Monthly Monetary Report

September 2023

BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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The closing date for statistics in this report was October 6, 2023. All figures are provisional and subject to review.

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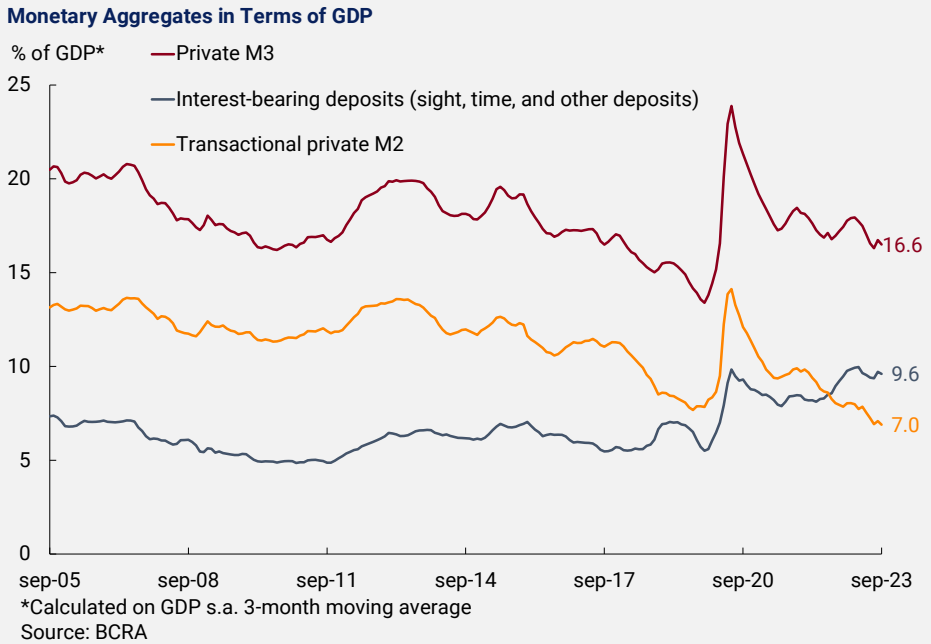
About inclusive language in the Spanish version of this report

The Central Bank of Argentina is committed to encouraging the use of a non-discriminatory language that promotes the acceptance of all gender identities. It should be noted that all those who have contributed to this report acknowledge that language influences ideas, feelings, ways of thinking, as well as principles and core values.

Therefore, efforts have been made to avoid sexist and binary language in this report.

1. Executive Summary

Monetary Base	Transactional Private M2	Private Sector Time Deposits	Private Sector UVA Time Deposits	Private M3
real monthly chg. s.a.	real monthly chg. s.a.	real monthly chg. s.a.	real monthly chg. s.a.	real monthly chg. s.a.
-8.5%	-6.0%	-7.0%	-15.1%	-5.4%



Loans to the Private Sector
real monthly chg. s.a.
-6.1%

28-Day LELIQ Interest Rate
APR
118.0%

Overnight Reverse Repo Interest Rate
APR
111.0%

International Reserves
million USD; end-of-month
26,925

In September, the BCRA kept the benchmark interest rates unchanged in answer to the evolution of September's forward indicators, and the future prospects of inflation. This way, the monetary policy rate (28-day liquidity bills (LELIQs)) remained at 118% APR (209.4% EAR).

Means of payment continued posting a falling trend at constant prices. Thus, transactional private M2 remained around the lowest figures of the past 20 years in terms of GDP. As for its components, cash held by the public reached a new floor in terms of GDP, whereas sight deposits proved to be comparable to the levels observed by the end of 2019.

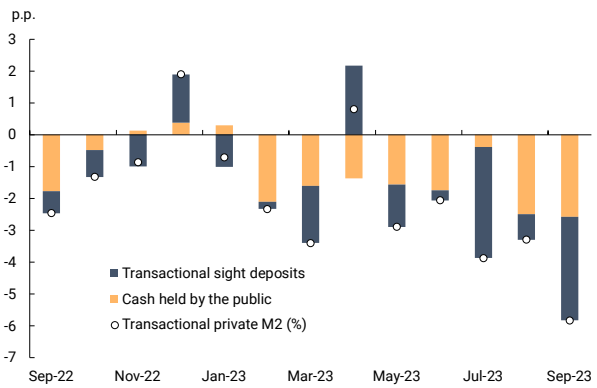
Regarding interest-bearing instruments, time deposits in pesos from the private sector contracted at constant prices and in seasonally-adjusted (s.a.) terms, though they stayed around the highs of the past few decades in terms of GDP. In turn, interest-bearing sight deposits posted no significant changes. In September, the broad monetary aggregate (private M3) contracted at constant prices and in seasonally-adjusted terms, standing at 16.6% of GDP.

In relation to bank lending, the BCRA has recently renewed the Credit Line for Productive Investment (*Línea de Financiamiento para la Inversión Productiva*, LFIP). It should be noted that this credit line enabled credit to micro-, small-, and medium-sized enterprises (MSMEs), in terms of GDP, to stay above its historic average.

2. Means of Payment

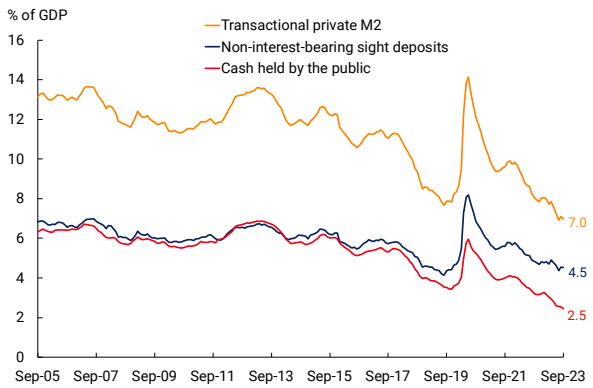
In real and seasonally-adjusted terms, means of payment (transactional private M2[1]) posted a 6% contraction in September, accruing a decline of around 22% in the year. This was driven by the performance of cash held by the public as well as by non-interest-bearing sight deposits (see Chart 2.1). In year-on-year (y.o.y.) terms and at constant prices, transactional private M2 stood 22.5% below the level observed in September 2022. In terms of GDP, means of payment stood at 7%, decreasing 0.1 p.p. against August (see Chart 2.2). As for its components, cash held by the public reached a new floor in terms of GDP, whereas sight deposits proved to be comparable to the levels observed by the end of 2019. In both cases, these are the lowest records of the past 20 years.

Chart 2.1 | Transactional Private M2 at Constant Prices
Contribution to s.a. monthly change by component



Source: BCRA

Chart 2.2 | Transactional Private M2



Source: BCRA

3. Savings Instruments in Pesos

In September, the Board of the BCRA decided to keep unchanged the minimum interest rates on time deposits.[2] Thus, the minimum interest rate on natural persons' deposits remained at 118% APR, which means a 9.7% EMR. In turn, for the other depositors of the financial system, the minimum interest rate stood at 111% APR, i.e., 9.2% EMR.[3] The decision of keeping the benchmark interest rates unchanged was based on the slowdown of September's forward indicators, and the prospects of inflation for the coming months. The interest rate policy seeks to obtain positive real returns on investments in domestic currency to preserve monetary and foreign exchange stability.

Private sector time deposits in pesos posted a 7% s.a. contraction at constant prices in September. In spite of the fall, these deposits remained around the peak values of the past few decades. Along the same lines, they stood at 7.1% of GDP in September (down 0.2 p.p. against August).
The analysis of time deposits by amount at constant prices shows a general decrease in all segments throughout September (see Chart 3.1). The retail segment recorded the deepest fall, followed by deposits from ARS1 to ARS20 million, with changes of about -13.2% s.a. and -6.7% s.a., respectively, in real terms.

1 Private M2 excluding interest-bearing sight deposits held by companies and financial service providers since they are more similar to a savings instrument than to a means of payment.
2 The current interest rates have been set out in Communication "A" 7726.
3 The other depositors are natural persons who hold deposits over ARS30 million and legal persons.

Deposits over ARS20 million fell around 5.4% s.a., and it was virtually explained by the decline of traditional time deposits held by companies (excluding financial service providers (FSPs)). In turn, FSPs increased their time deposit holdings slightly in September, in a context of growth in the equity of money market funds (MMF)—which are the main actors among FSPs—by the end of the month. On the contrary, FSPs' holdings of interest-bearing sight deposits recorded a modest fall in real terms (-0.4% s.a.) in September (see Chart 3.2).

Chart 3.1 | Private Sector Time Deposits in Pesos
Contribution to real monthly change by amount

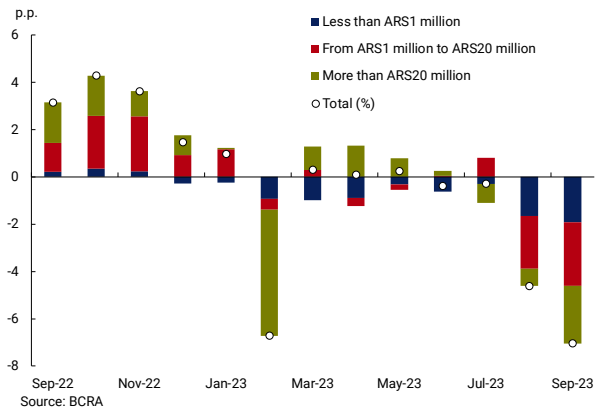
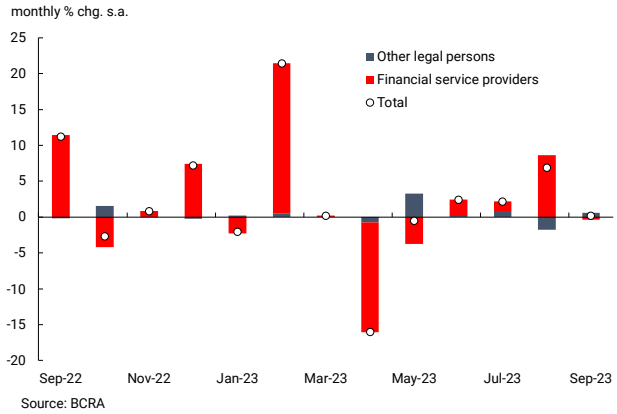


Chart 3.2 | Interest-Bearing Sight Deposits
Contribution to real monthly change by holder



Time deposits adjusted by the reference stabilization coefficient (*Coeficiente de Estabilización de Referencia*, CER) contracted once again in real terms, accruing 14 months of falls in a row. The decrease was observed in both traditional and early-payment deposits adjusted by units of purchasing power (*Unidad de Valor Adquisitivo*, UVA), whose monthly change rates were -13% s.a. and -17% s.a., respectively (see Chart 3.3). The analysis of deposits by type of holder showed that the decline was mainly due to natural persons' holdings, which accounted for about 68% of the total. All in all, the stock of UVA deposits reached ARS271.45 billion at the end of September, which amounted to 2% of total time instruments in domestic currency.

Chart 3.3 | Private Sector UVA Time Deposits
Stock at constant prices by type of instrument

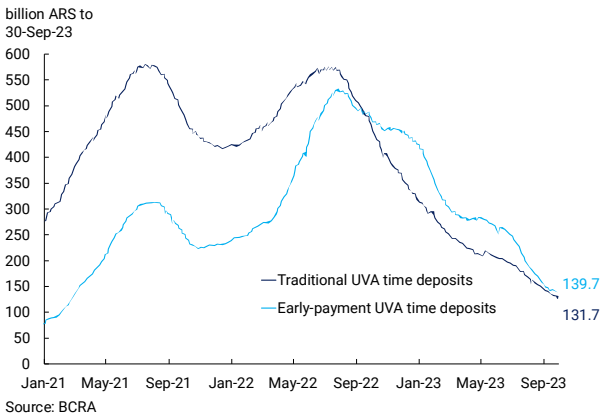
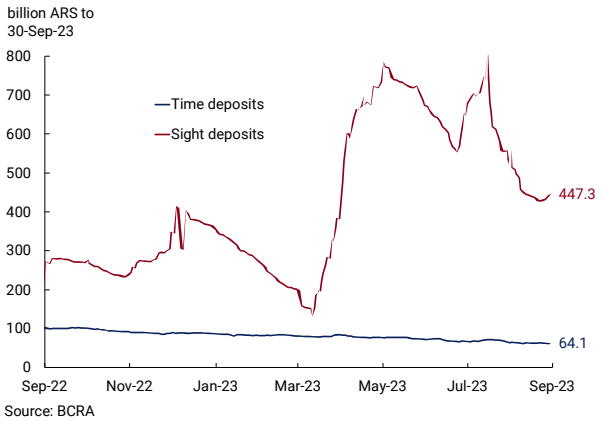


Chart 3.4 | Exchange Rate-Adjusted Deposits
Stock at constant prices



Furthermore, the performance of deposits adjusted by the benchmark exchange rate recorded a falling trend until mid-September and stabilized in the second half of the month. Thus, they exhibited an average monthly contraction of 30.6% at constant prices, and a 22.6% fall in real terms in month-on-month end-of-period (MoM

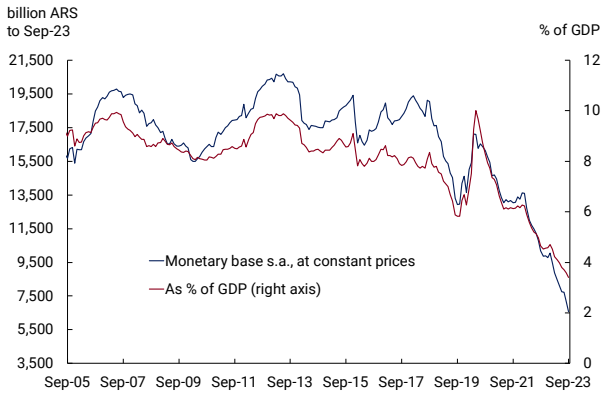
eop) stocks. In turn, the stock of time deposits adjusted by the exchange rate amounted to ARS64.09 billion at the end of September, evidencing an average monthly contraction of 9.2% at constant prices (see Chart 3.4).

All in all, the broad monetary aggregate (private M3)[4] at constant prices posted a monthly reduction of 5.4% s.a. in September. In year-on-year terms, private M3 recorded a 12.5% fall with a share of 16.6% in GDP, down 0.1 p.p. against August.

4. Monetary Base

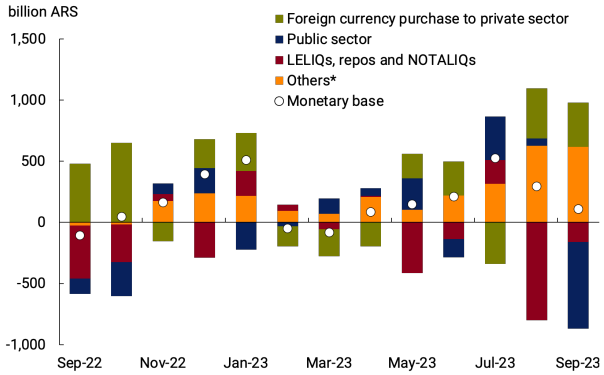
In September, the monetary base averaged ARS6,533 billion, which meant a monthly expansion of 1.7% (ARS110.29 billion) at current prices in the original series. The monetary base contracted by 8.5% s.a. at constant prices, down around 35.4% over the last 12 months. In terms of GDP, the monetary base stood at 3.4%, down 0.1 p.p. against August and at its historic low since the exit from the convertibility system (see Chart 4.1).

Chart 4.1 | Monetary Base



Source: BCRA

Chart 4.2 | Monetary Base Explanatory Factors
Monthly average change



*It includes BCRA's operations in the sovereign bond secondary market and put options
Source: BCRA

On the supply side, one of the main monthly expansion factors of the monetary base was the net purchase of foreign currency to the private sector, favored by a more competitive exchange rate and a new edition of the "Export increase program" (*Programa de Incremento Exportador*, PIE) (see section on Foreign Currency). In addition, the monetary expansion also came from operations with sovereign bonds in the secondary market and put option contracts on Argentine sovereign bonds exercised by financial institutions. These factors were in part offset by the dynamics of monetary policy instruments and public sector transactions (see Chart 4.2).

In September, the BCRA decided to keep the benchmark interest rates unchanged on the basis of the slowdown of September's forward indicators, and the prospects of inflation for the coming months. The 28-day-term LELIQ interest rate remained at 118% APR (209.4% EAR), while the 180-day-term LELIQ interest rate stood at 120.5% APR (157.5% EAR). As for short-term instruments, the interest rate on overnight reverse repos reached 111% APR (202.9% EAR), whereas the rate on overnight repos was 140% APR (304.4% EAR).

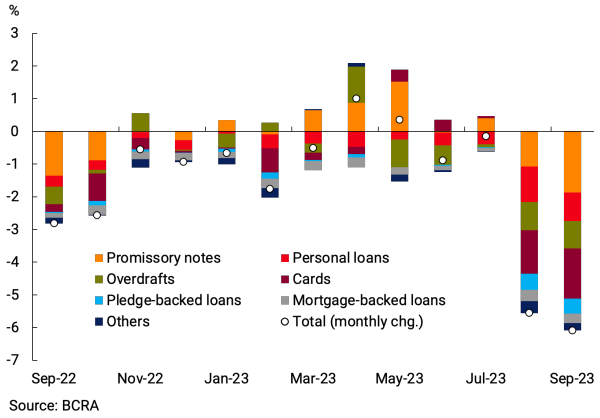
4 Private M3 includes cash held by the public and deposits in pesos from the non-financial private sector (sight deposits, time deposits and others).

Finally, the spread of liquidity notes (NOTALIQs) in the last auction of the month was 2.5 p.p. **Also, the monetary authority will continue calibrating the monetary policy rate on the basis of the past and prospective development of the general level of prices, the level of economic activity, and the foreign exchange and financial markets.**

5. Loans to the Private Sector in Pesos

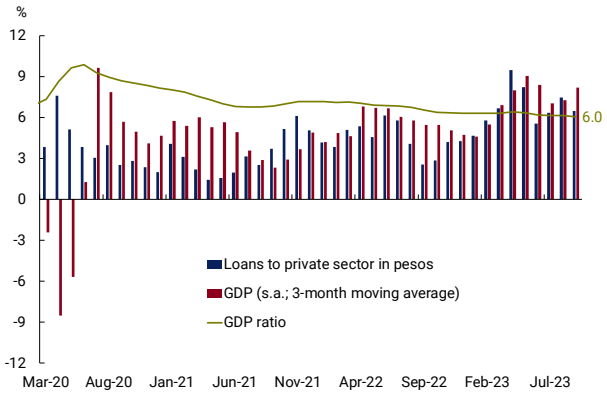
Loans in pesos to the private sector continued contracting in real and seasonally-adjusted terms. In September, they contracted by 6.1%, accruing a fall of about 17% over the last 12 months. In general terms, the most relevant credit lines fell over the month (see Chart 5.1). In terms of GDP, loans in pesos to the private sector stood at 6%—a low level in historic terms (see Chart 5.2).

Chart 5.1 | Loans to Private Sector in Pesos
Real, s.a.; contribution to monthly growth



Source: BCRA

Chart 5.2 | Loans to Private Sector in Pesos
In terms of GDP



Source: BCRA

Business credit lines fell 6.5% s.a. in real terms in September. As regards instruments, loans granted through promissory notes declined 6.2% s.a. in real terms, down 1.2% against the level recorded a year ago. Within these credit lines, both unsecured promissory notes and discounted notes fell by 4.9% s.a. and 9.4% s.a., respectively, in part driven by August's statistical carryforward. In turn, overdrafts exhibited a contraction of 7.8% s.a. at constant prices, down 18.2% vis-à-vis September 2022.

Loans to MSMEs were still mainly granted through the LFIP. Until the end of September, the loans granted under the LFIP accrued disbursements for about ARS7,928 billion from its implementation, up 8% vis-à-vis August (see Chart 5.3). Out of the total financings granted through the LFIP, 14.4% was channeled to investment projects and the rest, to working capital. The average stock of loans granted through the LFIP reached around ARS1,888 billion in August (latest available data), accounting for nearly 17.2% of total loans and 37.2% of total business loans.

The LFIP has recently been extended until March 31. Thus, financial institutions will have to allocate to this line at least 7.5% of deposits from the non-financial private sector in pesos, calculated on the monthly average of daily stocks for September 2023.[5]

5 Communication "A" 7848.

The LFIP contributed to upholding lending to companies of a smaller relative size. Indeed, the analysis of business loans by type of debtor shows that lending to MSMEs stood at around 1.6% of GDP, beyond the record observed before the pandemic and also above its historic average. However, the ratio of credit to big companies in terms of GDP increased slightly to reach 1.2% of GDP, standing among the lowest records in the past 20 years (see Chart 5.4).

Chart 5.3 | Financing Granted through the LFIP
Cumulative disbursements as to end-of-month

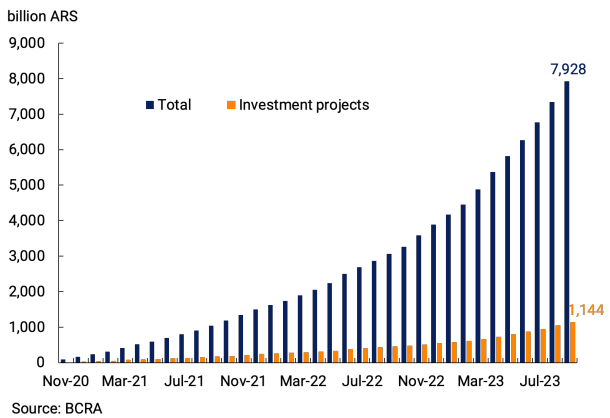
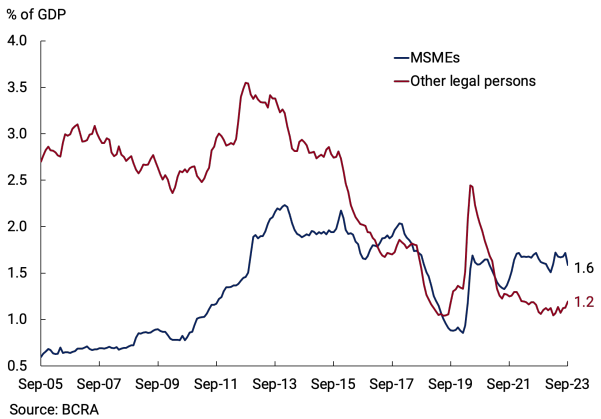


Chart 5.4 | Business Loans by Type of Debtor
As % of GDP



In turn, loans to consumption decreased 5.5% s.a. at constant prices in September, falling nearly 20% over the year. Among these credit lines, financings on credit cards posted a decline of 5.1% s.a. in real terms, and personal loans, 6.3% in September. In year-on-year terms, these loans recorded changes of -14.1% and -29.4% at constant prices, respectively.

As for secured credit lines at constant prices, pledge-backed loans contracted 7.1% s.a., that is, 22% y.o.y. Regarding the stock of mortgage-backed loans, it fell by 6.8% s.a. in the month, contracting about 45% over the last 12 months.

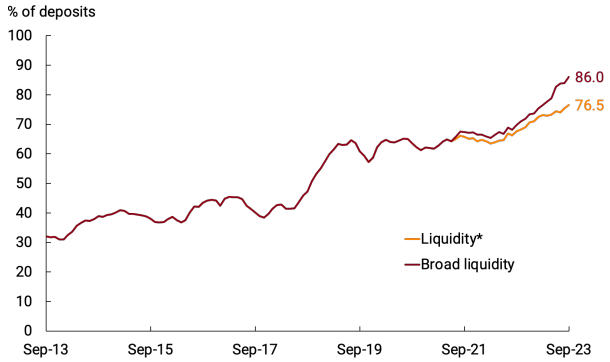
6. Financial Institutions' Liquidity in Pesos

In September, broad liquidity in domestic currency[6] increased 2 p.p. vis-à-vis August, averaging 86% of deposits (see Charts 6.1 and 6.2). Thus, it stood at historically high levels. This rise was mainly explained by the increase in holdings of reverse repos, LELIQs, and sovereign bonds allocated to meet minimum cash requirements.

As regards the components of remunerated liabilities, 28-day LELIQs averaged 69.2% of the total in September, increasing their relative share vis-à-vis August. Longer-term instruments, exclusively NOTALIQs, accounted for only 0.2% of the stock in September. In turn, the share of overnight reverse repos in total instruments increased to reach 27.1% of the total. The share of LEDIVs and LEGARs, which are bills issued by the BCRA, fell by 1 p.p. compared to August's share.

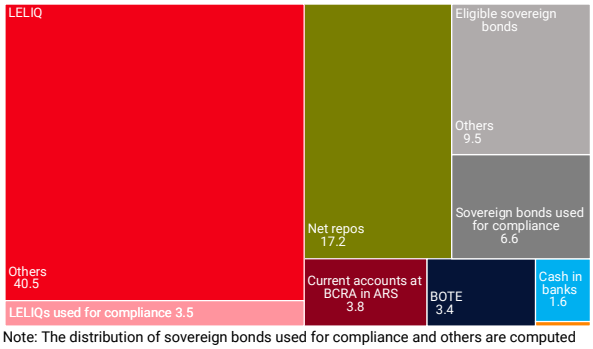
6 It includes current accounts with the BCRA, cash holdings in banks, arranged net repo stocks with the BCRA, holdings of LELIQs and NOTALIQs, and holdings of sovereign bonds eligible to comply with the minimum reserve requirements.

Chart 6.1 | Financial Institutions' Levels of Liquidity in Pesos



*Sovereign bonds that could be used for compliance, but are considered surpluses, have been excluded.
Source: BCRA

Chart 6.2 | Financial Institutions' Components of Broad Liquidity
% of deposits

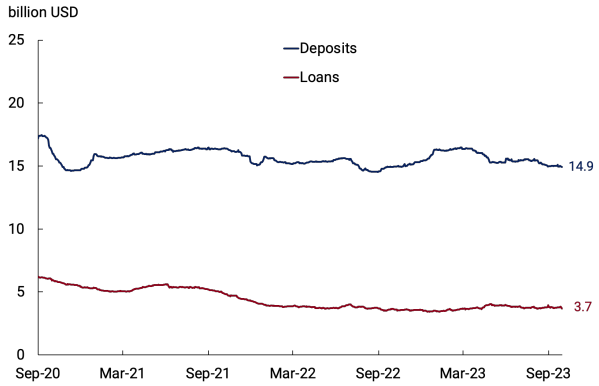


Note: The distribution of sovereign bonds used for compliance and others are computed assuming
that the latest data available in the Reporting System on Minimum Cash Requirements is constant.
Source: BCRA

7. Foreign Currency

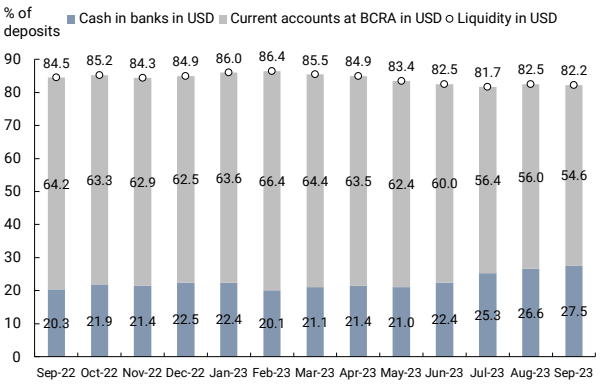
As regards foreign currency, **financial institutions' main assets and liabilities posted a dissimilar performance**. On the one hand, deposits from the private sector remained virtually unchanged, and ended September with a stock of USD14.94 billion. On the other hand, the stock of loans to the private sector decreased by USD265 million, reaching USD3.68 billion at the end of August (see Chart 7.1).

Chart 7.1 | Stock of Private Sector Deposits and Loans in Foreign Currency



Source: BCRA

Chart 7.2 | Financial Institutions' Liquidity in Foreign Currency



Source: BCRA

Financial institutions' liquidity in the foreign currency segment stood at 82.2% of deposits in September, remaining at historically high levels. In terms of components, cash holdings in banks rose to the detriment of current accounts at the BCRA (see Chart 7.2).

In September, the BCRA made some regulatory changes on the foreign exchange regarding access to the forex market,[7] payment of capital contributions or transfer of financial debt to Argentina through the capital market,[8] allocation of proceeds from exports of goods, and settlement of maturities of principal and interest

7 Communications "A" 7838, "A" 7840 and "A" 7851.
8 Communication "A" 7852.

of certain transactions.[9] The conditions for underwriting "Central Bank Bills in US dollars payable in pesos at the benchmark exchange rate as set forth in Communication "A" 3500 (LEDIV) at zero rate" have been changed.[10] In addition, the local currency payment system (*Sistema de Pagos en Moneda Local*, SML) between Argentina and Uruguay has been expanded, which allows for the payment of certain trade transactions and transfers in domestic currencies.[11]

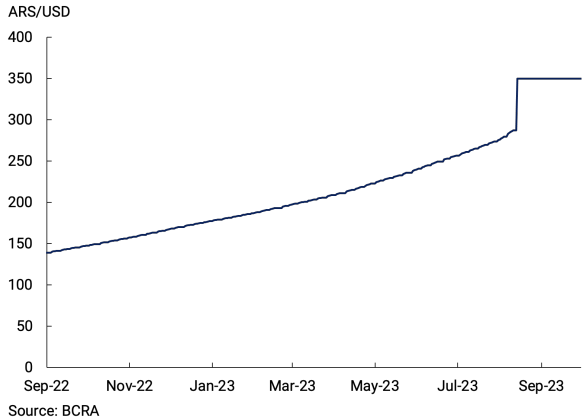
Last, on the first days of September, the PIE was established again with a view to improving the supply of foreign currency. This time, instead of setting a new exchange rate, 75% of the foreign currency proceeds from exports of goods must be transferred to Argentina's financial system and exchanged in the Free and Single Foreign Exchange Market (*Mercado Único y Libre de Cambios*, MULC), and the remaining 25% will be freely available.[12] Then, the BCRA approved regulations supplementary to this Executive Order.[13] It should be mentioned that, at the beginning of October, the PIE was extended and postponed until October 25, 2023, establishing that the remaining 25% must be used to make transactions involving the purchase and sale of marketable securities purchased in US dollars and sold in domestic currency.[14] Hydrocarbons have been included among the new products.[15]

At the end of September, the BCRA's international reserves reached USD26.92 billion, down USD894 million against the end of August. Among other factors, the payments to international organizations and the loss from the valuation of foreign liabilities had a bearing on the dynamics. These factors were in part offset by the net purchase of foreign currency to the private sector (see Chart 7.3).

Finally, the BCRA decided to keep unchanged the ARS/USD nominal exchange rate (NER) at ARS350/USD1 in September, after adjusting it by mid-August. Thus, it showed an 8.8% average increase against August (see Chart 7.4).

Chart 7.3 | Stock of International Reserves

Chart 7.4 | ARS/USD Nominal Exchange Rate



9 Communication "A" 7845.
10 Communication "A" 7842.
11 Communications "A" 7834 and "A" 7835.
12 Executive Order No. 443/2023 by the Executive Power.
13 Communications "A" 7833 and "A" 7846.
14 Executive Order No. 492/2023 by the Executive Power.
15 Resolution No. 808/2023 by the Energy Secretariat.

8. Regulatory Overview

Date of Issue	Regulation	Description
Sep-5-23	Comm. "A" 7833	**Certain regulations were changed on the basis of the resolutions adopted through Executive Order No. 443/2023 (Export increase program)**. Among them, **the requirement of transferring and settling foreign currency from proceeds of exports of goods** (falling within this Executive Order) **in the forex market is considered fulfilled, when at least 75% of the invoiced amount is settled according to the sale terms and conditions agreed upon**, the remaining 25% being freely available. Along the same lines, when funds are used to finance exports of goods that fall within the Executive Order, the obligation of transferring and settling advances, pre-financings, and post-financings from abroad in the forex market will be considered fulfilled when at least 75% of the amount charged or disbursed abroad is settled.
Sep-5-23	Comm. "A" 7834	Transactions conducted between Argentina and Uruguay through the SML have been expanded. In particular, the system enables the payment of goods and services (except financial transactions) in domestic currencies. Family support, retirement and pension transactions are also included, provided that a bilateral agreement has been signed between the social security institutions of both countries.
Sep-5-23	Comm. "A" 7835	Changes to Communication "A" 6214 have been adopted to comply with the agreement between the Central Bank of Uruguay and the BCRA on eligible transactions under the SML.
Sep-7-23	Comm. "A" 7838	The current regulation sets forth that, if a company has access to the forex market, such company, its subsidiary or parent company, their directors and shareholders will not carry out transactions with securities settled in foreign currency for a period of 90 days or 180 days—depending on the instrument—before and after having access to the forex market. The regulation states that **this restriction has always been applied for transactions with securities carried out whether directly or indirectly, or on behalf of third parties**.
Sep-12-23	Comm. "A" 7839	**Certain measures have been adopted to comply with the provisions set forth in Executive Order No. 463/2023 (integrated retirement and pension system)**. Commercial banks whose clients hold salary accounts and, at the same time, credit cards issued by such banks must credit the financing amounts granted under the Executive Order in those credit cards. Cash advances, transfers of credit card balances, or transfers to the holder or third party's deposit account will not be allowed for the amount credited and as long as there is a credit balance in the credit card resulting from this financing. In case of delinquency, financial institutions may cover overdrafts on authorized bank current accounts for the recovery of receivables.
Sep-12-23	Comm. "A" 7840	**Natural persons who are beneficiaries of the "Integrated Argentine social security system" (*Sistema Integrado Previsional Argentino*, SIPA)." and workers contributing to SIPA who are granted financing as under Executive Order No. 463/2023 (integrated retirement and pension system) will not be able to carry out the following transactions until their debt is paid: purchase foreign currency in the forex market for the build-up of residents' foreign assets; carry out transfers abroad for family support; make derivative transactions; sell foreign currency from securities issued by residents; exchange securities issued by residents for foreign assets or transfer them to foreign depositaries; or purchase securities settled in pesos in Argentina issued by non-residents.**
Sep-14-23	Comm. "A" 7842	Communication "A" 7829 on "Central Bank Bills in US dollars payable in pesos at the benchmark exchange rate as set forth in Communication "A" 3500 (LEDIV) at zero rate" has been changed. Thus, **the minimum bid was changed for financial institutions to underwrite LEDIVs on behalf of their clients who are consumer goods companies participating in the "Fair prices program"** (*Programa Precios Justos*). The minimum amount will be timely announced.

Sep-14-23	Comm. "A" 7843	Effective as from the invoicing cycle of October 2023, the interest rate charged on credit transactions by issuing companies other than financial institutions must not exceed 25% of the financial system's average interest rates for unsecured personal loans published monthly by the BCRA. The publication is based on the **information recorded in the previous month**.
Sep-20-23	Comm. "A" 7845	**Issuances of debt securities denominated in foreign currency with a public record abroad or in Argentina—whose services may be paid in Argentina or abroad—have been included among the financings associated to the imports of goods authorized for the use of proceeds from exports of goods**, insomuch as certain regulatory conditions are met regarding the issuance date and use of funds, among others. In addition, financings are detailed for the advance payment of imports of goods to a foreign supplier and/or direct payments to the supplier of freight for imports of goods not included in the agreed purchase terms and conditions. The conditions have been changed for using foreign currency from the export of goods to settle maturities of principal and interest as well as the conditions on the requirement of transfer and settlement of foreign currency from the already mentioned financings. Regarding issuances of debt securities, funds arising from the collection of a debtor's exports of goods and services may be deposited in accounts abroad and/or in Argentina to ensure the repayment of debt. This option will be available until reaching 125% of the principal and interest to be paid in the current month and the six calendar months that follow.
Sep-20-23	Comm. "A" 7846	As of September 21, 2023, **natural or legal resident persons who are exporters of goods, as set forth in Executive Order No. 443/2023 (Export increase program), may make deposits in their "Special accounts for exporters" for up to the amount in pesos deriving from settlements of foreign currency under the Executive Order, or underwrite "Central Bank Bills in US dollars payable in pesos at the benchmark exchange rate (LEDIV) at zero rate", through a financial institution.**
Sep-28-23	Comm. "A" 7848	**The LFIP has been extended until March 31, 2024;** accordingly, financial institutions must allocate to this line at least 7.5% of deposits from the non-financial private sector in pesos, **calculated on the monthly average of daily balances for September 2023**. The amounts of pre-financing and financing of exports and/or financing of imports of supplies and/or capital goods—excluding services—to be allocated may not exceed the difference between the average increase in the daily balances recorded between October 1, 2023 and March 31, 2024, and that recorded as of November 12, 2020 for the 2023/2024 quota, applying the exchange rate of September 30, 2023. The pre-financing and financing balances incremental of the 2023/2024 quota will be calculated at the exchange rate of the date in which the funds are transferred from abroad.
Sep-28-23	Comm. "A" 7850	**As of October 15, financial institutions will transfer the funds corresponding to credit card sales to gas stations that fall under the category of micro- and small-sized companies or else are owned by natural persons. This must be done within five business days instead of eight business days**. Financial institutions will not charge shops any interest or fee in relation to the new settlement term. They will neither hinder, in any way, the use of such cards to pay in one installment.

Sep-28-23	Comm. "A" 7851	Financial institutions may allow clients to access the forex market for paying imported goods recorded in the "Argentine imports system" (*Sistema de Importaciones de la República Argentina*, SIRA) affidavit before the period stated therein. This is applicable to pay imports of goods made by the national public sector, corporate organizations with majority share National State ownership or decision-making in company operations, and trusts made up with public sector's investments. Financial institutions must first confirm that these transactions have been executed under a SIRA affidavit recorded as "OUT" with a term of 0 (zero) calendar days; or that they do not require an "Imports monitoring comprehensive system" (*Sistema Integral de Monitoreo de Importaciones,* SIMI) affidavit or a SIRA affidavit recorded as "OUT" for the customs registration of goods.
Sep-28-23	Comm. "A" 7852	**Companies are authorized to make capital contributions or bring financial debt into Argentina through the capital market when the repayment of such foreign currency settlement is also made through the capital market**. This measure applies to the settlement of bonds, corporate bonds, and repatriation of interest and principal for direct investments transferred as from October. Companies using this inflows method **will do so on the condition that the payments of principal or the repayment of the contributions are at least for one-year-term; in the case of corporate bonds placed in the local market, they have a two-year grace period**. In these cases, they will be authorized to access the forex market to conduct foreign trade transactions.

9. Monetary and Financial Indicators

The figures below are stated in millions, and original currency. Figures are provisional and subject to review.

Main monetary variables associated with BCRA	Monthly average					Average percentage changes as to Sep-23						% of GDP	
						Monthly		Accrued in 2023		Year-on-year			
	Sep-23	Aug-23	Jul-23	Dec-22	Sep-22	Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real	Sep-23	Dec-22
Monetary Base	**6,532,999**	**6,422,707**	**6,128,916**	**4,781,929**	**4,179,909**	1.7%	-8.5%	1.7%	-32.9%	56.3%	-35.4%	**3.4%**	**4.6%**
Currency in circulation	5,267,570	5,188,683	4,918,975	3,767,917	3,171,405	1.5%	-8.3%	1.5%	-32.1%	66.1%	-31.4%	**2.7%**	**3.6%**
Cash held by the public	4,738,326	4,634,935	4,439,872	3,361,661	2,855,813	2.2%	-7.4%	2.2%	-31.5%	65.9%	-31.5%	**2.5%**	**3.2%**
Cash in financial institutions	529,244	553,748	479,103	406,256	315,592	-4.4%	-15.7%	-4.4%	-37.4%	67.7%	-30.7%	**0.3%**	**0.4%**
Current accounts at BCRA	1,265,429	1,234,023	1,209,941	1,014,012	1,008,504	2.5%	-9.6%	2.5%	-40.0%	25.5%	-48.2%	**0.7%**	**1.0%**
BCRA's remunerated liabilities (NV ARS)	**21,346,130**	**19,479,195**	**16,950,486**	**10,076,065**	**7,918,050**	9.6%	-3.3%	9.6%	1.8%	169.6%	11.4%	**11.0%**	**9.7%**
Reverse repos	5,778,101	5,148,609	3,803,047	2,004,090	1,398,559	12.2%	-1.0%	12.2%	38.6%	313.1%	70.6%	**3.0%**	**1.9%**
Stock of LELIQs	14,772,232	13,310,271	12,353,763	6,831,822	5,289,805	11.0%	-2.1%	11.0%	3.9%	179.3%	15.3%	**7.6%**	**6.6%**
Stock of 28-day LELIQs	14,772,232	13,288,889	12,298,524	6,820,934	5,285,251	11.2%	-2.0%	11.2%	4.1%	179.5%	15.4%	**7.6%**	**6.6%**
Stock of 180-day LELIQs	0	21,382	55,238	10,888	4,555	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	**0.0%**	**0.0%**
Stock of NOTALIQs	37,283	116,691	172,093	1,110,688	1,165,378	-68.0%	-71.8%	-68.0%	-98.4%	-96.8%	-98.7%	**0.0%**	**1.1%**
Stock of LEDIVs	676,680	821,470	554,601	76,058	20,626	-17.6%	-27.3%	-17.6%	327.7%	3180.8%	1255.1%	**0.4%**	**0.1%**
Stock of LEGARs	81,834	82,154	66,982	53,408	43,682	-0.4%	-12.1%	-0.4%	-26.3%	87.3%	-22.6%	**0.0%**	**0.1%**
BCRA' s international reserves in dollars	**27,490**	**25,132**	**26,140**	**40,650**	**37,174**	9.4%	-	9.4%	-	-26.1%	-	**5.0%**	**6.8%**

Monthly average explanatory factors	Monthly		Quarterly		Accrued in 2023		Year-on-year	
	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution
Monetary Base	**110,292**	**1.7%**	**929,156**	**16.6%**	**1,751,070**	**36.6%**	**2,353,090**	**56.3%**
Foreign exchange purchases to private sector and others	360,156	5.6%	428,996	7.7%	638,448	13.4%	1,369,613	32.8%
Foreign exchange purchase to the NT	-35,607	-0.6%	-1,082,255	-19.3%	-1,572,872	-32.9%	-1,707,458	-40.8%
Temporary advances and profit transfers to National Government	-330,645	-5.1%	1,005,067	17.9%	1,698,000	35.5%	1,698,000	40.6%
Other public sector operations	-342,833	-5.3%	-218,953	-3.9%	-379,945	-7.9%	-232,083	-5.6%
Monetary policy instruments	-158,762	-2.5%	-765,675	-13.7%	-1,105,635	-23.1%	-1,641,709	-39.3%
Others	617,984	9.6%	1,561,977	27.9%	2,473,074	51.7%	2,866,728	68.6%
BCRA's International Reserves	**2,358**	**9.4%**	**-4,441**	**-13.9%**	**-13,160**	**-32.4%**	**-9,684**	**-26.1%**
Purchases of foreign currency	975	3.9%	458	1.4%	-669	-1.6%	1,858	5.0%
International organizations[5]	3,411	13.6%	252	0.8%	-2,752	-6.8%	-2,420	-6.5%
Other public-sector transactions	-579	-2.3%	898	2.8%	-1,296	-3.2%	-1,458	-3.9%
Minimum cash requirements	-500	-2.0%	-1,241	-3.9%	-2,419	-6.0%	-1,882	-5.1%
Others (incl. forex valuation)	-950	-3.8%	-4,808	-15.1%	-6,025	-14.8%	-5,782	-15.6%

Note: "Contribution" field: The sum up of each factor's change to the main variable for the same month.

5 The Development Bank of Latin America (CAF) and the Central American Bank for Economic Integration (BCIE) are excluded.

Minimum Cash Requirement and Compliance	Sep-23	Aug-23	Jul-23
Domestic currency	% of total deposits in pesos		
Net requirement of deductions	17.0	17.3	17.7
Compliance in current accounts	3.8	4.0	4.2
Compliance in LELIQs	31.2	31.1	31.7
Compliance in BOTE 2027	3.4	3.6	3.8
Compliance in sovereign bonds/other	16.1	15.3	16.8
Foreign currency	% of total deposits in foreign currency		
Minimum capital requirements	24.0	24.0	24.0
Compliance (includes funds available for financing but not	54.6	56.0	56.4
Position (1)	30.6	32.0	32.4

(1) Position = Compliance – Requirement

The figures below are stated in millions, and original currency. Figures are provisional and subject to review.

Main monetary and financial system variables	Monthly average					Average percentage changes as to Sep-23						% of GDP[4]	
						Monthly		Accrued in 2023		Year-on-year			
	Sep-23	Aug-23	Jul-23	Dec-22	Sep-22	Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real	Sep-23	Dec-22
Domestic currency													
Total deposits from the non-financial sector in pesos[1]	**33,375,778**	**31,002,522**	**28,326,662**	**18,248,097**	**15,077,992**	7.7%	-4.6%	7.7%	-11.5%	121.4%	-8.6%	**17.3%**	**17.6%**
Private sector deposits	*27,283,449*	*25,560,194*	*23,359,209*	*15,170,436*	*12,257,114*	6.7%	-5.4%	6.7%	-12.8%	122.6%	-8.1%	**14.2%**	**14.6%**
Private Sector Sight Deposits	13,021,083	11,946,657	10,821,154	7,305,131	5,799,706	9.0%	-3.5%	9.0%	-8.2%	124.5%	-7.3%	**6.8%**	**6.7%**
Non-interest bearing (transactional)	*8,544,042*	*8,003,543*	*7,578,462*	*5,375,548*	*4,223,606*	6.8%	-5.3%	6.8%	-15.8%	102.3%	-16.4%	**4.5%**	**4.8%**
Interest-bearing	4,477,041	3,943,114	3,242,692	1,929,583	1,576,099	13.5%	0.1%	13.5%	11.5%	184.1%	17.3%	**2.3%**	**1.9%**
Sight deposits adjusted by NER	433	553	465	132	22	-21.8%	-30.6%	-21.8%	50.0%	1877.5%	716.8%	**0.0%**	
Private Sector Time Deposits and Others	14,262,366	13,613,537	12,538,055	7,865,305	6,457,409	4.8%	-7.1%	4.8%	-16.8%	120.9%	-8.8%	**7.3%**	**7.9%**
Time Deposits	13,924,331	13,291,388	12,233,440	7,642,488	6,272,320	4.8%	-7.0%	4.8%	-16.5%	122.0%	-8.3%	**7.1%**	**7.7%**
CER/UVA/exchange rate-non-adjustable	13,595,218	12,951,392	11,877,961	7,241,211	5,842,456	5.0%	-6.9%	5.0%	-14.0%	132.7%	-3.9%	**7.0%**	**7.3%**
CER / UVA-adjustable	268,670	280,901	302,753	359,936	390,766	-4.4%	-15.1%	-4.4%	-65.8%	-31.2%	-71.6%	**0.1%**	**0.4%**
Traditional	130,351	132,989	136,669	156,519	195,553	-2.0%	-13.0%	-2.0%	-61.8%	-33.3%	-72.5%	**0.1%**	**0.2%**
Early-payment	138,319	147,911	166,084	203,417	195,212	-6.5%	-17.0%	-6.5%	-68.8%	-29.1%	-70.7%	**0.1%**	**0.2%**
DIVA	60,444	59,096	52,726	41,340	39,098	2.3%	-9.2%	2.3%	-33.0%	54.6%	-36.1%	**0.0%**	**0.0%**
Other deposits	338,035	322,149	304,615	222,818	185,089	4.9%	-7.4%	4.9%	-27.1%	82.6%	-24.6%	**0.2%**	**0.2%**
Public sector deposits [2]	6,092,329	5,442,328	4,967,453	3,077,661	2,820,878	11.9%	-1.3%	11.9%	-4.8%	116.0%	-10.8%	**3.2%**	**3.0%**
Monetary Aggregates													
Total M2	19,985,858	18,585,808	16,989,310	11,869,262	9,701,371	7.5%	-4.5%	7.5%	-15.0%	106.0%	-14.9%	**10.4%**	**11.0%**
Total M3	38,334,525	35,823,270	32,916,271	21,738,611	18,056,735	7.0%	-5.1%	7.0%	-13.4%	112.3%	-12.3%	**19.9%**	**20.6%**
Private sector monetary aggregates													
Private M2	17,759,409	16,581,592	15,261,025	10,666,792	8,655,519	7.1%	-3.9%	7.1%	-15.9%	105.2%	-15.3%	**9.3%**	**9.9%**
Transactional private M2[3]	13,282,368	12,638,478	12,018,334	8,737,209	7,079,420	5.1%	-6.0%	5.1%	-22.1%	87.6%	-22.5%	**7.0%**	**8.0%**
Private M3	32,021,775	30,195,129	27,799,081	18,532,097	15,112,928	6.0%	-5.4%	6.0%	-16.1%	111.9%	-12.5%	**16.6%**	**17.8%**
Total loans to the non-financial sector in pesos	**11,876,664**	**11,103,805**	**10,294,817**	**6,765,414**	**5,888,095**	7.0%	-6.0%	7.0%	-13.5%	101.7%	-16.7%	**6.1%**	**6.4%**
Loans to the non-financial private sector	***11,728,914***	***10,978,041***	***10,146,241***	***6,694,118***	***5,823,957***	6.8%	-6.1%	6.8%	-13.6%	101.4%	-16.8%	**6.0%**	**6.3%**
Overdrafts	1,237,549	1,224,373	1,175,152	775,219	625,165	1.1%	-7.8%	1.1%	-21.2%	98.0%	-18.2%	**0.6%**	**0.7%**
Promissory notes	3,610,136	3,366,053	3,017,843	1,708,519	1,509,223	7.3%	-6.2%	7.3%	3.1%	139.2%	-1.2%	**1.8%**	**1.6%**
Mortgage-backed loans	483,631	458,181	437,870	371,698	360,605	5.6%	-6.8%	5.6%	-37.2%	34.1%	-44.6%	**0.3%**	**0.4%**
Pledge-backed loans	771,128	725,165	676,928	458,905	408,248	6.3%	-7.1%	6.3%	-19.6%	88.9%	-22.0%	**0.4%**	**0.4%**
Personal loans	1,594,390	1,496,514	1,424,332	1,050,186	932,531	6.5%	-6.3%	6.5%	-26.0%	71.0%	-29.4%	**0.8%**	**1.0%**
Credit cards	3,506,842	3,221,941	2,941,493	1,999,883	1,686,943	8.8%	-5.1%	8.8%	-10.7%	107.9%	-14.1%	**1.8%**	**1.8%**
Others	525,238	485,814	472,623	329,708	301,242	8.1%	-5.3%	8.1%	-23.4%	74.4%	-28.0%	**0.3%**	**0.3%**
Loans to the non-financial public sector	***147,750***	***125,765***	***148,576***	***71,296***	***64,138***	17.5%	3.6%	17.5%	-0.4%	130.4%	-4.9%	**0.1%**	**0.1%**
Foreign currency[1]													
Deposits from the non-financial sector in dollars	**17,110**	**17,576**	**17,835**	**18,785**	**17,454**	-2.7%	-	-2.7%	-	-2.0%	-	**3.1%**	**3.2%**
Deposits from the non-financial private sector in dollars	14,992	15,230	15,477	15,686	14,823	-1.6%	-	-1.6%	-	1.1%	-	**2.7%**	**2.6%**
sight deposits	11,705	11,877	12,074	11,937	11,074	-1.5%	-	-1.5%	-	5.7%	-	**2.1%**	**2.0%**
time deposits and others	3,287	3,353	3,403	3,749	3,749	-2.0%	-	-2.0%	-	-12.3%	-	**0.6%**	**0.6%**
Deposits from the non-financial public sector in dollars	2,118	2,346	2,358	3,100	2,631	-9.7%	-	-9.7%	-	-19.5%	-	**0.4%**	**0.6%**
Loans to the non-financial sector in dollars	**3,968**	**3,937**	**3,953**	**3,645**	**3,710**	0.8%	-	0.8%	-	6.9%	-	**0.7%**	**0.6%**
Loans to the non-financial private sector in dollars	3,769	3,743	3,761	3,491	3,592	0.7%	-	0.7%	-	4.9%	-	**0.7%**	**0.6%**
Promissory notes	2,535	2,561	2,607	2,273	2,345	-1.0%	-	-1.0%	-	8.1%	-	**0.5%**	**0.4%**
Credit cards	219	225	223	179	261	-2.5%	-	-2.5%	-	-15.9%	-	**0.0%**	**0.0%**
Others	1,016	957	931	1,039	987	6.1%	-	6.1%	-	2.9%	-	**0.2%**	**0.2%**
Loans to the non-financial public sector in dollars	198	195	193	153	118	1.9%	-	1.9%	-	68.1%	-	**0.0%**	**0.0%**

1 Financial sector and non-resident depositors are excluded. The figures on loans have been taken from statistical data, not being adjusted by financial trusts.

2 Net of the use of unified funds.

3 It excludes interest-bearing sight deposits from private M2.

4 Calculated on the basis of the seasonally adjusted series of the month, and of the estimation of the 3-month moving average s.a. GDP.

Note: See definitions for the monetary aggregates in the Glossary.

Annual percentage rates (unless otherwise specified) and amounts in millions. Monthly averages.

Monetary policy interest rates	Sep-23	EAR Sep-23	Aug-23	Jul-23	Dec-22	Sep-22
BCRA repo interest rates						
Overnight reverse repo	111.00	202.93	102.61	91.00	70.00	67.25
Overnight reverse repo (MF)	94.35	154.74	87.22	77.35	52.50	50.44
Overnight repo	140.00	304.44	129.94	116.00	95.00	91.50
28-day LELIQ interest rate	118.00	209.45	109.19	97.00	75.00	72.25
180-day LELIQ interest rate	120.50	157.48	114.21	105.50	83.50	79.75
Interbank market interest rates	**Sep-23**	**EAR Sep-23**	**Aug-23**	**Jul-23**	**Dec-22**	**Sep-22**
Repo rates among third parties on overnight REPO round	90.47	146.84	87.77	82.71	66.63	65.22
Volume of repos traded among third parties (daily average)	26,958		13,054	14,268	7,500	6,393
Calls in pesos (overnight)						
Interest rate	105.68	187.28	97.57	85.43	67.38	63.85
Traded amount	20,650		20,813	18,007	22,471	24,289
Borrowing interest rates	**Sep-23**	**EAR Sep-23**	**Aug-23**	**Jul-23**	**Dec-22**	**Sep-22**
Sight deposits						
Interest-bearing	93.17	145.41	86.11	77.86	57.46	52.85
Time deposits						
Natural persons up to ARS1 million (30-35 days)	117.53	207.09	107.05	96.66	74.67	71.98
Total TM20 (more than ARS20 million, 30-35 days)	109.92	186.42	102.02	89.48	65.91	63.66
Private banks' TM20 (more than ARS20 million, 30-35 days)	110.90	189.02	102.72	90.04	66.48	64.30
Total BADLAR (more than ARS1 million, 30-35 days)	112.43	193.10	103.72	92.16	68.58	65.97
Private banks' BADLAR (more than ARS1 million, 30-35 days)	113.84	196.91	104.59	92.82	69.45	66.84
Interest rate on UVA deposits' early-payment option	108.93	183.85	101.19	91.80	71.00	68.25
Lending interest rates	**Sep-23**	**EAR Sep-23**	**Aug-23**	**Jul-23**	**Dec-22**	**Sep-22**
Loans to the non-financial private sector in pesos						
Overdrafts	117.03	221.68	104.70	97.34	75.64	68.50
1 to 7 days—in accordance with companies—more than ARS10 million	113.52	207.41	102.06	91.70	73.27	69.63
Unsecured promissory notes	104.70	173.02	92.78	87.30	61.64	59.01
Mortgage-backed loans	90.43	139.23	78.57	75.93	62.71	49.10
Pledge-backed loans	78.83	114.64	69.74	67.55	51.52	50.86
Personal loans	97.61	155.72	108.96	103.13	81.26	78.34
Credit cards	91.06	140.64	88.67	84.21	77.10	59.53
Interest rate in foreign currency	**Sep-23**	**EAR Sep-23**	**Aug-23**	**Jul-23**	**Dec-22**	**Sep-22**
Time deposits in dollars (30 to 44 days)	0.33	0.33	0.32	0.33	0.32	0.34
Unsecured promissory notes in dollars	6.94	7.17	4.75	4.79	5.44	4.96
Exchange rate	**Sep-23**	**Monthly chg. (%)**	**Aug-23**	**Jul-23**	**Dec-22**	**Sep-22**
NER peso/dollar						
Wholesale rate (Comm. "A" 3500)	350.00	8.82	321.62	266.05	172.45	143.13
Retail rate[1]	357.25	8.87	328.13	272.03	175.20	145.69
NER peso/real	70.85	8.03	65.58	55.48	32.92	27.33
NER peso/euro	373.72	6.58	350.66	294.16	182.58	141.71
ITCNM	2,312.02	7.68	2,147.22	1,801.99	1,116.28	911.77
ITCRM	101.83	-3.66	105.69	96.67	93.21	89.21

1 The benchmark retail interest rate posted by the Autonomous City of Buenos Aires is calculated on the basis of adhered entities' purchaser and seller exchange rates, weighted according to their share in the retail market (Communication "B" 9791).

Glossary

AFIP: Federal Administration of Public Revenue
ANSES: Argentine Social Security Administration
APR: Annual Percentage Rate
B.P.: Basis Points
BADLAR: Interest rate on time deposits over ARS1 million for 30-35 days.
BCRA: Central Bank of Argentina
CC BCRA: Current accounts at BCRA
CER: Reference Stabilization Coefficient
CNV: National Securities Commission
CPI: Consumer Price Index
EAR: Effective Annual Rate
EM: Minimum Cash Requirements
GDP: Gross Domestic Product
IAMC: Instituto Argentino de Mercado de Capitales
IRR: Internal Rate of Return
ITCNM: Multilateral Nominal Exchange Rate Index
ITCRM: Multilateral Real Exchange Rate Index
LEBAC: BCRA Bills
LELIQ: BCRA Liquidity Bills
LFIP: Credit Line for Productive Investment
MB: Monetary Base; total amount of money in circulation plus money deposited in current accounts in pesos of financial institutions held with the BCRA.
MERVAL: Buenos Aires Stock Exchange Index
MF: Mutual Funds
MM: Money Market
MSMEs: Micro, Small and Medium-Sized Enterprises
NBFI: Non-Bank Financial Institution
NER: Nominal Exchange Rate
NOCOM: Cash Compensation Notes issued by the BCRA
ON: Negotiable Obligation
p.p.: Percentage Points
Private M2: Means of payment; it includes currency held by the public, settlement checks in pesos, and sight deposits in pesos from the non-financial private sector.
Private M3: Broad aggregate in pesos; it includes currency held by the public, settlement checks in pesos, and total deposits in pesos from the non-financial private sector.
PSP: Payment Service Providers
ROFEX: Rosario Futures Exchange
s.a.: Seasonally-Adjusted
SDR: Special Drawing Right
SIMPES: Comprehensive System for Monitoring Payments of Services Abroad
SISCEN: BCRA Centralized Reporting Requirement System
TM20: Interest rate on time deposits over ARS20 million for 30-35 days.
Total M2: Means of payment; it includes currency held by the public, settlement checks in pesos, and sight deposits in pesos from the non-financial private sector and public sector.
Total M3: Broad aggregate in pesos; it includes currency held by the public, settlement checks in pesos, and total deposits in pesos from the non-financial private sector and public sector.

Transactional private M2: Means of payment, it includes currency held by the public, settlement checks in pesos, and non-interest-bearing sight deposits in pesos from the non-financial private sector.
UVA: Units of Purchasing Power
Y.o.y.: Year-on-year