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KEY DATA

- **Inflation.** Argentina's CPI rose 1.4% (MoM) in November. The cumulative inflation from January was 21.0%. The expected inflation rate for 2017 would reach 24.0%, surpassing the official target between 12.0% and 17.0%.

INSIDE THE ECONOMY

- **WTO summit.** The 11th WTO Ministerial Conference in Buenos Aires will end today without progress on the removal of grain trade barriers and fishing subsidies, and steps forward on e-commerce rules. The U.S. Trade Representative Robert Lightizer has openly rejected any mention to either promote multilateralism, or to discourage protectionist practices.

HIGHLIGHTS

- **Fundamental imbalances:** The Macri administration is not willing to modify current economic policies. However, they are leading the country to increasing fiscal and external accounts imbalances. If they are not reversed from next year, some uncontrollable risk factors may reappear once again.
- **Argentina's economic recovery remains on track:** Last 6 months indicators show an unambiguous recovery. However, there are no signs of either a take-off or a sustainable high growth path for the long-run.
- **Good year-end for the global economy.** The US tax reform bill will be passed in brief. The UK and the European Union have closed a deal on the Brexit issue. Furthermore, next year economic growth outlooks for the US, the Eurozone, and China are on the upside.

LOOKING AHEAD

- **Some Gov't reform bills will be passed in brief.** The tax and social security reform bills and the fiscal agreement between the national and provincial administrations, are expected to be passed this month.
- **Higher inflation in December.** The National CPI is expected to increase by 2.4% this month. Hence the annual inflation rate would reach 24.0%, leaving behind the Argentine Central Bank's target band (annual 12.0%-17.0%).
- **Ballotage in Chile next Sunday.** Former President Sebastian Pinera and Alejandro Guillier, will face a runoff for the Chilean presidency next December 17. They are almost tied in most of opinion polls.
- **Jerome Powell arrives.** The new Fed Chairman will replace Janet Yellen next February 4th. The current Chairman could remain on the Governors' Board until 2024, but she opted to leave.