

EBS/84/252  
Supplement 1

CONFIDENTIAL

December 27, 1984

To: Members of the Executive Board

From: The Secretary

Subject: Argentina - Use of Fund Resources -  
Compensatory Financing Facility

Attached is a request from Argentina for a purchase equivalent to SDR 275.0 million referred to in EBS/84/252 which contains the staff's analysis and recommendation. This subject is scheduled for consideration on Friday, December 28, 1984.

Att: (1)

FM BANCO CENTRAL DE LA REP. ARGENTINA  
BS AIRES  
TO INTERNATIONAL MONETARY FUND WASHINGTON

DECEMBER 26, 1984

ATTN: TREASURER'S DEPARTMENT

CNO. 24

.C.: EXECUTIVE DIRECTOR - FERNANDO L. NEBBIA  
C.C: WESTERN HEMISPHERE DEPT.

RE: GRA (CFF) NO. 20

1. AS FISCAL AGENCY FOR THE GOVERNMENT OF ARGENTINA, WE DESIRE TO PURCHASE FROM THE INTERNATIONAL MONETARY FUND SDR 275,000,000 IN ACCORDANCE WITH TERMS OF ARTICLE V, SECTIONS 3 AND 4 AND EXECUTIVE BOARD DECISION NO. 6224-(79/135), ADOPTED AUGUST 2, 1979, AS AMENDED. IN THIS CONNECTION WE STATE THAT WE WILL COOPERATE WITH THE INTERNATIONAL MONETARY FUND IN AN EFFORT TO FIND APPROPRIATE SOLUTIONS FOR THE BALANCE OF PAYMENTS DIFFICULTIES.

2. WE DO HEREBY REPRESENT THAT THIS PURCHASE IS NEEDED IN ACCORDANCE WITH THE PROVISIONS OF FUND AGREEMENT.

3. PLEASE CREDIT ARGENTINA'S SDR ACCOUNT WITH SDR 275,000,000 ON VALUE DATE OF PURCHASE.

4. THE EQUIVALENT OF DESIRED PURCHASE NAMELY PESOS ARGENTINOS 10,805,925,576.64 WILL BE CREDITED TO FUND'S NO. 1 ACCOUNT WITH OURSELVES, ON THE VALUE DATE OF PURCHASE.

5. WE STATE THAT REPURCHASE IN RESPECT OF THIS PURCHASE SHALL BE MADE IN ACCORDANCE WITH ARTICLE V, SECTION 7 AND THE FUND'S POLICIES AND PRACTICES AT THE TIME OF REPURCHASE.

6. REGARDING SERVICE CHARGE, PLEASE DEBIT ARGENTINA'S SDR ACCOUNT WITH SDR 1,375,000 ON VALUE DATE OF PURCHASE.

7. PLEASE ARRANGE TO CREDIT OUR ACCOUNT WITH FEDERAL RESERVE BANK OF NEW YORK, NEW YORK WITH U.S. DOLLARS EQUIVALENT TO SDR 274,000,000 ON VALUE DATE OF PURCHASE.

8. WE STATE THAT ANY USE OF SDRS AT THIS TIME UNDER ARTICLE XIX, SECTION 2(A) IS IN ACCORDANCE WITH SECTION 3(A) OF THIS ARTICLE.

9. HOWEVER, WE AUTHORIZE YOU TO ARRANGE ON OUR BEHALF FOR ALL OR PART OF THIS AMOUNT TO BE SOLD TO PARTICIPANTS OR PRESCRIBED HOLDERS THAT AGREE TO ACQUIRE THEM UNDER ARTICLE XIX, SECTION 2(B).

DR. ENRIQUE GARCIA VAZQUEZ  
PRESIDENT

Received in Cable Room December 26, 1984.