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EMBASSY OF ARGENTINA, WASHINGTON, D.C.

ARGENTINA IN FOCUS

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Photo Credit: Ministry of Productive Development.

ARGENTINE ECONOMIC ACTIVITY RECOVERS TO PRE-PANDEMIC LEVELS

The Ministry of Productive Development's Production Studies Center published a report on Argentina's production outlook that analyzes the evolution of the major indicators. Its conclusions are shared in this article and the data demonstrate the recovery of the Argentine economy, which has already reached its pre-pandemic levels.

According to INDEC, for the first time in the COVID-19 era,

in August the production of goods and services exceeded the levels recorded in February 2020. The projected data for September, October and November predict a consolidation of this recovery trend.

These past months, economic activity was driven in particular by the rise in mobility, which already exceeds pre-pandemic levels. For the first time since early March 2020, mobility in residential areas returned to pre-COVID



Once again, I share with you the latest edition of our Embassy Newsletter. This edition includes a report on Argentina's production outlook that demonstrates the recovery of our economy, which has already reached its pre-pandemic levels.

In this edition we also include an article on the celebration known as "A World of Light", organized by the American Friends of Lubavitch along with the Inter-American Development Bank, the International Monetary Fund and the World Bank.

Finally, an article on Argentina's Got Range event organized by the Argentine Embassy and Wines of Argentina, where diverse varieties, regions and trends of Argentine wines were presented.

Jorge Argüello
Ambassador to the United States

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levels. This increase in circulation is having a direct impact on activities most affected by the pandemic, such as gastronomy, tourism, recreational and cultural services, passenger transport and certain segments of the retail trade.

Meanwhile, the improvements in the hydrocarbon sector have also been a driver of the recent recovery, with its impact on the industrial supply chain. The improvement of the hydrocarbon sector has also been a driver of the recent recovery, with its ensuing impact on the industrial supply chain. All this is contributing to a gradually more homogeneous economic recovery.

Comparing September 2021 with what happened in the first quarter of this year, most of the productive activities improved their performance: 70% of the sectors reflected this improvement.

The manufacturing industry also had a positive September, with a monthly growth of 1.1% and an increase of 14.3% compared to the same month in 2019. The use of industrial installed capacity exceeded 65%, reaching its highest level since April 2018. This sector once again created formal jobs: 42,000 more than in December 2019 (+ 3.7%).

The following sectors in particular should be highlighted: pharmaceutical (which reached the highest level in its history, with more than 40,000 formal jobs), agricultural machinery, and segments of the food and beverage

industry, such as beers, animal proteins, and animal feed, which reached their highest figure for formal employment in at least 25 years.

The agricultural machinery category stands out, with a production that so far this year doubles that of 2019. As regards tractors, 2021 could be the year with the highest level of domestic manufacturing since 1986, and for seeders, since 2013.

Second, other areas linked to the iron and steel-metalworking complex have grown considerably compared to 2019, as is the case for car bodies, trailers and semi-trailers, household appliances, automotive, motorcycles and consumer electronics.

Another industrial sector with a strong recovery is that of hydrocarbons, particularly Vaca Muerta, with its subsequent impact on suppliers. Driven in particular by YPF, 190,000 barrels of oil per day were produced in that basin in October. Likewise, an absolute record for unconventional resources, with a 43% rise compared to January. Unconventional hydrocarbons already account for around a third of total oil and gas extraction, while that figure was marginal five years ago.

As a result of this rebound, metalworking production linked to the oil industry is recovering strongly. As an example, the manufacture of general-purpose machinery grew 27.4% in September 2021 compared to two years ago. Something similar is happening with the production of non-flat laminates, which in October reached its highest value in two years.

Employment in knowledge-based services has risen considerably. In August, employment in this sector grew by 11.3% year-on-year, which meant 28,899 more jobs than a year ago, and exceeded 284,000 jobs.

As to services linked to the audiovisual sector, the number of jobs increased by 39.9% year-on-year, and in services

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linked to agricultural activity, employment had a year-on-year increase of 10.6%.

Exports and imports continued increasing in the interannual measurement, and the accumulated trade surplus is the highest since 2009. In September, exports had an interannual increase of 59.8%, the ninth consecutive rise, due to the increase in both prices (+ 29.7%) and quantities (+ 23.3%). As compared to the pre-pandemic period, external sales were positioned 31.4% higher than for the same month in 2019.

On the other hand, imports grow strongly at the pace of recovery as regards the level of activity + 47.1% in September 2021 compared to September 2019.

The trade balance accumulated a trade surplus of US\$12,322 million in the first nine months of the year, the highest since January-September 2009. ■

“A WORLD OF LIGHT” AND A RENEWED COMMITMENT TO ADDRESS FUTURE CHALLENGES

On November 23, shortly before the start of Hanukkah, the American Friends of Lubavitch (Chabad) in Washington DC organized a celebration known as “A World of Light”, together with the Inter-American Development Bank. The International Monetary Fund and the World Bank also participated, and our Embassy was also present.

Argentina embodies a history of intercultural and interreligious integration, in which our country has always been considered a land of open doors, where each community has had the freedom to settle, put down roots and grow. Throughout the years, our country has shaped a plural and multi-religious identity.

The presence of Jews in Argentina dates back to the end

of the 19th century. Since then, they have made a clear contribution to the foundation of our national identity. It is the largest Jewish community in Latin America and one of the most active worldwide.

Undoubtedly, the level of respect and interaction between religious communities in Argentina allows the development of a more resilient society, in which to live in peace is the rule and not the exception.

Our country understands that religious leaders are key players in developing a society that is committed to the culture of dialogue and peaceful coexistence. We recognize in Rabbi Levi Shemtov, keynote speaker at the “World of Light” event, a figure who provides a significant

Rabbi Levi Shemtov (Ctr.), keynote speaker at the “World of Light” event.



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contribution in this regard. We heard him say that Hanukkah “is a time to acknowledge all miracles.”

The National Menorah was lit in Washington DC on Sunday the 28th. It should be noted that, in difficult times like the present, this symbol reminds us that it is possible to overcome adversity thanks to a strong determination.

In the week of the Festival of Lights, Argentina joins the United States, the international organizations based in Washington DC and the Jewish community throughout the world, in celebrating a festival that calls on us to address the challenges ahead with a renewed commitment. ■



Argentina's Got Range event organized by the Argentine Embassy and Wines of Argentina.

WINE INDUSTRY IMPORTERS, DISTRIBUTORS AND RETAILERS MET AT THE ARGENTINA'S GOT RANGE EVENT

The Argentina's Got Range was an event organized by the Argentine Embassy together with Wines of Argentina, which promotes the brand and the country image of Argentine wines around the world. This tasting was the third edition held in 2021 in the United States market, after the events held in New York and Chicago.

The set-up for this activity sought to create a sensory experience not only for the guests present, but also for the entire virtual audience with access to the night's audiovisual content. In addition to guests linked to the wine sector, i.e., importers, distributors and retailers, a significant number of "influencers" specialized in wine and gastronomy located in the Washington DC, Maryland and Virginia area also participated in Argentina's Got Range.

Their participation led to a greater impact on social networks and specialized media in the wine sector. On the other hand, the evening also featured a tango presentation by Argentine dancer Luis Ángel and his partner Kristi.

In accordance with the objective set of generating a better sensory experience among the attendees, the wine tasting followed a free-flowing format. A total of 28 wines were part of Argentina's Got Range, where the presentation of three different tables that represented diverse varieties, regions and trends of Argentine wines stood out.

"High Altitude Malbecs" featured ten Malbec wine labels produced at high altitude vineyards in the Northwest and Cuyo regions of Argentina. For its part, "Our Wine

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On the other hand, last month an innovative virtual event entitled "Malbec and Tech" was held, where CEOs of major technology companies from Argentina and the United States shared a Malbec tasting and discussed the current status of digital technology. ■

Rainbow" presented a diversity of varieties that expressed the different textures and colors of Argentine wines, from Torrontés to Pinot Noir, passing through the native Argentine grape, the Criolla. Finally, the "Cabernet & Friends" table offered a wide range of this grape produced in Argentina and presented a total of ten Cabernet Sauvignon and Cabernet Franc labels.

The wineries that participated in Argentina's Got Range were Benegas, Catena Zapata, Salentein, DiamAndes, Durigutti, Familia Schroeder, Familia Zuccardi, Piattelli, Trapiche, El Esteco and Mascota Vineyards. All of them represented the national wine industry and a history of many working families, a culture and an identity.

The Argentine industry's level of maturity has enabled it to enter the U.S. market and it is well poised to ensure future growth. Thus, currently the United States is the first destination for total Argentine wine exports.

This is the result of being the main world destination for Argentine fractioned wine exports and the sixth destination for our bulk exports. As noted above, Wines of Argentina carries out the promotion of Argentine wines, but the Embassy also plays an important role in this initiative. Just to mention a few examples, 2022 will celebrate 120 years of Luigi Bosca with a big commercial event next spring.