

# Financial Statements



*As of December 31st, 2015*



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

# Financial Statements as of December 31, 2015

Comparatively presented with the prior fiscal  
year



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

# Index

**Page 3 | Balance Sheet**

**Page 5 | Statement of Income**

**Page 6 | Statement of Changes in Equity**

**Page 7 | Statement of Cash Flows and Cash Equivalents**

**Page 8 | Notes to the Financial Statements**

**Page 43 | Exhibit I: Changes in Allowances / Provisions**

**Page 44 | Exhibit II: Comparative table of main accounts in foreign currency**

**Page 45 | Exhibit III: Comparative table of Government Securities**

**Page 46 | Exhibit IV: Securities issued by the BCRA**

**Page 47 | Exhibit V: Changes in the Monetary Base**

**BANCO CENTRAL DE LA REPÚBLICA ARGENTINA**

**BALANCE SHEET AS OF DECEMBER 31, 2015  
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR**

-In thousands of pesos-

A S S E T S	12/31/2015	12/31/2014
	<b>INTERNATIONAL RESERVES</b>	<b>332.452.356</b>
Gold (Net of allowances) (Note 4.1.1. Exhibits I and II)	27.400.662	20.138.033
Foreign currency (Note 4.1.2 and Exhibit II)	144.743.359	84.013.589
Deposits to be realized in foreign currency (Note 4.1.3 and Exhibit II)	159.790.715	164.105.872
Multilateral Credit Agreements (Net) (Note 4.1.4 and Exhibit II)	616.648	339.047
<b>LESS:</b>		
Derivatives over International Reserves (Note 4.1.5 and Exhibit II)	99.028	70
<b>GOVERNMENT SECURITIES</b>	<b>867.629.606</b>	<b>481.566.384</b>
<b>BCRA HOLDINGS</b>	<b>868.449.366</b>	<b>482.395.029</b>
Securities issued under foreign legislation (Note 4.2.1.1. Exhibits II and III)	536.582	4.013
Securities issued under Argentine legislation (Note 4.2.1.2. Exhibits II and III)	867.912.784	482.391.016
1990 National Treasury Consolidated Bond (Note 4.2.1.2.1 and Exhibit III)	4.681.902	4.690.716
Non-transferable Treasury Bills (Note 4.2.1.2.2. Exhibits II and III)	629.282.704	460.498.363
Other (Note 4.2.1.2.3. Exhibits II and III)	237.801.504	21.055.263
<b>LESS:</b>		
Adjustment for accrual on 1990 Consolidated Bond (Exhibit III)	3.853.326	3.853.326
<b>ALLOWANCE FOR IMPAIRMENT OF GOVERNMENT SECURITIES</b>	<b>(819.760)</b>	<b>(828.645)</b>
<b>TEMPORARY ADVANCES TO THE ARGENTINE GOVERNMENT (Note 4.3)</b>	<b>331.850.000</b>	<b>251.450.000</b>
<b>LOANS TO THE ARGENTINE FINANCIAL SYSTEM</b>	<b>2.941.373</b>	<b>4.278.108</b>
Financial institutions (net of allowances)	2.941.373	4.278.108
Financial institutions (Note 4.4)	3.966.735	5.302.423
Allowance for uncollectibility (Note 4.4 and Exhibit I)	(1.025.362)	(1.024.315)
<b>CONTRIBUTIONS TO INTERNATIONAL AGENCIES ON BEHALF OF ARGENTINE GOVERNMENT AND OTHER (Note 4.5 and Exhibit II)</b>	<b>46.971.453</b>	<b>30.136.659</b>
<b>RIGHTS DERIVING FROM OTHER DERIVATIVE FINANCIAL INSTRUMENTS (Note 4.6 and Exhibit II)</b>	<b>41.054.034</b>	<b>7.767</b>
<b>RIGHTS DERIVING FROM REPO TRANSACTIONS (Note 4.7 and Exhibit II)</b>	<b>150.027.303</b>	<b>70.873.470</b>
<b>OTHER ASSETS (Net of allowances) (Note 4.8)</b>	<b>35.066.638</b>	<b>4.171.344</b>
<b>TOTAL ASSETS</b>	<b>1.807.992.763</b>	<b>1.111.080.203</b>

<b>LIABILITIES</b>		
	<b>12/31/2015</b>	<b>12/31/2014</b>
<b>MONETARY BASE (Exhibit V)</b>	<b>623.889.518</b>	<b>462.564.475</b>
Currency in circulation	478.776.619	358.752.049
Bank notes and coins in circulation (Note 4.9.1.1)	478.776.167	358.751.597
Settlement checks in pesos in circulation (Note 4.9.1.2)	452	452
Current accounts in pesos (Note 4.9.2)	145.112.899	103.812.426
<b>CURRENT ACCOUNTS IN OTHER CURRENCIES</b>	<b>5.666.758</b>	<b>3.257.216</b>
Settlement checks in other currencies in circulation (Note 4.10.1 and Exhibit II)	260	171
Certificate deposits for the investment (Note 4.10.2 and Exhibit II)	5.666.498	3.257.045
<b>CURRENT ACCOUNTS IN OTHER CURRENCIES (Note 4.11 and Exhibit II)</b>	<b>139.505.512</b>	<b>69.040.232</b>
<b>DEPOSITS FROM ARGENTINE GOVERNMENT AND OTHER (Note 4.12 and Exhibit II)</b>	<b>5.078.121</b>	<b>35.316.081</b>
<b>OTHER DEPOSITS (Note 4.13 and Exhibit II)</b>	<b>32.432.396</b>	<b>6.188.638</b>
<b>SPECIAL DRAWING RIGHTS (Note 4.14 and Exhibit II)</b>	<b>5.737.479</b>	<b>3.944.675</b>
IMF Special Drawing Rights	36.403.986	25.028.746
<b>LESS:</b>		
SDR contra account	30.666.507	21.084.071
<b>OBLIGATIONS WITH INTERNATIONAL AGENCIES (Note 4.15 and Exhibit II)</b>	<b>2.485.314</b>	<b>1.894.738</b>
Obligations	12.023.894	8.452.775
<b>LESS:</b>		
Contra account to utilization of reserve tranche	9.538.580	6.558.037
<b>SECURITIES ISSUED BY THE BCRA (Note 4.16. Exhibits II and IV)</b>	<b>416.605.223</b>	<b>282.285.992</b>
Bills and notes issued in foreign currency	31.273.012	5.680.173
Bills and notes issued in Argentine pesos	385.332.211	276.605.819
<b>CONTRA ACCOUNT TO ARGENTINE GOVERNMENT CONTRIBUTIONS TO INTERNATIONAL AGENCIES (Note 4.17 and Exhibit II)</b>	<b>31.589.233</b>	<b>19.759.626</b>
<b>DUE TO OTHER DERIVATIVE FINANCIAL INSTRUMENTS (Note 4.18 and Exhibit II)</b>	<b>40.142.766</b>	<b>-</b>
<b>DUE TO REPO TRANSACTIONS (Note 4.19 and Exhibit II)</b>	<b>184.987.016</b>	<b>67.213.426</b>
<b>DUE TO MULTILATERAL CREDIT AGREEMENTS (Note 4.20 and Exhibit II)</b>	<b>2.257.238</b>	<b>1.633.862</b>
<b>OTHER LIABILITIES (Note 4.21 and Exhibit II)</b>	<b>138.540.972</b>	<b>48.236.903</b>
<b>PROVISIONS (Note 4.22 and Exhibit I)</b>	<b>2.386.631</b>	<b>2.048.531</b>
<b>TOTAL LIABILITIES</b>	<b>1.631.304.177</b>	<b>1.003.384.395</b>
<b>NET EQUITY (as per related statement)</b>	<b>176.688.586</b>	<b>107.695.808</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1.807.992.763</b>	<b>1.111.080.203</b>

Notes 1 to 7 and Exhibits I to V are an integral part of these financial statements.

Adriana M. Fischberg  
MAIN GENERAL  
ACCOUNTING MANAGER

Nicolás Gadano  
CENTRAL SERVICES  
GENERAL SUBMANAGER

Mariano Flores Vidal  
GENERAL MANAGER

Paola A. López  
DEPUTY SUPERVISORY AUDITOR

Federico Sturzenegger  
CHAIRMAN

Juan Carlos Isi  
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/18/2016

**STATEMENT OF INCOME**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015**  
**COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR**

-In thousands of pesos-

	12/31/2015	12/31/2014
<b><u>Interest and adjustments:</u></b>		
<b>Interest income:</b>	<b>4.532.142</b>	<b>3.160.010</b>
On international reserves (Note 4.23.1)	213.669	142.215
On government securities (Note 4.23.1)	3.786.638	2.473.800
On deposits in other entities (Note 4.23.1)	9.293	8.715
On loans to the financial system (Note 4.23.1)	335.103	417.456
On other assets (Note 4.23.1)	187.439	117.824
<b>Interest expense:</b>	<b>(79.765.209)</b>	<b>(43.318.035)</b>
On securities issued by the BCRA (Note 4.23.2)	(77.238.967)	(42.197.256)
On loans borrowed from international agencies and other (Note 4.23.2)	(162.855)	(45.759)
On other transactions with the financial system (Note 4.23.2)	(2.251.127)	(1.000.145)
On other liabilities (Note 4.23.2)	(112.260)	(74.875)
<b><u>Set-up of allowances for government securities and loans to the financial system net (Note 4.23.3)</u></b>	<b>(121.595)</b>	<b>(285.584)</b>
<b><u>Listed price differences, net (Note 4.23.5)</u></b>	<b>250.873.855</b>	<b>114.818.358</b>
<b><u>Foreign currency trading differences, net (Note 4.23.4)</u></b>	<b>43.844.448</b>	<b>8.561.866</b>
<b><u>Other financial instruments trading differences, net (Note 4.23.6)</u></b>	<b>(73.054.188)</b>	<b>(975.243)</b>
<b><u>Net financial income</u></b>	<b>146.309.453</b>	<b>81.961.372</b>
<b><u>Miscellaneous charges and fines (Note 4.23.7)</u></b>	<b>445.982</b>	<b>456.916</b>
<b><u>Net commissions</u></b>	<b>(702)</b>	<b>(120)</b>
Commissions earned	651	600
Commissions paid	(1.353)	(720)
<b><u>Contributions to General Revenue pursuant to Budget Law No. 27008 / 26895</u></b>	<b>(480.000)</b>	<b>(360.000)</b>
<b><u>Monetary issuance expenses (Note 4.23.8)</u></b>	<b>(1.981.949)</b>	<b>(1.533.800)</b>
<b><u>General expenses (Note 4.23.9)</u></b>	<b>(2.708.198)</b>	<b>(2.064.429)</b>
<b><u>Set-up of other allowances, net (Note 4.23.10)</u></b>	<b>(518.558)</b>	<b>(237.492)</b>
<b><u>Net income from operating activities</u></b>	<b>141.066.028</b>	<b>78.222.447</b>
<b><u>Other income and expenses (Note 4.23.11)</u></b>	<b>6.050.852</b>	<b>(98.345)</b>
<b><u>NET INCOME FOR THE YEAR</u></b>	<b>147.116.880</b>	<b>78.124.102</b>

Notes 1 to 7 and Exhibits I to V are an integral part of these financial statements.

Adriana M. Fischberg  
MAIN GENERAL  
ACCOUNTING MANAGER

Nicolás Gadano  
CENTRAL SERVICES  
GENERAL SUBMANAGER

Mariano Flores Vidal  
GENERAL MANAGER

Federico Sturzenegger  
CHAIRMAN

Paola A. López  
DEPUTY SUPERVISORY AUDITOR

Juan Carlos Isi  
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/18/2016

**STATEMENT OF CHANGES IN EQUITY AS OF DECEMBER 31, 2015**  
**COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR**  
**-In thousands of pesos-**

ITEMS	CAPITAL	CAPITAL ADJUSTMENT	RESERVES			UNAPPROPRIATED RETAINED EARNINGS	TOTAL AT 12/31/2015	TOTAL AT 12/31/2014
			GENERAL RESERVE	SPECIAL RESERVE	APPRAISAL REVALUATION			
Balances at beginning of year	16.965.408	2.711.815	7.698.945	2.139.667	55.871	78.124.102	107.695.808	107.990.155
Distribution of earnings as per Board of Governors' Resolutions No. 141 dated May 14, 2015 and No. 96 dated March 26, 2014	-	-	-	-	-	(78.124.102)	(78.124.102)	(78.418.449)
Net income						147.116.880	147.116.880	78.124.102
Balances at year-end	16.965.408	2.711.815	7.698.945	2.139.667	55.871	147.116.880	176.688.586	107.695.808

*Notes 1 to 7 and Exhibits I to V are an integral part of these financial statements.*

Adriana M. Fischberg  
MAIN GENERAL  
ACCOUNTING MANAGER

Nicolás Gadano  
CENTRAL SERVICES  
GENERAL SUBMANAGER

Mariano Flores Vidal  
GENERAL MANAGER

Paola A. López  
DEPUTY SUPERVISORY AUDITOR

Federico Sturzenegger  
CHAIRMAN

Juan Carlos Isi  
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/18/2016

STATEMENT OF CASH FLOWS AND CASH EQUIVALENT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015 COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR -In thousands of pesos-	12/31/2015	12/31/2014
<b><u>I) Operating activities</u></b>		
1. Sources	<b>140.766.983</b>	<b>53.328.365</b>
- Interest gain on investments abroad	209.339	137.303
- Securities, foreign currency and gold trading differences net	43.848.669	8.563.057
- IADB/IBRD loans to provinces, financial program for micro, small and medium-sized enterprises and revolving funds	14.381.914	18.392.156
- Net settlements of repo transactions with Argentine and foreign banks and other institutions	78.648.767	22.559.689
- Net inflow of funds from transactions with National Government Securities	3.661.350	3.677.557
- Other items	16.944	(1.397)
2. Applications	<b>(103.490.065)</b>	<b>(9.381.639)</b>
- Net outflow of foreign currency - Current accounts in other currencies	(2.753.703)	(26.144.072)
- Net transactions with Multilateral Credit Agreements (SML and Others)	(8.685.198)	(8.313.377)
- Administrative expenses	(15.464)	(19.536)
- Monetary issuance expenses	(323.501)	(288.518)
- (Sale)/ Purchase of foreign currency for monetary regulation purposes	(91.712.199)	25.383.864
<b>Net cash flows provided by / (applied to) operating activities (1-2)</b>	<b>37.276.918</b>	<b>43.946.726</b>
<b><u>II) Investment activities</u></b>		
3. Sources	<b>9.305</b>	<b>8.714</b>
- Collection of dividends BIS	9.305	8.714
<b><u>III) Financing activities (including transactions on behalf of the Argentine Government)</u></b>		
4. Applications	<b>(36.775.189)</b>	<b>(22.197.452)</b>
- Net outflows to foreign financial institutions	(36.775.189)	(22.197.452)
<b><u>IV) Other</u></b>		
5. Sources	<b>63.344.851</b>	<b>47.384.765</b>
- Exchange differences. Net	63.344.851	47.384.765
<b>Net cash flows provided by / (applied to) all activities (I+II+III+IV)</b>	<b>63.855.885</b>	<b>69.142.752</b>
<b>Net cash and cash equivalents at beginning of year (Note 3.1)</b>	<b>268.596.471</b>	<b>199.453.719</b>
<b>Net cash and cash equivalents at year-end (Note 3.1)</b>	<b>332.452.356</b>	<b>268.596.471</b>

Notes 1 to 7 and Exhibits I to V are an integral part of these financial statements.

Adriana M. Fischberg  
MAIN GENERAL  
ACCOUNTING MANAGER

Nicolás Gadano  
CENTRAL SERVICES  
GENERAL SUBMANAGER

Mariano Flores Vidal  
GENERAL MANAGER

Paola A. López  
DEPUTY SUPERVISORY AUDITOR

Federico Sturzenegger  
CHAIRMAN

Juan Carlos Isi  
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/18/2016

# Notes to the financial statements for the fiscal year ended December 31, 2015 presented comparatively with the prior fiscal year

-Figures stated in thousands-

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

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

The purpose of the Bank 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 Charter). In addition, section 4 of the Charter sets forth the following BCRA functions and powers:

- To regulate the operation of the financial system and enforce Financial Institutions Law 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 Government, 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 exchange 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 National 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 Charter further establishes that in the exercise of its functions and powers the Bank will not be subject to orders, indications or instructions from the National Executive Branch, nor will it undertake obligations of any nature conditioning, restricting or delegating such functions and powers without the express authorization of the National Congress. The Argentine Government guarantees the obligations undertaken by the Bank. The former, based on its objectives and the applicable legal framework, carries out a significant number of transactions with the latter and has assets and liabilities, including transactions on its own behalf.

## **NOTE 2 -SIGNIFICANT EVENTS FOR THE FISCAL YEARS 2015 AND 2014**

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

## **2.1 Law No. 26860 – Voluntary disclosure of holdings in foreign currency in Argentina and abroad**

On May 29, 2013, Argentine Congress enacted Law No. 26860, which sets forth a system for the voluntary disclosure of holdings in foreign currency in Argentina and abroad. The abovementioned law also provided for the creation of the “BAADE” (Argentine bond for economic development) and the “Promissory Note for Economic Development”, to be issued by the Ministry of Economy and Public Finance, and the “CEDIN” (Certificate of deposit for investment) to be issued by the BCRA. These instruments are denominated in US dollars.

The CEDIN is registered and endorsable and constitutes sufficient means to settle obligations to give amounts of money in US dollars. It will be settled in the same currency of issuance by the BCRA or the institution appointed thereby, upon presentation of the certificate by its holder or endorsee, and settlement is subject to the prior accreditation of the purchase of land, warehouses, stores, offices, garages, lots, plots and already-constructed housing and/or the construction of new housing units and/or real property refurbishment. The BCRA established the implementation of CEDIN-related transactions in Communiqué “A” 5447, of June 12, 2013 (see note 4.10.2). Note that Presidential Decree No. 2008/2015 has extended system terms until late December 2015 (see Note 7.3).

## **2.2 Law 26984 - Sovereign Debt Payment. Debt Restructuring**

On September 10, 2014, the Argentine Congress enacted Law No. 26984 declaring of public interest the Sovereign Debt Restructuring that took place in 2005 and 2010, as well as the outright payment under fair, equitable, legal and sustainable conditions to the holders of Argentine Government Securities.

In view of the difficulties in collecting the funds paid by the Republic of Argentina on June 26, 2014 under court orders and for the safeguard of the national public order and of the contracts entered into within the framework of that Debt Restructuring, the creation of a special account with the Central Bank of Argentina, the “Law 26984 Fund – Restructured Sovereign Debt Payment” account was established with the aim of depositing into it the funds destined for the payment of the debt services corresponding to the Securities governed by the 2005-2010 Trust agreement (see Note 4.13).

## **2.3 Bilateral currency swap agreement**

By Board Resolution No. 204 of July 10, 2014, a local currency swap agreement with the People’s Bank of China was authorized to “improve the financial conditions for the promotion of the economic and commercial development between the two countries”; these objectives are consistent with those set forth by Section 3 of the Charter. Under this agreement, the Bank requiring a swap transaction shall deposit into an account in its books in the name of the other party an equivalent amount in its local currency. Likewise, the Bank from which the swap transaction is required shall deposit into an account in its books in the name of the other party an equivalent amount in its local currency. 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 the one 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 (see Notes 4.7, 4.19 and 4.21).

On December 16, 2015, BCRA authorized under Board Resolution No.410 the execution of a Supplementary Agreement to the Bilateral Currency Swap Agreement with the People's Bank of China, whereby BCRA may request the conversion to United States dollars of the yuan credited under CNY/ARS swap transactions for an amount of up to CNY 20.000.000 (see Notes 4.6 and 4.18).

## **2.4 Non-transferable Bill Swap**

Through Decree No. 211/15 dated December 22, 2015, the National Executive Branch established that the swap of the NON-TRANSFERABLE BILL DUE 2016” issued under Joint Resolutions Nos. 4 of the ARGENTINE TREASURY and 1 of the FINANCE SECRETARIAT, both of them with the then MINISTRY OF ECONOMY AND PRODUCTION dated January 5, 2006, should take place during fiscal 2015. The Decree was ratified by the Legislative Bicameral Commission on February 16, 2016.

Furthermore, Joint Resolutions Nos. 35 of the Argentine Treasury and 5 of the Finance Secretariat of the Ministry of Public Finance and Treasury dated December 30, 2015 ordered a swap of the Non-transferable Bill 2016, whose nominal value is USD 9.530.111 and of the Argentine Treasury Non-transferable Bills issued under Resolutions Nos. 104 and 105 of the then Ministry of Economy and Public Finance, maturing in 2020, for nominal values equivalent to USD 2.187.000 and USD 4.382.000, respectively, for new issuances of BONAR 2022, BONAR 2025 and BONAR 2027. These instruments have more favorable issue conditions, as they may be priced and traded in the securities market for monetary and exchange regulatory purposes, as set forth in Section 18, clause a) of the Charter (see Notes 4.2.1.2.2.1, 4.2.1.2.2.2, 4.2.1.2.2.3 and 7.6).

## **2.5 Assignment of foreign currency position of financial and banking institutions**

As called for by Communiqué “A” 5852 of December 17, 2015, the financial institutions authorized to operate in the foreign exchange market and the exchange institutions had to sell to the Central Bank of Argentina the positive foreign currency position in effect at the closing of operations of December 16, 2015, valued at the reference exchange rate prevailing on that date and they may fully repurchase it on December 17, 18 or 21, 2015, at the reference exchange rate prevailing as of the repurchase date (see Note 4.23.11 - Other income/(expenses)).

## **2.6 Declaration of emergency of ROFEX Futures transactions in US Dollars**

On December 14, 2015, Communiqué 657 of Argentina Clearing S.A. and Mercado a Término de Rosario S.A. (ROFEX) resolved:

I) That emergency be declared in relation to the open positions as of the date of the US Dollar Futures Contracts due in June 2016, which have been arranged after September 29, 2015 (see Note 5).

II) That the following be ordered with respect to the open purchased positions as of the date of the US Dollar Futures maturing up to and including June 2016:

- a) The adjustment to the original price of the transaction adding ARS 1,25 per dollar for the open transactions from September 30, 2015 up to and including October 27, 2015.
- b) The adjustment to the original price of the transaction adding ARS 1,75 per dollar for the open transactions as from October 28, 2015.
- c) The adjustments mentioned in the foregoing paragraphs will be made by recording a sale transaction at the original price of the transaction (DLR or DOX) and the simultaneous purchase (DLR) at the original price, plus the amount indicated in items a. and b., with the novation of the transactions involved into new transactions at the new price determined.
- d) To register with ROFEX and Argentina Clearing, the counterparty to these transactions will be the Central Bank of Argentina.

III) Excluded cases:

- a) Purchases of futures that are matched with Call Options written
- b) Repo Transactions between months (calendar spread).

On December 17, 2015, the National Securities Commission resolved to approve the state of emergency declared by ROFEX and Argentina Clearing S.A. and became aware of the measure adopted in relation to the setting of the price adjustment resolved under ROFEX Communiqué No. 657 and Argentina Clearing Communiqué No. 518. It also adopted Resolution No. 17927 lifting the ban ordered under Resolution No. 17909 dated November 30, 2015 on the placements of new positions of dollar futures contracts in the markets authorized by the National Securities Commission.

ROFEX and Argentina Clearing credited on December 18, 2015 to the current account in this Central Bank the sum of ARS11.085.707 as a result of the operation mentioned in point II for the rearrangement of Notional USD 7.553.220. The Bank has recorded the reported amounts in income (see Note 4.23.6 - item included in the Trading Difference Net, of other Financial Instruments - For forward transactions) and in memorandum accounts, respectively.

The events described in this note have led agents and investors to file claims against ROFEX. Furthermore, an individual has filed a claim requesting that injunctive relief be ordered, which in addition to ROFEX and the National Securities Commission includes the BCRA. The request for injunctive relief was rejected in court. To date, there is no further information at this Central Bank on that judicial claim, nor are there any other claims and/or objections in relation to the events described above which, according to the report issued by the BCRA legal advisors within their competence, require recording allowances for these futures transactions. Within this framework, and as pointed out above, the BCRA does not have sufficient elements to determine possible impacts on the financial statements, including impacts of a legal nature as a consequence of the above-mentioned futures transactions.

## **2.7 Single Free Foreign Exchange Market**

The BCRA established through Communiqué “A” 5850 dated December 17, 2015 the following measures regarding the foreign exchange market:

- a) Individuals and legal entities may freely purchase foreign currency and other external assets for up to USD 2.000 per month.
- b) The requirement for validation and prior registration for tax purposes under the Foreign Exchange Transactions Consultation Program of the Federal Administration of Public Revenue (AFIP) to be allowed to carry out these transactions has been repealed.
- c) All new inflows of external funds will have the right to free outflows for the same amounts.
- d) The requirement for permanence in Argentina of the capitals received from abroad has been reduced to 120 days, and the obligation to place for one year a non-interest bearing deposit of 30% of the amount involved has been eliminated.
- e) Financial debts held abroad will not be required to be brought and traded in the foreign exchange market. However, if individuals and entities want to access the foreign exchange market to purchase foreign currency to repay those debts, they shall have previously brought the respective funds into the market. Those debts may be prepaid at any time.
- f) Revenue from exports and from the sale of non-produced non-financial assets will continue to be subject to the obligation to bring and trade the respective funds in the foreign exchange market.
- g) Payments of all imports of goods and services made or planned to be made as from this date, as well as payments of prior imports guaranteed by letters of credits from local banks or by official credit agencies are hereby released.
- h) To regularize the outstanding payments for shipped imports, a transitory schedule is set to authorize those payments for up to USD 2.000 until December 31, 2015; USD 4.500 per month between January and May 2016, and freely as from June. The amounts authorized for services provided and/or accrued to date will be USD 2.000 effective February 2016; USD 4.000 per month between March and May 2016; and freely as from June. Alternative mechanisms will be implemented via government securities to meet those payments in advance.

## **NOTE 3 - ACCOUNTING STANDARDS APPLIED**

### **3.1 Significant accounting policies**

Financial statements have been prepared pursuant to section 34 of the Charter, subject to generally accepted standards, in its capacity as monetary authority (see Note 1), following the principles and criteria contained in the “Accounting Policy Manual” approved by the Bank’s Board of Directors through Resolution No. 86 dated May 16, 2013, updated as of year end.

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

In order to prepare the statement of cash flows and cash equivalents, the “International reserves” item was defined as a “Cash and cash equivalents” item, showing the main variations in immediate-liquidity external assets that form a part thereof.

### **3.2 Use of estimates**

Bank 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 Bank 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, as of each date of accounting information filing.

### **3.3 Comparative information**

The balance and the statements of income, changes in equity and cash flows and cash equivalents as of December 31, 2015, as well as exhibits and notes specifying so, are presented comparatively with balances as of the prior year end.

### **3.4 Unit of measurement**

The Bank's financial statements recognize the changes in the currency purchasing power through February 28, 2003, and as of that date, the inclusion of adjustments to reflect those changes were no longer applied, in conformity with the provisions set forth in Argentine professional accounting standards and the requirements of Presidential Decree No. 664/2003 and Regulation CONAU I - 569.

In addition, the CPCECABA issued Resolution MD No. 41/2003, which established that the restatement in constant pesos was required to continue until September 30, 2003. The BCRA did not recognize in books the effects of variations in the currency purchasing power generated from March 1 through September 30, 2003, as required by current professional accounting standards. The effects of failing to recognize the variations in the currency purchasing power through the latter date are not material to the financial statements taken as a whole.

Professional accounting standards in force in the City of Buenos Aires establish, through Technical Pronouncement No. 39 and its supplementary regulation (jointly. "RT 39"), the need to restate accounting balances to show the changes in the purchasing power of the currency, depending on the existence of a context of inflation. Whether a context of inflation exists is determined by a quantitative factor, which is key to the restatement of the figures of the financial statements, i.e. a cumulative inflation rate over three years that is approaching, or exceeds 100%, considering for such purpose the Domestic Wholesale Price Index (IPIM) published by the National Institute of Statistics and Census (INDEC).

It should be noted that due to a situation of statistical emergency (Decree No. 55/2016). INDEC has not issued the IPIM since November 2015; however, alternative price indexes for October 2015 onwards were published. At year end, the cumulative inflation rate over three years has not reached 100% and thus the restatement of financial statements is not required under professional accounting standards.

### **3.5 General valuation and disclosure methods**

#### **3.5.1 Foreign currency assets and liabilities**

Financial statements reporting date is the Argentine peso. Transactions in foreign currency are converted into Argentine pesos at the foreign exchange rate effective as of the date of transaction. Inventories in US dollars are subject to a benchmark foreign exchange rate as of December 31, 2015, and 2014, respectively, calculated by the BCRA itself pursuant to Communiqué "A" 3500 methodology. Inventories in other currencies, including gold inventories, are valued at the US dollar exchange rate effective on the relevant day closing at 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 main amounts in foreign currency as of the end of fiscal 2015 and 2014.

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

	<u>12/31/2015</u>	<u>12/31/2014</u>
US dollar	13,00500000	8,55200000
Gold	13.817,16225000	10.153,87512000
Special drawing rights (SDRs)	18,02141865	12,39022312
Euro	14,12603100	10,34963040
Yen	0,10817668	0,07137373
Pound sterling	19,16026650	13,32487120
Real	3,28375900	3,21769900
Canadian dollar	9,40415070	7,36352678
Norwegian krone	1,46826382	1,14236862
Swiss franc	13,00500000	8,60621918
Bolivar	2,06687751	1,35916467
Yuan	2,00271032	1,37813230

#### **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 FINANCIAL STATEMENT ITEMS AS PER THE ACCOUNTING POLICY MANUAL.**

##### **4.1 International reserves**

As set forth by the Charter, the Bank must concentrate and administer its gold reserves, foreign currency reserves and other external assets. The Bank may keep a portion of its external 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. As established by Convertibility Law No. 23928 Central Bank reserves are exempt from attachments or seizures. Reserves shall be applied up to the amount determined by the Board of Directors exclusively as contemplated by section 14, sub-sect. q) of the Charter (see Note 6.1.). Excess reserves will be freely available reserves and, as long as there is a neutral monetary effect, they may be applied to the payment of obligations undertaken with international financial agencies or bilateral official external debt agencies.

##### **4.1.1 Gold**

	<u>12/31/2015</u>	<u>12/31/2014</u>
Gold in bars	27.426.476	20.155.008
Allowance for gold in bars (Exhibit I)	<u>(25.814)</u>	<u>(16.975)</u>
<b>Total</b>	<b><u>27.400.662</u></b>	<b><u>20.138.033</u></b>

Gold physical inventories, equal to 1.985 troy ounce, were valued as of year end at USD 1.062,5 per troy ounce, according to market prices effective as of the related date, and converted into Argentine pesos according to the method under Note 3.5.1 (1.985 troy ounces valued at USD 1.187,3 as of December 31, 2014).

Gold ingots qualify as “good delivery”; consequently, a provision for sale expenses was booked, which consists in calculating the direct costs that should be incurred upon deciding to realize them. This allowance was estimated in one US dollar per ounce and it is disclosed in financial statements, offsetting the amount in the “Gold” account.

According to 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 other assets (see Note 4.8).

#### 4.1.2 Foreign currencies

	<u>12/31/2015</u>	<u>12/31/2014</u>
Overnight and checking accounts in foreign correspondent banks	135.195.703	78.439.030
Note holdings	<u>9.547.656</u>	<u>5.574.559</u>
<b>Total</b>	<b><u>144.743.359</u></b>	<b><u>84.013.589</u></b>

Note holdings 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 related earned interest as of each year end, as applicable.

#### 4.1.3 Deposits to be realized in foreign currency

Including the following investments made abroad:

	<u>12/31/2015</u>	<u>12/31/2014</u>
Time deposits	120.755.945	127.802.544
Demand deposits	37.083.099	28.047.175
Foreign government securities	-	7.401.098
Repurchase agreements	1.948.149	852.634
IMF reserve tranche position	<u>3.522</u>	<u>2.421</u>
<b>Total</b>	<b><u>159.790.715</u></b>	<b><u>164.105.872</u></b>

Demand and time deposits and repurchase agreements were stated at face value, plus interest or return accrued, as the case may be, until each year end, converted into Argentine pesos according to the method established in note 3.5.1. Demand deposits consist mainly of allocated SDRs.

As of December 31, 2015, the foreign government securities line does not record any balance. As of December 31, 2014, the balance amounted to ARS 7.401.098, which were stated at market values as of that date and converted into Argentine pesos as described in note 3.5.1.

The annual average return for all investments was 0,278% and 0,078% for fiscal years 2015 and 2014, respectively.

#### 4.1.4 Multilateral credit agreements

The balance accounts for net asset positions by country arising from reciprocal credit transactions under Latin American Integration Association (LAIA) 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

	<u>12/31/2015</u>	<u>12/31/2014</u>
Receivables for forward purchases of foreign currency	13.253.414	6.188
Obligations for forward purchases of foreign currency	<u>(13.352.442)</u>	<u>(6.258)</u>
<b>Total</b>	<b><u>(99.028)</u></b>	<b><u>(70)</u></b>

Receivables for forward purchases of foreign currency amount to ARS 13.253.414 as of December 31, 2015 (ARS 6.188 as of December 31, 2014); ARS 13.226.555 represent the foreign currency denominated amounts due from the counterparties abroad for transactions agreed upon and ARS 26.859 relate to interest accrued on these transactions. Obligations for forward purchases of foreign currency as of December 31, 2015 consist up of ARS (13.319.985) (ARS (6.242 as of December 31, 2014) for the obligation to deliver the foreign currency at the exchange rate agreed upon and ARS (32.457) for interest accrued on those transactions (ARS (16) as of December 31, 2014).

#### 4.2 Government Securities

##### 4.2.1 BCRA's own portfolio

It includes the BCRA's government securities portfolio detailed in Exhibit III, which, as of December 31, 2015, amounted to ARS 868.449.366 (ARS 482.395.029 as of December 31, 2014).

##### 4.2.1.1 Securities issued under foreign legislation

They include securities issued by the National Government and subject to the jurisdiction of foreign courts, which are valued at listed values. As of December 31, 2015, they amounted to ARS 536.582 (ARS 4.013 as of December 31, 2014) and are broken down as follows:

- a) Global Bonds 2017 issued in US dollars, for an original nominal value of USD 429 equal to ARS 6.255 (original nominal value USD 379 equal to ARS 4.013 as of December 31, 2014). These securities have been valued at market value (see Exhibit III).
- b) Global Bonds 2033 issued in US dollars, for an original nominal value of USD 25.949 equal to ARS 530.327; there being no securities as of December 31, 2014 GENERAL MANAGER. These securities have been valued at market value (see Exhibit III).

##### 4.2.1.2 Securities issued under Argentine legislation

They include securities held subject to Argentine legislation, which amounted to ARS 867.912.784 as of December 31, 2015 (ARS 482.391.016 as of December 31, 2014).

#### **4.2.1.2.1 1990 Argentine 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 funds provided by the BCRA by virtue of Presidential 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 selling 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, by virtue of section 8, Convertibility Law (the currency board that pegged the Argentine peso at parity with the US dollar), 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 opportunity.

The original issuance amounts to ARS 881.464 while the amount adjusted as of December 31, 2015, pursuant to issuance conditions is ARS 4.734.790 (the same amount as of December 31, 2014). Considering that section 6 Law No. 25565, authorized the former Ministry of Economy to restructure the public debt. Resolution No. 334/2002 of such ministry established that it will be amortized in 80 annual installments, the first one maturing on January 2, 2010 for an amount of ARS 8.815. In view of the special financial characteristics of this bond, especially its term, grace period and 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. As of December 31, 2015, the allowance booked for the seventh instalment—which was collected on January 4, 2016—was recovered (see note 7.1. Exhibit I and Exhibit III).

#### **4.2.1.2.2 Non-transferable Treasury Bills**

The balance accounts for the nominal value plus interest accrued converted into pesos pursuant to Note 3.5.1 Non-transferable bills issued by the Argentine Treasury, under the following issuance financial conditions: principal in US dollars, ten-year term. full amortization as of due date and interest accrual at an annual rate equivalent to that accrued by BCRA's international reserves for the same period and up to a cap annual LIBOR less a percentage point, payable twice a year. As of December 31, 2015, they amounted to ARS 629.282.704 (ARS 460.498.363 as of December 31, 2014) (see Exhibit III).

As of the date of issue of these financial statements, BCRA wishes to hold these Non-transferable bills until their maturity.

They were received in consideration of the transfer of funds to the Argentine Treasury, based on the items detailed below.

##### **4.2.1.2.2.1 National Government obligations arising from the debt with the IMF - Non-transferable bill maturing in 2016**

Through Resolution No. 3 issued by the Board of Directors on January 5, 2006, the inclusion of the Non-transferable bill in BCRA's equity was accepted, in exchange for the National Government obligations with the BCRA as a result of the payable to the International Monetary Fund (IMF).

The bill was included in equity at its nominal value. Such valuation was based on the BCRA's financial capacity and its decision to maintain it until the due date. The payment made to that institution amounted to USD 9.530.111, which agrees with the bill nominal value.

As established by National Executive Branch Decree 211/15 dated December 22, 2015, this instrument was swapped for the three new securities issued by the National Government, as detailed below (see Notes 2.4. 4.2.1.2.2. and 4.2.1.2.3):

- Series 2022 Argentine Republic Bonds (BONAR) 7,75% for an original nominal value of USD 2.878.726
- Series 2025 Argentine Republic Bonds (BONAR) 7,875% for an original nominal value of USD 2.886.860.

- Series 2027 Argentine Republic Bonds (BONAR) 7,875% for an original nominal value of USD 3.002.090.

Operating results are included in other financial instruments trading differences, net (see Note 4.23)

On December 31, 2014, the amount converted into pesos according to the cost plus accrued interest valuation criterion (Exhibit III) is ARS 81.501.507.

#### 4.2.1.2.2.2 Settlement of debt with private bondholders Argentine Fund for Debt-Shedding (FONDEA)

The Argentine Fund for Debt-Shedding was created under National Executive Branch Decree No. 298 of March 1, 2010 for making payments of the National Treasury public debt with private bondholders for that fiscal year. Subsequently, as established by Decree 2054/2010 and Argentine Administration General Budget Laws Nos. 26728, 26784, 26895 and 27008 for the fiscal years 2012 to 2015, respectively, (see table), the Executive Branch was authorized to create the FONDEA successively, in order to make payments of the National Treasury public debt with private holders corresponding to the fiscal years 2011 to 2015. In consideration for the transfers made, the Central Bank of Argentina has received Non-transferable Bills, as detailed below:

LI (Private bondholders debt services)	Issuance regulations	Amount issued in USD	Amount subscribed in USD (see Exhibit III - Original Nominal Value)	Maturity	12/31/2015	12/31/2014
Non-transferable bill maturing in 2020 - Decree 298/10	Decree No. 298/10 - Resolution ME and FP 105 dated 3/1/2010	4.382.000	4.382.000	3/1/2020	-	37.474.864
Non-transferable bill maturing in 2021 - Decree 2054/10	Decree No. 2054/10 - Resolution ME and FP 1 dated 1/4/2011	7.504.000	7.504.000	1/7/2021	97.589.520	64.174.208
Non-transferable bill maturing in 2022 - Resolution 131/12	Budget Law No. 26.728. Resolution ME and FP 131/2012 dated 4/24/2012	5.674.000	5.674.000	4/20/2022	73.790.370	48.524.048
Non-transferable bill maturing in 2023 - Resolution 8/13	Budget Law No. 26.784. Resolution ME and FP 8/2013 dated 1/15/2013	7.967.000	7.132.655	1/16/2023	92.760.178	60.998.466
Non-transferable bill maturing in 2024 - Resolution 30/14	Budget Law No. 26895 - Resolution ME and FP 30/2014 dated 2/13/2014	9.855.000	7.896.765	1/20/2024	102.697.427	67.533.133
Non-transferable bill maturing in 2025 - Resolution 406/15	Budget Law No. 27.008. Resolution ME and FP 406/2015	11.889.200	10.640.000	6/1/2025	138.373.200	-

According to yield conditions, none of the issuances of Non-transferable Bills described above accrued interest in the fiscal years 2015 and 2014.

As of December 30, 2015, the Non-transferable Bills maturing in 2020 - Decree 298/10 and Decree 297/10 were swapped for BONAR 7,75% 2022 for an original nominal value of USD 1.619.028. BONAR 7,7875 % 2025 for an original nominal value of USD 1.623.603 and BONAR 7,878 % 2027 for an original nominal value of USD 1.688.409, as set forth in Resolution No. 35 of the Argentine Treasury and No. 5 of the Finance Department dated December 30, 2015 (see Notes 2.4. 4.2.1.2.1 and 4.2.1.2.3). Operating results are included in other financial instruments trading differences, net (see Note 4.23).

#### 4.2.1.2.2.3 Settlement of principal and interest with International Financial Agencies (FONDOI).

The Argentine Government has implemented under its financial policies an external debt-shedding process, in line with the provisions of Decrees Nos. 297 dated March 1, 2010, 276, dated March 3, 2011, 928 dated June 21, 2012, 309 dated March 21, 2013 and 1311 dated August 15, 2014, which established the repayment of all maturities of principal and interest to international financial agencies for the fiscal years 2010, 2011, 2012, 2013 and 2014. Respectively, with freely available reserves, including as from 2013 the services on the debt with bilateral official external agencies maturing in fiscal 2013. In consideration for the transfers to the Argentine Treasury, the Central Bank of Argentina received debt instruments issued by the Argentine Treasury consisting in Non-transferable Bills, as detailed in the table below:

LI (Debt Services with International Financial Agencies)	Issuance regulations	Amount issued in USD	Amount subscribed in USD (see Exhibit III - Original Nominal Value)	Maturity	12/31/2015	12/31/2014
Non-transferable bill maturing in 2020 - Decree 297/10 (see Note 4.2.1.2.2.2)	Decree No. 297/10 - Resol. ME and FP 104 dated 3/1/2010	2.187.000	2.187.000	3/1/2020	-	18.703.224
Non-transferable bill maturing in 2021 - Decree 276/11	Decree No. 276/11 - Resol. ME and FP 64 dated 3/10/2011	2.121.386	2.121.386	3/14/2021	27.588.631	18.142.097
Non-transferable bill maturing in 2022 - Resolution 171/12	Decree No. 928/12 - Resol. 53/2012 Finance Dpt and 171/12 Treasury Dpt	2.083.648	2.083.648	6/28/2022	27.097.843	17.819.358
Non-transferable bill maturing in 2023 - Decree 309/13	Decree No. 928/12 - Resol. 45/13 Finance Dpt and 251/13 Treasury Dpt	2.334.945	2.292.297	8/16/2023	29.811.319	19.603.722
Non-transferable bill maturing in 2024 - Resolution 190/14	Decree No. 1311/14 - Joint Resolution 52/14 Finance Dpt and 190/14 Treasury Dpt	3.043.000	3.043.000	8/25/2024	39.574.216	26.023.736

As of December 30, 2015, the Non-transferable Bills maturing in 2020. Decree 298/10 and Decree 297/10 were swapped for BONAR 7,75% 2022 for an original nominal value of USD 1.619.028. BONAR 7,7875 % 2025 for an original nominal value of USD 1.623.603 and BONAR 7,878 % 2027 for an original nominal value of USD 1.688.409, as set forth in Resolution No. 35 of the Argentine Treasury and No. 5 of the Finance Department dated December 30, 2015 (see Notes 2.4. 4.2.1.2.1 and 4.2.1.2.2). Operating results are included in other financial instruments trading differences, net (see Note 4.23)

According to yield conditions, none of the issuances of Non-transferable Bills described above accrued interest in the fiscal years 2015 and 2014.

#### 4.2.1.2.3 Other securities issued under Argentine legislation

This item totaled ARS 237.801.504 as of December 31, 2015 (ARS 21.055.263 as of December 31, 2014) and it consisted mainly of securities issued by the National Government, subject to local legislation, as follows:

- a) During this fiscal year. Argentine Republic Bonds (BONAR) Series 2015 for an original nominal value of ARS 1.225.131 equal to ARS 508.429 as of December 31, 2014, were amortized in full. Those securities were received in exchange for the swap of Secured Loans and they are booked at their listed price (see Exhibit III).
- b) Series 2017 Argentine Republic Bonds (BONAR) for an original nominal value of USD 82.720 equal to ARS 938.872 as of December 31, 2014. No securities of this type were recorded as of December 31, 2015. These financial instruments were stated at their listed prices (see Exhibit III).
- c) Series 2018 Argentine Republic Bonds (BONAR) for an original nominal value of USD 169.984 equal to ARS 2.600.761 as of December 31, 2015. As of December 31, 2014 there were no financial instruments, stated at listed prices (see Exhibit III).
- d) Series 2019 Argentine Republic Bonds (BONAR) for an original nominal value of ARS 1.608.234 equal to ARS 1.690.254 as of December 31, 2015 (original nominal value of ARS 1.608.234 equal to ARS 1.447.410 as of December 31, 2014). These financial instruments were stated at their listed prices (see Exhibit III).
- e) Series 2020 Argentine Republic Bonds (BONAR) for an original nominal value of USD 86.900 equal to ARS 1.273.085 as of December 31, 2015, as of December 31, 2014 there were no financial instruments, stated at listed prices (see Exhibit III).
- f) Series 2022 Argentine Republic Bonds (BONAR) for an original nominal value of USD 4.497.753 equal to ARS 59.336.347 as of December 31, 2015. These financial instruments were recorded in assets in this fiscal year as a result of the swap of the Non-transferable Bills of the Argentine Treasury. Since at this date there is no active market, it has been valued at estimated present value (see Exhibit III and Notes 2.4 and 4.2.1.2.2.).
- g) Series 2025 Argentine Republic Bonds (BONAR) for an original nominal value of USD 4.510.463 equal to ARS 59.626.507 as of December 31, 2015. These financial instruments were recorded in assets in this fiscal year as a result of the swap of the Non-transferable Bills of the Argentine Treasury. Since at this date there is no active market, it has been valued at estimated present value (see Exhibit III and Notes 2.4 and 4.2.1.2.2.).
- h) Series 2027 Argentine Republic Bonds (BONAR) for an original nominal value of USD 4.690.500 equal to ARS 61.648.193 as of December 31, 2015. These financial instruments were recorded in assets in this fiscal year as a result of the swap of the Non-transferable Bills of the Argentine Treasury. Since at this date there is no active market, it has been valued at estimated present value (see Exhibit III and Notes 2.4 and 4.2.1.2.2.).
- i) Secured bonds (BOGAR 2018): they were received in exchange for the swap of provincial government debt securities included in the BCRA's portfolio for an original nominal value of ARS 852.895 equal to ARS 1.245.227 as of December 31, 2015 (original nominal value of ARS 852.895 equal to ARS 1.155.673 as of December 31, 2014). These financial instruments were stated at their listed prices (see Exhibit III).
- j) Discount Bonds 2033 issued in US dollars and maturing on December 31, 2033. for a nominal value of USD 679.220 equal to ARS 13.890.049 as of December 31, 2015 (original nominal value of USD 99.586 equal to ARS 1.359.343). These securities have been valued at market value (see Exhibit III).
- k) Discount Bonds 2033 issued in Argentine pesos for an original nominal value of ARS 6.228.791 equal to ARS 32.721.706 as of December 31, 2015 (original nominal value of ARS 5.588.491 equal to ARS 14.977.155 as of December 31, 2014). These financial instruments were stated at their listed prices (see Exhibit III).
- l) Discount Bonds 2033 issued in 2010 in Argentine pesos for an original nominal value of ARS 5.846 equal to ARS 28.059 as of December 31, 2015 (original nominal value of ARS 5.846 equal to ARS 14.497 as of December 31, 2014). These securities have been valued at market value (see Exhibit III).

- m) Quasi-par Bonds Series 2045 for an original nominal value of ARS 40.351 equal to ARS 165.842 as of December 31, 2015 (original nominal value of ARS 40.351 equal to ARS 62.140 as of December 31, 2014). These securities have been valued at market value (see Exhibit III).
- n) National Treasury Bonds - Due 03.2016 for original nominal value of ARS 511.855 equal to ARS 522.860 as of December 31, 2015. These securities have been recorded under purchases for the fiscal year and are valued at listed prices.
- o) National Treasury Bonds - Due 05.2016 for original nominal value of ARS 1.917.613 equal to ARS 2.013.494 as of December 31, 2015. These securities are included as a result of purchases for the fiscal year and are valued at their listed prices.
- p) National Treasury Bonds - Due 07.2016 for original nominal value of ARS 209.877 equal to ARS 215.963 as of December 31, 2015. These securities have been recorded under purchases for the fiscal year and are valued at listed prices.
- q) National Treasury Bonds - Due 09.2016 for original nominal value of ARS 100.077 equal to ARS 105.832 as of December 31, 2015. These securities have been recorded under purchases for the fiscal year and are valued at listed prices.
- r) GDP-linked marketable securities in US dollars for an original nominal value of USD 445.051 equal to ARS 623.072 as of December 31, 2015 (original nominal value of USD 445.051 equal to ARS 378.294 as of December 31, 2014), received upon the conclusion of the public debt restructuring process. These financial instruments were stated at market value. In addition, the GDP-linked marketable securities held in Argentine pesos have an original nominal value of ARS 1.861.192 equal to ARS 187.977 as of December 31, 2015 (original nominal value of ARS 1.861.192 equal to ARS 100.690 as of December 31, 2014). These financial instruments were stated at their listed prices (see Exhibit III).
- s) Other portfolio securities amounting to ARS 55.533 as of December 31, 2015 (ARS 23.206 as of December 31, 2014). The remaining holdings are valued at the last available listed price.

#### **4.2.2 Allowance for impairment of government securities**

In order to disclose the market values of certain government securities booked as of December 31, 2015, the allowance for impairment in value of securities is ARS 819.760 (as of December 31, 2014, it amounted to ARS 828.645), which accounts for 93% of the original issuance amount of the bond mentioned in 4.2.1.2.1 (ARS 828.575 as of December 31, 2014). During the fiscal year 1% of the allowance was recovered due to the collection of the security seventh amortization instalment on January 4, 2016 (see note 7.1).

In addition, in this fiscal year we recovered ARS 70 relating to the allowance of all bonds for the province of Formosa as of December 31, 2014.

#### **4.3 Temporary advances to the Argentine Government**

By virtue of the last Charter amendment established by Law No. 26739 enacted on March 22, 2012, as established by section 20, the Bank 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 Central Bank of Argentina, whether in checking or special accounts. It may also make prepayments 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 to eighteen months. In all cases, once financial assistance terms have elapsed, this possibility may not be used again until the amounts due are reimbursed.

As of December 31, 2015, temporary advances to the Argentine Government amounted to ARS 331.850.000 (ARS 251.450.000 as of December 31, 2014). ARS 205.100.000 of which were granted at twelve months (ARS

152.700.000 as of December 31, 2014) and ARS 126.750.000 were requested, as an exception, and agreed upon with a maximum maturity term of eighteen months, pursuant to current regulations (ARS 98.750.000 as of December 31, 2014).

These temporary advances do not accrue interest rate and are booked at their nominal values.

The loans that remain effective as of the prior year end, maturing during this year, were fully settled as of December 31, 2015 pursuant to the provisions of section 20.

#### 4.4 Loans to the Argentine financial system

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

	<u>12/31/2015</u>	<u>12/31/2014</u>
Advance financing to the Productive Sector	2.932.745	4.236.167
Refinanced lines	549.568	549.479
Debts for fines	482.617	514.972
Others	1.805	1.805
<b>Subtotal</b>	<u>3.966.735</u>	<u>5.302.423</u>
<b>Less:</b>		
Allowances for loans to the financial system (Exhibit I)	<u>1.025.362</u>	<u>1.024.315</u>
<b>Total</b>	<u><u>2.941.373</u></u>	<u><u>4.278.108</u></u>

“Prepayments to the Argentine financial system” basically consists of loans granted to financial institutions by virtue of Communiqué “A” 5303, as supplemented, for production sector financing, for an amount of ARS 2.932.745 (ARS 4.236.167 as of December 31, 2014).

Advance financing to the Productive Sector requires 125% guarantees over principal due and they are measured at technical value. The guarantees posted by institutions stated at technical value (with the guaranteed credit limit) cover the whole debt, as broken down below.

	<u>12/31/2015</u>	<u>12/31/2014</u>
Argentine Nation Bonds	1.317.064	2.588.756
National Government Secured Loans	1.082.416	1.087.264
National Government Secured Bonds	480.451	455.377
Discount Bond maturing in 2033	-	59.033
Quasi Par Bonds 2045	10.139	4.950
GDP-linked Marketable Securities maturing in 2035	-	3.535
Consolidated bond. SERIES 8	18.096	11.944
Par Bond 2038	10.626	19.124
Baade USD 2016	13.953	6.184
<b>Total</b>	<u><u>2.932.745</u></u>	<u><u>4.236.167</u></u>

The residual value measurement of these securities received in guarantee at market values covers the capital due under this item.

“Financial institutions’ payables due to fines” includes fines accrued in favor of the BCRA due to the application of the Criminal Foreign Exchange System and Financial Institutions Law (section 41), adjusted by the balances of collections pending final allocation for ARS 28.408 (ARS 21.118 as of December 31, 2014),and

the balance as of December 31, 2015 amounts to ARS 482.617 (ARS 514.972 as of December 31, 2014). Out of the total balance, as of December 31, 2015 ARS 501.518 is subject to court foreclosure (ARS 490.532 as of December 31, 2014), which was booked as allowance for ARS 475.794 (ARS 474.836 as of December 31, 2014).

Allowances under “Receivables from Argentine financial system institutions”, which amounted to ARS 1.025.362 as of December 31, 2015 (ARS 1.024.315 as of December 31, 2014), is mainly made up of the allowance on credit lines prior to the enactment of Law No. 24144 amounting to ARS 549.568 (ARS 549.479 as of December 31, 2014), and the allowance on fines mentioned in the previous paragraph for an amount of ARS 475.794 (ARS 474.836 as of December 31, 2014). During fiscal 2015, allowance collections were reversed in the amount of ARS 2.225 and a total amount of 129.433 was used, while new allowances were booked in the amount of ARS 132.705 (ARS 67.093, ARS 69.059 and ARS 361.492 as of December 31, 2014, respectively) (see Exhibit I).

This item is valued at nominal value plus accrued and unpaid 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 other

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

	<u>12/31/2015</u>	<u>12/31/2014</u>
Contributions to the IADB, IBRD and IDA, among others	36.295.065	22.796.347
Contributions to the IMF	10.676.388	7.340.312
<b>Total</b>	<b><u>46.971.453</u></b>	<b><u>30.136.659</u></b>

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

The National Government books as an instalment —as established by the IMF Board of Directors— the amount of 2.117.100 SDRs as of December 31, 2015 and 2014, as follows:

	<u>Amount in SDRs</u>	<u>Amount in pesos</u>	<u>Amount in pesos</u>
	<u>(*)</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Treasury bills	1.524.672	27.476.758	18.891.030
Contributions to the IMF in foreign currency	529.275	9.538.291	6.557.838
Contributions to the IMF in Argentine pesos	63.153	1.138.097	782.473
<b>Total</b>	<b><u>2.117.100</u></b>	<b><u>38.153.146</u></b>	<b><u>26.231.341</u></b>

(\*) There are identical amounts for December 31, 2015 and December 31, 2014.

Treasury Bills are issued by the BCRA on account and behalf of the National Government in its capacity as Government’s financial agent pursuant to Article III, Section 4 and Article V, Section 11 of the IMF Articles of Agreement, and they are booked in memorandum accounts (see note 5).

According to the IMF’s Fourteenth General Review of Quotas dated April 17, 2013, Argentine Congress enacted Law No. 26849, which approves an increase in Argentina’s quota in the Fund for a total of SDR

1.070.200. Of the increase provided by such regulation, once the abovementioned General Review of Quotas comes into effect, 25% shall be settled by the BCRA on behalf and account of Argentina, in SDRs or, either in full or in part, in the currencies of the other member countries of the IMF as determined by the Fund and as consented by these countries. The remaining 75% shall be paid in local currency, for which the BCRA shall issue, on behalf and account of Argentina, non-negotiable non-interest-bearing securities that are payable on demand, which shall be delivered to the IMF. The Law also authorizes the Ministry of Economy and Public Finance to issue one or more Non-transferrable Bills denominated in US dollars to cover 25% of the quota increase the BCRA shall pay using foreign assets. To date, the increase set forth in the abovementioned law has not become effective.

#### 4.6 Rights deriving from other derivative financial instruments

	<u>12/31/2015</u>	<u>12/31/2014</u>
ROFEX market daily clearing margin	964.966	7.767
Fixed-rate short-position swap	<u>40.089.068</u>	-
<b>Total</b>	<b><u>41.054.034</u></b>	<b><u>7.767</u></b>

The daily clearing margin represents receivables in Argentine pesos arising from variations in the foreign currency forward market closing listed price regarding the ROFEX market open position as of year end. The balance as of December 31, 2015 amounted to ARS 964.966 (ARS 7.767 as of December 31, 2014).

The balance of ARS 40.089.068 registered under the line "Receivables from CNY-USD currency swap" accounts for the right to receive CNY upon maturity of the CNY-USD currency swap agreed with the People's Bank of China under the Bilateral Currency Swap Agreement. No balance was recorded for that item as of December 31, 2014 (see notes 2.3 and 4.18).

#### 4.7 Rights deriving from repo transactions

	<u>12/31/2015</u>	<u>12/31/2014</u>
LEBAC in pesos to be received / delivered under reverse repurchase agreements	29.017.543	35.764.390
Securities to be received under reverse repurchase agreements Com. "A" 4508	2.872.881	1.841.589
Rights under repurchase transactions	12.580.642	7.407.544
Reverse repurchase agreements margin	2.930.42	3.572.652
Rights under currency swap transactions	<u>102.625.495</u>	<u>22.287.295</u>
<b>Total</b>	<b><u>150.027.303</u></b>	<b><u>70.873.470</u></b>

The BCRA issues LEBAC (BCRA bills) and NOBAC (BCRA notes) as the main monetary regulatory instruments with which it absorbs market liquidity to meet its monetary, financial, credit and foreign exchange policy goals and plans. Board of Directors' Resolution No. 155 of May 20, 2004, authorized the issuance of LEBAC to be applied as eligible assets, upon agreeing upon repo transactions. This resolution established that the margin of these transactions amounted to 10% of the transaction. As of December 31, 2014, the LEBAC receivable under reverse repurchase agreements, including premiums to be accrued for this item, totaled ARS 29.017.543 (ARS 35.764.390 as of December 31, 2014). Those instruments were valued at market price (see note 4.19).

Rights under repurchase agreements are related to transactions agreed upon with Banks and other entities based on the monetary policy strategies created by the BCRA. Receivables in this regard amounted to ARS 12.580.642 as of December 31, 2015 (ARS 7.407.544 as of December 31, 2014). These repurchase agreements were valued based on prices settled for each transaction, plus the pertinent premiums accrued at each year end.

In addition to the reverse repurchase agreements agreed upon under general regulations, as from March 10, 2006, the Board of Directors approved agreeing upon repo transactions using government securities issued by the National Government as underlying assets. The assets to be received in exchange may be in Argentine pesos, US dollars, euros or securities denominated in those same currencies issued by governments of countries whose long-term sovereign debt has a given credit risk rating. Transactions effective as of December 31, 2015, including premiums to be accrued, amounted to ARS 2.872.881 (ARS 1.841.589 as of December 31, 2014).

Rights from currency swap transactions amounted to ARS 102.625.495 as of December 31, 2015 (ARS 22.287.295 as of December 31, 2014). This balance represents the right to receive from the People's Bank of China the amount in national currency agreed under the swap transaction (see Notes 2.4 and 4.19).

#### 4.8 Other assets

	<u>12/31/2015</u>	<u>12/31/2014</u>
Assets applied to collateral for ROFEX Market share	31.270.077	1.186.768
Stock of banknote paper and coins for the issuance of currency	1.816.161	1.477.429
Secured Loans-Decree No. 1387/01	411.210	358.787
Bank premises & equipment (net of depreciation)	151.987	160.511
Law 4951 Bond – Province of Chaco	20.681	31.835
Coined gold	125.994	93.333
Intangible assets	2.579	1.660
Sundry	2.039.087	1.437.983
<b>Less:</b>		
Allowances (Exhibit I)	771.138	576.962
<b>Total</b>	<u><u>35.066.638</u></u>	<u><u>4.171.344</u></u>

The assets applied to guarantees for participation in the ROFEX market represent initial guarantee margins, which are common to all participants, the portfolio risk margin and the daily clearing margins for revaluation of positions opened by the BCRA in that market. As of December 31, 2015, the assets granted as collateral amounted to ARS 31.270.077, and their balance as of December 31, 2014 was ARS 1.186.768.

Secured loans are financial instruments issued by the National Government by virtue of Presidential Decree No. 1387/2001 and supplementary regulations, which were accepted to settle the illiquidity aid to financial institutions with abrogated authorization to operate. These unlisted instruments are transferred through deeds, they accrue interest and they may be adjusted by CER (benchmark stabilization coefficient). As of year-end, they were stated at nominal value plus accrued interest not yet collected and CER adjustment. By Resolution 5/2016, the Ministry of Public Finance and Treasury established that since November 2015 the CER will be calculated based on the daily variation rate obtained from the monthly changes in the Consumer Price Index of the City of Buenos Aires (IPBA). Later on Resolution 100/2016 and complementary regulations established the use of the Consumer Price Index of the Province of San Luis (IPCSL) since March 26, 2016.

Bank premises & equipment were valued at acquisition cost, net of the related accumulated depreciation, including the adjustment for inflation through February 28, 2003. Depreciation is calculated by the straight-line method, taking into account the bank premises & equipment estimated useful life.

Consolidation Bond in Argentine pesos. Law No. 4951 (pending issuance) represents the refinancing established by Law No. 4951 for the Province of Chaco as part of the exchange of BOPRO bonds in Argentine pesos (1st, 2nd, 3rd and 4th series) and BOSAFI Chaco in US dollars (1st and 2nd series), in Argentine pesos.

Taking into account the international definitions related to the gold to be computed as reserve assets (see note 4.1.1), this item was included in the gold coins held for numismatic purposes, which were booked as allowance for finesse, representing 1% of total inventories.

“Sundry” includes, among others, transactions performed and settled pursuant to LAIA’s Agreement on Reciprocal Payments and Credits for an amount of ARS 606.005 as of December 31, 2015 (ARS 398.505 as of December 31, 2014), which was claimed to the Central Bank of Uruguay. As of the date of issuance of the accompanying financial statements, this disagreement was not solved; therefore, the amount was fully booked as allowance. They also include numismatic items for ARS 36.410 (ARS 23.507 as of December 31, 2014); receivables in litigation and not in litigation not yet collected from Acex trust; and further assets received in that regard for an amount of ARS 133.717 and ARS 67.338, respectively (ARS 145.816 and ARS 41.546 as of December 31, 2014), which were booked as allowance for ARS 161.672 (ARS 176.743 as of December 31, 2014) and the contribution to the Poverty Reduction and Growth Trust – Heavily Indebted Poor Countries (IMF) for ARS 279.310 (ARS 192.033 as of December 31, 2014) and advances and prepayments to be reported for ARS 335.537 (ARS 176.684 as of December 31, 2014).

#### 4.9 Monetary base

According to the Charter, it consists of monetary circulation plus financial institutions’ demand deposits in the Central Bank of Argentina, whether in checking 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

	<u>12/31/2015</u>	<u>12/31/2014</u>
Banknotes	475.470.056	355.671.550
Coins	<u>3.306.111</u>	<u>3.080.047</u>
<b>Total</b>	<b><u>478.776.167</u></b>	<b><u>358.751.597</u></b>

Banknotes and coins in circulation as of each year end represent those in the possession of the general public and financial institutions. (See note 5).

Banknotes in circulation varied as follows:

	<u>12/31/2015</u>	<u>12/31/2014</u>
Balance at beginning of year	355.671.550	286.284.979
New banknotes and of good use in the financial system	125.619.354	79.063.057
Notes out of circulation and destroyed or to be destroyed	<u>(5.820.848)</u>	<u>(9.676.486)</u>
Balance at end of year	<b><u>475.470.056</u></b>	<b><u>355.671.550</u></b>

###### 4.9.1.2 Settlement checks in pesos in circulation

The amount of ARS 452 as of December 31, 2015 (same amount as of December 31, 2014) accounts for BCRA’s liability for the issuance of settlement checks requested by financial institutions and issued in Argentine pesos.

#### 4.9.2 Current account in pesos

As of December 31, 2015, they amounted to ARS 145.112.899 (ARS 103.812.426 as of December 31, 2014). The compensation for the amounts in current accounts in Argentine pesos opened in the BCRA is calculated pursuant to Communiqué “A” 4241 and it consists in the calculation of interest over the monthly average of daily amounts at the rate fixed and published by the BCRA’s trading desk. In fiscal years 2014 and 2015 the rate determined for this item was 0%.

#### 4.10 Instruments of payment in other currencies

##### 4.10.1 Settlement checks in other currencies in circulation

The amount of ARS 260 as of December 31, 2015 (ARS 171 as of December 31, 2014) accounts for 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 amount of ARS 5.666.498 as of December 31, 2015 (ARS 3.257.045 as of December 31, 2014) accounts for BCRA’s liability for the Certificates of Deposit for Investment issued pursuant to Law No. 26860, which are in circulation. These instruments are issued in US dollars and are converted into Argentine pesos according to note 3.5.1.

#### 4.11 Current accounts in other currencies

As of December 31, 2015, this item amounted to ARS 139.505.512 (ARS 69.040.232 as of December 31, 2014) and it is converted into pesos as established in note 3.5.1. Compensation conditions have been defined in BCRA’s Communiqué “A” 4241, as amended (see note 4.9.2).

#### 4.12 Deposits from the Argentine Government and others

This item includes:

	<u>12/31/2015</u>	<u>12/31/2014</u>
Argentine Government deposits	2.380.630	33.896.104
A.N.S.E.S. Social security payment orders	2.019.007	973.811
Provincial funds	434.638	285.815
Argentine Government deposits – Law No. 25152 – Tax anticyclical fund	243.846	160.351
<b>Total</b>	<b><u>5.078.121</u></b>	<b><u>35.316.081</u></b>

#### 4.13 Other deposits

	<u>12/31/2015</u>	<u>12/31/2014</u>
Trust current accounts	117.718	83.880
Special accounts	32.163.919	6.043.925
Regional Economy Competitiveness Program	78.000	-
MicroPyme Program	61.417	50.000
Sundry	11.342	10.833
<b>Total</b>	<b><u>32.432.396</u></b>	<b><u>6.188.638</u></b>

Deposits into special accounts as of December 31, 2015 include funds for ARS 6.193.547 (ARS 4.312.339 as of December 31, 2014) applied to the payment of debt services on the Argentine Government Securities issued within the framework of the Sovereign Debt Restructuring that took place between 2005 and 2010; such payment was made on June 26, 2014 in the Bank of New York Mellon, but collection thereof has been restricted under judicial orders issued by the Court for the Southern District of New York in the case "NML Capital Ltd. et al v. the Republic of Argentina" (Section 2 of Law 26984). Furthermore ARS 25.931.282 (ARS 1.694.976 as of December 31, 2014) are recorded in the Law No. 26984 Fund - Restructured Sovereign Debt Payment account, created to keep in trust the funds deposited therein and applied to the payment of the debt services of the securities governed by the 2005-2010 Trust Agreement, as set forth by Section 4 of Law 26984 (see Notes 2.2 and 7.5 and Exhibit II).

The line under analysis also includes ARS 19.892 corresponding to deposits placed by the Argentine Government under the terms and conditions set forth by Section 1 of National Executive Branch Decree No. 1836/2002, which are restricted and unseizable and will operate as collateral for the different series of Argentine Government Bonds for the exchange of certificates of deposit with the savers in the financial system. The balance for that item amounted to ARS 16.232 as of December 31, 2014.

#### 4.14 Special Drawing Rights

IMF Special Drawing Rights refer to the amount allocated by the IMF to Argentina as member country. By virtue of its Articles of Agreement the IMF may assign Special Drawing Rights to member countries in proportion to their quotas whether on a general or special basis.

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 SDRs amounting to about USD 33.000.000, while Argentina was allocated USD 207.316 (SDR 132.243). Both general and extraordinary allocations were received by the BCRA on account and behalf of the Argentine Government for an amount of SDR 1.701.670.

The contra account of SDR allocations transferred to the Argentine Government is disclosed offsetting the Allocated SDRs account, for an amount of ARS 30.666.507, equal to SDR 1.701.670 as of December 31, 2015 (ARS 21.084.071 equal to the same amount in SDRs as of December 31, 2014).

The net amount of SDR 318.370, effective as of December 31, 2015 and December 31, 2014, shows the allocated SDRs received by the bank prior to the Charter amendment of September 30, 1992.

The item is broken down as follows:

	12/31/2015		12/31/2014	
	SDR	Pesos	SDR	Pesos
Special Drawing Rights	2.020.040	36.403.986	2.020.040	25.028.746
Contra account of SDR allocations transferred to the Argentine Government	(1.701.670)	(30.666.507)	(1.701.670)	(21.084.071)
	<b>318.370</b>	<b>5.737.479</b>	<b>318.370</b>	<b>3.944.675</b>

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

#### 4.15 Obligations with international agencies

“Obligations with international agencies” is mainly made up of the “Use of the reserve portion”, which is the main financial service made available by the IMF to a country and it does not represent the use of the credit from the IMF, there being no claim from the international organization regarding the funds used. The reserve portion of a country represents the payment percentage of the instalment established for participating in the IMF, which was included in reserve assets.

Apart from the item previously mentioned. “Obligations” is also made up of deposits with the Inter-American Development Bank IMF and other international institutions.

The item is broken down as follows:

	<u>12/31/2015</u>	<u>12/31/2014</u>
Use of Reserve Tranche	9.538.580	6.558.037
IMF Account No. 1	1.134.286	779.853
IDB	1.345.514	856.021
Accrued charges	3.042	2.096
IBRD	1.367	339
IMF Account No. 2	255	175
Others	850	256.254
	<u>12.023.894</u>	<u>8.452.775</u>

The contra account of the “Use of the reserve portion” includes BCRA’s right to collect from the Argentine Government the funds received by the BCRA and transferred to the Argentine Government before September 30, 1992 for SDR 529.291 equal to ARS 9.538.580 (the same amount in SDRs equal to ARS 6.558.037 as of December 31, 2014).

#### 4.16 Securities issued by the BCRA

One of the transactions allowed to be BCRA under section 18 of its Charter consists in issuing securities or bonds and certificates of participation on the securities that it holds. This monetary instrument known as LEBAC is issued in Argentine pesos and US dollars since 2002. LEBAC are negotiated on a discount basis and they are stated at face value net of interest to be accrued as of each year end.

As from May 2004, Board of Directors’ Resolution No. 155/04 authorized that a portion of issued LEBAC be used to perform repo transactions as monetary regulation instruments. As a result, the LEBAC portfolio used for such transactions is stated at market values and disclosed by deducting from “Securities issued by the BCRA” (see Note 4.7).

The amounts of LEBAC as of each year end are as follows:

	<u>12/31/2015</u>	<u>12/31/2014</u>
Bills and notes issued in Argentine pesos		
Primary issuance of Bills and Notes	464.270.049	306.901.032
Bills held in portfolio and available to reverse repurchase agreements	(78.937.838)	(30.295.213)
Bills issued in foreign currency		
Bills in US dollars payable in US dollars	31.273.012	5.680.173
<b>Total</b>	<u><b>416.605.223</b></u>	<u><b>282.285.992</b></u>

Exhibit IV discloses the LEBAC held as of each year end broken down by type of instrument and maturity term.

#### 4.17 Contra account of Argentine Government contributions to international agencies

As of December 31, 2015 the amount of ARS 31.589.233 represents the contra account of contributions made on account of the Argentine Government to international entities of which Argentina is a member. As from September 30, 1992, when the Bank's Charter was amended, the legal form of the BCRA and its relationship with the Argentine Government were modified. The amount as of December 31, 2014 was ARS 19.759.626.

#### 4.18 Obligations due to other derivative financial instruments

The ARS 40.142.766 balance as of December 31, 2015 represents the commitment in US dollars with the People's Bank of China to the CNY/USD currency swap transaction under the Supplementary Agreement of Bilateral Currency Swap. No balance was recorded for that item as of December 31, 2014 (see notes 2.3 and 4.6).

#### 4.19 Obligations from repo transactions

	<u>12/31/2015</u>	<u>12/31/2014</u>
Amounts payable for reverse repurchase agreements	29.345.358	35.757.408
Obligations under reverse repurchase agreements Com. "A" 4508	2.859.935	1.933.816
Securities to be delivered under repo transactions	12.484.001	7.397.259
Obligations from currency swap transactions	<u>140.297.722</u>	<u>22.124.943</u>
<b>Total</b>	<b><u>184.987.016</u></b>	<b><u>67.213.426</u></b>

The amounts payable for reverse repurchase agreements total ARS 29.345.358 as of December 31, 2015 and represent the funds to be reimbursed to the financial institutions on the maturity date of the transactions mentioned in note 4.7 on account of principal, premiums and margins totaling ARS 26.376.676. ARS 37.940 and ARS 2.930.742, respectively (as of December 31, 2014, the balances of these items totaled ARS 32.153.871, ARS 30.885 and ARS 3.572.652, respectively). They were valued based on prices settled for each transaction, plus the pertinent premiums accrued at each year end.

Obligations from currency swap transactions amounted to ARS 140.297.722 as of December 31, 2015 (ARS 22.124.943 as of December 31, 2014). This balance represents the BCRA's commitment to reimburse the People's Bank of China for the amount in foreign currency agreed under the swap transaction (see Notes 2.3 and 4.6).

Securities and foreign currency to be delivered for obligations under repurchase agreements as of December 31, 2015, totaled ARS 12.484.001 and represent foreign government securities to be reimbursed due to repo transactions valued at market price (ARS 7.397.259 as of December 31, 2014).

As of December 31, 2015, reverse repurchase agreements regulated by Communiqué "A" 4508 and described in note 4.7 amounted to ARS 2.859.935 (ARS 1.933.816 as of December 31, 2014).

#### 4.20 Obligations due to multilateral credit agreements

This account's balance represents the net liabilities resulting from mutual credit transactions within the framework of the LAIA, which totaled ARS 2.257.238 as of December 31, 2015, while this item totaled ARS 1.633.862 as of December 31, 2014.

#### 4.21 Other liabilities

This item is broken down as follows:

	<u>12/31/2015</u>	<u>12/31/2014</u>
Revolving funds and other obligations in foreign currency	27.552.065	23.259.291
Currency swap deposit	102.625.495	22.287.295
Obligations with the National Government	396.349	450.136
Obligations for services on secured loans	43.499	250.116
Sundry	7.923.564	1.990.065
<b>Total</b>	<b><u>138.540.972</u></b>	<b><u>48.236.903</u></b>

“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 entities of which only the BCRA can be a borrower on its own behalf or on account of the Argentine Treasury as Financial Agent of Argentina, pursuant to the provisions of Article 17 of the Charter.

The balance of Revolving funds is made up of the disbursements made by the Inter-American Development Bank (IDB) 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 the IDB.

Other obligations in foreign currency involve the financing from foreign financial institutions and other organizations, obtained by the BCRA as part of its monetary policy strategies.

The Currency Swap Deposit amounts to ARS 102.625.495 (ARS 22.287.295 as of December 31, 2014) and represents the total peso amount deposited in favor 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 (See Note 2.3).

Obligations with the National Government include fund deposits of the Global Credit Program for Micro-Small- and Medium-sized Enterprises. This program is funded using the loan granted by the IDB to Argentina and grants credit to micro-, small- and medium-sized enterprises that engage in primary production, industrial and commercial activities and in the provision of services (except for those of a financial nature). The balance as of December 31, 2015 totals ARS 396.349 (as of December 31, 2014, it amounted to ARS 450.136).

“Obligations from secured loan services” includes the funds that will be used to pay the abovementioned loan services, which amounted to ARS 43.499 as of December 31, 2015 (the amount as of December 31, 2014 was ARS 250.116).

The main items included in “Sundry” are described as follows: Deposits un current accounts of forward markets for guarantees ARS 4.627.256; Obligations with the National Government for settlement of loans using BOCON ARS 35.148 (ARS 78.711 as of December 31, 2014); Obligations held with the Provincial Governments for ARS 319.144 (ARS 250.186 as of December 31, 2014); Withholdings from suppliers and employees and payroll contributions payable for ARS 196.375 (ARS 143.002 as of December 31, 2014); Contra account of contributions to international agencies prior to the amendment to the Charter as per Law 20144/92 ARS 414.149 (ARS 272.341 as of December 31, 2014); Unallocated items LAIA Uruguay ARS 486.055 (ARS 319.626 as of December 31, 2014); and Final unallocated items for ARS 1.368.311 (ARS 538.760 as of December 31, 2014), among others.

#### 4.22 Provisions

The provisions and reserves set as of each year end which are listed in Exhibit I involve the following items:

	<u>12/31/2015</u>	<u>12/31/2014</u>
Provision for lawsuits	609.170	603.452
Provision for guarantee fund under Law No. 22510	110.515	68.365
Provision for labor-related liabilities	1.666.153	1.375.921
Other provisions	793	793
<b>Total</b>	<b><u>2.386.631</u></b>	<b><u>2.048.531</u></b>

The method 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 until March 31, 1991, and, as from such 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 borrowing rate under BCRA Notice No. 14290 was used until December 31, 2001, and, from such date onwards, the common savings account rate based on Law No. 25344 was used. In the case of lawsuits subsequent to December 31, 2001, and until the closing date of the accompanying financial statements, the borrowing rate under BCRA Notice No. 14290 was used for judicial purposes.

In the cases of amounts claimed in United States dollars, the peso parity has been determined at one peso per US dollar and without considering any interest rate, as there are no precedents where the BCRA has had to pay in dollars the debts claimed in that currency.

In addition, lawsuits for damages were brought against the BCRA for unspecified amounts and an unfavorable outcome thereof for the BCRA is remote as of the date of issuance of the accompanying financial statements; therefore, no reserve was booked.

#### 4.23 Statement of income – Significant items

The most significant items are:

##### 4.23.1 Interest and adjustments income

###### On International Reserves

	<u>12/31/2015</u>	<u>12/31/2014</u>
Long-term deposits	168.747	107.658
Demand deposits and foreign currency	39.808	29.525
Foreign government securities	536	120
Multilateral credit agreements	4.578	4.912
<b>Total:</b>	<b><u>213.669</u></b>	<b><u>142.215</u></b>

###### On Argentine Government securities

	<u>12/31/2015</u>	<u>12/31/2014</u>
Interest on government securities	3.581.961	2.112.851
CER on government securities	204.677	360.949
<b>Total:</b>	<b><u>3.786.638</u></b>	<b><u>2.473.800</u></b>

<b>On loans to the Argentine financial system</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Interest earned	335.103	417.456
<b>Total:</b>	<b>335.103</b>	<b>417.456</b>
<b>On other assets</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Interest and adjustments on secured loans	71.703	86.565
FABP (yield and interest)	53.722	23.795
Interest and adjustments on financial instruments	34.720	-
Other interest earned	27.294	7.464
<b>Total:</b>	<b>187.439</b>	<b>117.824</b>
<b>4.23.2 Interest and adjustments expense</b>		
<b>On securities issued by the BCRA</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Interest on Nobac	-	(2.449.141)
Interest on Lebac	(77.238.967)	(39.748.115)
<b>Total:</b>	<b>(77.238.967)</b>	<b>(42.197.256)</b>
<b>On loans borrowed from international agencies and other</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Other obligations	(162.855)	(45.759)
<b>Total:</b>	<b>(162.855)</b>	<b>(45.759)</b>
<b>On other transactions with the financial system</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Net premiums accrued on repo transactions	(2.251.127)	(996.471)
Other transactions	-	(3.674)
<b>Total:</b>	<b>(2.251.127)</b>	<b>(1.000.145)</b>
<b>On other liabilities</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Interest	(32.025)	(21.185)
Gain (loss) on CER application	(67.711)	(53.690)
Interest and adjustments on financial instruments	(12.524)	-
<b>Total:</b>	<b>(112.260)</b>	<b>(74.875)</b>
<b>4.23.3 Net set-up of allowances for government securities and loans to the Argentine financial system</b>		
	<b>12/31/2015</b>	<b>12/31/2014</b>
For government securities	8.885	8.815
For loans to the financial system	(130.480)	(294.399)
<b>Total:</b>	<b>(121.595)</b>	<b>(285.584)</b>
<b>4.23.4 Foreign currency trading differences. net</b>		
	<b>12/31/2015</b>	<b>12/31/2014</b>
Foreign currency trading	43.844.448	8.561.866
<b>Total:</b>	<b>43.844.448</b>	<b>8.561.866</b>

<b>4.23.5 Listed price differences. net</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
For International Reserves		
Foreign currency. Time and demand deposits	54.858.155	41.018.241
Gold	7.262.629	4.563.456
Foreign government securities	1.152.965	1.968.864
Derivative instruments	(112.001)	(213.131)
Others	183.103	47.335
For Argentine government securities	296.054.930	92.813.409
International organizations	12.977.022	4.478.872
For entities' deposits in checking accounts and Argentine Government deposits	(51.943.853)	(20.004.280)
Other valuation adjustments of assets and liabilities	(69.559.095)	(9.854.408)
<b>Total:</b>	<b>250.873.855</b>	<b>114.818.358</b>
<b>4.23.6 Other financial instruments trading differences. net</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
On swap transactions of non-transferable bills (see notes 4.2.1.2.2.1. 4.2.1.2.2.2 and 4.2.1.2.2.3.)	(31.122.518)	-
On transactions with Lebac and Nobac	487.338	161.850
On forward transactions (see note 2.6)	(42.427.938)	(1.058.458)
On transactions with securities	2.339	(78.666)
On forward/futures transactions	12.932	31
Other transactions	(6.341)	-
<b>Total:</b>	<b>(73.054.188)</b>	<b>(975.243)</b>
<b>4.23.7 Miscellaneous charges and fines</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Fines	401.006	402.022
Charges	44.976	54.894
<b>Total:</b>	<b>445.982</b>	<b>456.916</b>
<b>4.23.8 Monetary issuance expenses</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Coinage and minting	(1.058.810)	(972.916)
Materials	(673.488)	(396.241)
Other expenses	(249.651)	(164.643)
<b>Total:</b>	<b>(1.981.949)</b>	<b>(1.533.800)</b>
<b>4.23.9 General expenses</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Amortization	(19.548)	(17.144)
Other general expenses	(2.688.650)	(2.047.285)
<b>Total:</b>	<b>(2.708.198)</b>	<b>(2.064.429)</b>
<b>4.23.10 Set-up of other allowances. net (Note 4.23.10)</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
Allowance for coined gold	(327)	(207)
Provision for lawsuits	(20.259)	77.770
Provision for labor-related liabilities	(290.238)	(200.499)
Other provisions	(207.734)	(114.556)
<b>Total:</b>	<b>(518.558)</b>	<b>(237.492)</b>

**4.23.11 Other income and expenses**

	<u>12/31/2015</u>	<u>12/31/2014</u>
Income/(loss) for the assignment of foreign currency position Com. "A" 5852 (see Note 2.5)	6.318.971	-
Others	<u>(268.119)</u>	<u>(98.345)</u>
	<u><b>6.050.852</b></u>	<u><b>(98.345)</b></u>

**NOTE 5 - DEBIT- AND CREDIT-BALANCE MEMORANDUM ACCOUNTS**

As of December 31, 2015, debit- and credit-balance memorandum accounts amounted to ARS 3.380.733.494 (ARS 2.044.071.322 as of December 31, 2014), which broke down as follows:

	<u>12/31/2015</u>	<u>12/31/2014</u>
Total stock of banknotes and coins	498.675.416	374.372.298
Stock of banknotes and coins issued for circulation deposited in the BCRA	19.899.250	15.620.702
Other ( Banknote paper/coin blanks/banknotes and coins in process)	129.669.293	168.885.102
Settlement checks	16.341	8.733
Certificate of deposit for investment (CEDIN)	5.667.021	3.257.570
Monetary assets in custody	1.649.078.255	983.216.542
Nonmonetary assets in custody	170.464.501	142.196.826
Checks and securities received in guarantee	17.547.341	17.174.831
Non-negotiable securities – International organizations	29.398.888	20.162.147
Commitments agreed with international organizations	273.223.303	156.779.732
Loans classified as irrecoverable	24.630.519	24.154.036
Funds managed on behalf of Treasury Department	4.611.693	3.032.573
Financial fines. Section 41. Financial Entities Law and Criminal Foreign Exchange System	902.992	748.378
Contingent rights and obligations		
From imports under LAIA agreement	937.046	415.165
Under the Bilateral Agreement with the People's Bank of China	97.389.960	97.389.960
Other contingent rights from forward transactions		
From OCT - MAE acquisitions (foreign currency)	18.019.372	-
From ROFEX Market acquisitions (foreign currency)	99.209.163	20.657
Other contingent obligations from forward transactions		
From OCT - MAE sales (foreign currency)	70.975.968	23.938.482
From ROFEX Market sales (foreign currency)	269.718.798	12.204.404
Others	698.375	493.184
<b>Total</b>	<u><b>3.380.733.495</b></u>	<u><b>2.044.071.322</b></u>

The stock of banknotes and coins includes ARS 498.675.416 on account of banknotes and coins issued (ARS 374.372.298 as of December 31, 2014), out of which ARS 478.776.167 represent monetary circulation as of December 31, 2015 (ARS 358.751.597 as of December 31, 2014) and ARS 19.899.250 of banknotes and coins deposited in the Bank fit for circulation (ARS 15.620.702 as of December 31, 2014) (see note 4.9.1.1).

“Other” (banknote paper – coin blanks – banknotes and coins in process) includes mainly paper stock to print banknotes and coin blanks to strike coins in the amount of ARS 15.224.592 (ARS 67.141.089 as of December 31, 2014) and paper and banknotes of old lines to be destroyed in the amount of ARS 1.337.331 (ARS 1.473.718 as of December 31, 2014).

The balance of ARS 16.341 as of December 31, 2015 for settlement checks represents the checks of this kind that were drawn in Argentine pesos and in US dollars in the hands of the general public and the checks paid and sent to the BCRA for final verification and destruction (ARS 8.733 as of December 31, 2014) (see note 4.9.1.2).

“Checks and securities in custody” include mainly securities, local and foreign currency and checks deposited with the Bank’s treasury or in regional agencies as part of the BCRA’s duties or due to a court order. Assets with a financial value were classified as monetary, while nonmonetary assets are those that due to their aging can no longer be used as payment in the case of currencies, or which lack financial value in the case of government securities. “Checks and securities in custody – monetary” were valued by applying the foreign exchange rates effective as of each year end.

The “Checks and securities received in guarantee” amount includes, mainly ARS 7.231.407 of securities and checks deposited with the BCRA or with other entities in relation to credit transactions (ARS 8.962.520 as of December 31, 2014) and ARS 10.222.070 of securities deposited in guarantee by local banks in relation to LAIA transactions (ARS 8.115.540 as of December 31, 2014), among others.

The amount of “Non-negotiable securities” represents mainly the amount of Treasury Bills issued by the BCRA on behalf and account of the Argentine Government for a total of ARS 27.476.758 as of December 31, 2014 (ARS 18.891.030 as of December 31, 2014), maintaining the potential commitment to pay the IMF, as mentioned in note 4.5).

The Commitments undertaken with International Agencies mainly include the principal amount payable agreed with each agency (IDB, FONPLATA, and IBRD, among others). Such principal amount payable is subject to a payment requirement when necessary to meet obligations held with the agencies.

The receivables deemed non-recoverable include loans granted to former financial entities that are currently undergoing liquidation and total ARS 22.379.876 (ARS 22.401.767 as of December 31, 2014) and loans granted to former entities with revoked authorization that were verified in litigation in an amount of ARS 2.071.361 (ARS 1.572.328 as of December 31, 2014).

“Funds managed on behalf of the Treasury Department” include ARS 4.367.847 (ARS 2.872.221 as of December 31, 2014) of collateralized securities belonging to the Treasury Department, which were delivered to the BCRA to be managed by it and ARS 243.846 (ARS 160.351 as of December 31, 2014) related to the Tax anticyclical fund.

Fines imposed in accordance with the provisions of article 41 of the Charter account for ARS 902.992 (ARS 748.378 as of December 31, 2014).

“Contingent obligations from transactions under LAIA agreements” records the instruments issued by financial entities resulting from imports under such agreement. As of December 31, 2015, this account amounted to ARS 937.046 (ARS 415.165 as of December 31, 2014).

During the fiscal year 2014, a currency swap agreement was entered into between the Central Bank of Argentina and the People’s Bank of China (see Note 2.3). The contingent rights and obligations arising under that agreement have been recorded in memorandum accounts.

“Contingent rights from forward transactions” includes the notional values of the foreign currency futures purchase contracts arranged through the MAE and ROFEX, while “Contingent obligations from forward

transactions” includes the notional values of the foreign currency futures sales contracts arranged through those markets, plus contracts arising from the measures described in note 2.6.

The monthly changes of the position in Argentine pesos of futures contracts with OCT/MAE and the ROFEX in 2015 is the following:

<b>OCT - MAE</b>	<b>Purchases</b>	<b>Sales</b>	<b>Net position</b>
Dec 2014	-	23.938.482	(23.938.482)
Jan 2015	-	19.834.891	(19.834.891)
Feb 2015	-	14.730.544	(14.730.544)
Mar 2015	-	8.072.672	(8.072.672)
Apr 2015	-	8.176.963	(8.176.963)
May 2015	-	7.376.070	(7.376.070)
Jun 2015	-	10.132.493	(10.132.493)
Jul 2015	-	18.354.914	(18.354.914)
Ago 2015	-	24.743.301	(24.743.301)
Sept 2015	-	42.548.903	(42.548.903)
Oct 2015	-	59.628.999	(59.628.999)
Nov 2015	839.614	62.208.135	(61.368.521)
Dec 2015	18.019.372	70.975.968	(52.956.596)

<b>ROFEX</b>	<b>Purchases</b>	<b>Sales</b>	<b>Net position</b>
Dec 2014	20.657	12.204.404	(12.183.747)
Jan 2015	19.794	8.573.232	(8.553.438)
Feb 2015	19.631	5.062.896	(5.043.265)
Mar 2015	-	6.389.097	(6.389.097)
Apr 2015	-	6.719.369	(6.719.369)
May 2015	-	6.926.423	(6.926.423)
Jun 2015	-	8.667.857	(8.667.857)
Jul 2015	-	75.716.626	(75.716.626)
Ago 2015	79.493	28.128.831	(28.049.338)
Sept 2015	81.824	54.200.107	(54.118.283)
Oct 2015	81.786	103.552.505	(103.470.719)
Nov 2015	82.364	128.497.678	(128.415.314)
Dec 2015 (1)	99.209.163	269.718.798	(170.509.635)

(1) Balances as of December 31, 2015 include ARS 99.103.755 corresponding to transactions deriving from the regulation described in Note 2.6., adjusted in accordance with listed prices at closing.

In addition, the net position broken down by expiration date of the contracts in force as of December 31, 2015 is disclosed below:

	<b>1/31/2016</b>	<b>2/29/2016</b>	<b>3/31/2016</b>	<b>4/30/2016</b>	<b>5/31/2016</b>	<b>6/30/2016</b>
OCT MAE	10.190.950	9.062.182	17.248.790	6.016.504	3.131.494	7.306.676
ROFEX	20.268.212	27.726.447	45.604.855	27.555.020	22.839.419	26.515.682

Since this transaction includes contracts for different positions that are kept open until June 2016, total results from daily settlement of the related set-offs (profits and losses - mark to market) are shown in the following fiscal year and cannot be estimated at the date of issuance of these financial statements.

## **NOTE 6 - RISK MANAGEMENT POLICY**

### **6.1 International reserve management risk**

As set forth in Section 14 q) of the Charter, as amended by Law No. 26739, in effect since April 6, 2012, the Board of Directors of the BCRA has the authority to determine the level of gold, foreign currency and other foreign asset reserves required for foreign exchange policy implementation, considering the changes in foreign accounts.

The BCRA uses financial instruments as a way of attaining monetary policy objectives, as well as to manage international reserves. Its main purpose is not to make a profit, although the instruments should be adequate to ensure that its duties as monetary authority are correctly executed.

The gains (losses) in the exchange rate and the level of international reserves are monitored on a daily basis, and a report is drafted that contains a summarized explanation of the different factors that explain the resulting gain (loss), taking into account the changes in the main listings of the currencies in which the reserves are invested, the gain (loss) on the BCRA's portfolio securities, the BCRA's interest in the foreign exchange market and the foreign debt payments. Daily settlements of the regional cooperation agreements such as LAIA and SML (local currency system) are also included. Every week, the Board of Directors holds meetings to evaluate the real economy's progress, the financial and monetary indicators and the situation of the foreign exchange market.

Every month, a report is sent to the Board of Directors on the transactions on the spot and forward exchange market (futures transactions), which provides thorough detail on the monthly changes in the foreign exchange market and reports on the monthly purchases made by the BCRA, the BCRA's relative interest in the market, the total purchases made year-to-date, changes in the monthly settlement of grain and oilseeds exports and changes in the benchmark exchange rates.

Each fiscal year, the Board of Directors is provided with a report describing the international context, the breakdown of transactions carried out as part of the reserve portfolio management and the income (losses) and yields for the period.

The international reserves act as insurance against potential shocks. Consequently, defining the necessary level will depend on the risks perceived with regard how likely adverse events are to occur. These risks include: 1) commercial risk; 2) financial risk; and 3) risk on monetary aggregates and the financial system. Commercial risk is analyzed by observing how the following variables behave: the degree of openness to trade, the balance from the trade of goods, the breakdown and destination of exports, and the historical changes in the price of raw materials and its volatility.

The analysis of the financial risk is centered on the requirements to address service obligations of foreign currency debt and the short-term private external debt. With regard to the risk on monetary aggregates and the financial system, a list is made of the characteristics and changes in demand for foreign currency of the private non-financial sector and the role of the financial system in that demand, as well as the regulations in effect on this matter. It also describes the performance of foreign currency supply, in regard to recent changes as well as in regard to projections for the corresponding year.

During 2015, the Board of Directors approved under Resolution No. 169 of June 19, 2015 a new Manual of International Reserves Investment Policies which did not introduce major changes to the available investment universe or the risk levels acceptable to the Central Bank of Argentina, but added better controls of safety and of the risks assumed in the administration of International Reserves. In this regard, the criteria used in the selection and follow-up of credit risk were revised in the internal regulations. Particularly, the traditional methodology based on minimum requirements for external credit ratings was enhanced by a new methodology which enables selecting and controlling credit risk through a broader and timely set of information, without depending exclusively on a particular criterion. A multi-factor model was developed considering the external credit ratings as an additional source of information, which contributes within a broader group that is complemented with average market prices of credit default swaps (CDS) and with ratings arising from structural models. This new model enables relatively ordering the credit quality of each investment, thus selecting the investments with the highest credit quality.

Early warning signals have also been added, based on determined thresholds set for the risk of noncompliance calculated in the average market prices, improving the follow-up and control of the credit risk of each of the investments made.

### **6.1.1 Credit risk**

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

In this regard and in relation to Reserves, it should be considered the sovereign risk of the countries listed in the Manual of Policies for Investment of International Reserves. For the investment portfolios, it is permitted, in eligible countries, the exposure of countries with the highest credit rating.

Counterparties of the BCRA may be: international agencies, multilateral financial institutions, central banks, central securities depositories and commercial or business banks that comply with requirements relating to country of residence, capital, systemic importance, supervision system and credit quality.

To determine the credit quality it is calculated the weighted average of the default probabilities associated with credit risk ratings, market prices of credit default swaps (CDS) 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 depending on the related credit quality regulations. 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, based on the percentage of International Reserves.

Furthermore, if the CDS of each country or counterparty exceeds certain limits, exposure cannot be increased or must be settled or fully covered.

### **6.1.2 Market risk**

Market risk arises due to market parameter fluctuations. Therefore, “market risk” encompasses sub-risks involving changes in exchange rates, interest rates and in prices. With regard to this type of risk, the investment guidelines establish that the portfolio duration should not exceed two and a half years; the permitted exchange risk was reduced for investments in currencies other than the US dollar.

### **6.1.3 Liquidity risk**

Investment guidelines related to the liquidity risk establish that the investment manager will ensure that the portfolio holdings are sufficiently liquid to be sold, within three days after being notified. However, this does not result in a material impact on market prices as a consequence of the liquidation. As regards time deposits, it is considered that there is sufficient liquidity based on the credit quality of the counterparty and the possibility of early settlement.

## **6.2 Operating risk**

The operating risk arises from incurring in losses due to process, staff or internal system failures, or events outside the BCRA.

In order to control it, foreseeable high-risk events are identified, as well as existing controls related to each process for mitigation purposes.

A distinction is made between financial and nonfinancial risk. An action plan is prepared and there is permanent monitoring.

Within that framework, the BCRA has strengthened and adapted its functional structure through specific organizational units to analyze the probability of occurrence of a threat due to the existence of one or more vulnerabilities with resulting adverse impact for the Bank.

Its main function is to identify and assess nonfinancial risk levels jeopardizing the Bank's processes, proposing mechanisms to limit and control the organization's vulnerability in that regard; draft and update the Bank's Business Operations Continuity Manual, which is aimed at establishing a formal protocol that defines the steps to be followed by each division in the event of contingencies which prevent the normal development of its functions, to guarantee compliance with its main missions.

### **6.3 Asset concentration risk**

With respect to the risks to which the BCRA could be exposed due to the lack of asset portfolio diversification or a significant exposure to noncompliance risk of security issuer or groups of related issuers, by virtue of BCRA Charter and Convertibility Law Amendment Law, sections 17 and 20 of the Charter regulate the management of loans and borrowings related to the Argentine financial system and the National Government, respectively.

## **NOTE 7 - EVENTS SUBSEQUENT TO YEAR END**

### **7.1 Maturity and repayment of principal on 1990 Argentine Treasury Consolidated Bond**

According to Resolution No. 334/2002 issued by the Ministry of Economy, which restructured the obligations resulting from the repayment terms of the 1990 Argentine Treasury Consolidated Bond, dated January 4, 2016, the seventh instalment was settled, equivalent to 1% of the bond's nominal value.

### **7.2 Reverse repurchase agreements of National Government securities**

Under Resolution No. 44 of January 28, 2016, the Board of Directors of the Central Bank of Argentina authorized, pursuant to the provisions of section 18, sub-sect. a) of the Charter and in compliance with its monetary and exchange regulatory functions, the performance of reverse repo transactions in United States dollars involving US dollar denominated securities issued by the National Government and held in the BCRA portfolio, for a total amount of up to USD 6.0 billion, with creditworthy international banks. At the date of issue of these financial statements, reverse repurchase agreements have been entered for USD 5.0 billion which, according to point 7) of that Resolution, may not be considered as excess reserves, pursuant to section 6 of Law No. 23928 and its amendments. BONAR 2022, BONAR 2025 and BONAR 2027 which were held in the BCRA portfolio have been delivered as a counterpart for these transactions.

### **7.3. Voluntary disclosure of holdings in foreign currency in Argentina and abroad**

At the date of these financial statements no new resolutions have been adopted which modify the time frames set forth by Decree No. 2008/15 (see Note 2.1).

Under Board Resolution No. 173 dated May 5, 2016, the Central Bank of Argentina did not admit any further subscriptions of Certificates of Deposit for Investment (see Note 2.1).

### **7.4 Profits advance to the National Government**

By Board Resolution No. 115 dated March 23, 2016. ARS 30.000.000 were transferred to the National Treasury as profits on account of unappropriated retained earnings for the fiscal year 2015.

### **7.5 Release of payments of the bonds issued under foreign legislation, which had been applied to the 2005 and 2010 swap transactions**

Under the judicial order issued by the Court for the Southern District of New York on April 19, 2016, April 29, 2016 was set as the Date of Registration of the bonds issued under the Law of New York and England in the 2005 and 2010 swap transactions (see Note 4.13 Other deposits into special accounts). According to this judicial order, bondholders at that date will receive the respective payments within 15 days following the Date of Registration mentioned above.

Consequently, on May 4, 2016 the funds corresponding to the debt services on the Argentine Government Securities issued under the Sovereign Debt Restructuring that took place between 2005 and 2010 and the funds corresponding to the Law No. 26984 Fund - Restructured Sovereign Debt Payment account were transferred from the Central Bank.

### **7.6 Application of funds to the prepayment of Non-transferable Bill maturing in 2025**

As established by Law No. 27249 which ratified the payment agreements entered into between the Republic of Argentina and the holders of Government Securities and/or their representatives. Resolution No. 146 was adopted by the Ministry of Economy and Public Finance on April 21, 2016 approving, among other issues, through Section 2 the Settlement Trust Agreement model (Exhibit VI).

The Settlement Trust Agreement provides that "... if such payment is not made in full ..." the funds shall be "...transferred to the Central Bank of Argentina (BCRA) to be applied to the reimbursement of the outstanding debt of the Republic with the BCRA under the NON-TRANSFERABLE BILL MATURING IN 2025 held by the BCRA ...".

The Financing Undersecretariat of the Ministry of Economy and Public Finance has issued SSF Note No. 15/2016 dated May 11, 2016 on the principal prepayment terms and informed that such prepayment will be made at par. plus interest on the portion of the amount being prepaid.

### **7.7 Exchange rate quotation**

The US dollar reference exchange rate prevailing as of May 18, 2016 is ARS 14,1108.

There are no other events or transactions that took place between year end and the date on which these financial statements were issued, that may substantially affect the BCRA's financial position or the results of its operations as of December 31, 2015.

## CHANGES IN ALLOWANCES/ PROVISIONS AS OF DECEMBER 31, 2015

- In thousands of pesos-

Items	Balances at beginning of year	Increases	Decreases		Balances at year-end
			Reversals	Uses	
<b>DEDUCTED FROM ASSETS</b>					
Allowance for gold in bars	16.975	8.839	-	-	25.814
Allowance for impairment of government securities	828.645	-	8.885	-	819.760
Allowance for loans to the Argentine financial system	1.024.315	132.705	2.225	129.433	1.025.362
Other allowances	576.962	208.889	828	13.885	771.138
<b>TOTAL ALLOWANCES DEDUCTED FROM ASSETS</b>	<b>2.446.897</b>	<b>350.433</b>	<b>11.938</b>	<b>143.318</b>	<b>2.642.074</b>
<b>INCLUDED IN LIABILITIES</b>					
Provision for lawsuits	603.452	91.593	71.334	14.541	609.170
Guarantee fund - Law No. 22510	68.365	42.150	-	-	110.515
Provision for labor-related liabilities	1.375.921	290.243	5	6	1.666.153
Other provisions	793	-	-	-	793
<b>TOTAL PROVISIONS INCLUDED IN LIABILITIES</b>	<b>2.048.531</b>	<b>423.986</b>	<b>71.339</b>	<b>14.547</b>	<b>2.386.631</b>

NOTE: Increases and decreases in allowances/provisions are presented under "Set-up of allowances for Government Securities and loans to the financial system- net" and "Set-up of other allowances- net".

Adriana M. Fischberg  
MAIN GENERAL  
ACCOUNTING MANAGER

Nicolás Gadano  
CENTRAL SERVICES GENERAL SUBMANAGER

Mariano Flores Vidal  
GENERAL MANAGER

Federico Sturzenegger  
CHAIRMAN

Paola A. López  
DEPUTY SUPERVISORY AUDITOR

Juan Carlos Isi  
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/18/2016

**COMPARATIVE TABLE OF MAIN ACCOUNTS IN FOREIGN CURRENCY  
AS OF DECEMBER 31, 2015 AND 2014 - In thousands of pesos -**

	12/31/2015		12/31/2014	
	Balances in US dollars	Balances in Argentine pesos	Balances in US dollars	Balances in Argentine pesos
<b>ASSETS</b>	<b>97.176.756</b>	<b>1.263.783.700</b>	<b>89.972.539</b>	<b>769.445.144</b>
<b>INTERNATIONAL RESERVES</b>				
Gold (Net of allowance)	2.106.933	27.400.662	2.354.775	20.138.033
Foreign currency	11.129.824	144.743.359	9.823.853	84.013.589
Deposits to be realized in foreign currency	12.286.868	159.790.715	19.189.181	164.105.872
Derivatives over international reserves	(7.615)	(99.028)	(8)	(70)
Multilateral credit agreements	47.416	616.648	39.645	339.047
<b>GOVERNMENT SECURITIES</b>				
Securities issued under foreign legislation	41.260	536.582	469	4.013
Securities issued under Argentine legislation	63.689.405	828.280.718	54.159.831	463.174.872
<b>CONTRIBUTIONS TO INTERNATIONAL AGENCIES ON BEHALF OF ARGENTINE GOVERNMENT</b>	<b>3.611.800</b>	<b>46.971.453</b>	<b>3.523.931</b>	<b>30.136.659</b>
<b>RIGHTS DERIVING FROM DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>3.082.589</b>	<b>40.089.068</b>	<b>-</b>	<b>-</b>
<b>RIGHTS DERIVING FROM REPO TRANSACTIONS</b>				
Securities to be received under reverse repurchase agreements Com. "A" 4508	220.906	2.872.881	14.685	125.585
Rights under repurchase transactions	967.370	12.580.642	866.177	7.407.544
<b>LIABILITIES</b>	<b>36.621.114</b>	<b>476.257.603</b>	<b>20.473.144</b>	<b>175.086.338</b>
<b>CURRENT ACCOUNTS IN OTHER CURRENCIES</b>	<b>435.737</b>	<b>5.666.758</b>	<b>380.872</b>	<b>3.257.216</b>
<b>CURRENT ACCOUNTS IN OTHER CURRENCIES</b>	<b>10.727.067</b>	<b>139.505.512</b>	<b>8.072.993</b>	<b>69.040.232</b>
<b>DEPOSITS FROM THE ARGENTINE GOVERNMENT AND OTHERS</b>	<b>235.152</b>	<b>3.058.155</b>	<b>1.176.352</b>	<b>10.060.163</b>
<b>OTHER DEPOSITS</b>	<b>2.480.071</b>	<b>32.253.323</b>	<b>713.085</b>	<b>6.098.302</b>
<b>IMF SPECIAL DRAWING RIGHTS</b>				
IMF Special Drawing Rights	2.799.230	36.403.986	2.926.654	25.028.746
SDR contra account	(2.358.055)	(30.666.507)	(2.465.397)	(21.084.071)
<b>OBLIGATIONS WITH INTERNATIONAL AGENCIES</b>				
Obligations	924.559	12.023.894	987.821	8.447.844
Contra account to utilization of reserve tranche	(733.455)	(9.538.580)	(766.842)	(6.558.037)
<b>SECURITIES ISSUED BY THE BCRA</b>				
Bills and notes issued in foreign currency	2.404.691	31.273.012	664.192	5.680.173
<b>CONTRA ACCOUNT OF ARGENTINE GOVERNMENT CONTRIBUTIONS TO INTERNATIONAL AGENCIES</b>	<b>2.429.007</b>	<b>31.589.233</b>	<b>2.310.527</b>	<b>19.759.626</b>
<b>OBLIGATIONS DUE FROM OTHER DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>3.086.718</b>	<b>40.142.766</b>	<b>-</b>	<b>-</b>
<b>OBLIGATIONS FROM REPO TRANSACTIONS</b>				
Obligations under reverse repurchase agreements Com. "A" 4508	219.910	2.859.935	226.124	1.933.816
Securities to be delivered under repo transactions	959.939	12.484.001	864.974	7.397.259
Obligations from currency swap transactions with China	10.787.983	140.297.722	2.587.107	22.124.943
<b>OBLIGATIONS DUE TO MULTILATERAL CREDIT AGREEMENTS</b>	<b>173.567</b>	<b>2.257.238</b>	<b>191.050</b>	<b>1.633.862</b>
<b>OTHER LIABILITIES</b>				
Other obligations in foreign currency				
Other obligations	1.000.043	13.005.556	1.600.022	13.683.389
Other financial intermediation agents	1.048.950	13.641.599	1.003.610	8.582.875

NOTE: The accounts included herein represent the most significant balances in foreign currency.

Adriana M. Fischberg  
MAIN GENERAL  
ACCOUNTING MANAGER

Nicolás Gadano  
CENTRAL SERVICES  
GENERAL SUBMANAGER

Mariano Flores Vidal  
GENERAL MANAGER

Federico Sturzenegger  
CHAIRMAN

Paola A. López  
DEPUTY SUPERVISORY AUDITOR

Juan Carlos Isi  
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/18/2016

**COMPARATIVE TABLE OF GOVERNMENT SECURITIES  
AS OF DECEMBER 31, 2015 AND 2014 - In thousands of pesos -**

GOVERNMENT SECURITIES	Currency	12/31/2015		12/31/2014	
		Original Nominal Value	Pesos	Original Nominal Value	Pesos
<b>TOTAL GOVERNMENT SECURITIES:</b>			<b>867.629.606</b>		<b>481.566.384</b>
<b>CENTRAL BANK HOLDINGS</b>			<b>868.449.366</b>		<b>482.395.029</b>
<b>ISSUED UNDER FOREIGN LEGISLATION</b>			<b>536.582</b>		<b>4.013</b>
Global Bonds 2017	US dollars	429	6.255	379	4.013
Discount Bonds 2033	US dollars	25.949	530.327	-	-
<b>ISSUED UNDER ARGENTINE LEGISLATION</b>			<b>867.912.784</b>		<b>482.391.016</b>
1990 ARGENTINE TREASURY CONSOLIDATED BOND	Pesos	4.734.790	4.681.902	4.734.790	4.690.716
<b>NONTRANSFERABLE TREASURY BILLS</b>			<b>629.282.704</b>	<b>-</b>	<b>460.498.363</b>
Nontransferable Bill - Maturity 2016	US dollars	-	-	9.530.111	81.501.507
Nontransferable Bill - Maturity 2020 - Dec. 297/10	US dollars	-	-	2.187.000	18.703.224
Nontransferable Bill - Maturity 2020 - Dec. 298/10	US dollars	-	-	4.382.000	37.474.864
Nontransferable Bill - Maturity 2021 - Dec. 2054/10	US dollars	7.504.000	97.589.520	7.504.000	64.174.208
Nontransferable Bill - Maturity 2021 - Dec. 276/11	US dollars	2.121.386	27.588.631	2.121.386	18.142.097
Nontransferable Bill - Maturity 2022 - Resol. 131/12	US dollars	5.674.000	73.790.370	5.674.000	48.524.048
Nontransferable Bill - Maturity 2022 - Resol. 171/12	US dollars	2.083.648	27.097.843	2.083.648	17.819.358
Nontransferable Bill - Maturity 2023 - Dec. 309/13	US dollars	2.292.297	29.811.319	2.292.297	19.603.722
Nontransferable Bill - Maturity 2023 - Resol. 8/13	US dollars	7.132.655	92.760.178	7.132.655	60.998.466
Nontransferable Bill - Maturity 2024 - Resol. 30/14	US dollars	7.896.765	102.697.427	7.896.765	67.533.133
Nontransferable Bill - Maturity 2024 - Resol. 190/14	US dollars	3.043.000	39.574.216	3.043.000	26.023.736
Nontransferable Bill - Maturity 2025 - Resol. 406/15	US dollars	10.640.000	138.373.200	-	-
<b>OTHER SECURITIES</b>			<b>237.801.504</b>	<b>-</b>	<b>21.055.263</b>
BONAR 2015	Pesos	-	-	1.225.131	508.429
BONAR 2017	US dollars	-	-	82.720	938.872
BONAR 2018	US dollars	169.984	2.600.761	-	-
BONAR 2019	Pesos	1.608.234	1.690.254	1.608.234	1.447.410
BONAR 2020	US dollars	86.900	1.273.085	-	-
BONAR 2022	US dollars	4.497.753	59.336.347	-	-
BONAR 2025	US dollars	4.510.463	59.626.507	-	-
BONAR 2027	US dollars	4.690.500	61.648.193	-	-
BOGAR 2018	Pesos	852.895	1.095.970	852.895	1.245.227
Discount Bonds 2033	US dollars	679.220	13.890.049	99.586	1.359.343
Discount Bonds 2033	Pesos	6.228.791	32.721.706	5.588.491	14.977.155
Discount Bonds 2033 - 2010 Issuance	Pesos	5.846	28.059	5.846	14.497
Quasi Par Bonds 2045	Pesos	40.351	165.842	40.351	62.140
National Treasury Bonds - Due 03.2016	Pesos	511.855	522.860	-	-
National Treasury Bonds - Due 05.2016	Pesos	1.917.613	2.013.494	-	-
National Treasury Bonds - Due 07.2016	Pesos	209.877	215.963	-	-
National Treasury Bonds - Due 09.2016	Pesos	100.077	105.832	-	-
GDP-related negotiable securities	US dollars	445.051	623.072	445.051	378.294
GDP-related negotiable securities	Pesos	1.861.192	187.977	1.861.192	100.690
Bond Province of Formosa	Pesos	85	70	85	70
PRO 7	Pesos	87	6	87	9
Consolidated bond 4th Series	Pesos	1.380	3	1.380	592
Par Bonds 2038	Pesos	22.093	55.454	22.093	22.535
<b>LESS:</b>					
REGULARIZATION - ACCRUAL 1990 CONSOLIDATED BOND	Pesos		3.853.326		3.853.326
<b>ALLOWANCE FOR IMPAIRMENT OF GOVERNMENT SECURITIES</b>			<b>(819.760)</b>		<b>(828.645)</b>
1990 Argentine treasury consolidated bond	Pesos		(819.760)		(828.575)
Bond Province of Formosa	Pesos		-		(70)

Adriana M. Fischberg  
MAIN GENERAL  
ACCOUNTING MANAGER

Nicolás Gadano  
CENTRAL SERVICES  
GENERAL SUBMANAGER

Mariano Flores Vidal  
GENERAL MANAGER

Federico Sturzenegger  
CHAIRMAN

Paola A. López  
DEPUTY SUPERVISORY AUDITOR

Juan Carlos Isi  
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/18/2016

## Securities issued by the BCRA (LEBAC/NOBAC) – In thousands of pesos

SECURITIES ISSUED BY THE BCRA	Total at 12/31/2015	Maturities						Total at 12/31/2014
		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	
<b>TOTAL:</b>	<b>416.605.223</b>							<b>282.285.992</b>
<b>ISSUED IN FOREIGN CURRENCY</b>	<b>31.273.012</b>							<b>5.680.173</b>
<b>LEBAC</b>	<b>31.273.012</b>	<b>11.198.380</b>	<b>17.006.485</b>	<b>2.338.536</b>	<b>380.342</b>	<b>349.269</b>	-	<b>5.680.173</b>
Principal	31.438.118	11.218.528	17.094.239	2.373.998	390.226	361.127	-	5.713.187
Interest to be accrued	(165.106)	(20.148)	(87.754)	(35.462)	(9.884)	(11.858)	-	(33.014)
<b>ISSUED IN LOCAL CURRENCY</b>	<b>385.332.211</b>							<b>276.605.819</b>
<b>LEBAC</b>	<b>322.324.914</b>	<b>79.022.026</b>	<b>138.641.419</b>	<b>66.374.715</b>	<b>38.286.754</b>	-	-	<b>238.908.003</b>
Principal	342.278.746	80.203.668	144.258.935	72.890.901	44.925.242	-	-	260.682.108
Interest to be accrued	(19.953.832)	(1.181.642)	(5.617.516)	(6.516.186)	(6.638.488)	-	-	(21.774.105)
<b>BCRA REFERENCE EXCHANGE RATE PAYABLE LEBAC</b>	<b>2.753.495</b>	-	-	-	-	<b>2.753.495</b>	-	<b>768.359</b>
Principal	2.845.249	-	-	-	-	2.845.249	-	774.917
Obligations by BCRA reference exchange rate	7.269	-	-	-	-	7.269	-	3.469
Interest to be accrued	(99.023)	-	-	-	-	(99.023)	-	(10.027)
<b>LEBAC - ISSUANCE FOR REVERSE REPURCHASE AGREEMENTS</b>	<b>60.253.802</b>	<b>2.051.867</b>	<b>5.643.340</b>	<b>52.558.595</b>	-	-	-	<b>36.929.457</b>
Issued in Argentine pesos for reverse repurchase agreements	139.191.639	6.895.505	15.087.938	117.208.196	-	-	-	67.224.669
To be delivered under reverse repurchase agreements	(78.937.837)	(4.843.638)	(9.444.598)	(64.649.601)	-	-	-	(30.295.212)

Adriana M. Fischberg  
MAIN GENERAL  
ACCOUNTING MANAGER

Nicolás Gadano  
CENTRAL SERVICES  
GENERAL SUBMANAGER

Mariano Flores Vidal  
GENERAL MANAGER

Paola A. López  
DEPUTY SUPERVISORY AUDITOR

Federico Sturzenegger  
CHAIRMAN

Juan Carlos Isi  
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/18/2016

<b>MONETARY BASE - ANNUAL VARIATION AS OF DECEMBER 31 COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR -In thousands of pesos-</b>	<b>12/31/2015</b>	<b>12/31/2014</b>
<b><u>I) Cash flows provided by operating activities</u></b>		
1. Increases	<b>272.597.563</b>	<b>164.995.848</b>
IADB/IBRD loans to Provinces financial program for micro small and medium-sized enterprises, and revolving funds	1.790.542	355.197
- Premiums paid for reverse repurchase agreements with Domestic Financial Institutions	1.667.766	866.380
- Contributions to General Revenue pursuant to Budget Law No. 27008 / 26895	480.000	360.000
- Transactions deriving from its activity as financial agent of the Argentine Government	125.427.551	100.231.529
- Administrative expenses	3.257.625	2.394.324
- Monetary issuance expenses	1.158.292	882.745
- Distribution of earnings to the Argentine Government related to fiscal years 2014 / 2013	26.324.102	39.718.449
- Temporary Advances to Argentine Government (Article 20. Charter) (2)	39.500.000	22.450.000
- Net Position in foreign currency- Adaptations (Com. "A" 5563)	21.342.145	22.950.124
- Net inflow/ (outflow) of funds from transactions with Argentine Government Securities	8.932.784	(3.540.064)
- Settlements / (Arrangements) of transactions of reverse repurchase agreements with Argentine financial institutions, net	12.242.480	(21.672.836)
- Communiqué "A" 5822 / 5852	30.474.276	-
2. Decreases	<b>(111.272.521)</b>	<b>(79.627.897)</b>
- Multilateral credit agreements (SML)	(6.886.455)	(7.991.248)
- Other financial institutions deposits	(3.421.900)	(2.609.991)
- Sale / Purchase of foreign currency for monetary regulation purposes, net	(91.712.199)	25.383.864
- Net placement / redemption of securities issued by the BCRA	(8.389.228)	(95.865.728)
- Net placement / redemption of credits to Domestic Financial Institutions	(715.776)	689.262
- Other items	(146.965)	765.945
<b>Restated cash flow provided by all activities (I)</b>	<b>161.325.042</b>	<b>85.367.951</b>
<b>Monetary Base - Beginning of the year (Note 3.1)</b>	<b>462.564.475</b>	<b>377.196.524</b>
<b>Monetary Base - End of year (Note 3.1)</b>	<b>623.889.518</b>	<b>462.564.475</b>

- (1) Profit Distributions to the National Government for the year 2014 totaled ARS 78.124.102. During 2015, They were fully transferred with contra account in Monetary Base for ARS 26.324.102 and National Government Deposits for ARS 51.800.000.
- (2) The net accumulated variation of Temporary Advances amounts to ARS 80.400.000: ARS 39.500.000 with contra account in Monetary Base and ARS 40.900.000 with contra account in National Government Deposits.

Adriana M. Fischberg  
MAIN GENERAL  
ACCOUNTING MANAGER

Nicolás Gadano  
CENTRAL SERVICES  
GENERAL SUBMANAGER

Mariano Flores Vidal  
GENERAL MANAGER

Federico Sturzenegger  
CHAIRMAN

Paola A. López  
DEPUTY SUPERVISORY AUDITOR

Juan Carlos Isi  
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/18/2016