

Financial Statements



As of December 31st, 2014



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

Financial Statements
as of December 31st, 2014
Comparatively presented
with the prior fiscal year



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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BANCO CENTRAL DE LA REPÚBLICA ARGENTINA		
BALANCE SHEET AS OF DECEMBER 31,2014		
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR		
- In thousands of Argentine Pesos -		
ASSETS		
	12/31/2014	12/31/2013
INTERNATIONAL RESERVES	268,596,471	199,453,719
Gold (Net of allowances) (Note 4.1.1, Exhibits I and II)	20,138,033	15,574,577
Foreign currency (Note 4.1.2 and Exhibit II)	84,013,589	14,472,696
Deposits to be realized in foreign currency (Note 4.1.3 and Exhibit II)	164,105,872	168,967,249
Multilateral Credit Agreements (Net) (Note 4.1.4. and Exhibit II)	339,047	219,032
LESS:		
Derivatives over International Reserves (Note 4.1.5 and Exhibit II)	70	(220,165)
GOVERNMENT SECURITIES	481,566,384	301,994,149
CENTRAL BANK HOLDINGS	482,395,029	302,831,609
Securities issued under foreign legislation (Note 4.2.1.1, Exhibits II and III)	4,013	221,376
Securities issued under Argentine legislation (Note 4.2.1.2 and Exhibits II and III)	482,391,016	302,610,233
1990 National Treasury Consolidated Bond (Note 4.2.1.2.1 and Exhibit III)	4,690,716	4,699,531
Nontransferable Treasury Bills (Note 4.2.1.2.2 and Exhibits II and III)	460,498,363	279,668,457
Others (Note 4.2.1.2.3 and Exhibits II and III)	21,055,263	22,095,571
LESS:		
Adjustment for accrual on 1990 Consolidated Bond (Exhibit III)	3,853,326	3,853,326
ALLOWANCE FOR IMPAIRMENT OF GOVERNMENT SECURITIES (Note 4.2.2 and Exhibits I and III)	(828,645)	(837,460)
TEMPORARY ADVANCES TO THE ARGENTINE GOVERNMENT (Note 4.3)	251,450,000	182,600,000
LOANS TO THE ARGENTINE FINANCIAL SYSTEM	4,278,108	4,800,506
Financial institutions (net of allowances)	4,278,108	4,800,506
Financial institutions (Note 4.4)	5,302,423	5,599,481
Loan loss allowance (Note 4.4 and Exhibit I)	(1,024,315)	(798,975)
CONTRIBUTIONS TO INTERNATIONAL AGENCIES ON BEHALF OF ARGENTINE GOVERNMENT AND OTHER (Note 4.5 and Exhibit II)	30,136,659	18,426,522
RIGHTS DERIVING FROM OTHER DERIVATIVE FINANCIAL INSTRUMENTS (Note 4.6)	7,767	1,294
RIGHTS DERIVING FROM REPO TRANSACTIONS (Note 4.7 and Exhibit II)	70,873,470	15,699,461
OTHER ASSETS (Net of allowances) (Note 4.8)	4,171,344	3,769,281
TOTAL ASSETS	1,111,080,203	726,744,932

LIABILITIES		
	12/31/2014	12/31/2013
MONETARY BASE (Exhibit V)	462,564,475	377,196,524
Currency in circulation	358,752,049	289,208,322
Banknotes and coins in circulation (Note 4.9.1.1)	358,751,597	289,207,436
Settlement checks in pesos in circulation (Note 4.9.1.2)	452	886
Current accounts in pesos (Note 4.9.2)	103,812,426	87,988,202
INSTRUMENTS OF PAYMENT IN OTHER CURRENCIES	3,257,216	1,888,399
Settlement checks in other currency in circulation (Note 4.10.1 and Exhibit II)	171	256
Certificates of Deposit for Investment (Note 4.10.2 and Exhibit II)	3,257,045	1,888,143
CURRENT ACCOUNTS IN OTHER CURRENCIES (Note 4.11 and Exhibit II)	69,040,232	69,445,186
DEPOSITS FROM ARGENTINE GOVERNMENT AND OTHERS (Note 4.12 and Exhibit II)	35,316,081	12,165,654
OTHER DEPOSITS (Note 4.13 and Exhibit II)	6,188,638	147,259
IMF SPECIAL DRAWING RIGHTS (Note 4.14 and Exhibit II)	3,944,675	3,195,709
IMF Special Drawing Rights	25,028,746	20,276,596
LESS:		
SDR contra account	21,084,071	17,080,887
OBLIGATIONS WITH INTERNATIONAL AGENCIES (Note 4.15 and Exhibit II)	1,894,738	1,403,259
Obligations	8,452,775	6,716,137
LESS:		
Contra account to utilization of reserve tranche	6,558,037	5,312,878
SECURITIES ISSUED BY THE BCRA (Note 4.16 and Exhibits II and IV)	282,285,992	110,545,181
Bills and notes issued in foreign currency	5,680,173	-
Bills and notes issued in Argentine pesos	276,605,819	110,545,181
CONTRA ACCOUNT TO ARGENTINE GOVERNMENT CONTRIBUTIONS TO INTERNATIONAL AGENCIES (Note 4.17 and Exhibit II)	19,759,626	10,273,645
DUE TO OTHER DERIVATIVE FINANCIAL INSTRUMENTS (Note 4.18)	-	5,571
DUE TO REPO TRANSACTIONS (Note 4.19 and Exhibit II)	67,213,426	14,270,411
DUE TO MULTILATERAL CREDIT AGREEMENTS (Note 4.20 and Exhibit II)	1,633,862	1,261,520
OTHER LIABILITIES (Note 4.21 and Exhibit II)	48,236,903	15,033,026
PROVISIONS (Note 4.22 and Exhibit I)	2,048,531	1,923,433
TOTAL LIABILITIES	1,003,384,395	618,754,777
NET EQUITY (According to the respective State)	107,695,808	107,990,155
TOTAL LIABILITIES plus NET EQUITY	1,111,080,203	726,744,932

Notes 1 to 7 and Exhibits I to V are an integral part of these financial statements.

Adriana M. Fischberg
MAIN GENERAL
ACCOUNTING MANAGER

Horacio Rodriguez
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GENERAL SUBMANAGER I/C

Jorge L. Rodriguez
GENERAL MANAGER

Paola A. López
DEPUTY SUPERVISORY AUDITOR

Alejandro Vanoli
CHAIRMAN

Hugo C. Alvarez
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 04/14/2015

STATEMENT OF INCOME
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR
- In thousands of Argentine Pesos -

	12/31/2014	12/31/2013
<u>Interest and adjustments:</u>		
Interest income:	3,160,010	3,038,001
On International Reserves (Note 4.23.1)	142,215	210,745
On Government securities (Note 4.23.1)	2,473,800	2,368,903
On deposits in other entities	8,715	8,219
On loans to the financial system (Note 4.23.1)	417,456	389,041
On other assets (Note 4.23.1)	117,824	61,093
Interest expense:	(43,318,035)	(15,906,441)
On securities issued by the BCRA (Note 4.23.2)	(42,197,256)	(14,805,272)
On loans borrowed from international agencies (Note 4.23.2)	(45,759)	(64,626)
On other transactions with the financial system (Note 4.23.2)	(1,000,145)	(966,715)
On other liabilities (Note 4.23.2)	(74,875)	(69,828)
<u>Set-up of allowances for government securities and loans to the financial system, net (Note 4.23.3)</u>	(285,584)	(120,731)
<u>Listed price differences, net (Note 4.23.5)</u>	114,818,358	88,413,692
<u>Foreign currency trading differences (Note 4.23.4)</u>	8,561,866	12,631,905
<u>Other financial instruments trading differences (Note 4.23.6)</u>	(975,243)	(6,341,155)
<u>Net financial income</u>	81,961,372	81,715,271
<u>Miscellaneous charges and fines (Note 4.23.7)</u>	456,916	241,984
<u>Net commissions</u>	(120)	1,745
Commissions earned	600	1,934
Commissions paid	(720)	(189)
<u>Contributions to the tax authorities pursuant to Law No. 26.895 / 26.784</u>	(360,000)	(264,000)
<u>Monetary issuance expenses (Note 4.23.8)</u>	(1,533,800)	(1,002,043)
<u>General expenses (Note 4.23.9)</u>	(2,064,429)	(1,637,986)
<u>Set-up of other allowances, net (Note 4.23.10)</u>	(237,492)	(679,329)
<u>Net income from operating activities</u>	78,222,447	78,375,642
<u>Other income and expense (Note 4.23.11)</u>	(98,345)	42,806
<u>NET INCOME</u>	78,124,102	78,418,449

Notes 1 to 7 and Exhibits I to V are an integral part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR
-In thousands of Argentine Pesos-

ITEMS	CAPITAL	CAPITAL ADJUSTMENT	RESERVES			UNAPPROPRIAT ED RETAINED EARNINGS	TOTAL 12/31/2014	TOTAL 12/31/2013
			GENERAL RESERVE	SPECIAL RESERVE	APPRAISAL REVALUATION			
Balances at beginning of year	16,965,408	2,711,815	7,698,945	2,139,667	55,871	78,418,449	107,990,155	61,752,413
Distribution of earnings as per Board of Governors' Resolution No. 96 dated March 26, 2014 and 175 dated August 1 ,2013	-	-	-	-	-	(78,418,449)	(78,418,449)	(32,180,707)
Net income						78,124,102	78,124,102	78,418,449
Balances at year - end	16,965,408	2,711,815	7,698,945	2,139,667	55,871	78,124,102	107,695,808	107,990,155

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STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014 COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR - In thousands of Argentine Pesos -	12/31/2014	12/31/2013
<u>I) Cash flows provided by operating activities</u> 1. Sources - Interest gain on investments abroad - Securities, foreign currency and gold trading differences, net - IADB/IBRD loans to provinces, financial program for micro, small and medium-sized companies, and revolving funds - Settlements/ Placements of repurchase / reverse repurchase agreements with domestic and foreign financial institutions - Net (sale) / purchase of foreign currency for regulation - Net outflows of funds from transactions with Argentine Government Securities 2. Applications - Net outflows of foreign currency - Current Domestic Accounts in other Currencies. - Trade Credit Outflows - Multilateral Credit Agreements - Administrative expenses - Monetary issuance expenses - Other items Net cash flows provided by operating activities (1.-2.)	78,713,626 137,303 8,563,057 18,392,156 22,559,689 25,383,864 3,677,557 (34,766,900) (26,144,072) (8,313,377) (19,536) (288,518) (1,397) 43,946,726	(11,618,485) 208,165 12,631,912 12,694,888 535,463 (31,794,953) (5,893,960) (19,658,334) (12,601,694) (6,796,823) (23,601) (234,847) (1,369) (31,276,819)
<u>II) Cash flows provided by investment activities</u> 3. Sources - Collection of dividends BIS <u>III) Cash flows provided by financing activities (including transactions on behalf of the Argentine Government)</u> 4. Applications - Net outflows / inflows to foreign financial institutions	8,714 8,714 (22,197,452) (22,197,452)	8,219 8,219 (21,737,862) (21,737,862)
<u>IV) Other</u> 5. Sources - Net Valuation pricing adjustments Restated cash flows provided by all activities (I+II+III+IV) Net cash at beginning of year (Note 3.1) Net cash at end of year (Note 3.1)	47,384,765 69,142,752 199,453,719 268,596,471	39,588,934 (13,417,528) 212,871,247 199,453,719

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Notes to the Financial Statements for the
fiscal year ended December 31, 2014
comparatively presented with the prior fiscal
year
- In thousands of Argentine pesos -

NOTE 1- NATURE AND PURPOSE OF THE CENTRAL BANK OF ARGENTINA

The Central Bank of Argentina (BCRA) is a self-regulated entity of the Argentine Government that is subject to the provisions of its Charter and further legal regulations (section 1, Law No. 24144, as amended).

The purpose of the Bank is to promote —within the scope of its powers and under the policies set by the Federal Government— monetary and financial stability, employment and economic development along with social equality (section 3 of the Charter). In addition, section 4 of the Charter sets forth the following BCRA functions and powers:

- to regulate the operation of the financial system and enforce Financial Institutions Law and such other regulations as may be consequently enacted;
- to regulate the amount of money and interest rates, and to regulate and steer lending;
- to serve as the financial agent for the Federal Government, and as depositary and agent for Argentina before international monetary, banking and financial institutions to which Argentina has endorsed, and to play an active role in international integration and cooperation;
- to hold and administer its gold and foreign exchange reserves, and other foreign assets;
- to contribute to the smooth functioning of capital markets and to implement the foreign exchange policy in full accordance with the laws passed by the National Congress;
- to regulate, within its authority, all payment systems, clearing and settlement houses, money remittance entities, and cash-in-transit companies, and to carry out any other action related to the financial and foreign exchange sectors;
- to provide for the protection of financial service users' rights and of fair competition, coordinating its actions with all relevant government agencies.

The Charter further establishes that in the exercise of its functions and powers the Bank will not be subject to orders, indications or instructions from the National Executive Branch, nor will it undertake obligations of any nature conditioning, restricting or delegating such functions and powers without the express authorization of the National Congress. The National State guarantees the obligations undertaken by the Bank.

NOTE 2 - SIGNIFICANT EVENTS FOR THE FISCAL YEARS 2014 AND 2013

For a better reading of the accompanying financial statements, the following paragraphs will describe the most significant events occurred during such fiscal years.

2.2 Law No. 26860 – Voluntary disclosure of holdings in foreign currency in Argentina and abroad

On May 29, 2013, Argentine Congress enacted Law No. 26860, which sets forth a system for the voluntary disclosure of holdings in foreign currency in Argentina and abroad. The abovementioned law also provided for the creation of the “BAADE” (Argentine bond for economic development) and the “Promissory Note for

Economic Development”, to be issued by the Ministry of Economy and Public Finance, and the “CEDIN” (Certificate of deposit for investment) to be issued by the BCRA.

The CEDIN is registered and endorsable and constitutes sufficient means to settle obligations to give amounts of money in US dollars. It shall be settled in the same currency of issuance by the BCRA or the institution appointed thereby, upon presentation of the certificate by its holder or endorsee, and settlement is subject to the prior accreditation of the purchase of land, warehouses, stores, offices, garages, lots, plots and already-constructed housing and/or the construction of new housing units and/or real property refurbishment. The BCRA established the implementation of CEDIN-related transactions in Communiqué “A” 5447, of June 12, 2013 (see note 4.10.2). Note that Presidential Decree No. 2529/2014 has extended system terms until late March 2015.

2.3 Capital Market Law

On December 27, 2012, Law No. 26831 was issued through Administrative Order No. 2601/2012, which set forth a new public offering system aimed at regulating the public offering of securities in full. In addition, by virtue of the powers granted by the abovementioned regulation, the Argentine Securities Commission (CNV) issued General Resolution No. 622/2013 on September 5, 2013.

2.3 Law 26984 - Sovereign Debt Payment. Debt Restructuring

On September 10, 2014, the Argentine Congress enacted Law No. 26984 declaring of public interest the Sovereign Debt Restructuring that took place in 2005 and 2010, as well as the outright payment under fair, equitable, legal and sustainable conditions to the holders of Argentine Government Securities.

In view of the difficulties in collecting the funds paid by the Republic of Argentina on June 26, 2014 under court orders and for the safeguard of the national public order and of the contracts entered into within the framework of that Debt Restructuring, the creation of a special account with the Central Bank of Argentina, the “Law 26984 Fund – Restructured Sovereign Debt Payment” account was established with the aim of depositing into it the funds destined for the payment of the debt services corresponding to the Securities governed by the 2005-2010 Trust agreement. The creation of another account, “Law 26984 Fund – Non-swapped Sovereign Debt Payment” was also established to demonstrate the Argentine Nation's good faith and its willingness and ability to make payments under equitable conditions to all creditors (see Note 7.2).

2.4 Bilateral currency swap agreement

By Board Resolution No. 204 of July 10, 2014, a local currency swap agreement with the People's Bank of China was authorized to “improve the financial conditions for the promotion of the economic and commercial development between the two countries”; these objectives are consistent with those set forth by Section 3 of the Charter. Under this agreement, the Bank requiring a swap transaction shall deposit into an account in its books in the name of the other party an equivalent amount in its local currency. Likewise, the Bank from which the swap transaction is required shall deposit into an account in its books in the name of the other party an equivalent amount in its local currency. The two accounts will bear no interest as far as the required funds are not actually applied and, upon maturity of each swap transaction, each Bank will debit the same amount as the one originally deposited. During the term of each swap transaction, each Bank may use the available amount in the local currency of the other party, as authorized under the Agreement (see Notes 4.7, 4.19 and 4.21).

2.5 Other events

There were changes in some macroeconomic variables during the first four months, particularly in the National Urban Consumer Price Index (IPCNu), according to the calculation methodology applied by INDEC (23.9% for the year 2014), and in the reference exchange rate (see Note 3.5.1). In view of the above, the Central Bank of Argentina issued a series of financial and exchange measures, including an increase in interest rates on the placements of LEBAC and NOBAC, and the setting of minimum rates for retail time deposits, with the aim of encouraging savings in Argentine currency; the Bank also issued new exchange and regulatory provisions

regarding access by individuals to the local foreign exchange market, and an increase in comprehensive supervision.

NOTE 3 - ACCOUNTING STANDARDS APPLIED

3.1 Significant accounting policies

Financial statements have been prepared pursuant to section 34 of the Charter, subject to generally accepted standards, in its capacity as monetary authority, following the principles and criteria contained in the “Accounting Policy Manual” approved by the Bank’s Board of Governors through Resolution No. 86 dated May 16, 2013, updated as of year end.

The accompanying financial statements, exhibits and notes disclose figures stated in thousands.

In order to prepare the statement of cash flows, the “International reserves” item was defined as a “Cash and cash equivalents” item, showing the main variations in immediate-liquidity external assets that form a part thereof.

3.2 Use of estimates

Bank records are based on the best estimate regarding the probability of occurrence of different future events and, therefore, the final amount of estimates may differ from such records, which may have a positive or negative impact on future years. The preparation of financial statements requires the Bank to make estimates, in certain cases, to determine the book values of assets and liabilities, income, expenses and contingencies, as well as the disclosure thereof, as of each date of accounting information filing.

3.3 Comparative information

The balance and the statements of income, changes in shareholders’ equity and cash flows as of December 31, 2014, as well as exhibits and notes specifying so, are presented comparatively with balances as of the prior year end.

3.4 Unit of measurement

The Bank’s financial statements recognize the changes in the currency purchasing power through February 28, 2003, and as of that date, the inclusion of adjustments to reflect those changes were no longer applied, in conformity with the provisions set forth in Argentine professional accounting standards and the requirements of Presidential Decree No. 664/2003 and Regulation CONAU I - 569.

In addition, the CPCECABA issued Resolution MD No. 41/2003, which established that the restatement in constant pesos was required to continue until September 30, 2003. The BCRA did not recognize in books the effects of variations in the currency purchasing power generated from March 1 through September 30, 2003, as required by current professional accounting standards. The effects of failing to recognize the variations in the currency purchasing power through the latter date are not material to the financial statements taken as a whole.

3.5 General valuation and disclosure methods

3.5.1 Assets and liabilities in foreign currency

Financial statements reporting date is the Argentine peso. Transactions in foreign currency are converted into Argentine pesos at the foreign exchange rate effective as of the date of transaction. Inventories in US dollars are subject to a benchmark foreign exchange rate as of December 31, 2014, and 2013, respectively, calculated by

the BCRA itself pursuant to Communiqué “A” 3500 methodology. Inventories in other currencies, including gold inventories, are valued at the US dollar exchange rate effective on the relevant day closing at the markets in which BCRA trades, and they are converted into local currency on a daily basis at the benchmark foreign exchange rate published by the BCRA.

Exhibit II discloses the main amounts in foreign currency as of the end of fiscal 2014 and 2013.

The following chart shows the Argentine peso exchange rates to the different currencies used as of each year end:

	12/31/2014	12/31/2013
US dollar	8.55200000	6.51800000
Gold	10,153.87512000	7,852.82122000
Special drawing rights (SDRs)	12.39022312	10.03772000
Euro	10.34963040	8.98245580
Yen	0.07137373	0.06191698
Pound sterling	13.32487120	10.79576340
Real	3.21769900	2.75905858
Canadian dollar	7.36352678	6.13227961
Norwegian krone	1.14236862	1.07460226
Swiss franc	8.60621918	7.32771220
Bolivar	1.35916467	1.03590216
Yuan	1.37813230	0.83775700

3.5.2 Method to recognize income and expenses

Income and expenses are recognized on an accrual basis and are calculated based on the “Accounting Policy Manual” and the agreements entered into between the parties involved.

NOTE 4 - BREAKDOWN AND SPECIFIC VALUATION METHODS OF FINANCIAL STATEMENT ITEMS

4.1 International reserves

As set forth by the Charter, the Bank must concentrate and administer its gold reserves, foreign currency reserves and other external assets. The Bank may keep a portion of its external assets in the form of deposits or other interest-bearing transactions with foreign financial institutions or in creditworthy papers payable in gold or in foreign currency. As established by Convertibility Law No. 23928, Central Bank reserves are exempt from attachments or seizures. Reserves shall be applied up to the amount determined by the Board of Governors exclusively as contemplated by section 14, sub-sect. q) of the Charter (see Note 6.1.). Excess reserves will be freely available reserves and, as long as there is a neutral monetary effect, they may be applied to the payment of obligations undertaken with international financial agencies or bilateral official external debt agencies.

4.1.1 Gold

	<u>12/31/2014</u>	<u>12/31/2013</u>
Gold in bars	20,155,008	15,587,515
Allowance for gold in bars (Exhibit I)	<u>(16,975)</u>	<u>(12,938)</u>
Total	<u>20,138,033</u>	<u>15,574,577</u>

Gold physical inventories, equal to 1,985 troy ounce, were valued as of year end at USD 1,187.3 per troy ounce, according to market prices effective as of the related date, and converted into Argentine pesos according to the method under note 3.5.1 (1,985 troy ounces valued at USD 1,204.8 as of December 31, 2013).

Gold ingots qualify as “good delivery”; consequently, a provision for sale expenses was booked, which consists in calculating the direct costs that should be incurred upon deciding to realize them. Such allowance was estimated in one US dollar per ounce and it is disclosed in financial statements, offsetting the amount in the “Gold” account.

According to the international reserve standards, only monetary gold qualifies as a reserve asset; therefore, the gold inventories kept for numismatic purposes are not deemed financial assets and are disclosed under Other assets (see note 4.8).

4.1.2 Foreign currencies

	<u>12/31/2014</u>	<u>12/31/2013</u>
Overnight and checking accounts in foreign correspondent banks	78,439,030	8,429,736
Note holdings	<u>5,574,559</u>	<u>6,042,960</u>
Total	<u>84,013,589</u>	<u>14,472,696</u>

Note holdings were valued as established in note 3.5.1. The overnight and checking accounts in foreign correspondent banks were valued through the same method plus the related earned interest as of each year end, as applicable.

4.1.3 Deposits to be realized in foreign currency

Including the following investments made abroad:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Certificates of deposit	127,802,544	141,432,012
Demand deposits	28,047,175	20,639,750
Foreign government securities	7,401,098	5,917,780
Repurchase agreements	852,634	975,745
IMF reserve tranche position	<u>2,421</u>	<u>1,962</u>
Total	<u>164,105,872</u>	<u>168,967,249</u>

Demand deposits and certificates of deposits and repurchase agreements were stated at face value, plus interest or return accrued, as the case may be, until each year end, converted into Argentine pesos according to the method established in note 3.5.1. Demand deposits consist mainly of allocated SDRs.

Foreign government securities were stated at market values as of each year end and converted into Argentine pesos as described in note 3.5.1.

The annual average return for all investments was 0.078% and 0.128% for fiscal 2014 and 2013, respectively.

4.1.4 Multilateral credit agreements

The balance represents net asset positions by country arising from reciprocal credit transactions under Latin American Integration Association (LAIA) and the Argentina/Brazil Local Currency Payment System, which have been valued as established in note 3.5.1.

4.1.5 Derivatives over International Reserves

	<u>12/31/2014</u>	<u>12/31/2013</u>
Gold put options bought	-	233,589
Gold call options written	-	(13,424)
Receivables for forward purchases of foreign currency	6,188	-
Obligations for forward purchases of foreign currency	<u>(6,258)</u>	<u>-</u>
Total	<u>(70)</u>	<u>220,165</u>

Through Resolution No. 144 of June 28, 2006, the Board of Governors authorized the Reserve Administration Main Management to carry out transactions related to futures, options or forward transactions in foreign currency and in gold with certain institutions authorized by investment guidelines, to the extent that such derivatives were used to reduce the portfolio risk.

In this sense and in order both to reduce the daily volatility of US dollar-denominated income (loss) from the physical gold position and to cover the risk of decrease in the valuation of physical holdings, gold trading options have been acquired during the fiscal year 2013, financing these transactions through the writing of call options for an equivalent value. These contracts are valued using mathematical valuation models established in the "Accounting Policy Manual" mentioned in note 3.1. and all of them expired during the current year.

Receivables for forward purchases of foreign currency for ARS 6,188 as of December 31, 2014 represent the foreign currency denominated amounts due from the counterparties abroad for transactions agreed upon, and Obligations for forward purchases of foreign currency as of December 31, 2014 consist up of ARS (6,242) for the obligation to deliver the foreign currency at the exchange rate agreed upon and ARS (16) for interest accrued on those transactions. As of December 31, 2013, no forward purchase transactions of foreign currency had been agreed upon.

4.2 Government securities

By virtue of the capital market regulations set forth by Law No. 26831, in order to fix a consistent price for marketable securities, all securities shall be traded at their original nominal values. In turn, through Communiqués "C" 7097 and 7113, Caja de Valores introduced an amendment to the statement of government securities held in custody (see note 2.2 and Exhibit III).

4.2.1 Central Bank Holdings

It includes the BCRA's government securities portfolio detailed in Exhibit III, which, as of December 31, 2014, amounted to ARS 482,395,029 (ARS 302,831,609 as of December 31, 2013.)

4.2.1.1 Securities issued under foreign legislation

They include securities issued by the Argentine Government and subject to the jurisdiction of foreign courts, which are valued at listed values. As of December 31, 2014, they amounted to ARS 4,013 (ARS 221,376 as of December 31, 2013) and are broken down as follows:

- a) Global Bonds 2017 issued in US dollars, for an original nominal value of USD 379 equal to ARS 4,013 (original nominal value USD 379 equal to ARS 3,138 as of December 31, 2013). These securities have been valued at market value (see Exhibit III). As of December 31, 2013, GDP-linked Marketable Securities issued in United States dollars maturing on December 15, 2035 for an Original Nominal Value (ONV) of USD 206,023, equivalent to ARS 166,363, and issued in euros maturing on that date for an ONV of euros 50,000, equivalent to ARS 51,875 were also included, and were valued at market values (see Exhibit III).

4.2.1.2 Securities issued under Argentine legislation

They include securities held subject to Argentine legislation, which amounted to ARS 482,391,016 as of December 31, 2014 (ARS 302,610,233 as of December 31, 2013).

4.2.1.2.1 1990 Argentine Treasury Consolidated Bond

This bond was issued on January 2, 1990. It is related to the consolidation of obligations assumed by the Argentine Government due to the funds provided by the BCRA by virtue of Presidential Decree No. 335/1991. Such bond is stated in Argentine currency for a 99-year term, it does not accrue interest and principal is adjusted through the selling Argentine peso-to-US dollar exchange rate published by Banco de la Nación Argentina. The amortization of adjusted principal is paid as from the tenth year. The adjustment was accrued until March 31, 1991, by virtue of section 8, Convertibility Law (the currency board that pegged the Argentine peso at parity with the US dollar), whereby the monetary adjustment mechanisms regarding the amounts stated in non-convertible australes would be applied exclusively until April 1, 1991, without accruing new adjustments for such items after that opportunity.

The original issuance amounts to ARS 881,464 while the amount adjusted as of December 31, 2014, pursuant to issuance conditions is ARS 4,734,790 (the same amount as of December 31, 2013). Considering that section 6, Law No. 25565, authorized the former Ministry of Economy to restructure the public debt, Resolution No. 334/2002 of such ministry established that it will be amortized in 80 annual installments, the first one maturing on January 2, 2010, for an amount of 8,815. In view of the special financial characteristics of this bond, especially its term, grace period and that it does not accrue interest, the amount adjusted in accordance with the issuance terms and conditions, net of its offset account, was fully booked as an allowance. As of December 31, 2014, the allowance booked for the sixth instalment—which was collected on January 2, 2015—was recovered (see note 7.1, Exhibit I and Exhibit III).

4.2.1.2.2 Nontransferable Treasury Bills

The amount includes non-transferable bills issued by the Argentine Treasury under the following issuance financial conditions: issuance in US dollars, ten-year term, full amortization as of due date and interest accrual at an annual rate equivalent to that accrued by BCRA's international reserves for the same period and up to a cap annual LIBOR less a percentage point, payable twice a year. As of December 31, 2014, they amounted to ARS 460,498,363 (ARS 279,668,457 as of December 31, 2013) (see Exhibit III). The line under analysis is made up of the following issued bills:

4.2.1.2.2.1 Non-transferable bill maturing in 2016

Through Resolution No. 3 issued by the Board of Governors on January 5, 2006, the inclusion of the Non-transferable bill in BCRA's equity was accepted, in exchange for the Argentine Government's obligations with the BCRA as a result of the payable to the International Monetary Fund (IMF).

The bill was included in equity at its nominal value. Such valuation was based on the BCRA's financial capacity and its decision to maintain it until the due date. The payment made to that institution amounted to USD 9,530,111, which agrees with the bill nominal value.

As of December 31, 2014, the amount converted into pesos according to the method of cost valuation plus accrued interest (Exhibit III) amounted to ARS 81,501,507 (ARS 62,117,261 as of December 31, 2013).

According to the yield conditions, this security did not accrue interest during the fiscal year, and the yield rate obtained during the year 2013 was 0.001%.

4.2.1.2.2.2 Non-transferable bills maturing in 2020. Presidential Decrees No. 297 and 298/2010

On March 1, 2010, the Federal Executive issued Presidential Decrees Nos. 297/2010 and 298/2010, respectively. The first presidential decree established that all principal and interest amounts due to international financial entities for fiscal 2010 should be repaid with freely-available reserves exceeding the percentage established by section 4, Law No. 23928, up to USD 2,187,000. Presidential Decree No. 298, which was enacted as a result of a general ministers' agreement, created the Argentine Debt Reduction Fund for the purpose of settling payables to private holders for fiscal 2010 up to USD 4,382,000.

In consideration for the transfers of funds indicated in the abovementioned presidential decrees, the BCRA received two Argentine Treasury Non-transferable Bills, the issuance of which was ordered by Resolutions Nos. 104/2010 and 105/2010 of the Ministry of Economy and Public Finance.

Both bills were included in equity at nominal value following a similar criterion to that used for the Non-transferable Bill maturing in 2016, for amounts equal to USD 2,187,000 and USD 4,382,000.

As of December 31, 2014, the amount converted into Argentine pesos, pursuant to the cost valuation method plus accrued interest (Exhibit III) was ARS 18,703,224 and ARS 37,474,864 for bills associated with Presidential Decrees Nos. 297/2010 and 298/2010, respectively (ARS 14,254,866 and ARS 28,561,876, respectively, as of December 31, 2013).

According to the yield conditions, this security did not accrue interest during the fiscal year, and the yield rate obtained during the year 2013 was 0.010 %.

4.2.1.2.2.3 Non-transferable bills maturing in 2021. Presidential Decrees Nos. 2054/2010 and 276/2011

In order to give continuity to the Argentine Debt Reduction Fund created through Presidential Decree No. 298/2010 to settle the payables to private holders for fiscal 2011, on December 22, 2010, the Federal Executive issued Presidential Decree No. 2054/2010 whereby the Ministry of Economy and Public Finance was required to create such fund up to the amount of USD 7,504,000 (section 22). Following those instructions, through Resolution No. 1/2011 dated January 7, 2011, the Ministry of Economy and Public Finance issued an Argentine Treasury Bill denominated in US dollars for an amount of USD 7,504,000, with the same characteristics of those previously issued. The bill was included in BCRA's equity on December 12, 2011, and the amount converted into pesos according to the method of cost valuation plus accrued interest (Exhibit III) was ARS 64,174,208 as of December 31, 2014 (ARS 48,911,072 as of December 31, 2013).

According to the yield conditions, this security did not accrue interest during the fiscal year 2014, and the yield rate obtained during the year 2013 was 0.003 %.

In addition, on March 4, 2011, the Federal Executive issued Presidential Decree No. 276/2011, which ordered the settlement of all payables to international entities for fiscal 2011 through the reallocation of the remaining unused funds transferred to the Federal Government, as set forth by Presidential Decree No. 297/2010, and through the issuance of a non-transferable Argentine Treasury Bill denominated in US dollars for an amount of USD 2,121,386, under the same conditions of the previous ones, for an amount of USD 2,121,386. Through Resolution No. 64/2011 dated March 18, 2011, the Ministry of Economy and Public Finance issued the abovementioned Argentine Treasury Bill, which was included in BCRA's equity on March 23, 2011. As of December 31, 2014, the amount converted into pesos according to the method of cost valuation plus accrued interest (Exhibit III) amounted to ARS 18,142,097 (ARS 13,827,197 as of December 31, 2013).

According to the yield conditions, this security did not accrue interest during the fiscal year 2014, and the yield rate obtained during the year 2013 was 0.011 %.

4.2.1.2.2.4 Non-transferable bill maturing in 2022. Ministry of Economy and Public Finance Resolution No. 131/2012

In order to give continuity to the Argentine Debt Reduction Fund created through Presidential Decree No. 298/2010 and as set forth by Argentine Administration General Budget Law No. 26728 for fiscal 2012, on April 24, 2012, the Ministry of Economy and Public Finance issued Resolution No. 131/2012, whereby a Non-transferable Argentine Treasury Bill denominated in US dollars was issued to be subscribed in various tranches by the Bank provided that there were freely-available reserves, pursuant to section 6, Law No. 23928, as amended, up to USD 5,674,000, under the same conditions of those previously subscribed. As of December 31, 2014, the amount converted into pesos according to the method of cost valuation plus accrued interest (Exhibit III) amounted to ARS 48,524,048 (ARS 36,983,132 as of December 31, 2013).

According to the yield conditions, this security did not accrue interest during the fiscal year 2014, and the yield rate obtained during the year 2013 was 0.015 %.

4.2.1.2.2.5 Non-transferable bill maturing in 2022. Treasury Department and Finance Department Joint Resolution No. 171/2012 and 53/2012

Presidential Decree No. 928/2012 ordered the settlement of all payables to international financial institutions for fiscal 2012 using freely-available reserves to the extent that the requirement under section 6, Law No. 23928, as amended, was met. For that purpose, Joint Resolution No. 171/2012 and 53/2012 issued by the Treasury Department and the Public Finance Department, respectively, dated July 3, 2012, ordered the issuance of a Non-transferable Argentine Treasury Bill denominated in US dollars to be subscribed in various tranches by the Bank provided that there were freely available reserves, in consideration for the transfer established by section 3, Presidential Decree No. 928/2012, for an amount of USD 2,083,648. As of December 31, 2014, the amount converted into pesos according to the method of cost valuation plus accrued interest (Exhibit III) amounted to ARS 17,819,358 (ARS 13,581,218 as of December 31, 2013).

According to the yield conditions, this security did not accrue interest during the fiscal year 2014, and the yield rate obtained during the year 2013 was 0.034 %.

4.2.1.2.2.6 Non-transferable bill maturing in 2023. Presidential Decree No. 309/2013

Presidential Decree No. 309/2013 ordered the settlement of payables to international financial institutions and bilateral official foreign debt for fiscal 2013, as well as the 2012 adjustment, using freely-available reserves to the extent that the requirement under section 6, Law No. 23928, as amended, was met (see note 2.1). For that purpose, Joint Resolution No. 251/2013 and 45/2013 issued by the Treasury Department and the Public Finance Department, respectively, dated August 16, 2013, ordered the issuance of a Non-transferable Argentine Treasury Bill for USD 2,334,945, with the same issuance characteristics of the non-transferable bills previously issued. During the fiscal year 2013, the first tranche of the abovementioned bill was subscribed for an amount of USD

2,292,297. As of December 31, 2014, the amount converted into pesos according to the method of cost valuation plus accrued interest (Exhibit III) amounted to ARS 19,603,722 (ARS 14,941,190 as of December 31, 2013).

According to yield conditions, this security did not accrue interest in the fiscal years 2014 and 2013

4.2.1.2.2.7 Non-transferable bill maturing in 2023. Ministry of Economy and Public Finance Resolution No. 8/2013

In order to give continuity to the Argentine Debt Reduction Fund created through Presidential Decree No. 298/2010 for the settlement of payables to private holders and as established by Argentine Administration General Budget Law No. 26784 for fiscal 2013, on January 15, 2013, the Ministry of Economy and Public Finance issued Resolution No. 8/2013, whereby a Non-transferable Argentine Treasury Bill denominated in US dollars was issued to be subscribed in various tranches by the Bank provided that there were freely-available reserves, up to USD 7,967,000, with the same issuance characteristics of the non-transferable bills previously issued. During the fiscal year, the first tranche of the abovementioned bill was subscribed for an amount of USD 7,132,655. As of December 31, 2014, the amount converted into pesos according to the method of cost valuation plus accrued interest (Exhibit III) amounted to ARS 60,998,446 (ARS 46,490,645 as of December 31, 2013).

According to yield conditions, this security did not accrue interest in the fiscal years 2014 and 2013.

4.2.1.2.2.8 Non-transferable Bill maturing in 2024 – Resolution No. 30/2014 of the Ministry of Economy and Public Finance

Law No. 26895 on the National Administration Budget for the fiscal year 2014 has extended application of Decree No. 298, which created the Argentine Debt-Shedding Fund aimed at the services on the debt with private bondholders. To comply with this provision, the Ministry of Economy and Public Finance adopted on February 13, 2014 Resolution No. 30/2014, ordering the issuance of a Non-transferable National Treasury Bill denominated in US dollars to be subscribed in one or various tranches by the Bank to the extent there are freely available reserves, as prescribed by section 6 of Law No. 23928, as amended, for an amount of up to USD 9,855,000, under conditions equal to the ones subscribed earlier. The Treasury Bill was subscribed in four tranches for an amount of USD 7,896,765 during the year. As of December 31, 2014, the amount converted into pesos according to the cost plus accrued interest valuation criterion (Exhibit III) is ARS 67,533,133.

According to the yield conditions, this security did not accrue interest during the fiscal year 2014.

4.2.1.2.2.9 Non-transferable Bill maturing in 2024 – Resolution No. 190/2014 of the Ministry of Economy and Public Finance

National Executive Branch Decree No.1311/2014 established the repayment of the debt services with international financial agencies and bilateral official external debt agencies for the fiscal year 2014, with freely available reserves, provided that the requirement imposed by section 6 of Law No. 23928, as amended, is fulfilled. To that end, Treasury Department and Finance Department Joint Resolutions Nos. 190/2014 and 52/2014, respectively, dated August 22, 2014 ordered the issuance of a Non-transferable National Treasury Bill for an amount of USD 3,043,000, under the same issuance terms and conditions as the Non-transferable Bills issued earlier, with the Bill having been fully subscribed during the fiscal year. As of December 31, 2014, the amount converted into pesos according to the cost plus accrued interest valuation criterion (Exhibit III) is ARS 26,023,736.

According to the yield conditions, this security did not accrue interest during the fiscal year 2014.

4.2.1.2.3 Other securities issued under Argentine legislation

This item totaled ARS 21,055,263 as of December 31, 2014 (ARS 22,095,571 as of December 31, 2013) and it consisted mainly of securities issued by the Federal Government, subject to local legislation, as follows:

a) During this fiscal year, Argentine Republic Bonds (BONAR) Series 2014 for an original nominal value of ARS 1,668,599 equal to ARS 1,695,297 as of December 31, 2013, were amortized in full. Those securities were received in exchange for the swap of Secured Loans and they are booked at their listed price (see Exhibit III).
Exhibit

b) Argentine Republic Bonds (BONAR) Series 2015 for an original nominal value of ARS 1,225,131 equal to ARS 508,429 as of December 31, 2014 (original nominal value of ARS 1,225,131 equal to ARS 1,038,298 as of December 31, 2013). Those securities were received in exchange for the swap of Secured Loans and they are booked at their listed price (see Exhibit III).

c) Argentine Republic Bonds (BONAR) Series 2017 for an original nominal value of USD 82,720 equal to ARS 938,872 as of December 31, 2014 (original nominal value of USD 465,600 equal to ARS 3,789,984 as of December 31, 2013). These financial instruments are booked at their listed price (see Exhibit III).

d) Argentine Republic Bonds (BONAR) Series 2019 for an original nominal value of ARS 1,608,234 equal to ARS 1,447,410 as of December 31, 2014. No stocks were recorded as of December 31, 2013. These financial instruments are booked at their listed price (see Exhibit III).

e) Secured bonds (BOGAR 2018): they were received in exchange for the swap of provincial government debt securities included in the BCRA's portfolio for an original nominal value of ARS 852,895 equal to ARS 1,245,227 as of December 31, 2014 (original nominal value of ARS 852,895 equal to ARS 1,155,673 as of December 31, 2013). These financial instruments are booked at their listed prices (see Exhibit III).

f) Discount Bonds 2033 issued in US dollars and maturing on December 31, 2033, for an nominal value of USD 99,586 equal to ARS 1,359,343 as of December 31, 2014 (original nominal value of USD 118,786 equal to ARS 1,306,641, plus accrued interest for ARS 30,929 as of December 31, 2013). These securities are valued at their listed prices (see Exhibit III).

g) Discount Bonds 2033 issued in Argentine pesos for an original nominal value of ARS 5,588,491 equal to ARS 14,977,155 as of December 31, 2014 (original nominal value ARS 6,231,791 equivalent to ARS 12,027,356 as of December 31, 2013, plus accrued interest for ARS 383,548). These financial instruments are booked at their listed prices (see Exhibit III).

h) Discount Bonds 2033 issued in 2010 in Argentine pesos for an original nominal value of ARS 5,846 equal to ARS 14,497 as of December 31, 2014 (original nominal value of ARS 5,846 equal to ARS 11,399 as of December 31, 2013). These securities are valued at their listed prices (see Exhibit III).

i) GDP-related marketable securities in US dollars for an original nominal value of USD 445,051 equal to ARS 378,294 as of December 31, 2014 (original nominal value of USD 445,051 equal to ARS 378,294 as of December 31, 2013), received upon the conclusion of the public debt restructuring process. Such financial instruments were valued at their listed prices. In addition, the GDP-related marketable securities held in Argentine pesos have an original nominal value of ARS 1,861,192 equal to ARS 100,690 as of December 31, 2014 (original nominal value of ARS 1,861,192 equal to ARS 207,522 as of December 31, 2013). These financial instruments are booked at their listed prices (see Exhibit III).

j) Quasi-par Bonds Series 2045 for an original nominal value of ARS 40,351 equal to ARS 62,140 as of December 31, 2014 (original nominal value of ARS 40,351 equal to ARS 52,859 as of December 31, 2013). These securities are valued at their listed prices (see Exhibit III).

k) Other portfolio securities amounting to ARS 23,206 as of December 31, 2014 (ARS 17,771 as of December 31, 2013). The remaining holdings are valued at the last available listed price.

4.2.2 Allowance for impairment of government securities

In order to disclose the market values of certain government securities booked as of December 31, 2014, the allowance for impairment in value of securities is ARS 828,645 (as of December 31, 2013, it amounted to ARS

837,460), out of which ARS 828,575 represented 94% of the original issuance amount of the bond mentioned in 4.2.1.2.1 (ARS 837,390 as of December 31, 2013). During the fiscal year, 1% of the allowance was recovered due to the collection of the security sixth amortization instalment on January 2, 2015 (see note 7.1). The remaining ARS 70 refer to all bonds for the province of Formosa (in default). This allowance had no variations with respect to the previous fiscal year.

4.3 Temporary advances to the Argentine Government

By virtue of the last Charter amendment established by Law No. 26739 enacted on March 22, 2012, as established by section 20, the Bank may make temporary advances to the Argentine Government for a term of twelve months up to an amount equivalent to 12% of the monetary base, which consists of monetary circulation plus financial institutions' demand deposits in the Central Bank of Argentina, whether in checking or special accounts. It may also make prepayments not exceeding 10% of the cash resources obtained by the Argentine Government in the last twelve months. As an exception and only if circumstances or national or international economic prospects justified so, temporary advances may be granted for an additional amount not exceeding 10% of the cash flows earned by the Federal Government in the last twelve to eighteen months. In all cases, once financial assistance terms have elapsed, this possibility may not be used again until the amounts due are reimbursed.

As of December 31, 2014, temporary advances to the Argentine Government amounted to ARS 251,450,000 (ARS 182,600,000 as of December 31, 2013), ARS 152,700,000 of which were granted at twelve months (ARS 112,500,000 as of December 31, 2013) and ARS 98,750,000 were requested, as an exception, and agreed upon with a maximum maturity term of eighteen months, pursuant to current regulations (ARS 70,100,000 as of December 31, 2013).

Such temporary advances do not accrue interest rate and are booked at their nominal values.

The loans that remain effective as of the prior year end, maturing during this year, were fully settled as of December 31, 2014, pursuant to the provisions of section 20.

4.4 Loans to the Argentine financial system

The table below shows the amounts of the accounts related to the loans to the Argentine financial system:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Advance financing to the Productive Sector	4,236,167	4,767,794
Refinanced lines	549,479	614,512
Debts for fines	514,972	215,369
Others	1,805	1,806
Subtotal	<u>5,302,423</u>	<u>5,599,481</u>
Less:		
Allowances for loans to the financial system (Exhibit I)	<u>1,024,315</u>	<u>798,975</u>
Total	<u>4,278,108</u>	<u>4,800,506</u>

“Prepayments to the Argentine financial system” basically consists of loans granted to financial institutions by virtue of Communiqué “A” 5303, as supplemented, for production sector financing, for an amount of ARS 4,236,167 (ARS 4,767,794 as of December 31, 2013).

Loans for production sector financing require 125% guarantees over capital due and they are measured at technical value. The guarantees posted by institutions stated at technical value (with the guaranteed credit limit) cover the whole debt, as broken down below:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Argentine Nation Bonds	2,588,756	2,982,902
National Government Secured Loans	1,087,264	1,261,441
National Government Secured Bonds	455,377	369,181
Discount Bond maturing in 2033	59,033	47,597
BAADE USD 2016	19,124	-
Consolidated bond, SERIES 8	11,944	-
Step Up Par Bond 2038	6,184	-
Quasi Par Bonds 2045	4,950	36,369
GDP-linked Marketable Securities maturing in 2035	3,535	7,953
Lebacs	-	62,351
Total:	<u>4,236,167</u>	<u>4,767,794</u>

The residual value measurement of these securities received in guarantee at market values covers the capital due under this item.

“Financial institutions’ payables due to fines” includes fines accrued in favor of the BCRA due to the application of the Criminal Foreign Exchange System and Financial Institutions Law (section 41), amounting to ARS 514,972 as of December 31, 2014 (ARS 215,369 as of December 31, 2013). Out of the total balance, as of December 31, 2014, ARS 490,532 is subject to court foreclosure (ARS 190,508 as of December 31, 2013), which was booked as allowance for ARS 474,836 (ARS 184,463 as of December 31, 2013).

Allowances under “Receivables from Argentine financial system institutions”, which amounted to ARS 1,024,315 as of December 31, 2014 (ARS 798,975 as of December 31, 2013), is mainly made up of the allowance on credit lines prior to the enactment of Law No. 24144 amounting to ARS 549,479 (ARS 614,512 as of December 31, 2013), and the allowance on fines mentioned in the previous paragraph for an amount of ARS 474,836 (ARS 184,463 as of December 31, 2013). During fiscal 2014, allowance collections were reversed in the amount of ARS 67,093 and a total amount of ARS 69,059 was used, while new allowances were booked in the amount of ARS 361,492 (ARS 4,469, ARS 53,355 and ARS 132,650 as of December 31, 2013, respectively) (see Exhibit I).

This item is valued at nominal value plus accrued and unpaid interest at the agreed upon rate, net of the allowance for uncollectibility. This allowance is set up on the basis of estimates of the recoverable amounts of the loans, which contemplate the degree of compliance and the quality of collateral, among other factors.

4.5 Contributions to international agencies on behalf of Argentine Government and others

The table below shows the amounts of the accounts related to the contributions made by the BCRA on account of the Argentine Government and others:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Contributions to the IADB, IBRD and IDA, among others	22,796,347	12,479,899
Contributions to the IMF	7,340,312	5,946,623
Total	<u>30,136,659</u>	<u>18,426,522</u>

This item is stated at nominal value in the original currency and converted into Argentine pesos as established in note 3.5.1.

The Federal Government books as an instalment —as established by the IMF Board of Governors— the amount of 2,117,100 SDRs as of December 31, 2014, and 2013, as follows:

	Amount in SDRs (*)	Amount in Argentine pesos 12/31/2014	Amount in Argentine pesos 12/31/2013
Treasury bills	1,524,672	18,891,030	15,304,234
Contributions to the IMF in foreign currency	529,275	6,557,838	5,312,717
Contributions to the IMF in Argentine pesos	63,153	782,473	633,907
Total	2,117,100	26,231,341	21,250,858

(*) There are identical amounts for December 31, 2014 and December 31, 2013.

Treasury Bills are issued by the BCRA on account and behalf of the Federal Government in its capacity as Government's financial agent pursuant to Article III, Section 4 and Article V, Section 11 of the IMF Articles of Agreement, and they are booked in memorandum accounts (see note 5).

According to the IMF's Fourteenth General Review of Quotas dated April 17, 2013, Argentine Congress enacted Law No. 26849, which approves an increase in Argentina's quota in the Fund for a total of SDR 1,070,200. Of the increase provided by such regulation, once the abovementioned General Review of Quotas comes into effect, 25% shall be settled by the BCRA on behalf and account of Argentina, in SDRs or, either in full or in part, in the currencies of the other member countries of the IMF as determined by the Fund and as consented by these countries. The remaining 75% shall be paid in local currency, for which the BCRA shall issue, on behalf and account of Argentina, non-negotiable non-interest-bearing securities that are payable on demand, which shall be delivered to the IMF. The Law also authorizes the Ministry of Economy and Public Finance to issue one or more Non-transferrable Bills denominated in US dollars to cover 25% of the quota increase the BCRA shall pay using foreign assets. To date, the increase set forth in the abovementioned law has not become effective.

4.6 Rights deriving from other derivative financial instruments

	12/31/2014	12/31/2013
ROFEX market daily clearing margin	7,767	-
Fixed-rate short-position swap	-	1,294
Total	7,767	1,294

The daily clearing margin represents receivables in Argentine pesos arising from variations in the foreign currency forward market closing listed price regarding the ROFEX market open position as of year end. The balance as of December 31, 2014 amounted to ARS 7,767. As of December 31, 2013 no balance was recorded for that item.

The BCRA trades interest rate swaps in Argentine pesos on the OCT-MAE (forward transactions on the over-the-counter electronic market). Those transactions are regulated by Communiqué "A" 4776, as amended, which sets forth that the BCRA shall operate with the financial institutions authorized for that purpose on a bilateral basis for the purchase and sale of swaps originally at Private Banks' BADLAR rate, at Domestic Fixed Rate in Argentine pesos, the difference to be settled for a minimal nominal amount of ARS 10,000. No balance was recorded for that item as of December 31, 2014. The ARS 1,294 balance recorded as of December 31, 2013 represented the interest receivable on agreed upon swap transactions.

4.7 Rights deriving from repo transactions

	<u>12/31/2014</u>	<u>12/31/2013</u>
LEBAC in pesos to be received / delivered under repurchase agreements	35,764,390	5,830,752
Rights under reverse repurchase transactions	7,407,544	5,917,881
Repurchase agreements margin	3,572,652	593,885
Securities to be received under repurchase agreements Com. "A" 4508	1,841,589	3,356,943
Rights under currency swap transactions	22,287,295	-
	<u>70,873,470</u>	<u>15,699,461</u>

The BCRA issues LEBAC (BCRA bills) and NOBAC (BCRA notes) as the main monetary regulatory instruments with which it absorbs market liquidity to meet its monetary, financial, credit and foreign exchange policy goals and plans. Board of Governors' Resolution No. 155 of May 20, 2004, authorized the issuance of LEBAC to be applied as eligible assets, upon agreeing upon repurchase and reverse repurchase agreements. Such resolution established that the assessment of these transactions amounted to 10% of the transaction. As of December 31, 2014, the LEBAC receivable under repurchase agreements, including premiums to be accrued for this item, totaled ARS 35,764,390 (ARS 5,830,752 as of December 31, 2013). Those instruments were valued at market price (see note 4.19).

Rights from reverse repos are related to transactions agreed upon with Banks and other entities based on the monetary policy strategies created by the BCRA. Receivables in this regard amounted to ARS 7,407,544 as of December 31, 2014 (ARS 5,917,881 as of December 31, 2013). They were valued considering the arranged prices for each transaction, plus premiums accrued at the end of each year.

In addition to the repurchase agreements agreed upon under general regulations, as from March 10, 2006, the Board of Governors approved agreeing upon repo transactions using government securities issued by the Argentine Government as underlying assets. The assets to be received in exchange may be in Argentine pesos, US dollars, euros or securities denominated in those same currencies issued by governments of countries whose long-term sovereign debt has a given credit risk rating. Transactions effective as of December 31, 2014, including premiums to be accrued, amounted to ARS 1,841,589 (ARS 3,356,943 as of December 31, 2013).

Rights from currency swap transactions amounted to ARS 22,287,295 as of December 31, 2014. This balance represents the right to receive from the People's Bank of China the amount in national currency agreed under the swap transaction. As of December 31, 2013 no balance was recorded for that item (see Notes 2.4 and 4.19).

4.8 Other assets

	<u>12/31/2014</u>	<u>12/31/2013</u>
Stock of banknote paper and coins for the issuance of currency	1,477,429	864,712
Assets applied to collateral for ROFEX Market share	1,186,768	1,776,665
Secured Loans-Decree No. 1387/01	358,787	288,600
Bank premises & equipment (net of depreciation)	160,511	166,126
Coined gold	93,333	72,649
Law 4951 Bond – Province of Chaco	31,835	42,989
Intangible assets	1,660	588
Sundry	1,437,983	1,019,151
Less:		
Allowances (Exhibit I)	576,962	462,199
Total	<u>4,171,344</u>	<u>3,769,281</u>

The assets applied to guarantees for participation in the ROFEX market represent initial guarantee margins, which are common to all participants, the portfolio risk margin and the daily clearing margins for revaluation of positions opened by the BCRA in such market. As of December 31, 2014, the assets delivered in guarantee amounted to ARS 1,186,768, and their balance as of December 31, 2013 was ARS 1,776,665.

Secured loans are financial instruments issued by the Federal Government by virtue of Presidential Decree No. 1387/2001 and supplementary regulations, which were accepted to settle the illiquidity aid to financial institutions with abrogated authorization to operate. These unlisted instruments are transferred through deeds, they accrue interest and they may be adjusted by CER (benchmark stabilization coefficient). As of year end, they were stated at nominal value plus accrued interest not yet collected and CER adjustment.

Bank premises & equipment were valued at acquisition cost, net of the related accumulated depreciation, including the adjustment for inflation through February 28, 2003. Depreciation is calculated by the straight-line method, taking into account the bank premises & equipment estimated useful life.

Consolidation Bond in Argentine pesos. Law No. 4951 (pending issuance) represents the refinancing established by Law No. 4951 for the Province of Chaco as part of the exchange of BOPRO bonds in Argentine pesos (1st, 2nd, 3rd and 4th series) and BOSAFI Chaco in US dollars (1st and 2nd series).

Taking into account the international definitions related to the gold to be computed as reserve assets (see note 4.1.1), this item was included in the gold coins held for numismatic purposes, which were booked as allowance for finesse, representing 1% of total inventories.

“Other” includes, among others, transactions performed and settled pursuant to LAIA’s Agreement on Reciprocal Payments and Credits for an amount of ARS 398,505 as of December 31, 2014 (ARS 303,725 as of December 31, 2013), which was claimed to the Central Bank of Uruguay. As of the date of issuance of the accompanying financial statements, such disagreement was not solved; therefore, the amount was fully booked as allowance; they also include numismatic items for ARS 23,507 (ARS 17,809 as of December 31, 2013); receivables in litigation and not in litigation not yet collected from Acex trust; and further assets received in that regard for an amount of ARS 145,816 and 41,546, respectively (ARS 148,998 and ARS 28,411 as of December 31, 2013), which were booked as allowance for ARS 176,743 (ARS 157,016 as of December 31, 2013) and the contribution to the Poverty Reduction and Growth Trust – Heavily Indebted Poor Countries (IMF) for ARS 192,033 (ARS 155,572 as of December 31, 2013) and advances and prepayments to be reported for ARS 176,684 (ARS 85,948 as of December 31, 2013).

4.9 Monetary base

According to the Charter, it consists of monetary circulation plus financial institutions’ demand deposits in the Central Bank of Argentina, whether in checking or special accounts. It also includes settlements checks (BCRA checks similar to a money order) in circulation. Exhibit V discloses the changes in the monetary base, which shows mainly monetary regulation operations performed by the BCRA as part of the powers assigned by the Charter regarding the relationship between the Federal Government and the financial system and related uses (operating and financial expenses).

4.9.1 Currency in circulation

4.9.1.1 Banknotes and coins in circulation

	<u>12/31/2014</u>	<u>12/31/2013</u>
Banknotes	355,671,550	286,284,979
Coins	3,080,047	2,922,457
Total	<u>358,751,597</u>	<u>289,207,436</u>

Banknotes and coins in circulation as of each year end represent those in the possession of the general public and financial institutions. (See note 5).

Banknotes in circulation varied as follows:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Balance at beginning of year	286,284,979	234,408,296
New banknotes and of good use in the financial system	79,063,057	59,380,120
Notes out of circulation and destroyed or to be destroyed	<u>(9,676,486)</u>	<u>(7,503,437)</u>
Balance at end of year	<u><u>355,671,550</u></u>	<u><u>286,284,979</u></u>

4.9.1.2 Settlement checks in pesos in circulation

The amount of ARS 452 as of December 31, 2014 (ARS 886 as of December 31, 2013) accounts for BCRA's liability for the issuance of settlement checks (BCRA checks similar to a money order) requested by financial institutions and issued in Argentine pesos.

4.9.2 Current account in pesos

As of December 31, 2014, this account amounted to ARS 103,812,426 (ARS 87,988,202 as of December 31, 2013). The compensation for the amounts in current accounts in Argentine pesos opened in the BCRA is calculated pursuant to Communiqué "A" 4241 and it consists in the calculation of interest over the monthly average of daily amounts at the rate fixed and published by the BCRA's trading desk.

4.10 Instruments of payment in other currencies

4.10.1 Settlement checks in other currencies in circulation

The amount of ARS 171 as of December 31, 2014 (ARS 256 as of December 31, 2013) accounts for BCRA's liability for the settlement checks requested by financial institutions and issued in US dollars, which were converted into Argentine pesos as stated in note 3.5.1.

4.10.2 Certificates of deposit for investment

The amount of ARS 3,257,045 as of December 31, 2014 (ARS 1,888,143 as of December 31, 2013) accounts for BCRA's liability for the Certificates of Deposit for Investment issued pursuant to Law No. 26860, which are in circulation. These instruments are issued in US dollars and are converted into Argentine pesos according to note 3.5.1.

4.11 Current accounts in other currencies

As of December 31, 2014, this item amounted to ARS 69,040,232 (ARS 69,445,186 as of December 31, 2013), and it is converted into pesos as established in note 3.5.1. Compensation conditions have been defined in BCRA's Communiqué "A" 4241, as amended (see note 4.9.2).

4.12 Deposits from the Argentine Government and others

This item includes:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Argentine Government deposits	33,896,104	9,801,063
ANSES. Social security payment orders	973,811	2,024,540
Provincial funds	285,815	217,837
Argentine Government deposits – Law No. 25152 – Tax anticyclical fund	160,351	122,214
Total	<u>35,316,081</u>	<u>12,165,654</u>

4.13 Other deposits

	<u>12/31/2014</u>	<u>12/31/2013</u>
Special accounts	6,043,925	48,152
Trust current accounts	83,880	59,349
MicroPyme Program	50,000	33,300
Sundry	10,833	6,458
Total	<u>6,188,638</u>	<u>147,259</u>

Deposits into special accounts as of December 31, 2014 include funds for ARS 4,312,339 applied to the payment of debt services on the Argentine Government Securities issued within the framework of the Sovereign Debt Restructuring that took place between 2005 and 2010; such payment was made on June 26, 2014 in the Bank of New York Mellon, but collection thereof has been restricted under judicial orders issued by the Court for the Southern District of New York in the case "NML Capital Ltd. et al v. the Republic of Argentina" (Section 2 of Law 26984). Furthermore, ARS 1,694,976 are recorded in the Law No. 26984 Fund - Restructured Sovereign Debt Payment account, created to keep in trust the funds deposited therein and applied to the payment of the debt services of the securities governed by the 2005-2010 Trust Agreement, as set forth by Section 4 of Law 26984 (see Note 2.3 and Exhibit II).

The line under analysis also includes ARS 16,232 corresponding to deposits placed by the National Government under the terms and conditions set forth by Section 1 of National Executive Branch Decree No. 1836/2002, which are restricted and unseizable and will operate as collateral for the different series of National Government Bonds for the exchange of certificates of deposit with the savers in the financial system. The balance for that item amounted to ARS 27,773 as of December 31, 2013.

4.14 IMF Special Drawing Rights

IMF Special Drawing Rights refer to the amount allocated by the IMF to Argentina as member country. By virtue of its Articles of Agreement, the IMF may assign Special Drawing Rights to member countries in proportion to their quotas, whether on a general or special basis.

In 2009, the IMF made a general allocation of up to USD 250,000,000 among its member countries and USD 2,460,375 (SDR 1,569,427) was allocated to Argentina. In fiscal 2009, the Fourth Amendment of the IMF Articles of Agreement approved in 1997 became effective, which sets forth a special extraordinary allocation of SDRs amounting to about USD 33,000,000, while Argentina was allocated USD 207,316 (SDR 132,243). Both general and extraordinary allocations were received by the BCRA on account and behalf of the Federal Government for an amount of SDR 1,701,670.

The contra account of SDR allocations transferred to the Federal Government is disclosed offsetting the Allocated SDRs account, for an amount of ARS 21,084,071, equal to SDR 1,701,670 as of December 31, 2014 (ARS 17,080,887 equal to the same amount in SDRs as of December 31, 2013).

The net amount of SDR 318,370, effective as of December 31, 2014, and December 31, 2013, shows the allocated SDRs received by the bank prior to the Charter amendment of September 30, 1992.

The item is broken down as follows:

	12/31/2014		12/31/2013	
	SDR	Argentine pesos	SDR	Argentine pesos
IMF SDRs	2,020,040	25,028,746	2,020,040	20,276,596
Contra account of SDR allocations transferred to the Federal Government	(1,701,670)	(21,084,071)	(1,701,670)	(17,080,887)
	<u>318,370</u>	<u>3,944,675</u>	<u>318,370</u>	<u>3,195,709</u>

This item is stated at nominal value in the original currency and converted into Argentine pesos as established in note 3.5.1.

4.15 Obligations with international agencies

“Obligations with international agencies” is mainly made up of the “Use of the reserve portion”, which is the main financial service made available by the IMF to a country and it does not represent the use of the credit from the IMF, there being no claim from the international organization regarding the funds used. The reserve portion of a country represents the payment percentage of the instalment established for participating in the IMF, which was included in reserve assets.

Apart from the item previously mentioned, “Obligations” is also made up of deposits with the Inter-American Development Bank, IMF and other international institutions.

The item is broken down as follows:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Use of Reserve Tranche	6,558,037	5,312,878
IDB	856,021	589,633
IMF Account No. 1	779,853	631,784
Accrued charges	2,096	3,522
IBRD	339	17,344
IMF Account No. 2	175	142
Others	256,254	160,834
	<u>8,452,775</u>	<u>6,716,137</u>

The contra account of the “Use of the reserve portion” includes BCRA’s right to collect from the Federal Government the funds received by the BCRA and transferred to the Federal Government before September 30, 1992, for SDR 529,291 equal to ARS 6,558,037 (the same amount in SDRs equal to ARS 5,312,878 as of December 31, 2013).

4.16 Securities issued by the BCRA

One of the transactions allowed to be BCRA under section 18 of its Charter consists in issuing securities or bonds and certificates of participation on the securities that it holds. Such monetary instrument known as LEBAC is issued in Argentine pesos and US dollars since 2002. Such LEBAC are negotiated on a discount basis and they are stated at face value net of interest to be accrued as of each year end.

As from May 2004, Board of Governors' Resolution No. 155/04 authorized that a portion of issued LEBAC be used to perform repurchase and reverse repurchase transactions as monetary regulation instruments. As a result, the LEBAC portfolio used for such transactions is stated at market values and disclosed by deducting from "Securities issued by the BCRA" (see note 4.7).

As from April 19, 2005, NOBAC in Argentine pesos began to be issued with a variable coupon (BADLAR + 2.5%). NOBACs have been valued at nominal value, plus interest accrued until the year end. As of December 31, 2014, the full NOBAC portfolio had been redeemed, while as of December 31, 2013, the amount of NOBAC issued plus accrued interest totaled ARS 4,288,822 (see Exhibit IV).

Furthermore, as from September 26, 2007, the BCRA's Board of Governors authorized the issuance of LEBAC and NOBAC to be exclusively traded on the domestic market and earmarked for legal entities organized in Argentina subject to the ongoing oversight of domestic regulatory and control agencies, and financial institutions authorized by the BCRA for its own portfolio, in addition to the natural persons residing in Argentina and official accounts.

In addition, Communiqué "A" 5502 imposed, as from December 13, 2013, the issuance of non-transferable LEBAC in Argentine pesos, to be settled at the benchmark exchange rate established by Communiqué "A" 3500, which may be subscribed by duly registered cereal and oil exported.

Furthermore, under Communiqué "A" 5527, the Central Bank of Argentina issued effective January 28, 2014 LEBACs in United States dollars to be subscribed by the financial institutions for amounts equivalent to the time deposits of the private sector in the same currency and for the same term. As of December 31, 2014, the balance for LEBACs issued in US dollars, net of interest to be accrued, converted to pesos as pointed out in Note 3.5.1, amounts to ARS 5,680,173.

The amounts of LEBAC and NOBAC as of each year end are as follows:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Primary issuance of Bills and Notes in pesos	306,901,032	138,319,785
Bills held in portfolio and available to repurchase agreements	(30,295,213)	(27,774,604)
Bills issued in foreign currency	<u>5,680,173</u>	<u>-</u>
Total	<u>282,285,992</u>	<u>110,545,181</u>

Exhibit IV discloses the LEBAC and NOBAC held as of each year end broken down by type of instrument and maturity term.

4.17 Contra account of Argentine Government contributions to international agencies

As of December 31, 2014, the amount of ARS 19,759,626 represents the contra account of contributions made on account of the Argentine Government to international entities of which Argentina is a member. As from September 30, 1992, when the Bank's Charter was amended, the legal form of the BCRA and its relationship with the Federal Government were modified. The amount as of December 31, 2013, was ARS 10,273,645.

4.18 Due to other derivative financial instruments

As of December 31, 2014 there are no transactions recorded in this item. The balance as of December 31, 2013 amounted to ARS 5,571 and represented the estimated market value of interest rate swaps arranged pursuant to Communiqué "A" 4776 for an amount of ARS 3,899 and related accrued interest payable for an amount of ARS 1,672. The notional values are recorded under Memorandum accounts (see Note 5).

4.19 Due to repo transactions

	<u>12/31/2014</u>	<u>12/31/2013</u>
Amounts payable for repurchase agreements	35,757,408	5,940,303
Obligations from currency swap transactions	22,124,943	-
Securities to be delivered under repurchase transactions	7,397,259	5,910,877
Obligations from repurchase agreements Com."A" 4508	1,933,816	2,419,231
Total	<u>67,213,426</u>	<u>14,270,411</u>

The amounts payable for repurchase agreements total ARS 35,757,408 as of December 31, 2014, and represent the funds to be reimbursed to the financial institutions on the maturity date of the transactions mentioned in note 4.7 on account of principal, premiums and assessments totaling ARS 32,153,871; ARS 30,885 and ARS 3,572,652; respectively (as of December 31, 2013, the balances of these items totaled ARS 5,344,961; ARS 1,457 and ARS 593,885; respectively). They are valued considering the arranged prices for each transaction, plus the related premiums accrued at the end of each year.

Obligations from currency swap transactions amounted to ARS 22,124,943 as of December 31, 2014. This balance represents the BCRA's commitment to reimburse the People's Bank of China for the amount in foreign currency agreed under the swap transaction. As of December 31, 2013 no balance was recorded for this item. (See Note 2.4).

Securities and foreign currency to be delivered for obligations from reverse repurchase agreements as of December 31, 2014, totaled ARS 7,397,259 and represent foreign government securities to be reimbursed due to reverse repo transactions valued at market price (ARS 5,910,877 as of December 31, 2013).

As of December 31, 2014, repurchase agreements regulated by Communiqué "A" 4508 and described in note 4.7 amounted to ARS 1,933,816 (ARS 2,419,231 as of December 31, 2013).

4.20 Due to multilateral credit agreements

This account's balance represents the net liabilities resulting from mutual credit transactions within the framework of the LAIA, which totaled ARS 1,633,862 as of December 31, 2014, while this item totaled ARS 1,261,520 as of December 31, 2013.

4.21 Other liabilities

This item is broken down as follows:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Revolving funds and other obligations in foreign currency	23,259,291	12,861,014
Currency swap deposit	22,287,295	-
Obligations with the National Government	450,136	435,249
Obligations for services on secured loans	250,116	396,264
Sundry	1,990,065	1,340,499
Total	<u>48,236,903</u>	<u>15,033,026</u>

“Revolving funds and other obligations in foreign currency” represent the transactions resulting from international agreements executed with multilateral or foreign official organizations, central banks or entities of which only the BCRA can be a borrower on its own behalf or on account of the Argentine Treasury as Financial Agent of Argentina, pursuant to the provisions of Article 17 of the Charter.

The balance of Revolving funds is made up of the disbursements made by the Inter-American Development Bank (IDB) and the International Bank for Reconstruction and Development (IBRD) to be used in loans, technical cooperation efforts and small projects for the acquisition of goods and services, pursuant to the terms and conditions of the agreements executed with the IDB.

Other obligations in foreign currency involve the financing from foreign financial institutions and other organizations, obtained by the BCRA as part of its monetary policy strategies.

The Currency Swap Deposit amounts to ARS 22,287,295 and represents the total peso amount deposited in favor of the People’s Bank of China under the Bilateral Currency Swap Agreement entered into between the BCRA and the People’s Bank of China. No balance was recorded for that item as of December 31, 2013 (See Note 2.4).

Obligations with the Argentine Government include fund deposits in of the Global Credit Program for Micro-, Small- and Medium-sized Enterprises. This program is funded using the loan granted by the IDB to Argentina and grants credit to micro-, small- and medium-sized enterprises that engage in primary production, industrial and commercial activities and in the provision of services (except for those of a financial nature). The balance as of December 31, 2014 totals ARS 450,136 (as of December 31, 2013, it amounted to ARS 435,249).

“Obligations from secured loan services” includes the funds that will be used to pay the abovementioned loan services, which amounted to ARS 250,116 as of December 31, 2014 (the amount as of December 31, 2013, was ARS 396,264).

The main items included in “Other” are described as follows: Obligations with the Argentine Government for settlement of loans using BOCON ARS 78,711 (ARS 138,650 as of December 31, 2013); Obligations held with the Provincial Governments for ARS 250,186 (ARS 179,095 as of December 31, 2013); withholdings from suppliers and employees and payroll contributions payable for ARS 143,002 (ARS 107,871 as of December 31, 2013); contra account of contributions to international agencies prior to the amendment to the Charter as per Law 20144/92 ARS 272,341 (ARS 68,561 as of December 31, 2013); Unallocated items LAIA Uruguay ARS 319,626 (ARS 243,607 as of December 31, 2013); and final unallocated items for ARS 538,760 (ARS 319,041 as of December 31, 2013), among others.

4.22 Provisions

The provisions and reserves set as of each year end which are listed in Exhibit I involve the following items

	<u>12/31/2014</u>	<u>12/31/2013</u>
Provision for lawsuits	603,452	696,269
Provision for labor-related liabilities	1,375,921	1,175,422
Provision for guarantee fund under Law No. 22510	68,365	50,949
Other provisions	793	793
Total	<u>2,048,531</u>	<u>1,923,433</u>

The method used by the BCRA to determine the amounts of the provision for lawsuits was as follows:

Lawsuits were classified based on their procedural status and the type of cases (lawsuits related to the reimbursement of deposits, labor lawsuits, etc.) The estimation of the outcome of the disputes has been made based on background information concerning settled lawsuits of equal or similar characteristics.

The lawsuits prior to April 1, 1991, were adjusted through the general wholesale price index plus an annual 6% interest until March 31, 1991, and, as from such date, the common savings account rate published by the BCRA was used. In the case of lawsuits subsequent to March 31, 1991, and prior to January 1, 2002, the borrowing rate under BCRA Notice No. 14290 was used until December 31, 2001, and, from such date onwards, the common savings account rate based on Law No. 25344. In the case of lawsuits subsequent to December 31, 2001, and until the closing date of the accompanying financial statements, the borrowing rate under BCRA Notice No. 14290 was used for judicial purposes.

In the cases of amounts claimed in United States dollars, the peso parity has been determined at one peso per US dollar and without considering any interest rate, as there are no precedents where the BCRA has had to pay in dollars the debts claimed in that currency.

In addition, lawsuits for damages were brought against the BCRA for unspecified amounts and an unfavorable outcome thereof for the BCRA is remote as of the date of issuance of the accompanying financial statements; therefore, no reserve was booked.

4.23 Statement of income – Significant items

The most significant items are:

4.23.1 Interest and adjustments income

On International Reserves	<u>12/31/2014</u>	<u>12/31/2013</u>
Long-term deposits	107,658	191,004
Demand deposits and foreign currency	29,525	17,160
Foreign government securities	120	.
Multilateral credit agreements	4,912	2,581
Total:	<u>142,215</u>	<u>210,745</u>

On Argentine Government securities	12/31/2014	12/31/2013
Interest on government securities	2,112,851	2,196,062
CER on government securities	360,949	159,080
Interest on Non-transferrable bills	-	13,761
Total:	2,473,800	2,368,903

On loans to the Argentine financial system	12/31/2014	12/31/2013
Interest earned	417,456	389,041
Total:	417,456	389,041

On other assets	12/31/2014	12/31/2013
Interest and adjustments on secured loans	86,565	41,306
FABP (yield and interest)	23,795	16,722
Other interest earned	7,464	3,065
Total:	117,824	61,093

4.23.2 Interest and adjustments expense

On securities issued by the BCRA	12/31/2014	12/31/2013
Interest on Nobac	2,449,141	1,418,975
Interest on Lebac	39,748,115	13,386,297
Total:	42,197,256	14,805,272

Loans borrowed from international agencies	12/31/2014	12/31/2013
Other obligations	45,759	64,626
Total:	45,759	64,626

On other transactions with the financial system	12/31/2014	12/31/2013
Net premiums accrued on repo transactions	966,471	965,253
Other transactions	3,674	1,462
Total:	1,000,145	966,715

On other liabilities	12/31/2014	12/31/2013
Interest	21,185	24,489
Gain (loss) on CER application	53,690	45,339
Total:	74,875	69,828

4.23.3 Net uses of allowances for government securities and loans to the Argentine financial system

	<u>12/31/2014</u>	<u>12/31/2013</u>
Government securities	8,815	8,815
Loans to the financial system	(294,399)	(129,546)
Total:	<u>(285,584)</u>	<u>(120,731)</u>

4.23.4 Foreign currency trading differences, net

	<u>12/31/2014</u>	<u>12/31/2013</u>
Foreign currency trading	8,561,866	12,631,905
Total:	<u>8,561,866</u>	<u>12,631,905</u>

4.23.5 Listed price differences, net

	<u>12/31/2014</u>	<u>12/31/2013</u>
International Reserves		
Foreign currency. Time and demand deposits	41,018,241	38,588,005
Gold	4,563,456	(782,678)
Foreign government securities	1,968,864	1,513,630
Derivative instruments	(213,131)	220,165
Other	47,335	49,812
Argentine government securities	92,813,409	67,600,983
International organizations	4,478,872	2,616,070
Entities' deposits in checking accounts and Argentine Government deposits	(20,004,280)	(16,364,887)
Other valuation adjustments of assets and liabilities	(9,854,408)	(5,027,408)
Total:	<u>114,818,358</u>	<u>88,413,692</u>

4.23.6 Other financial instruments trading differences, net

	<u>12/31/2014</u>	<u>12/31/2013</u>
On transactions with Lebac and Nobac	161,850	2,029
On forward transactions	(1,058,458)	(6,343,184)
On transactions with securities	(78,666)	-
On forward/futures transactions	31	-
Total:	<u>(975,243)</u>	<u>(6,341,155)</u>

4.23.7 Miscellaneous charges and fines

	<u>12/31/2014</u>	<u>12/31/2013</u>
Fines	402,022	220,943
Charges	54,894	21,041
Total:	<u>456,916</u>	<u>241,984</u>

4.23.8 Monetary issuance expenses	12/31/2014	12/31/2013
Coinage and minting	972,916	624,019
Materials	396,241	260,040
Other expenses	164,643	117,984
Total:	1,533,800	1,002,043

4.23.9 General expenses		
Amortization	17,144	23,705
Other general expenses	2,047,185	1,614,281
Total:	2,064,429	1,637,986

4.23.10 Uses, less other allowances	12/31/2014	12/31/2013
Allowance for coined gold	207	(51)
Litigation reserve	(77,770)	43,153
Provision for labor-related liabilities	200,499	561,914
Other provisions and reserves	114,556	74,313
Total:	237,492	679,329

4.23.11 Other income and expenses	12/31/2014	12/31/2013
Other	(98,345)	42,807
Total:	(98,345)	42,807

NOTE 5 - DEBIT- AND CREDIT-BALANCE MEMORANDUM ACCOUNTS

As of December 31, 2014, debit- and credit-balance memorandum accounts amounted to ARS 2,440,071,322 (ARS 1,440,817,359 as of December 31, 2013), which broke down as follows:

	12/31/2014	12/31/2013
Total stock of banknotes and coins	374,372,298	321,682,780
Stock of banknotes and coins issued for circulation deposited in the BCRA	15,620,702	32,475,344
Other (Banknote paper/coin blanks/banknotes and coins in process)	168,885,102	148,599,738
Settlements checks	8,733	11,621
Certificate of deposit for investment (CEDIN)	3,257,570	1,888,442
Monetary assets in custody	983,216,542	604,631,171
Nonmonetary assets in custody	142,196,826	106,253,511
Checks and securities received in guarantee	17,174,831	15,721,131

Non-negotiable securities – International organizations	20,162,147	16,280,373
Commitments agreed with international organizations	156,779,732	102,073,236
Loans classified as irrecoverable	24,154,036	23,982,067
Funds managed on behalf of Treasury Department	3,032,573	2,311,294
Financial fines. Section 41, Financial Entities Law and Criminal Foreign Exchange System	748,378	656,106
Contingent rights and obligations		
From OCT-MAE interest rate swap agreements	-	100,000
From imports under LAIA agreement	415,165	318,440
Under the Bilateral Agreement with the People's Bank of China	97,389,960	-
Other contingent rights from forward transactions		
OCT - MAE acquisitions (foreign currency)	-	276,596
From ROFEX Market acquisitions (foreign currency)	20,657	-
Other contingent obligations from forward transactions		
OCT - MAE sales (foreign currency)	23,938,482	47,183,179
ROFEX Market sales (foreign currency)	12,204,404	15,969,000
Other	493,184	403,329
Total	2,044,071,322	1,440,817,358

The stock of banknotes and coins includes ARS 374,372,298 on account of banknotes and coins issued (ARS 321,682,780 as of December 31, 2013), out of which ARS 358,751,597 represent monetary circulation as of December 31, 2014 (ARS 289,207,436 as of December 31, 2013) and ARS 15,620,701 of banknotes and coins deposited in the Bank fit for circulation (ARS 32,475,344 as of December 31, 2013). (See note 4.9.1.1).

“Other” (banknote paper – coin blanks – banknotes and coins in process) includes mainly paper stock to print banknotes and coin blanks to strike coins in the amount of ARS 67,141,089 (ARS 49,944,196 as of December 31, 2013) and paper and banknotes of old lines to be destroyed in the amount of ARS 1,473,718 (ARS 277,965 as of December 31, 2013).

The balance of ARS 8,733 as of December 31, 2014, for settlement checks represents the checks of this kind that were drawn in Argentine pesos and in US dollars in the hands of the general public and the checks paid and sent to the BCRA for final verification and destruction (ARS 11,621 as of December 31, 2013) (see note 4.9.1.2).

“Checks and securities in custody” include mainly securities, local and foreign currency and checks deposited with the Bank’s treasury or in regional agencies as part of the BCRA’s duties or due to a court order. Assets with a financial value were classified as monetary, while nonmonetary assets are those that due to their aging can no longer be used as payment in the case of currencies, or which lack financial value in the case of government securities. “Checks and securities in custody – monetary” were valued by applying the foreign exchange rates effective as of each year end.

The “Checks and securities received in guarantee” amount includes, mainly ARS 8,977,953 of securities and checks deposited with the BCRA or with other entities in relation to credit transactions (ARS 8,727,812 as of December 31, 2013) and ARS 8,115,540 of securities deposited in guarantee by local banks in relation to LAIA transactions (ARS 6,892,776 as of December 31, 2013), among others.

The amount of “Non-negotiable securities” represents mainly the amount of Treasury Bills issued by the BCRA on behalf and account of the Argentine Government for a total of ARS 18,891,030 as of December 31, 2014,

(ARS 15,304,234 as of December 31, 2013), maintaining the potential commitment to pay the IMF, as mentioned in note 4.5).

The Commitments undertaken with International Agencies mainly include the principal amount payable agreed with each agency (IDB, FONPLATA, and IBRD, among others). Such principal amount payable is subject to a payment requirement when necessary to meet obligations held with the agencies.

The receivables deemed non-recoverable include loans granted to former financial entities that are currently undergoing liquidation and total ARS 22,401,767 (ARS 22,441,124 as of December 31, 2013) and loans granted to former entities with revoked authorization that were verified in litigation in an amount of ARS 1,572,328 (ARS 1,353,908 as of December 31, 2013).

“Funds managed on behalf of the Treasury Department” include ARS 2,872,221 (ARS 2,189,080 as of December 31, 2013) of collateralized securities belonging to the Treasury Department, which were delivered to the BCRA to be managed by it and ARS 160,351 (ARS 122,214 as of December 31, 2013) related to the Tax anticyclical fund.

Fines imposed in accordance with the provisions of article 41 of the Charter account for ARS 748,378 (ARS 656,106 as of December 31, 2013).

Additionally, during 2009, the BCRA began trading interest rate swaps in Argentine pesos on the OCT-MAE (forward transactions on the over-the-counter electronic market). These transactions are regulated by Communiqué “A” 4776, as amended (see note 4.6). The notional values of those agreements were recorded in this account.

“Contingent obligations from transactions under LAIA agreements” records the instruments issued by financial entities resulting from imports under such agreement. As of December 31, 2014, this account amounted to ARS 415,165 (ARS 318,440 as of December 31, 2013).

During the fiscal year 2014, a currency swap agreement was entered into between the Central Bank of Argentina and the People’s Bank of China (see Note 2.4). The contingent rights and obligations arising under that agreement have been recorded in memorandum accounts.

“Contingent rights from forward transactions” includes the notional values of the foreign currency futures purchase contracts arranged through the MAE and ROFEX, while “Contingent obligations from forward transactions” includes the notional values of the foreign currency futures sales contracts arranged through those markets.

NOTE 6 - RISK MANAGEMENT POLICY

6.1 International reserve management risk

As set forth in Section 14 q) of the Charter, as amended by Law No. 26739, in effect since April 6, 2012, the Board of Governors of the BCRA has the authority to determine the level of gold, foreign currency and other foreign asset reserves required for foreign exchange policy implementation, considering the changes in foreign accounts.

The BCRA uses financial instruments as a way of attaining monetary policy objectives, as well as to manage international reserves. Its main purpose is not to make a profit, although the instruments should be adequate to ensure that its duties as monetary authority are correctly executed.

The gains (losses) in the exchange rate and the level of international reserves are monitored on a daily basis, and a report is drafted that contains a summarized explanation of the different factors that explain the resulting gain (loss), taking into account the changes in the main listings of the currencies in which the reserves are invested, the gain (loss) on the BCRA’s portfolio securities, the BCRA’s interest in the foreign exchange market and the

foreign debt payments. Daily settlements of the regional cooperation agreements such as LAIA and SML (local currency system) are also included.

Every week, the Board of Governors holds meetings to evaluate the real economy's progress, the financial and monetary indicators and the situation of the foreign exchange market.

Every month, a report is sent to the Board of Governors on the transactions on the spot and forward exchange market (futures transactions), which provides thorough detail on the monthly changes in the foreign exchange market and reports on the monthly purchases made by the BCRA, the BCRA's relative interest in the market, the total purchases made year-to-date, changes in the monthly settlement of grain and oilseeds exports and changes in the benchmark exchange rates.

On a quarterly basis, the Board of Governors is provided with a report describing the international context, the breakdown of transactions carried out as part of the reserve portfolio management and the income (losses) and yields for the quarter.

During 2014, the Board of Governors evaluated the level of necessary reserves to implement the foreign exchange policy, as set forth by Section 33 of Law No. 26784. To that end, reports prepared on the basis of contributions from the General Economic Investigations Submanagement, the General Operations Submanagement and other areas of the Bank were used. Those reports concluded, based on the economic literature and international experience, that the evaluation of the necessary reserves for the execution of the foreign exchange policy is an economic policy decision for which it was considered important to carry out an in-depth qualitative and quantitative analysis of the economic situation in Argentina, including the national and international conditions, of the financial system and of the monetary variables, as well as of the evolution of international reserves and the foreign exchange market. For the purpose of evaluating the necessary reserves to implement the foreign exchange policy, it is necessary to have a structural characterization of the national and international economy at that moment, and to take into account the rest of the economic policy actions.

The international reserves act as insurance against potential shocks. Consequently, defining the necessary level will depend on the risks perceived with regard how likely adverse events are to occur. These risks include: 1) commercial risk; 2) financial risk; and 3) risk on monetary aggregates and the financial system. Commercial risk is analyzed by observing how the following variables behave: the degree of openness to trade, the balance from the trade of goods, the breakdown and destination of exports, and the historical changes in the price of raw materials and its volatility.

The analysis of the financial risk is centered on the requirements to address service obligations of foreign currency debt and the short-term private external debt. This involves an analysis of the changes in the ratio of foreign debt (public and private) to international reserves, of the net flow with international financial institutions, of the external public debt services in relation to the reserves and the external private debt. With regard to the risk on monetary aggregates and the financial system, a list is made of the characteristics and changes in demand for foreign currency of the private non-financial sector and the role of the financial system in that demand, as well as the regulations in effect on this matter. It also describes the performance of foreign currency supply, in regard to recent changes as well as in regard to projections for the corresponding year.

With regard to managing the risks inherent in the financial instruments forming part of the international reserves, we would like to point out that they are monitored on a daily basis at market value and that their investment process is subject to the provisions of the BCRA's Charter and the guidelines established by the Board of Governors (see the following subsections).

6.1.1 Credit risk

Credit risk consists in the possibility of losses resulting from the counterparty defaulting on its obligations. In this regard, the abovementioned investment guidelines establish that the eligible countries to make investments should have an Aa2/AA/AA or better rating for their long-term sovereign debt in local and foreign currency awarded by at least two of the main credit rating agencies.

Eligible instruments to make investments should have the same rating as the one stated for eligible countries, except in the case of securities issued by supranational organizations, US corporate bonds, and the agency

securities of other eligible countries outside the USA, which should have a minimum Aaa/AAA/AAA credit rating. For short-term certificates of deposit and bank acceptances that are direct bank obligations, the minimum credit rating required is A-1/P-1/F-1.

Investment guidelines establish that investment custodians should have the maximum credit rating, i.e. Aaa/AAA/AAA. Additionally, such guidelines established specific limits for investments that can be held in custody by certain counterparties.

6.1.2 Market risk

Market risk arises due to market parameter fluctuations. Therefore, “market risk” encompasses sub-risks involving changes in exchange rates, interest rates and in prices. With regard to this type of risk, the investment guidelines establish that the portfolio duration should not exceed two and a half years, and that the investment in currencies other than the US dollar cannot exceed 30% of total international reserves, with the Chairmanship’s prior approval for the exposures exceeding 20%.

6.1.3 Liquidity risk

Investment guidelines related to the liquidity risk establish that the investment manager will ensure that the portfolio holdings are sufficiently liquid to be sold, within three days after being notified. However, this does not result in a material impact on market prices as a consequence of the liquidation.

6.2 Operating risk

The operating risk arises from incurring in losses due to process, staff or internal system failures, or events outside the BCRA.

In order to control it, foreseeable high-risk events are identified, as well as existing controls related to each process for mitigation purposes.

A distinction is made between financial and nonfinancial risk. An action plan is prepared and there is permanent monitoring.

Within that framework, the BCRA has strengthened and adapted its functional structure through specific organizational units to analyze the probability of occurrence of a threat due to the existence of one or more vulnerabilities with resulting adverse impact for the Bank.

Its main function is to identify and assess nonfinancial risk levels jeopardizing the Bank’s processes, proposing mechanisms to limit and control the organization’s vulnerability in that regard; draft and update the Bank’s Business Operations Continuity Manual, which is aimed at establishing a formal protocol that defines the steps to be followed by each division in the event of contingencies which prevent the normal development of its functions, to guarantee compliance with its main missions.

6.3 Asset concentration risk

With respect to the risks to which the BCRA could be exposed due to the lack of asset portfolio diversification or a significant exposure to noncompliance risk of security issuer or groups of related issuers, by virtue of BCRA Charter and Convertibility Law Amendment Law No. 26739, enacted on March 22, 2012, section 3 of the Charter sets forth as follows: “The purpose of the Bank is to promote —within the scope of its powers and under the policies set by the Federal Government— monetary stability, financial stability, employment and economic development along with social equality.”

Within that framework, sections 17 and 20 of the Charter regulate the management of loans and borrowings related to the Argentine financial system and the Federal Government, respectively.

NOTE 7 - EVENTS SUBSEQUENT TO YEAR END

7.1 Maturity and repayment of principal on 1990 Argentine Treasury Consolidated Bond

According to Resolution No. 334/2002 issued by the Ministry of Economy, which restructured the obligations resulting from the repayment terms of the 1990 Argentine Treasury Consolidated Bond, dated January 2, 2015, the fifth instalment was settled, equivalent to 1% of the bond's nominal value.

7.2 Law No. 26984 Fund – Non-swapped Sovereign Debt Payment

On January 2, 2015, deposits were made into the accounts “Law 26984 Fund – Non-swapped Sovereign Debt Payment in USD” and “Law 26984 Fund – Non-swapped Sovereign Debt Payment in Euros” for a total of USD 56,096 and Euros 34,609, respectively, the opening of which was established by section 9 of Law 26984 (See Note 2.3).

There are no other events or transactions that took place between year end and the date on which these financial statements were issued, that may substantially affect the BCRA's financial position or income (loss) as of December 31, 2014.

CHANGES IN ALLOWANCES/ PROVISIONS AS OF DECEMBER 31, 2014
- In thousands of Argentine Pesos-

Items	Balances at beginning of year	Increases	Decreases		Balances at year-end
			Reversals	Uses	
DEDUCTED FROM ASSETS					
Allowance for gold in bars	12,938	4,037	-	-	16,975
Allowance for impairment of Government Securities	837,460	-	8,815	-	828,645
Allowance for loans to the Argentine financial system	798,975	361,492	67,093	69,059	1,024,315
Others allowances	462,199	115,928	1,165	-	576,962
TOTAL ALLOWANCES DEDUCTED FROM ASSETS	2,111,572	481,457	77,073	69,059	2,446,897
INCLUDED IN LIABILITIES					
Provision for lawsuits	696,269	68,459	146,229	15,047	603,452
Guarantee fund - Law No. 22510	50,949	17,416	-	-	68,365
Provision for labor liabilities	1,175,422	200,523	24	-	1,375,921
Other provisions	793	-	-	-	793
TOTAL PROVISIONS INCLUDED IN LIABILITIES	1,923,433	286,398	146,253	15,047	2,048,531

NOTE: Increases and decreases in allowances/provisions are presented under "Set-up of allowances for Government Securities and loans to the financial system- net" and "Reversals of other allowances- net".

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GENERAL MANAGER

Alejandro Vanoli
CHAIRMAN

Paola A. López
DEPUTY SUPERVISORY AUDITOR

Hugo C. Alvarez
REGULAR SUPERVISORY AUDITOR

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COMPARATIVE TABLE OF MAIN ACCOUNTS IN FOREIGN CURRENCY
AS OF DECEMBER 31, 2014 and 2013 – In thousands of Argentine Pesos -

	12/31/2014		12/31/2013	
	Balances in US dollars	Balances in Argentine pesos	Balances in US dollars	Balances in Argentine pesos
ASSETS	89,972,539	769,445,144	78,636,200	512,550,746
INTERNATIONAL RESERVES				
Gold (Net of allowance)	2,354,775	20,138,033	2,389,472	15,574,577
Foreign currency	9,823,853	84,013,589	2,220,420	14,472,696
Deposits to be realized in foreign currency	19,189,181	164,105,872	25,923,174	168,967,249
Derivatives over International Reserves	(8)	(70)	33,778	220,165
Multilateral Credit Agreements	39,645	339,047	33,604	219,032
GOVERNMENT SECURITIES				
Securities issued under foreign legislation	469	4,013	33,964	221,376
Securities issued under Argentine legislation	54,159,831	463,174,872	43,751,811	285,174,305
CONTRIBUTIONS TO INTERNATIONAL AGENCIES ON BEHALF OF ARGENTINE GOVERNMENT	3,523,931	30,136,659	2,827,021	18,426,522
RIGHTS DERIVING FROM REPO TRANSACTIONS				
Securities to be received from repurchase agreements under Communication "A" 4508	14,685	125,585	515,027	3,356,943
Rights from reverse repurchase agreements	866,177	7,407,544	907,929	5,917,881
LIABILITIES	20,473,144	175,086,338	17,079,619	111,324,955
INSTRUMENTS OF PAYMENT IN OTHER CURRENCIES	380,872	3,257,216	289,721	1,888,399
CURRENT ACCOUNTS IN OTHER CURRENCIES	8,072,993	69,040,232	10,654,370	69,445,186
DEPOSITS FROM ARGENTINE GOVERNMENT AND OTHERS	1,176,352	10,060,163	461,861	3,010,408
OTHER DEPOSITS	713,085	6,098,302	11,954	77,918
IMF SPECIAL DRAWING RIGHTS				
IMF Special Drawing Rights	2,926,654	25,028,746	3,110,862	20,276,596
SDRs contra account	(2,465,397)	(21,084,071)	(2,620,572)	(17,080,887)
OBLIGATIONS WITH INTERNATIONAL AGENCIES				
Obligations	987,821	8,447,844	1,027,441	6,696,858
Contra account to Utilization of Reserves Tranche	(766,842)	(6,558,037)	(815,109)	(5,312,878)
SECURITIES ISSUED BY THE BCRA				
Bills and notes issued in foreign currency	664,192	5,680,173	-	-
CONTRA ACCOUNT TO ARGENTINE GOVERNMENT'S CONTRIBUTIONS TO INTERNATIONAL AGENCIES	2,310,527	19,759,626	1,576,196	10,273,645
DUE TO REPO TRANSACTIONS				
Obligations from repurchase agreements -Communication "A" 4508	226,124	1,933,816	371,162	2,419,231
Securities to be delivered for under repurchase transactions	864,974	7,397,259	906,854	5,910,877
Obligations from currency swap transactions	2,587,107	22,124,943	-	-
DUE TO MULTILATERAL CREDIT AGREEMENTS	191,050	1,633,862	193,544	1,261,520
OTHER LIABILITIES				
Other liabilities in foreign currency				
Foreign financial institutions	1,600,022	13,683,389	1,000,037	6,518,244
Other financial intermediation agents	1,003,610	8,582,875	911,298	5,939,838

NOTE: The accounts included herein represent the most significant balances in foreign currency.

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EXHIBIT III

**COMPARATIVE TABLE OF GOVERNMENT SECURITIES
AS OF DECEMBER 31, 2014 AND 2013
-In thousands of Argentine Pesos-**

GOVERNMENT SECURITIES	Currency	12/31/2014		12/31/2013	
		Original Nominal Value	Argentine Pesos	Original Nominal Value	Argentine Pesos
TOTAL GOVERNMENT SECURITIES:			481,566,384		301,994,149
CENTRAL BANK HOLDINGS			482,395,029		302,831,609
ISSUED UNDER FOREIGN LEGISLATION			4,013		221,376
GDP-related negotiable securities	US Dollars	-	-	206,023	166,363
GDP-related negotiable securities	Euros	-	-	50,000	51,875
Global Bonds 2017	US Dollars	379	4,013	379	3,138
ISSUED UNDER ARGENTINE LEGISLATION			482,391,016		302,610,233
1990 NATIONAL TREASURY CONSOLIDATED BOND	Pesos	4,734,790	4,690,716	4,734,790	4,699,531
NONTRANSFERABLE BILLS			460,498,363		279,668,457
Nontransferable Bill - Maturity 2016	US Dollars	9,530,111	81,501,507	9,530,111	62,117,261
Nontransferable Bill - Maturity 2020 - Dec 297/10	US Dollars	2,187,000	18,703,224	2,187,000	14,254,866
Nontransferable Bill - Maturity 2020 - Dec 298/10	US Dollars	4,382,000	37,474,864	4,382,000	28,561,876
Nontransferable Bill - Maturity 2021 - Dec 2054/10	US Dollars	7,504,000	64,174,208	7,504,000	48,911,072
Nontransferable Bill - Maturity 2021 - Dec 276/11	US Dollars	2,121,386	18,142,097	2,121,386	13,827,197
Nontransferable Bill - Maturity 2022 - Res.131/12	US Dollars	5,674,000	48,524,048	5,674,000	36,983,132
Nontransferable Bill - Maturity 2022 - Res.171/12	US Dollars	2,083,648	17,819,358	2,083,648	13,581,218
Nontransferable Bill - Maturity 2023 - Dec.309/13	US Dollars	2,292,297	19,603,722	2,292,297	14,941,190
Nontransferable Bill - Maturity 2023 - Res. 8/13	US Dollars	7,132,655	60,998,466	7,132,655	46,490,645
Nontransferable Bill - Maturity 2024 - Res. 30/14	US Dollars	7,896,765	67,533,133	-	-
Nontransferable Bill - Maturity 2024 - Res. 190/14	US Dollars	3,043,000	26,023,736	-	-
OTHER SECURITIES			21,055,263		22,095,571
Bond Province of Formosa	Pesos	85	70	85	70
PRO 7	Pesos	87	9	87	16
BONAR 2014	Pesos	-	-	1,668,599	1,695,297
BONAR 2015	Pesos	1,225,131	508,429	1,225,131	1,038,298
BONAR 2017	US Dollars	82,720	938,872	465,600	3,789,984
BONAR 2019	Pesos	1,608,234	1,447,410	-	-
BOGAR 2018	Pesos	852,895	1,245,227	852,895	1,155,673
Discount Bonds 2033	US Dollars	99,586	1,359,343	118,786	1,337,570
Discount Bonds 2033	Pesos	5,588,491	14,977,155	6,231,791	12,410,904
Discount Bonds 2033 - 2010 Issuance	Pesos	5,846	14,497	5,846	11,399
Consolidated Bonds 4th Series	Pesos	1,380	592	1,380	1,115
Par Bonds 2038	Pesos	22,093	22,535	22,093	16,570
Quasi Par Bonds 2045	Pesos	40,351	62,140	40,351	52,859
GDP-related negotiable securities	US Dollars	445,051	378,294	445,051	378,294
GDP-related negotiable securities	Pesos	1,861,192	100,690	1,861,192	207,522
LESS:					
ADJUSTMENT ACCRUAL ON 1990 NATIONAL TREASURY CONSOLIDATED BOND	Pesos		3,853,326		3,853,326
ALLOWANCE FOR IMPAIRMENT OF GOVERNMENT SECURITIES			(828,645)		(837,460)
1990 National Treasury Consolidated Bond	Pesos		(828,575)		(837,390)
Bond Province of Formosa	Pesos		(70)		(70)

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EXHIBIT IV

Securities issued by the BCRA (LEBAC/NOBAC)
- In thousands of Argentine Pesos-

SECURITIES ISSUED BY THE BCRA	Total as of 12/31/2014	Maturities						Total as of 12/31/2013
		Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 9 months	From 9 to 12 months	Over 12 months	
TOTAL:	282,285,992							110,545,181
ISSUED IN FOREIGN CURRENCY	5,680,173							-
LEBAC	5,680,173	2,400,486	1,969,938	1,056,449	177,423	75,877	-	-
Principal	5,713,187	2,402,937	1,980,102	1,069,647	182,032	78,469	-	-
Interest to be accrued	(33,014)	(2,451)	(10,164)	(13,198)	(4,609)	(2,592)	-	-
ISSUED IN LOCAL CURRENCY	276,605,819							110,545,181
LEBAC	238,908,003	39,452,442	72,082,528	65,605,704	33,323,778	28,443,551	-	96,982,504
Principal	260,682,108	39,854,198	75,051,463	71,483,871	38,851,695	35,440,881	-	104,019,353
Interest to be accrued	(21,774,105)	(401,756)	(2,968,935)	(5,878,167)	(5,527,917)	(6,997,330)	-	(7,036,849)
BCRA reference exchange rate payable Lebac	768,359	-	-	768,359	-	-	-	1,630,845
Principal	774,917	-	-	774,917	-	-	-	1,623,530
Obligations by BCRA reference exchange rate	3,469	-	-	3,469	-	-	-	34,221
Interest to be accrued	(10,027)	-	-	(10,027)	-	-	-	(26,906)
LEBAC - ISSUANCE FOR REPURCHASE AGREEMENTS	36,929,457	3,011,007,00	6,036,290	-	27,882,160	-	-	7,643,010
Issued in Argentine pesos for repurchase agreements	67,224,669	11,621,198	16,550,519	250,799	38,802,153	-	-	35,417,614
To be delivered under repurchase agreements	(30,295,212)	(8,610,191)	(10,514,229)	(250,799)	(10,919,993)	-	-	(27,774,604)
NOBAC	-	-	-	-	-	-	-	4,288,822
Principal	-	-	-	-	-	-	-	4,182,700
Interest accrued	-	-	-	-	-	-	-	109,247
Trading differences	-	-	-	-	-	-	-	(3,125)

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MONETARY BASE - ANNUAL VARIATION FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014 COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR - In thousands of Argentine Pesos -			12/31/2014	12/31/2013
<u>I) Cash flows provided by operating activities</u>				
1. Increases			217,047,819	75,673,041
- IADB/IBRD loans to Provinces, financial program for micro, small and medium-sized companies, and revolving funds			355,197	270,361
- Net granted loans to Domestic Financial Institutions			689,262	7,400,260
- Premiums paid for repurchase agreements with Domestic Financial Institutions			866,380	914,226
- Contributions to Tax Authorities pursuant to Budget Law N° 26.784 / N° 26.728			360,000	264,000
- Transactions deriving on behalf Argentine Government			100,231,529	54,722,137
- Administrative expenses			2,394,324	1,747,220
- Monetary issuance expenses			882,745	551,807
- Distribution of earnings to the Argentine Government related to fiscal years 2013 / 2012			39,718,449	8,250,000
- Temporary Advances to Argentine Government (Article 20, Charter)			22,450,000	35,770,000
- Net purchase of foreign currency for regulation			25,383,864	(31,794,953)
- Net Position in foreign currency- Adaptations (Com. "A" 5563)			22,950,124	-
- Other items			765,945	(2,422,018)
2. Decreases			(131,679,867)	(5,828,032)
- Trade Credit outflows - Multilateral credit agreements (SML)			(7,991,248)	(6,531,425)
- Net outflows from transactions with Domestic Securities			(3,540,064)	(4,806,186)
- Net placement / redemption of securities issued by the BCRA			(95,865,728)	(4,541,704)
- Net placement / redemption of repurchase agreements with Domestic Financial Institutions			(21,672,836)	10,538,010
- Other financial institutions deposits			(2,609,991)	(486,727)
Restated cash flow provided by all activities (I)			85,367,952	69,845,009
Monetary Base - Beginning of the year			377,196,524	307,351,516
Monetary Base - End of year			462,564,475	377,196,524

(I) Profit Distributions to the National Government for the year 2013 totaled \$ 78.418.449. During 2014 were full transferred, with contra account in Monetary Base for \$ 39.718.449 and National Government Deposits for \$ 38.700.000.

Adriana M. Fischberg
MAIN GENERAL
ACCOUNTING MANAGER

Horacio Rodriguez
CENTRAL SERVICES
GENERAL SUBMANAGER I/C

Jorge L. Rodriguez
GENERAL MANAGER

Paola A. López
DEPUTY SUPERVISORY AUDITOR

Alejandro Vanoli
CHAIRMAN

Hugo C. Alvarez
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 04/14/2015