

Monthly Monetary Report

July 2019



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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1. Summary

- In July, there is a seasonal increase in the demand for transactional money due to the payment of the semi-annual complementary wage and winter vacations which, this year, was invigorated by the long weekend of July 9 (Declaration of Argentina's Independence Day). To mitigate the impact on the remaining variables of the monetary market, the BCRA decided that the minimum reserve requirements in pesos should be complied with considering July and August on a joint basis as a bi-monthly period.
- In line with the abovementioned bi-monthly period for compliance with minimum reserve requirements, the BCRA's Monetary Policy Committee (COPOM) decided to adapt to a bi-monthly period the measurement of the compliance with the Monetary Base (MB) target of July and August. As a result, the average target of the period remained unchanged at \$1,343 billion. The MB average monthly stock stood at \$1,381.5 billion in July, up 3% against June.
- Deposits in pesos from the private sector went up 2.9% in nominal terms against June. Sight deposits expanded 1.9% and time deposits rose 3.9% (\$46.8 billion). Thus, in real and seasonally-adjusted terms, time deposits went up again (1.6%).
- Within a context of declining inflation expectations, the Liquidity Bill (LELIQ) interest rate went down until mid-July, but there was a reversal of this trend during the last days of the month due to the typical evolution inherent in pre-election periods. By the end of July, the LELIQ interest rate stood at 60.4%.
- The interest rates paid for time deposits followed a path similar to that of the LELIQ rate. In terms of value, they remained at positive levels in real terms. As a result, the rate paid on 30-day deposits averaged 47.5% (APR) over the month which, considering the inflation expectations for the period, implied a monthly effective rate of 1.5% in real terms, equivalent to an annual effective rate of 19.7%.
- The nominal and seasonally-adjusted stock of loans in pesos to the private sector expanded 0.7% in July, driven by lending through current account overdrafts and financing with credit cards.
- The international reserves ended July with a stock of US\$67.9 billion, up US\$3.62 billion against June. This increase resulted from the disbursement of the fifth tranche of the Stand-By Agreement with the IMF, which was partially offset by the National Treasury's debt net payment in foreign currency.

*The closing date for the statistics of this report was August 6, 2019.
All figures are provisional and subject to review.*

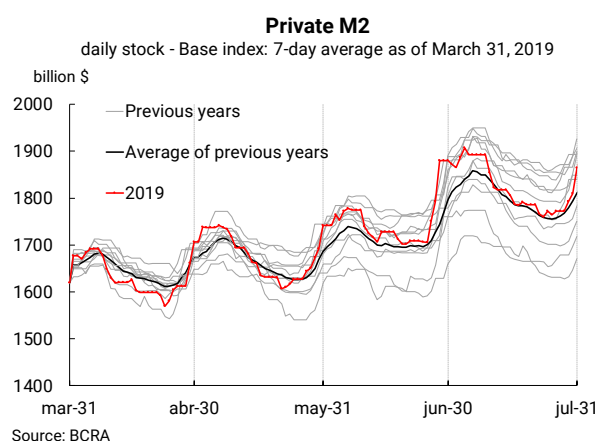
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2. Monetary Aggregates

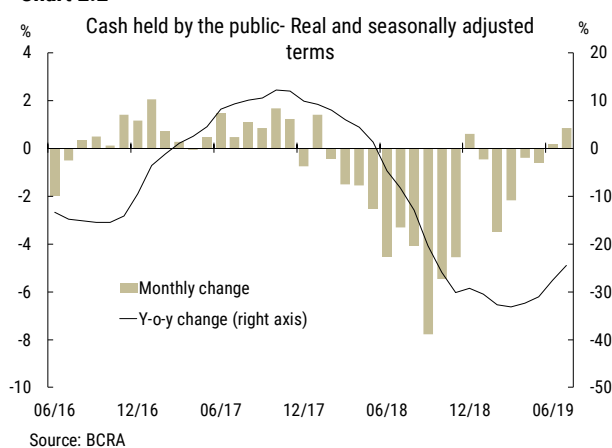
In July, there is a seasonal increase of the means of payment (Private M2, including cash held by the public and sight deposits in pesos of the private sector), resulting from the payment of the semi-annual complementary wage from the last days of June to the first days of July, and also from the winter vacations which, this year, were invigorated by the long weekend of July 9 (Declaration of Argentina's Independence Day). These factors entail an additional demand for cash and savings account deposits (see Chart 2.1). To mitigate the impact of the seasonal increase in the demand for transactional money on the remaining variables of the money market, the BCRA decided that the minimum reserve requirements in pesos should be complied with considering July and August on a bi-monthly basis.¹

Chart 2.1



In line with the above-mentioned bi-monthly period for compliance with the minimum cash requirements, the BCRA's Monetary Policy Committee (COPOM) decided to adapt to a bi-monthly period the measurement of the compliance with the Monetary Base (MB) target of July and August. The target average of the period remained unchanged at \$1,343 billion.²

Chart 2.2



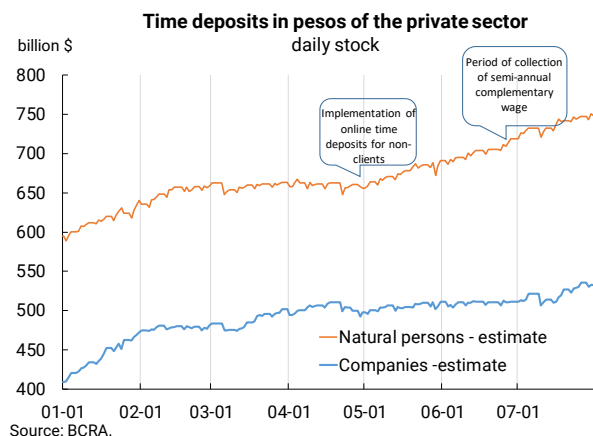
The MB average monthly stock stood at \$1,381.5 billion in July, up 3% against June. The monthly increase mainly resulted from the growth of the currency in circulation. Particularly, the nominal monthly increase of the cash held by the public reached 7% (or 3%, seasonally-adjusted). Consequently, in real and seasonally-adjusted terms, it went up 0.6% in July, standing slightly above the figures of June (see Chart 2.2).

Deposits in pesos from the private sector went up 2.9% in nominal terms against June. Sight deposits exhibited an average monthly growth of 1.9% while time deposits expanded 3.9% (\$46.8 billion). As a result, in real and seasonally-adjusted terms, the former dropped (4.1%) while the latter went up (1.6%). The growth of time deposits was once again led by households' deposits, evidencing

¹ See Communication "A"6719.

² <http://www.bcra.gob.ar/Noticias/Decisiones-del-Comite-de-Política-Monetaria-220719.asp>

Chart 2.3



To ensure the contractionary nature of the monetary policy, the COPOM decided to keep unchanged the minimum rate for Liquidity Bills (LELIQs) at 58% until mid-August, when the new inflation data will be released.³ Within a context of decreasing inflation expectations, the interest rate went down until mid-July, but there was a partial reversal of this trend in the last days of the month due to the typical evolution inherent in pre-election periods. By the end of July, the LELIQ interest rate stood at 60.4%.

an acceleration of their growth pace during the first days after the payment of the semi-annual complementary wage. In turn, companies' time deposits resumed their increasing trend after the period when they have to pay such complementary wage (see Chart 2.3).

3. Borrowing Interest Rates and Bank Liquidity

Gráfico 3.1

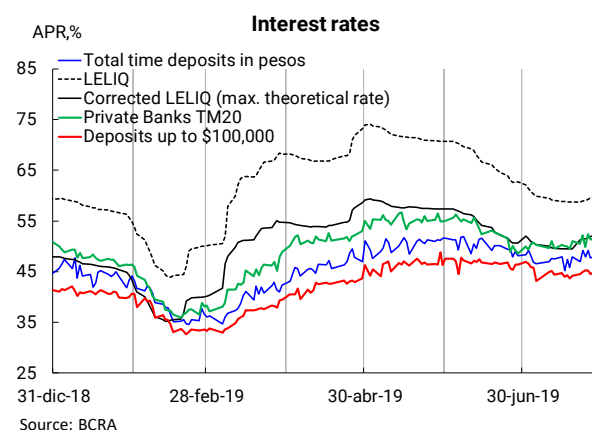
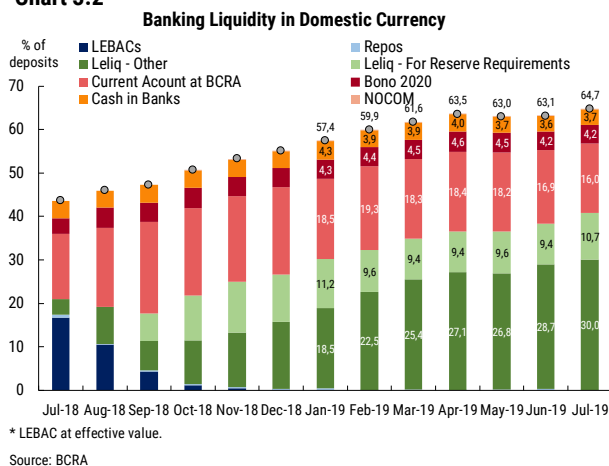


Chart 3.2



For the purpose of improving the LELIQ rate pass-through to the rates paid to savers, the BCRA decided to increase by 3 p.p. the fraction of the minimum reserve requirement for time deposits that financial institutions are authorized to satisfy with LELIQs, effective as from July.⁴ In the same line, the interest rates paid on time deposits followed a path similar to that of the LELIQ rate (see Chart 3.1).⁵ In terms of value, they continued to stand at positive levels in real terms. As a result, the rate paid for 30-day deposits averaged 47.5% (APR) over the month which, considering the inflation expectations for the period, implied a monthly effective rate of 1.5% in real terms, equivalent to an annual effective rate of 19.7%.

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³ <http://www.bcr.gov.ar/Noticias/Decisiones-del-Comite-de-Politica-Monetaria-220719.asp>

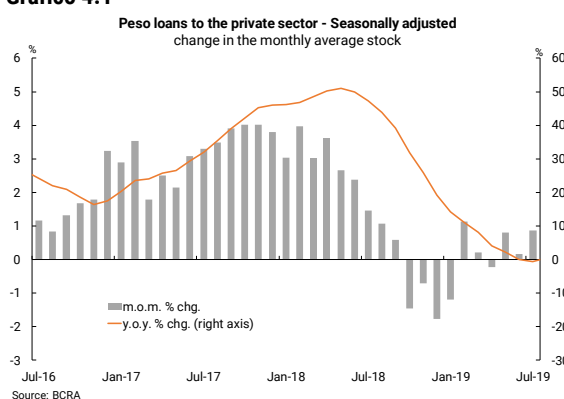
⁴ Communication "A" 6738.

⁵ The "corrected-LELIQs rate (maximum theoretical rate)" illustrated in Chart 2.4 results from deducting the costs related to the non-remunerated minimum cash requirements on time deposits from the yield obtained by financial institution for deposits in LELIQs.

In terms of the composition of bank liquidity in pesos, the effect of the regulatory changes on the minimum reserve requirements regime prevailed over the impact of the partial surplus accumulated by financial institutions as a result of the compliance with the minimum cash requirements in current accounts in the first month (July) of the bi-monthly period.⁶ Consequently, there was an increase in the share of LELIQs and a drop in the current accounts with the BCRA. The broad liquidity in pesos went up 3.5 p.p., averaging 64.6% of deposits in pesos over the month (see Chart 3.4), in a period in which the growth of deposits was higher than the growth of loans.⁷

4. Loans to the Private Sector and Lending Interest Rates

Gráfico 4.1



The nominal and seasonally-adjusted stock of loans in pesos to the private sector increased 0.7% (see Chart 4.1) in July, driven by lending through current account overdrafts and financing with credit card.

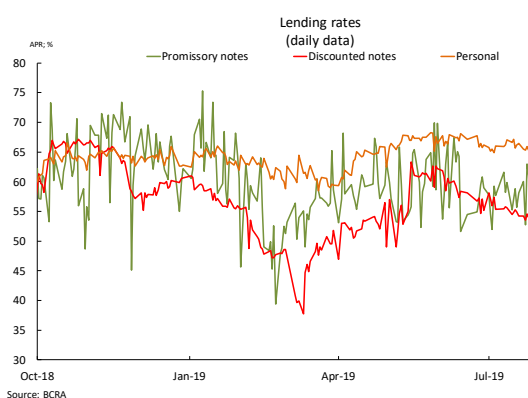
The monthly growth of overdrafts stood at 3.2% in nominal and seasonally-adjusted terms. The increase concentrated during the first days of the month due to companies' higher liquidity needs in order to pay the semi-annual complementary wage. Meanwhile, financing granted through promissory notes continued to decline, with

nominal drop of 2.1% seasonally-adjusted in July.

The lending interest rates charged for commercial loans exhibited a downward trend: the rate for unsecured promissory notes averaged 58.1%, evidencing an average monthly drop of 2 p.p., whereas the discount rate of promissory notes stood at 55.2%, down 3 p.p. on average. Likewise, the rate on total overdrafts averaged 66.7%, down 5.7 p.p. against June (see Chart 4.2).

In turn, lending with credit cards went up 4.1% (in nominal and seasonally-adjusted terms) in July, accumulating an increase of around 18% in the last 12 months. Part of this increase might be attributed to the incipient expansion in the use of credit cards after the re-launching of the Ahora 12 program. On the other hand, the average monthly stock of personal loans remained virtually unchanged against June, with an interest rate averaging 65.9% in July and recording a 1.1 p.p. drop.

Chart 4.2

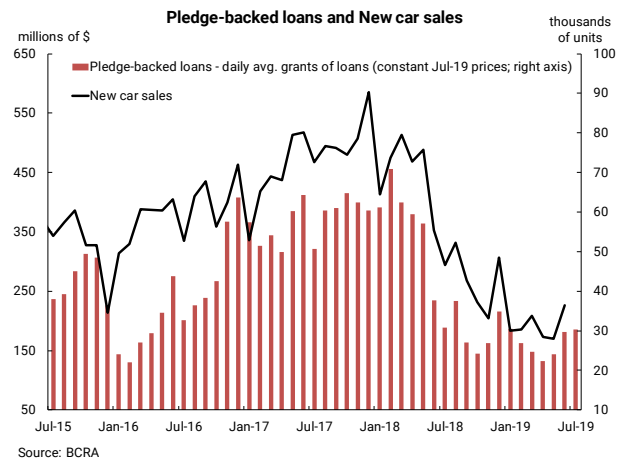


⁶ See Communications "A" 6728, 6738 and 6740.

⁷ Broad liquidity includes current account stocks with the BCRA, cash at banks, as well as LELIQs and the National Treasury bond admitted to comply with the minimum reserve requirements.

As regards loans with real property collateral, pledge-backed loans narrowed their monthly drop (in nominal and seasonally-adjusted terms) from 1.8% in June to 0.8% in July. There was an increase in the new loans granted as from June, which went from \$140 million in May to \$180 million in June, standing at around this same figure in July. A similar trend was observed in real terms (see Chart 4.3). This improvement would be related to the discounts applied to the purchase of new vehicles within the program launched by the National Government in June. The rate charged for pledge-backed loans granted at a fixed rate averaged 23.8%, up 0.6 p.p. against June, while the rate charged for UVA pledge-backed loans (46% of total pledge-backed loans granted in June) remained stable and averaged 14.8% in July.

Gráfico 4.3



In turn, mortgage loans went up 0.1% monthly (in nominal and seasonally-adjusted terms). This segment mainly consists of UVA loans, granted at rates which averaged 5.8% over the month.

In short, loans in pesos to the private sector recorded a monthly drop of 1.7% in real and seasonally-adjusted terms.

5. International Reserves and Foreign Exchange Market

Chart 5.1

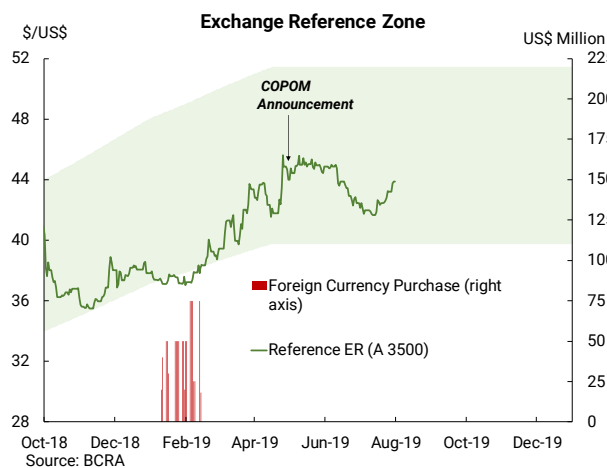
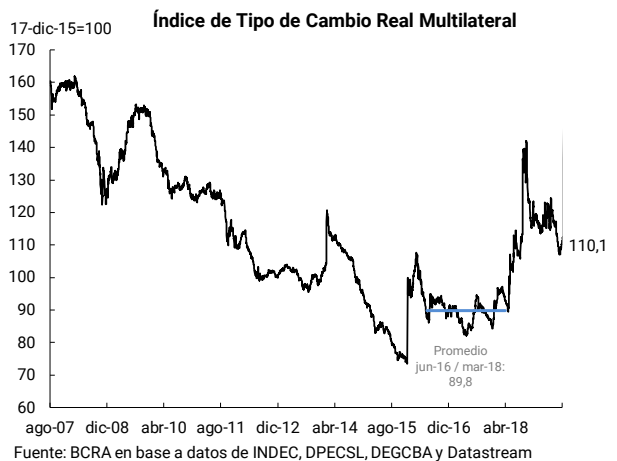


Chart 5.2



International reserves ended July with a stock of US\$67.9 billion, resulting in a rise of US\$3.62 billion against June. This rise was mainly due to the disbursement of the fifth tranche of the Stand-By Agreement with the IMF, which was partially offset by the National Treasury's net debt payment in foreign currency.

During July, the \$/US\$ nominal exchange rate stood within the exchange reference zone. During the first half of the month, it kept the downward trend started in June but, in the second half of the month, there was a partial reversal of this trend. As a result, the exchange rate ended July at \$43.87/US\$1, up 3.3% against the level of late June but at the same level recorded on June 15, 2019 (see Chart 5.1).

In turn, even though the multilateral real exchange rate is still below the maximum level reached in September 2018, it is still standing above the average recorded between mid-2016 and March 2018 and it is around 50% above the level it had before the unification of the foreign exchange market in December 2015 (see Chart 5.2).

6. Monetary and Financial Indicators

Figures in millions, expressed in their original currency.

| Main monetary and financial system figures | Monthly average | | | | Average change in percentage | |
|---|------------------|------------------|------------------|------------------|------------------------------|----------------|
| | jul-19 | jun-19 | dic-18 | jul-18 | Monthly | Last 12 months |
| Monetary base | 1.381.539 | 1.341.940 | 1.336.800 | 1.110.740 | 3,0% | 24,4% |
| Currency in circulation | 906.458 | 850.446 | 794.347 | 772.353 | 6,6% | 17,4% |
| Held by public | 797.876 | 745.476 | 688.437 | 682.399 | 7,0% | 16,9% |
| Held by financial entities | 108.582 | 104.970 | 105.910 | 89.954 | 3,4% | 20,7% |
| Settlement check | 0,3 | 0,3 | 0,3 | 0,3 | -4,7% | 0,0% |
| BCRA current account | 475.081 | 491.494 | 542.453 | 338.387 | -3,3% | 40,4% |
| BCRA Repos stock | | | | | | |
| Reverse repos | 3.208 | 8.037 | 9.270 | 15.988 | -60,1% | -79,9% |
| Repos | 0 | 0 | 0 | 0 | 0,0% | 0,0% |
| LELIQ stock (in face value) | 1.207.354 | 1.109.456 | 709.981 | - | 8,8% | - |
| LEBAC stock (in face value) | 0 | 0 | 40.269 | 1.005.397 | - | -100,0% |
| In pesos | 0 | 0 | 40.269 | 1.005.397 | - | -100,0% |
| In banks | 0 | 0 | 1.828 | 392.144 | - | -100,0% |
| In Dollars | 0 | 0 | 0 | 0 | - | - |
| International Reserves | 66.133 | 64.401 | 56.978 | 60.103 | 2,7% | 10,0% |
| Private and public sector deposits in pesos ⁽¹⁾ | 2.940.872 | 2.879.197 | 2.675.820 | 2.239.518 | 2,1% | 31,3% |
| <u>Private sector deposits</u> | <u>2.353.821</u> | <u>2.287.110</u> | <u>1.951.009</u> | <u>1.568.838</u> | <u>2,9%</u> | <u>50,0%</u> |
| Current account ⁽²⁾ | 434.021 | 440.849 | 374.993 | 320.186 | -1,5% | 35,6% |
| Savings account | 590.582 | 564.254 | 542.897 | 470.138 | 4,7% | 25,6% |
| Not CER-adjustable time deposits | 1.238.156 | 1.188.506 | 945.828 | 710.668 | 4,2% | 74,2% |
| CER-adjustable time deposits | 20.397 | 23.254 | 27.098 | 13.291 | -12,3% | 53,5% |
| Other deposits ⁽³⁾ | 70.664 | 70.246 | 60.193 | 54.555 | 0,6% | 29,5% |
| <u>Public sector deposits</u> | <u>587.050</u> | <u>592.087</u> | <u>724.811</u> | <u>670.681</u> | <u>-0,9%</u> | <u>-12,5%</u> |
| Private and public sector deposits in dollars ⁽¹⁾ | 34.378 | 34.678 | 32.710 | 31.029 | -0,9% | 10,8% |
| Loans to private and public sector in pesos ⁽¹⁾ | 1.550.700 | 1.540.948 | 1.567.573 | 1.561.776 | 0,6% | -0,7% |
| <u>Loans to private sector</u> | <u>1.525.631</u> | <u>1.516.576</u> | <u>1.540.395</u> | <u>1.534.137</u> | <u>0,6%</u> | <u>-0,6%</u> |
| Overdrafts | 158.741 | 150.375 | 154.271 | 169.443 | 5,6% | -6,3% |
| Promissory bills | 219.912 | 220.647 | 249.505 | 281.462 | -0,3% | -21,9% |
| Mortgages | 212.362 | 212.391 | 210.499 | 197.646 | 0,0% | 7,4% |
| Pledge-backed loans | 86.268 | 87.153 | 97.306 | 100.129 | -1,0% | -13,8% |
| Personal loans | 415.766 | 420.007 | 420.882 | 409.787 | -1,0% | 1,5% |
| Credit cards | 385.652 | 380.728 | 360.161 | 322.617 | 1,3% | 19,5% |
| Other loans | 46.930 | 45.276 | 47.770 | 53.053 | 3,7% | -11,5% |
| <u>Loans to public sector</u> | <u>25.069</u> | <u>24.372</u> | <u>27.178</u> | <u>27.639</u> | <u>2,9%</u> | <u>-9,3%</u> |
| Loans to private and public sector in dollars ⁽¹⁾ | 16.103 | 15.669 | 15.541 | 16.243 | 2,8% | -0,9% |
| Total monetary aggregates ⁽¹⁾ | | | | | | |
| M1 (currency held by public + settlement check in pesos + current account in pesos) | 1.430.776 | 1.378.803 | 1.291.860 | 1.256.521 | 3,8% | 13,9% |
| M2 (M1 + savings account in pesos) | 2.060.125 | 1.980.169 | 1.862.589 | 1.774.854 | 4,0% | 16,1% |
| M3 (currency held by public + settlement check in pesos + total deposits in pesos) | 3.738.748 | 3.624.673 | 3.364.257 | 2.921.917 | 3,1% | 28,0% |
| M3* (M3 + total deposits in dollars + settlement check in foreign currency) | 5.200.715 | 5.145.852 | 4.606.260 | 3.782.399 | 1,1% | 37,5% |
| Private monetary aggregates | | | | | | |
| M1 (currency held by public + settlement check in pesos + priv. current account in pesos) | 1.231.897 | 1.186.325 | 1.063.430 | 1.002.585 | 3,8% | 22,9% |
| M2 (M1 + private savings account in pesos) | 1.822.479 | 1.750.580 | 1.606.327 | 1.472.723 | 4,1% | 23,7% |
| M3 (currency held by public + settlement check in pesos + priv. total deposits in pesos) | 3.151.698 | 3.032.586 | 2.639.446 | 2.251.237 | 3,9% | 40,0% |
| M3* (M3 + private total deposits in dollars + settlement check in foreign currency) | 4.497.491 | 4.379.315 | 3.721.717 | 3.009.838 | 2,7% | 49,4% |

| Explanatory factors | Average Change | | | | | | | |
|--|----------------|-----------------------------|---------------|-----------------------------|---------------|-----------------------------|----------------|-----------------------------|
| | Monthly | | Quarterly | | YTD 2019 | | Last 12 months | |
| | Nominal | Contribution ⁽⁴⁾ | Nominal | Contribution ⁽⁴⁾ | Nominal | Contribution ⁽⁴⁾ | Nominal | Contribution ⁽⁴⁾ |
| Monetary base | 39.599 | 3,0% | 56.715 | 4,3% | 44.739 | 3,3% | 270.799 | 24,4% |
| Foreign exchange purchases with the private sector | 0 | 0,0% | 0 | 0,0% | 36.547 | 2,7% | -123.308 | -11,1% |
| Foreign exchange purchases with the NT | 44.516 | 3,3% | -14.035 | -1,1% | 24.025 | 1,8% | -91.592 | -8,2% |
| Temporary Advances and Profit Transfers | 0 | 0,0% | 77.245 | 5,8% | 77.493 | 5,8% | 42.722 | 3,8% |
| Other public sector operations | 16.509 | 1,2% | -3.427 | -0,3% | -8.289 | -0,6% | 19.054 | 1,7% |
| Sterilization (LEBAC, repos and LELIQ) | -32.458 | -2,4% | -18.853 | -1,4% | -99.890 | -7,5% | 395.009 | 35,6% |
| Others | 11.032 | 0,8% | 15.786 | 1,2% | 14.853 | 1,1% | 28.914 | 2,6% |
| International Reserves | 1.732 | 2,7% | -6.545 | -9,0% | 9.156 | 16,1% | 6.030 | 10,0% |
| Foreign exchange market intervention | 0 | 0,0% | 0 | 0,0% | 978 | 1,7% | -3.554 | -5,9% |
| International financial institutions | 2.803 | 4,4% | 5.476 | 7,5% | 18.102 | 31,8% | 25.993 | 43,2% |
| Other public sector operations | -1.058 | -1,6% | -11.198 | -15,4% | -17.943 | -31,5% | -28.234 | -47,0% |
| Dollar liquidity requirements | -788 | -1,2% | -344 | -0,5% | 1.526 | 2,7% | 1.688 | 2,8% |
| Others (incl. change in US\$ market value of nondollar assets) | 775 | 1,2% | -479 | -0,7% | 6.492 | 11,4% | 10.139 | 16,9% |

1 Excludes financial sector and foreign depositors. Loans' figures correspond to statistical information, without being adjusted by financial trusts. Provisionary figures.

2 Net of the use of unified funds.

3 Net of deposits pending of swap by public bonds (BODEN).

4 "Contribution" field refers to the percentage of change of each factor versus the main variable corresponding to the month respect which the change is being calculated.

Sources: BCRA Accounting Department and SISCEN Informative Regime.

Minimum Cash Requirement and Compliance

| | Jul-19 | Jun-19 | May-19 |
|---|---|--------|--------|
| Domestic Currency | % of total deposits in pesos | | |
| Requirement | 29,1 | 31,4 | 31,6 |
| Compliance in current account | 16,0 | 16,9 | 18,2 |
| Compliance in Leliq | 26,5 | 25,2 | 23,1 |
| Compliance in BOTE | 4,2 | 4,2 | 4,5 |
| <i>Residual time structure of term deposits used for the calculation of the requirement (1)</i> | % | | |
| Up to 29 days | 71,6 | 71,6 | 71,2 |
| 30 to 59 days | 19,4 | 19,4 | 19,9 |
| 60 to 89 days | 4,4 | 4,4 | 4,6 |
| 90 to 179 days | 3,6 | 3,6 | 3,0 |
| more than 180 days | 0,9 | 0,9 | 1,2 |
| Foreign Currency | % of total deposits in foreign currency | | |
| Requirement | 24,0 | 24,1 | 24,1 |
| Compliance (includes default application resource) | 43,2 | 45,9 | 44,7 |
| <i>Residual time structure of term deposits used for the calculation of the requirement (1)</i> | % | | |
| Up to 29 days | 61,2 | 61,2 | 61,1 |
| 30 to 59 days | 19,7 | 19,7 | 20,7 |
| 60 to 89 days | 9,5 | 9,5 | 8,6 |
| 90 to 179 days | 7,9 | 7,9 | 7,9 |
| 180 to 365 days | 1,6 | 1,6 | 1,7 |
| more than 365 days | 0,1 | 0,1 | 0,1 |

(1) Excludes judicial time deposits.

** Estimates data of June for Requirements and residual time structures.

Source: BCRA

Interest rates in annual nominal percentage and traded amounts in million. Monthly averages.

| Borrowing Interest Rates | jul-19 | jun-19 | may-19 | dic-18 | jul-18 |
|--|---------------|---------------|---------------|---------------|---------------|
| Interbank Loans (overnight) | | | | | |
| Interest rate | 58,42 | 66,53 | 70,31 | 58,68 | 47,38 |
| Traded volume (million pesos) | 5.277 | 7.296 | 8.007 | 9.817 | 6.024 |
| Time Deposits | | | | | |
| <u>In pesos</u> | | | | | |
| 30-44 days | 47,29 | 49,76 | 50,26 | 46,13 | 32,49 |
| 60 days or more | 48,34 | 50,71 | 50,44 | 46,57 | 32,34 |
| Total BADLAR (more than \$1 million, 30-35 days) | 48,87 | 51,66 | 52,37 | 48,29 | 33,25 |
| Private Banks BADLAR (more than \$1 million, 30-35 days) | 48,52 | 51,05 | 52,44 | 48,57 | 34,39 |
| <u>In dollars</u> | | | | | |
| 30-44 days | 1,27 | 1,23 | 1,28 | 1,40 | 0,95 |
| 60 days or more | 1,79 | 1,74 | 1,72 | 1,72 | 1,34 |
| Total BADLAR (more than \$1 million, 30-35 days) | 1,30 | 1,27 | 1,39 | 1,82 | 1,14 |
| Private Banks BADLAR (more than \$1 million, 30-35 days) | 1,45 | 1,38 | 1,41 | 1,68 | 1,54 |
| Lending Interest Rates | jul-19 | jun-19 | may-19 | dic-18 | jul-18 |
| Stock Repos | | | | | |
| Gross interest rates 30 days | 47,13 | 53,94 | 53,31 | 44,04 | 43,43 |
| Traded volume (all maturities, million pesos) | 11.853 | 5.792 | 3.211 | 2.465 | 1.728 |
| Loans in Pesos ⁽¹⁾ | | | | | |
| Overdrafts | 68,41 | 72,46 | 72,75 | 70,78 | 50,55 |
| Promissory Notes | 58,05 | 60,20 | 62,18 | 64,56 | 39,60 |
| Mortgages | 52,86 | 45,50 | 56,85 | 47,52 | 30,17 |
| Pledge-backed Loans | 23,81 | 23,19 | 23,44 | 24,98 | 23,62 |
| Personal Loans | 65,91 | 67,02 | 67,01 | 63,89 | 46,80 |
| Credit Cards | s/d | 67,34 | 66,17 | 61,11 | 39,39 |
| Overdrafts - 1 to 7 days - more than \$10 million | 62,58 | 70,20 | 73,28 | 65,06 | 50,87 |
| International Interest Rates | jul-19 | jun-19 | may-19 | dic-18 | jul-18 |
| LIBOR | | | | | |
| 1 month | 2,30 | 2,40 | 2,44 | 2,45 | 2,08 |
| 6 months | 2,20 | 2,31 | 2,57 | 2,89 | 2,52 |
| US Treasury Bonds | | | | | |
| 2 years | 1,82 | 1,82 | 2,20 | 2,70 | 2,60 |
| 10 years | 2,05 | 2,07 | 2,38 | 2,85 | 2,89 |
| FED Funds Rate | 2,49 | 2,50 | 2,50 | 2,33 | 2,00 |
| SELIC (1 year) | 6,48 | 6,50 | 6,50 | 6,50 | 6,50 |

(1) Observed data from Monthly Informative Regime SISCEN 08 up to April and estimated data based on Daily Informative Regime SISCEN 18 for May and June.

Interest rates in annual nominal percentage and traded amounts in million. Monthly averages.

| Reference Interest Rates | jul-19 | jun-19 | may-19 | dic-18 | jul-18 |
|---|---------------|---------------|---------------|---------------|---------------|
| BCRA Repo Interest Rates | | | | | |
| Overnight reverse repo | 53,05 | 59,54 | 63,46 | 46,20 | 35,00 |
| Total Repo Interest Rates | | | | | |
| Overnight | 56,09 | 62,28 | 64,50 | 55,85 | 45,37 |
| Repo traded volumen (daily average) | 8.504 | 16.116 | 15.681 | 8.728 | 12.925 |
| LELIQ interest rate | 59,62 | 66,78 | 71,79 | 59,36 | 37,0 |
| Peso LEBAC Interest Rate¹ | | | | | |
| 1 month | s/o | s/o | s/o | s/o | 46,50 |
| 2 months | s/o | s/o | s/o | s/o | 45,00 |
| 3 months | s/o | s/o | s/o | s/o | 43,75 |
| LEBAC and NOBAC traded volume (daily average) | 0 | 0 | 0 | 469 | 48895 |
| Foreign Exchange Market | jul-19 | jun-19 | may-19 | dic-18 | jul-18 |
| Dollar Spot | | | | | |
| Exchange agencies | 42,58 | 43,74 | 44,88 | 37,83 | 27,58 |
| BCRA Reference | 42,62 | 43,83 | 44,98 | 37,87 | 27,74 |
| Future dollar | | | | | |
| NDF 1 month | 44,54 | 45,75 | 46,73 | 39,56 | 17,40 |
| ROFEX 1 month | 44,73 | 47,02 | 49,71 | 41,01 | 28,67 |
| Traded volume (all maturities, million pesos) | 58.421 | 75.816 | 60.273 | 39.431 | 18.348 |
| Real (Pesos/Real) | 11,28 | 11,33 | 11,24 | 9,75 | 7,22 |
| Euro (Pesos/Euro) | 47,74 | 49,43 | 50,20 | 43,04 | 32,21 |
| Capital Market | jul-19 | jun-19 | may-19 | dic-18 | jul-18 |
| MERVAL | | | | | |
| Index | 41.355 | 38.672 | 33.625 | 30.540 | 27.640 |
| Traded volume (million pesos) | 1.090 | 1.476 | 758 | 578 | 650 |
| Government Bonds (parity) | | | | | |
| DISCOUNT (US\$ - NY legislation) | 85,98 | 80,73 | 77,90 | 81,69 | 95,28 |
| BONAR X (US\$) | 87,70 | 84,88 | 82,80 | 92,29 | 103,34 |
| DISCOUNT (\$) | 70,48 | 63,78 | 61,53 | 80,78 | 78,31 |
| Country risk | | | | | |
| Spread BONAR 24 vs. US Treasury Bond | 1.275 | 1.401 | 1.466 | 950 | 487 |
| EMBI+ Argentina | 790 | 888 | 922 | 766 | 575 |
| EMBI+ Latinoamérica | 557 | 562 | 575 | 586 | 519 |

¹ Corresponds to average results of each month primary auctions.

7. Glossary

ANSES: Administración Nacional de Seguridad Social. Social Security Administration

APR: Annual percentage rate.

BADLAR: Interest rate for time deposits over one million pesos between 30 and 35 days for the average of financial institutions

BCRA: *Banco Central de la República Argentina*. Central Bank of Argentina

CER: Coeficiente de Estabilización de Referencia. Reference Stabilization Coefficient

CNV: Comisión Nacional de Valores. National Securities Commission

CPI: Consumer Price Index

DISC: Discount Bond

EMBI: Emerging Markets Bonds Index

FCI: Mutual Funds

Fed: Federal Reserve

GBA: Greater Buenos Aires metropolitan area

GDP: Gross Domestic Product

IAMC: Instituto Argentino de Mercado de Capitales.

LEBAC: *Letras del Banco Central*. BCRA Bills

LELIQ: *Letras de Liquidez del Banco Central*. BCRA Bills

LCIP: Credit Line for Productive Investment.

LIBOR: London Interbank Offered Rate

M2: Notes and Coins + Current Accounts and Savings Accounts in \$

M3: Notes and Coins + Total Deposits in \$.

M3*: Notes and Coins + Total Deposits in \$ and US\$

MERVAL: *Mercado de Valores de Buenos Aires*. Buenos Aires Stock Exchange Index

NBFI: Non-Banking Financial Institutions

NDF: Non Deliverable Forward

NOBAC: Notas del Banco Central. BCRA Notes

NV: Nominal value

ONs: Corporate Bonds

PyME: Small and medium enterprises

ROFEX: Rosario Futures Exchange Rate Market

SELIC: Brazilian Central Bank's Benchmark Interest Rate

SISCEN: *Sistema Centralizado de Requerimientos Informativos*. BCRA Centralized Reporting Requirement System

S&P: Standard and Poor's 500 Index

TIR: Internal rate of return (IRR).

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