

# Evolution of the Foreign Exchange Market and Exchange Balance

November 2018



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

# Transactions in the Foreign Exchange Market and the Exchange Balance

## Overview

### Foreign Exchange Transactions and Exchange Balance in November 2018

- ✓ *In November, companies belonging to the real sector were net sellers of foreign currency for around US\$ 900 million.*
- ✓ *Within this group, the main sector with net sales in historical terms, “Oilseeds and Grains”, recorded sales for around US\$ 1.1 billion, down 34% in year-on-year (y.o.y.) terms; this drop was mainly caused by the drought that affected the main crops in the 2018 agricultural production cycle.*
- ✓ *The companies of the “Non-Agricultural Real Sector” made net purchases for around US\$ 200 million. The difference with net purchases for US\$ 2.25 billion recorded in November 2017 was mainly due to the curb on imports in recent months.*
- ✓ *“Natural Persons”, who mainly demand foreign currency for saving purposes and for travels abroad, made net purchases for US\$ 450 million; as a result, this heading has dropped for four months in a row, leading to a new minimum value as from the regulatory flexibilization of the exchange market in December 2015. The decrease in net purchases by natural persons was evident in the net demand of banknotes for saving purposes, in addition to the fact that the number of individuals that sold banknotes went up once again and the number of persons who bought banknotes went down against October figures.*
- ✓ *“Institutional Investors and Other”, both resident and nonresident, made purchases for US\$ 300 million in net terms, accounting for 17% of the monthly average net outflow they recorded since the beginning of the episode of exchange rate instability last April.*
- ✓ *There was an increase in the institutions’ Exchange Position (PGC) amounting to US\$ 780 million, mainly due to the rise in the holdings of banknotes, funded via withdrawal of deposits in the Central Bank of Argentina (BCRA). In the foreign exchange market, the institutions bought US\$ 130 million from their clients and used own funds for US\$ 490 million for repayment of loans, primary market underwriting of securities and interest payments.*
- ✓ *Since the exchange rate stood within the “non-intervention zone”, the BCRA did not intervene in the foreign exchange market.*
- ✓ *The General Government paid principal and interest of debt securities for around US\$ 2.57 billion and made payments to international organizations for US\$ 330 million, which were funded in part by new issues of LETES for US\$ 945 million. As a result of these transactions, international reserves held by the BCRA decreased by US\$ 2.76 billion, closing November with a stock of US\$ 51.19 billion.*

## I. Introduction

This report analyzes the information on foreign exchange transactions made during November 2018. This information is gathered through the Foreign Exchange Transactions Reporting Scheme managed by the Central Bank of Argentina (BCRA).<sup>1</sup> In addition, information about the movements in International Reserves of the Central Bank is also used, resulting from either own transactions or from transactions made on behalf of the National Government, or from changes in the account balances of institutions.

The data received from the institutions include information for each foreign exchange market transaction about the agent (natural or legal persons, and the sector they belong to, according to the report on their main activity submitted to the Tax Authority - AFIP), the amounts traded, the currency denomination and also the reason behind the foreign exchange transaction (heading), be it export or import of goods or services, saving, financial obligations, among others, defined in agreement with the “Balance of Payment and International Investment Position Manual – Sixth Edition (BPM6)” of the International Monetary Fund.

As from this publication onwards, only the analysis of the foreign exchange market according to the aggregate of transactions of the sector related to the agent involved will be included. The analysis has been simplified and priority has been given to the sectoral breakdown since, as from July 2017, the information of reasons (headings) for the transactions was no longer a sworn statement but it was only required for statistical purposes, and this circumstance limits the historical comparison of the series. This situation does not alter the total net result by sector.<sup>2</sup>

To explain this item and make it easier to read for the user, Section II includes, in addition to the explanation of changes in the Central Bank’s international reserves, an analysis of the result of foreign exchange transactions corresponding to November 2018 as well as year-to-date information, with a comparative breakdown by sector and by heading.

Moreover, the reader must consider that the Exchange Balance is also available under the format based on the analytical presentation by components and institutional sector of the Balance of Payments, together with the remaining information available in online Annexes and in the statistical series related to the Foreign Exchange Market and Exchange Balance.<sup>3</sup>

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<sup>1</sup> Communication “A” 3840, as amended.

<sup>2</sup> Communication “A” 6244. The sectors were grouped as follows: “Central Bank”, “Institutions”, “General Government”, “Oilseeds and Grains”, “Real Sector, Other”, “Natural Persons” and “Institutional Investors and Other”.

In order to identify the statistical annexes where each sector is included: “**General Government**” is made up by the so-called “Public Sector” and the transactions made by the National Treasury directly through its account in foreign currency with the BCRA; “**Oilseeds and Grains**”; “**Real Sector, Other**” includes the following sectors: “Oil”, “Food, Beverages and Tobacco”, “Textile and Leather Industries”, “Paper, Publishing and Printing Industry”, “Chemical, Rubber and Plastic Industries”, “Non-Metallic Mineral Products (Cement, Ceramics and Other)”, “Manufacture of Common Metals”, “Machinery and Equipment”, “Automobile Industry”, “Other Manufacturing Industries”, “Electricity (Generation, Transport, Distribution)”, “Gas (Extraction, Transport, Distribution)”, “Water”, “Commerce”, “Transport”, “Communications”, “Mining”, “Agriculture, Livestock and Other Primary Activities”, “Construction”, “Information Technology”, “Gastronomy”, “Entertainment” and “Tourism and Accommodation Services”; “**Financial and Foreign Exchange Institutions**” include the transactions inherent in this sector; “**Natural Persons**” is a subset of the “Non-Financial Private Sector, Other”; and “**Institutional Investors and Other**” includes “Insurance” as well as the rest of the “Non-Financial Private Sector, Other”.

<sup>3</sup> The Central Bank’s website ([www.bcra.gob.ar](http://www.bcra.gob.ar)) contains the different statistical series of the Foreign Exchange Market (to access the statistical series, [click here](#)), together with an annex broken down by sector and main headings (to access the statistical Annex of the exchange balance [click here](#)). In addition, it is possible to go over the “Main differences between the balance of payments and the exchange balance” (available in the “Publications & Statistics” section, subsection “Foreign Sector” / “Foreign Exchange Market”, to access the text, [click here](#)). This section shows the result of the foreign exchange market broken down according to the main operating sectors, in order to differentiate net purchasers from net sellers.

From Section III to Section VIII, there is information for each sectoral classification about the Exchange Balance, which includes the transactions made by the institutions with their clients through the foreign exchange market and the transactions made by the Central Bank, either on its own behalf or on behalf of the National Government.

Lastly, Section IX shows the volume traded in the foreign exchange market, defined as the addition of transactions made by institutions with their clients, both gross purchases and gross sales, the transactions between institutions and the transactions between the latter and the BCRA.

## II. Result of the Foreign Exchange Market and Change in the Central Bank's International Reserves

In November, due to the fact that the exchange rate stood within the "non-intervention zone", the BCRA did not intervene in the foreign exchange market. The drop of international reserves in November, amounting to US\$ 2.76 billion, was mainly due to debt net cancellations (principal and interest) by the National Government with the private sector and International Organizations for around US\$ 2 billion (for further detail, see Section VIII).

In order to analyze purchase and sale transactions made in November through the institutions in the foreign exchange market, a table is included below that will allow the reader to see the net exchange result of each individual sector being analyzed in this report (horizontal reading) as well as the net result per heading, according to the information provided by the institution to the Central Bank (vertical reading).

**Table II.1 Foreign Exchange Market**  
Result Broken Down by Sector and Main Headings. November 2018.  
- Million dollars -

Sector/Main Headings	Goods	Travel and Other Expenses Paid with Cards	Other Services and other currents	Foreign Assets – Banknotes	Foreign Assets – Foreign Currencies	Debt, FDI and other operations	Total
<b>Non-Financial Private Sector</b>	<b>1,0</b>	<b>-0,3</b>	<b>-0,2</b>	<b>0,1</b>	<b>-0,5</b>	<b>0,1</b>	<b>0,2</b>
Oilseeds and Grains	1,0	0,0	0,0	0,0	0,0	0,0	1,1
Non-Agricultural Real Sector	0,1	-0,1	-0,2	0,1	-0,6	0,6	-0,2
Natural Persons	0,0	-0,3	0,0	-0,1	0,0	0,0	-0,4
Institutional Investors and Other	-0,1	0,1	0,0	0,1	0,0	-0,5	-0,3
<b>General Government</b>	<b>0,0</b>	<b>0,0</b>	<b>-0,1</b>	<b>0,1</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>
<b>Institutions (own operation)</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>-0,4</b>	<b>-0,5</b>
<b>Result of institutions with clients</b>	<b>1,0</b>	<b>-0,3</b>	<b>-0,3</b>	<b>0,2</b>	<b>-0,5</b>	<b>-0,4</b>	<b>-0,4</b>

In this type of presentation, different performances stand out as well.

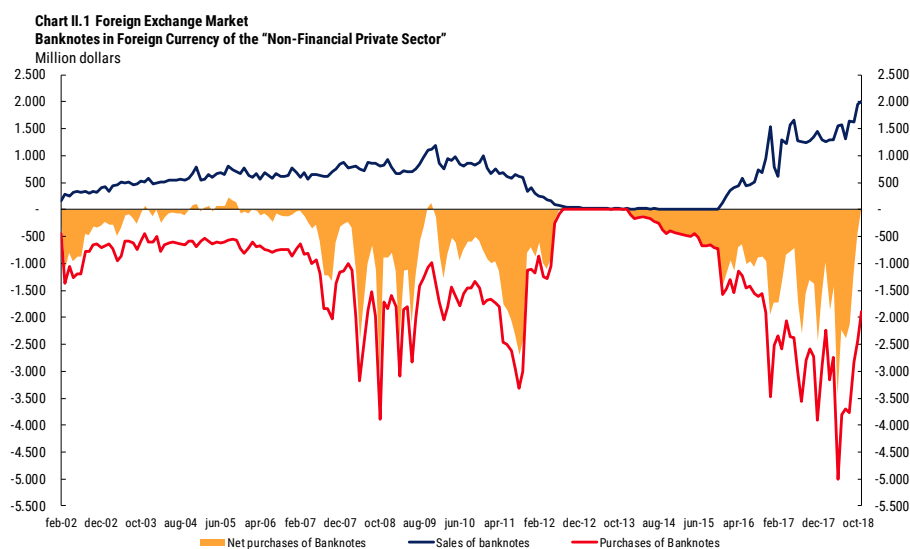
As it is also illustrated by Chart III.1 of the next section, in November, the main net sellers of foreign currency in the exchange market was the "Oilseeds and Grains" sector, reporting net inflows for "Goods" (collections on exports net of import payments) amounting to US\$ 1 billion, out of a total of US\$ 1.1 billion, in line with its condition as the main exporting sector of the Argentine economy.

As from the regulatory flexibilization of the foreign exchange market, the companies belonging to the "Non-Agricultural Real Sector" not only channel the payments of their external obligations through specific headings for each case (goods & services import payments, rents, debt securities or loans) but they also make net transfers to their own accounts abroad, using the heading of "Foreign Assets – Foreign Currencies" (net outflow for US\$ 600 million in November under this heading), from which they cancel further on their obligations with the creditor. In addition, the companies operating in this sector have the highest net inflows from financial debt and foreign direct investment (FDI).

In turn, "Natural Persons" (residents) mainly demand foreign currency for saving purposes (US\$ 100 million in November) and for travels abroad (US\$ 300 million).

Likewise, within "Institutional Investors and Other", there are both residents and nonresidents and their most significant transactions are due to a change of portfolio (net outflow for US\$ 500 million in November).

In terms of the heading, it is important to highlight that there were net sales of banknotes by the “Non-Financial Private Sector” in November. As from the establishment of the Free and Single Foreign Exchange Market (MULC) in 2002, this performance has only been observed in some months of 2004-2005 and 2009, excluding the suspension period for saving purposes in 2012-2013 (see Chart II.1).<sup>4</sup>



A comparative breakdown by sector and by heading in the aggregate from January to November 2018 is also illustrated here.

**Table II.2 Foreign Exchange Market**  
Result Broken Down by Sector and Main Headings. January-November 2018 Aggregate  
- Million dollars -

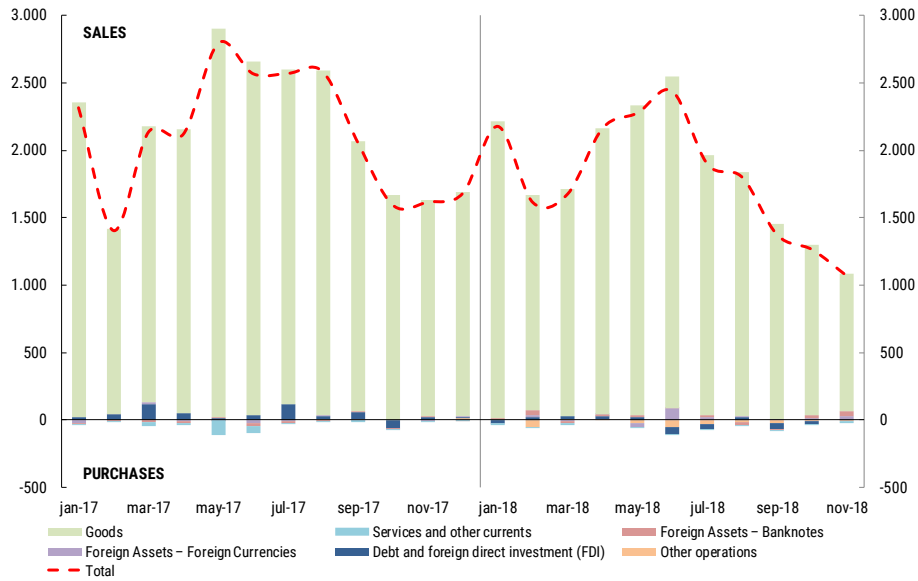
Sector/Main Headings	Goods	Travel and Other Expenses Paid with Cards	Other Services and other currents	Foreign Assets – Banknotes	Foreign Assets – Foreign Currencies	Debt, FDI and other operations	Total
<b>Non-Financial Private Sector</b>	<b>7,5</b>	<b>-7,7</b>	<b>-2,4</b>	<b>-17,6</b>	<b>-8,8</b>	<b>3,6</b>	<b>-25,3</b>
Oilseeds and Grains	19,8	0,0	-0,1	0,1	0,2	-0,3	19,7
Non-Agricultural Real Sector	-11,1	-2,4	-2,2	-0,4	-5,8	7,2	-14,8
Natural Persons	-0,2	-6,4	0,3	-16,6	-1,6	1,5	-23,0
Institutional Investors and Other	-1,0	1,2	-0,4	-0,6	-1,5	-4,9	-7,3
<b>General Government</b>	<b>-0,4</b>	<b>0,0</b>	<b>-1,5</b>	<b>7,5</b>	<b>0,0</b>	<b>-0,5</b>	<b>5,1</b>
<b>Institutions (own operation)</b>	<b>-0,2</b>	<b>0,0</b>	<b>-0,1</b>	<b>0,0</b>	<b>0,0</b>	<b>-2,6</b>	<b>-2,9</b>
<b>Result of institutions with clients</b>	<b>7,0</b>	<b>-7,7</b>	<b>-4,0</b>	<b>-10,2</b>	<b>-8,8</b>	<b>0,5</b>	<b>-23,1</b>

### III. Oilseeds and Grains

In November, the “Oilseeds and Grains” sector recorded a surplus of US\$ 1.07 billion (see Chart III.1), down 34% against November 2017.

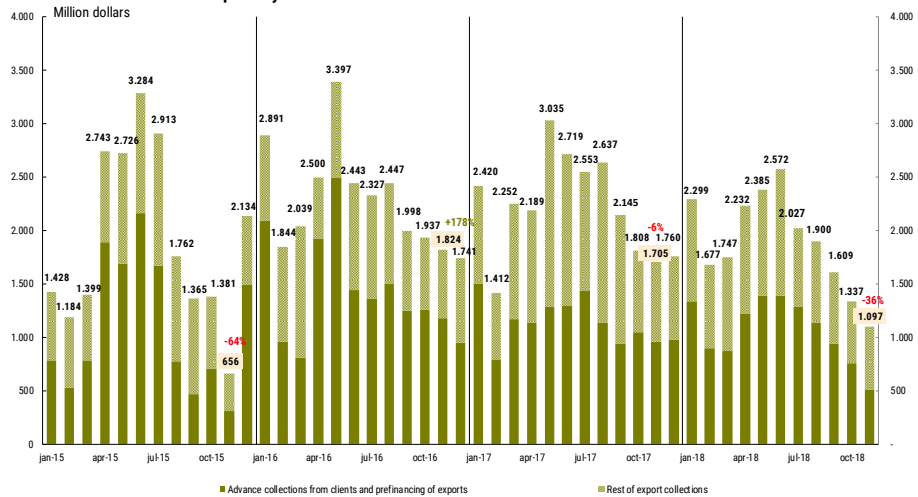
<sup>4</sup> Communication “A” 5318.

**Chart III.1 Foreign Exchange Market  
Oilseeds and Grains. Net Result of the Sector**  
Million dollars



Despite the fact that November is usually a month of low inflows due to seasonal factors and that it has recorded a 36% y.o.y. drop, it continued to be the most relevant sector in terms of collections on goods exports, amounting to US\$ 1.1 billion. The decrease in collections by this sector was mainly due to the drought that impacted adversely on the crops of the 2018 agricultural production cycle (see Chart III.2). The foreign currency inflows stood US\$ 500 million below the exports reported by the sector during the month, which might imply a debt cancellation or an increase in the assets abroad.

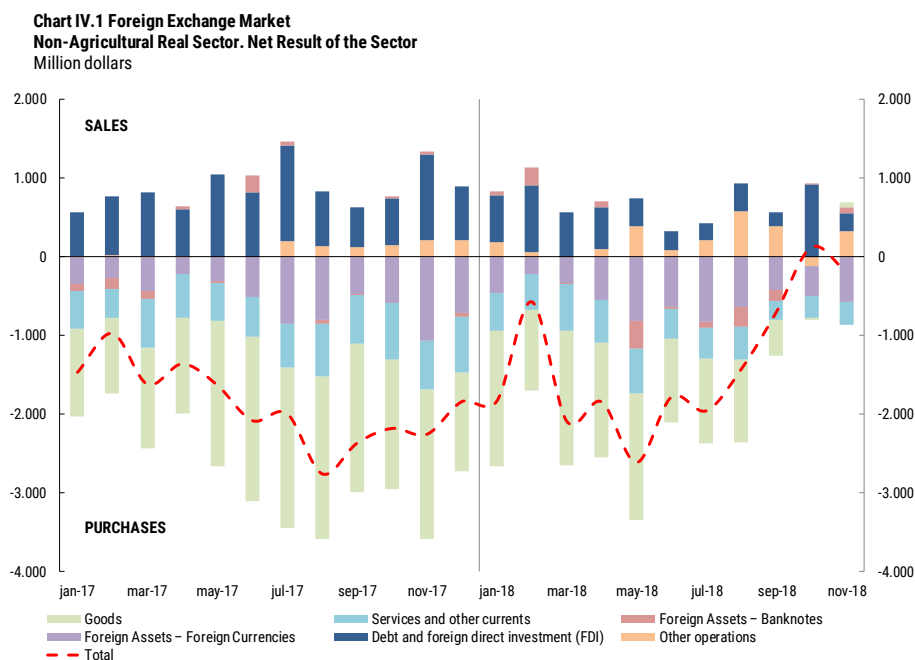
**Chart III.2 Foreign Exchange Market  
Collections on Goods Exports by the Oilseeds and Grains Sector**  
Million dollars



Lastly, the sector made payments for imports amounting to US\$ 80 million, down 20% against the same period of 2017. In this respect, it is worth mentioning that, from January to November 2018, the sector paid imports for around US\$ 2.5 billion, mainly related to soy beans for processing in the country and further shipment abroad and recorded payments only through the foreign exchange market for US\$ 1.1 billion, which would entail an increase of liabilities or a decrease of assets abroad.

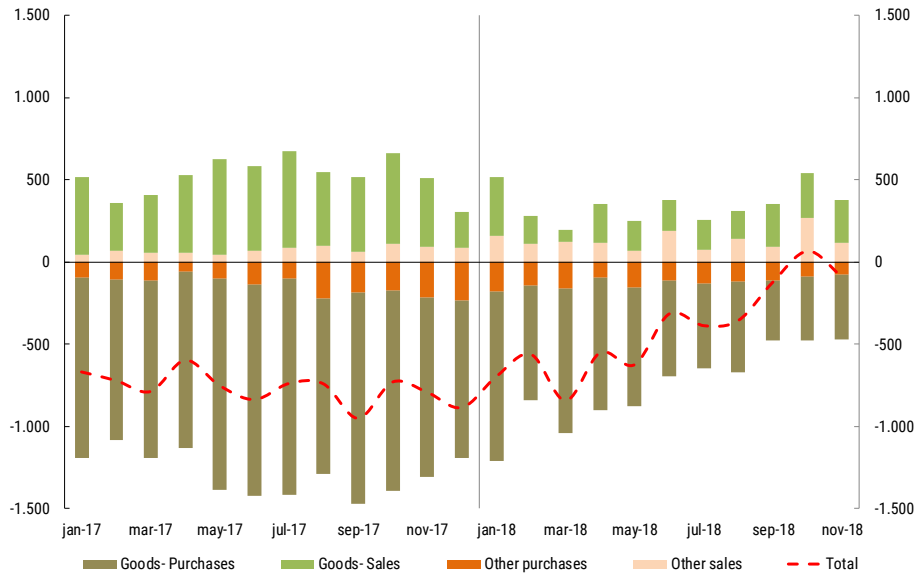
## IV. Non-Agricultural Real Sector

The companies belonging to the “Non-Agricultural Real Sector” made net purchases for around US\$ 200 million, thus reversing October result by US\$ 300 million. This figure resulted from lower debt inflows and higher transfers abroad without reporting a specific use for the funds (see Chart IV.1). The difference with net purchases for US\$ 2.25 billion recorded by this group in November 2017 was mainly due to the curb on imports in recent months.



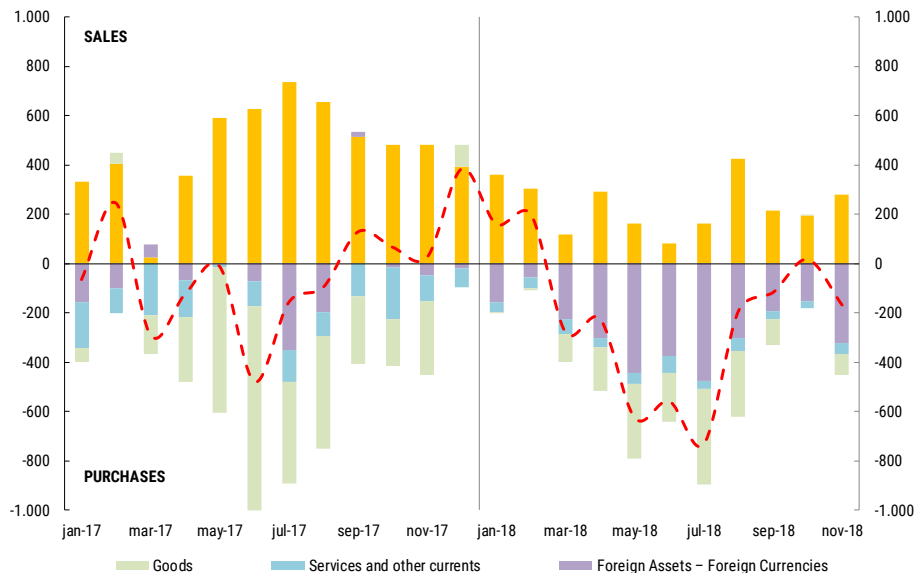
The companies belonging to the “Automobile Industry” recorded net purchases for around US\$ 100 million, down US\$ 700 million in year-on-year terms (see Chart IV.2). In this case, it is important to bear in mind that the drops in both the flows from collections on exports (down 37%) and for the payment of imports (down 64%) against November 2017, not observed in the same proportions in the foreign trade statistics, are mainly due to the fact that, as from the regulatory flexibilization, the companies of this sector started to offset regionally their commercial liabilities and receivables within the same group, thus making foreign exchange transactions for the resulting net amount, and to make payments for goods imports through accounts abroad, which are funded with collections on exports or an increase of debt not cleared into the domestic market.

**Chart IV.2 Foreign Exchange Market**  
**Automobile Industry. Result of the Sector**  
 Million dollars



In turn, the different companies belonging to the “Energy” sector recorded net purchases for US\$ 168 million, mainly resulting from transfers of funds to own accounts abroad, from where they cancel part of their external obligations for the purchase of goods (see Chart IV.3). The sector has also evidenced a reduction in its gross levels of transactions due to the possibility of not clearing into the country the collections on exports and the funds resulting from debt issues which, in turn, are used to pay obligations abroad.

**Chart IV.3 Foreign Exchange Market**  
**Energy. Net Result of the Sector**  
 Million dollars

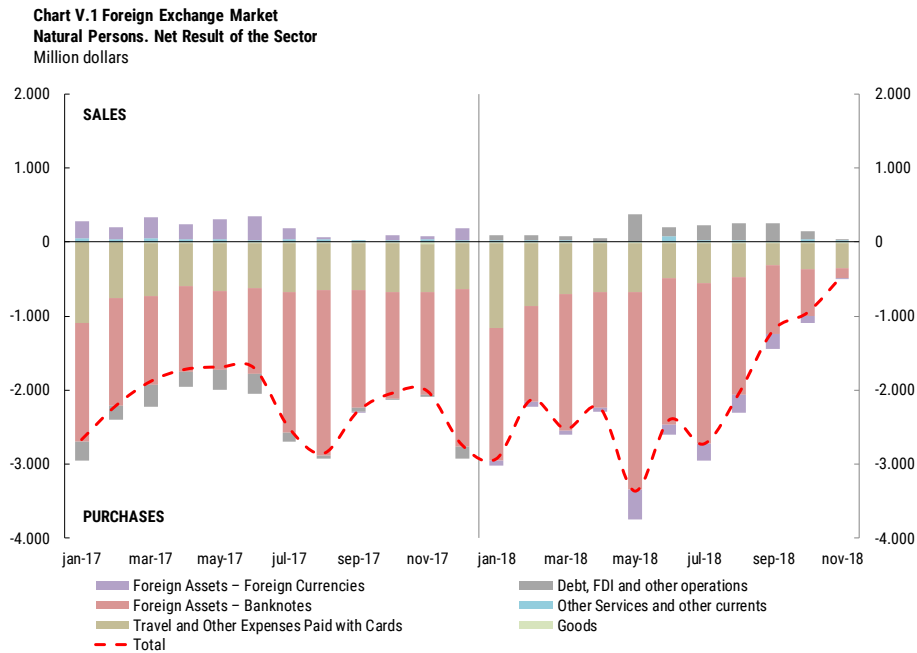


Lastly, the remaining companies grouped under the “Non-Agricultural Real Sector” made net sales for the second consecutive month for a total of US\$ 80 million in November. In year-on-year terms, an improvement of US\$ 1.6 billion was observed against November 2017, due to a reversal in the net outflows reported for goods by these companies and to lower transfers of foreign currency to own accounts abroad, which were partially offset by a reduced flow of external financing cleared into the foreign exchange market.

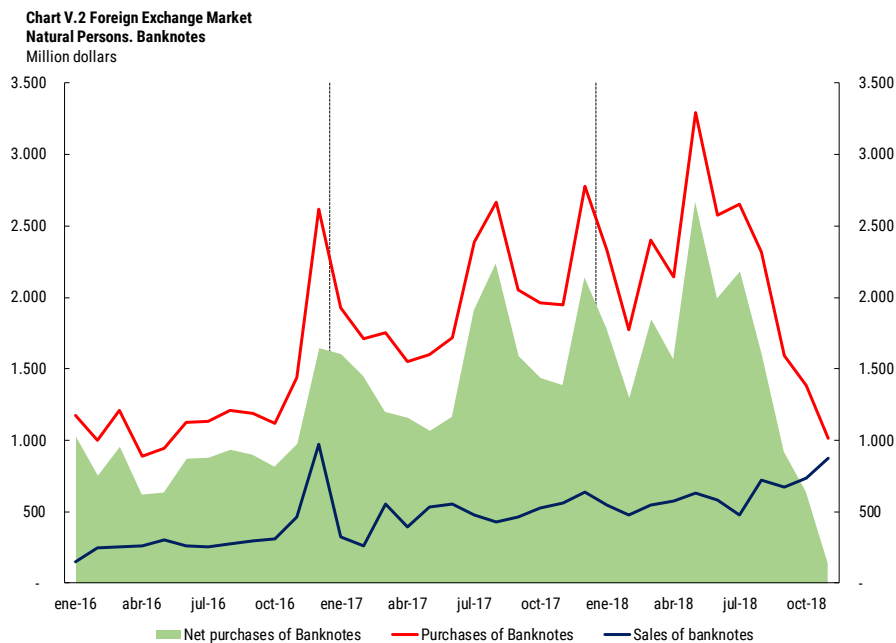


## V. Natural Persons

In November, “Natural Persons” made purchases through the foreign exchange market for US\$ 448 million, accounting for the fourth consecutive month of drops against the figures of the previous month and reaching a new minimum level since the regulatory flexibilization of the foreign exchange market in December 2015. This contraction in net purchases was evident in the net demand of banknotes for saving purposes (see Chart V.1).

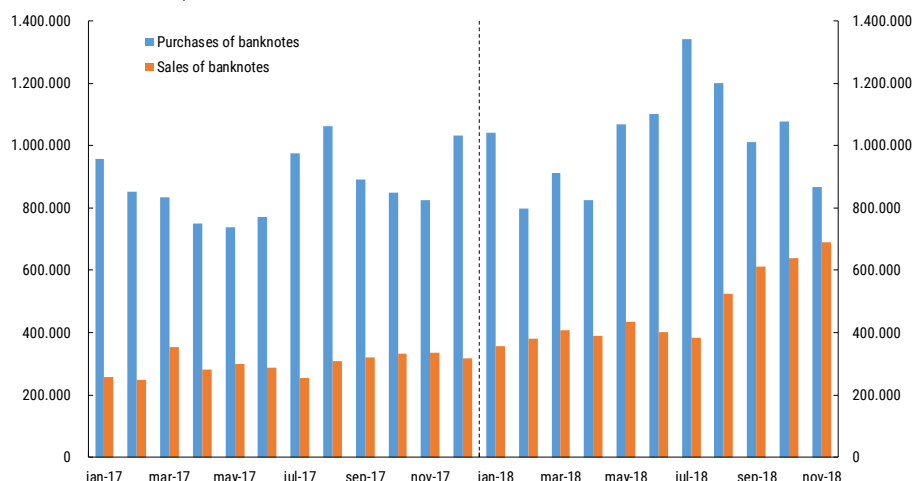


The drop in net purchases of banknotes was due to both a decrease in gross purchases and an increase in gross sales. Total gross sales amounted to US\$ 872 million (reaching their second highest value only after December 2016) while gross purchases in foreign currency totaled US\$ 1 billion, the lowest level in the last two years (see Chart V.2).



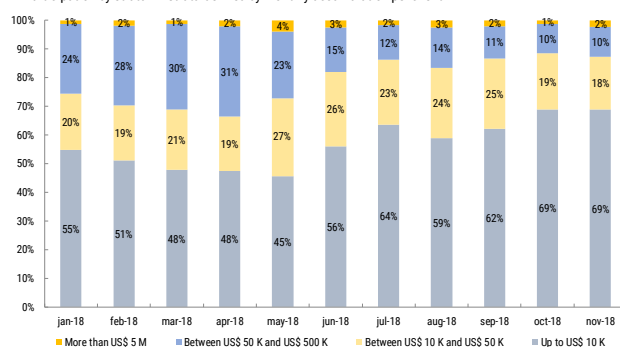
In November, the number of individuals selling banknotes in the foreign exchange market went up again against October, reaching a total of 700,000 persons and more than doubling the average of 2017 (300,000 people). In turn, the number of natural persons who purchased banknotes through the foreign exchange market contracted by 200,000 clients, totaling 900,000 (see Chart V.3).

**Chart V.3 Foreign Exchange Market. Natural Persons. Foreign Assets – Banknotes**  
Number of customers per month

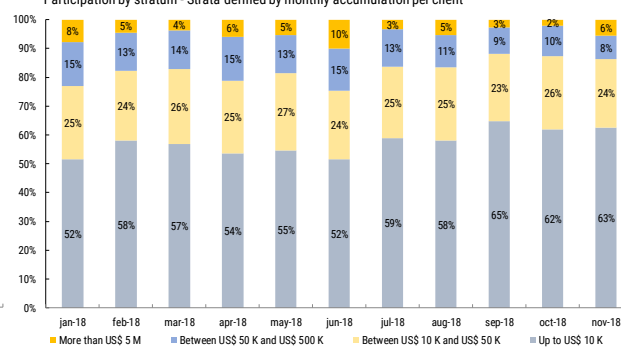


As usual, the transactions made with banknotes by natural persons concentrated in the lower segments in terms of amounts: 69% of gross sales and 63% of gross purchases were for up to US\$ 10,000 (see Chart V.4 y Chart V.5) during November. In turn, net sellers recorded gross sales per capita of US\$ 1,260, while gross purchases per capita amounted to US\$ 1,170.

**Chart V.4 Foreign Exchange Market**  
**Natural Persons. Purchase of Banknotes. Stratified**  
Participation by stratum - Strata defined by monthly accumulation per client

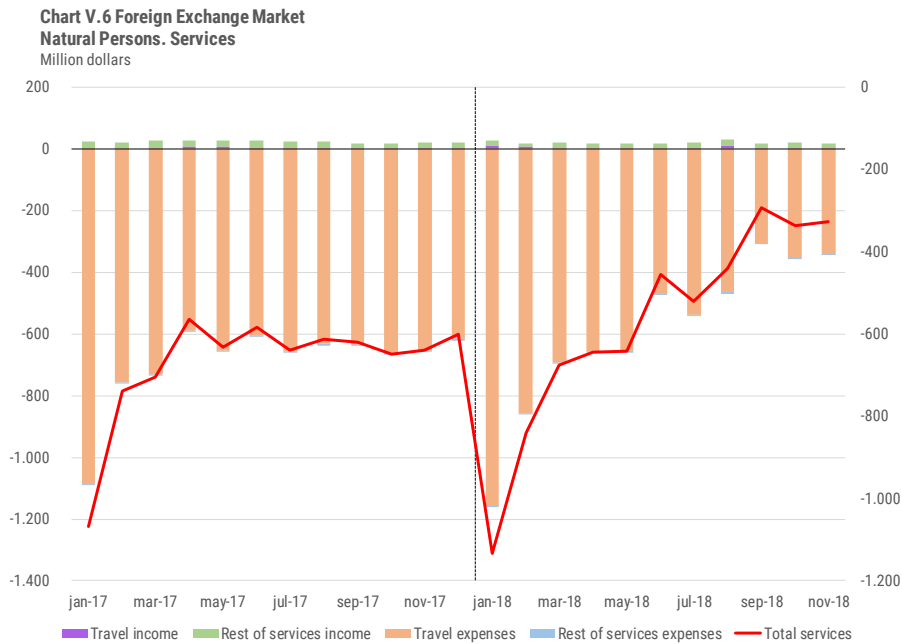


**Chart V.5 Foreign Exchange Market**  
**Natural Persons. Sale of Banknotes. Stratified**  
Participation by stratum - Strata defined by monthly accumulation per client



In turn, the flows related to natural persons' services entailed net outflows for US\$ 328 million; in this respect, especially relevant were the net outflows for "Travel and Other Expenses Paid with Cards", which amounted to US\$ 338 million, a figure similar to that of October but down 48% in year-on-year terms (see Chart V.6).<sup>5</sup>

<sup>5</sup> It is worth pointing out that the transfers made abroad in order to settle the balances with international credit card issuers include both the purchases made by residents travelling abroad and the remote purchases made from foreign suppliers. In turn, the inflows include the remote purchases made with cards by nonresidents from Argentine suppliers. It is important to bear in mind the information included in [Box 1 of the Foreign Exchange Market and Exchange Balance Report of January 2018](#) and the entry in the Blog called "Ideas de Peso" (Information about the Argentine



## VI. Institutional Investors and Other

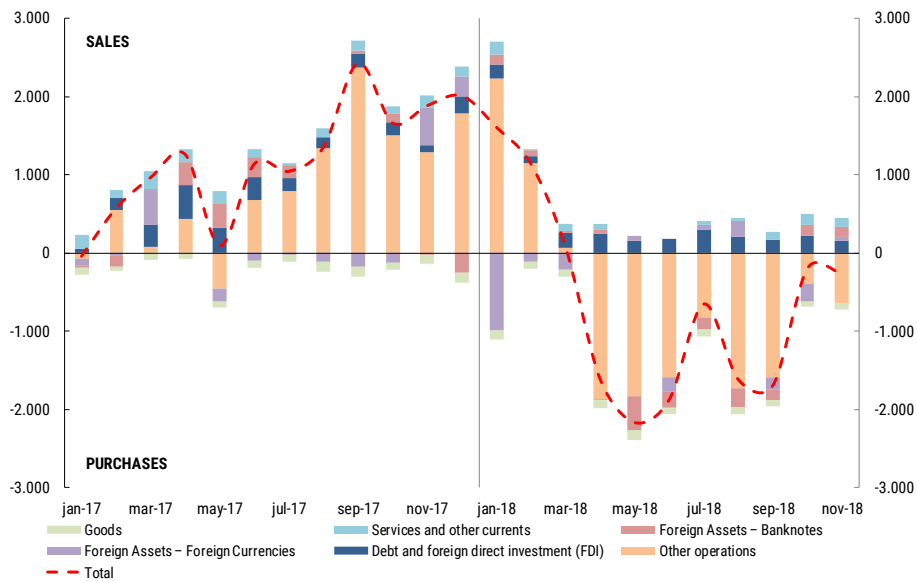
“Institutional investors and Other”, both residents and non-residents, made net purchases for US\$ 300 million, similar to the level observed in October, which accounted for 17% of the monthly average net outflow they recorded since the beginning of the episode of exchange rate instability last April. As a result, from June 2017 to February 2018, the net inflows accumulated due to portfolio investments by nonresidents virtually offset the net outflows of the last eight months (see Chart VI.1).

The transactions made by the sector are mainly reported under the following headings: “Foreign Assets” in the case of the transactions made by residents and “Portfolio Investments” in the case of transactions made by nonresidents.

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Peso), “How much do Argentinians spend when travelling abroad? How much do foreigners spend when visiting our country?”. When analyzing the result of “Travel and Passenger Transport”, the collection and payments made outside the foreign exchange market should be considered, especially because estimates suggest that Argentinians mainly resort to the foreign exchange market while nonresidents tend to use alternative channels. Likewise, it must also be considered that the service exchange account includes payments for non-travel related services (for example, virtual e-commerce).

**Chart VI.1 Foreign Exchange Market**  
**Institutional Investors and Other. Net Result of the Sector**  
 Million dollars

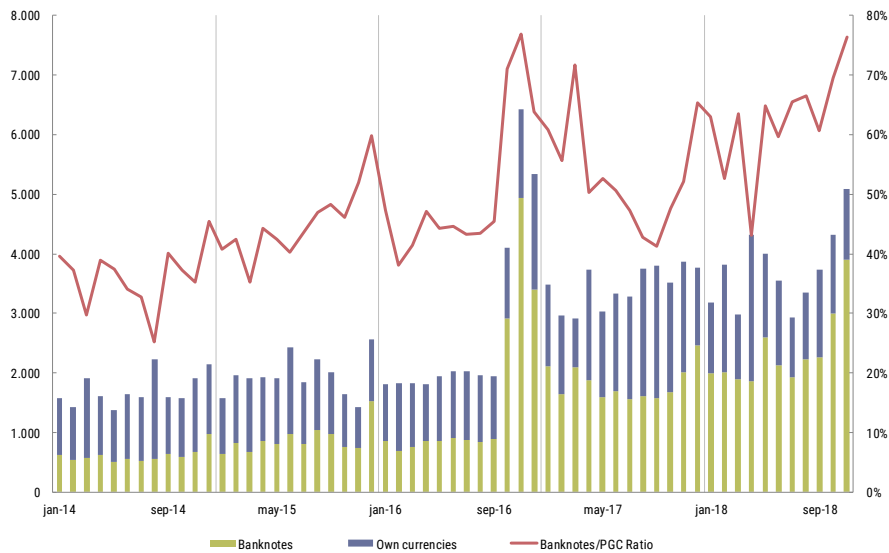


## VII. Financial and Foreign Exchange Institutions

In November, the PGC (Exchange Position) of the financial and foreign exchange institutions went up US\$ 780 million, closing the month with a stock of US\$ 5.09 billion (see Chart VII.1)<sup>6</sup>. This change was mainly due to the rise in the holdings of banknotes in foreign currency, funded via withdrawal of deposits in the Central Bank of Argentina (BCRA).

<sup>6</sup> The Exchange Position (PGC) is defined in article 4.7 of Communication "A" 6244. It is worth mentioning that Communication "A" 6237 became effective on May 4, 2017, stating that the institutions authorized to make foreign currency transactions may freely determine the level and use of their liquid foreign assets in foreign currency (PGC). However, institutions are still subject to the limits established for the Net Global Position in Foreign Currency (PGNME).

**Chart VII.1 Exchange Balance  
Institutions' Exchange Position**  
Million dollars



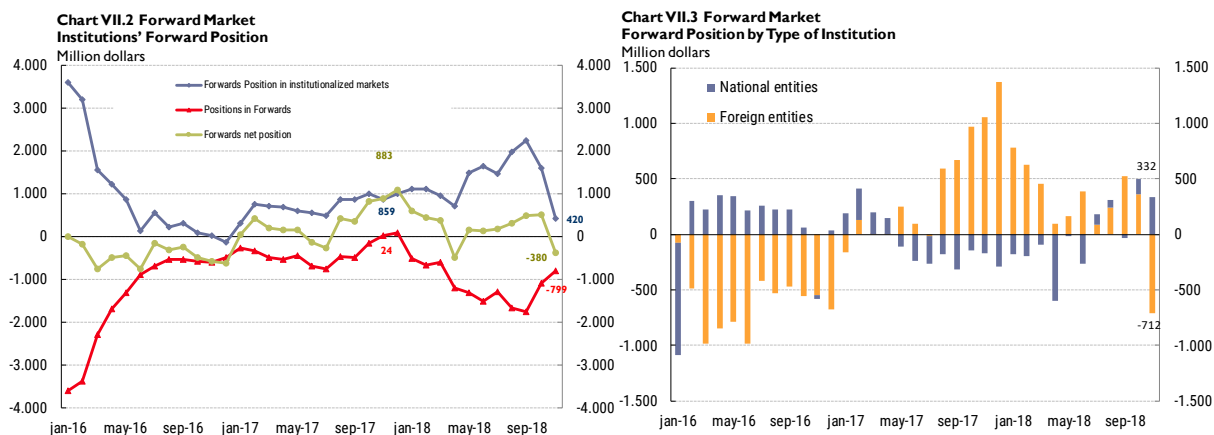
In the foreign exchange market, institutions bought US\$ 130 million from their clients and used own funds amounting to US\$ 490 million for repayment of loans, primary market underwriting of securities and interest payment.

As regards forward markets, the institutions ended November with a net short position of US\$ 380 million, thus reversing the long position of late October, with a higher drop in the long position in regulated markets than the drop in the short position in direct contracts with clients in “Forwards” (see Charts VII.2 and Chart VII.3)<sup>7</sup>.

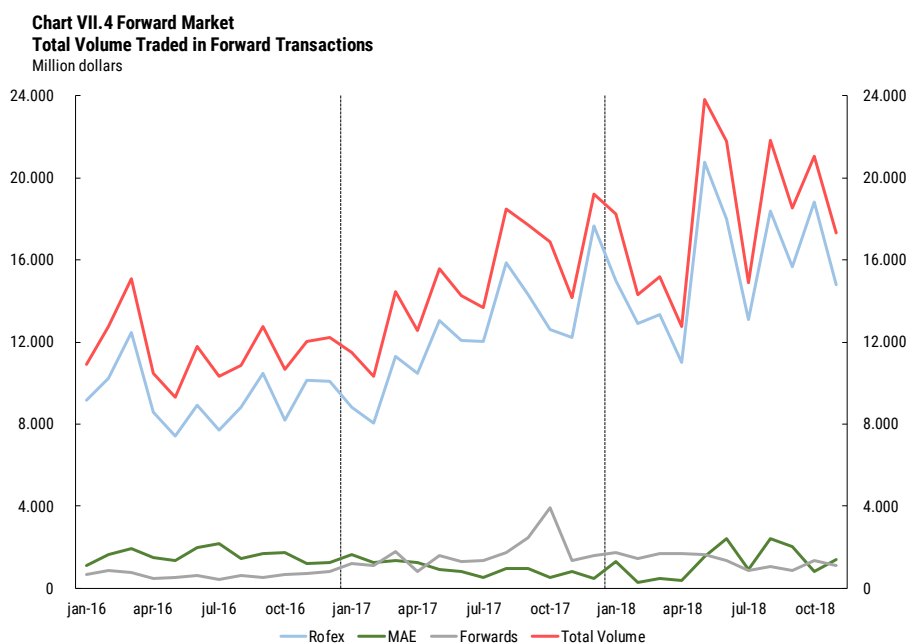
Foreign institutions made sales for US\$ 1.07 billion, thus reversing the long position held during the previous 15 months while domestic institutions made net purchases for nearly US\$ 200 million.

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<sup>7</sup> This information comes from the system implemented by Communication “A” 4196, as supplemented.



The volume traded in forward markets amounted to US\$ 17.32 billion in November (equivalent to US\$ 912 million per day). The 18% drop against October was mainly due to the fall in the volume traded at the Rosario Futures Exchange (ROFEX), which usually accounts for around 85% of total forward transactions (see Chart VII.4)<sup>8</sup>.

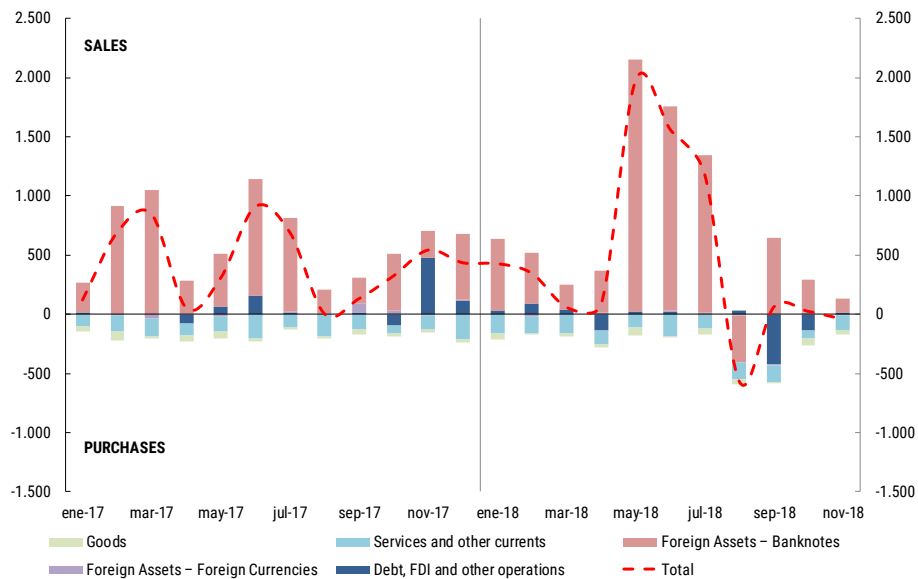


## VIII. General Government and Central Bank

In November, the General Government recorded net purchases in the foreign exchange market for US\$ 39 million (see Chart VIII.1).

<sup>8</sup> It includes the total volume traded in ROFEX and the transactions arranged by entities in the Electronic Over-the-Counter Market (MAE) and with Forwards. This information comes from the Forward Transactions Reporting Scheme (Communication "A" 4196, as amended) and publications in MAE's and ROFEX's Web pages.

**Chart VIII.1 Foreign Exchange Market**  
**General Government. Net Result of the Sector**  
 Million dollars



In terms of the transactions impacting directly on the BCRA's international reserves, the General Government made payments of principal and interest of debt securities (LETES in foreign currency and BONAR due 2018) for US\$ 2.57 billion as well as payments to international organizations for US\$ 330 million. Part of these payments was funded with new issues of LETES for US\$ 945 million (see Chart VIII.2).

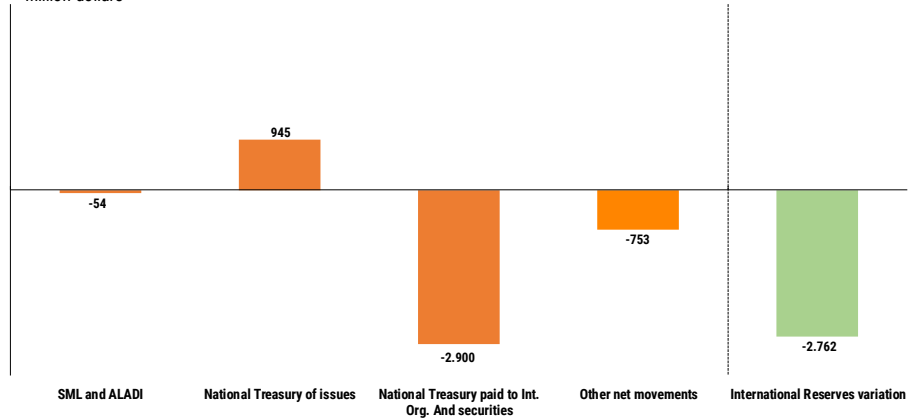
Since the exchange rate stood within the "non-intervention zone", the BCRA did not intervene in the foreign exchange market<sup>9</sup>. Nevertheless, the Central Bank made payments for foreign trade transactions arranged through the Domestic Currency Payment System (*Sistema de Pagos en Monedas Locales*, "SML") in force with Brazil and Uruguay and through ALADI (Latin American Integration Association) for US\$ 54 million.

As a result of these transactions, gross international reserves went down by US\$ 2.76 billion, closing November with a stock of US\$ 51.19 billion.

<sup>9</sup> Click the link to see the definition of [non-intervention zone](#).

**Chart VIII.2 Changes in International Reserves Held by the BCRA – November 2018**

Million dollars



\*Note: Includes, among other operations, changes in the accounts of entities in foreign currency, the performance of reserves, adjustments by exchange rate and Valuation, purchase and sale of securities, transfer of National Treasury accounts that are part of the international reserves and operations of the BCRA.

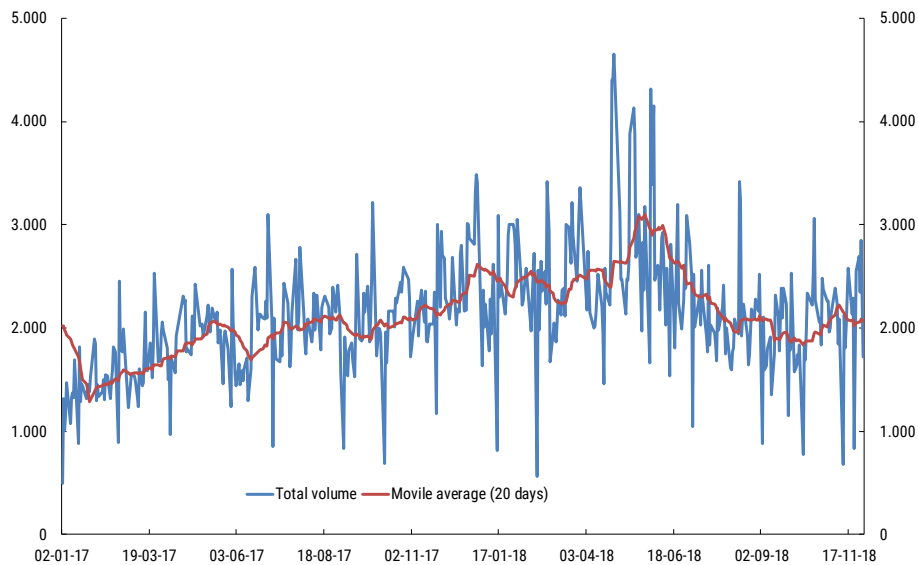
## IX. Volumes Traded in the Foreign Exchange Market

In November, the volume traded in the foreign exchange market totaled US\$ 39.38 billion, down 9% y.o.y.<sup>10</sup> This total was equivalent to a daily volume of around US\$ 2.1 billion, down 4% against November 2017 (see Chart IX.1).

**Chart IX.1 Foreign Exchange Market**

**Volume Daily Evolution**

Million dollars



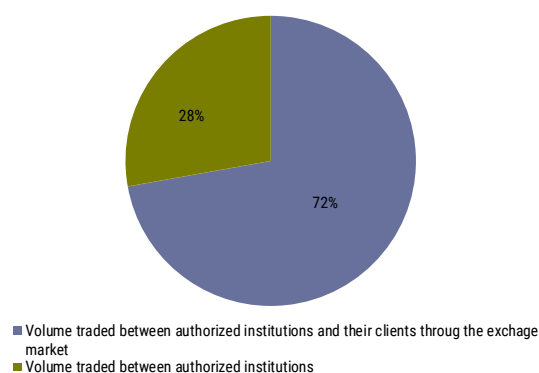
<sup>10</sup> The Central Bank's website contains the quarterly ranking broken down by institution for the volume traded in the foreign exchange market with clients (to access the Ranking, [click here](#)).



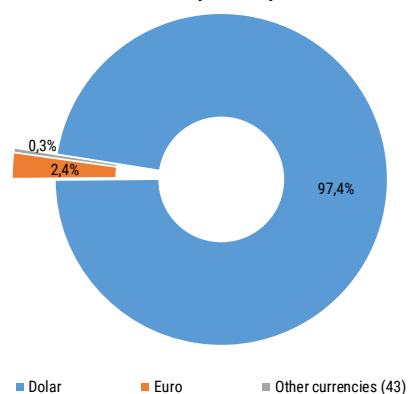
Without the intervention of the Central Bank, transactions between institutions and their clients accounted for 72% of the total volume, while transactions between institutions, mainly through the Electronic Trading System (SIOPEL), accounted for the remaining 28% (see Chart IX.2)<sup>11</sup>.

As usual, the volume traded between authorized institutions and their clients was highly concentrated in terms of both number of entities (the first ten institutions accounted for 80% of the volume) and foreign currency used (see Chart IX.3).

**Chart IX.2 Foreign Exchange Market  
Total Volume and Share. November 2018**



**Chart IX.3 Foreign Exchange Market  
Volume with Clients Broken Down by Currency. November 2018**



Lastly, 96% of foreign exchange transactions between financial and exchange institutions was arranged through private banks. In turn, state-owned banks and foreign exchange firms accounted for the remaining 4% (3.7% and 0.3% respectively).

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<sup>11</sup> The record for underwriting of Central Bank Bills, the swap transactions of clients with other countries that totaled US\$ 2.4 billion in November 2018, and the record of foreign currency purchases to be delivered to the institution to pay the balance in foreign currency for the use of cards abroad, which is estimated to stand at around US\$ 180 million in November 2018, are excluded from the volume traded by authorized institutions and their clients.