

Financial Statements



As of December 31st, 2011



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

Financial Statements as of December 31st, 2011

Comparatively presented with the
prior fiscal year



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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BANCO CENTRAL DE LA REPUBLICA ARGENTINA

**BALANCE SHEET AS OF DECEMBER 31, 2011
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR
- In thousands of Argentine Pesos -**

ASSETS	12/31/2011	12/31/2010
	INTERNATIONAL RESERVES	199,565,260
Gold (Net of allowances) (Note 4.1.1, Exhibits I and II)	13,453,981	9,925,971
Foreign currency (Note 4.1.2 and Exhibit II)	31,695,540	8,443,465
Deposits to be realized in foreign currency (Note 4.1.3 and Exhibit II)	154,322,697	189,296,260
Multilateral Credit Agreements (Net) (Exhibit II)	93,042	122,421
LESS:		
Derivatives over International Reserves (Note 4.1.4 and Exhibit II)	-	292,016
GOVERNMENT SECURITIES	127,283,035	84,183,002
CENTRAL BANK HOLDINGS	128,138,125	85,046,906
Securities issued under foreign legislation (Notes 2.2, 4.2.1.1, Exhibits II and III)	663,736	683,339
Securities issued under Argentine legislation (Note 4.2.1.2, Exhibits II and III)	127,474,389	84,363,567
1990 National Treasury Consolidated Bond (Note 4.2.1.2.1, Exhibits II and III)	4,717,160	4,725,975
Nontransferable Treasury Bill - Maturity 2016 (Note 4.2.1.2.2, Exhibits II and III)	41,009,972	37,889,814
Nontransferable Treasury Bill - Maturity 2020 - Dec 297/10 (Note 4.2.1.2.3, Exhibits II and III)	9,411,098	8,695,075
Nontransferable Treasury Bill - Maturity 2020 - Dec 298/10 (Note 4.2.1.2.3, Exhibits II and III)	18,856,622	17,421,955
Nontransferable Treasury Bill - Maturity 2021 - Dec 2054/10 (Note 4.2.1.2.4, Exhibits II and III)	32,291,213	-
Nontransferable Treasury Bill - Maturity 2021 - Dec 276/11 (Note 4.2.1.2.4, Exhibits II and III)	9,128,750	-
Other (Notes 2.2, 4.2.1.2.5, Exhibits II and III)	15,912,900	19,484,074
LESS:		
Adjustment for accrual on 1990 Consolidated Bond (Exhibit III)	3,853,326	3,853,326
ALLOWANCE FOR IMPAIRMENT OF GOVERNMENT SECURITIES (Note 4.2.3 and Exhibit III)	(855,090)	(863,904)
TEMPORARY ADVANCES TO THE ARGENTINE GOVERNMENT (Note 4.3)	67,130,000	46,180,000
Payments to international agencies and payments in foreign currency	42,930,000	28,450,000
Other applications	24,200,000	17,730,000
LOANS TO THE ARGENTINE FINANCIAL SYSTEM	2,031,320	1,344,594
Financial institutions (net of allowances)	2,031,320	1,344,594
Financial institutions (Notes 2.1 and 4.4)	2,698,133	2,109,097
LESS:		
Loan loss allowance	666,813	764,503
CONTRIBUTIONS TO INTERNATIONAL AGENCIES ON BEHALF OF ARGENTINE GOVERNMENT AND OTHER (Note 4.5 and Exhibit II)	9,224,933	8,411,690
RIGHTS DERIVING FROM OTHER DERIVATIVE FINANCIAL INSTRUMENTS (Note 4.6)	-	8,697
RIGHTS DERIVING FROM REPO TRANSACTIONS (Note 4.7 and Exhibit II)	25,914,566	25,834,037
OTHER ASSETS (Net of allowances) (Note 4.8)	2,151,644	720,288
TOTAL ASSETS	433,300,758	374,178,409

LIABILITIES		
	12/31/2011	12/31/2010
MONETARY BASE	222.921.853	160.407.987
Money in circulation	173.056.384	124.534.620
Bank notes and coins in circulation (Note 4.9.1.1)	173.054.540	124.520.020
Pay-off checks in pesos in circulation (Notes 2.3 and 4.9.1.2)	1.844	14.600
Current accounts in pesos (Note 4.9.2)	49.865.469	35.873.367
PAY-OFF CHECKS IN OTHER CURRENCY IN CIRCULATION (Notes 2.3,4.10 and Exhibit II)	15.793	42.103
CURRENT ACCOUNTS IN OTHER CURRENCIES (Note 4.11 and Exhibit II)	24.620.536	39.116.619
DEPOSITS FROM ARGENTINE GOVERNMENT AND OTHER (Note 4.12 and Exhibit II)	2.841.642	10.545.075
OTHER DEPOSITS (Note 4.13)	162.017	190.926
IMF SPECIAL DRAWING RIGHTS (Note 4.14 and Exhibit II)	2.103.335	1.949.332
IMF Special Drawing Rights	13.345.543	12.368.404
LESS:		
SDR contra account	11.242.208	10.419.072
OBLIGATIONS WITH INTERNATIONAL AGENCIES (Note 4.15 and Exhibit II)	5.231.320	874.341
Obligations	8.728.122	4.115.113
LESS:		
Contra account to utilization of reserve tranche	3.496.802	3.240.772
SECURITIES ISSUED BY THE BCRA (Note 4.16 and Exhibit IV)	84.212.664	88.601.245
Bills and notes issued in Argentine pesos	84.212.664	88.601.245
CONTRA ACCOUNT TO ARGENTINE GOVERNMENT CONTRIBUTIONS TO INTERNATIONAL AGENCIES (Note 4.17 and Exhibit II)	3.898.513	3.480.855
DUE TO OTHER DERIVATIVE FINANCIAL INSTRUMENTS (Note 4.18)	23.141	2.078
DUE TO REPO TRANSACTIONS (Note 4.19 and Exhibit II)	24.436.534	24.164.044
DUE TO MULTILATERAL CREDIT AGREEMENTS (Note 4.20 and Exhibit II)	548.862	7.806
OTHER LIABILITIES (Note 4.21 and Exhibit II)	23.614.404	5.361.637
PROVISIONS (Note 4.22 and Exhibit I)	1.376.210	1.166.694
TOTAL LIABILITIES	396.006.824	335.910.742
NET EQUITY	37.293.934	38.267.667
TOTAL LIABILITIES plus NET EQUITY	433.300.758	374.178.409

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

Adriana M. Fischberg
MAIN GENERAL
ACCOUNTING MANAGER

Silvia B. Traverso
CENTRAL SERVICES GENERAL
SUBMANAGER

Matias S. Kulfas
GENERAL MANAGER

Mercedes Marcó del Pont
CHAIRWOMAN

Paola A. López
DEPUTY SUPERVISORY AUDITOR

Hugo C. Alvarez
REGULAR SUPERVISORY AUDITOR

Signed for identification purposes with the report dated 05/22/2012

STATEMENT OF INCOME
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR
- In thousands of Argentine Pesos -

	12/31/2011	12/31/2010
<u>Interest and adjustments, net:</u>		
Interest income:	4.003.973	2.421.997
On international reserves (Note 4.23)	339.479	594.722
On Government securities (Note 4.23)	3.193.426	1.769.761
On deposits in the IMF and other entities	158.349	(22.323)
On loans to the financial system (Note 4.23)	74.240	7.510
On other transactions with the financial system (Note 4.23)	4.319	11.519
On other assets (Note 4.23)	234.160	60.808
Interest expense:	(12.994.590)	(8.868.728)
On securities issued by the BCRA (Note 4.23)	(11.471.924)	(7.618.545)
On loans borrowed from international agencies (Note 4.23)	(34.228)	(49.631)
On other transactions with the financial system (Note 4.23)	(875.443)	(1.128.589)
On other liabilities (Note 4.23)	(612.995)	(71.963)
<u>Set-up of allowances for government securities and loans to the financial system, net (Note 4.23)</u>	(94.796)	(102.826)
<u>Listed price differences, net (Note 4.23)</u>	16.906.033	15.926.225
<u>Foreign currency trading differences (Note 4.23)</u>	1.321.595	94.154
<u>Other financial instruments trading differences (Note 4.23)</u>	320.008	420.494
<u>Net financial income</u>	9.462.223	9.891.316
<u>Net commissions</u>	406	524
Commissions earned	605	658
Commissions paid	(199)	(134)
<u>Contributions to the tax authorities pursuant to Decree No. 1446/11</u>	(240.000)	(240.000)
<u>Monetary issuance expenses (Note 4.23)</u>	(585.063)	(361.570)
<u>General expenses (Note 4.23)</u>	(863.368)	(741.352)
<u>(Set-up)/Reversals of other allowances, net (Note 4.23)</u>	(233.489)	88.830
<u>Miscellaneous charges and fines (Note 4.23)</u>	148.023	210.807
<u>Net income from operating activities</u>	7.688.732	8.848.555
<u>Other income, net</u>	33.496	47.406
<u>NET INCOME</u>	7.722.228	8.895.961

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

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CENTRAL SERVICES GENERAL
SUBMANAGER

Matias S. Kulfas
GENERAL MANAGER

Mercedes Marcó del Pont
CHAIRWOMAN

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DEPUTY SUPERVISORY AUDITOR

Hugo C. Alvarez
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STATEMENT OF CHANGES IN EQUITY FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR
-In thousands of Argentine Pesos-

ITEMS	CAPITAL	CAPITAL ADJUSTMENT	RESERVES			UNAPPROPRIATED RETAINED EARNINGS	TOTAL 12/31/2011		TOTAL 12/31/2010	
			GENERAL RESERVE	SPECIAL RESERVE	APPRAISAL REVALUATION					
Balances at beginning of year	16.832.075	2.711.815	7.632.278	2.139.667	55.871	8.895.961	38.267.667		49.576.916	
Distribution of earnings as per Board of Governors' Resolution No. 133 dated September 1, 2011	133.333		66.667			(8.895.961)	(8.695.961)	(1)	(20.205.210)	(2)
Net income						7.722.228	7.722.228		8.895.961	
Balances at year-end	16.965.408	2.711.815	7.698.945	2.139.667	55.871	7.722.228	37.293.934		38.267.667	

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

(1) - Transfer of funds to the Argentine Treasury under the provisions of Article 38 of the BCRA's Charter as per Board of Governors' Resolution 161 dated September 1, 2011.

(2) - Transfer of funds to the Argentine Treasury under the provisions of Article 38 of the BCRA's Charter as per Board of Governors' Resolution No. 202 dated September 16, 2010.

Adriana M. Fischberg
 MAIN GENERAL
 ACCOUNTING MANAGER

Silvia B. Traverso
 CENTRAL SERVICES GENERAL
 SUBMANAGER

Matias S. Kulfas
 GENERAL MANAGER

Mercedes Marcó del Pont
 CHAIRWOMAN

Paola A. López
 DEPUTY SUPERVISORY AUDITOR

Hugo C. Alvarez
 REGULAR SUPERVISORY AUDITOR

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STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011
COMPARATIVELY PRESENTED WITH THE PRIOR FISCAL YEAR

- In thousands of Argentine Pesos -

	12/31/2011	12/31/2010
<u>I) Cash flows provided by operating activities</u>		
1. Sources	4.063.304	2.037.095
- Interest gain on investments abroad	338.514	593.747
. On time deposits	210.628	338.489
. On demand deposits	64.099	45.486
. On foreign securities	63.787	209.772
- Interest gain on ALADI agreement transactions	966	108
- Premiums collected from reverse repurchase agreements with Argentine financial institutions	785	981
- Transactions deriving from its capacity as financial agent of the Argentine Government	87.872	73.791
- Securities, foreign currency and gold trading differences, net	1.333.885	502.796
- IADB/IBRD loans to provinces, financial program for micro, small and medium-sized companies, and revolving funds	346.633	201.266
- Other financial institutions deposits	1.000.419	932.898
- Net Placement/ Settlements of reverse repurchase agreements with Argentine financial institutions	502.664	(128.928)
- Multilateral credit agreements	480.337	(150.588)
- Other items	(28.771)	11.025
2. Applications	(85.177.257)	(28.794.127)
- Temporary Advances to Argentine Government (Article 20, Charter)	(20.950.000)	(9.600.000)
- Premiums paid for repurchase agreements with Argentine financial institutions	(865.407)	(1.117.528)
- Administrative expenses	(1.307.750)	(851.650)
- Monetary issuance expenses	(149.546)	(214.690)
- Contributions to tax authorities pursuant to Decree 1446/11 and Budget Law No. 26546	(240.000)	(240.000)
- Distribution of earnings to the Argentine Government related to fiscal years 2010-2009	(8.695.961)	(20.255.210)
- Settlements/Placements of repurchase agreements with Argentine financial institutions	(1.515.844)	4.581.020
- Net redemption / placement of securities issued by the BCRA	(14.976.678)	20.240.333
- Net outflow of funds from transactions with Argentine Government Securities	(34.609.154)	(21.402.457)
- Net grant/settlement of rediscounts and advances to Argentine financial institutions	(1.866.917)	66.054
Net cash flows provided by operating activities (1.-2.)	(81.113.953)	(26.757.032)
<u>II) Cash flows provided by investment activities</u>		
3. Sources	5.923	12.928
- Collection of dividends BIS	5.923	12.928
<u>III) Cash flows provided by financing activities (including transactions on behalf of the Argentine Government)</u>		
4. Sources	20.975.061	(12.485.467)
- Net revenues from/payments to foreign financial institutions	20.975.061	(12.485.467)
<u>IV) Other</u>		
5. Sources	11.914.087	6.951.899
- Listed price differences, net	11.914.087	6.951.899
Restated cash flows provided by all activities (I+II+III+IV)	(48.218.882)	(32.277.673)
Net cash at beginning of year (Note 3.1)	(2.615.682)	29.661.990
Net cash at year-end (Note 3.1)	(50.834.564)	(2.615.682)

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

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Notes to the Financial Statements for the fiscal year ended December 31, 2011 comparatively presented with the prior fiscal year

- In thousands of pesos -

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

The BCRA (Central Bank of Argentina) is a self-governed entity of the Argentine Government that is subject to the provisions of its Charter (Art. 1, Law No. 24144).

The Central Bank shall primarily and essentially preserve the value of currency (Art. 3 of its Charter, text amended at year-end). Additionally, as provided for by Art. 4 of its Charter, the Central Bank shall perform the following duties: a) oversee the duly performance of the financial market and apply the Financial Institutions Act and other rules which may be laid down as a result thereof; b) act as financial agent for the Argentine Government and as depository and agent for the country before international monetary, banking and financial institutions of which the Country may be a member; c) store and manage its gold reserves, foreign exchange and other external assets; d) foster and strengthen the development of capital markets; e) implement an exchange policy in accordance with such legislation as the Congress may lay out.

On March 27, Law No. 26739 amending the BCRA Charter was enacted (Note 7.2).

NOTE 2 - SIGNIFICANT EVENTS FOR FISCAL YEARS 2011 AND 2010

For a better reading of the financial statements, the following paragraphs will describe the most significant economic measures adopted during such fiscal years.

2.1 Financing to the productive sector

Within the framework of the transactions authorized by Art. 17 of its Charter, the BCRA has decided to provide cash flows to financial institutions in order to finance the productive sector. The funds received by the financial institutions shall be used to finance new investment projects to be selected by the applicable authorities pursuant to the industrial promotion regimes enacted by the Argentine Congress. This operation has been regulated by Communication "A" 5089 on June 14, 2010 (Note 4.4).

2.2 Valuation of debt instruments from the non-financial public sector and of Monetary Regulation instruments from the Argentine Central Bank

On February 11, 2011, the BCRA issued Communication "A" 5180, whereby it sets new valuation criteria applicable to debt instruments issued by the non-financial public sector and to the monetary regulation instruments issued by the BCRA, effective as from March 1, 2011. The earlier application of these new criteria

is permitted as of December 31, 2010, at the entities' discretion. The BCRA has not opted for the earlier application.

The referred Communication states that the debt instruments from the non-financial public sector as well as the monetary regulation instruments issued by the BCRA shall be recorded at fair value or amortized cost. The government securities included on the volatility or present values listings published by the BCRA, which can be used for trading or intermediation purposes, can be stated at their listed price or present value, as applicable. The securities that are removed from such listings shall be recorded in accordance with the regime set forth for the category "amortized cost". The BCRA started to apply this regulation as from 2011. It should be noted that within the BCRA holdings, there are special securities that are not part of the financial institutions investments, and that based on their particular issuance characteristics, they are not akin to the nature of the securities that may be traded in the market. Therefore, they are not within the scope of the regulation referred to in the preceding paragraph, the purpose of which is to consider the nature of the transactions and inherent risks attributable to the financial system entities. As a result, the BCRA adopted a valuation criterion that considers the nature of the securities and the decision of holding them to maturity (Notes 4.2.1.2.1 to 4.2.1.2.4).

It is worth mentioning that according to Communication "A" 5180, the financial institutions may opt to set up an allowance for the fluctuation in the valuation of the securities recorded at fair value for the purposes of mitigating the effect on the statement of income of the significant variations in the quotations of securities. As of December 31, 2011, the BCRA did not set up an allowance for impairment of securities stated at fair value based on the option provided by the referred regulation.

2.3 Pay-off check

For the purpose of fostering the use of the banking system among the population, through the provisions of Communication "A" 5130, issued on October 22, 2010, the payment means known as "Pay-off check" timely created by Law 25345 "Prevention of Tax Evasion" was reframed, by establishing a simpler and straightforward procedure for the use thereof. As defined in section 8 of the referred law, this instrument is issued by the BCRA and it shall be an appropriate means to settle monetary obligations (Note 4.9.1.2).

NOTE 3 - ACCOUNTING STANDARDS APPLIED

3.1 Basis for the presentation of financial statements

The financial statements have been prepared in accordance with Art. 34 of the BCRA's Charter in line with the accounting principles approved by the Professional Council of Economic Sciences of the City of Buenos Aires (CPCECABA) and the general valuation methods established by the BCRA for Argentine financial institutions considering the special characteristics of a central bank.

The specific characteristics of the BCRA and the duties and functions assigned by its Charter, particularly those related to the power to issue bank notes and coins, plus the peculiarities of the transactions that it performs, are not akin to the transactions of financial institutions regarding the preparation of the statement of cash flows. Accordingly, for the purpose of issuing such statement the following captions are considered as "funds": "International reserves" less "Monetary liabilities" (Monetary base, Current accounts in other currencies and Pay-off checks in other money in circulation) and "Argentine Government deposits and Other".

The Statement of Cash Flows explains the changes in funds and their equivalents in fiscal year 2011 comparative with fiscal year 2010.

3.2 Figures stated in thousands of Argentine Pesos

These financial statements, exhibits and notes disclose the figures in thousands of Argentine Pesos.

3.3 Comparative information

In compliance with the provisions of the accounting standards in force, these financial statement figures are comparatively presented with those of the prior fiscal year ended December 31, 2010.

For comparative purposes, necessary reclassifications were made on prior-year financial statements in order to disclose the figures on a consistent basis.

3.4 Consideration of inflation effects

Following the provisions under Presidential Decree No. 664/03 and the regulation CONAU 1 – 569 issued by the BCRA for financial institutions, the inflation restatement method was discontinued as from March 1, 2003.

In addition, the CPCECABA issued Resolution MD No. 41/03, which established that the restatement in constant pesos was required to continue until September 30, 2003. Consequently, the BCRA did not recognize for accounting purposes the effects of variations in the currency purchasing power generated from March 1 through September 30, 2003, which is required by the professional accounting standards in force. 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

The reporting currency of these financial statements is the Argentine peso. Transactions in foreign currency are converted into Argentine pesos based on the exchange rates prevailing as of December 31, 2011 and 2010, respectively. In the case of the US dollar, the benchmark exchange rate calculated by the BCRA is applied as per the methodology set forth by Communication “A” 3500. Inventories in other currencies, including gold, are converted into local currency on a daily basis by applying the selling exchange rate at closing on such dates.

The table below shows the exchange rates of different currencies in relation to the Argentine peso at year-end:

	12/31/2011	12/31/2010
US Dollar	4,30320000	3,97580000
Gold	6.782,27352000	5.640,66625000
Special drawing rights (SDRs)	6,60657386	6,12285127
Euros	5,57651688	5,31206638
Yen	0,05588571	0,04897512
Pound Sterling	6,67469352	6,19707946
Australian dollar	4,41250128	4,06644824
Canadian dollar	4,23210071	3,99778783
Swiss franc	4,58470062	4,25446763
Venezuelan bolivar	1,00197860	0,92574386

Norwegian Kroner

0,71986349

0,68149951

3.5.2 Revenue and expenses recognition

Revenue and expenses are recognized on an accrual basis and calculated pursuant to Argentine legislation and to the agreements entered into among the parties involved.

NOTE 4 - BREAKDOWN AND SPECIFIC VALUATION METHODS OF THE MAIN FINANCIAL STATEMENT ACCOUNTS

4.1 International reserves

4.1.1 Gold

	<u>12/31/2011</u>	<u>12/31/2010</u>
Gold in bars	13.462.523	9.932.972
Allowance for gold in bars (Exhibit I)	<u>(8.542)</u>	<u>(7.001)</u>
Total	<u><u>13.453.981</u></u>	<u><u>9.925.971</u></u>

Gold physical inventories, equivalent to 1,985 troy ounce, were valued in the amount of US\$ 1.576,1 per troy ounce at year-end, according to market values effective as of the related date, and converted into Argentine pesos according to the method under Note 3.5.1. As of December 31, 2010, gold physical inventories amounted to 1.761 troy ounce and were valued at US\$ 1.418,8.

Currently, the gold ingots qualify as “good delivery”. Consequently, an allowance for sale expenses was set up, which consists in calculating the variable 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 the financial statements as a contra account to the amount in the “Gold” account”.

According to the international reserve standards, only monetary gold qualifies as a reserve asset. Therefore, gold inventories kept for numismatic purposes are not deemed financial assets and they are included in the caption Other Assets (Note 4.8).

4.1.2 Foreign currency

	<u>12/31/2011</u>	<u>12/31/2010</u>
Current accounts in foreign correspondent banks and "overnight"	26.598.749	4.609.751
Treasury holdings	<u>5.096.791</u>	<u>3.833.714</u>
Total	<u><u>31.695.540</u></u>	<u><u>8.443.465</u></u>

Treasury holdings were valued as provided for by Note 3.5.1. The overnight and current accounts in foreign correspondent banks were valued by applying the same criterion plus interest earned.

4.1.3 Deposits to be realized in foreign currency

They include the following investments made abroad:

	<u>12/31/2011</u>	<u>12/31/2010</u>
Certificates of time deposits in foreign currency	127.705.694	170.531.719
Demand deposits	22.193.160	12.452.916
Foreign government securities	3.777.502	5.908.077
Repurchase agreements	645.050	402.351
IMF reserve tranche position	<u>1.291</u>	<u>1.197</u>
Total	<u><u>154.322.697</u></u>	<u><u>189.296.260</u></u>

Demand deposits, certificates of time deposits and repurchase agreements were stated at nominal value, plus interest accrued, as applicable, until each year-end, and converted into Argentine pesos according to the criterion provided for by Note 3.5.1. Demand deposits are mainly made up of SDRs.

Foreign government securities were stated at market values at each year-end.

Annual average yield of these deposits was 0.2 % and 0.3 % for fiscal years 2011 and 2010, respectively.

4.1.4 Derivatives over international reserves

	<u>12/31/2011</u>	<u>12/31/2010</u>
Put options taken on gold	-	21.111
Call options offered on gold	<u>-</u>	<u>(313.127)</u>
Total	<u><u>-</u></u>	<u><u>(292.016)</u></u>

Through Resolution No. 144 dated June 28, 2006, the Board of Governors authorized the Main Management of Reserves to carry out transactions with null-credit-risk entities related to futures, options or forward transactions with assets denominated in foreign currency and in gold, to the extent that such derivatives were used to reduce the portfolio risk.

For the purpose of both reducing daily volatility of income/loss in dollars deriving from the physical gold position and obtaining a financial hedge on the drop in the valuation of physical holding, during 2010, the option strategy of acquiring gold put options was maintained. Such transactions were financed by offering call options in equivalent amounts. These contracts are valued by using mathematical models admitted by the accounting standards in force.

As of December 31, 2011, the International Reserves do not include any balances that represent transactions involving derivatives.

The table below details the characteristics of the contracts effective December 31, 2010:

Type of contract	Purpose of transactions	Type of settlement	Notional value of contracts (in ounces)	Value in ARS as of 12/31/2010
Put – taken				
Due date March 2011	Hedge	European	440	-
Due date October 2011	Hedge	European	440	21.111
			<u>880</u>	<u>21.111</u>
Call - offered				
Due date March 2011	Hedge	European	440	(238.314)
Due date October 2011	Hedge	European	440	(74.813)
			<u>880</u>	<u>(313.127)</u>

In accordance with the guidelines set forth by the BCRA’s Charter and the investments guidelines set forth by the Board of Governors, as indicated in Note 6.2, during this year, arbitrage transactions continued to be performed. They consist in derivatives involving the purchase and/or sale of foreign currency to be settled on future dates, by delivering the underlying assets and at the prices previously agreed. As of December 31, 2011 and as of December 31, 2010, no effective transactions were recorded.

4.2 Government securities

4.2.1 Central Bank holdings

It includes the BCRA’s government securities portfolio detailed in Exhibit III, which as of December 31, 2011 amounted to ARS 128.138.125 (ARS 85.046.906 as of December 31, 2010).

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 of law. As of December 31, 2011, the balance amounts to ARS 663.736 (ARS 683.339 as of December 31, 2010) and includes GDP-related negotiable securities issued in US dollars and maturing on December 15, 2035 with a residual nominal value of (RNV) US\$ 206.023 equivalent to ARS 128.551 (RNV US\$ 206.023 equivalent to ARS 128.354 As of December 31, 2010), and GDP-related negotiable securities issued in euros and maturing December 15, 2035 with a RNV of euros 50.000 equivalent to ARS 33.069, (RNV euros 50.000 equivalent to ARS 38.875 as of December 31, 2010). In accordance with the guidelines of Com. “A” 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at market value (Note 2.2 and Exhibit III).

Additionally, this caption includes Discount Bonds 2033 in US dollars with a RNV of US\$ 100.816 equivalent to ARS 483.915, besides the amount of ARS 16.487 as interest accrued (RNV US\$ 104.670 equivalent to ARS 514.461 as of December 31, 2010) and Global Bonds 2017 in US dollars with a RNV of US\$ 379 equivalent to ARS 1.714 (RNV US\$ 379 equivalent to ARS 1.649 as of December 31, 2010). In accordance with the guidelines of Com. “A” 5180, these securities are included in the listing of “Present value of Government

Securities” published by the BCRA, consequently, they are recorded at their present value (Note 2.2 and Exhibit III).

4.2.1.2 Securities issued under Argentine legislation

They include securities subject to Argentine legislation, which amounted to ARS 127.474.389 at year-end and \$ 84.363.567 as of December 31, 2010.

4.2.1.2.1 1990 National 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. 335/91. Such bond is stated in Argentine currency for a 99-year term, it does not accrue interest and principal is adjusted by applying the buying Argentine peso-to-US dollar exchange rate published by Banco de la Nación Argentina. Adjusted principal will be amortized as from the tenth year. The adjustment was accrued until March 31, 1991, by virtue of section 8 of the Convertibility Law (the currency board that pegged the Argentine peso to 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 any new adjustments for such items subsequent to such date.

The original issuance amounts to ARS 881.464 while the amount adjusted pursuant to issuance conditions is ARS 4.734.790. Considering that section 6 of Law No. 25565 authorized the Ministry of Economy to restructure the government debt, Resolution No. 334/02 of such Ministry established that it will be amortized in 80 annual installments. The first one, in the amount of ARS 8.815 matured on January 2, 2010. Taking into account the specific financial characteristics of this bond, especially its term, grace period and that it does not accrue any interest, an allowance has been set up in accordance with the issuance terms and conditions, net of its contra account, based on the present value thereof and by applying a rate that reflects the assessment of the time value of money and the specific risks of assets. As of December 31, 2011, the allowance was reversed in the amount of ARS 8.814 equivalent to the receipt of the third installment on January 3, 2012 (Note 7.1 and Exhibit I).

4.2.1.2.2 Nontransferable Bill - Maturity 2016

Through Resolution No. 3 issued by the Board of Governors on January 5, 2006, the inclusion of the Nontransferable bill in BCRA’s equity was accepted in exchange for the Argentine Government’s obligations with the BCRA as a result of the payment made to the International Monetary Fund.

The bill was recorded at its nominal value. Such valuation was based on the BCRA’s financial capacity and its decision of maintaining it until maturity. The payment made to the IMF amounted to US\$9.530.111, which agrees to the bill nominal value.

The characteristics of the issuance are as follows: principal in US dollars, ten-year term, full amortization upon maturity 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 LIBOR less a percentage point, payable twice a year. During year 2011, no interest accrued, as the LIBOR rate for the period was lower than one percentage point.

As of December 31, 2011, the amount converted into Argentine pesos in accordance with the valuation criterion of cost plus interest accrued, considering the nature of the bill and the decision of the BCRA to maintain it until maturity (as indicated in Note 2.2.), totals ARS 41.009.972 (ARS 37.889.814 as of December 31, 2010). To the date of issuance of these financial statements, total financial services have been collected as scheduled.

4.2.1.2.3 Nontransferable Bill – Maturity 2020 - Presidential Decrees 297 and 298/2010

On March 1, 2010, the Argentine Executive Branch issued Presidential Decrees Nos. 297 and 298/2010. Through the first decree, it was ruled that total principal and interest due to international financial agencies corresponding to fiscal year 2010 were settled with reserves freely available in excess of the percentage provided for by Section 4 of Law No. 23928 (Note 2.1), up to the amount of US\$ 2.187.000. Through the second decree No. 298 passed with the general agreement of all ministers, the Fund for Argentine Debt Settlement was created, which is aimed at settling the service of debts with private bondholders for fiscal year 2010 up to the amount of US\$ 4.382.000.

As a consideration for the transfers of funds ruled by Decrees Nos. 297 and 298/2010 mentioned above, the BCRA received two Nontransferable Bills of the National Treasury, the issuance of which were instructed by Resolutions Nos. 104 and 105/2010 of the Treasury Department, both in US dollars for a 10-year term, accruing an interest rate equivalent to the yield of the international reserves and up to an annual cap LIBOR less one percentage point and fully amortizable at maturity.

Both Bills were recorded at nominal value in line with the criterion adopted for Nontransferable Bill 2016, in the amounts equivalent to US\$ 2.187.000 and US\$ 4.382.000.

As of December 31, 2011, the amount converted into Argentine pesos in accordance with the valuation criterion of cost plus interest accrued, based on disclosures made in Note 4.2.1.2.2, totals ARS 9.411.098 and ARS 18.856.622 for Bills deriving from Decrees Nos. 297/10 and 298/10, respectively (ARS 8.695.075 and ARS 17.421.955 as of December 31, 2010). Based on the same yield conditions as for Nontransferable Bill 2016, no interest was accrued on these Bills during the fiscal year.

4.2.1.2.4 Nontransferable Bill – Maturity 2021 - Presidential Decrees 2054/2010 and 276/2011

For the purposes of giving continuity to the Fondo de Desendeudamiento Argentino (Fund for Argentine Debt Settlement) created through Decree No. 298/2010 to pay off the debt services with private holders for fiscal year 2011, on December 22, 2010, the Argentine Executive Branch issued Decree No. 2054/2010 (section 22), whereby the Ministry of Economy is instructed to set up such Fund up to the amount of US\$ 7.504.000. In line with such instructions, through Resolution 1/2011 dated January 7, 2011, the Ministry of Economy ordered the issuance of a National Treasury Bill denominated in US dollars in the amount of US\$ 7.504.000, for a 10-year term, fully amortized upon maturity, which will accrue interest at a rate equivalent to the rate applicable to international reserves, up to an annual cap LIBOR less a percentage point. The referred Bill was added to the BCRA's equity on January 12, 2011 and it was converted into Argentine pesos in the amount of ARS 32.291.213 in accordance with a criterion similar to that described in Note 4.2.1.2.2 as of December 31, 2011.

In addition, on March 4, 2011, the Argentine Executive Branch issued Decree No. 276/2011, which ordered the settlement of all the debt services with international agencies for 2011, by means of the reallocation of the remaining unused resources transferred to the Argentine Government under the provisions of Decree No. 297/2010 through the issuance of a Nontransferable National Treasury Bill denominated in US dollars in the amount of US\$ 2.121.386, for a 10-year term, which will accrue interest at a rate equivalent to the rate applicable to international reserves, up to an annual cap LIBOR less a percentage point, fully amortizable at maturity and accruing interest twice a year. Through Resolution 64/2011 dated March 18, 2011, the Ministry of Economy ordered the issuance of the aforementioned National Treasury Bill, which was added to the BCRA's equity on March 23, 2011. As of December 31, 2011, it was converted into Argentine pesos in the amount of ARS 9.128.150 in accordance with a criterion similar to that described in Note 4.2.1.2.2.

Based on the same yield conditions as for Nontransferable Bill 2016, no interest was accrued on these Bills during the fiscal year.

4.2.1.2.5 Other securities issued under Argentine legislation

As of December 31, 2011, the balance of this caption amounts to ARS 15.912.900 (ARS 19.484.074 as of December 31, 2010).

It is mainly made up of securities issued by the Argentine Government as follows:

a) During the current fiscal year, the last amortization installment of the Argentine Government Bonds (BODEN) Series 2011 (RNV of ARS 308.470, equivalent to ARS 561.107 as of December 31, 2010) matured. These bonds were included in the BCRA's portfolio in compliance with the Monetary Consolidation Program, whereby the federal and provincial securities issued to replace the Argentine legal tender were redeemed during fiscal year 2003. Such securities were issued on April 30, 2003, and the monthly amortization as well as the 2% annual interest services are adjusted by applying the indexation rate known as "CER" as provided for by Presidential Decree No. 743/03. They were not listed while they were in force. Therefore, the valuation thereof was determined based on theoretical parity according to estimated technical values and the average life of securities under similar issuance conditions.

b) Argentine Government Bonds (BODEN) Series 2012 with a RNV of US\$ 24.133 equivalent to ARS 113.042 (RNV of US\$ 19.784 equivalent to ARS 76.171 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market value (Note 2.2 and Exhibit III).

c) Argentine Government Bonds (BODEN) Series 2013 with a RNV of US\$ 25.838 equivalent to ARS 118.177 (RNV of US\$ 38.756 equivalent to ARS 147.662 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market value (Note 2.2 and Exhibit III).

d) Argentine Government Bonds (BODEN) Series 2014. As of December 31, 2010, the portfolio included securities with a RNV of ARS 17.500 equivalent to ARS 28.525. There are no securities held at 2011 year-end. These securities were valued at their market value.

e) Argentine Government Bonds (BODEN) Series 2015 with a RNV of US\$ 11.155 equivalent to ARS 49.615 (RNV of US\$ 28.255 equivalent to ARS 109.629 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market values (Note 2.2 and Exhibit III).

f) Argentine Government Bonds (BONAR) Series 2013 with a RNV of US\$ 174.237 equivalent to ARS 827.605 (RNV of US\$ 44.237 equivalent to ARS 183.476 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market value (Note 2.2 and Exhibit III).

g) Argentine Government Bonds (BONAR) Series 2014 with a RNV of ARS 45.599 equivalent to ARS 48.335 (RNV of ARS 147.750 equivalent to ARS 146.272 as of December 31, 2010). Such securities were acquired in exchange for the debt swap of secured loans and in accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market value (Note 2.2 and Exhibit III).

h) Argentine Government Bonds (BONAR) Series 2015 with a RNV of ARS 485.131 equivalent to ARS 625.819 (RNV of ARS 183.131 equivalent to ARS 197.781 as of December 31, 2010). Such securities were acquired in exchange for the debt swap of secured loans and in accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market value (Note 2.2 and Exhibit III).

- i) Argentine Government Bonds (BONAR) Series 2017 with a RNV of US\$ 913.371 equivalent to ARS 3.707.956 (RNV of US\$ 1.103.631 equivalent to ARS 4.061.362 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market value (Note 2.2 and Exhibit III).
- j) Secured Bonds (BOGAR 2018): they were received in exchange for the swaps of provincial government debt securities included in the BCRA's portfolio with a RNV of ARS 535.618 equivalent to ARS 1.188.322 as of December 31, 2011 (RNV of ARS 254.421 equivalent to \$ 604.885 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market value (Note 2.2 and Exhibit III).
- k) Discount Bonds issued in US dollars and maturing on December 31, 2033 with a RNV of US\$ 118.942 equivalent to ARS 540.843, including the amount of ARS 19.452 as interest accrued (RNV of US\$ 119.029 equivalent to ARS 565.102 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the listing of "Present value of Government Securities" published by the BCRA, consequently, they are recorded at their present value (Note 2.2 and Exhibit III).
- l) Discount Bonds 2033 issued in pesos with a RNV of ARS 6.231.791 equivalent to ARS 7.852.056, including the amount of ARS 303.782 as interest accrued (RNV of ARS 6.287.700 equivalent to ARS 12.139.633 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market value (Note 2.2 and Exhibit III).
- m) Discount Bonds 2033 – Issue 2010 - in pesos with a RNV of ARS 5.846 equivalent to ARS 6.658 (RNV of ARS 5.846 equivalent to ARS 10.522 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the listing of "Present value of Government Securities" published by the BCRA, consequently, they are recorded at their present value (Note 2.2 and Exhibit III).
- n) GDP-related negotiable securities issued in US dollars with a RNV of US\$ 445.051 equivalent to ARS 267.929 (RNV of US\$ 445.051 equivalent to ARS 269.308 as of December 31, 2010) received upon the conclusion of the public debt restructuring process. Such financial instruments are valued at their market value. In addition, the holding of GDP-related negotiable securities in pesos amounts to RNV ARS 1.861.192 equivalent to ARS 215.340 as of December 31, 2011 (RNV ARS 1.860.830 equivalent to ARS 276.705 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the volatility listing published by the BCRA, consequently, they are recorded at their market values (Note 2.2 and Exhibit III).
- o) Cuasi-Par Bonds Series 2045 with a RNV of ARS 33.000 equivalent to ARS 17.820 (same RNV equivalent to ARS \$ 27.390 as of December 31, 2010). In accordance with the guidelines of Com. "A" 5180, these securities are included in the listing of "Present value of Government Securities" published by the BCRA, consequently, they are recorded at their present value (Note 2.2 and Exhibit III).
- p) Other portfolio securities amounting to ARS 10.149 (ARS 78.543 as of December 31, 2010). As of December 31, 2010, this caption included bonds issued by the Province of Chaco in accordance with the Provincial Law 3730 and amendments under the names of BOPRO in Local Currency (1st , 2nd , 3rd and 4th series) and BOSAFI Chaco in US dollars (1st and 2nd series) in the amount of ARS 59.899. Additionally, through the provisions of Provincial Law 4951 dated 10/05/2001, the refinancing and monthly payment of services was established, though the issuance of securities in accordance with the new conditions is pending. Based on the foregoing, during fiscal year 2011, the BCRA decided to record its outstanding balance in Other Assets (Notes 4.8). The other holdings were valued at the most recent market value available (Note 2.2).

4.2.3 Allowance for impairment of government securities

In order to reflect the market values of the government securities recorded as of December 31, 2011, the allowance for impairment has been set up in the amount of ARS 855.090 (ARS 863.904 as of December 31, 2010), the amount of ARS 855.020 out of which corresponds to 97% of the original amount of the issuance of the Bond referred to in 4.2.1.2.1 (ARS 863.834 as of December 31, 2010). It should be noted that during the current fiscal year, 1% of the allowance was reversed as a consequence of collecting the third installment of amortization of the bond dated January 3, 2012 (Note 7.1). The remaining ARS 70 correspond to the total Bonds of the Province of Formosa (defaulted). This allowance has remained unchanged with respect to the prior year.

4.3 Temporary advances to the Argentine government

Such advances are granted pursuant to Art. 20 of the BCRA's Charter, which states that: the Bank may make temporary advances to the Argentine Government up to an amount equivalent to 12% (twelve percent) of the monetary base, which consists of money in circulation plus financial institutions' demand deposits in the Argentine Central Bank, whether in current or special accounts. It may also grant advances not exceeding 10% (ten percent) of the cash resources obtained by the Argentine Government over the last twelve months. On November 5, 2008, Law 26422 amended the provisions of Art. 20 of the BCRA's Charter, by extending the allocation of temporary advances to the payment of liabilities in foreign currency.

As of December 31, 2011, the balance of the account Temporary Advances to the Argentine Government amounts to ARS 67.130.000, out of which ARS 42.930.000 have been requested by the Treasury Department to settle obligations with international credit agencies and liabilities in foreign currency, and the amount of ARS 24.200.000 for other purposes. As of December 31, 2010, total advances to the Argentine Government amounted to ARS 46.180.000, out of which ARS 28.450.000 were destined to settle obligations with international credit agencies and liabilities in foreign currency and ARS 17.730.000 for other purposes. These Temporary Advances do not accrue interest rates and they are recorded at nominal values.

The abovementioned amounts include the following advances according to the related due dates:

Used to settle obligations with international credit agencies and liabilities in foreign currency:

<u>Due date</u>	<u>12/31/2011</u>	<u>12/31/2010</u>
01/22/2011	-	1.800.000
01/29/2011	-	1.800.000
02/26/2011	-	1.650.000
03/12/2011	-	1.450.000
03/18/2011	-	1.650.000
03/26/2011	-	1.450.000
04/05/2011	-	2.600.000
11/19/2011	-	2.750.000
11/24/2011	-	1.700.000
12/10/2011	-	5.600.000
12/30/2011	-	6.000.000
01/28/2012	1.850.000	-
02/04/2012	1.750.000	-
03/04/2012	1.700.000	-
03/18/2012	1.400.000	-
03/23/2012	1.700.000	-

04/01/2012	1.400.000	-
04/14/2012	2.650.000	-
04/29/2012	2.450.000	-
05/13/2012	2.500.000	-
06/17/2012	2.400.000	-
07/29/2012	2.000.000	-
09/29/2012	4.000.000	-
10/07/2012	1.000.000	-
10/14/2012	600.000	-
10/28/2012	1.980.000	-
11/01/2012	2.000.000	-
11/18/2012	2.800.000	-
12/16/2012	3.000.000	-
12/28/2012	5.750.000	-
	<u>42.930.000</u>	<u>28.450.000</u>

Used for other purposes:

04/30/2011	-	2.500.000
05/07/2011	-	2.450.000
06/11/2011	-	2.450.000
07/29/2011	-	1.950.000
10/07/2011	-	650.000
10/22/2011	-	880.000
10/29/2011	-	1.100.000
11/30/2011	-	1.800.000
12/10/2011	-	400.000
12/20/2011	-	3.550.000
11/24/2012	1.650.000	-
11/30/2012	1.850.000	-
12/07/2012	6.000.000	-
12/07/2012	3.550.000	-
12/15/2012	6.900.000	-
12/16/2012	3.000.000	-
12/28/2012	1.250.000	-
	<u>24.200.000</u>	<u>17.730.000</u>
Total	<u>67.130.000</u>	<u>46.180.000</u>

The advances that remained effective at prior year-end were fully settled as of December 31, 2011 pursuant to the provisions of Art. 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>12/31/2011</u>	<u>12/31/2010</u>
Financing to the productive sector	1.944.330	55.677
Refinanced lines	614.559	614.565
Loans to subscribe Argentine Government bonds	86.615	1.271.158
Due to fines	50.917	165.978
Loans for illiquidity with other guarantees	1.364	1.364
Other	348	355
Subtotal	<u>2.698.133</u>	<u>2.109.097</u>
Less:		
Allowances for loans to the financial system (Exhibit I)	<u>666.813</u>	<u>764.503</u>
Total	<u><u>2.031.320</u></u>	<u><u>1.344.594</u></u>

The line “Loans to the Argentine financial system” mainly includes the advances granted to financial institutions within the framework of Communication “A” 5089 in order to finance the productive sector (Note 2.1) with a balance of ARS 1,944,330 (ARS 55.677 as of December 31, 2010).

The guarantees provided by the institutions, which are stated at technical value, as provided for by the applicable regulations, cover the entire amount of the debt and their description is as follows:

	<u>12/31/2011</u>	<u>12/31/2010</u>
Argentine Government bonds	1.470.012	17.458
Argentine Government secured loans	335.575	38.219
Argentine Government secured bonds	123.280	-
Cuasi Par bonds 2045	15.463	-
Total	<u><u>1.944.330</u></u>	<u><u>55.677</u></u>

The line “Loans to subscribe Argentine Government bonds” as provided for by section 14 of Presidential Decree No. 905/02, which disclose a balance of ARS 86.615 as of December 31, 2011 (ARS 1.271.158 as of December 31, 2010). The guarantees provided by the institutions, which are stated at technical value, cover the percentage established by the abovementioned Decree (100% of debt) and their description is as follows:

	<u>12/31/2011</u>	<u>12/31/2010</u>
Argentine Government secured bonds 2018	76.883	170.466
Argentine Government secured loans	2.663	427.693
Argentine Government Bonds (BODEN)	284	344.261
Argentine Government Bonds (BONAR)	-	216.525
Other assets	6.785	112.213
Total	<u><u>86.615</u></u>	<u><u>1.271.158</u></u>

The line “Due to fines” includes accruals of fines payable to the BCRA arising from the enforcement of the Criminal Exchange Regime and Financial Institutions Law (Section 41). The balance amounts to ARS50.917 as of December 31, 2011 (ARS 165.978 as of December 31, 2010). Out of total balance, the amount of ARS

51.118 is subject to court procedures (ARS 149.934 as of December 31, 2010) and an allowance has been set up for the total amount of ARS 49.778 (ARS 146.546 as of December 31, 2010).

The amount of the Allowances for Loans to the Local Financial System, which as of December 31, 2011 is ARS 666.813 (ARS 764.503 as of December 31, 2010), mainly includes the Allowance for Existing Credit lines as of enactment of Law No. 24144 equivalent to ARS 617.035 (ARS 617.957 as of December 31, 2010) and the Allowance for fines referred to in the preceding paragraph in the amount of ARS 49.778 (ARS 146.546 as of December 31, 2010). In fiscal year 2011, allowances were reversed in the amount of ARS 3.865 and were used in the amount of ARS 107.475 (ARS 31.097, ARS 47.417 and ARS 142.737 as of December 31, 2010, respectively) (Exhibit I).

4.5 Contributions to international agencies on behalf of the Argentine government and other

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

	<u>12/31/2011</u>	<u>12/31/2010</u>
Contributions to IADB, IBRD, IDA and other	5.311.016	4.784.343
Contributions to the IMF	<u>3.913.917</u>	<u>3.627.347</u>
Total	<u><u>9.224.933</u></u>	<u><u>8.411.690</u></u>

The Argentine Government records the so-called “quota” as provided for by the Board of Governors of the IMF through the amount of 2.117.100 SDRs as of December 31, 2011 and 2010 as follows:

	<u>Amount in SDRs (*)</u>	<u>Amount in Argentine pesos as of 12/31/2011</u>	<u>Amount in Argentine pesos as of 12/31/2010</u>
Treasury bills	1.524.672	10.072.860	9.335.342
Contributions to the IMF in foreign currency	529.275	3.496.696	3.240.674
Contributions to the IMF in Argentine pesos	<u>63.153</u>	<u>417.221</u>	<u>386.673</u>
Total	<u><u>2.117.100</u></u>	<u><u>13.986.777</u></u>	<u><u>12.962.689</u></u>

(*)The amounts are the same as of December 31, 2011 and December 31, 2010.

Treasury bills are issued by the BCRA in the name and on behalf of Argentina as the Government’s financial agent as provided for by Article III, section 4 and Article V, section 11 of the IMF Articles of Agreement.

4.6 Rights deriving from other Derivative Financial Instruments

	<u>12/31/2011</u>	<u>12/31/2010</u>
Swap - Short position at fixed rate	<u>-</u>	<u>8.697</u>
Total	<u><u>-</u></u>	<u><u>8.697</u></u>

8.697

During year 2009, the BCRA started to operate in the Forward Cleared Transactions of the Automated Stock Exchange (OCT-MAE) in connection with interest rate swap transactions in Argentine pesos. Such transactions are regulated by Communication “A” 4776 and amendments, whereby it is stated that the BCRA will bilaterally operate with the financial institutions authorized to such effect in the trading of Swaps at Badlar rate in exchange for Swaps at Local Fixed Rate in Argentine pesos to be settled through differences on a minimum nominal amount of ARS 10.000. As of December 31, 2011, no balance was recorded in this regard, whereas the balance of ARS 8.697 as of December 31, 2010 corresponded to the market value estimated on the basis of mathematical models allowed by the accounting principles in force for swap transactions at such date (Notes 4.18 and 5).

4.7 Rights deriving from repo transactions

	<u>12/31/2011</u>	<u>12/31/2010</u>
LEBAC receivable in Argentine pesos and delivered under repurchase agreements	14.568.050	15.956.673
Securities and foreign currency to be received from repurchase agreements under Communication “A” 4508	6.116.868	5.226.780
Rights deriving from reverse repurchase agreements	3.774.794	3.059.945
Repurchase agreements assessment	1.454.854	1.590.639
Total	<u>25.914.566</u>	<u>25.834.037</u>

The BCRA issues LEBAC (BCRA bills) and NOBAC (BCRA notes) as the main regulatory instruments with which it absorbs market liquidity to meet the goals of the monetary program currently in force. Resolution No. 155, issued on May 20, 2004 by the Board of Governors, authorized the issuance of LEBAC to be applied as eligible assets for repo transactions. Such resolution established that the guarantee of these transactions would account for 10% of the transaction. As of December 31, 2011, the total amount of LEBAC delivered under repurchase agreements, including premiums to be accrued, totaled ARS 14.568.050 (ARS 15.956.673 as of December 31, 2010). Such instruments have been valued at market value (Note 4.19). The average yield rate of these transactions accounts for 7.2% as of December 31, 2011.

In addition to the repurchase agreements agreed upon under general regulations, as from March 10, 2006, the Board of Governors approved that repo transactions be agreed upon using government securities issued by the Argentine Government as underlying assets. The assets to be received in exchange for such transactions may be 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, 2011, including premiums to be accrued, amounts to ARS 6.116.868 (ARS 5.226.780 as of December 31, 2010). Such assets were valued at market value as of December 31, 2011 and 2010, whereas, the nominal annual average yield rate of these transactions accounts for 0.05% as of December 31, 2011.

The balance of the line “Rights deriving from reverse repurchase agreements” corresponds to transactions performed with banks and other institutions by virtue of the monetary policy strategy developed by the BCRA. The balance as of December 31, 2011 included principal receivable in the total amount of ARS 3.774.794 at such date (ARS 3.059.945 as of December 31, 2010). They were valued considering the prices agreed upon for each transaction plus the premiums accrued at each year-end.

4.8 Other assets

	12/31/2011	12/31/2010
Assets applied to guarantees for participation in the ROFEX market	1.060.776	138.241
Stock of paper and coins for monetary issuance	388.968	124.665
Secured loans – Presidential Decree No. 1387/01	199.122	187.214
Fixed assets (net of accumulated depreciation)	137.927	137.969
Consolidation Bond in Local Currency- Law 4951 – pending issuance	65.297	-
Coined gold	63.968	53.679
Intangible assets (net of accumulated amortization)	1.374	2.102
Other	436.716	263.496
Less:		
Allowances (Exhibit I)	<u>202.505</u>	<u>187.078</u>
Total	<u><u>2.151.644</u></u>	<u><u>720.288</u></u>

The assets applied to guarantees for participation in the ROFEX market account for the initial guarantee margin (which is common to all participants) the portfolio risk margin and the daily clearing margins for revaluation of BCRA open interest therein. As of December 31, 2011, assets offered as guarantee amounted to ARS 1.060.776, whereas as of December 31, 2010, they amounted to ARS 138.241.

As of December 31, 2011, as provided for by Communication “A” 5180 issued by the BCRA, the Secured Loans issued by the Argentine Government, within the framework of Presidential Decree No. 1387/01 and supplementary regulations, included in the BCRA portfolio (ARS 199.122) and accepted to settle the illiquidity aid granted to institutions whose licenses to operate had been revoked, were valued at amortized cost, and the acquisition value is represented by the book value as of February 28, 2011, less the related contra account, increased according to the internal rate of return (IRR), as per the accrual criterion set forth by Communication “A” 5180. The latter states that in case the net book value of the contra account exceeds the present value informed by the BCRA, 100% of the IRR monthly accrual shall be recorded in a contra asset account; if such accrual is the same as or lower than the present value informed by the BCRA, the related contra account shall be reversed up to the amount that accounts for the difference between the present value and the net book value of the contra account.

As of December 31, 2010, Secured Loans (ARS 187.214) were valued, as provided for by Communication “A” 4898 issued by the BCRA, at the highest value arising from comparing the present value informed by the BCRA to the book value as of January 31, 2009, net of services collected after such date and of the related contra account. While the present value of these holdings was lower than the book value, the accrual of interest, and if applicable, of the indexation rate known as “CER” was recorded in a contra account created to that end, until the book value were equal to the present value. Such contra account would be reversed and charged to the income statement to the extent that its balance exceeds the difference between the present value and the book value of such holdings.

The balance in the line Consolidation Bond in Local Currency - Law No. 4951 pending issuance represents the refinancing provided for by Law No. 4951 of the Province of Chaco within the framework of the exchange of the bonds named BOPRO in Local Currency (1st , 2nd , 3rd and 4th series) and BOSAFI Chaco in US dollars

(1st and 2nd series). As described in Note 4.2.1.2.5. p), the BCRA has decided to record this balance under this caption during this fiscal year.

Fixed assets have been valued at acquisition cost, net of the related accumulated depreciation, including the adjustment for inflation through February 28, 2003. Depreciation is calculated based on the straight-line method, taking into account the estimated useful life of fixed assets by applying annual rates sufficient to extinguish asset value by the end of their estimated useful life. The net book value of assets does not exceed, as a whole, the recoverable value based on the information available to the date of issuance of these financial statements.

Taking into account the international definitions related to the gold to be computed as reserve assets (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 (Exhibit I).

The line "Other" includes transactions performed and settled pursuant to A.L.A.D.I's Agreement on Reciprocal Payments and Credits in the amount of ARS 200.520 as of December 31, 2011 (ARS 185.264 as of December 31, 2010), which was claimed to the Central Bank of Uruguay. To the date of issuance of the accompanying financial statements, such disagreement was not solved. Therefore, an allowance was set up for the full amount (Exhibit I) and for the balance corresponding to the items held for numismatic purposes in the amount of ARS 13.072 (ARS 12.683 as of December 31, 2010).

4.9 Monetary Base

4.9.1 Money in circulation

4.9.1.1 Bank notes and coins in circulation

	<u>12/31/2011</u>	<u>12/31/2010</u>
Bank notes	170.951.290	122.612.623
Coins	<u>2.103.250</u>	<u>1.907.397</u>
Total	<u><u>173.054.540</u></u>	<u><u>124.520.020</u></u>

Bank notes and coins in circulation at each year-end account for the balance held by the public and financial institutions.

Changes in bank notes in circulation have been as follows:

	<u>12/31/2011</u>	<u>12/31/2010</u>
Balance at beginning of year	122.612.623	96.496.288
New bank notes and bank notes in good conditions placed in the financial system	50.214.757	31.742.377
Bank notes out of circulation and destroyed or to be destroyed	<u>(1.876.090)</u>	<u>(5.626.042)</u>
Balance at year-end	<u><u>170.951.290</u></u>	<u><u>122.612.623</u></u>

4.9.1.2 Pay-off checks in Argentine pesos in circulation

As of December 31, 2011, the balance of ARS 1.844 (ARS 14.600 as of December 31, 2010) accounts for the BCRA's obligation with respect to the pay-off checks requested by the financial institutions and issued in Argentine pesos.

4.9.2 Current accounts in Argentine pesos

As of December 31, 2011, the balance of these accounts amounts to ARS 49.865.469 (ARS 35.873.367 as of December 31, 2010). The compensation for the amounts deposited at current accounts held with the BCRA in Argentine pesos is calculated pursuant to Communication "A" 4716 and amendments, and it consists in the calculation of interest over the monthly average of daily balances at the rate fixed and published by the Trading Desk.

4.10 Pay-off checks in other currency in circulation

As of December 31, 2011, the balance of ARS 15.793 (ARS 42.103 as of December 31, 2010) accounts for the BCRA's obligation with respect to the pay-off checks requested by the financial institutions and issued in US Dollars. They have been converted into Argentine pesos as stated in Note 3.5.1.

4.11 Current accounts in other currencies

As of December 31, 2011, the balance of these accounts amounts to ARS 24.620.536 (ARS 39.116.619 as of December 31, 2010) and it is converted into pesos as stated in Note 3.5.1. Compensation conditions have also been defined in the referred Communication "A" 4716.

4.12 Deposits by the Argentine Government and other

This account includes the following items:

	<u>12/31/2011</u>	<u>12/31/2010</u>
Argentine Government deposits	1.899.832	9.392.880
A.N.S.E.S. - Social Security Payment Orders	717.308	944.773
Provincial funds	143.816	132.875
Argentine Government deposits – Law No. 25152 – Tax anti-cyclical fund	<u>80.686</u>	<u>74.547</u>
Total	<u><u>2.841.642</u></u>	<u><u>10.545.075</u></u>

4.13 Other deposits

	<u>12/31/2011</u>	<u>12/31/2010</u>
Trust current account	44.639	28.287
In special accounts	41.701	127.498
Financial program for micro, small and medium-sized companies	18.250	24.670
Mutual fund	-	3.785
Sundry	<u>57.427</u>	<u>6.686</u>
Total	<u><u>162.017</u></u>	<u><u>190.926</u></u>

Deposits in Special Accounts include the amount of ARS 21.323 corresponding to deposits made by the Argentine Government under the terms of Section 1 of Presidential Decree 1836/02, which cannot be attached or disposed of and which shall solely secure the different series of Argentine Government Bonds to be swapped for certificates of deposit held by savers in the financial system. As of December 31, 2010, the balance of such account amounted to ARS 107.116.

4.14 IMF Special Drawing Rights

The IMF Special Drawing Rights correspond to the amount allocated by the International Monetary Fund to the Republic of Argentina as a member country. By virtue of its Articles of Agreement, such entity can allocate Special Drawing Rights to the member countries in proportion to their quotas, whether on a general or special basis.

During year 2009, the IMF approved a general allocation of SDR up to US\$ 250.000.000 among its member countries; the amount of US\$ 2.460.375 (SDR 1.569.427) was allocated to the Republic of Argentina. On the other hand, during year 2009, the Fourth Amendment to the IMF Articles of Agreement providing for a special one-time allocation of SDRs approved in 1997 became effective. This special allocation was approximately US\$ 33.000.000. The Republic of Argentina was allocated the amount of SDR 132.243 equivalent to US\$ 207.316. Both allocations were received by the BCRA on behalf of the Argentine Government.

The balance of the IMF Special Drawing Rights includes SDRs in the amount of 318.370 received from such body prior to the amendment to BCRA's Charter dated September 30, 1992 and SDRs in the amount of 1.701.670 received during year 2009 as a consequence of the general and special one-time allocations mentioned above.

The contra account to the SDRs transferred to the Argentine Government is disclosed as an offset account to the account IMF Special Drawing Rights, which amounts to ARS 11.242.208 equivalent to SDRs in the amount of 1.701.670 as of December 31, 2011 (ARS 10.419.072 equivalent to the same quantity of SDR as of December 31, 2010).

The account breakdown is as follows:

	12/31/2011		12/31/2010	
	D.E.G.	Argentine Pesos	D.E.G.	Argentine Pesos
Total SDRs allocated	2.020.040	13.345.543	2.020.040	12.368.404
Contra account to the account IMF Special Drawing Rights transferred to the Argentine Government	(1.701.670)	(11.242.208)	(1.701.670)	(10.419.072)
	<u>318.370</u>	<u>2.103.335</u>	<u>318.370</u>	<u>1.949.332</u>

4.15 Obligations with international agencies

As regards the balance recorded in the line "Bank for International Settlements", it is informed that Resolution No. 377 issued by the Board of Governors on December 15, 2005 approved the credit installments agreement with such institution. This resolution was based on the need for having mechanisms favoring the immediate and highest availability and liquidity of international reserves. As of December 31, 2011, the balance recorded in this line amounted to ARS 4.303.647 (no balances were recorded as of December 31, 2010). Additionally,

the Bank for International Settlements account includes ARS 79.551 related to the due capital for such entity's share subscription (ARS 73.727 as of December 31, 2010).

The use of the reserve tranche implies the first financial service available to a country by the IMF, and it does not represent the use of the credit from the IMF, there being no claim from such body regarding the funds used. The reserve tranche of a country represents the payment percentage of the installment established for participating in the IMF, which was included in reserve assets.

In addition to the items described above, the line "Other" includes deposit balances in the Inter-American Development Bank, IMF and other international agencies.

The breakdown of the line is as follows:

	<u>12/31/2011</u>	<u>12/31/2010</u>
Bank for International Settlements	4.383.198	73.727
Use of the Reserve Tranche	3.496.802	3.240.772
IMF – Account No. 1	415.824	385.378
IADB	328.191	246.248
IBRD	25.941	118.895
Accrued charges	4.069	7.540
IMF – Account No. 2	93	87
Other	<u>74.004</u>	<u>42.466</u>
	<u><u>8.728.122</u></u>	<u><u>4.115.113</u></u>

The contra account to the use of the reserve tranche includes the BCRA's collection right from the Argentine Government in connection with the funds received by this entity and transferred to the Argentine Government before September 30, 1992 in the amount of SDR 529.291 equivalent to ARS 3.496.802 (same quantity of SDR equivalent to ARS 3.240.772 as of December 31, 2010).

4.16 Securities issued by the BCRA

In accordance with Art. 18 of its Charter, the BCRA is authorized to issue securities or bonds, as well as participation certificates on its securities holdings. This monetary instrument called LEBAC has been issued in Argentine pesos and US dollars ever since 2002. However, the last foreign-currency denominated issue was made in January 2006, and no balances were recorded for such item over the last fiscal years. These financial instruments are traded at a discount and are stated at nominal value net of interest accrued at each year-end.

As from May 2004, the Board of Governors' Resolution No. 155/04 authorized that a portion of LEBAC issue be used as monetary regulation instruments to perform repo transactions. As a result, the LEBAC portfolio used for such transactions was stated at market value, and was presented net of the amount corresponding to "Securities issued by the BCRA" (Note 4.7).

As from April 19, 2005, NOBAC in Argentine pesos began to be issued with a variable coupon (BADLAR + 2.5%). Such NOBAC are stated at nominal value, plus interest accrued at each year-end.

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

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

	<u>12/31/2011</u>	<u>12/31/2010</u>
Bills and notes issued in local currency		
Primary issuance of bills and notes	99.899.795	92.688.265
Bills in portfolio available for repurchase agreements	(15.438.519)	(4.010.173)
Notes in portfolio available for repurchase agreements	<u>(248.612)</u>	<u>(76.847)</u>
Total	<u>84.212.664</u>	<u>88.601.245</u>

Exhibit IV shows the stock of LEBACs and NOBACs effective at each year-end, broken down by type of instrument and maturity term. It should be noted that the average annual nominal rate in fiscal year 2011 accounted for 13.87% (11.69% in fiscal year 2010).

4.17 Contra account to Argentine Government contributions to international agencies

As of December 31, 2011, the balance of this item in the amount of ARS 3.898.513 accounts for the contra account to Argentine Government contributions made on behalf of the Argentine Government to international agencies, of which the Republic of Argentina is a member, as from September 30, 1992; the date on which the BCRA's Charter was amended and BCRA's legal framework and relationship with the Argentine Government was changed. As of December 31, 2010, the balance amounted to ARS 3.480.855.

4.18 Due to Other Derivative Financial Instruments

As of December 31, 2011, the balance amounts to ARS 23.141 and accounts for the market value estimated by using mathematical models admitted by the accounting standards in force applicable to swap transactions at such date (ARS 2.078 as of December 31, 2010). Notional values are recorded in the Memorandum Accounts (Notes 4.6 and 5).

4.19 Due to repo transactions

	<u>12/31/2011</u>	<u>12/31/2010</u>
Amounts payable under repurchase agreements	14.562.931	15.925.354
Obligations from repurchase agreements - Communication "A" 4508	6.105.764	5.192.836
Securities to be delivered under repo transactions	<u>3.767.839</u>	<u>3.045.854</u>
Total	<u>24.436.534</u>	<u>24.164.044</u>

As of December 31, 2011, the amounts payable under repurchase agreements total ARS 14.562.931 and account for funds to be reimbursed to financial institutions upon maturity of the transactions mentioned in Note 4.7, regarding principal, premiums and assessments in the amounts of ARS 13.093.684, ARS 14.393 and ARS 1.454.854, respectively (as of December 31, 2010, such balances amounted to ARS 14.315.749, ARS 18.966 and ARS 1.590.639, respectively). They were valued based on the prices agreed upon for each transaction plus the related premiums accrued at each year-end.

Moreover, as of December 31, 2011, amounts payable under repurchase agreements regulated by Communication “A” 4508, and described in Note 4.7, account for ARS 6.105.764, whereas as of December 31, 2010, such account amounted to ARS 5.192.836.

As of December 31, 2011, securities to be delivered under reverse repurchase agreements amounted to ARS 3.767.839 and account for foreign government securities holdings to be reimbursed under repo transactions, stated at market value (ARS 3.045.854 as of December 31, 2010).

4.20 Due to multilateral credit agreements

This balance accounts for the net liability positions deriving from reciprocal credit transactions within the framework of the ALADI, which amount to ARS 548.862 as of December 31, 2011 and ARS 7.806 as of December 31, 2010.

4.21 Other liabilities

This account includes the following items:

	<u>12/31/2011</u>	<u>12/31/2010</u>
Revolving funds and other foreign-currency denominated obligations	21.336.887	3.186.981
Obligations to the Argentine Government	396.877	277.397
Obligations from servicing secured loans	298.327	222.258
Obligations from subscription of BODEN	98.654	174.375
Other	1.483.659	1.500.626
Total	<u>23.614.404</u>	<u>5.361.637</u>

Revolving funds and Other foreign-currency denominated obligations represent transactions related to international agreements entered into with foreign multilateral or official agencies, central banks, or other bodies from which only the BCRA, in its own capacity, or as a financial agent of the National Treasury may borrow, pursuant to the provisions of Art. 17 of its Charter.

The balance of Revolving Funds includes disbursements made by the Inter-American Development Bank (IADB) earmarked for loan transactions, technical cooperation transactions, and small projects to acquire goods and services, pursuant to the terms and conditions of the agreements entered into with such international agency.

Other obligations in foreign currency correspond to financing obtained from foreign financial institutions and other entities by the BCRA for the implementation of its monetary policy strategies.

The line “Obligations to the Argentine Government” includes deposits of funds allocated to the Global Credit Program for Micro, Small and Medium-Sized Companies. This program is financed through a loan granted by the Inter-American Development Bank to the Argentine Government to provide credit facilities to micro, small and medium-sized companies engaged in primary or industrial production, product selling or service rendering activities (except for financial services). As of December 31, 2011, such balance amounts to ARS 396.877 (as of December 31, 2010, such balance amounted to ARS 277.397).

The line “Obligations from servicing secured loans” includes the funds that will be used to pay the abovementioned loan services, which amounted to ARS 298.327 as of December 31, 2011. (As of December 31, 2010, such amount totaled ARS 222.258).

As of December 31, 2011, the obligations arising from the subscription of BODEN amount to ARS 98.654 (ARS 174.375 as of December 31, 2010) and account for amounts due to the Argentine Government. Such obligations will be settled in the amount equivalent to interest overdue on each series of bonds, when so instructed by the Argentine Department of Finance.

The main items included in the line "Other", among others, are described below: Obligations to the Argentine Government derived from repayment of loans with Bocones in the amount of ARS 231.774 (ARS 371.288 as of December 31, 2010), unallocated items, which are allocated during the normal course of operations, in the amount of ARS 738.056 (ARS 179.691 as of December 31, 2010).

4.22 Provisions

Provisions set up at year-end are detailed in Exhibit I and include the following items:

	<u>12/31/2011</u>	<u>12/31/2010</u>
Provisions for lawsuits	1.071.369	1.072.338
Provisions for guarantee fund Law 22510	19.716	19.850
Provisions for translation gains/losses - Communication "A" 4058	-	314
Provisions for labor contingencies	262.764	51.831
Other provisions	<u>22.361</u>	<u>22.361</u>
Total	<u><u>1.376.210</u></u>	<u><u>1.166.694</u></u>

The method used by the BCRA to determine the amount of the provisions for lawsuits has been as follows:

Lawsuits were classified based on their procedural status and nature (lawsuits for the return of deposits, labor lawsuits, etc.) Based on such classification, the provision was estimated taking into account the percentage of identical or similar lawsuits ended.

Lawsuits prior to April 1, 1991 were adjusted by applying the General Wholesale Price Index plus an annual interest rate of 6% until March 31, 1991, and from such date onwards, by applying the regular savings account rate published by the BCRA. In the case of lawsuits subsequent to March 31, 1991, and prior to January 1, 2002, the borrowing rate set by BCRA Notice No. 14290 was applied until December 31, 2001, and from such date onwards, the regular savings account rate based on Law No. 25344 was applied. In the case of lawsuits subsequent to December 31, 2001, and up to this year-end date, the borrowing rate under BCRA Notice No. 14290 was used for judicial purposes.

In addition, lawsuits for damages were brought against the BCRA for unspecified amounts. The likelihood of an unfavorable outcome for the BCRA is remote as of the date of issuance of these financial statements; therefore, no provision has been set up.

The provision for redenomination into pesos was set up to cover the discrepancies in the amounts arising from translating into Argentine pesos the balances of foreign-currency denominated current accounts held with the BCRA and of Liquidity Requirements accounts held at the Deutsche Bank, New York, which has no balance as of December 31, 2011 (ARS 314 as of December 31, 2010). Such entry represents the estimated amount to be reimbursed to financial institutions, as determined by the applicable regulations, which was recorded as a contra account in the statement of income.

4.23 Statement of income – Main accounts

Below there is a breakdown of the main income statement accounts:

Interest and adjustment income

	<u>12/31/2011</u>	<u>12/31/2010</u>
On International reserves		
Time deposits	210.628	338.489
Demand deposits and foreign currency	64.099	45.485
Foreign government securities	63.786	209.772
Multilateral credit agreements	966	976
Total:	<u>339.479</u>	<u>594.722</u>
On government securities		
Interest on government securities	2.435.974	1.534.293
CER on government securities	757.452	232.945
Interest on nontransferable bill - Maturity 2016	-	2.523
Total:	<u>3.193.426</u>	<u>1.769.761</u>
On loans to the financial system		
Interest income	74.240	7.510
Total:	<u>74.240</u>	<u>7.510</u>
On other transactions with the financial system		
Net interest on swap transactions	4.319	11.519
Total:	<u>4.319</u>	<u>11.519</u>
On other assets		
Interest and adjustments on secured loans	231.077	59.788
Other interest income	3.083	1.020
Total:	<u>234.160</u>	<u>60.808</u>

Interest and adjustment expense

On securities issued by the BCRA

Interest on Nobac	7.592.116	1.287.219
Interest on Lebac	3.879.808	6.331.326
Total:	<u>11.471.924</u>	<u>7.618.545</u>

On loans borrowed from international agencies

Other obligations	34.228	49.631
Total:	<u>34.228</u>	<u>49.631</u>
On other transactions with the financial system		
Net premiums accrued on repo transactions	875.443	1.128.589
Total:	<u>875.443</u>	<u>1.128.589</u>
On other liabilities		
Interest	604.852	10.009
Loss on CER application	8.143	61.954
Total:	<u>612.995</u>	<u>71.963</u>
Set-up of allowances for government securities and loans to the financial system, net		
Government securities	8.814	8.815
Receivables from the financial system	(103.610)	(111.641)
Total:	<u>(94.796)</u>	<u>(102.826)</u>
Foreign currency trading differences		
On foreign currency trading	1.321.595	94.154
Total:	<u>1.321.595</u>	<u>94.154</u>
Listed price differences, net		
International reserves		
Foreign currency, time and demand deposits	13.791.411	8.524.721
Gold	1.943.763	2.588.039
Foreign government securities	428.668	(121.987)
Derivatives	61.034	(2.073.079)
Other	4.138	1.589
Argentine Government Securities	5.116.472	9.266.644
International agencies	385.274	114.206
Entities' deposits in current accounts and Argentine Government deposits	(4.322.664)	(1.969.185)
Other valuation adjustments of assets and liabilities	(502.063)	(404.723)
Total:	<u>16.906.033</u>	<u>15.926.225</u>

Other financial instruments trading differences

Income:

On transactions with Lebac and Nobac	295.960	42.800
On forward transactions	32.040	319.861
On transactions with securities	982	(10.601)
On transactions with gold and foreign currency options	401	(1.420)
On forward/futures transactions	(9.375)	69.417
Other transactions	-	437
Total:	<u>320.008</u>	<u>420.494</u>

Monetary issuance expenses

Coinage and minting	388.297	171.738
Materials	88.221	98.948
Other expenses	108.545	90.884
Total:	<u>585.063</u>	<u>361.570</u>

General expenses

Amortization	19.412	16.419
Other general expenses	843.956	724.933
Total:	<u>863.368</u>	<u>741.352</u>

(Set-up)/ Reversal of other allowances, net

Allowance for translation gains/losses – Communication "A" 4058	314	-
Allowance for coined gold	(1.045)	(137)
Provision for lawsuits	(6.501)	102.485
Provision for labor contingencies	(210.933)	(21.368)
Other provisions	(15.324)	7.850
Total:	<u>(233.489)</u>	<u>88.830</u>

Sundry charges and fines

Fines	119.679	180.378
Other allowances	28.344	30.429
Total:	<u>148.023</u>	<u>210.807</u>

NOTE 5 – DEBIT- AND CREDIT-BALANCE MEMORANDUM ACCOUNTS

As of December 31, 2011, the debit- and credit- balance of memorandum accounts amounted to ARS 689,953,320 (ARS 546,756,670 as of December 31, 2010), which are broken down as follows:

	<u>12/31/2011</u>	<u>12/31/2010</u>
Bank notes and coins		
<i>Bank notes and coins in circulation</i>	189.199.519	130.366.758
<i>Bank notes and coins for circulation in the BCRA</i>	16.144.979	5.846.738
Other (bank notes and coins and currency in process of production)	49.697.110	14.296.551
Pay-off check	51.080	107.075
Monetary securities deposited in custody	189.673.489	193.554.894
Non-monetary securities deposited in custody	125.901.477	96.481.189
Securities received as guarantee	11.065.413	8.393.525
Nonnegotiable securities – International agencies	10.742.133	10.048.096
Loans classified as irrecoverable	22.991.634	23.001.392
Funds managed on behalf of the Treasury Department	1.525.871	410.383
Fines under the criminal foreign exchange system – Section 41, Financial Institutions Law	600.300	355.472
Contingent rights and obligations		
Currency swap agreement	38.000.000	38.000.000
<i>OCT-MAE interest rate swap</i>	225.000	225.000
<i>OCT – MAE purchases (Overdraft function - Swap)</i>	15.000	20.000
<i>OCT - MAE sales (Overdraft function - Swap)</i>	15.000	20.000
Other contingent rights from forward transactions		
<i>OCT - MAE purchases (Foreign currency)</i>	1.090.000	8.429.106
<i>Rofex market purchases (Foreign currency)</i>	-	2.669.973
<i>OCT – MAE purchases (Overdraft function)</i>	520.000	1.359.100
Other contingent obligations from forward transactions		
<i>OCT - MAE sales (Foreign currency)</i>	24.486.720	9.995.412
<i>Rofex market sales (Foreign currency)</i>	7.481.653	1.813.055
<i>OCT - MAE sales (Overdraft function -Rates)</i>	520.000	1.359.100
<i>Options for repo access</i>	-	-
Other	6.942	3.850
Total	<u>689.953.320</u>	<u>546.756.670</u>

The stock of Bank notes and coins include ARS 189.199.519 of bank notes and coins in circulation (ARS 130.366.758 as of December 31, 2010), ARS 16.144.979 of bank notes and coins deposited in the Bank

eligible for circulation (ARS 5.846.738 as of December 31, 2010) and ARS 49.697.110 of other bank notes and coins and currency in process of production (ARS 14.296.551 as of December 31, 2010).

The line Other (bank notes – coins – bank notes and coins in process of production) include mainly include printing and coinage in the amount of ARS 41.523.788 (ARS 13.981.112 as of December 31, 2010) and old notes to be destructed in the amount of \$ 844.474 (ARS 176.694 as of December 31, 2010).

The balance of ARS 51.080 as of December 31, 2011 recorded in the line Pay-off Check accounts for the pay-off checks issued in Argentine pesos and dollars held by the public and the checks paid and remitted to the BCRA for their final verification and destruction (ARS 107,075 as of December 31, 2010) (note 4.9.1).

Securities deposited in custody mainly include securities, national and foreign currencies and other checks deposited in the Bank's Treasury or regional treasuries in the exercise of the related duties or by court order. All assets with an economic value are classified as monetary securities, whereas assets that, due to their aging, have no settlement power, in the case of currency, or economic value, in the case of government securities, are classified as non-monetary securities. Monetary securities deposited in custody were valued by applying the foreign currency or government securities quotations prevailing at December 31, 2011. The same criterion was applied in relation to balances as of December 31, 2010, using the quotations prevailing as of such date, so that the comparability of balances would not be altered.

The balance of securities received as guarantee includes the amount of ARS 6,022,361 (ARS 4.183.226 as of December 31, 2010) as securities and other checks deposited in the BCRA or in other institutions related to loan transactions and ARS 4.941.368 as securities deposited as guarantee by local banks in connection with ALADI transactions (ARS 4.162.872 as of December 31, 2010), among others.

Nonnegotiable securities account mainly for the balance of Treasury Bills issued by the BCRA on behalf of the Argentine Government in the amount of ARS 10.072.860 as of December 31, 2011 (ARS 9.335.342 as of December 31, 2010), keeping the contingent commitment to pay the IMF as mentioned in Note 4.5.

Loans classified as irrecoverable include loans granted to former financial institutions that are currently subject to liquidation proceedings in the amount of ARS 21.505.131 (ARS 21.545.546 as of December 31, 2010), and loans granted to former institutions whose licenses to operate were revoked and that were proved in legal proceedings in the amount of ARS 1.466.208 (ARS 1.435.554 as of December 31, 2010).

The funds managed on behalf of the Treasury Department include the amount of ARS 1.445.185 (ARS 335.836 as of December 31, 2010) associated with collateral securities held by the Treasury Department, which were delivered to be managed by the BCRA, and ARS 80.686 (ARS 74.547 as of December 31, 2010) associated with the Tax Anti-cyclical Fund.

Fines imposed under section 41 of the BCRA's Charter account for ARS 600.300 (ARS 355,472 as of December 31, 2010).

During fiscal year 2009, the currency swap agreement between the BCRA and the People's Bank of China was subscribed. The contingent rights and obligations derived from such agreement are equivalent to ARS 38.000.000 and have been recorded in the memorandum accounts, no transactions of this kind have been generated to the date of issuance of these financial statements.

Additionally, in 2009, the BCRA started to operate in the Forward Cleared Transactions of the Automated Stock Exchange (OCT-MAE) in connection with interest rate swap transactions in Argentine pesos. Such transactions are regulated by Communication "A" 4776 and amendments (Note 4.6). The notional values of such agreements have been recorded under this caption.

The line Contingent Rights from Forward Transactions includes the notional values of the agreements for future trading of foreign currency executed through Mercado Abierto Electrónico and ROFEX, as well as the notional values of agreements for future trading of interest rates in Argentine pesos executed through the

“overdraft function”. Such transactions are regulated by Communication “A” 4925 and amendments. These transactions imply the bilateral agreement between the BCRA and two counterparties, the notional values of these agreements are recorded under this caption.

Additionally, the line Contingent Obligations from Forward Transactions includes the notional values of the agreements for future trading of foreign currency executed through Mercado Abierto Electrónico and ROFEX, as well as the notional values of agreements for future trading of interest rates in Argentine pesos executed through the “overdraft function”.

NOTE 6 - INTERNATIONAL RESERVES AND RISK MANAGEMENT POLICIES

Over the last few years, the BCRA implemented prudential anti-cyclical policies, such as accumulating reserves and using some financial instruments in line with risk management good practices.

The BCRA uses financial instruments to meet monetary policy goals and to manage international reserves. Although not primarily intended to make a profit, the financial instruments the BCRA uses must enable it to comply with its monetary policy functions.

As regards managing risks inherent to the financial instruments that make up the International reserves, it is to note that they are daily monitored for their market values, and that their investment process is subject to the provisions of the BCRA’s Charter and the guidelines set by the BCRA’s Board of Governors (Notes 6.1, 6.2 and 6.3).

6.1 Credit risk

Credit risks are related to the possibility of loss as a result of counterparties default. The abovementioned investment guidelines establish that countries eligible 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 agency securities issued by 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.

6.2 Market risk

Market risk derives from fluctuations in market parameters. Therefore, “market risks” include sub-risks related to fluctuations in exchange rates, interest rates and prices. Investment guidelines for this type of risks state that the portfolio duration cannot exceed 2 years and a half, and that investment in currencies other than the US dollar cannot exceed 30% of total International reserves.

6.3 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, and without deriving in a material impact on market values as a consequence of the settlement.

NOTE 7 – SUBSEQUENT EVENTS

7.1. 1990 National Treasury Consolidated Bond

As provided for by Resolution No. 334/02 of the Ministry of Economy, whereby the restructuring of the obligations arising from the amortization of the 1990 National Treasury Consolidated Bond was established, the third installment equivalent to 1% of the nominal value of the security was settled on January 3, 2012.

7.2 Reform Act of the BCRA's Charter and Convertibility Law

On March 22, 2012, the Argentine Congress enacted the Reform Act of the BCRA's Charter - Law 24144 and amendments (C.O.) and the Convertibility Law- Law No. 23928 and amendments. The main aspects of the mission and functions of the Central Bank will be as follows:

7.2.1 BCRA's Charter

Within its scope and the framework of the policies established by the Argentine Government, the BCRA's purpose will include: promoting currency stability, financial stability, employment and economic development with social equity (Art. 3). As provided for by Art. 4, while exercising its powers and functions, the Central Bank shall not be subject to the instructions, indications or orders of the Executive Branch, nor shall it enter into any obligation that implies a restriction or delegation of its powers and functions without the express authorization of the Argentine Congress.

Accordingly, the Central Bank shall be vested with special functions in addition to those established by the prior Charter as follows: to protect the rights of financial services users and fair competition within the financial system - coordinating its actions with the applicable authorities in this regard-; determine the level of gold, foreign currency and other foreign assets reserves necessary to carry out the exchange policies - taking into account the changes in external assets and liabilities -; regulate the credit financial conditions; issue regulations that maintain fair competition in the financial system and adopt policies focused on small and medium sized enterprises and regional economies (Arts. 4 and 14).

Exceptionally, and if justified by the national or international economic scenario, the BCRA may grant temporary advances to the Argentine Government not exceeding ten per cent (10%) of the resources in cash obtained by the Argentine Government over the last (12) twelve months. This exceptional power may be exercised for a maximum term of eighteen (18) months. Once this term expires, the BCRA shall not grant the Argentine Government advances that may increase the aforementioned. The advances referred to above shall be refunded within eighteen (18) months from the date of granting thereof. Should such advances remain unpaid after expiration of the term, the BCRA will not be allowed to make use of this power until the amounts owed in this regard be fully refunded (Art. 20).

It is also stated that the Financial Statements of the BCRA shall be prepared in accordance with generally accepted accounting standards considering the special characteristics of a central bank. Accordingly, should the criteria arising from the new text of the Charter have been applied, no significant changes would have been made to these financial statements.

7.2.2 Convertibility Law

Art. 4 establishing that the International Reserves of the BCRA should support up to 100% of the Monetary Base has been repealed. Additionally, the new wording of section 6, replacing the prior article, states that the

International Reserves cannot be attached and that they will be exclusively allocated, as determined by the Board of Governors, as provided for by Art, 14, clause q): “to carry out the foreign exchange policy, taking into account the changes in external assets and liabilities”. Additionally, section 6 states that the reserves surplus will be named “Freely Available Reserves”, and provided there is a neutral monetary effect, they will be used to pay obligations with international agencies and “official bilateral sovereign debt”.

Furthermore, Art. 5, stating the requirement that the Central Bank’s financial statements reflect the amount, composition and investment of the reserves and of the monetary base, has been repealed.

7.3 Fund for Argentine Debt Settlement – Resolution No. 131/2012 of the Ministry of Economy

For the purposes of giving continuity to the *Fondo de Desendeudamiento Argentino* (Fund for Argentine Debt Settlement) created through Decree No. 298/2010 and as provided for by the Budget Law No. 26728 of the Argentine Government for fiscal year 2012, on April 24, 2012, the Ministry of Economy through Resolution No. 131/2012 ordered the issuance of a Nontransferable Treasury Bill denominated in US dollars to be subscribed in several tranches by the BCRA provided freely available reserves exist, in accordance with section 6 of Law No. 23928 and amendments and up to the amount of US\$ 5.674.000, for a 10-year term, fully amortizable at maturity, which will accrue interest at a rate equivalent to the rate applicable to international reserves, up to a maximum equivalent to the Annual Libor rate less a percentage point. On April 27, 2012, the first tranche was disbursed in the amount of US\$ 2.179.852.

No other events or transactions have occurred from year-end to the date of issuance of these financial statements that would have a material effect on the financial position of the BCRA or the results of its operations as of December 31, 2011.

EXHIBIT I

CHANGES IN ALLOWANCES/ PROVISIONS AS OF DECEMBER 31, 2011

- In thousands of Argentine Pesos-

Items	Balances at beginning of year	Increases	Decreases	Uses	Balances at year-end
DEDUCTED FROM ASSETS					
. Allowance for gold in bars	7.001	1.790	249	-	8.542
. Allowance for impairment of Government Securities	863.904	-	8.814	-	855.090
. Allowance for loans to the Argentine financial system	764.503	107.475	3.865	201.300	666.813
. Other allowances	187.078	16.160	733	-	202.505
TOTAL ALLOWANCES DEDUCTED FROM ASSETS	1.822.486				1.732.950
INCLUDED IN LIABILITIES					
. Provision for lawsuits	1.072.338	208.217	201.716	7.470	1.071.369
. Guarantee fund - Law No. 22510	19.850	814	948	-	19.716
. Provision for differences related to conversion into pesos - Com. "A" 4058	314	-	314	-	-
. Provision for labor liabilities	51.831	210.933	-	-	262.764
. Other provisions	22.361	-	-	-	22.361
TOTAL PROVISIONS INCLUDED IN LIABILITIES	1.166.694				1.376.210

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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ACCOUNTING MANAGER

Silvia B. Traverso
CENTRAL SERVICES GENERAL
SUBMANAGER

Matias S. Kulfas
GENERAL MANAGER

Mercedes Marcó del Pont
CHAIRWOMAN

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, 2011 and 2010 - In thousands of Argentine Pesos-

	12/31/2011		12/31/2010	
	Balances in US dollars	Balances in Argentine pesos	Balances in US dollars	Balances in Argentine pesos
ASSETS	77.387.266	333.012.885	73.502.713	292.232.080
INTERNATIONAL RESERVES				
Gold (Net of allowance)	3.126.506	13.453.981	2.496.597	9.925.971
Foreign currency	7.365.574	31.695.540	2.123.715	8.443.465
Deposits to be realized in foreign currency	35.862.311	154.322.697	47.612.118	189.296.260
Derivatives over International Reserves	-	-	(73.448)	(292.016)
Multilateral credit agreements	21.622	93.042	30.792	122.421
GOVERNMENT SECURITIES				
Securities issued under foreign legislation	154.242	663.736	171.875	683.339
Securities issued under Argentine legislation	27.036.223	116.342.274	17.466.605	69.443.730
CONTRIBUTIONS TO INTERNATIONAL AGENCIES ON BEHALF OF ARGENTINE GOVERNMENT	2.143.738	9.224.933	2.115.723	8.411.690
RIGHTS DERIVING FROM REPO TRANSACTIONS				
Securities to be received from repurchase agreements under Communication "A" 4508	799.844	3.441.888	789.093	3.137.275
Rights from reverse repurchase agreements	877.206	3.774.794	769.643	3.059.945
LIABILITIES	16.131.947	69.418.994	14.640.050	58.205.911
PAY-OFF CHECKS IN OTHER CURRENCIES IN CIRCULATION	3.670	15.793	10.590	42.103
CURRENT ACCOUNTS IN OTHER CURRENCIES	5.721.448	24.620.536	9.838.679	39.116.619
DEPOSITS FROM ARGENTINE GOVERNMENT AND OTHER	493.664	2.124.333	358.525	1.425.422
IMF SPECIAL DRAWING RIGHTS				
IMF Special Drawing Rights	3.101.307	13.345.543	3.110.922	12.368.404
SDRs contra account	(2.612.523)	(11.242.208)	(2.620.623)	(10.419.072)
OBLIGATIONS WITH INTERNATIONAL AGENCIES				
Obligations	2.028.286	8.728.122	1.035.040	4.115.113
Contra account to Utilization of Reserves Tranche	(812.605)	(3.496.802)	(815.125)	(3.240.772)
CONTRA ACCOUNT TO ARGENTINE GOVERNMENT'S CONTRIBUTIONS TO INTERNATIONAL AGENCIES	905.957	3.898.513	875.511	3.480.855
DUE TO REPO TRANSACTIONS				
Obligations from repurchase agreements -Communication "A" 4508	1.418.889	6.105.764	1.306.111	5.192.836
Securities to be delivered for repo transactions	875.590	3.767.840	766.098	3.045.854
DUE TO MULTILATERAL CREDIT AGREEMENTS	127.547	548.862	1.963	7.806
OTHER LIABILITIES				
Other liabilities in foreign currency				
Foreign financial institutions	4.000.768	17.216.103	-	-
Other financial intermediation agents	879.949	3.786.595	772.359	3.070.743

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

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**COMPARATIVE TABLE OF GOVERNMENT SECURITIES
AS OF DECEMBER 31, 2011 AND 2010 -In thousands of Argentine Pesos-**

GOVERNMENT SECURITIES	Currency	12/31/2011		12/31/2010	
		Residual Nominal Value	Argentine Pesos	Residual Nominal Value	Argentine Pesos
TOTAL GOVERNMENT SECURITIES:			127.283.035		84.183.002
CENTRAL BANK HOLDINGS			128.138.125		85.046.906
ISSUED UNDER FOREIGN LEGISLATION			663.736		683.339
GDP-related negotiable securities	US Dollars	206.023	128.551	206.023	128.354
GDP-related negotiable securities	Euros	50.000	33.069	50.000	38.875
Discount Bonds 2033	US Dollars	100.816	500.402	104.670	514.461
Global Bonds 2017	US Dollars	379	1.714	379	1.649
ISSUED UNDER ARGENTINE LEGISLATION			127.474.389		84.363.567
1990 NATIONAL TREASURY CONSOLIDATED BOND	Pesos	4.717.160	4.717.160	4.725.975	4.725.975
NONTRANSFERABLE BILL - MATURITY 2016	US Dollars	9.530.111	41.009.972	9.530.111	37.889.814
NONTRANSFERABLE BILL - MATURITY 2020 - Dec 297/10	US Dollars	2.187.000	9.411.098	2.187.000	8.695.075
NONTRANSFERABLE BILL - MATURITY 2020 - Dec 298/10	US Dollars	4.382.000	18.856.622	4.382.000	17.421.955
NONTRANSFERABLE BILL - MATURITY 2021 - Dec 2054/10	US Dollars	7.504.000	32.291.213	-	-
NONTRANSFERABLE BILL - MATURITY 2021 - Dec 276/11	US Dollars	2.121.386	9.128.750	-	-
OTHER SECURITIES			15.912.900		19.484.074
BOCON Province of Chaco - 2nd Series	Pesos	-	-	909	436
BOCON Province of Chaco - 3rd Series	Pesos	-	-	1.325	636
BOCON Province of Chaco - 4th Series	Pesos	-	-	11.769	5.649
BOND OF THE PROVINCE OF CHACO	Pesos	-	-	60.422	29.003
Bond Province of Formosa	Pesos	71	70	71	70
BODEN 2011	Pesos	-	-	308.470	561.107
BODEN 2012	US Dollars	24.133	113.042	19.784	76.171
BODEN 2013	US Dollars	25.838	118.177	38.756	147.662
BODEN 2014	Pesos	-	-	17.500	28.525
BODEN 2015	US Dollars	11.155	49.615	28.255	109.629
PRO 7	Pesos	35	27	44	36
BONAR 2013	US Dollars	174.237	827.605	44.237	183.476
BONAR 2014	Pesos	45.599	48.335	147.750	146.272
BONAR 2015	Pesos	485.131	625.819	183.131	197.781
BONAR 2017	US Dollars	913.371	3.707.956	1.103.631	4.061.362
BOSAFI - 1st Series (1)	US Dollars	-	-	1.906	1.906
BOSAFI - 2nd Series (1)	US Dollars	-	-	22.271	22.269
BOGAR 2018	Pesos	535.618	1.188.322	254.421	604.885
Discount Bonds 2033	US Dollars	118.942	560.295	119.029	565.102
Discount Bonds 2033	Pesos	6.231.791	8.155.838	6.287.700	12.139.633
Discount Bonds 2033 - 2010 Issuance	Pesos	5.846	6.658	5.846	10.522
Par Bonds 2038	Pesos	22.093	10.052	25.413	18.538
Quasi Par Bonds 2045	Pesos	33.000	17.820	33.000	27.390
GDP-related negotiable securities	US Dollars	445.051	267.929	445.051	269.308
GDP-related negotiable securities	Pesos	1.861.192	215.340	1.860.830	276.705
LESS:					
ADJUSTMENT ACCRUAL ON 1990 NATIONAL TREASURY	Pesos		3.853.326		3.853.326
CONSOLIDATED BOND					
ALLOWANCE FOR IMPAIRMENT OF GOVERNMENT SECURITIES			(855.090)		(863.904)
1990 National Treasury Consolidated Bond	Pesos		(855.020)		(863.834)
Bond Province of Formosa	Pesos		(70)		(70)

(1) These securities were converted into Argentine pesos by virtue of Presidential Decree Nro.471/02

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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 12/31/2011	Maturities						Total as of 12/31/2010
		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	
ISSUED IN LOCAL CURRENCY	84.212.664							88.601.245
LEBAC	23.698.465	2.430.489	5.076.247	8.227.170	2.841.776	2.343.671	2.779.112	45.589.744
Principal	25.230.078	2.434.833	5.175.275	8.574.682	3.042.109	2.600.879	3.402.300	47.905.425
Interest to be accrued	(1.531.613)	(4.344)	(99.028)	(347.512)	(200.333)	(257.208)	(623.188)	(2.315.681)
LEBAC - ISSUANCE FOR REPURCHASE AGREEMENTS	15.652.048	-	11.218.245	1.286.986	-	-	3.146.817	16.081.712
Issued in Argentine pesos for repurchase agreements	31.090.566	1.433.333	22.775.599	3.497.364	-	-	3.384.270	20.091.885
To be delivered under repurchase agreements	(15.438.518)	(1.433.333)	(11.557.354)	(2.210.378)	-	-	(237.453)	(4.010.173)
NOBAC	44.862.151	4.888.124	9.025.028	5.912.162	8.131.089	5.200.643	11.705.105	26.929.789
Principal	43.495.189	4.170.697	8.525.292	5.877.920	8.068.930	5.161.950	11.690.400	26.446.144
Interest accrued	1.194.396	714.397	479.999	-	-	-	-	440.796
Trading differences	172.566	3.030	19.737	34.242	62.159	38.693	14.705	42.849
NOBAC - AVAILABLE ISSUANCE FOR REPURCHASE AGREEMENTS	-	-	-	-	-	-	-	-
Issued in Argentine pesos for repurchase agreements	248.612	48.167	125.624	31.414	43.407	-	-	76.847
To be delivered under repurchase agreements	(248.612)	(48.167)	(125.624)	(31.414)	(43.407)	-	-	(76.847)

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