Monthly Monetary Report

December 2021

BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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The closing date for statistics in this report was January 7, 2022. 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.

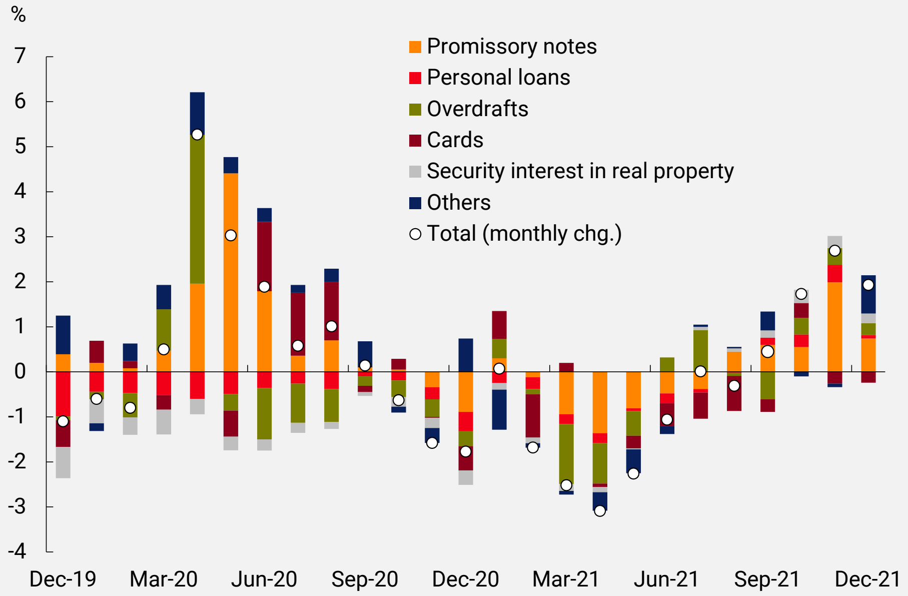
Therefore, efforts have been made to avoid sexist and binary language in this report.

1. Executive Summary

Monetary Base real monthly chg. s.a.	Transactional Private M2 real monthly chg. s.a.	Private Sector Time Deposits real monthly chg. s.a.	Private Sector UVA Time Deposits real monthly chg. s.a.	Private M3 real monthly chg. s.a.
-1.3%	-0.1%	-1.8%	-0.2%	-0.5%

Loans to the Private Sector in Pesos, Seasonally-Adjusted, at Constant Prices

Contribution to monthly growth by credit line



Source: BCRA.

Loans to the Private Sector real monthly chg. s.a.	1.9%
LELIQ Bills Interest Rate APR	38.0%
7-Day Reverse Repo Interest Rates APR	36.5%
International Reserves million US$; end-of-month	39,582

In real and seasonally-adjusted (s.a.) terms, means of payment (transactional private M2) remained virtually unchanged against November. Time deposits in pesos contracted once again in real terms over December. Private M3 posted a 0.5% s.a. contraction in real terms and ended 2021 just 0.7% above the figure recorded in December 2020 at constant prices.

The monetary base reached ARS3,360 billion (7.8% monthly and 40% y.o.y.) at the end of 2021. It fell 9.3% y.o.y. at constant prices, ending the year at 6.2% in terms of GDP.

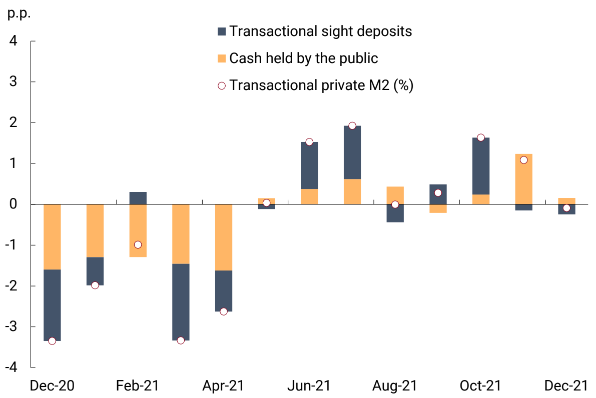
In December, loans in pesos to the private sector expanded in real terms (1.9% s.a.), posting the fourth rise in a row. In particular, business and pledge-backed credit lines stood out. The rise of financing for productive purposes was once again channeled to micro-, small-, and medium-sized enterprises (MSMEs), and big companies. Loans to the private sector ended 2021 with a 4.1% y.o.y. decline at constant prices, standing at 7.5% of GDP in December.

In the first Board meeting held in January, the BCRA redesigned the monetary policy instruments with a view to supporting the recovery process and strengthening monetary stability. In this context, it adjusted the limit of LELIQ bill holdings, increased benchmark interest rates, and created new instruments in order to raise sterilization average terms. The measures adopted are in line with the Objectives and Plans that the BCRA set for 2022.

2. Means of Payment

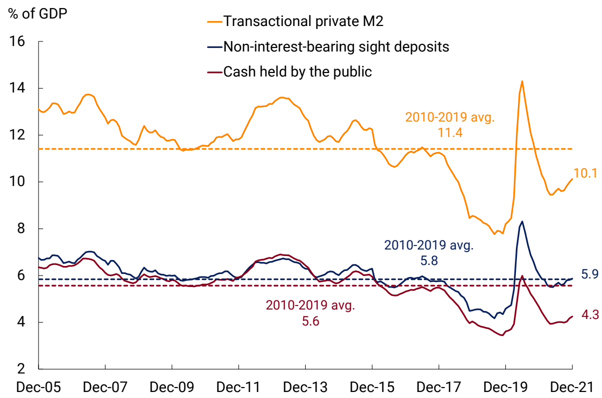
In real[1] and seasonally-adjusted terms, means of payment (transactional private M2[2]) remained virtually unchanged in December (-0.1%), after having risen since mid-2021. At the level of components, non-interest-bearing sight deposits posted a fall (-0.4% s.a., contributing -0.24 p.p. to transactional private M2 change), which was in part offset by a growth of cash held by the public (0.4% s.a., contributing 0.15 p.p. to the change in means of payment; see Chart 2.1).

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



Source: BCRA.

Chart 2.2 | Transactional Private M2 in Terms of GDP



Source: BCRA.

In December, transactional private M2 stood at 10.1% of GDP, ending 2021 with a figure that is comparable to figures observed in the previous months and below the average ratio for the 2010-2019 period. It is worth mentioning that 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 historic average. Indeed, banknotes and coins held by the public stood 1.3 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

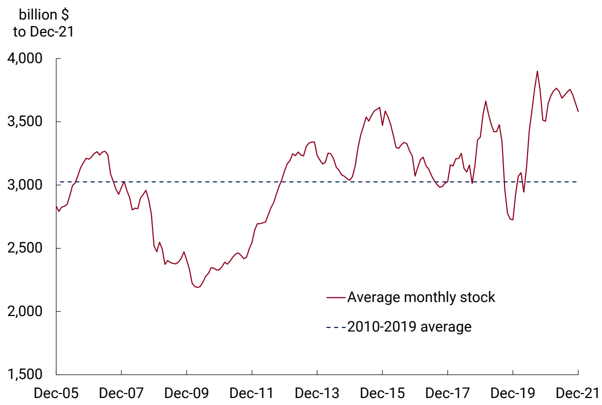
In December, private sector time deposits in pesos posted a monthly contraction of 1.8% s.a. at constant prices. Even though time deposits evidenced a fall over December, they remained significantly higher at constant prices vis-á-vis the average record observed in the 2010-2019 period (see Chart 3.1).

The fall was mainly centralized in lower-amount deposits over December. Thus, retail time deposits (less than ARS1 million) went on presenting a downward trend in real terms. 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). Moreover, deposits between ARS1 and ARS20 million at constant prices also exhibited a monthly decline but to a lesser extent. However, the performance was not homogeneous over the month, both segments showing greater momentum in the second half of December. This change was driven by a higher income in households due to the payment of the semi-annual complementary wage. **In turn, wholesale deposits (more than ARS20 million) at constant prices remained virtually stable during December**. This was explained by

1 The National Institute of Statistics and Censuses (INDEC) will publish December's inflation data on January 13.
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.

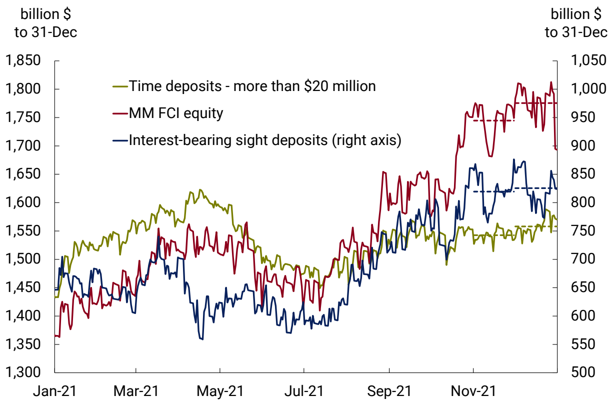
traditional deposits held by the two main actors: companies and financial service providers (FSPs). Money market funds (MM FCI), sharing over 90% in the total, with a slight improvement of equity over December. These funds were mainly channeled to time deposits, unlike previous months (see Chart 3.2). 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 34.0% APR (39.8% EAR).

Chart 3.1 | Private Sector Time Deposits in Pesos
Stock at constant prices



Source: BCRA.

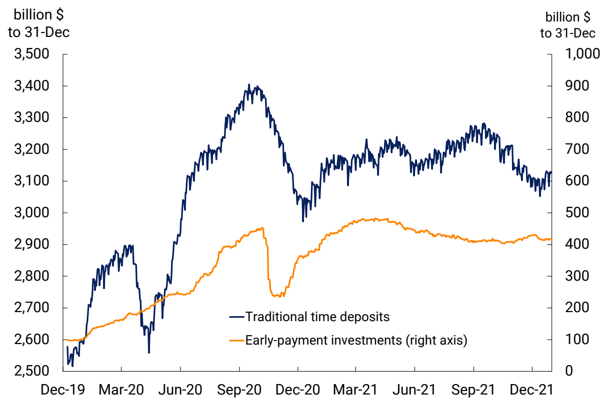
Chart 3.2 Time Deposits over ARS20 Million, MM FCI Equity, and Interest-Bearing Sight Deposits
Stock at constant prices



Source: BCRA.

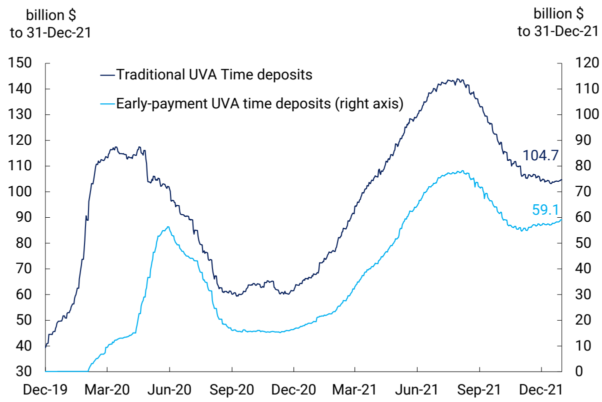
As data showed, there was a trend towards less liquid instruments. That is, whereas traditional time deposits exhibited a slight rise at constant prices throughout December, early-payment time deposits fell moderately in the same period (see Chart 3.3). Early-payment time deposits, in particular those denominated in pesos, had lower dynamism, CER-adjustable deposits keeping the upward trend that started at the beginning of November (see Chart 3.4).

Chart 3.3 | Private Sector Time Deposits in Pesos
Stock at constant prices



Source: BCRA.

Chart 3.4 | Private Sector UVA Time Deposits
Stock at constant prices



Source: BCRA.

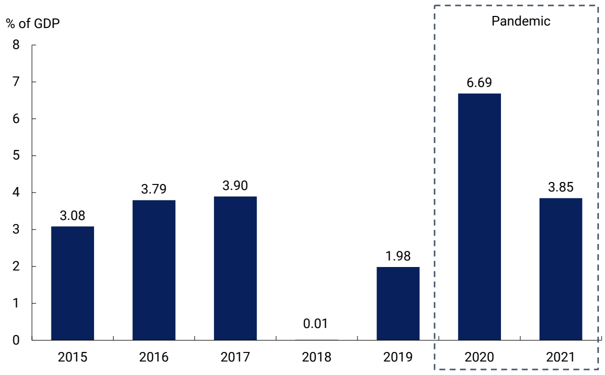
The broad monetary aggregate, private M3[3], at constant prices decreased by 0.5% s.a. in December, after five months of positive changes. Private M3 posted a moderate rise in y.o.y. terms (0.7%). In terms of GDP, it reached 18.8%, 5.4 p.p. below the maximum recorded in 2020.

3 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

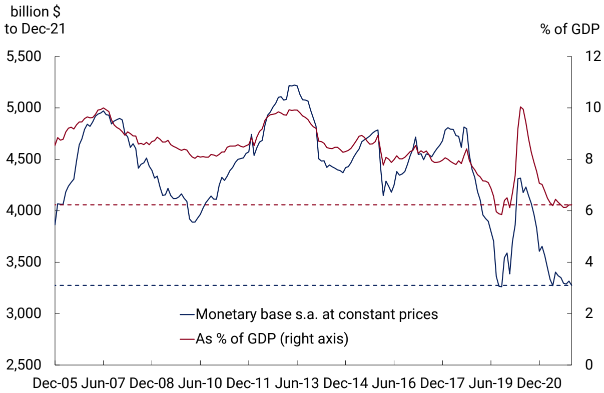
In December, the monetary base stood at ARS3,394 billion, evidencing an average monthly growth of 7.8% in nominal terms (+ARS246.38 billion). It is worth noting that the monetary base in December shows positive seasonality. Hence, if so adjusted, December's monthly growth rate was 2.7% s.a. The monthly expansion was mainly driven by public sector's transactions. In year-to-date terms, primary expansion linked to the public sector reached 3.85% of GDP, a figure closed to that of the 2015-2017 period, and clearly lower vis-á-vis the first year of the pandemic (see Chart 4.1). The purchase of foreign currency to the private sector was another factor of monetary base expansion throughout 2021. Expansion factors were in part sterilized through monetary policy instruments (reverse repos and LELIQ bills) and other transactions. Thus, the monetary base expanded by 40% in nominal terms in 2021, which involved a contraction of about 9.3% in real terms. In terms of GDP, the monetary base hit 6.2%[4], a similar figure to that recorded by end-2019 (see Chart 4.2).

Chart 4.1 | Public Sector's Primary Expansion*
Accrued to November 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



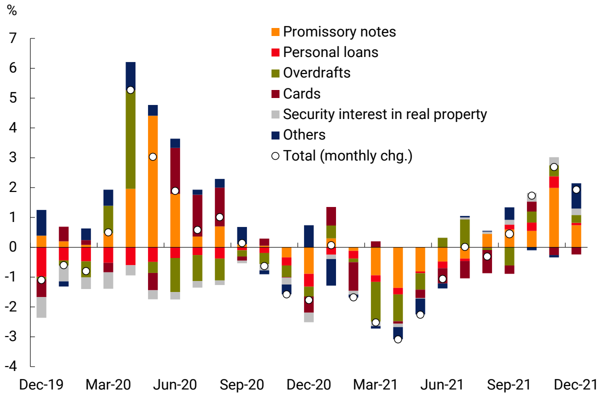
Source: BCRA.

5. Loans to the Private Sector in Pesos

In December, loans in pesos to the private sector expanded 1.9% monthly in real and seasonally-adjusted terms, posting four months of growth. Business lines and pledge-backed loans stood out from credit lines (see Chart 5.1). **In terms of GDP, bank financing in pesos to the private sector reached 7.5% in December**, up 0.3 p.p. against November (see Chart 5.2).

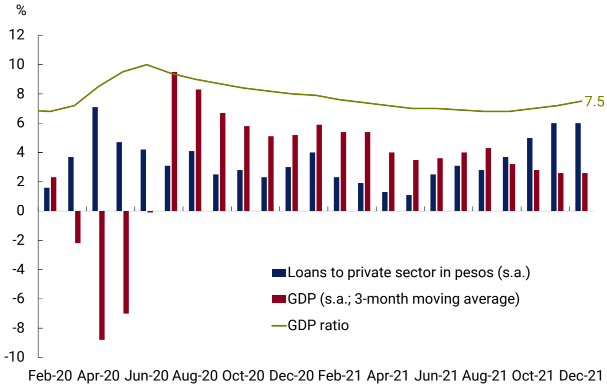
4 This is the ratio between the seasonally-adjusted monetary base value of December 2021 and the seasonally-adjusted GDP average estimated value of the last quarter of 2021.

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



Source: BCRA.

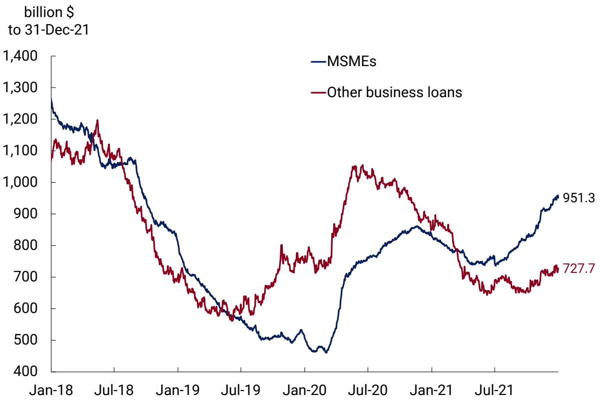
Chart 5.2 | Loans to Private Sector in Pesos as % of GDP



Source: BCRA.

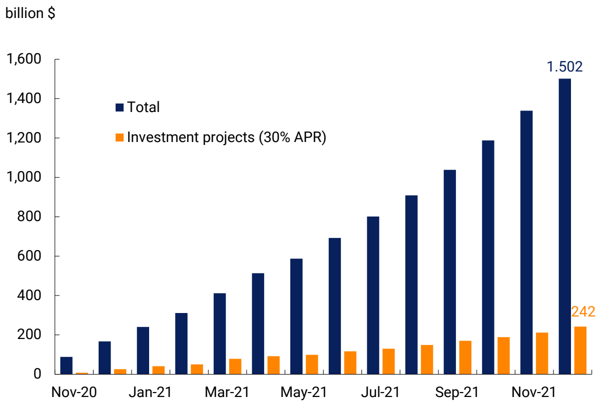
Business credit lines grew by 2.4% monthly at constant prices and in seasonally-adjusted terms, posting positive economic indicators in December. This financing was driven, once again, by credit lines arranged through promissory notes, which evidenced a 3.0% s.a. rise in real terms. Unsecured promissory notes, with longer terms, grew by 4.7% s.a., and discounted notes rose by 0.9% s.a. (which involved a deceleration against previous months), both at constant prices (see Chart 5.4). In turn, overdrafts rose at a similar interest rate to that of promissory notes (2.7% s.a. at constant prices), but contributed less to the total growth of loans. The analysis of business loans by type of debtor shows that financing to MSMEs as well as to big companies explains monthly growth (see Chart 5.3).

Chart 5.3 | Business Loans to Private Sector by Type of Debtor
Stock at constant prices



Source: BCRA.

Chart 5.4 | Financing Granted through the Credit Line for Productive Investment (LFIP)
Accrued disbursed amounts as to end-of-month



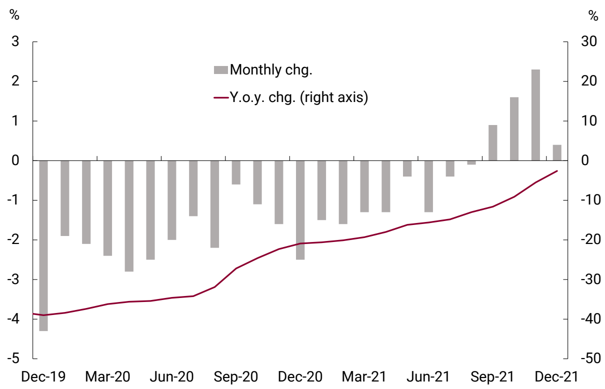
Source: BCRA.

The growth of business loans over the last few months is related, in part, to the Credit Line for Productive Investment (LFIP) granted to MSMEs. The loans granted until the end of December within the framework of the LFIP accrued about ARS1,502 billion from its implementation (see Chart 5.4), increasing by 12% against the end of November. 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. As of now, more than 209,000 companies have had access to credit within the framework of the LFIP.

As regards loans to consumption, financing on credit cards posted a contraction in real terms once again in December (-0.8% s.a.). In turn, personal loans grew by 0.4% monthly at constant prices, going through a recovery process that had started four months before (see Chart 5.5). The interest rate on personal loans increased 1.2 p.p. on average and reached 53% APR in December.

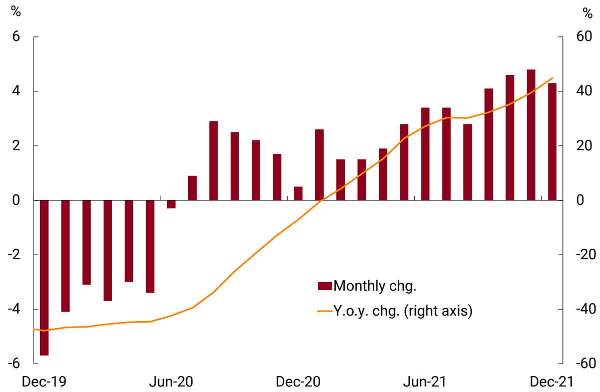
As for loans with real property collateral, pledge-backed loans posted the highest growth, evidencing 18 months of improvement in real terms (see Chart 5.6). Thus, they improved by 4.3% s.a. at constant prices in December, with an accrued expansion of 44.8% over the last twelve months. In turn, the stock of mortgage-backed loans remained virtually stable in real and seasonally-adjusted terms, with an accrued fall of 15.4% over the last 12 months.

Chart 5.5 | Personal Loans, Seasonally-Adjusted
Change at constant prices



Source: BCRA.

Chart 5.6 | Pledge-Backed Loans
Change of average monthly stock at constant prices



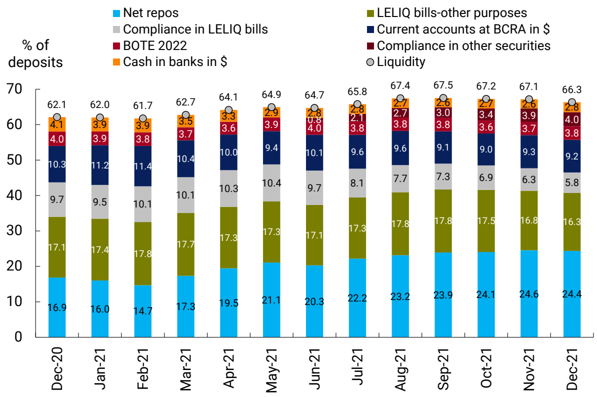
Source: BCRA.

6. Financial Institutions' Liquidity in Pesos

In December, broad liquidity in domestic currency.[5] **averaged 66.3% of deposits, down 0.8 p.p. against November, remaining at historically high levels**. As regards bank liquidity components, minimum cash requirements met with sovereign bonds went on increasing at the expense of LELIQ bills. In December, net repos fell by 0.2 p.p. and cash in banks increased by 0.2 p.p. (see Chart 6.1).

5 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.

Chart 6.1 | Financial Institutions' Liquidity in Pesos



Source: BCRA.

7. Foreign Currency

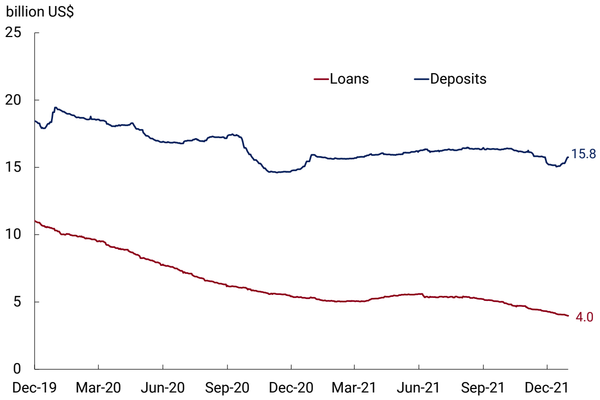
The average stock of deposits in foreign currency from the private sector contracted USD640 million against November. However, the month-on-month change expanded USD393 million. Hence, the average monthly fall was mainly explained by November's statistical carryforward. December´s growth was driven by the exemption of the personal property tax from sight deposits, both in pesos and in foreign currency. Thus, the stock of private sector deposits in foreign currency stood at USD15.75 billion at the end of the year (see Chart 7.1). **Loans in foreign currency to the private sector went on presenting a downward trend in December.** Indeed, the average monthly stock of such loans reached USD4.12 billion, down USD309 million vis-à-vis November. The fall was concentrated in financing arranged through unsecured promissory notes.

In this context, bank liquidity in foreign currency climbed once again for seven months running, and averaged 81.8% of deposits in December. This rise was explained by cash in banks and was in part offset by a fall in current accounts at the BCRA (see Chart 7.2).

In turn, some regulatory changes on the foreign exchange system took place in December. On the one hand, the Board of the BCRA has extended for six months the effectiveness of the exchange provisions—expiring at the end of the year—on payments for imports of goods and refinancing of debt securities in foreign currency and other financial liabilities. On the other hand, the Board provided that the mechanism of foreign currency availability for exporters recording increased sales in 2022 compared to 2021 should remain effective. It also extended the maximum amount and adopted eligibility criteria for using resources to repay commercial debts with new financial debts held abroad[6]. This measure seeks to make the private sector's renegotiation easier. Finally, Executive Order No. 836/2021 provides for better conditions of access to the forex market for the companies whose investments expand Argentina's export capacity. The Order is intended to cope with the particular needs of big investments' maturity and financing so that they may make their startup successful[7].

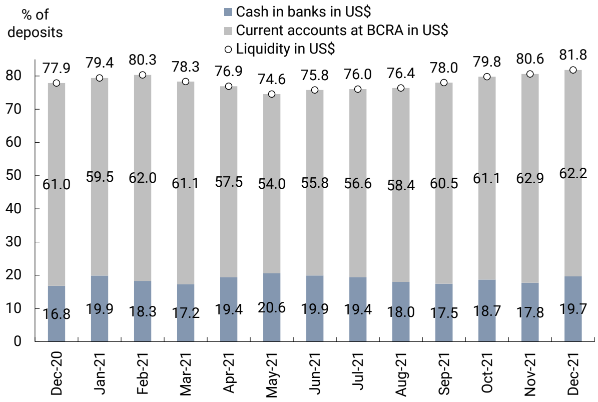
6 Communication "A" 7416.
7 Communication "A" 7420.

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



Source: BCRA.

Chart 7.2 | Financial Institutions' Liquidity in Foreign Currency

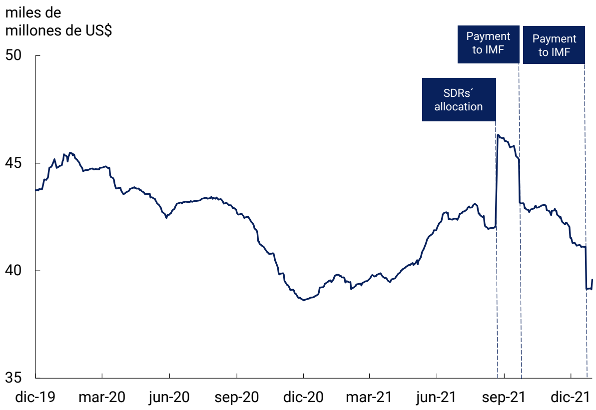


Source: BCRA.

At the end of December, BCRA's international reserves reached USD39.58 billion, USD1.94 billion down against the end of November (see Chart 7.3). It is worth noting that most of the fall recorded in December was explained by the payment of principal to the IMF for about USD1.85 billion under the Stand-By Agreement (SBA). Thus, international reserves accrued a USD195 million rise over 2021.

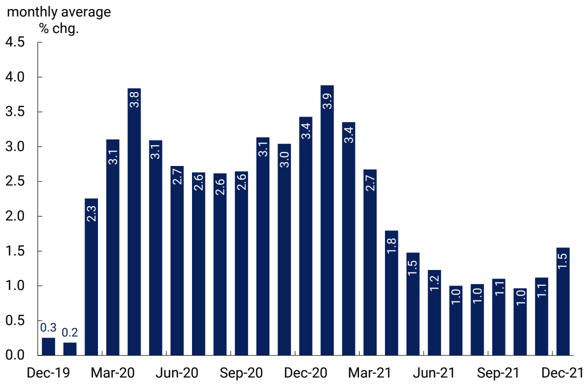
Last, the authorities sought to gradually moderate the depreciation pace of domestic currency once electoral uncertainty was over, and in view of the evolution of the real exchange rate. Hence, **the ARS/USD nominal exchange rate depreciated by 1.5% in December and averaged ARS101,88/USD1** (see Chart 7.4).

Chart 7.3 | International Reserves
Daily stock



Fuente: BCRA.

Chart 7.4 | Change in Bilateral Nominal Exchange Rate against USA



Source: BCRA.

8. Regulatory Overview

Date of issue	Regulation	Description
9-Dec-21	Comm. "A" 7416	**The Board of the BCRA has extended for six months the effectiveness of the exchange provisions on payments for imports of goods and refinancing of debt securities in foreign currency and other financial liabilities expiring at the end of the year.** In order to make it easier for the private sector to renegotiate their liabilities, it also extended the maximum amount and eligibility criteria in the use of resources for the repayment of commercial debts with new financial debts held abroad. Moreover, **the Board also kept the effectiveness of the mechanism of foreign currency availability for exporters whose exports increased in 2022 compared to 2021**.
16-Dec-21	Comm. "A" 7420	Executive Order No. 234/2021, established in April, set that companies that make investment projects exceeding USD500 million, in the framework of the Investment Promotion Regime for Exports, may allocate up to 20% of the foreign currency proceeds from their exports to pay principal and interest on commercial or financial liabilities abroad and/or profits and dividends from closed and audited balance sheets and/or to repatriate non-residents' direct investments. Then, Executive Order No. 836/2021 established that anyone submitting such projects **will be entitled to enjoy an extended benefit for every calendar year in which the benefit has not been used**, regardless of the underlying reasons. This benefit may be enjoyed **once the second year has elapsed from the date of the first inflow of foreign currency used for the startup**. Finally, unused funds may be deposited in foreign currency accounts held in local financial institutions or in correspondent banks abroad or in bank accounts held in financial institutions located abroad, except for those incorporated in countries or territories which apply the recommendations of the Financial Action Task Force (FATF) inadequately.
16-Dec-21	Comm. "A" 7421	It was established that **financial institutions will be allowed—as of next year—to distribute up to 20% of the earnings retained until December 31, 2021, in twelve consecutive monthly installments**, in accordance with the rules on distribution of earnings. This prudential regulation seeks to ensure the soundness of the financial system in a context of increased lending.
23-Dec-21	Comm. "A" 7427	**Certain regulations related to minimum cash requirements were postponed until December 31, 2022. They are concerned with certain transactions in pesos, net LELIQ bill surplus, interest rates in lending transactions, financial institutions' expansion, and customer service in operating offices.**
30-Dec-21	Comm. "A" 7429	**It was decided that financial institutions shall keep in reserve 100% of the funds deposited by payment service providers offering payment accounts** (*proveedores de servicios de pago que ofrecen cuentas de pago*, PSPOCPs)—known as electronic wallets. This is to preserve deposits from any contingencies and to ensure that funds are available at all times. This measure contributes to the transactional nature of payment accounts while favoring the expansion of digital means of payment, and endowing them with enhanced transparency and security. **It does not cover electronic wallet investment accounts, which yield a return on deposited funds. The conditions for these accounts remain unchanged.**
30-Dec-21	Comm. "A" 7430	In order to encourage financing to small- and medium-sized enterprises, **financial institutions were empowered to take part in mutual funds under the "Special Regime for the Creation of SME Mutual Funds".** The investment in each of these funds may not exceed 15% of the total amount of the issue and 2% of the minimum regulatory capital.

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 Dec-21						% of GDP	
						Monthly		Accrued in 2021		Year-on-year			
	Dec-21	Nov-21	Oct-21	Sep-21	Dec-20	Nominal n.s.a.	Real s.a.	Nominal n.s.a.	Real s.a.	Nominal	Real	Dec-21	Dec-20
Monetary base	**3,394,480**	**3,148,096**	**3,009,316**	**2,937,229**	**2,425,025**	7.8%	-1.3%	40.0%	-9.3%	40.0%	-9.3%	**6.2%**	**7.1%**
Currency in circulation	2,504,731	2,293,738	2,216,119	2,164,627	1,792,980	9.2%	-0.2%	39.7%	-9.4%	39.7%	-9.4%	**4.7%**	**5.4%**
Cash Held by the Public	2,232,474	2,058,042	1,979,809	1,945,661	1,542,670	8.5%	0.4%	44.7%	-6.2%	44.7%	-6.2%	**4.3%**	**4.7%**
Cash in financial institutions	272,257	235,697	236,309	218,966	250,310	15.5%	-4.9%	8.8%	-29.5%	8.8%	-29.5%	**0.5%**	**0.7%**
Current accounts at BCRA	889,749	854,357	793,197	772,602	632,045	4.1%	-4.0%	40.8%	-8.7%	40.8%	-8.7%	**1.6%**	**1.8%**
BCRA's remunerated liabilities (NV $)	**4,507,446**	**4,369,253**	**4,276,508**	**4,156,737**	**2,693,887**	3.2%	-0.8%	67.3%	8.5%	67.3%	8.5%	**8.6%**	**7.9%**
Reverse repos	2,367,419	2,250,887	2,122,782	2,027,150	1,040,558	5.2%	1.1%	127.5%	47.5%	127.5%	47.5%	**4.5%**	**3.9%**
1 day	110,546	93,249	86,232	49,100	262,283	18.5%	14.0%	-57.9%	-72.7%	-57.9%	-72.7%	**0.2%**	**0.1%**
7 days	2,256,874	2,157,638	2,036,551	1,978,050	778,276	4.6%	0.6%	190.0%	88.0%	190.0%	88.0%	**4.3%**	**3.8%**
Stock of LELIQ bills	2,140,026	2,118,366	2,153,725	2,129,586	1,653,328	1.0%	-2.9%	29.4%	-16.1%	29.4%	-16.1%	**4.1%**	**4.1%**
BCRA' s international reserves in dollars	**40,579**	**42,464**	**42,920**	**44,929**	**38,898**	-4.4%	-	4.3%	-	4.3%	-	**7.9%**	**11.2%**

Monthly average explanatory factors	Monthly		Quarterly		Accrued in 2021		Year-on-year	
	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution	Nominal	Contribution
Monetary base	**246,384**	**7.8%**	**457,251**	**15.6%**	**969,455**	**40.0%**	**969,455**	**40.0%**
Foreign exchange purchases to private sector and others	-73,117	-2.3%	-147,219	-5.0%	503,773	20.8%	503,773	20.8%
Foreign exchange purchase to the NT	0	0.0%	230,204	7.8%	80,054	3.3%	80,054	3.3%
Temporary advances and profit transfers to National Government	359,700	11.4%	546,652	18.6%	1,379,099	56.9%	1,379,099	56.9%
Other public-sector transactions	10,068	0.3%	-26,602	-0.9%	-19,949	-0.8%	-19,949	-0.8%
Repos and LELIQ bills	-6,035	-0.2%	42,504	1.4%	-492,098	-20.3%	-492,098	-20.3%
Others	-44,232	-1.4%	-188,287	-6.4%	-481,423	-19.9%	-481,423	-19.9%
International reserves	**-1,885**	**-4.4%**	**-4,350**	**-9.7%**	**1,681**	**4.3%**	**1,681**	**4.3%**
Purchases of foreign currency	-723	-1.7%	-1,465	-3.3%	5,638	14.5%	5,638	14.5%
International organizations	-749	-1.8%	-2,773	-6.2%	-776	-2.0%	-776	-2.0%
Other public-sector transactions	879	2.1%	3,006	6.7%	2,242	5.8%	2,242	5.8%
Minimum cash requirements	-458	-1.1%	-104	-0.2%	507	1.3%	507	1.3%
Others (incl. forex valuation)	-833	-2.0%	-3,015	-6.7%	-5,930	-15.2%	-5,930	-15.2%

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

Minimum Cash Requirement and Compliance	Dec-21	Nov-21	Oct-21
Domestic Currency	% of total deposits in pesos		
Requirement	22.3	22.8	22.7
Compliance in current account	9.2	9.3	9.0
Compliance in Leliq	18.3	19.3	20.0
Compliance in BOTE 2022	3.8	3.7	3.6
Compliance in Other Facilities	4.0	3.9	3.4
Foreign Currency	% of total deposits in foreign currency		
Requirement	24.0	24.0	24.0
Compliance (includes default application resource)	62.2	62.9	61.1
Position [1]	38.2	38.9	37.1

(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 Dec-21						% of GDP[4]	
	Dec-21	Nov-21	Oct-21	Sep-21	Dec-20	Monthly		Accrued in 2021		Year-on-year		Dec-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]	**9,607,657**	**9,068,782**	**8,720,845**	**8,378,099**	**6,067,454**	5.9%	-0.7%	58.3%	2.7%	58.3%	2.7%	**17.9%**	**18.0%**
Private sector deposits	*7,742,322*	*7,265,544*	*7,019,157*	*6,744,340*	*4,876,262*	6.6%	-0.8%	58.8%	2.9%	58.8%	2.9%	**14.4%**	**14.4%**
Private Sector Sight Deposits	4,120,056	3,730,523	3,538,181	3,337,794	2,568,338	10.4%	-0.4%	60.4%	4.0%	60.4%	4.0%	**7.4%**	**7.3%**
Non-interest bearing (transactional)	*3,306,272*	*2,944,683*	*2,823,507*	*2,661,378*	*2,138,131*	12.3%	-0.4%	54.6%	0.2%	54.6%	0.2%	**5.9%**	**6.0%**
Interest-bearing	813,784	785,839	714,674	676,415	430,208	3.6%	-0.4%	89.2%	22.6%	89.2%	22.6%	**1.5%**	**1.3%**
Private Sector Time Deposits and Others	3,622,266	3,535,021	3,480,976	3,406,546	2,307,923	2.5%	-1.5%	56.9%	1.7%	56.9%	1.7%	**6.9%**	**7.0%**
Time Deposits	3,473,729	3,402,643	3,353,431	3,287,728	2,203,582	2.1%	-1.8%	57.6%	2.2%	57.6%	2.2%	**6.6%**	**6.7%**
CER / UVA non-adjustable	3,314,077	3,248,768	3,197,155	3,116,112	2,150,510	2.0%	-1.9%	54.1%	-0.1%	54.1%	-0.1%	**6.3%**	**6.5%**
CER / UVA-adjustable	159,652	153,875	156,276	171,617	53,072	3.8%	-0.2%	200.8%	95.0%	200.8%	95.0%	**0.3%**	**0.2%**
Traditional	102,684	100,535	103,505	112,242	41,600	2.1%	-1.8%	146.8%	60.0%	146.8%	60.0%	**0.2%**	**0.1%**
Early-payment	56,968	53,340	52,771	59,374	11,472	6.8%	2.7%	396.6%	221.9%	396.6%	221.9%	**0.1%**	**0.0%**
Other deposits	148,537	132,378	127,546	118,818	104,341	12.2%	7.9%	42.4%	-7.7%	42.4%	-7.7%	**0.3%**	**0.4%**
Public sector deposits[2]	*1,865,336*	*1,803,239*	*1,701,688*	*1,633,759*	*1,191,192*	3.4%	-0.5%	56.6%	1.5%	56.6%	1.5%	**3.6%**	**3.6%**
Monetary Aggregates													
Total M2	7,145,041	6,499,094	6,147,014	5,849,198	4,630,012	9.9%	0.2%	54.3%	0.0%	54.3%	0.0%	**13.1%**	**13.4%**
Total M3	11,929,296	11,222,338	10,814,606	10,438,540	7,702,370	6.3%	-0.6%	54.9%	0.4%	54.9%	0.4%	**22.3%**	**22.8%**
Private sector monetary aggregates													
Private M2	6,352,529	5,788,564	5,517,990	5,283,455	4,111,008	9.7%	0.8%	54.5%	0.2%	54.5%	0.2%	**11.7%**	**12.1%**
Transactional private M2[3]	5,538,746	5,002,725	4,803,316	4,607,039	3,680,801	10.7%	-0.1%	50.5%	-2.5%	50.5%	-2.5%	**10.1%**	**10.7%**
Private M3	9,974,795	9,323,585	8,998,966	8,690,001	6,418,932	7.0%	-0.5%	55.4%	0.7%	55.4%	0.7%	**18.8%**	**19.1%**
Total loans to the non-financial sector in pesos	**4,057,200**	**3,811,718**	**3,548,945**	**3,349,307**	**2,752,719**	6.4%	2.0%	47.4%	-4.5%	47.4%	-4.5%	**7.5%**	**8.1%**
Loans to the non-financial private sector	***4,002,504***	***3,763,946***	***3,502,812***	***3,304,784***	***2,705,835***	6.3%	1.9%	47.9%	-4.1%	47.9%	-4.1%	**7.4%**	**8.0%**
Overdrafts	392,689	368,292	345,572	317,158	279,663	6.6%	2.7%	40.4%	-9.0%	40.4%	-9.0%	**0.7%**	**0.8%**
Promissory notes	1,010,500	936,739	835,834	781,440	644,480	7.9%	3.0%	56.8%	1.6%	56.8%	1.6%	**1.9%**	**1.9%**
Mortgage-backed loans	280,275	268,694	260,256	250,667	214,677	4.3%	0.1%	30.6%	-15.4%	30.6%	-15.4%	**0.5%**	**0.6%**
Pledge-backed loans	229,358	213,620	196,498	181,191	102,658	7.4%	4.3%	123.4%	44.8%	123.4%	44.8%	**0.4%**	**0.3%**
Personal loans	665,925	636,457	599,770	570,481	443,158	4.6%	0.4%	50.3%	-2.6%	50.3%	-2.6%	**1.3%**	**1.3%**
Credit cards	1,197,582	1,125,033	1,063,297	999,370	847,189	6.4%	-0.8%	41.4%	-8.4%	41.4%	-8.4%	**2.2%**	**2.4%**
Others	226,175	215,111	201,585	204,477	174,011	5.1%	-0.5%	30.0%	-15.7%	30.0%	-15.7%	**0.4%**	**0.5%**
Loans to the non-financial public sector	***54,696***	***47,772***	***46,133***	***44,523***	***46,884***	14.5%	10.1%	16.7%	-24.4%	16.7%	-24.4%	**0.1%**	**0.1%**
Foreign currency													
Deposits from the non-financial sector in dollars[1]	**18,236**	**18,753**	**19,038**	**18,930**	**17,775**	-2.8%	-	2.6%	-	2.6%	-	**3.6%**	**4.5%**
Deposits from the non-financial private sector in dollars	15,256	15,896	16,273	16,354	15,112	-4.0%	-	1.0%	-	1.0%	-	**3.0%**	**3.8%**
sight deposits	11,233	11,780	12,010	12,085	10,829	-4.6%	-	3.7%	-	3.7%	-	**2.2%**	**2.7%**
time deposits and others	4,022	4,116	4,263	4,269	4,283	-2.3%	-	-6.1%	-	-6.1%	-	**0.8%**	**1.1%**
Deposits from the non-financial public sector in dollars	2,981	2,857	2,765	2,576	2,664	4.3%	-	11.9%	-	11.9%	-	**0.6%**	**0.7%**
Loans to the non-financial sector in dollars	**4,268**	**4,576**	**4,902**	**5,224**	**5,461**	-6.7%	-	-21.9%	-	-21.9%	-	**0.8%**	**1.4%**
Loans to the non-financial private sector in dollars	4,127	4,435	4,761	5,083	5,337	-7.0%	-	-22.7%	-	-22.7%	-	**0.8%**	**1.3%**
Promissory notes	2,729	2,984	3,305	3,582	3,556	-8.6%	-	-23.3%	-	-23.3%	-	**0.5%**	**0.9%**
Credit cards	137	138	115	96	93	-0.6%	-	47.4%	-	47.4%	-	**0.0%**	**0.0%**
Others	1,261	1,313	1,341	1,406	1,688	-4.0%	-	-25.3%	-	-25.3%	-	**0.2%**	**0.4%**
Loans to the non-financial public sector in dollars	141	141	141	141	124	0.0%	-	13.7%	-	13.7%	-	**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	Dec-21	EAR Dec-21	Nov-21	Oct-21	Sep-21	Dec-20
BCRA repo interest rates						
Overnight reverse repo	32.00	37.69	32.00	32.00	32.00	32.00
7-day reverse repo	36.50	43.87	36.50	36.50	36.50	36.50
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	38.00
Interbank market interest rates	**Dec-21**	**EAR Dec-21**	**Nov-21**	**Oct-21**	**Sep-21**	**Dec-20**
Repo rates among third parties on overnight REPO round	30.98	36.30	29.67	30.62	31.59	33.19
Volume of repos traded among third parties (daily average)	4,489	0	2,959	5,284	3,754	5,717
Calls in pesos (overnight)						
Interest rate	30.46	35.59	30.91	30.94	31.28	29.58
Traded volume	19,687	0	15,638	14,794	12,465	12,242
Borrowing interest rates	**Dec-21**	**EAR Dec-21**	**Nov-21**	**Oct-21**	**Sep-21**	**Dec-20**
Sight deposits						
Interest-bearing	28.95	33.13	29.11	30.24	30.33	26.60
Time deposits						
Natural persons´ up to $1 million (30-35 days)[1]	36.29	42.99	36.30	36.29	36.30	36.35
Total TM20 (more than $20 million, 30-35 days)	33.25	38.83	33.26	33.31	33.20	33.36
Private banks' TM20 (more than $20 million, 30-35 days)	33.98	39.82	33.95	33.95	33.94	34.20
Total BADLAR (more than $1 million, 30-35 days)	33.34	38.95	33.37	33.40	33.30	33.30
Private banks' BADLAR (more than $1 million, 30-35 days)	34.20	40.11	34.17	34.15	34.16	34.21
Interest rate on UVA deposits' early-payment option	30.50	35.15	30.50	30.50		
Lending interest rates	**Dec-21**	**EAR Dec-21**	**Nov-21**	**Oct-21**	**Sep-21**	**Dec-20**
Loans to the non-financial private sector in pesos						
Overdrafts	40.44	49.81	41.08	41.53	41.29	39.66
1 to 7 days—in accordance with companies—more than $10 million	35.36	42.25	35.19	35.24	35.77	33.24
Unsecured promissory notes	34.78	40.90	34.63	34.90	35.09	35.13
Mortgage-backed loans	29.71	34.12	28.78	31.51	28.03	32.29
Pledge-backed loans	28.16	32.11	27.80	27.59	27.74	32.29
Personal loans	53.00	67.99	51.79	52.86	53.65	55.39
Credit cards	42.66	52.09	42.99	42.67	42.87	41.98
Interest rate in foreign currency	**Dec-21**	**EAR Dec-21**	**Nov-21**	**Oct-21**	**Sep-21**	**Dec-20**
Time deposits in dollars (30 to 44 days)	0.37	0.37	0.37	0.37	0.38	0.42
Unsecured promissory notes in dollars	5.97	6.13	3.40	3.83	3.71	5.35
Exchange rate	**Dec-21**	**Monthly chg. (%)**	**Nov-21**	**Oct-21**	**Sep-21**	**Dec-20**
NER peso/dollar						
Wholesale rate (Comm. "A" 3.500)	101.88	1.55	100.33	99.22	98.27	81.86
Retail rate[2]	104.27	1.55	102.68	101.60	100.61	85.08
NER peso/dollar	18.01	-0.32	18.07	17.94	18.61	15.99
NER peso/euro	115.14	0.60	114.45	115.05	115.70	99.43
ITCNM	670.06	0.39	667.44	662.87	669.41	571.44
ITCRM	102.62	-2.07	104.79	106.57	110.92	123.98

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