

Monthly Economic Newsletter



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KEY DATA

Inflation rate. The Internal Wholesale Price Index rose 6.1% (47.7% y-o-y) in February. It was the highest monthly increase since August 2019.

HIGHLIGHTS

Argentina, and a complex political scenario. The confidence in the Government remains on the downside, due to the mismanagement of the COVID-19 vaccinations and to the aggressive speech of the authorities. The increasing country risk premium reflects the increasing doubts of Argentina's capabilities to make the scheduled payments to the IMF in 2021-2023.

United States. The U.S. Congress passed the US\$ 1.9 Tn. COVID relief bill to stimulate aggregate demand and labor employment. The increasing public debt and CPI inflation are not perceived as relevant risk factors, and the Fed kept the expansionary bias of the monetary policy with no change.

Bitcoin (BTC). The BTC market price increased for almost 1,900% since March 2019, and last weekend surpassed the "ceiling" of US\$ 61,000. Market expectations remain bullish, and the most optimistic forecasters envisage a market price beyond US\$ 100,000 at the end of 2021.

LOOKING AHEAD

COVID-19. New blockings on people circulation and economic activities are expected due to the lack of enough vaccines and the ongoing increase in daily coronavirus contagions. However, it looks unlikely the return to the 2020 complete lockdown.

Price and stocks control. From this week, 1,000 great manufacturing and commerce firms must report to the Internal Commerce Undersecretariat their monthly sales -price and sold units by product-, as well as their inventories of intermediate and final goods.

Negotiations with the IMF. Next week the Ministry of Economy will meet IMF officers and their staff to accelerate the negotiations on the reprofiling of the debt-payments concentrated in 2021-2023.