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KEY DATA

Exchange rate. The parallel exchange rate reached \$190 on October, 25. The gap between the parallel and the official exchange rates rose to 132.6%, the highest since 1975.

HIGHLIGHTS

Argentina at a balance-of-payment crisis. The currency controls have eroded the authorities' reputation. The recent increase in the parallel ("blue") exchange rate, coupled with an unambiguous decline in foreign reserves have strengthened the expectations of a large devaluation of the national currency, and the removal of the economic staff.

The IMF and the global economy. The IMF forecasted a global GDP fall by -4,4 this year, a slight upward adjustment from its previous projection (-5,2%). The IMF has warned about the serious risks to return to the activity level observed before the COVID-19 pandemic.

USA. The election campaign is at the final stage. Joe Biden is leading most of opinion polls, but the likely outcome of the presidential election remains uncertain.

Brazil. President Bolsonaro's popularity is on the upside, thanks to the extremely low interest rates, and the current transfers to low income households.

LOOKING AHEAD

Argentina and the IMF. The Argentine government is close to hold new meetings with the IMF on the rescheduling of the repayment of the US\$ 47 Bn. borrowed in 2018 and 2019.

Exchange rate and stabilization in Argentina. The Gov't will try to regain the control of the ongoing currency crisis after the issuance of USD denominated bonds and new USD-indexed debt.

Europe and the COVID-19 second wave. Several European countries are under a new COVID-19 and a series of lockdowns that will harm their economies in the short-term