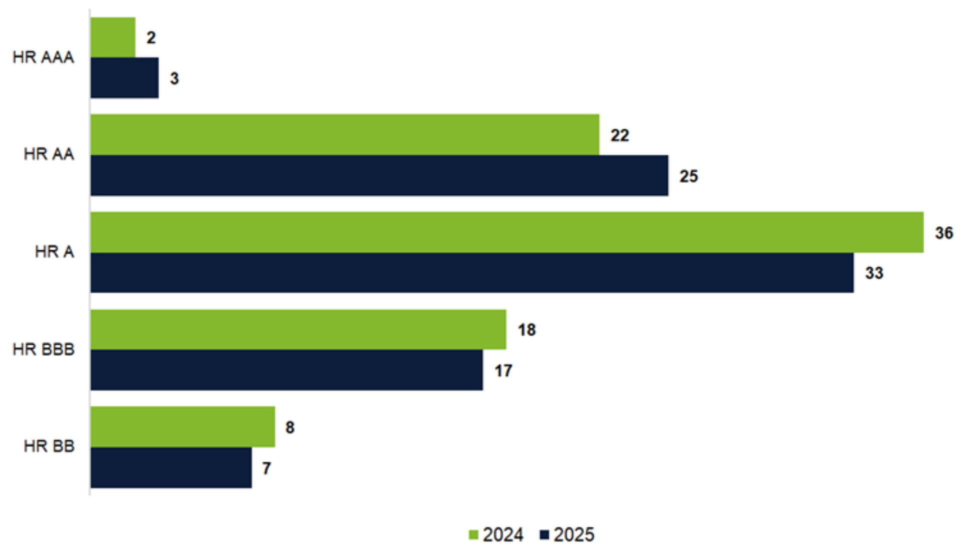
Result observed at the end of 2024

Municipalities

HR Ratings carried out 77 Municipal rating reviews during 2025, of which 24 were upward movements, 18 positive movements less than those observed in the immediately previous year, this is equivalent to 28.2% of the total ratings reviewed (vs 48.8% in 2024). This result was in line with a slowdown in the growth of Unrestricted Revenues, driven by an adverse macroeconomic context and low growth, as well as a moderate growth in Own Revenues associated with a limited capacity for action to execute new audit strategies. This, added to an increase in the Direct Debt of some municipalities and a lower liquidity position, resulted in the metric of Net Debt (ND) to UR remaining similar to that recorded in the previous year, when in previous years it had been showing a marked downward trend. In this sense, the rating of 49 municipalities was ratified (9 more than in 2024), while 4 were revised downwards. It should be noted that during 2025, 8 new ratings were assigned. However, the reported increase in the number of initial cases was limited by 9 qualifying withdrawals.

Of the total number of municipalities rated in 2025, 78 were placed on some rating scale within investment grade (same number when compared to the previous analysis period); this translates into 91.8% of the ratings published by HR Ratings being on a scale equal to or higher than HR BBB-. This result is similar to that reported in the sectoral survey prepared in 2025, when the proportion of municipalities that were above investment grade was 90.7%.

Figure 5. Distribution of ratings assigned by HR Ratings to municipalities, 2024 and 2025



Source: HR Ratings

Movements in Municipal Ratings

Like the movements observed during 2024, in 2025 the assigned ratings were concentrated in the HR A range, a scale that includes the categories of HR A+, HR A and HR A-, which together represented 38.8%, equivalent to 33 of the total ratings. For its part, the range of HR AA ratings was the one that had the greatest positive variation, going from 25.6% in 2024 to 29.4% in 2025. It should be noted that most of the Municipalities that are located in this group have a rating of HR AA-, concentrating 40.0% of the sample of this level of ratings. For its part, the third most relevant rank is observed in the HR BBB set of ratings, which has a total of 17 of the 85 Municipalities rated in this period. An element to highlight in this range is that most of the ratings are located at HR BBB+, where 25.0% of them have a positive outlook for the review scheduled for 2026.

Among the Entities with upward movements in their rating, the municipality of Tlajomulco stands out, which in 2025 was assigned the rating of HR AAA, which is due to the low level of relative indebtedness reported at the end of the year, as well as the strength in the Entity's own collection. For its part, another relevant change that occurred during 2025 was the change in the rating of the municipality of Cuautla, which rose to an investment grade rating, going from HR BB+ in 2024 to HR BBB- in 2025. Regarding the positive evolution of the municipalities of Cuautitlán Izcalli and Naucalpan, these were the only 2

Municipalities rated in 2025 by HR Ratings that raised their rating by 2 positions, so these ratings went from HR A- to HR A+ and from HR BBB- to HR BBB+. This was the result of an increase in their UR reinforced by inspection actions that were consolidated in a higher own collection; as well as a lower level of relative indebtedness, which was driven by a zero use of short-term debt. For its part, HR Ratings consolidated the rise in the municipalities of Chiautla (HR A+), Coacalco (HR BB+), Joquicingo (HR A), Juárez (HR BBB+), Nextlalpan (HR A+), Tultitlán (HR AA-) and Xicotepec (HR A), which had positive prospects in their 2024 reviews. These movements are in line with the positive trend in the collection of its URs, which reduced its level of DN as well as its dependence on the use of financing through Suppliers and Contractors.

As in the previous period, the ratings granted by HR Ratings reported 4 downward movements, on this occasion the Municipalities of Ixtapaluca (HR BBB), Ocuilan (HR A), Santa Catarina (HR BBB+) and Zitácuaro (HR BBB-) were those that reflected this result. Each one has its own distinctives; however, some of the shared factors that determined these results were the following, an increase in the level of DN to UR, a greater use of short-term financing, a more intensive use of financing from suppliers and contractors; as well as a greater financial deficit. Finally, it should be noted that, during 2025, nine Municipalities decided not to continue with the qualification process, so they were withdrawn. Five of them were municipalities with a rating of HR A+ (Chapa de Mota, Soyaniquilpan, Temascalcingo, Teziutlán and Zumpango), one with a rating of HR AA+ (Apodaca), one with a level of HR A (Oaxaca -Municipality-), one with an HR A- (Tamazunchale) and with a rating of HR BBB+ (Ocotlán).

Below are some of the elements that make up the Municipalities in each rating range in 2025:

Municipalities rated in HR AAA. The Entities that are located at this rating level are distinguished by presenting a high efficiency in the collection of Own Income supported by various audit actions implemented by their authorities, which has allowed them to sustain high levels of liquidity and consequently register a negative Net Debt. Similarly, their fiscal performances located above the average of the Municipalities rated by HR Ratings, has made the use of Unsecured Debt unnecessary. In addition, they have a low dependence on financing with Suppliers, so their average metric from Current Liabilities (CL) to Unrestricted Revenue (UR) represents 7.0%, the lowest among the different rating ranges. During 202, two Municipalities made up this group; however, the negative Net Debt, the different instruments that facilitated the audit actions and a significant surplus recorded at the end of the 2024 financial year, helped consolidate the increase in the rating of the municipality of Tlajomulco. So now, together with the municipalities of San Pedro Garza García and Chihuahua they are the only entities to be located in this category. Finally, regarding the qualitative factors linked to Environmental, Social and Governance (ESG) criteria, they generally have 2 factors out of the 3 with labels in *Superior*, one in *Average* and none in *Limited*, which contributes favorably to their rating.

Municipalities rated at HR AA levels. In the last two periods of analysis, this rating range remained the second with the highest concentration, going from 25.6% to 29.4%. It should be noted that this level shares some characteristics in its indicators with the previous range, such as DN to UR in negative territory, a low average level in Debt Service (DS) to UR of 2.4%, added to a solid position in the collection of average Own Revenues with respect to Total Revenues, which has improved over time from 34.5% to 35.8%. a result that continues to be above the average of the Municipalities rated by HR Rating of 29.5%. However, unlike the previous group, the use of different financial resources can already be observed, such as Unsecured Debt (UD) in municipalities such as Boca del Río (HR AA-), Guadalajara (HR AA) and Guanajuato (HR AA+); additionally, the presence of Current Liabilities (Suppliers and Contractors) represents a higher percentage of URs by amounting to an average of 9.6%. Finally, as it is a high rating range, the ESG Factors labels mostly show an *Average* assignment in the Environmental factor, while in the Social and Governance factors a balanced result is maintained between *Average and Superior labels*.

Municipalities rated at HR A levels. This rating range is once again constituted as the broadest segment within the universe evaluated by HR Ratings. During 2025, 33 Entities were registered within this range, which represented 33.8% of the total municipalities analyzed. The main characteristics of the entities that make up this group are an average DN to UR indicator of 4.9% (vs. the negative level of the two previous groups); however, this is considered low. Likewise, the average recorded in the DS to UR and PC to UR indicators begins to have a greater presence, since these amount to 3.4% and 18.4%, respectively. On the other hand, a greater dependence on Federal Revenues is observed, due to the fact that Own Income to IT is reduced to 26.0%, a result that is below the average of 29.5%. In contrast to the higher rating ranges, the Environmental factor is assigned the Average label to 27 entities, while the Social and Governance factors are predominantly assigned categories such as *Average and Limited*. It should be noted that the only 2 municipalities of the 33 Municipalities that stand out for maintaining a superior evaluation of the governance and social factor are Valle de Bravo (HR A+) and Delicias (HR A), respectively.

HR BBB rating ranges. Within the set of Municipalities that make up this rating range, a moderate credit risk is reported, which is reflected in an average indicator of Net Debt to Freely Disposable Income of 16.5%. Additionally, an important presence of the use of Unsecured Debt financing is identified, given that 29.4% of the Municipalities included in this level recurrently use this resource due to temporary liquidity insufficiencies. In line with the above, the level of CL to UR is 35.5% on average, a figure significantly higher than the general average of 24.0%. Regarding the composition of revenues, the dependence on Federal Revenues is evident, since the average share of Own Revenues is reduced to 21.7%. On the other hand, in the ESG area, the overall label assignments are classified as *Limited*, which puts negative pressure on the ratings awarded. This explains why 52.9% and 76.5% obtain *Limited labels* in the Social and Governance factors.

Municipalities with ratings of HR BB and below. A characteristic that represents this rating range is the presence of a high CL, with an average equivalent to 81.0% of URs. Regarding the DN to UR, a mean of 23.2% is observed, which is also considered high. On the other hand, as in the group of previous ratings, Short-Term Debt continues to be used as an instrument to solve transitory liquidity requirements, given that 42.9% of the Municipalities resorted to this mechanism, this result was higher than the 37.5% of the previous report. Likewise, a high level of DS to UR is observed, since this amounted to 6.4%. It should be noted that within this range of ratings are Entities that, historically, have presented episodes of non-compliance in the payment of the DS, which is why they are in the process of recovery. In addition, the assignment of the ESG Factors labels, more than half of the Entities that are in this group have 3 negative qualitative adjustments, which negatively impacts their rating.

Figure 6. Average Metrics by Rating Range – Municipalities Rated by HR Ratings

Range	Primary Balance to TI	DS to UR	Net Debt to UR	Unsecured Debt to Total Debt	Current Liabilities to UR	% of ratings assigned by Rating Agencies in 2025
HR AAA	-0.5%	1.8%	-26.4%	0.0%	7.0%	3.5%
HR AA	-3.0%	2.4%	-0.7%	5.1%	9.6%	29.4%
HR A	0.4%	3.4%	4.9%	0.0%	18.4%	38.8%
HR BBB	1.0%	5.5%	16.5%	11.4%	35.5%	20.0%
HR BB and below	3.7%	6.4%	23.1%	7.3%	81.0%	8.2%

Source: HR Ratings

Result observed at the end of 2024

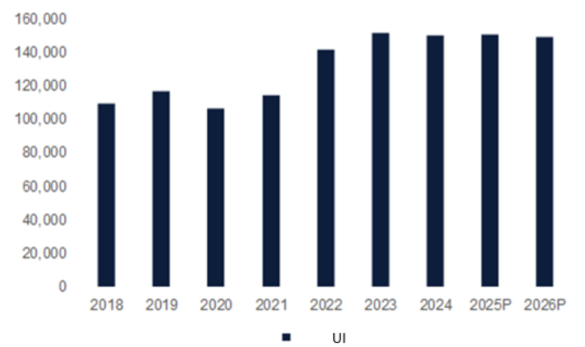
Slowdown in UR growth and its impact on determining movements in the ratings of States and Municipalities

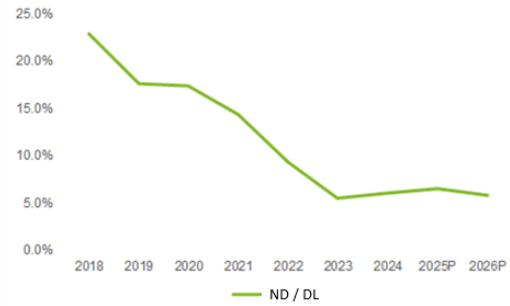
Overall, the revision of subnational sector ratings in 2025 was characterized by a higher number of ratifications than those reported in 2024 (60 vs. 53) and, therefore, fewer upward revisions (36 vs. 53), which is explained by an observed slowdown in the growth of Unrestricted Revenue. as a result of a smaller increase in the Federal Shares received, as well as a less pronounced increase in the generation of Own Income. This, driven by an adverse macroeconomic environment, as well as a normalization in local auditing after a stage of recovery of local finances, where a mixture of fiscal reforms and the strengthening of auditing actions had resulted in significant growth in previous years.

The moderate behavior in the result of rating reviews during 2025 was more evident in the case of the Municipalities, where of the 77 reviews carried out, 63.6% resulted in a ratification (49), while 31.2% were increases (24), when in the previous year there had been a higher proportion of positive movements than ratification of ratings. In the above, it is worth noting that the Unrestricted Revenues of the municipalities rated by HR Ratings, reported at the end of 2024, grew 2.8% compared to the previous year, which contrasts with the growth of 11.7% and 18.4% reported in previous years. On the one hand, the Federal Participations received by the 85 qualified municipalities grew by only 0.9%, when in the previous year they had increased 11.4%, due to an adverse macroeconomic context that impacted growth and, therefore, the Federal Participable Collection (RFP).

On the other hand, the Own Income generated by these entities increased 4.9%, being lower than the 12.0% previously reported, where various audit actions had been carried out that had their greatest impacts in 2022 and 2023. With this, the proportion of Own Income to IT in the case of the municipalities rated by HR Ratings was 29.5%, slightly higher than the 28.1% calculated in the previous period, while the proportion of Own Income to UR was 47.7%. This, added to the fact that in some cases an increase in Direct Debt was reported, slowed down the downward trend that maintained the Net Debt to UR metric, which went from an average of 5.5% in 2023 to 6.0% in 2024 and projected at 6.5% in 2026. Something that benefits from the stable outlook and the ratification of a greater number of ratings, is a moderate projection regarding the growth in the URs for the coming years, accompanied by a gradual deleveraging of the Entities, where an adverse stance to the acquisition of financing is maintained.

Figure 7. Evolution of UR Municipales (million pesos) vs. Net Debt (%)

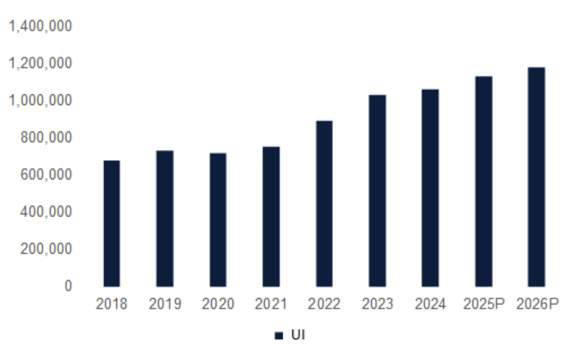


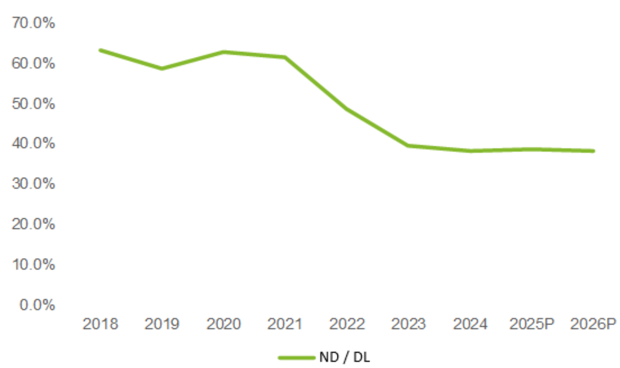


Source: HR Ratings

Regarding the 24 rating reviews of States in 2025, 50.0% of these (12) resulted in an increase, close to the 45.8% of reviews that concluded in ratification (11). However, it should be noted that, of the 12 entities that submitted a rating upgrade, 8 came from a positive outlook, which is generally interpreted as meaning that the observed result was in line with what was projected in a previous review. In this sense, the UR of the rated States grew 2.8%, when in the previous period they had increased by 15.7%; however, HR Ratings already anticipated this, projecting that for that year the growth of URs would be 1.3%. Likewise, the net Federal Participations received grew 2.2%, being a result lower than those recorded in a previous year of 13.4%, but similar to the estimate of 1.7%, sharing the same causalities as those exposed in the case of the Municipalities. In this sense, own collection in these entities increased 1.1%, when it had previously reported a growth of 21.6% and was estimated to grow by 0.6%. It should be noted that the proportion of Own Income to IT in the case of States went from 12.7% in 2023 to 13.4% in 2024, while the proportion of Own Income to UR was 34.8%. With this, the average metric from AND to UR went from 39.6% to 38.2%, when previously it had registered a value of 48.6%. For the coming years, it is expected that moderate growth in URs will be maintained and with it that relative indebtedness will remain at a level similar to that reported at the end of 2024.

Figure 8. Evolution of State UR (millions of pesos) vs. Net Debt (%)





Source: HR Ratings

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