Monthly Monetary Report

October 2021

BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

Contents

The closing date for statistics in this report was November 5, 2021. 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 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

Monetary Base
real monthly chg. s.a.
-0.3%

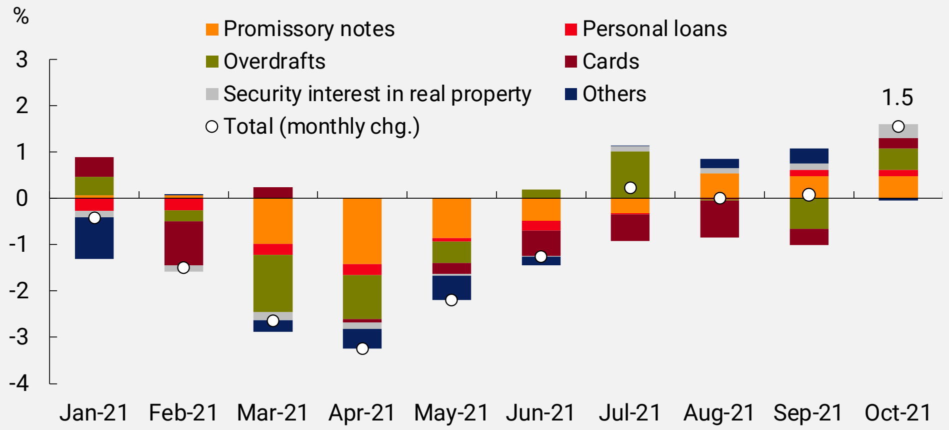
Transactional Private M2
real monthly chg. s.a.
1.5%

Private Sector Time Deposits
real monthly chg. s.a.
-1.3%

Private Sector UVA Time Deposits
real monthly chg. s.a.
-11.8%

Private M3
real monthly chg. s.a.
1.6%

Private Sector Time Deposits in Pesos
Contribution to monthly growth by amount at constant prices



Source: BCRA.

Loans to the Private Sector
real monthly chg. s.a.
1.5%

LELIQ Bills Interest Rate
APR
38.0%

7-Day Reverse Repo
APR
36.5%

International Reserves
million US$; end-of-month
42,817

In real and seasonally-adjusted terms, means of payment (transactional private M2) posted a rise at constant prices in October. The increase in wages agreed in tranches with several trade unions and higher flows of tourism during the long weekend at the beginning of October could explain the rise in transactional private M2.

Time deposits recorded a contraction in real terms after three months of rises. There was a fall in all groups of deposits segmented by amount and in available instruments (CER-adjustable and denominated in pesos). The wholesale segment in pesos fell the most, the performance of money market funds (MM FCI) playing a key role.

Loans in pesos to the non-financial private sector recorded a positive expansion rate at constant prices, with rises in all credit lines. However, short-term business lines stood out (discounted notes and overdrafts).

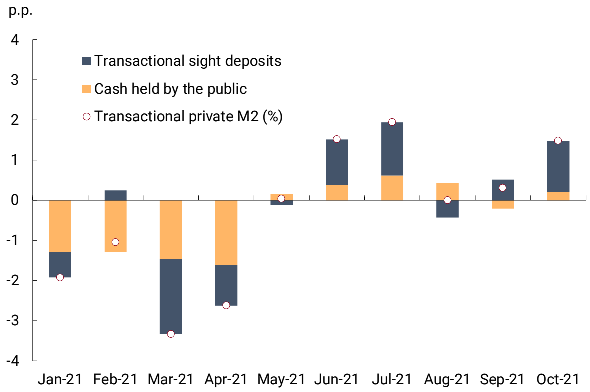
At the end of October, BCRA's international reserves reached USD42.81 billion, down against September. Net purchases of foreign currency and minimum cash requirements contributed positively over October, in part offsetting the performance of the other components.

2. Means of Payment

In real[1] and seasonally-adjusted terms, means of payment (transactional private M2[2]) posted a 1.5% rise in October, after remaining unchanged for two months. As for its components, **non-interest-bearing sight deposits posted the greatest contribution to growth in October**, followed by cash held by the public (see Chart 2.1).

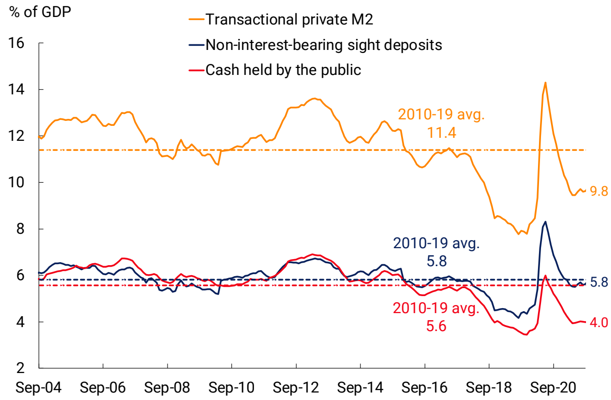
One of the main factors that had a bearing on the evolution of transactional means of payment was the increase in wages agreed in tranches with several trade unions during collective bargaining. This was reflected on the growth of transactional sight deposits on the first days of October. **Increased tourism during the long weekend was another factor that encouraged the demand for money.**

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



Source: BCRA.

Chart 2.2 | Transactional Private M2 in Terms of GDP



Source: BCRA.

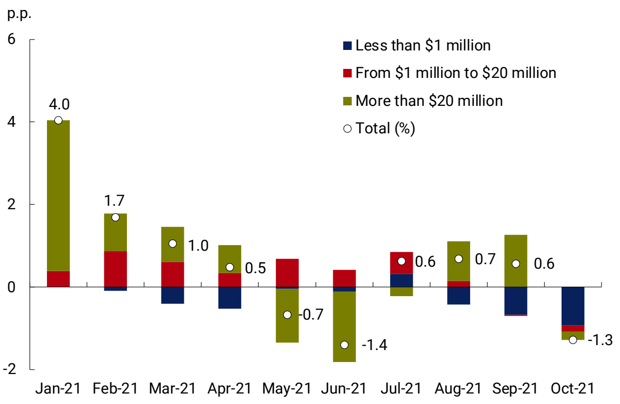
In October, transactional private M2 stood at 9.8% of GDP, a similar figure to that observed in previous months, so it continued standing below the average ratio for the 2010-2019 period. The low level of M2/GDP was mainly driven by the performance of cash held by the public, given transactional sight deposits stood around the average. Indeed, banknotes and coins held by the public stood 1.6 p.p. below the average recorded between 2010 and 2019, a figure comparable to the minimum observed in the last 15 years (see Chart 2.2).

3. Savings Instruments in Pesos

In October, private sector time deposits in pesos posted a contraction in real terms (-1.3% s.a.), after three months of positive changes. Even though there was a fall in all groups of deposits sorted out by amount, this dynamics was explained by the performance of deposits from the wholesale segment (see Chart 3.1). **In spite of the drop observed in time deposits over October, it is worth mentioning that they still remain well above the 2010-2019 average record** (see Chart 3.2).

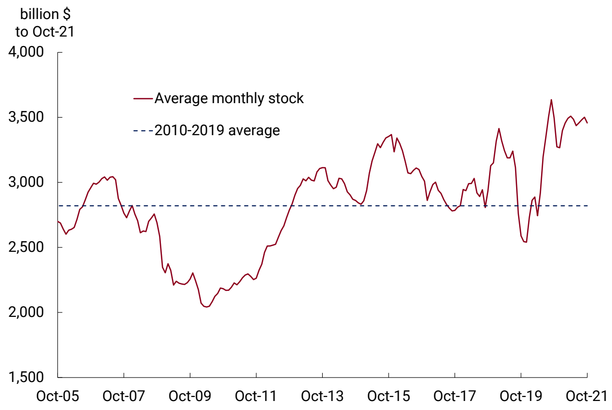
1 The National Institute of Statistics and Censuses (INDEC) will publish October's inflation data on November 14.
2 Private M2 excluding interest-bearing sight deposits held by companies and financial service providers because they are more similar to a savings instrument than to a means of payment.

Chart 3.1 | Private Sector Time Deposits in Pesos
Contribution to real monthly change by amount



Source: BCRA.

Chart 3.2 | Private Sector Time Deposits in Pesos
Average monthly stock at constant prices



Source: BCRA.

The performance of wholesale deposits (over ARS20 million) was heterogeneous among the main actors of this segment. In October, companies' stock of deposits at constant prices was comparable to that of September. The virtual stability between September and October concealed a fall in the first weeks, which was explained by the payment of taxes and wages, and a subsequent recovery, as a result of accumulated surplus once the period of higher expenditure was over. On the other hand, **financial service providers' (FSPs) time deposits fell on average in October**. September's carryforward played a key role given it could not be offset by October's dynamics. Indeed, on the first days of October, FSP's time deposits exhibited no significant changes in a context of virtual stability of MM FCI. In the second half of October, there was greater availability of funds derived from MM FCI, which gave way to a growth of interest-bearing sight deposits in a context of greater preference for liquidity and, to a lesser extent, for time deposits. It is worth mentioning that the yield on time deposits over ARS20 million remained virtually unchanged in the period under analysis. Indeed, private banks' TM20 stood at 33.9% APR (39.8% EAR).

Deposits between ARS1 and ARS20 million at constant prices **recorded a slight fall**, the first negative change over 2021. In turn, **retail time deposits (below ARS1 million) went on posting a downward trend** after being adjusted by the price index. It is worth noting that the interest rate on natural persons' time deposits not exceeding ARS1 million stood at 36.3% APR on average (43.0% EAR)[3].

In general terms, there was a widespread fall of instruments. Indeed, both CER-adjustable deposits and those denominated in pesos decreased at constant prices in October. UVA deposits fell in a context in which the rate spread continued to favor deposits denominated in pesos. As for CER-adjustable deposits, the performance of traditional and early-payment deposits was not homogeneous either, early-payment deposits offsetting, in part, the fall of CER-adjustable ones.

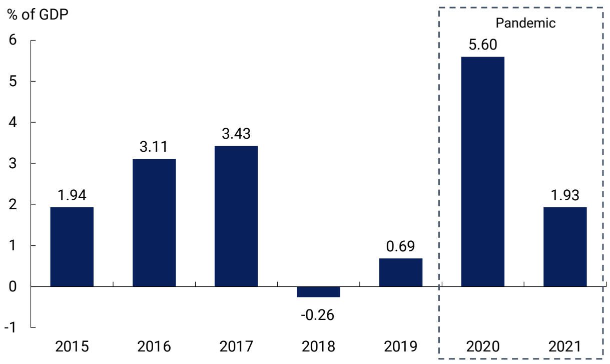
The broad monetary aggregate (private M3)[4] at constant prices rose by 1.6% s.a. in October, the highest growth rate reached from August 2020. This aggregate accumulated a contraction of around 5% in y.o.y. terms. In terms of GDP, it reached 18.2%, 6.0 p.p. below the maximum recorded in 2020.

3 The average interest rate under consideration is slightly lower than the minimum interest rate. The reason for this is that the latter only involves natural persons' deposits below ARS1 million. These deposits may total over one million pesos in the financial institution, so they charge a lower interest rate on amounts exceeding such threshold. In addition, the minimum interest rate applies to Group "A" banks and banks rated as global systemically important (G-SIB), the rest of institutions probably being subject to lower interest rates.
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

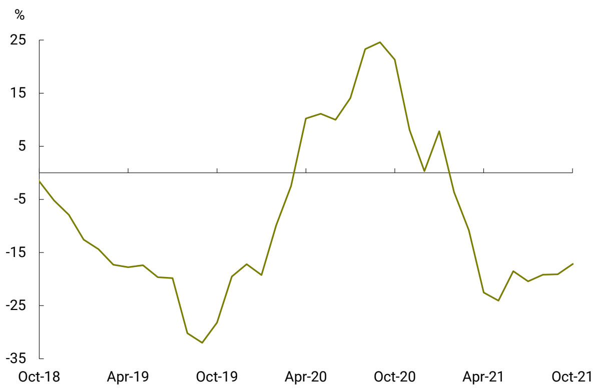
In October, the monetary base stood at ARS3,009 billion, evidencing an average monthly growth of 2.5% in nominal terms (+ARS72.08 billion). This expansion was mainly driven by the public sector's transactions, which reached 1.9% of GDP over 2021, much lower than in 2020 and the 2015-2017 period (see Chart 4.1). Sterilization instruments also contributed positively to monthly change due to a slight fall in the stock of BCRA's securities (LELIQ bills and net repos). On the contrary, the external sector contracted, which was explained by September's statistical carryforward. Indeed, net purchases of foreign currency to the private sector amounted to USD207 million on the basis of the end-of-month change (see section on "Foreign Currency"). The monetary base at constant prices contracted nearly 17% y.o.y. in line with previous months (see Chart 4.2).

Chart 4.1 | Public Sector's Primary Expansion*
Accrued to October each year



* It includes profit transfers, temporary advances, net purchases of foreign currency, and other public sector transactions.
Source: BCRA.

Chart 4.2 | Monetary Base
Year-on-year change at constant prices

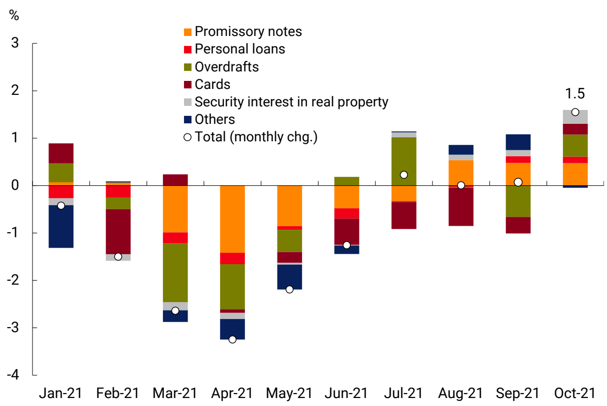


Source: BCRA.

5. Loans to the Private Sector in Pesos

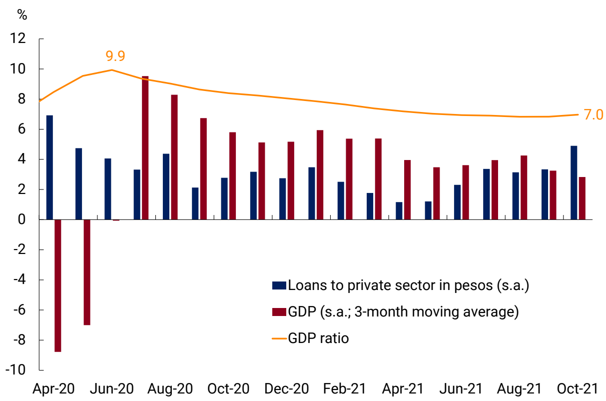
In October, loans in pesos to the private sector expanded at a 1.5% monthly growth rate in real and seasonally-adjusted terms, which was mainly explained by the evolution of business credit lines. Pledge-backed loans and credit lines channeled to consumption also contributed positively to monthly change, but to a lesser extent (see Chart 5.1). Loans in pesos to the private sector in terms of GDP stood at 7% (see Chart 5.2).

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



Source: BCRA.

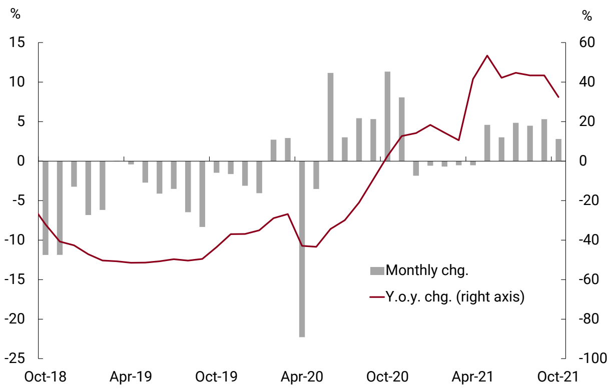
Chart 5.2 | Loans to Private Sector in Pesos as % of GDP



Source: BCRA.

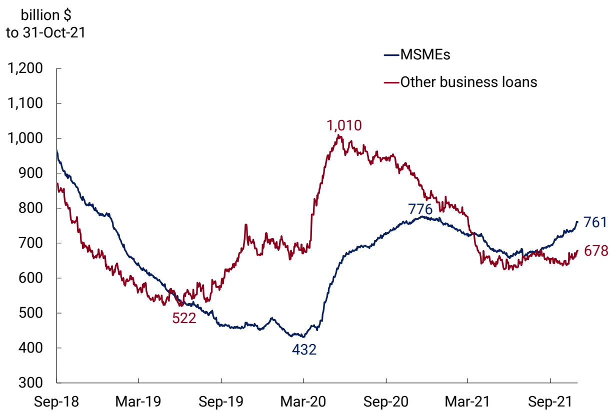
Aggregate credit lines for commercial purposes posted a monthly growth of 2.5% in real and seasonally-adjusted terms. The improvement was mainly boosted by shorter-term credit lines. Indeed, financing granted through overdrafts evidenced a 4.9% s.a. rise in real terms, explained by big companies' deposits to a large extent. Likewise, discounted notes exhibited an average monthly growth of 2.8% s.a. at constant prices, mainly driven by the Credit Line for Productive Investment (LFIP) granted to micro, small, and medium-sized enterprises (MSMEs) (see Chart 5.3). As regards longer-term financing, unsecured promissory notes recorded a 1.5% s.a. improvement in real terms over October. In addition, the analysis of business credit by type of debtor showed a **3.9% expansion of financing to MSMEs at constant prices once again in October**. In turn, credit to big companies exhibited a monthly rise of 1.5%, after two months of negative changes in real terms (see Chart 5.4).

Chart 5.3 | Seasonally-Adjusted Discounted Notes to Private Sector
Monthly chg. at constant prices



Source: BCRA.

Chart 5.4 | Business Loans to Private Sector by Type of Debtor
Stock at constant prices



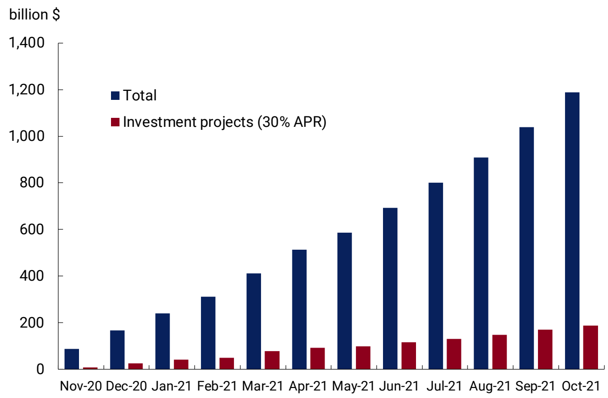
Source: BCRA.

In October, loans granted within the framework of the LFIP increased by ARS149.30 billion, and total accumulated disbursements reached about ARS1,187 billion from its implementation. As far as the end use of these funds is concerned, around 84% of total disbursements was channeled to finance working capital, and the rest to investment projects (see Chart 5.5). At the time of this publication, the LFIP credit lines had been granted to around 183,700 companies. It is worth mentioning that the LFIP 2021/2022 quota came into force in October. This new tranche includes some changes that involve a broader scope than the previous ones[5].
As regards loans to consumption, financing on credit cards posted a monthly expansion of 0.7% s.a. in real terms in October, thus reversing a six-month period of falls. The main factors that contributed to this growth were financing on **Ahora 12 Plan** and the zero percent credit line for self-employed workers. This line accumulated disbursements for ARS24.10 billion by the end of October. In turn, **personal loans rose by 0.8% s.a. at constant prices, posting two months of positive changes in real terms** (see Chart 5.6). The interest rate on these loans averaged 52.9% in October, down 0.8 p.p. against September.

Regarding loans with real property collateral, pledge-backed loans posted—in October—a monthly rise of 4.5% s.a. on average in real terms, with sixteen months in a row of positive changes at constant prices. Thus, the y.o.y. growth rate of these loans stood at about 35.3% in real terms. Last, the stock of mortgage-backed loans increased by 0.6% in real and seasonally-adjusted terms over October, down 21.8% against October 2020.

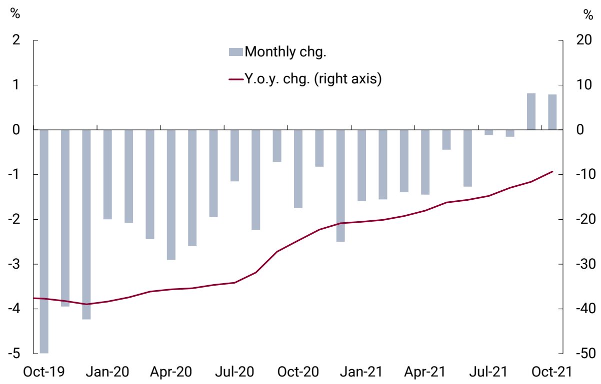
5 For further details, see section on Loans to the Private Sector in the Monthly Monetary Report, September.

Chart 5.5 | Financing Granted through the Credit Line for Productive Investment (LFIP)
Accrued disbursed amounts as to end-of-month



Source: BCRA.

Chart 5.6 | Personal Loans, Seasonally-Adjusted
Change at constant prices



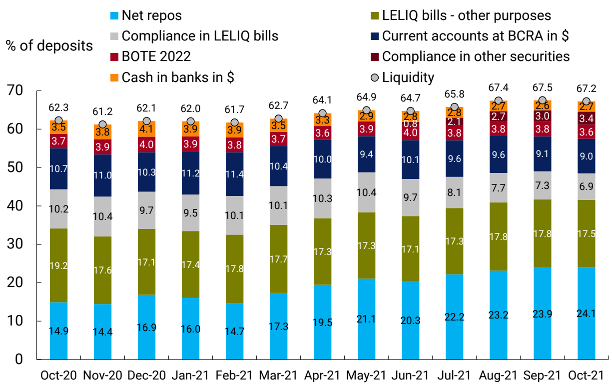
Source: BCRA.

6. Financial Institutions' Liquidity in Pesos

Broad liquidity in domestic currency[6] remained at historically high levels. In October, it averaged 67.2% of deposits, a figure comparable to September. In addition, no significant changes were observed in terms of components (see Chart 6.1). In particular, it is worth noting that a greater portion of minimum cash requirements may be met with sovereign bonds as from June; on the contrary, compliance with LELIQ bills, contracted.

As for regulatory changes regarding bank liquidity, the minimum residual term of subscribed national sovereign bonds in pesos allocated to meet minimum cash requirements will be reduced as from November from 180 to 120 calendar days[7].

Chart 6.1 | Financial Institutions' Liquidity in Pesos



Source: BCRA.

6 It includes current accounts with the BCRA, cash holdings in banks, arranged net repo stocks with the BCRA, holdings of LELIQ bills, and holdings of bonds admitted to comply with the minimum reserve requirements.
7 Communication “A” 7383.

7. Foreign Currency

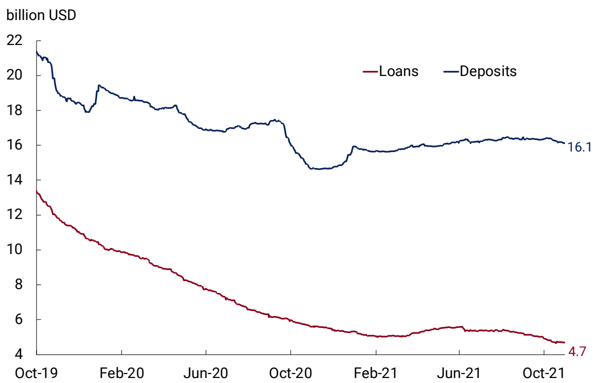
Regarding the foreign currency segment, institutions' main assets and liabilities posted negative changes (see Chart 7.1). **Loans to the private sector went on exhibiting a downward trend as in September.** Thus, they reached an average monthly stock of USD4.76 billion, down about USD322 million against the stock observed in September. The fall was concentrated in financing arranged through unsecured promissory notes, which was mainly aimed at the pre-financing of exports. **In turn, private sector deposits started to decrease in the second half of October.** The average monthly stock stood at USD16.27 billion, down around USD80 million against September.

In a context in which the falling pace of loans exceeded that of deposits, bank liquidity in foreign currency increased over October (1.8 p.p.), with rises in current accounts at the BCRA and cash in banks. Thus, the financial system's liquidity remained at high levels, reaching 79.8% of deposits (see Chart 7.2).

Some regulatory changes took place in October. On the one hand, the procedure for making advance payments of some imports was changed. In October, such payments were made against the customs clearance of goods. The measure was adopted because payments had been recorded for a higher value than that of the customs clearance of goods since June[8]. In addition, new measures were taken with a view to maintaining the inflow of inputs required by the economic sector, making the demand of foreign currency predictable and ensuring the stability of the payments market. Thus, effective as from November, inputs imported for manufacturing goods in Argentina may be paid at the port of origin for an amount not exceeding the average value of total imports made in the past twelve months[9].

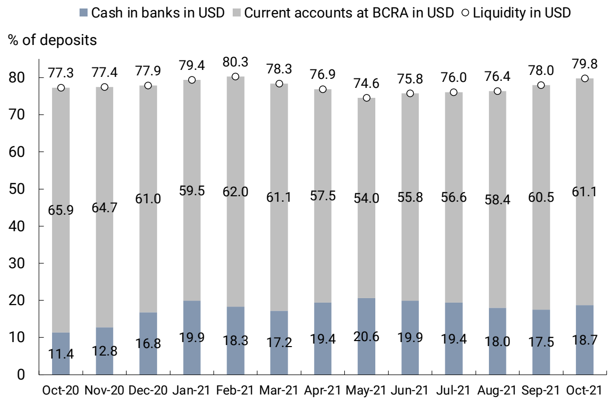
Additionally, the National Securities Commission (Comisión Nacional de Valores, CNV) adopted a series of measures regarding transactions with marketable securities settled in US dollars, both in local and foreign jurisdiction[10]. Finally, the BCRA established that tourists visiting Argentina will be able to open a savings account in Argentine pesos and US dollars, or get a prepaid card to make payments in pesos in shops, withdraw cash in pesos and make foreign exchange transactions. Foreigners are required to hold a bank account in their country of origin for making transfers of foreign currency to their local accounts. Thus, tourists' inflows of foreign currency and use of electronic payment systems are made easier in Argentina[11].

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



Source: BCRA.

Chart 7.2 | Financial Institutions' Liquidity in Foreign Currency



Source: BCRA.

8 See "Regulatory Overview" (Comm. "A" 7375).
9 See "Regulatory Overview" (Comm. "A" 7385).
10 General Resolution No. 907/21, CNV.
11 See "Regulatory Overview" (Comm. "A" 7384).

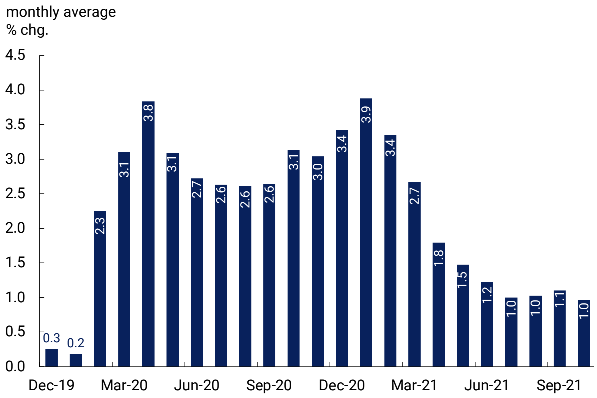
At the end of October, BCRA's international reserves reached USD42.81 billion, USD94 million down against the end of September (see Chart 7.3). Net purchases of foreign currency to the private sector (USD207 million in October), and banks' minimum reserve requirements contributed positively to reserves' change, offsetting in part the negative contribution of the rest of components.

Finally, the ARS/USD nominal exchange rate grew by 1.0% in October, exhibiting a slightly lower expansion rate than in September, and standing at ARS99.22/USD1 on average (see Chart 7.4). The moderate depreciation pace of domestic currency in the last few months seeks to contribute towards the disinflation process.

Chart 7.3 | BCRA's International Reserves
Daily stock

Source: BCRA.

Chart 7.4 | Change in Bilateral Nominal Exchange Rate against USA



Source: BCRA.

8. Regulatory Overview

Date of issue	Regulation	Description
Oct-05-21	Comm. "A" 7375	In view of the fact that from June onwards payments were higher than those recorded in the customs clearance of goods, **the procedure for the advance payments of some imports was changed. In October, such payments must be made in agreement with the amount recorded in the customs clearance of goods.** Several provisions have been laid down lately. **One of them is concerned with the requirements that importers are to fulfill to access the forex market, with no prior consent of the BCRA, for paying certain imports of goods or principal owed on financing from the import of goods.**
Oct-28-21	Comm. "A" 7383	**The minimum residual term of subscribed national sovereign bonds in pesos that may be allocated to meet minimum cash requirements was reduced from 180 to 120 calendar days**, including CER-adjustable bonds and excluding dollar-linked ones.
Oct-28-21	Comm. "A" 7384	**Financial institutions will be able to open "Savings accounts for tourists" in domestic and foreign currency in the name of natural persons living abroad (they may also issue prepaid cards to make payments in shops in Argentina).** Thus, tourists in Argentina will be able to use financial services and electronic means of payment, and benefit from transparency and security. However, **they are required to hold a bank account in their country of origin for making transfers of foreign currency to their local accounts. Tourists may make payments in pesos in shops in Argentina**, both on a debit card or through a banking app, **and cash withdrawals in domestic currency**. These accounts may also be used to carry out currency exchange transactions. **Financial institutions may credit up to USD5,000 in tourists' local accounts as long as foreign currency is transferred from their accounts held in their country of origin or deposited in cash.** This regulation is in line with the recommendations of the Financial Action Task Force (FATF) to avoid money laundering.
Oct-28-21	Comm. "A" 7385	**With a view to maintaining the inflow of inputs required by the economic sector—making the demand of foreign currency predictable and ensuring the stability of the payments market—imports for manufacturing goods in Argentina may be paid at the port of origin** as from November 1, 2021, for an amount not exceeding the average value of total imports made by each importer in the past twelve months. In addition, the advance payment regime was kept, whereby 80% of capital goods may be paid before entering the country. In addition, payments before the shipment of the capital goods may not exceed 30% of the total amount of each transaction. Finally, it was established that **in order to purchase ARS-denominated securities issued by non-residents with no prior consent of the BCRA, purchasers must state that they have neither sold in Argentina in the previous 90 days nor will they sell in the subsequent 90 days any securities settled in foreign currency. They must also state that they have neither made transfers to foreign depositaries nor will they make transfers to them within the period stated above. No one covered by paragraph 4.3.2. of the regulations on "Foreign trade and exchange" will be able to purchase these securities, namely**: beneficiaries of Zero Percent Credit Lines; Zero Percent Credit Line for Culture; Subsidized Credit Lines to Companies; or beneficiaries of financing in the context of the health emergency.

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 Oct-21						% of GDP	
						Monthly		Accrued in 2021		Year-on-year			
	Oct-21	Sep-21	Aug-21	Jul-21	Jun-21	Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real	Oct-21	Dec-20
Monetary base	**3,009,316**	**2,937,229**	**2,927,785**	**2,425,025**	**2,318,890**	2.5%	-0.3%	24.1%	-8.9%	29.8%	-17.2%	**6.1%**	**7.1%**
Currency in circulation	2,216,119	2,164,627	2,139,384	1,792,980	1,691,993	2.4%	0.6%	23.6%	-11.1%	31.0%	-16.4%	**4.5%**	**5.4%**
Cash Held by the Public	1,980,224	1,945,655	1,915,358	1,542,670	1,487,140	1.8%	0.5%	28.4%	-9.2%	33.2%	-15.0%	**4.0%**	**4.7%**
Cash in financial institutions	235,895	218,972	224,025	250,310	204,853	7.7%	1.4%	-5.8%	-23.4%	15.2%	-26.5%	**0.5%**	**0.7%**
Current accounts at BCRA	793,197	772,602	788,401	632,045	626,898	2.7%	-1.5%	25.5%	-6.0%	26.5%	-19.3%	**1.6%**	**1.8%**
BCRA's remunerated liabilities (NV $)	**4,276,508**	**4,156,737**	**3,973,765**	**2,693,887**	**2,591,966**	2.9%	-0.4%	58.7%	10.4%	65.0%	5.3%	**8.6%**	**5.4%**
Reverse repos	2,122,782	2,027,150	1,894,607	1,040,558	871,990	4.7%	1.4%	104.0%	41.9%	143.4%	55.3%	**4.3%**	**2.1%**
1 day	86,232	49,100	54,668	262,283	532,108	75.6%	70.0%	-67.1%	-77.1%	-83.8%	-89.7%	**0.2%**	**0.5%**
7 days	2,036,551	1,978,050	1,839,939	778,276	339,882	3.0%	-0.3%	161.7%	82.0%	-	-	**4.1%**	**1.6%**
Stock of LELIQ bills	2,153,725	2,129,586	2,079,158	1,653,328	1,719,976	1.1%	-2.1%	30.3%	-9.4%	25.2%	-20.1%	**4.3%**	**3.3%**
BCRA' s international reserves in dollars	**42,920**	**44,929**	**43,307**	**38,898**	**40,739**	-4.5%	-	10.3%	-	5.4%	-	**8.5%**	**9.7%**

Monthly average explanatory factors	Monthly		Quarterly		Accrued in 2021		Year-on-year	
	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution
Monetary base	**72,087**	**2.5%**	**161,477**	**5.7%**	**584,291**	**24.1%**	**690,426**	**29.8%**
Foreign exchange purchases to private sector and others	-22,628	-0.8%	-70,848	-2.5%	628,364	25.9%	579,195	25.0%
Foreign exchange purchase to the NT	237,655	8.1%	281,901	9.9%	87,506	3.6%	21,839	0.9%
Temporary advances and profit transfers to National Government	-49,163	-1.7%	270,552	9.5%	783,284	32.3%	1,007,364	43.4%
Other public-sector transactions	-30,911	-1.1%	5,538	0.2%	-24,259	-1.0%	-25,959	-1.1%
Repos and LELIQ bills	9,542	0.3%	-127,393	-4.5%	-525,060	-21.7%	-478,162	-20.6%
Others	-72,409	-2.5%	-198,273	-7.0%	-365,544	-15.1%	-413,852	-17.8%
International reserves	**-2,009**	**-4.5%**	**85**	**0.2%**	**4,021**	**10.3%**	**2,180**	**5.4%**
Purchases of foreign currency	-230	-0.5%	-718	-1.7%	6,873	17.7%	6,241	15.3%
International organizations	-1,533	-3.4%	1,627	3.8%	463	1.2%	-115	-0.3%
Other public-sector transactions	1,195	2.7%	1,240	2.9%	431	1.1%	300	0.7%
Minimum cash requirements	181	0.4%	961	2.2%	792	2.0%	-21	-0.1%
Others (incl. forex valuation)	-1,622	-3.6%	-3,025	-7.1%	-4,537	-11.7%	-4,224	-10.4%

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

Minimum Cash Requirement and Compliance	Oct-21	Sep-21	Aug-21
Domestic Currency	% of total deposits in pesos		
Requirement	22.8	22.7	23.5
Compliance in current account	9.0	9.1	9.6
Compliance in Leliq	19.4	20.2	21.0
Compliance in BOTE 2022	3.6	3.8	3.8
Compliance in Other Facilities	3.4	3.0	2.7
Foreign Currency	% of total deposits in foreign currency		
Requirement	24.0	24.0	24.0
Compliance (includes default application resource)	61.0	60.5	58.4
Position (1)	37.0	36.5	34.4

(1) Position = Compliance - Requirement

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 Oct-21						% of GDP[4]	
	Oct-21	Sep-21	Aug-21	Jul-21	Jun-21	Monthly		Accrued in 2021		Year-on-year		Oct-21	Dec-20
						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 pesos[1]	**8,720,256**	**8,381,258**	**8,077,138**	**6,067,455**	**5,711,853**	4.0%	0.9%	43.7%	2.6%	52.7%	-2.6%	**17.6%**	**18.0%**
Private sector deposits	*7,018,716*	*6,747,119*	*6,504,529*	*4,876,263*	*4,578,049*	4.0%	0.9%	43.9%	3.4%	53.3%	-2.2%	**14.2%**	**14.4%**
Private Sector Sight Deposits	3,537,745	3,337,846	3,218,208	2,568,340	2,315,014	6.0%	2.3%	37.7%	3.2%	52.8%	-2.5%	**7.2%**	**7.3%**
Non-interest bearing (transactional)	*2,822,188*	*2,663,209*	*2,620,166*	*2,138,132*	*1,923,752*	6.0%	2.2%	32.0%	0.5%	46.7%	-6.4%	**5.8%**	**6.0%**
Interest-bearing	715,557	674,637	598,042	430,208	391,261	6.1%	2.7%	66.3%	15.7%	82.9%	16.7%	**1.4%**	**1.3%**
Private Sector Time Deposits and Others	3,480,971	3,409,273	3,286,321	2,307,923	2,263,035	2.1%	-1.2%	50.8%	4.9%	53.8%	-1.8%	**7.0%**	**7.0%**
Time Deposits	3,353,233	3,287,318	3,165,623	2,203,582	2,163,177	2.0%	-1.3%	52.2%	5.8%	55.0%	-1.1%	**6.7%**	**6.7%**
CER / UVA non-adjustable	3,196,955	3,115,702	2,982,733	2,150,510	2,116,478	2.6%	-0.7%	48.7%	3.4%	51.1%	-3.6%	**6.4%**	**6.5%**
CER / UVA-adjustable	156,278	171,616	182,889	53,072	46,699	-8.9%	-11.8%	194.5%	104.8%	234.6%	113.5%	**0.3%**	**0.2%**
Traditional	103,507	112,242	119,989	41,600	37,542	-7.8%	-10.7%	148.8%	73.1%	175.7%	75.9%	**0.2%**	**0.1%**
Early-payment	52,771	59,374	62,900	11,472	9,157	-11.1%	-14.0%	360.0%	219.9%	476.3%	267.7%	**0.1%**	**0.0%**
Other deposits	127,738	121,955	120,698	104,341	99,858	4.7%	1.4%	22.4%	-14.9%	27.9%	-18.4%	**0.3%**	**0.3%**
Public sector deposits[2]	*1,701,540*	*1,634,139*	*1,572,609*	*1,191,192*	*1,133,804*	4.1%	0.8%	42.8%	-0.6%	50.1%	-4.2%	**3.4%**	**3.6%**
Monetary Aggregates													
Total M2	6,146,877	5,849,276	5,674,826	4,630,013	4,234,048	5.1%	2.3%	32.8%	-2.5%	45.2%	-7.4%	**12.5%**	**13.4%**
Total M3	10,814,429	10,441,691	10,090,400	7,702,371	7,334,074	3.6%	0.6%	40.4%	0.1%	47.5%	-5.9%	**21.8%**	**22.8%**
Private sector monetary aggregates													
Private M2	5,517,969	5,283,501	5,133,566	4,111,010	3,802,154	4.4%	1.7%	34.2%	-3.0%	45.1%	-7.4%	**11.2%**	**12.1%**
Transactional private M2[3]	4,802,412	4,608,864	4,535,524	3,680,802	3,410,892	4.2%	1.5%	30.5%	-3.7%	40.8%	-10.2%	**9.8%**	**10.7%**
Private M3	8,998,939	8,692,774	8,419,887	6,418,933	6,065,189	3.5%	1.6%	40.2%	-0.4%	48.4%	-5.3%	**18.2%**	**19.1%**
Total loans to the non-financial sector in pesos	**3,547,212**	**3,349,193**	**3,226,000**	**2,752,715**	**2,567,757**	5.9%	1.5%	28.9%	-9.5%	38.1%	-11.9%	**7.1%**	**8.1%**
Loans to the non-financial private sector	***3,501,295***	***3,304,671***	***3,175,471***	***2,705,831***	***2,525,984***	5.9%	1.5%	29.4%	-9.1%	38.6%	-11.6%	**7.0%**	**8.0%**
Overdrafts	345,881	317,158	321,628	279,663	276,698	9.1%	4.9%	23.7%	-14.5%	25.0%	-20.2%	**0.7%**	**0.8%**
Promissory notes	835,697	781,386	727,812	644,480	618,900	7.0%	2.1%	29.7%	-10.1%	35.0%	-13.8%	**1.6%**	**1.9%**
Mortgage-backed loans	260,057	250,667	244,950	214,677	212,106	3.7%	0.6%	21.1%	-15.6%	22.6%	-21.8%	**0.5%**	**0.6%**
Pledge-backed loans	196,450	181,196	166,186	102,658	92,655	8.4%	4.5%	91.4%	31.7%	112.0%	35.3%	**0.4%**	**0.3%**
Personal loans	599,466	570,476	546,549	443,158	421,618	5.1%	0.8%	35.3%	-6.2%	42.2%	-9.3%	**1.2%**	**1.3%**
Credit cards	1,062,098	999,296	968,010	847,185	743,155	6.3%	0.7%	25.4%	-8.0%	42.9%	-8.8%	**2.1%**	**2.4%**
Others	201,647	204,492	200,336	174,011	160,852	-1.4%	0.4%	15.9%	-16.5%	25.4%	-20.0%	**0.4%**	**0.5%**
Loans to the non-financial public sector	***45,917***	***44,523***	***50,529***	***46,884***	***41,773***	3.1%	-0.2%	-2.1%	-31.9%	9.9%	-29.9%	**0.1%**	**0.1%**
Foreign currency													
Deposits from the non-financial sector in dollars[1]	**19,039**	**18,928**	**18,998**	**17,775**	**17,630**	0.6%	-	7.1%	-	8.0%	-	**3.8%**	**4.5%**
Deposits from the non-financial private sector in dollars	16,273	16,354	16,392	15,112	15,320	-0.5%	-	7.7%	-	6.2%	-	**3.2%**	**3.8%**
sight deposits	12,010	12,085	12,071	10,829	10,828	-0.6%	-	10.9%	-	10.9%	-	**2.4%**	**2.7%**
time deposits and others	4,263	4,269	4,321	4,283	4,492	-0.1%	-	-0.5%	-	-5.1%	-	**0.8%**	**1.1%**
Deposits from the non-financial public sector in dollars	2,765	2,574	2,606	2,664	2,310	7.4%	-	3.8%	-	19.7%	-	**0.6%**	**0.7%**
Loans to the non-financial sector in dollars	**4,902**	**5,224**	**5,451**	**5,461**	**5,909**	-6.2%	-	-10.2%	-	-17.0%	-	**1.0%**	**1.4%**
Loans to the non-financial private sector in dollars	4,761	5,083	5,310	5,337	5,780	-6.3%	-	-10.8%	-	-17.6%	-	**0.9%**	**1.3%**
Promissory notes	3,303	3,581	3,767	3,556	3,823	-7.8%	-	-7.1%	-	-13.6%	-	**0.7%**	**0.9%**
Credit cards	116	96	78	93	103	20.6%	-	24.3%	-	12.1%	-	**0.0%**	**0.0%**
Others	1,342	1,406	1,465	1,688	1,853	-4.5%	-	-20.5%	-	-27.6%	-	**0.3%**	**0.4%**
Loans to the non-financial public sector in dollars	141	141	141	124	129	0.0%	-	13.7%	-	9.1%	-	**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	Oct-21	EAR Oct-21	Sep-21	Aug-21	Dec-20	Oct-20
BCRA repo interest rates						
Overnight reverse repo	32.00	37.69	32.00	32.00	32.00	27.57
7-day reverse repo	36.50	43.87	36.50	36.50	36.50	33.27
Overnight repo	42.70	53.23	42.70	42.70	42.70	81.80
LELIQ bills interest rate	38.00	45.44	38.00	38.00	38.00	36.90
Interbank market interest rates	**Oct-21**	**EAR Oct-21**	**Sep-21**	**Aug-21**	**Dec-20**	**Oct-20**
Repo rates among third parties on overnight REPO round	30.62	35.81	31.59	32.92	33.19	27.80
Volume of repos traded among third parties (daily average)	5,284	0	3,754	3,756	5,717	7,297
Calls in pesos (overnight)						
Interest rate	30.96	36.28	31.28	30.40	29.58	23.64
Traded volume	14,589	0	12,465	12,359	12,242	13,011
Borrowing interest rates	**Oct-21**	**EAR Oct-21**	**Sep-21**	**Aug-21**	**Dec-20**	**Oct-20**
Sight deposits						
Interest-bearing	30.36	34.97	30.41	29.98	26.60	20.28
Time deposits						
Natural persons´ up to $1 million (30-35 days)[1]	36.29	42.99	36.30	36.31	36.35	32.98
Total TM20 (more than $20 million, 30-35 days)	33.31	38.91	33.20	33.23	33.36	29.25
Private banks' TM20 (more than $20 million, 30-35 days)	33.95	39.77	33.94	33.93	34.20	30.24
Total BADLAR (more than $1 million, 30-35 days)	33.40	39.02	33.30	33.32	33.30	29.53
Private banks' BADLAR (more than $1 million, 30-35 days)	34.15	40.04	34.16	34.15	34.21	30.68
Interest rate on UVA deposits' early-payment option	30.50	35.15	30.50	30.50		
Lending interest rates	**Oct-21**	**EAR Oct-21**	**Sep-21**	**Aug-21**	**Dec-20**	**Oct-20**
Loans to the non-financial private sector in pesos						
Overdrafts	41.49	51.38	41.24	40.96	39.66	33.41
1 to 7 days—in accordance with companies—more than $10 million	35.24	42.08	35.77	35.55	33.24	27.37
Unsecured promissory notes	34.98	41.18	35.09	36.90	35.13	32.16
Mortgage-backed loans	31.51	36.49	28.03	28.79	32.29	31.63
Pledge-backed loans	27.59	31.36	27.73	27.31	32.29	26.89
Personal loans	52.86	67.78	53.65	53.14	55.39	50.66
Credit cards	42.48	51.82	42.88	42.65	41.98	41.90
Interest rate in foreign currency	**Oct-21**	**EAR Oct-21**	**Sep-21**	**Aug-21**	**Dec-20**	**Oct-20**
Time deposits in dollars (30 to 44 days)	0.37	0.37	0.38	0.37	0.42	0.45
Unsecured promissory notes in dollars	3.83	3.90	3.71	4.89	5.35	6.42
Exchange rate	**Oct-21**	**Monthly chg. (%)**	**Sep-21**	**Aug-21**	**Dec-20**	**Oct-20**
NER peso/dollar						
Wholesale rate (Comm. "A" 3.500)	99.25	0.98	98.28	97.21	82.72	77.57
Retail rate[2]	101.62	0.99	100.63	99.44	85.07	79.95
NER peso/dollar	17.92	-3.69	18.60	18.52	16.00	13.80
NER peso/euro	115.16	-0.43	115.67	114.39	99.02	91.29
ITCNM	665.17	-0.81	670.60	662.28	571.44	515.37
ITCRM	107.42	-3.44	111.24	112.87	123.98	119.35

1 The average interest rate shown is slightly below the minimum interest rate because it includes time deposits up to $1 million from holders who have a total of more than $1 million time deposits in the financial institution. The minimum interest rate only covers deposits made by each holder in the same financial institution when all of them do not exceed such amount.

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

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.
ROFEX: Rosario Futures Exchange
s.a.: Seasonally-Adjusted
SDR: Special Drawing Right
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