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AGENDA

SM/80/185
Correction 2

CONTAINS CONFIDENTIAL
INFORMATION

September 9, 1980

To: Members of the Executive Board
From: The Secretary
Subject: Argentina - Recent Economic Developments

Page vi of SM/80/185 (7/25/80) has been revised. A corrected page is attached.

Att: (1)

Other Distribution:
Department Heads

APPENDIX II

<u>Treasury finances</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>
	(billions of Argentine pesos)		
Revenues	1,271.6	3,330.6	9,478.5
Expenditures	1,911.7	4,450.5	11,852.4
Overall deficit (-)	-640.1	-1,119.9	-2,373.9
External financing (net)	7.9	447.8	332.5
Internal financing (net)	632.2	672.1	2,041.4
<u>Balance of payments</u>		(millions of SDRs)	
Merchandise exports, f.o.b.	4,841	5,112	6,046
Merchandise imports, c.i.f.	-3,565	-3,062	-5,170
Investment income (net)	-496	-544	-689
Other services and transfers (net)	325	-41	-544
Balance on current and transfer accounts	1,105	1,465	-357
Official capital (net)	-20	419	406
Financial sector (net)	312	448	1,732
Private capital (net) ^{2/}	500	260	1,657
Change in official net reserves (increase -)	-1,897	-2,592	-3,438
<u>International reserve position</u>	<u>August 31</u> <u>1979</u>	<u>Dec. 31</u> <u>1979</u>	<u>August 31</u> <u>1980</u>
	(millions of SDRs)		
Central Bank (gross)	6,485.2	7,342.0	7,375.1
Central Bank (net)	6,417.7	7,276.4	7,231.4
Central Bank and Treasury (net)	6,204.9	7,095.7	7,122.6
<u>IMF data (as of August 31, 1980)</u>			
Article VIII status			
Intervention currency and rate	U.S. dollar at \$a 1,821.5 per US\$		
Quota		SDR 535 million	
Cumulative purchases		SDR 1,295.1 million	
Regular purchases		SDR 935.0 million	
Compensatory financing facility purchases		SDR 284.0 million	
Oil facility purchases		SDR 76.1 million	
Cumulative repurchases		SDR 1,142.0 million	
Cumulative currency sales		SDR 260.7 million	
Cumulative use of Argentine pesos in repurchases		SDR 26.4 million	
Fund holdings of Argentine pesos under tranche policy		62.6 per cent of quota	
Total Fund holdings of Argentine pesos		62.6 per cent of quota	
Special Drawing Rights Department			
Cumulative SDR allocation		SDR 263.8 million	
Net acquisition or utilization (-) of SDRs		SDR 58.4 million	
Holdings of SDRs		122.1 per cent of allocation	
Share of profits from gold sales		US\$69.88 million	

^{1/} In relation to the stock of money and quasi-money at the beginning of the period. Excludes contra-entry of SDR allocations.

^{2/} Includes valuation adjustments and errors and omissions.

Argentina--Basic Data

<u>Area and population</u>			
Area (continental)	2,792,000 sq. kilometers		
Population (mid-1979)	26.8 million		
Annual rate of population increase (1975-79)	1.4 per cent		
<u>GNP per capita (1979 est.)</u>	SDR 3,126		
<u>Origin of GDP (1979)</u>	(per cent)		
Agriculture	12.2		
Manufacturing	35.3		
Construction	5.7		
Transport and communications	7.1		
Commerce	17.3		
Other	22.4		
<u>Ratios to GDP (1979)</u>			
Exports of goods and services	9.4		
Imports of goods and services	9.9		
Central government revenues	6.6		
Central government expenditures	8.2		
External public debt (end of year)	9.1		
Saving	29.4		
Investment	29.9		
Money and quasi-money (end of year)	36.0		
<u>Annual changes in selected economic indicators</u>	<u>1977</u>	<u>1978</u> (per cent)	<u>1979</u>
Real GDP per capita	3.8	-5.3	7.0
Real GDP	4.9	-3.4	8.5
GDP at current prices	159.1	147.8	175.0
Domestic expenditures (at current prices)	154.9	147.3	184.7
Investment	171.3	125.2	186.6
Consumption	147.6	158.0	183.8
GDP deflator	146.9	156.6	153.5
Wholesale prices (annual averages)	149.4	144.9	149.3
Cost of living (annual averages)	173.6	175.5	159.5
Central government revenues	228.9	161.9	184.6
Central government expenditures	100.6	132.8	166.3
Money and quasi-money	253.5	188.5	187.8
Money	123.4	169.2	140.9
Quasi-money	405.2	198.5	209.7
Net domestic bank assets <u>1/</u>	241.0	188.6	211.2
Credit to public sector (net)	22.9	13.9	16.1
Credit to private sector	209.0	144.8	166.5
Merchandise exports (f.o.b., in U.S. dollars)	44.3	13.2	22.1
Merchandise imports (c.i.f., in U.S. dollars)	37.2	-7.9	74.2