

Monthly Monetary Report

August 2020



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

Contents

Page 3		1. Summary
Page 4		2. Monetary Aggregates
Page 6		3. Loans to the Private Sector
Page 8		4. Liquidity of Financial Institutions
Page 9		5. Interest Rates
Page 10		6. International Reserves
Page 12		7. Monetary and Financial Indicators
Page 16		Glossary

The closing date for statistics in this report was Friday, September 4, 2020. 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 on 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. Summary

In August, the seasonally-adjusted private M3 broad monetary aggregate recorded a 3.2% increase in nominal terms, the lowest in the last nine months, while in real terms it remained virtually stable against July. As to private M3, the positive contribution of time deposits was offset by the negative contribution of sight deposits, while the contribution of cash held by the public had a neutral impact. In terms of GDP, monetary aggregates reversed the trend as from July, as they began to counteract the strong monetization process observed in the first half of the year.

The growth of time deposits was similar to that of July, monthly changes remaining among the highest since the exit from the convertibility system. In nominal terms, they averaged an 8% monthly rise, 4.8% growth in real terms. In August, the monthly rise was explained by both deposits over and under \$1 million; the latter was boosted by the rise in minimum interest rates established as from this month.

From the beginning of August, the BCRA fixed the new minimum interest rate for natural persons' time deposits in pesos for up to \$1 million at 87% of the interest rate on LELIQs, up 33.06% APR (38.57% EAR). In addition, the BCRA increased to 0.75 the coefficient to determine the fixed interest rate on UVA deposits with an early-payment option, from 26.6% to 28.5%. This way, the BCRA kept on following its policy aimed to safeguard savings in domestic currency.

Loans in pesos to the private sector recorded a monthly expansion of 4.1% in nominal and seasonally-adjusted terms. In real terms, they posted a 1.0% expansion, the same as in July. The monthly growth can be explained by the performance of credit cards and financing through promissory notes.

Among the credit lines promoted by the BCRA in the context of economic emergency, the lines channeled to MSMEs and health service providers stood out. By the end of August, they accumulated disbursements for \$410.35 billion, virtually doubling the originally expected amount of \$220 billion. All credit lines launched to lessen the adverse effects caused in the context of economic emergency had a share of more than 40% in total commercial loans.

In order to supplement the measures adopted to relieve families of their financial burden, the BCRA established that unpaid credit card bills falling due in September should be automatically refinanced and paid in a twelve-month minimum term in nine installments at fixed amounts with a three-month grace period and at a maximum interest rate of 40% APR.

2. Monetary Aggregates

In August, the seasonally-adjusted private M3 broad monetary aggregate¹ recorded a 3.2% increase in nominal terms, the lowest of the last nine months, while in real terms it remained virtually stable against July². As to private M3, the positive contribution of time deposits was offset by the negative contribution of sight deposits, while the contribution of cash held by the public had a neutral impact (see Chart 2.1). In terms of GDP, monetary aggregates reversed the trend as from July, as they began to counteract the strong monetization process observed in the first half of the year (see Chart 2.2).

Chart 2.1 | Private M3- Real, Seasonally-Adjusted
(monthly change and components' contribution to growth)

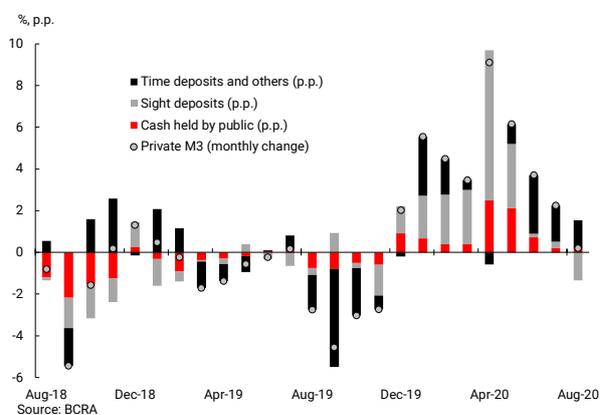
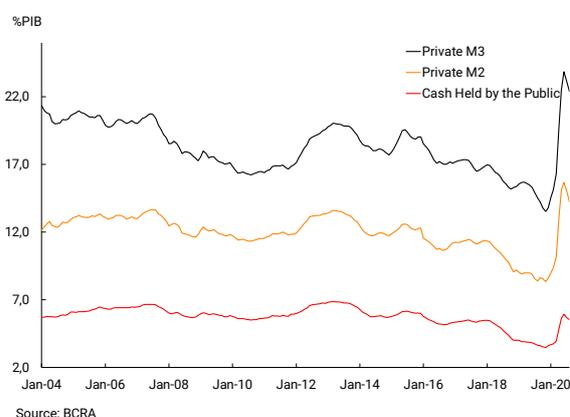


Chart 2.2 | Monetary Aggregates in Terms of GDP
(seasonally-adjusted)



The growth of time deposits was similar to that of July, with monthly changes that remain among the highest since the exit from the convertibility system (see Chart 2.3). In nominal terms, they averaged an 8% monthly rise, 4.8% growth in real terms. In August, the monthly rise was explained by both deposits over and under \$1 million; the latter was boosted by the rise in minimum interest rates established as from this month (see section on Interest Rates). Broken down by type of deposit, the climb was accounted for by deposits in pesos, while UVA deposits (both traditional and with an early-payment option) went on decreasing, in a context of a slowdown in inflation. Moreover, the average stock of dollar-linked time deposits (DIVA, in Spanish) kept on growing, even though its contribution to total growth was negligible (see Chart 2.4). Thus, time deposits accumulated a nominal growth of almost 62% over the last twelve months. As from June, the y.o.y. interest rate was positive in real terms, reaching 12.7% in August.

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

2 All variables in real terms have been deflated on the basis of core inflation expectations for August in line with the REM.

Chart 2.3 | Private Sector Time Deposits

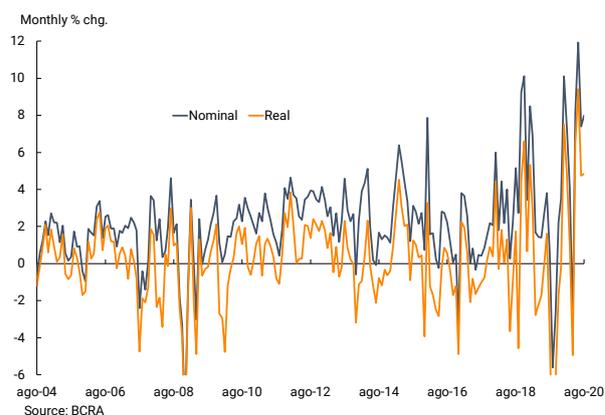
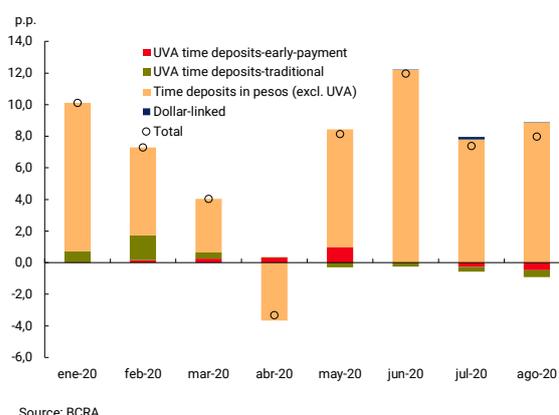


Chart 2.4 | Private Sector Time Deposits in Pesos



As regards means of payment (private M2), cash held by the public posted a 3.7% monthly change in nominal and seasonally-adjusted terms, i.e., 0.7% at constant prices. The change stood slightly below July and was significantly lower than the average growth of the April-June period (9.3% at current prices and 7.3% at constant prices). Likewise, sight deposits recorded a 0.4% decrease in nominal and seasonally-adjusted terms (3.3% in real terms) after eight months of non-stop improvement. This way, the private M2 expansion pace went on slackening, after April’s historic hike. In August, it posted a 1% increase in nominal and seasonally-adjusted terms, which implied a 2% fall in real terms (see Chart 2.5).

As to the segment in US dollars, the stock of private sector deposits reached U\$S17.16 billion by end-August, up U\$S180 million against end-July. Natural persons’ deposits in savings accounts with lower amounts (up to U\$S10,000) increased.

Chart 2.5 | Private M2 and Components
(monthly change – real, seasonally adjusted)

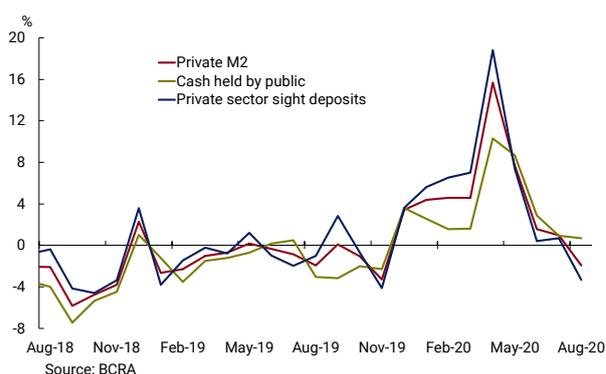
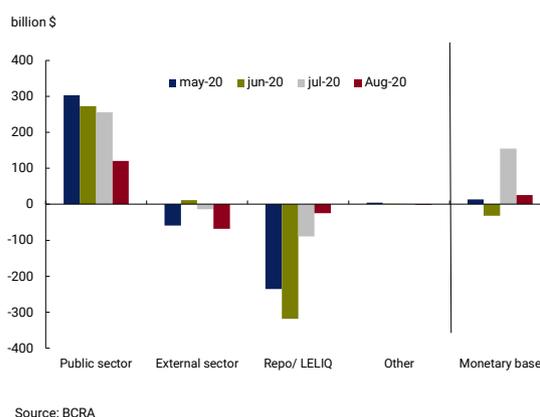


Chart 2.6 | Monetary Base
(change of average monthly stock)



Last, the monetary base posted an average growth of \$25.67 billion (1.1%) in nominal terms in August. This means a 1.8% decline in real terms (see Chart 2.6). The expansion associated with the public sector (mainly through temporary advances) was significantly lower than the one recorded in the last few months, and was partially offset by the contractionary effect generated by the net sales of foreign currency to the private sector and the absorption of reverse repos and LELIQs. As regards demand, the increase was mostly related to cash held by the public, while bank reserves (financial institutions’ current accounts held with the BCRA and cash in banks) proved to fall.

3. Loans to the Private Sector

Loans in pesos to the private sector recorded a monthly expansion of 4.1% in nominal and seasonally-adjusted terms (see Chart 3.1). In real terms, they posted a 1.0% expansion, the same as in July. The monthly growth can be explained by the performance of credit cards and financing through promissory notes. This way, loans in pesos to the private sector accumulated a s.a.30% growth in nominal terms from March to August (real 12.9%) and 52.1% (real 5.7%) against the same period of the previous year.

Financing arranged through credit cards posted a nominal expansion of 8.1% s.a. (a 4.9% rise in real terms; see Chart 3.2), which was mostly explained by zero percent credit lines aimed at self-employed workers whether or not under a simplified tax scheme. By the end of August, 529,147 loans were granted through this line for a total amount of \$62.74 billion, out of which more than 90% was disbursed³. In addition, 379 zero percent loans were granted to self-employed workers whether or not under a simplified tax scheme who perform culture-related activities (under better conditions than the credit granted to the rest of self-employed workers) for \$41 million⁴. The dynamism reached with financing on the *Ahora 12 Plan*, in particular during the *Hot sale 2020* on the last days of July, also had a positive impact on the performance of credit cards. In turn, personal loans evidenced a s.a. 0.7% nominal expansion over the month but a s.a. 2.2% fall in real terms.

Chart 3.1 | Loans to Private Sector in Pesos
(seasonally-adjusted; change of average monthly stock)

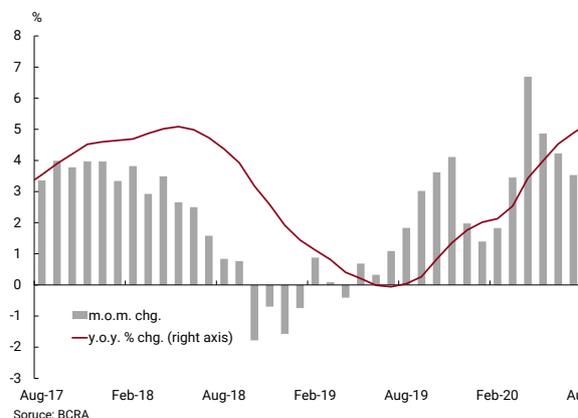
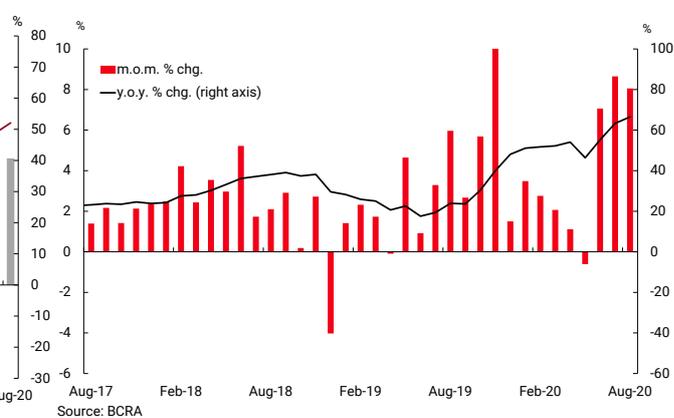


Chart 3.2 | Cards in Pesos
(seasonally-adjusted; change of average monthly stock)



In order to supplement the measures adopted to relieve families of their financial burden in the context of the pandemic, the BCRA established that unpaid credit card bills falling due in September should be automatically refinanced and paid in a twelve-month minimum term in nine installments at fixed amounts with a three-month grace period and at a maximum interest rate of 40% APR. It is worth noting that the unpaid balance may be settled totally or partially in advance, at any time and free of charge, except for the accrued compensatory interest rate up to the time of payment⁵.

³ Institutions issued 176,756 new cards linked to bank accounts for the deposit of these loans.

⁴ These loans are granted at a 0% APR, have a twelve-month grace period from the first deposit, and will be reimbursed as from the thirteenth month in twelve monthly installments at fixed amounts.

⁵ See Communication "A" 7095.

After several months of slowdown and the high reached in April, productive financing gained momentum once again. In August, credit lines mostly channeled to business activity recorded a monthly expansion of 4.3% in nominal and seasonally-adjusted terms. Thus, they stood 126.2% above the figure recorded in August 2019 (57.2% at constant prices). Within this type of financing, unsecured promissory notes were still the main credit channel, and the stock of discounted notes went on increasing gradually (see Chart 3.3). In turn, overdrafts got stabilized, but below the average level observed in July.

As for business lines, those supported by the BCRA—within the framework of the health emergency—stood out. By the end of August, credit lines channeled to MSMEs’ working capital and to health service providers accumulated disbursements for \$410.35 billion, virtually doubling the originally expected amount of \$220 billion. Around 98% of total disbursements channeled to MSMEs aimed at working capital (excluding wages and the payment of checks) and the payment of deferred checks, both of which kept a virtually constant growth rate over the last few months (see Chart 3.4).

Chart 3.3 | Main Business Credit Lines to Private Sector in Pesos

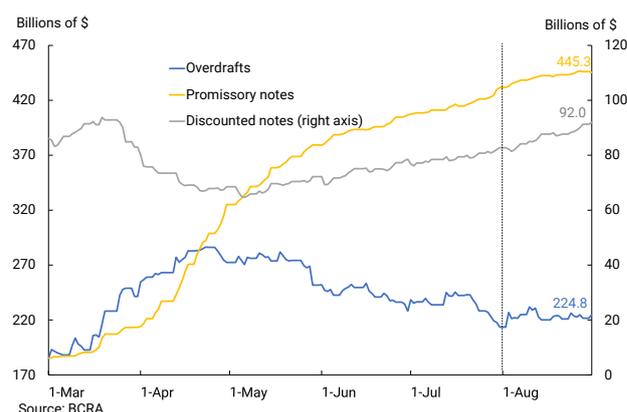
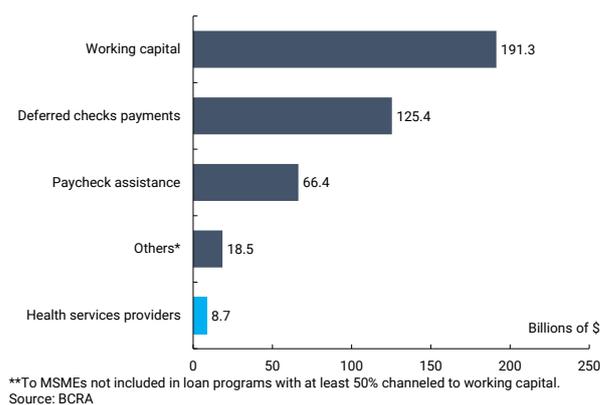


Chart 3.4 | Financing to MSMEs and Health Service Providers at Rates Below 24% (disbursed amounts - accrued as of Aug-31)



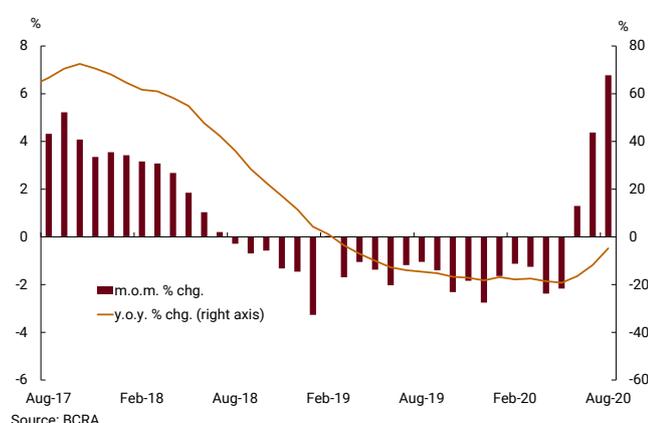
Moreover, the *MiPyME Plus Credit Line*, aimed at companies with no bank financing, amounted to \$2.76 billion at the end of August. In addition, \$89 million have been approved but not disbursed yet. This credit line was granted to 5,583 companies, of which 4,461 submitted FoGAR loan guarantees.

It is worth noting that, in August, a new credit line was launched at subsidized interest rates under the fourth stage of the Emergency Assistance for Work and Production program (ATP, in Spanish). This credit line was aimed at companies which annual turnover increased up to 30% as of June (at a maximum phased 15% APR), and had a payroll of up to 800 employees. They should use this line for paying wages. By the end of August, 30,199 workers were granted \$589 million. It has recently been established that ATP will be available, over the fifth stage, for companies with up to 40% y.o.y. turnover growth to July, at a 15% APR. Additionally, companies that kept or increased the number of workers vis-à-vis the number before the pandemic would be able to turn credit into a subsidy.

In brief, all the credit lines launched to lessen the adverse effects of the economic emergency represent more than 40% of all commercial loans to August.

Regarding loans with real property collateral, in August, pledge-backed loans posted a monthly rise of 6.8% in nominal and seasonally-adjusted terms, the third positive change after accumulating 21 months with no expansions (-4.6% y.o.y.; see Chart 3.5). The expansion represented 3.7% in real terms, the highest since mid-2017, and a 33.8% y.o.y. fall. The growth of pledge-backed loans is associated with a certain degree of recovery of vehicle sales. In turn, mortgage-backed loans went on recording a monthly and y.o.y. zero growth. Unlike car sales, this market continued exhibiting very few transactions.

Chart 3.5 | Pledge-Backed Loans in Pesos, Seasonally-Adjusted



Finally, private sector foreign currency loans went on decreasing. They posted a monthly drop of 7.3% (US\$509 million), accumulating a 60% contraction since last July (highest level of the series). This contraction of loans in dollars was virtually explained by the behavior of financing through unsecured promissory notes.

4. Liquidity of Financial Institutions

During August, broad liquidity in domestic currency (current accounts with the BCRA, cash holdings in banks, arranged repo stocks with the BCRA, holdings of LELIQs, holdings of NOCOMs, and the bond admitted to comply with the minimum reserve requirements) remained virtually stable to average 65% of deposits. Thus, it still stood at historically high levels (see Chart 4.1).

Sorted out by components, bank liquidity performed as follows: the stock of LELIQs as deposits' percentage grew by 1.1 p.p., which can be explained by LELIQs used to fulfill minimum reserve requirements—as a result of a rise of time deposits over sight deposits. On the contrary, the stock of current accounts held with the BCRA decreased as well as net repos with the BCRA (0.5 p.p. and 1 p.p. of deposits, respectively). In turn, minimum reserve requirements met with National Treasury Bonds grew by 0.4 p.p. within the framework of the auction held by the end of July. In addition, cash in banks was comparable to the level observed in previous months.

Chart 4.1 | Financial Institutions' Liquidity in Pesos

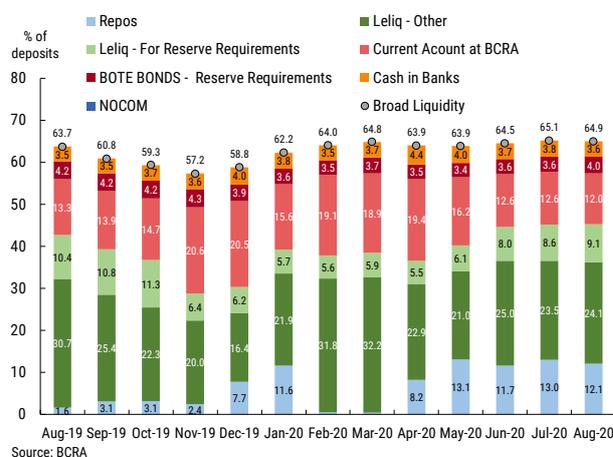
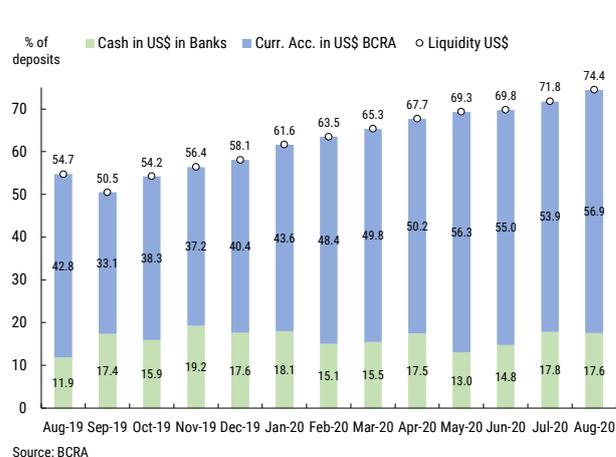


Chart 4.2 | Financial Institutions' Liquidity in US Dollars



As regards the last regulatory changes to the minimum cash regime, it is worth noting that, as from August, the net LELIQ surplus will be increased by a maximum amount that agrees with the difference between the limit to the cash position set out in the regulations on “Foreign Currency Net Global Position” and the monthly average of daily stocks of the cash position⁶. The purpose is to encourage institutions to reduce their cash holdings in foreign currency. Furthermore, as from September, financial institutions that capture natural persons’ deposits up to \$1 million at the minimum interest rate effective as from August may increase their net LELIQ surplus by 13% of the average monthly stock of the previous month’s deposits⁷.

At a time when loans in foreign currency keep on falling and deposits grow, bank liquidity in foreign currency recorded a 2.6 p.p. rise and averaged 74.4% of deposits. The increase of liquidity centered on current accounts with the BCRA while cash in banks in terms of deposits exhibited a slight drop (see Chart 4.2).

5. Interest Rates⁸

In August, the new minimum interest rate for natural persons’ time deposits in pesos for up to \$1 million⁹ came into effect. Following the policy to safeguard savings in domestic currency, the BCRA decided to raise the floor of the interest rate from 79% to 87% of the monetary policy rate, reaching 33.06% APR, i.e., 38.57% EAR. This regulation is compulsory for all financial institutions belonging to Group A and foreign bank branches classified as systemically important (G-SIB), which concentrate 90% of deposits in the financial system. It is worth mentioning that financial institutions that capture deposits at a minimum interest rate may increase their net LELIQ surplus as from September (see section on Liquidity of Financial Institutions). In addition, the BCRA increased to 0.75 the coefficient to determine the fixed interest rate on UVA deposits with early-payment option, from 26.6% to 28.5%.

⁶Communication “A” 7077.

⁷Communication “A” 7078.

⁸ Interest rates are expressed as annual percentage rates (APR), unless otherwise specified.

⁹Communication “A” 7078.

This way, the interest rate for retail deposits stood above the interest rate paid in the wholesale segment, with a minimum return of 30.02%, (34.52% EAR). As regards the interest rates on the interbank call money market, the interest rate on overnight call transactions remained stable at low levels over August, exhibiting market liquidity conditions (15.9%). In turn, the interest rate on transactions among third parties on the repo round posted an upward trend and averaged 17.6% in August, up 4.2 p.p. against July (see Chart 5.1).

Chart 5.1 | Borrowing and Interbank Interest Rates

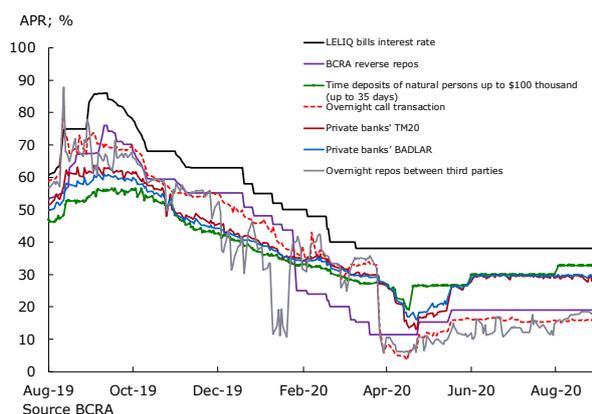
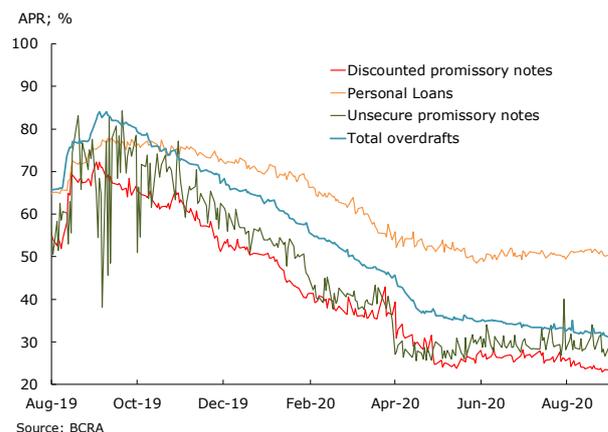


Chart 5.2 | Lending Interest Rates



Lending interest rates charged on the lines mostly channeled to business activity dropped in August. The discount rate of promissory notes showed a downward trend over August. On average, it decreased 2.3 p.p. against July and stood at 24.1%, which mirrors the impact of loans to MSMEs at 24% interest rate. Regarding the interest rate on unsecured promissory notes, it averaged 29.6%, down 1.5 p.p. against July. It is worth noting that this interest rate exhibited high volatility—by mid-August, it reached a 34% high and ended the month at 28.8%. This is due to the fact that banks which grant this type of financing to big companies center on a limited group and they post a great difference in the interest rates they charge depending on the corporate borrower. Overdrafts kept exhibiting the falling trend observed since May and averaged 32.3%, down 1.1 p.p. against July. Last, interest rate on personal loans averaged 51.1%, recording a slight increase (0.5 p.p.) against July (see Chart 5.2).

6. International Reserves

International reserves at the BCRA ended August with a stock of US\$42.84 billion, with a decrease of US\$544 million against the end of July (see Chart 6.1). This fall was mainly explained by the BCRA's net sale of foreign currency and net disbursements of the National Treasury to international organizations, which were in part balanced out by the increased stock of minimum cash and earnings from the valuation of net foreign assets.

It is worth noting that, in August, the People's Bank of China (PBC) and the BCRA renewed their bilateral agreement on foreign currency swap for a three-year term. These agreements contribute to strengthening financial conditions in order to support business and investment between both countries, promoting greater financial stability, and cementing the relationship between both central banks.

Between the end of July and end of August, the \$/US\$ nominal exchange rate increased 2.3%, ending the month at \$74/US\$1. In turn, the multilateral real exchange rate exhibited a slight appreciation and stood at 118.7 by the end of the month, in part reversing the rising trend observed as from mid-May. Thus, the

multilateral real exchange rate stood at similar levels to those observed at the beginning of this year (see Chart 6.2).

Chart 6.1 | International Reserves
(daily data)



Chart 6.2 | Multilateral Real Exchange Rate Index



Source: BCRA based on data from INDEC, DPECSL, DEGCB and Datastream

7. Monetary and Financial Indicators

Figures in millions, expressed in their original currency.

Main monetary and financial system figures	Monthly average				Average change in percentage	
	Aug-20	Jul-20	Jun-20	Aug-19	Monthly	Last 12 months
Monetary base	2.329.228	2.303.560	2.149.123	1.312.668	1,1%	77,4%
Currency in circulation	1.667.700	1.635.051	1.517.798	907.635	2,0%	83,7%
Held by public	1.467.053	1.430.672	1.329.806	801.494	2,5%	83,0%
Held by financial entities	200.646	204.379	187.992	106.140	-1,8%	89,0%
Settlement check	0,4	0,3	0,3	0,3	61,4%	61,4%
BCRA current account	661.528	668.508	631.324	405.033	-1,0%	63,3%
BCRA Repos stock						
Reverse repos	664.164	693.249	588.672	50.544	-4,2%	1214,0%
Repos	0	0	0	0	0,0%	0,0%
LELIQ stock (in face value)	1.829.682	1.708.401	1.660.363	1.251.078	7,1%	0
International Reserves	43.152	43.313	43.051	62.325	-0,4%	-30,8%
Private and public sector deposits in pesos ⁽¹⁾	5.435.876	5.253.425	4.985.688	3.020.344	3,5%	80,0%
Private sector deposits	4.433.460	4.329.418	4.079.590	2.377.404	2,4%	86,5%
Current account ⁽²⁾	1.062.343	1.070.114	1.052.637	461.138	-0,7%	130,4%
Savings account	1.223.550	1.261.163	1.158.511	580.061	-3,0%	110,9%
Not CER-adjustable time deposits	2.015.366	1.855.867	1.719.447	1.248.265	8,6%	61,5%
CER-adjustable time deposits	35.259	43.320	48.866	16.887	-18,6%	108,8%
Other deposits ⁽³⁾	96.943	98.954	100.130	71.053	-2,0%	36,4%
Public sector deposits	1.002.417	924.006	906.098	642.940	8,5%	55,9%
Private and public sector deposits in dollars ⁽¹⁾	19.502	19.298	19.191	33.355	1,1%	-41,5%
Loans to private and public sector in pesos ⁽¹⁾	2.403.325	2.307.421	2.242.410	1.580.191	4,2%	52,1%
Loans to private sector	2.366.426	2.270.462	2.205.384	1.555.115	4,2%	52,2%
Overdrafts	267.237	276.801	284.988	165.776	-3,5%	61,2%
Promissory bills	567.081	531.161	503.159	221.803	6,8%	155,7%
Mortgages	211.654	211.562	211.835	212.334	0,0%	-0,3%
Pledge-backed loans	82.004	76.250	72.911	86.024	7,5%	-4,7%
Personal loans	403.717	399.865	399.626	411.765	1,0%	-2,0%
Credit cards	679.566	629.820	590.533	407.551	7,9%	66,7%
Other loans	155.167	145.003	142.332	49.863	7,0%	211,2%
Loans to public sector	36.899	36.959	37.026	25.076	-0,2%	47,1%
Loans to private and public sector in dollars ⁽¹⁾	6.570	7.074	7.666	16.052	-7,1%	-59,1%
Total monetary aggregates ⁽¹⁾						
M1 (currency held by public + settlement check in pesos+ current account in pesos)	2.884.859	2.798.231	2.699.863	1.476.001	3,1%	95,5%
M2 (M1 + savings account in pesos)	4.151.197	4.113.809	3.910.217	2.092.445	0,9%	98,4%
M3 (currency held by public + settlement check in pesos + total deposits in pesos)	6.902.930	6.684.097	6.315.494	3.821.839	3,3%	80,6%
M3* (M3 + total deposits in dollars + settlemente check in foreign currenc	8.333.938	8.064.048	7.652.650	5.566.610	3,3%	49,7%
Private monetary aggregates						
M1 (currency held by public + settlement check in pesos + priv.current account in pesos)	2.529.396	2.500.786	2.382.443	1.262.632	1,1%	100,3%
M2 (M1 + private savings account in pesos)	3.752.946	3.761.949	3.540.954	1.842.693	-0,2%	103,7%
M3 (currency held by public + settlement check in pesos + priv. total deposits in pesos)	5.900.514	5.760.091	5.409.396	3.178.899	2,4%	85,6%
M3* (M3 + private total deposits in dollars + settlemente check in foreign currency)	7.163.841	6.975.779	6.582.889	4.780.677	2,7%	49,8%

Explanatory factors	Average Change							
	Monthly		Quarterly		YTD 2020		Last 12 months	
	Nominal	Contribution ⁽⁴⁾	Nominal	Contribution ⁽⁴⁾	Nominal	Contribution ⁽⁴⁾	Nominal	Contribution ⁽⁴⁾
Monetary base	25.669	1,1%	147.964	6,8%	595.155	34,3%	1.016.560	77,4%
Foreign exchange purchases with the private sector	-68.591	-3,0%	-69.867	-3,2%	-56.431	-3,3%	-293.296	-22,3%
Foreign exchange purchases with the NT	-28.516	-1,2%	-40.616	-1,9%	-50.039	-2,9%	-62.132	-4,7%
Temporary Advances and Profit Transfers	142.742	6,2%	657.297	30,1%	1.627.806	93,9%	1.932.097	147,2%
Other public sector operations	6.181	0,3%	31.955	1,5%	-62.896	-3,6%	-106.987	-8,2%
Sterilization (Repos and LELIQ)	-24.542	-1,1%	-432.517	-19,8%	-863.431	-49,8%	-467.417	-35,6%
Others	-1.605	-0,1%	1.713	0,1%	146	0,0%	14.297	1,1%
International Reserves	-161	-0,4%	68	0,2%	-1.201	-2,7%	-19.173	-30,8%
Foreign exchange market intervention	-944	-2,2%	-961	-2,2%	-635	-1,4%	-4.780	-7,7%
International financial institutions	-349	-0,8%	-171	-0,4%	-1.521	-3,4%	-2.747	-4,4%
Other public sector operations	-167	-0,4%	-381	-0,9%	677	1,5%	-7.172	-11,5%
Dollar liquidity requirements	731	1,7%	106	0,2%	2.763	6,2%	-3.167	-5,1%
Others (incl. change in US\$ market value of nondollar assets)	569	1,3%	1.475	3,4%	-2.485	-5,6%	-1.306	-2,1%

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.

Sources: BCRA Accounting Department and SISCEN Informative Regime.

Minimum Cash Requirement and Compliance

	Aug-20	Jul-20	Jun-20
Domestic Currency	% of total deposits in pesos		
Requirement	25,1	24,3	23,9
Compliance in current account	12,0	12,6	12,6
Compliance in Leliq	22,9	22,4	22,0
Compliance in BOTE	4,0	3,6	3,6
<i>Residual time structure of term deposits used for the calculation of the requirement (1)</i>	%		
Up to 29 days	73,6	73,6	73,6
30 to 59 days	19,1	19,1	19,1
60 to 89 days	4,4	4,4	4,4
90 to 179 days	2,2	2,2	2,2
more than 180 days	0,7	0,7	0,7
Foreign Currency	% of total deposits in foreign currency		
Requirement	24,0	24,0	23,9
Compliance (includes default application resource)	56,9	53,9	55,0
<i>Residual time structure of term deposits used for the calculation of the requirement (1)</i>	%		
Up to 29 days	60,4	60,4	60,4
30 to 59 days	21,2	21,2	21,2
60 to 89 days	8,4	8,4	8,4
90 to 179 days	6,6	6,6	6,6
180 to 365 days	3,1	3,1	3,1
more than 365 days	0,2	0,2	0,2

(1) Excludes judicial time deposits.

** Estimates data of September for Requirements and residual time structures.

Source: BCRA

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

Reference Interest Rates	Aug-20	Jul-20	Jun-20	Dec-19	Aug-19
BCRA Repo Interest Rates					
Overnight reverse repo	19,00	19,00	19,00	53,70	60,43
Total Repo Interest Rates					
Overnight	17,61	13,40	13,29	42,02	66,98
Repo traded volumen (daily average)	6.602	5.231	6.633	3.792	7.521
LELIQ interest rate	38,00	38,00	38,00	61,37	71,3
Foreign Exchange Market	Aug-20	Jul-20	Jun-20	Dec-19	Aug-19
Dollar Spot					
Exchange agencies	73,29	71,47	69,54	59,87	52,55
BCRA Reference	75,01	72,86	70,08	60,53	52,71
Future dollar					
NDF 1 month	77,22	74,54	72,81	64,26	56,81
ROFEX 1 month	75,48	73,78	71,60	63,75	57,04
Traded volume (all maturities, million pesos)	47.327	33.190	27.519	15.870	59.150
Real (Pesos/Real)	13,42	13,57	13,42	14,57	13,05
Euro (Pesos/Euro)	86,70	82,17	78,27	66,51	58,50
Capital Market	Aug-20	Jul-20	Jun-20	Dec-19	Aug-19
MERVAL					
Index	48.758	45.467	42.299	37.141	32.138
Governement Bonds (parity)					
DISCOUNT (US\$ - NY legislation)	49,01	48,74	47,11	70,24	62,58
BONAR X (US\$)	46,47	43,21	40,72	52,10	61,58
DISCOUNT (\$)	101,93	86,15	74,24	52,00	50,98
Country risk					
EMBI+ Argentina	2.119	2.332	2.535	2.073	1.554
EMBI+ Latinoamérica	479	523	547	431	613

1 Corresponds to average results of each month primary auctions.

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

Borrowing Interest Rates	Aug-20	Jul-20	Jun-20	Dec-19	Aug-19
Interbank Loans (overnight)					
Interest rate	15,70	15,72	16,20	50,09	67,31
Traded volume (million pesos)	7.839	6.840	7.654	7.385	6.597
Time Deposits					
<u>In pesos</u>					
30-44 days	29,25	28,38	28,43	40,89	52,94
60 days or more	29,54	28,59	29,00	41,26	53,54
Total TM20 (more than \$20 million, 30-35 days)					
Private Banks TM20 (more than \$20 million, 30-35 days)					
Total BADLAR (more than \$1 million, 30-35 days)	28,48	28,24	28,47	41,10	54,49
Private Banks BADLAR (more than \$1 million, 30-35 days)	29,68	29,53	29,52	41,75	55,17
<u>In dollars</u>					
30-44 days	0,60	0,67	0,77	1,56	1,37
60 days or more	0,85	0,92	1,03	2,34	1,77
Total BADLAR (more than \$1 million, 30-35 days)	0,70	0,71	0,85	1,89	1,53
Private Banks BADLAR (more than \$1 million, 30-35 days)	0,63	0,77	1,01	1,42	1,75
Lending Interest Rates	Aug-20	Jul-20	Jun-20	Dec-19	Aug-19
Stock Repos					
Gross interest rates 30 days	24,47	23,56	24,81	41,10	64,69
Traded volume (all maturities, million pesos)	46.615	42.108	39.610	18.780	11.555
Loans in Pesos ⁽¹⁾					
Overdrafts	32,02	32,80	34,20	66,45	75,72
Promissory Notes	29,60	31,06	30,02	56,99	70,03
Mortgages	30,74	30,22	30,84	47,51	48,54
Pledge-backed Loans	24,84	23,56	23,33	30,54	26,77
Personal Loans	51,09	50,57	50,25	71,63	68,89
Credit Cards	42,09	42,37	41,65	81,77	74,47
Overdrafts - 1 to 7 days - more than \$10 million	21,22	21,45	22,73	58,79	78,68
International Interest Rates	Aug-20	Jul-20	Jun-20	Dec-19	Aug-19
LIBOR					
1 month	0,16	0,17	0,18	1,75	2,17
6 months	0,31	0,34	0,43	1,90	2,06
US Treasury Bonds					
2 years	0,14	0,15	0,19	1,61	1,58
10 years	0,64	0,62	0,73	1,85	1,63
FED Funds Rate	0,25	0,25	0,25	1,75	2,25
SELIC (1 year)	2,03	2,25	2,64	4,68	6,00

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

8. Glossary

ANSES: Argentine Social Security Administration

APR: Annual Percentage Rate

B.P.: Basis Points

BADLAR: Interest rate on time deposits of \$1 million and over for 30-35 days.

BCRA: Central Bank of Argentina

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

LEBAC: BCRA Bills

LELIQ: BCRA Liquidity Bills

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

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

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

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

MSMEs: Micro, Small and Medium-Sized Enterprises

NBFI: Non-Bank Financial Institution

NDF: Non Deliverable Forward

NOCOM: Cash Compensation Notes issued by BCRA

ON: Negotiable Obligation

p.p.: Percentage Points

ROFEX: Rosario Futures Exchange

s.a.: Seasonally-Adjusted

SDR: Special Drawing Right

SISCEN: BCRA Centralized Reporting Requirement System

SMEs: Small and Medium-Sized Enterprises

TM20: Interest rate on time deposits of \$20 million and over for 30-35 days.

UVA: Units of Purchasing Power

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