

**ECONOMIC  
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**KEY DATA**

- The price of soybean hit US\$ 351,1 per ton after a 4 day-rally at Chicago Board of Trade, triggered by news about a monthly 35% increase in Chinese exports last March, and expectations of yield losses in Argentina due to abnormally heavy rains in Santa Fe, Entre Rios and Cordoba provinces.

**INSIDE THE ECONOMY**

- NY Court of Appeals lifted the injunction that prevented Argentina from servicing restructured debt issued under the 2005 and 2010 debt swaps. From now on, the Argentine Gov't is free to issue new bonds to pay its "holdouts" as agreed in February. Minister Prat-Gay expects to issue the new bonds at less than 8% a year, and to start paying the holdouts on April 22.

**HIGHLIGHTS**

- The credibility in the Argentine authorities' inflation targets has been rapidly eroded by the recent increases in public utility charges and in transportation costs. The rapid increase in the quasi-fiscal deficit of the Argentine Central Bank and the high interest rates, without a tight fiscal policy, have discouraged real investment, without impact on domestic inflation rates. Under this challenging scenario the Gov't should try to regain credibility and to reverse the current stagflationary scenario.
- The scarce official and private activity indicators for the first quarter are discouraging. Most of them show the Argentine economy under stagnation or a slight recession, and it might deteriorate further in the 2<sup>nd</sup> quarter of 2016.
- The deterioration of the global economy led the Fed Chairwoman Janet Yellen to signal just 2 interest rate hikes in 2016, instead of 4 as previously expected. This led to a further weakening of the US dollar, and some stabilization of global financial markets. However, monetary stimuli did not succeed in reviving GDP growth in the global economy.
- After two decades under stagnation and deflation, Japan adopted risky monetary and economic policies in 2012 to grow again. The results were not satisfactory, but the Prime Minister Abe, remains going ahead with his plan.

**LOOKING AHEAD**

- The Argentine Central Bank is expected to announce new inflation targets at the end of April. The Finance Minister Prat-Gay is also expected to change some of the fiscal targets announced last January.
- Next weekend, Brazilian National Deputies will vote the recommendation to impeach president Dilma Rousseff. A positive vote will improve local and foreign investors' confidence.
- US caucuses enter into the last stage. Primaries are to be held in New York on April 19, in Connecticut, Delaware, Maryland, Pennsylvania and Rhode Island on April 26, in Indiana on May 3, in Guam on May 7, and in Nebraska and West Virginia on May 10.
- Next month some new findings will be released concerning the "Panama Papers" investigation on offshore accounts and firms of politicians, businessmen, artists and sportsmen around the globe, under suspicions of money laundering.
- Peru gets ready for next June presidential runoff between Keiko Fujimori, winner of last Sunday presidential elections with 39,8% support, and Pedro Pablo Kuczynski with 20,1%. Whoever wins the runoff, Fujimori's party will keep the National Congress under control, with 54,6% of congressmen from her party.