

# Monthly Monetary Report

June 2022



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

## Contents

Page 2		1. Executive Summary
Page 3		2. Means of Payment
Page 3		3. Savings Instruments in Pesos
Page 5		4. Monetary Base
Page 6		5. Loans to the Private Sector in Pesos
Page 8		6. Financial Institutions' Liquidity in Pesos
Page 8		7. Foreign Currency
Page 11		8. Regulatory Overview
Page 13		9. Monetary and Financial Indicators
Page 16		Glossary

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

Inquiries or comments: [analisis.monetario@bcra.gob.ar](mailto:analisis.monetario@bcra.gob.ar)

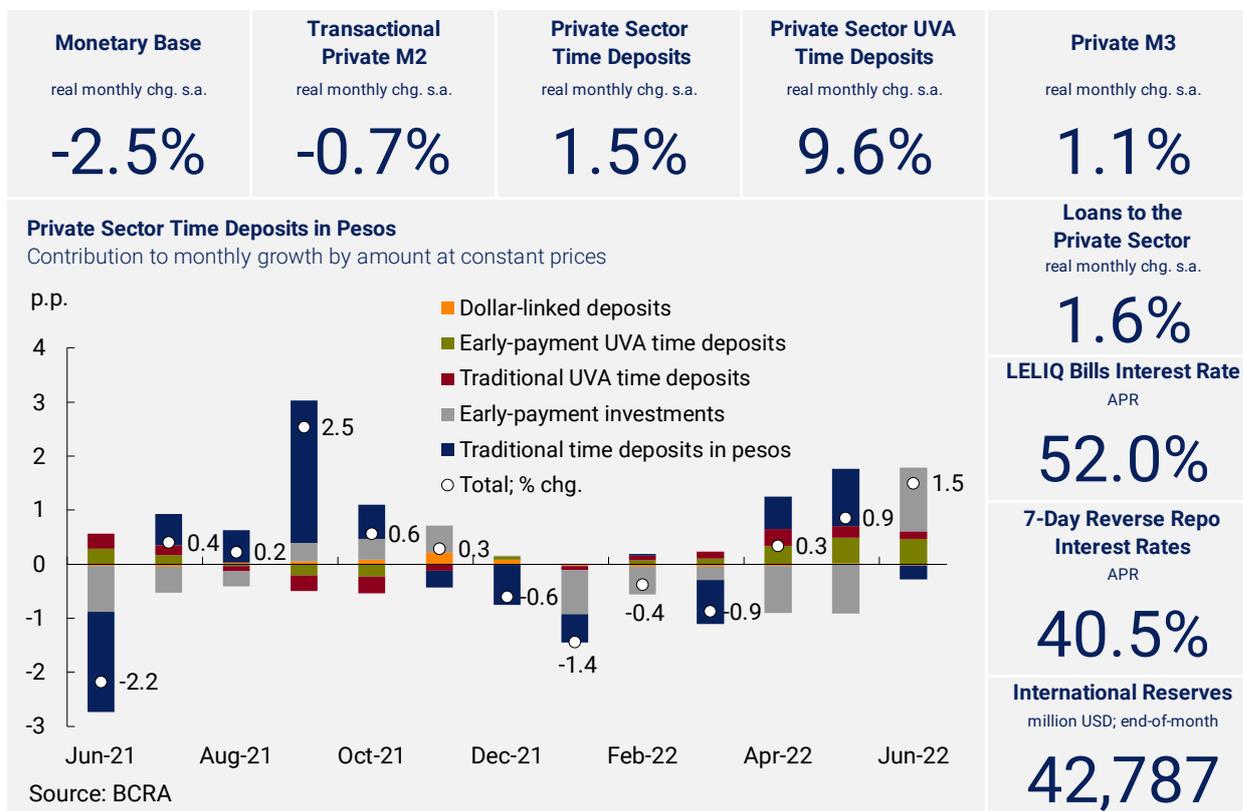
The contents of this report can be freely quoted provided the source is specified: Monetary Report—BCRA.

### **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



In June, the broad monetary aggregate (private M3) posted a modest monthly expansion at constant prices (1.1% s.a.) for the second month in a row. This growth was mainly explained by the performance of time deposits while transactional deposits contracted over the month.

The stocks of private sector time deposits in pesos were around the highs of the past few decades, both at constant prices and as GDP percentage. In terms of instruments, data showed a marked preference for shorter-term assets. This was replicated in the growth of early-payment investments, both in deposits denominated in pesos and in units of purchasing power (UVA, in Spanish).

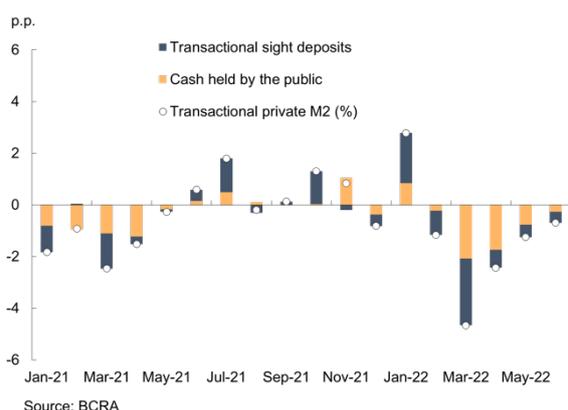
The BCRA started a simplification process of the Minimum Cash Regime in order to strengthen the channel of monetary policy transmission. In that regard, some exemptions were removed, only retaining those that favor productive credit to micro-, small-, and medium-sized enterprises (MSMEs) and financing to households' consumption (through financings in the *Ahora 12* program).

In June, loans to the private sector increased at constant prices and in seasonally-adjusted (s.a.) terms, bringing a four-month period of falls to an end. The climb was mainly observed in overdrafts, financings on credit cards and, to a lesser extent, in pledge-backed loans.

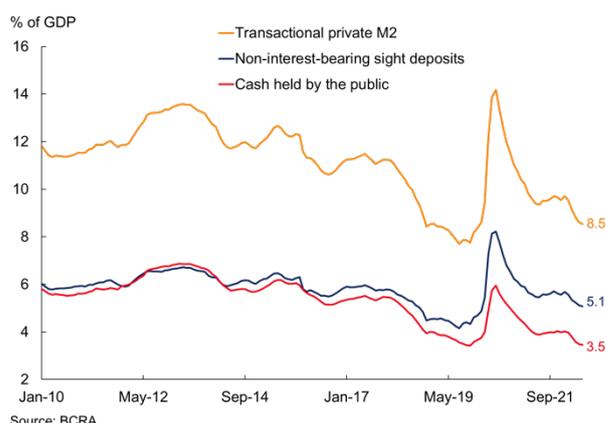
## 2. Means of Payment

**Means of payment (transactional private M2<sup>1</sup>) fell by 0.7% at constant prices and in s.a. terms in June, posting its fifth contraction in a row** (see Chart 2.1). This was observed in the performance of cash held by the public as well as in non-interest-bearing sight deposits. Transactional private M2 stood 5% below the level observed in June 2021 in year-on-year (y.o.y.) terms and at constant prices. **In terms of GDP, transactional private M2 diminished (0.1 p.p.) against May to stand at 8.5%** (see Chart 2.2). Cash held by the public, in particular, remained around the lowest figures in the past 15 years whereas sight deposits posted similar values to the average of the last few years.

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



**Chart 2.2 | Transactional Private M2**



## 3. Savings Instruments in Pesos

**By mid-June, the Board of the BCRA decided to raise the minimum interest rates on time deposits for the sixth time in the year.<sup>2</sup>** This measure is in line with the objective of ensuring greater availability of savings instruments for Argentines to have yields based on the evolution of both the inflation and exchange rates. Thus, the minimum interest rate on natural persons' deposits of up to ARS10 million increased from 48% APR to 53% APR (68% EAR). For the other depositors of the financial system,<sup>3</sup> the interest rate also rose by 4 p.p. to reach 50% (63.2% EAR).

**In real and seasonally-adjusted terms, time deposits in pesos from the private sector expanded by 1.5% s.a. in June.** Time deposits remained around the peak values of the past few decades, with a share of 6.4% in terms of GDP, which also stood among the highs of the last few years.

Term instruments classified by minimum interest rates —as fixed by the BCRA— recorded heterogeneous performances. As regards natural persons' time deposits up to ARS10 million at constant prices, they exhibited a modest fall of 0.2% s.a. in the monthly average. On the contrary, the other deposits from the non-financial private sector (legal persons' deposits regardless of the amount and natural persons' deposits over ARS10 million) recorded an increase in real terms in June (2.7% s.a.) (see Chart 3.1).

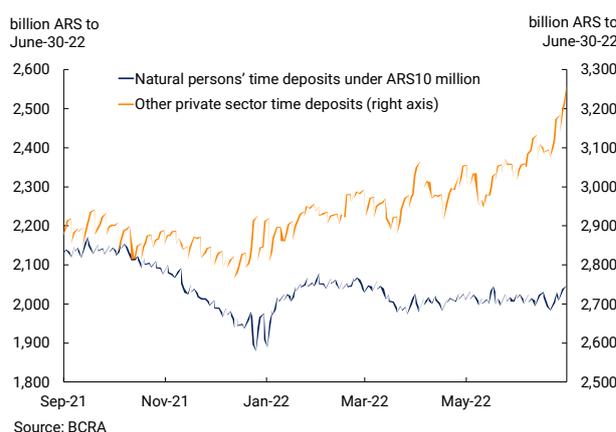
<sup>1</sup> Private M2 excluding interest-bearing sight deposits held by companies and financial service providers since they are more similar to a savings instrument than to a means of payment.

<sup>2</sup> Communication "A" 7527.

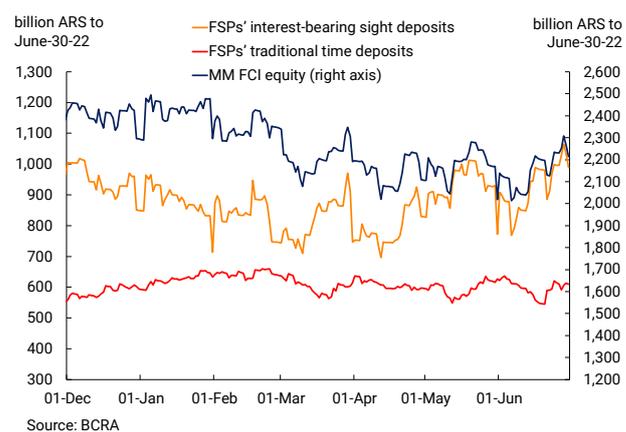
<sup>3</sup> Financial service providers, companies, and natural persons with deposits over ARS10 million.

As for legal persons' time deposits, companies' deposits (excluding financial service providers (FSPs)) showed an average increase in June, though in month-on-month (MoM) terms they decreased slightly. With respect to FSPs, there was an adjustment in their portfolios, with a rise in sight deposits to the detriment of time deposits. This performance took place against the backdrop of an increase in the equity of money market funds (MM FCI), which are the main actors within FSPs. It is worth noting that the removal of the stock of National Government sovereign bonds, mainly CER-adjustable bonds, led to a significant price fall. This took place in a context of excessive volatility in the domestic debt secondary market. Some funds from the fixed income mutual funds increased the equity of MM FCIs which, in turn, led to a rise of interest-bearing sight deposits (see Chart 3.2). Also, they contributed to reverse the falling trend of early-payment investments that had started at the beginning of 2022.

**Chart 3.1 | Private Sector Time Deposits in Pesos**  
At constant prices by interest rate segment  
Original series

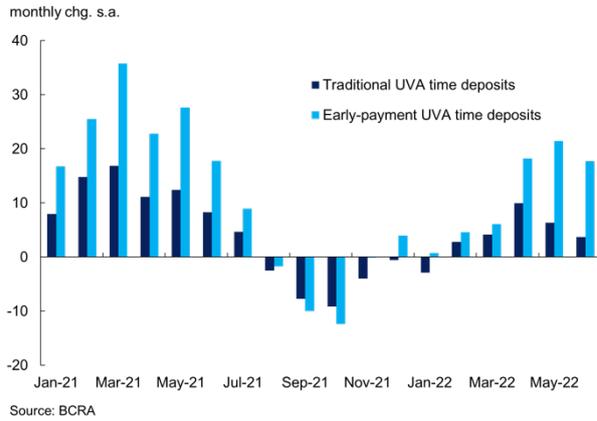


**Chart 3.2 | Time Deposits over ARS20 Million**  
At constant prices by type of depositor and instrument  
Original series

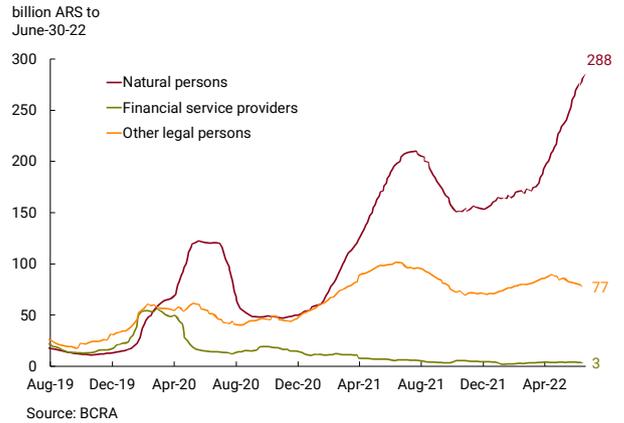


**Sorted out by instruments, shorter-term assets were mostly preferred.** As mentioned before, **early-payment deposits increased significantly during this period, boosted by wholesale deposits. The growth of early-payment time deposits took place both in deposits denominated in pesos and in CER-adjustable ones.** UVA deposits went on posting the upward trend that had started in early 2022. Their relative share in total time instruments rose, albeit to a limited extent (around 7% of total time deposits). At constant prices and in seasonally-adjusted terms, such deposits recorded an average monthly growth of 9.6%, reaching a stock of ARS359.74 billion at the end of June and a new historic high in real terms. This was observed in both UVA traditional and early-payment deposits, with a monthly expansion of 3.7% s.a. and 17.7% s.a., respectively, at constant prices (see Chart 3.3). Stocks grouped by type of holders climbed due to natural persons' deposits once again, whereas companies' holdings (excluding FSPs) went down (see Chart 3.4).

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



**Chart 3.4 | Private Sector UVA Time Deposits**  
Daily stock at constant prices by type of holder  
Original series

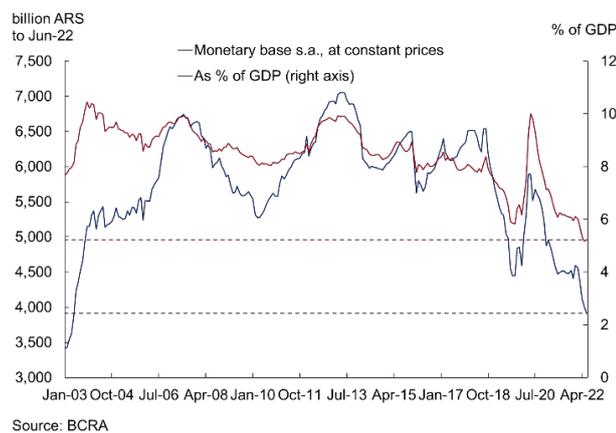


All in all, the broad monetary aggregate (private M3<sup>4</sup>) at constant prices expanded 1.1% s.a. over June. In year-on-year terms, private M3 posted a moderate rise (0.6%) with a share of 16.5% in GDP, up 0.2 p.p. against May.

## 4. Monetary Base

In June, the monetary base stood at ARS3,891.2 billion, which meant an average monthly growth of 5.3% in nominal terms (+ARS194.79 billion) in the original series. The monetary base contracted by 2.5%, down around 13% over the last twelve months, adjusted by seasonality and at constant prices. In terms of GDP, the monetary base hit 5.2%, standing around the lowest figures observed since 2003 (see Chart 4.1).

**Chart 4.1 | Monetary Base**



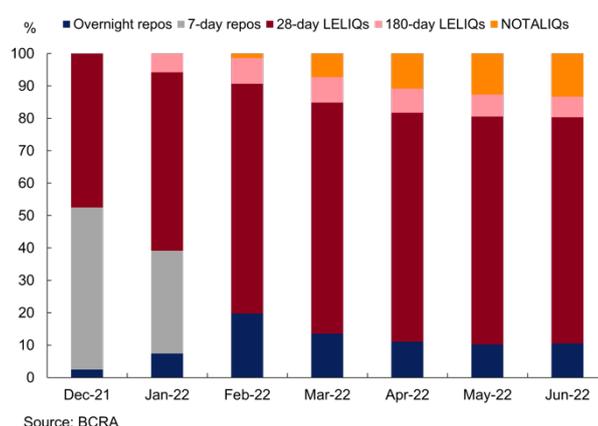
Among the explanatory factors of the monetary base the following are worth mentioning: the expansion driven by public sector transactions which, in terms of GDP, remained among the lowest levels of the past few years; BCRA's intervention in the sovereign bond secondary market with the aim of stabilizing the curve of bonds in pesos given the higher volatility in global and domestic markets; and the net purchase of foreign currency to the private sector. These transactions were counteracted by liquidity absorption through the BCRA's monetary policy instruments.

<sup>4</sup> It includes cash held by the public and deposits in pesos from the non-financial private sector (sight deposits, time deposits and others).

**By mid-June, the Board of the BCRA raised the interest rates on monetary policy instruments once again,** with a view to obtaining positive real returns on investments in domestic currency. In particular, 28-day-term LELIQ bill interest rates were raised by 3 p.p., which stood at 52% APR (66.5% EAR). In turn, the 180-day-term LELIQ bill interest rate rose by 4 p.p. to reach 58.5% APR (67.2% EAR). As for short-term instruments, the interest rate on overnight reverse repos increased by 3 p.p. to reach 40.5% APR (49.9% EAR), whereas the rate on overnight repos was 57.5% APR (77.6% EAR). Finally, the fixed spread of liquidity notes (NOTALIQs) in the last auction of the month remained at 5 p.p.

With the current composition of instruments, 28-day-term LELIQ bills accounted for around 70% of remunerated liabilities in June. Regarding longer-term instruments, 180-day-term LELIQ bills reduced their share to 6.3% of the total, while NOTALIQs went on increasing their share in June (13.3% of the total). The rest included overnight reverse repos, which posted a modest rise and reached 10.6% of the total (see Chart 4.2).

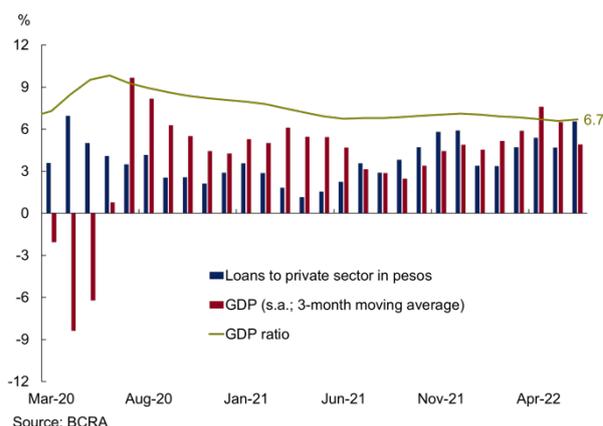
**Chart 4.2 | Composition of BCRA's Remunerated Liabilities**  
Monthly average



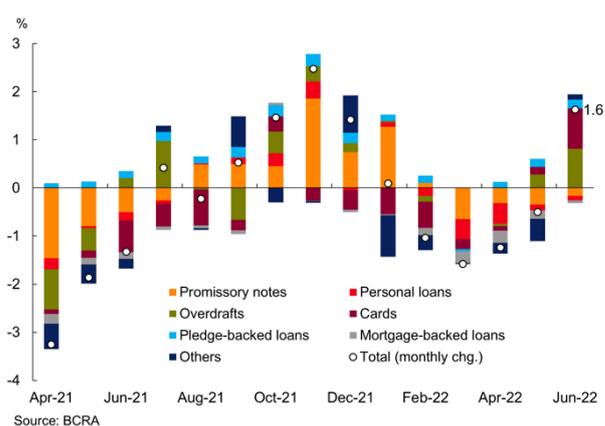
## 5. Loans to the Private Sector in Pesos

**In June, loans in pesos to the private sector grew by 1.6% s.a. in real terms, bringing a four-month period of falls to an end.** Thus, loans in pesos accrued a 3.4% rise at constant prices over the last twelve months. The ratio of loans in pesos to the private sector to GDP improved 0.1 p.p. in June and stood at 6.7% (see Chart 5.1).

**Chart 5.1 | Loans to Private Sector in Pesos**  
In terms of GDP



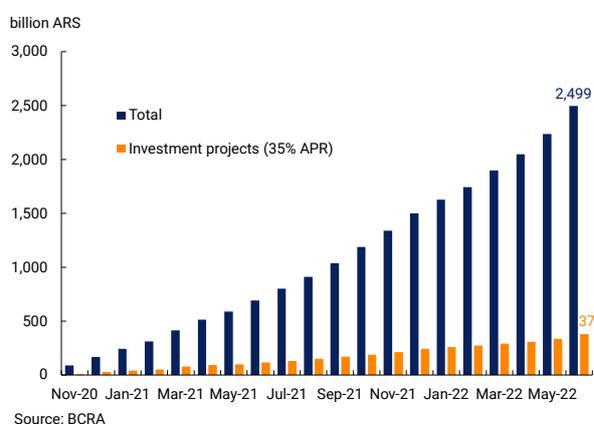
**Chart 5.2 | Loans to Private Sector in Pesos**  
Real, seasonally-adjusted; contribution to monthly growth



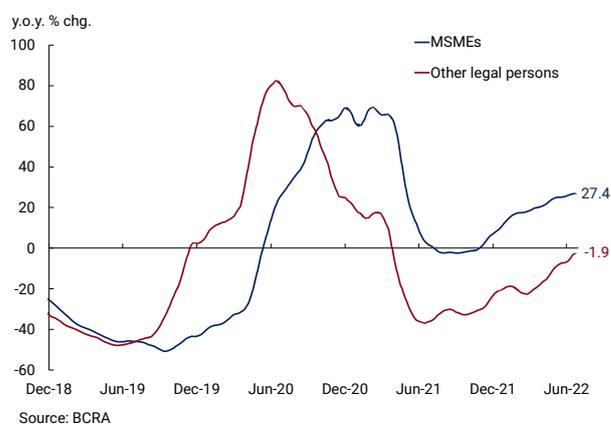
The analysis of the evolution of loans by type of financing (see Chart 5.2) shows that business credit lines contributed positively to monthly growth. Indeed, this type of financing grew by 1.6% s.a. at constant prices and brought a four-month period of falls to an end. In year-on-year terms, business credit lines improved by 14.3% at constant prices. Within this type of financing, overdrafts rose the most and was the most dynamic credit line, recording a 7.8% s.a. monthly growth at constant prices (+24.2% y.o.y.). On the contrary, promissory notes fell by 0.6% s.a. in real terms (+16.8% y.o.y.) which was explained by the performance of unsecured promissory notes.

The Credit Line for Productive Investment (LFIP, in Spanish) went on supporting the growth of loans to MSMEs. The loans granted until the end of June within the framework of the LFIP accrued disbursements for about ARS2,500 billion from its implementation, up 11.6% vis-à-vis May (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 284,572 companies.

**Chart 5.3 | Financing Granted through the Credit Line for Productive Investment (LFIP)**  
Accrued disbursed amounts as to end-of-month



**Chart 5.4 | Business Loans by Type of Debtor**  
Y.o.y. change of 30-day moving average stock at constant prices



Thus, the LFIP continues upholding financing to companies of a smaller relative size. Indeed, the analysis of business credit by type of debtor showed that credit to MSMEs expanded over 27% y.o.y., whereas credit to big companies contracted by around 2% y.o.y. at constant prices (see Chart 5.4).

Financings on credit cards also contributed positively to the growth of loans in June, which rose by 2.9% s.a. in real terms, reversing a sustained fall. Thus, the average stock in June stood around 7% below the level observed a year ago. In turn, personal loans fell by 0.6% in the month at constant prices, standing 2.9% below the level reached in June 2021. In June, the interest rate on personal loans rose to reach 60.3% APR (80.1% EAR), up 1.3 p.p. against May.

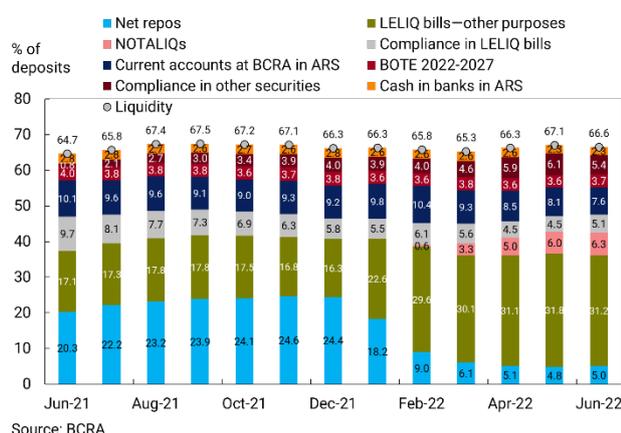
As for credit lines with real property collateral, pledge-backed loans improved 2.8% s.a. in real terms, posting an accrued growth of 41% y.o.y. On the contrary, the stock of mortgage-backed loans fell by 0.9% s.a. at constant prices, with an accrued contraction of about 15% over the last twelve months.

## 6. Financial Institutions' Liquidity in Pesos

In June, broad liquidity in domestic currency<sup>5</sup> averaged 66.6% of deposits, down 0.5 p.p. against May. Thus, it stands at historically high levels.

As regards the components of bank liquidity, there was a change in minimum cash requirements, LELIQ bills gaining share—to the detriment of sovereign bonds—with a fall in the stock of current accounts at the BCRA. In turn, compliance with BOTE 2027 rose as a result of the auction held at the end of May. Surplus liquidity resulted in an increase of the stock of NOTALIQs, with stable reverse repos in terms of deposits. It is pertinent to note that the stock of LELIQ bills remained virtually unchanged and a greater share of them was used for minimum cash compliance (see Chart 6.1).

Chart 6.1 | Financial Institutions' Liquidity in Pesos



As regards regulatory changes, the **BCRA started to streamline the Minimum Cash Regime in order to strengthen the channel of monetary policy transmission**. In that regard, some exemptions were removed, only retaining those that favor productive credit to MSMEs and financing to households' consumption (through financings in the *Ahora 12* program). Interest rates on minimum cash requirements were adjusted in order to achieving a neutral monetary effect. This change will be effective as from October. On another note, the exemption to make withdrawals from ATMs will be calculated until December.<sup>6</sup>

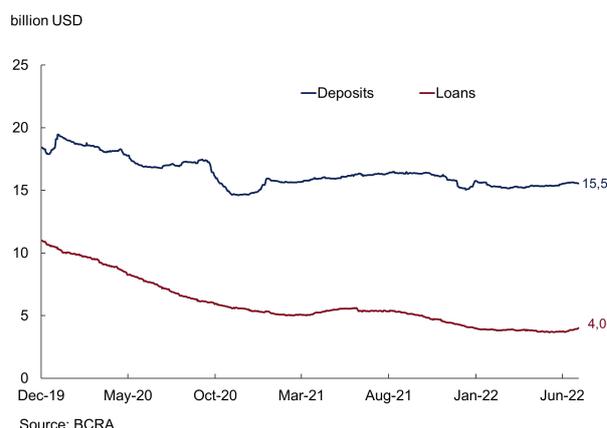
## 7. Foreign Currency

**As regards foreign currency, financial institutions' main assets and liabilities posted limited positive changes.** Indeed, the average monthly stock of deposits from the private sector stood at USD15.59 billion, up USD199 million against May. This increase was driven by sight deposits, mainly by legal persons' deposits over USD1 million. In turn, the average monthly stock of loans to the private sector hit USD3.84 billion, up USD125 million vis-à-vis May driven by both financings granted through unsecured promissory notes and on credit cards (see Chart 7.1).

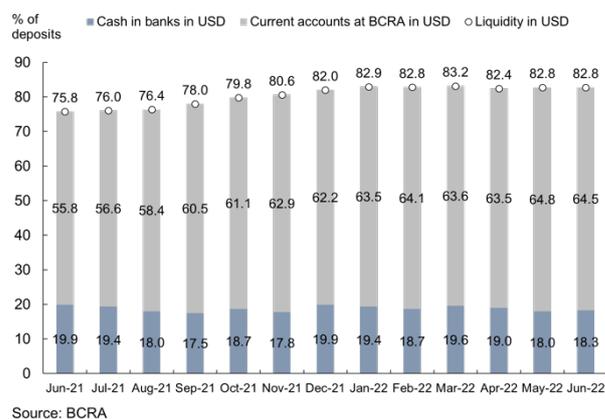
<sup>5</sup> It includes current accounts with the BCRA, cash holdings in banks, arranged net repo stocks with the BCRA, holdings of LELIQ bills and NOTALIQs, and holdings of sovereign bonds eligible to comply with the minimum reserve requirements.

<sup>6</sup> Communication "A" 7536.

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



**Chart 7.2 | Financial Institutions' Liquidity in Foreign Currency**



Financial institutions' liquidity in the foreign currency segment stood at 82.8% of deposits in June, remaining stable vis-à-vis May. Among its components, the rise of liquidity was related to the change of cash in banks, which was in part offset by a fall of current accounts at the BCRA (see Chart 7.2).

**In June, some regulatory changes on foreign exchange took place. Likewise, in early June, the BCRA adopted the regime on foreign currency availability for exporters of services.**<sup>7</sup> Natural persons exporting services related to the knowledge economy may credit up to USD12,000 per year to accounts held at local financial institutions without the requirement of settlement in pesos. This benefit also applies to companies in the sector, which will have foreign currency available for the payment of salaries for a percentage of the increase in foreign sales recorded this year compared to 2021.

Also, **the system that allows the beneficiaries of a retirement pay and/or pension plan paid by the Argentine Social Security Administration (ANSES) to buy foreign currency in the forex market has been extended to reach those receiving their pays from other pension agencies and/or pension annuities. All non-residents are now entitled to collect their pays from bank accounts held abroad.**<sup>8</sup> Moreover, **the conditions of time deposits for farmers (Plazos Fijos Chacareros, in Spanish) were improved by removing limits for renewal. This type of deposit is aimed at individuals and companies with agricultural activity, and the yield is tied to the value of grains or oilseeds and the price of the US dollar.**<sup>9</sup> In line with the aforementioned, the regulation increased the amount in foreign currency that agricultural export companies are allowed to purchase in the forex market with the aim of reimbursing financing.<sup>10</sup>

Along with this, the regulation was changed to improve the conditions for imports of goods and services subject to the submission of an affidavit under the SIMI and to exempt such imports from the terms set in the foreign exchange regulations. In June, **the BCRA continued to issue new exemptions and specific regulations for imports in certain productive sectors in order to cope with the extraordinary demand of foreign currency to import energy, promote SMEs' development and support economic growth.**<sup>11</sup> Last, by the end of June, the BCRA continued improving the strategy to promote a more efficient allocation of foreign

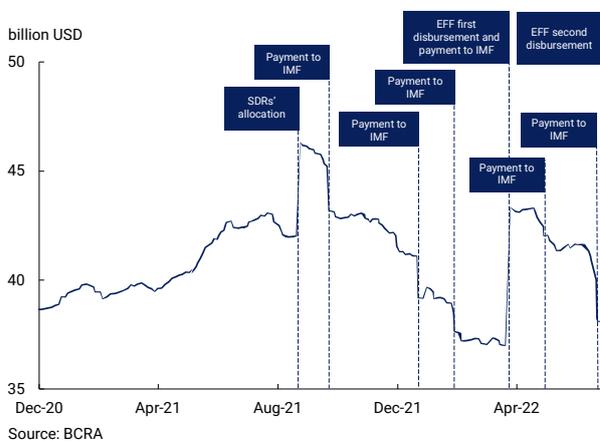
7 Communication "A" 7518.  
 8 Communication "A" 7528.  
 9 Communication "A" 7530.  
 10 Communication "A" 7531.  
 11 Communications "A" 7528 and "A" 7532.

currency by preventing financial institutions and non-financial credit providers from financing the foreign purchase of products or services in installments.<sup>12</sup>

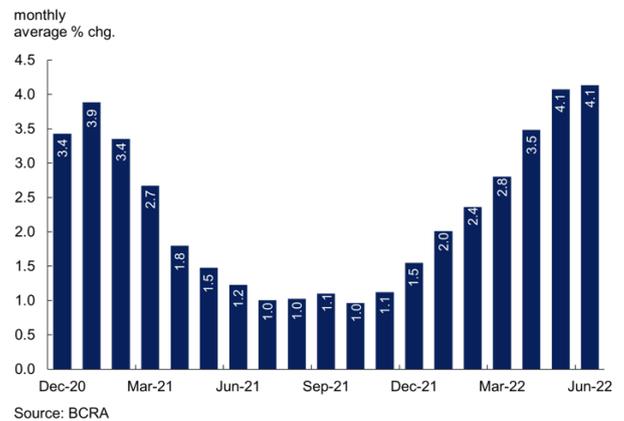
In this context, **the BCRA's international reserves reached USD42.79 billion at the end of June, USD1.23 billion up against the end of May** (see Chart 7.3). This increase was basically explained by the second disbursement of the IMF by the end of June of USD4.01 billion, within the framework of the Extended Fund Facility (EFF) signed with Argentina. This disbursement was used to pay principal owed to the IMF in June and will allow for payments due in July. The growth of international reserves was further driven by the net purchase of foreign currency to the private sector for USD948 million in June.

**Finally, the ARS/USD nominal exchange rate (TCN, in Spanish) increased 4.1% and averaged ARS122.65/USD1 in June** (see Chart 7.4). Hence, the depreciation pace of domestic currency is gradually reaching a level more compatible with the inflation rate with the aim of keeping the Multilateral Real Exchange Rate Index (ITCRM, in Spanish) at proper competitive levels.

**Chart 7.3 | International Reserves**  
Daily stock



**Chart 7.4 | Change in Bilateral Nominal Exchange Rate against USA**



12 Communication "A" 7535.

## 8. Regulatory Overview

Date of Issue	Regulation	Description
Jun-2-22	<a href="#">Comm. "A" 7518</a>	<p><b>Natural persons can collect up to USD12,000 per year through their accounts in Argentina for services provided to non-residents.</b> Transfers of foreign currency into the country above this amount must be settled. They may use this mechanism provided they do not obtain foreign currency through the financial system (no sales of securities settled in foreign currency 90 days before crediting funds, and undertaking not to do so for the following 90 days).</p> <p>In turn, <b>legal persons can obtain a "certification of increase of income from service exports in 2022" to be exclusively channeled to the payment of workers' salaries for an amount of up to 50% of the increase of service exports accumulated in 2022 compared to 2021, or 20% of gross salaries for the rest of 2022, whichever is lower.</b> This mechanism may be used only if the company does not record any failures to transfer and settle proceeds from exports of services, undertakes to settle the funds that have not been allocated to the payment of salaries, has not sold any securities settled in foreign currency 90 days before certification, and undertakes not to do so for the following 90 days.</p> <p>This exception to the requirement of foreign currency settlement for certain service exports is retroactive to January 1, so the annual total will be available until the end of the year.</p>
Jun-16-22	<a href="#">Comm. "A" 7527</a>	<p>As from June 21, 2022, <b>the minimum interest rate on natural persons' time deposits in financial institutions not exceeding ARS10 million on the date of deposit rose from 97.96% to 101.92% of the monetary policy rate</b> recorded on the day before the deposit is made or, as the case may be, the last rate published. <b>The interest rate on the remaining deposits rose from 93.88% to 96.15% of the monetary policy rate. In turn, the interest rate on early-payment deposits increased to 92.31% of such rate</b> (from 87.76% applicable before this regulation).</p> <p>Also, <b>the interest rate on financing to working capital and to the discount of deferred payment checks and MSME electronic credit invoices was increased from 47.5% to 52.5% APR, and the interest rate on financing to investment projects in the framework of the LFIP was raised from 37% to 42% APR.</b></p> <p>Finally, effective as from the invoicing cycle of July 2022, the maximum compensatory interest charged by financial institutions for financings on credit cards was raised to 57% APR.</p>
Jun-16-22	<a href="#">Comm. "A" 7528</a>	<p><b>Access the forex market was allowed to make payments of imports of goods for categories B or C under a SIMI affidavit in force, provided that the goods paid are necessary for manufacturing vehicles and/or automotive components in Argentina.</b> It should be noted that these categories refer to the way importers may access the forex market for imports of goods subject to the submission of an affidavit under the SIMI and to the terms of access, which fall outside the scope of the foreign exchange regulations.</p> <p>In addition, the Mercosur Common Nomenclature (NCM, in Spanish) list was updated to comprise pharmaceuticals and/or inputs used to produce them locally, and other health care items. In all these cases, importers will have access to the forex market for paying imports.</p> <p>Finally, Argentine citizens living abroad will be able to collect retirement, pension or annuity payments transferred in foreign currency to their bank accounts held in the registered country of residence and for up to the amount received for such payments in the last 30 calendar days.</p>

Jun-23-22	<u>Comm. "A"</u> <u>7530</u>	<b>The BCRA determined that individuals and companies with agricultural activity may make time deposits for farmers</b> with yields tied to the value of grains or oilseeds and to the price of the US dollar <b>for up to twice the amount of their grain and/or oilseed sales recorded since January 1, 2022. Moreover, the individuals and companies under this segment were allowed to renew their term investments existing to date for up to the amount to be collected at maturity, regardless of the limit stated above.</b>
Jun-23-22	<u>Comm. "A"</u> <u>7531</u>	<b>The Board of the BCRA increased to ARS15,000 million the amount that agricultural export companies may borrow in pesos for purchases for export</b> where the parent companies are residents in Argentina and where the clients undertake, by submitting an affidavit, not to increase their stocks of goods for export at the time of requesting financing.
Jun-27-22	<u>Comm. "A"</u> <u>7532</u>	<p>This Communication sets out that it is no longer possible to add up an amount to the monthly cap of SIMI statements under categories A and C. Also, the regulation expands the import financing system to reach imports under non-automatic licenses and the import of services for one quarter. Thus, in the new payment scheme, importers subject to SIMI statements under category A will keep their access to the forex market for an amount not exceeding the monthly average of imports recorded in 2021 plus 5% or the monthly average recorded in 2020 plus 70%. In turn, the SIMI statements under category B corresponding to non-automatic licenses may access the forex market 180 days after customs clearance. <b>In turn, small and medium-sized enterprises are exempted from the requirement of financing their imports for the amount imported in 2021 plus 15%, as long as the threshold of one million dollars is not reached.</b></p> <p><b>As regards imports of capital goods, 80% can be paid at the port of origin and 20% upon nationalization. In addition, the pre-financing of exports was eased</b> (with the requirement of settling export proceeds from 5 to 15 days) <b>as well as long-term financing obtained to pay in advance domestic debts in foreign currency. Also, the treatment of imports of services has been equated to that of goods. Importers are allowed to access the forex market for the same amount as that purchased in the market in 2021. If any differences arose, importers would access the forex market for the amount in excess after 180 days.</b></p> <p>Finally, together with the Ministry of Productive Development, tariff positions of goods equal to the ones manufactured in Argentina were expanded. Importers would be allowed to access the forex market after 180 days and, in the case of luxury goods, after 360 days.</p>
Jun-30-22	<u>Comm. "A"</u> <u>7535</u>	This new Communication, <b>effective as from July 4, 2022, sets out that purchases from abroad can no longer be paid in installments where they are non-commercial foreign goods (as stated in the Customs Code) delivered by postal service, international freight services or couriers, or management of customs proceedings.</b> This Communication supplements Communication "A" 7407 which does not allow financial institutions and non-financial credit providers to finance tourist services and travel tickets to travel abroad in installments.
30-Jun-22	<u>Comm. "A"</u> <u>7536</u>	<b>The BCRA moved forward to simplify the Minimum Cash Regime in pesos in order to strengthen the channel of monetary policy transmission.</b> Simplification provides for a reduction in the number of exemptions, keeping those that promote credit intended for productive purposes MSMEs and financing for household consumption. In addition, interest rates on minimum cash items were adjusted. The first stage of the plan to streamline the Minimum Cash Regime will be implemented gradually from October to the end of 2022.

## 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 June-22						% of GDP	
	Jun-22	May-22	Apr-22	Dec-21	Jun-21	Monthly		Accrued in 2022		Year-on-year		Jun-22	Dec-21
						Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real		
<b>Monetary Base</b>	<b>3,891,174</b>	<b>3,696,382</b>	<b>3,628,710</b>	<b>3,394,480</b>	<b>2,705,144</b>	5.3%	-2.5%	14.6%	-11.3%	43.8%	-12.9%	5.1%	5.9%
Currency in circulation	2,933,702	2,743,185	2,688,459	2,504,731	1,935,536	6.9%	-0.2%	17.1%	-11.2%	51.6%	-8.2%	3.8%	4.5%
Cash held by the public	2,637,746	2,471,562	2,393,457	2,230,702	1,720,551	6.7%	-0.7%	18.2%	-10.1%	53.3%	-7.2%	3.5%	4.0%
Cash in financial institutions	295,956	271,623	295,002	274,029	214,985	9.0%	3.9%	8.0%	-20.1%	37.7%	-16.6%	0.4%	0.5%
Current accounts at BCRA	957,472	953,197	940,252	889,749	769,609	0.4%	-4.2%	7.6%	-20.4%	24.4%	-24.7%	1.2%	1.6%
<b>BCRA's remunerated liabilities (NV ARS)</b>	<b>6,007,415</b>	<b>5,557,121</b>	<b>5,082,656</b>	<b>4,506,696</b>	<b>3,578,818</b>	8.1%	3.1%	33.3%	-1.3%	67.9%	1.7%	7.8%	5.9%
Reverse repos	634,403	572,009	564,228	2,366,670	1,543,864	10.9%	5.8%	-73.2%	-80.2%	-58.9%	-75.1%	0.8%	3.1%
1 day	634,403	572,009	564,228	110,546	57,424	10.9%	5.8%	473.9%	324.7%	1004.8%	569.0%	0.8%	0.1%
7 days	0	0	0	2,256,124	1,486,440	6.9%	2.0%	-100.0%	-100.0%	-100.0%	-100.0%	0.0%	2.9%
Stock of LELIQ bills	4,572,617	4,281,073	3,965,042	2,140,026	2,034,954	6.8%	1.9%	113.7%	58.1%	124.7%	36.1%	5.9%	2.8%
Stock of 28-day LELIQ bills	4,194,993	3,904,694	3,588,663	2,140,026	2,034,954	7.4%	2.5%	96.0%	45.1%	106.1%	24.8%	5.4%	2.8%
Stock of 180-day LELIQ bills	377,623	376,379	376,379	-	-	0.3%	-4.3%	-	-	-	-	0.5%	-
Stock of NOTALIQ	800,396	704,039	553,386	-	-	13.7%	8.4%	-	-	-	-	1.0%	-
<b>BCRA's international reserves in dollars</b>	<b>40,780</b>	<b>41,620</b>	<b>43,011</b>	<b>40,584</b>	<b>42,421</b>	-2.0%	-	0.5%	-	-3.9%	-	6.5%	7.5%

Monthly average explanatory factors	Monthly		Quarterly		Accrued in 2022		Year-on-year	
	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution
<b>Monetary Base</b>	<b>194,792</b>	<b>5.3%</b>	<b>230,907</b>	<b>6.3%</b>	<b>496,694</b>	<b>14.6%</b>	<b>1,186,029</b>	<b>43.8%</b>
Foreign exchange purchases to private sector and others	1,198	0.0%	82,946	2.3%	74,123	2.2%	-24,596	-0.9%
Foreign exchange purchase to the NT	287,562	7.8%	245,383	6.7%	91,916	2.7%	325,816	12.0%
Temporary advances and profit transfers to National Government	-23,149	-0.6%	174,551	4.8%	689,851	20.3%	1,739,376	64.3%
Other public sector operations	-3,302	-0.1%	259,590	7.1%	47,011	1.4%	95,135	3.5%
Monetary policy instruments	-265,822	-7.2%	-710,331	-19.4%	-505,850	-14.9%	-682,155	-25.2%
Others	198,303	5.4%	178,768	4.9%	99,643	2.9%	-267,547	-9.9%
<b>BCRA's International Reserves</b>	<b>-840</b>	<b>-2.0%</b>	<b>2,268</b>	<b>5.9%</b>	<b>195</b>	<b>0.5%</b>	<b>-1,641</b>	<b>-3.9%</b>
Purchases of foreign currency	16	0.0%	719	1.9%	627	1.5%	-316	-0.7%
International organizations	-634	-1.5%	3,176	8.2%	2,076	5.1%	2,606	6.1%
Other public-sector transactions	-103	-0.2%	-199	-0.5%	-180	-0.4%	2,537	6.0%
Minimum cash requirements	-45	-0.1%	221	0.6%	604	1.5%	1,441	3.4%
Others (incl. forex valuation)	-74	-0.2%	-1,650	-4.3%	-2,931	-7.2%	-7,910	-18.6%

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

Minimum Cash Requirement and Compliance	Jun-22	May-22	Apr-22
<b>Domestic currency</b>	% of total deposits in pesos		
Net requirement of deductions	21.5	21.9	22.1
Compliance in current account	7.6	8.1	8.5
Compliance in LELIQ bills	29.7	29.2	28.6
Compliance in BOTE 2022	3.7	3.6	3.6
Compliance in sovereign bonds/other	5.4	6.1	5.9
<b>Foreign currency</b>	% 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)	64.5	64.8	63.5
Position <sup>(1)</sup>	40.5	40.8	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 June-22						% of GDP <sup>4</sup>	
	Jun-22	May-22	Apr-22	Dec-21	Jun-21	Monthly		Accrued in 2022		Year-on-year		Jun-22	Dec-21
						Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real		
<b>Domestic currency</b>													
<b>Total deposits from the non-financial sector in pesos<sup>1</sup></b>	<b>12,505,002</b>	<b>11,690,708</b>	<b>10,976,936</b>	<b>9,585,194</b>	<b>7,543,810</b>	7.0%	0.5%	30.5%	-3.5%	65.8%	0.4%	<b>16.2%</b>	<b>17.3%</b>
<i>Private sector deposits</i>	10,162,959	9,465,447	8,871,947	7,725,393	5,981,798	7.4%	0.5%	31.6%	-2.7%	69.9%	2.9%	<b>13.1%</b>	<b>14.0%</b>
<b>Private Sector Sight Deposits</b>	4,958,897	4,626,032	4,294,363	4,094,953	2,920,926	7.2%	-0.5%	21.1%	-4.9%	69.8%	2.8%	<b>6.5%</b>	<b>7.0%</b>
Non-interest bearing (transactional)	3,894,234	3,613,655	3,463,216	3,283,216	2,428,853	7.8%	-0.7%	18.6%	-5.4%	60.3%	-2.9%	<b>5.1%</b>	<b>5.6%</b>
Interest-bearing	1,064,664	1,012,376	831,147	811,737	492,072	5.2%	0.3%	31.2%	-2.9%	116.4%	31.0%	<b>1.4%</b>	<b>1.5%</b>
<b>Private Sector Time Deposits and Others</b>	5,204,062	4,839,416	4,577,584	3,630,440	3,060,872	7.5%	1.6%	43.3%	-0.4%	70.0%	3.0%	<b>6.7%</b>	<b>6.9%</b>
Time Deposits	5,025,347	4,673,582	4,415,803	3,482,486	2,939,308	7.5%	1.5%	44.3%	0.0%	71.0%	3.5%	<b>6.4%</b>	<b>6.7%</b>
CER / UVA non-adjustable	4,683,271	4,378,907	4,165,595	3,322,813	2,772,894	7.0%	1.0%	40.9%	-2.3%	68.9%	2.3%	<b>6.0%</b>	<b>6.3%</b>
CER / UVA-adjustable	342,076	294,675	250,208	159,673	166,414	16.1%	9.6%	114.2%	48.5%	105.6%	24.5%	<b>0.4%</b>	<b>0.3%</b>
Traditional	186,850	170,131	152,494	102,705	109,737	9.8%	3.7%	81.9%	26.1%	70.3%	3.1%	<b>0.2%</b>	<b>0.2%</b>
Early-payment	155,226	124,544	97,714	56,968	56,676	24.6%	17.7%	172.5%	88.8%	173.9%	65.9%	<b>0.2%</b>	<b>0.1%</b>
Other deposits	178,715	165,833	161,781	147,954	121,564	7.8%	2.8%	20.8%	-10.6%	47.0%	-11.0%	<b>0.2%</b>	<b>0.3%</b>
<i>Public sector deposits<sup>2</sup></i>	2,342,043	2,225,260	2,104,989	1,859,801	1,562,013	5.2%	0.4%	25.9%	-6.8%	49.9%	-9.2%	<b>3.0%</b>	<b>3.4%</b>
<b>Monetary Aggregates</b>													
Total M2	8,468,226	7,913,009	7,485,577	7,120,852	5,223,266	7.0%	0.2%	18.9%	-6.8%	62.1%	-1.8%	<b>11.2%</b>	<b>12.4%</b>
Total M3	15,261,823	14,276,911	13,507,940	11,905,632	9,334,701	6.9%	1.3%	28.2%	-2.3%	63.5%	-1.0%	<b>20.0%</b>	<b>21.2%</b>
<b>Private sector monetary aggregates</b>													
Private M2	7,596,643	7,097,594	6,687,820	6,325,655	4,641,477	7.0%	0.2%	20.1%	-7.9%	63.7%	-0.9%	<b>9.9%</b>	<b>11.1%</b>
Transactional private M2 <sup>3</sup>	6,531,980	6,085,217	5,856,673	5,513,918	4,149,405	7.3%	-0.7%	18.5%	-7.4%	57.4%	-4.7%	<b>8.5%</b>	<b>9.5%</b>
Private M3	12,800,705	11,937,009	11,265,404	9,956,095	7,702,349	7.2%	1.1%	28.6%	-4.9%	66.2%	0.6%	<b>16.5%</b>	<b>18.0%</b>
<b>Total loans to the non-financial sector in pesos</b>	<b>5,166,678</b>	<b>4,857,924</b>	<b>4,638,927</b>	<b>4,058,133</b>	<b>3,037,585</b>	6.4%	1.6%	27.3%	-2.9%	70.1%	3.0%	<b>6.8%</b>	<b>7.2%</b>
<b>Loans to the non-financial private sector</b>	<b>5,110,825</b>	<b>4,802,692</b>	<b>4,584,961</b>	<b>4,003,444</b>	<b>2,993,305</b>	6.4%	1.6%	27.7%	-2.6%	70.7%	3.4%	<b>6.7%</b>	<b>7.1%</b>
Overdrafts	560,944	500,687	457,337	392,585	273,538	12.0%	7.8%	42.9%	9.3%	105.1%	24.2%	<b>0.7%</b>	<b>0.7%</b>
Promissory notes	1,294,836	1,230,418	1,174,617	1,010,395	670,251	5.2%	-0.6%	28.2%	-0.3%	93.2%	17.0%	<b>1.7%</b>	<b>1.8%</b>
Mortgage-backed loans	330,123	318,428	311,622	280,283	235,295	3.7%	-0.9%	17.8%	-12.7%	40.3%	-15.0%	<b>0.4%</b>	<b>0.5%</b>
Pledge-backed loans	332,321	308,739	288,148	229,234	142,982	7.6%	2.8%	45.0%	12.1%	132.4%	40.8%	<b>0.4%</b>	<b>0.4%</b>
Personal loans	834,907	806,791	777,109	665,885	520,757	3.5%	-0.6%	25.4%	-6.6%	60.3%	-2.9%	<b>1.1%</b>	<b>1.2%</b>
Credit cards	1,462,550	1,365,258	1,315,089	1,198,243	953,564	7.1%	2.9%	22.1%	-1.4%	53.4%	-7.1%	<b>2.0%</b>	<b>2.1%</b>
Others	295,143	272,370	261,040	226,818	196,917	8.4%	0.2%	30.1%	-9.4%	49.9%	-9.2%	<b>0.4%</b>	<b>0.4%</b>
<b>Loans to the non-financial public sector</b>	<b>55,853</b>	<b>55,232</b>	<b>53,966</b>	<b>54,689</b>	<b>44,281</b>	1.1%	-3.5%	2.1%	-24.4%	26.1%	-23.6%	<b>0.1%</b>	<b>0.1%</b>
<b>Foreign currency<sup>1</sup></b>													
<b>Deposits from the non-financial sector in dollars</b>	<b>18,516</b>	<b>18,480</b>	<b>18,433</b>	<b>18,237</b>	<b>18,860</b>	0.2%	-	1.5%	-	-1.8%	-	<b>3.0%</b>	<b>3.4%</b>
Deposits from the non-financial private sector in dollars	15,585	15,386	15,334	15,255	16,242	1.3%	-	2.2%	-	-4.0%	-	<b>2.5%</b>	<b>2.8%</b>
sight deposits	11,682	11,473	11,413	11,233	11,918	1.8%	-	4.0%	-	-2.0%	-	<b>1.9%</b>	<b>2.1%</b>
time deposits and others	3,904	3,914	3,922	4,022	4,323	-0.2%	-	-2.9%	-	-9.7%	-	<b>0.6%</b>	<b>0.7%</b>
Deposits from the non-financial public sector in dollars	2,931	3,093	3,099	2,982	2,619	-5.3%	-	-1.7%	-	11.9%	-	<b>0.5%</b>	<b>0.6%</b>
<b>Loans to the non-financial sector in dollars</b>	<b>3,959</b>	<b>3,835</b>	<b>3,902</b>	<b>4,268</b>	<b>5,551</b>	3.2%	-	-7.2%	-	-28.7%	-	<b>0.6%</b>	<b>0.8%</b>
Loans to the non-financial private sector in dollars	3,837	3,712	3,778	4,127	5,416	3.4%	-	-7.0%	-	-29.2%	-	<b>0.6%</b>	<b>0.8%</b>
Promissory notes	2,609	2,526	2,518	2,729	3,837	3.3%	-	-4.4%	-	-32.0%	-	<b>0.4%</b>	<b>0.5%</b>
Credit cards	247	205	188	137	77	20.7%	-	80.9%	-	220.4%	-	<b>0.0%</b>	<b>0.0%</b>
Others	981	981	1,072	1,261	1,503	-0.1%	-	-22.2%	-	-34.7%	-	<b>0.2%</b>	<b>0.2%</b>
Loans to the non-financial public sector in dollars	122	122	124	141	135	-0.7%	-	-13.7%	-	-9.9%	-	<b>0.0%</b>	<b>0.0%</b>

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

<sup>2</sup> Net of the use of unified funds.

<sup>3</sup> It excludes interest-bearing sight deposits from private M2.

<sup>4</sup> 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	Jun-22	EAR Jun-22	May-22	Apr-22	Dec-21	Jun-21
<b>BCRA repo interest rates</b>						
Overnight reverse repo	38.50	46.93	36.92	35.15	32.00	32.00
Overnight repo	54.50	72.39	51.84	48.02	42.70	42.70
<b>28-day LELIQ bill interest rate</b>	50.00	63.34	48.23	45.58	38.00	38.00
<b>180-day LELIQ bill interest rate</b>	55.83	72.76	53.53	50.58		
Interbank market interest rates	Jun-22	EAR Jun-22	May-22	Apr-22	Dec-21	Jun-21
<b>Repo rates among third parties on overnight REPO round</b>	39.11	47.84	37.62	36.04	30.98	32.71
Volume of repos traded among third parties (daily average)	19,567		23,356	26,244	4,489	3,664
<b>Calls in pesos (overnight)</b>						
Interest rate	40.35	49.67	38.27	35.11	30.46	31.62
Traded volume	28,906		26,767	24,704	19,687	11,179
Borrowing interest rates	Jun-22	EAR Jun-22	May-22	Apr-22	Dec-21	Jun-21
<b>Sight deposits</b>						
Interest-bearing	34.92	41.09	32.82	29.77	28.87	29.89
<b>Time deposits</b>						
Natural persons up to ARS1 million (30-35 days) <sup>1</sup>	49.98	63.20	46.90	44.51	36.29	36.32
Total TM20 (more than ARS20 million, 30-35 days)	46.90	58.43	44.05	41.84	33.25	33.29
Private banks' TM20 (more than ARS20 million, 30-35 days)	47.96	60.05	45.04	42.58	33.98	33.87
Total BADLAR (more than ARS1 million, 30-35 days)	47.60	59.51	44.61	42.33	33.34	33.39
Private banks' BADLAR (more than ARS1 million, 30-35 days)	48.63	61.10	45.67	43.21	34.20	34.11
<b>Interest rate on UVA deposits' early-payment option</b>	44.67	55.06	42.23	39.58	30.50	30.50
Lending interest rates	Jun-22	EAR Jun-22	May-22	Apr-22	Dec-21	Jun-21
<b>Loans to the non-financial private sector in pesos</b>						
Overdrafts	47.91	61.42	46.37	44.43	40.46	41.59
1 to 7 days—in accordance with companies—more than ARS10 million	42.44	52.60	40.61	38.89	35.36	35.91
Unsecured promissory notes	43.28	53.01	41.11	39.60	34.78	35.70
Mortgage-backed loans	36.67	43.52	34.42	32.01	29.71	28.25
Pledge-backed loans	34.61	40.67	30.98	29.62	28.16	27.28
Personal loans	60.26	80.06	58.95	58.02	53.00	52.70
Credit cards	49.91	63.09	48.36	47.24	42.87	42.52
Interest rate in foreign currency	Jun-22	EAR Jun-22	May-22	Apr-22	Dec-21	Jun-21
<b>Time deposits in dollars (30 to 44 days)</b>	0.33	0.33	0.33	0.34	0.37	0.38
<b>Unsecured promissory notes in dollars</b>	3.45	3.51	3.26	3.49	5.97	3.40
Exchange rate	Jun-22	Monthly chg. (%)	May-22	Apr-22	Dec-21	Jun-21
<b>NER peso/dollar</b>						
Wholesale rate (Comm. "A" 3.500)	122.65	4.13	117.79	113.18	101.88	95.26
Retail rate <sup>2</sup>	124.62	3.89	119.95	115.31	104.27	97.47
<b>NER peso/real</b>	24.38	2.23	23.85	23.83	18.01	18.92
<b>NER peso/euro</b>	129.75	4.17	124.55	122.51	115.14	114.65
ITCNM	812.76	3.50	785.28	775.00	672.89	662.61
ITCRM	95.80	-0.90	96.68	100.18	102.60	117.60

<sup>1</sup> 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.

<sup>2</sup> 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