

Argentina View

- **IN A NUTSHELL:** While the FX market dynamics continue deteriorating, the Government scrambles to find a policy response. The Government's first job at stabilizing the FX market by empowering Mr. Massa didn't land. In that context, the Administration pivoted back to its original plan, securing additional inflows to prevent the FX market from seizing. The problem is that the Government will face a series of challenges to unlock these flows.
- **RATIONALE:** The parallel FX market weakened an additional 5% yesterday, totaling 15% over the past three weeks. The BCS also depreciated considerably during April. Half of the Soy Dollar 3 window has gone, and the BCRA raised a little over USD1.4bn, about USD1bn short of the Government's expectations. The drainage of USD deposits continues, slowly but steadily. Despite the differentiated FX, the BCRA was able to purchase Dollars on Friday and Monday, but only after it shut down demand entirely by forcing banks to give a two-day notice to the BCRA before selling hard currency to a client. The FX market should normalize today, as most clients with back-ordered transactions will now comply with new regulations.

The Economy Minister became the Administration's white knight when he entered the Cabinet last July. The Fernandez Administration seemed to have entered a terminal tailspin after Mr. Guzman's exit, one that Mr. Massa was able to prevent. In policy terms, Mr. Massa's 2H22 "stabilization program" was based on two pillars (i) a sharp fiscal consolidation to reduce ARS needs and (ii) sourcing USD inflows (mostly borrowing from IFIs and offering differentiated FXs to soy exporters) to keep throwing money at the FX market's bottomless pit. With a broader perspective, the new set of policies succeeded in 2H22 not because of their consistency but because Mr. Massa had the political clout Mr. Guzman lacked. As a founding member of the FdT, Mr. Massa could mediate in the conflict between Mr. Fernandez and CFK to get the wheels of the Administration turning again.

In this context, it's unsurprising that the Government's first response to the deterioration in the FX market conditions was to go to extraordinary lengths to empower Mr. Massa. To ensure that the Economy Minister retained enough power to stabilize the FX market, the Government sacked Mr. Aracre, the President's top adviser, and Mr. Fernandez himself announced his decision not to seek reelection in an attempt to reduce the infighting within the FdT that Mr. Massa cited as a critical driver of the volatility. Neither gesture was enough to de-escalate tensions. At the end of the day, the problem is that Mr. Massa's political influence wanes the closer we get to election time, especially in a context where the economy is not conducive to creating the conditions for his presidential candidacy. At this point, we believe that not even Mr. Massa could align the governing coalition into the kind of program that would be required to stabilize the FX market, which potentially requires a REER correction and harsher fiscal cuts just before the election.

In other words, we're afraid that Mr. Massa has lost his most valuable asset: his ability to bend the FdT's different tribes into supporting policies they wouldn't even consider without him. In this context, so different from that of 2H22, we're unsurprised that the differentiated FX for exporters, one of the most successful policies of the Massa tenure, is undershooting expectations. The critical problem is that the differentiated FX is not the appropriate policy for the current conditions. Let us adjust the Diamond and Dybvig 1983 bank run model to fit this FX run. We could model farmers following DD (1983) depositors. These agents have assets that they can use to disrupt the system. In the DD framework, these assets are deposits, which depositors can withdraw from banks, creating a run. The payment matrix is built so that a successful run would offer depositors a substantial payoff. In our revised framework, the asset is grain, which farmers can choose whether they sell or not. If they opt to retain the grain, they would trigger an FX market run, which, if successful, would offer a

large payoff as in DD: the chance of selling the grain at an FX rate much closer to the market rate (or even potentially unified). Under the DD framework, the policymaker may prevent the run by introducing a friction that changes the payoff matrix. The friction tilts the probability of success of the run and increases the cost for agents of a failed run, diluting the running strategy as the best response. In 2H22, Mr. Massa introduced the differential FX rate as the friction. With his political clout at its maximum, the ongoing program, inflation converging downward, and a restored relationship with the IMF and other IFIs, Mr. Massa was able to convince farmers that (i) the FX framework was sustainable (at least for the following months), and (ii) that failing to sell the grain at the differentiated FX would mean selling it later at the much less attractive official fixing. That friction was enough to ensure grain selling in 2H22 and to prevent a run last year.

Faced with a similar risk of a run in 2023, the Government responded by repeating the playbook and reintroducing the differentiated FX as a friction. Except that this time, it's not working as expected. The problem is that with Mr. Massa's political fortunes diminished, the Government's ability to ensure the sustainability of the FX market is not what it was last year. Grain inventories are also minimal, and the drought has slashed the inflows from the 2022-23 harvest by half. The Government's attempts to secure net financing from the IMF or the US Treasury have failed. Everything points towards a substantially higher probability of the run succeeding this time. In other words, farmers see the payoff of selling at something resembling the market rate much more likely than last year, reducing the odds that the friction could dissuade once again the running strategy. In this context, it's unsurprising that the proceeds of the differentiated FX come mostly from export prefinancing and that the framework is hitting a brick wall now that it needs farmers to sell.

In our view, the Government plans on using the front-loaded IMF loans as a circuit breaker, shifting the probabilities of a successful run once again to get farmers to sell. We remain skeptical of the front-loading. The 2022 EFF has been designed to keep Argentina current, both from its design (the program never forced the Government into a primary surplus or a REER correction) and its execution (the IMF was pliable to amend targets as Argentina deviated from the original path. The one condition where there has been no flex is in matching disbursements from the EFF program to maturities from the 2018 SBA, effectively keeping the Government on a short leash. Front-loading the SDR8bn in disbursements scheduled for the rest of the year risks Argentina spending the monies immediately to prevent the FX market from seizing and entering arrears later in the year, exactly the scenario that the program was designed to prevent. The rest of the IFI lending, including the USD2bn in lending that the Government announced yesterday, was already part of our calculations, so it doesn't reduce the FX gap meaningfully.

With the differentiated FX faltering and the prospect of securing fresh financing to keep the FX market's bottomless pit supplied, we continue to believe that the Government will likely introduce a segmented FX market framework soon. Our final thought relates to another old economic theory piece: Krugman's 1979 BoP crisis model. Ernest Hemingway used to say that he went bankrupt in two ways. Gradually, then suddenly. Our FX market model suggests that the Government has enough reserves to maintain the current framework until late August or early September, but that assumes that the dynamics continue to go gradually. Mr. Krugman's model, like Mr. Hemingway's perception, assumes that is that there's a point of no return where the deterioration accelerates and things suddenly go south. Mr. Krugman modeled it as a speculation attack once the market becomes convinced that the central bank is defending an inconsistent parity. The differentiated FX market underperforming expectations, the need to tighten FX controls, the wider BCS premium, and the spike in inflation all point towards the tipping point being closer than we expected.

Summary of Sovereign Securities

Global-Law Securities

Security	BBG Code	ISIN	Current Coupon	Days Accrued	Interest Accrued	PX	Parity	Yield	Spread to UST	MD	Outstanding	Residual
USD												
PDI 2029	ARGENT 1 07/09/29	US040114HX11	1.000	105	0.30	24.4	24.6%	46.7%	4271	2.45	2,635	100.0%
Argent30	ARGENT 0 1/2 07/09/30	US040114HS26	0.500	105	0.15	24.7	24.8%	43.4%	3921	2.53	16,091	100.0%
Argent35	ARGENT 1 1/2 07/09/35	US040114HT09	1.500	105	0.45	23.0	23.3%	26.5%	2283	5.16	20,502	100.0%
Argent38	ARGENT 3 7/8 01/09/38	US040114HU71	3.875	105	1.15	28.6	29.4%	26.3%	2274	4.35	11,405	100.0%
Argent41	ARGENT 3 1/2 07/09/41	US040114HV54	3.500	105	1.04	25.9	26.6%	23.2%	1962	5.17	10,482	100.0%
Argent46	ARGENT 1 1/2 07/09/46	US040114HW38	1.500	105	0.45	23.8	24.1%	28.7%	2481	3.80	2,092	100.0%
EUR												
PDI 2029 EUR	ARGENT 0 1/2 07/09/29	XS2200244072	0.500	105	0.15	21.5	21.6%	50.3%	5030	2.46	90	100.0%
Argent30 EUR	ARGENT 0 1/2 07/09/30	XS2177363665	0.125	105	0.04	21.5	21.5%	47.0%	4530	2.52	1,166	100.0%
Argent35 EUR	ARGENT 0 7/8 07/09/35	XS2177364390	0.875	105	0.26	20.0	20.2%	27.2%	2541	5.44	299	100.0%
Argent38 EUR	ARGENT 3 01/09/38	XS2177365017	3.000	105	0.89	24.5	25.2%	27.9%	2833	4.42	809	100.0%
Argent41 EUR	ARGENT 2 3/4 07/09/41	XS2177365363	2.750	105	0.82	21.5	22.1%	25.2%	2424	5.19	1,573	100.0%
Argent46 EUR	ARGENT 0 7/8 07/09/46	XS2177365520	0.875	105	0.26	20.0	20.2%	31.2%	2920	3.76	248	100.0%

Local-Law Hard-Currency Securities

Security	BBG Code	ISIN	Current Coupon	Days Accrued	Interest Accrued	PX	Parity	Yield	Spread to UST	MD	Outstanding	Residual
PDI 2029 AL	ARGBON 1 07/09/29	ARARGE3209Y4	1.000	105	0.30	21.0	20.9%	53.4%	4758	2.32	2,195	100.0%
Argent30 AL	ARGBON 0 1/2 07/09/30	ARARGE3209S6	0.500	105	0.15	20.5	20.5%	51.3%	4627	2.32	13,531	100.0%
Argent35 AL	ARGBON 1 1/2 07/09/35	ARARGE3209T4	1.500	105	0.45	20.5	20.4%	29.2%	2529	4.85	19,072	100.0%
Argent38 AL	ARGBON 3 7/8 01/09/38	ARARGE3209U2	3.875	105	1.15	25.5	25.2%	30.1%	2626	3.99	7,219	100.0%
Argent41 AL	ARGBON 3 1/2 07/09/41	ARARGE3209V0	3.500	105	1.04	22.3	22.0%	27.1%	2336	4.64	1,513	100.0%

ARS Fixed-Rate and Dollar-Linked Securities

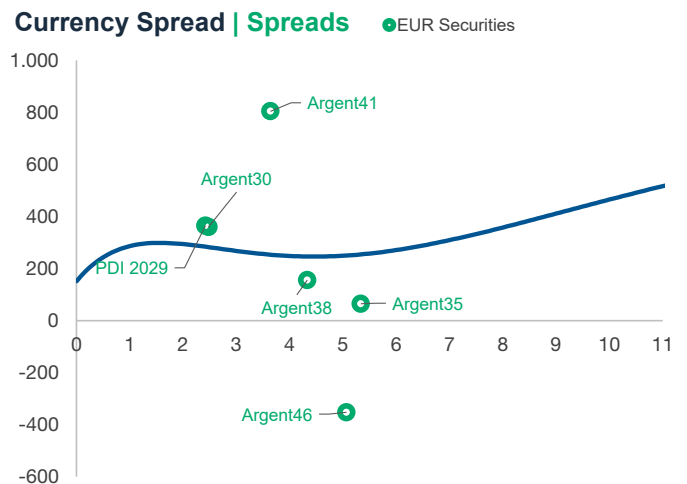
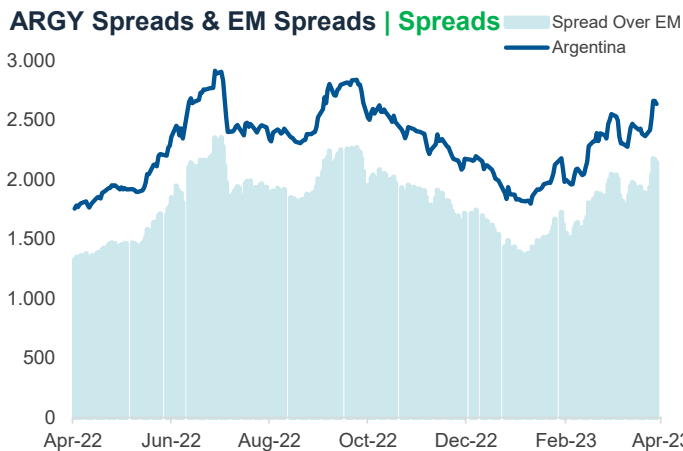
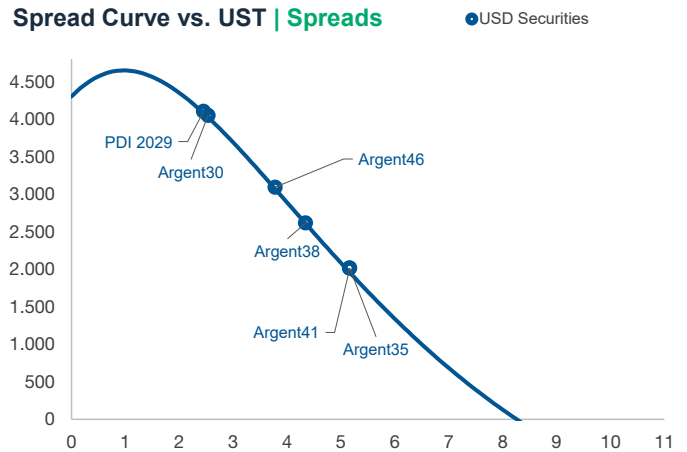
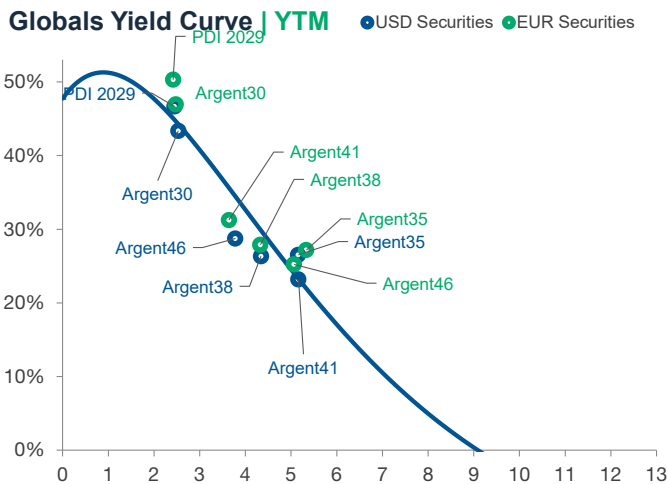
Security	BBG Code	ISIN	Coupon	Days Accrued	Interest Accrued	PX	Parity	Yield	Spread to UST	MD	Outstanding	Residual
Old Securities												
TO23	ARGTES 16 10/17/23	ARARGE4502J2	16.00	7	0.3	71.1	70.4%	109.2%	10,457	0.31	64,150	100.0%
TO26	ARGTES 15 1/2 10/17/26	ARARGE4502K0	15.50	7	0.3	21.2	21.2%	98.9%	9,114	1.27	96,570	100.0%
New Securities												
LEDE 04-28-23	LEDES 0 04/28/23	ARARGE520C4	0.00	-	0.0	99.3	98.4%	134.1%	27,998	0.01	565,775	100.0%
LEDE 05-31-23	LEDES 0 05/31/23	ARARGE520D80	0.00	-	0.0	92.2	90.8%	89.4%	10,322	0.09	476,301	100.0%
LEDE 06-30-23	LEDES 0 06/30/23	ARARGE520D98	0.00	-	0.0	85.3	84.1%	96.7%	10,144	0.15	322,218	100.0%
LEDE 07-31-23	LEDES 0 07/31/23	ARARGE520DL6	0.00	-	0.0	80.0	79.2%	96.2%	9,559	0.21	69,756	100.0%
DL Securities												
TV23	ARGBND 0.3 04/28/23	ARARGE320B27	0.30	176	0.1	21,800.0	99.8%	34.24%	-	0.01	1,708	100.0%
T2V3	ARGBND 0 07/31/23	ARARGE320CJ7	0.00	-	0.0	22,300.0	102.3%	-8.22%	-	0.27	1,606	100.0%
TV24	ARGBND 0.4 04/30/24	ARARGE320C18	0.40	174	0.2	22,375.0	102.1%	-1.95%	-	1.01	1,980	100.0%

Inflation-Linked Securities

Security	BBG Code	ISIN	Coupon	Days Accrued	Interest Accrued	PX	Parity	Yield	Spread to UST	MD	Outstanding	Residual
Old Securities												
TC25	BONCER 4 04/27/25	ARARGE4505U2	4.00	177	19.3	851.0	87.5%	10.1%	1136	1.86	29,908	100.0%
DIOP	ARGENT 5.83 12/31/33	ARARGE03E121	5.83	114	143.0	5990.0	75.9%	12.1%	847	4.10	10,472	69.8%
PARP	ARGENT 1.18 12/31/38	ARARGE03E105	1.77	24	7.2	2715.0	44.4%	10.9%	667	8.46	2,861	52.9%
CUAP	ARGENT 3.31 12/31/45	ARARGE03E139	3.31	114	88.8	3699.5	43.1%	10.6%	700	9.88	23,434	99.0%
New Securities												
X19Y3	LECEP 0 05/19/23	ARARGE520C57	0.00	355	0.0	202.1	100.2%	-3.1%	1619	0.06	177,833	100.0%
X16J3	LECEP 0 06/16/23	ARARGE520CS3	0.00	234	0.0	160.0	100.1%	-0.5%	-543	0.14	275,884	100.0%
X18S3	LECEP 0 09/18/23	ARARGE520CV7	0.00	204	0.0	147.3	98.9%	2.7%	-153	0.39	115,431	100.0%
T2X3	BONCER 1.45 08/13/23	ARARGE3209Z1	1.45	71	1.1	398.0	99.2%	3.1%	-226	0.30	433,201	100.0%
T2X4	BONCER 1.55 07/26/24	ARARGE320AI3	1.55	88	1.3	292.1	87.6%	12.1%	717	1.17	314,877	100.0%
TX24	BONCER 1 1/2 03/25/24	ARARGE3208U4	1.50	29	0.5	405.6	92.0%	10.8%	571	0.87	345,783	100.0%
T3X4P	BONCER 3 3/4 04/14/24	ARARGE320DG1	3.75	40	0.5	101.5	93.5%	11.9%	648	0.91	696,850	100.0%
T4X4P	BONCER 4 10/14/24	ARARGE320DH9	4.00	40	0.5	96.5	88.6%	13.1%	828	1.36	1,785,859	100.0%
T2X5P	BONCER 4 1/4 02/14/25	ARARGE320DI7	4.25	40	0.5	93.8	85.1%	13.4%	921	1.64	1,339,394	100.0%
TX26	BONCER 2 11/09/26	ARARGE3209W8	2.00	165	3.6	303.4	76.3%	13.6%	966	2.24	190,747	100.0%
TX28	BONCER 2 1/4 11/09/28	ARARGE3209X6	2.25	165	4.1	286.0	72.1%	13.5%	1061	2.72	75,905	100.0%
Duos												
TDJ23	CERDUO 0 06/30/23	ARARGE320CL3	0.00	252	0.0	22365.0	102.4%	-3.1%	2339	0.18	1,110	100.0%
TDL23	CERDUO 0 07/31/23	ARARGE320CM1	0.00	252	0.0	22300.0	13758.1%	-0.6%	-38499	0.27	13,075	100.0%
TDS23	CERDUO 0 09/29/23	ARARGE320CN9	0.00	252	0.0	22526.0	13824.2%	-1.3%	2299	0.44	8,739	100.0%
TDF24	CERDUO 0 02/28/24	ARARGE320CW0	0.00	204	0.0	22050.0	14795.2%	2.7%	-12238	0.84	7,388	100.0%

Global-Law Securities Curve

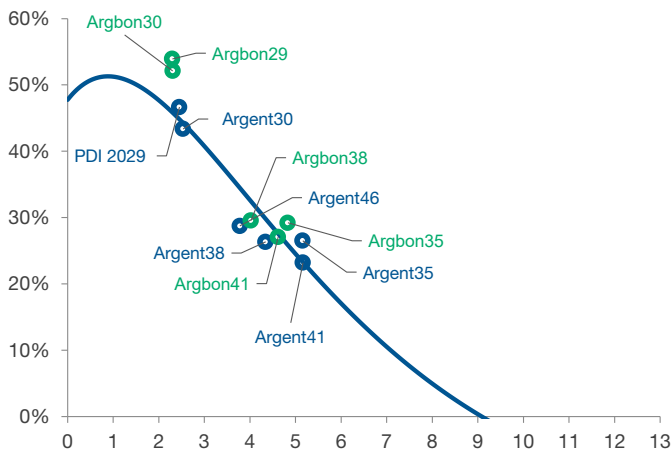
	MD	Yield	Price	Yield Change in bps				Price % Change				Additional Info.	
	24/4/2023			Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Maturity	Amt.Out. (mn)
USD													
PDI 2029	2.45	46.66	24.4	-0.46	3.79	3.67	7.60	1.2	-8.5	-6.2	-9.0	09/07/29	2,635
Argent30	2.53	43.36	24.7	-0.44	4.51	3.99	7.40	1.2	-10.5	-7.3	-9.4	09/07/30	16,091
Argent35	5.16	26.52	23.0	0.01	1.33	1.04	3.04	0.0	-6.5	-4.0	-10.7	09/07/35	20,502
Argent38	4.35	26.34	28.6	0.01	0.99	0.48	3.26	0.0	-4.2	-1.2	-11.3	09/01/38	11,405
Argent41	5.17	23.19	25.9	-0.18	0.73	0.24	2.38	1.0	-3.7	-0.6	-10.1	09/07/41	10,482
Argent46	3.80	28.74	23.8	-0.15	1.46	1.06	3.60	0.6	-5.2	-2.5	-8.5	09/07/46	2,092
EUR													
PDI 2029 EUR	2.46	50.30	21.5	0.99	4.32	4.02	11.56	-2.3	-9.5	-6.5	-17.3	09/07/29	90
Argent30 EUR	2.52	46.96	21.5	1.86	5.79	3.89	11.07	-4.4	-13.1	-6.5	-17.3	09/07/30	1,166
Argent35 EUR	5.44	27.16	20.0	0.01	1.60	1.19	4.24	0.0	-8.0	-4.8	-16.7	09/07/35	299
Argent38 EUR	4.42	27.90	24.5	0.01	1.37	0.70	3.71	0.0	-5.8	-2.0	-12.5	09/01/38	809
Argent41 EUR	5.19	25.22	21.5	0.44	1.30	0.61	3.34	-2.3	-6.5	-2.3	-14.0	09/07/41	1,573
Argent46 EUR	3.76	31.24	20.0	0.02	2.90	1.80	6.14	0.0	-10.1	-4.8	-16.7	09/07/46	248



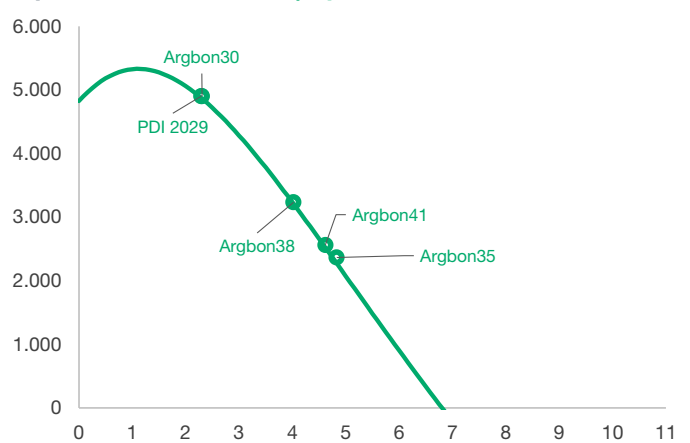
Local-Law Hard Currency Securities Curve

	MD	Yield	Price	Yield Change in BPS				Price % Change				Additional Info.	
	24/4/2023			Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Maturity	Amt.Out. (bn)
PDI 2029 AL	2.32	53.41	21.0	0.06	6.84	5.28	11.32	0.0	-14.3	-8.7	-16.0	09/07/29	2,189
Argent30 AL	2.32	51.31	20.5	0.05	7.49	5.65	11.79	0.0	-15.9	-9.8	-17.2	09/07/30	12,423
Argent35 AL	4.85	29.21	20.5	0.02	2.63	2.49	5.24	0.0	-11.8	-9.9	-20.4	09/07/35	18,449
Argent38 AL	3.99	30.06	25.5	-0.36	2.41	1.24	6.26	1.5	-8.9	-2.9	-22.7	09/01/38	7,196
Argent41 AL	4.64	27.08	22.3	-0.11	2.53	1.11	5.29	0.6	-11.0	-3.3	-22.9	09/07/41	1,468

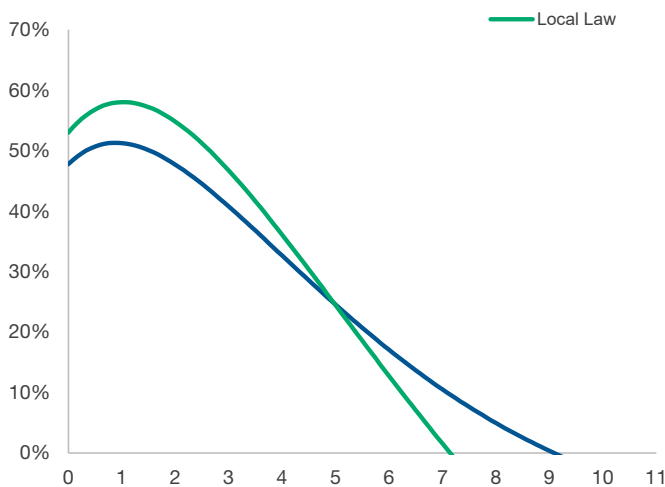
Globals Yield Curve | YTM ● USD NY Law ● USD ARGY Law



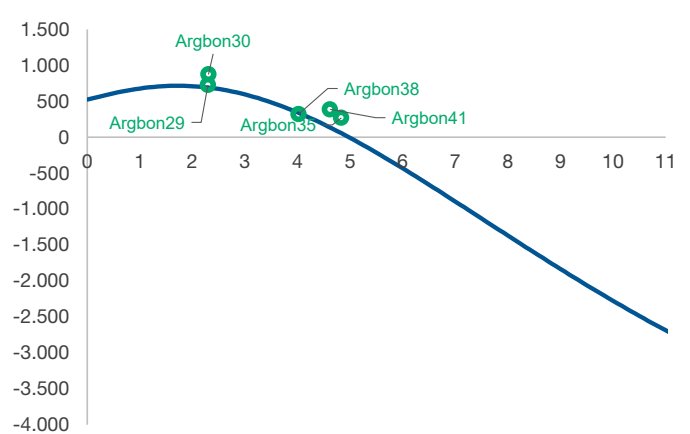
Spread Curve vs. UST | Spreads ● ARGY Law Securities



Global & Local Law Curves | YTM — Globals — Local Law



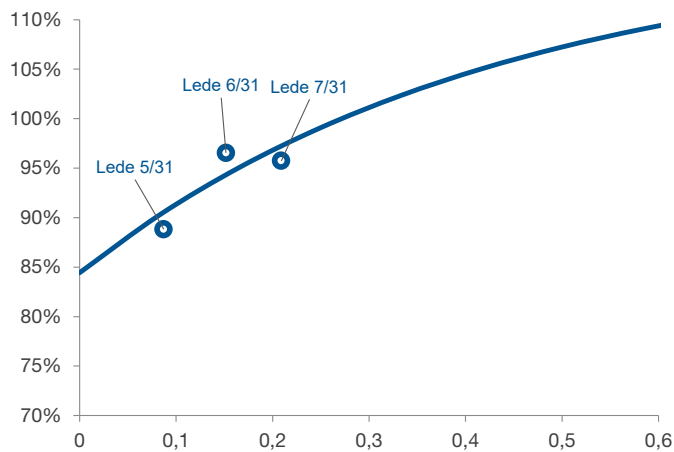
Legislation Spread | Spreads ● ARGY Law Securities



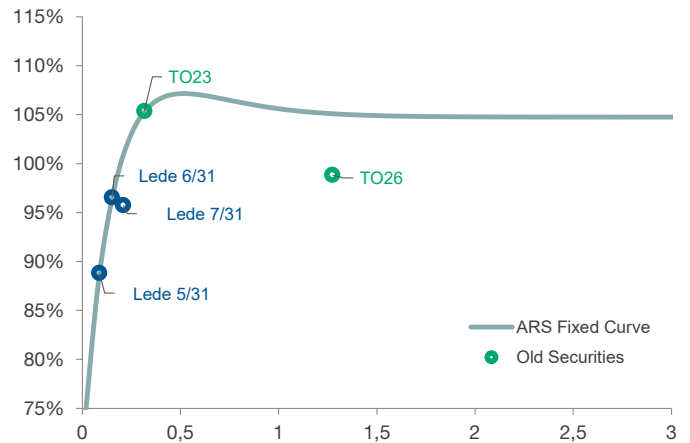
ARS Fixed-Rate and Dollar-Linked Securities Curve

	MD	Yield	Price	Yield Change in bps				Price % Change				Additional Info.	
	24/4/2023			Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Maturity	Amt.Out. (mn)
Old Securities													
TO23	0.31	109.24	71.1	8.9	10.2	11.2	22.0	-2.6	-1.9	-7.8	5.3	17/10/23	64,150
TO26	1.27	98.95	21.2	2.5	9.5	6.7	12.3	-3.0	-10.6	-27.6	-19.3	17/10/26	96,570
New Securities													
LEDE 04-28-23	0.01	134.10	99.3	23.9	54.5	46.5	52.6	0.5	1.3	6.4	25.1	28/04/23	565,775
LEDE 05-31-23	0.09	89.39	92.2	-2.1	-0.1	-0.5	2.5	1.4	1.7	6.5	24.9	31/05/23	476,301
LEDE 06-30-23	0.15	97.08	85.3	-0.3	4.1	5.3	-	0.3	0.9	5.3	-	30/06/23	322,218
LEDE 07-31-23	0.21	96.19	80.0	6.7	12.0	-	-	1.6	-0.2	4.5	-	31/07/23	69,756
DL Securities													
TV23	0.01	34.24	21,800.0	-	-	-	-	0.0	1.3	5.5	21.8	28/04/23	1,708
T2V3	0.27	-8.22	22,300.0	-	-	-	-	0.3	3.4	8.3	26.7	31/07/23	1,606
TV24	1.01	-1.95	22,375.0	-	-	-	-	0.0	5.7	13.1	45.3	30/04/24	1,980

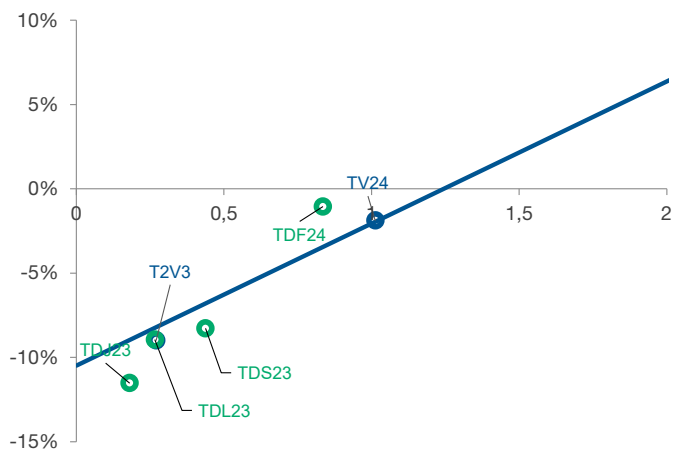
Treasury Ledes Curve | YTM



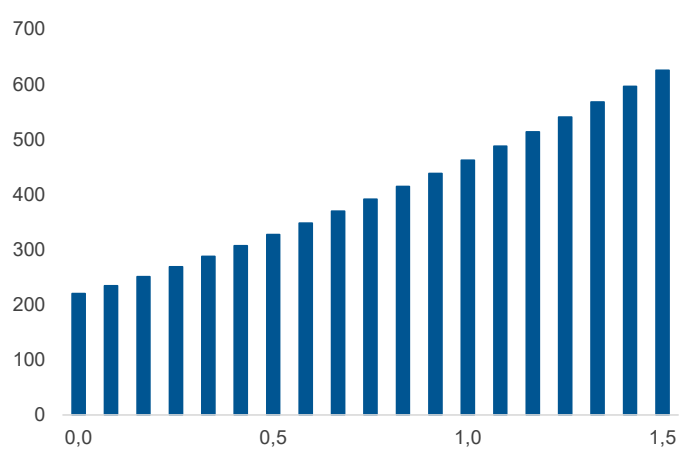
ARS Fixed-Rate Curve | YTM



Dollar-Linked Curve | YTM



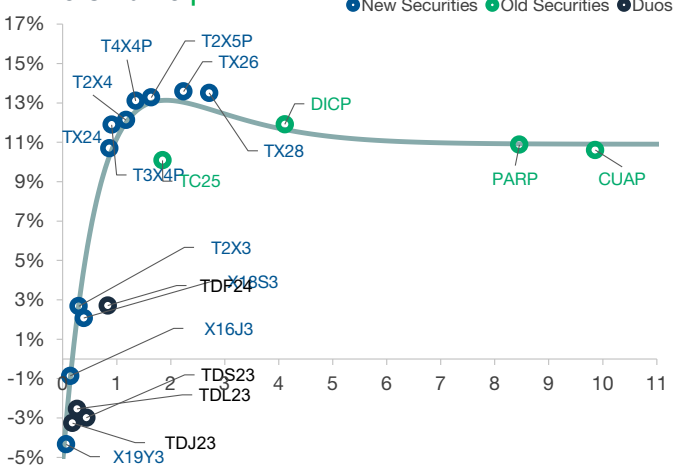
Official FX Break-Even | Break-Evens



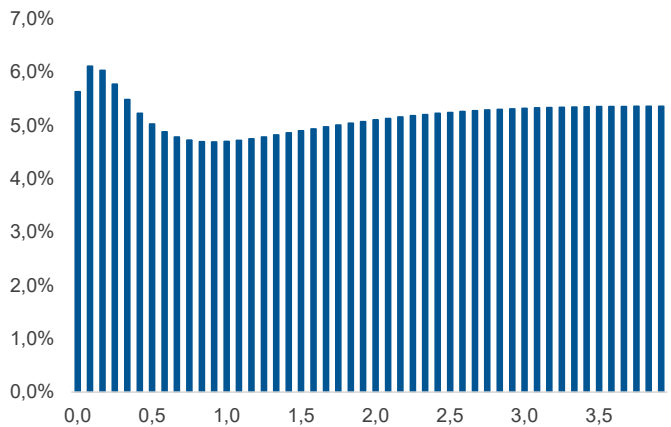
Inflation-Linked Securities Curve

	MD	Yield	Price	Yield Change in bps				Price % Change				Additional Info		
				Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Next Coupon	Maturity	Amt. Out. (mn)
Old Securities														
TC25	1.86	10.08	851.00	-78.6	-133.5	-180.6	-97.4	-1.0	1.8	7.7	24.2	27/04/23	27/04/25	29,908
DICP	4.10	12.10	5990.00	4.6	-58.5	4.2	97.1	0.0	4.5	7.2	22.0	30/06/23	31/12/33	10,472
PARP	8.46	10.88	2715.00	5.4	77.2	65.0	-195.2	-0.4	-6.2	-3.0	23.4	30/09/23	31/12/38	2,861
CUAP	9.88	10.60	3699.50	26.8	50.4	24.4	-77.7	-2.1	-2.6	5.0	37.5	30/06/23	31/12/45	23,434
New Securities														
X19Y3	0.06	-3.13	202.10	-261.3	207.4	-460.2	-669.2	0.4	1.7	6.8	24.8	-	19/05/23	177,833
X16J3	0.14	-0.53	160.00	12.0	140.1	-358.1	-723.6	0.2	1.6	7.2	26.7	-	16/06/23	275,884
X18S3	0.39	2.73	147.25	-53.7	-150.2	532.6	-352.4	0.2	2.3	3.7	26.6	-	18/09/23	115,431
T2X3	0.30	3.14	398.00	11.7	141.1	-94.1	-252.5	0.3	1.5	7.0	25.5	13/08/23	13/08/23	433,201
TX24	0.87	10.75	405.60	57.0	99.6	16.9	-8.8	-0.3	1.1	6.9	26.4	25/09/23	25/03/24	345,783
T2X4	1.17	12.06	292.05	-30.4	-57.1	64.6	64.0	0.4	2.6	6.2	25.4	26/07/23	26/07/24	314,877
T3X4P	0.91	11.89	101.50	65.5	-39.9	-107.2	-	-0.2	2.5	8.3	-	14/10/23	14/04/24	696,850
T4X4P	1.35	13.11	96.45	10.4	-0.2	-17.0	-	0.2	2.1	7.4	-	14/10/23	14/10/24	1,785,859
T2X5P	1.64	13.37	93.80	10.7	-8.6	-21.6	-	0.1	2.2	7.4	-	14/08/23	14/02/25	1,339,394
TX26	2.24	13.58	303.40	64.0	96.8	54.0	66.9	-1.2	-0.1	6.2	25.9	09/05/23	09/11/26	190,747
TX28	2.72	13.52	286.00	21.4	48.0	123.7	140.8	-0.7	0.4	3.4	22.2	09/05/23	09/11/28	75,905
Duos														
TDJ23	0.18	-3.15	22365.00	-	-	-2385.9	-5012.4	-1.3	1.1	6.9	25.0	-	30/06/23	1,110
TDL23	0.27	-0.55	22300.00	-	-	-1639.3	-4120.0	-1.5	1.0	6.7	24.9	-	31/07/23	13,075
TDS23	0.44	-1.28	22526.00	-	-	-1277.7	-3606.1	-1.4	1.6	8.2	28.6	-	29/09/23	8,739
TDF24	0.84	2.71	22050.00	-	-	-778.4	-2810.6	-1.3	2.7	9.8	35.7	-	28/02/24	7,388

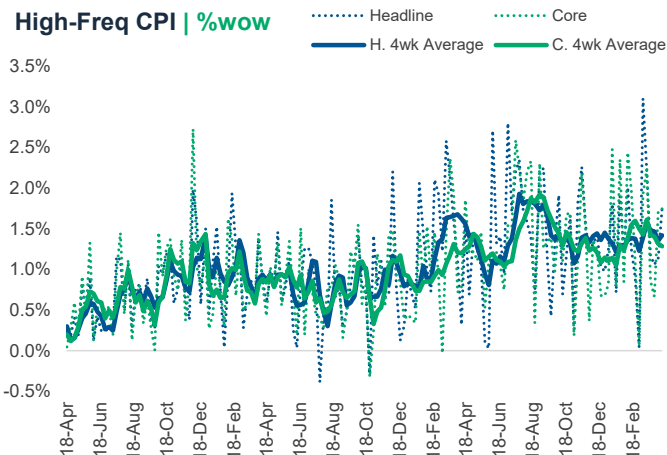
Linkers Curve | YTM



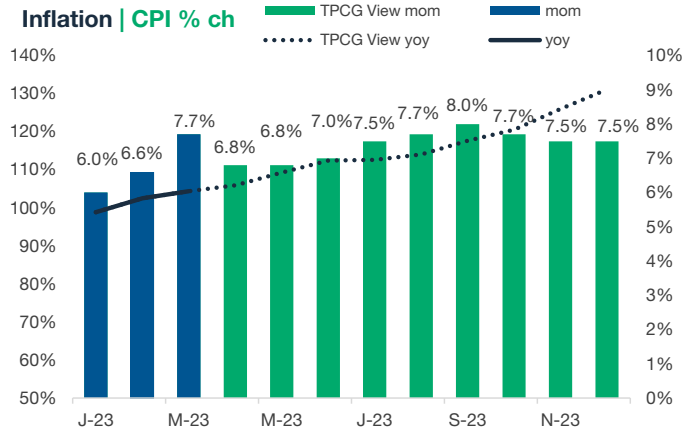
Inflation Break-Even | Break-Evens



High-Freq CPI | %w/w



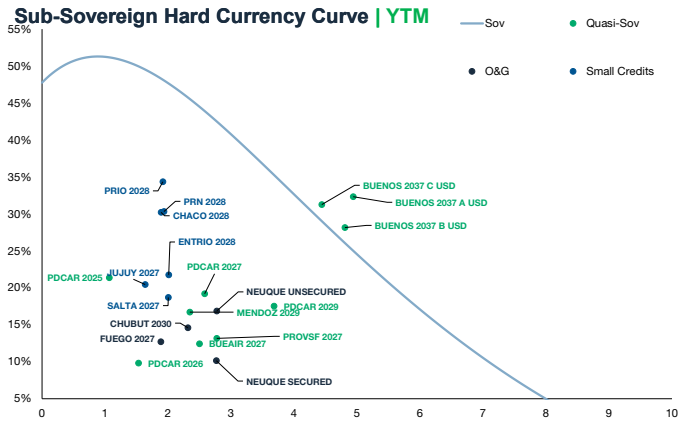
Inflation | CPI % ch



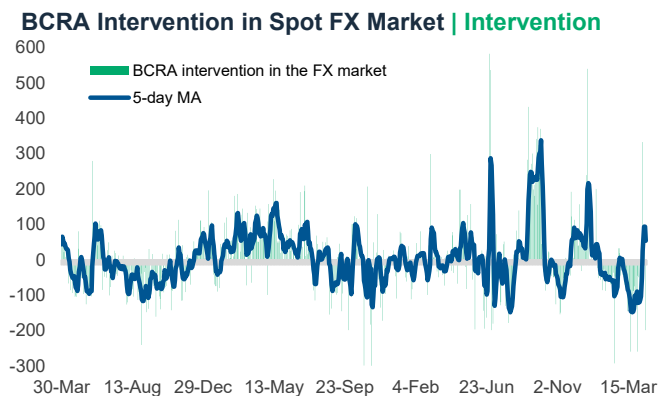
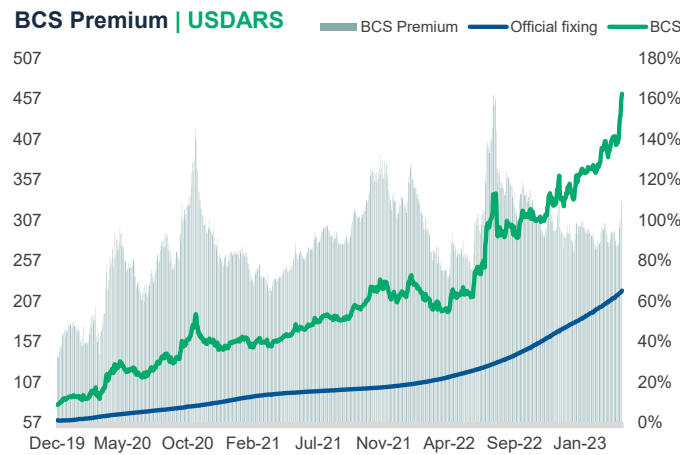
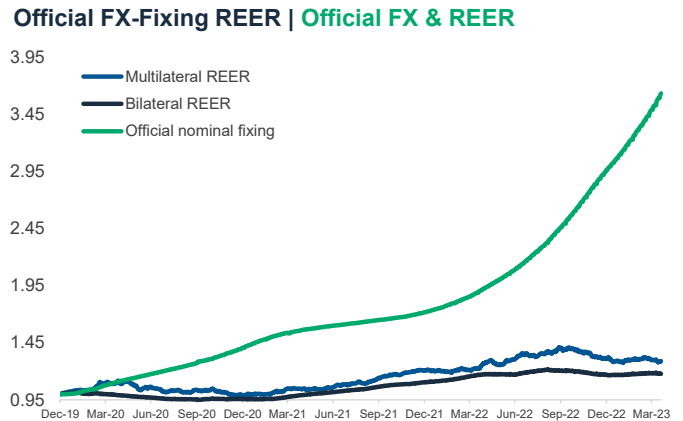
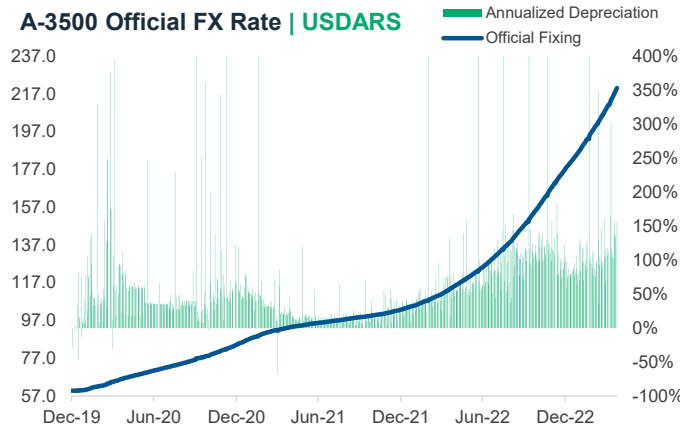
Sub-Sovereign Debt Instruments

	Price	MD	Yield	Parity	Int. Accrued	Current Yield	Tech Val.	Yield Change In BPS				Price % Change				Additional Info.				
	24/4/2023							Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD	Curr.	Amt. Out. (mn)	CPN	Prev. CPN	Next CPN
USD Securities																				
MENDOZ 2029	75,50	2,35	16,71%	75,6%	0,52	7,6%	92,8	-69,9	220,5	347,6	3,1	1,7%	-5,0%	-7,6%	0,5%	USD	544,6	5,8%	19/3/2023	19/9/2023
CORDOB 2027	67,25	1,96	29,09%	67,4%	0,31	6,7%	100,3	2,5	36,2	213,4	-73,4	0,0%	-0,4%	-2,9%	7,6%	USD	155,7	4,5%	29/3/2023	29/9/2023
NEUQUE UNSECURED	73,00	2,77	16,85%	73,9%	3,26	9,1%	103,3	24,1	40,0	133,2	-166,1	-0,7%	-1,0%	-3,3%	7,7%	USD	377,2	6,6%	27/10/2022	27/4/2023
NEUQUE SECURED	95,75	2,77	10,14%	95,8%	1,40	9,0%	82,3	-	19,2	39,2	-2,3	-	-0,5%	-1,0%	0,3%	USD	282,3	8,6%	12/2/2023	12/5/2023
PRN 2028	59,25	1,94	30,32%	59,6%	0,81	11,2%	100,8	2,5	38,4	171,0	-48,9	0,0%	-0,4%	-2,1%	6,8%	USD	320,2	6,6%	10/3/2023	10/9/2023
CHUBUT 2030	84,75	2,31	14,80%	84,8%	0,04	9,1%	84,8	-27,9	-10,3	105,7	-136,9	0,0%	-0,3%	-2,6%	3,7%	USD	550,8	7,8%	26/4/2023	26/7/2023
PDCAR 2025	84,25	1,07	21,37%	84,6%	2,56	8,2%	102,6	30,0	74,8	379,9	16,0	-0,3%	-0,0%	-3,4%	3,7%	USD	722,1	6,9%	10/12/2022	10/6/2023
PDCAR 2027	71,00	2,58	19,19%	71,8%	2,78	9,8%	102,8	0,9	146,7	236,9	-106,4	0,0%	-3,7%	-5,6%	6,0%	USD	516,1	7,0%	1/12/2022	1/6/2023
PDCAR 2029	65,50	3,68	17,52%	66,0%	1,59	10,5%	101,6	10,6	63,1	139,8	32,2	-0,4%	-2,2%	-4,7%	0,8%	USD	456,2	6,9%	1/2/2023	1/8/2023
SALTA 2027	79,75	2,00	18,70%	80,4%	3,38	10,7%	103,4	1,0	22,2	212,7	-540,5	0,0%	-0,3%	-3,9%	15,6%	USD	357,4	8,5%	1/12/2022	1/6/2023
JUJUY 2027	80,75	1,64	20,45%	80,9%	0,70	10,4%	89,6	1,6	84,0	-29,6	-655,0	0,0%	-1,2%	1,3%	11,4%	USD	189,9	8,4%	20/3/2023	20/9/2023
ENTRIO 2028	73,75	2,01	21,75%	74,2%	1,62	11,0%	96,6	1,4	42,0	193,3	-503,4	0,0%	-0,7%	-3,3%	12,6%	USD	491,6	8,1%	8/2/2023	8/8/2023
CHACO 2028	61,25	1,89	30,21%	61,7%	1,19	10,8%	101,2	2,6	80,4	212,5	-399,4	0,0%	-1,2%	-2,8%	14,0%	USD	262,7	6,5%	18/2/2023	18/8/2023
BUENOS 2037 A USD	31,88	4,94	32,33%	32,4%	0,77	16,5%	100,8	38,6	297,0	189,1	406,2	-1,2%	-8,9%	-8,9%	-8,9%	USD	6202,1	5,3%	1/3/2023	1/9/2023
BUENOS 2037 B USD	26,25	4,81	26,15%	26,7%	0,66	17,1%	100,7	0,6	107,4	79,8	349,6	0,0%	-4,5%	-2,8%	-12,5%	USD	777,6	4,5%	1/3/2023	1/9/2023
BUENOS 2037 C USD	21,25	4,44	31,26%	21,7%	0,59	18,8%	100,6	0,8	138,7	101,7	520,1	0,0%	-5,6%	-3,4%	-18,3%	USD	153,2	4,0%	1/3/2023	1/9/2023
PRIO 2028	55,00	1,92	34,35%	55,0%	0,00	11,8%	100,0	2,9	197,6	295,4	354,3	0,0%	-3,5%	-4,3%	17,6%	USD	318,4	6,5%	24/2/2023	24/8/2023
BUEAIR 2027	87,75	2,50	12,43%	88,1%	2,98	8,5%	103,0	33,1	131,0	137,5	253,5	-0,8%	-3,3%	-3,3%	-5,9%	USD	890,0	7,5%	1/12/2022	1/6/2023
PDCAR 2026	45,75	1,53	9,82%	45,0%	0,81	15,6%	47,7	107,3	251,4	341,5	44,9	-1,6%	-3,7%	-4,7%	-6,2%	USD	140,6	7,1%	27/1/2023	27/4/2023
PROVSF 2027	83,00	2,77	13,16%	83,5%	3,32	8,3%	103,3	21,2	34,1	93,4	-152,7	-0,6%	-0,9%	-2,4%	6,4%	USD	250,0	6,9%	1/11/2022	1/5/2023
FUEGO 2027	93,00	1,89	12,71%	93,0%	0,10	9,6%	55,1	14,5	44,8	134,1	8,2	-0,3%	-0,8%	-2,6%	0,0%	USD	110,0	9,0%	17/4/2023	17/7/2023
BUENOS EUR Securities																				
BUENOS 2037 A EUR	27,88	5,56	32,20%	28,3%	0,59	14,3%	100,6	42,3	323,5	325,5	584,0	-1,3%	-10,1%	-9,3%	-14,9%	EUR	236,8	4,0%	1/3/2023	1/9/2023
BUENOS 2037 B EUR	22,25	4,88	29,38%	22,6%	0,52	15,7%	100,5	0,8	124,7	117,2	422,6	0,0%	-5,3%	-4,3%	-15,2%	EUR	116,3	3,5%	1/3/2023	1/9/2023
BUENOS 2037 C EUR	17,25	4,47	33,18%	17,6%	0,44	17,4%	100,4	0,9	188,8	156,5	643,0	0,0%	-6,8%	-5,5%	-22,5%	EUR	138,8	3,0%	1/3/2023	1/9/2023

	Price	Rate	Price % Change				Accrued Interest	Current Coupon	O/S
	24/4/2023		Daily (1bd)	Weekly (5bd)	Monthly (22bd)	YTD			
Provincial ARS Debt									
BUEAIR Float 03/29/24	104,3	B +638	-0,9%	-1,4%	-11,5%	0,3%	5,43	76,2%	26.003
BUEAIR Float 02/22/28	109,4	B +643	0,2%	0,8%	3,9%	3,2%	12,61	75,4%	30.810
BUENOS Float 04/12/25	89,1	B +1945	0,2%	-4,2%	-11,7%	-15,9%	2,53	76,8%	30.000



FX Market & International Reserves



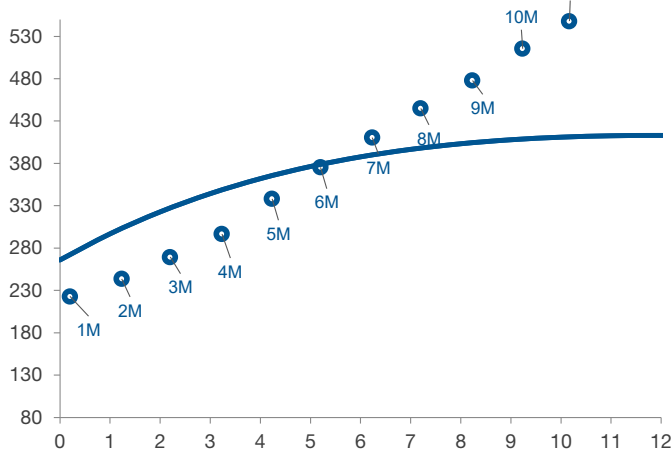
International Reserves: Evolution and Change Drivers

	International Reserves Outstanding			International Reserves Change			Reserve change drivers				
	Total	Government deposits	Liquid reserves	Total	Government deposits	Liquid reserves	External credit to the private sector	IFIs	Rest of Public Sector	Bank reserves	Rest
Mar	39,060	3,922	35,138	351	2,526	-2,175	-1,920	2,247	415	-815	423
20-Mar	38,008	1,788	36,220	336	656	-320	-260	-16	658	-76	30
21-Mar	37,837	1,831	36,006	-171	43	-214	-100	44	0	-50	-65
22-Mar	37,596	1,191	36,405	-241	-639	398	-146	0	0	-126	30
23-Mar	37,606	1,175	36,431	10	-16	26	-88	0	0	-183	281
27-Mar	37,161	1,451	35,710	-445	276	-721	-99	-84	0	14	-276
28-Mar	37,076	1,458	35,618	-85	7	-92	-75	0	17	-119	91
29-Mar	36,851	1,388	35,463	-225	-71	-154	-98	-73	0	15	-70
30-Mar	36,509	1,181	35,328	-342	-207	-135	-132	0	-207	-61	57
31-Mar	39,060	3,922	35,138	2,551	2,741	-190	-45	2,661	0	-37	-28
3-Apr	38,809	3,897	34,912	-251	-25	-226	-259	-21	1	22	7
4-Apr	38,777	3,903	34,874	-32	6	-38	-49	0	0	-30	47
5-Apr	38,662	3,450	35,212	-115	-454	339	-114	-4	0	-5	7
10-Apr	37,210	2,125	35,085	-1,452	-1,325	-127	-99	-1,316	0	40	-77
11-Apr	37,218	2,125	35,093	8	0	8	2	0	0	-41	47
12-Apr	37,224	2,113	35,111	6	-12	18	1	8	-4	-44	44
13-Apr	37,538	2,124	35,414	314	11	303	333	0	0	-82	64
14-Apr	36,901	1,453	35,448	-637	-671	34	60	-659	-6	57	-88
17-Apr	36,731	1,241	35,490	-170	-212	42	73	-181	-10	-6	-47
18-Apr	36,638	1,209	35,429	-93	-33	-60	0	-4	-17	-117	44
19-Apr	36,365	1,198	35,167	-273	-11	-262	-199	0	0	-8	-66
Apr	36,365	1,198	35,167	-2,695	-2,725	30	-250	-2,178	-36	-214	-16

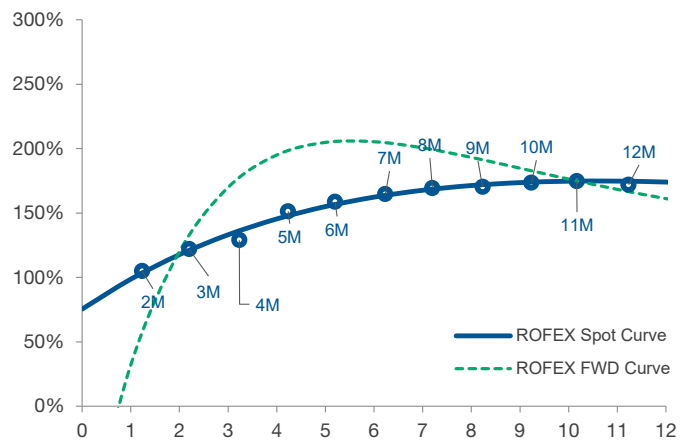
ROFEX USD Curve

	A-3500 Official FX	ROFEX Outright	Yield	Price % Change			Yield Change in bps		
		24/4/2023		Daily (1bd)	Weekly (5bd)	Monthly (22bd)	Daily (1bd)	Weekly (5bd)	Monthly (22bd)
1M - ROFEX USD Fut	220.24	222.87	71.96	0.15	-0.50	-5.97	-15.3	2.1	-11.4
2M - ROFEX USD Fut	220.24	243.63	104.88	0.58	-1.49	-7.40	-6.0	14.2	12.4
3M - ROFEX USD Fut	220.24	269.33	121.86	0.25	-3.05	-8.62	-1.0	19.9	18.2
4M - ROFEX USD Fut	220.24	296.58	128.89	-0.06	-4.14	-10.56	0.1	19.7	22.4
5M - ROFEX USD Fut	220.24	338.15	151.30	-0.78	-6.28	-15.48	3.2	26.6	42.1
6M - ROFEX USD Fut	220.24	375.50	158.61	-2.26	-8.35	-17.31	5.5	28.7	43.3
7M - ROFEX USD Fut	220.24	410.50	164.65	-1.83	-8.50	-19.12	5.0	28.3	47.5
8M - ROFEX USD Fut	220.24	445.00	169.32	-1.35	-8.76	-19.55	4.2	28.4	47.7
9M - ROFEX USD Fut	220.24	478.00	170.20	-1.15	-7.85	-19.25	3.2	23.6	43.4
10M - ROFEX USD Fut	220.24	515.50	173.53	-1.07	-8.15	-18.72	2.7	23.4	39.9

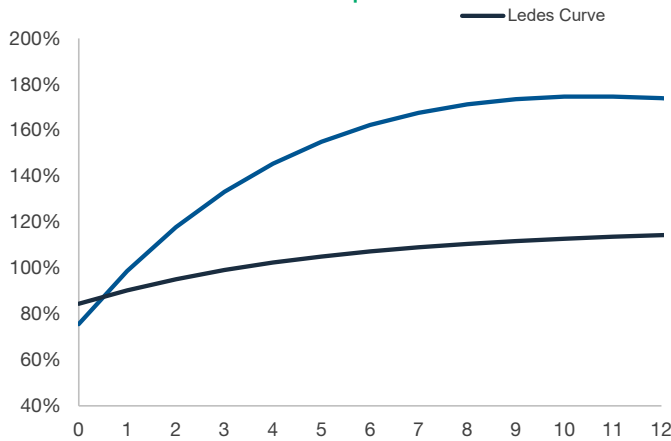
Outrights Curve | Outrights



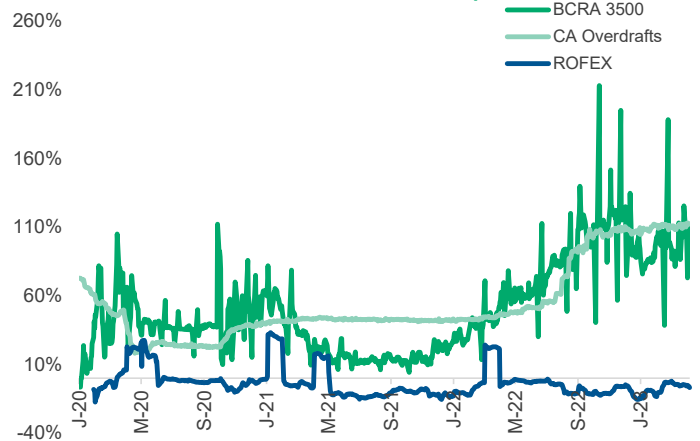
ROFEX Spot & FWD Curves | YTM



ROFEX vs. ARS Fixed Rate | YTM



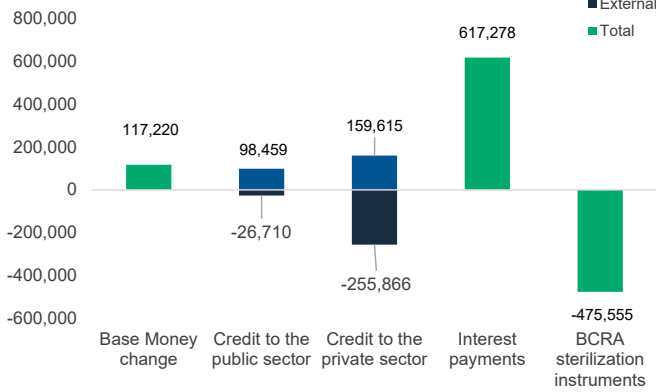
Official FX, CA Overdrafts & ROFEX | Returns



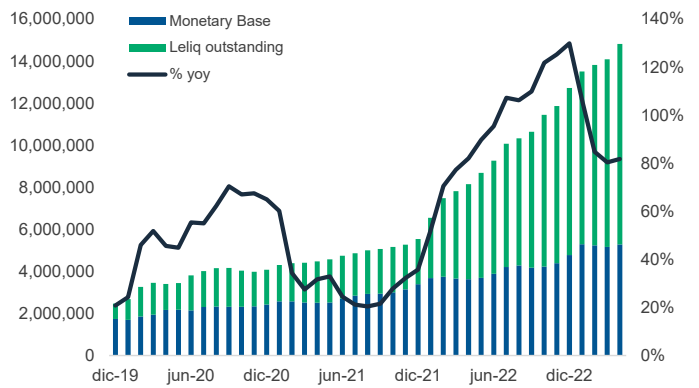
Central Bank Monetary Policy

	Monetary base change	Change in external credit (NIR)			Change in ned domestic assets (NDA)							Monetary base outstanding		Leliq Outstanding
		Total	Public Sector	Private sector	Total	Public sector	Private sector	Sterilization instruments		Interest payments	EoP	Average		
								Net Leliq	Net Repo					
Mar	149,526	-287,055	-67,000	-220,055	436,581	182,964	309,145	-317,326	-442,101	703,898	0	5,161,255	8,930,051	
20-Mar	-71,431	-53,072	0	-53,072	-18,359	470	495	0	-37,487	18,162	5,075,939	4,541,892	8,719,728	
21-Mar	2,398	-20,369	0	-20,369	22,767	41	-921	-530,461	511,531	42,576	5,078,337	4,543,717	9,284,791	
22-Mar	15,041	-29,913	0	-29,913	44,954	130,992	-1,240	65,765	-183,736	33,172	5,093,378	4,545,580	9,219,026	
23-Mar	13,644	-18,112	0	-18,112	31,756	3,503	1,439	-195,002	170,641	51,175	5,107,022	4,547,477	9,427,524	
27-Mar	1,686	-20,399	0	-20,399	22,085	-78,268	32,196	0	47,579	20,577	5,108,708	4,554,943	9,427,524	
28-Mar	24,857	-15,541	0	-15,541	40,398	2,002	4,467	61,385	-92,507	65,051	5,133,565	4,556,865	9,364,866	
29-Mar	-43,437	-20,291	0	-20,291	-23,146	23	3,789	89,420	-159,569	43,191	5,090,128	4,558,631	9,275,446	
30-Mar	124,125	-27,455	0	-27,455	151,580	-324	34,932	-3,625	42,493	78,104	5,214,253	4,560,795	9,282,190	
31-Mar	155,229	-9,410	0	-9,410	164,639	-17,148	100,347	0	75,977	5,464	5,369,482	4,563,455	9,282,190	
3-Apr	-81,887	-54,550	0	-54,550	-27,337	121	134	0	-43,535	15,942	5,287,595	4,571,065	9,282,190	
4-Apr	-18,131	-10,413	0	-10,413	-7,718	-31	567	-109,760	38,344	63,161	5,269,464	4,573,332	9,400,828	
5-Apr	166,420	-23,970	0	-23,970	190,390	95,451	2,678	-26,217	45,524	72,953	5,435,884	4,576,124	9,436,988	
10-Apr	-111,824	-21,041	0	-21,041	-90,783	1,152	9,654	0	-127,763	26,174	5,324,060	4,589,458	9,436,988	
11-Apr	-37,618	505	0	505	-38,123	-84	54,353	-96,773	-71,722	76,104	5,286,442	4,591,671	9,542,377	
12-Apr	-92,437	8,365	0	8,365	-100,802	1,380	-20,785	25,125	-122,880	16,358	5,194,005	4,593,577	9,517,252	
13-Apr	-6,907	120,422	0	120,422	-127,329	-1,230	-110,677	-282,341	225,441	41,478	5,187,098	4,595,449	9,817,911	
14-Apr	-39,145	25,518	0	25,518	-64,663	1,514	-2,710	0	-68,889	5,423	5,147,953	4,597,186	9,817,911	
17-Apr	24,470	28,042	0	28,042	-3,572	3,724	-20,230	0	-3,751	16,686	5,172,423	4,602,410	9,817,911	
18-Apr	-59,636	3,067	0	3,067	-62,703	2,448	137,303	232,510	-511,583	76,620	5,112,787	4,603,995	9,571,489	
19-Apr	-17,874	-43,209	0	-43,209	25,335	2,417	-4,474	12,885	2,002	12,505	5,094,913	4,605,515	9,558,604	
Apr	-274,569	32,736	0	32,736	-307,305	106,861	45,815	-244,571	-638,812	423,403	0	5,278,475	9,534,137	

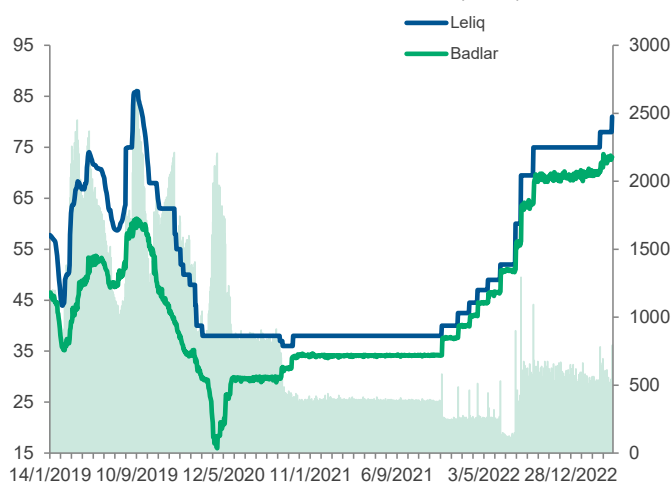
Base Money Growth Drivers MTD | BM Creation



Growth of BCRA Liabilities | BCRA Liabilities



Leliq & Badlar Rates | Rates



Ex-Ante Real Rates | Rates



Economic Calendar & Base scenario

	Indicator	Period	Published by	Print	Previous	Revisions of previous prints and/or comments
18/4/2023	Use of Industrial Capacity	February	INDEC	65,00%	62,00%	
19/4/2023	Wholesale prices	March	INDEC	5,10%	7,00%	
20/4/2023	Trade balance	March	INDEC	-USD 1,059mn	USD 182mn	
20/4/2023	Primary balance	March	Treasury	-ARS 258bn	-ARS 228bn	
THIS WEEK						
24/4/2023	EMAE monthly economic activity gauge	February	INDEC			
	%yoy			0,20%	2,90%	3,10%
	%mom			0,00%	0,30%	0,50%
25/4/2023	Sales at malls	February	INDEC		21,60%	
25/4/2023	Sales at supermarkets	February	INDEC		0,80%	
28/4/2023	Wage Index	February	INDEC		4,70%	
NEXT WEEK						
2/5/2023	Government tax intake	April	Treasury		ARS 2,336.9bn	
4/5/2023	Vehicle production	April	ADEFA		61104	
5/5/2023	BCRA Market Expectation Survey	April	BCRA			

	%mom	%yoy	Official fixing	BCS	BCS premium	Leliq rate	Badlar rate	MonPol - Funding rate spread
Dec-22	5.1%	94.9%	172.62	326.22	89.0%	75.0	69.3	570
Jan-23	6.0%	98.9%	180.39	335.02	85.7%	75.0	69.5	553
Feb-23	6.6%	102.5%	188.72	365.00	93.4%	72.0	66.3	570
Mar-23	7.7%	104.4%	198.90	387.48	94.8%	69.0	63.3	570
Apr-23	6.8%	105.9%	209.71	413.83	97.3%	67.0	61.3	570
May-23	6.8%	109.3%	222.55	441.97	98.6%	69.0	63.3	570
Jun-23	7.0%	112.4%	238.13	472.91	98.6%	71.0	65.3	570
Jul-23	7.5%	112.6%	257.77	508.38	97.2%	74.0	68.3	570
Aug-23	7.7%	114.0%	281.59	547.53	94.4%	75.0	69.3	570
Sep-23	8.0%	117.7%	308.62	591.33	91.6%	76.0	70.3	570
Oct-23	7.7%	120.5%	337.14	627.75	86.2%	78.0	72.3	570
Nov-23	7.5%	126.0%	367.48	656.00	78.5%	78.0	72.3	570
Dec-23	7.5%	131.1%	400.56	675.68	68.7%	78.0	72.3	570

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