



FEDERAL RESERVE BANK
OF DALLAS

WILLIAM H. WALLACE
FIRST VICE PRESIDENT
AND CHIEF OPERATING OFFICER

October 25, 1988

DALLAS, TEXAS 75222

Circular 88-74

TO: The individual addressed and other interested parties in the Eleventh Federal Reserve District

SUBJECT

Recent economic measures announced by the Government of Mexico

DETAILS

Recently the Government of Mexico announced strengthened economic policies designed to build upon the progress already achieved in the sustained adjustment effort undergone by the Mexican economy. The Federal Reserve System and the U.S. Treasury Department welcome these measures and believe that they merit support.

Accordingly, the Federal Reserve and the U.S. Treasury are prepared to develop a short-term bridge loan of up to \$3.5 billion, depending on the development of loans programs by Mexico with the World Bank and the International Monetary Fund.

ATTACHMENTS

The press release on this subject as issued by the Board of Governors of the Federal Reserve System is attached.

Sincerely yours,

William H. Wallace

FEDERAL RESERVE press release



For immediate release

October 17, 1988

The U.S. Treasury Department and Federal Reserve welcome the economic measures recently announced by the Government of Mexico. The U.S. financial authorities believe that these measures build upon the progress already achieved in the sustained adjustment effort undergone by the Mexican economy. Mexico's adjustment record, particularly the process of fiscal consolidation and the structural transformation of its external sector, has established the basic conditions for the renewal of sustained economic growth.

In the context of normal consultations between countries with close economic relations, U.S. and Mexican authorities have agreed that Mexico's strengthened economic policies merit support. Accordingly, the U. S. Treasury and Federal Reserve are prepared to develop a short-term bridge loan of up to \$3.5 billion, depending on the development of loan programs by Mexico with the World Bank and the International Monetary Fund.