

Financial Statements

As of December 31, 2022



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

Financial Statements as of December 31, 2022

Comparative with the prior year



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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BANCO CENTRAL DE LA REPÚBLICA ARGENTINA

**BALANCE SHEET AT DECEMBER 31, 2022
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR
- In thousands of Argentine pesos in constant currency (Note 3.4) -**

ASSETS		
	12/31/2022	12/31/2021
INTERNATIONAL RESERVES	7,899,401,810	7,938,482,305
Gold (net of allowance) (Note 4.1.1 and Exhibit II)	640,845,406	643,279,518
Foreign currency (Note 4.1.2 and Exhibit II)	4,513,989,105	5,690,901,360
Deposits to be realized in foreign currency (Note 4.1.3 and Exhibit II)	2,785,659,403	1,604,283,227
Multilateral credit agreements (net) (Note 4.1.4 and Exhibit II)	3,631	27,067
Derivatives over international reserves (Note 4.1.5 and Exhibit II)	(41,095,735)	(8,867)
GOVERNMENT SECURITIES	14,598,141,989	13,107,659,835
BCRA HOLDINGS	14,598,900,048	13,109,153,651
Securities issued under foreign legislation (Note 4.2.1.1, and Exhibits II and III)	8,228,212	11,209,991
Securities issued under Argentine legislation (Note 4.2.1.2 and Exhibit III)	14,590,671,836	13,097,943,660
1990 National Treasury Consolidated Bond (Note 4.2.1.2.1 and Exhibit III)	4,620,199	9,017,004
Non-Transferable and Others National Treasury Bills (Note 4.2.1.2.2 and Exhibit III)	10,943,761,384	11,510,516,568
Other (Note 4.2.1.2.3 and Exhibit III)	3,646,143,579	1,585,916,104
Adjustment for accrual on 1990 Consolidated Bond (Exhibit III)	(3,853,326)	(7,506,016)
ALLOWANCE FOR IMPAIRMENT OF GOVERNMENT SECURITIES (Note 4.2.2, and Exhibits I and III)	(758,059)	(1,493,816)
TEMPORARY ADVANCES TO THE ARGENTINE GOVERNMENT (Note 4.3)	2,793,100,370	4,232,951,971
LOANS TO THE ARGENTINE FINANCIAL SYSTEM	125,060	226,551
Financial institutions (net of allowances)	125,060	226,551
Financial institutions (Note 4.4)	1,166,232	3,229,013
Allowance for loans (Note 4.4 and Exhibit I)	(1,041,172)	(3,002,462)
CONTRIBUTIONS TO INTERNATIONAL AGENCIES ON BEHALF OF ARGENTINE GOVERNMENT AND OTHERS (Note 4.5 and Exhibit II)	927,644,510	1,028,883,798
RIGHTS DERIVING FROM OTHER DERIVATIVE FINANCIAL INSTRUMENTS (Note 4.6)	80,157	1,062,116
RIGHTS DERIVING FROM REPO TRANSACTIONS (Note 4.7)	2,589,520,266	6,644,038,105
OTHER ASSETS (net of allowances) (Note 4.8)	187,020,791	326,860,891
TOTAL ASSETS	28,995,034,953	33,280,165,572

LIABILITIES		
	12/31/2022	12/31/2021
MONETARY BASE	5,203,751,254	7,117,813,753
Currency in circulation	4,094,595,006	5,242,664,263
Banknotes and coins in circulation (Note 4.9.1.1)	4,094,594,754	5,242,663,772
Settlement checks in pesos in circulation (Note 4.9.1.2)	252	491
Current accounts in pesos (Note 4.9.2)	1,109,156,248	1,875,149,490
INSTRUMENTS OF PAYMENT IN OTHER CURRENCIES	4,274,838	6,006,087
Settlement checks in other currencies in circulation (Note 4.10.1 and Exhibit II)	3,543	4,003
Certificates of deposit for investment (Note 4.10.2 and Exhibit II)	4,271,295	6,002,084
CURRENT ACCOUNTS IN OTHER CURRENCIES (Note 4.11 and Exhibit II)	2,136,795,817	2,418,374,419
DEPOSITS FROM ARGENTINE GOVERNMENT AND OTHERS (Note 4.12)	1,212,510,504	232,550,399
Other deposits	1,212,510,504	232,550,399
OTHER DEPOSITS (Note 4.13)	2,561,386	1,760,101
IMF SPECIAL DRAWING RIGHTS (Note 4.14 and Exhibit II)	75,049,177	89,184,329
Allocation of SDR	1,196,308,847	1,421,627,869
Contra account of allocation of SDR	(1,121,259,670)	(1,332,443,540)
OBLIGATIONS WITH INTERNATIONAL AGENCIES (Note 4.15)	554,761,784	631,385,670
Obligations	743,292,102	779,654,938
Contra account of the use of the reserve tranche (Exhibit II)	(188,530,318)	(148,269,268)
SECURITIES ISSUED BY THE BCRA (Note 4.16 and Exhibit IV)	10,483,445,777	9,826,565,316
Bills and notes issued in foreign currency (Exhibit II)	82,870,547	-
Bills and notes issued in Argentine pesos	10,400,575,230	9,826,565,316
CONTRA ACCOUNT OF ARGENTINE GOVERNMENT CONTRIBUTIONS TO INTERNATIONAL AGENCIES (Note 4.17 and Exhibit II)	699,819,711	764,830,886
DUE TO OTHER FINANCIAL DERIVATIVES (Note 4.18)	955,499	-
DUE TO REPO TRANSACTIONS (Note 4.19)	2,357,640,827	6,030,962,803
DUE TO MULTILATERAL CREDIT AGREEMENTS (Note 4.20 and Exhibit II)	13,542,996	4,616,746
OTHER LIABILITIES (Note 4.21 and Exhibit II)	3,825,028,586	4,869,580,367
PROVISIONS (Note 4.22 and Exhibit I)	23,723,972	31,434,440
TOTAL LIABILITIES	26,593,862,128	32,025,065,316
NET EQUITY (as per related statement)	2,401,172,825	1,255,100,256
TOTAL LIABILITIES AND EQUITY	28,995,034,953	33,280,165,572

Notes 1 to 8 and Exhibits I to V are an integral part of these Financial Statements.

Silvana A. Lepera
ACCOUNTING MANAGER

Gerardo Graziano
MAIN GENERAL
ACCOUNTING MANAGER

Marina Ongaro
ADMINISTRATION AND CENTRAL
SERVICES DEPUTY GENERAL
MANAGER

Agustín Torcassi
GENERAL MANAGER

Miguel Ángel Pesce
PRESIDENT

Waldo J. M. Farías
DEPUTY COMPTROLLER

Marcos E. Moiseff
REGULAR COMPTROLLER

Signed for identification purposes with the report dated 05/18/2023

STATEMENT OF INCOME
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR
- In thousands of Argentine pesos in constant currency (Note 3.4) -

	12/31/2022	12/31/2021
Interest and adjustments:		
Interest income:	568,095,195	123,957,688
On international reserves (Note 4.23.1)	29,140,189	981,608
On government securities (Note 4.23.1)	535,900,371	120,513,516
On deposits in other entities	211,105	519,732
On loans to the financial system (Note 4.23.1)	767	10,938
On other assets (Note 4.23.1)	2,842,763	1,931,894
Interest expenses:	(4,832,569,858)	(3,102,640,672)
On securities issued by the BCRA (Note 4.23.2)	(4,032,376,751)	(1,722,325,369)
On obligations with international agencies (Note 4.23.2)	(26,373,377)	(4,188,611)
On other transactions with the financial system (Note 4.23.2)	(773,638,269)	(1,375,764,169)
On other liabilities (Note 4.23.2)	(181,461)	(362,524)
Set-up of allowances for government securities and loans to the financial system, net (Note 4.23.3)	(290,569)	(1,618,007)
Listed price differences, net (Note 4.23.4)	5,468,159,747	3,187,654,621
Foreign currency trading differences, net (Note 4.23.5)	10,145,852	3,315,485
Other financial instruments trading differences, net (Note 4.23.6)	221,238,968	94,828,652
Net financial income	1,434,779,335	305,497,767
Miscellaneous charges and fines (Note 4.23.7)	2,456,661	3,680,109
Net commissions	(17,585)	(29,792)
Commissions earned	823	1,406
Commissions paid	(18,408)	(31,198)
Contributions to General Revenue (Rentas Generales) pursuant to Budget Law	-	-
Monetary issuance expenses (Note 4.23.8)	(29,425,877)	(31,372,646)
General expenses (Note 4.23.9)	(38,097,719)	(37,839,374)
Set-up of other Allowances / Provisions, net (Note 4.23.10)	(7,997,845)	(12,250,163)
Net income from operating activities	1,361,696,970	227,685,901
Other income/(expenses), net (Note 4.23.11)	675,507,634	(5,005,889)
Adjusted net income	2,037,204,604	222,680,012
Purchasing power loss	(891,132,035)	(1,107,837,918)
NET INCOME/(LOSS) FOR THE YEAR	1,146,072,569	(885,157,906)

Notes 1 to 8 and Exhibits I to V are an integral part of these Financial Statements.

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STATEMENT OF CHANGES IN EQUITY AT DECEMBER 31, 2022
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR
- In thousands of Argentine pesos in constant currency (Note 3.4) -

ITEMS	CAPITAL	CAPITAL ADJUSTMENT	RESERVES		UNAPPROPRIATED RETAINED EARNINGS	TOTAL 12/31/2022	TOTAL 12/31/2021
			GENERAL RESERVE	SPECIAL RESERVE			
Balances at beginning of year, restated (Note 3.4) (*)	253,434,462	900,510,470	575,635,490	-	(474,480,166)	1,255,100,256	4,046,980,793
Absorption of accumulated losses under Board Resolution No. 132 dated April 21, 2022, and distribution of earnings under Board Resolution No. 136 dated April 29, 2021	-	-	(385,477,962)	-	385,477,962	-	(1,906,722,630)
Net income/(loss) for the year					1,146,072,569	1,146,072,569	(885,157,907)
Balances at year-end	253,434,462	900,510,470	190,157,528	-	1,057,070,365	2,401,172,825	1,255,100,256

(*) Balances at beginning of year restated under Technical Pronouncement No. 6.
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STATEMENT OF CASH FLOWS AND CASH EQUIVALENTS AT DECEMBER 31, 2022 COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR - In thousands of Argentine pesos in constant currency (Note 3.4) -			31/12/2022	31/12/2021
I) Operating activities				
1. Sources			2,202,731,440	198,746,502
- Net purchases of foreign currency			1,324,106,984	264,748,602
- Net income/(expenses) from transactions with foreign financial institutions of the Argentine Government			456,627,404	(352,763,210)
- IADB/IBRD loans to provinces, financial program for MSMEs, and revolving funds			375,646,368	287,973,175
- Interest gain on investments abroad			25,359,532	375,849
- Securities, foreign currency and gold trading differences, net			15,521,235	2,964,749
- Net BCRA expenses from transactions with foreign financial institutions			5,469,916	(4,552,663)
2. Uses			(497,083,190)	(236,470,337)
- Transfers of deposits of financial institutions			(238,049,668)	(65,431,962)
- Net transactions with multilateral credit agreements (SML and Others)			(113,132,565)	(78,714,161)
- Net expenses from funds linked to payments and placements of Argentine Government securities			(105,648,566)	(93,212,630)
- Net (expenses)/income from net transactions for guarantees of derivative instruments			(30,517,850)	1,391,359
- Deposits at international agencies, net			(9,373,438)	(524,099)
- Administrative expenses			(213,608)	(181,340)
- Payment of Sovereign Debt, Laws No. 26984 and No. 27249			(108,292)	-
- Other items			(39,202)	202,498
3. Net adjustment from restatement of operating activities			180,065,242	106,206,344
Net cash flows provided by operating activities (1-2-3)			1,885,713,492	68,482,509
II) Investment activities				
4. Sources			147,553	228,169
- Collection of dividends BIS			147,553	228,169
5. Net adjustment from restatement of investment activities			63,552	277,126
Net cash flows provided by investment activities (4-5)			211,105	505,295
III) Financing activities				
6. Sources			-	-
- Net placements of repo agreements with banks and other entities in Argentina			-	-
7. Uses			(7,261,472)	(1,043,323)
- Net expenses from foreign financial institutions			(7,261,472)	(1,043,323)
8. Net adjustment from restatement of financing activities			(1,742,789)	(1,442,555)
Net cash flows provided by financing activities (6-7-8)			(9,004,262)	(2,485,877)
IV) Other				
9. Listed price differences, net			2,726,169,655	1,902,593,724
- Listed price differences, net			2,125,528,594	799,652,846
- Net adjustment from restatement of net listed price differences			600,641,061	1,102,940,878
10. Effect of monetary gain/loss			(4,642,170,485)	(3,775,230,720)
- Effect of monetary gain/loss on cash and cash equivalents			(4,642,170,485)	(3,775,230,720)
Total Other (9-10)			(1,916,000,830)	(1,872,636,996)
Net cash flows from all activities (I+II+III+IV)			(39,080,494)	(1,806,135,070)
Net cash and cash equivalents at beginning of year (Note 3.1)			7,938,482,305	9,744,617,375
Net cash and cash equivalents at year-end (Note 3.1)			7,899,401,810	7,938,482,305

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Notes to the Financial Statements
for the fiscal year ended
December 31, 2022 comparative
with the prior year
-In thousands of Argentine pesos-

NOTE 1 - NATURE AND PURPOSE OF THE CENTRAL BANK OF ARGENTINA

The Central Bank of Argentina (BCRA) is a self-regulated entity of the National State that is subject to the provisions of its Charter and further legal regulations (Section 1, Law No. 24144, as amended).

The purpose of the BCRA is to promote—within the scope of its powers and under the policies set by the Argentine Government—monetary and financial stability, employment and economic development along with social equality (Section 3 of the BCRA's Charter). In addition, Section 4 of the Charter sets forth the following functions and powers of the BCRA:

- to regulate the operation of the financial system and enforce the Law on Financial Institutions and such other regulations as may be consequently enacted;
- to regulate the amount of money and interest rates, and to regulate and steer lending;
- to serve as the financial agent for the National State, and as depositary and agent for Argentina before international monetary, banking and financial institutions to which Argentina has endorsed, and to play an active role in international integration and cooperation;
- to hold and administer its gold and foreign currency reserves, and other foreign assets;
- to contribute to the smooth functioning of capital markets and to implement the foreign exchange policy in full accordance with the laws passed by the Argentine Congress;
- to regulate, within its authority, all payment systems, clearing and settlement houses, money remittance entities, and cash-in-transit companies, and to carry out any other action related to the financial and foreign exchange sectors;
- to provide for the protection of financial service users' rights and of fair competition, coordinating its actions with all relevant government agencies.

The BCRA's Charter further establishes that in the exercise of its functions and powers, the BCRA shall neither be subject to any order, indication, or instruction from the National Executive Branch, nor may it undertake any obligation conditioning, restricting or delegating the abovementioned functions and powers without the express consent of the Argentine Congress. The National State

guarantees the obligations undertaken by the BCRA. The latter, based on its objectives and the applicable legal framework, carries out a significant number of transactions on behalf of the former, having reciprocal assets and liabilities.

NOTE 2 - SIGNIFICANT EVENTS FOR FISCAL YEARS 2022 AND 2021

For a better reading of the accompanying financial statements, the following paragraphs describe the most significant events that occurred during these fiscal years.

2.1 Stand-By Arrangement and Extended Fund Facility with the International Monetary Fund (IMF)

In 2018, the Executive Board of the IMF approved a Stand-By Arrangement for the benefit of Argentina which totaled USD 57,100,000 (equivalent to SDR 40,714,000). In this context, between 2018 and 2019, amounts were received for a total of USD 44,497,400 calculated on the basis of the exchange rate on the reception date of each tranche (equivalent to SDR 31,913,710).

On March 18, 2022, the Argentine Congress, through Law No. 27668, approved the public credit transactions within the Extended Fund Facility Program to be entered into between the National Executive Branch and the IMF for the termination of the 2018 Stand-By Arrangement and to the support of budget. Additionally, on March 25, 2022, the Executive Board of the IMF approved the Extended Fund Facility Program for a term of 30 months and USD 44,000,000 (equivalent to SDR 31,914,000).

In 2022, under the Extended Fund Facility Program, a total of USD 23,518,235 (equivalent to SDR 17,500,000) was received. In turn, payments for quarterly interest made during this fiscal year amounted to USD 270,757 (equivalent to SDR 209,345).

During fiscal year 2022, the Argentine Government made payments for amortization of principal pursuant to the Stand-By Arrangement in the amount of USD 16,649,186 (equivalent to SDR 12,544,355) and for quarterly interest in the amount of USD 1,444,969 (equivalent to SDR 1,084,853). Payments made in 2021 for amortizations and quarterly interest amounted to USD 3,736,703 (equivalent to SDR 2,653,427) and USD 1,347,853 (equivalent to SDR 943,413), respectively.

2.2 Export Increase Program

Under Emergency Decree No. 576/2022, an Export Increase Program was extraordinarily and temporarily created to strengthen BCRA's international reserves with early settlement of exports and to stimulate the National State's generation of income. The foreign currency settlement under this Program was at ARS 200 per US dollar, for transactions carried out from the effective date of said decree and during September 2022. Consequently, purchases of foreign currency for USD 7,646,279 were recorded during that period.

In November 2022, under Emergency Decree No. 787/2022, the Export Increase Program (created under Emergency Decree No. 576/2022) was implemented again; consequently, purchases of foreign currency at a special exchange rate of ARS 230 per US dollar were recorded as from the effective date of the Decree to December 30. Those transactions totaled USD 3,154,668.

Pursuant to Section 14 of Emergency Decree No. 576/2022 and Section 12 of Emergency Decree No. 787/2022, the Ministry of Economy, through Resolutions Nos. 621/2022 and 1043/2022, provided for the issuance of Non-Transferable Bills in USD maturing on September 30, 2032, and December 30, 2032, respectively, up to the amount necessary to cover the difference that affected the BCRA as a result of the implementation of special exchange rates for the said transactions. In addition, Emergency Decree No. 787/2022 determined that the said National Treasury Bills issued under the Export Increase Program shall be recorded in the BCRA's financial statements at technical value.

As a result, the BCRA received the Bill in USD under Emergency Decree No 576/2022 for an original face value of USD 2,961,672 and the Bill in USD under Emergency Decree No. 787/2022 for an original face value of USD 981,656 (see Notes 4.2.1.2.2.5, 4.23.11 and 8.2).

2.3 Transactions Involving Conversion of Assets

Section 8 of Law No. 27561 established that future subscriptions of government securities may be made with public debt instruments in the same currency. They are valued at their technical value calculated at the settlement date of each instrument.

In July 2021, the Ministry of Economy invited a new tender involving the conversion of assets, as set forth in Section 8 of Law No. 27561, which was previously mentioned. Within this framework, the BCRA participated in the swap and received in exchange BONCER 1.4%, maturing on March 25, 2023, BONCER 1.45%, maturing on August 13, 2023, and LECER, maturing on June 30, 2022 (see Exhibit III). The result recognized at December 31, 2021, for such transaction with Argentine government securities, in constant currency at December 31, 2022, amounted to ARS (40,366) (see Note 4.23.6 and Exhibit III).

In June and July, faced with an increase in volatility of global and local financial markets, the BCRA operated in the government securities secondary market with the purpose of restoring the Treasury interest rate curve in pesos, in a context of excessive price volatility.

Further, during 2022 fiscal year, the BCRA took part in debt conversion transactions organized by the Ministry of Economy in June, July, August and November 2022.

As a result of those operations, the BCRA's portfolio included Discount National Treasury Bills (LEDES), maturing on February 28 and April 28, 2022; National Treasury Bills adjusted by the Benchmark Stabilization Coefficient (LECER), maturing on August 16, October 21, and December 16, 2022; Discount National Treasury Bills, maturing on August 31, October 31, and November 30,

2022; and Argentine Dual Currency Bonds, maturing on June 30, July 31 and September 29, 2023 (see Exhibit III).

Total results for the aforementioned transactions involving the conversion of assets, stated in constant currency at December 31, 2022, amounted to ARS 149,891,952 (see Note 4.23.6).

2.4 Securities Issued by the BCRA (See Note 4.16)

Communication "A" 7460 of February 17, 2022, informs of the issuance and placement of Liquidity Notes (NOTALIQs) at a floating rate, which can be subscribed solely by financial institutions.

The subscription and payment currency is the Argentine peso. They are fully amortized upon maturity and the maximum term is 190 days. The interest rate is the monetary policy rate (annual percentage rate, APR) reported by the BCRA plus a spread communicated to the market on the date of the tender.

As of July 2022, the BCRA issues "Central Bank Bills in US dollars payable at benchmark exchange rate (LEDIV) at zero rate". The conditions for subscription are detailed in Communication "A" 7557.

The maximum issuance term is 365 days. Upon the Bills' maturity, settlement is made at the subscribed price obtained by dividing the benchmark exchange rate at the Bill's maturing date with the benchmark exchange rate at subscription date.

As a result of Communication "A" 7579 on repurchase transactions between the BCRA and mutual funds, the BCRA issues Central Bank Bills in pesos for mutual funds (LETFCI).

As of 2021, the BCRA issues Central Bank Bills in pesos payable at the benchmark exchange rate (LEGAR) and Central Bank Bills in pesos payable at the benchmark exchange rate under Communication "A" 3500 to the mining sector (LEMIN) at zero rate.

2.5 Allocation of Special Drawing Rights (SDR) 2021

On August 2, 2021, while in a global crisis due to the COVID-19 pandemic, the IMF provided for an extraordinary allocation of SDR equivalent to the amount of USD 650,000,000. The general allocation of SDR came into force on August 23, 2021. The new SDR were credited to IMF's member countries in proportion to their current quotas. In this context, on August 23, 2021, Argentina received SDR 3,054,884 (see Notes 2.7 and 4.14).

2.6 IMF Reserve Tranche Position

The IMF reserve tranche position includes the foreign assets that the central banks transfer to the IMF, based on their quota with the IMF and use of financing. This amount may be borrowed without any conditions and with no interest accrual. The BCRA acts as a financial agent for the National State and as a depositary before the IMF.

On January 28, 2022, the Argentine Government decided to use the funds of the IMF reserve tranche position as part of the third payment in connection with the 2018 Stand-By Arrangement for the amount of SDR 270,483.

2.7 Emergency Decree No. 622/2021 - Inclusion of Current Resources under Law No. 27591 on the Argentine Administration General Budget for the Fiscal Year 2021 - National Treasury Bill in USD under Emergency Decree No. 622/2021, Maturing on September 21, 2031

Under Emergency Decree No. 622/2021, issued on September 17, 2021, the amount of ARS 422,174,000, equivalent to USD 4,334,000 at that date, must be included in the current resources calculation set forth in Law No. 27591 on the Argentine Administration General Budget for Fiscal Year 2021. Argentina is entitled to said amount due to its IMF member's quota for SDR 3,054,884. The resources were allocated to the financing of the Argentine Administration General Budget (see Note 2.1).

In this context, with the Budget's modification, 12-month and 18-month temporary advances for ARS 427,400,656 were settled on September 23, 2021.

In turn, said Emergency Decree provided for the issuance of National Treasury Bills in USD to be subscribed by the BCRA up to USD 4,334,000, with a 10-year term, fully amortized upon maturity, which can be fully or partially prepaid. Subscription of these Bills must be paid in SDR and at par, accruing interest as from its date of issue. These Bills must be recorded in the BCRA's financial statements at its technical value, applying the accounting criteria set forth in the aforementioned decree. Additionally, resources from the subscription of Bills shall only be applied to the payment of liabilities with the IMF (see Note 2.5).

On September 20, 2021, Joint Resolution No. 41/2021 of the Secretariat of Finance and the Secretariat of the Treasury provided for the issuance of the "National Treasury Bills in US dollars within the framework of Emergency Decree No. 622/2021", to be subscribed by the BCRA, for up to USD 4,334,000.

On September 21, 2021, said Bill was recognized in the face value of USD 1,888,006 as the first installment payment in connection with the amortization of liabilities with the IMF arising from the 2018 Stand-By arrangement (see Note 2.1). Subsequently, on November 4, 2021, USD 387,558 at face value was subscribed as payment of quarterly interest, since, on December 22, 2021, USD 1,855,409 at face value was subscribed due to the second installment payment in connection with the amortization of liabilities with the IMF. On January 28, 2022, the last tranche of the National Treasury Bill in USD under Emergency Decree No. 622/2021 was subscribed in the

amount of USD 203,027 at original face value. The subscription totaled USD 4,334,000 at original face value (see Note 4.2.1.2.2.4 and Exhibit III).

At December 31, 2022, the face value in USD subscribed for National Treasury Bills in USD under Emergency Decree No. 622/2021 amounted to USD 4,334,000 at original face value (USD 4,130,973 at original face value at December 31, 2021) (see Note 4.2.1.2.2.4 and Exhibit III).

2.8 Emergency Decree No. 346/2020 - Deferral of Payments of Interest and Amortization of Principal of Dollar-Denominated Securities Issued under Argentine Law

Section 1 of Emergency Decree No. 346/2020 dated April 5, 2020, established the deferral of payments of interest and amortization of principal of the public debt documented by securities denominated in US dollars issued under Argentine law until December 31, 2020, or until the prior date specified by the Ministry of Economy, considering the progress on reestablishing the public debt sustainability.

The following, among others, were exempted from deferral: Non-Transferable Bills denominated in dollars held by the BCRA, including those issued under Section 61 of the aforementioned Law No. 27541. In this regard, payments of interest and amortization of principal of these securities will be replaced, at maturity date, by new government securities whose terms will be defined jointly by the Secretariat of the Treasury and the Secretariat of Finance of the Ministry of Economy (see Note 4.2.1.2.2.3 and Exhibit III).

Later, Section 86 of Law No. 27591 extended the application of said Decree until December 31, 2021.

Afterwards, on February 22, 2022, Section 14 of Emergency Decree No. 88/2022 extended the application of Emergency Decree No. 346/2020 dated April 5, 2020, and suspended the application of the third paragraph of Section 74 a) of Law No. 24241 until December 31, 2022.

Finally, Section 82 of the Budget Law No. 27701 of December 2022 extended the application of Emergency Decree No. 346/2020, as well as the suspension of the application of the third paragraph of Section 74 a) of Law No. 24241 until December 31, 2023.

2.9 Put Options of Argentine Government Securities Allocated as from July 2022 Issued by BCRA and Participation in the Argentine Government Bonds Secondary Market

Communication "A" 7546 stated that the BCRA could perform bids for put options on securities allocated by the Argentine Government as from July 2022. Put option agreements on Argentine government securities allocated as from July 2022 shall be executed at any time until their maturity, which will be 15 days before the collateral securities' maturity.

2.10. Renewal of the Bilateral Currency Swap Agreement with the People's Bank of China

During 2020, the terms and conditions to renew the Currency Swap Master Agreement between both central banks were agreed for a term of 3 years. Thus, the total agreement still amounts to CNY 130,000,000 (CNY 70,000,000 for the original tranche and CNY 60,000,000 for the supplementary tranche), with the original tranche falling due in July 2023 and the supplementary tranche in January, April and August 2023 (see Note 8.3).

Under this agreement, the bank requiring a swap transaction shall deposit an equivalent amount in its local currency into an account in its books to the name of the other party. Additionally, the bank from which the swap transaction is required shall deposit an equivalent amount in its local currency into an account in its books to the name of the other party. The two accounts will bear no interest as far as the required funds are not actually applied and, upon maturity of each swap transaction, each bank will debit the same amount as that originally deposited.

During the term of each swap transaction, each bank may use the available amount in the local currency of the other party, as authorized under the Agreement. In this regard, at December 31, 2022, CNY 1,500,000 are being used, for a term of 3 months, maturing in February 2023, and CNY 7,000,000 for a term of 7 months, maturing in July 2023. At December 31, 2021, CNY 300,000 were used for a term of 3 months, maturing in February 2022.

It is worth mentioning that the first agreement between both central banks was entered into in 2009, and it was amended in 2014 and 2015. The Master Agreement expires on August 6, 2023 (see Note 8.3).

NOTE 3 - ACCOUNTING STANDARDS APPLIED

3.1 Basis for the Presentation of Financial Statements

These financial statements were prepared pursuant to Section 34 of the BCRA's Charter, in view of its capacity as monetary authority, in compliance with the accounting framework established in the "Accounting Policy Manual" approved by the Board of the BCRA through Resolution No. 86 dated May 16, 2013, and amended by Resolution No. 2 dated January 2, 2020, and subsequent amendments based on the provisions set forth in the Manual.

The criteria set forth in the Accounting Policy Manual include the provisions applicable to the BCRA as established in its Charter and in other Laws and Decrees at a national level, which implies a treatment other than that provided for by the professional accounting standards in force as to the measurement of Non-Transferable Bills and other National Treasury Bills held in portfolio (indicated in Note 4.2.1.2.2), and the valuation of exposures in relation to the non-financial public sector that are not recorded at market value, and that are not subject to the provisioning guidelines as provided for by the BCRA accounting standards applicable to financial institutions.

The accompanying financial statements, exhibits and notes disclose figures stated in thousands.

In the Statement of cash flows and cash equivalents, aggregate international reserves have been defined as “Cash and cash equivalents”, showing the main variations of their immediate-liquidity foreign assets.

3.2 Use of Estimates

BCRA records are based on the best estimate regarding the probability of occurrence of different future events and, therefore, the final amount of estimates may differ from such records, which may have a positive or negative impact on future years. The preparation of financial statements requires the BCRA to make estimates, in certain cases, to determine the book values of assets and liabilities, income, expenses and contingencies, as well as the disclosure thereof, at each financial reporting date.

3.3 Comparative Information

The Balance sheet, Statements of income, Changes in equity, and Cash flows and cash equivalents at December 31, 2022, as well as the related notes and exhibits are presented comparatively with balances at prior year end. It should be noted that, as a result of the implementation of the inflation adjustment method, balances at December 31, 2021, were modified and restated in constant currency at December 31, 2022, by applying the ratio arising from the Consumer Price Index (CPI) variation at December 31, 2021 (582.4575) and December 31, 2022 (1134.5875), equivalent to 1.947932.

For comparative purposes, prior-year financial statements were reclassified in order to disclose the figures on a consistent basis.

In this regard, as from fiscal year 2022, transactions under the Bilateral Agreement with the People’s Bank of China in which the BCRA participates are treated as currency swap deposits. The heading Other Liabilities still reflects the deposit in favor of the People’s Bank of China and now includes the valuation adjustment of said transactions. This change is in line with the best accounting practices of central banks concerning this matter. For comparative purposes, the information presented in fiscal year 2021 expressed in constant currency was reclassified under the following headings: Rights Deriving from Repurchase Transactions, Obligations from Repurchase Transactions and Other Liabilities.

3.4 Unit of Measurement

The BCRA's Board Resolution No. 52, dated March 28, 2019, established that the financial statements of the BCRA will be restated in constant currency, as provided for by the Superintendence of Financial and Foreign Exchange Institutions (SEFyC) for the financial statements of the institutions under its supervision. Accordingly, the SEFyC had established that

the financial institutions and foreign exchange houses under its supervision would restate the financial statements in constant currency for fiscal years as from January 1, 2020 (Communication "A" 6651).

The following price indexes are used for such purposes:

- For line items after December 2016: CPI published by the National Institute of Statistics and Censuses (INDEC).
- For line items before December 2016: the price index published by the Argentine Federation of Professional Associations of Economic Sciences (FACPCE).

Under TR No. 6, assets and liabilities that are not stated in the reporting currency at the end of the reporting period are adjusted by applying the price index. The adjusted amount of a non-monetary line item is reduced when it exceeds its recoverable value.

All line items of the Statement of income are restated at the reporting currency at year end (December 31, 2022). Loss on net monetary position is included in the "Statement of income under Purchasing power loss".

In order to apply TR No. 6 to the Balance sheet, the BCRA adopted the following methodology and criteria:

- a) Non-monetary assets were restated by applying the price index mentioned above.
- b) Monetary assets were not restated.
- c) Assets and liabilities contractually related to price changes, such as indexable securities and loans, have been measured based on the relevant agreement.
- d) All equity line items have been restated by applying the price index from the beginning of the fiscal year, or from the date of contribution, if it occurred later.

In order to apply TR No. 6 to the Statement of income, the BCRA adopted the following methodology and criteria:

- a) All line items of the Statement of income were restated at the reporting currency at December 31, 2022.
- b) Gain/loss on net monetary position is included in the Statement of income.

In the case of the Statement of cash flows and cash equivalents, the changes in line items are presented in historical amounts at December 31, 2022 and 2021; the effect of inflation on operating, investing, financing and other activities is segregated in each case under net adjustment from restatement. Such restatement adjustment is based on the aging of changes recorded monthly by computing the average index in each period. This treatment was also applied in Exhibit V – Changes in the monetary base.

3.5. General Valuation and Disclosure Methods

3.5.1 Assets and Liabilities in Foreign Currency

The financial statements' reporting currency is the Argentine peso. Transactions in foreign currency are converted into Argentine pesos at the foreign exchange rate prevailing at the date of transaction. Inventories in US dollars are subject to the benchmark foreign exchange rate prevailing at December 31, 2022, and 2021, respectively, calculated by the BCRA itself pursuant to the methodology provided for in Communication "A" 3500. Inventories in other currencies, including gold inventories, are valued at the US dollar exchange rate prevailing at closing in the markets in which BCRA trades, and they are converted into local currency on a daily basis at the benchmark foreign exchange rate published by the BCRA.

Exhibit II discloses the amounts in foreign currency at the end of fiscal years 2022 and 2021. It also includes the Deposit in pesos in favor of the People's Bank of China, adding the adjustment for maintaining the value of the obligation. This change is in line with the best accounting practices of central banks concerning this matter (see Note 3.3).

The following table shows the Argentine peso exchange rates to the different currencies used at the end of each year:

	12/31/2022	12/31/2021
United States Dollars	177.12830000	102.75000000
Gold	323,027.10942700	187,634.85750000
Special drawing rights (SDR)	235.72942677	143.80787250
Euro	189.65127081	116.98087500
Yen	1.35181485	0.89324524
Pound sterling	214.21896602	139.07212500
Brazilian Real	33.50894816	18.44207126
Canadian dollar	130.90555022	81.22529644
Swedish krona	17.00214053	11.36992365
Norwegian krone	18.03970954	11.66685591
Swiss franc	192.07145955	112.76338894
Yuan (CNY)	25.67597773	16.16557323
Yuan (CNH)	25.62842550	16.16303031

3.5.2 Method to Recognize Income and Expenses

Income and expenses are recognized on an accrual basis and are calculated based on the "Accounting Policy Manual" and the agreements entered into between the parties involved.

NOTE 4 - BREAKDOWN AND SPECIFIC VALUATION METHODS OF THE MAIN FINANCIAL STATEMENT HEADINGS AS PER THE ACCOUNTING POLICY MANUAL

4.1 International Reserves

As set forth by the Charter, the BCRA must concentrate and administer its gold reserves, foreign currency reserves and other foreign assets. The BCRA may keep a portion of its foreign assets in the form of deposits or other interest-bearing transactions with foreign financial institutions or in creditworthy papers payable in gold or in foreign currency.

4.1.1 Gold

	<u>12/31/2022</u>	<u>12/31/2021</u>
Gold bars	641,196,999	643,631,975
Allowance for gold bars (Exhibit I)	<u>(351,593)</u>	<u>(352,457)</u>
Total	<u>640,845,406</u>	<u>643,279,518</u>

Gold physical inventories, equal to 1,984.96 troy ounces, were valued at year end at USD 1,823.69 per ounce, based on the market price prevailing at the related date, and converted into Argentine pesos using the method stated in Note 3.5.1 (1,760.96 troy ounces valued at USD 1,826.13 at December 31, 2021) (see Exhibit II). The change observed (224 troy ounces) in the fiscal year ended on December 31, 2022 is due to forward purchases made in fiscal year 2021, registered under the heading Derivatives over International Reserves (see Note 4.1.5) and paid upon maturity in January 2022.

Gold bars qualify as "good delivery." Consequently, an allowance for transportation costs was booked, which consists in calculating the direct costs that should be incurred upon deciding to realize them. This allowance was estimated at one US dollar per ounce and disclosed in the financial statements, offsetting the "Gold" account balance.

In accordance with the international reserve standards, only monetary gold qualifies as a reserve asset; therefore, the gold inventories kept for numismatic purposes are not deemed financial assets and are disclosed under the heading Other assets – coined gold (see Note 4.8.1).

4.1.2 Foreign currency

	<u>12/31/2022</u>	<u>12/31/2021</u>
Current accounts in foreign correspondent banks and overnight accounts	4,239,913,022	5,157,729,471
Holdings of banknotes	<u>274,076,083</u>	<u>533,171,889</u>
Total	<u>4,513,989,105</u>	<u>5,690,901,360</u>

Holdings of banknotes were valued as established in Note 3.5.1. The overnight and checking accounts in foreign correspondent banks were valued through the same method plus the interest accrued at each year end, as applicable.

4.1.3 Deposits to Be Realized in Foreign Currency

Including the following investments made abroad:

	12/31/2022	12/31/2021
Time deposits	1,213,585,858	983,994,856
Demand deposits	1,022,621,248	136,275,409
Foreign government securities	465,543,600	352,462,152
Repurchase agreements	31,412,350	21,155,884
IMF reserve tranche position	-	75,773,942
Certificates of deposit	52,496,347	34,620,984
Total	2,785,659,403	1,604,283,227

Demand and time deposits and repurchase agreements of securities were stated at face value, plus/(less) interest or return accrued, as applicable, until each year end and converted into Argentine pesos using the method established in Note 3.5.1. Demand deposits consist mainly of SDR 4,330,767 equivalent to ARS 1,020,889,224 at December 31, 2022 (SDR 480,924 equivalent to ARS 134,720,149 at December 31, 2021) (see Note 6).

The balance of foreign government securities amounts to ARS 465,543,600 at December 31, 2022, ARS 150,872,774 of which is for securities with coupons and the rest for discount securities (ARS 352,462,152 at December 31, 2021). These instruments have been stated at market prices prevailing at year end and converted into pesos, following the criterion described in Note 3.5.1.

The IMF reserve tranche position includes the foreign assets that the central banks transfer to the IMF, based on their quota with the IMF and use of financing. This amount may be borrowed without any conditions and with no interest accrual. It is valued at the SDR quoted price. At December 31, 2022, there is no balance recorded (see Note 2.6); in turn, as at December 31, 2021, it amounted to ARS 75,773,942 (SDR 270,483).

The average annual return on total time deposits and certificates of deposit was 1.52% and 0.24% for the fiscal years 2022 and 2021, respectively.

4.1.4 Multilateral Credit Agreements

The balance accounts for net asset positions by country arising from reciprocal credit transactions under the Latin American Integration Association (ALADI) and the Argentina/Brazil Local Currency Payment System (SML), which have been valued as established in Note 3.5.1.

4.1.5 Derivatives over International Reserves

	12/31/2022	12/31/2021
Receivables from sales of currency forwards	1,252,684,707	1,036,610,057
Payables from sales of currency forwards	(1,293,817,012)	(1,038,904,990)
Receivables from purchases of currency forwards	6,291,498	131,577
Payables from purchases of currency forwards	(6,254,929)	(130,095)
Receivables from purchases of gold forwards	-	81,879,429
Payables from purchases of gold forwards	-	(79,594,845)
Total	(41,095,735)	(8,867)

Receivables from sales of currency forwards amount to ARS 1,252,684,707 at December 31, 2022, and represent the right to receive US dollars from sales at a future date at the agreed-upon exchange rate (ARS 1,036,610,057 at December 31, 2021). In turn, the balance for Payables from sales of currency forwards represents the obligation to sell foreign currency to the counterparties abroad at the agreed-upon exchange rate. At December 31, 2022, its balance amounts to ARS (1,291,255,883) plus ARS (2,561,129) for implicit interest accrued (ARS (1,038,635,764) and ARS (269,226) at December 31, 2021, respectively).

Receivables from purchases of currency forwards amount to ARS 6,291,498 and represent the right to receive other foreign currency under the transactions agreed with counterparties abroad (ARS 131,577 at December 31, 2021). Additionally, Payables from purchases of currency forwards amount to ARS (6,254,929) at December 31, 2022, and represent the obligation to deliver US dollars to the counterparties abroad as agreed (ARS (130,095) at December 31, 2021).

The balance of ARS 81,879,429 in Receivables from purchases of gold forwards represents the right to receive gold in an amount equivalent to the agreed-upon purchase price under the forward contracts, ARS 81,871,980 equivalent to 224 troy ounces and ARS 7,449 as implicit interest at December 31, 2021, equivalent to USD 37. As to Payables from purchases of gold forwards for ARS (79,594,845) equivalent to USD (397,676), they represent the obligation to deliver the foreign currency at the date of termination of those contracts (see Note 4.1.1). At December 31, 2022, no transactions were recorded.

4.2 Government Securities

4.2.1 BCRA's Holdings

It includes the BCRA's Government securities portfolio detailed in Exhibit III, which, at December 31, 2022, amounted to ARS 14,598,900,048 (ARS 13,109,153,651 at December 31, 2021).

4.2.1.1 Securities Issued under Foreign Legislation

They include securities issued by the Argentine Government and subject to the jurisdiction of foreign courts, which are stated at their listed price (see Exhibit III). At December 31, 2022, the balance amounted to ARS 8,228,212 (ARS 11,209,991 at December 31, 2021).

The portfolio of securities issued under foreign legislation includes the securities described in Exhibit III, which were incorporated as a result of the swap made under Executive Decree No. 391 published on April 22, 2020, and supplementary rules (Executive Decrees No. 404 dated April 4, 2020, No. 582 dated July 6, 2020, and No. 676 dated August 16, 2020). At December 31, 2022, and 2021, they are valued based on their market price.

4.2.1.2 Securities Issued under Argentine Legislation

They include securities held subject to Argentine legislation, which amounted to ARS 14,590,671,836 at December 31, 2022 (ARS 13,097,943,660 at December 31, 2021).

4.2.1.2.1 1990 National Treasury Consolidated Bond

This bond was issued on January 2, 1990. It is related to the consolidation of obligations assumed by the Argentine Government due to the advances provided by the BCRA by virtue of Executive Decree No. 335/1991. Such bond is stated in Argentine currency for a 99-year term, it does not accrue interest, and principal is adjusted through the buying Argentine peso-to-US dollar exchange rate published by Banco de la Nación Argentina. The amortization of adjusted principal is paid as from the tenth year. The adjustment was accrued until March 31, 1991, pursuant to Section 8 of the Convertibility Law, whereby the monetary adjustment mechanisms regarding the amounts stated in non-convertible australes would be applied exclusively until April 1, 1991, without accruing new adjustments for such items after that date.

The original issuance amount was ARS 881,464 at December 31, 2022 (the same amount at December 31, 2021). Considering that Section 6 of Law No. 25565 authorized the former Ministry of Economy to restructure public debt, Resolution No. 334/2002 of such Ministry established that it would be amortized in 80 annual consecutive installments: the first seventy-nine installments equivalent to 1%, and the last one, to 21% of the face amount issued. The first one, in the amount of ARS 8,815, matured on January 2, 2010. In view of the specific financial characteristics of this bond, especially its term, grace period and the fact that it does not accrue interest, the amount adjusted in accordance with the issuance terms and conditions, net of its offset account, was fully booked as an allowance. At December 31, 2022, the allowance was reversed in the amount equivalent to the receipt of the fourteenth installment on January 2, 2023 (see Notes 4.2.2 and 8.1, and Exhibits I and III).

4.2.1.2.2 Non-Transferable and Other National Treasury Bills

Non-Transferable and other National Treasury Bills amount to ARS 10,943,761,384 at December 31, 2022 (ARS 11,510,516,568 at December 31, 2021). The heading breakdown is detailed below. It is the BCRA's intention to hold such assets to maturity, taking into account the provisions of Emergency Decree No. 346/2020.

4.2.1.2.2.1 Non-Transferable National Treasury Bills (Subscribed until 2016)

The Non-Transferable Treasury Bills (subscribed until 2016) that remained in portfolio at year end were received in consideration for the transfer of funds to the National Treasury, based on the following items: repayment of public debt with private bondholders - Argentine Fund for Debt-Shedding (FONDEA), repayment of principal and interest with International Financial Agencies (FONDOI) and as consideration for the payment of Argentina's higher quota with the IMF.

The issuance conditions of these instruments are as follows: principal denominated in US dollars; term of ten years; fully amortized upon maturity; and accrual of interest at the interest rate accrued by the BCRA's international reserves for the same period, and up to the annual LIBOR less one percentage point, payable on a six-month basis (see Note 4.2.1.2.2.6).

In accordance with Section 62 of Law No. 27541, the Non-Transferable Bills held are recorded in the financial statements at technical value. The treatment set forth in Section 62 of Law 27541 shall be considered within the framework of the second paragraph of Note 3.1.

In accordance with the terms and conditions for the issuance of Non-Transferable Bills during the fiscal years 2022 and 2021, interest was accrued.

Breakdown is as follows:

Non-Transferable Bill in USD	Item	Original face value in USD	In pesos at 12/31/2022	Original face value in USD	In pesos at 12/31/2021
Res. No. 131/12, maturing 04/20/2022	FONDEA	-	-	5,674,000	1,135,651,071
Res. No. 171/12, maturing 06/28/2022	FONDOI	-	-	2,083,648	417,042,142
Decree No. 309/13, maturing 08/16/2023	FONDEA	2,292,297	407,583,526	2,292,297	1,427,600,865
Res. No. 8/13, maturing 01/16/2023	FONDOI	7,132,655	1,263,395,057	7,132,655	458,803,185
Res. No. 30/14, maturing 01/30/2024	FONDEA	7,896,765	1,398,740,541	7,896,765	1,580,537,453
Res. No. 190/14, maturing 08/25/2024	FONDOI	3,043,000	540,969,437	3,043,000	609,056,434
Res. No. 406/15, maturing 06/01/2025	FONDEA	10,562,540	1,873,093,419	10,562,540	2,114,092,270
Res. No. 262/16, maturing 04/29/2026	IMF QUOTA	376,300	66,798,386	376,300	75,316,427
Total		31,303,557	5,550,580,366	39,061,205	7,818,099,847

The Argentine Fund for Debt-Shedding (FONDEA) was created under Executive Decree No. 298 dated March 1, 2010, to pay off the National Treasury public debt with private bondholders for such fiscal year.

Additionally, FONDOI was used to pay principal and interest to international agencies.

Finally, the BCRA received a Non-Transferable Bill issued by the National Treasury as provided for by Resolutions Nos. 159/2016 and 262/2016 of the former Ministry of Economy and Public Finance as consideration for the payment of 25% of the total increase in the quota with the IMF, made with foreign assets on behalf of Argentina, as set forth by Section 4 of Law No. 26849.

4.2.1.2.2.2 National Treasury Bills under Law No. 27541 Maturing in 2029

National Treasury Bill in USD	Item	Original face value in USD	In pesos at 12/31/2022	Original face value in USD	In pesos at 12/31/2021
Law No. 27541/19, maturing 12/21/2029	Joint Resolutions issued by Secretariat of Finance and Secretariat of Treasury Nos. 5/2019 and 1/2020	4,571,000	809,689,776	4,571,000	914,885,626
Total		4,571,000	809,689,776	4,571,000	914,885,626

It was received by the BCRA within the framework of the provisions of Section 61 of Law No. 27541, and as provided for by the Joint Resolution No. 5/2019 issued by the Secretariat of Finance (SF) and the Secretariat of the Treasury (SH) and the Joint Resolution No. 1/2020 issued by the Secretariat of Finance and the Secretariat of the Treasury dated January 3, 2020.

Based on the issuance conditions, this instrument is issued in USD, for a term of ten years, fully amortized upon maturity on December 31, 2029, and earning interest at the interest rate accrued by the BCRA's international reserves for the same period, and up to the annual LIBOR less one percentage point, payable on a six-month basis (see Note 4.2.1.2.2.6).

In accordance with the provisions of Section 62 of Law No. 27541, these bills shall be recorded at technical value; this treatment shall be considered within the framework of the second paragraph of Note 3.1.

4.2.1.2.2.3 Non-Transferable Bills under Emergency Decree No. 346/2020 - Joint Resolutions of the Secretariat of Finance and the Secretariat of the Treasury No. 28/2020, No. 3/2021 and No. 11/2021 and No. 15/2021

Non-Transferable Bill in USD	Item	Original face value in USD	In pesos at 12/31/2022	Original face value in USD	In pesos at 12/31/2021
Res. No. 28/20, maturing 04/20/2030	Em. Decree No. 346/20	118,679	21,075,913	118,679	23,753,517
Res. Nos. 3/21 and 11/21, mat. 01/07/2031	Em. Decree No. 346/20	9,627,596	1,705,319,679	9,627,596	1,926,963,253
Res. No. 15/22, maturing 04/20/2030	Em. Decree No. 346/20	7,809,225	1,386,816,615	-	-
Total		17,555,500	3,113,212,207	9,746,275	1,950,716,770

They were received under the provisions set forth in Emergency Decree No. 346/2020 in lieu of payments of interest and amortization of principal of the bills held by the BCRA in portfolio.

Section 17 of Law No. 27561/2020 established that said Non-Transferable National Treasury Bills in US dollars directly placed in the BCRA shall be recognized in its financial statements at their technical value, as described in the second paragraph of Note 3.1.

These bills were issued for a term of 10 years, accruing interest, payable on a six-month basis based on the interest rate to be accrued by BCRA's international reserves for the same period and up to the annual LIBOR less (1) percentage point (see Note 4.2.1.2.2.6).

4.2.1.2.2.4 National Treasury Bill in USD Emergency Decree No. 622/2021, maturing September 21, 2031

Non-Transferable Bill in USD	Item	Original face value in USD	In pesos at 12/31/2022	Original face value in USD	In pesos at 12/31/2021
Emergency Decree No. 622/21, maturing 09/21/2031	PAYMENTS TO IMF	4,334,000	770,185,168	4,130,973	826,814,325
Total		4,334,000	770,185,168	4,130,973	826,814,325

Section 3 of Emergency Decree No. 622/2021 provided for the issuance of National Treasury Bills in dollars to be subscribed by the BCRA up to USD 4,334,000, with a term of TEN (10) years, fully amortized upon maturity, and payable in advance either fully or partially. Subscription of these bills must be paid in SDR and at par, accruing interest as from its date of placement. In accordance with Section 4, they are recorded in the BCRA's financial statements at technical value, as stated in the second paragraph of Note 3.1. Additionally, pursuant to Section 5, resources from the subscription of bills shall only be applied to the payment of liabilities with the IMF.

These bills accrue an interest rate equivalent to the one accrued by the BCRA's international reserves for the same period and up to the annual LIBOR less one percentage point, and interest is paid on a six-month basis. Its issuance was provided for by Joint Resolution No. 41/2021 issued by the Secretariat of Finance and the Secretariat of the Treasury (see Note 4.2.1.2.2.6).

4.2.1.2.2.5 Non-Transferable National Treasury Bill in USD under Emergency Decree No. 576/2022 and Emergency Decree No. 787/2022 – Export Increase Program

Non-Transferable Bill in USD	Item	Original face value in USD	In pesos at 12/31/2022	Original face value in USD	In pesos at 12/31/2021
Emergency Decree No. 576/22, maturing 03/30/2032	EXPORT INCREASE PROGRAM	2,961,672	526,207,027	-	-
Emergency Decree No. 787/22, maturing 12/30/2032	EXPORT INCREASE PROGRAM	981,656	173,886,840	-	-
Total		3,943,328	700,093,867	-	-

To cover the BCRA's negative result from foreign currency purchases at special exchange rates under Emergency Decree No. 576/2022 and Emergency Decree No. 787/2022, the BCRA received in 2022 the Non-Transferable Bill in USD under Emergency Decree No. 576/2022 for an original face value of USD 2,961,672 and the Non-Transferable Bill in USD under Emergency Decree No. 787/2022 for an original face value of USD 981,656, maturing on September 30, 2032, and December 30, 2032, respectively (see Note 2.2).

In accordance with Section 12 of Emergency Decree No. 787/2022, National Treasury Bills in USD issued under the Export Increase Program created by Emergency Decrees Nos. 576/22 and 787/2022 shall be recorded in the BCRA's financial statements at technical value.

Those bills were issued for a term of ten (10) years and are fully amortized upon maturity. They accrue interest, payable on a six-month basis, based on the interest rate to be accrued by the BCRA's international reserves for the same period, applied to the amount of principal.

4.2.1.2.2.6 Return Rate of Non-Transferable Bills in Dollars

Section 47 of Law No. 27701, dated December 1, 2022, provided that Non-Transferable Treasury Bills in US dollars held by the BCRA and accruing interest based on the interest rate accrued by the BCRA's international reserves for the same period and up to the annual LIBOR less one (1) percentage point would accrue interest as from January 1, 2023, payable on a six-month basis, based on the interest rate to be accrued by the BCRA's international reserves for the same period and up to a maximum of 1-year SOFR TERM rate plus a spread adjustment of 0.71513% less one (1) percentage point, calculated on the principal amount actually subscribed. The caps calculated based on LIBOR already determined for 2022 will remain valid until the end of the relevant annual period.

4.2.1.2.3 Other Securities Issued under Argentine Legislation

This heading comprises the holding of instruments issued by the national and provincial governments under Argentine legislation. They are measured at their listed price at year end. At December 31, 2022, the balance of this heading amounts to ARS 3,646,143,579 (ARS 1,585,916,104 at December 31, 2021). The portfolio is disclosed in Exhibit III.

As mentioned in Note 2.3, in the course of 2022, the BCRA took part in debt conversion transactions organized by the Ministry of Economy. Further, in June and July, the BCRA conducted transactions in the secondary market for government securities with the purpose of restoring the Treasury interest rate curve in pesos, in a context of excessive price volatility.

4.2.2 Allowance for Impairment of Government Securities

In order to disclose the market values of certain Government securities recorded at December 31, 2022, the allowance for impairment of securities is ARS 758,059 (ARS 1,493,816 at December 31, 2021), which accounts for 86% of the original issuance amount of the bond mentioned in Note 4.2.1.2.1. During this fiscal year, 1% of the allowance was reversed due to the collection of the fourteenth amortization installment of the security on January 2, 2023 (see Notes 4.2.1.2.1 and 8.1 and Exhibit I).

4.3 Temporary Advances to the Argentine Government

By virtue of the last Charter amendment made under Law No. 26739 enacted on March 22, 2012, as established by Section 20, the BCRA may make temporary advances to the Argentine Government for a term of twelve months, up to an amount equivalent to 12% of the monetary base, which consists of monetary circulation plus financial institutions' demand deposits in the BCRA, whether in current or special accounts. It may also make advances not exceeding 10% of the cash resources obtained by the Argentine Government in the last twelve months. As an exception and only if circumstances or national or international economic prospects justified so, temporary advances may be granted for an additional amount not exceeding 10% of the cash flows earned by the Argentine Government in the last twelve months. This extraordinary power may be exercised for a maximum term of eighteen months. In all cases, once financial assistance terms have elapsed, this possibility may not be used again until the amounts due are reimbursed. These temporary advances do not accrue any interest.

At December 31, 2022, and 2021, this heading is made up as follows:

	12/31/2022	12/31/2021
Temporary advances at 12-month term	1,663,100,370	2,659,023,058
Temporary advances at 18-month term	1,130,000,000	1,573,928,913
Total	2,793,100,370	4,232,951,971

The advances that remained outstanding at prior year end and maturing this year were fully settled as of December 31, 2022, pursuant to the provisions of Section 20 of the Charter.

4.4 Loans to the Argentine Financial System

The table below shows the balance of the accounts related to the loans to the Argentine financial system:

	<u>12/31/2022</u>	<u>12/31/2021</u>
Debts for fines	1,166,232	3,186,867
Refinanced lines	-	42,146
Allowances for loans to the Argentine financial system (Exhibit I)	<u>(1,041,172)</u>	<u>(3,002,462)</u>
Total	<u>125,060</u>	<u>226,551</u>

The heading Loans to the Argentine financial system mainly relates to “Debts for fines on financial institutions”, which includes accruals of fines payable to the BCRA arising from the enforcement of the Foreign Exchange Criminal Regime and the Law on Financial Institutions (Section 41). The balance amounts to ARS 1,166,232 at December 31, 2022 (ARS 3,186,867 at December 31, 2021). Out of the total balance at December 31, 2022, the amount of ARS 1,093,658 is subject to court procedures (ARS 3,103,681 at December 31, 2021) and an allowance has been set up for a total amount of ARS 1,041,172 (ARS 3,002,462 at December 31, 2021).

The heading Refinanced lines is related to the Federal Trust Fund for Regional Infrastructure (FFFIR) debt. This fund was created by Law No. 24855, to which the consolidated debt held by the former Banco Hipotecario Nacional with the BCRA had been transferred. By means of Resolution No. 2 of the Board of the BCRA, dated January 4, 2018, the Agreement for the Settlement of Debt between the FFFIR and the BCRA was approved. At December 31, 2021, the debt amounted to ARS 42,143, which was fully collected on February 2, 2022.

The amount of Allowances for loans to the Argentine financial system is made up as follows:

	<u>12/31/2022</u>	<u>12/31/2021</u>
Allowance for fines to the financial system	1,041,172	2,961,090
Allowance for refinanced lines	-	41,372
Total	<u>1,041,172</u>	<u>3,002,462</u>

Exhibit I discloses the changes in the allowance for loans to the Argentine financial system, stated in constant currency.

This heading is stated at face value plus accrued and uncollected interest at the agreed upon rate, net of the allowance for uncollectibility. This allowance is set up on the basis of estimates of the recoverable amounts of the loans, which contemplate the degree of compliance and the quality of collateral, among other factors.

4.5 Contributions to International Agencies on Behalf of Argentine Government and Others

The table below shows the balance of the accounts related to the contributions made by the BCRA on behalf of the Argentine Government and others:

	12/31/2022	12/31/2021
Contributions to the IADB, IBRD and IDA, and other	724,922,457	787,980,021
Contributions to the IMF	202,722,053	240,903,777
Total	927,644,510	1,028,883,798

This heading is stated at original face value and converted into Argentine pesos, as established in Note 3.5.1.

As to the contributions to the IMF, the National State records a quota, as resolved at the Meeting of the Board of Governors of the IMF, in the amount of SDR 3,187,300 at December 31, 2022 (the same amount of SDR at December 31, 2021), as detailed below:

	12/31/2022		12/31/2021	
	SDR	Pesos	SDR	Pesos
Treasury Bills	2,327,322	548,601,860	2,327,322	651,947,978
Contributions to the IMF in foreign currency	796,825	187,835,159	796,825	223,213,009
Contributions to the IMF in Argentine pesos	63,153	14,886,894	63,153	17,690,770
Total	3,187,300	751,323,913	3,187,300	892,851,757

Treasury Bills are issued by the BCRA on behalf of the National State in its capacity as the Government's financial agent pursuant to Article III, Section 4, and Article V, Section 11, of the IMF Articles of Agreement, and are recorded in memorandum accounts (see Notes 5 and 6).

4.6 Rights Deriving from Other Derivative Instruments

At December 31, 2022, the balance of ARS 80,157 is for the daily clearing margin, which accounts for the amount in pesos to be received as a result of changes in the closing listed prices of the currency forward market with respect to positions open at MAE and ROFEX at year end. Such amount was fully collected on January 2, 2023. At December 31, 2021, the balance amounted to ARS 1,062,116 and was fully collected on January 3, 2022.

4.7 Rights Deriving from Repurchase Transactions

	12/31/2022	12/31/2021
LELIQs receivable in Argentine pesos and delivered under repurchase transactions	2,276,746,808	6,291,467,533
Rights deriving from reverse repurchase transactions	312,773,458	352,570,572
Total	2,589,520,266	6,644,038,105

At December 31, 2022, total LELIQs receivable in Argentine pesos and delivered under repurchase transactions, including premiums to be accrued, amounted to ARS 2,276,746,808. Such instruments have been stated at market value (at December 31, 2021, ARS 6,291,467,533 of LELIQs receivable in Argentine pesos and delivered under repurchase transactions, including premiums to be accrued) (see Note 4.18).

Rights deriving from reverse repurchase transactions are related to transactions agreed upon with banks and other entities. Principal receivable in this regard amounts to ARS 312,773,458 at December 31, 2022 (ARS 350,570,572 at December 31, 2021). These repurchase agreements were valued based on prices agreed upon for each transaction, plus the pertinent premiums accrued at each year end.

4.8 Other Assets

4.8.1 Breakdown of the Heading

	12/31/2022	12/31/2021
Collateral (see Note 4.8.2)	96,145,289	280,549,609
Margin call from forward transactions (see Note 4.8.2)	34,269,223	1,260,951
Compensation under Emergency Decree No. 787/2022	11,272,370	-
Property, plant and equipment (net of depreciation)	14,324,478	14,727,603
Stock of banknote paper and coin blanks for currency issuance	7,886,599	10,425,156
Coined gold (see Note 4.1.1)	2,930,957	3,317,895
Secured loans - Ex. Decree No. 1387/01	2,024,837	2,087,041
Numismatic pieces - Museum	884,903	1,011,197
Intangible assets	26,388	32,117
Miscellaneous	17,303,969	13,497,264
Allowances (Exhibit I)	(48,222)	(47,942)
Total	187,020,791	326,860,891

The Margin call from forward transactions records the margin requested by the counterparties to those transactions and amounts to ARS 34,269,223 at December 31, 2022 (ARS 1,260,951 at December 31, 2021). These funds are built up in foreign currency by the BCRA on a daily basis and the counterparty pays interest on them. If, under market conditions, the BCRA is to require

that such margin be posted, the funds in foreign currency are received and recorded in a liability account, and interest is paid on those funds (see Note 4.1.5).

Compensation under Emergency Decree No. 787/2022 represents the difference to be covered through the issuance of a Non-Transferable Bill under Emergency Decree No. 787/2022, pending settlement (see Note 8.2).

Property, plant and equipment have been valued at acquisition cost net of the related accumulated depreciation. Depreciation is calculated by applying the straight-line method, taking into account the property, plant and equipment's estimated useful life. By virtue of the inflation adjustment method, balances at years ended 2022 and 2021 are adjusted at December 31, 2022.

According to the international definitions of gold computable as a reserve asset (see Note 4.1.1), the gold coins held for numismatic purposes were excluded from the Gold sub-heading and were included in Other assets. Additionally, a provision for transportation costs of 1% of total stock was set up.

Secured loans are financial instruments issued by the Argentine Government by virtue of Executive Decree No. 1387/01 and supplementary regulations that were accepted in settlement of temporary illiquidity aids that had been granted to financial institutions whose license was revoked. These unlisted instruments are transferred through deeds, they accrue interest and are adjusted by the benchmark stabilization coefficient (CER). At year end, they were stated at face value plus accrued interest not yet collected and CER adjustment.

The Numismatic pieces - Museum line includes coins donated to the BCRA by Héctor Carlos Janson. It is a collection of 2,800 items, which includes, among others, Argentine coins issued between 1813 and 2016. To express gratitude for the donation of his collection and in honor of one of the most influencing academicians in numismatics, the Museum changed its name to Museo Histórico y Numismático Héctor Carlos Janson.

The Miscellaneous line includes, among others, assets received from court and out-of-court receivables pending collection in the amount of ARS 507,510 (ARS 572,713 at December 31, 2021), for which an allowance has been set up in the amount of ARS 144 (ARS 27 at December 31, 2021) and advance payments not yet reported in the amount of ARS 13,837,480 (ARS 9,270,535 at December 31, 2021).

4.8.2 Restricted Assets

At December 31, 2022 and 2021, the BCRA has set up the following collateral:

	<u>12/31/2022</u>	<u>12/31/2021</u>
Collateral posted on forward transactions	96,145,289	280,549,609
Margin call from forward transactions	34,269,223	1,260,951
Total	<u>130,414,512</u>	<u>281,810,560</u>

4.9 Monetary Base

According to the provisions of the Charter, it consists of monetary circulation plus financial institutions' demand deposits in the BCRA, whether in current or special accounts. It also includes settlement checks in circulation. Exhibit V discloses the changes in the monetary base, which shows mainly monetary regulation operations performed by the BCRA as part of the powers assigned by the Charter regarding the relationship between the Argentine Government and the financial system and related uses (operating and financial expenses).

4.9.1 Currency in Circulation

4.9.1.1 Banknotes and Coins in Circulation

	12/31/2022	12/31/2021
Banknotes	4,085,611,928	5,225,737,555
Coins	8,982,826	16,926,217
Total	4,094,594,754	5,242,663,772

Banknotes and coins in circulation at each year end represent the balance held by the public and financial institutions (see Note 5).

Banknotes varied as follows:

	12/31/2022	12/31/2021
Balance at beginning of year	5,225,737,555	5,559,657,064
New banknotes and banknotes in good condition in circulation	1,433,770,753	1,587,785,855
Banknotes out of circulation and destroyed or to be destroyed	(30,869,531)	(45,364,118)
Adjustment from the monetary restatement of the balance at beginning of the year	(2,543,026,849)	(1,876,341,246)
Balance at year end	4,085,611,928	5,225,737,555

4.9.1.2 Settlement Checks in Pesos in Circulation

The balance of ARS 252 at December 31, 2022 (ARS 491 at December 31, 2021) accounts for the BCRA's obligation with respect to settlement checks requested by financial institutions and issued in Argentine pesos.

4.9.2 Current Accounts in Pesos

At December 31, 2022, the balance amounts to ARS 1,109,156,248 (ARS 1,875,149,490 at December 31, 2021). During the fiscal years 2022 and 2021, pursuant to BCRA Communication "A" 6052 and supplementary regulations, the rate for current accounts was 0%.

4.10 Instruments of Payment in Other Currencies

4.10.1 Settlement Checks in Other Currencies in Circulation

The balance of ARS 3,543 at December 31, 2022 (ARS 4,003 at December 31, 2021) accounts for the BCRA's liability for the settlement checks requested by financial institutions and issued in US dollars, which were converted into Argentine pesos as stated in Note 3.5.1.

4.10.2 Certificates of Deposit for Investment

The balance of ARS 4,271,295 at December 31, 2022 (ARS 6,002,084 at December 31, 2021) accounts for the BCRA's obligation with respect to the Certificates of Deposit for Investment issued pursuant to Law No. 26860, which are in circulation. These instruments have been issued in US dollars and are converted into Argentine pesos according to Note 3.5.1.

4.11 Current Accounts in Other Currencies

At December 31, 2022, this balance amounted to ARS 2,136,795,817 (ARS 2,418,374,419 at December 31, 2021), and was converted into pesos as established in Note 3.5.1. The rate was 0% as under BCRA Communication "A" 6052.

4.12 Deposits from Argentine Government and Others

This heading includes:

	<u>12/31/2022</u>	<u>12/31/2021</u>
Argentine Government deposits	1,202,892,243	215,792,673
A.N.S.E.S. Social security payment orders	377,295	6,315,696
Provincial funds	5,919,780	6,689,184
Argentine Government deposits – Law No. 25152 – Tax Anti-Cyclical Fund	3,321,186	3,752,846
Total	<u>1,212,510,504</u>	<u>232,550,399</u>

4.13 Other Deposits

	12/31/2022	12/31/2021
Deposits from collections	803,024	1,010,093
In special accounts	174,530	220,900
MSME Program	1,085,000	-
Miscellaneous	498,832	529,108
Total	2,561,386	1,760,101

Deposits from collections amount to ARS 803,024 (ARS 1,010,093 at December 31, 2021) and include mainly those arising from the collection of financial and exchange fines, as well as deposits from collections of liquidated financial institutions pending registration.

Deposits in special accounts include ARS 154,776 of deposits made by the Argentine Government under the terms set forth in Section 1 of Executive Decree No. 1836/2002, which cannot be attached or disposed of, and which solely secured the different series of Argentine Government Bonds to be swapped for certificates of deposit held by savers in the financial system. At December 31, 2021, the balance of such account amounted to ARS 182,422.

On July 28, 2022, the BCRA approved, under Communication "A" 7560, the participation in the Credit for Production Reactivation Program in the Province of San Juan - IADB Loan No. 5343 OC/AR. This agreement had been entered into between the Province of San Juan and the Inter-American Development Bank to foster economic reactivation of micro-, small- and medium-sized enterprises (MSMEs) in that province. At December 31, 2022, this balance is presented in the line MSME Program, amounting to ARS 1,085,000.

4.14 IMF Special Drawing Rights

Allocation of SDR refers to the amount allocated by the IMF to Argentina as a member country. By virtue of its Articles of Agreement, the IMF may assign SDR to member countries in proportion to their quotas, whether on a general or special basis, as provided for by Articles XVIII, XXIV and XXVI of those Articles of Agreement.

In 2009, the IMF made a general allocation of up to USD 250,000,000 among its member countries, and USD 2,460,375 (SDR 1,569,427) was allocated to Argentina. In fiscal year 2009, the Fourth Amendment of the IMF Articles of Agreement approved in 1997 became effective, which sets forth a special extraordinary allocation of SDR amounting to about USD 33,000,000, of which Argentina was allocated USD 207,316 (SDR 132,243). Both general and extraordinary allocations were received by the BCRA on behalf of the Argentine Government in the amount of SDR 1,701,670.

In August 2021, as detailed in Note 2.5, the IMF approved an extraordinary allocation of SDR for an amount equivalent to USD 650,000,000. The BCRA, as financial agent for the Argentine Government, received USD 4,334,000 (SDR 3,054,884).

At December 31, 2022, total Allocation of SDR amount to ARS 1,196,308,847 equivalent to SDR 5,074,924 (ARS 1,421,627,869 equivalent to SDR 5,074,924 at December 31, 2021).

The Contra account of allocation of SDR transferred to the Argentine Government is disclosed as an offset account to the account Allocation of SDR, which amounts to ARS 1,121,259,670, equivalent to SDR in the amount of 4,756,554 at December 31, 2022 (ARS 1,332,443,540 equivalent to SDR 4,756,554 at December 31, 2021).

The net amount of SDR 318,370, effective at December 31, 2022, and December 31, 2021, shows the Allocation of SDR received by the BCRA prior to the Charter amendment on September 30, 1992.

The breakdown of this heading is as follows:

	12/31/2022		12/31/2021	
	SDR	Pesos	SDR	Pesos
Allocation of SDR	5,074,924	1,196,308,847	5,074,924	1,421,627,869
Contra account of allocation of SDR transferred to the Argentine Government	(4,756,554)	(1,121,259,670)	(4,756,554)	(1,332,443,540)
	318,370	75,049,177	318,370	89,184,329

This heading is stated at face value in the original currency and converted into Argentine pesos as established in note 3.5.1.

4.15 Obligations with International Agencies

As approved by Resolution No. 271 issued by the Board of the BCRA on July 26, 2022, the BCRA has entered into a twelve-month credit facility agreement with the Bank for Internal Settlements (BIS). At December 31, 2022, the balance of this credit facility agreement amounts to ARS 531,384,900 (USD 3,000,000) plus interest accrued in the amount of ARS 2,479,796 (USD 14,000).

At December 31, 2021, the balance of the credit facility agreement approved through Board Resolution No. 231, dated July 17, 2021, amounted to ARS 600,449,985 (USD 3,000,000) plus interest accrued for ARS 403,302 (USD 2,015).

The Use of the reserve tranche stands for a facility of first resort made available to a country by the IMF, and does not represent the use of credit from the IMF, there being no claim from such body regarding the funds used¹. The reserve tranche of a country represents the right to receive financing from the IMF, as mentioned above, which derives from the quota established for participating in the IMF and subscribed in reserve assets.

In addition to the item previously mentioned, the heading Obligations with international agencies includes deposits of the Inter-American Development Bank, the IMF and other international agencies with the BCRA.

The account breakdown is as follows:

	12/31/2022	12/31/2021
Credit facility agreement	533,864,696	600,853,286
Use of the reserve tranche (see Note 4.14)	188,530,318	148,269,268
IMF Account No. 1 (see Note 4.14)	14,191,735	16,864,679
Accrued charges (see Note 4.14)	5,491,779	130,050
IMF Account No. 2 (see Note 4.14)	644,626	766,040
IADB	506,904	11,767,378
IBRD	54,958	74,984
Other	7,086	929,253
	<u>743,292,102</u>	<u>779,654,938</u>

The IMF account No. 1 is an IMF deposit with the BCRA to record mainly transactions, such as quota subscriptions and purchases or repurchases of the reserve tranche. The balance of ARS 14,191,735 is equivalent to SDR 60,203 at December 31, 2022 (ARS 16,864,679 equivalent to SDR 60,203 at December 31, 2021) (see Note 6).

Additionally, the IMF account No. 2 is used for administrative expenses or income in the country. At December 31, 2022, its balance is ARS 644,626, equivalent to SDR 2,735 (ARS 766,040 equivalent to SDR 2,735 at December 31, 2021) (see Note 6).

The Contra account of the use of the reserve tranche includes the BCRA's claim against the Argentine Government in connection with the funds received by the BCRA and transferred to the Argentine Government in the amount of SDR 799,774 equivalent to ARS 188,530,318 (SDR 529,291 equivalent to ARS 148,269,268 at December 31, 2021) (see Note 2.6).

¹ Positions are exclusively unwound in the cases considered in Articles XXIV and XXVI of the Articles of Agreement.

4.16 Securities Issued by the BCRA

	12/31/2022	12/31/2021
Liquidity Bills (LELIQs)	6,703,369,124	3,516,185,611
LELIQs (issuance for repurchase transactions)	2,268,100,310	6,267,177,330
Liquidity Notes (NOTALIQs)	1,373,846,410	-
BCRA Bills in USD payable at benchmark exchange rate	82,870,547	-
LEGARs payable at benchmark exchange rate	54,403,360	41,200,875
BCRA Bills for Mutual Funds (LETFCIs) issuance for repurchase transactions	856,026	-
LEMINS payable at benchmark exchange rate		2,001,500
Total	10,483,445,777	9,826,565,316

In accordance with Section 18 of its Charter, the BCRA is authorized to issue securities or bonds, as well as participation certificates in its portfolio securities.

Exhibit IV presents the stock of securities issued by the BCRA and outstanding at each year end, broken down by type of instrument and maturity.

Their detail is as follows:

- **Liquidity Bills (LELIQs):** On January 10, 2018, through Communication "A" 6426, the BCRA decided the issuance and placement of 7-day bills in pesos effective as from January 11, 2018. Afterwards, as from January 6, 2022, the maximum term was extended to 28 days and a new 180-day LELIQ was created. These instruments, named Liquidity Bills (LELIQs), are daily offered through a special segment named "LELI Round" of the SIOPEL system of MAE S.A. They are discount securities and are stated at face value net of interest to be accrued at year end. The counterparties authorized to operate with the BCRA are financial institutions for their own portfolio or on behalf of another local financial institution on an exclusive basis. LELIQs can be used as collateral in REPURCHASE transactions.
- **LELIQs - issuance for repurchase transactions:** The BCRA authorized the use of LELIQs to perform repurchase transactions as monetary regulation instruments. As a result, these bills' portfolio is stated at market value and presented net of the amount of Securities issued by the BCRA (see Note 4.7).
- **Liquidity Notes (NOTALIQs):** Communication "A" 7460 of February 17, 2022, informs of the issuance and placement of Liquidity Notes (NOTALIQs) at a floating rate, which can be subscribed solely by financial institutions. The subscription and payment currency is the Argentine peso. They are fully amortized upon maturity and the maximum term is 190 days. The interest rate is the monetary policy rate (annual percentage rate, APR) reported by the BCRA plus a spread communicated to the market on the date of the tender.

- BCRA Bills in dollars payable in pesos at benchmark exchange rate (LEDIVs) at zero rate: Valid as from July 2022. The conditions for subscription are detailed in Communication "A" 7557 (see Note 2.4). The maximum term of these instruments is 365 days.
- BCRA Bills in pesos payable at the benchmark exchange rate, Communication "A" 3500 (LEGARs): In accordance with the provisions of BCRA Communication "A" 7220, these bills are issued as from February 2021. They are intended to set up any kind of collateral in foreign currency in those markets authorized by the CNV, in connection with transactions involving futures, options and other derivative instruments whose underlying assets are commodities in USD. The maximum term of these instruments is 365 days. Upon maturity, the settlement will be made at purchase price plus the fluctuation of the benchmark exchange rate between subscription and maturity.
- BCRA Bills for Mutual Funds - issuance for repurchase transactions: As a result of Communication "A" 7579 on repurchase transactions between the BCRA and mutual funds, the BCRA issues BCRA Bills in pesos for Mutual Funds (LETFCIs).
- BCRA Bills for the mining sector (LEMINS) in pesos and payable at the benchmark exchange rate at zero rate: The conditions for their issuance are detailed in Communication "A" 7191 of December 28, 2020.

4.17 Contra Account of Argentine Government Contributions to International Agencies

At December 31, 2022, the balance of ARS 699,819,711 represents the contra account of contributions made on behalf of the Argentine Government to international agencies of which Argentina is a member. As from September 30, 1992, the legal form of the BCRA and its relationship with the Argentine Government changed upon the amendment of the BCRA's Charter. The balance at December 31, 2021, was ARS 764,830,886.

4.18 Obligations from Other Financial Derivatives

	12/31/2022	12/31/2021
Put options offered on Argentine Government securities	936,255	-
Futures transactions on the MAE	19,244	-
Total	955,499	-

The balance of ARS 936,255 represents the obligations from the put options offered within the context of the transactions falling under Communication "A" 7546 (see Note 2.9).

In turn, ARS 19,244 represent the total of funds payable as daily clearing margin deriving from changes in the closing listed prices of the currency forward market with respect to positions open at MAE. They were fully paid on January 2, 2023.

4.19 Obligations from Repurchase Transactions

	<u>12/31/2022</u>	<u>12/31/2021</u>
Amounts payable under repurchase transactions	2,042,964,675	5,678,495,119
Securities to be delivered under reverse repurchase transactions	<u>314,676,152</u>	<u>352,467,684</u>
Total	<u>2,357,640,827</u>	<u>6,030,962,803</u>

The amounts payable under repurchase transactions total ARS 2,042,964,675 at December 31, 2022, and represent the funds to be reimbursed to the financial institutions upon maturity of the transactions mentioned in Note 4.7 as principal and premiums in the total amount of ARS 2,031,278,967 and ARS 11,685,708, respectively (at December 31, 2021, balances of these items totaled ARS 5,640,459,596 and ARS 38,035,523, respectively). They were valued based on prices settled for each transaction, plus the pertinent premiums accrued at each year end.

Securities to be delivered under reverse repurchase transactions at December 31, 2022, total ARS 314,676,152 and represent holdings of foreign government securities received under repurchase transactions, stated at market price (ARS 352,467,684 at December 31, 2021).

4.20 Obligations under Multilateral Credit Agreements

This heading's balance represents the net liabilities resulting from reciprocal credit transactions within the framework of the ALADI, which totaled ARS 13,542,996 at December 31, 2022, and ARS 4,616,746 at December 31, 2021.

4.21 Other Liabilities

This heading includes the following items:

	<u>12/31/2022</u>	<u>12/31/2021</u>
Currency swap	3,338,579,041	4,093,703,732
Revolving funds and other obligations in foreign currency	336,141,958	353,143,260
Obligations from servicing secured loans	230,423	596,153
Contra account of the IMF reserve tranche position	-	75,769,830
Miscellaneous	<u>150,077,164</u>	<u>346,367,392</u>
Total:	<u>3,825,028,586</u>	<u>4,869,580,367</u>

The deposit of the currency swap and the interest payable on the use of those funds amount to ARS 3,338,579,041 at December 31, 2022 (ARS 4,093,703,732 at December 31, 2021). This deposit represents the total peso amount deposited for the benefit of the People's Bank of China

under the Bilateral Currency Swap Agreement entered into between the BCRA and the People's Bank of China, adjusted as per the yuan exchange rate at period-end (see Notes 2.10 and 8.3).

Revolving funds and other obligations in foreign currency represent the transactions resulting from international agreements executed with multilateral or foreign official organizations, central banks or institutions of which only the BCRA can be a borrower on its own behalf or on behalf of the National Treasury as a Financial Agent of Argentina, pursuant to the provisions of Section 17 of the Charter.

The balance of Revolving funds is made up, among others, of the disbursements made by the Inter-American Development Bank (IADB) and the International Bank for Reconstruction and Development (IBRD) to be used in loans, technical cooperation efforts and small projects for the acquisition of goods and services, pursuant to the terms and conditions of the agreements executed with those international agencies.

Obligations from servicing secured loans includes the funds that will be used to pay the abovementioned loan services, which amounted to ARS 230,423 at December 31, 2022, (ARS 596,153 at December 31, 2021).

The Contra account of the IMF reserve tranche position reflects – on the liabilities side – the reserve tranche position included in International reserves, which, at December 31, 2021, amounted to ARS 75,769,830. At December 31, 2022, it does not record a balance (see Notes 2.6 and 4.1.3).

The Miscellaneous line item at December 31, 2022 includes, among others: Obligations to the Argentine Government related to the repayment of consolidated debt, ARS 1,174 (ARS 117,583 at December 31, 2021); Obligations to the provincial governments, ARS 140,891 (ARS 44,943 at December 31, 2021); Withholdings from suppliers and employees and payroll contributions payable, ARS 2,286,086 (ARS 2,371,017 at December 31, 2021), Contra account of contributions made to international agencies prior to the amendment to the Charter by Law No. 24144, ARS 28,514,242 (ARS 32,222,887 at December 31, 2021); and Provisions, ARS 7,827,036 (ARS 7,618,761 at December 31, 2021), among others.

4.22 Provisions

The provisions set up at each year end, which are listed in Exhibit I, involve the following items:

	12/31/2022	12/31/2021
Provision for lawsuits	5,338,203	6,783,273
Provision for labor-related liabilities	18,385,429	24,650,935
Other provisions	340	232
Total (Exhibit I):	23,723,972	31,434,440

The criterion used by the BCRA to determine the amounts of the provision for lawsuits was as follows:

Lawsuits were classified based on their procedural status and the type of cases (lawsuits related to the reimbursement of deposits, labor lawsuits, etc.). The estimation of the outcome of the disputes has been made based on background information concerning settled lawsuits of equal or similar characteristics.

The lawsuits prior to April 1, 1991 were adjusted through the General Wholesale Price Index plus an annual 6% interest rate until March 31, 1991 and, as from that date, the common savings account rate published by the BCRA was used. In the case of lawsuits subsequent to March 31, 1991, and prior to January 1, 2002, the deposit interest rate set forth under BCRA Communication No. 14290 was used until December 31, 2001 and, as from that date, the common savings account rate published by the BCRA was used, as set forth in Law No. 25344 and Section 58 of Law No. 25725. In the case of lawsuits subsequent to December 31, 2001 and until the end of this reporting period, the deposit interest rate for court use as set forth in BCRA Communication No. 14290 was used.

In cases where the amounts have been claimed at the local level in US dollars, the peso parity has been determined at one peso per US dollar, applying no interest rate, since there are no precedents where the BCRA had had to pay in dollars the amounts claimed in that currency.

In addition, there are lawsuits for damages and other administrative claims against the BCRA for unspecified amounts. However, no adverse judgment is expected to be rendered against the BCRA at the date of issuance of these financial statements. Therefore, no provision has been set up.

At the date of issuance of these financial statements, the BCRA was notified about one hundred and nine proceedings in relation to transactions under dollar futures contracts expiring in June 2016, with an arrangement date following September 29, 2015 (Communication No. 657 of Argentina Clearing S.A. and Mercado a Término S.A. (ROFEX)). Such proceedings seek a declaration of nullity of the administrative transaction, and the related provisions have been set up in accordance with the applicable regulations, where appropriate. The judgments rendered so far are not final; therefore, it is not possible to determine whether the financial statements could be affected as a result of transactions with futures.

The provision for labor-related liabilities is mainly made up of an estimate of bonuses to the staff for years of service, benefits for termination of the employment relationship and other benefits to retired personnel in the amount of ARS \$ 18,385,429 (ARS 24,650,935 at December 31, 2021).

4.23 Statement of Income

Below there is a breakdown of the main Statement of income accounts:

4.23.1 Interest Income and adjustments

On international reserves	12/31/2022	12/31/2021
Time deposits	19,255,457	1,901,396
Certificates of deposit	635,408	153,273
Demand deposits and foreign currency	9,055,368	(996,866)
Foreign government securities	194,442	(76,300)
Multilateral Credit Agreements	(486)	105
Total:	29,140,189	981,608
On government securities	12/31/2022	12/31/2021
Interest on government securities	119,914,754	50,641,361
CER on government securities	394,109,396	69,639,139
Interest on non-transferable bills	21,876,221	233,016
Total:	535,900,371	120,513,516
On loans to the financial system	12/31/2022	12/31/2021
Interest income	767	10,938
Total:	767	10,938
On other assets	12/31/2022	12/31/2021
Interest and adjustments on secured loans	1,325,531	956,829
FABP (return and interest)	1,100,677	946,901
Other interest income	416,555	28,164
Total:	2,842,763	1,931,894

4.23.2 Interest Expenses and Other Loss from Adjustments

On securities issued by the BCRA	12/31/2022	12/31/2021
Interest accrued on LELIQ	(3,378,580,197)	(1,722,325,369)
Interest accrued on NOTALIQ	(653,796,554)	-
Total:	(4,032,376,751)	(1,722,325,369)
On obligations wi international agencies	12/31/2022	12/31/2021
Other obligations	(26,373,377)	(4,188,611)
Total:	(26,373,377)	(4,188,611)

On other transactions with the financial system	12/31/2022	12/31/2021
Net premiums accrued on repurchase transactions	(773,638,269)	(1,375,764,169)
Total:	(773,638,269)	(1,375,764,169)

On other liabilities	12/31/2022	12/31/2021
Interest	(133,045)	(310,012)
Loss on CER application	(48,416)	(52,512)
Total:	(181,461)	(362,524)

4.23.3 Set-Up of Allowances for Government Securities and Loans to the Financial System, Net

	12/31/2022	12/31/2021
For government securities	8,815	17,171
For loans in the financial system	(299,384)	(1,635,178)
Total:	(290,569)	(1,618,007)

4.23.4 Listed Price Differences, Net

	12/31/2022	12/31/2021
On international reserves		
Foreign currency, time and demand deposits	2,182,808,031	1,613,053,936
Gold	336,247,315	121,649,922
Foreign government securities	216,670,906	83,453,839
Certificates of deposit	29,004,420	10,561,653
Derivative instruments	(33,763,510)	77,482,693
Other	(4,797,507)	15,031,794
On Argentine Government securities	6,054,309,362	3,050,764,312
International agencies	144,703,209	46,032,009
On institutions' deposits in current accounts and Argentine Government deposits	(1,385,396,707)	(518,609,026)
Other valuation adjustments of assets and liabilities	(2,071,625,772)	(1,311,766,511)
Total:	5,468,159,747	3,187,654,621

4.23.5 Foreign Currency Trading Differences, Net

	<u>12/31/2022</u>	<u>12/31/2021</u>
On the sale of foreign currency	10,145,852	3,315,485
Total:	<u>10,145,852</u>	<u>3,315,485</u>

4.23.6 Other Financial Instruments Trading Differences, Net

	<u>12/31/2022</u>	<u>12/31/2021</u>
On transactions with LEGAR and LEMIN	(48,308,223)	(3,599,133)
On futures transactions with foreign currency and bonds	111,870,388	95,181,335
On transactions with securities (*)	149,892,144	(40,480)
On transactions with gold and foreign currency options	(92,395)	(117,061)
On forward transactions	7,864,643	3,440,030
Other transactions	12,411	(36,039)
Total:	<u>221,238,968</u>	<u>94,828,652</u>

(*) At December 31, 2022, it includes ARS 149,891,952 from asset conversion transactions (ARS (40,366) at December 31, 2021) (see Note 2.3).

4.23.7 Miscellaneous Charges and Fines

	<u>12/31/2022</u>	<u>12/31/2021</u>
Fines	668,723	2,557,557
Charges	1,787,938	1,122,552
Total:	<u>2,456,661</u>	<u>3,680,109</u>

4.23.8 Monetary Issuance Expenses

	<u>12/31/2022</u>	<u>12/31/2021</u>
Materials	(29,425,877)	(31,372,646)
Total:	<u>(29,425,877)</u>	<u>(31,372,646)</u>

4.23.9 General Expenses

	<u>12/31/2022</u>	<u>12/31/2021</u>
Amortization	(458,322)	(617,187)
Other general expenses	(37,639,397)	(37,222,187)
Total:	<u>(38,097,719)</u>	<u>(37,839,374)</u>

4.23.10 Set-Up of Other Allowances/ Provisions, Net

	12/31/2022	12/31/2021
Allowance for gold	(58,879)	36,816
Provision for lawsuits	(1,855,908)	(873,100)
Provision for labor-related liabilities	(6,071,725)	(11,411,347)
Other provisions	(11,333)	(2,532)
Total:	(7,997,845)	(12,250,163)

4.23.11 Other Income/(Expenses), Net

	12/31/2022	12/31/2021
Compensation under the Export Increase Program	677,225,392	-
Other	(1,717,758)	(5,005,889)
Total:	675,507,634	(5,005,889)

NOTE 5 - DEBIT- AND CREDIT-MEMORANDUM ACCOUNTS

At December 31, 2022, the balance of debit- and credit-memorandum accounts amounted to ARS 50,401,916,639 (ARS 55,340,884,553 at December 31, 2021), which are broken down as follows:

	12/31/2022	12/31/2021
Total stock of banknotes and coins	4,304,820,291	5,491,960,225
Stock of banknotes and coins issued for circulation deposited in the BCRA	210,225,537	249,296,454
Other (banknote paper / coin blanks / banknotes and coins in process)	1,001,729,313	3,929,716,180
Settlement checks	3,397,129	3,848,710
Certificate of deposit for investment (CEDIN)	4,271,828	6,003,121
Monetary assets in custody	31,433,086,123	30,500,425,543
Non-monetary assets in custody	336,760,010	406,359,288
Securities received as collateral	22,033,327	48,663,807
Non-negotiable securities – International agencies	8,649,509,120	8,889,144,553
Commitments agreed with international agencies	4,206,277,782	4,765,902,871
Loans classified as irrecoverable	35,563,472	67,306,195
Funds managed on behalf of the Secretariat of the Treasury	62,885,269	71,039,203
Financial fines Sec. 41 Law Fin. Inst. and Foreign Exch. Crim. Reg.	6,582,232	7,840,802
Contingent rights and obligations		
From imports under ALADI agreement	12,472,599	14,085,418
Other contingent obligations from forward transactions		
From OCT - MAE sales (foreign currency)	9,469,350	201,519,110
From ROFEX Market sales (foreign currency)	102,808,255	687,724,369
Other	25,002	48,704
Total	50,401,916,639	55,340,884,553

The stock of banknotes and coins at December 31, 2022, includes ARS 4,304,820,291 representing banknotes and coins issued (ARS 5,491,960,225 at December 31, 2021), out of which ARS 4,094,594,754 comprise monetary circulation at December 31, 2022 (ARS 5,242,663,772 at December 31, 2021) and ARS 210,225,537 of banknotes and coins deposited in the BCRA eligible for circulation (ARS 249,296,453 at December 31, 2021) (see Note 4.9.1.1).

The line item Other (banknote paper / coin blanks / banknotes and coins in process) mainly includes finished banknotes pending verification in the amount of ARS 957,910,710 (ARS 3,861,655,646 at December 31, 2021), stock of banknote paper and coin blanks in the amount of ARS 10,039 (ARS 46,278 at December 31, 2021) and paper, banknotes and coins of old lines to be destroyed in the amount of ARS 15,677,041 (ARS 19,349,242 at December 31, 2021).

The balance of ARS 3,397,129 at December 31, 2022, for the line item Settlement checks represents settlement checks issued in Argentine pesos and US dollars held by the public and the checks paid and remitted to the BCRA for their final verification and destruction (ARS 3,848,710 at December 31, 2021).

Assets in custody include securities, national and foreign currency and other instruments deposited in the BCRA's Treasury or regional agencies in the exercise of the BCRA's duties or by court order. Assets that have economic value were classified as monetary, while those that, due to their aging are no longer accepted on the market — in the case of currencies — or have no economic value — in the case of government securities — were classified as non-monetary. Monetary assets in custody were valued at the price prevailing at each year end.

The balance of securities received as collateral mainly includes the amount of ARS 4,840,969 in securities and other instruments deposited in the BCRA or in other institutions related to credit transactions (ARS 4,302,018 at December 31, 2021) and ARS 17,192,358 in securities deposited as collateral by local banks in connection with ALADI transactions (ARS 44,361,788 at December 31, 2021), among others.

The balance of non-negotiable securities held by international agencies mainly includes:

- Treasury Bills issued by the BCRA on behalf of the Argentine Government in the amount of ARS 548,601,860 at December 2022 (ARS 651,947,978 at December 31, 2021) equivalent to SDR 2,327,322, maintaining the potential commitment to pay the IMF, as mentioned in Note 4.5 (see Note 6).
- Treasury Bills issued by the Argentine Government and deposited in custody in the BCRA, which represent the commitments of the Argentine Government with the IMF in connection with Stand-By Arrangements received for ARS 3,940,317,573 equivalent to SDR 16,715,928 (the balance at December 31, 2021, was ARS 8,196,622,406 equivalent to SDR 29,260,283) and of the Extended Fund Facility received in 2022, for ARS 4,125,140,979 equivalent to SDR 17,500,000 (see Notes 2.1 and 6).

The commitments undertaken with international agencies mainly include the principal payable agreed with each agency (IADB, FONPLATA, IBRD, among others). Such principal amount payable is subject to a payment requirement in case the agencies need it to meet their obligations.

Loans classified as irrecoverable mainly include loans granted to former financial institutions that are currently subject to liquidation proceedings in the amount of ARS 26,529,033 (ARS 42,622,649 at December 31, 2021) and loans granted to former institutions whose licenses to operate were revoked and whose claims were admitted in legal proceedings in the amount of ARS 8,799,638 (ARS 24,323,698 at December 31, 2021).

The funds managed on behalf of the Secretariat of the Treasury include the amount of ARS 59,564,082 (ARS 67,286,356 at December 31, 2021) associated with collateral securities held by that Secretariat, which were delivered to be managed by the BCRA, and ARS 3,321,186 (ARS 3,752,847 at December 31, 2021) associated with the Fiscal Counter-Cyclical Fund.

Fines imposed and considered irrecoverable under Section 41 of the Law on Financial Institutions account for ARS 6,582,232 (ARS 7,840,802 at December 31, 2021).

The line item Contingent obligations from transactions under ALADI agreement records the instruments issued by financial institutions resulting from imports under such agreement. At December 31, 2022, the balance amounts to ARS 12,472,599 (ARS 14,085,418 at December 31, 2021).

The line item Contingent obligations from forward transactions includes the notional values of the agreements for future trading of foreign currency executed through MAE and MATBA-ROFEX.

NOTE 6 - SUMMARY OF THE POSITION WITH THE IMF

The BCRA acts as a financial agent for the National State and as a depository before the IMF. Consequently, its balance sheet reflects the financial position of the country with the IMF.

The assets and liabilities related to SDR holdings, contributions, allocation of SDR, use of financing, and deposits are described below.

Item	Amount in SDR 12/31/2022	Amount in SDR 12/31/2021
Assets:		
Demand deposits (see Note 4.1.3)	4,330,767	480,924
Contributions to the IMF (see Note 4.5)	859,978	859,978
IMF reserve tranche position (see Note 4.1.3)	-	270,498
Total assets	5,190,745	1,611,400
Liabilities:		
Allocation of SDR (see Note 4.14)	5,074,924	5,074,924
Use of the reserve tranche (see Note 4.15)	799,774	529,291
Accrued charges for allocation of SDR (see Note 4.15)	23,297	464
Account No. 1 (see Note 4.15)	60,204	60,204
Account No. 2 (see Note 4.15)	2,735	2,735
Total liabilities	5,960,934	5,667,618

In addition, memorandum accounts include the balances at each year end of Treasury Bills issued by the BCRA on behalf of the Argentine Government for the payment of the Argentina's contributions to the IMF and the Treasury Bills issued by the Argentine Government to the IMF, which represent the commitments of the Argentine Government with the IMF in connection with the Stand-By Arrangement and Extended Fund Facility received, which are deposited in custody in the BCRA:

Memorandum accounts	Amount in SDR 12/31/2022	Amount in SDR 12/31/2021
Treasury Bills - 2018 Stand-By Arrangement- Argentine Government Commitments (see Note 2.1)	16,715,928	29,260,283
Treasury Bills - Extended Fund Facility - Argentine Government Commitments (see Note 2.1)	17,500,000	-
Treasury Bills issued by the BCRA on behalf of the Argentine Government - Quota - (see Note 4.5)	2,327,322	2,327,322
Total	36,543,250	31,587,605

NOTE 7 - RISK MANAGEMENT POLICIES

7.1 Comprehensive Risk Management Framework

Risk management is conducted according to the "Comprehensive Risk Management Framework of the BCRA" approved by the Board of the BCRA through Resolution No. 18 on February 7, 2019.

The BCRA's risk policy is aimed at keeping a low and predictable level of risks preserving its reputation and solvency, without disregarding the priority compliance with the duties established by the Charter, as well as the achievement of its purposes.

The risk system is based on the principles of a risk culture assimilated throughout the organization, with clear allocation of duties to promote efficiency and effectiveness, independence of the generating units and risk control units, clear and interactive communication between all participants, appropriate information channels, universality and consistency in the treatment of risks, accurate supervision mechanisms, and transparency in the risk management process.

The BCRA's comprehensive risk map comprises the most significant categories of risks to which the institution is exposed. At the first level, the map draws a distinction between financial risks (market risk, credit risk, and liquidity risk) and non-financial risks (operational risk, including legal risk, and reputational risk).

The risk management and risk control models include the definition of limits for the set of risks assumed by the BCRA, as well as for each of the main components. These limits are defined in accordance with the methodology adopted for managing each type of risk, and they are expressed quantitatively or qualitatively. Compliance with risk limits is subject to continuous monitoring, and excesses and non-compliance are identified and reported in a timely and adequate manner.

Risk management governance is based on the three-line defense model, which are sufficiently independent from one another to avoid compromising the effectiveness of the model, while they operate on a coordinated basis in order to maximize its efficiency and make it more effective.

The first line of defense is represented by the departments, services and other organizational structures of the BCRA, which, as part of their activity, give rise to the risk exposure. The second line of defense is represented by the units of the BCRA in charge of risk control and supervision. The third line of defense is represented by the Internal Audit.

To assess the nature and scope of the risks to which the BCRA is currently exposed, below we include an analysis of risks from foreign assets and liabilities, including international reserves, as well as from domestic financial assets and liabilities.

7.2 Financial Risk

The BCRA's good practices include applying the three-stage model, mostly based on the ISO 31000 standard, for efficient and effective risk management. This model offers a new look at operations, helping to ensure continuous success of risk management initiatives.

The Financial Risk Assessment Management Office develops a work methodology focused on identifying, measuring and controlling the financial risks involved in the exposures disclosed in the BCRA's balance sheet.

This sequential process starts with the identification of those balance sheet assets or liabilities that may convey significant exposure to financial risk.

Upon completion of the identification stage, risk measurement is conducted, using certain metrics and indicators to quantify market risk, credit risk and liquidity risk associated with those exposures. For measuring market risk, a sensitivity analysis is performed and value at risk is estimated. In turn, credit risk is measured by analyzing the counterparties' ability to make payments, while liquidity risk is assessed based on the weighted term during which the placement may be converted into cash.

After measurement of each and all risks, there is a follow-up, communication and control, for the purpose of mitigating those risks and reducing their eventual impact on the BCRA.

In addition, to manage the risks inherent in the administration of its international reserves within acceptable levels and parameters, the Board of the BCRA establishes in its Investment Policies the universe of permitted risks, as well as the different risk limits tolerated in each of the investments made. These Policies are updated on a yearly basis by the Board of the BCRA, at the proposal of the Reserves Administration Senior Management Office and under review of the Risk Assessment Senior Management Office.

The risks inherent in the administration of international reserves are monitored on a daily basis by the BCRA's risk area, in accordance with the guidelines set by the Board of the BCRA.

7.2.1 Credit Risk

Credit risk consists in potential losses resulting from the counterparty defaulting on its obligations.

- **Foreign Assets - International Reserves:**

In this regard the sovereign risk of the countries listed in the Manual of Policies for Investment of International Reserves is eligible for reserves. For international reserves, exposure is allowed for eligible countries that meet certain minimum requirements regarding international risk rating, structural risk rating and market prices of credit risk (CDS).

Counterparties to the BCRA may be: international agencies, multilateral financial institutions, central banks, central securities depositories and commercial or investment banks that comply with requirements relating to country of residence, equity, systemic importance, supervision system and credit quality. In the case of state-owned banks, they must be explicitly supported by the central or state government in their country of residence.

To determine the credit quality, credit risk ratings are considered, as well as market prices of credit risk and the structural model selected for countries or banks, as applicable.

The individual limits to exposure in eligible countries and banks depend on the group or level assigned based on their credit quality indicators, reserve level, and in the case of banks, equity. In addition, global limits are determined for countries or banks classified within a group or level, and for the total bank risk, as a percentage of international reserves. In turn, the total bank risk

admitted is reduced if the probability of default, on average, of eligible banks exceeds a threshold defined by the investment policies.

Furthermore, exposures may not be increased or shall be liquidated in full if the market price of the credit risk of each country or counterparty overcomes certain barriers.

Below there is a classification by group of counterparties to the financial instruments included in the operating portfolio and investment portfolio of the international reserves at each year end:

Classification by group of counterparties	2022	2021
	%	%
Supranational organizations and central banks	66.8	58.0
Banknotes	13.1	26.3
Other financial counterparties	18.4	13.7
Other multilateral organizations	1.7	2.0
	100.0	100.0

Additionally, the placements mentioned above are classified by minimum credit rating:

Placements by credit rating*	2022	2021
	%	%
AAA	29.0	19.1
AA+/AA/AA-	15.5	9.9
A+/A/A-	40.7	43.7
BBB+/BBB/BBB-	1.7	1.0
Banknotes	13.1	26.3
	100.0	100.0

* Exposure levels in Central Banks were classified considering the sovereign rating of each country.

- **Domestic Financial Assets and Liabilities**

Exposure in the Public Sector

In 2022, net exposure in the public sector decreased in real terms due to the slower pace of expansion of temporary advances and the increase in Argentine Government deposits, partially offset by the Non-Transferable Bills received under the Export Increase Program and the acquisition of Government securities in open-market transactions, intended to foster greater liquidity, depth and transparency in the sovereign debt markets and to seek for financial stability.

Exposure in the Financial Sector

Exposure in the local financial sector, net of provisions, which represents a non-significant percentage of the net assets for rights deriving from repurchase transactions, corresponds entirely to fines and interest.

For financial institutions in a situation of temporary lack of liquidity, the possibility of obtaining advances and rediscounts is subject to the setting up of collateral with a minimum haircut based on the affected instruments, which must be maintained during the term of the financial aid. To date, these credit lines to financial institutions do not record balances.

Credit risk associated with open-market transactions providing liquidity to the financial system (reverse repurchase transactions) is mitigated by receiving in consideration Argentine Government securities and eligible Negotiable Obligations, as well as BCRA Liquidity Bills.

- **Concentration Risk**

Concentration risk relates to the possibility that an exposure causes losses or threatens a financial institution's solvency or its ability to keep up core operations. Risk concentrations may arise with assets, liabilities or off-balance sheet items, from the execution or processing of transactions or from a combination of exposures in the main categories. The potential loss reflects the size of the exposure and the extent of the loss in case an adverse circumstance occurs. Risk concentrations can adopt different forms, including exposure to individual counterparties, groups of counterparties or related institutions, and geographical concentration, among others.

The concentration of financial assets and liabilities, by group of counterparties, at December 31, 2022, is shown below:

12/31/2022	Local banks (1)	Foreign banks	Sovereign, Central Bank and Multilateral institutions	Argentine Government	Others (2)	Total
Assets						
International reserves	-	377,374,782	6,679,417,820	-	842,609,208	7,899,401,810
Government securities	-	-	-	14,598,141,989	-	14,598,141,989
Temporary advances to the Argentine Government	-	-	-	2,793,100,370	-	2,793,100,370
Loans to the Argentine financial system	125,060	-	-	-	-	125,060
Contributions to international agencies on behalf of Argentine Government and Others	-	-	927,644,510	-	-	927,644,510
Rights deriving from other derivative instruments	-	-	-	-	80,157	80,157
Rights deriving from repo transactions	2,588,664,240	-	-	-	856,026	2,589,520,266
Other assets (4)	-	-	-	-	160,465,874	160,465,874
Total	2,588,789,300	377,374,782	7,607,062,330	17,391,242,359	1,004,011,265	28,968,480,036
Liabilities						
Monetary base	1,108,538,735	-	-	617,513	4,094,595,006	5,203,751,254
Instruments of payment in other currencies	-	-	-	-	4,274,838	4,274,838
Current accounts in other currencies	2,088,451,254	-	-	-	48,344,563	2,136,795,817
Deposits from Argentine Government and others	-	-	-	1,212,510,504	-	1,212,510,504
Other deposits	-	-	-	-	2,561,386	2,561,386
IMF Special Drawing Rights (2)	-	-	1,196,308,847	-	(1,121,259,670)	75,049,177
Obligations with international agencies (2)	-	-	743,292,102	-	(188,530,318)	554,761,784
Securities issued by the BCRA (3)	10,428,186,391	-	-	-	55,259,386	10,483,445,777
Contra account of Argentine Government contributions to international agencies	-	-	699,819,711	-	-	699,819,711
Due to other financial derivatives	955,499	-	-	-	-	955,499
Due to repo transactions	2,356,784,801	-	-	-	856,026	2,357,640,827
Due to multilateral credit agreements	-	-	13,542,996	-	-	13,542,996
Other liabilities (4)	-	-	3,338,579,041	-	478,621,594	3,817,200,635
Total	15,982,916,680	-	5,991,542,697	1,213,128,017	3,374,722,811	26,562,310,205

(1) Transactions with the local financial system, regardless of the country where the controlling institutions are located, were classified within Local banks.

(2) Gold inventories, currency in circulation, transactions with non-financial counterparties, contra accounts of allocation of SDR and of use of the reserve tranche, and other less significant assets and liabilities were included within Others.

(3) Securities issued by the BCRA were classified within Local banks, except for LEGAR (markets of commodities derivatives) and Bills delivered to mutual funds in repo transactions.

(4) Provisions and physical assets recorded within Other assets were excluded.

Exposure by group of counterparties at December 31, 2021, is presented for comparative purposes:

12/31/2021	Local banks (1)	Foreign banks	Sovereign, Central Bank and Multilateral institutions	Argentine Government	Others (2)	Total
Assets						
International reserves	-	286,083,846	6,480,383,536	-	1,172,014,923	7,938,482,305
Government securities	-	-	-	13,107,659,835	-	13,107,659,835
Temporary advances to the Argentine Government	-	-	-	4,232,951,971	-	4,232,951,971
Loans to the Argentine financial system	226,551	-	-	-	-	226,551
Contributions to international agencies on behalf of Argentine Government and Others	-	-	1,028,883,798	-	-	1,028,883,798
Rights deriving from other derivative instruments	-	-	-	-	1,062,116	1,062,116
Rights deriving from repo transactions	6,644,038,105	-	-	-	-	6,644,038,105
Other assets (4)	-	-	-	-	296,775,325	296,775,325
Total	6,644,264,656	286,083,846	7,509,267,334	17,340,611,806	1,469,852,364	33,250,080,006
Liabilities						
Monetary base	1,875,011,230	-	-	138,260	5,242,664,263	7,117,813,753
Instruments of payment in other currencies	-	-	-	-	6,006,087	6,006,087
Current accounts in other currencies	2,366,454,922	-	-	-	51,919,497	2,418,374,419
Deposits from Argentine Government and others	-	-	-	232,550,399	-	232,550,399
Other deposits	-	-	-	-	1,760,101	1,760,101
IMF Special Drawing Rights (2)	-	-	1,421,627,869	-	(1,332,443,540)	89,184,329
Obligations with international agencies (2)	-	-	779,654,938	-	(148,269,268)	631,385,670
Securities issued by the BCRA (3)	9,783,362,939	-	-	-	43,202,377	9,826,565,316
Contra account of Argentine Government contributions to international agencies	-	-	764,830,886	-	-	764,830,886
Due to other financial derivatives	-	-	-	-	-	-
Due to repo transactions	6,030,962,803	-	-	-	-	6,030,962,803
Due to multilateral credit agreements	-	-	4,616,746	-	-	4,616,746
Other liabilities (4)	-	-	4,093,703,731	-	768,256,088	4,861,959,819
Total	20,055,791,894	-	7,064,434,170	232,688,659	4,633,095,605	31,986,010,328

(1) Transactions with the local financial system, regardless of the country where the controlling institutions are located, were classified within Local banks.

(2) Gold inventories, currency in circulation, transactions with non-financial counterparties, contra accounts of allocation of SDR and of use of the reserve tranche, and other less significant assets and liabilities were included within Others.

(3) Securities issued by the BCRA were classified within Local banks, except for LEGAR (markets of commodities derivatives) and Bills delivered to mutual funds in repo transactions.

(4) Provisions and physical assets recorded within Other assets were excluded.

Geographical concentration risk of counterparties is shown in the table below:

12/31/2022	Argentina	US	Europe	Asia	Others	Total
Assets						
International reserves (1)	842,614,268	1,412,491,288	1,814,972,721	3,722,951,878	106,371,655	7,899,401,810
Government securities	14,598,141,989					14,598,141,989
Temporary advances	2,793,100,370					2,793,100,370
Loans to the Argentine financial system	125,060					125,060
Contributions to international agencies on behalf of Argentine Government and Others		535,068,242	7,888,626	177,128	384,510,514	927,644,510
Rights deriving from other derivative instruments	80,157					80,157
Rights deriving from repo transactions	2,589,520,266					2,589,520,266
Other assets (2)	126,196,632	4,093,435	30,175,788		19	160,465,874
Total	20,949,778,742	1,951,652,965	1,853,037,135	3,723,129,006	490,882,188	28,968,480,036
Liabilities (3)						
Monetary base	5,203,751,254					5,203,751,254
Instruments of payment in other currencies	4,274,838					4,274,838
Current accounts in other currencies	2,136,795,817					2,136,795,817
Argentine Government deposits	1,212,510,504					1,212,510,504
Other deposits	2,561,386					2,561,386
IMF Special Drawing Rights (4)	(1,121,259,670)	1,196,308,847				75,049,177
Obligations with international agencies (4)	(188,530,318)	209,420,320	533,864,696		7,085	554,761,784
Securities issued by the BCRA	10,483,445,777					10,483,445,777
Contra account of Argentine Government contributions	699,819,711					699,819,711
Due to other financial derivatives	955,499					955,499
Due to repo transactions	2,357,640,827					2,357,640,827
Due to multilateral credit agreements					13,542,996	13,542,996
Other liabilities	478,621,594			3,338,579,041		3,817,200,635
Total	21,270,587,219	1,405,729,168	533,864,696	3,338,579,041	13,550,081	26,562,310,205

(1) International reserves domestic assets include holdings of gold and banknotes.

(2) Other financial assets exclude real and personal property and other inventories.

(3) The account Provisions is excluded.

(4) It includes the contra account of funds transferred to the Argentine Government for each account.

Exposure by region at December 31, 2021, is presented for comparative purposes:

12/31/2021	Argentina	US	Europe	Asia	Others	Total
Assets						
International reserves (1)	1,176,449,314	624,598,240	1,613,903,014	4,458,842,896	64,688,841	7,938,482,305
Government securities	13,107,659,835					13,107,659,835
Temporary advances	4,232,951,971					4,232,951,971
Loans to the Argentine financial system	226,551					226,551
Contributions to international agencies on behalf of Argentine Government and Others		432,688,606	9,375,860	200,150	586,619,181	1,028,883,798
Rights deriving from other derivative instruments	1,062,116					1,062,116
Rights deriving from repo transactions	6,644,038,105					6,644,038,105
Other assets (2)	295,514,296	1,260,945			84	296,775,325
Total	25,457,902,188	1,058,547,791	1,623,278,875	4,459,043,046	651,308,106	33,250,080,006
Liabilities (4)						
Monetary base	7,117,813,753					7,117,813,753
Instruments of payment in other currencies	6,006,087					6,006,087
Current accounts in other currencies	2,418,374,419					2,418,374,419
Argentine Government deposits	232,550,399					232,550,399
Other deposits	1,760,101					1,760,101
IMF Special Drawing Rights (3)	(1,332,443,539)	1,421,627,869				89,184,329
Obligations with international agencies (3)	(148,269,268)	166,105,021	600,853,287		12,696,630	631,385,670
Securities issued by the BCRA	9,826,565,316					9,826,565,316
Contra account of Argentine Government contributions to international agencies	764,830,886					764,830,886
Due to other financial derivatives						
Due to repo transactions	6,030,962,803					6,030,962,803
Due to multilateral credit agreements					4,616,746	4,616,746
Other liabilities	692,486,258	75,769,829		4,093,703,731		4,861,959,819
Total	25,610,637,214	1,663,502,719	600,853,287	4,093,703,731	17,313,376	31,986,010,328

(1) International reserves domestic assets include holdings of gold and banknotes.

(2) Other financial assets exclude real and personal property and other inventories.

(3) Includes the contra account of funds transferred to the Argentine Government for each account.

(4) The account Provisions is excluded.

7.2.2 Market Risk

Market risk can be defined as the risk of incurring losses to which the BCRA is exposed due to adverse changes in the market value of its financial assets and liabilities, mostly as a result of variation in interest rates and foreign exchange rates.

7.2.2.1 Interest Rate Risk

- **Foreign Financial Assets and Liabilities**

The administration of international reserves seeks to make prudent and secure investments. Therefore, the three pillars that define the investment guidelines of all central banks are security, liquidity and return.

With regard to this type of risk, the investment guidelines establish that the effective duration of the investment portfolio and each of its tranches must always be positive (higher than zero) and the market risk of the investment portfolio is limited both in terms of the Conditional Value at Risk (CVaR) of the investment portfolio and, in terms of the exposures to currencies other than the US dollar, for which reduced deviations are admitted with respect to BCRA's direct liabilities in the same currency.

- **Domestic Financial Assets and Liabilities**

The BCRA administers monetary expansion factors for them to be consistent with the demand for cash, sterilizing cash surplus through the available monetary regulation instruments.

Below is a breakdown of financial assets and liabilities, by instrument, at floating rate, at fixed rate and not accruing interest:

12/31/2022	Instruments at floating rate (1)	Instruments at fixed rate	Instruments not accruing interest	Total
Assets				
International reserves	2,142,902,971	1,721,946,036	4,034,552,804	7,899,401,810
Government securities	13,697,315,271	900,601,283	225,435	14,598,141,989
Temporary advances			2,793,100,370	2,793,100,370
Loans to the Argentine financial system	125,060			125,060
Contributions to international agencies on behalf of Argentine Government and Others			927,644,510	927,644,510
Rights deriving from other derivative instruments			80,157	80,157
Rights deriving from repo transactions		2,589,520,266		2,589,520,266
Other assets (2)	2,024,837		158,441,037	160,465,874
Total	15,842,368,139	5,212,067,585	7,914,044,313	28,968,480,036
Liabilities (3)				
Monetary base			5,203,751,254	5,203,751,254
Instruments of payment in other currencies			4,274,838	4,274,838
Current accounts in other currencies			2,136,795,817	2,136,795,817
Argentine Government deposits			1,212,510,504	1,212,510,504
Other deposits			2,561,386	2,561,386
IMF Special Drawing Rights			75,049,177	75,049,177
Obligations with international agencies	208,858,458	533,864,696	(187,961,370)	554,761,784
Securities issued by the BCRA	1,511,120,317	8,972,325,461		10,483,445,777
Contra account of Argentine Government contributions to international agencies			699,819,711	699,819,711
Due to other financial derivatives			955,499	955,499
Due to repo transactions		2,357,640,827		2,357,640,827
Due to multilateral credit agreements	13,542,996			13,542,996
Other liabilities	218,947,747		3,598,252,888	3,817,200,635
Total	1,952,469,518	11,863,830,984	12,746,009,704	26,562,310,205

(1) It includes financial instruments adjusted by CER or USD exchange rate.

(2) Other financial assets. It excludes real and personal property and other inventories.

(3) Financial liabilities. The account Provisions is excluded.

Exposure to interest rate risk at December 31, 2021, is presented for comparative purposes:

12/31/2021	Instruments at floating rate (1)	Instruments at fixed rate	Instruments not accruing interest	Total
Assets				
International reserves	1,285,599,296	1,392,252,098	5,260,630,911	7,938,482,305
Government securities	12,080,663,759	1,026,596,750	399,327	13,107,659,835
Temporary advances			4,232,951,971	4,232,951,971
Loans to the Argentine financial system	226,551			226,551
Contributions to international agencies on behalf of Argentine Government and Others			1,028,883,798	1,028,883,798
Rights deriving from other derivative instruments			1,062,116	1,062,116
Rights deriving from repo transactions		6,644,038,105		6,644,038,105
Other assets (2)	5,511,185		291,264,140	296,775,325
Total	13,372,000,791	9,062,886,952	10,815,192,263	33,250,080,006
Liabilities (3)				
Monetary base			7,117,813,753	7,117,813,753
Instruments of payment in other currencies			6,006,087	6,006,087
Current accounts in other currencies			2,418,374,419	2,418,374,419
Argentine Government deposits			232,550,399	232,550,399
Other deposits			1,760,101	1,760,101
IMF Special Drawing Rights			89,184,329	89,184,329
Obligations with international agencies	166,030,037	600,853,287	(135,497,654)	631,385,670
Securities issued by the BCRA	43,202,378	9,783,362,938		9,826,565,316
Contra account of Argentine Government contributions to international agencies			764,830,886	764,830,886
Due to other financial derivatives				
Due to repo transactions		6,030,962,803		6,030,962,803
Due to multilateral credit agreements	4,616,746			4,616,746
Other liabilities	9,524,072		4,852,435,747	4,861,959,819
Total	223,373,234	16,415,179,028	15,347,458,067	31,986,010,328

(1) It includes financial instruments adjusted by CER or USD exchange rate.

(2) Other financial assets. It excludes real and personal property and other inventories.

(3) Financial liabilities. The account Provisions is excluded.

7.2.2.2 Exchange Rate Risk

To manage the risks inherent in the administration of its international reserves within acceptable levels and parameters, the Board of the BCRA establishes in its Investment Policies the universe of permitted risks, as well as the different risk limits tolerated in each of the investments made. The guidelines set by these policies are the diversification by currencies, instruments and term of the investments, and also their limited duration and breakdown by currency in relation to the benchmark index of the investment portfolio. Exposure to market risk is monitored on a daily basis by means of the follow-up of the Conditional Value at Risk (CVaR) of the investment portfolio.

Below follows a table showing the total financial assets and liabilities included in the Financial Statements at December 31, 2022, with exposure by currency:

12/31/2022	ARS	USD	Renminbi	EUR	XDR	Others	Total
Assets							
International reserves		2,864,782,676	3,350,952,167	15,170,509	1,020,889,224	647,607,235	7,899,401,810
Government securities	1,955,743,357	12,642,398,633					14,598,141,989
Temporary advances	2,793,100,370						2,793,100,370
Loans to the Argentine financial system	102,355	18,461	2	4,190		52	125,060
Contributions to international agencies on behalf of Argentine Government and Others		717,033,832		110,017	210,500,662		927,644,510
Rights deriving from other derivative instruments	80,157						80,157
Rights deriving from repo transactions	2,276,746,808	312,773,458					2,589,520,266
Other assets (1)	112,167,115	48,072,108				226,651	160,465,874
Total	7,137,940,162	16,585,079,169	3,350,952,169	15,284,716	1,231,389,886	647,833,936	28,968,480,036
Liabilities (2)							
Monetary base	5,203,751,254						5,203,751,254
Instruments of payment in other currencies		4,274,838					4,274,838
Current accounts in other currencies		2,126,081,301		10,676,888		37,628	2,136,795,817
Argentine Government deposits	357,464,013	108,049,977			746,996,514		1,212,510,504
Other deposits	2,166,192	395,193		2			2,561,386
IMF Special Drawing Rights					75,049,177		75,049,177
Obligations with international agencies	54,958	534,378,685			20,328,140		554,761,784
Securities issued by the BCRA	10,400,575,230	82,870,547					10,483,445,777
Contra account of Argentine Government contributions to international agencies		602,550,225		19,311	97,250,175		699,819,711
Due to other financial derivatives	955,499						955,499
Due to repo transactions	2,042,964,675	314,676,152					2,357,640,827
Due to multilateral credit agreements		13,542,996					13,542,996
Other liabilities	99,796,872	378,718,816	3,338,579,041	46,116		59,790	3,817,200,635
Total	18,107,728,692	4,165,538,730	3,338,579,041	10,742,316	939,624,007	97,418	26,562,310,205

(1) Other financial assets. It excludes real and personal property and other inventories.

(2) Financial liabilities. The account Provisions is excluded.

Exposure by currency at December 31, 2021, is presented for comparative purposes:

12/31/2021	ARS	USD	Renminbi	EUR	XDR	Others	Total
Assets							
International reserves		2,868,956,495	4,106,210,938	18,492,622	210,494,091	734,328,158	7,938,482,305
Government securities	591,503,513	12,516,156,323					13,107,659,835
Temporary advances	4,232,951,971						4,232,951,971
Loans to the Argentine financial system	208,173	13,585		4,793			226,551
Contributions to international agencies on behalf of Argentine Government and Others		778,604,160		132,188	250,147,450		1,028,883,798
Rights deriving from other derivative instruments	1,062,116						1,062,116
Rights deriving from repo transactions	6,291,467,531	352,570,574					6,644,038,105
Other assets (1)	286,112,734	10,422,816				239,776	296,775,325
Total	11,403,306,038	16,526,723,953	#####	18,629,603	460,641,541	734,567,934	33,250,080,006
Liabilities (2)							
Monetary base	7,117,813,753						7,117,813,753
Instruments of payment in other currencies		6,006,087					6,006,087
Current accounts in other currencies		2,407,318,313		11,005,461		50,645	2,418,374,419
Argentine Government deposits	69,697,918	138,942,045			23,910,437		232,550,399
Other deposits	1,372,531	387,568		2			1,760,101
IMF Special Drawing Rights					89,184,329		89,184,329
Obligations with international agencies	74,982	613,549,918			17,760,770		631,385,670
Securities issued by the BCRA	9,826,565,316						9,826,565,316
Contra account of Argentine Government contributions to international agencies		649,240,905		23,202	115,566,778		764,830,886
Due to other financial derivatives							6,030,962,803
Due to repo transactions	5,678,495,117	352,467,685					4,616,746
Due to multilateral credit agreements		4,616,746					
Other liabilities	290,612,831	401,746,680	4,093,703,731	55,067	75,769,829	71,680	4,861,959,819
Total	22,984,632,448	4,574,275,949	#####	11,083,732	322,192,143	122,325	31,986,010,328

(1) Other financial assets. It excludes real and personal property and other inventories.

(2) Financial liabilities. The account Provisions is excluded.

7.2.3 Liquidity Risk

The liquidity risk of an instrument is the possibility of being unable to negotiate it or incur in losses upon the sale thereof due to the absence of a deep market.

- **Foreign Assets:**

Investment guidelines related to the liquidity risk establish that the instruments in which reserves are invested must be sufficiently liquid to be sold within three business days, without deriving in any impact on market values as a consequence of the settlement.

In relation to time deposits, they are deemed to be sufficiently liquid within the terms established for each instrument and subject to the assessment of the early payment or repurchase capacity by the issuer. On the other hand, for international bonds, a minimum outstanding amount of the bond as well as a limit to the percentage acquired of each issue are established.

Furthermore, reserves in foreign currency consist of three portfolios. The first one is the operating portfolio aimed at satisfying operating needs; the second one is the investment portfolio to improve the risk-adjusted return and the diversification of international reserves; and the third one is the hedge portfolio for hedging the BCRA's liabilities in foreign currency, agreements and other financial positions.

- **Domestic Financial Assets and Liabilities**

Exposure in the Public Sector

At the end of December 2022, the maturity of Non-Transferable Bills is extended over the next 10 years, concentrating on terms of up to 1 year (15.4%), more than 1 and up to 5 years (35.4%) and more than 5 years (49.2%).

Also, the maturity structure of the temporary advances recorded at year end is extended to June 2024, with June and December 2023 being the months concentrating the highest amounts – ARS 667,000 million and ARS 395,000 million, respectively.

Exposure in the Financial Sector

In the case of open-market transactions, for placements of Liquidity Bills and Notes (LELIQs and NOTALIQs) it was determined that only local financial institutions may take part in auctions for their own portfolio or on behalf of another local institution, and they are allowed to trade these securities between them in order to foster the development of a secondary market. Also, these bills may be used by financial institutions as collateral of repurchase transactions.

In addition, the BCRA will be able to manage liquidity conditions, either through the purchase/sale of LELIQ and NOTALIQ in the secondary market, through repurchase transactions or open-market transactions with government securities.

Below is a breakdown of financial assets and liabilities by contractual due dates at the end of 2022:

12/31/2022	0 to 3 months	from 3 to 12 months	from 1 to 5 years	from 5 to 10 years	more than 10 years	with no defined maturity (1)	Total
Assets							
International reserves (2)	6,580,161,021	678,395,383				640,845,406	7,899,401,810
Government securities (3)	2,482,470,893	1,528,463,527	4,719,754,461	5,749,590,933	117,645,561	216,614	14,598,141,989
Temporary advances	381,919,344	2,061,181,027	350,000,000				2,793,100,370
Loans to the Argentine financial system						125,060	125,060
Contributions to international agencies on behalf of Argentine Government and Others						927,644,510	927,644,510
Rights deriving from other derivative instruments	80,157						80,157
Rights deriving from repo transactions (4)	2,589,520,266						2,589,520,266
Other assets (7)						160,465,874	160,465,874
Total	12,034,151,680	4,268,039,937	5,069,754,461	5,749,590,933	117,645,561	1,729,297,464	28,968,480,036
Liabilities							
Monetary base	1,109,156,248					4,094,595,006	5,203,751,254
Instruments of payment in other currencies						4,274,838	4,274,838
Current accounts in other currencies	2,136,795,817						2,136,795,817
Argentine Government deposits	1,212,510,504						1,212,510,504
Other deposits						2,561,386	2,561,386
IMF Special Drawing Rights						75,049,177	75,049,177
Obligations with international agencies	531,384,900					23,376,884	554,761,784
Securities issued by the BCRA	10,094,375,604	389,070,173					10,483,445,777
Contra account of Argentine Government contributions to international agencies						699,819,711	699,819,711
Due to other financial derivatives	77,607	877,892					955,499
Due to repo transactions	2,357,640,827						2,357,640,827
Due to multilateral credit agreements (5)	13,542,996						13,542,996
Other liabilities (6) (7)	3,338,579,041					478,621,594	3,817,200,635
Total	20,819,991,746	364,019,864				5,378,298,597	26,562,310,205

(1) Gold, currency in circulation, GDP-linked coupons, financial assets with no contractual term and other less significant assets and liabilities were classified as With no defined maturity.

(2) Within International reserves, bonds and time deposits were classified by due date. Sight accounts in other central banks, multilateral institutions and foreign banks, SDR, and the yuan credited under the swap agreement with China were included within the 0 to 3 months group. Deposits at more than 3 months and bonds can be converted into cash in a five-business-day period, with no material impact on prices as a result of the settlement.

(3) Breakdown by due date of government securities valued at market price was prepared considering the current value of principal and interest payments. For Non-transferable bills, valued at technical value, principal and accrued interest were allocated to the respective due dates.

(4) Within Rights deriving from repo transactions, the securities delivered under repos were classified within the 0 to 3 months group, based on the due date of the repo transactions.

(5) The balance under ALADI agreement is settled in May, September and January each year.

(6) The liability related to the swap agreement with China was classified within the 0 to 3 months group.

(7) Provisions and physical assets recorded within Other assets were excluded.

Considering the characteristics of a monetary authority, including the capacity to control liquidity in the financial system, the BCRA is not subject to limitations arising from the gap between assets and liabilities in local currency.

Exposure by contractual due dates at December 31, 2021, is presented for comparative purposes:

31/12/2021	0 to 3 months	from 3 to 12 months	from 1 to 5 years	from 5 to 10 years	more than 10 years	with no defined maturity (1)	Total
Assets							
International reserves (2)	6,999,545,156	295,657,631	-	-	-	643,279,518	7,938,482,305
Government securities (3)	34,941,577	1,653,450,163	6,873,555,891	4,257,276,953	288,053,088	382,161	13,107,659,835
Temporary advances	361,184,240	2,930,916,659	940,851,071	-	-	-	4,232,951,971
Loans to the Argentine financial system	-	-	-	-	-	226,551	226,551
Contributions to international agencies on behalf of Argentine Government and Others	-	-	-	-	-	1,028,883,798	1,028,883,798
Rights deriving from other derivative instruments	1,062,116	-	-	-	-	-	1,062,116
Rights deriving from repo transactions (4)	6,644,038,105	-	-	-	-	-	6,644,038,105
Other assets (7)	-	-	-	-	-	296,775,325	296,775,325
Total	14,040,771,194	4,880,024,454	7,814,406,962	4,257,276,953	288,053,088	1,969,547,353	33,250,080,006
Liabilities							
Monetary base	1,875,149,490	-	-	-	-	5,242,664,263	7,117,813,753
Instruments of payment in other currencies	-	-	-	-	-	6,006,087	6,006,087
Current accounts in other currencies	2,418,374,419	-	-	-	-	-	2,418,374,419
Argentine Government deposits	232,550,399	-	-	-	-	-	232,550,399
Other deposits	-	-	-	-	-	1,760,101	1,760,101
IMF Special Drawing Rights	-	-	-	-	-	89,184,329	89,184,329
Obligations with international agencies	600,449,985	-	-	-	-	30,935,685	631,385,670
Securities issued by the BCRA	9,826,565,316	-	-	-	-	-	9,826,565,316
Contra account of Argentine Government contributions to international agencies	-	-	-	-	-	764,830,886	764,830,886
Due to other financial derivatives	-	-	-	-	-	-	-
Due to repo transactions	6,030,962,803	-	-	-	-	-	6,030,962,803
Due to multilateral credit agreements (5)	4,616,746	-	-	-	-	-	4,616,746
Other liabilities (6) (7)	4,093,703,730	-	-	-	-	768,256,089	4,861,959,819
Total	25,082,372,887	-	-	-	-	6,903,637,440	31,986,010,328

(1) Gold, currency in circulation, GDP-linked coupons, financial assets with no contractual term and other less significant assets and liabilities were classified as With no defined maturity.

(2) Within International reserves, bonds and time deposits were classified by due date. Sight accounts in other central banks, multilateral institutions and foreign banks, SDR, and the yuan credited under the swap agreement with China were included within the 0 to 3 months group. Deposits at more than 3 months and bonds can be converted into cash in a five-business-day period, with no material impact on prices as a result of the settlement.

(3) Breakdown by due date of government securities valued at market price was prepared considering the current value of principal and interest payments. For Non-transferable bills, valued at technical value, principal and accrued interest were allocated to the respective due dates.

(4) Within Rights deriving from repo transactions, the securities delivered under repos were classified within the 0 to 3 months group, based on the due date of the repo transactions.

(5) The balance under ALADI agreement is settled in May, September and January each year.

(6) The liability related to the swap agreement with China was classified within the 0 to 3 months group.

(7) Provisions and physical assets recorded within Other assets were excluded.

Considering the characteristics of a monetary authority, including the capacity to control liquidity in the financial system, the BCRA is not subject to limitations arising from the gap between assets and liabilities in local currency.

7.3 Non-Financial Risk - Operational Risk

Operational risk is the likelihood of incurring in losses due to a failure or weakness of internal processes, staff or information systems, or unexpected events falling outside the control of the BCRA that hinder its normal operation. This definition also includes legal risk.

Operational risk management includes policies, practices, procedures and structures held by the BCRA for adequate management.

To manage this risk consistently with international standards, the BCRA analyzes the probability of occurrence of different events that may have a negative impact on the BCRA, and identifies any vulnerabilities that may arise in the different scenarios analyzed as well as the criticality of each process.

Based on the analyses conducted, the BCRA follows up the different events that may occur and has risk measures and indicators in place, which are monitored by means of a balanced scorecard. These metrics defined by risk unit are monitored in order to identify situations that may affect the regular operating performance, entail non-compliance with the strategy or cause unexpected results.

There is also a continuous follow-up and monitoring of the mitigation plans and/or actions defined by the business areas involved in the control risks and vulnerabilities identified, associated with each process.

NOTE 8 - EVENTS SUBSEQUENT TO YEAR END

8.1 Maturity and Amortization of 1990 National Treasury Consolidated Bond

As provided for by Resolution No. 334/2002 of the former Ministry of Economy, whereby the restructuring of the obligations arising from the amortization of the 1990 National Treasury Consolidated Bond was established, the fourteenth installment equivalent to 1% of the face value of the security was settled on January 2, 2023.

8.2 Export Increase Program - Non-Transferable Bill in USD

On January 4, 2023, under Emergency Decree No. 787/22, the BCRA received the last tranche of Non-Transferable Bill under Emergency Decree No. 787/2022, in compensation under the Export Increase Program maturing on December 30, 2022, for an original face value of ARS 88,247. The total amount is USD 1,069,903.

Further, under Emergency Decree No. 194/2023 dated April 9, 2023, the Export Increase Program (created under Emergency Decree No. 576/2022) was implemented again on an exceptional and temporary basis, ordering that foreign currency settlement transactions under that program be completed at ARS 300 per US dollar.

In addition, Emergency Decree No. 194/2023 mentioned above authorizes the Ministry of Economy, before the end of this calendar year (2023), to issue a Bill, with a 10-year term, denominated in US dollars, which will accrue interest at a rate equal to that accrued by the BCRA's international reserves for the same period, payable on a six-month basis, for the difference that affected the BCRA as a result of the transactions carried out under the Decree.

8.3 Bilateral Currency Swap Agreement with the People's Bank of China - Use of Funds

As a result of the meeting of the presidents of the People's Bank of China and of the BCRA, on January 8, 2023, the activation of the Currency Swap Agreement between both institutions was confirmed, and they committed to intensifying the use of the RMB (renminbi) in the Argentine market for bilateral exchange.

The agreement includes a special use of CNY 35,000,000 to offset transactions in the foreign exchange market.

At May 11, 2023, the use of funds amounts to CNY 35,000,000.

8.4 Relaunch of Liquidity Options on National State Securities Issued by the BCRA

Communication "A" 7716 provides that the BCRA may offer new bids of liquidity options on securities awarded by the Argentine Government as from March 7, 2023, and maturing between January 1, 2024, and December 31, 2025. Put options on Argentine Government securities may be exercised from 5 business days subsequent to the award to 1 business day prior to maturity of the underlying asset.

8.5 Treasury Bill in US Dollars under Emergency Decree No. 622/21 and Non-Transferable Bills under Emergency Decrees Nos. 576/2022 and 787/22 - Emergency Decree No. 163/23

Effective as from March 22, 2023, Section 1 of Emergency Decree No. 163/2023 provides that the payments of interest and principal amortizations of the Bills denominated in US dollars issued under Emergency Decrees Nos. 622/2021, 576/2022 and 787/2022 will be replaced, on maturity date, by new government securities whose terms and conditions will be defined jointly by the Secretariat of Finance and the Secretariat of the Treasury, both within the Ministry of Economy.

8.6 Conversion of Assets

On December 29, 2022, and March 6, 2023, the Ministry of Economy invited a new tender involving the conversion of assets within the framework of Section 11 of Decree No. 331/2022 incorporated into the Permanent Supplementary Budget Law.

In this context, the following securities were delivered on January 6, 2023: BONCER 1.4% maturing on March 25, 2023; LECER maturing on January 20, 2023; LECER maturing on February 17, 2023;

LEDES maturing on January 31, 2023; and LEDES maturing on February 28, 2023. In exchange, Dual Bond maturing on July 31, 2023, Dual Bond maturing on September 29, 2023 and Dual Bond maturing on February 28, 2024 were received in the portfolio.

In addition, on March 14, 2023 the following securities were delivered: Treasury Bonds, dollar linked, maturing on April 28, 2023; LECER maturing on April 21, 2023; LECER maturing on May 19, 2023; LEDES maturing on April 28, 2023; Dual Bond maturing on June 30, 2023; LECER maturing on June 16, 2023; LEDES maturing on March 31, 2023; LEDES maturing on May 31, 2023; and LEDES maturing on June 30, 2023. In exchange, BONCER 3.75% maturing on April 14, 2024, BONCER 4% maturing on October 14, 2024, and BONCER 4.25% maturing on February 14, 2025, were received.

8.7 Exchange Rate Quotation

The US dollar benchmark rate prevailing at May 11, 2023, amounted to ARS 228.9917.

There are no other events or transactions that took place between the year end and the date of issuance of these financial statements which may substantially affect the BCRA's financial position or the results of its operations at December 31, 2022.

EXHIBIT I

CHANGES IN ALLOWANCES/PROVISIONS AT DECEMBER 31, 2022
- In thousands of Argentine pesos in constant currency (Note 3.4) -

Items	Balances at beginning of year, restated at year-end	Increases	Decreases		Monetary gain/loss	Balances at year-end
			Reversals	Uses		
DEDUCTED FROM ASSETS						
Allowance for gold bars	352,457	231,084	-	-	(231,948)	351,593
Allowance for impairment of government securities	1,493,816	-	8,815	-	(726,942)	758,059
Allowance for loans to the Argentine financial system	3,002,462	337,427	38,043	859,949	(1,400,725)	1,041,172
Other allowances	47,942	44,695	18,018	-	(26,397)	48,222
TOTAL ALLOWANCES DEDUCTED FROM ASSETS	4,896,677	613,206	64,876	859,949	(2,386,012)	2,199,046
INCLUDED IN LIABILITIES						
Provision for lawsuits	6,783,273	2,269,715	413,807	-	(3,300,978)	5,338,203
Provision for labor-related liabilities	24,650,935	6,071,451	-	458,469	(11,878,488)	18,385,429
Other provisions	232	274	-	47	(119)	340
TOTAL PROVISIONS INCLUDED IN LIABILITIES	31,434,440	8,341,440	413,807	458,516	(15,179,585)	23,723,972

NOTE: Increases and decreases in allowances/provisions are presented under Reversal/(Set-up) of allowances for government securities and loans to the financial system, net, and set-up of other provisions, net.

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SERVICES DEPUTY GENERAL
MANAGER

Agustín Torcassi
GENERAL MANAGER

Miguel Ángel Pesce
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DEPUTY COMPTROLLER

Marcos E. Moiseff
REGULAR COMPTROLLER

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COMPARATIVE TABLE OF MAIN ACCOUNTS IN FOREIGN CURRENCY
AT DECEMBER 31, 2022, AND 2021
- In thousands of Argentine pesos in constant currency (Note 3.4) -

	12/31/2022		12/31/2021	
	Balances in US dollars	Balances in Argentine pesos	Balances in US dollars	Balances in Argentine pesos
ASSETS	123,263,640	21,833,479,076	109,170,541	21,850,482,885
INTERNATIONAL RESERVES				
Gold (net of allowance)	3,617,973	640,845,406	3,213,987	643,279,518
Foreign currency	25,484,291	4,513,989,105	28,433,183	5,690,901,360
Deposits to be realized in foreign currency	15,726,789	2,785,659,403	8,015,405	1,604,283,227
Multilateral credit agreements	21	3,631	135	27,067
Derivatives over international reserves	(232,011)	(41,095,735)	(44)	(8,867)
GOVERNMENT SECURITIES				
Securities issued under foreign legislation	46,453	8,228,212	56,008	11,209,991
Securities issued under Argentine legislation	71,327,791	12,634,170,420	62,477,875	12,504,946,332
LOANS TO THE ARGENTINE FINANCIAL SYSTEM	128	22,705	1,999	400,033
CONTRIBUTIONS TO INTERNATIONAL AGENCIES ON BEHALF OF ARGENTINE GOVERNMENT	5,237,133	927,644,510	5,140,564	1,028,883,798
RIGHTS DERIVING FROM REPO TRANSACTIONS				
Rights deriving from repo transactions	1,765,802	312,773,458	1,761,532	352,570,572
OTHER ASSETS				
Margin call	193,471	34,269,223	6,300	1,260,951
Others	95,799	16,968,738	63,597	12,728,903
LIABILITIES	47,735,338	8,455,279,522	44,973,141	9,001,374,018
INSTRUMENTS OF PAYMENT IN OTHER CURRENCIES	24,134	4,274,838	30,008	6,006,087
CURRENT ACCOUNTS IN OTHER CURRENCIES	12,063,548	2,136,795,817	12,082,810	2,418,374,419
DEPOSITS FROM ARGENTINE GOVERNMENT AND OTHERS				
Other deposits	4,827,272	855,046,491	813,652	162,852,481
OTHER DEPOSITS	2,231	395,194	1,936	387,570
IMF SPECIAL DRAWING RIGHTS				
Allocation of SDR	6,753,911	1,196,308,847	7,102,812	1,421,627,869
Contra account of allocation of SDR	(6,330,212)	(1,121,259,670)	(6,657,225)	(1,332,443,540)
OBLIGATIONS WITH INTERNATIONAL AGENCIES				
Obligations	4,196,038	743,237,143	3,894,979	779,579,956
Contra account of the use of the reserve tranche	(1,064,372)	(188,530,318)	(740,791)	(148,269,268)
SECURITIES ISSUED BY THE BCRA				
Bills and notes issued in foreign currency	467,856	82,870,547	-	-
CONTRA ACCOUNT OF ARGENTINE GOVERNMENT CONTRIBUTIONS TO INTERNATIONAL AGENCIES	3,950,920	699,819,711	3,821,289	764,830,886
DUE TO OTHER FINANCIAL DERIVATIVES				
DUE TO REPO TRANSACTIONS				
Securities to be delivered under reverse repo transactions	1,776,544	314,676,152	1,761,018	352,467,684
DUE TO MULTILATERAL CREDIT AGREEMENTS	76,459	13,542,996	23,066	4,616,746
OTHER LIABILITIES				
Other obligations in foreign currency				
Other financial intermediation agents	1,765,930	312,796,164	1,761,561	352,576,451
Revolving funds	131,310	23,258,695	2,408	482,053
Currency Swap Agreement with China (Note 4.20)	18,848,366	3,338,579,041	20,453,179	4,093,703,731
Others	245,403	43,467,874	622,439	124,580,893

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REGULAR COMPTROLLER

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COMPARATIVE TABLE OF GOVERNMENT SECURITIES
AT DECEMBER 31, 2022, AND 2021
- In thousands of Argentine pesos in constant currency (Note 3.4) -

GOVERNMENT SECURITIES	Currency (**)	12/31/2022		12/31/2021	
		Original Nominal Value	Pesos	Original Nominal Value	Pesos
TOTAL GOVERNMENT SECURITIES:			14,598,141,989		13,107,659,835
BCRA HOLDINGS			14,598,900,048		13,109,153,651
ISSUED UNDER FOREIGN LEGISLATION			8,228,212		11,209,991
Global Bond in USD Step Up maturing in 2030, under foreign legislation	USD	59,521	2,999,422	59,521	4,338,734
Global Bond in USD Step Up maturing in 2035, under foreign legislation	USD	21,962	1,065,901	21,962	1,516,537
Global Bond in USD Step Up maturing in 2038, under foreign legislation	USD	61,555	3,900,059	61,555	4,928,104
Global Bond in USD 1% maturing in 2029, under foreign legislation	USD	5,465	262,830	5,465	426,616
ISSUED UNDER ARGENTINE LEGISLATION			14,590,671,836		13,097,943,660
1990 NATIONAL TREASURY CONSOLIDATED BOND	\$	881,464	766,873	881,464	1,510,987
ADJUSTMENT ON 1990 CONSOLIDATED BOND	\$		3,853,326	-	7,506,017
NON-TRANSFERABLE AND OTHER NATIONAL TREASURY BILLS			10,943,761,384		11,510,516,568
Non-Transferable Bill Res. No. 131/12, maturing 04/20/2022	USD	-	-	5,674,000	1,135,651,071
Non-Transferable Bill Res. No. 171/12, maturing 06/28/2022	USD	-	-	2,083,648	417,042,142
Non-Transferable Bill Decree No. 309/13, maturing 08/16/2023 (*)	USD	2,292,297	407,583,526	2,292,297	458,803,185
Non-Transferable Bill Res. No. 8/13, maturing 01/16/2023	USD	7,132,655	1,263,395,057	7,132,655	1,427,600,865
Non-Transferable Bill Res. No. 30/14, maturing 01/30/2024	USD	7,896,765	1,398,740,541	7,896,765	1,580,537,453
Non-Transferable Bill Res. No. 190/14, maturing 08/25/2024 (*)	USD	3,043,000	540,969,437	3,043,000	609,056,434
Non-Transferable Bill Res. No. 406/15, maturing 06/01/2025 (*)	USD	10,562,540	1,873,093,419	10,562,540	2,114,092,270
Non-Transferable Bill Res. No. 262/16, maturing 04/29/2026 (*)	USD	376,300	66,798,836	376,300	75,316,427
National Treasury Bill in USD, Law No. 27541/19, maturing 2029	USD	4,571,000	809,689,776	4,571,000	914,885,626
Non-Transferable Bill Res. No. 28/20, maturing 04/20/2030 (*)	USD	118,679	21,075,913	118,679	23,753,517
Non-Transferable Bill Res. No. 3/21 and No.11/21, maturing 01/07/2031	USD	9,627,596	1,705,319,679	9,627,596	1,926,963,253
Non-Transferable Bill Res. No. 15/22, maturing 04/20/2032 (*)	USD	7,809,225	1,386,816,615	-	-
National Treasury Bills in USD, Em. Decree No. 622/21, maturing 09/21/2031 (*)	USD	4,334,000	770,185,168	4,130,973	826,814,325
Non-Transferable Bill Emergency Decree No. 576/22, maturing 09/30/2032 (*)	USD	2,961,672	526,207,027	-	-
Non-Transferable Bill Emergency Decree No. 787/22, maturing 12/30/2032	USD	981,656	173,886,840	-	-
OTHER SECURITIES			3,646,143,579		1,585,916,104
Discount National Treasury Bill, maturing 01/31/2022	\$	-	-	11,261,000	21,286,364
Discount National Treasury Bill, maturing 01/31/2023	\$	30,093,000	28,347,606	-	-
Discount National Treasury Bill, maturing 02/28/2023	\$	85,934,435	76,653,516	-	-
Discount National Treasury Bill, maturing 04/28/2023	\$	93,382,337	73,865,429	-	-
National Treasury Bond, adjusted by CER, maturing 03/18/2022	\$	-	-	3,375,356	12,571,331
National Treasury Bond, adjusted by CER, maturing 09/20/2022	\$	-	-	20,173,391	71,519,429
National Treasury Bond, adjusted by CER, maturing 03/25/2023	\$	50,037,687	176,633,035	6,715,132	24,898,959
National Treasury Bond, adjusted by CER, maturing 08/13/2023	\$	51,780,898	164,672,577	3,239,238	10,852,881
National Treasury Bond, adjusted by CER, maturing 03/25/2024	\$	79,909,959	256,510,968	12,575,057	45,622,599
National Treasury Bond, adjusted by CER, maturing 07/26/2024	\$	38,528,389	89,732,618	-	-
National Treasury Bond, adjusted by CER, maturing 11/09/2026	\$	25,000	60,250	-	-
National Treasury Bill, adjusted by CER, maturing 05/23/2022	\$	-	-	1	2
National Treasury Bill, adjusted by CER, maturing 06/30/2022	\$	-	-	2,791,203	6,532,643
National Treasury Bill, adjusted by CER, maturing 01/20/2023	\$	169,183,865	306,391,978	-	-
National Treasury Bill, adjusted by CER, maturing 02/17/2023	\$	106,211,031	183,819,432	-	-
National Treasury Bill, adjusted by CER, maturing 04/21/2023	\$	75,652,652	127,391,501	-	-
National Treasury Bill, adjusted by CER, maturing 05/19/2023	\$	72,770,780	116,578,790	-	-
National Treasury Bill, adjusted by CER, maturing 06/16/2023	\$	25,827,855	32,375,217	-	-
National Treasury Bill, adjusted by CER, maturing 09/18/2023	\$	2,241,551	2,557,610	-	-
National Treasury Bond, dollar-linked, maturing 04/28/2023	USD	189,553	33,892,076	-	-
National Treasury Bond, dollar-linked, maturing 07/31/2023	USD	50,695	8,973,088	-	-
Argentine Bond in USD Step Up maturing in 2030	USD	4,512,926	192,895,227	4,512,926	295,366,708
Argentine Bond in USD Step Up maturing in 2035	USD	8,924,933	422,879,584	8,924,933	571,445,478
Argentine Bond in USD Step Up maturing in 2038	USD	952,292	58,699,912	952,292	71,475,484
Argentine Bond dual currency maturing 06/30/2023	USD	1,158,432	207,069,704	-	-
Argentine Bond dual currency maturing 07/31/2023	USD	2,423,469	428,226,983	-	-
Argentine Bond dual currency maturing 09/29/2023	USD	1,705,964	298,543,694	-	-
Argentine Bond in USD 1% maturing in 2029	USD	801,303	39,031,690	801,303	55,812,509
Discount Bonds 2033 (*)	\$	6,228,791	318,201,077	6,228,791	395,411,275
Discount Bonds 2033 - 2010 Issuance (*)	\$	5,846	305,932	5,846	360,962
Par Bonds 2038	\$	22,093	485,942	22,093	645,543
Quasi Par Bonds 2045 (*)	\$	40,351	1,131,416	40,351	1,731,569
GDP-linked negotiable securities	\$	1,861,192	19,543	1,861,192	52,569
GDP-linked negotiable securities	USD	445,051	197,078	445,051	329,584
Bond Province of Formosa, 4th Series	\$	128	106	128	215
ADJUSTMENT OF ACCRUAL ON 1990 CONSOLIDATED BOND	\$		(3,853,326)		(7,506,016)
ALLOWANCE FOR IMPAIRMENT OF GOVERNMENT SECURITIES			(758,059)		(1,493,816)
1990 National Treasury Consolidated Bond	\$		(758,059)		(1,493,816)

(*) The column Pesos at 12/31/22 includes interest accrued to be collected

(**) Currency: USD = US dollars; and \$ = pesos

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EXHIBIT IV

Securities issued by the BCRA at 12/31/2022
- In thousands of Argentine pesos in constant currency (Note 3.4) -

SECURITIES ISSUED BY THE BCRA	Total at 12/31/2022 (*)	Maturities						Total at 12/31/2021
		Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 9 months	From 9 to 12 months	Over 12 months	
TOTAL:	10,483,445,777	7,227,435,577	2,866,940,027	306,199,744	56,331,691	26,538,738	-	9,826,565,316
ISSUED IN FOREIGN CURRENCY	82,870,547	118	-	-	56,331,691	26,538,738	-	-
BCRA BILLS IN USD PAYABLE AT BENCHMARK EXCHANGE RATE (LEB)	82,870,547	118	-	-	56,331,691	26,538,738	-	-
Adjusted principal	82,870,547	118	-	-	56,331,691	26,538,738	-	-
ISSUED IN LOCAL CURRENCY	10,400,575,230	7,227,435,459	2,866,940,027	306,199,744	-	-	-	9,826,565,316
LEGARs PAYABLE AT BENCHMARK EXCHANGE RATE	54,403,360	54,403,360	-	-	-	-	-	41,200,875
Adjusted principal	54,403,360	54,403,360	-	-	-	-	-	41,200,875
LEMINs PAYABLE AT BENCHMARK EXCHANGE RATE	-	-	-	-	-	-	-	2,001,500
Adjusted principal	-	-	-	-	-	-	-	2,001,500
LIQUIDITY BILLS (LELIQs)	6,703,369,125	6,691,786,475	286,629	11,296,021	-	-	-	3,516,185,611
Principal	6,905,834,068	6,890,042,526	300,000	15,491,542	-	-	-	3,572,812,909
Interest to be accrued	(202,464,943)	(198,256,051)	(13,371)	(4,195,521)	-	-	-	(56,627,298)
LELIQs - ISSUANCE FOR REPURCHASE AGREEMENTS	2,268,100,310	-	2,268,100,310	-	-	-	-	6,267,177,330
Issued in Argentine pesos for repurchase agreements	2,600,747,462	-	2,600,747,462	-	-	-	-	6,267,177,330
To be delivered under repurchase agreements	(332,647,152)	-	(332,647,152)	-	-	-	-	-
BCRA BILLS FOR MUTUAL FUNDS (LETFCIs) - ISSUANCE FOR REPOS	856,026	-	856,026	-	-	-	-	-
Issued in Argentine pesos for repurchase agreements	9,394,985	-	9,394,985	-	-	-	-	-
To be delivered under repurchase agreements	(8,538,959)	-	(8,538,959)	-	-	-	-	-
LIQUIDITY NOTES (NOTALIQs)	1,373,846,409	481,245,624	597,697,062	294,903,723	-	-	-	-
Principal	1,097,098,024	357,388,024	474,930,000	264,780,000	-	-	-	-
Interest accrued	276,748,385	123,857,600	122,767,062	30,123,723	-	-	-	-

Silvana A. Lepera
ACCOUNTING MANAGER

Gerardo Graziano
MAIN GENERAL
ACCOUNTING MANAGER

Marina Ongaro
ADMINISTRATION AND
CENTRAL SERVICES DEPUTY
GENERAL MANAGER

Agustín Torcassi
GENERAL MANAGER

Miguel Ángel Pesce
PRESIDENT

Waldo J. M. Farías
DEPUTY COMPTROLLER

Marcos E. Moiseff
REGULAR COMPTROLLER

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EXHIBIT V

MONETARY BASE VARIATION FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022 COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR -In thousands of Argentine pesos-		31/12/2022	31/12/2021
<u>I) Monetary base variation provided by operating activities</u>			
1. Increases		5,734,355,116	1,683,056,091
- Other Argentine Government deposits		2,649,093,479	2,504,570,875
- Other net purchases of foreign currency (1)		1,479,273,497	451,753,267
- Net settlement/(placement) of repurchase agreements with Argentine financial institutions		865,101,870	(1,754,180,292)
- Net premiums paid for repo transactions with Argentine financial institutions		617,255,156	601,641,545
- Net transfer of funds from transactions with Argentine Government securities		59,144,268	(161,053,273)
- Monetary issuance and administrative expenses and on real and personal property		57,708,395	35,041,693
- IADB/IBRD loans to provinces, financial program for MSMEs, and revolving funds		6,468,247	5,622,797
- Net provision/(settlement) of loans to Argentine financial institutions		310,204	(340,521)
2. Decreases		(4,184,640,246)	(499,279,500)
- Net (placement)/settlement of securities issued by the BCRA to financial institutions		(3,137,243,869)	609,267,860
- Transfers from financial institutions to other deposits		(823,871,468)	(967,103,517)
- Multilateral credit agreements		(104,688,322)	(70,181,979)
- Foreign currency futures trading differences		(87,303,541)	(44,568,589)
- Net sales of foreign currency to the National Treasury		(29,900,000)	(28,000,000)
- Other items		(1,633,046)	1,306,725
3. Net restatement adjustment		221,279,480	1,337,828,577
- Net restatement adjustment		221,279,480	1,337,828,577
4. Effect of monetary gain/loss		(3,685,056,850)	(2,666,948,343)
- Effect of monetary gain/loss on monetary base		(3,685,056,850)	(2,666,948,343)
Monetary base variation provided by all activities		(1,914,062,499)	(145,343,175)
Monetary base at beginning of year		7,117,813,753	7,263,156,928
Monetary base at year-end		5,203,751,254	7,117,813,753

(1) Includes net sales of foreign currency presented in the Statement of Cash Flows and net sales in the local market (USMEP).

(2) The net accumulated variation of temporary advances at historical values amounts to ARS 620.051.026 for 2022. Its total impact is reflected under Argentine Government deposits.

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