

Monthly Monetary Report

August 2022



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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

Inquiries or comments: analisis.monetario@bcra.gob.ar

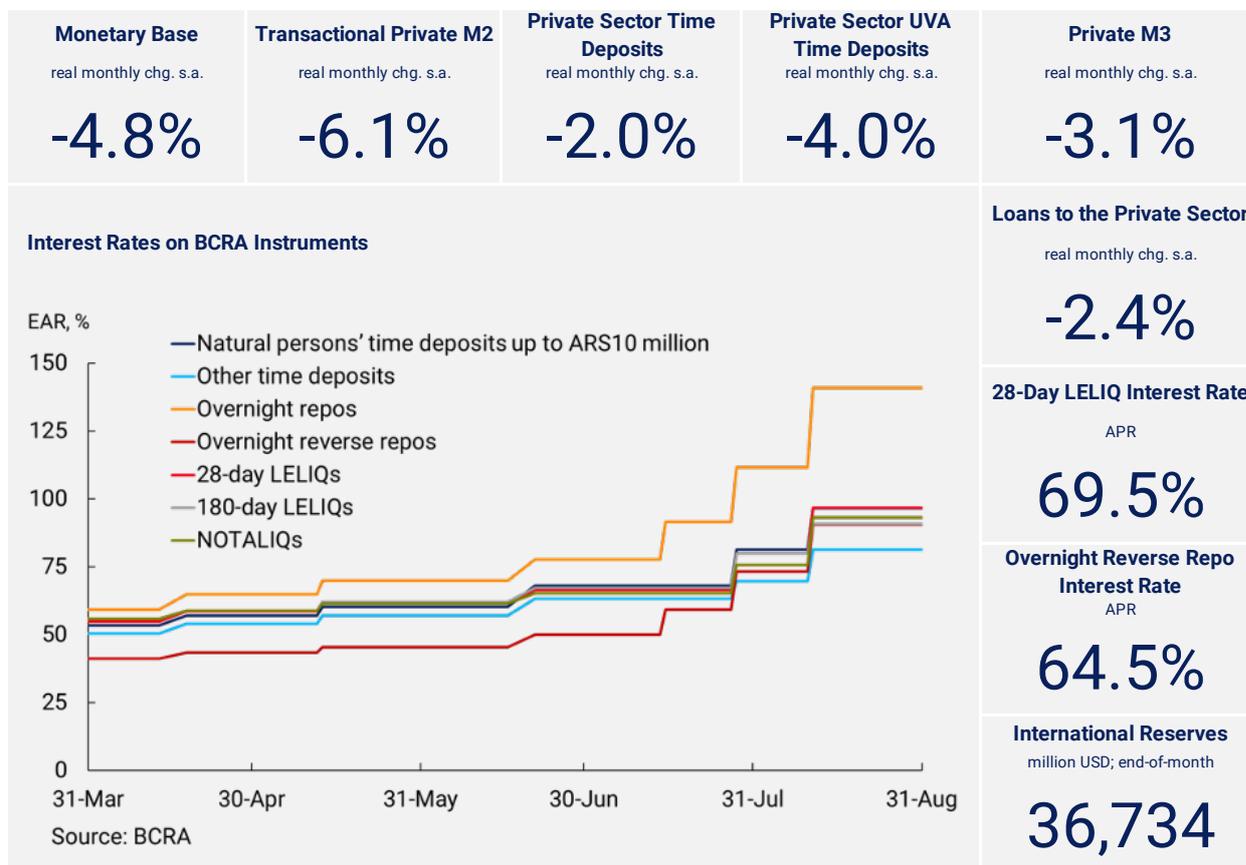
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About inclusive language in the Spanish version of this report

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

Therefore, efforts have been made to avoid sexist and binary language in this report.

1. Executive Summary



The BCRA quickened the increasing pace of the interest rate on its monetary policy instruments, and raised minimum interest rates on time deposits in August. This way, it seeks to obtain positive real returns on savings instruments in pesos in real terms, and preserve monetary and foreign exchange stability. Since mid-August, the BCRA has started to offer overnight reverse repos to mutual funds (FCI, in Spanish) in order to strengthen the channel of monetary policy transmission to different sectors of the financial system and the capital market.

The broad monetary aggregate (private M3) witnessed a monthly contraction at constant prices and in seasonally-adjusted terms, after three months of positive changes. This decrease was explained by the performance of means of payment and, to a lesser extent, time deposits. In spite of the lower dynamics of time deposits in August, they remained around the maximum levels of the past few decades at constant prices.

Broadly speaking, all credit lines in pesos to the private sector declined for the second month in a row in real and seasonally-adjusted terms. Business credit lines contracted the least. This was explained by the boost of the Credit Line for Productive Investment (LFIP, in Spanish) that offers preferential conditions to production.

2. Means of Payment

In real and seasonally-adjusted terms, means of payment (transactional private M2¹) posted a 6.1% contraction in August, falling for the seventh successive month and revealing the greatest fall since end-2018 (see Chart 2.1). This fall was explained by the performance of non-interest-bearing sight deposits as well as by cash held by the public. Thus, means of payment contracted around 13.9% in year-on-year terms and at constant prices. In terms of GDP, transactional private M2 stood at 8.3%, posting a decrease (0.2 p.p.) against July (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

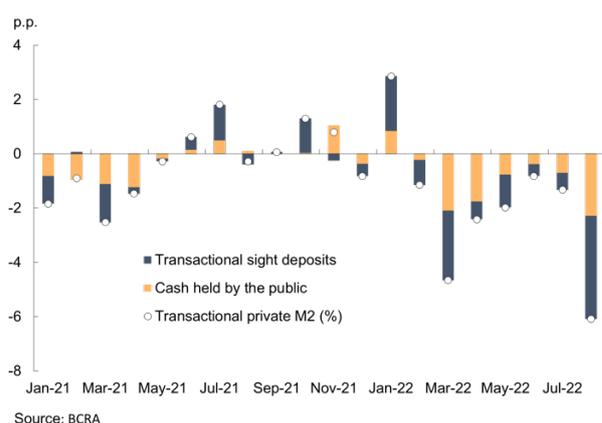
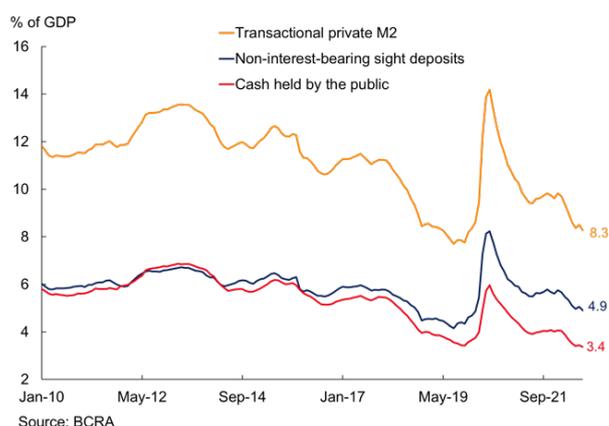


Chart 2.2 | Transactional Private M2



3. Savings Instruments in Pesos

At the beginning of August, the Board of the BCRA decided to raise the minimum interest rates on time deposits for the eighth time in the year.² This time, the minimum interest rate on natural persons' deposits of up to ARS10 million increased from 61% APR to 69.5% APR (96.6% EAR). For the other depositors of the financial system,³ the interest rate rose by 7 p.p. to reach 61% APR (81.3% EAR). This measure is aimed at obtaining positive real returns and, then, increase savings in pesos.

In August, private sector time deposits in pesos at constant prices recorded a 2% s.a. monthly contraction, bringing a four-month period of expansions to a close. Even though time deposits evidenced a fall over August at constant prices, they remained around the highs of the past few decades. In terms of GDP, these deposits stood at 6.7% in August, being among the highs in the last few years.

The analysis of time deposits broken down by amount shows that monthly falls centered in the wholesale segment (over ARS20 million; see Chart 3.1). In particular, the performance of early-payment investments explained this contraction. On the contrary, traditional deposits increased over August (see Chart 3.2). On a disaggregated basis, holdings of financial service providers (FSPs) as well as those of other companies were on the rise. The former was mainly due to the statistical carryforward of July.

¹ 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.

² Communication "A" 7527.

³ Financial service providers, companies, and natural persons with deposits over ARS10 million.

Chart 3.1 | Private Sector Time Deposits in Pesos
Real and s.a. monthly change by amount

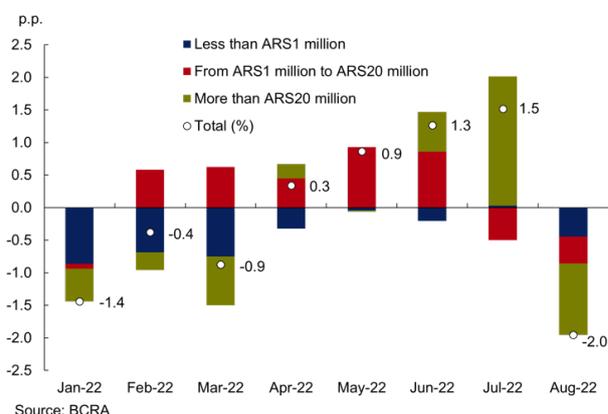
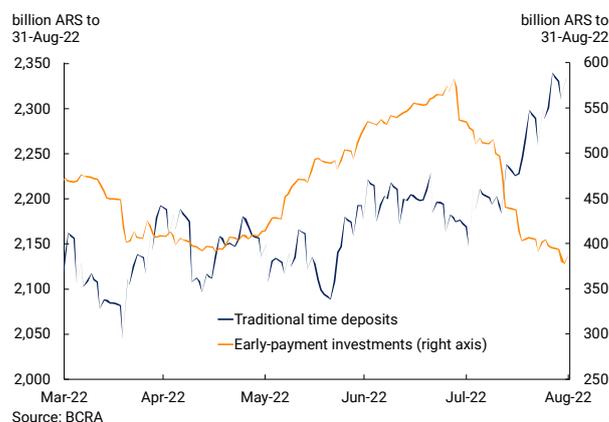


Chart 3.2 | Time Deposits over ARS20 Million
Stock at constant prices by type of instrument
Original series



Time deposits adjusted by the Reference Stabilization Coefficient (CER, in Spanish) also contracted in real terms in August, after seven months of sustained growth. The decrease was observed in both UVA traditional and early-payment deposits, whose monthly change rates stood at -6.8% s.a. and -1.7% s.a., respectively, in real terms (see Chart 3.3). The analysis of CER-adjustable instruments by type of holder showed that the fall was almost entirely driven by the performance of holdings by natural persons and companies (excluding FSPs; see Chart 3.4). All in all, UVA deposits reached ARS393.8 billion at the end of August. It is worth noting that their relative share in total time instruments was still limited (around 7% of total time deposits).

Chart 3.3 | Private Sector UVA Time Deposits
Stock at constant prices by type of instrument
Original series

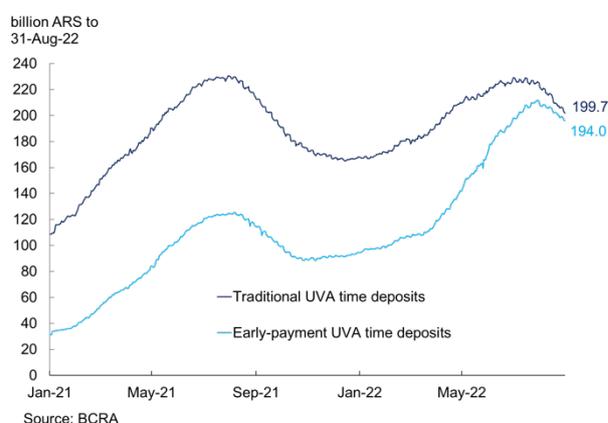
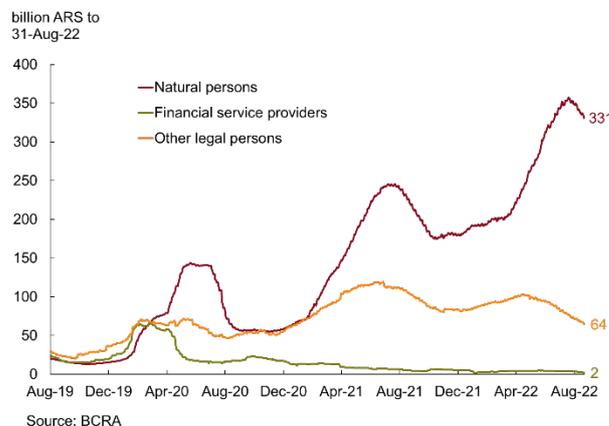


Chart 3.4 | Private Sector UVA Time Deposits
Stock at constant prices by type of holder
Original series



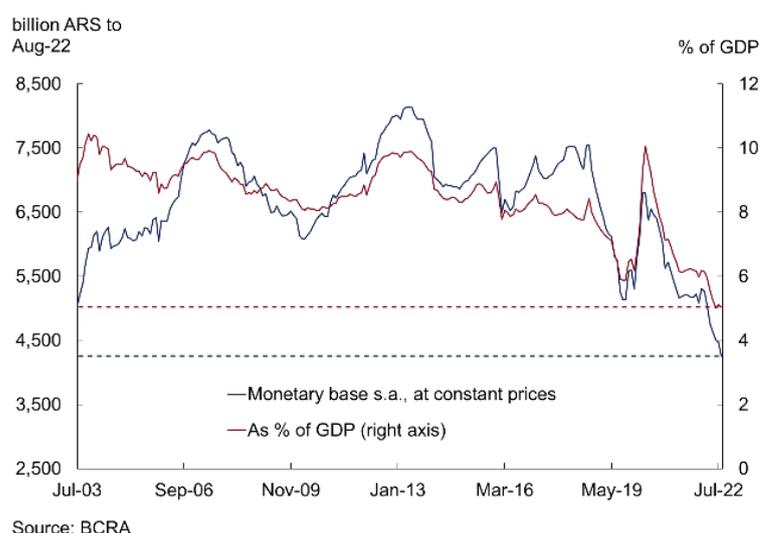
All things considered, the broad monetary aggregate (private M3⁴) at constant prices declined by 3.1% s.a. over August. In year-on-year terms, private M3 posted a 5% fall. In terms of GDP, it remained stable against July, standing at 16.8%.

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

4. Monetary Base

In August, the monetary base averaged ARS4,287.3 billion, which meant a monthly growth of 1.8% (+ARS75.24 billion) in the original series at current prices. It contracted by 4.8%, adjusted by seasonality and at constant prices, down around 18.3% over the last twelve months. In terms of GDP, the monetary base stood at 5%, being just slightly lower than the figure observed in July and recording a historic low since 2003 (see Chart 4.1).

Chart 4.1 | Monetary Base



On the supply side, the open market operations (OMOs) carried out by the BCRA contributed positively to the monetary base monthly change. However, it is worth mentioning that the expansion was caused by the statistical carryforward of July, as there were virtually no OMOs in August. The monetary policy instruments also contributed positively to liquidity expansion, mainly due to instruments' interest and premiums. This was in part offset by the contractive effect of public sector transactions and the sale of foreign currency to the private sector.

In August, the BCRA quickened the increasing pace of benchmark interest rates in order to boost positive real returns on investments in domestic currency, and preserve monetary, foreign exchange and financial stability. In particular, 28-day liquidity bill (LELIQ) interest rates were raised by 9.5 p.p., which stood at 69.5% APR (96.8% EAR). In turn, the 180-day LELIQ interest rate increased 7.9 p.p. to reach 76% APR (90.7% EAR). As for shorter-term instruments, the interest rate on overnight reverse repos increased by 9.5 p.p. to reach 64.5% APR (90.5% EAR), whereas the rate on overnight repos was 88% APR (140.8% EAR). Finally, the fixed spread of liquidity notes (NOTALIQs) in the last auction of the month was set at 8.25 p.p.

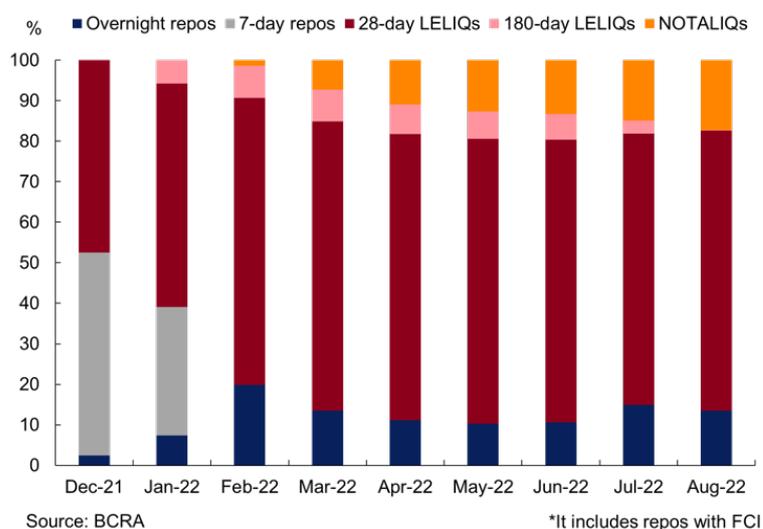
In August, the BCRA started to offer overnight reverse repos to FCIs in order to strengthen the channel of monetary policy transmission to the different sectors of the financial system and the capital market. The interest rate paid by the BCRA to FCIs for these repos stands at 75% of the rate paid to financial institutions.⁵

With the current composition of instruments, 28-day LELIQs accounted for around 69% of remunerated liabilities in August. As for longer-term instruments, the share of 180-day LELIQs plummeted to only 0.1% of

⁵ Communication "A" 7579.

the total. On the contrary, NOTALIQs gained share (17.3% of the total). The rest included overnight reverse repos, which posted a modest fall against July and reached 13.5% of the total (see Chart 4.2).

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



5. Loans to the Public Sector in Pesos

All credit lines in pesos to the private sector declined for the second month in a row in real and seasonally-adjusted terms (see Chart 5.1). In August, the monthly fall was 2.4%, contracting the most as from November 2021. This way, they accrued a 0.4% decrease in real terms over the last twelve months. The loans in pesos to the private sector to GDP ratio stood around 6.8%, with no significant changes against the figure recorded over the last year (see Chart 5.2).

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

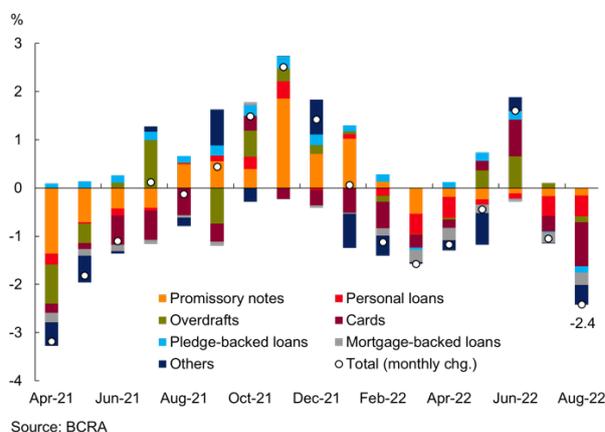
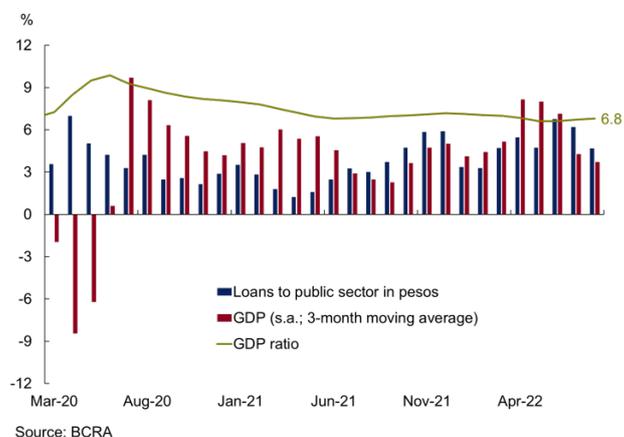


Chart 5.2 | Loans to Private Sector in Pesos
In terms of GDP



The analysis of loans by type of financing shows that business credit lines posted a monthly fall of 1.4% s.a. in real terms. In year-on-year terms and at constant prices, they are 8.8% higher than in August 2021. Within these credit lines, overdrafts declined by 1.1% s.a. in real terms (+11.3% y.o.y.). In turn, financing

granted through promissory notes diminished by 0.6% s.a. (+14.9% y.o.y.) at constant prices. This was explained by the performance of unsecured promissory notes as well as by discounted notes.

Loans to micro-, small-, and medium-sized enterprises (MSMEs) were still mainly granted through the LFIP. The loans granted until the end of August within the framework of the LFIP accrued disbursements for about ARS2,867 billion from its implementation, up 6% vis-à-vis July (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 298,308 companies. In line with the rise of BCRA's benchmark interest rates, the cap on the credit line to finance working capital was raised from 58% to 69% APR, and that on investment projects increased from 50% to 59% APR.

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

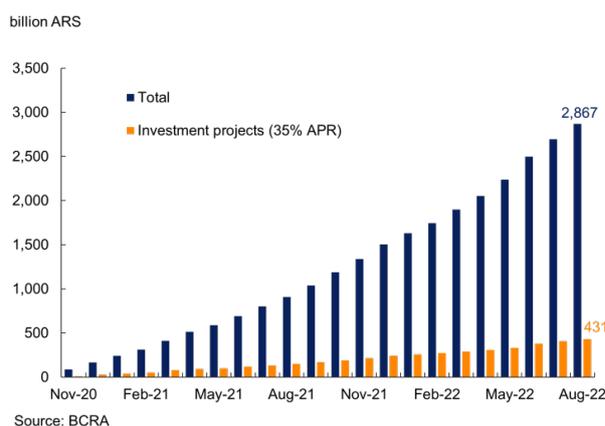
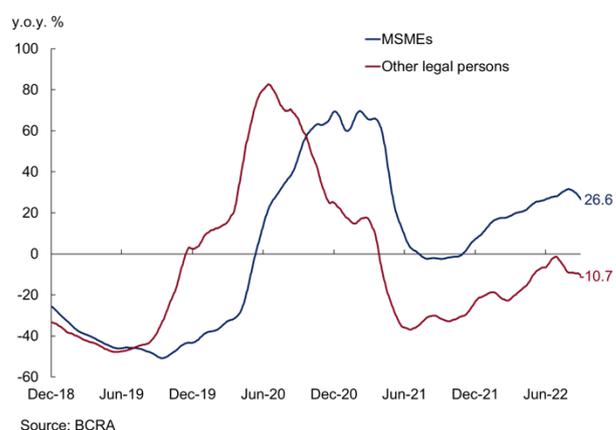


Chart 5.4 | Business Loans by Type of Debtor
Y.o.y. change of 30-day moving average stock at constant price



The favorable conditions of the LFIP are still contributing towards upholding financing to companies of smaller relative size. Indeed, the analysis of business credit sorted out by type of debtor reveals that the rate of credit to MSMEs expanded by about 26.6% y.o.y. at constant prices in August, whereas credit to big companies contracted by 10% y.o.y. in the same period (see Chart 5.4).

As regards loans to consumption, financing on credit cards posted a 3.1% s.a. contraction in real terms, with an average stock in August standing 8% below the level observed a year ago. In turn, personal loans fell by 2.7% in the month at constant prices, standing 7.9% below the level reached in August 2021. In August, the interest rate on personal loans rose to reach 74.6% APR (106.3% EAR), up 9 p.p. against July.

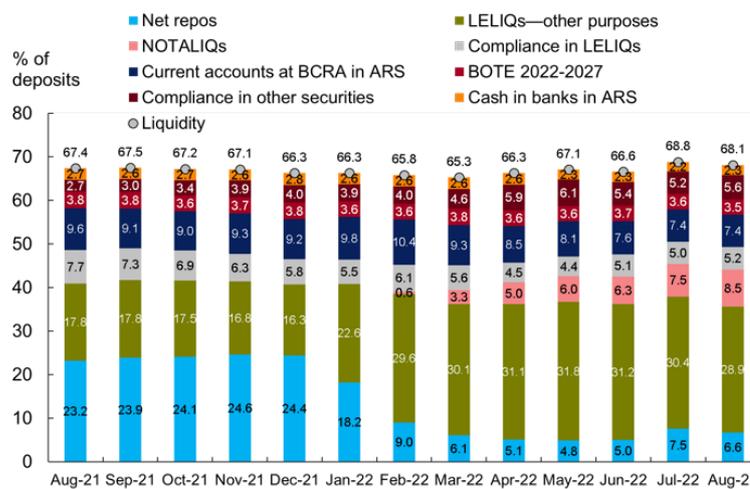
As for credit lines with real property collateral, pledge-backed loans declined by 1.9% s.a. in real terms, up 29.2% vis-à-vis a year ago. In turn, the stock of mortgage-backed loans fell by 4.2% s.a. at constant prices, with an accrued contraction of about 20% over the last twelve months.

6. Financial Institutions' Liquidity in Pesos

In August, broad liquidity in domestic currency⁶ was comparable to the figure recorded in July and averaged 68.1% of deposits, remaining at historically high levels. The main changes in the components of liquidity involved BCRA's remunerated liabilities. To that regard, NOTALIQs went on gaining share to the detriment of LELIQs and reverse repos. Likewise, there was an increase in the use of sovereign bonds and LELIQs to meet minimum cash requirements (see Chart 6.1).

Regulatory changes may exert a potential effect on bank liquidity. In this regard, it is worth noting that the BCRA created new "Special accounts for exporters" that will be exempted from minimum cash requirements⁷ (see section on "Foreign Currency").

Chart 6.1 | Financial Institutions' Liquidity in Pesos



Source: BCRA

7. Foreign Currency

As regards foreign currency, financial institutions' main assets and liabilities posted negative changes. Indeed, the average monthly stock of deposits from the private sector stood around USD14.6 billion, down USD471 million against July. The fall was in part explained by the statistical carryforward of July, with a month-on-month (m.o.m.) contraction of USD115 million. Most of the decline recorded in August was due to natural persons' sight deposits under USD1 million. In addition, the average monthly stock of loans to the private sector stood at USD3.71 billion, down USD133 million vis-à-vis July, which was explained by the performance of unsecured deposits (see Chart 7.1).

⁶ It includes current accounts with the BCRA, cash holdings in banks, arranged net repo stocks with the BCRA, holdings of LELIQs and NOTALIQs, and holdings of sovereign bonds eligible to comply with the minimum reserve requirements.

⁷ Communication "A" 7571.

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

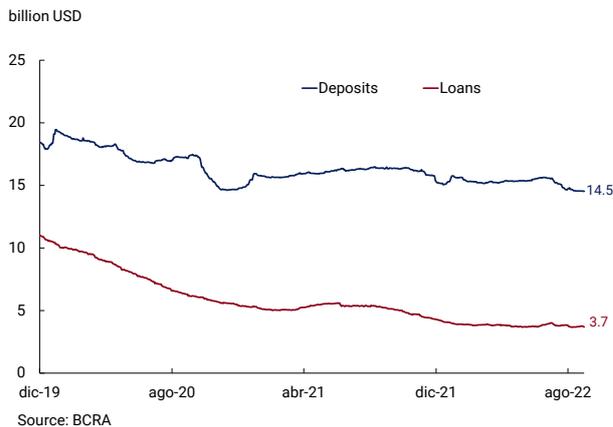
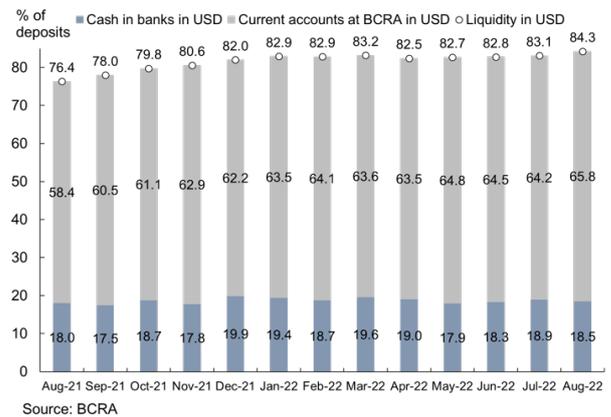


Chart 7.2 | Financial Institutions' Liquidity in Foreign Currency



Financial institutions' liquidity in the foreign currency segment stood at 84.3% of deposits in July, posting a 1.2 p.p. rise compared to the figure shown in June. The rise of liquidity was driven by the performance of current accounts at the BCRA, which was in part offset by a fall of cash in banks (see Chart 7.2).

In August, the BCRA made some regulatory changes on foreign exchange. First, some incentives were created to increase the supply of foreign currency. To that purpose, the term was extended for the transfer and settlement of advances, pre-financings and post-financings from abroad, inasmuch as foreign currency is credited in a US dollar bank account.⁸ In order to ensure returns, financial institutions may either use such funds to underwrite BCRA bills/notes in dollars with a 180-day maturity term, or deposit the funds in a sight account in US dollars held at the BCRA.⁹ Also, exporters who settle inflows at least thirty days before the pertinent maturity will have access to dollar-linked sight accounts ("Special accounts for exporters").¹⁰ In this case, domestic financial institutions may use those funds to purchase BCRA non-transferable bills in pesos payable at the benchmark exchange rate as stated in Communication "A" 3500 (LEDIV). In addition, access conditions to the forex market were relaxed for importers to pay for goods related to pharmaceuticals and other health care items¹¹ as well as for goods necessary for building infrastructure facilities hired by the national public sector.¹²

It is worth highlighting that the **"Export increase program"**¹³ was launched at the beginning of September with a view to boosting exports and strengthening international reserves. Thus, **companies will settle their exports of soybean and its byproducts at ARS200/USD on condition that they do so between September 5 and September 30.** The delivery of the underlying asset to comply with the soybean futures contracts and the trading called "Available"—both carried out during the implementation of this program—will be invoiced according to that unusual and temporary nominal exchange rate. Moreover, the agricultural producers selling soybean will enjoy the benefits and programs to be set for the 2022-2023 harvest season on the following conditions: the price is fixed before September 30, 2022; the sale involves at least 85% of their 2021-2022

8 Communication "A" 7570.
 9 Communications "A" 7574 and 7578.
 10 Communication "A" 7571.
 11 Communication "A" 7565.
 12 Communication "A" 7586.
 13 Executive Order No. 576/2022 by the Executive Power.

soybean harvest; and soybean is sold to grain brokers, storage companies, cooperatives, exporters and industries for export under the "Export increase program".

At the end of August, BCRA's international reserves reached USD36.73 billion, USD1.5 billion down against the end of July (see Chart 7.3). The monthly fall was mainly explained by losses from the valuation of net foreign assets, net sales of foreign currency to the private sector, and payments to international organizations, among which the payment of interest to the IMF for USD452 million stood out. During the first half of August, international reserves went down due to net sales of foreign currency to the private sector, increasing for the same reason in the second half of the month, though not reversing the trend in full.

Finally, the ARS/USD nominal exchange rate (TCN, in Spanish) increased 5.4% and averaged ARS135.26/USD in August (see Chart 7.4). Since the depreciation pace of domestic currency accelerated throughout August, the m.o.m. change was a bit higher (5.7%).

Chart 7.3 | International Reserves
Daily stock

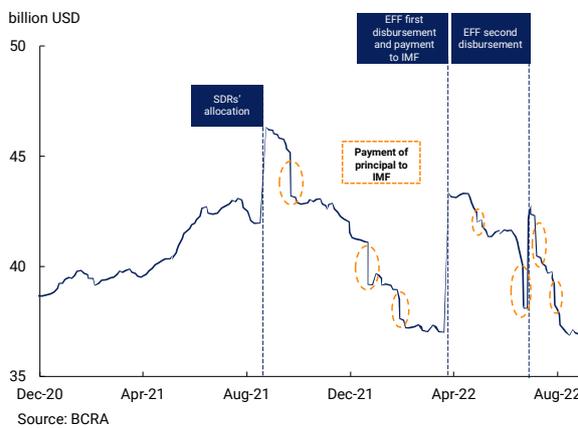
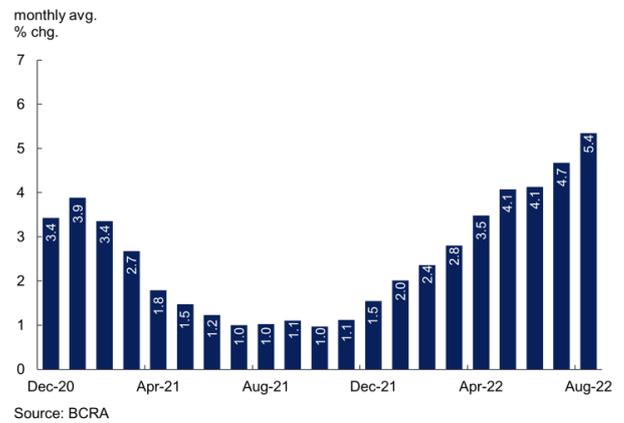


Chart 7.4 | Change in Bilateral Nominal Exchange Rate against USA



8. Regulatory Overview

Date of Issue	Regulation	Description
Aug-4-22	<u>Comm. "A" 7565</u>	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.
Aug-5-22	<u>Comm. "A" 7570</u>	<p>The term to transfer and settle advances, pre-financings and post-financings from abroad was extended from 5 to 180 calendar days as from the date of collection or disbursement abroad. They are subject to the following conditions: foreign currency must be transferred to correspondent accounts from August 4 to November 4, 2022; and the client must have settled, in the year so far, foreign currency in the FX market for advances, pre-financings and/or post-financings from abroad for an amount equal to or greater than USD100 million. Also, foreign currency must be deposited in a "Special account for crediting exports financings" or in a correspondent account—in both cases, until the date of settlement. In the latter case, clients must ensure that funds will be so deposited. The interest on the account balances is determined based on the Secured Overnight Financing Rate (SOFR) in dollars, with a 180-day maturity term plus 0.90 of the spread of BCRA bill/note bidden in dollars, and will be credited on a monthly basis. These accounts will not be subject to minimum cash requirements.</p> <p>Financial institutions may use the funds on these accounts to purchase BCRA bills and/or notes in US dollars, open sight accounts in US dollars held at the BCRA, among other purposes as provided for in Section 2 of the regulations on "Credit Policy".</p>
Aug-5-22	<u>Comm. "A" 7571</u>	<p>Until November 30, 2022, exporters that settle a foreign exchange transaction at least thirty days before the term established for each sector may deposit the amount settled in pesos in their dollar-linked sight accounts ("Special accounts for exporters"). These accounts are remunerated on a daily basis at the US dollar exchange rate of the previous business day (Communication "A" 3500).</p> <p>Financial institutions may use the balances on these accounts to purchase 1) BCRA non-transferable bills in pesos payable at the benchmark exchange rate as stated in Communication "A" 3500 (LEDIV) at a zero-interest rate; 2) sovereign and corporate bonds in pesos adjusted by the exchange rate; and 3) other purposes in pesos. All these items were excluded from the "foreign currency net global position" and their balances are not subject to the minimum cash requirement.</p>
Aug-5-22	<u>Comm. "A" 7574</u>	<p>As from August 5, 2022, the BCRA will offer for sale "BCRA notes in US dollars payable in the same currency", with a 180-day maturity term, at a variable interest rate based on the SOFR plus a spread. Interest is payable at maturity.</p> <p>Only financial institutions belonging to Group "A" are eligible to underwrite the notes with the funds deposited in the "Special accounts for crediting exports financings". The amount underwritten cannot exceed the one settled in the financial system. It should be noted that the BCRA provides liquidity to these notes as from the fifth business day following the date of settlement. Holders are entitled to request their redemption at the technical value, either in full or in part, before maturity.</p>

Aug-11-22	<u>Comm. "A"</u> <u>7577</u>	<p>As from August 12, 2022, the BCRA raised the monetary policy rate by 950 basis points. Thus, the APR on 28-day LELIQs rose from 60% to 69.5%. Also, the BCRA increased to 69.5% APR the interest rate floor on natural persons' 30-day time deposits up to ARS10 million. For all other private sector time deposits, the minimum is 61% APR. In turn, the interest rate on early-payment UVA deposits will be 93.33% of the monetary policy rate, i.e., 65.5% APR.</p> <p>The interest rate on financing to working capital, on the discount of deferred payment checks and on MSME electronic credit invoices was increased from 58% to 69% APR in the framework of the "LFIP aimed at MSMEs". In turn, the interest rate on investment projects was raised from 50% to 59% APR. Finally, effective as from the invoicing cycle of September 2022, the maximum compensatory interest charged by financial institutions for financings on credit cards was raised to 71.5% APR.</p>
Aug-12-22	<u>Comm. "A"</u> <u>7578</u>	<p>The "BCRA notes in US dollars (NODO)", created through Communication "A" 7574, underwent a few changes. Financial institutions may choose the currency for settlement, both in the cases of early redemption or at maturity. Hence, they may conduct settlement transactions in US dollars or in pesos settled at the benchmark exchange rate of the previous business day (calculated on the basis of the methodology set forth in Comm. "A" 3500). Interest will be paid with monthly coupons.</p>
Aug-12-22	<u>Comm. "A"</u> <u>7579</u>	<p>As from August 16, 2022, FCIs will be able to carry out overnight reverse repo transactions with the BCRA.</p>
Aug-25-22	<u>Comm. "A"</u> <u>7584</u>	<p>The BCRA set the minimum regulatory capital for foreign exchange houses (ARS140 million) and foreign exchange agencies (ARS70 million) as from September 1, 2022. Foreign exchange houses and agencies operative as of that date must meet the minimum regulatory capital as from July 1, 2024. Until this date, they will have to comply with lower capital requirements, as detailed in the regulation.</p> <p>As from January 2023, the turnover of foreign exchange houses and agencies traded with clients other than those related to the FX trader must involve at least 120 transactions for an amount equal to a 10% of the minimum regulatory capital required at the beginning of each period.</p>
Aug-25-22	<u>Comm. "A"</u> <u>7585</u>	<p>As from August 26, 2022, financial institutions will ensure minimum borrowing interest rates on time deposits made by natural persons for up to ARS10 million. These deposits include early-payment UVA time deposits adjusted by CER for up to a 120-day term. The coefficient to determine the early-payment fixed interest rate will be 0.9712, i.e., 67.5% APR. This will apply when early-payment UVA deposits adjusted by CER have a term of at least 180 days, and the actual term of deposits is of at least 120 days.</p>

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 Aug-22						% of GDP	
	Aug-22	Jul-22	Jun-22	Dec-21	Aug-21	Monthly		Accrued in 2022		Year-on-year		Aug-22	Dec-21
						Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real		
Monetary Base	4,287,266	4,212,024	3,891,174	3,394,480	2,927,785	1.8%	-4.8%	26.3%	-16.4%	46.4%	-18.3%	5.0%	6.0%
Currency in circulation	3,234,769	3,197,739	2,933,702	2,504,731	2,139,384	1.2%	-4.9%	29.1%	-17.5%	51.2%	-15.6%	3.8%	4.5%
Cash held by the public	2,905,162	2,897,211	2,637,047	2,230,702	1,915,362	0.3%	-5.6%	30.2%	-16.8%	51.7%	-15.3%	3.4%	4.0%
Cash in financial institutions	329,606	300,528	296,655	274,029	224,022	9.7%	2.2%	20.3%	-22.9%	47.1%	-17.9%	0.4%	0.5%
Current accounts at BCRA	1,052,497	1,014,285	957,472	889,749	788,401	3.8%	-3.3%	18.3%	-24.1%	33.5%	-25.5%	1.2%	1.6%
BCRA's remunerated liabilities (NV ARS)	6,984,015	6,887,694	6,007,415	4,506,696	3,973,765	1.4%	-5.5%	55.0%	-0.6%	75.8%	-1.9%	8.3%	5.3%
Reverse repos	944,336	1,027,065	634,403	2,366,670	1,894,607	-8.1%	-14.3%	-60.1%	-74.4%	-50.2%	-72.2%	1.1%	2.8%
1 day	944,336	1,027,065	634,403	110,546	54,668	-8.1%	-14.3%	754.2%	447.8%	1627.4%	864.1%	1.1%	0.1%
7 days	0	0	0	2,256,124	1,839,939	0.0%	-6.8%	-100.0%	-100.0%	-100.0%	-100.0%	0.0%	2.7%
Stock of LELIQs	4,832,790	4,831,273	4,572,617	2,140,026	2,079,158	0.0%	-6.8%	125.8%	44.8%	132.4%	29.7%	5.7%	2.5%
Stock of 28-day LELIQs	4,825,195	4,610,899	4,194,993	2,140,026	2,079,158	4.6%	-2.5%	125.5%	44.6%	132.1%	29.5%	5.7%	2.5%
Stock of 180-day LELIQs	7,595	220,374	377,623	-	-	-96.6%	-96.8%	-	-	-	-	0.0%	-
Stock of NOTALIQs	1,206,889	1,029,356	800,396	-	-	17.2%	9.3%	-	-	-	-	1.4%	-
BCRA's international reserves in dollars	37,116	40,335	40,780	40,584	43,307	-8.0%	-	-8.5%	-	-14.3%	-	5.9%	7.6%

Monthly average explanatory factors	Monthly		Quarterly		Accrued in 2022		Year-on-year	
	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution
Monetary Base	75,242	1.8%	590,884	16.0%	892,786	26.3%	1,359,481	46.4%
Foreign exchange purchases to private sector and others	-150,822	-3.6%	-112,501	-3.0%	-39,576	-1.2%	-253,203	-8.6%
Foreign exchange purchase to the NT	-66,726	-1.6%	123,205	3.3%	-72,441	-2.1%	292,653	10.0%
Temporary advances and profit transfers to National Government	29,194	0.7%	302,609	8.2%	1,015,609	29.9%	1,642,298	56.1%
Other public sector operations	-95,944	-2.3%	-219,446	-5.9%	-169,134	-5.0%	-225,214	-7.7%
Monetary policy instruments	196,095	4.7%	-728,655	-19.7%	-968,683	-28.5%	-981,464	-33.5%
Others	163,445	3.9%	1,225,672	33.2%	1,127,011	33.2%	884,412	30.2%
BCRA's International Reserves	-3,219	-8.0%	-4,504	-10.8%	-3,468	-8.5%	-6,191	-14.3%
Purchases of foreign currency	-1,153	-2.9%	-835	-2.0%	-225	-0.6%	-2,366	-5.5%
International organizations	-1,389	-3.4%	-1,417	-3.4%	1,293	3.2%	827	1.9%
Other public-sector transactions	-422	-1.0%	-1,220	-2.9%	-1,297	-3.2%	2,243	5.2%
Minimum cash requirements	-88	-0.2%	-432	-1.0%	217	0.5%	492	1.1%
Others (incl. forex valuation)	-167	-0.4%	-599	-1.4%	-3,456	-8.5%	-7,386	-17.1%

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

Minimum Cash Requirement and Compliance	Aug-22	Jul-22	Jun-22
Domestic currency	% of total deposits in pesos		
Net requirement of deductions	21.4	20.8	21.2
Compliance in current accounts	7.4	7.4	7.6
Compliance in LELIQs	29.6	29.8	29.8
Compliance in BOTE 2022	3.5	3.6	3.7
Compliance in sovereign bonds/other	5.6	5.2	5.4
Foreign currency	% of total deposits in foreign currency		
Minimum capital requirements	24.0	24.0	24.0
Compliance (includes funds available for financing but not yet granted)	65.8	64.2	64.5
Position ⁽¹⁾	41.8	40.2	40.5

(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 Aug-22						% of GDP ⁴	
	Aug-22	Jul-22	Jun-22	Dec-21	Aug-21	Monthly		Accrued in 2022		Year-on-year		Aug-22	Dec-21
						Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real		
Domestic currency													
Total deposits from the non-financial sector in pesos¹	14,061,561	13,542,577	12,468,263	9,585,924	8,077,738	3.8%	-2.3%	46.7%	-6.2%	74.1%	-2.8%	16.5%	17.5%
Private sector deposits	11,430,340	11,113,048	10,124,012	7,725,433	6,509,635	2.9%	-3.0%	48.0%	-5.4%	75.6%	-2.0%	13.4%	14.1%
Private Sector Sight Deposits	5,438,174	5,436,746	4,922,317	4,094,910	3,218,522	0.0%	-3.9%	32.8%	-9.2%	69.0%	-5.7%	6.5%	7.1%
Non-interest bearing (transactional)	4,088,636	4,237,774	3,861,942	3,283,152	2,619,505	-3.5%	-6.4%	24.5%	-13.4%	56.1%	-12.9%	4.9%	5.6%
Interest-bearing	1,349,537	1,198,971	1,060,375	811,758	599,017	12.6%	4.9%	66.2%	6.6%	125.3%	25.7%	1.6%	1.5%
Private Sector Time Deposits and Others	5,992,166	5,676,302	5,201,694	3,630,523	3,291,112	5.6%	-2.2%	65.0%	-1.5%	82.1%	1.6%	6.9%	7.0%
Time Deposits	5,812,302	5,493,821	5,024,650	3,482,489	3,170,444	5.8%	-2.0%	66.9%	-0.7%	83.3%	2.3%	6.7%	6.7%
CER / UVA non-adjustable	5,412,829	5,106,729	4,682,534	3,322,813	2,985,382	6.0%	-1.8%	62.9%	-3.1%	81.3%	1.2%	6.3%	6.4%
CER / UVA-adjustable	399,473	387,092	342,116	159,676	185,062	3.2%	-4.4%	150.2%	48.8%	115.9%	20.5%	0.5%	0.3%
Traditional	204,200	202,947	186,863	102,705	119,997	0.6%	-6.8%	98.8%	18.3%	70.2%	-5.0%	0.2%	0.2%
Early-payment	195,273	184,145	155,253	56,970	65,065	6.0%	-1.7%	242.8%	103.9%	200.1%	67.5%	0.2%	0.1%
Other deposits	179,864	182,481	177,044	148,035	120,668	-1.4%	-8.1%	21.5%	-22.1%	49.1%	-16.8%	0.2%	0.3%
Public sector deposits ²	2,631,222	2,429,529	2,344,251	1,860,491	1,568,103	8.3%	0.9%	41.4%	-9.3%	67.8%	-6.4%	3.1%	3.4%
Monetary Aggregates													
Total M2	9,243,486	9,185,771	8,432,114	7,120,815	5,675,289	0.6%	-4.1%	29.8%	-13.2%	62.9%	-9.1%	11.0%	12.5%
Total M3	17,079,684	16,542,738	15,224,330	11,905,669	10,091,005	3.2%	-2.9%	43.5%	-6.6%	69.3%	-5.5%	20.1%	21.4%
Private sector monetary aggregates													
Private M2	8,343,336	8,333,957	7,559,364	6,325,612	5,133,884	0.1%	-4.7%	31.9%	-13.1%	62.5%	-9.3%	9.8%	11.2%
Transactional private M2 ³	6,993,798	7,134,985	6,498,989	5,513,854	4,534,867	-2.0%	-6.1%	26.8%	-14.8%	54.2%	-13.9%	8.3%	9.6%
Private M3	14,335,502	14,010,259	12,761,059	9,956,135	8,424,996	2.3%	-3.1%	44.0%	-7.9%	70.2%	-5.0%	16.8%	18.1%
Total loans to the non-financial sector in pesos	5,723,500	5,471,918	5,163,849	4,058,133	3,225,959	4.6%	-2.5%	41.0%	-6.4%	77.4%	-1.0%	6.9%	7.2%
Loans to the non-financial private sector	5,666,267	5,410,631	5,107,994	4,003,444	3,175,431	4.7%	-2.4%	41.5%	-6.0%	78.4%	-0.4%	6.8%	7.1%
Overdrafts	641,391	610,748	560,731	392,585	321,546	5.0%	-1.1%	63.4%	8.6%	99.5%	11.3%	0.8%	0.7%
Promissory notes	1,497,913	1,399,079	1,294,751	1,010,395	727,815	7.1%	-0.6%	48.3%	-0.9%	105.8%	14.9%	1.8%	1.8%
Mortgage-backed loans	350,450	341,945	330,165	280,283	244,951	2.5%	-4.2%	25.0%	-19.3%	43.1%	-20.2%	0.4%	0.5%
Pledge-backed loans	384,579	359,362	332,258	229,234	166,186	7.0%	-1.9%	67.8%	9.6%	131.4%	29.2%	0.5%	0.4%
Personal loans	901,476	863,856	834,880	665,885	546,543	4.4%	-2.7%	35.4%	-11.4%	64.9%	-7.9%	1.1%	1.2%
Credit cards	1,595,936	1,540,242	1,459,822	1,198,243	968,053	3.6%	-3.1%	33.2%	-6.1%	64.9%	-8.0%	2.0%	2.1%
Others	294,523	295,400	295,387	226,818	200,337	-0.3%	-6.1%	29.8%	-19.1%	47.0%	-18.0%	0.3%	0.4%
Loans to the non-financial public sector	57,232	61,287	55,855	54,689	50,529	-6.6%	-13.0%	4.7%	-32.9%	13.3%	-36.8%	0.1%	0.1%
Foreign currency¹													
Deposits from the non-financial sector in dollars	17,548	18,120	18,517	18,237	19,000	-3.2%	-	-3.8%	-	-7.6%	-	2.9%	3.5%
Deposits from the non-financial private sector in dollars	14,604	15,075	15,585	15,255	16,393	-3.1%	-	-4.3%	-	-10.9%	-	2.3%	2.8%
sight deposits	10,825	11,228	11,682	11,233	12,072	-3.6%	-	-3.6%	-	-10.3%	-	1.7%	2.1%
time deposits and others	3,779	3,847	3,903	4,022	4,321	-1.8%	-	-6.0%	-	-12.6%	-	0.6%	0.8%
Deposits from the non-financial public sector in dollars	2,944	3,045	2,932	2,982	2,607	-3.3%	-	-1.3%	-	13.0%	-	0.5%	0.6%
Loans to the non-financial sector in dollars	3,835	3,968	3,958	4,268	5,451	-3.4%	-	-10.1%	-	-29.7%	-	0.6%	0.8%
Loans to the non-financial private sector in dollars	3,714	3,847	3,836	4,127	5,310	-3.4%	-	-10.0%	-	-30.1%	-	0.6%	0.8%
Promissory notes	2,434	2,608	2,609	2,729	3,767	-6.7%	-	-10.8%	-	-35.4%	-	0.4%	0.5%
Credit cards	272	253	246	137	78	7.7%	-	99.5%	-	250.8%	-	0.0%	0.0%
Others	1,008	986	981	1,261	1,465	2.2%	-	-20.0%	-	-31.2%	-	0.2%	0.2%
Loans to the non-financial public sector in dollars	121	121	122	141	141	-0.6%	-	-14.5%	-	-14.6%	-	0.0%	0.0%

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

² Net of the use of unified funds.

³ It excludes interest-bearing sight deposits from private M2.

⁴ Calculated on the basis of the seasonally adjusted series of the month, and of the estimation of the 3-month moving average s.a. GDP.

Note: See definitions for the monetary aggregates in the Glossary.

Annual percentage rates (unless otherwise specified) and amounts in millions. Monthly average for rates weighted by amount.

Monetary policy interest rates	Aug-22	EAR Aug-22	Jul-22	Jun-22	Dec-21	Aug-21
BCRA repo interest rates						
Overnight reverse repo	61.44	84.75	44.89	38.50	32.00	32.00
Overnight repo	83.81	130.97	62.90	54.50	42.70	42.70
28-day LELIQ bill interest rate	66.44	91.17	53.03	50.00	38.00	38.00
180-day LELIQ bill interest rate	73.45	104.33	59.74	55.83		
Interbank market interest rates	Aug-22	EAR Aug-22	Jul-22	Jun-22	Dec-21	Aug-21
Repo rates among third parties on overnight REPO round	59.84	81.84	44.04	39.11	30.98	32.92
Volume of repos traded among third parties (daily average)	11,723		13,815	19,567	4,489	3,756
Calls in pesos (overnight)						
Interest rate	57.79	78.16	43.31	40.38	30.46	30.38
Traded volume	22,249		32,733	30,215	19,687	12,953
Borrowing interest rates	Aug-22	EAR Aug-22	Jul-22	Jun-22	Dec-21	Aug-21
Sight deposits						
Interest-bearing	45.58	56.43	35.64	34.68	28.87	29.95
Time deposits						
Natural persons up to ARS1 million (30-35 days) ¹	65.55	89.36	53.15	49.98	36.29	36.31
Total TM20 (more than ARS20 million, 30-35 days)	57.44	75.29	49.28	46.90	33.25	33.23
Private banks' TM20 (more than ARS20 million, 30-35 days)	58.14	76.46	50.08	47.96	33.98	33.93
Total BADLAR (more than ARS1 million, 30-35 days)	59.74	79.17	50.18	47.60	33.34	33.32
Private banks' BADLAR (more than ARS1 million, 30-35 days)	60.71	80.84	51.16	48.63	34.20	34.15
Interest rate on UVA deposits' early-payment option	62.82	84.51	49.03	44.67	30.50	30.50
Lending interest rates	Aug-22	EAR Aug-22	Jul-22	Jun-22	Dec-21	Aug-21
Loans to the non-financial private sector in pesos						
Overdrafts	60.09	82.29	51.47	47.98	40.47	40.96
1 to 7 days – in accordance with companies – more than ARS10 million	61.71	84.68	46.68	42.68	35.36	35.55
Unsecured promissory notes	54.10	69.77	49.33	43.29	34.78	36.90
Mortgage-backed loans	43.80	53.76	39.29	36.67	29.71	28.79
Pledge-backed loans	41.66	50.62	37.53	34.62	28.16	27.31
Personal loans	74.63	106.34	65.64	60.26	53.00	53.14
Credit cards	54.23	69.99	52.42	50.76	42.87	42.69
Interest rate in foreign currency	Aug-22	EAR Aug-22	Jul-22	Jun-22	Dec-21	Aug-21
Time deposits in dollars (30 to 44 days)	0.34	0.34	0.34	0.33	0.37	0.37
Unsecured promissory notes in dollars	5.31	5.44	4.01	3.45	5.97	4.89
Exchange rate	Aug-22	Monthly chg. (%)	Jul-22	Jun-22	Dec-21	Aug-21
NER peso/dollar						
Wholesale rate (Comm. "A" 3.500)	135.26	5.35	128.39	122.65	101.88	97.20
Retail rate ²	138.02	5.21	131.18	124.62	104.27	99.44
NER peso/real	26.32	9.82	23.97	24.38	18.01	18.51
NER peso/euro	136.95	4.68	130.83	129.75	115.14	114.39
ITCNM	878.11	6.50	824.53	813.02	672.89	662.39
ITCRM	92.68	0.57	92.15	95.93	102.60	112.60

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

² The benchmark retail interest rate posted by the Autonomous City of Buenos Aires is calculated on the basis of adhered entities' purchaser and seller exchange rates, weighted according to their share in the retail market (Communication "B" 9791).

Glossary

AFIP: Federal Administration of Public Revenue

ANSES: Argentine Social Security Administration

APR: Annual Percentage Rate

B.P.: Basis Points

BADLAR: Interest rate on time deposits of ARS1 million and over for 30-35 days.

BCRA: Central Bank of Argentina

CC BCRA: Current accounts at BCRA

CER: Reference Stabilization Coefficient

CNV: National Securities Commission

CPI: Consumer Price Index

EAR: Effective Annual Rate

EM: Minimum Cash Requirements

FCI: Mutual Funds

GDP: Gross Domestic Product

IAMC: Argentine Institute for Capital Markets

IRR: Internal Rate of Return

ITCNM: Multilateral Nominal Exchange Rate Index

ITCRM: Multilateral Real Exchange Rate Index

LEBAC: BCRA Bills

LELIQ: BCRA Liquidity Bills

LFIP: Credit Line for Productive Investment

MB: Monetary Base; total amount of money in circulation plus money deposited in current accounts in pesos of financial institutions held with the BCRA.

MERVAL: Buenos Aires Stock Exchange Index

MM: Money Market

MSMEs: Micro, Small and Medium-Sized Enterprises

NBFI: Non-Bank Financial Institution

NOCOM: Cash Compensation Notes issued by BCRA

ON: Negotiable Obligation

p.p.: Percentage Points

Private M2: Means of payment; it includes currency held by the public, settlement checks in pesos, and sight deposits in pesos from the non-financial private sector.

Private M3: Broad aggregate in pesos; it includes currency held by the public, settlement checks in pesos, and total deposits in pesos from the non-financial private sector.

PSP: Payment Service Providers

ROFEX: Rosario Futures Exchange

s.a.: Seasonally-Adjusted

SDR: Special Drawing Right

SIMPES: Comprehensive System for Monitoring of Payment of Foreign Service

SISCEN: BCRA Centralized Reporting Requirement System

TCN: Nominal Exchange Rate

TM20: Interest rate on time deposits of ARS20 million and over for 30-35 days.

Total M2: Means of payment; it includes currency held by the public, settlement checks in pesos, and sight deposits in pesos from the non-financial private sector and public sector.

Total M3: Broad aggregate in pesos; it includes currency held by the public, settlement checks in pesos, and total deposits in pesos from the non-financial private sector and public sector.

Transactional private M2: Means of payment, it includes currency held by the public, settlement checks in pesos, and non-interest-bearing sight deposits in pesos from the non-financial private sector.

UVA: Units of Purchasing Power

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