

## CAPITAL MARKETS

Argentina's capital markets have resumed sustainable and rapid growth. Regulations have been overhauled, capital market institutions and the legal framework in which they operate have been brought up to date, and measures have been implemented to ensure greater transparency in the market, create greater security for all investors, and improve operations.

- The massive deregulation of November 1991 eliminated fixed broker commissions, removed stamp and transfer taxes, and reduced stock market fees on transactions. Capital gains taxes for domestic and foreign investors were equalized.
- Legislation enabling the issuance of corporate bonds, usually for three to five year terms, was passed in 1989.
- The application process for authorization to offer securities was streamlined.
- As of July 1992 all firms operating in the securities markets were required to satisfy minimum requirements.
- A maximum daily variation in the price of any share of 15 percent was established for all of the authorized markets.
- To facilitate the interpretation of the balance sheets of Argentine companies, reporting formats have been simplified and the criteria applied have been changed in accordance with international standards.
- Regulations were established to permit companies authorized to make public offerings to access international capital markets through the use of American Depositary Receipts.
- The country's first commodities market to offer futures and options contracts was opened in 1991. A grain futures market trading in wheat opened in May 1992 and expanded to corn, soybeans, and sunflower seeds in July of the same year.