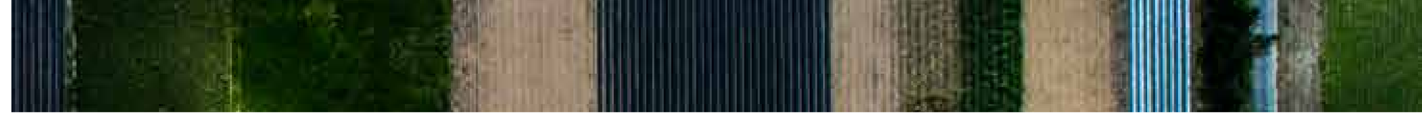

N° 72 - April 2021

Economic GPS

Risks of the second wave

In April, the number of COVID-19 infections increased, exceeded the peaks of 2020, and led to higher occupancy rates in intensive care units. As expected, after what happened in other countries, the second wave arrived in Argentina, and seems to be more intense than the first.

Considering this health context, restrictions on mobility were again introduced in April, particularly in the Greater Buenos Aires. Although these restrictions have been less severe than those imposed during 2020, it is very likely that they will still impact on the slight but yet evident recovery in the level of activity seen in recent months.

What economic consequences will these measures have on an already ailing economy?

Although -as stated in the Tracking section- fiscal accounts improved in the first quarter due to an increase in revenues driven by higher commodity prices, a real devaluation of the exchange rate, greater tax pressure on certain sectors, and a slight recovery in the level of activity, the correction in the fiscal imbalance envisaged in this year's budget relied largely on a sharp reduction in the so-called "COVID-19 expenditure".

If the upsurge in the pandemic does not allow that adjustment to public spending, the focus should immediately shift to alternative sources of financing. In this regard, Argentina continues to have limited options. As negotiations with multilateral credit organizations have been postponed, Argentina has limited access to international capital markets (at least at a reasonable cost). On the other hand, local alternatives would imply increased tax pressure, greater costs in terms of higher interest rates, or monetary expansion (whether direct or indirect, with fewer sterilization measures). In any case, this would have side effects on the level of activity and/ or inflation.

As with the health situation, where no measure will be ideal until a sufficient percentage of the population has been vaccinated to resume normal levels of activity, from an economic viewpoint, there will be no medium or long-term solution unless government spending can be genuinely financed.

José María Segura
Chief Economist PwC Argentina

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Public accounts in the first quarter of 2021

The first quarter of the year ended with a primary fiscal deficit of $69.15 billion, 56% lower in nominal terms than the one recorded in the same period last year, when the restrictions imposed to contain the COVID-19 pandemic were not yet fully operative. Detailed below is the evolution of the main components of revenues and expenditures to understand the current conditions.

Industry Roadmap

The future of electric cars

The future of the industry is in electric cars. Some companies in Argentina are already considering the transition through hydrogen-based hybrid models; to move towards the future we must focus on the development and manufacture of local technology to position ourselves in the market.

Customs & FX

Promotion regime for investments destined to export: bittersweet news

As we all know, the Argentine economy requires more investment in order to grow. Under certain circumstances, a promotion regime may be a solution to stimulate or direct investment towards a given economic policy goal. However, this regime has a bittersweet taste: although in nature it is a promotion regime that offers interesting benefits, it also conveys a discouraging message.

Federal Landscape

Province: La Pampa

The province of La Pampa is located in the center region of the country, with the last characteristics of the Humid Pampas to the northeast and distinctive features of Patagonia to the west and to the south, including an area with northwest-southeast orientation that is home to the forest of caldén, a tree whose center of global dispersion is located in this province.

Tracking

Public accounts in the first quarter of 2021

The first quarter of the year (Q12021) ended with a primary fiscal deficit of $69.15 billion, 56% lower in nominal terms than the one recorded in the same period last year, when the restrictions imposed to contain the COVID-19 pandemic were not yet fully operative. Detailed below is the evolution of the main components of revenues and expenditures to understand the current conditions.

During the January-March period the fiscal deficit of the National Public Sector reached $69.15 billion, 56% lower in nominal terms than the $155.99 billion figure recorded last year. The main reason for this year-on-year decrease is that revenues increased more than expenditures.

When evaluated in real terms, revenues grew 10.5% year-on-year, as compared with the 0.7% increase in primary spending.

To understand the evolution of revenues, tax revenue is worth noting, which accounts for slightly more than 90% of National Public Sector's total revenues. According to information released by AFIP, total tax revenue adjusted for inflation for the January-March period grew 11% year-on-year.

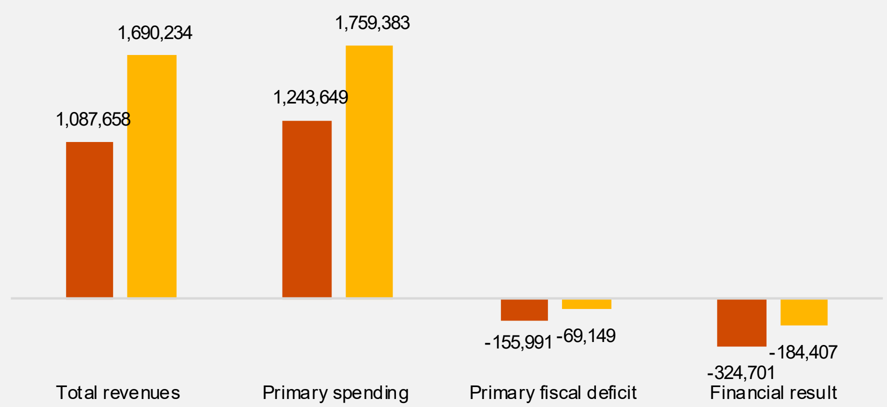
As shown in Graphic 2, although tax revenue is tied to the level of activity, the latter does not explain its behavior.

Firstly, Value Added Tax (VAT), which increased 9% in real terms year-on-year, represented 31% of total tax revenue during the Q12021. This real positive variation started in December 2020, although it contracted by 2% in January, after having shown a real decline for 25 months in a row. This tax was influenced by a growth in customs VAT revenue during March, since imports grew by 68.7% that month, as compared with the same period of 2020, and was also favored by the low base of comparison derived from the social, preventive and mandatory isolation (ASPO) measures imposed in March 2020.

Secondly, social security contributions represented 22% of total revenues, with a negative variation of 9% in real terms year-on-year. This behavior is affected by a decline in salaries and wages, their taxable base. A combination of salaries growing below the inflation level and the loss of registered jobs is the reason for this decline.

GRAPHIC 1

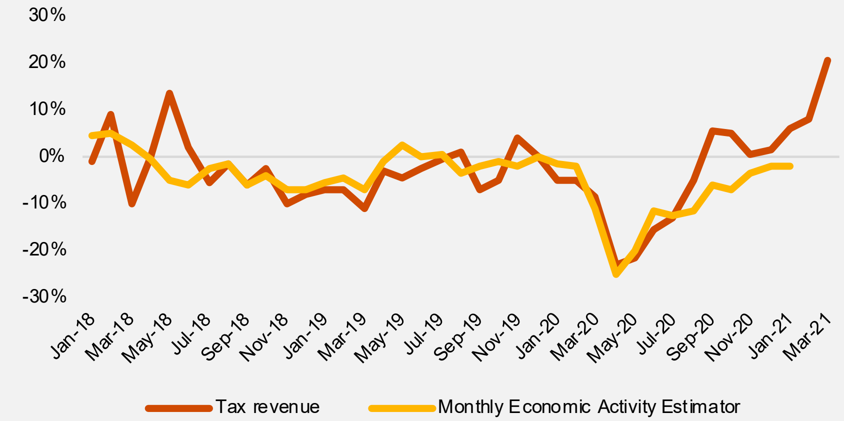
National Public Sector's accounts, in millions of pesos



Source: Prepared by the authors based on Ministry of Economy official statistics.

GRAPHIC 2

Tax revenue in real terms and EMAE (Monthly Economic Activity Estimator), year-on-year variation



Source: Prepared by the authors based on INDEC and AFIP official statistics.

Income Tax (with 19% of total tax revenue) follows, which increased 16% in real terms year-on-year. This tax has been mitigated by advance payments made largely from prior year profits and was positively affected by the 35% tax levied on the purchase of US dollars since September 2020.

However, export duties (representing 10% of total revenues) are worth mentioning, which showed a real year-on-year growth rate of 107%. Its behavior was influenced by the low base of comparison in the first quarter of 2020, due to the advance payment of exports towards the end of 2019 after the election results, and by the rise in international commodity prices, mainly soybean average price, which in the January-March 2021 period was 55% higher than in 2020.

Primary spending components showed different variations during the first quarter. Social benefits, which account for 58% of primary spending, dropped 6% in real terms. The main reason for this variation is the application of the new Law No. 27609 governing variable-benefit pension plans, which granted an 8.1% increase in nominal terms, vis-à-vis a 13% rate of inflation in the same period. Salaries (12% of primary spending) follow, which also fell 6.4% in real terms.

On the contrary, economic subsidies (which account for 11% of primary spending) increased 26% in real terms year-on-year. This variation is basically attributable to the larger number of subsidies to the energy sector, which rose by 24% in real terms, and to the transportation subsidies, which increased by 19% in real terms. According to information relating to energy subsidies published by the Congressional Budget Office, financial assistance was granted to CAMMESA to cover the increases (38% in real terms year-on-year) in the costs of electric power generation within a context of rate freezes, in view of the delays in the budget allocation recorded in the first months of last year. The increase in the public transportation subsidies is due to both the rise in subsidies to the bus and railway passenger transportation. Lastly, capital expenditure, which showed the largest year-on-year growth rate (84% in real terms) in the first quarter of 2021, accounts for only 6%.

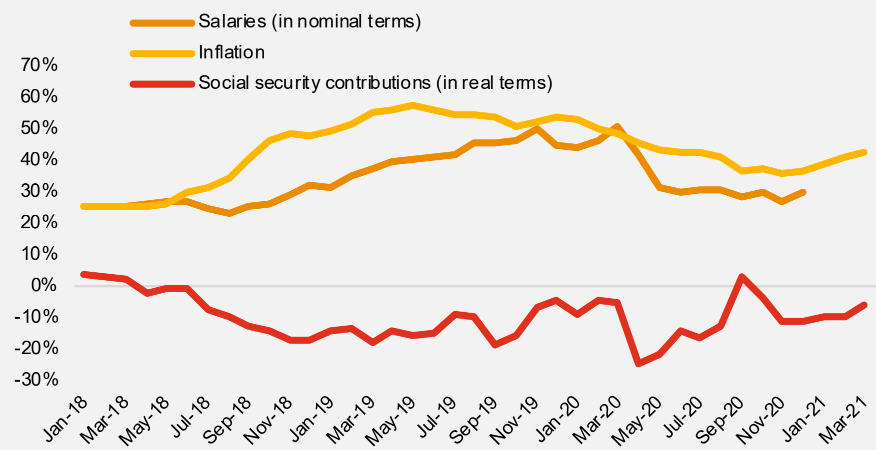
Now, as shown by public accounts for the first quarter of 2021, will revenue continue to grow more than expenditures to reach the budget target of a 4.5% primary deficit as compared to GDP?

Although commodity prices do not seem to change towards a downward trend and the wealth tax will contribute to improve revenues in the year-on-year comparison, it is difficult to think that the year-on-year variation rates will remain at the Q1 2021 levels.

The arrival of a second wave of COVID-19, which would appear to be more intense than the first based on the number of cases, has led the authorities to impose new restrictions on activities, especially in the Metropolitan Area of Buenos Aires (AMBA for its Spanish acronym).

GRAPHIC 3

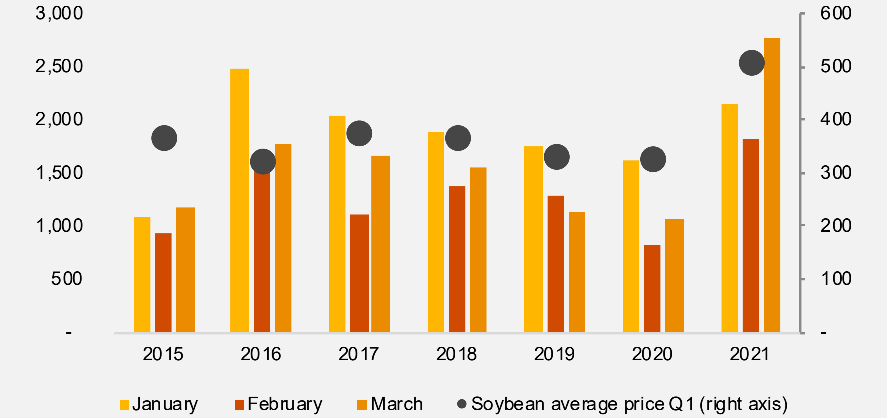
Year-on-year variation



Source: Prepared by the authors based on INDEC and AFIP official statistics.

GRAPHIC 4

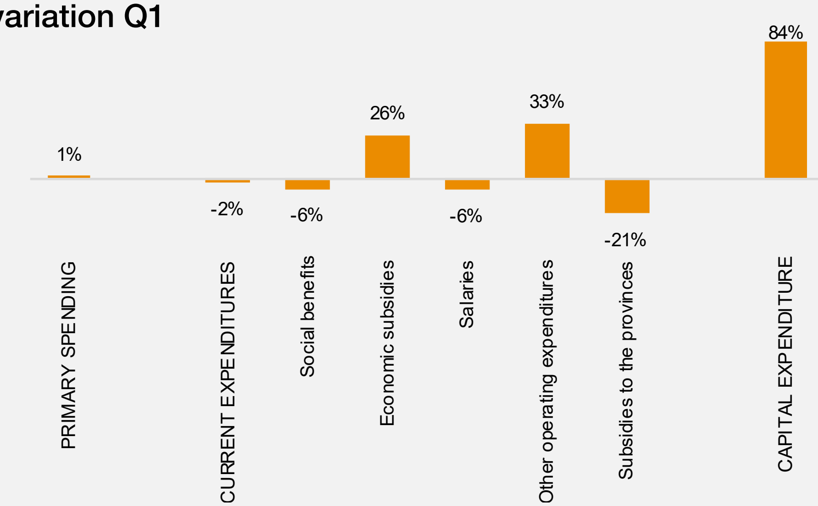
Trading of foreign currency - Oilseed and cereal crops sector, in millions of US dollars, and average soybean price in US dollars



Source: Prepared by the authors based on CIARA-CEC and Reuters statistics

GRAPHIC 5

Breakdown of government spending, real year-on-year variation Q1



Source: Prepared by the authors based on Ministry of Economy official statistics.

Although the restrictions imposed this year will seek to be more temporary and focused than those implemented in 2020, they will still have an impact on economic activity, which —despite the historically low levels recorded last year for a year-on-year comparison— is unlikely to display the recovery rates expected initially without taking a second wave into account. Tax revenue, which is tied to the level of activity, will also be adversely affected. Additionally, the decrease in tax revenue resulting from the modification of the income tax threshold for natural persons is unlikely to be offset by a higher level of consumption (in a scenario of greater sanitary restrictions). This will further increase the funding needs initially established by the Congressional Budget Office by $47.57 billion.

The Budget Law for the current year envisaged a reduction in government spending based largely on the absence of the need to distribute social benefits to face the pandemic. However, the worsening of the sanitary conditions will require government to address the needs of vulnerable sectors of the population, with the ensuing impact on public spending.

In this regard, it is worth noting that two administrative resolutions were passed during the first quarter of the year which increased the spending budget by $47.9 billion, and revenues by $2.13 billion, thus increasing the financial deficit initially estimated at $45.76 billion. The most significant increases corresponded to the acquisition of vaccines against COVID-19 and related logistics and distribution services ($29.2 billion), the Program for Productive Recovery II (REPRO II) ($22.2 billion), which comprises a fixed pay item to workers on account of salaries payable by employers registered under the Program, and the Legal Bonus under the framework of the Emergency Labor and Production Assistance Program (ATP for its Spanish acronym) ($10.5 billion) to defray payments pending from the year 2020.

Additionally, new spending increases were announced in the third week of April, comprising a booster payment of $15,000 to face the Sanitary Emergency in the AMBA to be made by the Social Security Administration (ANSES) to close to 1 million families whose circulation will be restricted under the framework of the health care measures imposed by the National Executive Branch; and the announcement of a bonus of $6,500 for health workers, which comprise close to 740,000 employees. No details have been given as to how these items will be funded; however, not many options are available.

Despite a significant year-on-year drop in funding from the Argentine Central Bank (BCRA) for the National Treasury during the January-March period (the BCRA has not transferred earnings to the public sector, whereas during the same period of 2020 it wired a total of $80 billion to that sector, and it has made temporary overdrafts for a total of $135 billion, compared with $232 billion in the previous year), few funding alternatives will be available until the debt with multilateral credit organisms has been solved. The latter would require the administration to bring some order to the main macroeconomic imbalances, if not an economic program per se, and keep the country risk premium at the current levels.

However, unlike 2020, it would seem that the Central Bank's ability to provide funding without causing serious consequences has changed. In the year 2020, when the state began to print money to fund the Treasury, the economy came from a lower level of monetization: at the end of 2019, the monetary base represented 8% of GDP, and by the end of 2020 it accounted for 9% of GDP. When Central Bank liquidity swaps and LELIQs are added to the monetary base, that percentage rises to 13% in 2019, and 19% in 2020.

The economy currently shows a high and growing inflation, with a 4.15% monthly average in the Q12021 (up from 2.15% last year), despite the rate freezes, regulated prices for certain food items, and a slowing of the monthly depreciation of the official exchange rate. In this context, sterilization measures to counteract the economic impact of restrictions on activity are once again generating an endogenous component of the money supply which, with growing inflation, requires higher interest rates, thus creating a vicious circle.

The temptation to slacken the growth rate of the nominal economic variables by fixing rates/prices and applying restrictions, without modifying the structural foundations, will only heighten tensions in the future, at the risk of these being triggered by a new negative shock from the implementation of stricter measures to contain a second wave of COVID-19.

Industry Roadmap

The future of electric cars

PwC Argentina Partner,
Automotive Industry Leader

The automotive industry is currently undergoing the greatest transformation in its 100-year-plus history. Customer demand and regulatory pressure mean the number of electric vehicles made, including hybrid models, is expected to increase by 466% by 2027, and cars will become increasingly autonomous and offer more connectivity.

The future of the industry is in electric cars. Some companies in Argentina are already considering the transition through hydrogen-based hybrid models; to move towards the future we must focus on the development and manufacture of local technology to position ourselves in the market.

The setback to car-sharing and ride-hailing services caused by COVID-19 will be temporary, and we expect shared vehicles to account for around one-third of the market in Europe by 2030 and a greater proportion in the US and China.

Profitability is being squeezed: investments in electric and autonomous cars need to be made, yet sales at the world's biggest carmakers fell by between 13% and 24% in 2020 as a result of the pandemic.

To keep pace with all these changes, automakers (OEMs) and their suppliers must invest to transform the way they make vehicles. Technology that enables OEMs to meet these demands has matured to the point that it is affordable, shifting the balance between the cost and the benefit of flexibility.

The report "At the end of the line: How automakers can embrace flexible production" by Strategy& / PwC analyzes the need for manufacturers to include greater flexibility in their production lines to meet, in the first place, the growing demand for a wide range of technologies and new, more customized models, and be able to launch them into market much faster. And, second, to overcome the recent problems in their supply chains, as a result, on the one hand, of trade tensions and, on the other hand, of the closing of economies caused by the pandemic.

There are two concepts in the study behind the so called "assembly lines of the future": modular assembly and flexible factory:

- Modular assembly: this simple idea is based on installing machinery and systems to carry out the full range of production and assembly tasks, rather than specialized production facilities, some of which require their own infrastructures. Systems that can also be quickly reconfigured to perform other tasks, if needed. This naturally requires versatile hardware, but mostly requires appropriate control technology, including software and communication technologies.
- Flexible production: A key element of flexible production is automated guided vehicles (AGVs). These are vehicles that move on its own through the assembly lines to move materials and carry out the most repetitive transfer activities. These AGVs, now equipped with a high degree of artificial intelligence (AI), allow for much more diverse and flexible production. Currently, operators on an assembly line may be waiting for their colleagues at the previous station to finish their work, or that tasks get stuck if they are carried out faster than average. When the flow of materials is organized by means of AGVs, each vehicle has its own route through the various stations of the assembly line.

The current trend towards more models and the mix of electric and conventional powertrains means machinery that can only be used for one distinct group of models is not being used to its maximum capacity, making it less economical. This new stage of industry transformation will be highly influenced by automation through organized systems that will allow for an increasingly flexible production.

Customs & FX

Promotion regime for investments destined to export: bittersweet news.

As we all know, the Argentinean economy requires more investment in order to grow. Under certain circumstances , a promotion regime may be a solution to stimulate or direct investment towards a given economic policy goal. However, this regime has a bittersweet taste: although in nature it is a promotion regime that offers interesting benefits, it also conveys a discouraging message.

Let's analyze the related Decree first. Through Emergency Decree No. 234 of April 6, 2021, the Argentine Executive sets up a new promotion regime that offers certain benefits to those companies making investments of at least 100 million dollars to increase the production capacity of a business unit, to the exclusion of other types of investments, such as financing, mergers or acquisition of shares.

Benefits are clear: investing companies may use 20% of their export proceeds (provided it does not exceed 25% of their investment) to pay foreign financial and/or business debts as well as profits and dividends and/or investment repatriations.

It is worth noting that the exchange regulations in force already provided for some similar benefits. Argentine Central Bank Communications "A" 6869 and 7123 already provided for the possibility of paying dividends for an amount of up to 30% of the new contributions made through the foreign exchange market and of applying the collection of exports to the payment of financial debts through the foreign exchange market aimed at increasing the production of exportable goods.

However, maybe in an attempt to raise confidence in the stability of exchange regulations and the long-lasting effectiveness of these benefits –which is essential for an investment to mature–, the promotion regime offers an additional advantage: according to section 11 of the Decree, those projects approved under the regime shall enjoy stability in terms of exchange regulations for a period of 15 years.

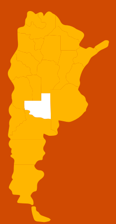
It is clear that the success of this regime will depend on the weight placed by potential investors to minimizing the dollar cost of their investment, thus increasing the expected return, by using alternative methods to access the foreign exchange market (e.g. through the purchase or swap of bonds and even through cryptocurrency) and resigning any type of benefit, or selling dollars at the official exchange rate to ensure the possibility of allocating a portion of their exports to the payment of foreign debts.

If we were to analyze the benefit of regulatory stability over a period of 15 years, we would realize that it is not very encouraging that what should be the normal, i.e. a reasonably foreseeable context making investment possible, is presented as a promotional benefit. Indeed, presenting the possibility of enjoying these benefits for a period of 15 years as good news does nothing but highlight their absence so far.

It would then seem that the Decree, which attempted to sweeten the pill by providing some benefits, ends up confronting us with a bitter reality. A reality which tells us that what should be the rule will be and, indeed, might be the exception for a long time.

Federal Landscape

Province: La Pampa



Province: La Pampa

Region: Pampas

The province of La Pampa borders with the provinces of Mendoza, San Luis, and Córdoba to the north, with the province of Buenos Aires to the east, with the province of Río. Its capital and most populated city is Santa Rosa. It is the third less populated and the second less densely populated province of Argentina. This province is highly specialized in agriculture, cattle farming and extraction of hydrocarbons. Its industrial activity, relatively less important, is mainly centralized in meat processing, manufacturing of dairy by-products, flour mills and the textile industry.

318,951
Population

2.2
Population Density (pob/km^2)

143,440
Area in km2

Employment and income indexes

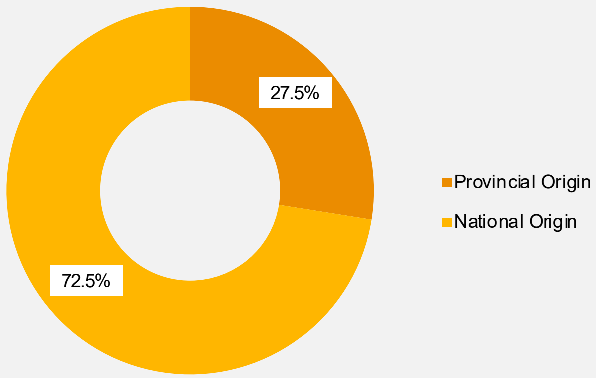
	Province	Region	Nation
Employment rate	40.5%	41.4%	40.1%
Unemployment	11.2%	11.1%	11%
Activity rate	45.6%	46.6%	45%
Employment* (in thousands)	36	4,399	5,848

*Registered private sector employees by province

Note 1 (rates): Ministery of Economics, https://www.minhacienda.gob.ar/datos/, 4nd quarter 2020.
Nota 2 (employment): Ministry of Labour, Employment and Social Security. Report of the registered work, January 2021.

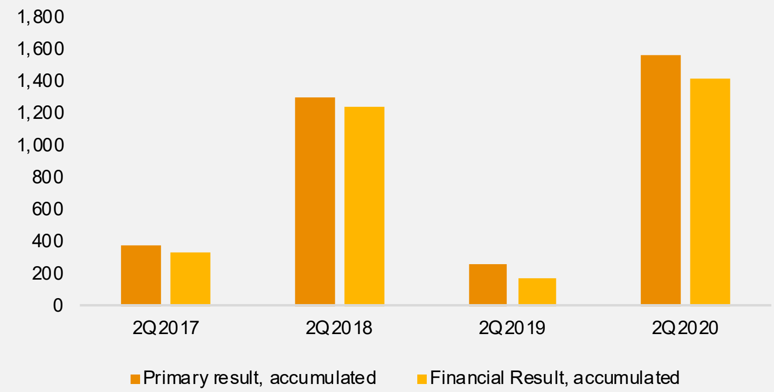
Fiscal indicators

Tax revenues by origin, 2Q 2020**



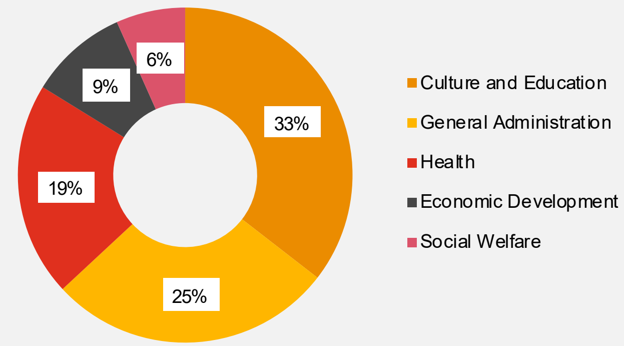
Source: National Directorate of Provincial Affairs, Ministry of Economy.
**latest available information

Fiscal Result, millions of pesos**



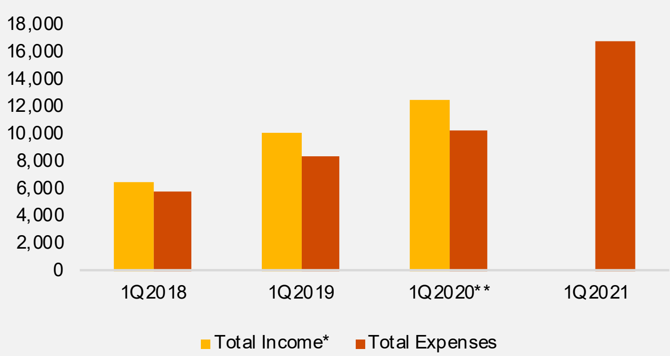
Source: National Directorate of Provincial Affairs, Ministry of Economy.
**latest available information

Composition of current expenses by purpose and function, accumulated first quarter 2021



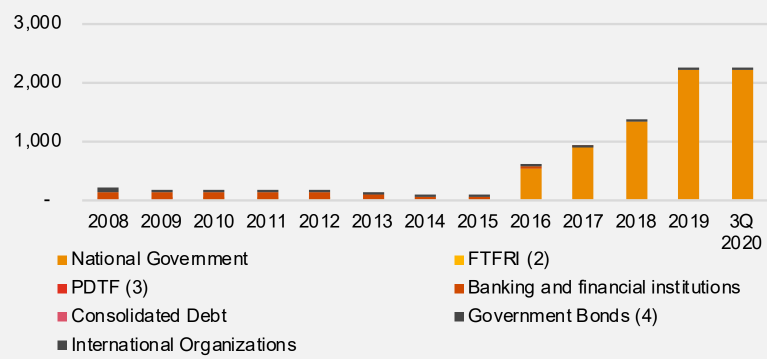
Source: General Accounting Office, Province of La Pampa.

Total income and expenses, millions of pesos



Source: General Accounting Office, Province of La Pampa.
*2020 is the latest available information
**Data calculated on the basis of available information.

Stock of provincial debt, in millions of pesos (1)



Source: General Directorate of Fiscal Relations, Fiscal Responsibility System, Ministry of Economy.

1) All data are preliminary and subject to revision. Floating Debt is not included.
2) Federal Trust Fund for Regional Infrastructure
3) Provincial Development Trust Fund
4) Securities expressed at Residual Value

In the second quarter of 2020, the Non-Financial Public Administration of the province of La Pampa recorded an aggregate primary profit amounting to ARS 1.5 billion, resulting from a total income of ARS 35.7 billion and primary expenses amounting to ARS 34.1 billion.

According to information from the Accountancy Office of the province of La Pampa, total expense increased 61.8% in Q1 2021 compared to ARS 10.3 billion incurred in the same period of 2020.

At September 30, 2020, total provincial public debt, excluding floating debt, amounted to ARS 2.2 billion.

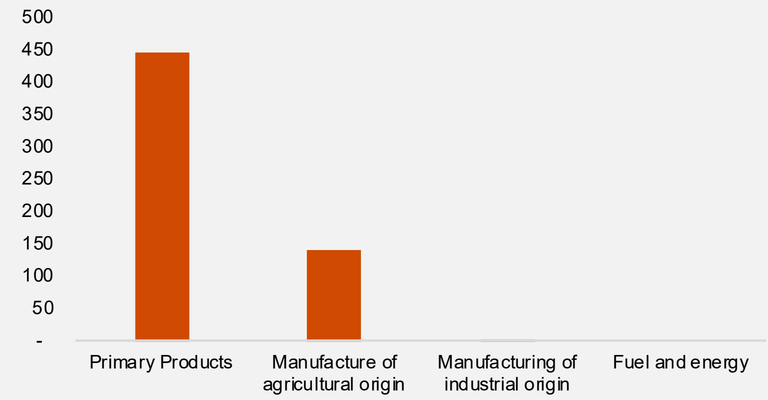
Exports

La Pampa	2020	2019
Ranking position	13	14
Value	592	556
Regional participation	1.4%	1.1%
National participation	1.1%	0.9%

Source: Prepared by PwC Argentina based on INDEC statistics.

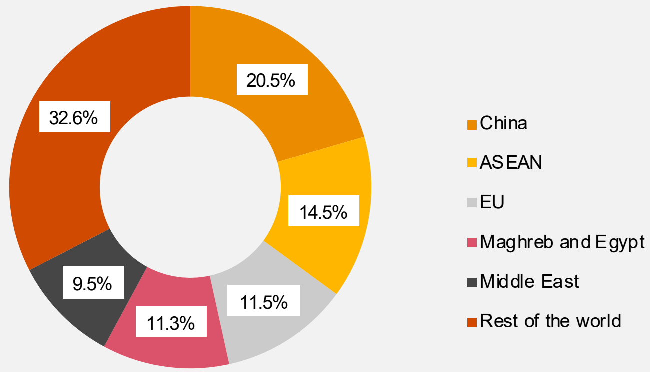
In 2020, provincial exports amounted to USD 592 million, a 6.5% rise compared to the previous year. The main exported products were cereals (mainly corn and, to a lesser extent, wheat and barley), representing 51.3% of total provincial exports, and meat and its preparations (mainly beef), representing 21.6% of total provincial exports, compared to the 20% of the previous year. Seeds and oilseeds were also relevant, representing 20.8% of total provincial exports, which amounted to USD 123 million. Export destinations were diverse, topped by China (20.5%), followed by the ASEAN, the European Union, Maghreb and Egypt, Middle East, Mercosur states and rest of the world.

Main exports



Source: Prepared by PwC Argentina based on INDEC statistics.

Main destinations



Source: Prepared by PwC Argentina based on INDEC statistics.

	Amount	Year-on-year variation	Province vs Nation
Cement Consumption (Mar-2021)			
• Bag	4,590	93.0%	595,108 / 4,590
• Bulk	1,495	255.1%	379,239 / 1,495
Car Patenting (Mar-2021), quantity			
• Automobiles	497	105.4%	36,591 / 497
• Motor vehicles	346	104.7%	34,018 / 346
Supermarket Sales (Feb-2021), million pesos	934	-16.2%*	92,966 / 934
Tourism (Feb-2021), in units			
• Occupied rooms or units	6,015	-50.0%	1,199,725 / 6,015
• Occupied vacancies	13,620	-47.8%	2,828,328 / 13,620
• Travelers	6,336	-66.5%	987,381 / 6,336
• Average length of stay of tourists (in days)	2.1	55.9%	2.9 / 2.1

**Real change, IPC General Level Base Dec-2016 = 100 - Monthly index of Pampas region

Nation La Pampa

Province activity

The agribusiness sector is mainly developed in the northeast area of the province of La Pampa, given the rainfall regime and soil quality. Cereals, oilseeds and fodder crops are grown. The most important crops include wheat, corn and sunflower. Livestock is the sector that contributes the most to the economy of La Pampa and is developed in almost the whole province. It is mainly based on the breeding and fattening of cattle and, to a lesser extent, of sheep, goats, horses and pigs. In recent years, beekeeping has made significant progress due to the growth of the industry and of the Industrial Union of La Pampa Center Region (UNILPA), in particular in Guatraché, General Pico and Santa Rosa. The industrial activity is based on food and beverages, textiles, leather tanning, wood, chemical substances, rubber, plastic, auto parts, furniture, machinery and equipment, among others.

Regarding mining, given its salt fields, the province of La Pampa is one of the first manufacturers of sodium chloride.

Additionally, the southwest region of the province is devoted to the exploration of hydrocarbons such as oil, which represents 3% of the total oil extracted in the country, and gas, representing less than 1% of national production.

Note cement
Source: Portland Cement Manufacturers Association, https://www.afcp.org.ar/copia-de-despacho-total-de-cemento-.

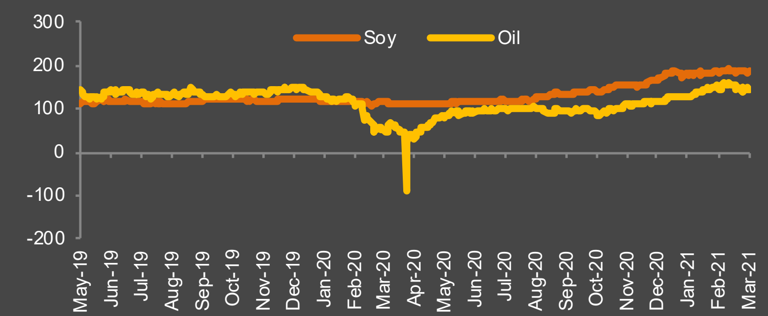
Note Car Patenting
Source: SIOMAA, http://www.siomaa.com/InformeSector/Reportes.

Note Supermarket Sales
Source: INDEC, National Directorate of Statistics and Prices of Production and Trade.

Note Tourism
Source: INDEC, National Direction of Statistics and Prices of Production and Commerce.

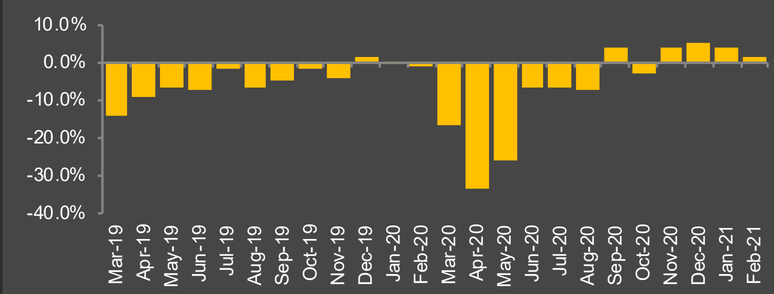
Macro Monitors

Price of Soy and Oil, index 2004=100



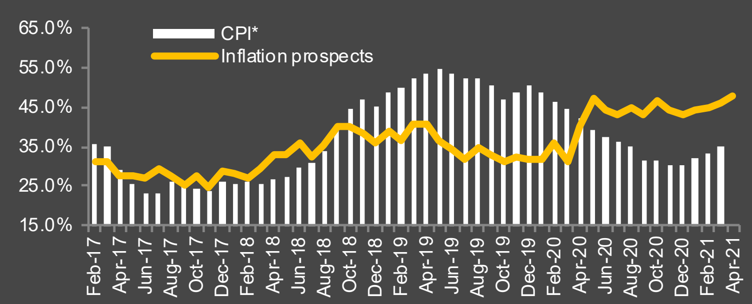
Source: Own calculations based on CBOT and WTI NYMEX

Monthly Industrial Estimator



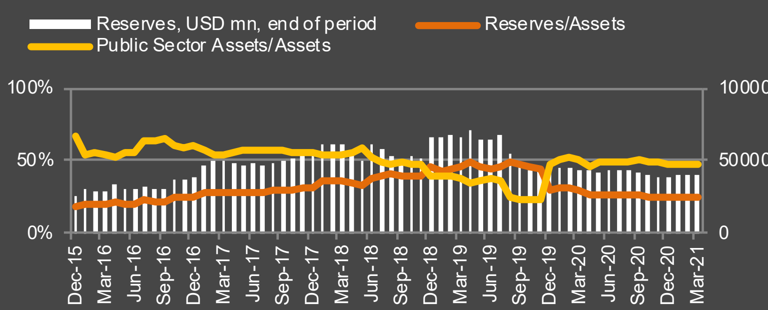
Source: Own calculations based on INDEC

Inflation



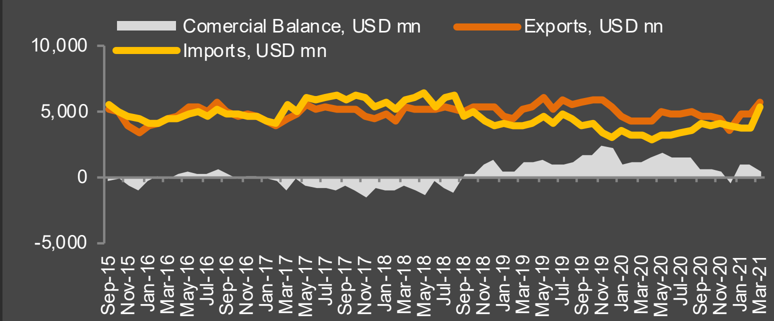
Source: Own calculations based on CPI of City of Buenos Aires and UTDT

Reserves and Central Bank Assets



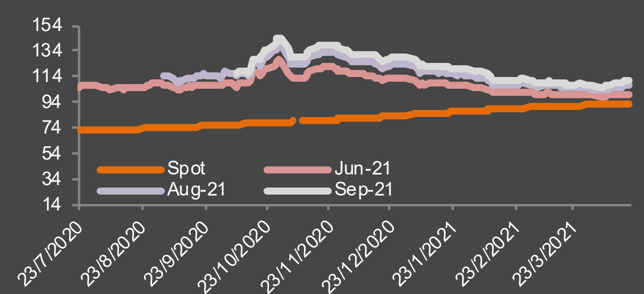
Source: Own calculations based on Central Bank of Argentina

Foreign Trade



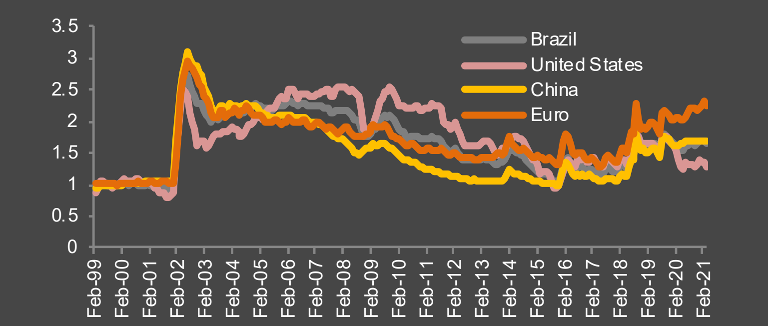
Source: Own calculations based on INDEC

Exchange rate: Spot and Futures



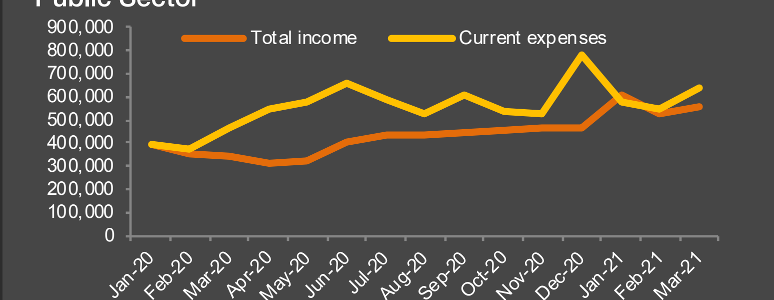
Source: Own calculations based on Rofex

Real exchange rate index: Dec-99=1



Source: Own calculations based on the Central Bank of Argentina

Income and Expenses of the National Non-Financial Public Sector



Source: Own calculations based on Secretary of Finance

Table of indicators

* Quarterly figure. The year corresponds to Q4
** includes intrasector public interest
*** data 2012/13/14 corresponds to the daily weighted average of December
**** One moth Future contracts, period average
p: provisional

Source: INDEC, Secretary of Finance, Ministry of Economy, BCRA, AFIP, Ministry of Treasury and Finance of the City of Buenos Aires, CIARA, CBOT, NYMEX

Activity and Prices	**2018**	**2019**	**2020**	**Dec-20**	**Jan-21**	**Feb-21**	**Mar-21**
Real GDP, var % y/y	-2.6%	-2.2%	-9.9%	-4.3%	-	-	nd
CPI Federal Capital, var % y/y	45.5%	50.6%	30.5%	30.5%	32.3%	33.6%	35.0%
CPI San Luis, var % y/y	50.0%	57.6%	41.8%	41.8%	44.5%	45.9%	47.4%
Industrial Production, var % y/y	-14.8%	1.4%	5.1%	5.1%	4.2%	1.6%	nd
International Reserves (end period, USD mn)	65,786	44,848	39,410	39,410	39,515	39,518	39,593
Import Cover (month of reserves)	12.06	10.96	11.17	10.08	10.28	10.64	10.66
Implicit exchange rate (M0 / Reserves)	21.42	42.26	62.68	62.68	62.79	60.96	61.43
$/USD, end period	37.81	59.90	84.15	84.15	87.30	89.83	91.985

External Sector	**2018**	**2019**	**2020**	**Dec-20**	**Jan-21**	**Feb-21**	**Mar-21**
Exports, USD mn	61,781	65,116	54,884	3,544	4,912	4,775	4,775
Imports, USD mn	65,482	49,124	42,354	3,908	3,844	3,713	3,713
Comercial Balance, USD mn	-3,701	15,992	12,530	-364	1,068	1,062	1,062
Currency liquidation by grain exporters, USD mn	20,202	23,720	20,274	1,691	2,140	1,810	2,774

Laboral*	**2018**	**2019**	**2020**	**Dec-20**	**Jan-21**	**Feb-21**	**Mar-21**
Unemployment, country (%)	9.1	8.9	11.0	11.0	-	-	nd
Unemployment, Greater Buenos Aires (%)	10.5	10.0	12.6	12.6	-	-	nd
Activity rate(%)	46.5	47.2	45.0	45.0	-	-	nd

Fiscal**	**2018**	**2019**	**2020**	**Dec-20**	**Jan-21**	**Feb-21**	**Mar-21**
Income, $mn	3,382,644	5,023,566	6,635,239	679,641	772,860	716,595	763,858
VAT, $mn	1,104,580	1,532,597	1,905,385	203,985	232,832	212,043	247,490
Income tax, $mn	742,052	1,096,521	1,467,303	166,887	149,585	146,917	140,840
Social Security System, $mn	878,379	1,175,793	1,485,127	132,843	188,265	155,890	160,700
Export Tax, $mn	114,160	398,312	387,643	28,338	79,423	64,434	71,243
Primary expenses, $mn	2,729,251	3,795,834	6,311,785	731,257	548,030	509,791	594,803
Primary result, $mn	-338,987	-95,122	-1,749,957	-307,628	24,074	-18,757	-74,466
Primary result, $mn	513,872	914,760	671,928	12,141	46,376	47,271	48,987
Fiscal results, $mn	-727,927	-819,407	-2,292,830	-318,909	-3,030	-64,316	-117,061

Financial - Interest rate***	**2018**	**2019**	**2020**	**Dec-20**	**Jan-21**	**Feb-21**	**Mar-21**
Badlar - Privates (%)	48.57	41.75	34.21	34.21	34.15	34.06	34.04
Term deposits $ (30-59d Private banks) (%)	46.22	40.80	34.75	34.75	34.75	34.66	34.60
Mortgages (%)	47.70	47.51	32.29	32.29	29.23	30.26	28.72
Pledge (%)	24.88	30.54	32.29	32.29	27.72	28.50	28.16
Credit Cards (%)	61.11	76.28	41.93	41.93	42.36	42.78	42.33

Commodities****	**2018**	**2019**	**2020**	**Dec-20**	**Jan-21**	**Feb-21**	**Mar-21**
Soy (USD/Tn)	342.3	326.9	350.1	443.6	504.3	507.8	519.9
Corn (USD/Tn)	145.0	150.9	143.0	171.4	202.9	216.5	217.8
Wheat (USD/Tn)	182.1	181.5	201.9	220.5	240.7	239.5	233.7
Oil (USD/Barrel)	64.9	57.0	39.3	47.1	52.1	59.1	62.4

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Macroeconomic analysis	Sectorial/Quantitative	Litigation	Regulatory
Monthly/quarterly report	Follow up and projection by sector	Support of experts' reports relating to economic matters	Tax benefits
Conferences	Quantification of demand	Dumping	Benefit/price structure
Projections and data	Applied econometrics	Antitrust	Quantification of impacts
	Revenue forecast		
	Surveys		

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