

## ARGENTINA

### 1. General trends

Having expanded by as much as 8.9% in 2011, the Argentine economy lost steam in 2012, and growth stood at 1.9%, below the regional average. The weak performance of the economy in Brazil (which affected Argentine exports of manufactures) coupled with a serious drought in the Pampas (which slashed agricultural production) contributed to this lacklustre result. Tensions arising from developments in the foreign exchange market disrupted the normal supply of some inputs needed for production and influenced decisions on investments, which contracted by 4.9%. Buoyant public and private consumption (up by 6.5% and 4.4%, respectively) was once again the main driver of demand. Average unemployment remained relatively stable in 2012, at around 7.2%, the same level as in 2011. In the first quarter of 2013 it rose to 7.9% (up from 7.1% in the same quarter of 2012).

Growth is expected to come in at 3.5% for 2013 thanks to the government's expansionary fiscal policy, the boost to consumption from higher social security benefits and family allowances as well as new wage agreements, stronger agricultural output and a rally in economic activity in Brazil. In the first quarter of 2013, GDP grew 3.0% year-on-year and 1.5% in the seasonally adjusted series compared with the previous quarter.

In 2012, inflation in Argentina exceeded the regional average and trended up as the year progressed. In February 2013, the national government established a price agreement with the aim of curbing upward pressures, especially for food and beverages, which originally included a 60-day freeze on the price of 10,000 items sold in major supermarket chains. This period was then extended for a further 60-day period to the end of May. In June, the number of items covered by this freeze was reduced to 500, with price and supply controlled by the national government. In 2013, inflation is expected to remain at much the same level as in 2012 or even to ease slightly.

In 2012, the government maintained an expansionary fiscal policy, with the increase in annual primary expenditure (29%) exceeding that of total revenue (26.6%). The overall deficit of the national public sector for the 2012 budget year therefore widened to 2.6% of GDP (from 1.7% of GDP in 2011), while the primary balance contracted from 0.3% of GDP to 0.2% of GDP during the same period. The government once again opted to fund this deficit by drawing on resources from the public sector itself, basically from the Central Bank of Argentina (BCRA), the National Social Security Administration (ANSES) and the Bank of the Argentine Nation (BNA). In the first quarter of 2013, primary expenditure was up by 28% over the figure for the first quarter of 2012. This expansion is similar to that recorded in 2012, so no substantial change in the fiscal balance or in funding strategy is expected for 2013.

### 2. Economic policy

Since late 2011 the dual-currency nature of Argentina's economy, coupled with short- and medium-term economic trends, has been the source of balance-of-payments tensions.

The first factor to be borne in mind is the worsening trade balance, with the fuel and power trade balance moving from a surplus of close to US\$ 6 billion in 2006 to a deficit of US\$ 3 billion in 2011. External asset formation (capital flight) accelerated in 2011 to stand at US\$ 21.504 billion, or

the equivalent of 4.8% of GDP. With access to international credit markets virtually cut off, the government had to draw on its reserves in order to service its external public debt. These two factors combined to shrink international reserves from US\$ 52.145 billion at the end of 2010 to US\$ 46.376 billion at the end of 2011.

Between late 2011 and throughout 2012, the government adopted measures on three general fronts to contain the erosion in international reserves: (a) the introduction of foreign-exchange regulations, including restrictions on hoarding of foreign currency and on repatriation of profits by foreign firms; (b) the management of goods imports; and (c) the renationalization of a majority holding the oil company Repsol YPF.

Initially, the new foreign exchange market regulations succeeded in reversing the slump in reserves while encouraging the search for alternative ways of satisfying the demand for foreign exchange. This gave rise to a parallel (black) foreign-exchange market; the growing gap between the parallel rate and the official exchange rate has had an impact on some investment decisions.

During the fourth quarter of 2012, the monetary authorities stepped up the pace of nominal exchange-rate depreciation and allowed interest rates to rise slightly. This did not stem the decline in reserves, owing, among other reasons, to external public-sector debt service payments, the withdrawal of foreign currency deposits in the financial system and a shrinking trade surplus. By mid-May 2013, international reserves stood at US\$ 38.8 billion. It was against this backdrop that, also in May, legislation allowing and regulating voluntary disclosure of foreign-currency holdings (both in Argentina and offshore) was adopted to allow unreported foreign exchange to flow into the formal economy. For this purpose, new dollar-denominated financial instruments were created to boost investment in strategic sectors such as infrastructure and energy (Argentine Savings Bonds for Economic Development) and construction and real estate (Certificate of Deposit for Investment, or CEDIN).

Another important economic policy decision was enactment of the Central Bank charter reform in March 2012. This measure expanded the monetary authority's mandate to include implementation of policies for regulating and channelling lending policies; it also raised the ceiling on transfers of funding to the national treasury.

#### **(a) Fiscal policy**

Primary public spending rose by 29% in 2012, driven basically by social security benefits and wages. Social security benefits soared by 39.1% following salary adjustments and an increase in the number of beneficiaries; meanwhile, the wage bill rose by 29.3% reflecting wage hikes and more robust job creation in the public sector. Transfers to the private sector, in particular subsidies for the energy sector and the public passenger transport sector, did not keep pace with spending as it had in previous years: they were up by 15.3%.

Capital expenditure, boosted mainly by real direct investment (which grew by 23.4%), hovered at 3% of GDP.

Total revenue grew by 26.6% on the back of higher social security contributions (up 31%), corporate income tax (26%) and value added tax (26%). However, foreign trade tax receipts increased by only 13%. The marked increase in revenue pushed the tax burden up to a new record high of 31.3% of GDP, not counting tax pressure at the provincial level.

With expenditure outpacing resources, the primary balance surplus of 0.3% of GDP for 2011 turned into a primary deficit of 0.2% of GDP in 2012. Debt interest service was up by 44%, owing basically to the coupon payment linked to strong GDP growth in 2011. As a result, the overall deficit increased from 1.7% of GDP in 2011 to 2.6% of GDP in 2012.

In June 2012, the public debt stood at US\$ 182.741 billion, or 41.5% of GDP (0.3 percentage points below the figure at year-end 2011). Of this amount, approximately 54.9% consists of National Treasury liabilities vis-à-vis other public-sector agencies (such as the Central Bank), 13.8% is made up of debt to multilateral and bilateral agencies, and the remaining 31.3% (equivalent to 13% of GDP) consists of privately-held public debt.

No significant fiscal policy changes are expected in 2013. In the first quarter of 2013, primary spending expanded by 27.9% compared with the same quarter a year earlier; total revenue rose by 26.7% in the same period. The moderate economic upturn and climbing imports should contribute to a slight real increase in tax proceeds, which should also receive a boost from funds from the National Social Security Administration (ANSES) and central bank profits. The government has stated that it intends to maintain the current rate of expansion of public expenditure in order to revive the economy. Thus, no significant change is to be expected in the primary deficit. The overall deficit could diminish (since, unlike in 2012, there are no GDP-growth-linked bond coupon payment liabilities in 2013).

#### **(b) Monetary policy**

As noted above, the reform of the Central Bank charter allowed the bank to implement policies for regulating and channelling lending and raised the ceiling on transfers of funding to the national treasury.

The most significant measure for channelling lending was the launch of the credit line for production investment. The line requires major financial institutions to set aside a minimum of 5% of the monthly average of the daily balances of non-financial private sector deposits in pesos (in June 2012) for medium- to long-term production loans at an interest rate not to exceed 15% per year. Fifty per cent of these funds must be channelled to micro-, small and medium-sized enterprises.

This reform contributed to a sharp rise in lending to the private sector in 2012 and was the most significant driver of monetary expansion, exceeding public-sector operations and foreign currency purchases by the Central Bank. Commercial lending was up by 46% for the year, surpassing consumer loans (personal loans and credit cards), which increased by an average of 41%. The data at the end of April 2013 suggest that the gap has widened, with commercial lending growing by 54% over the year and personal loans by 34%. On the other hand, foreign-currency loans to the private sector (intended mainly to finance the export sector) slid by 12% in 2012 owing largely to the decline in dollar deposits in the financial system, a trend which held in the first four months of 2013.

The decision to fund the public sector with resources from the Central Bank also had a monetary impact. It caused the monetary base to expand by 35% on average between 2011 and 2012 –and by 39% December to December. During 2012, all the monetary aggregates grew at a faster pace than nominal GDP, in parallel with the increase in lending. On average, the broad aggregate (M3) registered a 31% year-on-year rise. At the close of 2012 fixed-term investments showed a sharp year-on-year increase of 52% (one of the highest levels in recent years), boosted by measures to promote lending and to prevent hoarding of foreign exchange. In the first few months of 2013 there has also been a widespread increase in the different components of M3, albeit at a somewhat more moderate rate.

In 2012, the monetary policy rate was 12.8%, one percentage point higher than the average for 2011. The levels of the closing four months of 2012 (close to 12.9%) carried over into the first few months of 2013. The deposit rate (fixed-term deposits) increased by 1.3 percentage points, from 10.8% in 2011 to an annual average of 12.1% for 2012. The lending rate (signature loans of up to 89 days) went up by 2 percentage points and averaged 19.6% in 2012. In the first four months of 2013 the deposit rate rose by 1.5 percentage points compared with the same period of the previous year, while the lending rate declined by 1.3 percentage points.

### **(c) Exchange-rate policy**

In 2012, Argentina continued a managed-float regime. This gave rise to a progressive nominal devaluation of the peso, with a year-on-year variation of 8.5% in January 2012 and 17.2% in April 2013. These figures denote the intention of the monetary authority to moderate the real appreciation of the currency observed since 2009.

In order to address exchange-market difficulties that began to appear towards the end of 2011, the government has been implementing a framework for regulating the purchase of foreign currency, introducing different types of restrictions or taxes on the currency operations of private individuals. This has had the effect of diverting the demand for dollars towards the parallel market, where the price for the dollar has been gradually moving away from the official rate –so much so that by early May 2013 the gap neared 100%. Since then, monetary measures taken to reduce liquidity, together with the law for voluntary disclosure of foreign-exchange holdings in Argentina and offshore, managed to reduce the pressure on the marginal foreign exchange market and narrowed the gap down to some 70% at the end of May.

## **3. The main variables**

### **(a) The external sector**

Export value was down by 3.3% in 2012 owing to the 4.7% decline in export volume, while prices increased by 1.5%. Imports behaved in much the same way: they fell by 7.3% as a result of a 9.1% decline in volume and a 1.9% increase in price. The price trend resulted in a slight worsening of the terms of trade (down by 0.4%).

The fall in exports is attributable to lower demand from Brazil and other trading partners, and to the poorer harvest (which shrank the exportable supply of oilseeds and nuts. Imports for all economic uses were lower, although the most seriously affected were capital goods purchases.

The first four months of 2013 saw exports rise by 2% compared with the same period in 2012. This moderate recovery is due mainly to the 18% jump in commodity exports, while fuel and energy exports slumped by 37%. Imports expanded by 11% during the same period, due to a 43% rise in fuels and lubricants exports. As can be seen, the trend for fuels and energy was a major factor; the fuel and energy trade balance deficit hit US\$ 1.580 billion in April 2013, compared with a US\$ 315 million surplus during the same period of the previous year.

In 2012, the balance-of-payments current account balance showed a surplus of US\$ 479 million, or the equivalent of 0.1% of GDP. The main contributing factor was the improving goods trade balance, which, thanks to the decline in imports, stood at US\$ 15.642 billion (US\$ 2.4 billion higher than in 2011).

Conversely, services showed a deficit of US\$ 3.460 billion, including a tourism sector deficit of US\$ 984 million and a royalty deficit of US\$ 2.022 billion.

Foreign direct investment (FDI) increased by 27% in 2012, to stand at US\$ 12.552 billion, due basically to robust reinvestment of profits (accounting for almost two thirds of total FDI), which in turn was attributable largely to the restrictions on the transfer of dividends by foreign companies to their parent companies.

## **(b) Economic growth**

The Argentine economy lost momentum in 2012 and grew by 1.9%, owing mainly to a slowdown in Brazil and the impact of the drought on agricultural output. Public-sector consumption, with a year-on-year increase of 6.5%, was the most robust demand component, followed by private consumption, which was unable to match the prior-year pace of 10.7% and grew by 4.4%. Nevertheless, because of its large share of aggregate demand it contributed the most to the expansion of the latter. Gross domestic fixed investment was down by 4.9%, to stand at the equivalent of 22.8% of GDP. Within gross domestic fixed investment, construction shrank by 2.8% while reinvestment in durable equipment diminished by 7%, owing mainly to a 14% fall in the import component.

On the supply side, the service-producing sectors were the drivers of the 4.2% increase for the year. As in the previous year, financial intermediation was the sector of the economy that expanded the most, followed by transport, storage and communications, which grew by 5%. The goods-producing sectors declined by 1.9% owing mainly to a drought-induced 11.3% fall in agriculture. Construction was down by 2.6% as a result of restrictions on the purchase of United States dollars, the currency traditionally used in the country for most real estate transactions. Industry sagged too, with a 0.4% decline attributable to the slowdown in Brazil.

In the first quarter of 2013, GDP recorded 3.0% growth year-on-year. At the sectoral level, the monthly estimator of industrial activity (EMI) showed a cumulative negative variation of 0.5%, while the synthetic indicator of public services (ISSP) and the synthetic indicator of construction activity (ISAC) showed increases of 6.8% and 1.7%, respectively.

## **(c) Inflation, wages and employment**

Persistent inertial factors kept the rate of inflation well above the regional average. The rate of inflation was higher in 2012 than in the previous year, especially in the closing months owing to adjustments in electricity rates, gas charges and public transport fares and to the steeper rate of devaluation of the local currency. According to official figures based on the consumer price index published by the National Institute of Statistics and Censuses (INDEC), inflation was 10.8% in 2012 (9.5% in 2011). According to the private final consumption expenditure implicit price deflator, it was 13.9% (13.6% in 2011). The construction cost index and the wholesale price index, both calculated by INDEC, increased in 2012, by 25.4% and 13.1%, respectively (up from 17.3% and 12.7% in 2011). Other official estimates (issued by provincial statistical institutes) showed a higher rate of inflation.<sup>1</sup>

The total wage bill (measured by the INDEC wage index) was up by 24.5% to December 2012 compared with the same month in 2011. In the public sector, the variation was 17.8% for the same period.

---

<sup>1</sup> The average consumer price index increase in the provinces that conduct a monthly survey (Neuquén, San Luis, Santa Fe and Tierra del Fuego) was some 22.2% in 2012.

In March 2013, the year-on-year increment paid to public-sector workers was 23.3%, while the variation for all sectors remained the same as in December. Hikes emerging from wage negotiations range between 20% and 25% per year and are more moderate than those agreed in the two preceding years. The variable living minimum wage reached 2,670 pesos in December 2012 –16.1% more than in the same month of the previous year. In February 2013, it rose to 2,875 pesos, 25% higher than in the same month of 2012.

The average jobless rate for 2012 remained at 7.2%, the same level as in 2011, although the underemployment rate rose slightly. The first quarter of 2013 saw a significant increase in the unemployment rate, which moved to 7.9% (up from 7.1% in the first quarter of 2012), due mainly to sluggish demand for labour in the private sector.

On the labour front, the law regulating domestic employment was amended in 2012 and early 2013 to grant domestic workers the same rights as other workers (paid vacations, maternity leave, sick leave, severance pay and a maximum work week of 48 hours). During the same period, regulations under the new Agricultural Workers' law enacted in 2011 were issued, providing for farm worker retirement at the age of 57.

Table 1  
**ARGENTINA: MAIN ECONOMIC INDICATORS**

	2004	2005	2006	2007	2008	2009	2010	2011	2012 a/
<b>Annual growth rates b/</b>									
Gross domestic product	9.0	9.2	8.5	8.7	6.8	0.9	9.2	8.9	1.9
Per capita gross domestic product	8.1	8.2	7.5	7.7	5.8	0.0	8.2	7.9	1.0
Gross domestic product, by sector									
Agriculture, livestock, hunting, forestry and fishing	-1.5	11.1	2.6	9.8	-2.5	-15.7	28.0	-2.2	-11.1
Mining and quarrying	-0.4	-0.2	3.0	-0.5	1.1	-1.1	-1.5	-3.5	0.9
Manufacturing	12.0	7.5	8.9	7.6	4.5	-0.5	9.8	11.0	-0.4
Electricity, gas and water	6.5	5.0	5.0	5.7	3.4	0.9	6.2	4.6	4.8
Construction	29.4	20.4	17.9	9.9	3.7	-3.8	5.2	9.1	-2.6
Wholesale and retail commerce, restaurants and hotels	12.4	9.5	7.9	10.7	7.9	-0.1	12.1	13.6	1.9
Transport, storage and communications	13.4	14.8	13.5	13.7	12.1	6.5	10.6	9.3	5.0
Financial institutions, insurance, real estate and business services	2.2	7.1	8.2	8.1	9.3	3.1	5.5	9.8	6.6
Community, social and personal services	4.4	5.6	5.4	5.0	4.9	4.3	4.1	4.2	3.2
Gross domestic product, by type of expenditure									
Final consumption expenditure	8.3	8.5	7.4	8.8	6.6	1.5	9.1	10.7	4.8
Government consumption	2.7	6.1	5.2	7.6	6.9	7.2	9.4	10.9	6.5
Private consumption	9.5	8.9	7.8	9.0	6.5	0.5	9.0	10.7	4.4
Gross capital formation	29.6	15.2	17.8	14.8	15.4	-9.1	19.6	10.7	-7.7
Exports (goods and services)	8.1	13.5	7.3	9.1	1.2	-6.4	14.6	4.3	-6.6
Imports (goods and services)	40.1	20.1	15.4	20.5	14.1	-19.0	34.0	17.8	-5.2
Investment and saving c/									
<b>Percentajes of GDP</b>									
Gross capital formation	18.7	20.9	23.0	24.2	25.1	21.2	24.5	26.2	24.0
National saving	20.8	23.8	26.7	27.0	27.2	23.9	24.8	25.8	24.1
External saving	-2.1	-2.9	-3.6	-2.8	-2.1	-2.7	-0.4	0.3	-0.1
Balance of payments									
<b>Millions of dollars</b>									
Current account balance	3 211	5 275	7 768	7 355	6 756	8 469	1 360	-1 568	479
Goods balance	13 265	13 087	13 958	13 456	15 423	18 528	14 266	13 207	15 642
Exports, f.o.b.	34 576	40 387	46 546	55 980	70 019	55 669	68 134	83 950	81 205
Imports, f.o.b.	21 311	27 300	32 588	42 525	54 596	37 141	53 868	70 743	65 563
Services trade balance	-1 331	-992	-501	-513	-1 284	-1 059	-1 160	-2 238	-3 460
Income balance	-9 284	-7 304	-6 150	-5 941	-7 552	-9 012	-11 341	-11 999	-11 307
Net current transfers	561	484	459	353	170	12	-405	-539	-397
Capital and financial balance d/	-10 163	2 144	6 428	4 228	-10 073	-8 885	2 798	-4 540	-3 783
Net foreign direct investment	3 449	3 954	3 099	4 969	8 335	3 307	6 884	8 394	11 462
Other capital movements	-13 612	-1 811	3 329	-741	-18 408	-12 192	-4 086	-12 933	-15 245
Overall balance	-6 952	7 418	14 195	11 584	-3 317	-416	4 157	-6 108	-3 305
Variation in reserve assets e/	-5 319	-8 857	-3 529	-13 098	9	-1 327	-4 157	6 108	3 305
Other financing	12 271	1 439	-10 666	1 515	3 309	1 743	0	0	0
Other external-sector indicators									
Real effective exchange rate (index: 2005=100) f/	100.2	100.0	101.9	101.4	97.2	99.3	98.6	99.1	94.9
Terms of trade for goods (index: 2005=100)	102.2	100.0	106.0	110.0	124.6	118.9	118.4	126.3	125.8
Net resource transfer (millions of dollars)	-7 175	-3 722	-10 388	-198	-14 317	-16 154	-8 544	-16 539	-15 090
Total gross external debt (millions of dollars)	171 205	113 768	108 839	124 542	124 916	115 537	129 333	140 655	141 126
Employment g/									
<b>Average annual rates</b>									
Labour force participation rate	60.2	59.9	60.3	59.5	58.8	59.3	58.9	59.5	59.3
Open unemployment rate	13.6	11.6	10.2	8.5	7.9	8.7	7.7	7.2	7.2
Visible underemployment rate	17.5	14.2	12.5	10.4	9.5	11.1	9.8	9.1	9.3

Table 1 (concluded)

	2004	2005	2006	2007	2008	2009	2010	2011	2012 a/
<b>Prices</b>	<b>Annual percentages</b>								
Variation in consumer prices (December-December)	6.1	12.3	9.8	8.5	7.2	7.7	10.9	9.5	10.8
Variation in wholesale prices (December-December)	7.9	10.6	7.2	14.6	8.8	10.3	14.6	12.7	13.1
Variation in nominal exchange rate (annual average)	-0.2	-0.6	5.2	1.3	1.5	17.9	4.9	5.6	10.2
Variation in average real wage	9.2	7.4	8.9	9.1	8.8	11.7	12.9	20.3	18.2
Nominal deposit rate h/	2.7	3.9	6.5	7.9	11.1	11.8	9.4	10.8	11.8
Nominal lending rate i/	10.8	10.5	12.9	14.0	19.8	21.3	15.2	17.7	19.4
<b>Central government</b>	<b>Percentajes of GDP</b>								
Total revenue	16.3	16.7	17.2	18.2	19.4	21.0	22.7	22.1	23.4
Tax revenue	15.4	15.8	16.0	17.2	18.1	18.2	19.8	20.3	21.4
Total expenditure	14.4	16.3	16.2	17.5	18.7	21.8	22.8	24.5	25.7
Current expenditure	12.9	14.3	13.6	15.3	16.4	19.1	19.7	21.5	22.9
Interest	1.3	1.9	1.7	2.1	2.1	2.3	1.6	2.2	2.2
Capital expenditure	1.5	2.0	2.6	2.2	2.2	2.7	3.1	3.0	2.7
Primary balance	3.2	2.3	2.7	2.7	2.8	1.4	1.5	-0.1	-0.2
Overall balance	2.0	0.4	1.0	0.6	0.7	-0.8	-0.1	-2.3	-2.4
Central government public debt j/	126.4	72.8	63.6	55.7	48.5	48.5	45.1	41.6	38.2
Domestic	52.7	38.3	37.4	31.8	30.0	30.4	28.3	27.5	25.3
External	73.8	34.5	26.1	23.9	18.5	18.2	16.8	14.1	12.9
<b>Money and credit</b>	<b>Percentages of GDP, end-of-year stocks</b>								
Domestic credit	32.7	24.9	20.7	17.1	15.8	16.9	21.3	24.1	29.0
To the public sector	38.0	29.5	22.0	17.4	15.3	18.4	20.5	19.9	24.1
To the private sector	10.5	11.7	13.0	14.5	13.7	13.5	14.6	16.6	18.5
Others	-15.8	-16.2	-14.3	-14.8	-13.2	-15.1	-13.7	-12.3	-13.7
Monetary base	11.7	10.3	12.2	12.2	10.6	10.4	10.8	11.4	13.5
Money (M1)	31.1	31.5	32.1	31.4	28.4	29.7	32.5	31.8	35.7
M2	28.6	29.4	29.6	28.7	25.3	25.9	28.3	28.9	33.6
Foreign-currency deposits	2.5	2.2	2.4	2.7	3.1	3.7	4.3	3.0	2.1

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures.

b/ Based on figures in local currency at constant 1993 prices.

c/ Based on values calculated in national currency and expressed in current dollars.

d/ Includes errors and omissions.

e/ A minus sign (-) indicates an increase in reserve assets.

f/ Annual average, weighted by the value of goods exports and imports.

g/ Urban areas.

h/ Fixed-term deposits, all maturities.

i/ Local-currency loans to the non-financial private sector, at fixed or renegotiable rates, signature loans of up to 89 days.

j/ As of 2005, does not include debt not presented for swap.



Table 2  
**ARGENTINA: MAIN QUARTERLY INDICATORS**

	2011				2012				2013	
	Q.1	Q.2	Q.3	Q.4	Q.1	Q.2	Q.3	Q.4	Q.1	Q.2 a/
Gross domestic product (variation from same quarter of preceding year) b/	9.9	9.1	9.3	7.3	5.2	0.0	0.7	2.1	3.0	...
Goods exports, f.o.b. (millions of dollars)	16 902	23 173	23 522	20 454	17 826	21 142	22 139	19 820	17 376	15 994 c/
Goods imports, c.i.f. (millions of dollars)	15 330	19 051	21 418	18 520	15 314	17 002	18 585	17 607	16 066	13 505 c/
Gross international reserves (millions of dollars)	51 298	51 695	48 590	46 376	47 291	46 348	45 010	43 290	40 446	38 814 c/
Real effective exchange rate (index: 2005=100) d/	98.4	100.9	101.3	95.7	95.9	93.4	93.9	96.7	100.1	101.7 c/
Open unemployment rate	7.4	7.4	7.2	6.7	7.1	7.2	7.6	6.9	7.9	...
Employment rate	54.5	55.5	55.7	55.2	54.2	54.9	55.5	55.2	53.9	...
Consumer prices										
(12-month percentage variation)	9.7	9.7	9.9	9.5	9.8	9.9	10.0	10.8	10.6	10.3 c/
Wholesale prices										
(12-month percentage variation)	13.0	12.2	12.7	12.7	12.8	13.1	12.9	13.1	13.1	13.1 c/
Average nominal exchange rate (pesos per dollar)	4.01	4.08	4.17	4.26	4.34	4.45	4.61	4.80	5.02	5.24
Nominal interest rates (annualized percentages)										
Deposit rate e/	9.6	9.6	10.0	13.9	12.1	11.3	11.7	13.1	13.2	14.0 c/
Lending rate f/	14.8	14.9	15.8	25.3	21.4	18.8	18.1	18.8	19.6	20.1 c/
Interbank rate	9.8	9.6	9.8	10.8	9.6	9.4	9.8	10.4	11.3	12.5 c/
Monetary policy rates	11.1	11.0	11.1	14.0	14.0	12.4	11.9	12.8	13.1	13.1 c/
Sovereign bond spread, Embi + (basis points to end of period) g/	539	568	993	925	880	1 088	897	991	1 307	1 199
Risk premiia on five-year credit default swap (basis points to end of period)	592	589	1 084	922	823	1 253	960	1 442	3 754	3 009
International bond issues (millions of dollars)	1 250	630	569	-	600	63	-	-	-	- c/
Stock price index (national index to end of period, 31 December 2005 = 100)	220	218	160	160	174	152	159	185	219	193
Domestic credit (variation from same quarter of preceding year)	74.2	59.9	59.0	49.3	31.0	28.7	33.7	37.9	41.1	39.7 h/
Non-performing loans as a percentage of total credit	1.1	1.0	0.8	0.8	0.9	0.9	0.8	0.9	0.9	1.0 h/

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures.

b/ Based on figures in local currency at constant 1993 prices.

c/ Figures as of May.

d/ Quarterly average, weighted by the value of goods exports and imports.

e/ Fixed-term deposits, all maturities.

f/ Local-currency loans to the non-financial private sector, at fixed or renegotiable rates, signature loans of up to 89 days.

g/ Measured by J.P.Morgan.

h/ Figures as of April.