Monthly Monetary Report

February 2022

BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

Contents

The closing date for statistics in this report was March 8, 2022. All figures are provisional and subject to review.

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About inclusive language in the Spanish version of this report

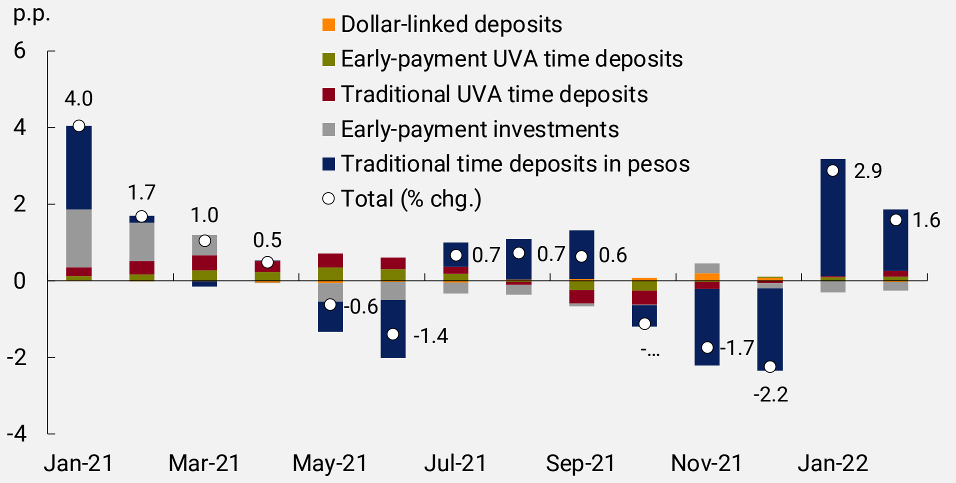
The Central Bank of Argentina is committed to encouraging the use of a non-discriminatory language that promotes the acceptance of all gender identities. It should be noted that all those who have contributed to this report acknowledge that language influences ideas, feelings, ways of thinking, as well 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.
-0.9%	-1.4%	1.6%	5.6%	-0.9%

Time Deposits in Pesos to the Private Sector S.A. at Constant Prices
Contribution to monthly growth by type of instrument



Source: BCRA

Loans to the Private Sector
real monthly chg. s.a.
-1.3%

28-days LELIQ Bills Interest Rate
APR
42.5%

Overnight Reverse Repo Interest Rate
APR
33.5%

International Reserves
million USD; end-of-month
37,017

By mid-February, the BCRA decided to raise benchmark interest rates once again and create a new monetary policy instrument at a variable interest rate and at a 190-day term (NOTALIQ). These measures seek to achieve better liquidity management at financial institution level as well as to raise the average terms of sterilization instruments. The minimum rates on savings instruments in pesos were also changed in order to ensure the transmission of the new interest rates to depositors and to obtain positive returns for savings in domestic currency.

In this context, savings instruments in pesos grew at constant prices for the second month in a row. On the contrary, means of payment contracted, which was explained by the performance of both cash held by the public and non-interest-bearing sight deposits. In February, the broad monetary aggregate (private M3) at constant prices declined by 0.9% s.a.

In addition, the National Government has recently submitted to the National Congress the technical agreement reached with the International Monetary Fund (IMF) regarding the Extended Fund Facility (EFF)[1]. This is expected to solve the numerous obligations for 2022 and 2023 as stated in the *Stand-By Agreement* signed in 2018. The new arrangement seeks to go on creating the necessary stability conditions to face the existing structural challenges and strengthen the foundations for a sustainable and inclusive growth. An agreement in negotiations with the IMF will help agents to increase their expectations on the external sector's sustainability. This will, in turn, contribute to counteracting pressures on the inflation and exchange rates.

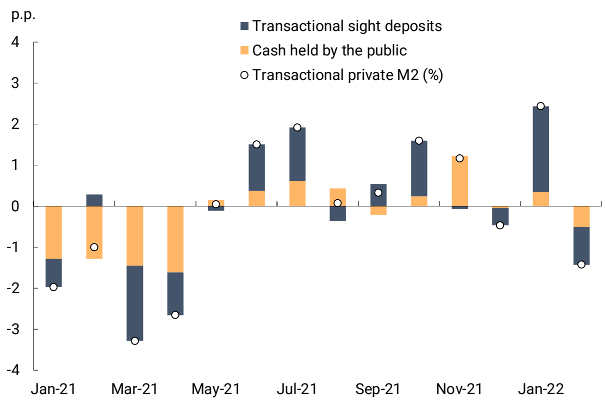
1 https://www.argentina.gob.ar/noticias/el-gobierno-argentino-cerro-el-acuerdo-con-el-staff-del-fondo-monetario-internacional-y-se and https://www.imf.org/en/News/Articles/2022/03/03/pr2256-argentina-imf-and-argentine-authorities-reach-staff-level-agreement-on-an-eff.

2. Means of Payment

In February, means of payment (transactional private M2[2]) posted a 1.4% decline in real[3] and seasonally-adjusted (s.a.) terms. This dynamics was explained by the performance of non-interest-bearing sight deposits as well as by cash held by the public (see Chart 2.1). Transactional private M2 stood 1.0% above the level observed in February 2021 in year-on-year terms and at constant prices.

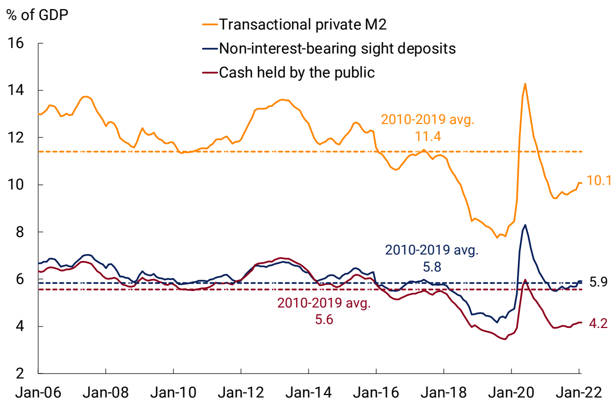
In terms of GDP, transactional private M2 continued standing below the average figure for the 2010-2019 period. As mentioned in previous reports, the low levels of cash held by the public explain this performance. Indeed, banknotes and coins held by the public stood 1.4 p.p. below the average verified between 2010 and 2019, a figure comparable to the minimum observed in the last 15 years (see Chart 2.2). This performance is influenced by the growing use of electronic means of payment.

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 in Terms of GDP



Source: BCRA

3. Savings Instruments in Pesos

In accordance with the strategy aimed at setting an interest rate path for individuals to obtain yields in line with the evolution of the inflation rate, by mid-February, **the Board of the BCRA decided to raise the minimum interest rates on time deposits once again**[4]. Thus, the minimum interest rate on natural persons' deposits of up to ARS10 million increased from 39% APR to 41.5% APR (50.40% EAR). For the other depositors of the financial system[5] the interest rate was also raised by 2.5 p.p. to reach 39.5% (47.5% EAR).

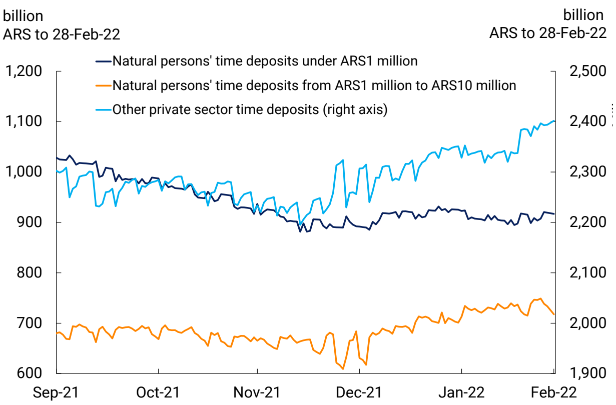
In this context, time deposits in pesos from the private sector posted a positive monthly expansion rate in real terms (1.6% s.a.) for the second month in a row. Thus, time deposits went on expanding in terms of GDP (0.2 p.p.) to stand at 6.8% in February, up 1.3 p.p. vis-à-vis the 2010-2019 period average, and down 1.2 p.p. against the peak recorded by mid-2020.

2 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.
3 The National Institute of Statistics and Censuses (INDEC) will publish February's inflation data on March 15.
4 Communication "A" 7459.
5 Financial service providers, companies, and natural persons with deposits over ARS10 million.

The growth posted in February was mainly explained by natural persons' deposits, in particular those ranging from ARS1 million to ARS10 million (see Chart 3.1). It should be noted that this segment has gone through the highest interest rate rise since the BCRA started to raise benchmark interest rates at the beginning of January (accruing a 7.5 p.p. rise). In turn, natural persons' time deposits under ARS1 million improved more slowly than prices. The other deposits from the non-financial private sector (legal persons' deposits regardless of the amount and natural persons' deposits over ARS10 million) recorded a slight increase in real terms.

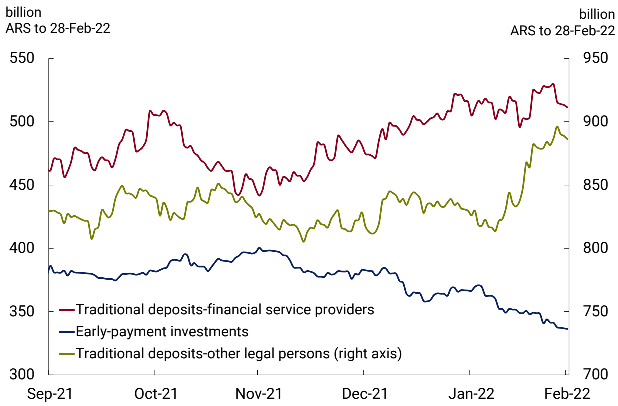
As regards legal persons' deposits, companies (excluding financial service providers —FSPs—) expanded their time deposit holdings, after the virtual stability observed throughout 2021 (see Chart 3.2). With respect to FSPs, there was an adjustment in their portfolios, with a rise in time deposits to the detriment of sight deposits. This took place against the backdrop of increased interest rates on time deposits and virtual stability in the equity of money market funds (MM FCI), which are the main actors within FSPs. Finally, early-payment investments, which cannot be sorted by type of holder, dropped systematically over February.

Chart 3.1 | Private Sector Time Deposits in Pesos
Stock at constant prices by type of depositor and amount



Source: BCRA

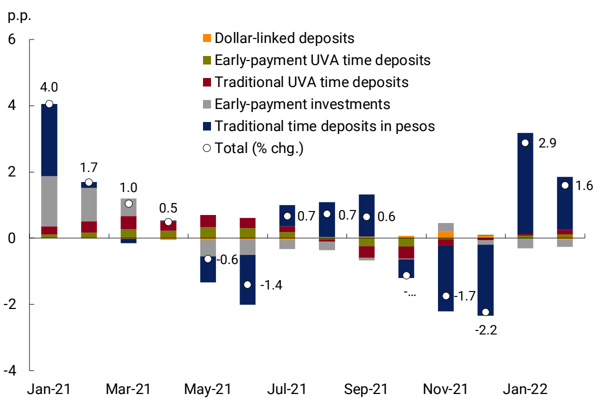
Chart 3.2 | Time Deposits over ARS20 Million
Stock at constant prices by type of depositor



Source: BCRA

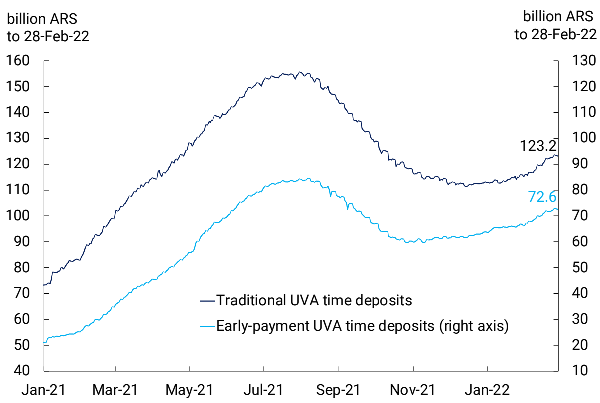
The growth of instruments could again be explained mainly by traditional time deposits in pesos. The dynamism of the traditional segment was in part offset by the fall of early-payment investments. In turn, both traditional and early-payment CER-adjustable deposits grew over February. Aggregate UVA deposits' monthly growth rate rose by 5.6% s.a. at constant prices, contributing positively to monthly expansion (see Charts 3.3 and 3.4).

Chart 3.3 | Private Sector Time Deposits in Pesos
Contribution to s.a. monthly change by type of instrument



Source: BCRA

Chart 3.4 | Private Sector UVA Time Deposits
Stock at constant prices



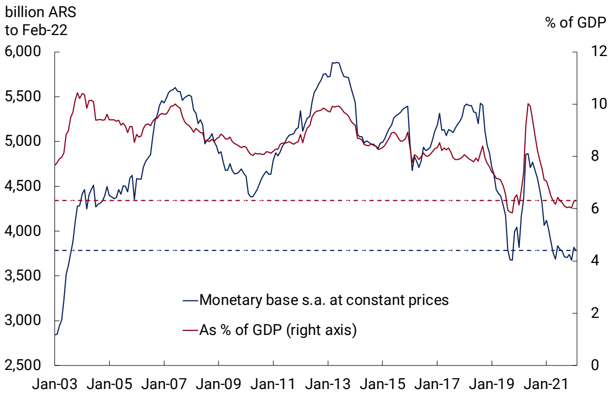
Source: BCRA

All in all, the broad monetary aggregate (private M3[6]) at constant prices declined by 0.9% s.a. over February. In turn, private M3 posted a 1.8% rise in y.o.y. terms. In terms of GDP, it remained at 18.6%, which is somewhat higher than the average recorded between 2010 and 2019.

4. Monetary Base

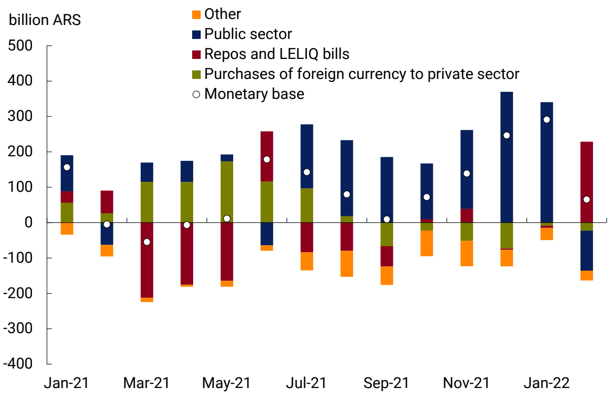
In February, the monetary base averaged ARS3,751 billion, which meant a monthly growth of 1.8% (+ARS65.31 billion) at current prices. Thus, it posted the lowest expansion of the last five months. The monetary base contracted by nearly 1% adjusted by seasonality and by the inflation rate, down around 5% y.o.y. In terms of GDP, the monetary base hit 6.3%, a similar figure to that of end-2019 and around the lowest figures observed since 2003 (see Chart 4.1).

Chart 4.1 | Monetary Base



Source: BCRA

Chart 4.2 | Monetary Base and Expansion Factors by Supply
Average monthly change



Source: BCRA

On the supply side, the monthly expansion of the monetary base was mainly explained by financial institutions' sale of 7-day repos. This took place due to a reduction of the repo interest rate favored by the BCRA's decision to redesign the monetary policy instruments at the beginning of January[7]. Such expansive effect more than offset the absorption of liquidity by means of the remaining monetary policy instruments (see Chart 4.2). In turn, public sector transactions and purchases of foreign currency to the private sector contracted over February.

As for remunerated liabilities, the BCRA decided to raise benchmark interest rates and create a new monetary policy instrument, in line with the Objectives and Plans for 2022. These measures seek to achieve better liquidity management at financial institution level as well as to raise the average terms of sterilization instruments. Thus, the interest rate on 28-day LELIQ bills increased by 2.5 p.p. to reach 42.5% APR (51.96% EAR), and the interest rate on 180-day LELIQ bills was raised by 3 p.p. to stand at 47% APR (52.61% EAR). Regarding instruments to sterilize financial institutions' short-term liquidity, the interest rate on overnight reverse repos went up by 1.5 p.p. to 33.5% APR (39.77% EAR). It is worth mentioning that the interest rate on overnight repos was also changed to 44.2% APR (55.54% EAR). Concurrently, the BCRA issued new liquidity notes (NOTALIQs) at a variable interest rate with auctions taking place once a week[8]. These are 190-day notes and the interest rate will be the average of the monetary policy

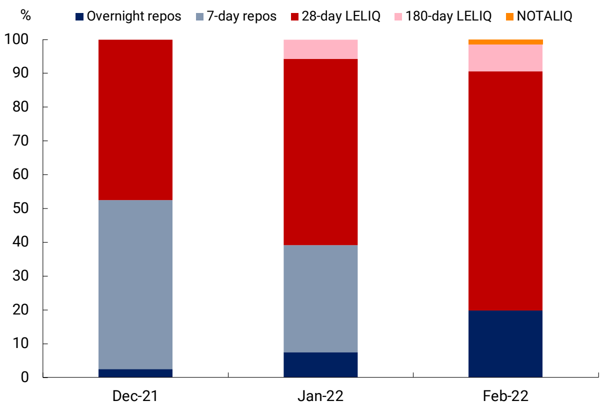
6 It includes cash held by the public and deposits in pesos from the non-financial private sector (sight deposits, time deposits and others).
7 See Monthly Monetary Report, January 2022.
8 See Comm. "A" 7460.

rate (28-day LELIQ bills) during the lifespan of the note plus a fixed spread that is reported to the market on the auction day[9]. Thus, financial institutions may choose this new instrument, which captures the monetary policy rate changes, or otherwise the 180-day LELIQ bills according to their expectations about the evolution of the monetary policy rate.

In February, LELIQ bills (considering both instruments) accounted for around 80% of remunerated liabilities. In particular, short-term LELIQ bills stood for more than 70% of the total, whereas 180-day bills posted a share of 8%. The rest of the total mainly pertained to overnight reverse repos, and to a modest share of NOTALIQs (see Chart 4.3).

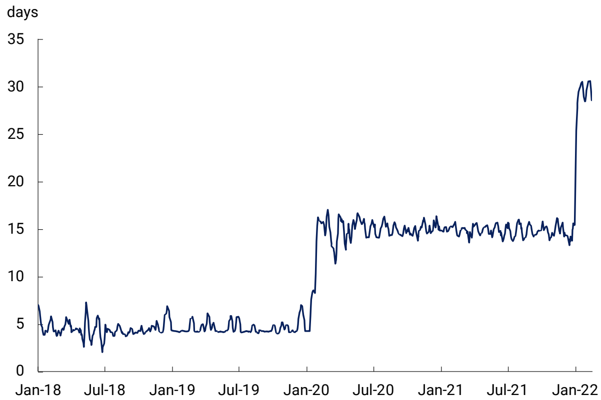
These changes in the relative composition of monetary policy instruments enabled the BCRA to continue implementing the policy on the extension of maturity terms on remunerated liabilities adopted at the beginning of the current management when the term for LELIQ bills was changed from 7 to 28 days in February 2020. Indeed, the average residual term of LELIQ bill total stock was about 30 days, virtually twice the average term observed in 2020 and 2021 (see Chart 4.4).

Chart 4.3 | BCRA's Remunerated Liabilities
Monthly average



Source: BCRA

Chart 4.4 | LELIQ Bill Average Term
7-day moving average



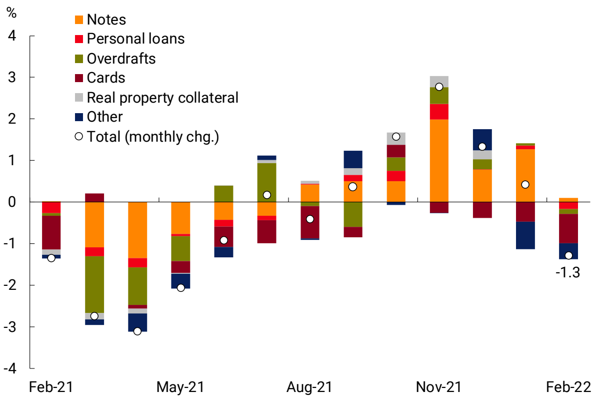
Source: BCRA

5. Loans to the Private Sector in Pesos

In February, loans in pesos to the private sector contracted by 1.3% monthly in real and seasonally-adjusted terms after five months of uninterrupted growth. In general terms, most credit lines fell over the month (see Chart 5.1). In February, the loans in pesos to the private sector to GDP ratio stood at 7.3%, a comparable figure to that recorded in previous months (see Chart 5.2).

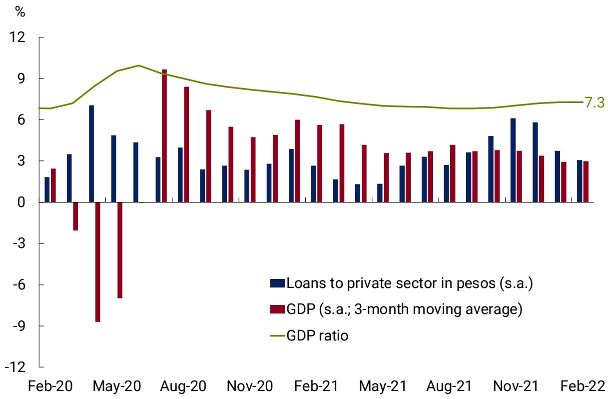
9 The variable interest rate will be the daily average of the monetary policy rate from the business day before the date of issuance of NOTALIQs to the business day before the maturity date plus a spread to be reported on the auction day.

Chart 5.1 | Loans to Private Sector in Pesos
Real, seasonally-adjusted; contribution to monthly growth



Source: BCRA

Chart 5.2 | Loans to Private Sector in Pesos as % of GDP



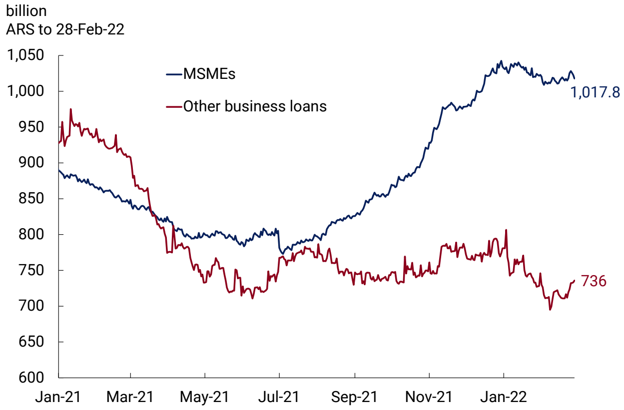
Source: BCRA

Aggregate business credit lines, in particular, posted a monthly contraction of 0.4% s.a. at constant prices after seven months of positive real changes. This type of financing presented a heterogeneous performance. On the one hand, shorter-term credit lines contributed negatively to monthly change. Indeed, financing granted through overdrafts fell by 1.2% s.a. at constant prices over February, and discounted notes contracted by 3% s.a. in real terms. On the other hand, promissory notes, with a longer-term average lifespan, improved 1.5% s.a. in real terms in February, partially offsetting the fall.

The contraction of business credit lines was mostly explained by the negative statistical carryforward observed in January, a month in which companies' demand for credit tends to fall due to seasonal factors associated with less activity during the summer vacations. Indeed, the analysis of business loans by type of debtor shows that the stock of such loans to micro-, small-, and medium-sized enterprises (MSMEs) as well as to big companies stopped falling in February and remained virtually stable (see Chart 5.3).

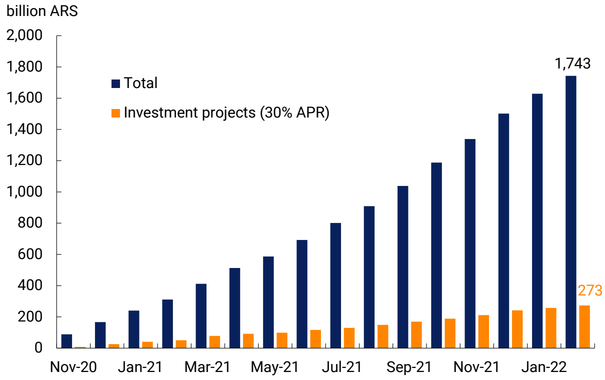
Loans to MSMEs were still mainly granted through the Credit Line for Productive Investment (LFIP, in Spanish). The loans granted until the end of February within the framework of the LFIP accrued about ARS1,743 billion from its implementation, up 7% vis-à-vis January (see Chart 5.4). As far as the end use of these funds is concerned, around 84% of total disbursements was channeled to finance working capital, and the rest to investment projects. At the time of this publication, the LFIP credit lines had been granted to 219,000 companies. Due to the favorable access conditions to this line, financing to MSMEs kept a positive expansion rate (18.4%) in y.o.y. terms and at constant prices, unlike financing to big companies, which contracted (-22.4%).

Chart 5.3 | Business Loans to Private Sector by Type of Debtor
Stock at constant prices



Source: BCRA

Chart 5.4 | Financing Granted through the Credit Line for Productive Investment (LFIP)
Accrued disbursed amounts as to end-of-month



Source: BCRA

As regards loans to consumption, financing on credit cards posted a contraction in real terms once again in February (-2.5% s.a.), down 11.6% against the level observed a year ago. In turn, personal loans exhibited a 1% monthly fall at constant prices, with the recovery process of the last five months coming to a halt. The interest rate on personal loans increased by nearly 1 p.p. on average and reached 55.8% APR in February.

As for loans with real property collateral, pledge-backed loans posted the highest growth, evidencing twenty months of improvement at constant prices. In February, they improved by 2.4% s.a. at constant prices, with an accrued expansion of 45.8% over the last twelve months. In turn, the stock of mortgage-backed loans fell by 2.1% in real and seasonally-adjusted terms in February, with an accrued fall of 13.1% over the last twelve months.

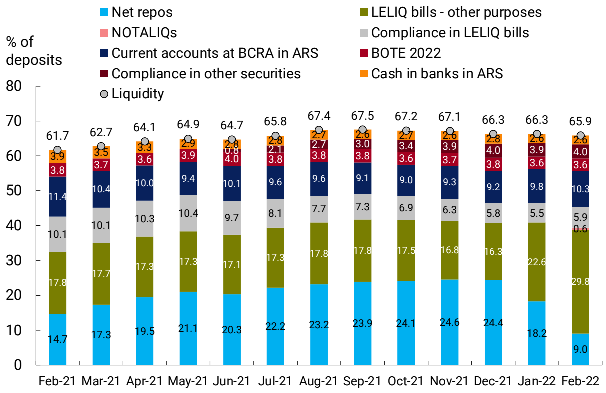
6. Financial Institutions' Liquidity in Pesos

In February, broad liquidity in domestic currency[10] averaged 65.9% of deposits, a similar figure to that of January. Thus, it stood at historically high levels. The components of bank liquidity went on changing according to the regulatory modifications implemented in January. On the one hand, the expansion of caps for underwriting LELIQ bills that are not allocated to minimum cash requirements (for up to the average stock of private sector time deposits from the previous month) caused them to increase their share by 7.2 p.p. of deposits. On the other hand, reverse repos fell by 8.2 p.p. Also, NOTALIQ auctions started to be held in February, yet with a limited share of deposits (see Chart 6.1).

As regards minimum requirements, it should be noted that, effective as from February, financial institutions' requirement to comply with minimum cash within the framework of the *Ahora 12* program was reduced from 50% to 40%[11].

10 It includes current accounts with the BCRA, cash holdings in banks, arranged net repo stocks with the BCRA, holdings of LELIQ bills, and holdings of bonds admitted to comply with the minimum reserve requirements.
11 Communication “A” 7448.

Chart 6.1 | Financial Institutions' Liquidity in Pesos



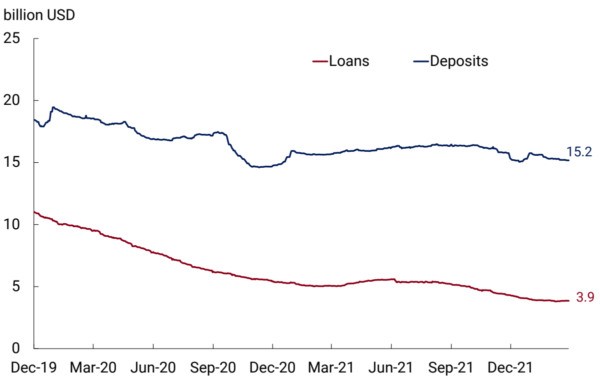
Source: BCRA

7. Foreign Currency

As regards foreign currency, financial institutions' main assets and liabilities posted negative, though minor, changes. Private sector deposits posted an average monthly decrease of USD290 million, mainly driven by January's carryforward. This performance was related to the evolution of natural persons' sight deposits from USD50,000 to USD250,000. Thus, the average monthly stock of deposits from the private sector stood at USD15.25 billion in February. In turn, loans to the private sector fell for the ninth month in a row, though moderately. On average, they declined by USD62 million, recording an average monthly stock of USD3.84 billion. The decrease of financing was centralized in unsecured promissory notes, which virtually represent total loans in foreign currency.

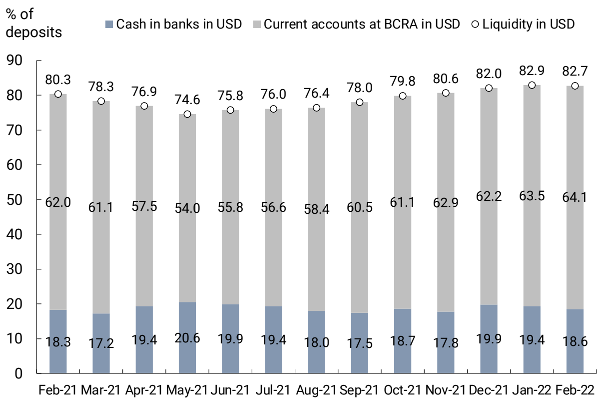
Bank liquidity in foreign currency remained at high levels, averaging 82.7% of deposits in February. This means that the figure is comparable to that of January and there were no significant changes in terms of the components of bank liquidity (see Chart 7.2).

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



Source: BCRA

Chart 7.2 | Financial Institutions' Liquidity in Foreign Currency

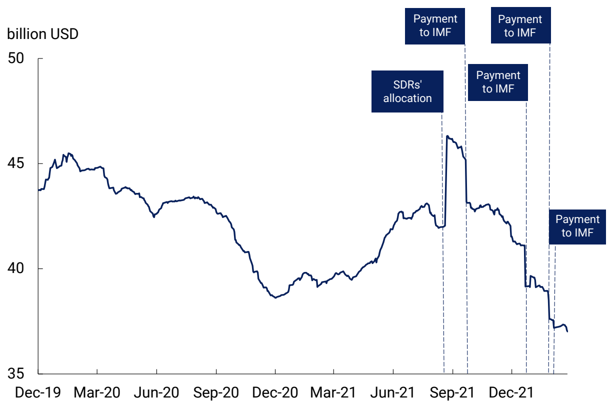


Source: BCRA

At the end of February, the BCRA's international reserves reached USD37.01 billion, USD572 million down against the end of January (see Chart 7.3). One of the explanatory factors for this is the payment to the IMF for USD367 million at the beginning of February. The rest of the fall was basically explained by payments in foreign currency to other international organizations and other payments for debts incurred by the National Government.

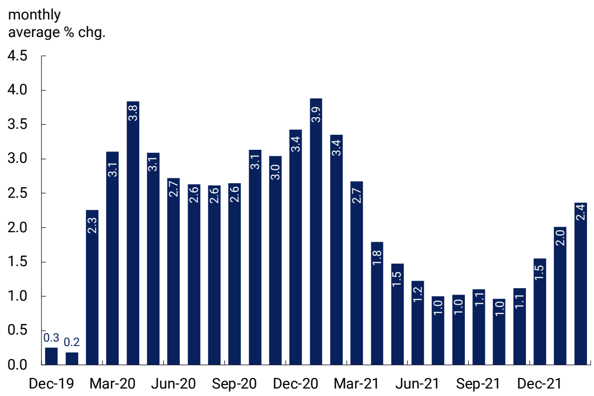
Finally, the ARS/USD nominal exchange rate (TCN, in Spanish) increased 2.4% and averaged ARS106.38/USD1 in February (see Chart 7.4). Hence, the depreciation pace of domestic currency is gradually readjusting to levels more compatible with the inflation rate. **A greater dynamism of TCN as well as the dynamics exhibited by quotes of the main trading partners allowed the Multilateral Real Exchange Rate Index (ITCRM, in Spanish) to remain at a competitive level during February**. This is aimed at strengthening the position of international reserves derived from the proceeds from exports.

Chart 7.3 | International Reserves
Daily stock



Source: BCRA

Chart 7.4 | Change in Bilateral Nominal Exchange Rate against USA



Source: BCRA

8. Regulatory Overview

Date of issue	Regulation	Description
17-Feb-22	Comm. "A" 7459	**Effective as from February 18, 2022, the minimum interest rate on natural persons' time deposits in financial institutions not exceeding ARS10 million on the date of deposit will be 97.65% of the monetary policy rate recorded on the day before the deposit is made or the last rate published. The interest rate on the remaining deposits will be 92.94% of the monetary policy rate. In turn, the interest rate on early-payment deposits will be 85.88% of such rate.** Likewise, **the minimum cash requirement will be reduced by 30% of the financings channeled to investment projects in the framework of the "Credit Line for Productive Investment for MSMEs" agreed at an APR up to 30%**, calculated as a monthly average of the daily balances of the previous month.
17-Feb-22	Comm. "A" 7460	**Effective as from February 17, 2022, the BCRA established the issuance and placement of liquidity notes (NOTALIQs) at a variable interest rate. These notes are underwritten and paid in pesos at a 190-day maximum term. The variable interest rate will be the daily average of the monetary policy rate from the business day before the date of issuance of NOTALIQs to the business day before the maturity date plus a spread to be reported on the auction day.** In turn, **only local financial institutions can operate as BCRA's counterparties.** Likewise, **the secondary market is restricted to financial institutions. These notes can only be traded locally**, and are meant to be used as underlying assets for repo transactions.
24-Feb-22	Comm. "A" 7462	The service of a digital wallet is the one offered by financial institutions or payment service providers (PSPs) through a mobile application or web browser that allows, among other transactions, payments by transfer (PCT, in Spanish) and/or through other payment instruments such as debit, credit, purchase or prepaid cards. Thus, **PSPs and financial institutions that offer this service must obtain a certification from the Registry of Interoperable Digital Wallets to provide PCT services initiated through QR codes**. Finally, **as from May, instant transfer scheme administrators will not enable acceptors to receive payments by transfer initiated through a QR code if they have not verified that such codes can be read by all digital wallets registered in the abovementioned BCRA's Registry**.
24-Feb-22	Comm. "A" 7463	**New technical requirements were established for PSPs and financial institutions that provide digital wallet services. They will have to establish mechanisms to identify users' suspicious or unusual activities to mitigate fraud risk**. In addition, they must provide technical means for account holders of digital wallet services to give their consent simply and immediately—when linking their sight or payment accounts—, and to verify that such consent is in effect at the time of authorizing any payment instructions so given. **Financial institutions and payment service providers that provide payment accounts (PSPCPs, in Spanish) will have 180 days since the issuance of the regulation to adjust their systems**. These technical requirements supplement and reinforce the security measures previously adopted. They are based on the need for interaction among wallets and bank or payment account providers in order to manage a customer's consent to link their account to the wallet on which they wish to make transactions. Also, these requirements are in line with the recommendations of the Bank for International Settlements (BIS) on cybersecurity risks and fraud risk.

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 Feb-22						% of GDP	
						Monthly		Accrued in 2022		Year-on-year			
	Feb-22	Jan-22	Dec-21	Dec-21	Feb-21	Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real	Feb-22	Dec-21
Monetary Base	**3,750,943**	**3,685,633**	**3,394,480**	**3,394,480**	**2,576,590**	1.8%	-0.9%	10.5%	3.0%	45.6%	-5.7%	**6.3%**	**6.0%**
Currency in circulation	2,686,579	2,677,121	2,504,731	2,504,731	1,836,512	0.4%	-1.4%	7.3%	-1.8%	46.3%	-5.3%	**4.6%**	**4.6%**
Cash held by the public	2,417,014	2,412,219	2,230,702	2,230,702	1,583,194	0.2%	-1.3%	8.4%	-0.4%	52.7%	-1.2%	**4.2%**	**4.1%**
Cash in financial institutions	269,565	264,902	274,029	274,029	253,317	1.8%	-2.5%	-1.6%	-13.7%	6.4%	-31.1%	**0.4%**	**0.5%**
Current accounts at BCRA	1,064,364	1,008,512	889,749	889,749	740,078	5.5%	1.1%	19.6%	15.5%	43.8%	-6.9%	**1.8%**	**1.6%**
BCRA's remunerated liabilities (NV ARS)	**4,652,744**	**4,703,424**	**2,366,670**	**2,366,670**	**955,558**	-1.1%	-5.2%	96.6%	82.3%	386.9%	215.3%	**8.1%**	**4.1%**
Reverse repos	922,635	1,840,825	2,366,670	2,366,670	955,558	-49.9%	-52.0%	-61.0%	-63.9%	-3.4%	-37.5%	**1.6%**	**4.1%**
1 day	922,635	349,455	110,546	110,546	74,570	164.0%	152.9%	734.6%	673.9%	1137.3%	701.1%	**1.6%**	**0.2%**
7 days	0	1,491,369	2,256,124	2,256,124	880,989	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	**0.0%**	**3.9%**
Stock of LELIQ bills	3,667,847	2,862,599	2,140,026	2,140,026	1,810,157	28.1%	22.7%	71.4%	58.9%	102.6%	31.2%	**6.4%**	**3.7%**
Stock of 28-day LELIQ bills	3,293,933	2,591,823	2,140,026	2,140,026	1,810,157	27.1%	21.7%	53.9%	42.7%	82.0%	17.8%	**5.7%**	**3.7%**
Stock of 180-day LELIQ bills	373,914	270,776	0	0	0	38.1%	32.3%	-	-	-	-	**0.6%**	**0.0%**
Stock of NOTALIQ	62,263	0	0	0	0	-	-	-	-	-	-	**0.1%**	**0.0%**
BCRA' s international reserves in dollars	**37,252**	**38,964**	**40,584**	**40,584**	**39,377**	-4.4%	-	-8.2%	-	-5.4%	-	**6.9%**	**7.6%**

Monthly average explanatory factors	Monthly		Quarterly		Accrued in 2022		Year-on-year	
	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution
Monetary Base	**65,310**	**1.8%**	**602,848**	**19.1%**	**356,463**	**10.5%**	**1,174,353**	**45.6%**
Foreign exchange purchases to private sector and others	-22,615	-0.6%	-104,065	-3.3%	-30,947	-0.9%	389,965	15.1%
Foreign exchange purchase to the NT	-114,113	-3.1%	-143,500	-4.6%	-143,500	-4.2%	-22,799	-0.9%
Temporary advances and profit transfers to National Government	106,258	2.9%	875,000	27.8%	515,300	15.2%	1,822,312	70.7%
Other public sector operations	-105,220	-2.9%	-134,184	-4.3%	-144,253	-4.2%	-171,687	-6.7%
Monetary policy instruments	228,698	6.2%	218,077	6.9%	221,962	6.5%	-364,221	-14.1%
Others	-27,698	-0.8%	-108,480	-3.4%	-62,098	-1.8%	-479,216	-18.6%
BCRA's International Reserves	**-1,711**	**-4.4%**	**-5,211**	**-12.3%**	**-3,332**	**-8.2%**	**-2,125**	**-5.4%**
Purchases of foreign currency	-215	-0.6%	-1,019	-2.4%	-296	-0.7%	4,369	11.1%
International organizations	-1,048	-2.7%	-3,198	-7.5%	-2,449	-6.0%	-2,782	-7.1%
Other public-sector transactions	-322	-0.8%	1,151	2.7%	272	0.7%	2,606	6.6%
Minimum cash requirements	-43	-0.1%	65	0.2%	523	1.3%	470	1.2%
Others (incl. forex valuation)	-83	-0.2%	-2,211	-5.2%	-1,383	-3.4%	-6,788	-17.2%

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

Minimum Cash Requirement and Compliance	Feb-22	Jan-22	Dec-21
Domestic currency	% of total deposits in pesos		
Net requirement of deductions	23.5	22.6	22.1
Compliance in current account	10.3	9.8	9.2
Compliance in LELIQ bills	19.0	18.1	18.3
Compliance in BOTE 2022	3.6	3.6	3.8
Compliance in sovereign bonds/other	4.0	3.9	4.0
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 yet granted)	64.1	63.5	62.2
Position (1)	40.1	39.5	38.2

(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 Feb-22						% of GDP[4]	
	Feb-22	Jan-22	Dec-21	Dec-21	Feb-21	Monthly		Accrued in 2022		Year-on-year		Feb-22	Dec-21
						Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real		
Domestic currency													
Total deposits from the non-financial sector in pesos[1]	**10,193,487**	**10,080,046**	**9,608,635**	**9,608,635**	**6,451,538**	1.1%	-3.2%	6.1%	-0.9%	58.0%	2.3%	**17.8%**	**17.3%**
Private sector deposits	*8,262,118*	*8,062,972*	*7,742,862*	*7,742,862*	*5,210,373*	2.5%	-1.8%	6.7%	-0.1%	58.6%	2.7%	**14.4%**	**13.9%**
Private Sector Sight Deposits	4,179,982	4,222,272	4,120,701	4,120,701	2,581,461	-1.0%	-1.8%	1.4%	-0.1%	61.9%	4.8%	**7.3%**	**7.2%**
Non-interest bearing (transactional)	*3,379,046*	*3,432,241*	*3,308,964*	*3,308,964*	*2,135,834*	-1.5%	-1.5%	2.1%	2.1%	58.2%	2.4%	**5.9%**	**5.7%**
Interest-bearing	800,936	790,031	811,737	811,737	445,627	1.4%	-2.9%	-1.3%	-8.5%	79.7%	16.4%	**1.4%**	**1.5%**
Private Sector Time Deposits and Others	4,082,136	3,840,700	3,622,161	3,622,161	2,628,912	6.3%	1.8%	12.7%	4.5%	55.3%	0.5%	**7.1%**	**6.7%**
Time Deposits	3,925,358	3,700,053	3,473,779	3,473,779	2,521,233	6.1%	1.6%	13.0%	4.8%	55.7%	0.8%	**6.8%**	**6.4%**
CER / UVA non-adjustable	3,738,651	3,530,641	3,314,131	3,314,131	2,442,825	5.9%	1.4%	12.8%	4.6%	53.0%	-0.9%	**6.5%**	**6.1%**
CER / UVA-adjustable	186,707	169,412	159,648	159,648	78,408	10.2%	5.6%	16.9%	8.4%	138.1%	54.2%	**0.3%**	**0.3%**
Traditional	117,775	107,527	102,680	102,680	59,120	9.5%	4.9%	14.7%	6.4%	99.2%	29.0%	**0.2%**	**0.2%**
Early-payment	68,932	61,885	56,968	56,968	19,288	11.4%	6.7%	21.0%	12.2%	257.4%	131.4%	**0.1%**	**0.1%**
Other deposits	156,778	140,647	148,382	148,382	107,679	11.5%	6.8%	5.7%	-2.0%	45.6%	-5.7%	**0.3%**	**0.3%**
Public sector deposits[2]	*1,931,370*	*2,017,074*	*1,865,772*	*1,865,772*	*1,241,165*	-4.2%	-8.3%	3.5%	-4.0%	55.6%	0.8%	**3.4%**	**3.4%**
Monetary Aggregates													
Total M2	7,366,062	7,553,712	7,144,286	7,144,286	4,675,060	-2.5%	-3.8%	3.1%	-1.8%	57.6%	2.0%	**12.6%**	**12.6%**
Total M3	12,699,414	12,577,543	11,928,494	11,928,494	8,075,641	1.0%	-1.8%	6.5%	0.0%	57.3%	1.8%	**21.9%**	**21.6%**
Private sector monetary aggregates													
Private M2	6,596,996	6,634,490	6,351,403	6,351,403	4,164,656	-0.6%	-1.3%	3.9%	-0.4%	58.4%	2.6%	**11.5%**	**11.4%**
Transactional private M2[3]	5,796,059	5,844,459	5,539,666	5,539,666	3,719,028	-0.8%	-1.4%	4.6%	1.0%	55.8%	0.9%	**10.1%**	**9.8%**
Private M3	10,679,131	10,475,190	9,973,564	9,973,564	6,793,567	1.9%	-0.9%	7.1%	0.6%	57.2%	1.8%	**18.6%**	**18.2%**
Total loans to the non-financial sector in pesos	**4,234,637**	**4,160,408**	**4,058,133**	**4,058,133**	**2,867,631**	1.8%	-1.3%	4.3%	-1.0%	47.7%	-4.4%	**7.4%**	**7.3%**
Loans to the non-financial private sector	***4,183,105***	***4,109,324***	***4,003,444***	***4,003,444***	***2,822,504***	1.8%	-1.3%	4.5%	-0.9%	48.2%	-4.0%	**7.3%**	**7.2%**
Overdrafts	412,767	398,010	392,585	392,585	305,567	3.7%	-1.2%	5.1%	-0.6%	35.1%	-12.5%	**0.7%**	**0.7%**
Promissory notes	1,058,306	1,049,937	1,010,395	1,010,395	648,889	0.8%	0.4%	4.7%	5.5%	63.1%	5.6%	**1.9%**	**1.8%**
Mortgage-backed loans	294,730	289,440	280,283	280,283	219,714	1.8%	-2.1%	5.2%	-2.3%	34.1%	-13.1%	**0.5%**	**0.5%**
Pledge-backed loans	255,184	241,268	229,234	229,234	113,326	5.8%	2.4%	11.3%	5.1%	125.2%	45.8%	**0.4%**	**0.4%**
Personal loans	713,091	685,554	665,885	665,885	463,707	4.0%	-1.0%	7.1%	-0.5%	53.8%	-0.4%	**1.2%**	**1.2%**
Credit cards	1,217,306	1,211,694	1,198,243	1,198,243	891,851	0.5%	-2.5%	1.6%	-4.1%	36.5%	-11.6%	**2.0%**	**2.1%**
Others	231,721	233,420	226,818	226,818	179,451	-0.7%	-2.9%	2.2%	-3.4%	29.1%	-16.4%	**0.4%**	**0.4%**
Loans to the non-financial public sector	***51,532***	***51,084***	***54,689***	***54,689***	***45,126***	0.9%	-3.4%	-5.8%	-12.6%	14.2%	-26.1%	**0.1%**	**0.1%**
Foreign currency[1]													
Deposits from the non-financial sector in dollars	**18,478**	**18,742**	**18,237**	**18,237**	**18,396**	-1.4%	-	1.3%	-	0.4%	-	**3.5%**	**3.5%**
Deposits from the non-financial private sector in dollars	15,249	15,539	15,255	15,255	15,649	-1.9%	-	0.0%	-	-2.6%	-	**2.8%**	**2.9%**
sight deposits	11,313	11,527	11,233	11,233	11,346	-1.9%	-	0.7%	-	-0.3%	-	**2.1%**	**2.1%**
time deposits and others	3,936	4,013	4,022	4,022	4,303	-1.9%	-	-2.1%	-	-8.5%	-	**0.7%**	**0.8%**
Deposits from the non-financial public sector in dollars	3,229	3,203	2,982	2,982	2,747	0.8%	-	8.3%	-	17.5%	-	**0.6%**	**0.6%**
Loans to the non-financial sector in dollars	**3,974**	**4,049**	**4,268**	**4,268**	**5,184**	-1.8%	-	-6.9%	-	-23.3%	-	**0.7%**	**0.8%**
Loans to the non-financial private sector in dollars	3,845	3,908	4,127	4,127	5,050	-1.6%	-	-6.8%	-	-23.9%	-	**0.7%**	**0.8%**
Promissory notes	2,473	2,551	2,729	2,729	3,382	-3.0%	-	-9.4%	-	-26.9%	-	**0.5%**	**0.5%**
Credit cards	200	145	137	137	82	37.8%	-	46.2%	-	144.1%	-	**0.0%**	**0.0%**
Others	1,173	1,212	1,261	1,261	1,586	-3.3%	-	-7.0%	-	-26.1%	-	**0.2%**	**0.2%**
Loans to the non-financial public sector in dollars	128	141	141	141	134	-8.9%	-	-8.9%	-	-4.4%	-	**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	Feb-22	EAR Feb-22	Jan-22	Dec-21	Dec-21	Feb-21
BCRA repo interest rates						
Overnight reverse repo	32.47	38.35	32.00	32.00	32.00	32.00
Overnight repo	43.29	54.13	42.70	42.70	42.70	81.80
28-day LELIQ bill interest rate	40.63	49.19	39.35	38.00	38.00	38.00
180-day LELIQ bill interest rate	44.75	55.27	44.00			
Interbank market interest rates	**Feb-22**	**EAR Feb-22**	**Jan-22**	**Dec-21**	**Dec-21**	**Feb-21**
Repo rates among third parties on overnight REPO round	32.31	38.11	29.43	30.98	30.98	32.21
Volume of repos traded among third parties (daily average)	12,058		3,753	4,489	4,489	4,583
Calls in pesos (overnight)						
Interest rate	31.29	36.72	31.36	30.46	30.46	30.42
Traded volume	15,847		20,031	19,687	19,687	8,764
Borrowing interest rates	**Feb-22**	**EAR Feb-22**	**Jan-22**	**Dec-21**	**Dec-21**	**Feb-21**
Sight deposits						
Interest-bearing	27.71	31.52	28.63	28.87	28.87	28.90
Time deposits						
Natural persons up to ARS1 million (30-35 days)[1]	39.60	47.65	38.24	36.29	36.29	36.33
Total TM20 (more than ARS20 million, 30-35 days)	36.83	43.74	35.28	33.25	33.25	33.09
Private banks' TM20 (more than ARS20 million, 30-35 days)	37.58	44.79	35.98	33.98	33.98	33.91
Total BADLAR (more than ARS1 million, 30-35 days)	37.36	44.48	35.78	33.34	33.34	33.14
Private banks' BADLAR (more than ARS1 million, 30-35 days)	38.24	45.73	36.66	34.20	34.20	34.06
Interest rate on UVA deposits' early-payment option	36.50	43.28	34.00	30.50	30.50	30.50
Lending interest rates	**Feb-22**	**EAR Feb-22**	**Jan-22**	**Dec-21**	**Dec-21**	**Feb-21**
Loans to the non-financial private sector in pesos						
Overdrafts	42.05	52.24	41.59	40.46	40.46	40.96
1 to 7 days—in accordance with companies—more than ARS10 million	35.96	43.10	35.68	35.36	35.36	34.89
Unsecured promissory notes	35.74	42.22	34.80	34.78	34.78	35.09
Mortgage-backed loans	30.87	35.64	30.51	29.71	29.71	30.26
Pledge-backed loans	28.78	32.90	28.75	28.16	28.16	28.55
Personal loans	55.82	72.60	54.89	53.00	53.00	55.98
Credit cards	45.04	55.62	42.84	42.87	42.87	42.79
Interest rate in foreign currency	**Feb-22**	**EAR Feb-22**	**Jan-22**	**Dec-21**	**Dec-21**	**Feb-21**
Time deposits in dollars (30 to 44 days)	0.36	0.36	0.37	0.37	0.37	0.39
Unsecured promissory notes in dollars	3.70	3.76	4.97	5.97	5.97	4.99
Exchange rate	**Feb-22**	**Monthly chg. (%)**	**Jan-22**	**Dec-21**	**Dec-21**	**Feb-21**
NER peso/dollar						
Wholesale (Comm. "A" 3500)	106.38	2.36	103.93	101.88	101.88	88.72
Retail rate[2]	108.77	2.34	106.28	104.27	104.27	90.94
NER peso/real	20.47	8.82	18.81	18.01	18.01	16.39
NER peso/euro	120.74	2.65	117.63	115.14	115.14	107.30
ITCNM	721.08	4.00	693.36	672.89	672.89	606.51
ITCRM	103.36	1.06	102.27	102.57	102.57	123.43

1 The interest rate under consideration does not agree with the minimum interest rate. The reason for this is that the latter only involves natural persons' deposits below ARS1 million. The minimum interest rate applies to the whole time deposits of each depositor in the financial institution as long as they do not exceed ARS1 million.

2 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 of ARS1 million and over 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
FCI: Mutual Funds
GDP: Gross Domestic Product
IAMC: Argentine Institute for Capital Markets
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
MM: Money Market
MSMEs: Micro, Small and Medium-Sized Enterprises
NBFI: Non-Bank Financial Institution
NOCOM: Cash Compensation Notes issued by 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 of Payment of Foreign Service
SISCEN: BCRA Centralized Reporting Requirement System
TCN: Nominal Exchange Rate
TM20: Interest rate on time deposits of ARS20 million and over 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