

Monthly Monetary Report

September 2022



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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The closing date for statistics in this report was October 11, 2022. All figures are provisional and subject to review.

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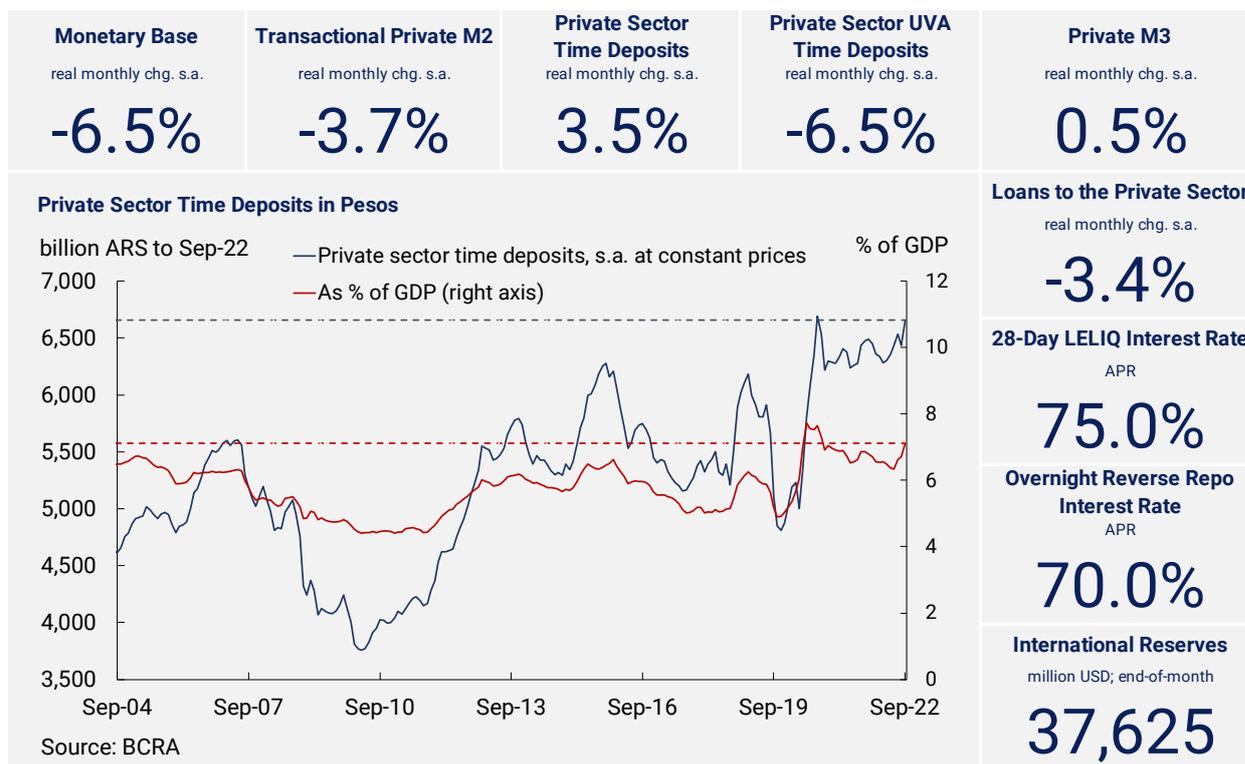
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About inclusive language in the Spanish version of this report

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



On September 5, the “Export increase program” came into force and allowed for the settlement of foreign currency at an unusual and temporary nominal exchange rate of ARS200/USD1. By virtue of this program, the BCRA acquired USD7.65 billion and accumulated a net stock of USD5 billion in September, considering the rest of foreign exchange transactions from the private sector. These transactions drove liquidity to expand and were sterilized with remunerated liabilities in terms of the monetary base.

As regards monetary aggregates, funds were mainly channeled to interest-bearing sight deposits and, to a lesser extent, to time deposits. Both of them were boosted by money market funds (MM FCI). The ongoing process of rising interest rates set by the BCRA had a bearing on the performance of deposits. This way, the monetary authority seeks to obtain positive real returns on savings instruments in pesos in real terms.

The broad monetary aggregate (private M3) posted a monthly expansion at constant prices and in seasonally-adjusted (s.a.) terms, its components showing a heterogeneous performance: the demand for means of payment fell, whereas remunerated components grew.

Loans in pesos to the private sector contracted by 3.4% monthly in real and seasonally-adjusted terms, accruing three months of falls. Even though all loans declined as a whole, the business loan segment contracted the most, in spite of the positive impact of the Credit Line for Productive Investment (LFIP, in Spanish). This performance could be explained by the payment of loans out of proceeds from transactions under the “Export increase program”.

2. Means of Payment

In real and seasonally-adjusted terms, means of payment (transactional private M2¹) posted a 3.7% contraction in September, falling for the eighth successive month (see Chart 2.1). This decrease was explained by the performance of non-interest-bearing sight deposits as well as by cash held by the public. In year-on-year terms and at constant prices, means of payment contracted around 17%. In terms of GDP, transactional private M2 stood at 8.2%, decreasing (0.1 p.p.) against August (see Chart 2.2). Both components of means of payment remained around the lowest figures of the past 15 years.

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

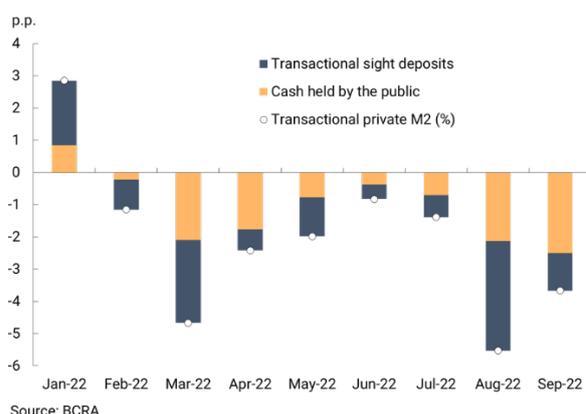
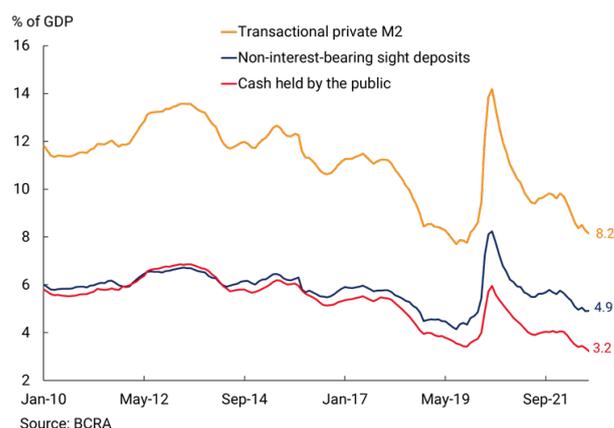


Chart 2.2 | Transactional Private M2



3. Savings Instruments in Pesos

The low dynamics of transactional accounts diverged from the growth of savings instruments in pesos. Interest-bearing sight deposits expanded by 9.9% at constant prices and in seasonally-adjusted terms, which was mainly driven by holdings of financial service providers (FSPs). On the other hand, time deposits in pesos from the private sector at constant prices recorded a monthly expansion of 3.5% s.a. in September, reversing August's performance. Hence, time deposits at constant prices remained around the peak values of the past few decades. In terms of GDP, these deposits stood at 7.1% in September (up 0.4 p.p. against August), being among the highs of the last few years.

It should be noted that, by mid-September, the Board of the BCRA decided to raise the minimum interest rates on time deposits for the ninth time in the year.² This time, the minimum interest rate on natural persons' deposits of up to ARS10 million was increased by 5.5 p.p. to reach 75% APR (107.05% EAR). For the other depositors of the financial system,³ the interest rate rose to hit 66.5% APR (91.07% EAR). This measure seeks to obtain positive real returns in order to encourage saving in domestic currency.

The analysis of time deposits by amount shows a general improvement, the wholesale segment being the most dynamic (over ARS20 million) (see Chart 3.1). On a disaggregated basis, FSPs increased their holdings significantly, together with the equity of MM FCIs (7.4% at constant prices)—which are the main players

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.

among FSPs. All the other companies also raised their traditional time deposits, though to a lesser extent. In turn, early-payment investments, which cannot be sorted by type of holder, continued falling (see Chart 3.2).

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

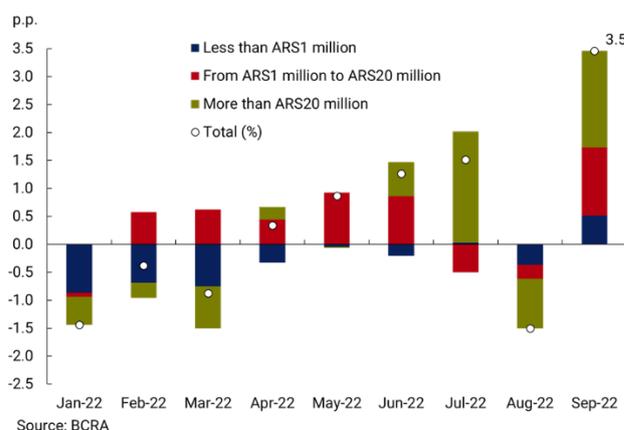
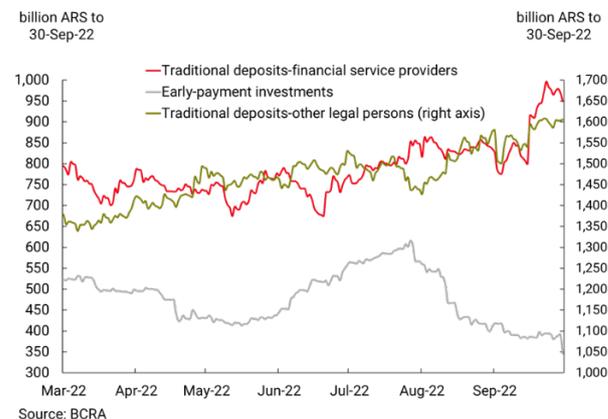


Chart 3.2 | Time Deposits over ARS20 Million
Stock at constant prices by type of holder and instrument
Original series



Time deposits adjusted by the Reference Stabilization Coefficient (CER, in Spanish) contracted in real terms for the second month in a row. The decrease was observed in both traditional and early-payment deposits adjusted by units of purchasing power (UVA, in Spanish), whose monthly change rates stood at -8.4% s.a. and -4.4% 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 ARS386.2 billion at the end of September.

Chart 3.3 | Private Sector UVA Time Deposits
Stock n.s.a. at constant prices by type of instrument

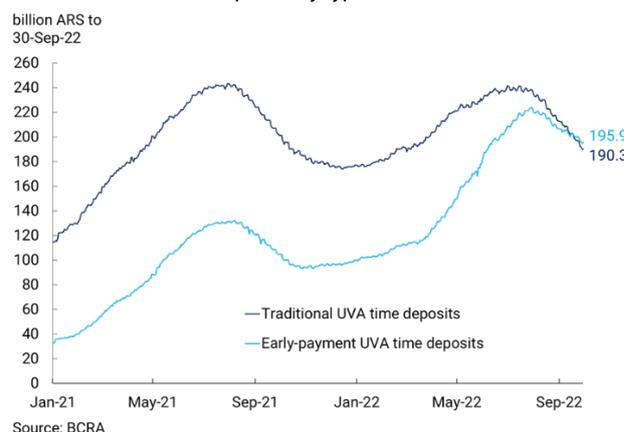
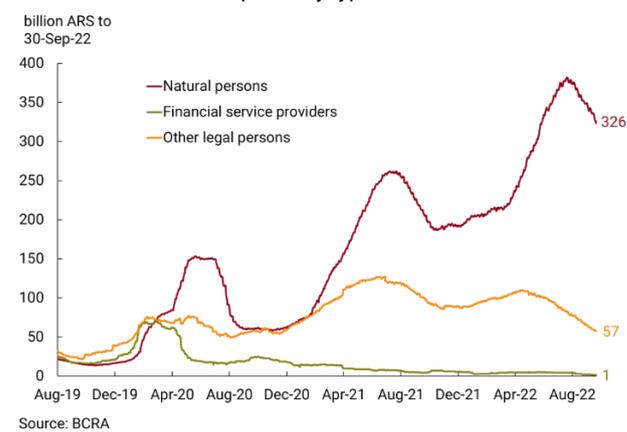


Chart 3.4 | Private Sector UVA Time Deposits
Stock n.s.a. at constant prices by type of holder



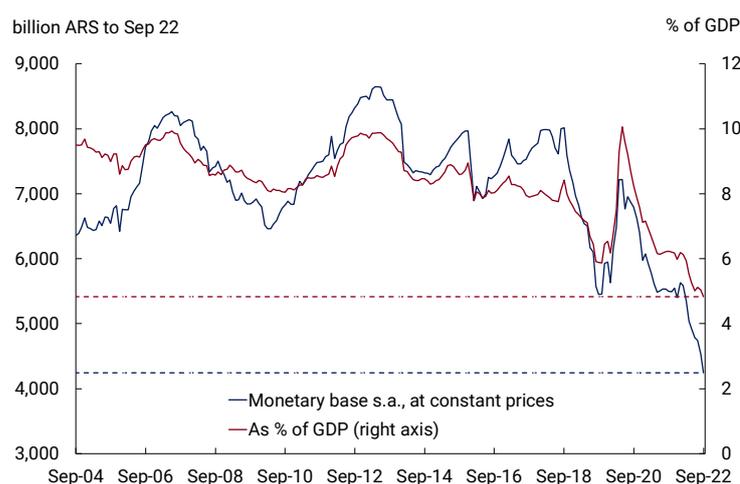
On the contrary, **deposits adjusted by the benchmark exchange rate improved.** At present, the agricultural sector may draw on two different types of deposits with foreign exchange hedge: those made in sight accounts known as “farm deposits”, and time investments called “DIVA dollar deposits” (bearing interest at the exchange rate of the dollar). The first one reached a stock of ARS90 billion in September, exhibiting a more significant growth over the second half of the month. The stock of DIVA dollar deposits amounted to ARS41.8 billion in September, evidencing an average monthly expansion of 14% n.s.a. at current prices on the ninth month of the year (9% s.a. in real terms). **Financial institutions may resort to bills payable at the benchmark exchange rate (LEDIVs) as an instrument for hedging the exchange rate risk of such deposits.**

All in all, the broad monetary aggregate (private M3⁴) at constant prices posted a monthly expansion (0.5% s.a.) in September. In year-on-year terms, private M3 decreased by 5.6%. As a percentage of GDP, it stood at 17.3%, up 0.5 p.p. vis-à-vis August.

4. Monetary Base

In September, the monetary base averaged ARS4,179.9 billion, which meant a monthly drop of 2.5% (ARS107.36 billion) in the original series at current prices. It contracted by 6.5%, down around 23% over the last twelve months, adjusted by seasonality and at constant prices. In terms of GDP, the monetary base stood at 4.8%, down 1.2 p.p. against December, witnessing a historic low since 2003 (see Chart 4.1).

Chart 4.1 | Monetary Base



Source: BCRA

On the supply side, liquidity expansion was only driven by the net purchase of foreign currency from the private sector, boosted by the “Export increase program”. Most of these funds were channeled to MM FCIs, which recorded a steep rise in their equity. In addition, they were channeled to time deposits and sight deposits adjusted by the exchange rate (“Special accounts for exporters”). The expansion of liquidity was mainly sterilized through monetary policy instruments and public sector transactions, though to a lesser extent.

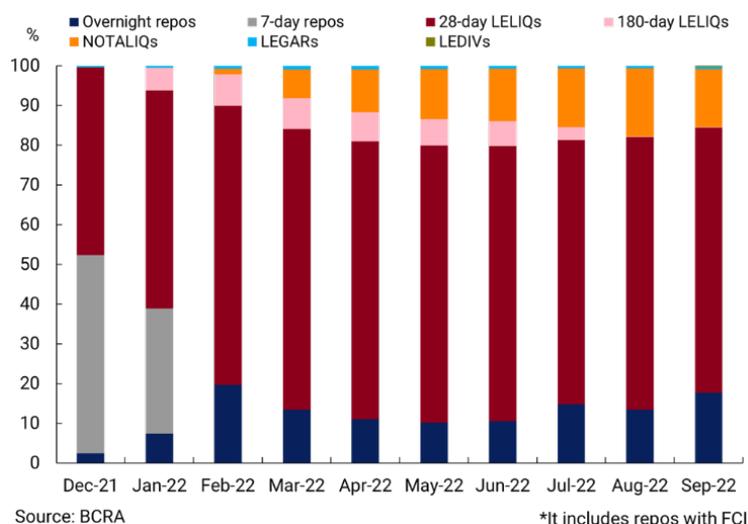
In September, the BCRA raised the benchmark interest rates once again in order to boost positive real returns on investments in domestic currency, and to preserve monetary, foreign exchange and financial stability. In particular, 28-day liquidity bill (LELIQ) interest rates were raised by 5.5 p.p., which stood at 75% APR (107.35% EAR). In turn, the 180-day LELIQ interest rate increased 7.5 p.p. to reach 83.5% APR (101.23% EAR). As for shorter-term instruments, the interest rate on overnight reverse repos increased by 5.5 p.p. to reach 70% APR (101.24% EAR), whereas the rate on overnight repos rose by 7 p.p. to hit 95% APR (158.25% EAR). Finally, the fixed spread of liquidity notes (NOTALIQs) in the last auction of the month was set at 8.5 p.p.

With the current composition of instruments, 28-day LELIQs accounted for around 67% of remunerated liabilities in September, whereas longer-term instruments accounted for 14.7% of the total and were virtually all centralized in NOTALIQs. In turn, the share of overnight reverse repos in total instruments increased significantly to reach 17.7%, up 4.2 p.p. vis-à-vis August. It should be noted that the bills payable at the

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

exchange rate (LEDIVs) were implemented in September and accounted, together with LEGARs (BCRA bills), for 0.8% of the total (see Chart 4.2).

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



5. Loans to the Private Sector in Pesos

In September, loans in pesos to the private sector posted a monthly contraction of 3.4% s.a. in real terms, accruing three months of falls in a row. In general terms, the most relevant credit lines fell over the month (see Chart 5.1). This way, they accrued a 4.3% decrease in real terms over the last twelve months. The ratio of loans in pesos to the private sector to GDP declined slightly in September (0.1 p.p.) and stood at 6.7% (see Chart 5.2).

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

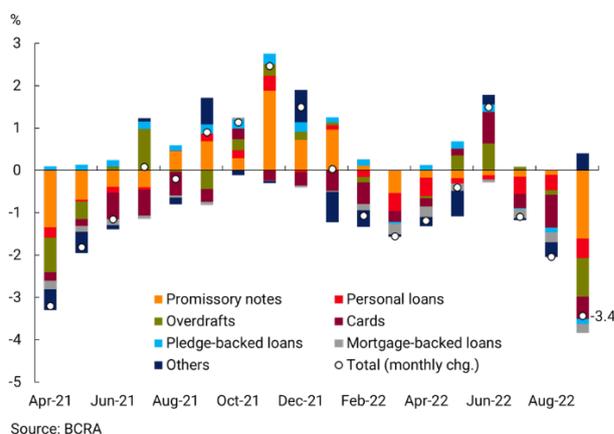
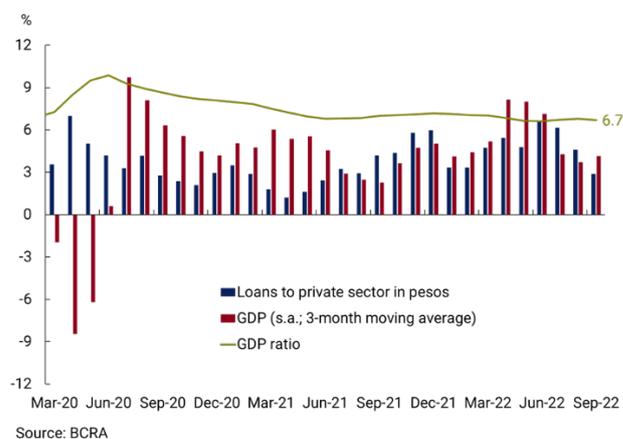


Chart 5.2 | Loans to Private Sector in Pesos
In terms of GDP



The analysis of loans by type of financing shows that business credit lines posted a monthly fall of 6.3% s.a. in real terms, contracting the most as from April 2021. In year-on-year terms and at constant prices, they are 1.7% higher than in September 2021. Within these credit lines, overdrafts declined by 8.1% s.a. in real terms (+7% y.o.y.). In turn, financing granted through promissory notes diminished by 6.2% s.a. at constant prices (+4.9% y.o.y.), which was explained by both unsecured promissory notes and discounted

notes. The fall in business financings could be explained, among other reasons, by the proceeds from transactions under the “Export increase program”.

Loans to micro-, small-, and medium-sized enterprises (MSMEs) were still mainly granted through the LFIP. The loans granted until the end of September within the framework of the LFIP accrued disbursements for about ARS3,065 billion from its implementation, up 7% vis-à-vis August. It is worth mentioning that the average stock of loans granted through the LFIP reached around ARS900 billion in August (latest available data), 40.5% of which represented investment projects and the rest, working capital. This amount accounted for nearly 16% of total loans and 37% of total business loans (see Chart 5.3). At the time of this publication, the LFIP credit lines had been granted to 304,680 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 69% to 74.5% APR, and that on investment projects increased from 59% to 64.5% APR. This credit line has been recently extended until March 31, 2023, under similar conditions to the previous launch.⁵

Chart 5.3 | Stock of Loans Granted through the LFIP Compared to Loans Granted to the Private Sector in Pesos

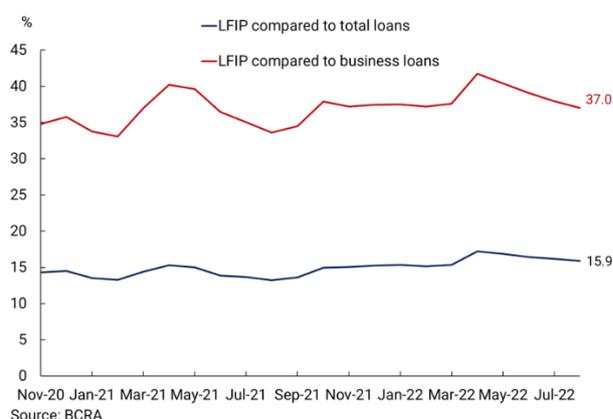
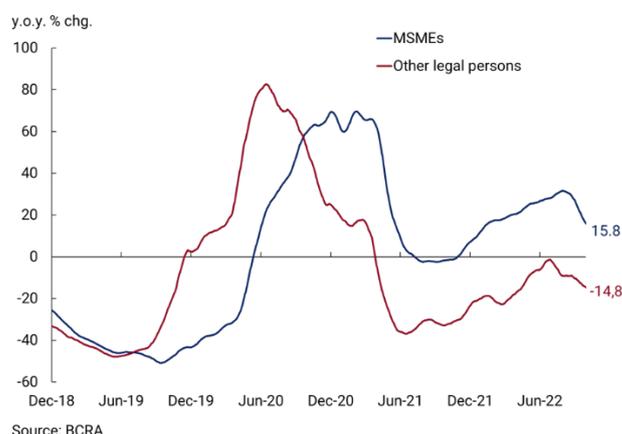


Chart 5.4 | Business Loans by Type of Debtor
Y.o.y. change of 30-day m.a. stock at constant prices



The analysis of business credit sorted by type of debtor reveals that the rate of credit to MSMEs expanded by about 16% y.o.y. in real terms in September, moderating by the end. On the contrary, financing to big companies contracted 14.8% y.o.y. (see Chart 5.4).

As regards loans to consumption, financing on credit cards posted a decline of 1.8% s.a. in real terms in September, 8.4% below the level observed a year ago. Personal loans fell by 2.9% monthly at constant prices, down 11.2% y.o.y. In September, the interest rate on personal loans rose to reach 78.2% APR (113.5% EAR), up 3.5 p.p. against August.

As for credit lines with real property collateral, pledge-backed loans declined by 1.7% s.a. in real terms, up 22.3% vis-à-vis a year ago. In turn, the stock of mortgage-backed loans fell by 3.5% s.a. at constant prices, with an accrued contraction of nearly 22% over the last twelve months.

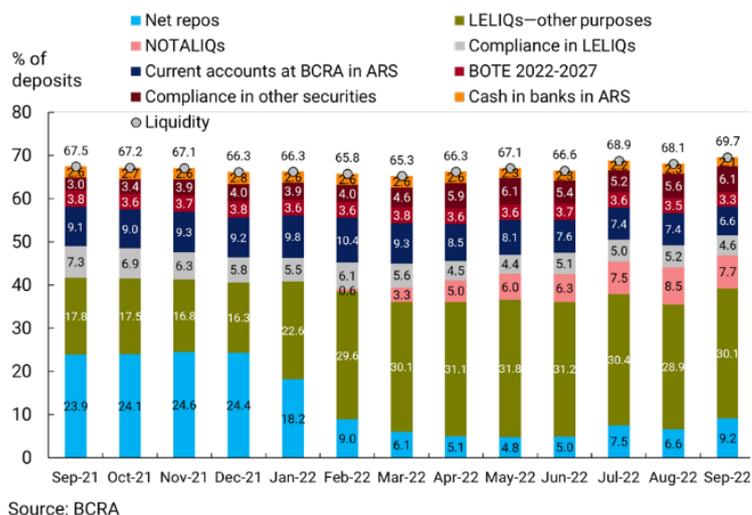
⁵ Communication “A” 7612.

6. Financial Institutions' Liquidity in Pesos

In September, bank liquidity in domestic currency ⁶ went up 1.6 p.p. against August, with an average of 69.7% of deposits. Thus, it stood at historically high levels. This improvement was mainly boosted by the performance of BCRA's remunerated liabilities (increases in net repos and LELIQs other than those used to comply with minimum cash requirements, being in part offset by NOTALIQs). As for minimum cash requirements, sovereign bonds escalated to the detriment of LELIQs and current accounts held at the BCRA (see Chart 6.1).

As regards regulatory changes expected to exert a potential effect on bank liquidity, it is worth mentioning that the plan adopted in June to streamline the Minimum Cash Regime will be implemented as from October.⁷ Moreover, financial institutions may allocate National Treasury Bonds in pesos falling due on May 23, 2027 (BOTE 2027), up to 45 p.p. to comply with minimum reserve requirements in pesos. This regulation is applicable if the requirement is associated to deposits in pesos in the accounts of payment service providers offering payment accounts (PSPOCP, in Spanish) in which the funds of their customers are deposited.⁸ Last, the maximum term of subscribed national sovereign bonds in pesos that may be allocated to meet minimum cash requirements was extended to 630 days, and national sovereign bonds in pesos with dual currency yields (BONO DUAL, in Spanish) may be used to comply with minimum cash requirements.⁹

Chart 6.1 | Financial Institutions' Liquidity in Peso



7. Foreign Currency

As regards foreign currency, financial institutions' main assets and liabilities posted a dissimilar performance. On the one hand, the falling trend of private sector deposits that had started at the beginning

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" 7536.

⁸ Communication "A" 7611.

⁹ Communication "A" 7614.

of July came to a halt in September. These deposits increased by USD393 million month-on-month end-of-period (MoM eop). The monthly average of the change is more limited (USD219 million) due to the statistical carryforward of August. This increase was mainly driven by legal persons' sight deposits over USD1 million. On the other hand, the average monthly stock of loans to the private sector stood at USD3.59 billion, down USD121 million vis-à-vis August (see Chart 7.1).

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

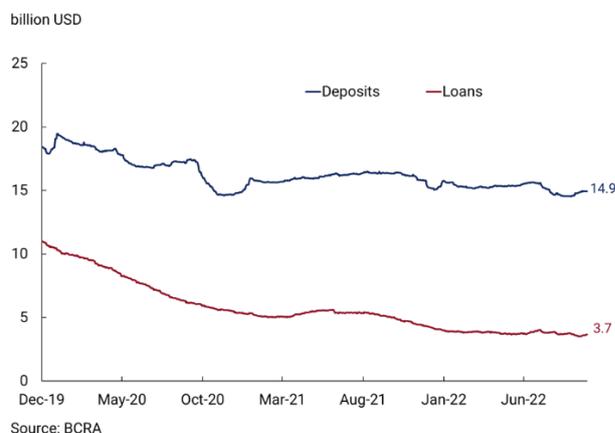
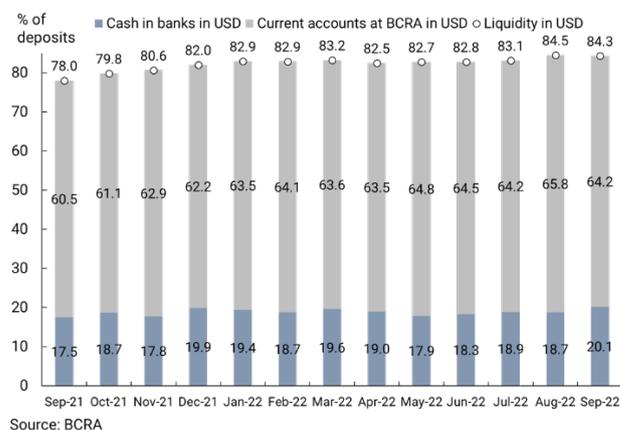


Chart 7.2 | Financial Institutions' Liquidity in Foreign Currency



Financial institutions' liquidity in the foreign currency segment stood at 84.3% of deposits in September, just below the level observed in August. However, there were some changes underlying the components of liquidity, with a rise in cash in banks which was offset by a fall in the balance of current accounts in foreign currency (see Chart 7.2).

In September, the BCRA made some changes in the regulation of foreign exchange transactions with a view to increasing the supply of foreign currency and streamlining its allocation. First, the "Export increase program" was created **at the beginning of September**¹⁰. Thus, companies settled their exports of soybean and its byproducts at ARS200/USD1 between September 5 and September 30.¹¹ Second, the BCRA set a minimum interest rate of 120% of the monetary policy rate for financing producers with a stockpile higher than 5% of their soybean harvest. This regulation seeks to encourage exporters to settle the proceeds from exports.¹² Finally, access conditions to the forex market were relaxed for several productive sectors to pay for imports,¹³ while they were limited for other agents.¹⁴

At the end of September, the BCRA's international reserves reached USD37.62 billion, up USD891 million against the end of August. This rise was explained by the net purchase of foreign currency to the private sector (nearly USD5 billion in September), mainly boosted by the "Export increase program", which contributed with USD7.6 billion (see Chart 7.3). The dynamics was **in part offset by** payments to international organizations, **mainly repayments of principal for USD2.60 billion to the International Monetary Fund (IMF).** The valuation loss of net foreign assets and, to a lesser extent, the change in balances

10 Executive Order No. 576/2022 by the Executive Power, and Communication "A" 7595.

11 The National Treasury will offer a non-transferrable bill in US dollars at an interest rate similar to that yielded on international reserves and at a 10-year term. This measure was adopted in light of the difference between the official exchange rate and the exchange rate offered to soybean producers for the proceeds of their exports.

12 Communication "A" 7600.

13 Communications "A" 7594 and "A" 7601.

14 Communications "A" 7606 and "A" 7609.

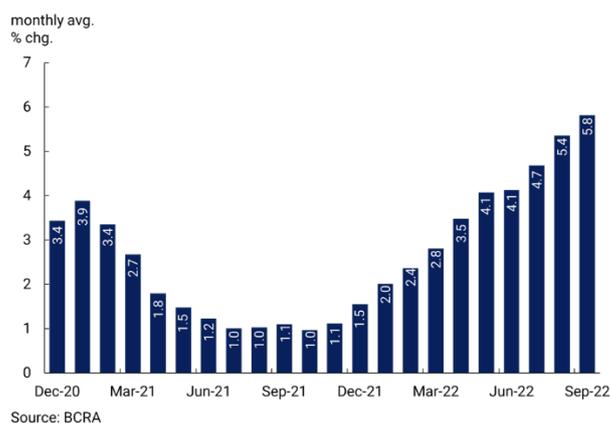
in current accounts in dollars held at the BCRA had a negative bearing on the monthly dynamics. It is worth noting that, on the first days of October, **the Executive Board of the IMF ended the second review of the Extended Fund Facility (EFF) program**, approving a disbursement that will have an impact on the stock of international reserves next month.

Finally, the **ARS/USD nominal exchange rate (TCN, in Spanish) increased 5.8% and averaged ARS143.13/USD1 in September** (see Chart 7.4). Since the depreciation pace of domestic currency accelerated throughout September, the MoM change was a bit higher (6.2%).

Chart 7.3 | Foreign Exchange Net Purchases to Private Sector
Accrued change



Chart 7.4 | Change in Bilateral Nominal Exchange Rate against USA



8. Regulatory Overview

Date of Issue	Regulation	Description
1-Sep-22	Comm. "A" 7593	PSPOCPs along with payment initiation and e-wallet service providers (PSI, in Spanish) have been included in the regulation on "Financial Services Consumer Protection". This will be effective 180 calendar days after the publication of this communication.
1-Sep-22	Comm. "A" 7594	Importers are allowed to access the forex market to make payments for goods included in categories B or C under a SIMI affidavit in force, provided that the goods are pharmaceuticals and/or supplies used to produce them locally, other health care items or food products for human consumption , as set forth in Section 155 ter of the Argentine Food Code. Also, the Mercosur Common Nomenclature (NCM, in Spanish) list was updated to comprise pharmaceuticals and/or the aforementioned supplies.
5-Sep-22	Comm. "A" 7595	As from September 5, 2022, agricultural producers residing in Argentina that sell commodities (Executive Order N° 576/22) to a purchaser exporting either directly or as a result of a productive process carried out in Argentina may deposit the net proceeds in pesos from the sale in a "Special account for holders involved in agricultural activities" .
8-Sep-22	Comm. "A" 7600	The BCRA set a minimum interest rate of 120% of the monetary policy rate for financing producers with a stockpile higher than 5% of their soybean production as from September 9, 2022, and for 180 calendar days. The BCRA exempted from this rate producers whose total amount of financing in the financial system does not exceed ARS2 million—both in domestic and foreign currency—and whose soybean stockpiling does not exceed 5% of their annual harvest capacity.
8-Sep-22	Comm. "A" 7601	The implementation of a few sections in Communication "A" 7532 has been postponed until December 31, 2022. One of them is related to the full amount set for imports for categories A and C under SIMI statements. Companies from the energy sector and/or building companies hired by the former are still exempted from the regulation.
15-Sep-22	Comm. "A" 7605	Effective as from September 16, 2022, the BCRA increased to 75% 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 interest rate was set at 66.5% APR. The interest rate on early-payment UVA deposits was set at 71% APR . This interest rate will reach 73% for deposits of at least 180-day contractual terms and actually held in the accounts at least 120 days. The interest rate on financing to working capital, on the discount of deferred payment checks and on MSME electronic credit invoices was increased from 69% to 74.5% APR in the framework of the "LFIP aimed at MSMEs". In turn, the interest rate on investment projects was raised from 59% to 64.5% APR. Finally, effective as from the invoicing cycle of October 2022, the maximum compensatory interest charged by financial institutions for financings on credit cards was raised to 77% APR.
15-Sep-22	Comm. "A" 7606	The Board of the BCRA has established that users of electricity, drinking water and natural gas distribution networks benefiting from a rate subsidy on any or all of the utilities will neither be eligible to access the forex market nor carry out transactions with securities or other instruments settled in foreign currency. Institutions and clients' transactions regulated by the Comprehensive System for Monitoring Payments of Services Abroad (SIMPES, in Spanish) will have access to the forex market provided that the client settles simultaneously 1) inflows from a new financial debt held abroad, or 2) funds resulting from loans for imports of services granted by a domestic financial institution stemming from a foreign credit line, with an average life of at least 180 days, and with at least 50% of the principal maturing after the service has been provided plus a 90-day term.

19-Sep-22	Comm. "A" 7609	Effective as from September 20, 2022, economic agents that have sold soybean within the framework of the "Export increase program" will neither be able to access the forex market to purchase foreign currency nor carry out transactions with securities or other instruments settled in foreign currency. This regulation does not apply to natural persons.
22-Sep-22	Comm. "A" 7611	Effective as from September 22, 2022, financial institutions may allocate National Treasury Bonds in pesos falling due on May 23, 2027, up to 45 p.p. to comply with—term and daily—minimum reserve requirements in pesos. This regulation is applicable if the requirement is associated to deposits in pesos in the accounts of PSPOCPs in which the funds of their customers are deposited.
22-Sep-22	Comm. "A" 7612	The LFIP has recently been extended until March 31, 2023. Thus, financial institutions must allocate to this line at least 7.5% of deposits from the non-financial private sector in pesos, calculated on the monthly average of daily stocks for September 2022. Financial institutions other than those belonging to Group "A" will be required to allocate 25% of the percentage set out above.
27-Sep-22	Comm. "A" 7614	Effective as from September 28, 2022, the maximum term of subscribed national sovereign bonds in pesos was set at 630 calendar days, as set out in the regulations on "Minimum Cash".
29-Sep-22	Comm. "A" 7615	Effective as from October 1, 2022, financial institutions must exclude deposits held by agricultural producers residing in Argentina that sell commodities (Executive Order N° 576/22) to a purchaser exporting either directly or as a result of a productive process carried out in Argentina. This measure seeks to determine the stock of financing for the LFIP 2022/2023 quota.

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 Sep-22						% of GDP	
	Sep-22	Aug-22	Jul-22	Dec-21	Sep-21	Monthly		Accrued in 2022		Year-on-year		Sep-22	Dec-21
						Nominal n. s. a.	Real s. a.	Nominal n. s. a.	Real s. a.	Nominal	Real		
Monetary Base	4,179,909	4,287,266	4,212,024	3,394,480	2,937,229	-2.5%	-6.5%	23.1%	-21.5%	42.3%	-22.7%	4.8%	6.0%
Currency in circulation	3,171,405	3,234,769	3,197,739	2,504,731	2,164,627	-2.0%	-6.6%	26.6%	-22.6%	46.5%	-20.5%	3.6%	4.5%
Cash held by the public	2,857,110	2,904,431	2,897,214	2,230,702	1,945,661	-1.6%	-6.2%	28.1%	-21.6%	46.8%	-20.3%	3.2%	4.0%
Cash in financial institutions	314,295	330,337	300,525	274,029	218,966	-4.9%	-10.8%	14.7%	-30.7%	43.5%	-22.1%	0.4%	0.5%
Current accounts at BCRA	1,008,504	1,052,497	1,014,285	889,749	772,602	-4.2%	-10.1%	13.3%	-31.5%	30.5%	-29.1%	1.1%	1.6%
BCRA's remunerated liabilities (NV ARS)	7,853,743	6,984,015	6,887,694	4,506,696	4,156,737	12.5%	5.5%	74.3%	5.3%	88.9%	2.6%	8.9%	5.1%
Reverse repos	1,398,559	944,336	1,027,065	2,366,670	2,027,150	48.1%	38.9%	-40.9%	-64.3%	-31.0%	-62.5%	1.6%	2.7%
1 day	1,398,559	944,336	1,027,065	110,546	49,100	48.1%	38.9%	1165.1%	664.3%	2748.4%	1446.4%	1.6%	0.1%
7 days	0	0	0	2,256,124	1,978,050	0.0%	-6.2%	-100.0%	-100.0%	-100.0%	-100.0%	0.0%	2.6%
Stock of LELIQs	5,289,805	4,832,790	4,831,273	2,140,026	2,129,586	9.5%	2.6%	147.2%	49.3%	148.4%	34.9%	6.0%	2.4%
Stock of 28-day LELIQs	5,285,251	4,825,195	4,610,899	2,140,026	2,129,586	9.5%	2.7%	147.0%	49.2%	148.2%	34.7%	6.0%	2.4%
Stock of 180-day LELIQs	4,555	7,595	220,374	-	-	-40.0%	-43.8%	-	-	-	-	0.0%	-
Stock of NOTALIQs	1,165,378	1,206,889	1,029,356	-	-	-3.4%	-9.4%	-	-	-	-	1.3%	-
BCRA's international reserves in dollars	37,174	37,116	40,335	40,584	44,929	0.2%	-	-8.4%	-	-17.3%	-	6.0%	7.6%

Monthly average explanatory factors	Monthly		Quarterly		Accrued in 2022		Year-on-year	
	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution
Monetary Base	-107,357	-2.5%	288,735	7.4%	785,429	23.1%	1,242,680	42.3%
Foreign exchange purchases to private sector and others	478,414	11.2%	364,715	9.4%	438,838	12.9%	291,619	9.9%
Foreign exchange purchase to the NT	-60,390	-1.4%	-224,747	-5.8%	-132,831	-3.9%	97,373	3.3%
Temporary advances and profit transfers to National Government	-2,258	-0.1%	323,500	8.3%	1,013,351	29.9%	1,560,003	53.1%
Other public sector operations	-64,443	-1.5%	-280,588	-7.2%	-233,577	-6.9%	-260,179	-8.9%
Monetary policy instruments	-433,984	-10.1%	-896,818	-23.0%	-1,402,667	-41.3%	-1,358,014	-46.2%
Others	-24,696	-0.6%	1,002,672	25.8%	1,102,315	32.5%	911,878	31.0%
BCRA's International Reserves	58	0.2%	-3,606	-8.8%	-3,410	-8.4%	-7,755	-17.3%
Purchases of foreign currency	2,089	5.6%	1,238	3.0%	1,864	4.6%	400	0.9%
International organizations	-978	-2.6%	-1,761	-4.3%	315	0.8%	-2,458	-5.5%
Other public-sector transactions	158	0.4%	-958	-2.3%	-1,138	-2.8%	1,868	4.2%
Minimum cash requirements	-348	-0.9%	-735	-1.8%	-131	-0.3%	-235	-0.5%
Others (incl. forex valuation)	-863	-2.3%	-1,389	-3.4%	-4,319	-10.6%	-7,329	-16.3%

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

Minimum Cash Requirement and Compliance	Sep-22	Aug-22	Jul-22
Domestic currency	% of total deposits in pesos		
Net requirement of deductions	20.4	21.4	20.9
Compliance in current accounts	6.6	7.4	7.4
Compliance in LELIQs	30.3	29.8	29.8
Compliance in BOTE 2027	3.3	3.5	3.6
Compliance in sovereign bonds/other	6.1	5.6	5.2
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)	64.2	65.8	64.2
Position ⁽¹⁾	40.2	41.8	40.2

(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 Sep-22						% of GDP ⁴	
	Sep-22	Aug-22	Jul-22	Dec-21	Sep-21	Monthly		Accrued in 2022		Year-on-year		Sep-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	15,095,699	14,061,919	13,536,629	9,585,924	8,379,370	7.4%	1.8%	57.5%	-4.0%	80.2%	-2.2%	17.2%	17.5%
<i>Private sector deposits</i>	12,274,161	11,430,942	11,107,579	7,725,433	6,752,798	7.4%	2.1%	58.9%	-2.9%	81.8%	-1.3%	14.0%	14.1%
Private Sector Sight Deposits	5,798,200	5,438,672	5,431,737	4,094,910	3,339,022	6.6%	0.9%	41.6%	-7.9%	73.6%	-5.7%	6.7%	7.1%
Non-interest bearing (transactional)	4,224,754	4,096,129	4,233,795	3,283,152	2,662,607	3.1%	-2.0%	28.7%	-14.5%	58.7%	-13.9%	4.9%	5.6%
Interest-bearing	1,573,446	1,342,543	1,197,942	811,758	676,415	17.2%	9.9%	93.8%	17.1%	132.6%	26.3%	1.8%	1.5%
Private Sector Time Deposits and Others	6,475,961	5,992,270	5,675,842	3,630,523	3,413,776	8.1%	3.3%	78.4%	2.1%	89.7%	3.0%	7.3%	7.0%
Time Deposits	6,290,164	5,812,418	5,493,814	3,482,489	3,294,928	8.2%	3.5%	80.6%	3.2%	90.9%	3.6%	7.1%	6.7%
CER / UVA non-adjustable	5,899,273	5,412,944	5,106,749	3,322,813	3,123,308	9.0%	4.2%	77.5%	1.4%	88.9%	2.5%	6.7%	6.4%
CER / UVA-adjustable	390,891	399,474	387,065	159,676	171,620	-2.1%	-6.5%	144.8%	39.9%	127.8%	23.7%	0.4%	0.3%
Traditional	195,672	204,200	202,920	102,705	112,246	-4.2%	-8.4%	90.5%	8.8%	74.3%	-5.4%	0.2%	0.2%
Early-payment	195,219	195,274	184,145	56,970	59,374	0.0%	-4.4%	242.7%	95.8%	228.8%	78.5%	0.2%	0.1%
Other deposits	185,797	179,852	182,029	148,035	118,849	3.3%	-3.1%	25.5%	-24.2%	56.3%	-15.1%	0.2%	0.3%
<i>Public sector deposits²</i>	<i>2,821,538</i>	<i>2,630,977</i>	<i>2,429,050</i>	<i>1,860,491</i>	<i>1,626,571</i>	7.2%	0.6%	51.7%	-8.4%	73.5%	-5.8%	3.2%	3.4%
Monetary Aggregates													
Total M2	9,700,814	9,243,012	9,181,282	7,120,815	5,850,427	5.0%	-0.9%	36.2%	-13.6%	65.8%	-10.0%	11.1%	12.5%
Total M3	18,075,698	17,079,275	16,536,780	11,905,669	10,439,810	5.8%	-0.2%	51.8%	-6.3%	73.1%	-6.0%	20.6%	21.4%
Private sector monetary aggregates													
Private M2	8,655,309	8,343,103	8,328,951	6,325,612	5,284,683	3.7%	-0.7%	36.8%	-13.3%	63.8%	-11.1%	10.0%	11.2%
Transactional private M2 ³	7,081,864	7,000,560	7,131,009	5,513,854	4,608,267	1.2%	-3.7%	28.4%	-17.5%	53.7%	-16.6%	8.2%	9.6%
Private M3	15,131,270	14,335,373	14,004,793	9,956,135	8,698,459	5.6%	0.5%	52.0%	-7.0%	74.0%	-5.6%	17.3%	18.1%
Total loans to the non-financial sector in pesos	5,888,123	5,723,167	5,471,617	4,058,133	3,349,230	2.9%	-3.3%	45.1%	-9.2%	75.8%	-4.6%	6.8%	7.2%
Loans to the non-financial private sector	5,824,092	5,666,052	5,410,329	4,003,444	3,304,707	2.8%	-3.4%	45.5%	-9.0%	76.2%	-4.3%	6.7%	7.1%
Overdrafts	624,859	641,004	610,375	392,585	317,158	-2.5%	-8.1%	59.2%	-0.3%	97.0%	7.0%	0.7%	0.7%
Promissory notes	1,509,224	1,497,945	1,399,085	1,010,395	781,440	0.8%	-6.2%	49.4%	-6.8%	93.1%	4.9%	1.7%	1.8%
Mortgage-backed loans	360,582	350,445	341,944	280,283	250,667	2.9%	-3.5%	28.6%	-21.8%	43.8%	-21.9%	0.4%	0.5%
Pledge-backed loans	408,260	384,540	359,363	229,234	181,180	6.2%	-1.7%	78.1%	8.0%	125.3%	22.3%	0.5%	0.4%
Personal loans	933,314	901,596	863,869	665,885	570,481	3.5%	-2.9%	40.2%	-13.6%	63.6%	-11.2%	1.1%	1.2%
Credit cards	1,686,599	1,596,034	1,540,338	1,198,243	999,370	5.7%	-1.8%	40.8%	-7.4%	68.8%	-8.4%	2.0%	2.1%
Others	301,254	294,486	295,356	226,818	204,411	2.3%	-2.7%	32.8%	-20.9%	47.4%	-20.0%	0.3%	0.4%
Loans to the non-financial public sector	64,031	57,115	61,287	54,689	44,523	12.1%	5.1%	17.1%	-29.3%	43.8%	-21.9%	0.1%	0.1%
Foreign currency¹													
Deposits from the non-financial sector in dollars	17,454	17,548	18,120	18,237	18,931	-0.5%	-	-4.3%	-	-7.8%	-	2.9%	3.5%
Deposits from the non-financial private sector in dollars	14,823	14,604	15,075	15,255	16,355	1.5%	-	-2.8%	-	-9.4%	-	2.4%	2.8%
sight deposits	11,075	10,825	11,228	11,233	12,087	2.3%	-	-1.4%	-	-8.4%	-	1.8%	2.1%
time deposits and others	3,749	3,779	3,847	4,022	4,269	-0.8%	-	-6.8%	-	-12.2%	-	0.6%	0.8%
Deposits from the non-financial public sector in dollars	2,631	2,944	3,045	2,982	2,576	-10.7%	-	-11.8%	-	2.1%	-	0.5%	0.6%
Loans to the non-financial sector in dollars	3,712	3,835	3,970	4,268	5,224	-3.2%	-	-13.0%	-	-29.0%	-	0.6%	0.8%
Loans to the non-financial private sector in dollars	3,594	3,715	3,849	4,127	5,083	-3.3%	-	-12.9%	-	-29.3%	-	0.6%	0.8%
Promissory notes	2,344	2,434	2,610	2,729	3,582	-3.7%	-	-14.1%	-	-34.5%	-	0.4%	0.5%
Credit cards	262	272	253	137	96	-3.8%	-	91.9%	-	173.9%	-	0.0%	0.0%
Others	987	1,008	986	1,261	1,406	-2.1%	-	-21.7%	-	-29.8%	-	0.2%	0.2%
Loans to the non-financial public sector in dollars	118	120	121	141	141	-2.2%	-	-16.5%	-	-16.5%	-	0.0%	0.0%

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

² Net of the use of unified funds.

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

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

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

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

Monetary policy interest rates	Sep-22	EAR Sep-22	Aug-22	Jul-22	Dec-21	Sep-21
BCRA repo interest rates						
Overnight reverse repo	67.25	95.79	61.44	44.89	32.00	32.00
Overnight repo	91.50	149.39	83.81	62.90	42.70	42.70
28-day LELIQ interest rate	72.25	102.02	66.44	53.03	38.00	38.00
180-day LELIQ interest rate	79.75	116.85	73.45	59.74		
Interbank market interest rates	Sep-22	EAR Sep-22	Aug-22	Jul-22	Dec-21	Sep-21
Repo rates among third parties on overnight REPO round	64.62	90.71	59.84	44.04	30.98	31.59
Volume of repos traded among third parties (daily average)	6,393		11,723	13,815	4,489	3,754
Calls in pesos (overnight)						
Interest rate	63.85	89.25	57.79	43.31	30.46	31.27
Traded volume	24,289		22,249	32,733	19,687	13,121
Borrowing interest rates	Sep-22	EAR Sep-22	Aug-22	Jul-22	Dec-21	Sep-21
Sight deposits						
Interest-bearing	53.36	68.57	45.27	35.65	28.87	30.33
Time deposits						
Natural persons up to ARS1 million (30-35 days) ¹	71.98	101.23	65.56	53.15	36.29	36.30
Total TM20 (more than ARS20 million, 30-35 days)	63.66	85.98	57.44	49.28	33.25	33.20
Private banks' TM20 (more than ARS20 million, 30-35 days)	64.30	87.13	58.14	50.08	33.98	33.94
Total BADLAR (more than ARS1 million, 30-35 days)	65.97	90.12	59.74	50.18	33.34	33.30
Private banks' BADLAR (more than ARS1 million, 30-35 days)	66.84	91.69	60.71	51.16	34.20	34.16
Interest rate on UVA deposits' early-payment option	68.25	94.26	62.44	49.03	30.50	30.50
Lending interest rates	Sep-22	EAR Sep-22	Aug-22	Jul-22	Dec-21	Sep-21
Loans to the non-financial private sector in pesos						
Overdrafts	68.17	97.60	60.09	51.47	40.47	41.31
1 to 7 days—in accordance with companies—more than ARS10 million	69.55	99.55	61.71	46.68	35.36	35.77
Unsecured promissory notes	58.98	77.89	54.10	49.33	34.78	35.09
Mortgage-backed loans	49.09	61.80	43.80	39.29	29.71	28.03
Pledge-backed loans	48.37	60.70	41.66	37.53	28.16	27.74
Personal loans	78.24	113.45	74.76	65.64	53.00	53.65
Credit cards	57.75	75.81	54.87	52.42	42.87	42.87
Interest rate in foreign currency	Sep-22	EAR Sep-22	Aug-22	Jul-22	Dec-21	Sep-21
Time deposits in dollars (30 to 44 days)	0.34	0.34	0.34	0.34	0.37	0.38
Unsecured promissory notes in dollars	4.95	5.07	5.31	4.01	5.97	3.71
Exchange rate	Sep-22	Monthly chg. (%)	Aug-22	Jul-22	Dec-21	Sep-21
NER peso/dollar						
Wholesale rate (Comm. "A" 3500)	143.13	5.81	135.26	128.39	101.88	98.27
Retail rate ²	145.69	5.56	138.02	131.18	104.27	100.61
NER peso/real	27.33	3.82	26.32	23.97	18.01	18.61
NER peso/euro	141.71	3.48	136.95	130.83	115.14	115.70
ITCNM	911.76	3.89	877.58	824.53	672.89	669.58
ITCRM	89.80	-2.23	91.85	92.08	102.57	110.81

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

NOTALIQ: BCRA Liquidity Notes

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 Payments of Services Abroad

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