Monthly Monetary Report

March 2022

BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

Contents

The closing date for statistics in this report was April 7, 2022. All figures are provisional and subject to review.

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About inclusive language in the Spanish version of this report

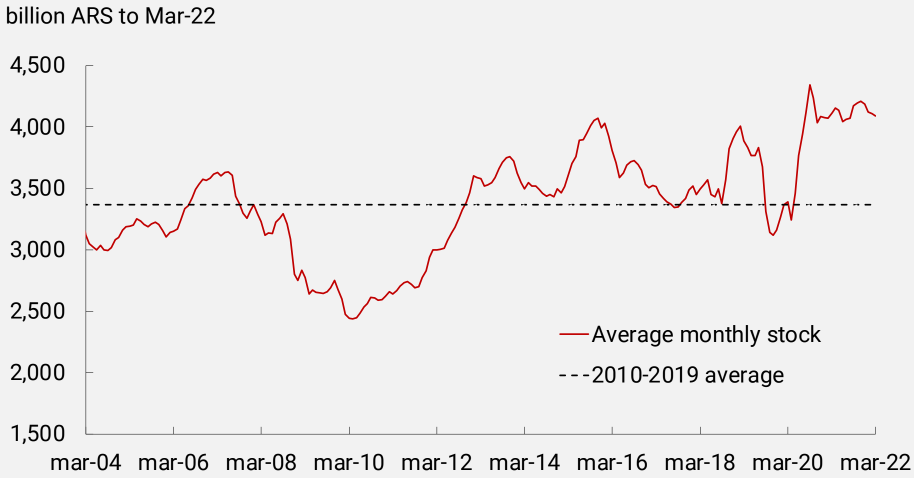
The Central Bank of Argentina is committed to encouraging the use of a non-discriminatory language that promotes the acceptance of all gender identities. It should be noted that all those who have contributed to this report acknowledge that language influences ideas, feelings, ways of thinking, as well 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.
-4.9%	-4.0%	-0.4%	5.3%	-3.1%

Private Sector Time Deposits in Pesos
Contribution to monthly growth by amount at constant prices



Source: BCRA

Loans to the Private Sector
real monthly chg. s.a.
-1.5%

LELIQ Bills Interest Rate
APR
44.5%

7-Day Reverse Repo
APR
34.5%

International Reserves
million USD; end-of-month
43,137

In March, the broad monetary aggregate (private M3) at constant prices posted a 3.1% seasonally-adjusted (s.a.) monthly decline. This was explained by the performance of means of payment, whereas private sector time deposits remained relatively stable, around the highs of the past few decades. The growth of deposits linked to the reference stabilization coefficient (CER, in Spanish) stood out among savings instruments in pesos.

In March, the BCRA decided to raise benchmark interest rates for the third time in the year. The minimum interest 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. Moreover, the BCRA decided in March to extend the Credit Line for Productive Investment (LFIP, in Spanish) until September 30. As a result, this line is entering a new phase after achieving the main objective of protecting the productive system during the pandemic: now the LFIP is aimed at promoting production as a way of contributing to expanding aggregate supply. Both the rise in benchmark interest rates and the measures aimed at fostering productive lending seek to contribute towards controlling inflation.

In addition, the National Government reached an agreement with the International Monetary Fund (IMF) regarding the Extended Fund Facility (EFF)[1], which is expected to refinance the numerous obligations for 2022 and 2023 under the Stand-By Agreement signed in 2018. The first disbursement under the new program was received in March. These funds were assigned to reimburse the principal payment of USD2.80 billion scheduled for March, and to strengthen international reserves, which were further increased by the net purchase of foreign currency by the BCRA in the same month.

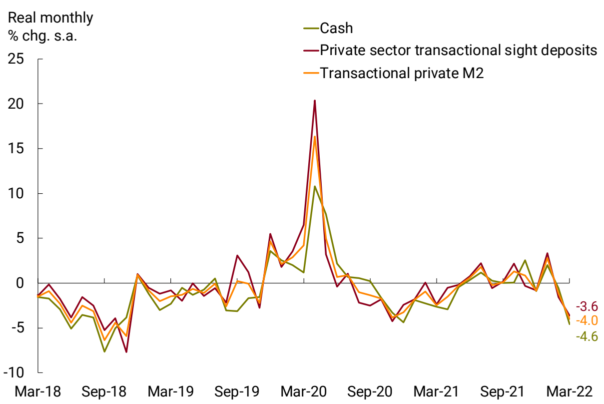
1https://www.hcdn.gob.ar/institucional/infGestion/balances-gestion/archivos/0001-PE-2022.pdf
https://www.imf.org/en/Publications/CR/Issues/2022/03/25/Argentina-Staff-Report-for-2022-Article-IV-Consultation-and-request-for-an-Extended-515742

2. Means of Payment

Means of payment (transactional private M2[2]) fell by 4.0% in real[3] and s.a. terms in March—the greatest decrease since late 2018 (see Chart 2.1). This fall was explained by the performance of non-interest-bearing sight deposits as well as by cash held by the public. Transactional private M2 stood just 0.7% below the level observed in March 2021 in year-on-year (y.o.y.) terms and at constant prices.

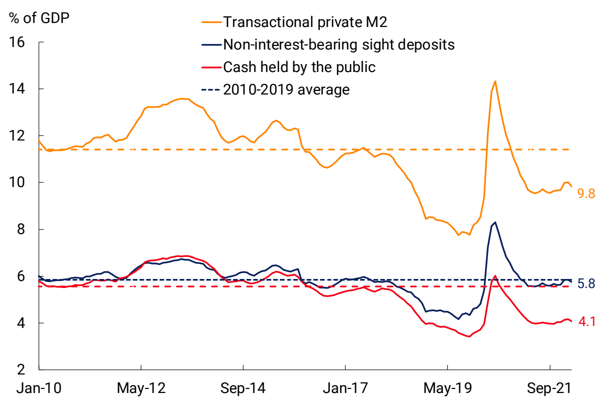
In terms of GDP, transactional private M2 declined by 0.2 p.p. compared to February, and thus continued standing below the average figure for the 2010-2019 period (see Chart 2.2). Cash held by the public, as mentioned in previous editions, remained around the lowest figures of the past 15 years, 1.5 p.p. below the average between 2010 and 2019. The low level of demand for banknotes and coins is partly due to a higher relative demand for sight deposits that, in turn, was explained by the growing use of electronic means of payment in the past few years. As a result, transactional sight deposits from the private sector stood around the average observed between 2010 and 2019.

Chart 2.1 | Transactional Private M2 at Constant Prices
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

By the end of March, **the Board of the BCRA decided to raise the minimum interest rates on time deposits for the third time in the year**[4]. Such measure is consistent with the strategy aimed at setting an interest rate path to obtain yields in line with inflation. Thus, the minimum interest rate on natural persons' deposits of up to ARS10 million increased from 41.5% APR to 43.5% APR (53.3% EAR). For the other depositors of the financial system[5] the interest rate was also raised by 2.0 p.p. to reach 41.5% (50.4% EAR).

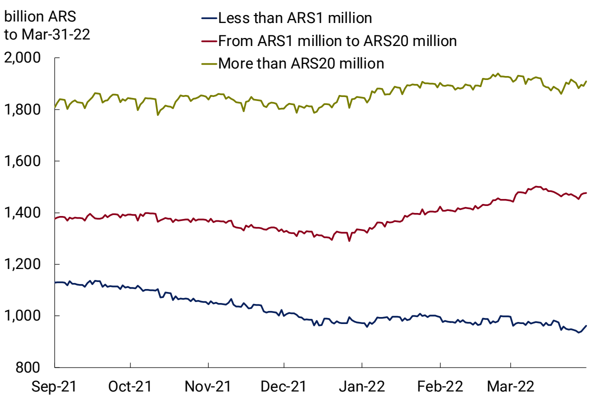
In March, private sector time deposits in pesos exhibited no significant changes in real and s.a. terms (-0.4%). Hence, time deposits remained around the peak values of the past few decades, at 6.9% of GDP, up 1.4 p.p. *vis-à-vis* the 2010-2019 period average, and down 0.9 p.p. against the peak recorded 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, in Spanish) will publish March's inflation data on April 13.
4 Communication "A" 7474.
5 Financial service providers, companies, and natural persons with deposits over ARS10 million.

Time deposits broken down by amount showed a heterogeneous performance. Deposits under ARS1 million at constant prices shrank virtually by 3% in real, s.a. terms in March. Deposits over ARS20 million also declined in the month, though to a lesser extent. Deposits between ARS1 and ARS 20 million, mainly held by natural persons, showed an average increase in the month, the performance of the other amount ranges being partially offset (see Chart 3.1).

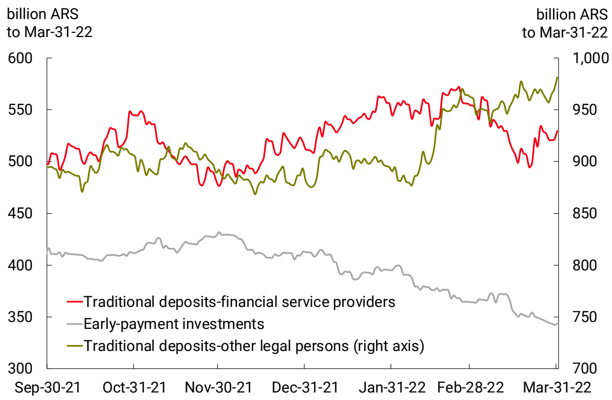
Wholesale deposits fell in real terms mostly in the segment of financial service providers (FSPs) in a period when the equity of money market funds (FCI MM, in Spanish)—which are the main actors within FSPs—went down. In turn, the other legal persons expanded their time deposit holdings for the second month in a row (see Chart 3.2). This might be associated with a lower relative return offered by other investment options, such as interest-bearing sight deposits and mutual funds (FCI, in Spanish). Finally, early-payment investments, which cannot be sorted by type of holder, continued falling.

Chart 3.1 | Private Sector Time Deposits in Pesos
Stock at constant prices grouped by amount



Source: BCRA.

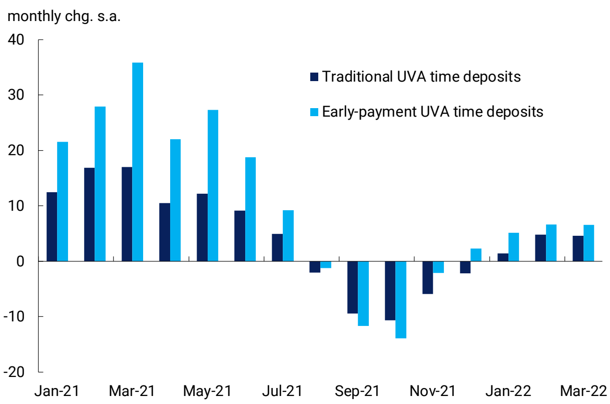
Chart 3.2 | Time Deposits over ARS20 Million
Stock at constant prices by type of depositor and instrument



Source: BCRA.

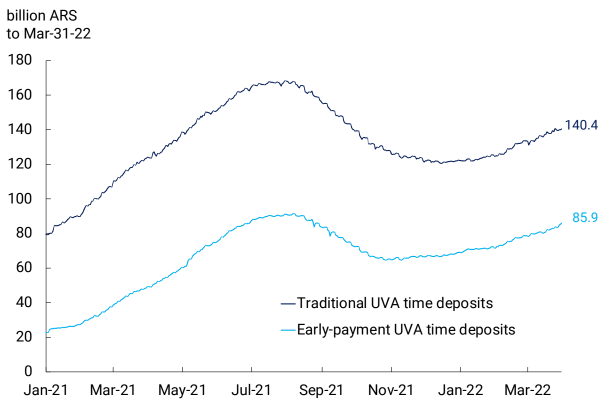
The relative stability of savings instruments in pesos concealed a heterogeneous performance at instrument level. Indeed, traditional time deposits in pesos made a negative contribution to monthly change, which was partially offset by the expansion of CER-adjustable deposits. At constant prices and seasonally adjusted, such deposits exhibited a growth rate similar to that of the previous month (5.3%). That growth was observed in both traditional and early-payment deposits adjusted by units of purchasing power (UVA, in Spanish), with monthly expansion rates of 4.7% s.a. and 6.5% s.a. in real terms (see Charts 3.3 and 3.4).

Chart 3.3 | Private Sector UVA Time Deposits
S.a. monthly change by type of instrument



Source: BCRA.

Chart 3.4 | Private Sector UVA Time Deposits
Daily stock at constant prices



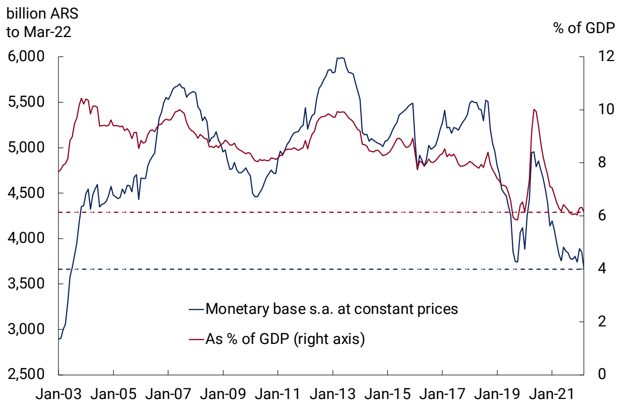
Source: BCRA.

All in all, the broad monetary aggregate (private M3[6]) at constant prices declined by 3.1% s.a. over March, the greatest fall since late 2019.** This aggregate remained virtually unchanged in y.o.y. terms. As a percentage of GDP, it reached 18.2%, 0.3 p.p. below the figure recorded in February. However, it stood slightly above the average observed between 2010 and 2019.

4. Monetary Base

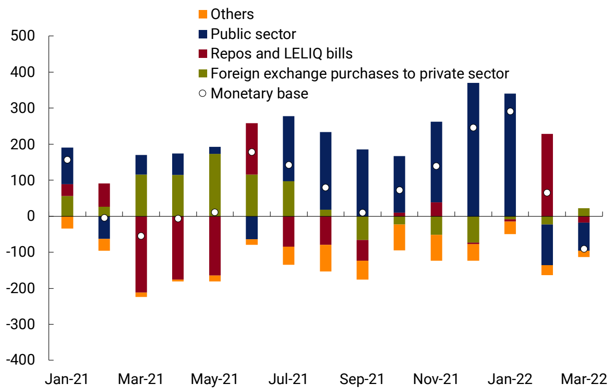
In March, the monetary base averaged ARS3,660.3 billion, which meant a monthly drop of 2.4% (-ARS90.68 billion) at current prices. This has been the first reduction since April 2021. The monetary base decreased by 4.9% adjusted for seasonality and for the inflation rate expected for the month, down 7.3% y.o.y. In terms of GDP, the monetary base hit 6.1%, a similar figure to that of early 2020, standing 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 monetary base contracted mainly due to public sector transactions and to monetary policy instruments, though the impact of the latter was lower. It should be noted that **the only expansion factor in the month was the foreign exchange purchases to the private sector** (see Chart 4.2)

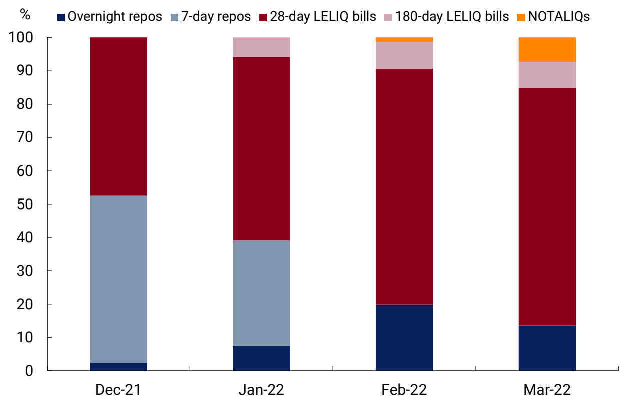
By the end of March, the Board raised the interest rates on monetary policy instruments once again, in line with the goal of setting a policy interest rate path to obtain positive real returns on investments in domestic currency, and to preserve monetary and foreign exchange stability. The interest rate on 28-day and 180-day liquidity bills (LELIQ, in Spanish) was raised by 2.0 p.p. and 2.5 p.p., respectively. Therefore, the monetary policy interest rate climbed to 44.5% (54.89% EAR), while the rate on LELIQ bills with a longer maturity stood at 49,5% APR (55.72% EAR). As for short-term instruments, the interest rate on overnight reverse repos increased by 1.0 p.p. to 34.5% APR (41.18% EAR), whereas the rate on overnight repos was 46.5% APR (59.15% EAR). Finally, the fixed spread of liquidity notes (NOTALIQs, in Spanish) in the last auction of the month was 5.0 p.p., up 0.5 p.p. compared to the previous auction.

In March, LELIQ bills (considering both instruments) accounted for around 80% of remunerated liabilities. Those with the shortest maturity stood out with a share of 70% in the total. The rest included overnight reverse repos and NOTALIQs. The latter gained share in the month to the detriment of the former (see Chart 4.3).

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

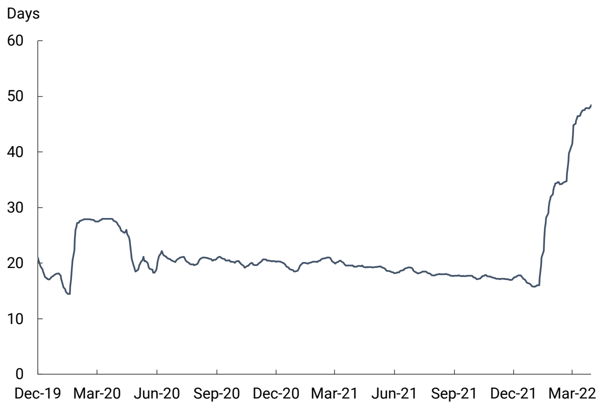
These changes in the relative composition of monetary policy instruments enabled the BCRA to continue implementing the policy on the extension of maturity terms on remunerated liabilities adopted at the beginning of the current management. Indeed, the average term of monetary regulation instruments (LELIQ bills, repos and NOTALIQs) was about 50 days, more than three times the term in effect at the beginning of 2022 (see Chart 4.4).

Chart 4.3 | Composition of BCRA's Remunerated Liabilities
Monthly average



Source: BCRA.

Chart 4.4 | Average Term of BCRA's Remunerated Liabilities
7-day moving average

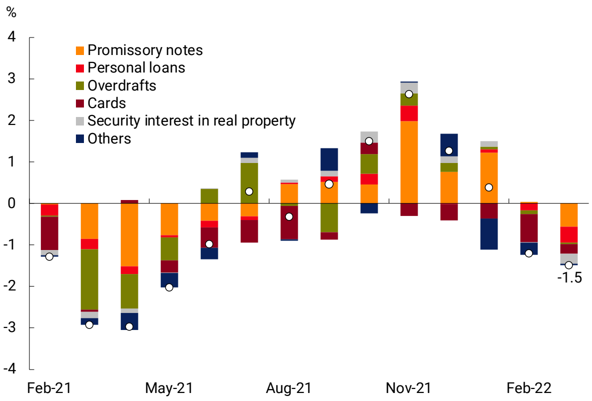


Source: BCRA.

5. Loans to the Private Sector in Pesos

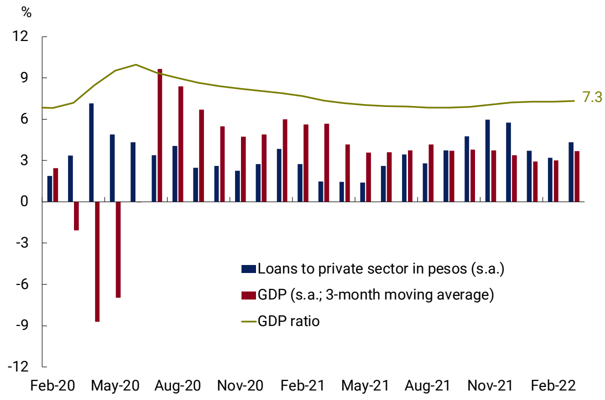
In March, s.a. loans in pesos to the private sector grew at a slower pace compared to prices: a 1.5% s.a. monthly reduction at constant prices. They thus fell for two months in a row. All credit lines contributed negatively to the change in the month (see Chart 5.1). The ratio of loans in pesos to the private sector to GDP stood slightly above 7%, a comparable figure to that recorded in previous months (see Chart 5.2).

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.

Business credit lines dropped 1.7% s.a. at constant prices in March, but they stood 2.1% above the figure reported a year earlier. Such a decrease occurred mainly as a result of a decline in financing arranged through promissory notes—explained by both unsecured promissory notes (-1.6% real s.a.) and discounted notes (-

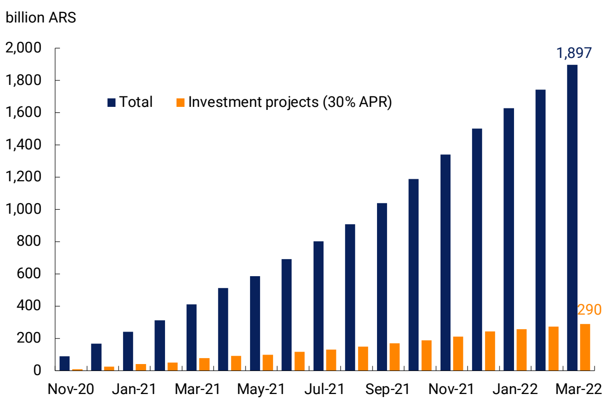
1.4% real s.a.)—which have a lower average term (about 2 months). In turn, financing granted through overdrafts shrank 0.4% s.a. in the month.

The BCRA has recently extended the LFIP until September. Financial institutions belonging to group A must now allocate to this line at least 7.5% of deposits from the non-financial private sector in pesos, calculated on the average of daily balances for March 2022[7]. Maximum interest rates on loans granted under the LFIP were raised in line with the monetary policy interest rate. The interest rate on investment projects thus went from 30% to 35% APR, whereas that on working capital loans rose by 2 p.p., to 43% APR.

Loans to micro, small and medium-sized enterprises (MSMEs) were mainly granted through the LFIP. The loans granted until the end of March within the framework of the LFIP accrued about ARS1,897 billion from its implementation, up 8.8% *vis-à-vis* February (see Chart 5.3). As far as the end use of these funds is concerned, around 85% 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 230,631 companies.

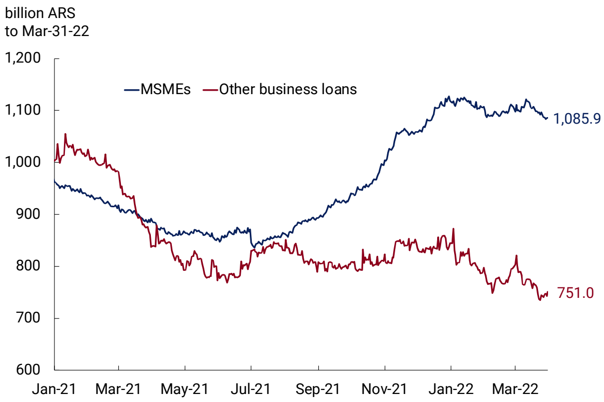
The analysis of business loans by type of debtor shows that lending to MSMEs remained relatively stable in real terms, but that channeled to large companies continued on the decline, the latter accounting for virtually all business lines (see Chart 5.4). Lending to MSMEs increased by 22.4% y.o.y. at constant prices, while large companies exhibited a reduction (-16.2%).

Chart 5.3 | Financing Granted through the LFIP
Accrued disbursed amounts as to end-of-month



Source: BCRA.

Chart 5.4 | Business Loans to Private Sector by Type of Debtor
Stock at constant prices



Source: BCRA.

As regards loans to consumption, financing on credit cards posted a contraction in real terms (0.8% s.a.) in March, 12.0% below the level observed a year ago. In turn, personal loans fell by 2.3% in the month at constant prices, standing 1.2% below the level reached in March 2021. The interest rate on personal loans stood at 55.9% APR in March (72.7% EAR), similarly to the previous month.

As for loans with real property collateral, the stock of pledge-backed loans remained virtually unchanged in real and s.a. terms (-0.3%), increasing 43.1% y.o.y. in March (the highest among all credit lines). The stock of mortgage-backed loans decreased by 3.2% s.a. in real terms during the month, which led to a 13.6% reduction in the past 12 months.

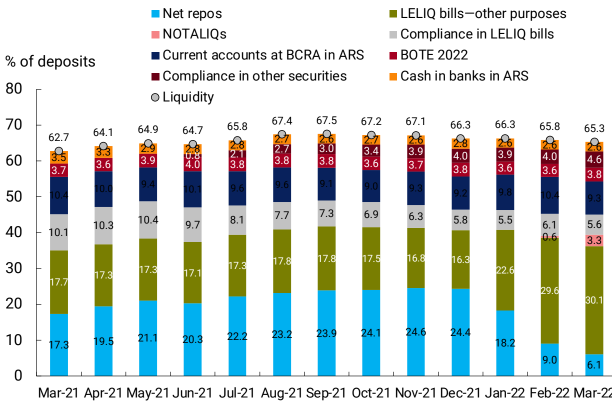
7 Communication "A" 7475.

6. Financial Institutions' Liquidity in Pesos

In March, broad liquidity in domestic currency[8] averaged 65.3% of deposits, slightly below February's figure. Thus, it stood at historically high levels.

The components of bank liquidity went on changing according to the regulatory modifications implemented in January. Financial institutions continued unwinding their stock of reverse repos and bought government securities eligible for meeting minimum cash requirements and NOTALIQs. The stock of LELIQ bills remained constant in terms of deposits. However, a change in composition was observed: the relative share of LELIQ bills eligible for minimum cash requirements decreased, while all other holdings of these securities increased (see Chart 6.1).

Chart 6.1 | Financial Institutions' Liquidity in Pesos



Source: BCRA.

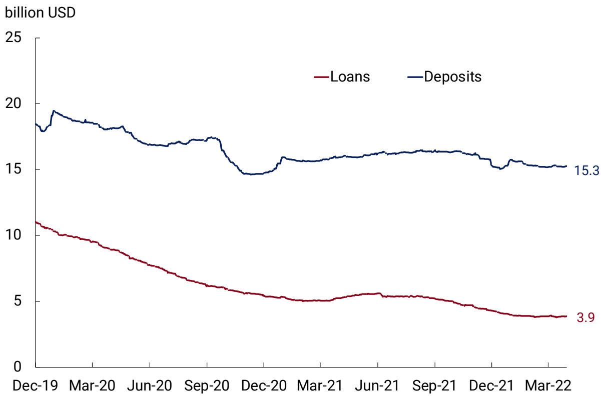
7. Foreign Currency

As regards foreign currency, financial institutions' main assets and liabilities posted minor changes on average. Thus, the average monthly stock of deposits from the private sector stood at around USD15.24 billion in March. Considering month-on-month change, these deposits rose scarcely (USD83 million) in natural persons' sight deposits under USD250,000 and legal persons' time deposits over USD1 million. In turn, the downward trend of loans to the private sector observed since mid-2021 came to a halt, and stabilized in mid-February onwards. The monthly average stock in March was USD3.85 billion (see Chart 7.1).

Bank liquidity in foreign currency averaged 83.2% of deposits in March, up 0.5 p.p. *vis-à-vis* February. This increase was explained by cash in banks, which was partially offset by a reduction in current account balances at the BCRA in terms of deposits (see Chart 7.2).

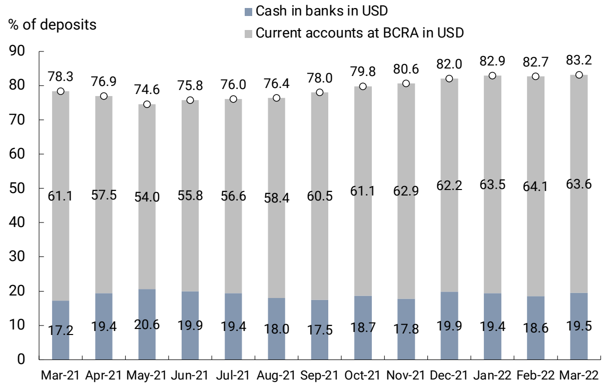
8 It includes current accounts with the BCRA, cash holdings in banks, arranged net repo stocks with the BCRA, holdings of LELIQ bills, and holdings of bonds admitted to comply with the minimum reserve requirements.

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.

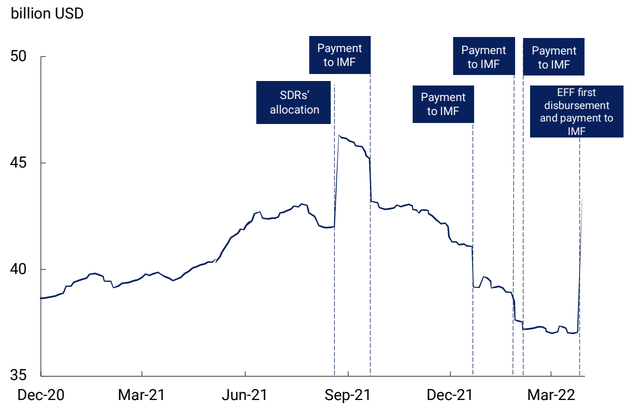
As for the forex market, the conditions to access the forex market for the payment of imports, the requirement of prior authorization to pay financial debts held abroad with related creditors, and the regulations on refinancing of foreign liabilities were extended until the end of the year. Moreover, the BCRA has decided to classify importers of goods subject to the submission of an affidavit under the Imports Monitoring Comprehensive System (SIMI, in Spanish) that are outside the scope of the foreign exchange regulations. This classification seeks to determine whether importers would have fast access to the forex market or should obtain financing abroad for a minimum of 180 calendar days as from the import customs registration date[9]. Finally, agricultural companies may finance part of the annual increase in imports of fertilizers and plant protection products for 90 calendar days at a minimum as from the import customs registration date, instead of the 180-day term that would have been applied if they belonged to category B according to the SIMI[10]. This particular treatment in respect of other activities to which that category is assigned is associated with the regular cycle of trade in agriculture[11].

At the end of March, the BCRA's international reserves reached USD43.14 billion, up USD6.12 billion against the end of February (see Chart 7.3). **This increase was basically explained by the first disbursement of the IMF by the end of the month**—USD9.65 billion, within the framework of the EFF signed with Argentina. This rise was partially offset by the repayment of principal for USD2.78 billion to the IMF. The foreign exchange purchases to the private sector were another factor that caused international reserves to increase in the month.

Finally, the ARS/USD nominal exchange rate (TCN, in Spanish) increased 2.8% and averaged ARS109.37/USD1 in March (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 relatively stable and at a competitive level**. This is aimed at strengthening the position of international reserves derived from the proceeds from exports.

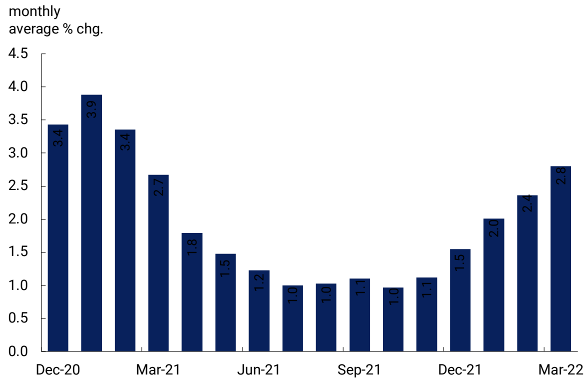
9 Communications "A" 7466, "A" 7469 and "A" 7471.
10 Category B involves imports of goods that are to be financed for 180 calendar days as a minimum as from the import customs registration date of the goods.
11 Communication "A" 7472.

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
3-Mar-22	Comm. "A" 7466	Firstly, **the conditions to access the forex market for the payment of imports, the requirement of prior authorization to pay financial debts held abroad with related creditors, and the regulations on refinancing of foreign liabilities were extended until the end of the year.** Importers of goods which are outside the scope of paragraphs 10.3.2.5. or 10.3.2.6. of forex regulations (90 and 365 calendar days as from the import customs registration date of the goods, respectively) and are subject to an affidavit under the SIMI **are classified based on certain parameters of foreign exchange demand**. **The BCRA will assign category A to enable fast access to the forex market, and category B where the imports of goods are to be financed for 180 calendar days at a minimum as from the import customs registration date.** Therefore, category A importers will be allowed to access the forex market for one of the following two amounts, whichever is lower: the FOB value of imports in 2021 plus 5% of such value or the FOB value of imports in 2020 plus 70% of such value. This amount will be USD50,000 where a client has no imports on record in the past two years or where the amount calculated is lower. If importers wish to access the forex market for an amount in excess of the amount authorized, they may seek financing for the difference for a minimum term of 180 days. The amount that a category A importer may request each time will be the proportional part of the annual limit accrued through the current month. An amount equal to 20% of the annual limit will be added to such amount provided that the limit is not exceeded.
10-Mar-22	Comm. "A" 7469	As a supplement to Communication "A" 7466, it was established as follows: category B imports under a SIMI affidavit recorded as "OUT" belonging to the tariff positions of **petroleum oils or bituminous mineral, preparations and waste or petroleum gases and other gaseous hydrocarbons** will be deducted from the FOB value of 2020 and 2021 imports on the basis of which the BCRA will determine the amount that will be allocated to each category A importer under a SIMI affidavit.
10-Mar-22	Comm. "A" 7470	**Effective as of April 1, 2022, the basic minimum capital requirement for financial institutions was raised**: ARS500 million for banks and ARS230 million for other financial institutions, except for cooperative credit unions. It should be noted that **financial institutions operative as of April 1, 2022 will be subject to a different requirement**. Specifically, from April 1, 2022 to March 31, 2023, the minimum capital will be ARS170 million for banks and ARS80 million for other financial institutions (except for cooperative credit unions). From April 1, 2023 to March 30, 2024, these amounts will rise to ARS300 million and ARS140 million, respectively. Finally, **all financial institutions will be subject to the basic requirement mentioned first from March 31, 2024 onwards.**
18-Mar-22	Comm. "A" 7471	As a supplement to Communication "A" 7466, imports—with a category B SIMI affidavit recorded as "OUT"—of **bituminous coal, not agglomerated, conducted by power plants** will be deducted from the FOB value of 2020 and 2021 imports on the basis of which the BCRA will determine the amount that will be allocated to each category A importer under a SIMI affidavit.
22-Mar-22	Comm. "A" 7472	As a supplement to Communication "A" 7466, **category B agricultural companies (under the SIMI) may finance—on account to their regular cycle—part of the annual increase in their imports of fertilizers and plant protection products** for 90 calendar days, at a minimum, as from the import customs registration date.

22-Mar-22	Comm. "A" 7473	**Paragraph 5 of Communication "A" 6575 was repealed. It allowed financial institutions to subscribe 30-day cash compensation notes of the BCRA—which paid 1/5 of the benchmark rate determined by the BCRA—against banknotes in "good conditions" that were not allocated to the interbank clearing of banknotes (CIB, in Spanish) in the financial institutions' own vaults and in cash-in-transit companies**, provided that they met the requirements on conditioning and safekeeping set out in the regulations on excess banknotes.
22-Mar-22	Comm. "A" 7474	**Effective as from March 23, 2022, the minimum interest rate on natural persons' time deposits in financial institutions not exceeding ARS10 million on the date of deposit will rise from 97.65% to 97.75% 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 rise from 92.94% to 93.26% of the monetary policy rate. In turn, the interest rate on early-payment deposits in UVAs will be 86.52% of such rate** (formerly, 85.88%). In turn, **the maximum interest rate to finance investment projects and the rate on loans to finance working capital were raised to 35% and 43%, respectively, within the framework of the LFIP for MSMEs** (formerly, the maximum rates were 30% and 41%, respectively). Finally, effective **as from the invoicing cycle of April 2022, the maximum rate on credit card financing charged by financial institutions was set at 51% APR** (formerly, 49%).
22-Mar-22	Comm. "A" 7475	**The LFIP was extended until September 30; 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 average of daily balances for March 2022.** Financial institutions other than those belonging to group A shall be required to allocate 25% of that set out above. This regulation also lays down the amount to allocate for pre-financing and financing of exports and/or financing of imports of inputs or capital goods, excluding services.
31-Mar-22	Comm. "A" 7483	**The BCRA set the maximum amount of "banknotes in good conditions" and "worn-out banknotes" that all branches of each financial institution may allocate to the CIB until March 31, 2023.**

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 Mar-22						% of GDP	
						Monthly		Accrued in 2022		Year-on-year			
	Mar-22	Feb-22	Jan-22	Dec-21	Mar-21	Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real	Mar-22	Dec-21
Monetary base	**3,660,266**	**3,750,943**	**3,685,633**	**3,394,480**	**2,521,921**	-2.4%	-4.9%	7.8%	-2.1%	45.1%	-7.3%	**6.1%**	**6.0%**
Currency in circulation	2,674,269	2,686,579	2,677,121	2,504,731	1,814,533	-0.5%	-4.3%	6.8%	-4.0%	47.4%	-5.9%	**4.5%**	**4.5%**
Cash Held by the Public	2,393,255	2,416,983	2,412,192	2,230,702	1,578,698	-1.0%	-4.6%	7.3%	-3.2%	51.6%	-3.2%	**4.1%**	**4.0%**
Cash in financial institutions	281,015	269,596	264,929	274,029	235,836	4.2%	-1.6%	2.5%	-10.3%	19.2%	-23.9%	**0.5%**	**0.5%**
Current accounts at BCRA	985,997	1,064,364	1,008,512	889,749	707,388	-7.4%	-12.5%	10.8%	-3.0%	39.4%	-11.0%	**1.7%**	**1.6%**
BCRA's remunerated liabilities (NV $)	**4,803,021**	**4,652,744**	**4,703,424**	**4,506,696**	**3,064,227**	3.2%	-2.5%	6.6%	-6.7%	56.7%	0.1%	**8.1%**	**7.6%**
Reverse repos	649,856	922,635	1,840,825	2,366,670	1,177,614	-29.6%	-33.5%	-72.5%	-76.0%	-44.8%	-64.7%	**1.1%**	**4.0%**
1 day	649,856	922,635	349,455	110,546	68,098	-29.6%	-33.5%	487.9%	414.5%	854.3%	509.6%	**1.1%**	**0.2%**
7 days	0	0	1,491,369	2,256,124	1,109,516	0.0%	-5.6%	-100.0%	-100.0%	-100.0%	-100.0%	**0.0%**	**3.8%**
Stock of LELIQ bills	3,804,296	3,667,847	2,862,599	2,140,026	1,886,613	3.7%	-2.1%	77.8%	55.6%	101.6%	28.8%	**6.4%**	**3.6%**
Stock of 28-day LELIQ bills	3,427,949	3,293,933	2,591,823	2,140,026	1,886,613	4.1%	-1.7%	60.2%	40.2%	81.7%	16.1%	**5.7%**	**3.6%**
Stock of 180-day LELIQ bills	376,347	373,914	270,776	-	-	0.7%	-5.0%	-	-	-	-	**0.6%**	**-**
Stock of NOTALIQ bills	348,869	62,263	-	-	-	460.3%	429.1%	-	-	-	-	**0.6%**	**-**
BCRA' s international reserves in dollars	**38,511**	**37,252**	**38,964**	**40,584**	**39,711**	3.4%	-	-5.1%	-	-3.0%	-	**7.1%**	**7.6%**

Monthly average explanatory factors	Monthly		Quarterly		Accrued in 2022		Year-on-year	
	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution
Monetary base	**-90,677**	**-2.4%**	**265,786**	**7.8%**	**265,786**	**7.8%**	**1,138,345**	**45.1%**
Foreign exchange purchases to private sector and others	22,125	0.6%	-8,822	-0.3%	-8,822	-0.3%	296,633	11.8%
Foreign exchange purchase to the NT	-9,968	-0.3%	-153,468	-4.5%	-153,468	-4.5%	-7,751	-0.3%
Temporary advances and profit transfers to National Government	0	0.0%	515,300	15.2%	515,300	15.2%	1,759,247	69.8%
Other public-sector transactions	-68,327	-1.8%	-212,579	-6.3%	-212,579	-6.3%	-256,222	-10.2%
Monetary policy instruments	-17,480	-0.5%	204,481	6.0%	204,481	6.0%	-169,504	-6.7%
Others	-17,027	-0.5%	-79,125	-2.3%	-79,125	-2.3%	-484,058	-19.2%
International reserves	**1,259**	**3.4%**	**-2,073**	**-5.1%**	**-2,073**	**-5.1%**	**-1,199**	**-3.0%**
Purchases of foreign currency	204	0.5%	-92	-0.2%	-92	-0.2%	3,293	8.3%
International organizations	1,348	3.6%	-1,101	-2.7%	-1,101	-2.7%	-1,248	-3.1%
Other public-sector transactions	-253	-0.7%	19	0.0%	19	0.0%	2,455	6.2%
Minimum cash requirements	-141	-0.4%	382	0.9%	382	0.9%	464	1.2%
Others (incl. forex valuation)	102	0.3%	-1,281	-3.2%	-1,281	-3.2%	-6,164	-15.5%

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

Minimum Cash Requirement and Compliance	Mar-22	Feb-22	Jan-22
Domestic Currency	% of total deposits in pesos		
Requirement	22.8	23.5	22.6
Compliance in current account	9.2	10.3	9.9
Compliance in LELIQ bills	19.3	19.0	18.2
Compliance in BOTE 2022	3.8	3.6	3.6
Compliance in sovereign bonds/other	4.6	4.0	3.9
Foreign Currency	% of total deposits in foreign currency		
Requirement	24.0	24.0	24.0
Compliance (includes funds available for financing but not yet granted)	63.6	64.1	63.5
Position (1)	39.6	40.1	39.5

(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 Mar-22						% of GDP[4]	
	Mar-22	Feb-22	Jan-22	Dec-21	Mar-21	Monthly		Accrued in 2022		Year-on-year		Mar-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]	**10,554,354**	**10,182,377**	**10,055,180**	**9,584,933**	**6,739,010**	3.7%	-1.5%	10.1%	-3.1%	56.6%	0.0%	**17.7%**	**17.6%**
Private sector deposits	*8,487,570*	*8,251,653*	*8,035,859*	*7,725,169*	*5,400,730*	2.9%	-2.1%	9.9%	-3.2%	57.2%	0.4%	**14.2%**	**14.2%**
Private Sector Sight Deposits	4,185,739	4,168,982	4,196,089	4,094,760	2,629,841	0.4%	-3.6%	2.2%	-4.0%	59.2%	1.7%	**7.1%**	**7.1%**
Non-interest bearing (transactional)	*3,369,141*	*3,369,594*	*3,407,082*	*3,283,023*	*2,132,813*	0.0%	-3.6%	2.6%	-1.8%	58.0%	0.9%	**5.8%**	**5.6%**
Interest-bearing	816,598	799,387	789,007	811,737	497,028	2.2%	-3.5%	0.6%	-12.0%	64.3%	4.9%	**1.4%**	**1.5%**
Private Sector Time Deposits and Others	4,301,832	4,082,671	3,839,770	3,630,409	2,770,890	5.4%	-0.6%	18.5%	-2.4%	55.3%	-0.8%	**7.1%**	**7.0%**
Time Deposits	4,144,600	3,925,830	3,700,929	3,482,353	2,663,003	5.6%	-0.4%	19.0%	-2.2%	55.6%	-0.6%	**6.9%**	**6.7%**
CER / UVA non-adjustable	3,936,174	3,739,126	3,531,488	3,322,705	2,563,300	5.3%	-0.7%	18.5%	-2.7%	53.6%	-1.9%	**6.5%**	**6.4%**
CER / UVA-adjustable	208,426	186,703	169,441	159,648	99,703	11.6%	5.3%	30.6%	7.3%	109.0%	33.5%	**0.3%**	**0.3%**
Traditional	130,562	117,771	107,556	102,680	72,310	10.9%	4.6%	27.2%	4.5%	80.6%	15.3%	**0.2%**	**0.2%**
Early-payment	77,864	68,933	61,885	56,968	27,392	13.0%	6.6%	36.7%	12.3%	184.3%	81.6%	**0.1%**	**0.1%**
Other deposits	157,232	156,841	138,841	148,056	107,887	0.2%	-5.3%	6.2%	-7.1%	45.7%	-6.9%	**0.3%**	**0.3%**
Public sector deposits[2]	*2,066,784*	*1,930,724*	*2,019,321*	*1,859,764*	*1,338,280*	7.0%	1.1%	11.1%	-2.7%	54.4%	-1.4%	**3.5%**	**3.4%**
Monetary Aggregates													
Total M2	7,398,443	7,354,102	7,527,642	7,120,608	4,746,018	0.6%	-2.8%	3.9%	-4.4%	55.9%	-0.4%	**12.5%**	**12.6%**
Total M3	13,051,803	12,688,163	12,553,366	11,905,371	8,362,501	2.9%	-1.7%	9.6%	-1.6%	56.1%	-0.3%	**22.0%**	**21.5%**
Private sector monetary aggregates													
Private M2	6,578,993	6,585,965	6,608,281	6,325,462	4,208,538	-0.1%	-4.8%	4.0%	-5.4%	56.3%	-0.1%	**11.1%**	**11.3%**
Transactional private M2[3]	5,762,396	5,786,578	5,819,274	5,513,725	3,711,510	-0.4%	-4.0%	4.5%	-2.4%	55.3%	-0.8%	**9.8%**	**9.7%**
Private M3	10,880,825	10,668,636	10,448,051	9,955,871	6,979,428	2.0%	-3.1%	9.3%	-3.8%	55.9%	-0.4%	**18.2%**	**18.2%**
Total loans to the non-financial sector in pesos	**4,417,042**	**4,237,175**	**4,160,243**	**4,058,133**	**2,906,097**	4.2%	-1.6%	8.8%	-2.5%	52.0%	-2.9%	**7.4%**	**7.3%**
Loans to the non-financial private sector	***4,366,586***	***4,185,718***	***4,109,159***	***4,003,444***	***2,862,627***	4.3%	-1.5%	9.1%	-2.3%	52.5%	-2.6%	**7.3%**	**7.2%**
Overdrafts	444,128	412,372	397,710	392,585	281,655	7.7%	-0.4%	13.1%	-0.7%	57.7%	0.7%	**0.7%**	**0.7%**
Promissory notes	1,098,532	1,058,580	1,049,965	1,010,395	655,169	3.8%	-2.1%	8.7%	2.8%	67.7%	7.1%	**1.9%**	**1.8%**
Mortgage-backed loans	302,457	294,738	289,442	280,283	223,538	2.6%	-3.2%	7.9%	-5.5%	35.3%	-13.6%	**0.5%**	**0.5%**
Pledge-backed loans	267,532	255,181	241,265	229,234	119,434	4.8%	-0.3%	16.7%	4.7%	124.0%	43.1%	**0.5%**	**0.4%**
Personal loans	742,734	713,260	685,597	665,885	480,244	4.1%	-2.3%	11.5%	-2.8%	54.7%	-1.2%	**1.2%**	**1.2%**
Credit cards	1,272,364	1,219,124	1,211,778	1,198,243	923,335	4.4%	-0.8%	6.2%	-4.4%	37.8%	-12.0%	**2.1%**	**2.1%**
Others	238,838	232,464	233,402	226,818	179,252	2.7%	-2.3%	5.3%	-5.4%	33.2%	-14.9%	**0.4%**	**0.4%**
Loans to the non-financial public sector	***50,456***	***51,457***	***51,084***	***54,689***	***43,469***	-1.9%	-7.4%	-7.7%	-19.3%	16.1%	-25.9%	**0.1%**	**0.1%**
Foreign currency													
Deposits from the non-financial sector in dollars[1]	**18,405**	**18,477**	**18,742**	**18,237**	**18,461**	-0.4%	-	0.9%	-	-0.3%	-	**3.4%**	**3.5%**
Deposits from the non-financial private sector in dollars	15,241	15,249	15,539	15,255	15,835	-0.1%	-	-0.1%	-	-3.8%	-	**2.8%**	**2.9%**
sight deposits	11,351	11,313	11,526	11,233	11,567	0.3%	-	1.0%	-	-1.9%	-	**2.1%**	**2.1%**
time deposits and others	3,890	3,937	4,012	4,022	4,268	-1.2%	-	-3.3%	-	-8.9%	-	**0.7%**	**0.8%**
Deposits from the non-financial public sector in dollars	3,165	3,228	3,203	2,982	2,625	-2.0%	-	6.1%	-	20.5%	-	**0.6%**	**0.6%**
Loans to the non-financial sector in dollars	**3,979**	**3,974**	**4,049**	**4,268**	**5,246**	0.1%	-	-6.8%	-	-24.1%	-	**0.7%**	**0.8%**
Loans to the non-financial private sector in dollars	3,855	3,847	3,908	4,127	5,111	0.2%	-	-6.6%	-	-24.6%	-	**0.7%**	**0.8%**
Promissory notes	2,507	2,475	2,551	2,729	3,474	1.3%	-	-8.2%	-	-27.9%	-	**0.5%**	**0.5%**
Credit cards	201	199	145	137	80	0.9%	-	47.1%	-	152.4%	-	**0.0%**	**0.0%**
Others	1,147	1,173	1,212	1,261	1,557	-2.2%	-	-9.0%	-	-26.3%	-	**0.2%**	**0.2%**
Loans to the non-financial public sector in dollars	124	127	141	141	135	-1.9%	-	-11.7%	-	-7.5%	-	**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 average for rates weighted by amount.

Monetary policy interest rates	Mar-22	EAR Mar-22	Feb-22	Jan-22	Dec-21	Mar-21
BCRA repo interest rates						
Overnight reverse repo	33.79	40.18	32.59	32.00	32.00	32.00
7-day reverse repo	32.00	37.58	32.59	34.77	36.50	36.50
Overnight repo	44.87	56.58	43.29	42.70	42.70	42.70
28-day LELIQ bills interest rate	43.08	52.78	40.98	39.61	38.00	38.00
180-day LELIQ bills interest rate	47.73	59.80	45.18	44.00		
Interbank market interest rates	**Mar-22**	**EAR Mar-22**	**Feb-22**	**Jan-22**	**Dec-21**	**Mar-21**
Repo rates among third parties on overnight REPO round	33.35	39.56	32.31	29.43	30.98	32.43
Volume of repos traded among third parties (daily average)	14,420		12,058	3,753	4,489	3,400
Calls in pesos (overnight)						
Interest rate	33.23	39.40	31.08	31.36	30.46	30.56
Traded volume	17,811		17,287	20,031	19,687	11,913
Borrowing interest rates	**Mar-22**	**EAR Mar-22**	**Feb-22**	**Jan-22**	**Dec-21**	**Mar-21**
Sight deposits						
Interest-bearing	28.57	32.63	27.59	28.53	28.87	29.65
Time deposits						
Natural persons' deposits up to ARS1 million (30-35 days)[1]	41.80	50.83	39.60	38.24	36.29	36.34
Total TM20 (more than ARS20 million, 30-35 days)	39.10	46.94	36.83	35.28	33.25	33.18
Private banks' TM20 (more than ARS20 million, 30-35 days)	39.84	48.00	37.58	35.98	33.98	33.83
Total BADLAR (more than ARS1 million, 30-35 days)	39.60	47.65	37.36	35.78	33.34	33.28
Private banks' BADLAR (more than ARS1 million, 30-35 days)	40.48	48.91	38.28	36.72	34.20	34.04
Interest rate on UVA deposits' early-payment option	38.50	46.09	36.50	34.00		
Lending interest rates	**Mar-22**	**EAR Mar-22**	**Feb-22**	**Jan-22**	**Dec-21**	**Mar-21**
Loans to the non-financial private sector in pesos						
Overdrafts	42.99	53.67	42.05	41.59	40.46	41.36
1 to 7 days—in accordance with companies—more than ARS10 million	37.19	44.85	35.96	35.68	35.36	36.12
Unsecured promissory notes	36.47	43.24	35.74	34.80	34.78	34.77
Mortgage-backed loans	32.66	38.03	30.87	30.51	29.71	28.72
Pledge-backed loans	28.25	32.22	29.19	28.75	28.16	28.19
Personal loans	55.90	72.73	55.84	54.89	53.00	56.03
Credit cards	46.03	57.11	45.82	42.85	42.87	42.35
Interest rate in foreign currency	**Mar-22**	**EAR Mar-22**	**Feb-22**	**Jan-22**	**Dec-21**	**Mar-21**
Time deposits in dollars (30 to 44 days)	0.38	0.38	0.36	0.37	0.37	0.38
Unsecured promissory notes in dollars	3.04	3.08	3.70	4.97	5.97	4.04
Exchange rate	**Mar-22**	**Monthly chg. (%)**	**Feb-22**	**Jan-22**	**Dec-21**	**Mar-21**
NER peso/dollar						
Wholesale rate (Comm. "A" 3.500)	109.37	2.80	106.38	103.93	101.88	91.10
Retail rate[2]	111.56	2.56	108.77	106.28	104.27	93.57
NER peso/dollar	21.99	7.40	20.47	18.81	18.01	16.19
NER peso/euro	120.42	-0.27	120.74	117.63	115.14	108.38
ITCNM	745.24	3.22	721.96	693.36	672.89	612.52
ITCRM	102.37	-0.54	102.93	102.30	102.60	120.20

1 The average interest rate shown is slightly below the minimum interest rate because it includes time deposits up to ARS1 million from holders who have a total of more than ARS1 million time deposits in the financial institution. The minimum interest rate only covers deposits made by each holder in the same financial institution when all of them do not exceed such amount.

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
CIB: Interbank clearing of banknotes
CNV: National Securities Commission
CPI: Consumer Price Index
EAR: Effective Annual Rate
EFF: Extended Fund Facility
EM: Minimum Cash Requirements
FCI: Mutual Funds
GDP: Gross Domestic Product
IAMC: Argentine Institute for Capital Markets
IMF: International Monetary Fund
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