

Private Sector External Debt Report

As of June 30, 2020



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 Issues of Debt Securities and 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 IMF's Balance of Payments Manual 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 Federal Administration of Public Revenue's (AFIP) website 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. The INDEC has agreed on the estimations published in this report.

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

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Executive Summary

In agreement with the growing trend observed up to the publication of this report as of September 30, 2017,² the private sector external debt went on increasing until the third quarter of 2019, when the public debt was rescheduled. Between December 31, 2017 and September 30, 2019, the total private sector external debt grew by USD10,634 million, mainly explained by an increase in the financial debt (USD7,662 million). From early 2016, the evolution of the private sector external debt showed the same growing trend as public debt to hit a record by the end of the third quarter of 2019.

From September 30, 2019 to June 30, 2020, total net payments amounted to USD4,726 million (commercial external debt for USD3,312 million, and financial external debt for USD1,414 million). From foreign exchange market statistics, it can be deduced that payments would continue along the third quarter of 2020.

As of June 30, 2020, the private sector external debt totaled USD81,401 million, recording a quarterly fall of USD2,739 million.

In turn, the external debt for exports of goods reached USD5,750 million by the end of June 2020, exhibiting a quarterly drop of USD1,612 million. The total debt with related creditors recorded USD1,080 million, while the one with the rest of creditors amounted to USD4,670 million.

The external debt for imports of goods reached USD22,912 million at the end of the second quarter of 2020, with a net payment of USD1,011 million vis-à-vis the previous quarter, and USD953 million against the same period of the previous year. On the other side, the external debt for services totaled USD7,571 million as of June 30, 2020, down USD88 million against the end of the previous quarter, and up USD1,594 million against June 30, 2019.

In addition, the financial external debt accrued USD45,169 million as of June 30, 2020, with a quarterly fall of USD28 million (the payment of loans and other financial debt for USD314 million was partially offset by a net rise of non-residents' holdings of debt securities for USD287 million), and of USD743 million y.o.y.

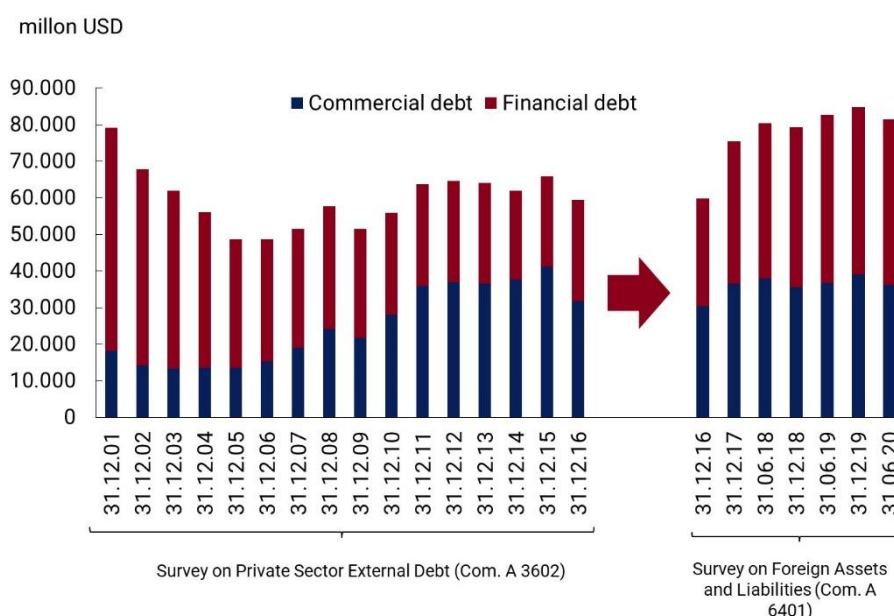
The profile of the private sector external debt as of June 30, 2020 shows that most commercial external debt will fall due over the next year, while financial external debt's maturity terms are longer than one year.

² For further information on previous editions of the private sector external debt report (latest data obtained from the Survey conducted as under Communication "A" 3602), and methodological differences between the report as of 09.30.17 and the current one, visit the BCRA's website and the annex attached hereto.

1. Private Sector External Debt as of June 30, 2020³

The private sector external debt totaled USD81,401 million as of June 30, 2020 (Chart 1), recording a quarterly fall of USD2,739 million, which can be explained by a decrease of both the commercial external debt (USD2,711 million), and the financial debt (USD28 million). The total external debt declined by USD1,234 million as a result of a fall of USD540 million in the commercial external debt, and of USD743 million in the financial external debt.

Chart 1 | Private Sector External Debt
Debt position by type of transaction



Source: BCRA.

In agreement with the growing trend observed up to the publication of this report as of September 30, 2017,⁴ the private sector external debt went on increasing until the third quarter of 2019, when the public debt was rescheduled. Between December 31, 2017 and September 30, 2019, the total private sector external debt rose by USD10,634 million, mainly due to an increase in the financial external debt (USD7,662 million). From the beginning of 2016, the private sector external debt evolution showed the same growing trend as public debt to hit a record in the third quarter of 2019.

³ Data uploaded to the platform for the Survey on External Assets and Liabilities (set out by BCRA's Communication "A" 6401) are subject to validation. 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. The data published have been agreed upon by the INDEC as under a Master Cooperation Agreement.

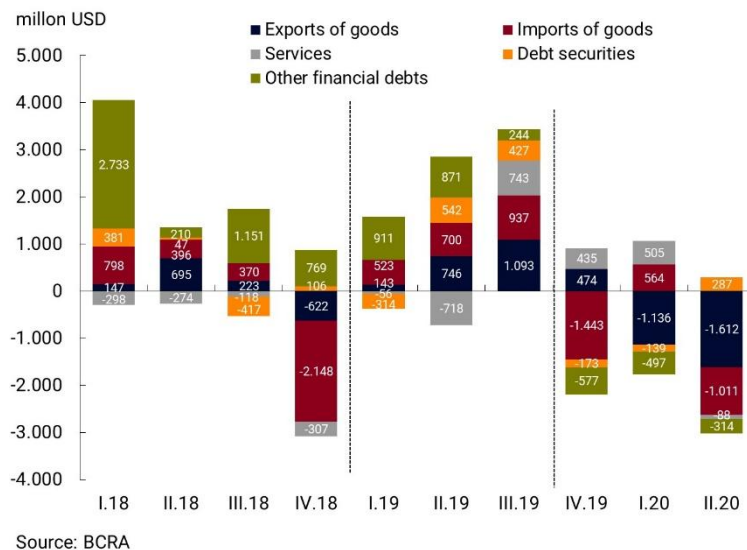
⁴ For further information on previous editions of the private sector external debt report (latest data obtained from the Survey conducted as under Communication "A" 3602), and methodological differences between the report as of 09.30.17 and the current one, visit the BCRA's website and the annex attached hereto.

From September 30, 2019 to June 30, 2020, total net payments came to USD4,726 million (commercial external debt for USD3,312 million, and financial external debt for USD1,414 million). From foreign exchange market statistics, it can be deduced that payments would continue along the third quarter of 2020.

In this context, the BCRA ordered, at the end of May, the payment of commercial external liabilities⁵ and, by mid-September, it took measures, in coordination with other agencies from the National Government, to ensure the availability of foreign currency to support economic recovery. In particular, it paved the way for restructuring the external private sector debt in a way that was compatible with the smooth functioning of the forex market.⁶

Taking into account the changes by type of transaction (Chart 2), net payments for exports of goods amounted to USD1,612 million during the second quarter of 2020, which agrees with the statistics on the forex market and exports/imports of goods published by the INDEC. Likewise, the debt for imports of goods dropped by USD1,011 million (in line with a fall of FOB imports published by the INDEC and a rise in payments made through the forex market vis-à-vis last quarter), and reimbursements of loans and other financial debt by USD 314 million, partly offset by the net rise of non-residents' holdings of debt securities for USD287 million.

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



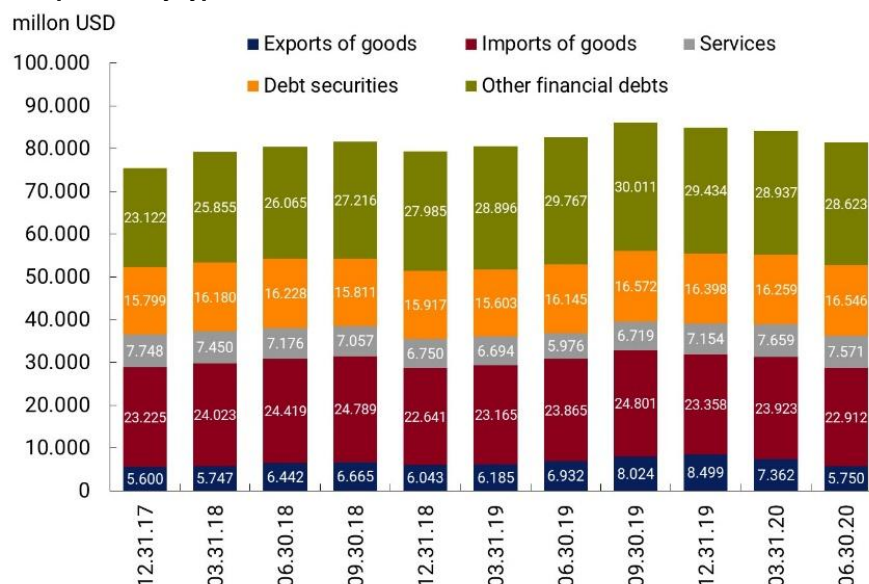
Based on the private sector external debt disaggregated by type of transaction as of June 30, 2020 (Chart 3), financial debts other than those incurred on instruments (mainly financial loans) come to the fore with a position of USD28,623 million, followed by debts for imports of goods (USD22,912 million), and instrumented debts (USD16,546 million). On another note, the debt for

5 Communication "A" 7030 as supplemented.

6 Communication "A" 7106 as supplemented.

services stood at USD7,571 million, while the one for the export of goods reached USD5,750 million as of June 30, 2020.

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



Source: BCRA

The main economic sectors⁷ have been analyzed by type of creditor as of June 30, 2020 (Table 1), the “Manufacturing Industry” standing out with a debt position of USD21,705 million, 50% financed by companies belonging to the same group (USD10,641 million), and 50% by other private sources (USD5,731 million).

⁷ 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.

Table 1 | Private Sector External Debt

Debt position sorted out by main debtors and creditors sectors as of June 30, 2020. From whom to whom

	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
Manufacturing industry	3.705	740	10.641	5.731	888	21.705
Exploitation of mine and quarry	3.058	944	9.712	624	7.053	21.391
Wholesalers and retailers, vehicles and motorcycles repair shops	765	2	4.844	2.362	9	7.982
Provision of electricity, gas, steam and air-conditioning	2.758	433	576	1.171	2.492	7.430
Information and communications	625	0	1.841	1.895	857	5.220
Deposit-taking corporations, except the central bank	303	335	867	896	1.420	3.821
Transport and storage services	1.161	21	980	281	753	3.196
Other financial intermediaries except insurance corporations and pension funds	634	0	412	121	1.766	2.934
Agriculture, livestock, hunting, forestry and fisheries	408	2	738	194	118	1.459
Construction	116	0	943	207	119	1.386
Professional, scientific and technical services	196	0	417	374	0	988
Real estate services	138	45	77	61	569	890
Water supply, drains, waste management, recovery of materials, and public sanitation	8	0	2	177	500	686
Administrative activities and support services	11	1	441	233	0	686
Others	53	7	193	237	0	491
Insurance	199	6	129	17	0	351
Associations' services and personal services	7	0	55	214	0	277
Lodging and food services	8	4	204	42	0	258
Human health and social services	31	4	36	38	0	109
Art, culture, sports and free time services	5	0	31	31	0	67
Financial auxiliaries	15	0	30	2	1	48
Teaching	4	8	0	16	0	28
Total	14.210	2.552	33.170	14.923	16.546	81.401

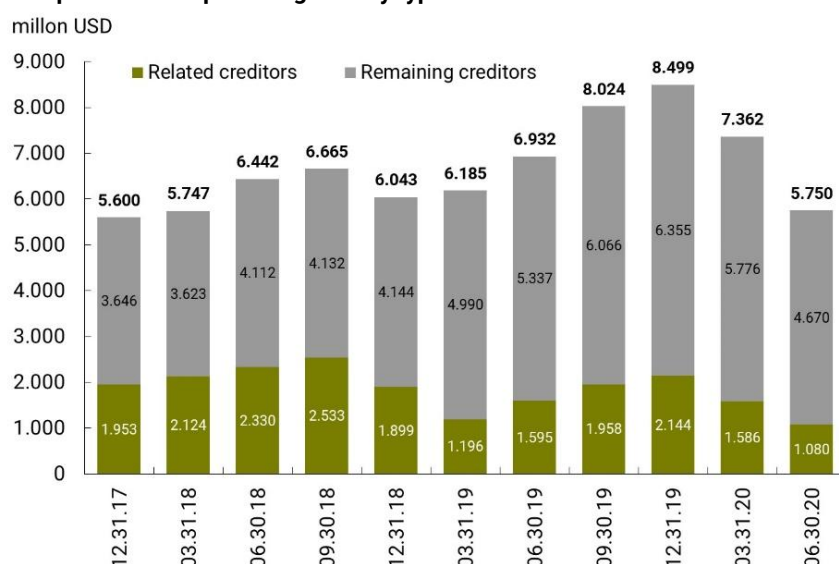
The manufacturing industry is followed in order of importance by **“Exploitation of Mine and Quarry”** with a position of USD21,391 million, mainly financed by companies belonging to the same group and many securities holders; **“Wholesale and/or Sale on Consignment, except for vehicles and motorcycles”** with a position of USD7,982 million, mainly financed by related companies; and the **“provision of electricity, gas, steam and air-conditioning”** with a position of USD7,430 million (evidencing homogeneous financing among providers).

2. Commercial Private Sector External Debt as of June 30, 2020

External Debt for Goods Exports

The external debt for exports of goods totaled USD5,750 million as of June 30, 2020 (Chart 4), showing a quarterly drop of USD1,612million, and of USD1,182 million against the same period of the previous year. As of June 30, 2020, debts with related creditors recorded a position of USD1,080 million (going down by USD506 million on a quarterly basis and by USD515 million y.o.y.), while that with the rest of creditors reached USD4,670 million (falling by USD1,107 million over the quarter, and USD667 million y.o.y.).

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

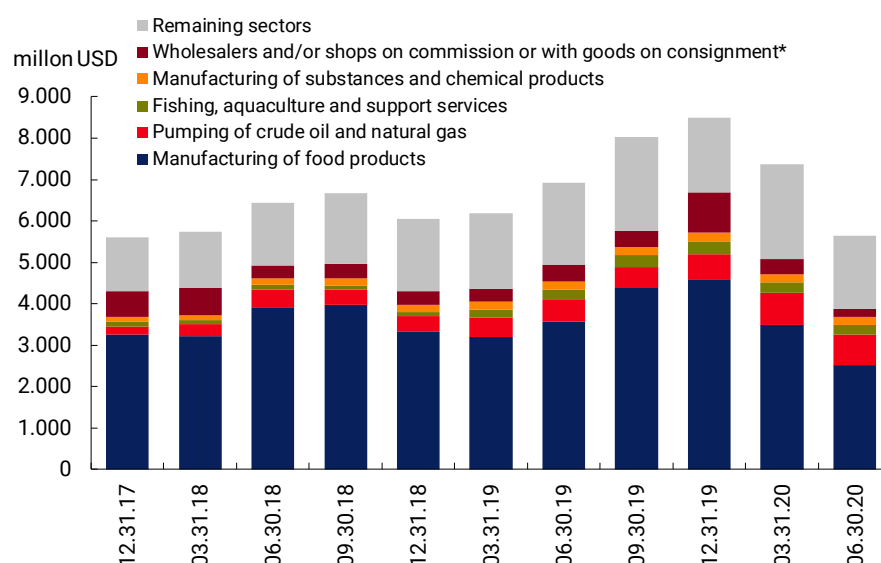


Source: BCRA

Information broken down by sector (Chart 5)⁸ revealed that the “Production of Food Stuff” sector recorded the highest fall in the second quarter of 2020, with payments of around USD350 million on a quarterly basis, and about USD2,000 million y.o.y. It is worth noting that this sector—to which companies engaged in the trade of oilseeds and grains belong—stands for nearly 45% of the total position of the private sector external debt for exports of goods as of June 30, 2020.

⁸ Classified by two-digit numbers according to the National Classifier of Economic Activities (CLANAE 2010).

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



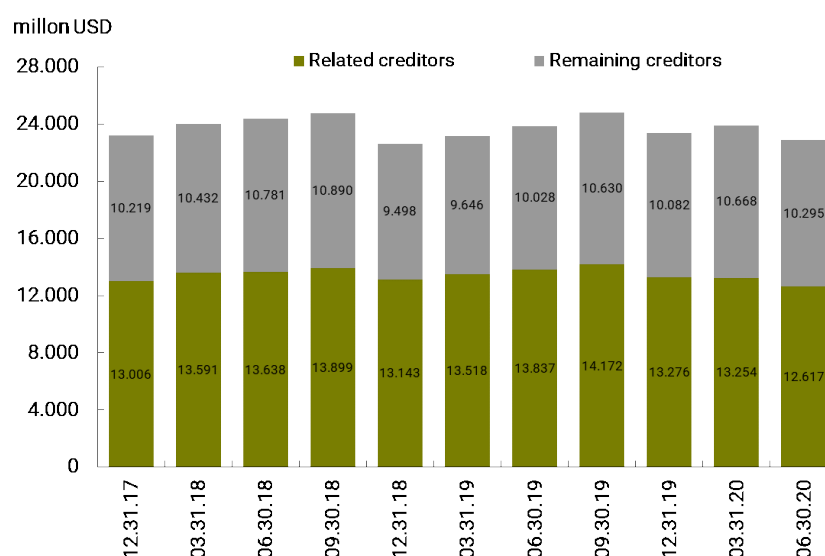
*-Except for the trade of vehicles and motorcycles..
Source: BCRA..

External Debt for Goods Imports

External debt for imports of goods amounted to USD22,912 million by the end of the second quarter of 2020 (Chart 3), with net payments for USD1,011 million vis-à-vis the end of the previous quarter, and USD953 million against the same period of the previous year (Chart 4).

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 USD12,617 million as of June 30, 2020 (recording a negative change of USD638 million quarterly), followed by the rest of creditors that exhibit a position of USD10,295 million (down USD373 million against last year's position).

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



Source: BCRA

The drop observed during the second quarter of 2020 was hand in hand with several developments: a fall in the domestic activity, exacerbated by the COVID-19 pandemic, and in FOB import levels;⁹ and an acceleration in import payments through the forex market, which rose against last quarter.

The payments for imports of goods that had started in April 2020 came to a halt by the end of May, when Communication “A” 7030 established—although with exceptions with the aim of regulating payments—that importers should require the previous authorization of the BCRA where the amounts accrued from January 1, 2020 exceeded the value imported. Since past July, the regulation has been reviewed in response to the specific commercial needs of the different productive sectors.

Information broken down by sector¹⁰ (Chart 7) shows that the manufacturing industry recorded the highest debt for imports of goods for USD10,216 million as of June 30, 2020 (including subsectors such as “Manufacturing of Rubber and Plastic Products”, and “Manufacturing of Coke and Oil Refining Products”). Wholesale and retail trade sectors followed in order of importance with a position of USD5,707 million, and then the exploitation of mine and quarry for USD2,613 million as of June 30, 2020.

⁹ Source: Argentine Foreign Trade (Intercambio Comercial Argentino, ICA, published by INDEC).

¹⁰ Classified by two-digit numbers according to the National Classifier of Economic Activities (CLANAE 2010).

Chart 7 | Private Sector External Debt

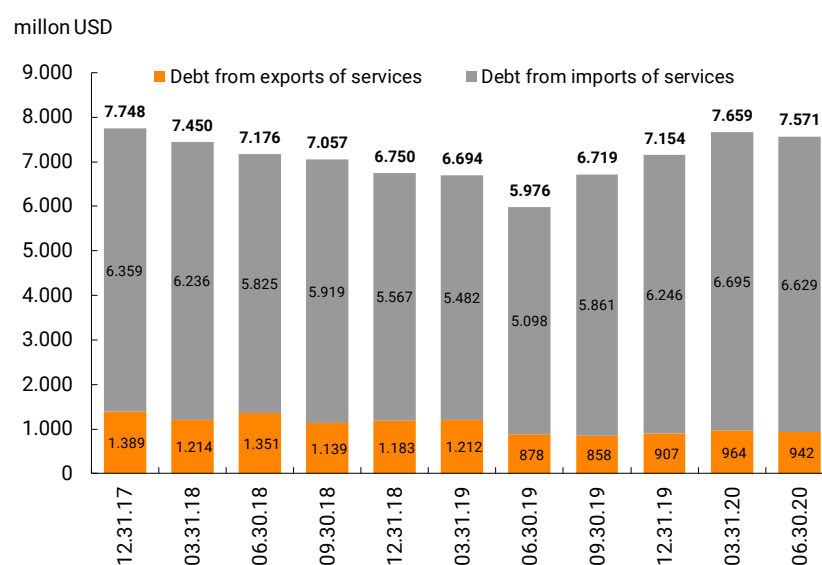
Debt position of imports of goods by activity sector as of June 30, 2020



External Debt for Services

The external debt for services reached USD7,571 million as of June 30, 2020, down USD88 million against the end of the previous quarter, and up USD1,594 million against June 30, 2019 (Chart 8). As regards debts for imports and exports of services as of June 30, 2020, the former recorded the highest share of debts, nearly 88% in total debts for imports—USD6,629 million (down USD66 million quarterly, and up USD1,530 million y.o.y.)—, while the latter stood at USD942 million (down USD22 million quarterly, and up USD64 million y.o.y.).

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



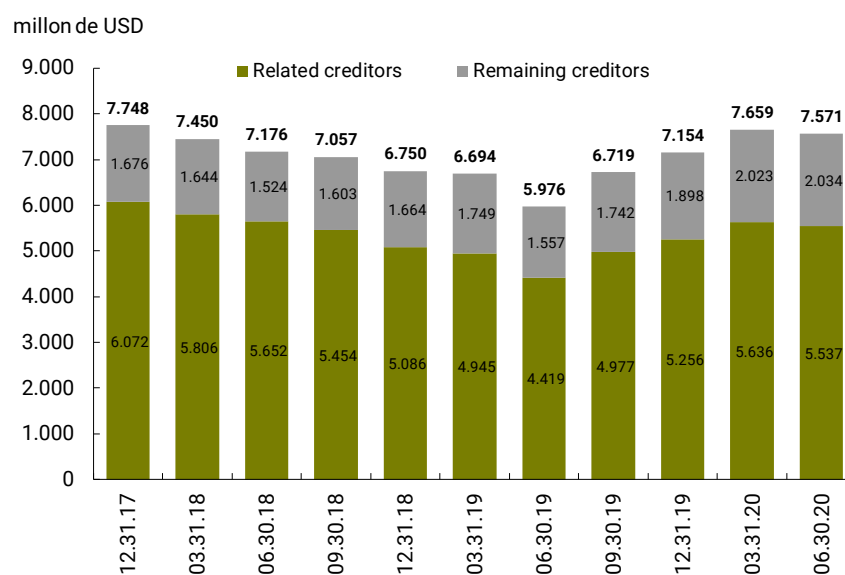
Source: BCRA

The rising trend of debt for services started in the third quarter of 2019, which would be associated to the implementation of foreign exchange regulations on the payment for services, in particular regarding related creditors.¹¹

As shown in Chart 9, the position of debts for services to related creditors amounted to USD5,537 million as of June 30, 2020 (down USD99 million quarterly, and up USD1,118 million y.o.y.), while the position of non-related creditors reached USD2,034 million as of June 30, 2020 (which resulted in a positive change of USD10 million quarterly, and of USD477 million y.o.y.).

¹¹ Communication "A" 6770 as supplemented.

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

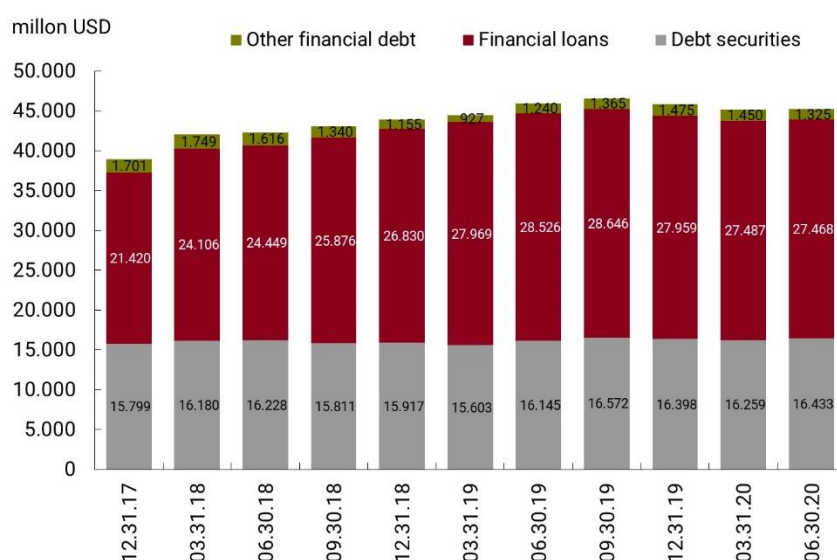


Source: BCRA

3. Financial Private Sector External Debt as of June 30, 2020

The financial external debt (Chart 10) totaled USD45,169 million as of June 30, 2020, falling USD28 million on a quarterly basis, and USD743 million y.o.y. Mostly, it derives from financial loans (with a position of USD27,290 million), followed by transactions in securities (with a position of USD16,546 million), and other financial transactions (USD1,333 million), notably debt on distributed but unpaid profits and dividends.

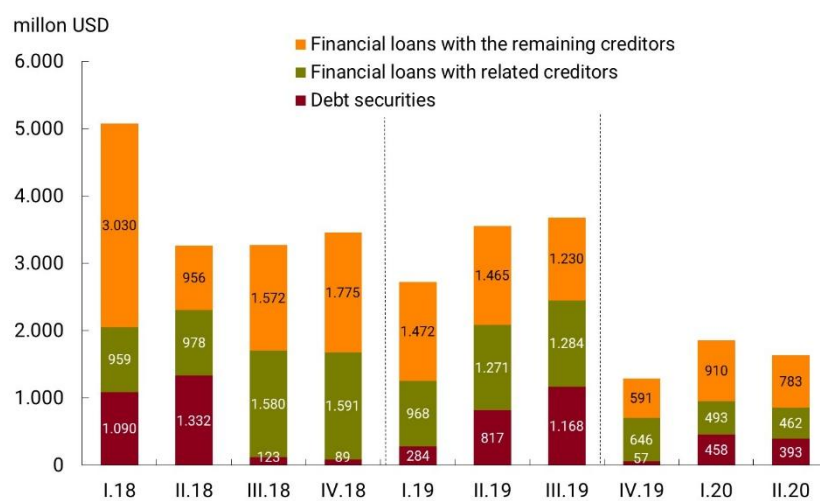
Chart 10 | Private Sector External Debt
Financial debt position by type of transaction



Source: BCRA

In the second quarter of 2020, new financial disbursements (fresh funding) amounted to USD1,638 million, down USD222 million against gross inflows of the previous quarter (Chart 11). Loans granted by non-related creditors (USD783 million) were the main source of financing, followed by loans granted by companies within the same group (USD462 million), and debt securities (USD393 million).

Chart 11 | Private Sector External Debt
Financial fresh funds from the non-financial private sector



New financial disbursements (fresh funding) are gross disbursements of financial loans and/or debt securities that are not linked to a debt refinancing process..

4. Maturity Profile of External Debt as of June 30, 2020

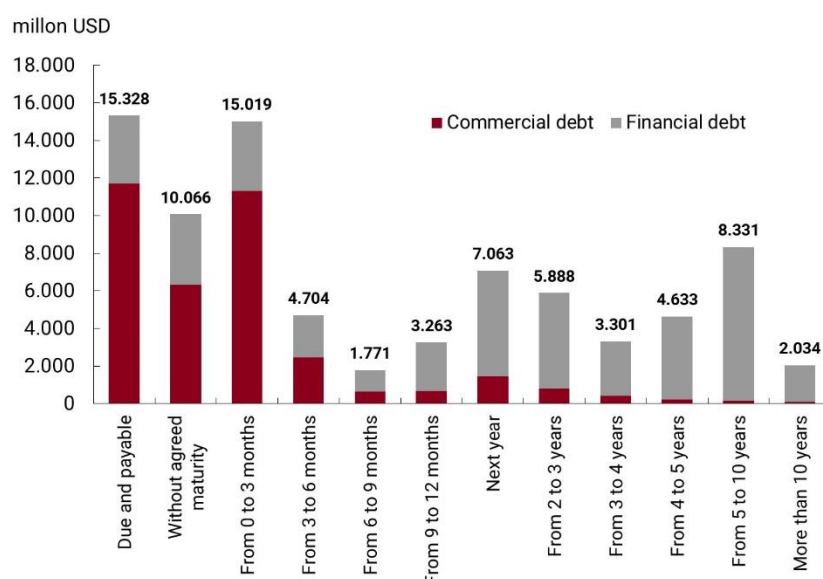
The maturity profile of the private sector external debt as of June 30, 2020 (Chart 12) shows that most commercial debts fall due within a year, while most financial debts are due beyond one year.

Commercial debts falling due along the year following the reference date amount to USD33,112 million (91% of the total debt as of June 30, 2020), whereas financial debts with maturities along the same period reach USD17,038 million (38% of the total financial external debt as of June 30, 2020).

Total overdue debt comprises past due and outstanding 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 “without agreed maturity” fits 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 June 30, 2020



Source: BCRA.

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 Issues of Debt Securities and External Liabilities (Communication “A” 3602, as supplemented),¹² and the Survey on Domestic and Foreign Direct Investments (Communication “A” 4237, as supplemented).¹³ 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:¹⁴

- 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).

12 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.

13 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.

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

- 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.

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 2019¹⁵ required different sample levels (primary, ancillary, supplementary, and others).

C. Information Requested

The Survey on External Assets and Liabilities focuses on:¹⁶

- 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.

¹⁵ For more information, see Communication "A" 6795, dated September 27, 2019.

¹⁶ All definitions are based on the sixth edition of the IMF's Balance of Payments Manual.

- 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

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.¹⁷

These are the forms to be completed:

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

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

¹⁷ For more information, see the User's Manual available on the BCRA website.

ACCIONES Y OTRAS PARTICIPACIONES DE CAPITAL	
SI/NO	01 01 00- Participaciones de capital del declarante en inversiones no residentes
SI/NO	01 02 00- Tenencias del declarante en depositarias del exterior de acciones emitidas por residentes
01 03 00 - PARTICIPACIONES DE CAPITAL EN LA EMPRESA DECLARANTE	
SI/NO	01 03 01 - EXCLUYE SUCURSALES
	01 03 01 01 - Datos de los inversores residentes y no residentes
	01 03 01 02 - Datos de las acciones emitidas por la empresa (sólo si se declaró haber emitido acciones en formulario 01030101)
	01 03 01 03 - Estado de Evolución del Patrimonio Neto de la empresa declarante
	01 03 01 04 - Estado de Resultados de la empresa declarante
	01 03 01 05 - Balance General
SI/NO	01 03 02 - SUCURSALES
	01 03 02 01 - Datos de la matriz de la sucursal declarante
	01 03 02 02 - Estado de evolución del Patrimonio neto de la sucursal declarante
	01 03 02 03 - Estado de Resultados de la sucursal declarante
	01 03 02 04 - Balance General
2- INSTRUMENTOS DE DEUDA NO NEGOCIABLES:	
02 01 00 - PRÉSTAMOS	
SI/NO	02 01 01 - Otorgados a no residentes
SI/NO	02 01 02 - Concedidos por no residentes
02 02 00 - MONEDA Y DEPÓSITOS	
SI/NO	02 02 01 - Cuentas corrientes, de ahorro y a plazo en entidades del exterior
SI/NO	02 02 02 - Moneda (dinero legal)
SI/NO	02 02 03 - Cuentas corrientes, de ahorro y a plazo de no residentes en entidades del país - Exclusivo para Sociedades Captadoras de Depósitos
02 03 00 - CRÉDITOS Y ANTICIPOS COMERCIALES	
SI/NO	02 03 01 - Otorgados a no residentes
SI/NO	02 03 02 - Concedidos por no residentes
02 04 00 - OTRAS CUENTAS POR COBRAR O PAGAR NO INCLUIDAS ANTERIORMENTE	
SI/NO	02 04 01 - Por cobrar
SI/NO	02 04 02 - Por pagar
3- INSTRUMENTOS DE DEUDA NEGOCIABLES:	
03 01 00 - TENENCIAS DEL DECLARANTE	
SI/NO	03 01 01 - En mercados organizados de títulos emitidos por no residentes
SI/NO	03 01 02 - En depositarias del exterior de títulos emitidos por residentes del sector privado
SI/NO	03 02 00 - Emisiones del declarante
4-DERIVADOS FINANCIEROS	
SI/NO	04 01 00 - Posiciones y flujos de derivados financieros
SI/NO	04 02 00 - Depósitos en garantía constituidos por el declarante a favor de no residentes por operaciones de derivados financieros
5- TERRENOS, INMUEBLES Y OTRAS ESTRUCTURAS EDILICIAS	
SI/NO	05 01 00 - En el extranjero
SI/NO	05 02 00 - Administrador de estos bienes de no residentes en el país

The BCRA makes some documents available to help users to upload information:¹⁸

- Upload Manual.
- System's home page, with an overview of the survey and access to the main documents.
- Step-by-Step Upload Guide for users submitting information for the first time.
- 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.

¹⁸ For more information see these documents available on the BCRA website.

Part 2. Methodology for Estimating Private Sector External Debt

A. Information-into-Data 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 sheets¹⁹ 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:

Change due to exchange rate fluctuation = End balance in USD - Initial Balance in USD - Transactions in USD - Price change in USD - Change in volume in USD

C. Data Presentation

¹⁹ 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.

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.

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.

As for the classification by type of creditor, the categories used are those reported to the World Bank in the Debtor Reporting System - Form 4 (External Private Non-Guaranteed Debt²⁰). In addition, information is broken down by debtor's activity sector,²¹ 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 Issues of Debt Securities and 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 (December 31, 2016), which hinders harmonization at microdata level.

²⁰ This information is jointly posted with the Ministry of Economy.

²¹ 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).

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. Against the backdrop of this policy, the publication of quarterly data reflects the revision of the previous quarter's information, while annual data is revised once a year.

Data revision is jointly carried out by the BCRA and the INDEC.