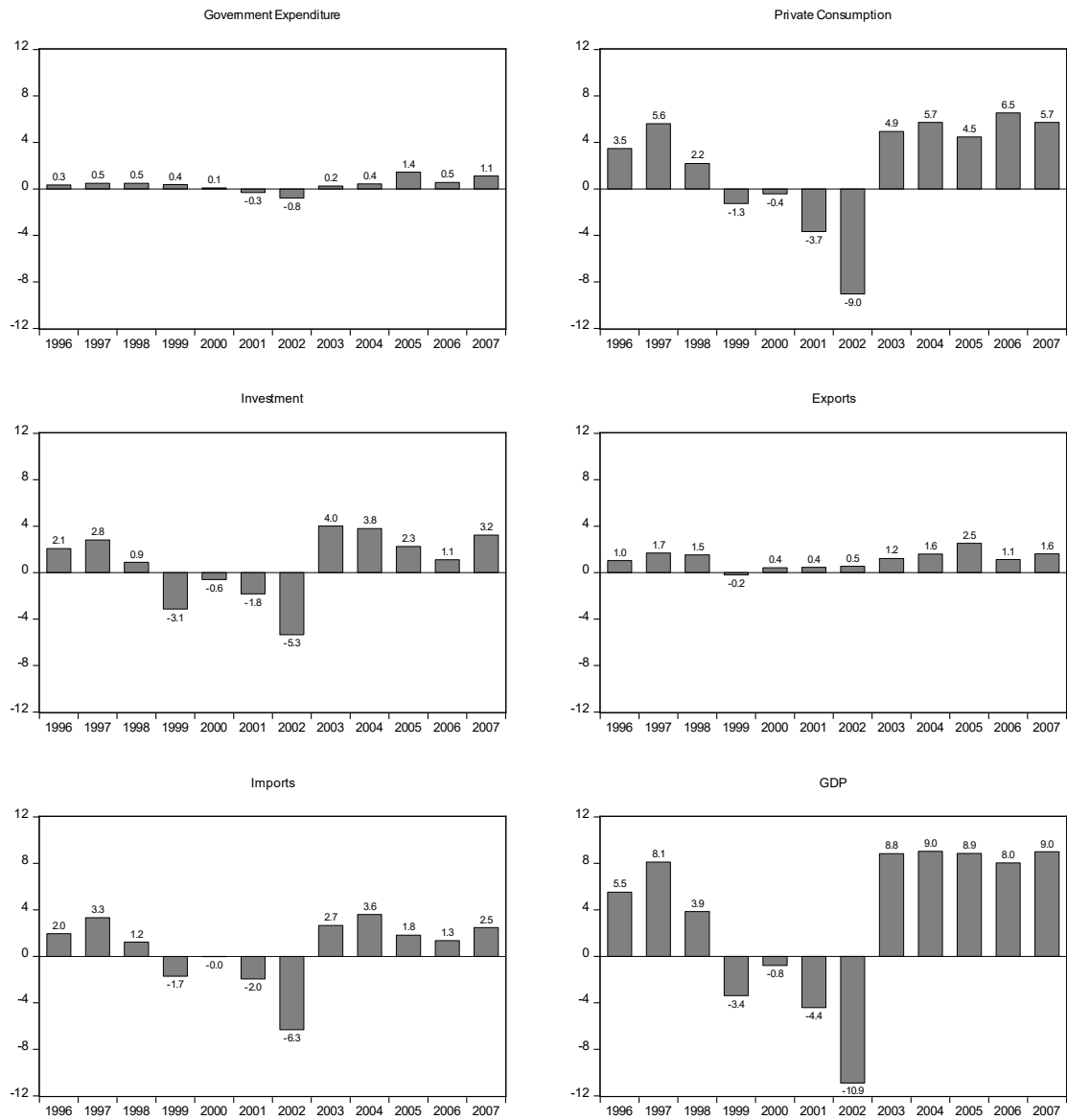
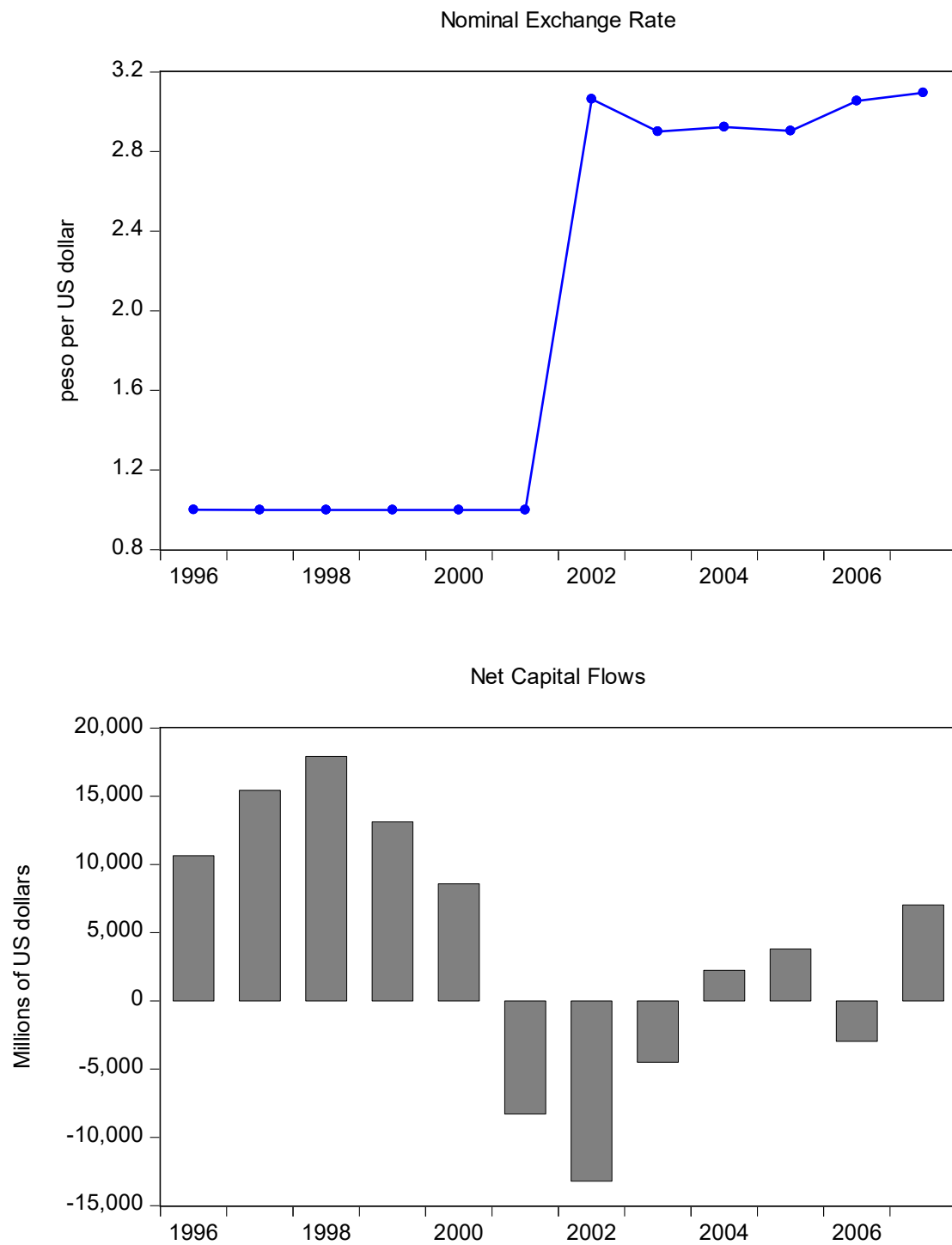


Figure A1: Contribution to Argentina's Annual Growth Rate of Gross Domestic Product



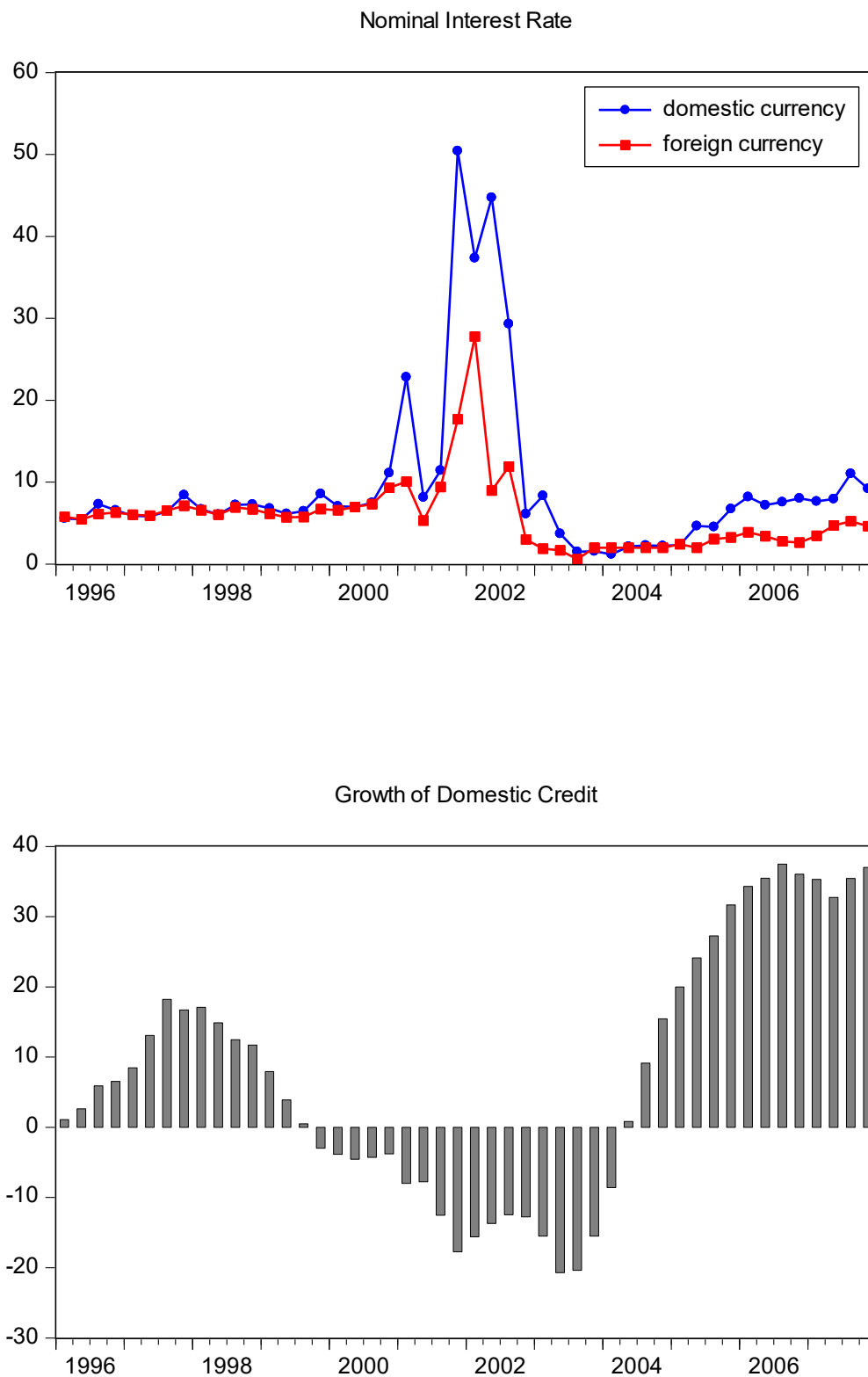
Source: Economic Commission for Latin America and the Caribbean.

Figure A2: Argentina's Nominal Exchange Rate and Net Capital Flows



Source: Economic Commission for Latin America and the Caribbean. A positive (negative) sign of net capital flows indicates net capital imports (exports).

Figure A3: Argentina's Nominal Interest Rate and Growth of Domestic Credit



Source: IMF *International Financial Statistics*. Nominal interest rate is the money market rate, for both domestic and foreign currencies, respectively. Growth of domestic credit is computed using depository corporations' claims on the private sector.

Figure A4: Argentine CPI, World Demand for Argentine Exports, and Structural Shocks

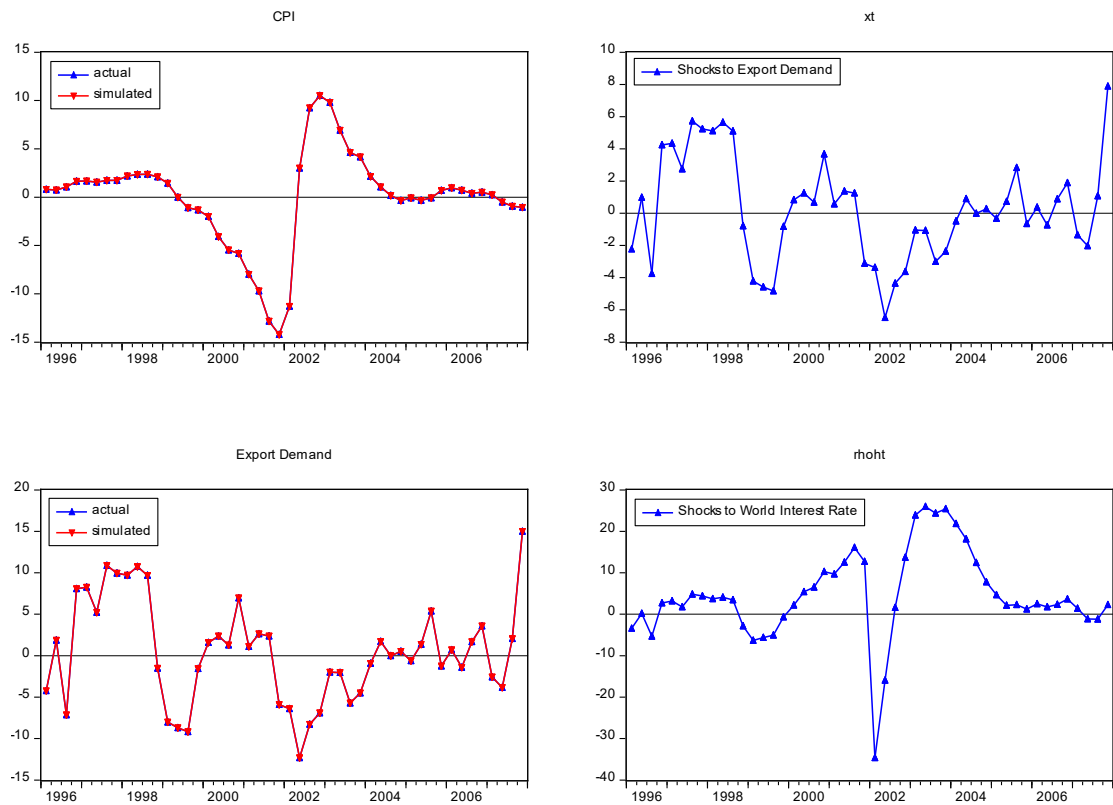


Figure A5: Prediction of Argentine CPI and World Demand for Argentine Exports using a Single Shock

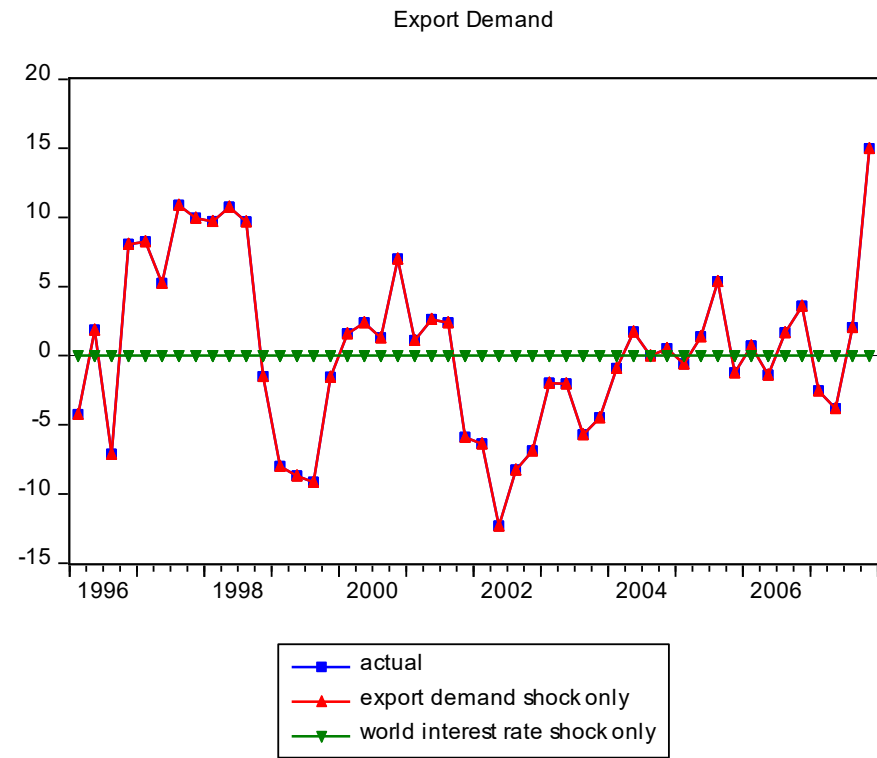
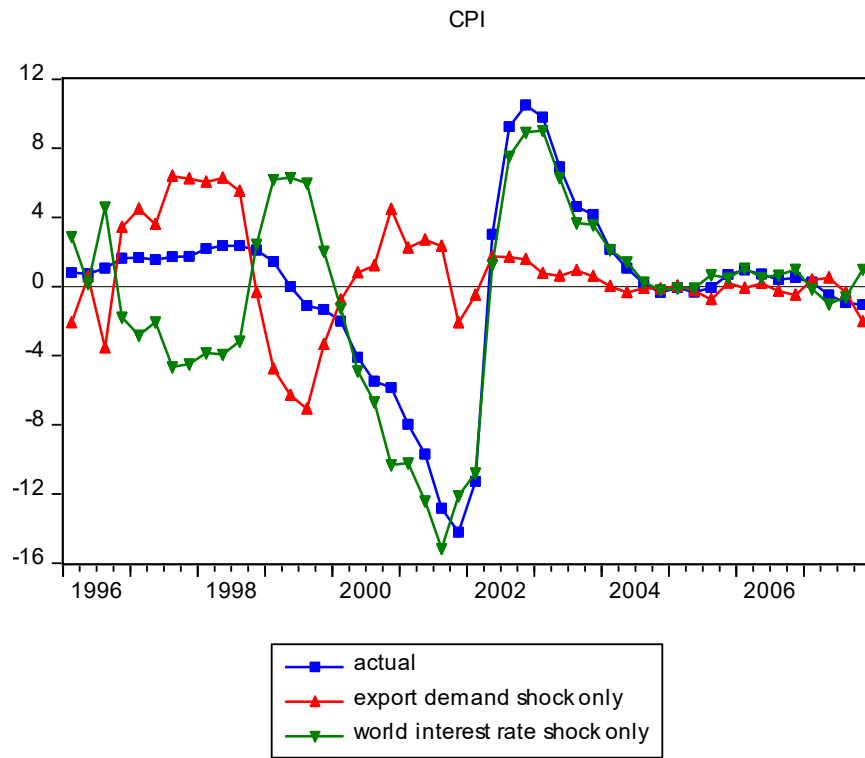


Table A1: Correlation between Actual and Predicted CPI and World Demand for Argentine Exports

	CPI			Export Demand		
Correlation (p-value)	Actual	Prediction: based on export demand shocks	Prediction: based on interest rate shocks	Actual	Prediction: based on export demand shocks	Prediction: based on interest rate shocks
1996Q1-1999Q4						
Actual	1.00			1.00		
Prediction: based on export demand shocks	0.77 (0.00)	1.00		1.00 (0.00)	1.00	
Prediction: based on interest rate shocks	-0.64 (0.00)	-0.98 (0.00)	1.00	0.89 (0.00)	0.89 (0.00)	1.00
2000Q1-2007Q4						
Actual	1.00			1.00		
Prediction: based on export demand shocks	-0.02 (0.92)	1.00		1.00 (0.00)	1.00	
Prediction: based on interest rate shocks	0.98 (0.00)	-0.23 (0.20)	1.00	-0.02 (0.90)	-0.02 (0.92)	1.00

Note: Numbers in parentheses denote p-value.

Table A2: Discounted Output Losses and Changes in CPI Level

	Dollarization	Dollarization, devalued	Float	Float, self-financed
Real GDP	-172.95	-239.27	-97.35	-47.35
CPI Level	-121.83	-130.53	29.31	14.14

Table A3: Standard Deviation of the Simulated Variables

	Dollarization	Dollarization, devalued	Float	Float, self-financed
Real GDP	126.7489	165.5967	12.9801	10.3129
Exports	1.1617	1.4332	1.9153	1.5234
CPI	13.5516	16.8592	4.0677	3.3057
Real exchange rate	15.7577	19.6038	29.0553	23.6121
Nominal exchange rate	0	0	29.0553	23.6121