

# ARGENTINA FIXED INCOME MARKET

Weekly Market Strategy Report

August 6, 2019

## TOP CHOICES

### BUY

Lecap 11 Oct 2019  
Lecer Septiembre 2019  
Letes 25/10/19  
Lecap Agosto 2019  
Lecap Septiembre 2019

### HOLD

Cons. Serie 8  
Prov. Bs. As. 2022  
Prov. Bs. As. 2025

### SELL

Bonar 2020  
Bonar 24 U\$S 8,75%  
Discount Ley Arg. (DICA)  
Discount Pesos

[See more details page 13.](#)

## HIGHLIGHTS

- **Performance:** In terms of pesos, Argy bonds closed +1.21% on average last week, according to the IAMC Bond index.
- **Global rates:** The UST 10-year yield closed at 2.05% today.

## Strategy

From an economic point of view, the economic data allows us to think about a recovery start after a year of slowdown, while in the short term the main driver of the Argentine assets will be the presidential elections, and mainly the difference between Macri and Fernandez in the primary elections. The expectation of lower inflation for the upcoming months would accentuate the recovery both in economic terms and in the risk profile of Argentine bonds.

Regarding the weighting between assets in dollars and in pesos, we consider that after BCRA's announcement of the new Leliq rate floor at 58% the high real rates in pesos would last in the medium term. In this sense, we maintain a portfolio allocation with a larger weight in local currency. As for assets in pesos, we favor Lecaps, in the middle part of the curve, since they offer yields of around 60%, being quite liquid. Regarding longer bonds, we find the real yield of short bonds CER linked, such as Boncer 20 (TC20) or Trigger 2020 (A2M2), which reach 38%, as very appealing.

Regarding dollar bonds, our suggestion continues to be to maintain a position in liquid and short bonds, mainly Letes in dollars, which yield between 4% and 5%, which have a significantly lower price volatility than longer bonds. For more aggressive portfolios, longer options are attractive, such as the Argentine Law Par Bond (PARA), or New York Law (PARY). As the sovereign curve is inverted, these bonds offer a lower yield, but they also offer a greater cover in the case of a stress event, given their low parities.

Regarding corporate bonds, we recommend maintaining a position in securities issued by exporting companies, minimizing the risk of currency mismatches and diversifying sources of income generation. Among the most prominent are Pan American Energy, Adecoagro and TGS.

## Outlook

The Federal Reserve did not surprise last week by cutting the rate range by 25 bps. However, Powell's subsequent speech was not welcomed in which he gave no sign of continued cuts. As the decision was based on the fact that the US economy continues to show a mixed scenario, with high job creation and growing consumption, and the greatest risks come from the slowdown in global demand and the persistence of the trade conflict with China.

In this sense, failed negotiations between the US and China resulted in higher tariffs on Chinese imports and a devaluation of the yen that spread to all currencies. Paradoxically, the search for protection raised Treasury prices, with the consequent drop in rates. The 10-year bond yield closed at 1.74%, one of the lowest levels in the last three years.

Therefore, the perception that the trade conflict is far from being resolved, and that the negative effect on the global economy and on the US increased, has raised expectations that the Fed will inevitably lower rates again in the near future. A new cut is expected at the September meeting, and possibly another one at the October meeting.

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## Argentina

### Post Primary Scenarios

On August 11, Primaries will be held in Argentina, in which no candidates will be defined. In this sense, the market will look at the result as a national poll. We will analyze which are in our opinion the three possible outcomes and which would be a potential fixed income allocation according to the projected scenarios:

1. "Rally" scenario, which implies a difference between the candidates of less than 3%.
2. "Wait and see" scenario, estimating a difference between 3 and 5 points.
3. "risk off" scenario, with a difference in the primary elections greater than 5% favoring the Fernández-Fernández formula.

Scenario	Fixed Income
Rally (dif <3%)	Position in short-term bonds with a higher probability of spread compression, or bonds that offer above average returns in the short term. - Upside in the long part of the curve due to lowering country risk - Short-term CER Bonds, Linkers (AF20) - Long term bonds in USD, PAR and AC17
Wait-and-see (dif 3%-5%)	- Maintain the position mostly in pesos, taking advantage of high interest rates while the government keeps the exchange rate unchanged. - Lecap in the middle part of the curve, Letes in the very short end. - Main allocation in the short-end peso curve
Risk-off (dif >5%)	- Avoid bonds in pesos and with intervention risks (CER, Leliq, Linkers). - Hard dollars. - Very short term Letes in USD.

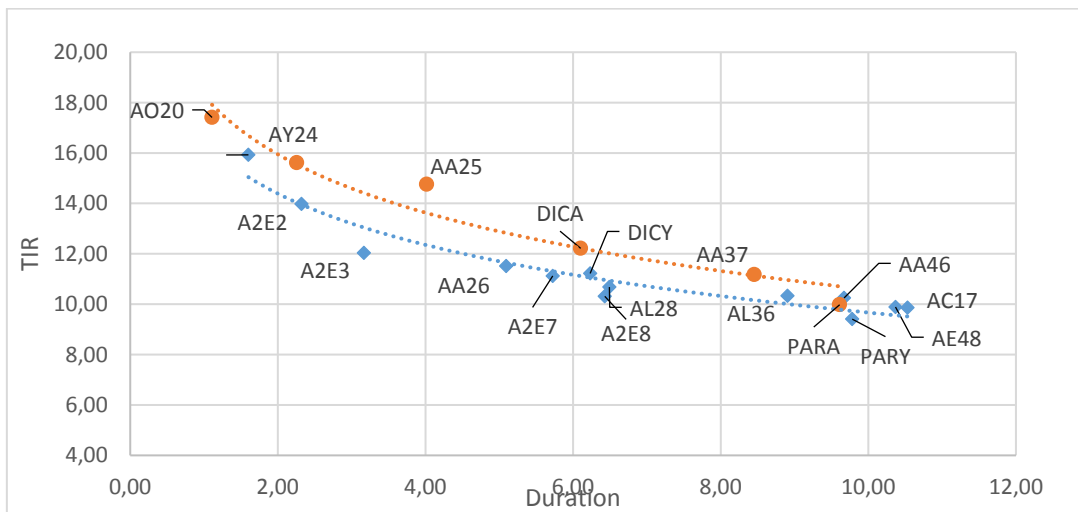
Under **scenario 1 "rally"**, we expect sovereign bonds to rally mainly in the long part of the USD curve, while we expect the entire curve to recover its normal slope.

In this case, we favor allocation in long term bonds in USD with low parities, mainly the Par (PARA, PARY) or the Centennial bond (AC17), which are currently trading with very low prices and with an interesting potential upside.

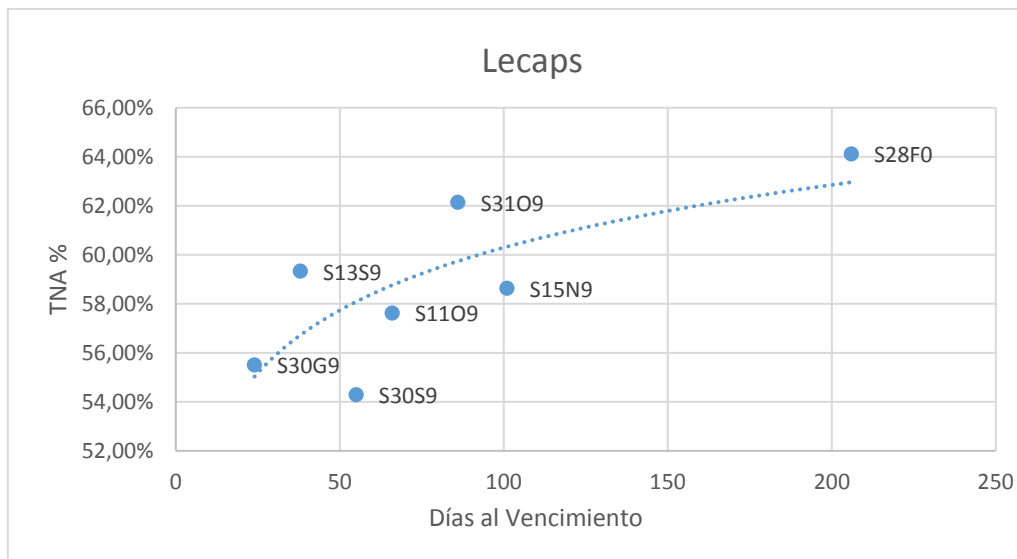
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For **case 2 “wait and see”**, we expect the government to continue with its policy of high real rates in pesos while trying to keep the exchange rate relatively controlled. Under this scenario, we expect to carry a high rate in pesos, so we favor securities such as Lecap in the middle part of the curve, with some coverage with short USD securities such as short term Letes.



Finally, for **case 3 “risk off”**, we estimate a strong sell off in Argentine fixed income. Our suggestion is to stay away from securities in which the future government could intervene (CER, Leliq rate, exchange rate in the case of linkers), remaining in dollar cash or dollarized very short term, such as certain Letes.

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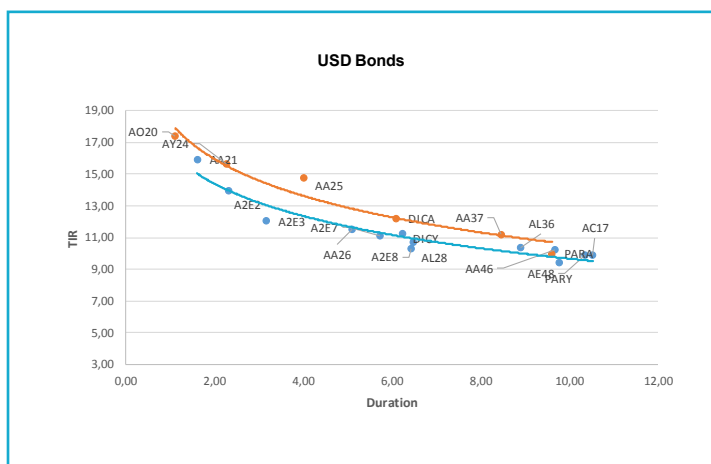
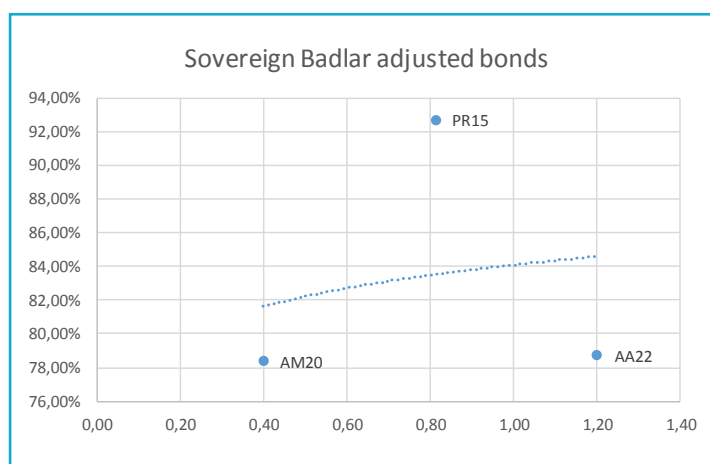
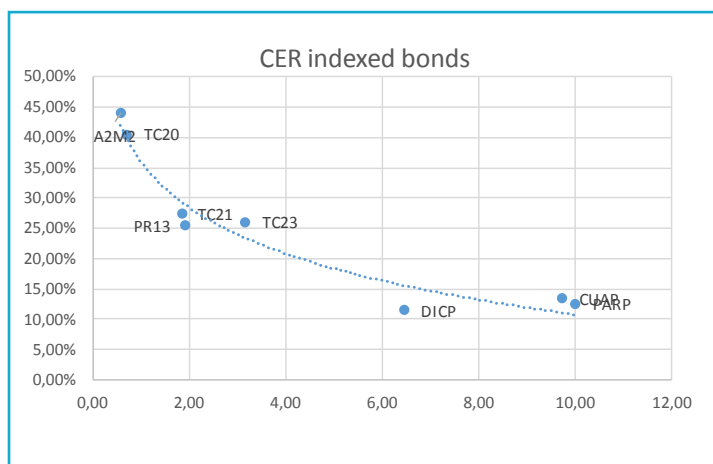
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## Bond's Indexes Weekly Evolution

	Last 2-ago.-19	Weekly % 26-jul.-19	Month% 31-jul.-19	YTD % 28-dic.-18
<b>Argentine Bonds General Index</b>	19214,70	<b>2,13%</b>	<b>0,44%</b>	<b>24,03%</b>
Short duration USD Bonds	8657,81	<b>3,52%</b>	<b>1,33%</b>	<b>21,74%</b>
Long duration USD Bonds	20563,17	<b>2,16%</b>	<b>0,29%</b>	<b>32,15%</b>
Short duration ARS TIPS	11668,68	<b>0,38%</b>	<b>-0,32%</b>	<b>15,96%</b>
Long duration ARS TIPS	20730,95	<b>-1,51%</b>	<b>-2,15%</b>	<b>14,01%</b>

Source: IAMC (Instituto Argentino de Mercado de Capitales)

## Yield Curves



Source: CMA (Capital Markets Argentina). Bloomberg and Bolsar

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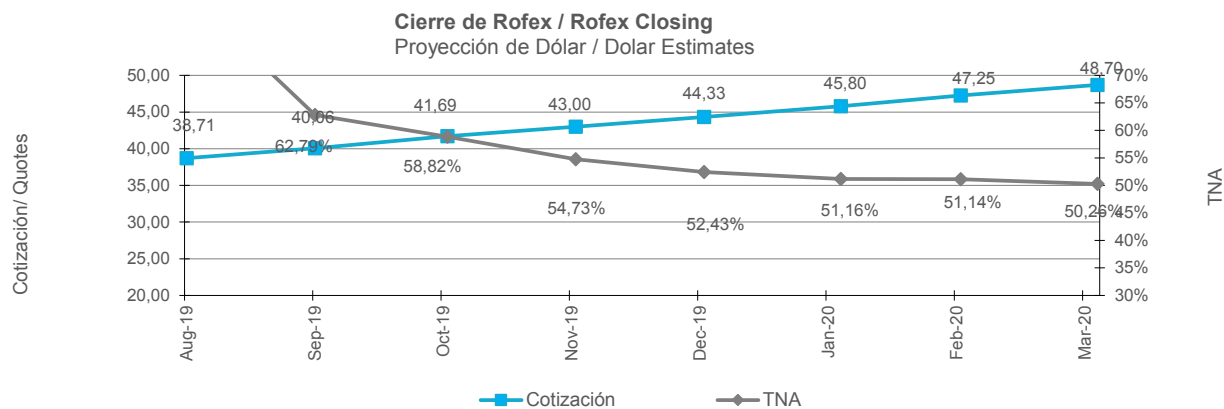
## Local Rates / Tasas Locales

## TASAS LOCALES / LOCAL YIELD

Encuesta BCRA	última	Hace 1M	Hace 6M	Ppios de año
Pesos 30 días	47,81%	46,83%	39,36%	24,03%
Pesos 90 días	48,53%	48,05%	41,75%	28,08%

## COTIZACIONES AL CIERRE / CLOSING QUOTES

Dólar (BCRA)	\$ 36,5533
Badlar Bancos Privados	50,13%
Badlar Bancos Públicos	48,69%



29-Jul-19

## TASAS CHEQUE DE PAGO DIFERIDO (CHPD) / DIFFERED PAYMENT CHECK'S RATES

PLAZO / MATURITY	TNA CHPD	TNA CHPD NETA
0 - 30	53,75%	52,05%
30 - 60	53,65%	51,95%
60 - 90	53,55%	51,85%
90 - 120	53,45%	51,75%
120 - 150	53,35%	51,65%
150 - 180	53,25%	51,55%
180 - 210	53,15%	51,45%
210 - 240	53,05%	51,35%
240 - 270	53,00%	51,30%
270 - 300	52,95%	51,25%
300 - 330	52,85%	51,15%
330 - 360	52,75%	51,05%

COMISION CALCULADA PARA TASA NETA 1%/CALCULATED FEE FOR NET RATE 1%

## BONOS USD LINKED / USD LINKED BONDS

Instrument / Instrumento	Cupón / Coupon	Precio / Price ARS	TIR / YTM USD	TIR / YTM ARS **	Duration	Valor Residual / Residual Value	Vencimiento / Maturity	Próx. Cupón/ Next Coupon	Tipo de Cupón/ Coupon Type	Estructura/ Structure	Emisión Total	Outstanding	ISIN
<b>Bonos Atados al Dólar o "USD Linked"</b>													
<b>Ciudad de Buenos Aires</b>													
BDC19	3,98	710,00	#####	#¡NUM!	0,00	100%	17/05/2019	17/05/2019	FIXED	6 cuotas semestrales	216.000.000	216.000.000	ARCBAS031639
BD2C9	1,95	1227,00	10,60%	184,31%	0,35	100%	20/12/2019	20/06/2017	FIXED	6 cuotas semestrales	113.229.000	113.229.000	ARCBAS031647
BDC20	1,95	1310,00	53,60%	121,57%	0,34	100%	28/01/2020	28/07/2019	FIXED	6 cuotas semestrales	146.771.000	146.771.000	ARCBAS031654
<b>Chubut</b>													
PUC19	4,00	760,00	-69,95%	-41,02%	0,33	100%	21/10/2019	21/07/2019	FIXED	16 cuotas semestrales	220.000.000	220.000.000	ARPCHU030253
PUM21	4,50	2270,00	11,14%	80,77%	0,95	100%	30/03/2021	30/06/2019	FIXED	16 cuotas semestrales	88.891.415	88.891.415	ARPCHU320019

\* Los títulos Atados al Dólar o "USD Linked" están denominados en dólares y pagan sus servicios en Pesos a Tipo de Cambio BCRA o EMTA/USD-linked bonds are denominated in USD but pay interests and principal in pesos adjusted by BCRA FX

\*\* Para el cálculo de la Tasa Interna de Retorno se toma la devaluación esperada del Tipo de Cambio derivado del Mercado Rofex/Rofex Futures are used to calculate the YTM in ARS 07/03/2019

**BONOS ARGENTINOS SOBERANOS / ARGENTINIAN SOVEREIGN BONDS**

Instrumento	Cupón	Precio	Precio	TIR	Vencimiento	Duration	DV01	Factor	Paridad	Valor Técnico	Intereses Devengados	Próximo Cupón	Tasa Próximo Cupón	Denominación	
Instrument	Coupon	Price (ARS)	Price (USD)	YTM					Parity	Technical Value	Accrued Interest	Next Coupon Date	Next coupon	Mínima	
<b>Bonos bajo Ley Nueva York</b>															
<b>Bonos denominados en USD sujetos a leyes de Nueva York/USD denominated bonds under New York law</b>															
Bonos internacionales 2021 (AA21)	US0401	6,88%	89,05	14,30%	22/4/2021	1,60	0,01	100%	89,3%	102,02	2,02	22/10/2019	6,875%	150.000	
Bonos internacionales 2022 (A2E2)	US0401	5,63%	85,46	12,65%	26/1/2022	2,32	0,00	100%	85,5%	100,19	0,19	26/1/2020	5,625%	1.000	
Bonos internacionales 2026 (AA26)	US0401	7,50%	84,35	10,84%	22/4/2026	5,09	0,04	100%	84,7%	102,21	2,21	22/10/2019	7,500%	150.000	
Bonos internacionales 2027 (A2E7)	US0401	6,88%	81,38	10,54%	26/1/2027	5,72	0,00	100%	81,4%	100,23	0,23	26/1/2020	6,875%	1.000	
Bonos internacionales 2028 (AL28)	US0401	6,63%	79,20	10,23%	6/7/2028	6,49	0,05	100%	79,3%	100,59	0,59	6/1/2020	6,625%	150.000	
Bono Discount en USD Ley NY (DICY)	US0401	8,28%	85,40	10,81%	31/12/2033	6,22	0,05	100%	85,5%	100,87	0,87	31/12/2019	8,280%	1	
Bonos internacionales 2036 (AL36)	US0401	7,13%	77,42	9,90%	6/7/2036	8,92	0,06	100%	77,6%	100,63	0,63	6/1/2020	7,125%	150.000	
Bono Par en USD (PARY)	US0401	3,75%	59,32	9,18%	31/12/2038	9,76	0,06	100%	59,9%	101,33	1,33	30/9/2019	3,750%	1	
Bonos internacionales 2046 (AA46)	US0401	7,63%	79,15	9,85%	22/4/2046	9,71	0,07	100%	79,6%	102,25	2,25	22/10/2019	7,625%	150.000	
Bonos internacionales 2117 (AC17)	US0401	7,13%	75,10	9,49%	28/6/2117	10,65	0,07	100%	75,3%	100,79	0,79	28/12/2019	7,125%	1.000	
<b>Bonos denominados en EUR sujetos a leyes de Nueva York/EUR denominated bonds under New York law</b>															
Bonos internacionales en euros 2022	XS1503	3,875%	83,59	11,99%	15/1/2022	2,31	0,02	100%	81,8%	102,18	2,18	15/1/2020	3,88%	100.000	
Bonos internacionales en euros 2027	XS1503	5,000%	74,35	10,05%	15/1/2027	5,95	0,04	100%	72,3%	102,81	2,81	15/1/2020	5,00%	100.000	
<b>Bonos denominados en EUR sujetos a leyes del Reino Unido/EUR denominated bonds under UK law</b>															
Bono Discount en EUR (DICE)	XS0205	7,820%	82,67	10,83%	31/12/2033	6,34	0,05	100%	82,0%	100,83	0,83	31/12/2019	7,82%	1	
Bono Par en EUR (PARE)	XS0501	3,380%	57,37	8,96%	31/12/2038	10,05	0,06	100%	56,7%	101,20	1,20	30/9/2019	3,38%	1	
<b>Bonos bajo Ley Argentina</b>															
<b>Bonos denominados en USD sujetos a ley argentina/USD denominated bonds under Argentinean law</b>															
Bonar 2020 (AO20)	ARARG	8,00%	4236,00	94,17	16,17	8/10/2020	1,11	0,01	100%	91,7%	102,67	2,67	8/10/2019	8,00%	1
Bonar 2024 (AY24)	ARARG	8,75%	3330,00	74,05	15,09	7/5/2024	2,25	0,02	100%	72,7%	101,84	1,84	7/11/2019	8,75%	1
Argentina 2025 (AA25)	ARARG	5,75%	3260,00	72,60	14,56	18/4/2025	4,01	0,03	100%	71,4%	101,76	1,76	18/10/2019	5,75%	1
Bono Discount en USD Ley RA (DICA)	ARARG	8,28%	4993,00	78,58	12,21	31/12/2033	6,09	0,00	100%	77,9%	100,87	0,87	31/12/2019	8,28%	1
Argentina 2037 (AA37)	ARARG	7,63%	3453,00	75,95	11,13	18/4/2037	8,43	0,06	100%	74,2%	102,33	2,33	18/10/2019	7,63%	1
Bono Par en USD Ley RA (PARA)	ARARG	3,75%	2302,00	51,77	10,21	31/12/2038	9,42	0,00	100%	51,1%	101,33	1,33	30/9/2019	3,75%	1

Fuente / Source: Bloomberg.

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Instrumento	Cupón	Precio	Precio	TIR	Vencimiento	Duration	DV01	Factor	Paridad	Valor Técnico	Intereses Devengados	Próximo Cupón	Tasa Próximo Cupón	Denominación
Instrument	Coupon	Price (ARS)	Price (USD)	YTM					Parity	Technical Value	Accrued Interest	Next Coupon Date	Next coupon	Mínima
<b>Bonos en ARS a tasa fija/Fixed interest ARS denominated bonds</b>														
Bonte 2021 (TO21)	ARARG	18,20%	70,61	45,68%	3/10/2021	1,65	0,01	100%	66,4%	106,32	6,32	3/10/2019	18,20%	1
Bonte 2023 (TO23)	ARARG	16,00%	70,47	31,17%	17/10/2023	2,75	0,02	100%	67,2%	104,93	4,93	17/10/2019	16,00%	1
Bonte 2026 (TO26)	ARARG	15,50%	70,50	26,28%	17/10/2026	3,71	0,02	100%	67,3%	104,78	4,78	17/10/2019	15,50%	1
<b>Bonos en ARS que ajustan por CER / ARS denominated bonds adjusted by CER (TIR Real / Real Yield)</b>														
Boncer 2020 (TC20)	ARARG	2,25%	188,00	43,67%	28/4/2020	0,58	0,03	263%	86,7%	178,53	1,48	28/10/2019	2,25%	1
Boncer 2021 (TC21)	ARARG	2,50%	171,30	27,22%	22/7/2021	1,87	0,04	0%	0,0%	0,00	0,28	22/1/2020	2,50%	1
Boncer 2023 (TC23)	ARARG	4,00%	112,50	25,29%	6/3/2023	1,91	0,00	754%	67,8%	252,32	2,99	6/9/2019	4,00%	1
Bono Discount en ARS Ley RA (DICP)	ARARG	5,83%	957,50	25,99%	31/12/2033	3,17	0,00	1499%	53,5%	180,53	8,30	31/12/2019	5,83%	1
Bono Par en ARS Ley RA (PARP)	ARARG	1,77%	321,75	11,41%	31/12/2038	6,47	0,00	9096%	70,2%	1360,57	6,69	30/9/2019	1,77%	1
Bono Cuasipar en ARS Ley RA (CUAP)	ARARG	3,31%	460,25	12,56%	31/12/2045	10,02	0,42	5512%	31,3%	1069,51	5,15	31/12/2019	3,31%	1
<b>Bonos en ARS que ajustan por BADLAR/ARS denominated bonds adjusted by BADLAR</b>														
Bonar Marzo 2020 (AM20)	ARARG	53,53%	105,00	78,72%	1/3/2020	1206,47	0,00	100%	95,7%	109,69	9,69	2/9/2019	53,53%	1
Bocan 2022 (AA22)	ARARG	51,26%	92,00	78,50%	3/4/2022	1252,41	0,00	100%	87,6%	105,01	5,01	3/10/2019	51,26%	1
Consolidación Serie 8 (PR15)	ARARG	51,60%	143,54	102,87%	4/10/2022	2121,85	0,00	100%	136,8%	104,95	4,95	4/10/2019	51,60%	1
<b>Bonos moneda dual/Dual currency Bonds</b>														
Bono dual 2020 (AF20)	ARARG	4,50%	4307,50	94,37	13/2/2020	0,22	0,00	100%	94,4%	100,00			4,50%	1
<b>Bonos en ARS que ajustan por tasa de Política Monetaria/ARS denominated bonds adjusted by Repo rate</b>														
Bopomo 2020 (TJ20)	ARARG	62,12%	104,10	83,69%	21/6/2020	0,69	0,00	100%	96,2%	108,20	8,20	23/9/2019	62,12%	1

Cupones PBI/ GDP Warrants	Precio / Price (ARS)	Precio / Price (USD/EUR)	ISIN	
Cupón PBI en ARS Ley RA (TVPP)	ARARG	2,33	ARARGE03E147	
Cupón PBI en USD Ley RA (TVPA)	ARARG	136,00	3,62	ARARGE03E154
Cupón PBI en USD Ley NY (TVPY)	US0401	175,00	3,83	US040114GM64
Cupón PBI en EUR (TVPE)	XS0209	190,00	3,81	XS0209139244

## BONOS PROVINCIALES ARGENTINOS / PROVINCIAL BONDS

Instrumento / Instrument	Cupón / Coupon	Precio / Price Bid	Precio / Price Ask	YTM Bid	YTM Ask	Duration	DV01	Factor	Paridad / Parity	Valor Técnico / Technical Value	Intereses Acumulados / Accrued Interest	Maturity	Próximo Cupón / Next Coupon	Cupón / Coupon Type	Min.Den	Outstanding (MM)	Rating Moody's	Rating S&P	ISIN
<b>Bonos en USD/USD denominated bonds</b>																			
<b>Ciudad de Buenos Aires</b>																			
Ciudad Buenos Aires 21	8,95	100,60	101,88	8,33	7,03	1,41	0,01	67%	1,01	71,20	4,20	19/2/2021	19/8/2019	FIXED	200000	335,0	B2	B	XS1191130753
Ciudad Buenos Aires 27	7,50	92,49	93,65	9,00	8,76	5,89	0,05	100%	0,93	101,40	1,40	1/6/2027	1/12/2019	FIXED	200000	890,0	B2	B	XS1422866456
<b>Córdoba</b>																			
Cordoba 21	7,13	88,38	89,63	14,51	13,66	1,73	0,01	100%	0,89	101,15	1,15	10/6/2021	10/12/2019	FIXED	150000	725,0	B2	B	USP79171AD96
Cordoba 27	7,13	76,04	77,55	11,85	11,50	5,91	0,04	100%	0,76	100,14	0,14	1/8/2027	1/2/2020	FIXED	150000	450,0	B2	B	USP79171AF45
Cordoba 24	7,45	81,18	82,25	12,58	12,25	4,05	0,03	100%	0,82	103,25	3,25	1/9/2024	1/9/2019	FIXED	150000	510,0	B2	B	US74408DAD66
<b>Ciudad de Córdoba</b>																			
Ciudad de Cordoba 24	7,88					3,96	0,02	100%		102,82	2,82	29/9/2024	29/9/2019	FIXED	150000	150,0	B2		XS1496112407
<b>Chubut</b>																			
Chubut 26	7,75					5,29	0,03	100%		100,26	0,26	26/7/2026	26/10/2019	FIXED	150000	650,0	B2		US17127LAA35
<b>Provincia de Buenos Aires</b>																			
Buenos Aires 20	4,00					0,72	0,00	33%		34,41	1,08	1/5/2020	1/11/2019	STEP CPN	1	21,1	B2	B	XS0234086196
Buenos Aires 21	10,88	93,94	95,15	18,09	16,58	1,39	0,01	67%	0,94	67,03	0,36	26/1/2021	26/1/2020	FIXED	100000	500,0	B2	B	XS0584497175
Buenos Aires 21	9,95	88,54	89,70	20,25	19,10	1,69	0,01	100%	0,89	101,63	1,63	9/6/2021	9/12/2019	FIXED	150000	899,5	B2	B	XS1244682057
Buenos Aires 23	6,50	81,72	82,90	15,70	15,02	3,04	0,02	100%	0,82	103,12	3,12	15/2/2023	15/8/2019	FIXED	1000	750,0	B2	B	XS1566193378
Buenos Aires 24	9,13	83,50	84,66	15,30	14,81	3,62	0,02	100%	0,84	103,60	3,60	16/3/2024	16/9/2019	FIXED	150000	1250,0	B2	B	XS1380274735
Buenos Aires 27	7,88	74,23	75,46	13,83	13,49	5,56	0,04	100%	0,75	101,16	1,16	15/6/2027	15/12/2019	FIXED	150000	1750,0	B2	B	XS1433314314
Buenos Aires 28	9,63	79,64	80,76	14,04	13,76	5,53	0,04	100%	0,80	102,94	2,94	18/4/2028	18/10/2019	FIXED	100000	400,0	B2	B	XS0290124154
Buenos Aires 35	4,00	61,41	62,00	11,96	11,78	10,40	0,03	100%	0,62	100,92	0,92	15/5/2035	15/11/2019	STEP CPN	1	446,5	B2	B	XS0234084738
<b>Mendoza</b>																			
Mendoza 24	8,38	86,07	87,17	13,20	12,78	3,89	0,03	100%	0,86	101,84	1,84	19/5/2024	19/11/2019	FIXED	150000	500,0	B2	B	USP6480JAG24
<b>Neuquén</b>																			
Neuquén 21	7,88	99,20	100,30	8,72	7,56	1,62	0,00	22%	0,99	22,26	0,26	26/4/2021	26/10/2019	FIXED	150000	48,4		B	US29384NAA28
Neuquen 25	7,50	85,92	87,36	11,46	11,02	4,56	0,03	100%	0,86	102,10	2,10	27/4/2025	27/10/2019	FIXED	1000	366,0		B	US64131GAA04
Neuquén 28	8,63	101,06	102,77	8,34	7,90	6,13	0,04	100%	1,01	102,06	2,06	12/5/2028	12/8/2019	FIXED	150000	348,7			USP71695AC75
<b>Santa Fe</b>																			
Santa Fe 2023	7,00	86,15	88,13	12,49	11,64	3,14	0,02	100%	0,87	102,63	2,63	23/3/2023	23/9/2019	FIXED	150000	250,0	B2		USP84641AC65
<b>Salta</b>																			
Salta 2022	9,50	98,10	99,27	11,05	10,09	2,30	0,00	32%	0,98	33,75	1,37	16/3/2022	16/9/2019	FIXED	150000	59,9		B	USP8388TAA27
Salta 2024	9,13	81,05	82,95	15,85	15,10	3,93	0,02	100%	0,81	100,79	0,79	7/7/2024	7/1/2020	FIXED	150000	350,0		B	USP8388TAB00
<b>Tierra del Fuego</b>																			
Tierra del Fuego 27	8,95	96,25	98,43	10,09	9,42	5,57	0,03	95%	0,96	95,52	0,52	17/4/2027	17/10/2019	FIXED	1000	190,0	B2		USP91528AA03
<b>Bonos en EUR/EUR denominated bonds</b>																			
<b>Provincia de Buenos Aires</b>																			
Buenos Aires 20	4,00	97,12	98,24	10,23	7,76	0,72	0,00	33%	0,97	34,41	1,08	1/5/2020	1/11/2019	STEP CPN	1	190,6	B2	B	XS0234085461
Buenos Aires 2023	5,38	77,69	78,74	13,90	13,43	3,11	0,02	100%	0,78	102,95	2,95	20/1/2023	20/1/2020	FIXED	100000	500,0	B2	B	XS1649634380
Buenos Aires 35	6,50	81,72	82,90	15,70	15,02	3,04	0,02	100%	0,82	103,12	3,12	15/2/2023	15/8/2019	FIXED	1000	750,0	B2	B	XS1566193378

## BONOS CORPORATIVOS ARGENTINOS / ARGENTINIAN CORPORATE BONDS

Instrumento / Instrument	Cupón / Coupon	Precio / Price Bid	Precio / Price Ask	TIR / YTM Bid	TIR / YTM Ask	Duration	DV01	Factor	Paridad / Parity	Valor Técnico / Technical Value	Intereses Devengados / Accrued Interest	Vencimiento / Maturity	Próximo Cupón / Next Coupon	Cupón / Coupon Type	Outstanding (MM)	Min.Den	Ratings Moody's	Ratings S&P	ISIN
<b>Bonos en USD / USD denominated bonds</b>																			
<b>Alimentos y Bebidas / Food and Beverages</b>																			
Arcor 23	6,000	97,79	98,80	6,65	6,35	3,52	0,03	1,00	97,80%	100,53	0,53	6/7/2023	6/1/2020	FIXED	500,00	1000	Ba3		US03965PAC59
Mastellone 21	12,625	101,93	102,76	10,32	9,36	1,73	0,01	1,00	101,91%	101,23	1,23	3/7/2021	3/1/2020	FIXED	199,69	1		NR	USP6460MAJ38
<b>Bancos / Banks</b>																			
Banco Macro 26	6,750	84,45	85,86	15,17	14,32	2,06	0,02	1,00	86,11%	101,76	1,76	4/11/2026	4/11/2019	VARIABLE	400,00	150000	B3		USP1047VAF42
Banco Galicia 2026	8,250	96,05	97,26	10,54	9,82	1,83	0,02	1,00	97,27%	100,44	0,44	19/7/2026	19/1/2020	VARIABLE	250,00	200000	B3	CCC	US059538AR97
Banco Hipotecario 20	9,75	98,88	99,93	10,66	9,78	1,24	0,01	1,00	99,93%	101,84	1,84	30/11/2020	30/11/2019	FIXED	280,70	50000	B2	B-	USP1330HBF03
<b>Petróleo y Gas / Oil &amp; Gas</b>																			
Pampa Energia 2027	7,500	91,62	92,65	9,07	8,87	5,75	0,05	1,00	92,67%	100,29	0,29	24/1/2027	24/1/2020	FIXED	750,00	150000	B2	B	US697660AA69
CGC 21	9,500	97,03	98,23	11,01	10,39	2,03	0,02	1,00	98,27%	102,40	2,40	7/11/2021	7/11/2019	FIXED	300,00	1000		B-	USP3063DAA02
Pan American Energy 21	7,875	103,25	104,20	5,14	4,37	1,64	0,01	0,67	104,08%	68,66	1,99	7/5/2021	7/11/2019	FIXED	333,33	2000	Ba3		US69783UAA97
Pampa Energia 2023	7,375	98,42	99,43	7,85	7,54	3,48	0,03	1,00	99,43%	100,35	0,35	21/7/2023	21/1/2020	FIXED	500,00	1000	B2	B	USP7873PAE62
Tepecetrol 2022	4,875	96,88	97,80	5,91	5,60	3,10	0,03	1,00	97,81%	100,76	0,76	12/12/2022	12/12/2019	FIXED	500,00	1000	Ba3		USP7873PAE63
YPF 2021	8,500	102,04	102,83	7,14	6,63	1,51	0,02	1,00	102,74%	103,19	3,19	23/3/2021	23/9/2019	FIXED	1000,00	1000	B2		USP989MJBG51
YPF 2024	8,750	101,81	102,73	8,17	7,89	3,82	0,03	1,00	102,65%	103,01	3,01	4/4/2024	4/10/2019	FIXED	1325,00	1000	B2		USP989MJAY76
YPF 2025	8,500	98,91	99,78	8,74	8,55	4,78	0,05	1,00	99,78%	100,24	0,24	28/7/2025	28/1/2020	FIXED	1500,00	1000	B2		USP989MJBEO4
YPF 2027	6,950	89,65	90,63	8,78	8,60	6,10	0,05	1,00	90,66%	100,33	0,33	21/7/2027	21/1/2020	FIXED	1000,00	10000		B	USP989MJBEO5
YPF 2047	7,000	85,37	86,31	8,35	8,26	11,34	0,09	1,00	86,45%	101,03	1,03	15/12/2047	15/12/2019	FIXED	750,00	10000	#N/A N/A	B	USP989MJBEO6
<b>Serv. Públicos / Utilities</b>																			
Edenor 22	9,75	91,69	93,13	12,98	12,39	2,74	0,02	1,00	93,32%	102,79	2,79	25/10/2022	25/10/2019	FIXED	176,39	2000	B1	B	USP3710FAJ32
Transener 21	9,75	99,49	100,60	10,03	1,68	1,80	0,00	1,00	100,58%	104,69	4,69	15/8/2021	15/8/2019	FIXED	100,54	2000		B	USP3058XAK11
Genneia 22	8,75	93,15	94,19	12,05	11,53	2,24	0,02	1,00	94,21%	100,44	0,44	20/1/2022	20/1/2020	FIXED	500,00	1000	B2		USP46756AH86
AYSA 2023	6,63	74,66	76,25	16,47	15,73	3,10	0,02	1,00	76,28%	100,13	0,13	1/2/2023	1/2/2020	FIXED	500,00	150000	B2		XS1763161012
AES Argentina 24	7,75	89,34	90,94	10,81	10,32	3,83	0,03	1,00	90,95%	100,13	0,13	2/2/2024	2/2/2020	FIXED	300,00	150000		B	US00107VAA17
Stoneway 2027	10,00	92,67	96,01	12,38	11,26	5,21	0,03	0,93	96,19%	96,91	4,36	1/3/2027	1/9/2019	FIXED	615,46	150000			USC86155AA35
Capex 2024	6,88	89,93	91,02	9,55	9,24	4,04	0,04	1,00	91,16%	101,59	1,59	15/5/2024	15/11/2019	FIXED	300,00	1000		B	USP20058AC08
Albanesi 23	9,63	84,29	85,57	15,01	14,53	3,32	0,03	1,00	85,62%	100,29	0,29	27/7/2023	27/1/2020	FIXED	336,00	150000	B2		US36875LAA70
<b>Otros / Others</b>																			
Raghsa 24	7,250	90,96	91,70	9,72	9,51	3,86	0,03	1,00	91,92%	102,76	2,76	21/3/2024	21/9/2019	FIXED	119,73	1000	B2		US750645AE39
Aeropuertos Argentina 2027	6,875	95,83	96,99	8,20	7,83	5,87	0,03	0,94	96,99%	93,88	0,13	1/2/2027	1/11/2019	FIXED	375,00	150000	B1	B+	US00786PAC86
Cablevisión 2021	6,500	99,58	100,54	6,74	6,18	1,76	0,02	1,00	100,53%	100,96	0,96	15/6/2021	15/12/2019	FIXED	500,00	1000	B1		USP19157AR03
Adecoagro 2027	6,000	95,91	97,08	6,66	6,47	6,36	0,06	1,00	97,14%	102,28	2,28	21/9/2027	21/9/2019	FIXED	500,00	150000	Ba2		USL00849AA47
Irsa 20	11,500	101,73	102,80	9,55	8,38	0,92	0,01	1,00	102,78%	100,58	0,58	20/7/2020	20/1/2020	FIXED	71,44	2000		B	USP5880CAB65
Irsa 23	8,75	96,14	97,35	10,04	9,63	3,07	0,03	1,00	97,43%	103,28	3,28	23/3/2023	23/9/2019	FIXED	360,00	500		B	USP5880UAB63

## Top Choices de Renta Fija Local / Fixed Income Top Choices

Precios / Prices 2-Aug-19

	Instrumento / Instrument	Precio / Price (ARS)	Precio / Price (USD)	TIR / YTM	Var. Semanal / Weekly Change	Var. desde el inicio / Start value	Modified Duration	Precio Objetivo / Target Price	Potencial / Upside	Reco	Inicio Reco / Reco start
AY24	Bonar 24 U\$S 8,75%	3.330,00	74,05	25,76%	3,42%	254,83%	1,86	<b>4000</b>	20,1%	<b>Vender / Sell</b>	29/09/2014
DICA	Discount Ley Arg. (DICA)	4.993,00	72,60	12,28%	2,95%	302,15%	3,65	<b>4500</b>	-9,9%	<b>Vender / Sell</b>	26/11/2014
DICP	Discount Pesos	955,00		25,99%	-1,51%	21,53%	1,70	<b>890</b>	-6,8%	<b>Vender / Sell</b>	29/12/2017
AO20	Bonar 2020	4.236,00		16,86%	4,16%	74,16%	1,02	<b>4000</b>	-5,6%	<b>Vender / Sell</b>	14/05/2018
PR15	Cons. Serie 8	143,60		92,32%	0,21%	-6,14%	0,82	<b>180</b>	25,3%	<b>Mantener/Hold</b>	02/01/2019
S11O9	Lecap 11 Oct 2019	100,74		58,14%	0,64%	3,00%	0,27	<b>111,32</b>	10,5%	<b>Comprar/Buy</b>	19/07/2019
X30S9	Lecer Septiembre 2019	111,69		8,00%	0,87%	17,01%	0,15	<b>135,00</b>	20,9%	<b>Comprar/Buy</b>	29/03/2019
U25O9	Letes 25/10/19	4.436,94		4,50%	3,41%	2,79%	0,22	<b>4600,00</b>	3,7%	<b>Comprar/Buy</b>	29/03/2019
S30G9	Lecap Agosto 2019	109,40		53,00%	0,64%	5,80%	0,07	<b>113</b>	3,6%	<b>Comprar/Buy</b>	24/06/2019
S13S9	Lecap Septiembre 2019	104,80		57,32%	0,60%	5,97%	-119,68	<b>110,97</b>	5,9%	<b>Comprar/Buy</b>	25/06/2019
PBA25	Prov. Bs. As. 2025	78,00		94,49%	-3,70%	-0,27%	1,56	<b>105</b>	34,6%	<b>Mantener/Hold</b>	07/01/2019
PBY22	Prov. Bs. As. 2022	88,00		94,23%	-1,12%	11,44%	1,30	<b>110</b>	25,0%	<b>Mantener/Hold</b>	10/01/2019

\* Precios objetivos (ex cupones) / Target price (ex-coupon)

Portafolio de Renta Fija Local Moderado (en pesos) / Moderate Local Fixed Income Portfolio (in Arg pesos)

05/08/2019

Precios / Prices: 02/08/2019

Portafolio	Ponderación Objetivo / Weights	Duration	TIR / YTM*	Inicio de Reco / Reco Start	Variación Semanal / Weekly Change	Desempeño / Performance	Precio de Cierre / Closing Price
Lecer Septiembre (X30S9)	10,0%	0,15	48,00%	29/03/2019	0,87%	17,01%	111,69
Lecap 13 Septiembre (S13S9)	37,0%	0,11	57,32%	28/06/2019	0,60%	5,97%	110,97
Lecap 11 Octubre (S11O9)	10,0%	0,18	58,14%	19/07/2019	0,64%	3,00%	100,74
Bono Cons. Serie 8 (PR15)	3,0%	0,82	92,32%	02/01/2019	0,21%	-6,14%	143,60
Lecap Agosto (S30G9)	15,0%	0,07	53,00%	24/08/2019	0,64%	5,80%	109,40
Prov. Bs. As. 2025 (PBA25)	5,0%	1,56	94,49%	07/01/2019	-3,70%	-0,27%	78,00
Prov. Bs. As. 2022 (PBY22)	5,0%	1,30	94,23%	10/01/2019	-1,12%	11,44%	88,00
Letes 25/10/19 (U25O9)	15,0%	0,22	4,50%	29/03/2019	3,41%	2,79%	4436,94
	<b>100%</b>	<b>0,25</b>			<b>0,74%</b>		

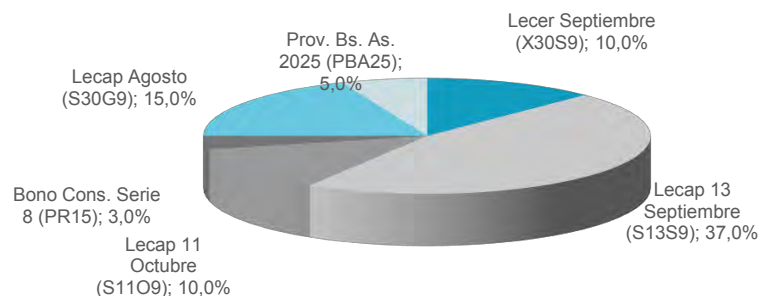
Performance	En el año / Yearly	Anualizado / Annualized
<b>2016</b>	29,86%	29,86%
<b>2017</b>	29,79%	29,79%
<b>2018</b>	67,68%	67,68%
<b>2019</b>	28,28%	48,46%

Benchmark: 35% Tasa Badlar + 65% Indice de Bonos en Pesos IAMC

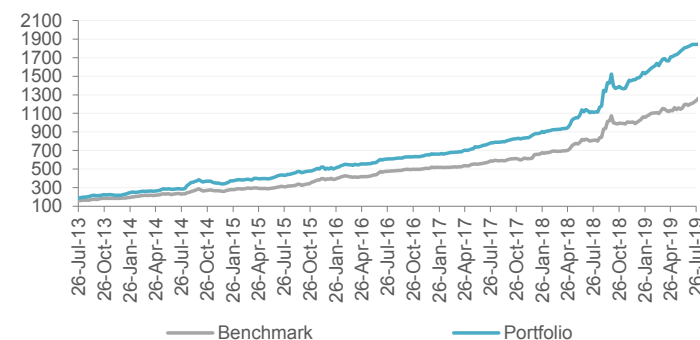
<b>Desempeño Semanal/Weekly Performance vs Benchmark:</b>	<b>0,74%</b>	<b>vs</b>	<b>1,72%</b>
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Desempeño Mensual	2016	2017	2018	may-19	jun-19	jul-19	2019
<b>Portafolio</b>	29,86%	29,79%	67,68%	3,50%	2,75%	4,08%	28,28%
<b>Benchmark</b>	32,52%	25,37%	52,39%	2,07%	3,64%	6,05%	26,83%

Portafolio - Perfil Moderado/Moderate



Portafolio vs Benchmark



# Portafolio de Renta Fija Local Agresivo (en pesos) / Aggressive Local Fixed Income Portfolio (in Arg pesos)

05/08/2019

Precios / Prices: 02/08/2019

Portafolio	Ponderación Objetivo / Weights	Duration	TIR / YTM	Inicio de Reco / Reco Start	Variación Semanal / Weekly Change	Desempeño / Performance	Precio de Cierre / Closing Price
Lecer Septiembre (X30S9)	15,0%	0,15	48,00%	29/03/2019	0,87%	17,01%	111,69
Lecap 11 Octubre (S11O9)	30,0%	0,18	58,14%	19/07/2019	0,64%	3,00%	100,74
Discount Pesos (DICP)	10,0%	1,70	0,00%	02/01/2018	-1,51%	21,53%	955,00
Bonar 2024 (AY24)	15,0%	2,10	25,76%	29/09/2014	3,42%	254,83%	3330,00
Discount Ley Arg. (DICA)	15,0%	3,65	12,28%	24/08/2019	2,95%	302,15%	4993,00
Bonar 2020 (AO20)	15,0%	1,02	16,86%	14/05/2018	4,16%	74,16%	4236,00
	<b>100%</b>	<b>1,26</b>			<b>1,75%</b>		

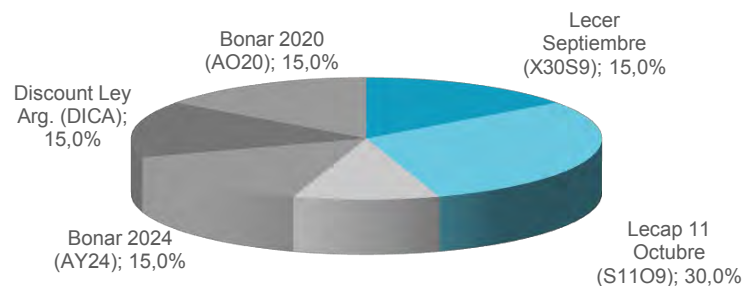
Performance	En el año / Yearly	Anualizado / Annualized
<b>2015</b>	48,23%	48,23%
<b>2016</b>	30,98%	30,98%
<b>2017</b>	30,51%	30,51%
<b>2018</b>	25,02%	42,88%

**Benchmark:** 20% Tasa Badlar + 80% Indice de Bonos en Pesos IAMC

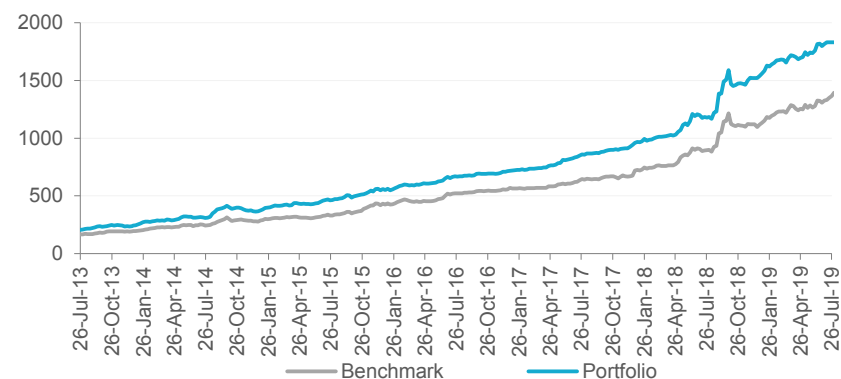
<b>Dempeño Semanal/Weekly Performance vs Benchmark</b>	<b>1,75%</b>	<b>vs</b>	<b>1,90%</b>
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Desempeño Mensual Portafolio/Monthly Performance vs Benchmark	2015	2016	2017	may-19	jun-19	jul-19	2019
<b>Portafolio</b>	48,23%	30,98%	30,51%	2,43%	3,46%	5,73%	25,02%
<b>Benchmark</b>	46,03%	33,29%	25,97%	1,35%	3,56%	6,35%	25,64%

**Portafolio - Perfil Agresivo/Aggressive**



**Portafolio vs Benchmark**



# ARGENTINA FIXED INCOME MARKET

Weekly Market Strategy Report

August 6, 2019

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# ARGENTINA FIXED INCOME MARKET

Weekly Market Strategy Report

August 6, 2019

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