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**Intermediation Spreads in an Emerging Economy Under Different
Macroeconomic Regimes: Argentina, 1994-2013**

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Abstract

We study the interest rate spread of the Argentine financial system during the last eighteen years. We analyze Granger causality of selected variables, and estimate econometric models that relate *spread* to macroeconomic and microeconomic factors. Results indicate that output growth and monetization reduce spread during the whole period, while country risk and prices are significant only by subperiods, suggesting changes in macroeconomic context. Banking system variables also have significant impacts, including: taxes, administrative expenses, non-performing loans, the use of own resources and liquidity.