

Financial Program

3 September 2018



Ministerio de Hacienda
Presidencia de la Nación

Financial Program 2018 (as per agreement with the IMF in June 2018)

USD bn	Sep-Dec 18
Uses (excl. Letes)	17.0
Primary deficit	6.2
Interest (private sector, IFIs, financial public sector)	5.5
Principal payments (private sector)	4.6
International bonds	0.0
Domestic bonds	0.8
Repo	3.7
Principal payments IFIs	0.8
<i>IDB + World Bank + CAF</i>	<i>0.7</i>
<i>Other</i>	<i>0.1</i>
<i>Paris Club</i>	<i>0.0</i>
Letes (private sector)	9.8
Letes in USD	6.8
Letes in ARS	3.0

	Sep-Dec 18
Sources (excl. Letes)	20.9
Initial cash balance	7.8
IMF	5.8
Private sector financing	5.0
International markets	0.0
<i>Refinancing</i>	<i>0.0</i>
Domestic market	1.2
<i>Refinancing</i>	<i>0.8</i>
<i>New bond issuances</i>	<i>0.4</i>
Repo	3.7
Financing IFIs (excl. IMF)	2.3
<i>IDB + World Bank + CAF</i>	<i>2.2</i>
<i>Other</i>	<i>0.1</i>
<i>Paris Club</i>	<i>0.0</i>
Letes (private sector)	5.9
Letes in USD (60% refinancing*)	4.1
Letes in ARS (60% refinancing*)	1.8

* Sources (USD 20.9 bn) are higher than needs (USD 17.0 bn). The difference between the two amounts to USD 3.9 bn, which equals 40% of Letes payments. Source: Ministry of the Treasury. Assumptions: FX rate: ARS/USD 38; disbursement of relevant funds at each tranche set in the Stand By Agreement signed with the IMF in June 2018.

Financial Program 2019 (as per agreement with the IMF in June 2018)

USD bn	2019
Uses (excl. Letes)	28.3
Primary deficit	0.0
Interest (private sector, IFIs, financial public sector)	15.2
Principal payments (private sector)	9.5
International bonds	2.8
<i>Global '19</i>	2.8
Domestic bonds	3.9
<i>Bonar '24</i>	1.2
<i>ARGDUO '19</i>	1.5
<i>ARGCER '19</i>	0.8
<i>ARGBON '19 Badlar+250</i>	0.2
<i>Other</i>	0.2
Repo	2.9
IFIs principal payments	3.6
<i>IDB + World Bank + CAF</i>	1.7
<i>Other</i>	0.2
<i>Paris Club</i>	1.7
Letes (private sector)	11.1
Letes in USD (including Letes refinanced in 2018)	9.1
Letes in ARS (including Letes refinanced in 2018)	2.1

	2019
Sources (excl. Letes)	28.3
Initial cash balance	0.0
IMF	11.7
Private sector financing	12.0
International markets	2.8
<i>Refinancing</i>	2.8
Domestic market	6.4
<i>Refinancing</i>	3.9
<i>New bond issuances</i>	2.5
Repo	2.9
IFIs Financing (excl. IMF)	4.6
<i>IDB + World Bank + CAF</i>	4.4
<i>Other</i>	0.2
<i>Paris Club</i>	0.0
Letes (private sector)	11.1
Letes in USD (100% refinancing)	9.1
Letes in ARS (100% refinancing)	2.1

Financial Program 2019 by Currency (as per agreement with IMF in June 2018)

USD bn	In ARS	In USD	Total
Sources (excl. Letes)	8.3	20.0	28.3
Primary deficit	0.0	0.0	0.0
Interest (priv. sector, IFIs, fin. PS)	5.6	9.6	15.2
Principal payments (private)	2.7	6.9	9.5
International bonds	0.0	2.8	2.8
<i>Global '19</i>		2.8	2.8
Domestic bonds	2.7	1.2	3.9
<i>Bonar '24</i>		1.2	1.2
<i>ARGDUO '19</i>	1.5		1.5
<i>ARGCER '19</i>	0.8		0.8
<i>ARGBON '19 Badlar+250</i>	0.2		0.2
<i>Other</i>	0.2		0.2
Repo		2.9	2.9
IFIs principal payments	0.0	3.6	3.6
<i>IDB + World Bank + CAF</i>		1.7	1.7
<i>Other</i>		0.2	0.2
<i>Paris Club</i>		1.7	1.7
Letes (private sector)	2.1	9.1	11.1
Letes in USD		9.1	9.1
Letes in ARS	2.1		2.1

	In ARS	In USD	Total
Sources (excl. Letes)	5.2	23.2	28.3
Initial cash balance	0.0	0.0	0.0
IMF		11.7	11.7
Private sector financing	5.2	6.9	12.0
International markets	0.0	2.8	2.8
<i>Refinancing</i>	0.0	2.8	2.8
Domestic market	5.2	1.2	6.4
<i>Refinancing</i>	2.7	1.2	3.9
<i>New bond issuances</i>	2.5		2.5
Repo		2.9	2.9
IFIs financing (excl. IMF)	0.0	4.6	4.6
<i>IDB + World Bank + CAF</i>		4.4	4.4
<i>Other</i>		0.2	0.2
<i>Paris Club</i>			
Letes (private sector)	2.1	9.1	11.1
Letes in USD		9.1	9.1
Letes in ARS	2.1		2.1

Principal payments by bondholder type

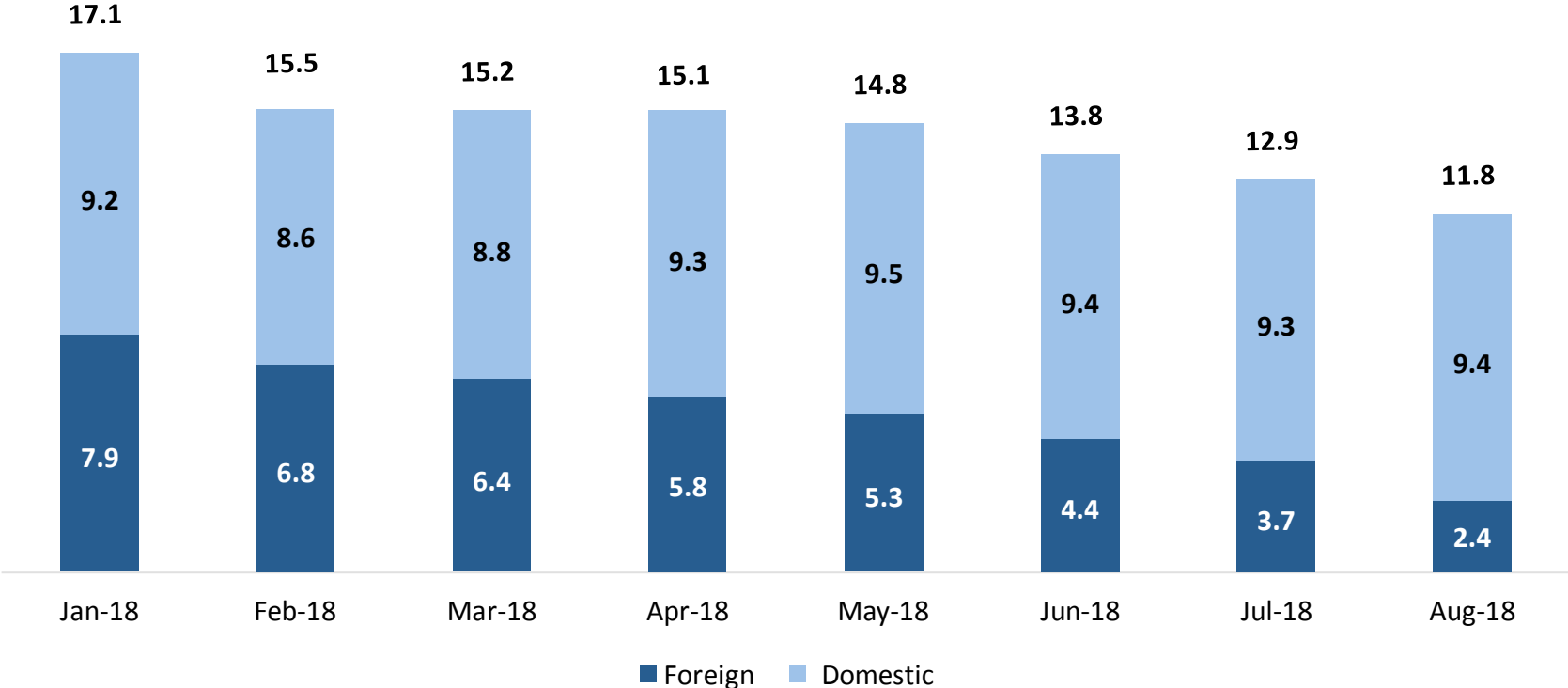
USD bn	Public Sector	Private Sector	Total
Sep – Dec 2018			
Bonds in foreign currency	3.1	0.3	3.4
BONAR/USD/9%/2018/11-29-2018	3.1	0.3	3.4
Bonds in ARS	0.2	0.5	0.7
BONTE/\$/21,20%/09-19-2018	0.2	0.5	0.7
2019			
Bonds in foreign currency	2.0	4.0	5.9
BIRAD/USD/6.25%/04-22-2019 (Global '19)	0.0	2.8	2.8
BONAR/USD/8.75%/2024	0.1	1.2	1.3
BONAR/USD/9%/2019/03-15-2019	1.9	0.0	1.9
Bonds in ARS	4.7	2.7	7.4
BONAR DUAL/DLK/4.5%/06-21-2019	0.5	1.5	2.0
BONAR/ARS/1.7056%/CER+3.75%/2-19	1.3	0.8	2.0
BONAR/ARS/BADLAR+250bps/03-11-19	0.9	0.2	1.0
BONCER/ARS/4.25%+CER/04-15-2019	0.7	0.0	0.7
BONCER/ARS/4.25%+CER/01-15-2019	1.0	0.0	1.0
BONAR/ARS/BADLAR+300bps/06-10-19	0.4	0.0	0.4
OTHER	0.0	0.2	0.2

Note: The main differences between principal payments included in this presentation and those of the IMF Staff Report (dated 6-18-2018) can be explained by maturities in pesos of “Adelantos Transitorios” (USD 19.3 bn) and a Letes Program in USD with privates with maturities of USD 20.5 bn.

Letes Program

The stock of Letes held by private investors fell by USD 5.3 billion during 2018. The stock of Letes held by domestic investors remained stable. Foreign investors held almost half of the total stock of Letes outstanding in January 2018, while they held 20% of the Letes by August 2018.

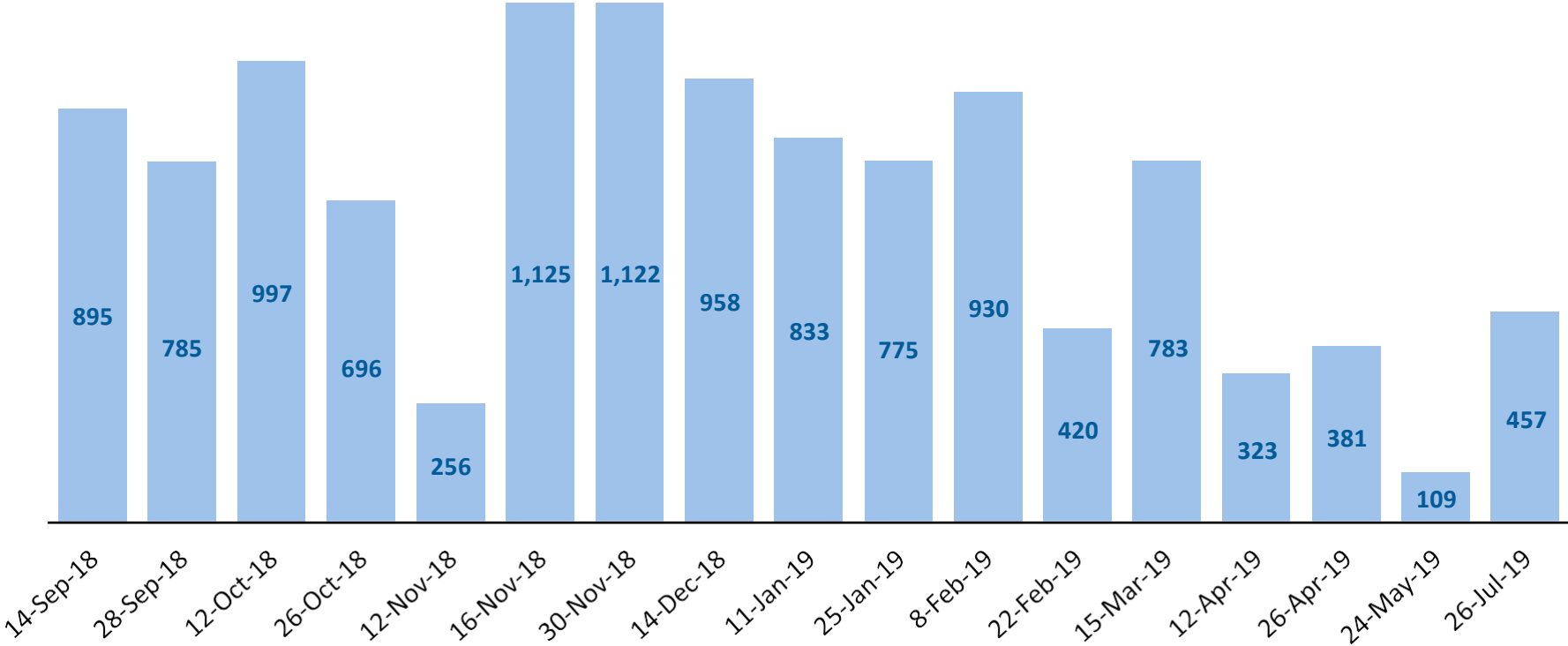
Letes stock in USD held by private investors (USD bn)



Letes Program

The maturity profile of the Letes held by the private sector shows there is an even distribution of payments coming due in the next 12 months.

Letes payments in USD to private investors
(USD millions)





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