

June 2016

Argentina in the news this month:

An important step in the normalization of Argentina's economy

International media this month widely reported on the country's return to credible inflation statistics after the revamped Indec statistics agency announced figures for May 2016. An important step in the normalization of Argentina's economy, the publication of reliable inflation data "is expected to lead to a positive audit from the IMF, due in July, which will mark the first time the multilateral organization performs its Article IV economic review in South America's second-largest economy since the previous government severed relations in 2006" ([Financial Times](#))

gies to be embraced to help power the region and protect citizens from "corrupt and opaque governments", such as those that have characterized the region over last 30 years ([EFE](#)).

Casa Rosada 2016

Susana Malcorra's candidacy for UN Secretary General received extremely strong endorsement from Colombian President Juan Manuel Santos during President's Macri's state visit to Colombia, as did Argentina's bid to become part of the Atlantic Partnership commercial alliance. Santos "Colombia wants to be Argentina's door to the Pacific", stated President Santos ([AFP](#)).

The government's announcement of a tax amnesty to encourage Argentines to repatriate billions of dollars was also widely reported. President Macri declared that the amnesty "would help fulfill one of his campaign pledges to settle debts with pensioners, some of which date back more than two decades" ([Bloomberg](#)). The fact that Argentina has recently signed information-sharing agreements with dozens of countries will, according to Finance Minister Prat Gay, make it "very hard for Argentines who don't have things in order to hide money that they haven't yet declared. Because of that we're offering them a last chance" (quoted in the [Wall Street Journal](#)).

Business media reported on announcements by national and international companies to expand services and investments in Argentina. Banco Galicia, for example, Argentina's largest bank, will "spend more than 2.5 billion pesos (US\$182 million) in 2016 to open branches, move its headquarters and incorporate new technology, compared to 1.3 billion pesos invested last year" ([Reuters](#)). Exxon Mobil is looking at additional investments of over US \$10 billion in the next few decades, as it transplants the U.S. shale-drilling model to Argentina's Vaca Muerta. ([Bloomberg](#)).

A highlight of President Macri's state visit to Colombia and participation at the World Economic Forum Latin America in Medellin in mid-June was his call for greater innovation across Latin America. Together with President Santos, Macri urged for new technolo-

Finally, in a wide-ranging interview with [El Pais](#), Cabinet Chief Marcos Pena discussed subjects ranging from the country's shifting image abroad after Kirchnerismo and the situation in Venezuela, to the recent tax amnesty and consistent levels of support for the government across Argentina society.



News highlights

The President's aim is to invest 6% of GDP in infrastructure

Interior Minister Rogelio Frigerio announced that the government's goal is to invest 6% annual GDP in infrastructural works through public-private partnerships, thereby "boosting the competitiveness of exports and achieving greater social inclusion." Between 2016 and 2019, investments of \$30 billion are expected. [Read more](#)

Argentina to host WEF Latin America 2017

At this year's Latin America World Economic Forum (WEF) in Medellin, Colombia, President Macri announced that "in April of next year, we will be hosting this event in Buenos Aires." [Read more](#)

President Macri presents political reform bill

In presenting the bill, the President underlined that this voting reform would contribute to restoring "a transparent and fair system" in tune with calls for a modern democracy, adding that he had full confidence that it would "help unite Argentines." [Read more](#)

News 2016

Other relevant policy and business

Production Ministry presents the 'Plan Argentina Emprende'

Mariano Mayer, Secretary for Entrepreneurs & SMEs, presented the Plan Argentina Emprende, setting out policies, tools and activities designed to empower and promote entrepreneurs, nurture human capital and strengthen entrepreneur and innovation ecosystems across the country. [Read more](#)

Wheat: Strong growth in exports and production areas

Wheat production volumes in the first 6 months of the year exceeded last year's volumes by 1,400,000 tons, while production areas increased by a million hectares. [Read more](#)

Agricultural production will increase by 20% in 2016

Agriculture Minister Ricardo Buryaile announced that agricultural production in 2016 will increase by over 20% compared to 2015 levels, thanks to the Government's decision to "give clear signals to this highly competitive sector" in Argentina. [Read more](#)

Social spending increases by 44%

The government announced that social spending increased by almost 44% in the first 5 months of the year, while some \$22bn in investments have been pledged since the new government came to power. [Read more](#)

ExxonMobil President "very optimistic" about the investment climate in Argentina

After a meeting at the Casa Rosada, ExxonMobil President Rex Tillerson, declared himself "very optimistic" about the "improving investment climate" in Argentina. The company is developing the Vaca Muerta project in Neuquén which could lead to additional investment of \$10 billion. [Read more](#)

News 2016