

ARGENTINA EQUITY MARKET

Weekly Market Strategy Report

September 24, 2019

Trade Ideas

	Price	Rating
ALUA	22,70	Market Outperformer
SAMI	82,70	Market Outperformer
TXAR	15,40	Market Outperformer

HIGHLIGHTS

- The Merval Index dropped 4,61% during the last 7 days, in contrast to international markets.
- Companies in the Holding sector were the best weekly performers.
- Industrials was the worst performing sector.

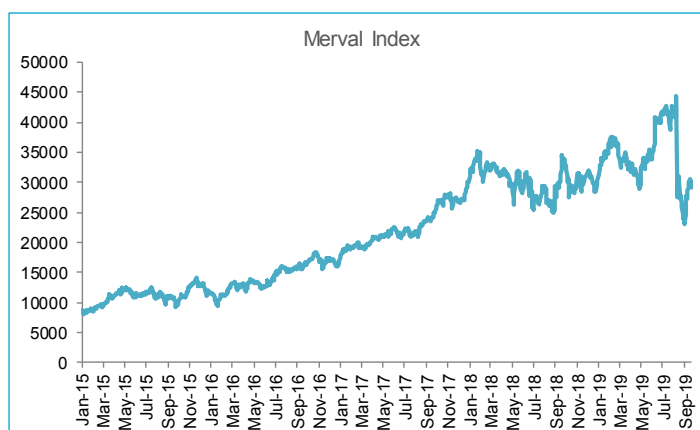
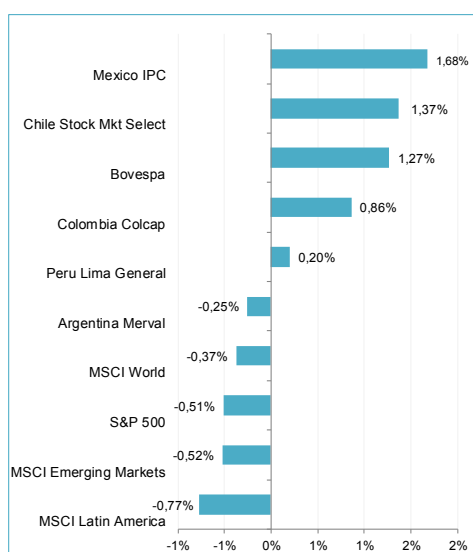
[See more details page 2](#)

Strategy

Following Lecaps and Letes maturities extensions, and FX controls, domestic securities slumped reflecting significantly weaker economic conditions. We suggest reducing exposure to Argentine banks, however they trade at book value, an indication of the severe sell off, and utility companies, due to higher regulatory risk and possible tariff freezing. Companies with a high percentage of dollar denominated revenues, lower operating exposure to domestic market and low debt levels would act as a hedge in the current scenario.

Uncertainty about debt repayment and possible restructuring triggered significant cash outflows, reducing exposure to Argentine securities. We suggest reducing or eliminating exposure to companies operating in sectors that may suffer tariff freezes, while banks would suffer most due to the short term debt restructuring and FX controls. We favor defensive stocks such as Aluar, Ternium and San Miguel, also migrating to CEDEARS with limited exposure to Argentina, such as MercadoLibre and Globant. Corporación América Airports (CAAP) also stands out due to its reduced exposure to local macroeconomic risk, and high percentage of dollar denominated revenue.

Indexes Weekly Variation



ARGENTINA EQUITY MARKET

Weekly Market Strategy Report

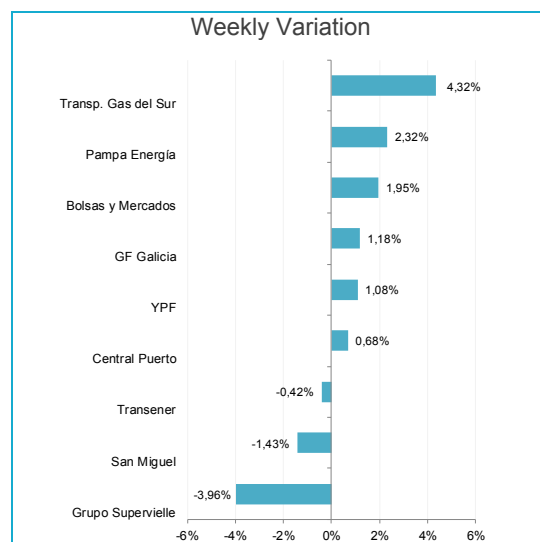
September 24, 2019

Argentina

Selected Stocks

Company	Price (ARS)	Chg 5d %	Chg 1 yr %	Rating
YPF	635,15	-3,3	-4,5	Hold
GF Galicia	81,55	-3,1	-27,9	Hold
Grupo Supervielle	40,05	-5,8	-45,1	Hold
Pampa Energía	44,05	-6,5	-24,6	Hold
Transener	23,75	-3,8	-57,7	Hold
Transp. Gas del Sur	117	-3,2	-10,3	Hold
San Miguel	82,7	0,5	-33,7	Hold
Central Puerto	22,05	-5,3	-54,3	Hold

Source: Bloomberg



The Merval Index dropped 4,61% during the last 7 days. Last week, companies in the Holding sector, along with Financial sector outstaded. On the other hand, Industrial sector, followed by Banks, recorded the worst performance.

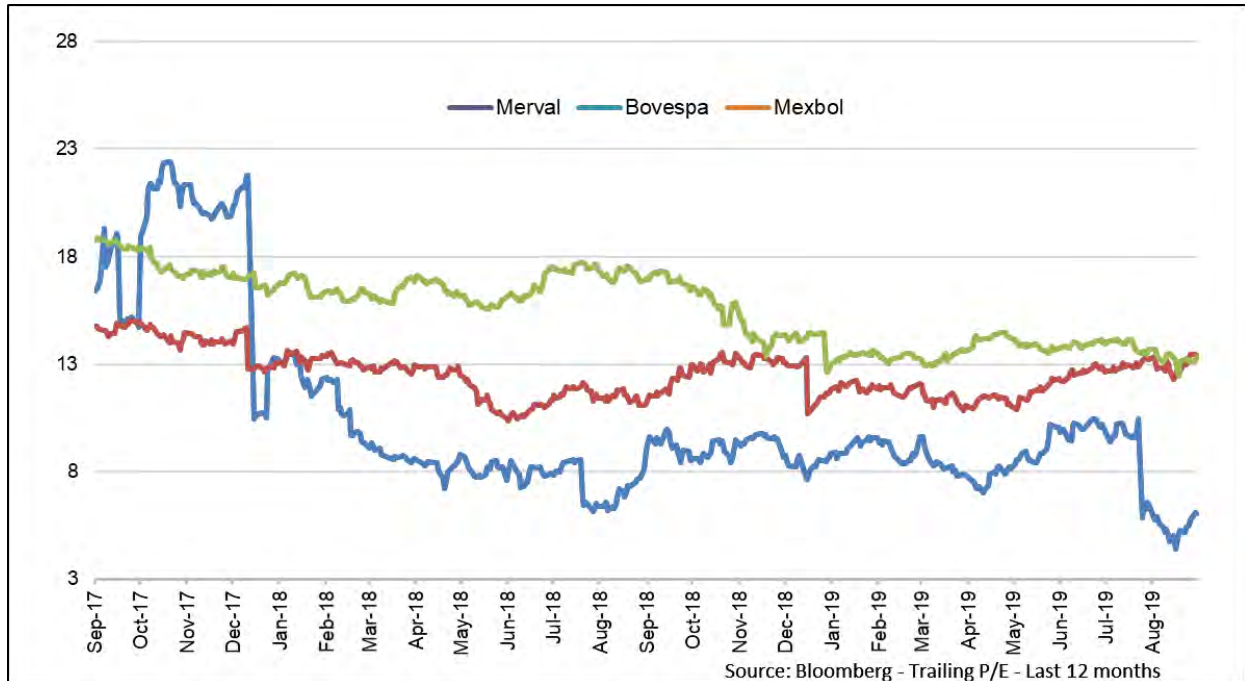
During the week, shares with the best performance were Soc. Comercial del Plata (COME, +3,08%), Grupo Financiero Valores (VALO, +1,25%) and Cablevisión Holding (CVH, +0,14%). The lowest returns were for Banco Macro (BMA, -10,80%), Mirgor (MIRG, -9,95%) and TGN (TGNO4, -8,24%).

ARGENTINA EQUITY MARKET

Weekly Market Strategy Report

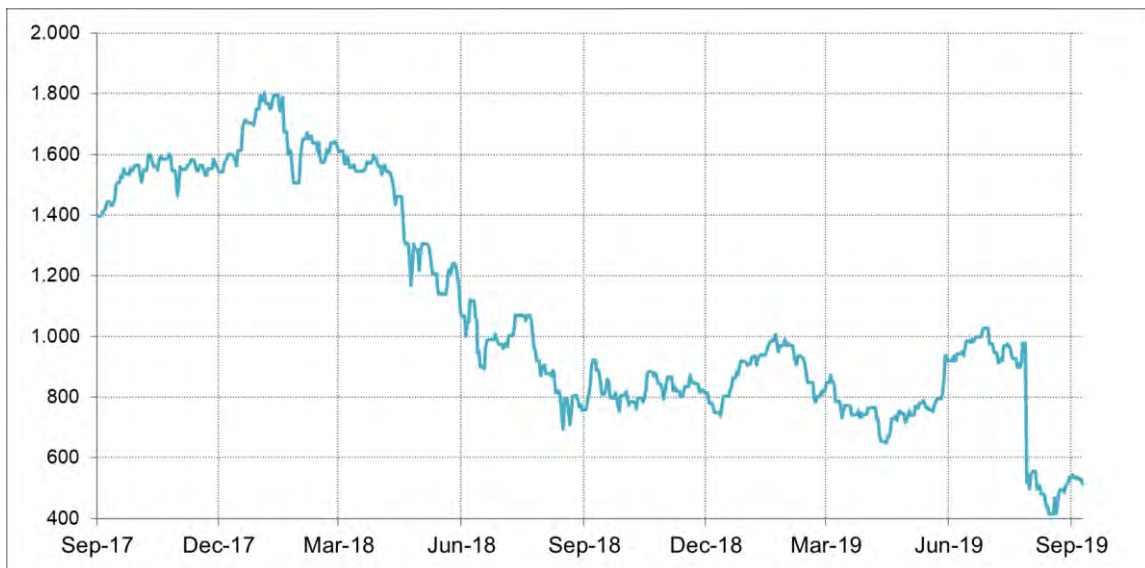
September 24, 2019

Latam – P/E Ratios



Dollar-denominated Merval Index

The dollar-denominated Merval Index was down 6,05% over the week, closing this time at 512,104 points, primarily driven by the index return in pesos.



Acciones Argentinas / Argentine Stocks

Compañía / Company			23-sep-19	% Semana / Week	% Mes / Month	% 1 Año / year	% YTD
Agrometal	AGRO AR Equity	Agropecuario	8,80	2,92%	11,53%	-25,74%	-2,22%
Aluar	ALUA AR Equity	Materiales Básicos	21,80	-7,04%	5,83%	20,19%	31,05%
Autopistas del Sol	AUSO AR Equity	Consumo no Ciclico	72,80	-1,36%	-3,58%	-7,51%	-26,23%
Autopistas Oeste	OEST AR Equity	Consumo no Ciclico	24,30	-10,83%	-15,77%	-9,42%	-9,84%
Banco Hipotecario	BHIP AR Equity	Financiero	10,50	-4,55%	-23,64%	-14,48%	-9,39%
Banco Patagonia	PATA AR Equity	Financiero	18,50	-2,63%	-2,63%	-30,97%	-23,55%
Banco Río	BRIO AR Equity	Financiero	12,80	-1,54%	-2,66%	-48,18%	-24,64%
BBVA Banco Francés	BBAR AR Equity	Financiero	95,90	-7,30%	3,28%	-34,14%	-29,72%
BMA Banco Macro Bansud	BMA AR Equity	Financiero	158,45	-10,81%	-7,18%	-8,42%	1,25%
Boldt	BOLT AR Equity	Juego	3,10	-4,32%	5,44%	-24,69%	4,91%
Bolsas y Mercados Argentinos	BYMA AR Equity	Financiero	218,00	-1,02%	-3,00%	-41,43%	-41,42%
Cablevisión Holding	CVH AR Equity	Comunicaciones	177,00	0,14%	14,01%	-50,42%	-25,77%
Carlos Casado	CADO AR Equity	Consumo no Ciclico	12,15	-2,02%	3,40%	16,34%	-3,58%
CAPEX	CAPX AR Equity	Utilities	52,50	-2,78%	3,35%	-27,64%	-15,19%
Celulosa	CELU AR Equity	Materiales Básicos	20,00	5,26%	-17,36%	26,18%	9,89%
Central Puerto	CEPU AR Equity	Utilities	20,70	-5,26%	1,72%	-54,25%	-37,84%
Come. del Plata	COME AR Equity	Conglomerado	1,67	3,09%	33,60%	-37,25%	-12,08%
Cresud	CRES AR Equity	Consumo no Ciclico	39,40	-6,08%	18,85%	-26,88%	-12,25%
Dycasa	DYCA AR Equity	Construcción	37,50	2,74%	-0,66%	12,61%	-1,32%
Edenor	EDN AR Equity	Energia	24,50	-1,80%	37,64%	-53,47%	-51,91%
Endesa Costanera	CECO2 AR Equity	Utilities	8,65	-6,99%	1,76%	7,42%	40,79%
Ferrum	FERR AR Equity	Construcción	3,20	4,92%	11,11%	-24,41%	24,11%
Fiplasto	FIPL AR Equity	Construcción	3,59	1,99%	-0,28%	-32,85%	5,83%
Garovaglio	GARO AR Equity	Conglomerado	4,19	0,24%	4,75%	-33,91%	-11,42%
GasBan	GBAN AR Equity	Energia	29,00	0,00%	-3,33%	-39,58%	-24,68%
Grimoldi	GRIM AR Equity	Consumo no Ciclico	17,80	-6,32%	-21,41%	-33,36%	-4,04%
Grupo Clarin	GCLA AR Equity	Media	28,10	-12,19%	0,00%	-55,43%	-43,23%
Grupo Financiero Valores	VALO AR Equity	Financiero	6,45	1,26%	10,45%	12,60%	35,46%
Grupo Galicia	GGAL AR Equity	Financiero	80,00	-3,09%	-0,99%	-26,94%	-21,53%
Grupo Supervielle	SUPV AR Equity	Financiero	38,40	-5,77%	3,64%	-44,33%	-38,48%
Irsa	IRSA AR Equity	Real Estate	37,55	-6,24%	6,37%	-35,62%	-21,85%
Havanna	HAVA AR Equity	Consumo Cíclico	78,30	-3,81%	14,98%	28,80%	57,42%
Holcim	HARG AR Equity	Industrial	61,00	-6,30%	3,39%	-4,54%	4,27%
Ledesma	LEDE AR Equity	Consumo no Ciclico	10,80	-1,37%	3,85%	-30,32%	-11,48%
Loma Negra	LOMA AR Equity	Industrial	70,95	-6,52%	17,08%	-4,12%	-11,86%
Longvie	LONG AR Equity	Construcción	2,38	-4,42%	-10,19%	-34,44%	8,68%
Metrogas	METR AR Equity	Utilities	15,80	-11,73%	21,07%	-60,15%	-40,38%
Mirgor	MIRG AR Equity	Consumo Cíclico	298,50	-9,95%	-19,39%	-26,97%	-15,81%
Molinos	MOLI AR Equity	Consumo no Ciclico	44,50	-4,30%	10,56%	-12,40%	20,27%
Pampa Holding	PAMP AR Equity	Conglomerado	42,55	-6,48%	20,37%	-24,62%	-8,98%
Patagonia (Imp. Exp)	PATA AR Equity	Consumo no Ciclico	18,50	-2,63%	-2,63%	-30,97%	-23,55%
Petrobras Brasil	APBR AR Equity	Energia	487,70	-7,08%	37,55%	131,31%	97,37%
Polledo	POLL AR Equity	Industrial	7,00	0,72%	0,00%	-21,35%	-26,32%
Quickfood	PATY AR Equity	Consumo no Ciclico	4,30	3,86%	10,26%	6,00%	-3,15%
Richmond	RICH AR Equity	Farmacéutico	60,00	1,69%	44,58%	82,37%	65,29%
Rigolleau	RIGO AR Equity	Consumo no Ciclico	30,00	5,08%	11,11%	-29,11%	-34,10%
San Miguel	SAMI AR Equity	Agricultura	82,90	0,48%	12,03%	-33,36%	-12,77%
Siderar	TXAR AR Equity	Materiales Básicos	15,10	-2,58%	20,32%	-4,74%	19,80%
Solvay Indupa	INDU AR Equity	Materiales Básicos	19,25	-0,77%	20,31%	-12,90%	18,10%
Telecom	TECO2 AR Equity	Comunicaciones	133,50	-2,84%	17,83%	-4,25%	17,87%
Tenaris	TS AR Equity	Materiales Básicos	720,85	-10,47%	21,55%	21,66%	79,14%
TGN	TGNO4 AR Equity	Energia	43,95	-8,25%	12,40%	-26,73%	-14,03%
TGS	TGSU2 AR Equity	Energia	113,70	-3,15%	15,96%	-1,54%	13,81%
Transener	TRAN AR Equity	Utilities	23,05	-3,76%	11,89%	-45,86%	-39,12%
YPF	YPFD AR Equity	Energia	609,55	-3,28%	13,90%	-3,20%	22,32%
Ind. Merval	MERVAL Index		29.094,70	-4,80%	9,44%	-15,24%	-3,95%
Ind. General	IBG Index		1.245.383,55	-4,68%	8,32%	-17,99%	-4,77%

Tablero de Control - Índice S&P Merval / S&P Merval Index - Control Panel																				
Compañía / Company	Especie / Ticker	Precio de Cierre al / Closing Price at 23/09/2019	Industria / Industry	% Sem.	% MTD	% YTD	% 1 Año	Vol. Promedio Últimos 30 días (en pesos) / Average Volume 30d	Ponderación estimada / Estimated Weight	Market Cap (millones de pesos)	Ingresos* /Revenues* (12 meses)	% var. ingresos a/a / % var. Revenues YoY	EBITDA* (12 meses)	Margen de EBITDA /EBITDA Margin	Resultado Neto* (12 meses) /Net Income* (12 months)	Margen Neto / Net Margin	% var. Ganancia a/a / % var. Net Income YoY	PE Ratio (12 meses)	EV/EBITDA (12 meses)	P/BV
Índice S&P Merval		25.373		-4,9%	+18,2%	-8,4%	-20,5%											9,2X	4,7X	
GF Galicia	GGAL	\$80,00	Bancos	-3,1%	+15,7%	-21,5%	-26,9%	\$134.760.000	13,35%	\$114.141	\$ 114.574	124%	-	-	\$ 20.459	18%	111%	5,6x	-	1,8x
Banco Macro	BMA	\$158,45	Bancos	-10,8%	+7,8%	+1,2%	-8,4%	\$38.830.000	10,21%	\$106.108	\$ 85.170	141%	-	-	\$ 19.511	23%	76%	5,4x	-	1,6x
Banco Francés	BBAR	\$95,90	Bancos	-7,3%	+10,4%	-29,7%	-34,1%	\$17.670.000	3,89%	\$58.754	\$ 34.545	41%	-	-	\$ 9.706	28%	232%	6,1x	-	1,3x
Grupo Supervielle	SUPV	\$38,40	Bancos	-5,8%	+27,4%	-38,5%	-44,3%	\$33.860.000	1,92%	\$17.538	\$ 19.373	27%	-	-	\$ 3.706	19%	33%	4,7x	-	1,0x
GF Valores	VALO	\$6,45	Bancos	+1,3%	+26,2%	+35,5%	+12,6%	\$8.940.000	1,38%	\$5.537	-	-	-	-	-	-	-	-	-	2,6x
Soc. Com. del Plata	COME	\$1,67	Conglom.	+3,1%	+47,8%	-12,1%	-37,3%	\$8.590.000	0,06%	\$4.287	\$ 1.669	-26%	-\$ 433	-26%	\$ 482	29%	3650%	6,8x	-	0,5x
Mirgor	MIRG	\$298,50	Consumo	-10,0%	+7,0%	-15,8%	-27,0%	\$4.420.000	3,35%	\$5.373	\$ 32.522	58%	\$ 3.254	10%	-\$ 23	0%	-103%	-	1,5x	1,2x
Pampa Energía	PAMP	\$42,55	Electricidad	-6,5%	+30,5%	-9,0%	-24,6%	\$38.250.000	13,15%	\$79.757	\$ 120.587	71%	\$ 30.926	26%	\$ 16.910	14%	381%	4,9x	4,4x	1,3x
Central Puerto	CEPU	\$20,70	Electricidad	-5,3%	+21,8%	-37,8%	-54,3%	\$10.480.000	7,69%	\$31.340	\$ 18.697	124%	\$ 30.151	161%	\$ 10.984	59%	116%	2,8x	1,3x	0,8x
Edenor	EDN	\$24,50	Electricidad	-1,8%	+44,1%	-51,9%	-53,5%	\$8.260.000	0,50%	\$21.439	\$ 55.954	130%	\$ 6.518	12%	\$ 5.225	9%	964%	4,2x	3,8x	0,7x
Transener	TRAN	\$23,05	Electricidad	-3,8%	+34,4%	-39,1%	-45,9%	\$13.010.000	0,16%	\$10.250	\$ 10.668	60%	\$ 6.079	57%	\$ 3.028	28%	31%	3,4x	1,5x	0,8x
YPF	YPFD	\$609,55	O&G	-3,3%	+10,1%	+22,3%	-3,2%	\$130.110.000	20,47%	\$239.744	\$ 490.904	81%	\$ 138.400	28%	\$ 20.518	4%	42%	11,7x	3,7x	0,6x
TGS	TGSU2	\$113,70	O&G	-3,2%	+20,4%	+13,8%	-1,5%	\$15.660.000	2,86%	\$90.334	\$ 38.295	162%	\$ 11.511	30%	\$ 11.915	31%	337%	7,5x	8,2x	2,5x
TGN	TGNO4	\$43,95	O&G	-8,2%	+80,9%	-14,0%	-26,7%	\$8.660.000	0,41%	\$19.310	\$ 13.337	170%	\$ 7.686	58%	\$ 4.123	31%	457%	4,7x	2,9x	0,7x
Bolsas y Mercados	BYMA	\$218,00	Financiera	-1,0%	+8,7%	-41,4%	-41,4%	\$40.060.000	2,91%	\$16.623	-	-	-	-	-	-	-	-	-	1,6x
Cresud	CRES	\$39,40	Inmobiliaria	-6,1%	+10,2%	-12,2%	-26,9%	\$6.190.000	3,04%	\$19.765	\$ 61.109	-23%	\$ 36.051	59%	-\$ 10.226	-17%	-450%	-	4,8x	0,7x
Aluar	ALUA	\$21,80	Materiales	-7,0%	+3,8%	+31,1%	+20,2%	\$12.150.000	2,96%	\$61.040	\$ 34.292	92%	\$ 11.218	33%	\$ 5.261	15%	55%	11,6x	5,9x	2,7x
Siderar	TXAR	\$15,10	Materiales	-2,6%	+37,3%	+19,8%	-4,7%	\$20.610.000	2,21%	\$68.208	\$ 78.980	19%	\$ 12.614	16%	\$ 11.816	15%	25%	5,8x	6,0x	0,6x
Telecom	TECO2	\$133,50	Comun.	-2,8%	+20,6%	+17,9%	-4,3%	\$5.210.000	6,13%	\$287.517	\$ 181.676	124%	\$ 57.087	31%	\$ 4.302	2%	-52%	66,8x	6,3x	1,1x
Cablevisión Hold.	CVH	\$177,00	Comun.	+0,1%	+20,2%	-25,8%	-50,4%	\$2.300.000	3,34%	\$31.974	\$ 181.676	-	\$ 41.190	23%	-\$ 14.129	-8%	-	-	2,6x	0,9x

Otras empresas / Other Companies

Tenaris	TS	\$720,85	O&G	-10,5%	+4,9%	+79,1%	+21,7%	\$53.050.000		\$850.990	\$ 253.943	138%	\$ 37.315	15%	\$ 12.327	5%	16%	69,0x	22,8x	70,9x
San Miguel	SAMI	\$82,90	Agro	+0,5%	+29,5%	-12,8%	-33,4%	\$3.630.000		\$5.898	\$ 10.454	162%	\$ 2.272	22%	-\$ 1.186	-11%	-323%	-	5,2x	0,6x
Banco Hipotecario	BHIP	\$10,50	Bancos	-4,5%	-3,7%	-9,4%	-14,5%	\$380.000		\$15.750	\$ 16.140	64%	\$ 0	0%	\$ 1.515	9%	-19%	10,4x	-	1,5x
Central Costanera	CECO2	\$8,65	Electricidad	-7,0%	+15,5%	+40,8%	+7,4%	\$1.180.000		\$6.072	\$ 8.791	109%	\$ 2.013	23%	\$ 629	7%	586%	9,7x	2,9x	6,0x

*Fuente: CMA en base a Bloomberg y últimas publicaciones trimestrales de resultados. En millones de pesos.

**No se consideran los ingresos de la industria bancaria en el cálculo

ARGENTINA EQUITY MARKET

Weekly Market Strategy Report

September 24, 2019

Graciela Cairolí

Director

Alejandro Quelch

Head of Research Department
aquech@capitalmarkets.com.ar

Jaime Krause

Head of Asset Management
Portfolio Manager

Noelia Lucini, CFA

Fixed Income Strategy.
Portfolio Manager

Nicolas Viveros

Semi Senior Analyst (Fixed Income)
nviveros@capitalmarkets.com.ar

Agustin Giannattasio, CFA

Equity Senior Analyst
agiannattasio@capitalmarkets.com.ar

María Teresa Leiva

Macroeconomic Analyst
mleiva@capitalmarkets.com.ar

Juan José Guma

Analyst
jguma@capitalmarkets.com.ar

Valeria Flores

Virtual Library Administrator.
Assistant
vflores@capitalmarkets.com.ar

Dolores Jáuregui

Communication with external Analysts
Assistant
djauregui@capitalmarkets.com.ar

The purpose of this report is to provide general information to the reader, and it is not intended as an offer, an invitation or solicitation of an offer for the purchase and sale of any security or financial instrument mentioned in this report. This report has not been issued to provide the basis to make a credit evaluation or of any other kind.

Capital Markets Argentina S.A., Esmeralda 130, piso 5 (1035) Buenos Aires, Argentina. Tel. (54 11) 4320-1900, Fax (54 11) 4320-1935. Web Site: www.capitalmarkets.com.ar.

ARGENTINA EQUITY MARKET

Weekly Market Strategy Report

September 24, 2019

**** Capital Markets Argentina S.A. – Rule 15a-6 Combined Disclosure ****

Analyst disclosures

The name of the person(s) responsible for the recommendations and information contained in this report is identified on the report's last page. The functional job title of the person(s) responsible for the recommendations and information contained in this report is: Research Analyst unless otherwise stated on the last page.

Regulation AC - Analyst Certification: Each Research Analyst(s) listed on the front-page appearing in the report is of this report, principally responsible for the preparation and content of all, or any identified portion of this research report hereby, certifies that, with respect to each issuer or security, or any identified portion of the report with respect to an issuer or security, that the Research Analyst covers in this research report, all of the views expressed in this research report accurately reflect their personal views about those issuer(s) or securities. Each Research Analyst(s) also certifies that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) expressed by that Research Analyst in this research report.

Each Research Analyst certifies that he is acting independently and impartially from Capital Markets Argentina (hereinafter "Capital Markets") shareholders, directors and is not affected by any current or potential conflict of interest that may arise from any Capital Markets activities.

Analyst Compensation: The research analyst(s) primarily responsible for the preparation of the content of the research report attest that no part of the analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations expressed by the research analyst(s) in the research report. The research analyst's compensation is, however, determined by the overall economic performance of Capital Markets.

Registration of non-US Analysts: Unless otherwise noted, the non-US analysts appearing on the report are employees of Capital Markets Argentina S.A. and its affiliates, which is a non-US affiliate and entity, who is under common control and ownership as Epic Capital Securities Corp. ("ECSC"), a SEC registered and FINRA member broker-dealer. Research Analysts employed by Capital Markets, are not registered/qualified as research analysts under FINRA/NYSE rules, may not be associated persons of ECSC or any other U.S. broker-dealer and may not be subject to FINRA Rule 2711 and NYSE Rule 472 restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

Please refer to www.epiccapitalfl.com for further information relating to research and conflict of interest management.

Legal and disclosure information

Other disclosures

This product is not for retail clients or private individuals.

The information contained in this publication was obtained from various publicly available sources believed to be reliable, but has not been independently verified by Capital Markets. Capital Markets does not warrant the completeness or accuracy of such information and does not accept any liability with respect to the accuracy or completeness of such information, except to the extent required by applicable law.

This publication is a brief summary and does not purport to contain all available information on the subjects covered. Further information may be available on request. This report may not be reproduced for further publication unless the source is quoted. This publication is for information purposes only and shall not be construed as an offer or solicitation for the subscription or purchase or sale of any securities, or as an invitation, inducement or intermediation for the sale, subscription or purchase of any securities, or for engaging in any other transaction. This publication is not for private individuals.

Any opinions, projections, forecasts or estimates in this report are those of the author only, who has acted with a high degree of expertise. They reflect only the current views of the author at the date of this report and are subject to change without notice. Capital Markets has no obligation to update, modify or amend this publication or to otherwise notify a reader or recipient of this publication in the event that any matter, opinion, projection, forecast or estimate contained herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. The analysis, opinions, projections, forecasts and estimates expressed in this report were in no way affected or influenced by the issuer. The author of this publication benefits financially from the overall success of Capital Markets.

The investments referred to in this publication may not be suitable for all recipients. Recipients are urged to base their investment decisions upon their own appropriate investigations that they deem necessary. Any loss or other consequence arising from the use of the material contained in this publication shall be the sole and exclusive responsibility of the investor and Capital Markets accepts no liability for any such loss or consequence. In the event of any doubt about any investment, recipients should contact their own investment, legal

ARGENTINA EQUITY MARKET

Weekly Market Strategy Report

September 24, 2019

and/or tax advisers to seek advice regarding the appropriateness of investing. Some of the investments mentioned in this publication may not be readily liquid investments. Consequently it may be difficult to sell or realize such investments. The past is not necessarily a guide to future performance of an investment. The value of investments and the income derived from them may fall as well as rise and investors may not get back the invested. Some investments discussed in this publication may have a high level of volatility. High volatility investments may experience sudden and large falls in their value which may cause losses. International investing includes risks related to political and economic uncertainties of foreign countries, as well as currency risk.

To the extent permitted by applicable law, no liability whatsoever is accepted for any direct or consequential loss, damages, costs or prejudices whatsoever arising from the use of this publication or its contents.

Capital Markets (and its affiliates) has implemented written procedures designed to identify and manage potential conflicts of interest that arise in connection with its research business, which are available upon request. Capital Markets research analysts and other staff involved in issuing and disseminating research reports operate independently of Capital Markets Investment Banking business. Information barriers and procedures are in place between the research analysts and staff involved in securities trading for the account of Capital Markets or clients to ensure that price sensitive information is handled according to applicable laws and regulations.

Country and region disclosures

United States: This communication is only intended for, and will only be distributed to, persons residing in any jurisdictions where such distribution or availability would not be contrary to local law or regulation. This communication must not be acted upon or relied on by persons in any jurisdiction other than in accordance with local law or regulation and where such person is an investment professional with the requisite sophistication to understand an investment in such securities of the type communicated and assume the risks associated therewith.

This communication is confidential and is intended solely for the addressee. It is not to be forwarded to any other person or copied without the permission of the sender. This communication is provided for information only. It is not a personal recommendation or an offer to sell or a solicitation to buy the securities mentioned. Investors should obtain independent professional advice before making an investment.

Notice to U.S. investors

This material is not for distribution in the United States, except to Major US institutional Investors as defined in SEC Rule 15a-6 ("Rule 15a-6").

Capital Markets has entered into arrangements with ECSC (collectively "US Broker-Dealers") which enables this report to be furnished to U.S. recipients in reliance on Rule 15a-6 with US Broker-Dealers under the U.S. Securities Exchange Act of 1934, as amended.

Each U.S. recipient of this report represents and agrees, by virtue of its acceptance thereof, that it is such a "major U.S. institutional investor" (as such term is defined in Rule 15a-6) and that it understands the risks involved in executing transactions in such securities. Any U.S. recipient of this report that wishes to discuss or receive additional information regarding any security or issuer mentioned herein, or engage in any transaction to purchase or sell or solicit or offer the purchase or sale of such securities, should contact a registered representative of the US Broker-Dealer, which provided the report.

ECSC is a broker-dealer registered with the SEC, Member of FINRA and SIPC. You can reach ECSC at 2000 Glades Road Suite 210 Boca Raton, FL 33431, phone (561)829-2173. Further information is also available at www.epiccapitalfl.com.

You may obtain information about SIPC, including the SIPC brochure, by contacting SIPC directly at 202-371-8300; website: <http://www.sipc.org>.

ECSC is under common control and ownership as well as Capital Markets and maintains certain dually associated persons. Capital Markets is a registered Futures Broker-Dealer in Argentina and was formed in 1990. The company is a member of the Rosario Future Market approved to act as an agent and compensation member. Capital Markets is regulated by the Rofex market and the Comisión Nacional de Valores. Capital Markets also acts as investment advisor for local equity and fixed income products for individuals, corporations and institutional investors. Capital Markets is located at Esmeralda 130, 8th. Floor, zip code: C1035ABD, Buenos Aires, Argentina. Further information is also available at: www.capitalmarkets.com.ar

Nothing herein excludes or restricts any duty or liability to a customer that US Broker-Dealers have under applicable law. Investment products provided by or through US Broker-Dealers are not FDIC insured, may lose value and are not guaranteed by the entity that published the research as disclosed on the front page and are not guaranteed by US Broker-Dealers.

Investing in non-U.S. Securities may entail certain risks. The securities referred to in this report and non-U.S. issuers may not be registered under the U.S. Securities Act of 1933, as amended, and the issuer of such securities may not be subject to U.S. reporting

ARGENTINA EQUITY MARKET

Weekly Market Strategy Report

September 24, 2019

and/or other requirements. The information available about non-U.S. companies may be limited, and non-U.S. companies are generally not subject to the same uniform auditing and reporting standards as U.S. companies. Securities of some non-U.S. companies may not be as liquid as securities of comparable U.S. companies.

Analysts employed by Capital Markets, a non-U.S. broker-dealer, are not required to take the FINRA analyst exam. The information contained in this report is intended solely for certain "major U.S. institutional investors" and may not be used or relied upon by any other person for any purpose. Such information is provided for informational purposes only and does not constitute a solicitation to buy or an offer to sell any securities under the Securities Act of 1933, as amended, or under any other U.S. federal or state securities laws, rules or regulations. The investment opportunities discussed in this report may be unsuitable for certain investors depending on their specific investment objectives, risk tolerance and financial position.

In jurisdictions where US Broker-Dealers are not registered or licensed to trade in securities, or other financial products, transactions may be executed only in accordance with applicable law and legislation, which may vary from jurisdiction to jurisdiction and which may require that a transaction be made in accordance with applicable exemptions from registration or licensing requirements.

The information in this publication is based on sources believed to be reliable, but US Broker-Dealers do not make any representation with respect to its completeness or accuracy. All opinions expressed herein reflect the author's judgment at the original time of publication, without regard to the date on which you may receive such information, and are subject to change without notice.

US Broker-Dealers or their affiliates may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. These publications reflect the different assumptions, views and analytical methods of the analysts who prepared them. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is provided in relation to future performance.

US Broker-Dealers and any company affiliated with them may, with respect to any securities discussed herein: (a) take a long or short position and buy or sell such securities; (b) act as investment and/or commercial bankers for issuers of such securities; (c) act as market makers for such securities; (d) serve on the board of any issuer of such securities; and (e) act as paid consultant or advisor to any issuer. The information contained herein may include forward-looking statements within the meaning of U.S. federal securities laws that are subject to risks and uncertainties. Factors that could cause a company's actual results and financial condition to differ from expectations include, without limitation: political uncertainty, changes in general economic conditions that adversely affect the level of demand for the company's products or services, changes in foreign exchange markets, changes in international and domestic financial markets and in the competitive environment, and other factors relating to the foregoing. All forward-looking statements contained in this report are qualified in their entirety by this cautionary statement.

Other countries: Laws and regulations of other countries may also restrict the distribution of this report. Persons in possession of this document should inform themselves about possible legal restrictions and observe them accordingly.