

EBS/71/99

CONFIDENTIAL

April 5, 1971

To: Members of the Executive Board  
From: The Secretary  
Subject: Argentina

The attached cable has been received regarding a change in the exchange system of Argentina. By separate communication, the Fund has been informed that the new system will come into effect on April 6. The staff remains in contact with the authorities on this matter. A report to the Board on the Argentine situation will be issued in the near future.

Att: (1)

Attachment

Translation

FROM BANCO CENTRAL DE LA REPUBLICA ARGENTINA, BUENOS AIRES  
TO INTERNATIONAL MONETARY FUND, WASHINGTON D.C.

APRIL 5, 1971

ATTENTION MR. SCHWEITZER

THE ARGENTINE GOVERNMENT REPORTS THAT IN ORDER TO ESTABLISH AN EQUITABLE RATIO BETWEEN OUR CURRENCY AND FOREIGN CURRENCIES SO AS TO FACILITATE ACHIEVEMENT OF THE DEVELOPMENT OBJECTIVES OUTLINED, IT HAS ORDERED THE "CRAWLING PEG" SYSTEM TO BE INSTITUTED. THIS SYSTEM WILL BEGIN TO BE APPLIED WITH A 1 PER CENT CHANGE IN THE EXCHANGE RATE. REGARDS.

FERNANDEZ

PRESIDENT