

Monthly Monetary Report

August 2017



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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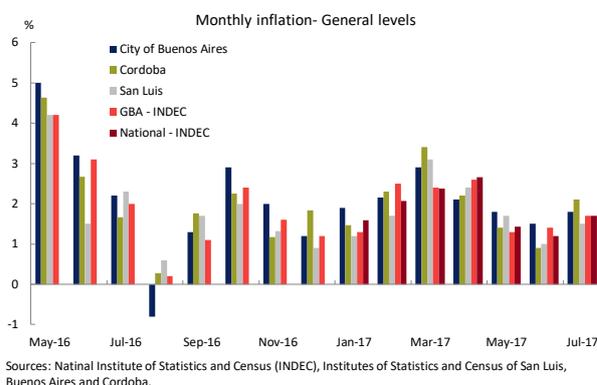
The closing date for statistics in this report was Wednesday, September 6, 2017. All figures are provisional and subject to review.

1. Summary¹

- The nationwide Consumer Price Index (CPI) for July was published in August by the INDEC. As expected, given the increase in regulated prices, inflation in July was higher than that of June, reaching 1.7%. On the contrary, the high-frequency data monitored by the Central Bank suggest that the disinflation process is in progress and that August's inflation may be lower than July's figure. However, the core inflation stood above the figures expected by the Central Bank. In this scenario, the Central Bank has decided to leave its monetary policy rate unchanged, the center of the 7-day repo corridor, standing at 26.25%. The 7-day corridor thus ran between 25.5% for reverse repos and 27% for repos.
- The Central Bank absorbed liquidity through open market transactions. It sold bills (LEBAC) on the secondary market, leading to monetary contraction, which exceeded the expansion associated with the partial renewal of bills falling due in August. The yield curve for LEBAC no longer followed a negative trend, recording a 190 basis-point increase in interest rates of longer-term bills between late July and end August.
- While interest rates in call money markets remained within the corridor of BCRA repos, deposit rates recorded upward trends with monthly average levels 0.5 p.p. higher than in July.
- Private-sector time deposits in pesos posted a different performance depending on the amount involved, with a better performance in the second fortnight of August. On the one hand, deposits under \$1 million remained stable during the first half of August and got back to the upward trend during the rest of the month. On the other hand, in the second half of August, \$1 million or more deposits put a halt to the downward trend that had exhibited since June. However, the monthly stock decreased in real terms and adjusted for seasonality. On the contrary, Private M2 increased once again in real terms and adjusted for seasonality.
- The growth observed in loans granted to the private sector was the main source of monetary creation. In August, the real stock of total loans in pesos and in foreign currency increased by 2.5% while loans in domestic currency went up by 1.7%. Promissory notes, personal loans and collateralized loans were among the most dynamic credit lines. Within the framework of collateralized loans, mortgage-backed loans continued accelerating their growth rate—UVA-denominated, in particular—, which concentrated 85% of mortgages granted to households. Since the launch of this credit line, about \$20.09 billion of mortgage-backed loans in UVA have been granted. In the last 12 months, mortgage-backed loans accumulated a 51.2% nominal increase while pledge-backed loans rose by 67.3%.
- Loan funding mainly derived from a fall in the stock of repos of financial institutions at the Central Bank. Thus, bank liquidity in domestic currency (cash in banks, current account of banks with the Central Bank, net repo transactions with the BCRA and the holding of LEBAC bills, as a percentage of deposits in pesos) decreased 0.8 p.p. against July, reaching 41.9%.

¹ Unless otherwise stated, the figures disclosed here are monthly averages of daily data.

Chart 2.1



2. Interest Rates²

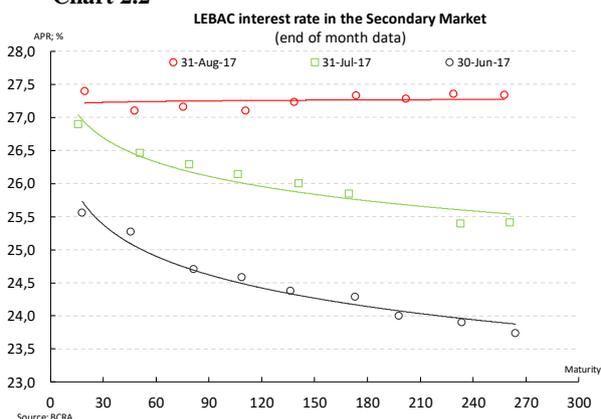
Monetary Policy Interest Rate

In August, the nationwide Consumer Price Index (CPI) for July was published by the INDEC. As expected, given the increase in regulated prices, inflation in July was higher than that of June, reaching 1.7% (see Chart 2.1). Meanwhile, the CPI core component rose 1.8%.

In turn, high-frequency data monitored by the Central Bank (BCRA) suggest that the disinflation process is in progress and that August's inflation may be lower than July's figure. However, the core inflation stood above the figures expected by the Central Bank.

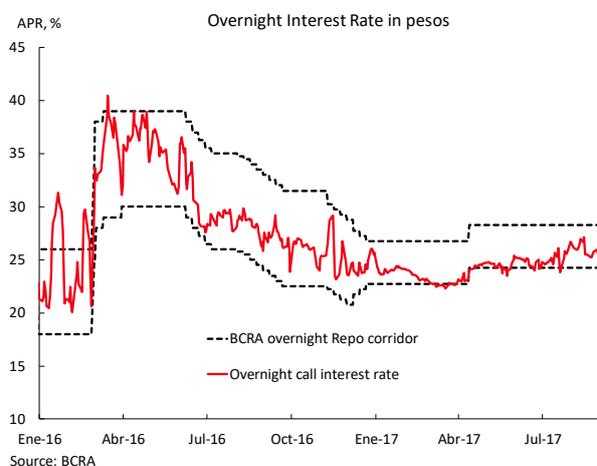
In this scenario, the Central Bank has decided to leave its monetary policy rate unchanged, the center of the 7-day repo corridor standing at 26.25%. The 7-day corridor thus ran between 25.5% for reverse repos and 27% for repos.

Chart 2.2



In August, the Central Bank continued conducting open market transactions to manage liquidity conditions in the money market. In this way, it sold LEBAC on the secondary market for a total of FV \$146.2 billion. Such sales led to a monetary contraction, which exceeded the expansion, associated with the partial renewal of bills falling due over the month. During August, the total amount of transactions with LEBAC bills caused a monetary contraction of \$31 billion. The monetary authority sought to change the yield curve trend for securities to make it slightly positive towards the end of the month. For longer terms, between 230 and 260 days, the yield observed on the LEBAC secondary market increased 190 basis points (b.p.) vis-à-vis the same day in July (see Chart 2.2)

Chart 2.3



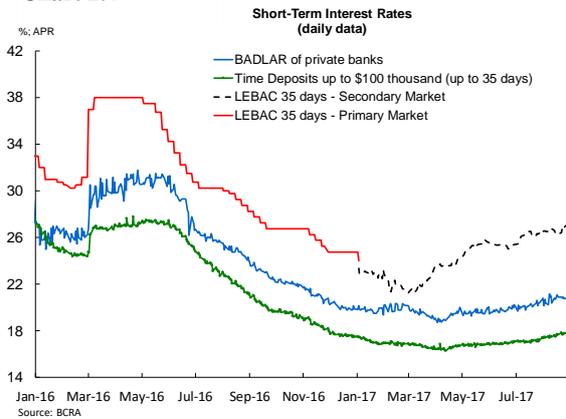
Market Interest Rate

Interest rates on shorter terms remained close to the center of the interest rate corridor set by the Central Bank in the repo market. In the call money markets, the interest rate on overnight call transactions averaged 26.1%, up 1 p.p. against July. Likewise, the average interest rate on overnight call transactions in the secured market (REPO round) stood at 25.9%, up 0.4 p.p. (see Chart 2.3). The daily average turnover traded in both markets rose nearly \$700 million, totaling around \$11.4 billion.

Similarly, interest rates on current account overdrafts granted to companies for over \$10 million and up to 7 days averaged 26.9%, up 0.6 p.p. in August.

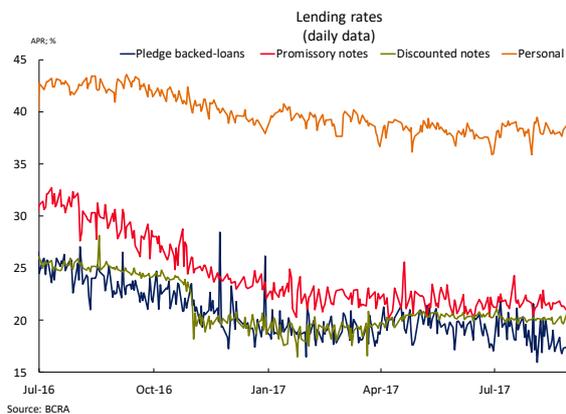
² Interest rates mentioned in this section are expressed as annual percentage rates (APR).

Chart 2.4



In turn, interest rates on time deposits exhibited growth against July. The BADLAR rate at private banks—interest rate on time deposits of \$1 million and more, and at 30 to 35 days—averaged 20.8%, going up 0.6 p.p. in August. Additionally, the interest rate paid on time deposits of up to \$100,000 and at up to 35 days stood at 17.6% on average, posting a 0.5 p.p. increase. (See Chart 2.4).

Chart 2.5

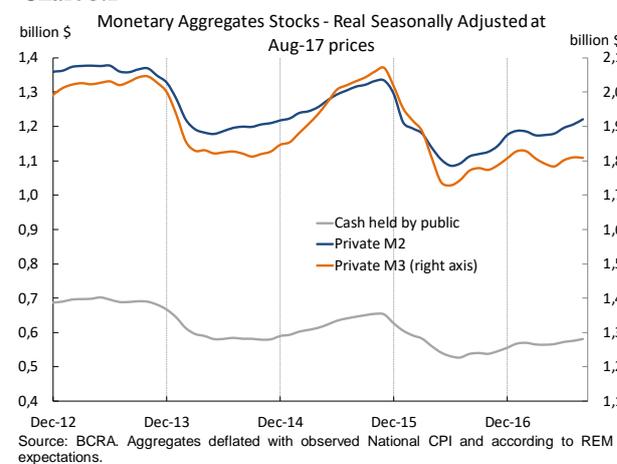


As to lending interest rates, they either remained constant or dropped against July. Regarding credit lines aimed at financing households, pledge-backed loan rates averaged 17.8%, exhibiting a fall of 1.5 p.p. In addition, auto-loan companies gained a higher share in the total at lower interest rates. In turn, rates for personal loans averaged 38.1%, decreasing 0.2 p.p. On the other hand, interest rates on credit lines aimed at financing company activities through unsecured promissory notes averaged 21.4%, exhibiting a monthly average drop of 0.4 p.p., while interest rates for discounted notes stood at 20.1%, a level similar to that of July (see Chart 2.5).

3. Monetary Aggregates¹

In real and seasonally adjusted terms, Private M3³ dropped 0.2% in August (see Chart 3.1) with a 2% y.o.y. variation. During August, time deposits in pesos from the private sector decreased, partially offsetting the Private M2 growth⁴ (1.1%).

Chart 3.1



In nominal terms, the monthly average balance of private M2 remained stable, with a rise in cash held by the public and a drop in sight deposits. The monthly average balance of time deposits from the private sector grew by 0.4%. The performance of deposits under \$1 million remained relatively stable in the first half of August—when the growth of deposits in foreign currency accelerated,—and was on the rise in the second half. In turn, wholesale deposits remained relatively stable for most of August, thus halting the downward trend of previous months (see Chart 3.2). This occurred in a period when deposit rates increased (see Market Interest Rate).

Total deposits in pesos rose by 0.3% in August, boosted by an increase in public-sector deposits; private sector deposits, as a whole, posted a small decrease. This performance led to a monthly rise of 0.7% in M3⁵.

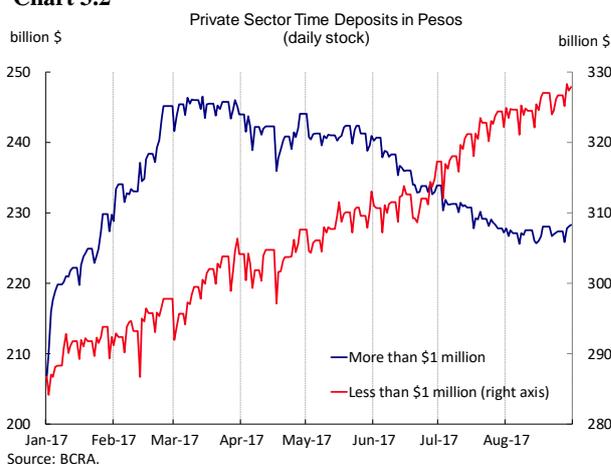
In agreement with the rise in the broadest monetary aggregates, August's average stock of the monetary base climbed 0.9%. This demand for monetary base was met

³ It includes cash held by the public and total deposits in pesos from the non-financial private sector.

⁴ It includes cash held by the public and sight deposits from the non-financial private sector.

⁵ It includes cash held by the public and total deposits in pesos from the private and public sectors.

Chart 3.2



by the reduction in the stock of repos, whereas foreign exchange transactions had virtually a null effect, as the expansion associated with the purchase of dollars from the National Treasury was similar to the reduction derived from sales to the remaining counterparties (see Chart 3.3).

The stock of deposits in foreign currency increased in August, with rises being observed in both the public and private sectors. The rise in public sector deposits was explained by the National Treasury's debt issue. Private sector deposits in dollars grew US\$620 million, totaling US\$24.07 billion at the end of August.

Finally, the broadest monetary aggregate, M3*, increased 2.2%, exhibiting a year-on-year change of 42%.

4. Loans ¹

In August, loans to the private sector continued with an upward trend in real and seasonally-adjusted terms (see Chart 4.1). Total loans—in pesos and in foreign currency—showed a monthly growth of 2.5%, whereas loans in domestic currency rose by 1.7%.

Collateralized loans in pesos continued exhibiting the greatest momentum, in real and seasonally-adjusted terms. In particular, mortgage loans notably reversed their trend since the end of 2016 (see Chart 4.2).

In nominal terms, mortgage-backed loans grew 7.6% (\$5.9 billion) in August, accumulating a 51.2% growth on a year-on-year basis. Once again, loans denominated in UVAs continued gaining share in mortgage-backed loans channeled to households, accounting for nearly 85% of the total in the last month. About \$20.09 billion in UVA-adjusted mortgage loans have been granted since this line of credit was launched. The increasing momentum in mortgage-backed loans since mid-2016 furthered longer-terms on average. Thus, the terms for new loans increased from around 100 months to more than 230 months (see Chart 4.3). In turn, pledge-backed loans grew 4.7% (\$3.3 billion) in August, thus recording a variation of 67.3% y.o.y. Both in this line and in personal loans, UVA-denominated loans are gaining share: \$8.75 billion were granted until the end of August in UVA-denominated personal and pledge-backed loans.

Loans for commercial purposes continued on the rise in August. Financing arranged through promissory notes rose by 4.2% (\$9.4 billion). Hence, they exhibited a y.o.y. growth rate of 32.7%, up 5 p.p. against July. Overdrafts posted a monthly increase of 2% (\$2.15 billion).

Chart 3.3

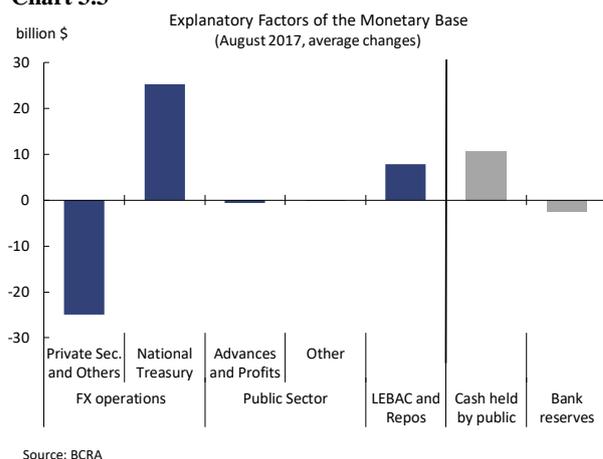


Chart 4.1

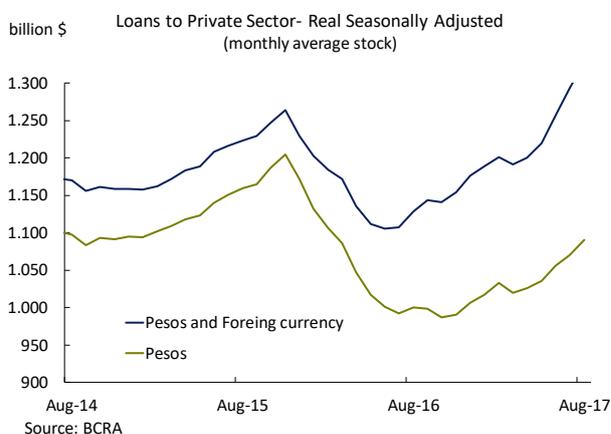
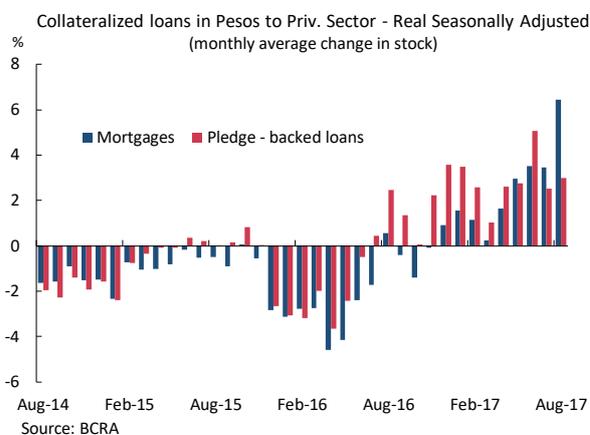


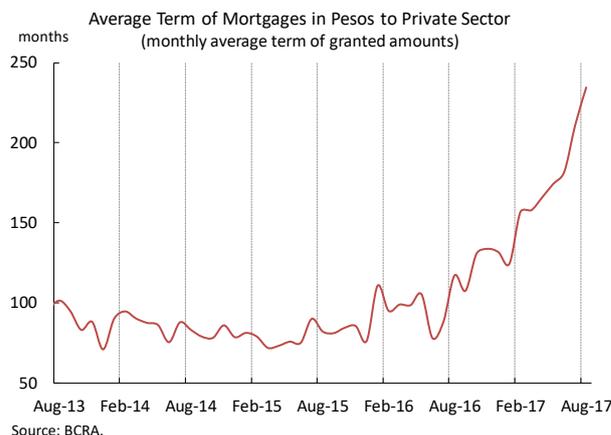
Chart 4.2



As for credit lines mostly channeled to household consumption, the nominal growth pace of personal loans increased by 3.9% (\$11 billion), once the seasonal effect of the semi-annual complementary wage disappeared. In real and seasonally adjusted terms, they grew at a pace similar to July's. The monthly average stock of financing arranged through credit cards remained virtually stable, increasing 23.4% y.o.y.

This way, loans in pesos granted to the private sector exhibited a nominal rise of 3.2% (\$33.6 billion), while the year-on-year change stood at about 35%.

Chart 4.3

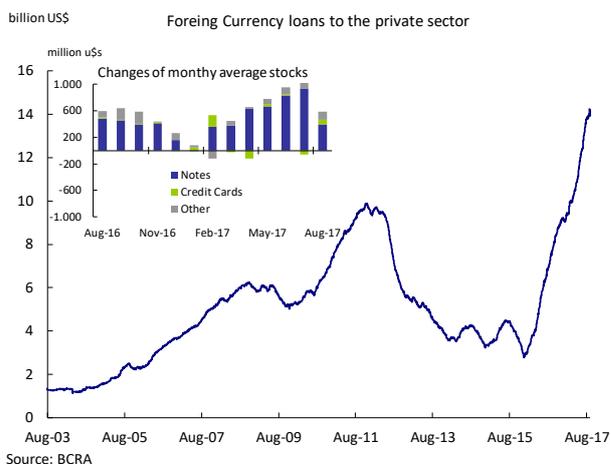


Finally, the growth of loans in foreign currency to the private sector moderated in August, coming to a halt in the first half of August (see Chart 4.4). Even so, they showed a 4.4% growth (US\$588 million), basically accounted for by the performance of unsecured promissory notes, a kind of financing mostly channeled to foreign trade (mainly pre-financing of exports). Hence, loans in foreign currency reached a monthly average balance of US\$13.92 billion, practically five times higher than the balance posted in December 2015, when they started exhibiting an upward trend following the exchange rate unification.

5. Financial Institutions' Liquidity¹

In August, financial institutions funded loans to the private sector and an increased amount in their LEBAC holdings out of higher total deposits and the proceeds from repos with the BCRA (see Chart 5.1). As a whole, financial institutions' liquidity in domestic currency (cash in banks, current account of banks with the Central Bank, net repo transactions with the BCRA and the holding of LEBAC, as a percentage of deposits in pesos) went down 0.8 p.p. to 41.9% (see Chart 5.2).

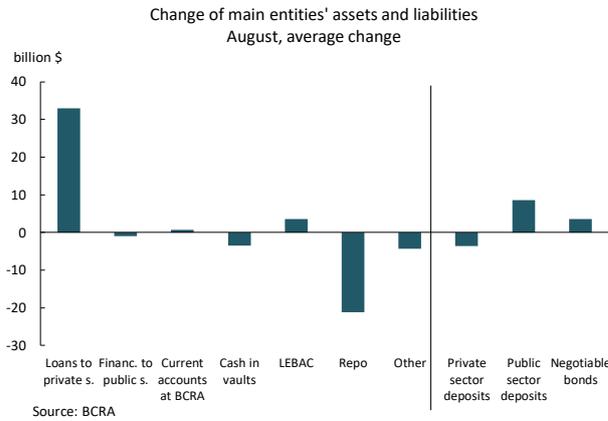
Chart 4.4



In particular, the level of deposits in current accounts with the Central Bank stood at 13.1% of deposits, which meant that banks might have ended the month with a surplus in minimum reserve requirements in pesos equal to 0.2% of deposits.

In turn, against a backdrop of minor growth in deposits and increased loans, foreign currency liquidity (cash in banks, current account of banks with the Central Bank, net repo transactions with the BCRA, as a percentage of deposits in dollars) fell for the fifth month in a row and averaged 57.4% (1.4 p.p. lower than July).

Chart 5.1



6. International Reserves and Foreign Exchange Market⁶

At the end of August, international reserves reached US\$48.877 billion, recording a monthly increase of US\$1.862 billion (see Chart 6.1). The rise was explained by the foreign currency inflow derived from the debt issue in dollars by the National Treasury.

In August, the BCRA sold foreign currency to the private sector for US\$1.533 billion. Notably, even in a context of a floating exchange rate scheme, the monetary authority retains the possibility of intervening in the foreign exchange market in case of potential disruption. In turn, the BCRA purchased foreign currency from the National Treasury for US\$2.1 billion in August.

The peso appreciated 1.7% against the US dollar, thus ending August at 17.37\$/US\$.

Chart 5.2

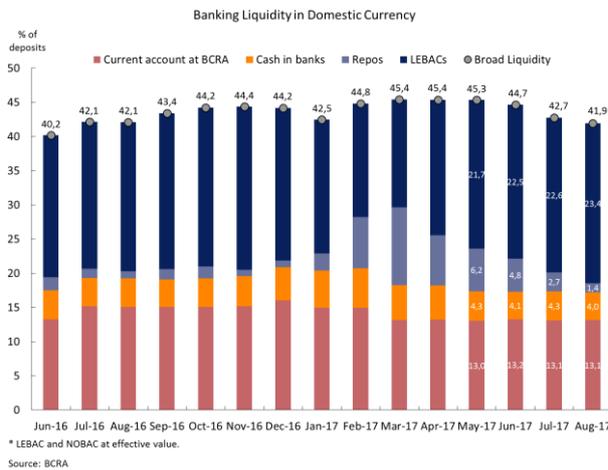
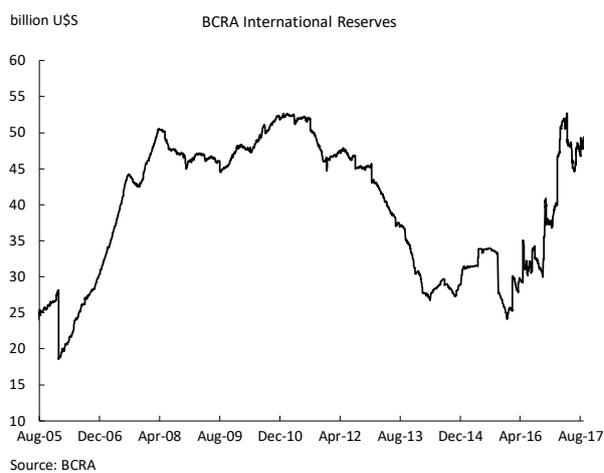


Chart 6.1



⁶ In this section, figures are end-of-the-month data.

7. Monetary and Financial Indicators

Figures in millions, expressed in their original currency.

Main monetary and financial system figures	Monthly average				Average change in	
	Aug-17	Jul-17	Dec-16	Aug-16	Monthly	Last 12 months
Monetary base	858,888	850,827	787,895	675,460	0.9%	27.2%
Currency in circulation	652,201	644,906	562,994	489,898	1.1%	33.1%
Held by public	588,480	577,814	494,853	438,145	1.8%	34.3%
Held by financial entities	63,720	67,092	68,140	51,753	-5.0%	23.1%
Settlement check	0	0	0	0	-14.7%	-
BCRA current account	206,688	205,921	224,901	185,562	0.4%	11.4%
Repos stock						
Reverse repos	55,730	79,652	52,777	29,044	-30.0%	91.9%
Repos	859	301	340	0	0.0%	0.0%
BCRA securities stock (in face value)						
In banks	958,186	914,671	669,257	609,014	4.8%	57.3%
LEBAC	389,150	356,892	322,853	277,840	9.0%	40.1%
In pesos	958,186	914,671	669,036	608,269	4.8%	57.5%
In Dollars	0	0	14	50	-	-100.0%
NOBAC	0	0	0	0	-	-
International Reserves	48,353	47,932	37,888	32,141	0.9%	50.4%
Private and public sector deposits in pesos ⁽¹⁾	1,570,299	1,565,090	1,397,490	1,229,039	0.3%	27.8%
Current account ⁽²⁾	430,391	419,288	403,233	321,512	2.6%	33.9%
Savings account	376,909	383,174	327,229	261,269	-1.6%	44.3%
Not CER-adjustable time deposits	695,592	695,808	605,107	596,918	0.0%	16.5%
CER-adjustable time deposits	1,490	1,429	397	93	4.2%	1500.5%
Other deposits ⁽³⁾	65,917	65,390	61,523	49,247	0.8%	33.8%
<u>Private sector deposits</u>	<u>1,226,868</u>	<u>1,230,114</u>	<u>1,093,038</u>	<u>991,849</u>	<u>-0.3%</u>	<u>23.7%</u>
<u>Public sector deposits</u>	<u>343,431</u>	<u>334,976</u>	<u>304,452</u>	<u>237,189</u>	<u>2.5%</u>	<u>44.8%</u>
Private and public sector deposits in dollars ⁽¹⁾	31,075	29,023	24,472	15,678	7.1%	98.2%
Loans to private and public sector in pesos ⁽¹⁾	1,106,804	1,074,441	932,208	857,124	3.0%	29.1%
<u>Loans to private sector</u>	<u>1,074,388</u>	<u>1,041,085</u>	<u>886,640</u>	<u>793,376</u>	<u>3.2%</u>	<u>35.4%</u>
Overdrafts	107,615	105,465	107,280	102,891	2.0%	4.6%
Promissory bills	235,093	225,684	189,882	177,151	4.2%	32.7%
Mortgages	83,721	77,828	59,274	55,376	7.6%	51.2%
Pledge-backed loans	73,417	70,140	51,925	43,877	4.7%	67.3%
Personal loans	292,188	281,463	217,673	187,349	3.8%	56.0%
Credit cards	236,494	234,998	223,830	191,634	0.6%	23.4%
Other loans	45,859	45,508	36,776	35,098	0.8%	30.7%
<u>Loans to public sector</u>	<u>32,416</u>	<u>33,356</u>	<u>45,568</u>	<u>63,747</u>	<u>-2.8%</u>	<u>-49.1%</u>
Loans to private and public sector in dollars ⁽¹⁾	13,964	13,373	9,224	7,284	4.4%	91.7%
Total monetary aggregates ⁽¹⁾						
M1 (currency held by public + settlement check in pesos+ current account in pesos)	1,018,872	997,102	898,086	759,657	2.2%	34.1%
M2 (M1 + savings account in pesos)	1,395,781	1,380,276	1,225,315	1,020,926	1.1%	36.7%
M3 (currency held by public + settlement check in pesos + total deposits in pesos)	2,158,780	2,142,904	1,892,343	1,667,184	0.7%	29.5%
M3* (M3 + total deposits in dollars + settlement check in foreign currency)	2,702,048	2,642,713	2,282,632	1,903,123	2.2%	42.0%
Private monetary aggregates						
M1 (currency held by public + settlement check in pesos + priv.current account in pesos)	865,252	849,383	744,776	652,265	1.9%	32.7%
M2 (M1 + private savings account in pesos)	1,219,100	1,214,199	1,054,527	895,125	0.4%	36.2%
M3 (currency held by public + settlement check in pesos + priv. total deposits in pesos)	1,815,349	1,807,928	1,587,891	1,429,994	0.4%	26.9%
M3* (M3 + private total deposits in dollars + settlement check in foreign currency)	2,234,257	2,207,464	1,930,947	1,619,451	1.2%	38.0%

Explanatory factors	Average Change							
	Monthly		Quarterly		YTD 2014		Last 12 months	
	Nominal	Contribution ⁽⁴⁾	Nominal	Contribution ⁽⁴⁾	Nominal	Contribution ⁽⁴⁾	Nominal	Contribution ⁽⁴⁾
Monetary base	8,061	0.9%	74,532	9.5%	70,993	9.0%	183,428	27.2%
Foreign exchange purchases with the private sector	-24,907	-2.9%	-19,856	-2.5%	8,425	1.1%	12,963	1.9%
Foreign exchange purchases with the NT	25,277	3.0%	32,737	4.2%	116,251	14.8%	182,269	27.0%
Temporary Advances and Profit Transfers	-610	-0.1%	41,094	5.2%	95,800	12.2%	156,252	23.1%
Other public sector operations	-49	0.0%	-1,610	-0.2%	-3,418	-0.4%	4,654	0.7%
Sterilization (BCRA securities and repos)	7,884	0.9%	17,606	2.2%	-159,982	-20.3%	-188,481	-27.9%
Others	467	0.1%	4,562	0.6%	13,918	1.8%	15,773	2.3%
International Reserves	422	0.9%	646	1.4%	10,465	27.6%	16,212	50.4%
Foreign exchange market intervention	-1,403	-2.9%	-1,073	-2.3%	741	2.0%	1,028	3.2%
International financial institutions	-127	-0.3%	-342	-0.7%	-1,021	-2.7%	-1,654	-5.1%
Other public sector operations	1,215	2.5%	1,768	3.7%	7,562	20.0%	13,680	42.6%
Dollar liquidity requirements	817	1.7%	-467	-1.0%	1,757	4.6%	5,515	17.2%
Others (incl. change in US\$ market value of nondollar assets)	-80	-0.2%	760	1.6%	1,426	3.8%	-2,357	-7.3%

1 Excludes financial sector and foreign depositors. Loans's figures correspond to statistical information, without being adjusted by financial trusts. Provisory figures.

2 Net of the use of unified funds.

3 Net of deposits pending of swap by public bonds (BODEN).

4 "Contribution" field refers to the percentage of change of each factor versus the main variable corresponding to the month respect which the change is being calculated.

5 Provisory data subjected to changes in valuation.

Sources: BCRA Accounting Department and SISCEN Informative Regime.

Minimum Cash Requirement and Compliance

	ago-17	jul-17	jun-17
	(1)		
Domestic Currency	% of total deposits in pesos		
Requirement	12,9	12,9	12,9
Compliance	13,1	13,1	13,2
Position (2)	0,2	0,2	0,3
Residual time structure of term deposits used for the calculation of the requirement (3)	%		
Up to 29 days	68,0	69,3	67,4
30 to 59 days	21,4	20,3	21,7
60 to 89 days	5,4	5,2	5,4
90 to 179 days	3,0	2,7	3,0
more than 180 days	2,1	2,5	2,5
Foreign Currency	% of total deposits in foreign currency		
Requirement	23,9	24,3	24,4
Compliance (includes default application resource)	52,3	53,4	54,4
Position (2)	28,4	29,1	30,0
Residual time structure of term deposits used for the calculation of the requirement (3)	%		
Up to 29 days	55,0	56,2	55,5
30 to 59 days	20,0	19,2	20,5
60 to 89 days	9,6	9,3	8,3
90 to 179 days	9,0	8,3	8,1
180 to 365 days	1,9	2,5	2,8
more than 365 days	4,5	4,6	4,7

(1) Estimates data of Requirement, Compliance and Position.

(2) Position= Requirement - Compliance

(3) Excludes judicial time deposits.

Source: BCRA

Interest rates in annual nominal percentage and traded amounts in million. Monthly averages.

Borrowing Interest Rates	Aug-17	Jul-17	Jun-17	Dec-16	Aug-16
Interbank Loans (overnight)					
Interest rate	26.06	25.15	24.77	24.66	28.36
Traded volume (million pesos)	4,728	4,752	3,755	4,576	4,268
Time Deposits					
<u>In pesos</u>					
30-44 days	18.79	18.40	18.16	18.78	23.32
60 days or more	19.23	18.47	18.36	19.06	23.63
Total BADLAR (more than \$1 million, 30-35 days)	19.80	19.34	19.15	19.54	24.12
Private Banks BADLAR (more than \$1 million, 30-35 days)	20.76	20.12	19.77	20.04	24.81
<u>In dollars</u>					
30-44 days	0.42	0.40	0.37	0.39	0.61
60 days or more	0.90	0.74	0.70	0.68	1.10
Total BADLAR (more than \$1 million, 30-35 days)	0.47	0.48	0.48	0.45	0.57
Private Banks BADLAR (more than \$1 million, 30-35 days)	0.67	0.64	0.70	0.55	1.10
Lending Interest Rates	Aug-17	Jul-17	Jun-17	Dec-16	Aug-16
Stock Repos					
Gross interest rates 30 days	24.60	24.69	24.10	25.50	27.77
Traded volume (all maturities, million pesos)	1,087	930	870	795	660
Loans in Pesos ⁽¹⁾					
Overdrafts	30.95	30.88	30.77	30.99	35.09
Promissory Notes	21.39	21.87	21.27	23.54	29.88
Mortgages	19.35	21.35	19.15	19.70	24.03
Pledge-backed Loans	17.88	19.25	18.79	20.73	23.88
Personal Loans	38.20	38.25	37.60	39.15	42.39
Credit Cards	s/d	42.68	42.17	44.37	39.39
Overdrafts - 1 to 7 days - more than \$10 million	26.89	26.30	25.66	25.92	30.05
International Interest Rates	Aug-17	Jul-17	Jun-17	Dec-16	Aug-16
LIBOR					
1 month	1.23	1.23	1.17	0.72	0.51
6 months	1.45	1.46	1.43	1.31	1.20
US Treasury Bonds					
2 years	1.33	1.37	1.34	1.19	0.74
10 years	2.21	2.32	2.19	2.50	1.56
FED Funds Rate	1.25	1.25	1.14	0.66	0.50
SELIC (1 year)	9.25	10.06	10.25	13.75	14.25

(1) Observed data from Monthly Informative Regime SISCEN 08 up to April and estimated data based on Daily Informative Regime SISCEN 18 for May and June.

Interest rates in annual nominal percentage and traded amounts in million. Monthly averages.

Reference Interest Rates	Aug-17	Jul-17	Jun-17	Dec-16	Aug-16
BCRA Repo Interest Rates					
Overnight reverse repo	24.25	24.25	24.25	22.02	25.20
7-day reverse repo	25.50	25.50	25.50	22.81	26.20
7-day repo	27.00	27.00	27.00	26.69	35.20
Total Repo Interest Rates					
Overnight	25.89	25.30	24.97	24.01	27.72
7 days	0.00	0.00	0.00	0.00	26.84
Repo traded volumen (daily average)	6,685	5,998	4,755	8,300	6,668
Peso LEBAC Interest Rate¹					
1 month	26.50	26.50	25.50	24.75	29.20
2 months	26.50	26.20	25.25	24.44	28.33
3 months	26.50	26.00	24.75	24.16	27.71
9 months	25.85	25.35	23.75	22.90	s/o
12 months	s/o	s/o	s/o	s/o	s/o
Peso NOBAC with variable coupon Spread¹					
200 days BADLAR Private Banks	s/o	s/o	s/o	s/o	s/o
Dollars LEBAC Interest Rate¹					
1 month	s/o	s/o	s/o	s/o	s/o
3 months	s/o	s/o	s/o	s/o	s/o
6 months	s/o	s/o	s/o	s/o	s/o
12 months	s/o	s/o	s/o	s/o	s/o
LEBAC and NOBAC traded volume (daily average)	29844	27312	23361	11758	13618
Foreign Exchange Market	Aug-17	Jul-17	Jun-17	Dec-16	Aug-16
Dollar Spot					
Exchange agencies	17.42	17.19	16.12	15.84	14.84
BCRA Reference	17.47	17.23	16.17	15.89	14.91
Future dollar					
NDF 1 month	17.76	17.36	16.37	16.02	15.19
ROFEX 1 month	17.75	17.53	16.39	16.22	15.18
Traded volume (all maturities, million pesos)	12,927	10,294	9,671	8,423	6,265
Real (Pesos/Real)	5.53	5.37	4.89	4.73	4.62
Euro (Pesos/Euro)	20.59	19.82	18.13	16.69	16.63
Capital Market	Aug-17	Jul-17	Jun-17	Dec-16	Aug-16
MERVAL					
Index	22,460	21,741	21,583	16,711	15,532
Traded volume (million pesos)	454	380	438	282	240
Government Bonds (parity)					
DISCOUNT (US\$ - NY legislation)	112.26	109.40	112.83	103.73	115.10
BONAR X (US\$)	114.30	113.40	116.33	115.04	115.05
DISCOUNT (\$)	114.21	113.36	112.83	116.98	116.81
Country risk					
Spread BONAR 24 vs. US Treasury Bond	317	338	280	332	419
EMBI+ Argentina	421	435	409	494	490
EMBI+ Latinoamérica	463	457	445	491	480

¹ Corresponds to average results of each month primary auctions.

8. Glossary

ANSES: *Administración Nacional de Seguridad Social.* Social Security Administration

APR: Annual percentage rate.

BADLAR: Interest rate for time deposits over one million pesos between 30 and 35 days for the average of financial institutions

BCRA: *Banco Central de la República Argentina.* Central Bank of Argentina

BODEN: Bonos optativos del Estado Nacional. Optional federal bonds

BOVESPA: Sao Paulo Stock Exchange Index (Brazil)

CAFCI: *Cámara Argentina de Fondos comunes de inversión*

CDS: Credit Default Swaps

CER: Coeficiente de Estabilización de Referencia. Reference Stabilization Coefficient

CNV: Comisión Nacional de Valores. National Securities Commission

CPI: Consumer Price Index

DISC: Discount Bond

EMBI: Emerging Markets Bonds Index

FCI: Mutual Funds

Fed: Federal Reserve

FTs: Financial Trusts

GBA: Greater Buenos Aires metropolitan area

GDP: Gross Domestic Product

IAMC: Instituto Argentino de Mercado de Capitales.

IGBVL: Lima Stock Exchange Index (Peru)

IGPA: Santiago Stock Exchange Index (Chile)

LEBAC: *Letras del Banco Central.* BCRA Bills

LCIP: Credit Line for Productive Investment.

LIBOR: London Interbank Offered Rate

M2: Notes and Coins + Current Accounts and Savings Accounts in \$

M3: Notes and Coins + Total Deposits in \$.

M3*: Notes and Coins + Total Deposits in \$ and US\$

MERVAL: *Mercado de Valores de Buenos Aires.* Buenos Aires Stock Exchange Index

MEXBOL: Mexico Stock Exchange Index

NBFI: Non-Banking Financial Institutions

NDF: Non Deliverable Forward

NOBAC: Notas del Banco Central. BCRA Notes

NV: Nominal value

ONs: Corporate Bonds

PyME: Small and medium enterprises

ROFEX: Rosario Futures Exchange Rate Market

SELIC: Brazilian Central Bank's Benchmark Interest Rate

SISCEN: *Sistema Centralizado de Requerimientos Informativos.* BCRA Centralized Reporting Requirement System

S&P: Standard and Poor's 500 Index

TIR: Internal rate of return (IRR).

y.o.y.: Year-on-year