

# Non-Financial Credit Providers Report

December 2023



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

## Executive Summary

**Number of providers** | In August 2023, non-financial credit providers (*proveedores no financieros de crédito*, PNFCs) comprised 457 companies, 388 of which were other non-financial credit providers (*otros proveedores no financieros de crédito*, OPNFCs), and 112 of which were non-bank credit card issuers (*emisoras de tarjetas de crédito no bancarias*, ETCNBs).<sup>1</sup>

**Table 1 | Number of PNFCs by group**

Groups	PNFC (Mar-23)	OPNFC (exclusively)	OPNFC and ETCNB	ETCNB (exclusively)	PNFC (Aug-23)
Cooperatives and mutuals	111	79	6	26	111
Fintech	54	46	7		53
Sale of household appliances	25	25			25
Leasing & factoring	18	19			19
Other chain stores	4		2	2	5
Other providers	244	175	29	40	244
<b>TOTAL</b>	<b>456</b>	<b>344</b>	<b>44</b>	<b>68</b>	<b>457</b>
Related to financial institutions	5	7	1		8
Registered as PSP		12	4	1	17

Source | BCRA.

**Number of credit lines** | The total number of credit lines granted by PNFCs reached a record high of 15.2 million in June 2023, rising by 3.2% from December 2022. Such positive performance in the six-month period was mostly driven by personal loans, which amounted to 8.5 million (up 5.2% in the period).

**Table 2 | Credit lines disaggregated by amount and number**

Amounts and number	Dec-18	Dec-19	Dec-20	Dec-21	Jun-22	Dec-22	Jun-23	% var. Jun-23/Dec-22
<b>Amount (billion ARS Jun-23)</b>	<b>1.540</b>	<b>1.275</b>	<b>1.242</b>	<b>1.550</b>	<b>1.523</b>	<b>1.478</b>	<b>1.299</b>	<b>-12</b>
Cards	906	722	737	827	787	774	700	-10
Personal loans	519	405	357	532	570	545	472	-13
Rest of credit lines	114	148	148	191	165	160	127	-20
Cooperatives and mutuals	80	107	99	114	102	94	77	-18
Other chain stores	203	195	152	133	128	124	110	-11
Fintech	88	66	61	190	232	237	214	-10
Sale of household appliances	234	189	151	168	147	143	121	-16
Leasing & factoring	4	38	38	35	30	27	23	-14
Other providers	931	681	740	910	883	854	754	-12
<b>Number of credit lines (millions)</b>	<b>11,2</b>	<b>10,4</b>	<b>9,6</b>	<b>12,4</b>	<b>14,0</b>	<b>14,7</b>	<b>15,2</b>	<b>3</b>
Cards	6,7	6,2	5,8	5,6	5,6	5,6	5,7	2
Personal loans	3,8	3,5	3,2	5,9	7,5	8,1	8,5	5
Rest of credit lines	0,7	0,7	0,7	0,9	0,9	0,9	0,9	-4

Note: "Rest of credit lines" includes pledge and mortgage loans, promissory notes, overdrafts, pre-financing, and others.

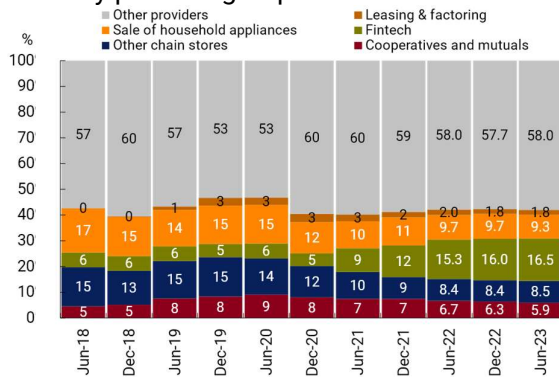
Source | BCRA and National Institute of Statistics and Censuses of Argentina (INDEC).

<sup>1</sup> The sum of OPNFCs and ETCNBs exceeds the number of PNFCs because some companies are recorded as both credit providers and credit card issuers.

**Stock of financing** | In June 2023 PNFCs reported a stock of financing of ARS1.3 trillion, down 12% against December 2022 (in real terms) and down 15% in year-on-year (y.o.y.) terms. Analyzing the types of credit lines, there was a steeper fall in personal loans than in credit cards (a real reduction of 13.3% and 9.6% in the six-month period, respectively). Credit card financing had the largest share in the stock of lending—54% of the total as of June 2023.

**Stock of financing by group** | The share of *fintechs* and *other providers* in total stock slightly increased, whereas the share of *sale of household appliances* and *cooperatives and mutuals* fell on a similar moderate basis. The stock of financing decreased at constant prices across all groups (between 10% and 18% in the six-month period). As for the *fintech* group, the stock of financing shrank for the first time since the registration of PNFCs (December 2020) became mandatory.

**Chart 1 | Reported total stock**  
Share by provider group

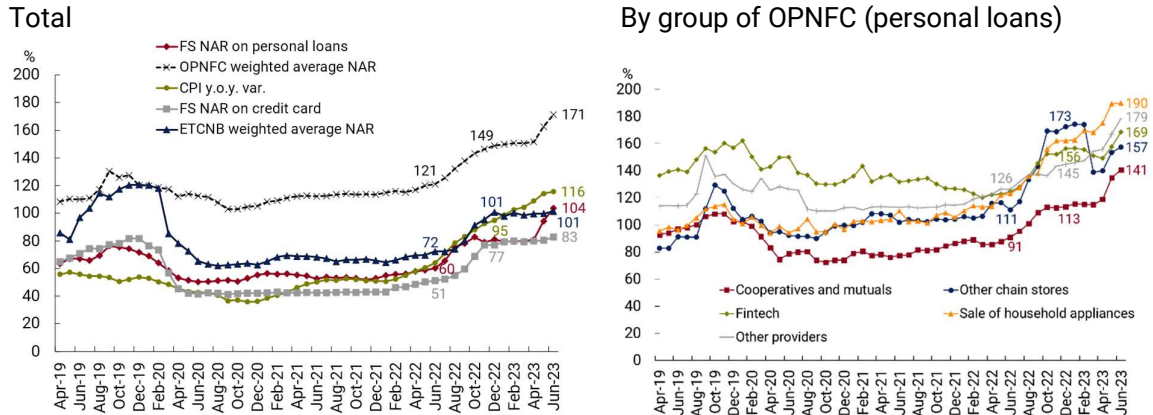


Source | BCRA and INDEC.

**Interest rate on personal loans and credit cards** | The weighted average nominal annual interest rate (NAR) on personal loans granted by OPNFCs increased by 22 percentage points (p.p.) compared to December 2022, reaching 171% in June 2023. The weighted average NAR on credit cards issued by ETCNBs was more stable in the first six months of the year—standing at 101% in June 2023—as a result of the measures adopted by the BCRA in this respect.

The interest rates charged on personal loans rose across all groups in the first six months of the year, following the trend observed in the previous six months. The companies of the *sale of household appliances* group reported the highest weighted average NAR on personal loans among OPNFCs in the first half of the year—190% in June 2023, i.e., 28 p.p. higher than December 2022.

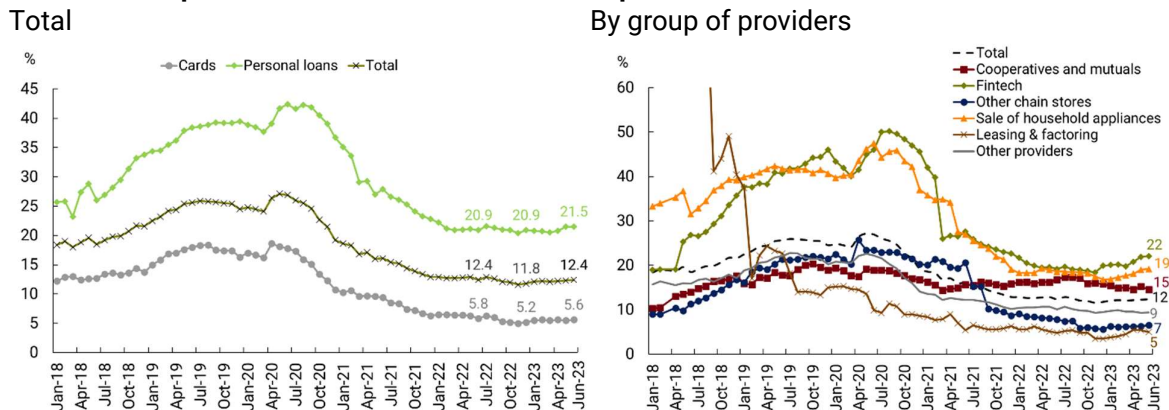
**Chart 2 | NAR on personal loans (OPNFCs) and credit cards (ETCNBs)**



Note: the rates charged by OPNFC groups are weighted by personal loans.  
Source | BCRA and INDEC.

**Total non-performing loans** | The non-performance ratio of PNFC loans rose 0.6 p.p. in the six-month period to 12.4% in June 2023, which proved to be much higher for personal loans (21.5%) than for credit cards (5.6%). The *sale of household appliances* and *fintech* groups exhibited the highest six-month rise in non-performance (2.4 p.p. and 2.2 p.p., respectively), and reported the highest levels as of June 2023 (19% and 22%).

**Chart 3 | Non-performance ratio of PNFCs' credit portfolios**



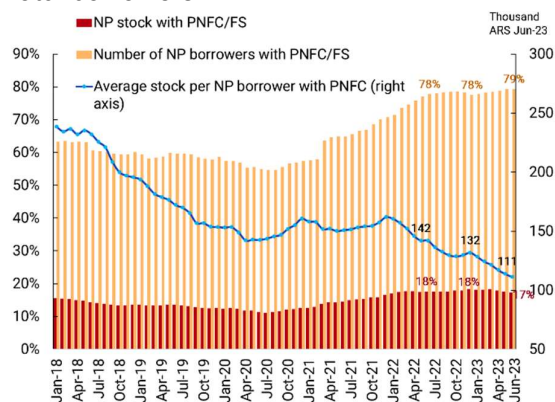
Source | BCRA.

**PNFC vs. financial system credit** | As of June 2023, the number of natural persons (NPs) who borrowed from PNFCs accounted for 79% of borrowers of the financial system (FS),<sup>2</sup> while the share significantly decreased to 17% in terms of stock (this means that the average debt owed to financial institutions is four times higher than that owed to PNFCs).

<sup>2</sup> As of June 2023, the FS had a total of 13.3 million NP borrowers.

## Chart 4 | Stock and number of borrowers: PNFCs vs. FS

### Total borrowers



Source | BCRA and INDEC.

## Analysis of PNFCs' Borrowers

**Number of borrowers** | 10.6 million had a credit product from a PNFC in June 2023, up 4% against the end of 2022 and 8% y.o.y. There were rises both in the number of exclusive borrowers of PNFCs (190,000) and in those who also borrowed from FIs (225,000). The *fintech* group explained that increase after incorporating around 550,000 borrowers in the six-month period, reaching 5 million customers.

Table 3 | Number of borrowers

Number of borrowers (thousands)	Dec-18	Dec-19	Dec-20	Dec-21	Jun-22	Dec-22	Jun-23	% var. Jun-23/Dec-22
<b>Total</b>	<b>7,676</b>	<b>7,439</b>	<b>7,048</b>	<b>8,718</b>	<b>9,764</b>	<b>10,176</b>	<b>10,591</b>	<b>4</b>
Legal persons	11	22	21	25	26	27	27	1
Natural persons	7,665	7,418	7,026	8,693	9,738	10,149	10,564	4
men	3,808	3,677	3,464	4,179	4,627	4,800	4,997	4
women	3,837	3,722	3,538	4,488	5,064	5,307	5,532	4
unidentified	20	19	24	26	47	42	35	-16
0-29 years	1,040	893	778	1,567	2,032	2,184	2,323	6
30-64 years	5,430	5,296	5,042	5,866	6,409	6,653	6,920	4
+65 years	1,195	1,229	1,206	1,259	1,297	1,311	1,318	1
Cooperatives and mutuals	357	425	386	411	409	414	396	-4
Other chain stores	1,399	1,391	1,183	852	875	837	859	3
Fintech	567	570	583	2,805	3,907	4,433	4,985	12
Sale of household appliances	1,827	1,684	1,361	1,384	1,442	1,482	1,482	0
Leasing & factoring	11	7	5	5	5	5	5	0
Other providers	5,246	4,941	4,857	5,140	5,371	5,398	5,415	0
PNFC exclusively	2,805	2,848	3,208	4,531	5,244	5,379	5,569	4
Without a salary account	4,770	4,575	4,275	5,481	6,373	6,656	6,985	5
With credit card lending	5,647	5,361	5,060	4,931	4,973	4,992	5,074	2
With personal loans	2,964	2,714	2,475	4,642	5,869	6,341	6,738	6

Source | BCRA.

**Borrowers geographical location** | As of the end of the first half of 2023, 30% of the adult population in Argentina had a credit product from a PNFC. As for the distribution of borrowers by jurisdiction, the Province of Buenos Aires had the largest share (33%), followed by Córdoba (9%) and Santa Fe (7%).

**Chart 4 | Geographical location - Number of NP borrowers**

Jurisdiction	PNFC			Fintech			Sale household appl.			Coops. & mutuals			Other providers		
	Total (thousands)	% of borrowers	% of population	Total (thousands)	% of group	% of population	Total (thousands)	% of group	% of population	Total (thousands)	% of group	% of population	Total (thousands)	% of group	% of population
Neuquén	224	2	43	102	2	20	17	1	3	29	7	6	124	2	24
San Luis	174	2	43	90	2	22	29	2	7	3	1	1	100	2	25
La Rioja	133	1	43	47	1	15	30	2	10	2	1	1	88	2	28
Catamarca	134	1	41	39	1	12	29	2	9	5	1	2	95	2	29
Santa Cruz	115	1	40	57	1	20	11	1	4	3	1	1	63	1	22
San Juan	238	2	39	102	2	17	34	2	6	9	2	1	148	3	24
Río Negro	224	2	38	100	2	17	34	2	6	14	3	2	123	2	21
Corrientes	318	3	37	151	3	18	72	5	8	8	2	1	165	3	19
Tucumán	467	4	36	116	2	9	53	4	4	6	1	0	367	7	28
Chubut	171	2	35	81	2	16	20	1	4	5	1	1	89	2	18
Formosa	156	1	34	85	2	19	32	2	7	2	1	1	73	1	16
Tierra del Fuego	49	0	34	16	0	11	1	0	1	1	0	0	32	1	23
Misiones	321	3	34	183	4	19	85	6	9	14	4	2	125	2	13
Chaco	302	3	33	112	2	12	86	6	9	15	4	2	158	3	17
Córdoba	994	9	33	302	6	10	132	9	4	26	7	1	692	13	23
Santiago del Estero	247	2	33	58	1	9	43	3	6	5	1	1	175	3	24
Mendoza	510	5	33	258	5	17	73	5	5	12	3	1	269	5	17
Salta	338	3	32	116	2	11	47	3	4	5	1	0	226	4	21
Jujuy	179	2	30	58	1	10	28	2	5	2	0	0	127	2	21
Entre Ríos	322	3	30	117	2	11	84	6	8	23	6	2	189	3	17
CABA	641	6	26	350	7	14	26	2	1	14	3	1	260	5	10
Buenos Aires	3,506	33	25	2,161	43	16	344	23	3	88	22	1	1,327	25	10
La Pampa	72	1	25	27	1	9	19	1	7	1	0	1	37	1	13
Santa Fe	694	7	25	239	5	8	149	10	5	104	26	4	342	6	12
Total	10,529	100	30	4,978	100	14	1,477	100	4	395	100	1	5,393	100	15

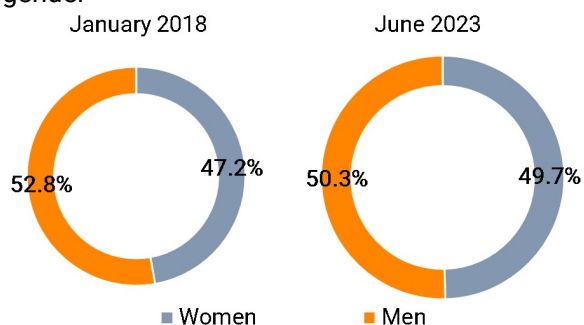
Note: data as of June 2023. The population aged 15+ is included. The total shown in this chart differs from that appearing in the previous section because geographical information of borrowers is missing.

Source | BCRA and Federal Administration of Public Revenue (AFIP).

**Stock of financing by gender** | Men continued holding the greatest share—50.3%—by the end of the first half of 2023. However, this is a historical low bearing in mind the recent trend of rising share of women.

**Chart 5 | Share in the stock of financing by PNFCs**

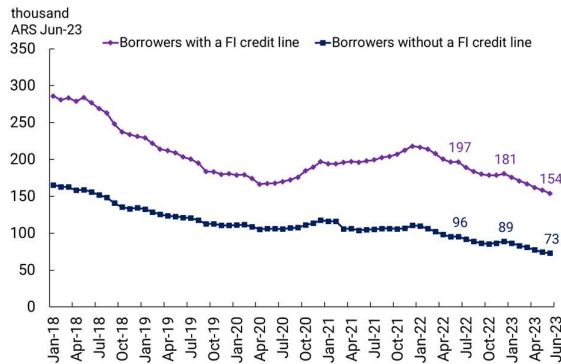
By gender



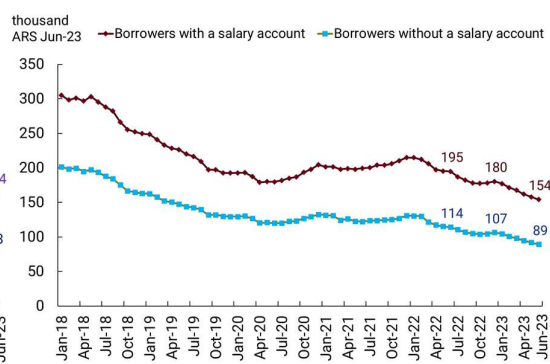
Source | BCRA.

**Stock of financing and average debt by salary account holding** | 48% of total debt owed by NPs is held by borrowers who are not paid through a salary account. It should be noted that the average stock of debt of this segment is about 40% lower than that of borrowers who get paid through a salary account.

**Chart 6 | Average stock per PNFC borrower**  
Salary account holding



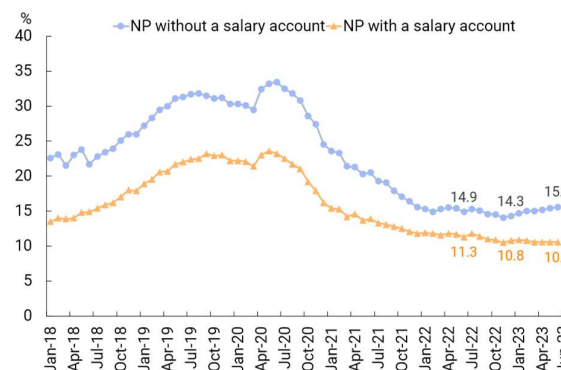
Debt with the FS



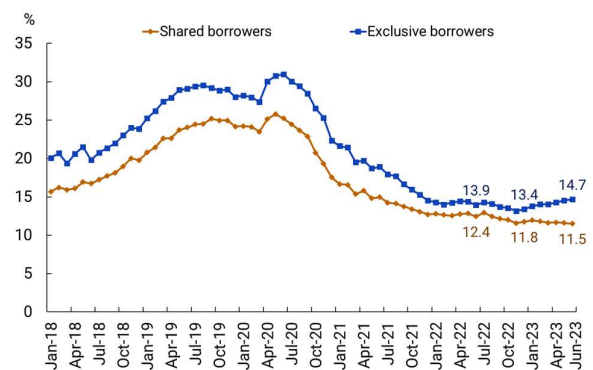
Source | BCRA and INDEC.

**Non-performance ratios according to borrowers' characteristics** | NPs without a salary account (identifying individuals who are not under an employment relationship) accounted for the increase in non-performance in the first half of 2023. Such variation is also observed in the subset of borrowers without a credit product from a FI (PNFC exclusive borrowers). Borrowers under 29 posted the highest non-performance ratio. In addition, the ratio of this age segment grew the most, rising 2 p.p. from December 2022.

**Chart 7 | Non-performance of the portfolio (NP)**  
Salary account holding



Debt with the FS



Source | BCRA.

### Debt of PNFCs' Customers with Financial Institutions

**Number of borrowers and stock of NP financing** | The number of borrowers shared by PNFCs and FIs reached 5 million NPs, climbing 5% in the first half of 2023. Like in the case of PNFCs' portfolios, the number of NP customers increased in the first half of the year, whereas their stock declined 6% in the same period.

Credit card lending kept on representing the largest share in the total number of credit lines granted to NPs (51% as of June 2023), despite a fall of 2 p.p. against December 2022. In contrast, personal loans slightly increased their share in the total figure, like the rest of credit lines.<sup>3</sup> The total outstanding balance of NPs dropped 6% at constant values in the first half of 2023.

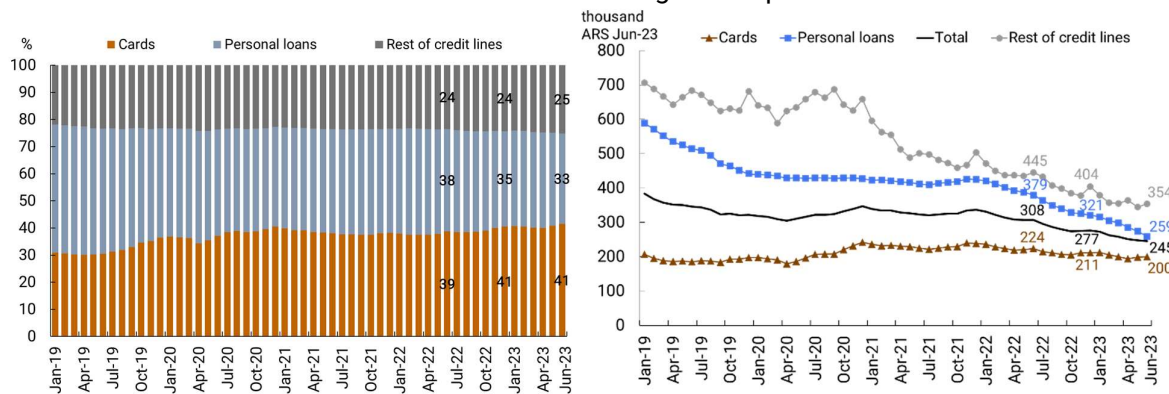
**Table 5 | Loans from FIs to PNFCs' customers**

Amounts and number	Dec-19	Dec-20	Dec-21	Jun-22	Dec-22	Jun-23	% var. Jun-23/Dec-22
<b>Number of borrowers (NP) (millions)</b>	<b>4.6</b>	<b>3.8</b>	<b>4.2</b>	<b>4.5</b>	<b>4.8</b>	<b>5.0</b>	<b>5</b>
<b>Number of credit lines (millions)</b>	<b>9.6</b>	<b>7.7</b>	<b>8.3</b>	<b>8.8</b>	<b>9.3</b>	<b>9.8</b>	<b>5</b>
Personal loans	2.8	2.3	2.5	2.7	2.8	3.1	10
Credit cards	5.7	4.5	4.4	4.7	4.9	5.0	1
<b>Amount (billion ARS Jun-23)</b>	<b>7,958</b>	<b>6,564</b>	<b>6,608</b>	<b>6,571</b>	<b>6,002</b>	<b>6,131</b>	<b>2</b>
Natural persons (NPs)	3,073	2,648	2,753	2,687	2,535	2,371	-6
With a salary account	2,257	1,920	2,037	2,002	1,883	1,770	-6
Without a salary account	815	729	716	685	652	601	-8
Average debt per NP client (thousand ARS Jun-23)	<b>672</b>	<b>693</b>	<b>661</b>	<b>597</b>	<b>531</b>	<b>474</b>	<b>-11</b>

Source | BCRA and INDEC.

**Average stock of financing by type of credit line** | The average stock of financing per credit line went down in the first half of the year (11%). The fall in the average stock was greater in personal loans (down 15% in June 2023 compared to December 2022) than in credit cards (5%).

**Chart 8 | FI loans to shared NPs**  
Share in the stock



Source | BCRA and INDEC.

**Non-performance of borrowers shared with FIs** | The non-performance ratio of PNFC customers with FIs slightly increased in the period, standing at around 5.7%.

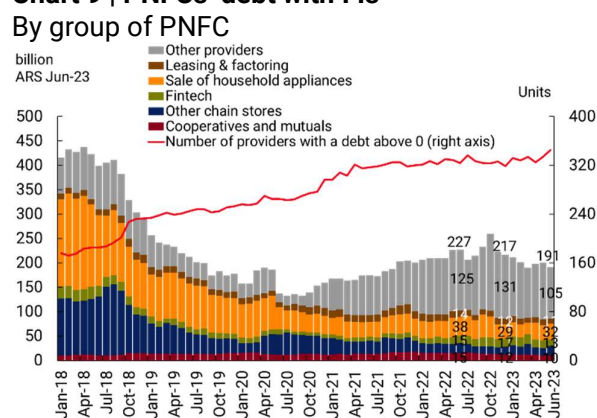
### PNFC Funding from FIs and the Capital Market

**PNFC funding from the FS** | The financing provided by FIs to PNFCs fell 12% in the six-month period, amounting to ARS191 billion in June 2023.

<sup>3</sup> The rest of credit lines includes overdrafts, pledge and mortgage loans, promissory notes, and pre-financing, among others.

When breaking down PNFCs into groups, some differences were observed. *Other chain stores* and *sale of household appliances* increased their financing from FIs (22% and 10%, respectively). On the other hand, *fintech* was the group exhibiting the steepest decline (-21%), followed by *other providers* (-20%), *cooperatives and mutuals* (-14%) and *leasing & factoring* (-10%).

**Chart 9 | PNFCs' debt with FIs**



Source | BCRA and INDEC.

**Non-performance of PNFCs with FIs** | Non-performance ratios underwent no significant changes, standing at 1.3% in June 2023.

**PNFC funding in the capital market** | In the first seven months of 2023, they established financial trusts (FTs) for ARS156 billion at prices of June 2023, a proportional amount similar to that of 2022 in monthly terms. As regards average real amounts per FT, they remained relatively stable after a 30% fall in 2019.

Considering the distribution of amounts by group of PNFC, it is worth pointing out that the *fintech* group increased across the entire series, in line with the dynamics of the sector observed in the past few years in terms of credit portfolio and number of credit lines granted. Contrariwise, *sale of household appliances* and *other providers* went down.