

Private Sector External Debt Report

As of March 31, 2021



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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About inclusive language in the Spanish version of this report

The Central Bank of Argentina is committed to encouraging the use of a non-discriminatory language that promotes the acceptance of all gender identities. It should be noted that all those who have contributed to this report acknowledge that language influences ideas, feelings, ways of thinking, as well as principles and core values.

Therefore, efforts have been made to avoid sexist and binary language in this report.

Foreword

The growing complexity of the relationships among different economic agents (residents and non-residents) calls for meeting new information needs and establishing new standards for data estimation.

In Argentina, both the Central Bank of Argentina (BCRA) and the National Institute of Statistics and Censuses (INDEC) are responsible for the preparation of foreign sector statistics. At present, both entities are working jointly¹ by sharing information and following the same methodologies to cope with the demand for information.

With the aim of facing the challenges posed by the need to develop new standards of estimation, the BCRA updated, in 2017, the information associated with foreign sector statistics on a comprehensive basis. Moving in this direction, the Survey on External Assets and Liabilities replaced and broadened (by Communication "A" 6401) the scope of the Survey on Debt Securities and Other External Liabilities (provided for under Communication "A" 3602, as supplemented) and of the Survey on Domestic and Foreign Direct Investments (provided for under Communication "A" 4237, as supplemented).

On the one hand, the new survey includes information on external assets and financial derivatives positions, which is in line with the terms of the sixth edition of the Balance of Payments Manual of the International Monetary Fund (IMF) and the G20 Data Gaps Initiative, where the main world's economies acknowledged gaps in information which should be bridged.

On the other hand, the methodology used for compilation was streamlined with a focus on information platforms (information may now be uploaded through each of the reporting party's systems or else manually) and the removal of charges for transactions. In this sense, the new survey is conducted on the website of the Federal Administration of Public Revenue (AFIP), and data are validated on a more expeditious way, thus minimizing errors during the upload process, and assuring the consistency of the information received by the BCRA.

Once the validation and control processes are completed, data are shared with the INDEC, which estimates the Balance of Payments and International Investment Position on the basis of this information.

¹ The Survey on External Assets and Liabilities was jointly agreed upon by the BCRA and the INDEC under a Master Cooperation Agreement.

Contents

Page 5		1. Private Sector External Debt as of March 31, 2021
Page 8		2. Commercial Private Sector External Debt as of March 31, 2021
Page 14		3. Financial Private Sector External Debt as of March 31, 2021
Page 15		4. Maturity Profile of External Debt as of March 31, 2021
Page 17		<i>Annex 1 / Background and Overview of the Survey. Methodology for Estimating Private Sector External Debt</i>

Executive Summary

The private sector external debt totaled USD79,259 million as of March 31, 2021, recording a quarterly increase—USD1,573 million—for the first time after having decreased for 6 quarters in a row. This rise was exclusively due to the increase in commercial debt (up USD1,861 million), financial debt remaining unchanged—net payments of USD288 million in the first quarter.

In a context of increased external sales, the debt from exports of goods totaled USD6,232 million as of March 31, 2021, up USD817 million against the previous quarter. This was basically explained by a rise in the debt from exports of goods of USD703 million in “Manufacturing of food products”.

Imports of goods recovered after the impact of the COVID-19 pandemic on trade in 2020, giving rise to external debt for USD22,362 million by the end of Q1 2021, up USD787 million against the end of the previous quarter.

The external debt for services totaled USD8,151 million as of March 31, 2021, rising USD256 million against the end of the previous quarter (USD189 million for debt to related creditors and USD67 million for debt to non-related creditors).

The private sector financial external debt totaled USD42,515 million as of March 31, 2021, with net payments for USD288 million in the quarter, mainly due to a fall in non-residents’ deposits with local financial institutions for USD274 million, followed by net payments of financial loans for USD183 million, and net issue of debt securities amounted to USD161 million.

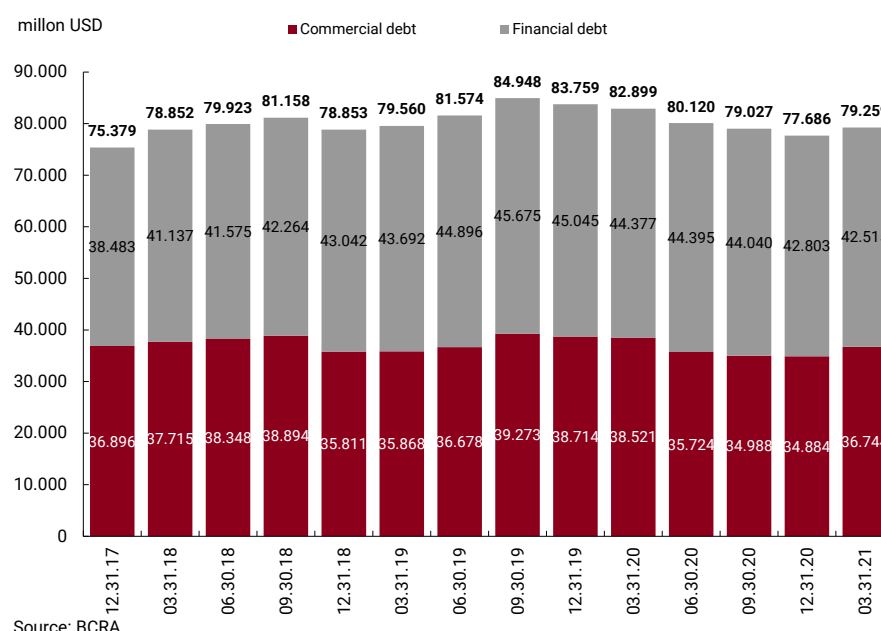
A sovereign debt restructuring process in foreign currency was successfully carried out by the National State. In symphony with this, the BCRA issued Communication “A” 7106 on September 16, 2020 to set out guidelines for private sector companies to refinance their foreign financial debts and/or local debt securities in foreign currency, so that they could meet the new requirements, thus ensuring the smooth functioning of the forex market. Thus, debt renegotiations of around 19 companies in Q1 2021 resulted in lower net purchases in the forex market—around USD413 million less compared to the amounts expected to be paid on the original maturities over that period.

1. Private Sector External Debt as of March 31, 2021²

The private sector external debt totaled USD79,259 million as of March 31, 2021 (Chart 1), recording a quarterly increase—USD1,573 million—for the first time after having decreased for 6 consecutive quarters. This rise was exclusively due to the increase in commercial debt (up USD1,861 million), as financial debt continued with net payments—USD288 million in the first quarter.

The external debt declined by USD3,639 million against the same quarter of the previous year, once again, mainly explained by commercial debt payments (USD1,777 million), and financial debt payments (USD1,862 million).

**Chart 1 | Private Sector External Debt
Position by type of transaction**



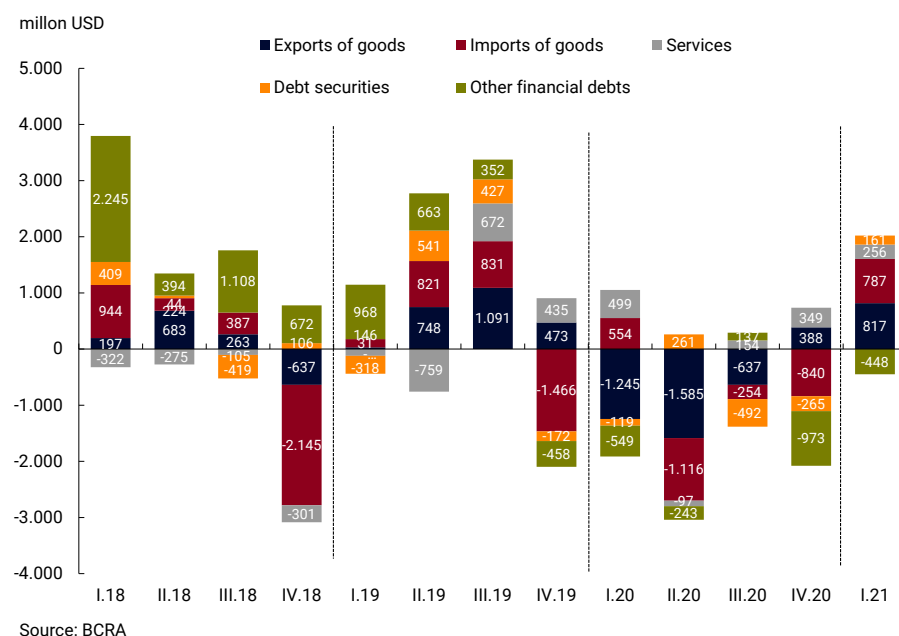
Taking into account changes sorted out by type of transaction (Chart 2), the rise in Q1 2021 was mainly due to commercial external debt, which exhibited rises in all types of debt (debt from exports of goods, USD817 million; debt from imports of goods, USD787 million; and debt from services, USD256 million). In turn, financial debt continued exhibiting net payments, debt from securities rising USD161 million, and other financial debts falling by USD448 million.

During the third quarter of 2020, the BCRA together with the National Government implemented measures to promote a more efficient allocation of foreign currency. Among the measures adopted that have a direct impact on the private sector external debt, it is worth highlighting Communication "A" 7106 that established the guidelines to enable private sector companies to restructure their foreign liabilities, so that they are aligned to the new requirements for the smooth functioning of the forex market. These measures had an

² The data shown here are based on validated statements made under the Survey on External Assets and Liabilities (set out by BCRA's Communication "A" 6401). Data are meant to be provisional and, hence, subject to revision and rectification. The annex attached contains the definitions and criteria for data collection and display, the adjustments that may change the interpretation of the figures shown here, and the characteristic features of the survey. For further information on the Data Revision Policy, see the annex attached to this report.

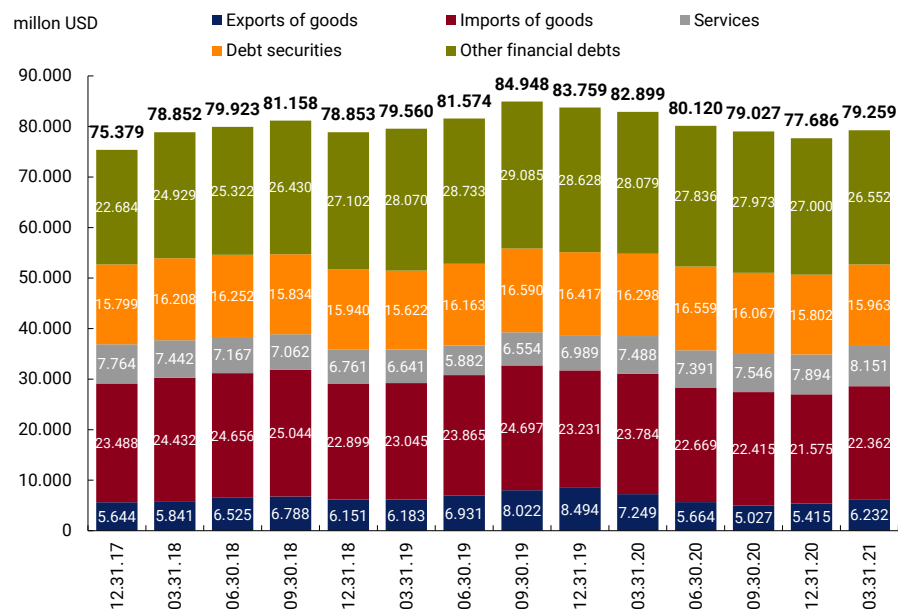
emerging effect during the third quarter, which was more clearly evidenced in financial debt in Q4 2020 and Q1 2021.

Chart 2 | Private Sector External Debt
Quarterly debt changes by type of transaction



Based on debt disaggregated by type of transaction as of March 31, 2021 (Chart 3), financial debts other than those incurred on instruments (mainly financial loans) have still come to the fore with a position of USD26,552 million, followed by debts for imports of goods (USD22,362 million), and debts arising from non-residents' holdings of securities (USD15,963 million). Coming next, in order of importance, are debts for services that stood at USD8,151 million, while those for the export of goods reached USD6,232 million by the end of the quarter.

Chart 3 | Private Sector External Debt
Debt position by type of transaction



External financing granted to the main economic sectors as of March 31, 2021 has been analyzed by type of creditor (Table 1). Thus, Table 1 arranges the different sectors according to their indebtedness size and type of creditor. In the first place, the “Manufacturing industry” stands out with a debt position of USD22,803 million, 53% financed by companies belonging to the same group (USD12,078 million), followed by other private sources (USD5,371 million). It is worth noting that companies belonging to the same group granted more than 40% of external financing, well over the 20% obtained through debt securities (second source of private sector external financing).

Table 1 | Private Sector External Debt**Debt position sorted out by main debtor and creditor sectors as of March 31, 2021. From whom to whom³**

	Private banks and other financial institutions	Official source (governments and international organizations)	Companies belonging to the same group	Other private sources	Multiple holders of debt securities	Total	Participation
Manufacturing industry	3.705	724	12.078	5.371	924	22.803	29%
Exploitation of mine and quarry	2.930	859	7.750	983	6.960	19.483	25%
Wholesalers and retailers, vehicles and motorcycles repair shops	596	3	5.010	2.398	5	8.012	10%
Provision of electricity, gas, steam and air-conditioning	2.659	386	660	1.038	2.381	7.125	9%
Information and communications	595	1	2.153	1.589	893	5.231	7%
Transport and storage services	1.173	17	1.056	409	748	3.404	4%
Other financial intermediaries except insurance corporations and pension funds	614	0	368	111	1.849	2.942	4%
Deposit-taking corporations, except the central bank	594	256	355	524	1.135	2.864	4%
Agriculture, livestock, hunting, forestry and fisheries	435	3	787	206	70	1.501	2%
Construction	114	0	1.022	279	20	1.434	2%
Professional, scientific and technical services	187	3	462	306	0	957	1%
Real estate services	196	45	68	21	476	806	1%
Water supply, drains, waste management, recovery of materials, and public sanitation	17	0	10	147	500	674	1%
Administrative activities and support services	18	6	448	193	0	664	1%
Insurance	401	5	125	19	0	550	1%
Associations' services and personal services	6	4	85	204	0	299	0%
Lodging and food services	8	3	117	34	0	161	0%
Human health and social services	32	4	40	61	0	137	0%
Art, culture, sports and free time services	7	0	57	44	0	107	0%
Financial auxiliaries	14	0	36	2	1	53	0%
Others	0	0	15	17	0	32	0%
Teaching	0	7	0	12	0	19	0%
Total	14.301	2.326	32.702	13.968	15.963	79.259	100%
Participation	18%	3%	41%	18%	20%	100%	

Table 2 shows the same sort of analysis: the amount of external financing granted to the main economic sectors by type of transaction as of March 31, 2021.

Table 2 | Private Sector External Debt**Debt position sorted out by main debtor sectors and type of transaction as of March 31, 2021⁴**

	Exports of goods	Exports of services	Import of goods	Import of services	Other financial debts	Financial loans	Debt securities	Total
Manufacturing industry	4.378	60	10.797	1.798	140	4.705	924	22.803
Exploitation of mine and quarry	603	16	1.738	1.206	85	8.876	6.960	19.483
Wholesalers and retailers, vehicles and motorcycles repair shops	849	25	5.689	466	6	973	5	8.012
Provision of electricity, gas, steam and air-conditioning	0	1	884	242	9	3.608	2.381	7.125
Information and communications	0	54	646	1.394	21	2.222	893	5.231
Transport and storage services	39	16	537	1.011	13	1.040	748	3.404
Other financial intermediaries except insurance corporations and pension funds	0	0	162	51	31	848	1.849	2.942
Deposit-taking corporations, except the central bank	23	301	200	21	514	671	1.135	2.864
Agriculture, livestock, hunting, forestry and fisheries	332	1	333	93	5	666	70	1.501
Construction	1	17	402	189	7	798	20	1.434
Professional, scientific and technical services	3	37	241	321	4	350	0	957
Real estate services	0	0	10	2	2	316	476	806
Water supply, drains, waste management, recovery of materials, and public sanitation	0	0	18	7	0	149	500	674
Administrative activities and support services	3	29	246	224	11	152	0	664
Insurance	0	4	263	261	16	6	0	550
Associations' services and personal services	0	177	60	22	0	39	0	299
Lodging and food services	0	4	9	13	0	135	0	161
Human health and social services	0	1	69	31	0	36	0	137
Art, culture, sports and free time services	0	0	35	19	6	47	0	107
Financial auxiliaries	0	0	4	32	0	16	1	53
Others	1	0	14	2	0	15	0	32
Teaching	0	0	4	1	0	14	0	19
Total	6.232	745	22.362	7.406	871	25.681	15.963	79.259
Participation	8%	1%	28%	9%	1%	32%	20%	100%

2. Commercial Private Sector External Debt as of March 31, 2021

External Debt for Goods Exports

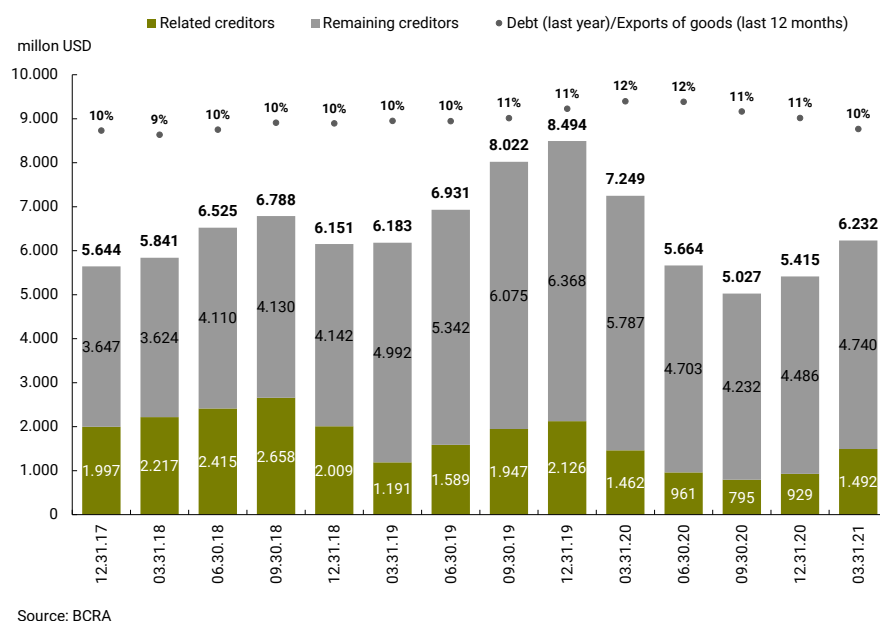
³ Classified by letter according to the National Classifier of Economic Activities (CLANAE 2010). The heat map shows the maximum value in red and the minimum one in green.

⁴ Idem footnote 3.

In a context of increased external sales, the debt for exports of goods totaled USD6,232 million as of March 31, 2021 (Chart 4), up USD817 million compared to the previous quarter. This was basically explained by a rise in exported amounts.

Debts to related creditors recorded a position of USD1,492 million (going up by USD564 million over the quarter), while debts to the rest of creditors reached USD4,740 million (increasing by USD254 million over the quarter).

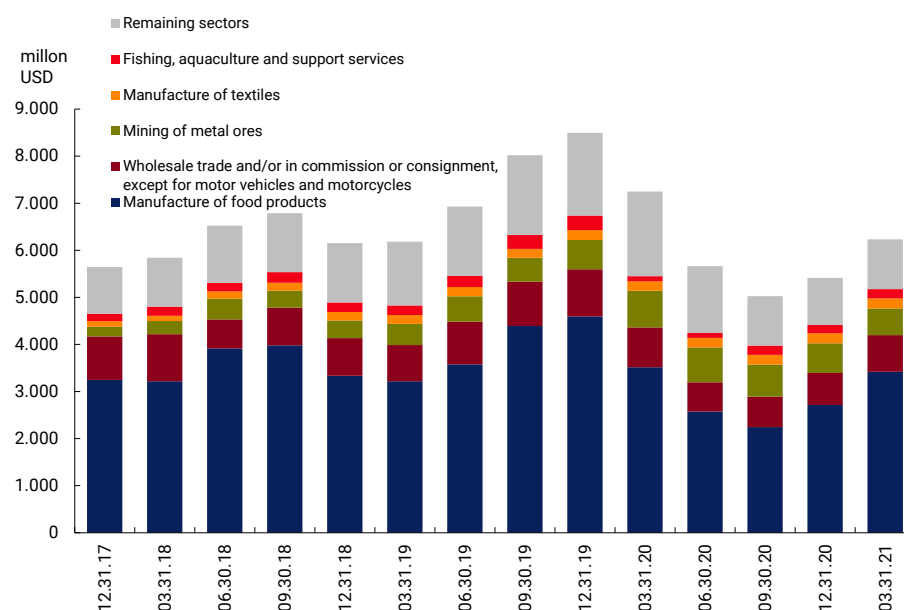
Chart 4 | Private Sector External Debt
Debt position of exports of goods by type of creditor



Information broken down by sector (Chart 5)⁵ reveals that the increase of debts for exports of goods in Q1 2021 was mainly due to the performance of the “Manufacturing of food products” sector, which rose USD703 million. It is worth noting that this sector—to which companies engaged in the trade of oilseeds and grains belong—, main exporting sector in the economy, stood for 55% of the total position of the private sector external debt for exports of goods as of March 31, 2021.

⁵ Classified by two-digit numbers according to the CLANAE 2010.

Chart 5 | Private Sector External Debt
Debt position of exports of goods by sector



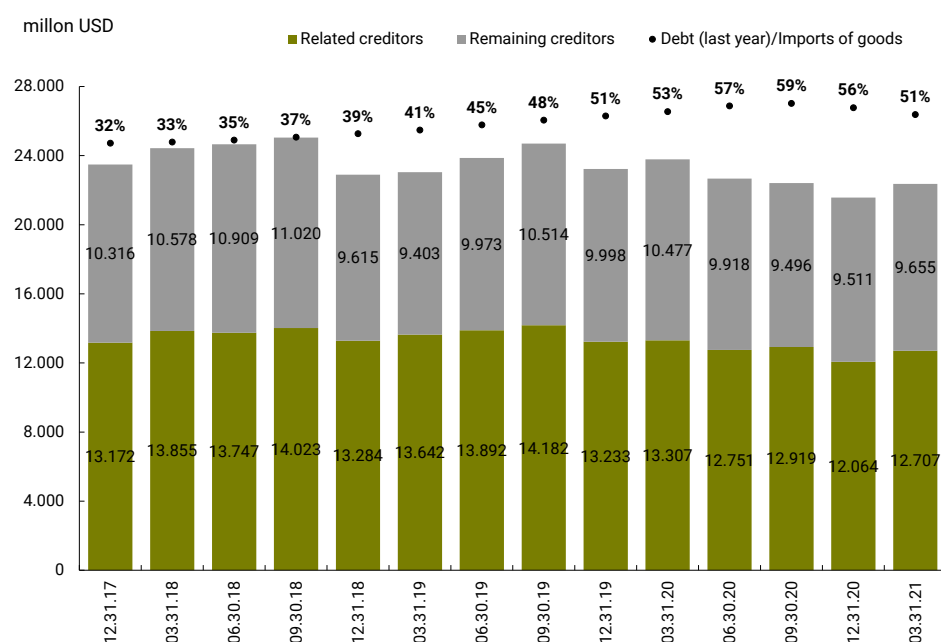
Source: BCRA.

External Debt for Goods Imports

Imports of goods recovered after the impact of the COVID-19 pandemic on trade in 2020, giving rise to external debt for USD22,362 million by the end of Q1 2021, up USD787 million against the end of the previous quarter. Like exports of goods' indebtedness, imports' debts increased over the quarter as a result of greater amounts imported, with the ratio of debt to imported amounts in the past 12 months dropping 5 p.p.

Information sorted out by type of creditor (Chart 6) shows that related companies have granted most of the financing for this kind of transactions, with a position of USD12,707 million as of March 31, 2021 (recording a quarterly increase of USD642 million), whereas the rest of creditors exhibit a position of USD9,655 million as of March 31, 2021 (up USD144 million over the quarter).

Chart 6 | Private Sector External Debt
Debt position of imports of goods by type of creditor

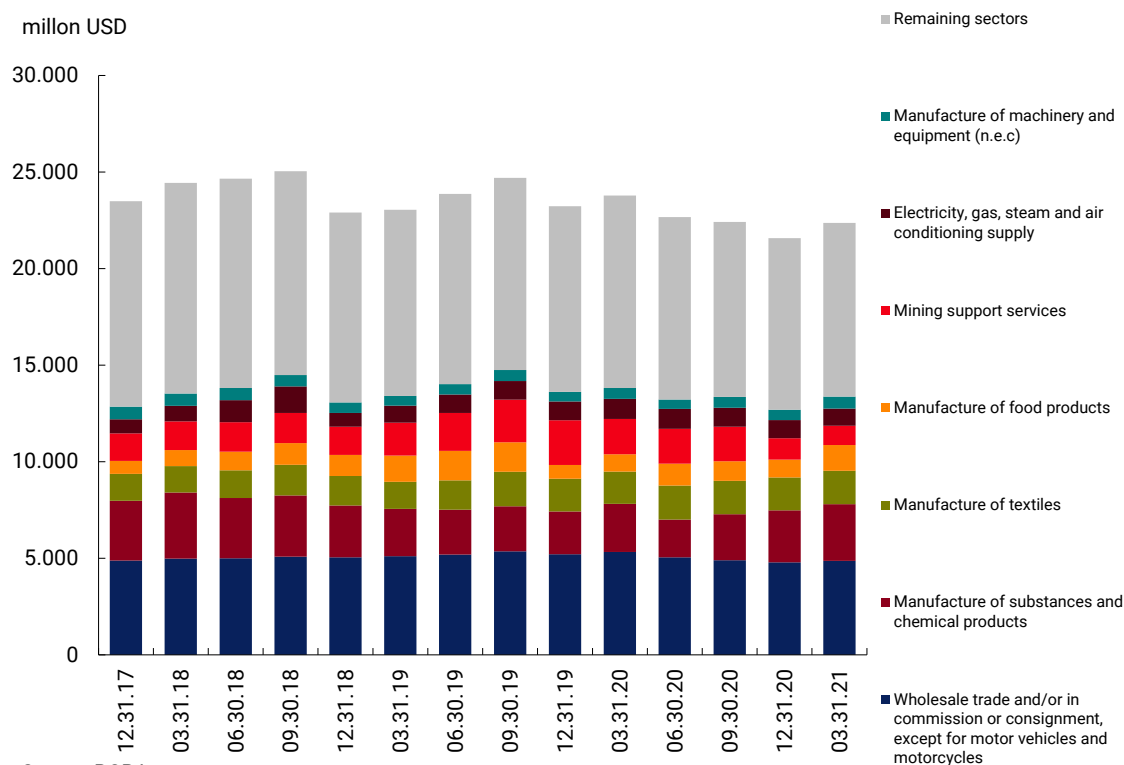


Source: BCRA

Information broken down by sector⁶ (Chart 7) shows that the debt for imports of goods concentrated mostly in “Wholesale” companies, totaling USD4,868 million as of March 31, 2021 (22% of that debt’s total), and a net rise of USD76 million over the quarter. The wholesale sector is followed in order of importance by the “Manufacturing of vehicles” sector with a debt of USD2,937 million as of March 31, 2021, with an increase of USD243 million during the quarter. The “Manufacturing of food products” sector totaled USD1,335 million as of March 31, 2021, with a net increase of USD415 million over the quarter.

⁶ Classified by two-digit numbers according to the CLANAE 2010.

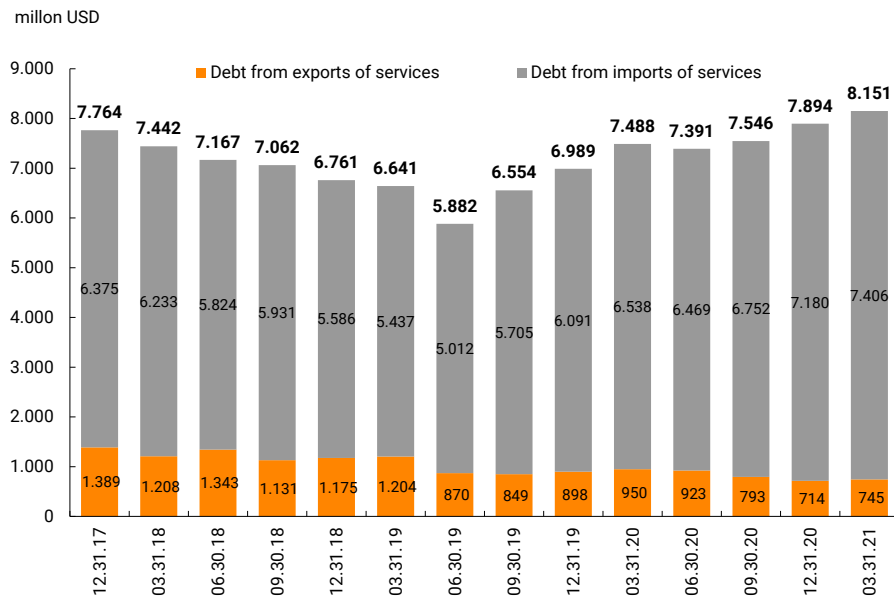
Chart 7 | Private Sector External Debt
Debt position of imports of goods by activity sector



External Debt for Services

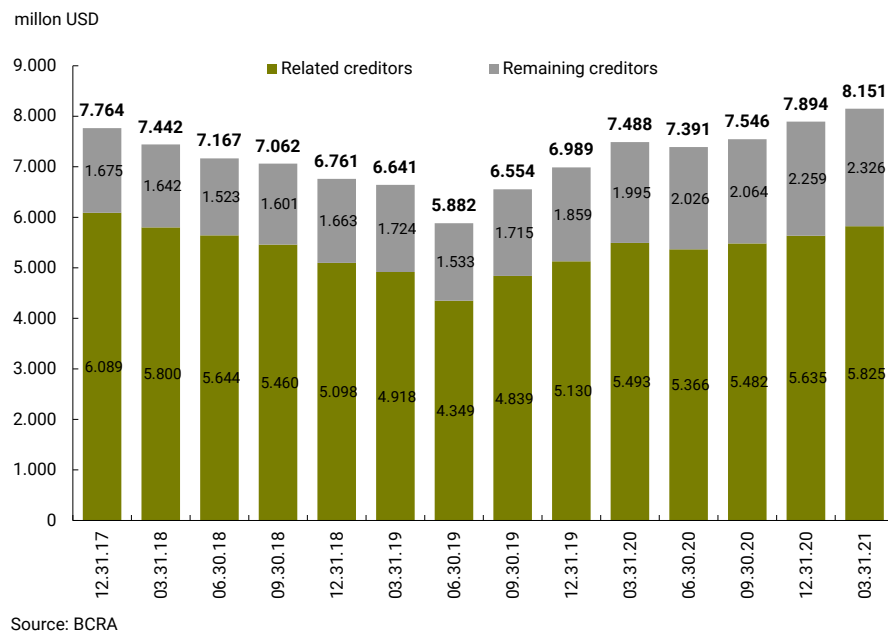
The external debt for services reached USD8,151 million as of March 31, 2021, up USD256 million against the end of the previous quarter (Chart 8). Debts for imports of services—USD7,406 million (up USD226 million quarterly)—accounted for 91% of total debt for services, while debts for exports of services stood at USD745 million (up USD31 million quarterly).

Chart 8 | Private Sector External Debt
Service debt position by type of transaction



As shown in Chart 9, the position of debts for services to related creditors amounted to USD5,825 million as of March 31, 2021 (up USD189 million quarterly), while the position of non-related creditors reached USD2,326 million (up USD67 million quarterly).

Chart 9 | Private Sector External Debt
Service debt position by type of creditor

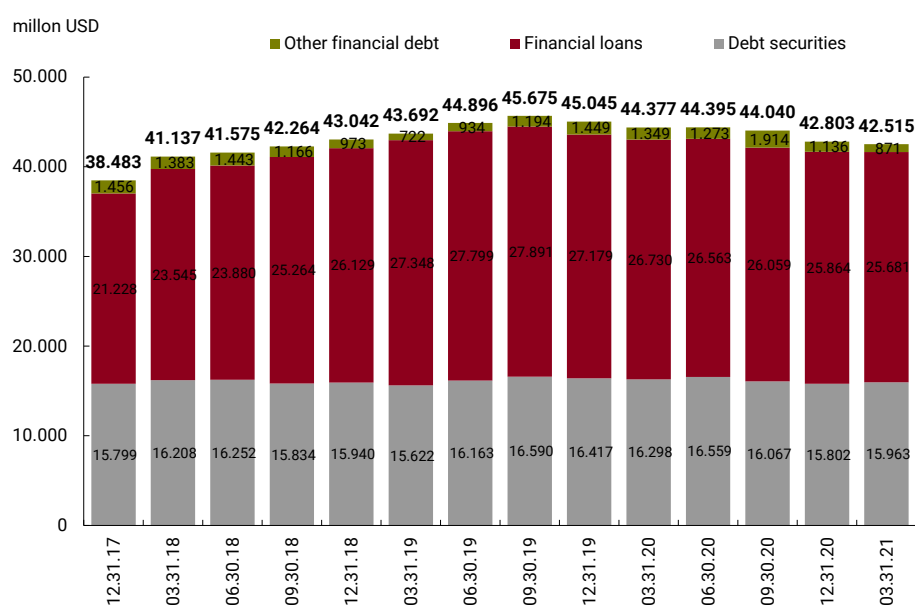


3. Financial Private Sector External Debt as of March 31, 2021

The private sector financial external debt (Chart 10) totaled USD42,515 million as of March 31, 2021, with net payments for USD288 million over the quarter, mainly explained by the net payment of financial loans for USD183 million. In turn, net issues of debt securities amounted to USD161 million, while other financial debt fell USD274 million, especially non-residents' deposits with local financial institutions.

As of March 31, 2021, financial transactions mostly derive from financial loans (USD25,681 million), followed by transactions in securities (USD15,963 million), and other financial debts (USD871 million) (mostly non-residents' deposits, USD514 million).

Chart 10 | Private Sector External Debt
Financial debt position by type of transaction



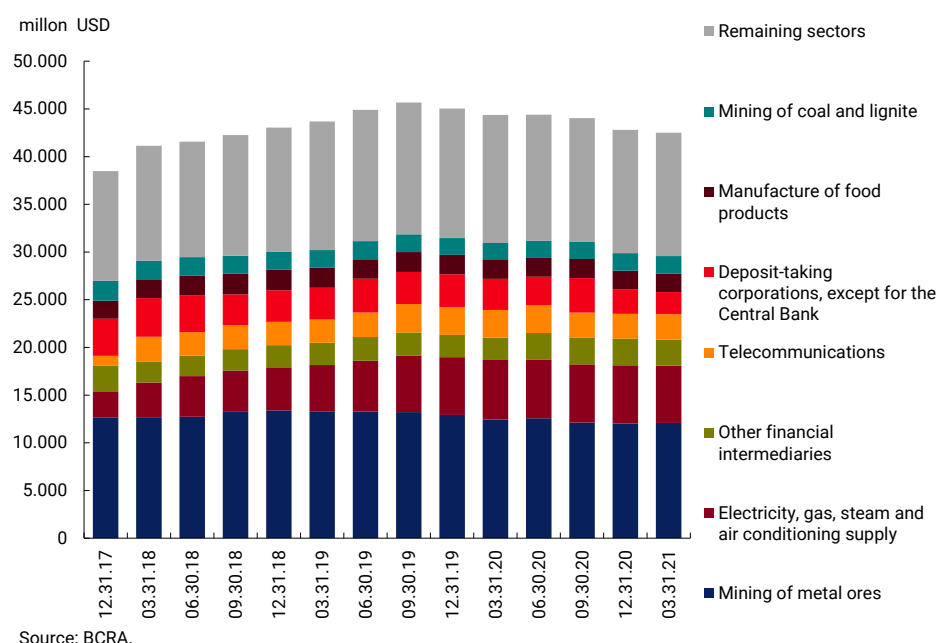
Source: BCRA

Information broken down by sector⁷ (Chart 11) reveals that the “Pumping of crude oil and natural gas” sector has a share of 28% in the financial external debt as of March 31, 2021, with a financial debt stock of USD12,088 million, recording a net increase of USD52 million over the quarter. The “Provision of electricity, gas, steam and air-conditioning” sector comes in the second place, with a share of 14% in total financial debt, a stock of USD5,998 million, and a quarterly fall of USD89 million.

⁷ Classified by two-digit numbers according to the CLANAE 2010.

The performance of another sector comes to the fore: “Deposit-taking institutions”, with a quarterly fall of USD264 million driven by fewer non-residents’ deposits in local banks.

Chart 11 | Private Sector External Debt
Financial debt position by sector

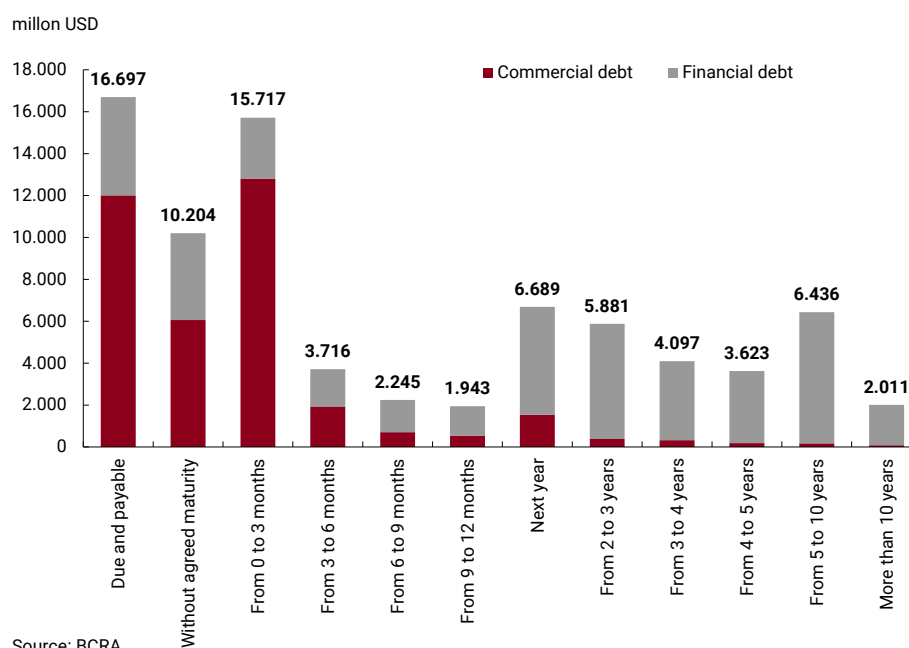


4. Maturity Profile of External Debt as of March 31, 2021

The maturity profile of private sector external debt as of March 31, 2021 (Chart 12), including past due debts and those falling due in the future without agreed maturity, was as follows: commercial debts enforceable within the year following the reference date amounted to USD34,056 million (principal) (93% of the total commercial debt as of March 31, 2021), whereas financial debts enforceable within the year reached USD16,465 million (principal) (39% of the total financial external debt as of March 31, 2021).⁸

⁸ Total past due debt comprises overdue installments, debts triggered by acceleration clauses, and debts on current account transactions and payable on demand. Overdue interest is also included. In turn, debts classified as “falling due in the future without agreed maturity” fit into a different category, though it is considered as short-term debt for the sake of economic analysis.

Chart 12 | Private Sector External Debt
Maturity profile of principal as of March 31, 2021



A sovereign debt restructuring process in foreign currency was successfully carried out by the National State. In symphony with this, the BCRA issued Communication "A" 7106 on September 16, 2020 to set out guidelines for private sector companies to refinance their foreign financial debts and/or local debt securities in foreign currency, so that they could meet the new requirements, thus ensuring the smooth functioning of the forex market.

Thus, debt renegotiations of around 19 companies in Q1 2021 resulted in lower net purchases in the forex market—around USD413 million less compared to the amounts expected to be paid on the original maturities over that period.

Annex 1. Background and Overview of the Survey.

Methodology for Estimating Private Sector External Debt

This section presents the improvements made in the collection, compilation and estimation of foreign sector statistics, and the methodology followed for producing statistics on the private sector external debt.

Part 1. Improvements in the Systems for the Collection, Compilation and Estimation of Foreign Sector Statistics

A. Changes to Foreign Sector Data Surveys

In 2016, the Foreign Sector Surveys Deputy Management Office (under the scope of the Foreign Sector Statistics Management Office) started the process of updating and streamlining—from a conceptual and technological viewpoint—both the Survey on Debt Securities and Other External Liabilities (Communication “A” 3602, as supplemented),⁹ and the Survey on Domestic and Foreign Direct Investments (Communication “A” 4237, as supplemented).¹⁰ Some of the major changes proposed include the following:

- To update the theoretical framework in line with the international standards on information requirements (IMF, Organisation for Economic Co-operation and Development (OECD), and Data Gaps Initiative, among others).
- To implement an integrated system intended to achieve greater consistency in the data uploaded, and to face critical situations not entailing excessive cost to the BCRA and the rest of the players in the system.

Accordingly, the BCRA created the Survey on External Assets and Liabilities (*Relevamiento de Activos y Pasivos Externos*, RAYPE) (Communication “A” 6401 issued in 2017).

The survey was supported by the INDEC as under a Master Cooperation Agreement that seeks to foster ongoing exchange and upgrade of information—which is essential to the estimation of the Balance of Payments and the International Investment Position.

The technological update included the development of new forms for uploading information with authenticated access (AFIP platform). These forms enable users to upload and submit information on a streamlined basis. Their characteristic features are as follows:¹¹

- Upload options tailored to the needs of each reporting party (bulk upload for companies reporting massive data, and manual upload for those with low computerization levels).
- More rules for data validation, which result in higher consistency levels in the data collected.
- Online support for reporting parties.
- Reporting process up to 5 times a day to facilitate validation and data correction by reporting parties.

⁹ Communication “A” 3602 of 2002 required private sector residents to disclose the debt securities they had issued (both in Argentina and abroad) and other external liabilities as of the end of every quarter.

¹⁰ Communication “A” 4237 of 2004 required non-residents to report their direct investments (equity interest in corporations and quasi-corporations, and real estate) in Argentina. Likewise, residents were to report their direct investments (equity interest in corporations and quasi-corporations, and real estate) made abroad. This survey was to be submitted on a semi-annual basis.

¹¹ For more information, see Communication “B” 11,712.

B. Reporting Parties of the Survey on External Assets and Liabilities

The new Survey on External Assets and Liabilities is expected to be submitted by natural and legal persons, undertakings, and vehicles other than those included in the definition of General Government provided in the sixth edition of the IMF's Balance of Payments Manual.

The survey must be completed on a quarterly basis by natural or legal persons, undertakings and vehicles other than those included in the definition referred to above that hold or have settled external liabilities along that period. The reporting parties are to upload all the assets or liabilities specified in each of the forms.

Those with a balance of external assets and liabilities of USD50 million or more at year-end must submit an annual confirmation (to supplement, ratify and/or correct quarterly submissions). Where the balance is under this amount, confirmation is optional.

The surveys conducted from 2017 through 2019¹² required different sample levels (primary, ancillary, supplementary, and others).

C. Information Requested

The Survey on External Assets and Liabilities focuses on:¹³

- Shares and other equity: Equity consists of all instruments and records that acknowledge claims on the residual value of a corporation or quasi-corporation, after the claims of all creditors have been met.
- Non-negotiable debt instruments: Debt instruments are those on which payment of principal and/or interest is required at some point in the future. This term encompasses liabilities and claims. Non-negotiability means that the legal ownership of an instrument is not readily capable of being transferred from one unit to another by delivery or endorsement.
- Negotiable debt instruments: Debt instruments are those instruments that require the payment of principal and/or interest at some point in the future. Negotiability means that the legal ownership of an instrument is readily capable of being transferred from one unit to another by delivery or endorsement.
- Financial derivative instruments: A derivative is a financial instrument that is linked to another specific financial instrument, indicator or commodity and through which specific financial risks (such as interest rate risk, foreign exchange risk, equity and commodity price risks, credit risk, etc.) can be traded in their own right in markets.
- Land, structures and real estate: It encompasses the property of land and structures, including natural resources—either for personal use or for production or else for other business purposes—, as long as they are directly owned, that is, they are not owned through a separate legal entity.

The level of detail required varies depending on each category. Essentially, the information to be uploaded encompasses data that describe the main characteristics of each transaction or set of transactions, along with the balances at the beginning and at the end of each period, and related flows.

D. Upload of Information

¹² For more information, see Communication "A" 6795, dated September 27, 2019.

¹³ All definitions are based on the sixth edition of the IMF's Balance of Payments Manual.

Reporting parties must enter the AFIP's site (www.afip.gob.ar) using a level 3 taxpayer password and enable the function called BCRA - Survey on External Assets and Liabilities (*BCRA – Relevamiento de Activos y Pasivos Externos*). Information can only be input into this platform, either through forms or bulk upload, following the guidelines of the User's Manual.¹⁴

These are the forms to be completed:

Compulsory forms: Reporting Party's Data, Contact Details, Non-Resident's Data, Initial Statement Form.

1- SHARES AND OTHER EQUITY:	
YES/NO	01 01 00- Reporter's equity participation in non-residents' investments
YES/NO	01 02 00- Reporter holdings issued by residents and held in foreign depositories
01 03 00- EQUITY PARTICIPATION IN THE REPORTER	
YES/NO	
01 03 01- EXCLUDING BRANCHES	
	01 03 01 01- Data of resident and non-resident investors
	01 03 01 02- Data of shares issued by company (only if issuance of shares was reported in form 01030101)
	01 03 01 03- Reporter's statement of changes in shareholders' equity
	01 03 01 04- Reporter's income statement
	01 03 01 05- Balance sheet
YES/NO	
01 03 02- BRANCHES	
	01 03 02 01- Data of reporter branch's head office
	01 03 02 02- Reporter branch's statement of changes in shareholders' equity
	01 03 02 03- Reporter branch's income statement
	01 03 02 04- Balance sheet
2- NON-NEGOTIABLE DEBT INSTRUMENTS:	
02 01 00- LOANS	
YES/NO	02 01 01- Granted to non-residents
YES/NO	02 01 02- Granted by non-residents - 02 01 02 01- Principal maturities profile
02 02 00- CURRENCY AND DEPOSITS	
YES/NO	02 02 01- 02 02 01- Current, savings and term accounts with foreign institutions
YES/NO	02 02 02- Currency (legal tender)
YES/NO	02 02 03- Current, savings and term accounts of non-residents with domestic institutions – Only for deposit-taking corporations
02 03 00- TRADE CREDIT AND ADVANCES	
YES/NO	02 03 01- Granted to non-residents
YES/NO	02 03 02- Granted by non-residents
02 04 00- OTHER RECEIVABLES OR PAYABLES NOT PREVIOUSLY INCLUDED	
YES/NO	02 04 01- Receivables
YES/NO	02 04 02- Payables
3- INSTRUMENTOS DE DEUDA NEGOCIABLES:	
03 01 00- REPORTER'S HOLDINGS	
YES/NO	03 01 01- Of securities issued by non-residents in formal markets
YES/NO	03 01 02- Of securities issued by private sector residents in depositories abroad
YES/NO	03 02 00- Reporter's issues - 03 02 01- Principal maturities profile
4- FINANCIAL DERIVATIVES:	
YES/NO	04 01 00- Positions and flows of financial derivatives
YES/NO	04 02 00- Collateral posted by the reporting party for the benefit of non-residents on financial derivatives transactions
5- LAND, REAL ESTATE AND OTHER STRUCTURES:	
YES/NO	05 01 00- Abroad
YES/NO	05 02 00- Manager of these non-residents' assets in Argentina

Compulsory forms only when the reporting party holds assets or liabilities within those categories:

From 2021 onwards, forms 02010201 (associated with form 020102) and 03020100 (associated with form 03020000) should be uploaded, if applicable.

The BCRA makes some documents available to help users to upload information:¹⁵

- Upload Manual.
- System's home page, with an overview of the survey and access to the main documents.
- Step-by-Step Upload Guide.
- Upload Guide to obtain a validation certificate.
- Initial Guide with details of the RAYPE and examples of transactions.
- FAQ Guide on upload, validation errors, form of submission, and deadlines, among others.
- Upload Guide for maturity profile of principal.

¹⁴ For more information, see the User's Manual available on the BCRA website.

¹⁵ For more information see these documents available on the BCRA website.

Part 2. Methodology for Estimating Private Sector External Debt

A. Data-into-Information Conversion

- Once information is validated, the BCRA creates tables locally out of the information submitted in each form.
- Data consistency checking process: Data are initially checked. When an error is found, the user is required to correct it. Once the error is confirmed and pending correction, the original data are changed as appropriate and replaced in the adjustment table.
- As part of the checking process, the BCRA pinpoints errors or data that should be changed, such as misreported initial or end balances, lack of continuity of entries, or debt balances of merged companies.
- Information supplemented with other sources: Sometimes, as in the case of deposit-taking institutions, the information obtained from surveys is supplemented with data available at the BCRA, such as financial institutions' balance sheets¹⁶ or statistics on deposits.
- Quarterly updating process: The BCRA turns information from annual surveys into quarterly data based on quarterly uploads.

B. Estimation of Private Sector External Debt Positions and Flows

Private sector external debt is estimated based on the collected information and once all the procedures stated in paragraph 1 above have been completed.

- Process of imputation of missing data: At this stage, every missing transaction/entry or survey is imputed. Missing data is imputed both for debt positions and flows of the period. To that end, the BCRA draws on information from the transaction itself and from similar transactions, estimating debt positions first, and then flows for such entry, transactions, and other flows. It should be noted that the process is based on the distinctive features of each type of debt, leaving outliers outside to avoid using unrepresentative figures.
- Translation into US dollars: Surveys show data in their original currency. The flows of each currency are translated into US dollars at the average exchange rate for each currency over the period, whereas positions are translated using the exchange rate of the date for which they are estimated.
- Changes in positions due to exchange rate fluctuations: They are estimated using the following formula:

$$\text{Change due to exchange rate fluctuation} = \text{End balance in USD} - \text{Initial Balance in USD} - \text{Transactions in USD} \\ - \text{Price change in USD} - \text{Change in volume in USD}$$

C. Data Presentation

Data is handled following the guidelines of the sixth edition of the IMF's Balance of Payments Manual, though additional breakdowns are added using all the information contained in the survey.

¹⁶ The information reported in the Monthly Accounting Reporting Regime of Deposit-Taking Corporations (*sociedades captadoras de depósitos*, SCD) is compared with that input in the RAYPE. Where there is a difference in the positions, the balance sheet data prevail, while keeping the RAYPE's breakdown.

Below are some of the differences between the classification used in the INDEC's technical report titled Balance of Payments, International Investment Position and External Debt, and those in the statistical annexes of this report:

- In the breakdown by type of transaction of the RAYPE, third parties' commercial financing transactions, such as pre-financing granted by overseas banks, are classified as commercial debts. Hence, the concept of commercial debt in the statistics released here is broader than that reflected in credit lines and commercial advances in the INDEC's technical report titled Balance of Payments, International Investment Position and External Debt.
- In the breakdown by type of transaction of the RAYPE, Direct Investment Debt Instruments in the report titled Balance of Payments, International Investment Position and External Debt are classified here by purpose (imports, exports financing, financial debt, etc.) Direct Investment Debt Instruments in the survey's statistics are included in the breakdown by type of creditor.

In addition, information is broken down by type of creditor, debtor's activity sector,¹⁷ creditor's country, and currency of the debt.

It is worth noting that the information on private sector external debt obtained from both the Survey on Debt Securities and Other External Liabilities (Communication "A" 3602, as supplemented), and the Survey on External Assets and Liabilities (Communication "A" 6401, as supplemented) has not been harmonized in this report for different reasons.

Firstly, both surveys have used different methodologies (the survey as per Communication "A" 3602 was based on the fifth edition of the IMF's Balance of Payments Manual, while the RAYPE relies on the sixth edition, and subsequent international recommendations), and different forms of compilation and processing of information (improving methodologies for estimating missing or quarterly data).

In addition, considering the BCRA's planning in agreement with the INDEC, and international organizations' recommendations, both surveys share a period with overlapping information (March 31, 2016), which hinders harmonization at microdata level.

However, for a historical analysis of the evolution of private external debt, it is advisable to refer to the statistics released by the INDEC in the technical report titled Balance of Payments, International Investment Position and External Debt.

D. Data Revision Policy

The Data Revision Policy has been agreed with the INDEC under a Master Cooperation Agreement for the estimation of the Balance of Payments and International Investment Position.

Within the framework of this agreement, the INDEC will release statistics on the Balance of Payments and International Investment Position statistics on the usual date. A month later, the BCRA will publish the data

¹⁷ Each debtor is classified according to the CLANAE 2010 (the INDEC's National Classification of Economic Activities) in line with the classification by sector reported to the AFIP (CLAE), as both classification systems agree at the "Tabulation Categories" and "Groups" levels (3 digits).

or the quarter published by INDEC and a review of the data of the previous quarter. On a yearly basis, both institutions will jointly review the quarterly data published.