

Argentina Provinces: **2Q23 Update**

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Agenda

Before we start: Snapshot of credits fundamentals

- In LTM 1Q23, the average fiscal position grew 1.2pp from FY22, reaching a surplus of 6.5% of revenues.
- Regarding the leverage position, the space's average closed at 37.4% of revenues, increasing 1.4pp from 2022. The debt services ratio stood almost flat at 6.7% of revenues.

Provincial Elections takeaways

- So far, 12 out of 22 provincial districts have already held general elections. The results suggest that Peronism is losing traction, but it is not yet being fully captured by the opposition. Moreover, there is a raise in the number of blank votes and absenteeism, which adds uncertainty at the national level.

Overview of the new restrictions on the provincial space

- After the reserves dropped to a critical level, the government decided to extend the restrictions on accessing the official FX to provinces, something that has already been in place for corporate issuers.

Fiscal performance and Metrics: A credit- by-credit view

- In 1Q23, the average fiscal surplus closed flat relative to 1Q22 at 12.9% of revenues. The acceleration in spending was not yet enough to erode most primary surpluses. We consider that this would change once the electoral calendar begins to take momentum from the 2Q onwards.

Comp sheet of Argy provincial fundamentals in LTM 1Q23

LTM 1Q23	Provincial Taxes / Total Revenues	Federal Taxes / Total Revenues	Total Fed. Funds / Total Revenues	Personnel Spending / Total Expenditures	Debt Interests / Total Revenues	CapEx / Total Expenditures	Primary Balance / Total Revenues	Fiscal Balance / Total Revenues	Debt Services / Total Revenues	Total Debt / Total Revenues
Quasi-Sovereign Credits	43.0%	43.2%	48.2%	45.6%	2.7%	14.2%	12.7%	10.0%	5.0%	33.5%
PBA	42.3%	43.9%	54.1%	50.2%	3.0%	8.1%	4.6%	1.6%	4.8%	55.8%
CABA	78.4%	10.4%	14.6%	48.2%	3.8%	15.0%	18.2%	14.4%	5.3%	25.8%
Córdoba	30.4%	52.6%	57.1%	43.1%	1.7%	19.9%	14.5%	12.8%	3.5%	42.9%
Santa Fe	30.9%	58.8%	63.8%	48.7%	1.2%	10.3%	10.8%	9.6%	4.4%	12.5%
Mendoza	32.8%	50.1%	51.7%	37.7%	3.7%	17.8%	15.3%	11.6%	7.1%	30.6%
Oil & Gas Backed Credits	46.2%	38.4%	40.4%	59.6%	3.5%	10.3%	6.2%	2.7%	9.6%	46.5%
Chubut	45.3%	39.1%	41.4%	64.5%	4.6%	11.4%	12.5%	8.0%	13.3%	70.7%
Tierra del Fuego	31.2%	53.8%	56.0%	54.1%	3.1%	9.3%	2.4%	-0.7%	6.7%	24.3%
Neuquén	62.1%	22.3%	23.8%	60.1%	2.9%	10.3%	3.7%	0.8%	8.8%	44.4%
Smaller Credits	18.0%	68.0%	74.0%	54.4%	2.9%	13.1%	8.4%	5.5%	6.8%	36.1%
Entre Ríos	22.0%	64.2%	68.6%	61.4%	1.7%	8.5%	15.2%	13.5%	4.8%	32.2%
Salta	24.8%	62.7%	66.0%	57.7%	2.1%	10.1%	2.9%	0.8%	4.0%	25.4%
La Rioja	7.4%	67.3%	80.9%	39.2%	2.1%	20.3%	3.8%	1.7%	3.0%	36.3%
Río Negro	27.9%	63.6%	65.0%	64.1%	4.4%	5.9%	4.1%	-0.3%	12.3%	33.7%
Jujuy	13.2%	75.2%	83.5%	53.4%	5.2%	17.1%	13.7%	8.5%	8.8%	61.6%
Chaco	12.7%	74.6%	79.8%	50.5%	2.1%	16.5%	10.8%	8.7%	7.8%	27.6%
Average	33.0%	52.8%	57.6%	52.3%	3.0%	12.9%	9.5%	6.5%	6.7%	37.4%

Source: TPCG Research based on Provincial Treasuries and E&R

The fiscal surplus grew 1.2pp from FY22 to 6.5% of revenues in LTM 1Q23

Primary Bal. / Total Rev.	2019	2020	2021	2022	LTM 1Q23	1Q23
Quasi-Sovereign Credits	4.4%	7.7%	9.2%	10.7%	12.7%	23.8%
PBA	9.3%	4.3%	3.1%	1.8%	4.6%	18.9%
CABA	3.7%	0.9%	6.5%	14.2%	18.2%	37.0%
Córdoba	9.6%	15.7%	18.4%	15.5%	14.5%	16.8%
Santa Fe	1.0%	14.6%	9.8%	10.2%	10.8%	14.3%
Mendoza	-1.4%	3.3%	8.0%	11.7%	15.3%	32.2%
Oil & Gas Backed Credits	1.6%	-2.1%	8.9%	5.6%	6.2%	9.6%
Chubut	-1.5%	-10.2%	14.3%	12.5%	12.5%	11.2%
Tierra del Fuego	5.0%	5.3%	2.8%	0.2%	2.4%	11.1%
Neuquén	1.3%	-1.5%	9.6%	4.0%	3.7%	6.6%
Smaller Credits	1.7%	6.6%	7.6%	7.5%	8.4%	13.9%
Entre Ríos	6.9%	16.0%	19.1%	16.1%	15.2%	15.8%
Salta	2.6%	3.4%	7.3%	4.0%	2.9%	1.3%
La Rioja	0.3%	6.5%	2.2%	1.7%	3.8%	9.1%
Río Negro	0.9%	-1.8%	1.4%	4.4%	4.1%	7.2%
Jujuy	-4.5%	3.6%	7.7%	10.1%	13.7%	30.0%
Chaco	4.0%	12.3%	8.0%	8.4%	10.8%	20.2%
Average	2.7%	5.2%	8.5%	8.2%	9.5%	16.5%
YoY		2.5pp	3.3pp	-.2pp	1.3pp	-.3pp

Source: TPCG Research based on Provincial Treasuries and E&R

The avg. primary surplus grew by 1.3pp from FY22, closing the LTM 1Q23 at 9.5% of revenues, the highest figure since 2017. The increase was influenced by several credits with their revenues growing above spending and inflation. For the quarter, the position closed almost flat YoY.

Fiscal Bal. / Total Rev.	2019	2020	2021	2022	LTM 1Q23	1Q23
Quasi-Sovereign Credits	-1.5%	3.7%	5.5%	7.9%	10.0%	20.9%
PBA	0.1%	0.6%	-0.6%	-1.0%	1.6%	14.7%
CABA	-5.3%	-7.3%	-1.0%	9.9%	14.4%	34.1%
Córdoba	5.7%	12.4%	16.1%	13.6%	12.8%	15.7%
Santa Fe	0.0%	13.2%	8.2%	9.1%	9.6%	12.8%
Mendoza	-8.1%	-0.1%	4.8%	8.1%	11.6%	27.5%
Oil & Gas Backed Credits	-4.2%	-7.4%	5.6%	2.1%	2.7%	5.9%
Chubut	-8.5%	-16.9%	9.3%	8.1%	8.0%	5.9%
Tierra del Fuego	0.5%	1.4%	0.7%	-2.8%	-0.7%	7.6%
Neuquén	-4.4%	-6.8%	6.6%	0.9%	0.8%	4.1%
Smaller Credits	-3.3%	3.3%	4.6%	4.7%	5.5%	9.7%
Entre Ríos	3.6%	12.4%	16.0%	14.4%	13.5%	13.1%
Salta	-1.2%	0.2%	5.0%	1.6%	0.8%	0.3%
La Rioja	-4.6%	3.5%	-0.7%	0.0%	1.7%	4.7%
Río Negro	-6.4%	-6.5%	-2.2%	0.4%	-0.3%	1.3%
Jujuy	-9.3%	-0.4%	3.8%	5.3%	8.5%	22.4%
Chaco	-2.1%	10.3%	5.6%	6.6%	8.7%	16.5%
Average	-2.9%	1.1%	5.1%	5.3%	6.5%	12.9%
YoY		4.pp	4.pp	.2pp	1.2pp	.pp

Source: TPCG Research based on Provincial Treasuries and E&R

After considering the debt interests, the fiscal surplus closed at 6.5% of revenues, increasing by 1.2pp since FY22. We expect for the coming quarters to see a deterioration in the fiscal balances with a faster increase in the cost structure, as the electoral calendar begins.

The avg. leverage position closed at 37.4% of revenues in LTM 1Q23

Debt Serv / Total Rev.	2019	2020	2021	2022	LTM 1Q23
Quasi-Sovereign Credits	9.5%	6.8%	7.1%	5.6%	5.0%
PBA	18.4%	6.9%	6.1%	5.6%	4.8%
CABA	12.2%	11.7%	12.5%	7.1%	5.3%
Córdoba	6.2%	6.7%	5.6%	3.7%	3.5%
Santa Fe	1.7%	2.0%	3.2%	4.0%	4.4%
Mendoza	8.9%	6.6%	8.3%	7.4%	7.1%
Oil & Gas Backed Credits	11.6%	12.5%	8.9%	9.5%	9.6%
Chubut	18.1%	16.5%	12.3%	12.9%	13.3%
Tierra del Fuego	8.5%	9.0%	6.5%	6.5%	6.7%
Neuquén	8.4%	11.9%	7.8%	9.1%	8.8%
Smaller Credits	7.3%	5.7%	6.0%	6.5%	6.8%
Entre Ríos	5.0%	5.3%	5.7%	3.9%	4.8%
Salta	5.8%	5.6%	4.8%	4.1%	4.0%
La Rioja	6.0%	3.9%	3.9%	2.6%	3.0%
Río Negro	9.7%	8.1%	9.9%	12.2%	12.3%
Jujuy	8.1%	7.6%	6.2%	8.7%	8.8%
Chaco	9.1%	3.6%	5.6%	7.6%	7.8%
Average	9.0%	7.5%	7.0%	6.8%	6.7%
YoY		-1.5pp	-.5pp	-.2pp	-.1pp

Source: TPCG Research based on Provincial Treasuries and E&R

Since 2019, the provincial space has seen a de-leverage process. In that sense, as of LTM 1Q23, the debt services ratio dropped to 6.7% of revenues, and the leverage position went down to 37.4% of revenues.

Total Debt / Total Rev.	2019	2020	2021	2022	LTM 1Q23
Quasi-Sovereign Credits	53.0%	55.4%	42.8%	34.4%	33.5%
PBA	78.5%	75.4%	64.1%	53.3%	55.8%
CABA	47.5%	53.1%	40.0%	27.5%	25.8%
Córdoba	63.5%	66.4%	48.4%	41.3%	42.9%
Santa Fe	17.2%	20.6%	16.9%	12.1%	12.5%
Mendoza	58.4%	61.6%	44.5%	37.5%	30.6%
Oil & Gas Backed Credits	64.7%	74.0%	52.9%	41.8%	46.5%
Chubut	87.8%	102.5%	77.1%	60.3%	70.7%
Tierra del Fuego	43.8%	45.3%	27.8%	20.1%	24.3%
Neuquén	62.4%	74.0%	53.8%	45.1%	44.4%
Smaller Credits	56.6%	58.1%	42.2%	34.5%	36.1%
Entre Ríos	50.8%	55.4%	37.8%	33.6%	32.2%
Salta	41.7%	41.6%	29.4%	26.3%	25.4%
La Rioja	60.0%	54.2%	40.1%	32.1%	36.3%
Río Negro	49.5%	58.4%	43.2%	31.8%	33.7%
Jujuy	96.6%	100.2%	70.9%	60.8%	61.6%
Chaco	40.9%	38.8%	31.6%	22.2%	27.6%
Average	57.1%	60.5%	44.7%	36.0%	37.4%
YoY		3.5pp	-15.8pp	-8.7pp	1.4pp

Source: TPCG Research based on Provincial Treasuries and E&R

Still, that perception of de-leverage could be misleading as it has been influenced by the effect of revenues growing at the inflation pace, which has some correlation with the BCS, and a contained official FX. If calculated at the BCS, the leverage jumps to 64%.

Summary of sub-sovereign hard currency instruments

	Price	MD	Yield	Parity	Int. Accrued	Current Yield	Tech Val.	Yield Change in BPS				Price % Change				Additional Info.				
	29/6/2023							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	78,75	2,21	15,56%	79,1%	1,47	7,3%	93,8	3,0	20,7	-66,6	-112,5	0,0%	-0,3%	2,3%	4,8%	USD	544,6	5,8%	19/3/2023	19/9/2023
CORDOB 2027	64,50	1,73	33,31%	65,0%	1,56	9,7%	101,6	10,3	23,8	146,3	348,1	0,0%	0,0%	-0,8%	3,2%	USD	155,7	6,3%	29/3/2023	29/9/2023
NEUQUE UNSECURED	71,75	2,68	17,97%	72,1%	1,14	9,2%	101,1	2,5	-84,4	-49,8	-54,3	0,0%	2,5%	2,1%	5,9%	USD	377,2	6,6%	27/4/2023	27/10/2023
NEUQUE SECURED	94,00	2,72	10,83%	94,1%	0,88	9,2%	79,0	0,5	-20,0	-32,9	66,0	0,0%	0,6%	1,1%	-1,6%	USD	272,5	8,6%	12/5/2023	12/8/2023
PRN 2028	53,75	1,64	37,72%	54,7%	2,01	12,3%	102,0	11,5	-111,4	393,2	691,6	0,0%	2,4%	-4,9%	-3,2%	USD	320,2	6,6%	10/3/2023	10/9/2023
CHUBUT 2030	83,75	2,11	15,61%	84,0%	1,11	9,3%	82,8	2,4	-92,5	-155,0	-35,8	0,0%	2,1%	4,0%	2,4%	USD	531,3	7,8%	26/4/2023	26/7/2023
PDCAR 2025	75,50	1,10	30,00%	75,6%	0,30	9,1%	83,6	43,8	149,1	77,5	879,2	-0,3%	-1,3%	-4,4%	-7,1%	USD	601,7	6,9%	10/6/2023	10/12/2023
PDCAR 2027	69,00	2,50	20,98%	69,2%	0,54	10,1%	100,5	3,3	7,6	-22,6	72,4	0,0%	0,0%	1,5%	3,0%	USD	516,1	7,0%	1/6/2023	1/12/2023
PDCAR 2029	66,50	3,51	17,46%	67,4%	2,83	10,3%	102,8	1,6	-58,4	-140,1	26,1	0,0%	2,3%	6,0%	2,3%	USD	456,2	6,9%	1/2/2023	1/8/2023
SALTA 2027	77,00	2,03	20,46%	77,2%	0,63	11,0%	95,6	3,5	-87,6	51,0	-364,0	0,0%	2,0%	-0,3%	11,6%	USD	357,4	8,5%	1/6/2023	1/12/2023
JUJUY 2027	76,75	1,39	25,09%	77,3%	2,05	10,9%	90,9	7,8	-95,4	56,6	-190,5	0,0%	1,7%	0,3%	5,9%	USD	189,9	8,4%	20/3/2023	20/9/2023
ENTRIO 2028	68,25	1,71	26,97%	69,2%	3,01	11,9%	98,0	6,8	-4,6	221,1	18,2	0,0%	0,4%	-2,8%	4,2%	USD	491,6	8,1%	8/2/2023	8/8/2023
CHACO 2028	54,75	1,57	38,75%	55,8%	2,37	11,9%	102,4	12,6	-226,5	334,2	514,6	0,0%	4,3%	-3,5%	1,9%	USD	262,7	6,5%	18/2/2023	18/8/2023
BUENOS 2037 A USD	37,95	5,21	27,77%	39,0%	1,72	13,8%	101,7	7,2	-203,7	-464,4	-50,1	-0,1%	7,3%	17,7%	8,4%	USD	6202,1	5,3%	1/3/2023	1/9/2023
BUENOS 2037 B USD	32,50	5,48	23,98%	33,5%	1,48	13,8%	101,5	17,3	-110,4	-397,4	-68,0	-0,8%	5,7%	21,5%	8,3%	USD	777,6	4,5%	1/3/2023	1/9/2023
BUENOS 2037 C USD	27,50	5,34	25,97%	28,4%	1,31	14,5%	101,3	20,8	-135,6	-500,1	-9,0	-0,9%	6,8%	26,4%	5,8%	USD	153,2	4,0%	1/3/2023	1/9/2023
PRIO 2028	54,00	1,70	37,51%	54,0%	0,00	12,0%	100,0	61,9	-130,9	161,0	669,9	-0,9%	2,9%	-0,9%	15,5%	USD	318,4	6,5%	24/2/2023	24/8/2023
BUEAIR 2027	94,25	2,48	9,84%	94,3%	0,58	8,0%	100,6	-10,0	-30,4	-252,4	-6,0	0,3%	0,8%	6,8%	1,1%	USD	890,0	7,5%	1/6/2023	1/12/2023
PDCAR 2026	41,50	1,47	11,51%	41,0%	0,54	17,2%	44,3	6,4	14,8	519,2	213,8	0,0%	0,0%	-7,0%	-14,9%	USD	131,3	7,1%	27/4/2023	27/7/2023
PROVSF 2027	80,50	2,68	14,58%	80,7%	1,11	8,6%	101,1	-9,6	4,0	17,9	-10,6	0,3%	0,0%	0,0%	3,2%	USD	250,0	6,9%	1/5/2023	1/11/2023
FUEGO 2027	92,50	1,69	13,34%	92,6%	0,98	9,7%	56,0	1,8	-89,5	-134,2	71,7	0,0%	1,6%	2,8%	-0,5%	USD	110,0	9,0%	17/4/2023	17/7/2023
BUENOS EUR Securities																				
BUENOS 2037 A EUR	34,00	5,78	27,21%	34,9%	1,31	11,8%	101,3	3,5	-211,1	-507,4	84,9	0,0%	7,9%	20,4%	3,8%	EUR	236,8	4,0%	1/3/2023	1/9/2023
BUENOS 2037 B EUR	28,50	5,71	24,65%	29,3%	1,15	12,3%	101,1	19,3	-123,5	-450,7	-50,3	-0,9%	6,5%	25,3%	8,6%	EUR	116,3	3,5%	1/3/2023	1/9/2023
BUENOS 2037 C EUR	23,50	5,49	26,94%	24,2%	0,98	12,8%	101,0	23,9	-156,2	-589,6	19,0	-1,1%	8,0%	32,4%	5,6%	EUR	138,8	3,0%	1/3/2023	1/9/2023

Provincial Hard Currency Bonds Debt Services

	2023 Interest	2023 Principal	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Debt Services Hard Currency Bonds (USD mn)*																	
PBA	193,04	0,00	193,04	701,98	761,65	825,18	848,88	854,27	873,82	879,24	914,46	898,36	879,47	859,84	841,72	830,80	805,39
BUENOS A USD	162,81	0,00	162,81	618,77	670,33	731,13	753,65	749,88	760,40	642,64	679,54	672,00	661,76	661,09	650,98	647,76	628,90
BUENOS B USD	17,50	0,00	17,50	42,77	45,69	45,69	45,69	51,52	56,84	138,90	136,35	130,55	124,74	112,05	106,65	101,26	97,02
BUENOS C USD	3,06	0,00	3,06	7,66	8,04	8,04	8,04	9,19	10,25	26,45	26,07	25,05	24,03	21,64	20,70	19,75	19,02
BUENOS A EUR	5,17	0,00	5,17	21,00	24,26	26,99	28,16	28,26	28,97	24,34	26,13	26,10	25,97	26,25	26,16	26,37	25,95
BUENOS B EUR	2,22	0,00	2,22	5,72	6,51	6,51	6,51	7,46	8,34	21,79	21,49	20,67	19,84	17,88	17,12	16,35	15,77
BUENOS C EUR	2,27	0,00	2,27	6,07	6,82	6,82	6,82	7,96	9,02	25,11	24,87	24,01	23,14	20,92	20,12	19,31	18,73
CABA	33,38	0,00	33,38	66,75	352,26	330,02	307,85	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
BUEAIR 2027	33,38	0,00	33,38	66,75	352,26	330,02	307,85	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Santa Fe	8,63	0,00	8,63	17,25	100,58	94,83	89,08	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
PROVSF 2027	8,63	0,00	8,63	17,25	100,58	94,83	89,08	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Mendoza	14,45	41,89	56,35	109,08	104,26	99,44	94,63	89,81	43,10	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
MENDOZ 2029	14,45	41,89	56,35	109,08	104,26	99,44	94,63	89,81	43,10	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Cordoba	58,92	139,09	198,01	381,62	491,43	351,14	278,96	247,72	117,98	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
PDCAR 2026	4,51	18,75	23,26	44,51	41,84	39,17	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
PDCAR 2025	20,69	120,34	141,03	269,66	253,12	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
PDCAR 2027	18,04	0,00	18,04	36,08	165,11	280,61	133,54	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
PDCAR 2029	15,68	0,00	15,68	31,37	31,37	31,37	145,42	247,72	117,98	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Neuquen	24,04	19,47	43,50	142,01	135,11	127,77	120,42	113,07	105,72	50,11	0,00	0,00	0,00	0,00	0,00	0,00	0,00
NQN Secured	11,54	19,47	31,01	59,50	56,14	52,79	49,43	46,07	42,71	20,10	0,00	0,00	0,00	0,00	0,00	0,00	0,00
NQN Unsecured	12,49	0,00	12,49	82,50	78,97	74,98	70,99	67,00	63,01	30,01	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TdF	4,79	12,00	16,79	31,97	31,82	35,22	16,54	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
FUEGO 2027	4,79	12,00	16,79	31,97	31,82	35,22	16,54	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Chubut	20,21	39,00	59,21	135,34	127,58	119,83	112,07	83,05	9,82	4,68	0,00	0,00	0,00	0,00	0,00	0,00	0,00
CHUBUT 2030	20,21	39,00	59,21	135,34	127,58	119,83	112,07	83,05	9,82	4,68	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Entre Rios	19,91	25,87	45,79	129,65	121,97	114,28	106,60	98,91	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
ENTRIO 2028	19,91	25,87	45,79	129,65	121,97	114,28	106,60	98,91	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Jujuy	7,07	21,09	28,16	53,67	50,14	46,61	22,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
JUJUJA 2027	7,07	21,09	28,16	53,67	50,14	46,61	22,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Salta	14,43	35,74	50,17	79,81	110,24	102,64	95,05	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
SALTA 2027	14,43	35,74	50,17	79,81	110,24	102,64	95,05	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Rio Negro	10,61	0,00	10,61	91,95	87,06	82,17	77,27	36,80	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
PRN 2028	10,61	0,00	10,61	91,95	87,06	82,17	77,27	36,80	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
La Rioja	10,35	0,00	10,35	76,94	96,52	90,09	83,66	39,42	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
PRIO 2028	10,35	0,00	10,35	76,94	96,52	90,09	83,66	39,42	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Chaco	8,54	0,00	8,54	76,56	74,02	69,20	64,39	30,39	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
CHACO 2028	8,54	0,00	8,54	76,56	74,02	69,20	64,39	30,39	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	428,34	334,17	762,51	2.094,59	2.644,65	2.488,42	2.317,39	1.593,44	1.150,45	934,03	914,46	898,36	879,47	859,84	841,72	830,80	805,39

*Principal plus Interests.

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Provincial Elections takeaways

- So far, 12 out of 22 provincial districts have already held general elections. The results suggest that Peronism is losing traction, but it is not yet being fully captured by the opposition. Moreover, there is a raise in the number of blank votes and absenteeism, which adds uncertainty at the national level.

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- After the reserves dropped to a critical level, the government decided to extend the restrictions on accessing the official FX to provinces, something that has already been in place for corporate issuers.

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Our takeaways from the provincial elections so far

1

Peronism is losing traction

So far, Peronism's performance has eroded from 2019, with an avg. drop over -10pp. In the smaller provinces, the erosion has not been enough to turn around elections. In the larger provinces, the performance was even worse, something that could be material going forward.

2

Libertarian underperformance

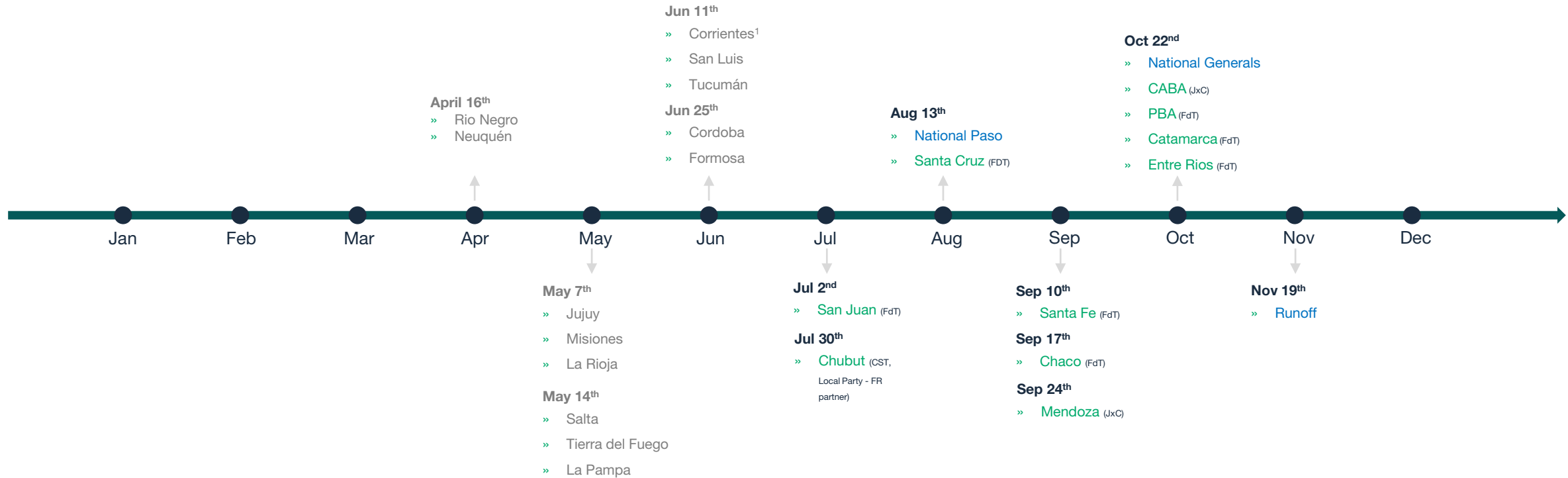
When Javier Milei is not on the ticket, his party (LLA) loses substantial adherence. The only exception so far was in La Rioja, though it was mostly explained as the candidate was the nephew of the ex. President Carlos Menem. With that, Milei's traction at the national level remains unpredictable.

3

Raising absenteeism

The drop in Peronism's performance is not yet being captured by the opposition. Blank votes and absenteeism are raising. For the latter, the average stands close to 28% of the electorate, increasing by around 5pp from 2019. This affects the poll's accuracy and raises uncertainty at the national level.

2023 Electoral Calendar

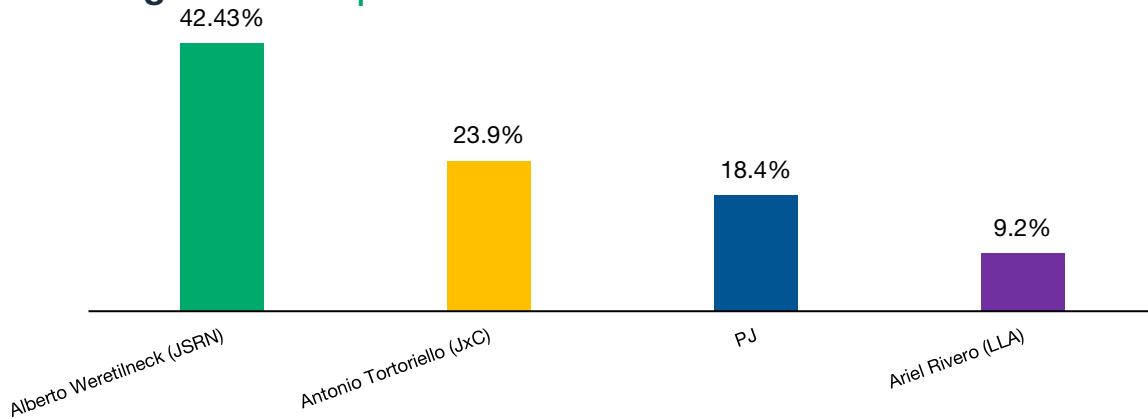


Note:
1: Does not vote for Governor. Legislative election.

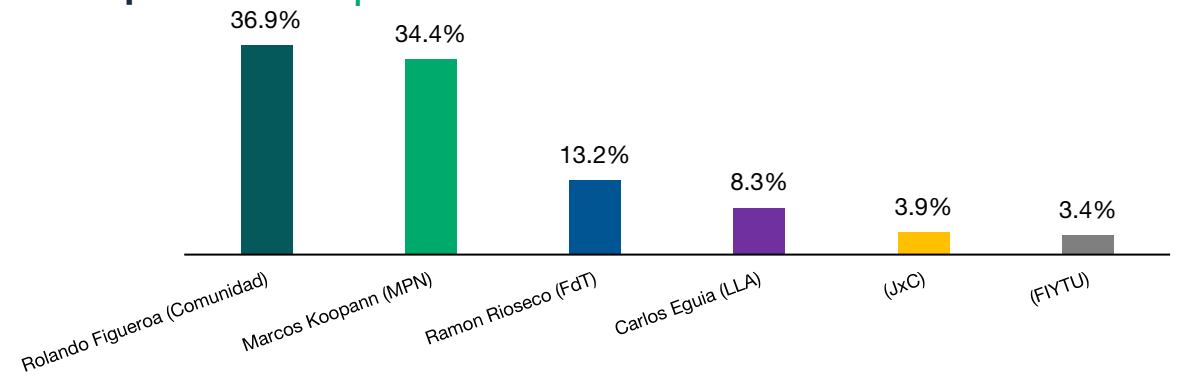
Source: TPCG Research

April 2023: Political continuity in Rio Negro, but surprise in Neuquén

Rio Negro Results | %



Neuquen Results | %



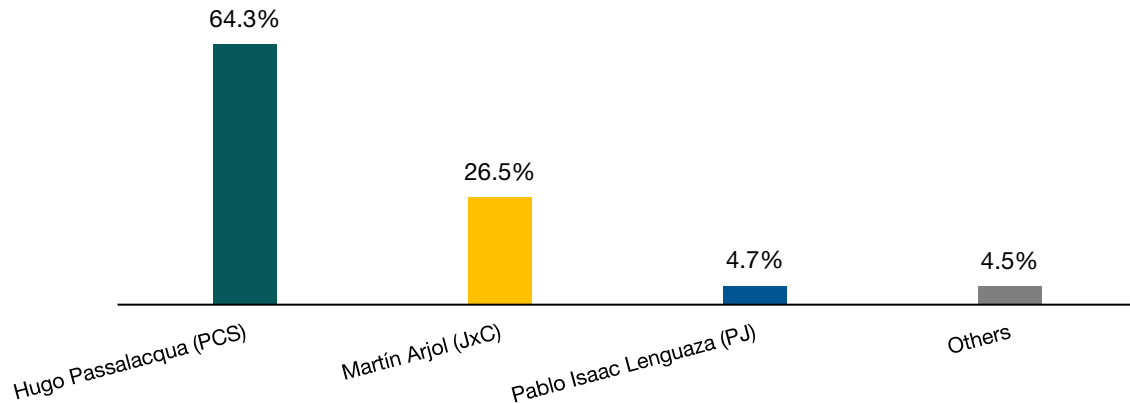
Source: TPCG Research based on E&R

The incumbent party JSRN retained the governorship, with Weretilneck as the new governor. JSRN and the PJ lost substantial traction from 2019, -10.2ppyo and -16.8ppyo, respectively, which was partially capitalized by JxC and LLA.

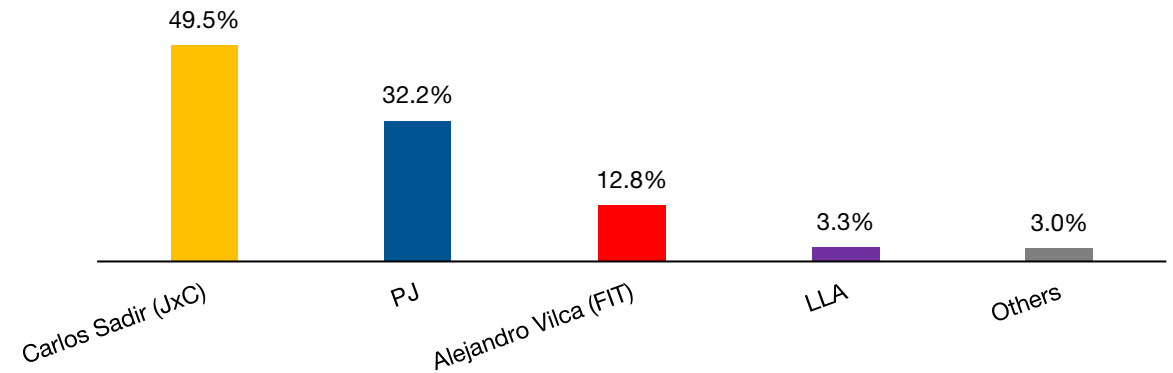
After over 60 years in power, the incumbent party MPN lost the governorship against an insider of the party Mr. Figueroa, who got support from UCR and PRO. The PJ lost around 12.8ppyo from last year.

May 2023: Misiones and Jujuy with no surprises

Misiones 2023 Elections | %



Jujuy 2023 Elections | %



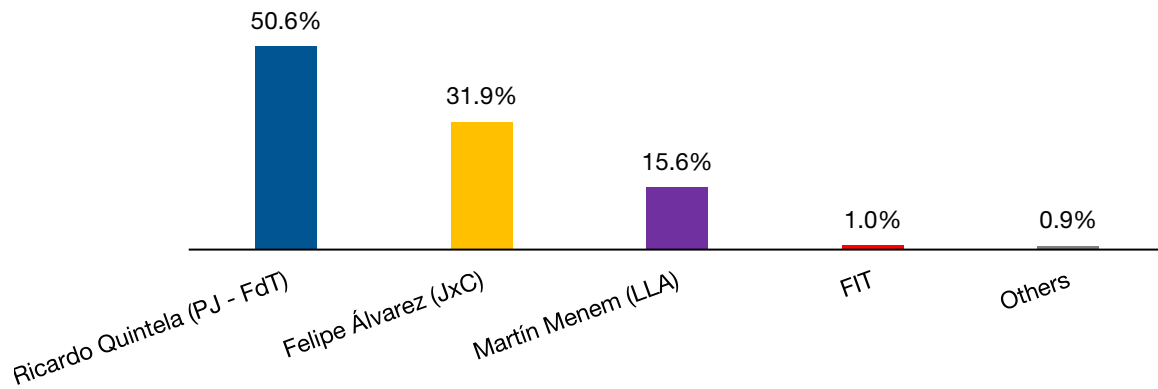
Source: TPCG Research based on E&R

Hugo Passalacqua retained the power of the provincial party PCS. PCS's performance dropped close to 8pp from 2019, however. For JxC, the performance improved by 8.9pp. For the PJ, it deteriorated by 3.5pp.

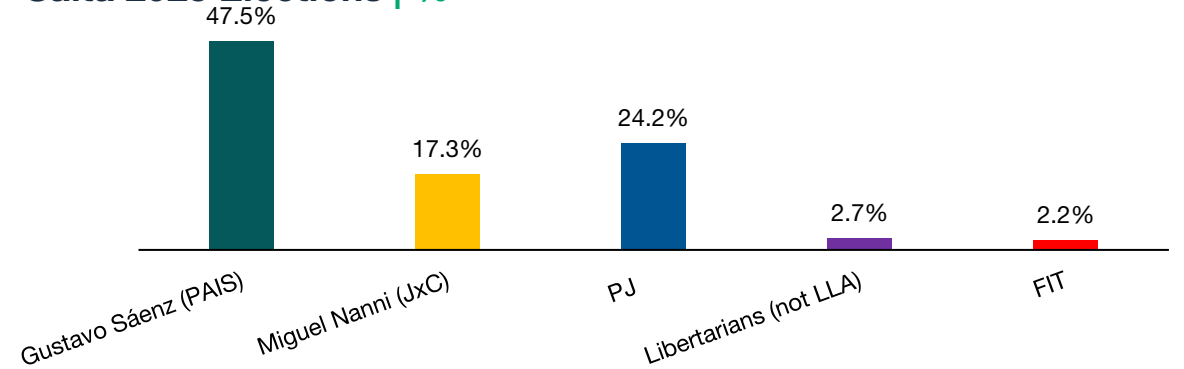
JxC retained power in Jujuy, with Carlos Sadir leading the ticket. The PJ's performance lost around 14.5pp in support, being partially capitalized by FIT and LLA.

May 2023: Re-elections in La Rioja and Salta

La Rioja 2023 Elections | %



Salta 2023 Elections | %



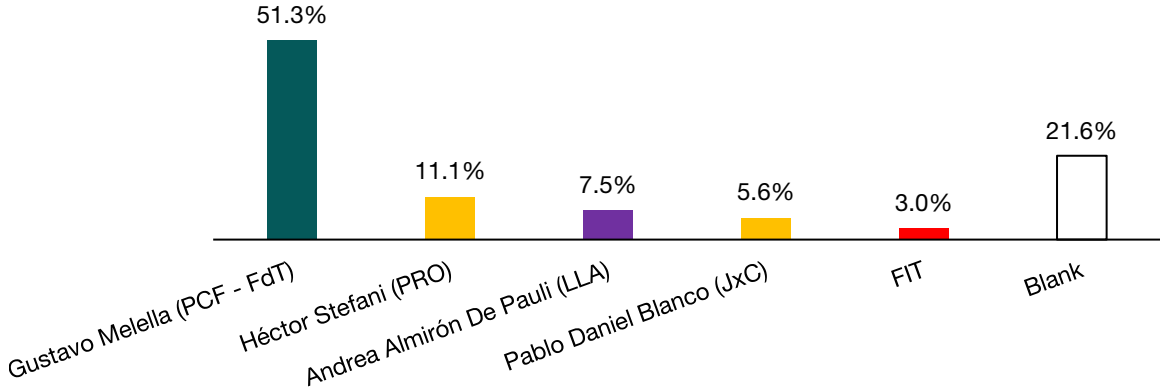
Source: TPCG Research based on E&R

Ricardo Quintela was re-elected in La Rioja. Still, the PJ lost around 17.5pp in support from 2019, which was almost entirely capitalized by LLA. JxC performed almost flat.

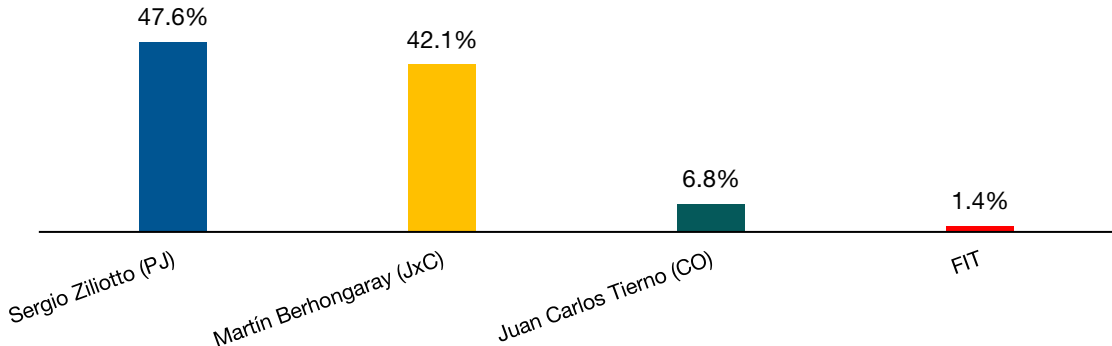
Gustavo Sáenz from PAIS, which has alliances with Frente Renovador, obtained the re-election with 47.5% of the total votes. Both the PJ and JxC posted flat figures versus 2019, though this time the PJ ran with 3 different candidates.

May 2023: Re-elections in Fuego and La Pampa

Fuego 2023 Elections | %



La Pampa 2023 Elections | %



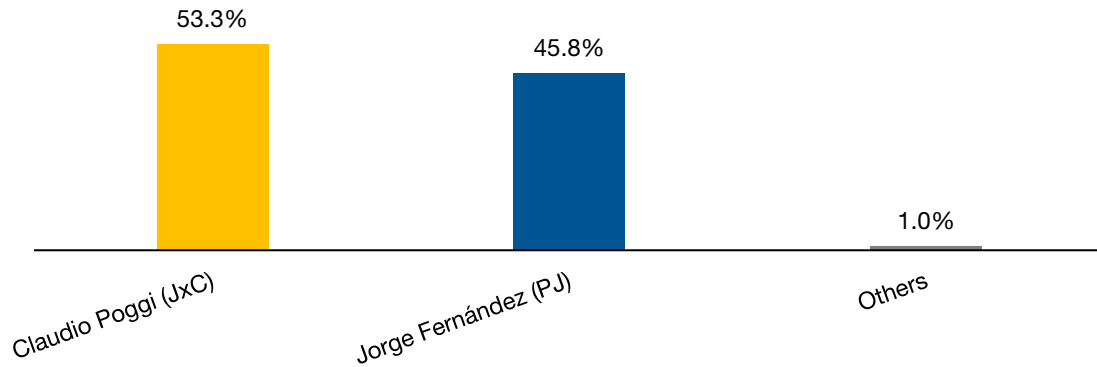
Source: TPCG Research based on E&R

Gustavo Melella from a local party with alliances with FdT was re-elected. The PJ ran separately in 2019, and got an additional 38% by then, but this time they joined Melella, and the lost votes went to JxC, LLA, FIT, and Blank.

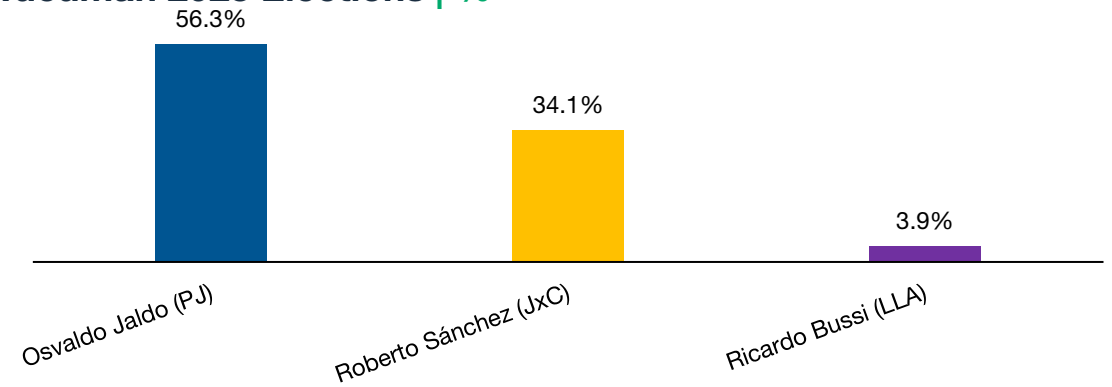
The PJ retained the power in La Pampa. Still, it lost 5.1pp in votes compared to 2019. The surprise was on JxC, whose performance improved substantially, growing around 10.3pp.

June 2023: San Luis and Tucuman

San Luis 2023 Elections | %



Tucuman 2023 Elections | %



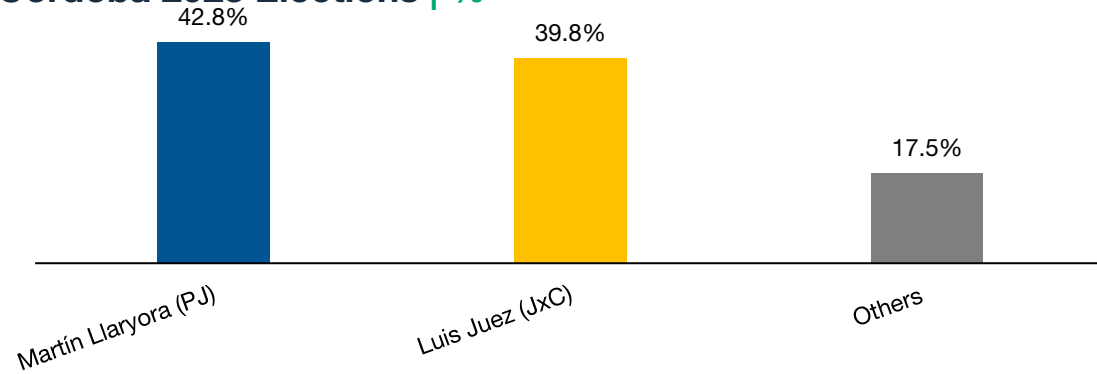
Source: TPCG Research based on E&R

Although JxC won the election against officialism (PJ), it needed to join forces with many local Peronists to win, including Mr. Poggi an insider from the province’s officialism and who has been a governor under the PJ in 2011-2015.

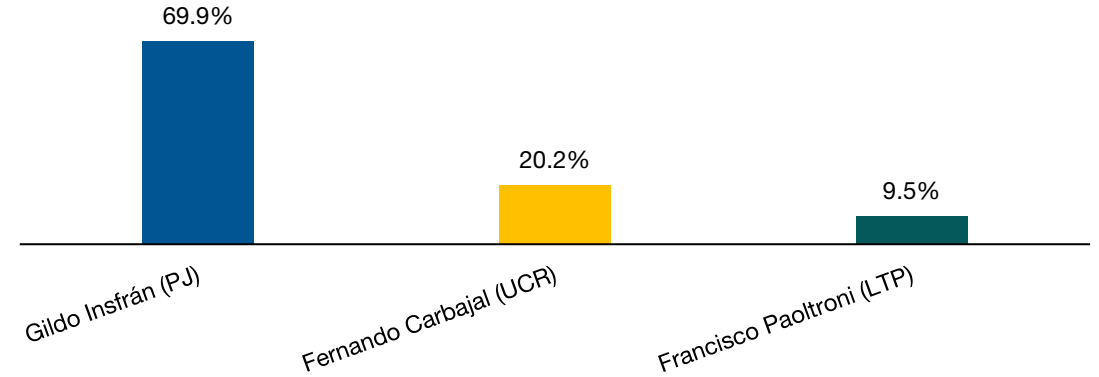
The officialism (PJ) retained the governorship, with a wide margin relative to the second place. Still, it lost around 6pp compared to 2019.

June 2023: Cordoba and Formosa

Cordoba 2023 Elections | %



Formosa 2023 Elections | %



Source: TPCG Research based on E&R

Despite improving its performance by 9.3pp from 2019, it was not enough for JxC, and Mr. Schiaretti successor retained the governorship in the province. Still, the PJ's vote dropped by 14.6pp.

Unsurprisingly, the PJ retained the power in Formosa with Gildo Insfrán being in office since 1987.

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- After the reserves dropped to a critical level, the government decided to extend the restrictions on accessing the official FX to provinces, something that has already been in place for corporate issuers.

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- In 1Q23, the average fiscal surplus closed flat relative to 1Q22 at 12.9% of revenues. The acceleration in spending was not yet enough to erode most primary surpluses. We consider that this would change once the electoral calendar begins to take momentum from the 2Q onwards.

The CB extended the restrictions on accessing the official FX to provinces, something that has been rumored since the beginning of the year

	Remaining Principal	Remaining Interest	Security	Communication "A 7782"			Approved Payments	Affected Payments
				Principal 40%	Principal 60%	Interests		
Quasi-Sovereign Credits								
PBA		193				193	193	
CABA		33				33	33	
Cordoba	139	59	PDCAR25, PDCAR26	56	83	59	115	83
Santa Fe		9				9	9	
Mendoza	42	14	MENDOZ29	17	25	14	31	25
Oil & Gas Backed Credits								
Chubut	39	20	CHUBUT30	16	23	20	36	23
TdF	12	5	FUEGO27	5	7	5	10	7
Neuquen	19	24	NQN Secured	8	12	24	32	12
Smaller Credits								
Entre Rios	26	20	ENTRIO28	10	16	20	30	16
Salta	18	14	SALTA27	7	11	14	22	11
La Rioja		10				10	10	
Rio Negro		11				11	11	
Jujuy	21	7	JUJUY27	8	13	7	16	13
Chaco		9				9	9	
Total	316	428		127	190	428	555	190

- » On June 2nd, the CB issued the communication "A 7782", which extended to provinces the restrictions for accessing the official FX that previously only affected corporate issuers. The CB will only give access to the 40% of the coming principal due, forcing provinces into using their dollar position or refinancing the remaining 60%. Interest payments should be excluded from this restriction.
- » The measure directly impacts 8 provincial credits out of 14 with hard currency notes. The original principal amount potentially exposed to the measure was USD 455mn, but it dropped to USD 316mn after Cordoba received a favorable precautionary injunction that allowed it to bypass the "A 7782" ruling, and Salta's first sinking fell on June 1st.
- » We believe that the spirit of the intervention is to force provinces into using their dollar position to service the 60% of the principal, and not force them to restructure. Still, when considering that potential savings are minimal, this event only signals that the deterioration in the reserve position is evolving sharply.

Source: TPCG Research

The BCRA had to extend reg. A7030 to provinces after losing almost USD15bn in gross reserves YTD

USDmn	dic-21	dic-22	mar-23	jun-23
Gross International Reserves	39,662	44,598	39,060	31,279
PBOC Swap	20,408	18,844	18,913	18,107
SDRs ringfenced for payments	0	1,896	1,813	0
Bank reserves	12,083	12,064	12,116	10,611
BIS repos & Other	4,894	4,091	4,086	4,098
Net International Reserves	2,277	7,703	2,132	-1,537
SDRs boosting NIR	673	4,404	4,377	817
Gold	3,214	3,618	3,905	3,811
Liquid NIR	-1,610	-319	-6,150	-6,164

	1Q22	2Q	3Q	4Q	1Q23	abr-23	may-23	jun-23
Change in Gross Reserves	3,475	-351	-5,162	6,973	-5,538	-4,059	-2,000	-1,722
PBOC Swap	97	-1,100	-1,136	576	69	-107	-518	-181
SDRs ringfenced for payments	2,404	210	-2614	1896	-83	-1813	0	0
Disbursements	5,289	4005	0	9837	5381	0	0	0
IMF Payments	-2,875	-3732	-4314	-5340	-5491	-2652	-51	16
Drawdown from NIR	0	0	2301	-2601	27	839	51	-16
Bank reserves	-544	-45	-478	1,047	53	-899	-222	-384
BIS repos & Other	-8	-550	0	27	-6	19	-35	28
Change in NIR	1,568	1,134	1,889	835	-5,571	-1,259	-1,225	-1,185
Private sector	-48	1,894	3,161	817	-3,002	33	846	-341
Treasury payments	-2,672	-778	-1,875	-180	-2,970	-341	-1,032	-295
IFIs excl IMF	-1,506	-480	-1,100	248	-1,275	-180	-951	-139
Other	-1,166	-299	-775	-428	-1,696	-160	-82	-156
SDRs boosting NIR	4,367	-154	-2401	2601	-27	-839	-51	16
Rest	-79	173	3,046	-2,404	428	-113	-987	-565
Change relative to Dec 31st	1,568	2,702	4,591	5,426	-145	-1,404	-2,628	-3,814

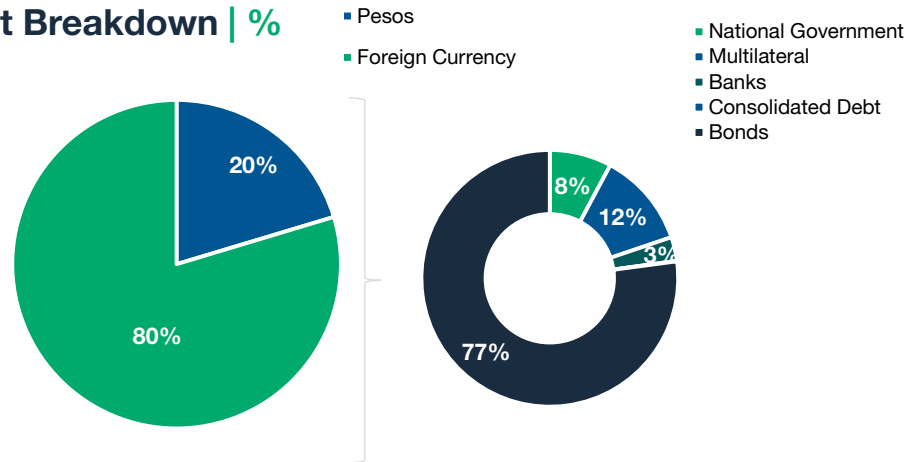
Source: TPCG Research based on BCRA

Gross reserves dropped from USD44.5bn by end of 2022 to USD31.3bn currently. Net reserves dropped by almost USD9bn and currently stand at -USD1.5bn, with the Government needing to pay almost USD4bn to the IMF in the coming weeks and USD1bn to private creditors.

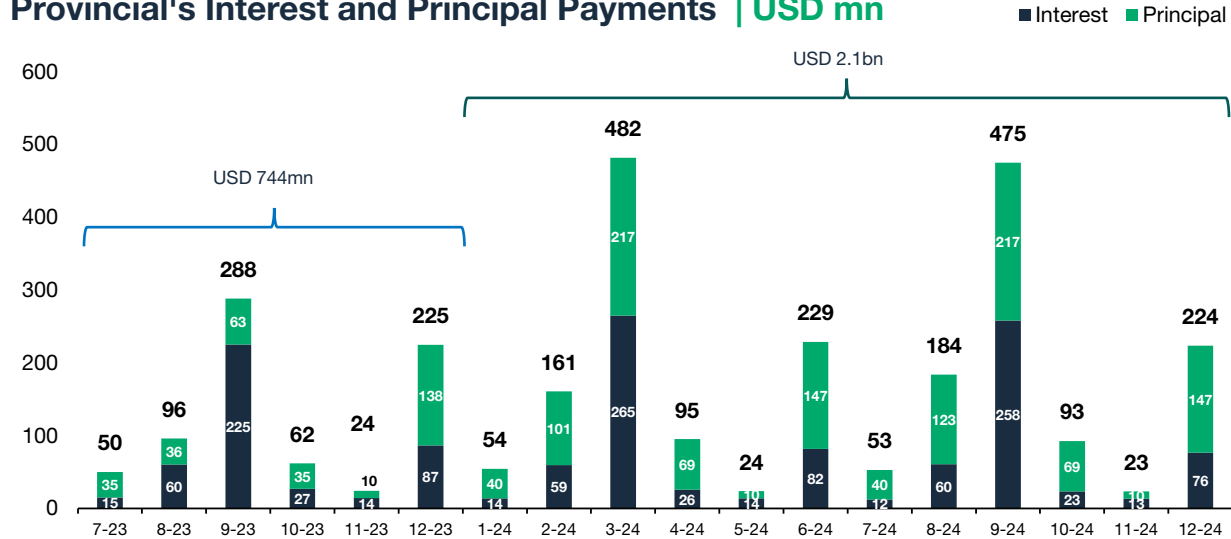
Excluding bank reserves, which we estimate the BCRA can't use, the BCRA has about USD7.5bn in liquid reserves (all of them borrowed). At a USD2bn per month drainage pace, the Government had to do something to gain time until an IMF deal.

The provincial space is highly exposed to FX devaluation risks or the usage of a differentiated FX to service the debt payments

Provincial Debt Breakdown | %



Provincial's Interest and Principal Payments | USD mn



Source: TPCG Research based on E&R, and Bloomberg

The currency mismatch between revenue and debt is substantial within the provincial space. While most of the revenue is denominated in pesos, around 80% of the total debt is in foreign currency.

Excluding multilaterals, the total services related to the hard currency debt amount to close to USD 744mn, from which USD 316mn is principal sinkings. For 2024, total payments jump to USD 2.1bn, with USD 1.2bn in sinkings.

At the risk of additional measures to prevent further reserves drainage, we analyze if the closing 1Q23 balances stand robust

	LTM 1Q23 (Mn)			1Q23 (Mn)			Debt Services (Mn)	LTM 1Q23 Coverage (Mn)		1Q23 Coverage (Mn)	
	@ARS	@Blend FX	@BCS	@ARS	@Blend FX	@BCS		@Blend FX	@BCS	@Blend FX	@BCS
Quasi-Sovereign Credits											
PBA	62.125	297	153	174.555	835	430	193	104	-40	642	237
CABA	229.768	1.099	566	172.132	824	424	33	1.066	532	790	390
Cordoba	155.132	531	382	57.142	196	141	198	333	184	-2	-57
Santa Fe	108.155	518	266	42.216	202	104	9	509	258	193	95
Mendoza	69.563	234	171	50.232	169	124	56	178	115	113	67
Oil & Gas Backed Credits											
Chubut	23.764	83	58	5.116	18	13	59	24	-1	-41	-47
Tierra del Fuego	-1.131	-4	-3	3.819	13	9	17	-21	-20	-4	-7
Neuquen	4.463	17	11	7.144	27	18	44	-26	-33	-16	-26
Smaller Credits											
Entre Rios	72.716	264	179	20.909	76	51	46	218	133	30	6
Salta	3.363	12	8	392	1	1	32	-20	-24	-31	-31
La Rioja	3.780	18	9	2.733	13	7	10	8	-1	3	-4
Rio Negro	-753	-4	-2	1.153	6	3	11	-14	-12	-5	-8
Jujuy	23.241	78	57	17.827	60	44	28	50	29	32	16
Chaco	42.259	202	104	23.541	113	58	9	194	95	104	49

Blend FX: Weighted average using the official FX and BCS, with the weights being the debt services with and without official access.

Source: TPCG Research based on Province's filing and E&R

- » As we mentioned before, we believe that for now, the government intends to force provinces into using their liquid assets and not to restructure. The CB should foot the bill for 40% of principal payments and interests. For now, we consider that the largest credits should have higher liquidity flexibility, but we are less constructive for the smaller ones. In the case of the latter, we consider that politics would play a key role for credits to remain performing. The O&G credits should be treated differently as per their collateral trust.
- » Still, the alarming fact about the measure is that the government moved forward even when all provinces facing principal sinkings until year-end restructured their debts under the established criteria. And not even factored the political cost this measure carries.
- » In that sense, at the pace at which the government is depleting reserves, we could expect additional measures. This could include provinces servicing payments at the BCS or using the remaining of their liquid assets to avoid a credit event. We analyze if the latest fiscal figures look robust or not. The main caveat, however, is that 1Q tends to be strongest, especially in an electoral year, and most services concentrate after 2Q.

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City of BA: the fiscal surplus grew 2.2ppyoy to 34% of revenues in 1Q23

CABA - ARSmn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	678,609	1,322,630	94.90%	229,260	505,196	120.36%
Current Revenue	674,751	1,302,474	93.03%	225,442	495,615	119.84%
Provincial taxes	532,991	1,017,915	90.98%	180,439	416,451	130.80%
Federal taxes	73,483	141,448	92.49%	21,587	46,801	116.80%
Other non-tax	26,213	71,555	172.98%	8,578	22,381	160.92%
Royalties	0	0	-	0	0	-
Discretionary Federal Gov transfers	42,064	71,556	70.11%	14,839	9,982	-32.73%
Capital Revenue	3,858	20,156	422.40%	3,817	9,581	150.97%
Financial investment	220	374	70.12%	21	62	199.03%
Transfers	125	2,681	2044.71%	186	12	-93.68%
Other	3,513	17,101	386.75%	3,611	9,507	163.29%
Primary Spending	634,252	1,134,406	78.86%	145,431	318,485	118.99%
Current Expenditures	551,871	959,983	73.95%	135,634	286,392	111.15%
Personnel spending	305,858	528,443	72.77%	88,349	190,604	115.74%
Goods and services	160,678	282,095	75.57%	28,057	50,847	81.23%
Transfers to public sector	26,835	53,388	98.95%	5,541	18,045	225.69%
Other transfers & expenditures	58,500	96,057	64.20%	13,688	26,896	96.50%
Capital Expenditures	82,380	174,423	111.73%	9,797	32,094	227.61%
Real Investment	81,354	172,960	112.60%	9,674	31,830	229.04%
Financial invest.	271	308	13.55%	8	55	568.82%
Capital transfers	755	1,156	53.07%	115	208	81.73%
Primary balance	44357	188224		83829	186710	
as % of revenues	6.54%	14.23%	7.69pp	36.57%	36.96%	.39pp
Debt interest	50,852	57,507	13.1%	10,747	14,578	35.6%
Fiscal balance	-6494	130718		73082	172132	
as % of revenues	-0.96%	9.88%	10.84pp	31.88%	34.07%	2.19pp
Social security and other	-871	3,155	-462.2%	-2	-12	-
Consolidated fiscal balance	-7365	133872		73080	172120	
as % of revenues	-1.09%	10.12%	11.21pp	31.88%	34.07%	2.19pp

How we read it:

- » In 1Q23, the total revenue increased by 120.3%yoy, above the inflation and spending pace. Regarding the current revenue, it grew by 119.8%yoy, with all lines increasing excluding the disc. transfers. The capital revenue did it by 150.9%yoy, though its contribution remains small.
- » The primary spending accelerated substantially from FY22, increasing by 119%yoy. The current expenditures did it by 111.1%, being the personnel spending and the transfers to the public sector, the lines increasing the most. The capex spiked, going up by 227.6%yoy, highly influenced by the real investment line.
- » All in all, the primary surplus increased slightly to 36.9% of revenues. After considering the debt interest services, the fiscal surplus improved by 2.2ppyoy to 34% of revenues.

Source: TPCG Research based on Province's filing and E&R

The City's leverage position stands at 25.8% of revenues

CABA	Debt Outstanding		2023 Services*		
	USD mn	1Q22	1Q23	Interest	Capital
	USDARS	\$ 111.01	\$ 208.99	\$ 265.44	
National Government	69	17	12	2	
Multilateral	626	592	38	6	
Banks	28	27	3	0	
Consolidated Debt	0	0	0	0	
Bonds	1,572	1,339	189	70	
Total Outstanding	2,295	1,976	242	78	
Total Services			320		

*Figures as of 1Q23

Ratios - CABA	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	64.1%	71.7%	78.5%	77.0%	78.4%
Federal Taxes / Total Revenues	23.1%	22.0%	10.8%	10.7%	10.4%
Total Fed. Funds / Total Revenues	26.2%	23.6%	17.0%	16.1%	14.6%
Personnel Spend. / Total Expenditures	45.8%	50.1%	48.2%	46.6%	48.2%
Debt Interests / Total Revenues	9.0%	8.2%	7.5%	4.3%	3.8%
CapEx / Total Expenditures	20.4%	11.7%	13.0%	15.4%	15.0%
Primary Balance / Total Revenues	3.7%	0.9%	6.5%	14.2%	18.2%
Fiscal Balance / Total Revenues	-5.3%	-7.3%	-1.0%	9.9%	14.4%
Debt Services / Total Revenues	12.2%	11.7%	12.5%	7.1%	5.3%
Total Debt / Total Revenues	47.5%	53.1%	40.0%	27.5%	25.8%

Source: TPCG Research based on Province's filing and E&R

The City's total debt closed at USD 1.9bn, dropping from FY22 given a decrease in debt with the national government, multilateral, and bonds. The percentage of foreign currency debt stands at 61%.

The City continued improving its fiscal performance, now standing at one of the highest on record. The leverage metrics remain minimal.

Province of BA: the consolidated surplus grew 1.4ppyoy in 1Q23 to 12% of rev.

PBA - ARSmn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	1,826,129	3,346,512	83.26%	601,559	1,186,753	97.28%
Current Revenue	1,810,471	3,340,336	84.50%	599,756	1,183,082	97.26%
Provincial taxes	792,679	1,410,576	77.95%	267,571	520,323	94.46%
Federal taxes	807,271	1,471,987	82.34%	256,952	509,571	98.31%
Other non-tax	35,701	114,811	221.59%	17,795	36,233	103.62%
Royalties	0	0	-	0	0	-
Discretionary Federal Gov transfers	174,820	342,962	96.18%	57,439	116,956	103.62%
Capital Revenue	15,658	6,176	-60.56%	1,803	3,670	103.62%
Financial investment	738	390	-47.16%	82	166	103.62%
Transfers	14,920	5,786	-61.22%	1,721	3,504	103.62%
Other	0	0	-	0	0	-
Primary Spending	1,768,755	3,285,739	85.77%	497,237	961,949	93.46%
Current Expenditures	1,653,034	3,006,520	81.88%	472,621	911,826	92.93%
Personnel spending	910,981	1,645,111	80.59%	277,553	514,634	85.42%
Goods and services	129,647	213,295	64.52%	26,012	52,965	103.62%
Transfers to public sector	261,654	497,240	90.04%	93,438	190,256	103.62%
Other transfers & expenditures	350,751	650,874	85.57%	75,618	153,972	103.62%
Capital Expenditures	115,721	279,219	141.29%	24,616	50,122	103.62%
Real Investment	58,559	130,967	123.65%	11,506	23,428	103.62%
Financial invest.	19,671	50,930	158.90%	5,944	12,102	103.62%
Capital transfers	37,491	97,322	159.59%	7,166	14,592	103.62%
Primary balance	57374	60773		104322	224804	
as % of revenues	3.14%	1.82%	-1.33pp	17.34%	18.94%	1.6pp
Debt interest	68,361	93,559	36.86%	24,678	50,249	103.62%
Fiscal balance	-10987	-32786		79644	174555	
as % of revenues	-0.60%	-0.98%	-0.38pp	13.24%	14.71%	1.47pp
Social security and other	-83,725	-114,040	36.21%	-14,872	-30,281	103.62%
Consolidated fiscal balance	-94712	-146826		64773	144274	
as % of revenues	-5.19%	-4.39%	.8pp	10.77%	12.16%	1.39pp

How we read it:

- » During 1Q23, the total revenue grew by 97.3%yoy. The current revenue increased by 97.2%yoy, with both the provincial and federal taxes growing below inflation. The capital revenue grew at the inflation pace, but its contribution remains minimal.
- » The primary spending did it at 93.4%yoy, below the inflation and revenue pace. For the current expenditures, which grew by 92.9%yoy, the personnel spending remained contained increasing by 85.4%yoy. The capex followed the inflation pace.
- » All in all, the primary surplus went up by 1.6ppyoy to 18.9% of revenues. After considering higher debt interests and Soc.Sec expenses, the consolidated surplus closed at 12.1% of revenues, +1.4ppyoy.

Source: TPCG Research based on Province's filing and E&R

PBA's leverage position increased slightly to 55.8% of revenues

PBA	Debt Outstanding		2023 Services*	
	USD mn	1Q22	1Q23	Interest
USDARS	\$ 111.01	\$ 208.99	\$ 265.44	
National Government	179	131	39	32
Multilateral	904	900	24	34
Banks	2	2	0	0
Consolidated Debt	0	0	0	0
Bonds	9,840	9,470	573	571
Total Outstanding	10,925	10,503	636	638
Total Services			1,274	

*Figures as of 1Q23

Ratios - PBA	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	44.0%	40.8%	43.4%	42.2%	42.3%
Federal Taxes / Total Revenues	43.4%	43.9%	44.2%	44.0%	43.9%
Total Fed. Funds / Total Revenues	50.0%	57.8%	53.8%	54.2%	54.1%
Personnel Spend. / Total Expenditures	57.3%	53.4%	51.5%	50.1%	50.2%
Debt Interests / Total Revenues	9.2%	3.6%	3.7%	2.8%	3.0%
CapEx / Total Expenditures	5.7%	6.1%	6.5%	8.5%	8.1%
Primary Balance / Total Revenues	9.3%	4.3%	3.1%	1.8%	4.6%
Fiscal Balance / Total Revenues	0.1%	0.6%	-0.6%	-1.0%	1.6%
Debt Services / Total Revenues	18.4%	6.9%	6.1%	5.6%	4.8%
Total Debt / Total Revenues	78.5%	75.4%	64.1%	53.3%	55.8%

Source: TPCG Research based on Province's filing and E&R

The province's total debt position closed at USD 10.5bn, from which most of it is in the form of bonds. Around 85% of the total debt is denominated in foreign currency.

The leverage position increased slightly to 55.8% of revenues in the period. The share distribution of provincial and federal taxes remained flat during LTM 1Q23.

Cordoba: the consolidated surplus narrowed 6.1ppyoY to 13.5% of revenues

Cordoba - ARS mn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	572,622	1,025,942	79.17%	178,329	364,702	104.51%
Current Revenue	561,454	1,010,344	79.95%	175,574	359,585	104.81%
Provincial taxes	184,432	314,013	70.26%	63,417	117,550	85.36%
Federal taxes	294,301	543,320	84.61%	91,124	185,599	103.68%
Other non-tax	43,075	105,071	143.92%	12,135	41,007	237.93%
Royalties	0	0	-	0	0	-
Discretionary Federal Gov transfers	39,645	47,940	20.92%	8,898	15,429	73.40%
Capital Revenue	11,168	15,598	39.67%	2,755	5,117	85.76%
Financial investment	798	1,628	104.03%	294	655	122.33%
Transfers	10,370	13,970	34.71%	2,460	4,463	81.38%
Other	0	0	-	0	0	-
Primary Spending	467,534	867,244	85.49%	134,621	303,561	125.49%
Current Expenditures	408,348	703,359	72.25%	120,184	247,045	105.56%
Personnel spending	208,937	369,487	76.84%	64,461	141,291	119.19%
Goods and services	64,849	94,976	46.46%	13,941	27,217	95.22%
Transfers to public sector	88,601	158,951	79.40%	28,224	53,211	88.53%
Other transfers & expenditures	45,961	79,945	73.94%	13,558	25,326	86.80%
Capital Expenditures	59,186	163,885	176.90%	14,437	56,516	291.48%
Real Investment	43,376	118,489	173.16%	11,859	43,736	268.78%
Financial invest.	9,042	27,177	200.55%	1,669	8,562	413.12%
Capital transfers	6,767	18,220	169.23%	909	4,219	364.28%
Primary balance	105088	158698		43708	61141	
as % of revenues	18.35%	15.47%	-2.88pp	24.51%	16.76%	-7.75pp
Debt interest	13,078	18,833	44.0%	1,833	3,998	118.1%
Fiscal balance	92010	139865		41875	57142	
as % of revenues	16.07%	13.63%	-2.44pp	23.48%	15.67%	-7.81pp
Social security and other	-24,415	-28,056	14.9%	-6,864	-7,871	14.7%
Consolidated fiscal balance	67596	111808		35011	49272	
as % of revenues	11.80%	10.90%	-0.91pp	19.63%	13.51%	-6.12pp

How we read it:

- » In 1Q23, the total revenue grew by 104.5%yoy, at the inflation pace. In terms of the current revenue, the only line growing above inflation was the other non-tax revenue. The provincial taxes performed weakly. The capital revenue did it at 85.8%, and its contribution remains minimal.
- » The primary spending accelerated sharply, increasing by 125.5%yoy. The current expenditures did it at 105.5%, with the personnel spending increasing by 119%yoy. The capex was the main line explaining the total growth, with a spike in all its lines, going up by 291%yoy.
- » Given the acceleration in spending, the primary surplus narrowed by 7.75ppyoY to 16.7% of revenues. After considering the debt interests and social security expenses, the consolidated surplus fell by 6.1ppyoY to 13.5% of revenues in the period.

Source: TPCG Research based on Province's filing and E&R

The remaining services with international bondholders stand at USD 198mn

Cordoba	Debt Outstanding		2023 Services*	
	USD mn	1Q22	1Q23	Interest
USDARS	\$ 111.01	\$ 208.99	\$ 265.44	
National Government	114	95	7	32
Multilateral	569	428	29	54
Banks	0	159	2	15
Consolidated Debt	0	0	0	0
Bonds	1,879	1,804	120	101
Total Outstanding	2,562	2,487	159	202
Total Services			361	

*Figures as of 1Q23

Ratios - Cordoba	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	29.3%	32.6%	32.2%	30.6%	30.4%
Federal Taxes / Total Revenues	52.4%	52.0%	51.4%	53.0%	52.6%
Total Fed. Funds / Total Revenues	57.7%	59.7%	58.3%	57.6%	57.1%
Personnel Spend. / Total Expenditures	47.7%	49.3%	44.7%	42.6%	43.1%
Debt Interests / Total Revenues	4.0%	3.3%	2.3%	1.8%	1.7%
CapEx / Total Expenditures	14.5%	9.6%	12.7%	18.9%	19.9%
Primary Balance / Total Revenues	9.6%	15.7%	18.4%	15.5%	14.5%
Fiscal Balance / Total Revenues	5.7%	12.4%	16.1%	13.6%	12.8%
Debt Services / Total Revenues	6.2%	6.7%	5.6%	3.7%	3.5%
Total Debt / Total Revenues	63.5%	66.4%	48.4%	41.3%	42.9%

Source: TPCG Research based on Province's filing and E&R

PDCAR's total debt remained almost flat in 1Q23, reaching USD 2.5bn. During the 2Q23, the province started to sink its global notes, for an amount close to USD 120mn. Total debt denominated in foreign currency stands at 91%.

The province's leverage position closed the period at around 43% of revenues. The capex closed the period at the highest figure since 2019, reaching 19.9% of revenues, influenced by the electoral calendar.

Santa Fe: overview of 4Q22 figures

Santa Fe - ARSmn	2021	2022	%YoY	9M21	9M22	%YoY	4Q21	4Q22	%YoY
Total Revenue	521,355	957,889	83.73%	364,973	641,985	75.90%	156,382	315,904	102.01%
Current Revenue	517,586	942,263	82.05%	362,927	633,162	74.46%	154,659	309,100	99.86%
Provincial taxes	163,187	292,231	79.08%	115,308	198,866	72.47%	47,880	93,365	95.00%
Federal taxes	306,500	564,258	84.10%	215,613	379,515	76.02%	90,886	184,743	103.27%
Other non-tax	22,308	36,558	63.88%	14,585	21,498	47.40%	7,723	15,060	95.00%
Royalties	0	0	-	0	0	-	0	0	-
Discretionary Federal Gov transf	25,591	49,215	92.32%	17,420	33,283	91.06%	8,171	15,932	95.00%
Capital Revenue	3,770	15,626	314.54%	2,047	8,823	331.10%	1,723	6,803	294.87%
Financial investment	773	1,077	39.32%	563	708	25.72%	210	369	75.78%
Transfers	2,991	14,529	385.79%	1,481	8,105	447.39%	1,510	6,425	325.40%
Other	6	20	249.60%	3	11	240.63%	3	10	260.02%
Primary Spending	470,218	859,793	82.85%	310,655	548,646	76.61%	159,563	311,148	95.00%
Current Expenditures	424,223	767,843	81.00%	282,964	492,387	74.01%	141,259	275,456	95.00%
Personnel spending	231,997	416,259	79.42%	158,351	272,649	72.18%	73,646	143,610	95.00%
Goods and services	44,087	76,823	74.25%	28,584	46,593	63.00%	15,503	30,230	95.00%
Transfers to public sector	45,970	97,506	112.11%	32,055	70,371	119.53%	13,915	27,135	95.00%
Other transfers & expenditures	102,170	177,254	73.49%	63,974	102,773	60.65%	38,195	74,481	95.00%
Capital Expenditures	45,994	91,951	99.92%	27,691	56,259	103.17%	18,303	35,692	95.00%
Real Investment	35,714	69,237	93.86%	21,567	41,651	93.12%	14,147	27,586	95.00%
Financial invest.	864	2,039	136.10%	461	1,254	172.00%	403	785	95.00%
Capital transfers	9,417	20,675	119.55%	5,662	13,354	135.83%	3,754	7,321	95.00%
Primary balance	51138	98096		54318	93340		-3181	4756	
as % of revenues	9.81%	10.24%	.43pp	14.88%	14.54%	-.34pp	-2.03%	1.51%	3.54pp
Debt interest	8,320	11,367	36.6%	6,123	7,721	26.1%	2,198	3,646	65.9%
Fiscal balance	42817	86729		48196	85619		-5378	1110	
as % of revenues	8.21%	9.05%	.84pp	13.21%	13.34%	.13pp	-3.44%	0.35%	3.79pp
Social security and other	-47,605	-94,910	99.4%	-32,582	-65,615	101.4%	-15,023	-29,295	95.0%
Consolidated fiscal balance	-4788	-8181		15614	20004		-20401	-28185	
as % of revenues	-0.92%	-0.85%	.06pp	4.28%	3.12%	-1.16pp	-13.05%	-8.92%	4.12pp

How we read it:

- » In 4Q22, the total revenue grew by 102%yoy. Within the current revenue, all lines posted an increase above inflation. The capital revenue spiked, on the back of higher transfers. For spending, the increase was around 95%yoy, below the revenue pace but above inflation. The primary surplus closed at 1.5% of revenues, increasing 3.5ppyoy. After the debt interests and Soc.Sec. expenses, the consolidated balance ended at a deficit of -8.9% of revenues, improving 4.1ppyoy.
- » For FY22, the primary surplus remained almost flat at 10.2% of revenues. The total revenue grew by 83.7%yoy, while the capital revenue did it by 314%yoy. Regarding spending, the current revenue increased below inflation, while the capex did it above. After considering the debt interests, the fiscal surplus grew 0.8ppyoy to 9% of revenues. Factoring in the Soc.Sec and other expenses, the consolidated deficit stayed flat at -0.8% of revenues.

Source: TPCG Research based on Province's filing and E&R

Santa Fe's main metrics

Santa Fe	Debt Outstanding		2023 Services*		
	USD mn	1Q22	1Q23	Interest	Capital
	USDARS	\$ 111.01	\$ 208.99	\$ 265.44	
National Government	68	50	2	23	
Multilateral	157	169	8	22	
Banks	105	96	27	14	
Consolidated Debt	0	0	0	0	
Bonds	387	356	28	142	
Total Outstanding	718	671	66	201	
Total Services			267		

*Figures as of 1Q23

Ratios - Santa Fe	2018	2019	2020	2021	2022
Provincial Taxes / Total Revenues	31.3%	32.0%	31.3%	31.3%	30.5%
Federal Taxes / Total Revenues	56.8%	59.8%	57.1%	58.8%	58.9%
Total Fed. Funds / Total Revenues	64.1%	64.3%	64.8%	63.7%	64.0%
Personnel Spend. / Total Expenditures	50.2%	52.2%	53.3%	49.3%	48.4%
Debt Interests / Total Revenues	0.6%	1.0%	1.4%	1.6%	1.2%
CapEx / Total Expenditures	16.3%	13.7%	7.8%	9.8%	10.7%
Primary Balance / Total Revenues	6.2%	1.0%	14.6%	9.8%	10.2%
Fiscal Balance / Total Revenues	5.6%	0.0%	13.2%	8.2%	9.1%
Debt Services / Total Revenues	1.0%	1.7%	2.0%	3.2%	4.0%
Total Debt / Total Revenues	14.9%	17.2%	20.6%	16.9%	12.1%

Source: TPCG Research based on Province's filing and E&R

Santa Fe's total debt closed the 1Q23 period at USD 671mn. The percentage of debt denominated in foreign currency stands at 83%.

The province's leverage position remains minimal, with total debt at 12% of revenues.

Mendoza: overview of 4Q22 figures

Mendoza - ARSmn	2021	2022	%YoY	9M21	9M22	%YoY	4Q21	4Q22	%YoY
Total Revenue	279,695	507,786	81.55%	194,293	337,348	73.63%	85,402	170,437	99.57%
Current Revenue	255,466	478,709	87.39%	176,413	317,999	80.26%	79,053	160,710	103.29%
Provincial taxes	78,460	140,712	79.34%	53,833	95,412	77.24%	24,626	45,300	83.95%
Federal taxes	140,216	260,149	85.53%	98,067	174,308	77.74%	42,150	85,842	103.66%
Other non-tax	17,796	47,798	168.60%	11,088	28,529	157.29%	6,707	19,269	187.29%
Royalties	12,659	20,146	59.14%	9,217	13,762	49.31%	3,442	6,384	85.45%
Discretionary Federal Gov transfe	6,335	9,904	56.34%	4,207	5,988	42.33%	2,128	3,917	84.06%
Capital Revenue	24,229	29,077	20.01%	17,881	19,350	8.22%	6,348	9,727	53.22%
Financial investment	651	370	-43.18%	112	285	154.07%	539	85	-84.30%
Transfers	0	0	-	0	0	-	0	0	-
Other	23,578	28,707	21.75%	17,768	19,064	7.29%	5,809	9,642	65.98%
Primary Spending	256,604	458,097	78.52%	162,436	270,987	66.83%	94,168	187,109	98.70%
Current Expenditures	214,883	376,509	75.22%	138,447	232,743	68.11%	76,436	143,766	88.09%
Personnel spending	111,101	194,808	75.34%	74,178	124,937	68.43%	36,922	69,870	89.24%
Goods and services	32,916	54,539	65.69%	19,911	30,190	51.62%	13,005	24,350	87.23%
Transfers to public sector	41,878	74,460	77.80%	26,338	45,307	72.02%	15,540	29,152	87.60%
Other transfers & expenditures	28,988	52,702	81.81%	18,020	32,309	79.30%	10,968	20,393	85.93%
Capital Expenditures	41,721	81,588	95.56%	23,989	38,244	59.43%	17,732	43,344	144.44%
Real Investment	7,705	18,683	142.49%	3,572	8,421	135.75%	4,133	10,262	148.31%
Financial invest.	31,359	46,371	47.87%	19,448	23,742	22.08%	11,912	22,630	89.98%
Capital transfers	2,657	16,534	522.37%	969	6,081	527.58%	1,688	10,452	519.38%
Primary balance	23091	49689		31857	66361		-8766	-16672	
as % of revenues	8.26%	9.79%	1.53pp	16.40%	19.67%	3.27pp	-10.26%	-9.78%	.48pp
Debt interest	9,145	21,334	133.3%	7,479	15,173	102.9%	1,666	6,161	269.9%
Fiscal balance	13947	28355		24378	51188		-10432	-22833	
as % of revenues	4.99%	5.58%	.6pp	12.55%	15.17%	2.63pp	-12.21%	-13.40%	-1.18pp
Social security balance	-2,248	-3,913	74.1%	-1,411	-2,405	70.4%	-837	-1,508	80.2%
Consolidated fiscal balance	11699	24442		22967	48783		-11269	-24341	
as % of revenues	4.18%	4.81%	.63pp	11.82%	14.46%	2.64pp	-13.19%	-14.28%	-1.09pp

How we read it:

- » In 4Q22 the revenue growth pace was 99.5%yoy, close to the spending pace, and above inflation. The current revenue performed strongly in the federal taxes and other non-tax revenue. The capital revenue dropped sharply in real terms. For the primary spending, the current expenditures increased by 88%yoy, with personnel spending growing below inflation. The capex, on the other hand, spiked increasing above 100%yoy. With that, the primary deficit improved marginally compared to last year, ending at -9.8% of revenues. After the debt interests and Soc.Sec and other expenses, the consolidated deficit widened by -1ppyoy to -14.2% of rev.
- » For FY22, the revenues grew marginally above spending but below inflation. The primary surplus increased by 1.5ppyoy to 9.8% of revenues, and after considering the debt interests the fiscal surplus grew 0.6ppyoy to 5.6% of revenues. Finally, after the Soc.Sec and other expenses, the consolidated surplus closed at 4.8% of revenues.

Source: TPCG Research based on Province's filing and E&R

The remaining FY23 services for the MENDOZ29 amount to USD 56.3mn

Mendoza	Debt Outstanding		2023 Services*	
	USD mn	1Q22	1Q23	Interest
USDARS	\$ 111.01	\$ 208.99	\$ 265.44	
National Government	176	90	27	46
Multilateral	211	142	7	16
Banks	142	105	6	3
Consolidated Debt	0	0	0	0
Bonds	684	544	69	56
Total Outstanding	1,213	880	109	121
Total Services			229	

*Figures as of 1Q23

Ratios - Mendoza	2018	2019	2020	2021	2022
Provincial Taxes / Total Revenues	38.0%	35.6%	33.1%	32.6%	31.7%
Federal Taxes / Total Revenues	45.4%	46.6%	50.7%	50.1%	51.2%
Total Fed. Funds / Total Revenues	48.5%	48.3%	54.4%	52.4%	53.2%
Personnel Spend. / Total Expenditures	47.2%	51.7%	50.6%	39.7%	38.4%
Debt Interests / Total Revenues	7.2%	7.3%	4.7%	3.3%	4.2%
CapEx / Total Expenditures	11.7%	10.3%	7.7%	16.3%	17.8%
Primary Balance / Total Revenues	6.7%	-1.3%	4.1%	8.3%	9.8%
Fiscal Balance / Total Revenues	-0.5%	-8.5%	-0.6%	5.0%	5.6%
Debt Services / Total Revenues	11.6%	9.6%	7.9%	8.5%	8.1%
Total Debt / Total Revenues	59.2%	59.5%	62.9%	45.2%	37.3%

Source: TPCG Research based on Province's filing and E&R

Mendoza's total debt dropped to USD 880mn. Total debt denominated in foreign currency stands at 66%.

Mendoza's leverage position closed at 37.3% of revenues.

Neuquén: the consolidated balance turned into a deficit in 1Q23

Neuquen - ARSmn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	245,956	464,754	88.96%	78,389	175,942	124.45%
Current Revenue	240,675	455,233	89.15%	76,875	174,929	127.55%
Provincial taxes	68,232	125,401	83.79%	21,492	51,437	139.33%
Federal taxes	58,643	106,937	82.35%	18,136	36,449	100.97%
Other non-tax	35,825	57,934	61.71%	10,384	22,712	118.73%
Royalties	73,012	157,268	115.40%	25,409	61,808	143.25%
Discretionary Federal Gov transf	4,963	7,694	55.04%	1,453	2,522	73.56%
Capital Revenue	5,280	9,521	80.30%	1,514	1,014	-33.07%
Financial investment	1,492	4,073	173.08%	66	222	237.90%
Transfers	3,581	5,072	41.61%	1,382	704	-49.05%
Other	207	376	81.11%	67	87	31.14%
Primary Spending	222,245	446,294	100.81%	69,051	164,301	137.94%
Current Expenditures	199,824	398,719	99.53%	62,767	150,038	139.04%
Personnel spending	135,132	264,860	96.00%	43,330	103,858	139.69%
Goods and services	24,608	55,108	123.94%	6,418	15,631	143.53%
Transfers to public sector	31,228	63,722	104.05%	10,633	23,811	123.93%
Other transfers & expenditures	8,855	15,029	69.71%	2,385	6,738	182.58%
Capital Expenditures	22,421	47,575	112.19%	6,284	14,262	126.96%
Real Investment	13,842	30,586	120.96%	3,836	9,016	135.02%
Financial invest.	6,782	13,087	92.98%	2,068	4,499	117.51%
Capital transfers	1,797	3,902	117.14%	380	748	97.00%
Primary balance	23711	18460		9338	11642	
<i>as % of revenues</i>	<i>9.64%</i>	<i>3.97%</i>	<i>-5.67pp</i>	<i>11.91%</i>	<i>6.62%</i>	<i>-5.3pp</i>
Debt interest	7,503	14,409	92.05%	2,607	4,498	72.56%
Fiscal balance	16208	4051		6731	7144	
<i>as % of revenues</i>	<i>6.59%</i>	<i>0.87%</i>	<i>-5.72pp</i>	<i>8.59%</i>	<i>4.06%</i>	<i>-4.53pp</i>
Social security and other	-7,273	-14,323	96.92%	-2,314	-8,004	245.92%
Consolidated fiscal balance	8934	-10272		4418	-860	
<i>as % of revenues</i>	<i>3.63%</i>	<i>-2.21%</i>	<i>-5.84pp</i>	<i>5.64%</i>	<i>-0.49%</i>	<i>-6.12pp</i>

How we read it:

- » In 1Q23, the total revenue went up by 124.5%yoy. The current revenue did it by 127.5%, with a strong increase in provincial taxes and royalties. The capital revenue, on the other hand, dropped substantially, but its contribution remains minimal to the overall revenue balance.
- » The primary spending growth pace accelerated sharply, increasing well above inflation and revenues, at 138%yoy. For the current expenditures, all lines grew above inflation, with the personnel spending at 139%yoy. The capex did it at 127%yoy, with a ramp-up in real investments.
- » Combining both, the primary surplus narrowed by 5.3ppyoy to 6.6% of revenues. After considering the debt interests, and substantially higher social security expenses, the consolidated balance turned into a deficit of 0.5% of revenues, dropping 6.1ppyoy.

Source: TPCG Research based on Province's filing and E&R

The remaining services for the global notes amount to USD 43.5mn

Neuquen	Debt Outstanding		2023 Services*		
	USD mn	1Q22	1Q23	Interest	Capital
USDARS	\$ 111.01	\$ 208.99	\$ 265.44		
National Government	154	92	8	47	
Multilateral	106	116	4	10	
Banks	167	159	13	10	
Consolidated Debt	0	0	0	0	
Bonds	817	827	61	101	
Total Outstanding	1,244	1,194	86	169	
Total Services			255		

*Figures as of 1Q23

Ratios - Neuquen	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	60.0%	51.7%	57.4%	60.8%	62.1%
Federal Taxes / Total Revenues	21.9%	25.1%	23.8%	23.0%	22.3%
Total Fed. Funds / Total Revenues	23.5%	27.9%	25.9%	24.7%	23.8%
Personnel Spend. / Total Expenditures	60.5%	63.9%	60.8%	59.3%	60.1%
Debt Interests / Total Revenues	5.7%	5.3%	3.1%	3.1%	2.9%
CapEx / Total Expenditures	10.9%	9.1%	10.1%	10.7%	10.3%
Primary Balance / Total Revenues	1.3%	-1.5%	9.6%	4.0%	3.7%
Fiscal Balance / Total Revenues	-4.4%	-6.8%	6.6%	0.9%	0.8%
Debt Services / Total Revenues	8.4%	11.9%	7.8%	9.1%	8.8%
Total Debt / Total Revenues	62.4%	74.0%	53.8%	45.1%	44.4%

Source: TPCG Research based on Province's filing and E&R

Neuquén's total debt stands around USD 1.2bn, slightly decreasing from last year. Around 82% of the province's total debt is denominated in foreign currency.

The province's leverage position continued improving on the back of higher provincial taxes, but especially, for higher royalties, closing the period at 44.4% of revenues.

Chubut: overview of 4Q22 figures

Chubut - ARSmn	2021	2022	%YoY	9M21	9M22	%YoY	4Q21	4Q22	%YoY
Total Revenue	143,516	257,246	79.25%	100,933	173,057	71.46%	42,584	84,189	97.70%
Current Revenue	141,448	254,843	80.17%	99,371	171,725	72.81%	42,077	83,118	97.54%
Provincial taxes	31,479	53,978	71.47%	22,470	36,240	61.28%	9,009	17,738	96.89%
Federal taxes	54,714	99,735	82.28%	38,495	67,211	74.60%	16,219	32,524	100.53%
Other non-tax	15,625	32,710	109.35%	10,802	23,306	115.75%	4,823	9,404	95.00%
Royalties	36,341	62,334	71.52%	26,012	42,192	62.20%	10,329	20,142	95.00%
Discretionary Federal Gov transfe	3,289	6,086	85.04%	1,592	2,777	74.41%	1,697	3,309	95.00%
Capital Revenue	2,068	2,404	16.23%	1,562	1,332	-14.68%	506	1,071	111.55%
Financial investment	610	910	49.13%	441	602	36.60%	169	307	81.81%
Transfers	1,444	1,480	2.52%	1,109	718	-35.29%	335	763	127.77%
Other	15	14	-3.50%	12	12	4.60%	3	2	-40.05%
Primary Spending	122,991	225,081	83.01%	84,357	150,114	77.95%	38,634	74,967	94.05%
Current Expenditures	108,817	199,383	83.23%	75,128	133,690	77.95%	33,689	65,693	95.00%
Personnel spending	79,226	145,496	83.65%	55,437	99,108	78.77%	23,788	46,388	95.00%
Goods and services	11,384	19,594	72.12%	7,280	11,591	59.22%	4,104	8,003	95.00%
Transfers to public sector	7,122	12,915	81.34%	4,921	8,609	74.94%	2,208	4,306	95.00%
Other transfers & expenditures	11,085	21,377	92.85%	7,490	14,382	92.01%	3,588	6,996	95.00%
Capital Expenditures	14,174	25,699	81.31%	9,229	16,424	77.97%	4,945	9,275	87.56%
Real Investment	5,451	10,255	88.13%	2,983	5,836	95.65%	2,468	4,419	79.04%
Financial invest.	215	491	128.83%	177	186	5.30%	38	305	704.34%
Capital transfers	8,508	14,953	75.75%	6,069	10,402	71.39%	2,439	4,551	86.57%
Primary balance	20526	32165		16576	22943		3950	9222	
as % of revenues	14.30%	12.50%	-1.8pp	16.42%	13.26%	-3.17pp	9.28%	10.95%	1.68pp
Debt interest	7,133	11,333	58.9%	5,314	7,787	46.5%	1,819	3,547	95.0%
Fiscal balance	13393	20832		11262	15156		2131	5676	
as % of revenues	9.33%	8.10%	-1.23pp	11.16%	8.76%	-2.4pp	5.01%	6.74%	1.74pp
Social security and other	-4,127	-8,659	109.8%	-3,164	-6,783	114.4%	-962	-1,876	95.0%
Consolidated fiscal balance	9266	12172		8097	8373		1169	3799	
as % of revenues	6.5%	4.7%	-1.72pp	8.0%	4.8%	-3.18pp	2.7%	4.5%	1.77pp

How we read it:

- » In 4Q22, the primary surplus grew by 1.7ppyoy to 10.9% of revenues. The total revenue increased by 97.7%yoyo above inflation and spending. The current revenue did it at 97.5%, and the capital revenue at 111.5%yoy. In terms of spending, it grew by 94%yoy. After considering the debt interests, the fiscal position closed at 6.7% of revenues, +1.7ppyoy. Factoring in the Soc.Sec. and other expenses, the consolidated surplus closed at 4.5% of revenues, +1.7ppyoy.
- » For FY22, the primary balance dropped -1.8ppyoy to a surplus of 12.5% of revenues. The total revenue grew below the inflation and spending pace, with only the other non-tax line growing the most. For the spending, both the current and capital expenditures grew at a similar pace, with transfer to the private sector growing the most. After considering the debt interests and social security and other expenses, the consolidated balance closed at a surplus of 4.7% of revenues, or -1.7ppyoy.

Source: TPCG Research based on Province's filing and E&R

Chubut's main metrics

Chubut	Debt Outstanding		2023 Services*		
	USD mn	1Q22	1Q23	Interest	Capital
USDARS	\$ 111.01	\$ 208.99	\$ 265.44		
National Government	217	201	9	54	
Multilateral	41	44	1	3	
Banks	0	0	0	0	
Consolidated Debt	18	11	0	6	
Bonds	758	755	48	60	
Total Outstanding	1,034	1,011	58	124	
Total Services			182		

*Figures as of 1Q23

Ratios - Chubut	2018	2019	2020	2021	2022
Provincial Taxes / Total Revenues	47.6%	48.6%	44.5%	47.3%	45.2%
Federal Taxes / Total Revenues	34.0%	35.6%	40.3%	38.1%	38.8%
Total Fed. Funds / Total Revenues	36.9%	36.7%	43.9%	40.4%	41.1%
Personnel Spend. / Total Expenditures	66.8%	72.8%	74.6%	64.4%	64.6%
Debt Interests / Total Revenues	7.6%	7.0%	6.7%	5.0%	4.4%
CapEx / Total Expenditures	15.4%	10.3%	8.9%	11.5%	11.4%
Primary Balance / Total Revenues	15.2%	-1.5%	-10.2%	14.3%	12.5%
Fiscal Balance / Total Revenues	7.6%	-8.5%	-16.9%	9.3%	8.1%
Debt Services / Total Revenues	19.2%	18.1%	16.5%	12.3%	12.9%
Total Debt / Total Revenues	82.0%	87.8%	102.5%	77.1%	60.3%

Source: TPCG Research based on Province's filing and E&R

Chubut's total debt amounts to USD 1bn, almost flat compared to last year. The province's share of debt in foreign currency standards at 81%.

Chubut's leverage stands closed at 60.3% of revenues.

TdF: overview of 4Q22 figures

Tierra del Fuego - ARSmn	2021	2022	%YoY	9M21	9M22	%YoY	4Q21	4Q22	%YoY
Total Revenue	76,130	137,425	80.51%	52,587	90,655	72.39%	23,543	46,770	98.66%
Current Revenue	74,892	135,664	81.15%	51,936	89,599	72.52%	22,956	46,065	100.67%
Provincial taxes	15,579	29,211	87.50%	10,866	19,781	82.04%	4,712	9,430	100.11%
Federal taxes	41,508	75,925	82.92%	29,187	50,839	74.18%	12,321	25,087	103.61%
Other non-tax	10,409	17,900	71.97%	6,941	11,138	60.47%	3,468	6,762	95.00%
Royalties	5,884	9,337	58.68%	4,274	6,198	45.00%	1,610	3,139	95.00%
Discretionary Federal Gov transfe	1,513	3,291	117.58%	668	1,644	146.12%	844	1,647	95.00%
Capital Revenue	1,238	1,761	42.26%	651	1,056	62.30%	587	705	20.06%
Financial investment	483	420	-13.05%	193	288	48.71%	290	132	-54.31%
Transfers	731	1,276	74.46%	441	715	62.02%	290	561	93.38%
Other	24	66	175.03%	16	54	232.57%	8	12	54.14%
Primary Spending	74,014	137,126	85.27%	49,025	88,398	80.31%	24,989	48,728	95.00%
Current Expenditures	68,500	123,574	80.40%	45,556	78,834	73.05%	22,943	44,739	95.00%
Personnel spending	41,048	75,012	82.74%	27,616	48,818	76.78%	13,433	26,194	95.00%
Goods and services	5,672	9,858	73.79%	3,573	5,764	61.33%	2,100	4,094	95.00%
Transfers to public sector	13,252	23,049	73.93%	8,872	15,027	69.37%	4,113	8,021	95.00%
Other transfers & expenditures	8,527	15,655	83.60%	5,495	9,225	67.86%	3,298	6,431	95.00%
Capital Expenditures	5,514	13,552	145.77%	3,469	9,564	175.70%	2,045	3,988	95.00%
Real Investment	2,438	8,486	248.08%	1,558	6,769	334.60%	880	1,717	95.00%
Financial invest.	1,167	997	-14.59%	764	210	-72.45%	403	786	95.00%
Capital transfers	1,909	4,069	113.16%	1,147	2,584	125.21%	762	1,485	95.00%
Primary balance	2116	300		3562	2257		-1446	-1958	
as % of revenues	2.78%	0.22%	-2.56pp	6.77%	2.49%	-4.28pp	-6.14%	-4.19%	1.95pp
Debt interest	1,562	4,122	163.9%	1,346	2,437	81.1%	216	1,684	681.5%
Fiscal balance	555	-3822		2216	-180		-1661	-3642	
as % of revenues	0.73%	-2.78%	-3.51pp	4.21%	-0.20%	-4.41pp	-7.06%	-7.79%	-.73pp
Social security and other	-1,080	1,952	-280.8%	177	1,951	1000.1%	-1,257	1	-100.1%
Consolidated fiscal balance	-525	-1870		2393	1771		-2918	-3641	
as % of revenues	-0.7%	-1.4%	-.67pp	4.6%	2.0%	-2.6pp	-12.4%	-7.8%	4.61pp

How we read it:

- » In 4Q22, the primary position ended in a deficit of -4.2% of revenues, though improving 1.9pppyoy. The total revenue grew by 98.6%yoy with a strong growth in the current revenue, but with a substantial drop in the capital revenue in real terms. The primary spending did it at 95%yoy. After considering the debt interests, the fiscal position ended in a deficit of -7.8% of revenues, widening by 0.7pppyoy.
- » For the FY22, the revenue grew by 80.5%yoy below inflation and spending which did it at 85.2% of revenues. Factoring in both, the primary balance closed at a surplus of 0.2% of revenues, dropping -2.5pppyoy. When considering the debt interests, that increased by 163%yoy, the fiscal deficit closed at -2.7% of revenues, and decreasing -3.5pppyoy.

Source: TPCG Research based on Province's filing and E&R

Fuego's main metrics

Tierra del Fuego	Debt Outstanding		2023 Services*	
USD mn	1Q22	1Q23	Interest	Capital
USDARS	\$ 111.01	\$ 208.99	\$ 265.44	
National Government	44	37	6	14
Multilateral	0	0	0	0
Banks	0	0	2	0
Consolidated Debt	4	4	1	1
Bonds	148	151	19	25
Total Outstanding	197	192	28	40
Total Services			68	

*Figures as of 1Q23

Ratios - Tierra del Fuego	2018	2019	2020	2021	2022
Provincial Taxes / Total Revenues	34.3%	30.5%	27.2%	28.2%	28.0%
Federal Taxes / Total Revenues	48.2%	49.6%	56.7%	54.5%	55.2%
Total Fed. Funds / Total Revenues	50.6%	52.4%	59.9%	56.5%	57.6%
Personnel Spend. / Total Expenditures	52.3%	48.9%	55.6%	55.5%	54.7%
Debt Interests / Total Revenues	4.8%	4.6%	3.9%	2.1%	3.0%
CapEx / Total Expenditures	13.7%	13.1%	5.9%	7.5%	9.9%
Primary Balance / Total Revenues	3.6%	5.0%	5.3%	2.8%	0.2%
Fiscal Balance / Total Revenues	-1.3%	0.5%	1.4%	0.7%	-2.8%
Debt Services / Total Revenues	7.0%	8.5%	9.0%	6.5%	6.5%
Total Debt / Total Revenues	49.2%	43.8%	45.3%	27.8%	20.1%

Source: TPCG Research based on Province's filing and E&R

FUEGO's total debt closed at USD 192mn in 1Q23, almost flat when compared to last year. Total debt denominated in foreign currency stands at around 75%.

The leverage position closed at 20.1% of revenues.

Entre Rios: the consolidated surplus fell by 6.4ppyoy to 2% of revenues

Entre Rios - ARSmn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	253,258	457,982	80.84%	79,144	159,103	101.03%
Current Revenue	248,242	448,145	80.53%	77,345	156,405	102.22%
Provincial taxes	62,215	99,282	59.58%	19,359	36,050	86.22%
Federal taxes	159,406	294,393	84.68%	49,546	100,524	102.89%
Other non-tax	13,301	31,737	138.60%	4,679	12,983	177.47%
Royalties	851	1,999	134.88%	186	302	62.72%
Discretionary Federal Gov transfe	12,470	20,734	66.27%	3,575	6,546	83.10%
Capital Revenue	5,015	9,838	96.16%	1,799	2,698	49.97%
Financial investment	715	989	38.38%	187	326	74.15%
Transfers	4,299	8,849	105.83%	1,612	2,372	47.16%
Other	2	0	-76.19%	0	0	-
Primary Spending	205,008	384,212	87.41%	62,081	133,982	115.82%
Current Expenditures	189,109	353,023	86.68%	59,529	123,776	107.92%
Personnel spending	121,739	235,322	93.30%	40,260	85,147	111.49%
Goods and services	19,233	31,211	62.28%	4,439	9,017	103.13%
Transfers to public sector	31,577	56,974	80.43%	10,833	20,100	85.55%
Other transfers & expenditures	16,560	29,517	78.25%	3,998	9,512	137.92%
Capital Expenditures	15,899	31,189	96.17%	2,552	10,206	299.97%
Real Investment	11,859	23,345	96.85%	2,105	7,672	264.43%
Financial invest.	3,187	4,753	49.15%	339	1,193	252.22%
Capital transfers	853	3,091	262.31%	108	1,341	1145.16%
Primary balance	48249	73771		17063	25120	
as % of revenues	19.05%	16.11%	-2.94pp	21.56%	15.79%	-5.77pp
Debt interest	7,835	7,964	1.6%	3,064	4,211	37.5%
Fiscal balance	40414	65806		13999	20909	
as % of revenues	15.96%	14.37%	-1.59pp	17.69%	13.14%	-4.55pp
Social security and other	-22,186	-48,457	118.4%	-7,311	-17,671	141.7%
Consolidated fiscal balance	18228	17349		6688	3239	
as % of revenues	7.20%	3.79%	-3.41pp	8.45%	2.04%	-6.42pp

How we read it:

- » In 1Q23, the total revenue increased below spending and inflation, at 101%yoy. The current revenue did it at 102.2%yoy, with a weak performance in both provincial and federal taxes. The capital revenue grew well below inflation, at 50%yoy nominally.
- » The primary spending accelerated to 116%yoy. The current expenditures did it by 108%yoy, with the personnel spending at 111.5%yoy. The capex spiked, increasing 300%yoy, influenced by larger real investments.
- » Combining both, the primary surplus narrowed 5.7ppyoy to 15.8% of revenues. After considering lower debt interests but higher social security expenses, the consolidated surplus dropped by 6.4ppyoy to 2% of revenues.

Source: TPCG Research based on Province's filing and E&R

Overview of Entre Rios main ratios

Entre Rios	Debt Outstanding		2023 Services*		
	USD mn	1Q22	1Q23	Interest	Capital
USDARS	\$ 111.01	\$ 208.99	\$ 265.44		
National Government	181	147	14	46	
Multilateral	204	75	3	10	
Banks	9	1	3	8	
Consolidated Debt	0	0	0	0	
Bonds	552	604	31	12	
Total Outstanding	946	828	51	75	
Total Services			127		

*Figures as of 1Q23

Ratios - Entre Rios	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	25.9%	23.7%	24.9%	22.1%	22.0%
Federal Taxes / Total Revenues	65.1%	63.3%	62.9%	64.3%	64.2%
Total Fed. Funds / Total Revenues	70.1%	73.1%	67.9%	68.8%	68.6%
Personnel Spend. / Total Expenditures	63.6%	63.5%	59.4%	61.2%	61.4%
Debt Interests / Total Revenues	3.3%	3.5%	3.1%	1.7%	1.7%
CapEx / Total Expenditures	6.5%	5.4%	7.8%	8.1%	8.5%
Primary Balance / Total Revenues	6.9%	16.0%	19.1%	16.1%	15.2%
Fiscal Balance / Total Revenues	3.6%	12.4%	16.0%	14.4%	13.5%
Debt Services / Total Revenues	5.0%	5.3%	5.7%	3.9%	4.8%
Total Debt / Total Revenues	50.8%	55.4%	37.8%	33.6%	32.2%

Source: TPCG Research based on Province's filing and E&R

ENTRIO's total debt stands at USD 828mn, of which 82% is denominated in foreign currency.

The province's leverage position closed the period at 32.2% of revenues, slightly below the FY22 level.

Salta: the consolidated surplus narrowed by 4.3% to a balanced position

Salta - ARS mn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	194,271	365,628	88.21%	60,117	128,741	114.15%
Current Revenue	191,001	357,433	87.14%	59,323	125,335	111.28%
Provincial taxes	41,633	86,062	106.71%	12,732	28,519	123.99%
Federal taxes	131,739	231,443	75.68%	41,002	82,045	100.10%
Other non-tax	7,335	23,004	213.62%	2,971	8,915	200.05%
Royalties	3,120	5,212	67.07%	776	1,576	103.03%
Discretionary Federal Gov transfe	7,174	11,712	63.26%	1,841	4,280	132.47%
Capital Revenue	3,270	8,195	150.59%	794	3,405	328.97%
Financial investment	1,077	518	-51.93%	122	169	38.47%
Transfers	2,122	7,627	259.51%	669	3,226	382.22%
Other	72	50	-30.09%	3	10	285.25%
Primary Spending	180,004	350,840	94.91%	56,096	127,080	126.54%
Current Expenditures	169,471	318,884	88.17%	52,134	112,383	115.57%
Personnel spending	106,606	202,419	89.88%	34,688	75,478	117.59%
Goods and services	16,691	26,796	60.54%	3,030	8,007	164.24%
Transfers to public sector	19,048	54,637	186.85%	6,253	11,780	88.38%
Other transfers & expenditures	27,127	35,033	29.14%	8,162	17,118	109.72%
Capital Expenditures	10,534	31,955	203.36%	3,962	14,697	270.95%
Real Investment	9,518	30,121	216.46%	3,655	12,607	244.91%
Financial invest.	10	21	118.03%	12	0	-100.00%
Capital transfers	1,006	1,813	80.25%	295	2,089	608.66%
Primary balance	14267	14789		4021	1661	
as % of revenues	7.34%	4.04%	-3.3pp	6.69%	1.29%	-5.4pp
Debt interest	4,539	9,087	100.2%	1,289	1,268	-1.6%
Fiscal balance	9727	5702		2731	392	
as % of revenues	5.01%	1.56%	-3.45pp	4.54%	0.30%	-4.24pp
Social security and other	-225	-441	96.0%	-76	-192	153.1%
Consolidated fiscal balance	9502	5260		2656	200	
as % of revenues	4.89%	1.44%	-3.45pp	4.42%	0.16%	-4.26pp

How we read it:

- » In 1Q23, the total revenue grew by 114%yoy. The current revenue did it by 111.3%yoy, with strong growth in the provincial taxes and other non-tax revenue. The capital revenue increased by over 300%yoy, with the transfers line being the main contributor.
- » The primary spending increased by 126.5%yoy, well above inflation and revenue. In terms of the current expenditures, it grew by 115.5%, with a sharp increase in personnel spending and goods and services. The capex grew by 271%yoy, with a spike in the real investment line.
- » All in all, the primary position dropped by 5.4ppyoy to 1.3% of revenues. After considering the debt interests and social security expenses, the consolidated position ended balanced at 0.1% of revenues, or -4.2ppyoy.

Source: TPCG Research based on Province's filing and E&R

Salta's remaining global note sinking add ups to USD 18mn

Salta	Debt Outstanding		2023 Services*		
	USD mn	1Q22	1Q23	Interest	Capital
USDARS	\$ 111.01	\$ 208.99	\$ 265.44		
National Government	152	142	17	17	
Multilateral	36	30	2	5	
Banks	0	0	0	0	
Consolidated Debt	0	0	2	0	
Bonds	390	355	26	11	
Total Outstanding	578	528	46	33	
Total Services			79		

*Figures as of 1Q23

Ratios - Salta	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	23.6%	21.8%	23.0%	25.0%	24.8%
Federal Taxes / Total Revenues	67.7%	69.6%	67.8%	63.3%	62.7%
Total Fed. Funds / Total Revenues	69.9%	74.9%	71.5%	66.5%	66.0%
Personnel Spend. / Total Expenditures	58.5%	63.5%	59.2%	57.7%	57.7%
Debt Interests / Total Revenues	3.8%	3.2%	2.3%	2.5%	2.1%
CapEx / Total Expenditures	7.3%	4.5%	5.9%	9.1%	10.1%
Primary Balance / Total Revenues	2.6%	3.4%	7.3%	4.0%	2.9%
Fiscal Balance / Total Revenues	-1.2%	0.2%	5.0%	1.6%	0.8%
Debt Services / Total Revenues	5.8%	5.6%	4.8%	4.1%	4.0%
Total Debt / Total Revenues	41.7%	41.6%	29.4%	26.3%	25.4%

Source: TPCG Research based on Province's filing and E&R

Salta's total debt closed at USD 528mn, and total services for FY23 amount to USD 79mn. Around 82% of the total debt is denominated in foreign currency.

The province's leverage position closed at 25.4% of revenues. Even though the debt service ratio stands at its lowest point since 2019, it will increase after 2Q23, as the global bond started to sink.

Rio Negro: the consolidated surplus dropped by 5ppyoY to 0.95% of rev.

Rio Negro - ARSmn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	139,241	244,495	75.59%	44,402	89,106	100.68%
Current Revenue	134,327	238,134	77.28%	43,857	87,950	100.54%
Provincial taxes	30,010	52,775	75.86%	11,873	24,425	105.72%
Federal taxes	85,198	156,735	83.97%	26,447	53,754	103.25%
Other non-tax	7,112	11,878	67.02%	2,760	4,385	58.86%
Royalties	9,437	13,187	39.73%	2,447	4,672	90.89%
Discretionary Federal Gov transfe	2,570	3,559	38.50%	331	715	116.26%
Capital Revenue	4,915	6,361	29.43%	545	1,156	112.21%
Financial investment	2,771	3,241	16.99%	160	287	79.35%
Transfers	1,885	2,811	49.13%	384	869	126.29%
Other	259	309	-	1	0	-
Primary Spending	137,274	233,681	70.23%	39,111	82,672	111.38%
Current Expenditures	124,699	218,779	75.45%	37,307	79,359	112.72%
Personnel spending	81,578	149,089	82.76%	24,520	53,060	116.40%
Goods and services	14,958	21,039	40.66%	3,079	6,566	113.28%
Transfers to public sector	17,639	32,196	82.53%	6,065	12,602	107.79%
Other transfers & expenditures	10,524	16,454	56.35%	3,644	7,131	95.70%
Capital Expenditures	12,575	14,902	18.50%	1,804	3,313	83.66%
Real Investment	9,553	12,483	30.67%	1,785	3,213	79.96%
Financial invest.	254	117	-53.89%	0	0	-
Capital transfers	2,768	2,302	-16.84%	19	100	440.76%
Primary balance	1967	10814		5291	6434	
as % of revenues	1.41%	4.42%	3.01pp	11.92%	7.22%	-4.7pp
Debt interest	4,988	9,927	99.02%	2,497	5,281	111.47%
Fiscal balance	-3021	887		2794	1153	
as % of revenues	-2.17%	0.36%	2.53pp	6.29%	1.29%	-5.0pp
Social security and other	-492	-854	73.62%	-142	-304	114.13%
Consolidated fiscal balance	-3513	33		2652	849	
as % of revenues	-2.52%	0.01%	2.54pp	5.97%	0.95%	-5.02pp

How we read it:

- » The total revenue increased by 100.7%yoy, below spending and inflation. The current revenue did it by 100.5%yoy, with weak growth in both the provincial and federal taxes. The capex increased above inflation, at 112%yoy, influenced by transfers.
- » The primary spending went up by 111.4%yoy. The current expenditures did it by 112.7%yoy, with a sharp increase in personnel spending. The capex increased well below inflation, by 83.6%yoy.
- » Combining both, the primary surplus dropped by 4.7ppyoY to 7.2% of revenues. Higher debt interests and social security expenses narrowed the consolidated surplus by 5ppyoY, ending the period at 0.95% of revenues.

Source: TPCG Research based on Province's filing and E&R

PRN's leverage position increased to 33.7% of revenues

Rio Negro	Debt Outstanding		2023 Services*	
USD mn	1Q22	1Q23	Interest	Capital
USDARS	\$ 111.01	\$ 208.99	\$ 265.44	
National Government	101	83	11	54
Multilateral	47	42	3	11
Banks	1	1	5	0
Consolidated Debt	0	0	0	0
Bonds	376	341	51	71
Total Outstanding	525	467	69	136
Total Services			205	

*Figures as of 1Q23

Ratios - Rio Negro	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	31.6%	28.0%	28.3%	27.0%	27.9%
Federal Taxes / Total Revenues	54.3%	60.0%	61.2%	64.1%	63.6%
Total Fed. Funds / Total Revenues	55.0%	62.7%	63.0%	65.6%	65.0%
Personnel Spend. / Total Expenditures	59.4%	62.0%	59.4%	63.8%	64.1%
Debt Interests / Total Revenues	7.3%	4.6%	3.6%	4.1%	4.4%
CapEx / Total Expenditures	11.8%	9.7%	9.2%	6.4%	5.9%
Primary Balance / Total Revenues	0.9%	-1.8%	1.4%	4.4%	4.1%
Fiscal Balance / Total Revenues	-6.4%	-6.5%	-2.2%	0.4%	-0.3%
Debt Services / Total Revenues	9.7%	8.1%	9.9%	12.2%	12.3%
Total Debt / Total Revenues	49.5%	58.4%	43.2%	31.8%	33.7%

Source: TPCG Research based on Province's filing and E&R

PRN's total debt closed at USD 467mn, decreasing from last year mostly in debt with private holders and the national government. From the total debt, close to 72% is denominated in foreign currency.

In LTM 1Q23, the fiscal balance turned red once again from a surplus in FY22. The leverage position for the province grew by 2pp to 33.7% of revenues.

Jujuy: the fiscal balance grew 4.4ppyoY to 22.4% of revenues

Jujuy - ARSmn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	128,688	232,519	80.68%	38,604	79,622	106.25%
Current Revenue	125,888	230,334	82.97%	38,154	78,704	106.28%
Provincial taxes	15,526	28,376	82.77%	5,669	13,213	133.05%
Federal taxes	95,404	175,441	83.89%	29,615	59,756	101.78%
Other non-tax	3,392	5,785	70.55%	607	1,154	90.07%
Royalties	312	56	-81.94%	53	109	104.10%
Discretionary Federal Gov transfe	11,254	20,675	83.72%	2,210	4,472	102.36%
Capital Revenue	2,800	2,185	-21.97%	450	918	104.10%
Financial investment	1,094	31	-97.19%	0	0	104.10%
Transfers	1,444	1,581	9.55%	383	782	104.10%
Other	263	573	-	67	137	-
Primary Spending	118,760	209,078	76.05%	28,684	55,723	94.26%
Current Expenditures	101,037	172,311	70.54%	25,115	48,438	92.87%
Personnel spending	64,209	109,597	70.69%	18,816	35,258	87.39%
Goods and services	8,096	14,043	73.46%	965	2,133	121.10%
Transfers to public sector	9,449	14,256	50.87%	2,515	5,262	109.27%
Other transfers & expenditures	19,283	34,415	78.47%	2,820	5,785	105.16%
Capital Expenditures	17,724	36,767	107.45%	3,570	7,285	104.10%
Real Investment	10,458	24,314	132.50%	1,685	3,439	104.10%
Financial invest.	6,676	11,233	68.24%	1,885	3,847	104.10%
Capital transfers	590	1,220	106.94%	0	0	104.10%
Primary balance	9928	23441		9920	23899	
as % of revenues	7.71%	10.08%	2.37pp	25.70%	30.02%	4.32pp
Debt interest	5,074	11,081	118.40%	2,975	6,072	104.10%
Fiscal balance	4854	12360		6945	17827	
as % of revenues	3.77%	5.32%	1.54pp	17.99%	22.39%	4.4pp

How we read it:

- » In 1Q23, the total revenue increased by 106.2%yoy, above spending and inflation. The current revenue did it by 106.2%yoy, with a strong increase in the provincial taxes line. The capital revenue did it by 104.1%yoy, being the transfer line the main contributor.
- » The primary spending grew by 94.2%yoy. The current expenditures did it by 92.8%, with a contained increase in personnel spending, going up by 87.3%. The capital expenditures increased at the inflation pace.
- » All in all, the primary position grew by 4.3ppyoY to 30% of revenues. After considering the debt interests, which increased by 104%yoy, the fiscal surplus closed at 22.4% of revenues, and +4.4ppyoY.

Source: TPCG Research based on Province's filing and E&R

Overview of Jujuy's main ratios

Jujuy	Debt Outstanding		2023 Services*		
	USD mn	1Q22	1Q23	Interest	Capital
USDARS		\$ 111.01	\$ 208.99	\$ 265.44	
National Government	574	450	39	50	
Multilateral	82	76	3	2	
Banks	32	62	8	2	
Consolidated Debt	0	0	0	4	
Bonds	232	218	22	4	
Total Outstanding	920	806	72	62	
Total Services			134		

*Figures as of 1Q23

Ratios - Jujuy	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	11.3%	9.7%	12.3%	12.2%	13.2%
Federal Taxes / Total Revenues	74.5%	74.8%	74.1%	75.5%	75.2%
Total Fed. Funds / Total Revenues	83.3%	86.1%	82.9%	84.3%	83.5%
Personnel Spend. / Total Expenditures	57.6%	57.0%	54.1%	52.4%	53.4%
Debt Interests / Total Revenues	4.8%	4.0%	3.9%	4.8%	5.2%
CapEx / Total Expenditures	13.4%	13.4%	14.9%	17.6%	17.1%
Primary Balance / Total Revenues	-4.5%	3.6%	7.7%	10.1%	13.7%
Fiscal Balance / Total Revenues	-9.3%	-0.4%	3.8%	5.3%	8.5%
Debt Services / Total Revenues	8.1%	7.6%	6.2%	8.7%	8.8%
Total Debt / Total Revenues	96.6%	100.2%	70.9%	60.8%	61.6%

Source: TPCG Research based on Province's filing and E&R

The province's total debt closed at USD 806mn, dropping from last year. In September, the province would face the second sinking payment of its global note.

The leverage position closed almost flat, at 61.6% of revenues, and remains above the average of the space.

La Rioja: the fiscal surplus grew by 8.2ppyo to 4.7% of revenues

La Rioja - ARSmn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	98,455	191,334	94.34%	28,422	57,662	102.88%
Current Revenue	80,672	172,252	113.52%	24,855	50,380	102.70%
Provincial taxes	7,379	13,756	86.43%	2,517	5,173	105.53%
Federal taxes	68,804	126,617	84.02%	21,359	43,209	102.30%
Other non-tax	1,033	2,792	170.13%	213	436	104.10%
Royalties	0	0	-	0	0	-
Discretionary Federal Gov transfe	3,456	29,087	741.68%	765	1,562	104.10%
Capital Revenue	17,783	19,082	7.31%	3,568	7,282	104.10%
Financial investment	206	2,565	1142.34%	63	129	104.10%
Transfers	17,577	16,517	-6.03%	3,504	7,153	104.10%
Other	0	0	-	0	0	-
Primary Spending	96,246	188,008	95.34%	28,199	52,431	85.93%
Current Expenditures	79,179	148,442	87.48%	24,759	45,409	83.41%
Personnel spending	38,861	74,661	92.13%	13,126	21,667	65.07%
Goods and services	15,085	24,543	62.70%	3,586	7,320	104.10%
Transfers to public sector	14,383	27,382	90.38%	4,698	9,588	104.10%
Other transfers & expenditures	10,851	21,857	101.42%	3,349	6,834	104.10%
Capital Expenditures	17,067	39,566	131.84%	3,441	7,022	104.10%
Real Investment	11,095	27,791	150.48%	2,472	5,045	104.10%
Financial invest.	4,972	10,420	109.57%	838	1,709	104.10%
Capital transfers	999	1,355	35.56%	131	268	104.10%
Primary balance	2210	3326		223	5231	
as % of revenues	2.24%	1.74%	-.51pp	0.79%	9.07%	8.29pp
Debt interest	2,940	3,280	11.5%	1,224	2,498	104.1%
Fiscal balance	-731	46		-1001	2733	
as % of revenues	-0.74%	0.02%	.77pp	-3.52%	4.74%	8.26pp
Social security and other	0	-375	-	0	0	-
Consolidated fiscal balance	-731	-328		-1001	2733	
as % of revenues	-0.74%	-0.17%	.57pp	-3.52%	4.74%	8.26pp

How we read it:

- » In 1Q23, the total revenue grew by 102.8%yoy below inflation buy above spending. The current revenue did it at 102.7%, with only the provincial taxes increasing above inflation. The capital revenue increased by 104.1%.
- » The primary spending grew by 85.9%, well below inflation. The current expenditures increased by 83.4%yoy, highly influenced by a contained level of personnel spending, which grew by 65%yoy. The capital expenditures went up by 104%.
- » All in all, the primary surplus improved by 8.3ppyo to 9% of revenues. After considering the debt interest payments, the fiscal surplus reached 4.7% of revenues, a figure 8.2pp higher than last year.

Source: TPCG Research based on Province's filing and E&R

Overview of La Rioja's main metrics

La Rioja	Debt Outstanding		2023 Services*	
	1Q22	1Q23	Interest	Capital
USD mn				
USDARS	\$ 111.01	\$ 208.99	\$ 265.44	
National Government	31	26	8	7
Multilateral	25	34	0	2
Banks	2	1	0	0
Consolidated Debt	1	1	0	1
Bonds	295	322	18	7
Total Outstanding	353	383	27	18
Total Services			45	

*Figures as of 1Q23

Ratios - La Rioja	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	7.4%	6.0%	7.5%	7.2%	7.4%
Federal Taxes / Total Revenues	75.9%	71.5%	69.9%	66.2%	67.3%
Total Fed. Funds / Total Revenues	77.5%	75.8%	73.4%	81.4%	80.9%
Personnel Spend. / Total Expenditures	52.4%	47.0%	40.4%	39.7%	39.2%
Debt Interests / Total Revenues	4.9%	3.0%	3.0%	1.7%	2.1%
CapEx / Total Expenditures	7.7%	12.7%	17.7%	21.0%	20.3%
Primary Balance / Total Revenues	0.3%	6.5%	2.2%	1.7%	3.8%
Fiscal Balance / Total Revenues	-4.6%	3.5%	-0.7%	0.0%	1.7%
Debt Services / Total Revenues	6.0%	3.9%	3.9%	2.6%	3.0%
Total Debt / Total Revenues	60.0%	54.2%	40.1%	32.1%	36.3%

Source: TPCG Research based on Province's filing and E&R

Total debt services for FY23 amount to USD 45mn. From the total debt of USD 383mn, around 92% is denominated in foreign currency.

The leverage position of La Rioja closed the period at 36.3% of revenues, increasing 4pp from FY22.

Chaco: the consolidated surplus grew by 3.8ppyoY to 11.6% of revenues

Chaco - ARSmn	2021	2022	%YoY	1Q22	1Q23	%YoY
Total Revenue	222,745	414,893	86.26%	69,892	143,035	104.65%
Current Revenue	212,033	399,025	88.19%	67,816	138,807	104.68%
Provincial taxes	27,173	51,063	87.92%	8,905	19,755	121.85%
Federal taxes	168,941	310,889	84.02%	52,423	105,842	101.90%
Other non-tax	4,608	15,614	238.84%	2,849	5,801	103.62%
Royalties	0	0	-	0	0	-
Discretionary Federal Gov transfe	11,311	21,459	89.73%	3,639	7,409	103.62%
Capital Revenue	10,712	15,867	48.12%	2,076	4,228	103.62%
Financial investment	794	5,853	637.40%	43	87	103.62%
Transfers	9,697	9,620	-0.79%	1,967	4,006	103.62%
Other	222	394	77.92%	67	135	103.62%
Primary Spending	204,835	379,842	85.44%	58,431	114,156	95.37%
Current Expenditures	168,109	317,388	88.80%	49,150	95,258	93.81%
Personnel spending	101,036	191,647	89.68%	31,832	59,996	88.48%
Goods and services	16,853	28,320	68.04%	3,392	6,907	103.62%
Transfers to public sector	25,168	48,771	93.78%	7,544	15,361	103.62%
Other transfers & expenditures	25,052	48,650	94.20%	6,382	12,994	103.62%
Capital Expenditures	36,726	62,453	70.05%	9,281	18,898	103.62%
Real Investment	27,876	47,830	71.58%	6,485	13,205	103.62%
Financial invest.	5,937	8,276	39.40%	1,093	2,225	103.62%
Capital transfers	2,913	6,347	117.87%	1,703	3,468	103.62%
Primary balance	17910	35051		11461	28878	
as % of revenues	8.04%	8.45%	.41pp	16.40%	20.19%	3.79pp
Debt interest	5,374	7,494	39.4%	2,621	5,337	103.6%
Fiscal balance	12536	27557		8840	23541	
as % of revenues	5.63%	6.64%	1.01pp	12.65%	16.46%	3.81pp
Social security and other	-9,654	-17,509	81.4%	-3,375	-6,872	103.6%
Consolidated fiscal balance	2882	10048		5465	16670	
as % of revenues	1.29%	2.42%	1.13pp	7.82%	11.65%	3.83pp

How we read it:

- » In 1Q23, the total revenue grew by 104.6%yoy. The current revenue went up by 104.6%yoy, with only the provincial taxes increasing above inflation, and by a strong margin. The capital revenue did it by 103.6%.
- » The primary spending increased by 95.3%yoy. The current expenditures grew by 93.8%yoy, with the personnel spending explaining the decrease in real terms. In that sense, it grew by 88.4%, well below inflation. The capital expenditures, on the other hand, performed at the inflation pace.
- » All in all, the primary surplus grew by 3.8ppyoY to 20.2% of revenues. After considering the debt interests and the social security expenses, the consolidated surplus increased by 3.8ppyoY to 11.6% of revenues.

Source: TPCG Research based on Province's filing and E&R

Chaco's leverage position reached 27.6% of revenues

Chaco	Debt Outstanding		2023 Services*	
	USD mn	1Q22	1Q23	Interest
USDARS	\$ 111.01	\$ 208.99	\$ 265.44	
National Government	196	203	5	36
Multilateral	58	59	1	2
Banks	83	64	1	16
Consolidated Debt	0	0	0	0
Bonds	313	319	8	31
Total Outstanding	649	645	15	86
Total Services	101			

*Figures as of 1Q23

Ratios - Chaco	2019	2020	2021	2022	LTM 1Q23
Provincial Taxes / Total Revenues	11.8%	11.9%	12.2%	12.3%	12.7%
Federal Taxes / Total Revenues	79.5%	77.5%	75.8%	74.9%	74.6%
Total Fed. Funds / Total Revenues	84.5%	84.0%	80.9%	80.1%	79.8%
Personnel Spend. / Total Expenditures	56.3%	58.5%	49.3%	50.5%	50.5%
Debt Interests / Total Revenues	6.1%	2.0%	2.4%	1.8%	2.1%
CapEx / Total Expenditures	9.8%	8.7%	17.9%	16.4%	16.5%
Primary Balance / Total Revenues	4.0%	12.3%	8.0%	8.4%	10.8%
Fiscal Balance / Total Revenues	-2.1%	10.3%	5.6%	6.6%	8.7%
Debt Services / Total Revenues	9.1%	3.6%	5.6%	7.6%	7.8%
Total Debt / Total Revenues	40.9%	38.8%	31.6%	22.2%	27.6%

Source: TPCG Research based on Province's filing and E&R

The province's total debt position closed at USD 645mn, almost flat from last year, and around 60% is denominated in foreign currency.

Chaco's leverage position grew 5.4pp since 2022, closing at 27.6%, a figure that stands well below the space's average.

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