

# Report on Banks

February 2022



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

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*Published on April 27, 2022.*

The data reported are provisional and subject to changes. Information corresponds to end-of-month data. [Data of charts](#) and [Latest Regulations](#) of this issue. [Statistics Annexes](#) for the financial system and the ensemble of financial institutions. [Glossary](#) of abbreviations and acronyms.

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## Executive Summary

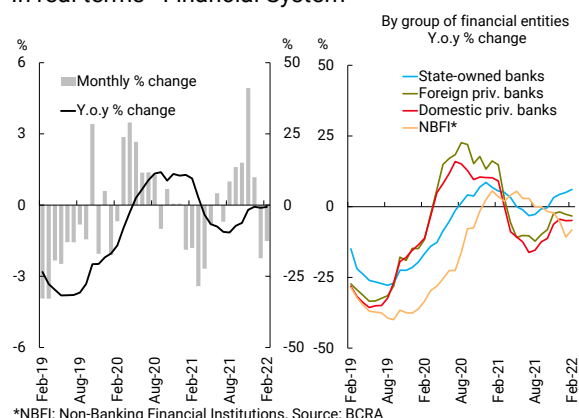
- In February, the ensemble of financial institutions continued to operate with adequate solvency and liquidity margins, within a context of certain reduction in the financial intermediation activities with the private sector due, in part, to seasonal factors. During the first two months of the current year, the use of electronic means of payment continued to be on the rise at domestic level, favored by a context of greater efficiency and security in economic transactions.
- In March (latest information available), there was an increase in instant transfers of funds between accounts with Uniform Banking Codes (CBUs), added to a rise in the clearing of electronic checks (ECHEQs). Regarding transactions related to the 3.0 Transfer initiative, the number of transactions made under this modality amounted to 6 million (equivalent to a total of \$10.33 billion, for an average sum of \$ 1,725 per transaction) from the beginning of the full interoperability scheme of payments with QR code –late November 2021– to March 2022.
- The stock of loans in pesos to the private sector in real terms went down 1.5% (+3.1% in nominal terms) in February and posted no significant changes if compared to the level observed one year ago. The “Credit Line for Productive Investment (LFIP) of Micro, Small and Medium-Sized Enterprises (MSMEs)” continued consolidating as the main instrument for the supply of loans to small and medium-sized companies and has accumulated disbursements for \$1.9 trillion until late March, provided to around 230,600 enterprises.
- In February, the non-performing ratio of loans to the private sector did not show significant changes (-0.1 percentage points (p.p.)), standing at 4.2% for the financial system. The monthly performance was similar across all homogeneous groups of financial institutions and in the segments of loans to companies and to households. In turn, total provisions accounted for 4.8% of total loans and for 113.8% of the non-performing portfolio of lending.
- The stock of private sector deposits in pesos shrank 1.4% in real terms against January (+3.3% in nominal terms), and this performance was mainly accounted for by sight accounts. In turn, time deposits in pesos increased 1.3% in real terms over the month (6.1% in nominal terms), with the segment denominated in UVA posting the highest relative momentum. This positive performance was due in part to the effect of the rise in the minimum limits of interest rates on time deposits timely decided by the BCRA. In a year-on-year (y.o.y.) comparison, the stock of private sector deposits in pesos accumulated an increase of 4.3% in real terms (+58.8% in nominal terms), with rises in both sight accounts and time deposits.
- The financial system’s broad liquidity ratio (including both items in domestic and in foreign currency) contracted slightly in February, but it continued to stand at high levels if compared to the average of the last 15 years. This ratio reached 67.3% of total deposits over the month, down 0.9 p.p. against the level recorded in January (+2.3 p.p. y.o.y.). Likewise, the financial system’s composition of liquidity continued to adjust to the regulatory changes introduced at the beginning of the year, and showed an increase in the relative share of LELIQs.
- In February, solvency indicators of the financial system were on the rise. The Regulatory Capital (RC) accounted for 26.7% of risk-weighted assets (RWAs) for the ensemble of financial institutions (+0.5 p.p. month-on-month (m.o.m.) and +2 p.p. y.o.y.), while the capital surplus position (RC minus the regulatory requirement) totaled 232.8% of the minimum requirement over the period (+7.4 p.p. against January and +33.7 p.p. y.o.y.) at systemic level. The regulatory capital position accounted for 34% of lending to the private sector net of provisions, standing quite above the average of the last 10 years.
- In the aggregate of the last 12 months up to February, the ensemble of financial institutions accrued a total positive comprehensive income in homogeneous currency equivalent to 1.2% of assets (ROA) and to 7.6% of equity (ROE). These levels stood below the levels recorded one year ago.

# I. Financial Intermediation Activity

The financial intermediation activities of the ensemble of financial institutions with the private sector contracted in February due, in part, to the seasonal factors typical of this period. Taking into account the main differences in the balance sheet of the aggregate financial system for the items in domestic currency,<sup>1</sup> there was a decrease of broad liquidity and of lending to the private sector in February. In turn, there was a decrease in the stock of deposits, added to an increase of lending to the public sector. Considering the items in foreign currency —expressed in currency of origin—, there was a drop in the stock of loans to the private and public sectors, and this change was offset by a decrease in deposits and an increase in liquidity.<sup>2</sup>

In February, the stock of loans in pesos to the private sector went down 1.5% in real terms (+3.1% in nominal terms) (see Chart 1).<sup>3</sup> A breakdown by credit lines shows that the performance was dissimilar over the month: increases in overdrafts and pledge-backed loans and decreases in the remaining credit lines. In this context, the stock of loans in domestic currency to the private sector in real terms did not post significant changes if compared to the level observed one year ago (-0.7% y.o.y. in real terms or +51.2% in nominal terms). Lending to the private sector provided by state-owned financial institutions was on the rise in real terms, while the remaining groups of financial institutions recorded drops in lending.

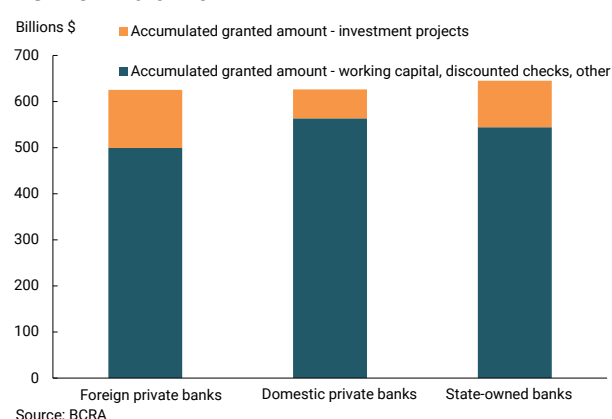
**Chart 1 | Stock of loans to the private sector in pesos**  
In real terms - Financial System



\*NBFI: Non-Banking Financial Institutions. Source: BCRA

At the beginning of 2022, the “Credit Line for Productive Investment (LFIP) of MSMEs” continued to be the main instrument to promote loan granting to small and medium-sized enterprises.<sup>4</sup> In this context, in March, the BCRA decided to extend the LFIP until late September 2022 and to keep the preferential financial conditions for debtors (these loans are provided at a nominal annual percentage rate of 35% for investment projects and at a nominal annual percentage rate of 45.5% for the other lending admitted for this line), added to regulatory

**Chart 2 | Credit Line for Productive Investment (LFIP) of MSMEs – March 2022**



1 Differences of the balance sheet stock expressed in homogeneous currency. Information taken from the Monthly Accounting Reporting System (February 2022, latest information available at the time of publication of this Report).

2 Expressed in currency of origin.

3 Including capital adjustments and accrued interest.

4 For further detail, see the Consolidated Text on [“Credit Line for Productive Investment of MSMEs”](#).

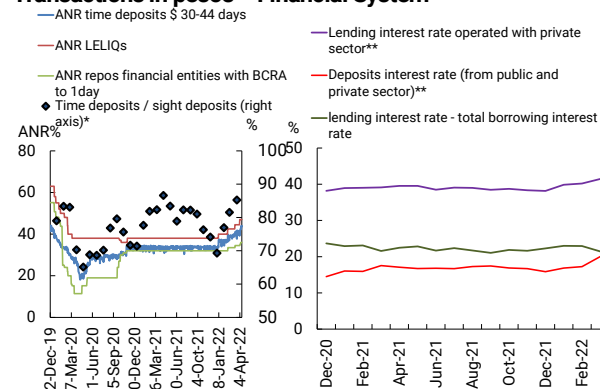
allowances for the financial institutions subject to the regulation (in terms of a decrease in the minimum reserve requirements).<sup>5</sup> Under the LFIP, from its launch (in October 2020) to late March 2022, around \$1.9 trillion have been disbursed in nominal terms (15.3% was provided to investment projects), benefitting over 230,600 companies. In terms of the LFIP's accumulated funds, all groups of banks have had a similar share in the lending under the LFIP as of February 2022 (see Chart 2).

In February, the stock of loans in foreign currency to the private sector contracted 0.5% –in currency of origin. In this context, the total stock of loans to the private sector (in domestic and foreign currency) recorded a 1.6% drop in real terms against January (+3% in nominal terms) and a 5.3% drop in real terms in a year-on-year comparison (+44.1% y.o.y., in nominal terms).

Considering the results of the last round of the Survey on Credit Conditions (ECC),<sup>6</sup> the relatively weak performance of lending to the private sector observed in early 2022 occurred in a context where the financial institutions at aggregate level tended to perceive a lower demand for credit from overall companies against the level observed by the end of 2021 (even though with a lesser intensity in the case of SMEs); likewise, the demand for credit would not have shown significant changes in the case of lending to households. With reference to credit supply, according to the answers provided by the ensemble of institutions participating in the survey, there were no significant changes in terms of both credit granting standards and main terms & conditions applicable to the loans granted.<sup>7</sup>

In turn, within the context of the reshaping of monetary policy instruments, there has been a readjustment of interest rates in the last few months. In particular, the BCRA has recently established a new increase of 250 basis points (bp) in the interest rates of 28-day LELIQs, going from 44.5% to 47% in terms of the nominal annual percentage rate, resulting in an effective annual percentage rate of 58.7%.<sup>8</sup> In addition, the minimum limits of the interest rates on time deposits were raised again.<sup>9</sup> The new floor was established at a nominal annual percentage rate of 46% (effective annual percentage rate of 57.1%) for 30-day deposits up to 10 million pesos for natural persons, while for other private sector time deposits, the rate was set at a nominal annual percentage rate of 44% (effective annual percentage rate of 54.1%). Within the framework of these changes, so far this year, there has been an increase in the average interest

**Chart 3 | Interest rates traded: levels and spreads – Transactions in pesos - Financial System**



\*Balance sheet stock in pesos (private sector). Last value is estimated. \*\*Interest rates for operations in pesos, weighted by the amount operated in each month (sights deposits are weighted by the average balance of daily balances). Source: BCRA

5 For further detail, see [Press Release](#), Communication "A" 7475 and Communication "A" 7491.

6 See [Survey on Credit Conditions \(ECC\)](#), corresponding to the first quarter of 2022.

7 For the second quarter of the year, the institutions participating in the survey (ECC) are expecting a rebound of perceived credit demand in the case of overall companies and also for most credit lines to households, while they do not expect –in general terms– to introduce significant changes to the credit supply standards.

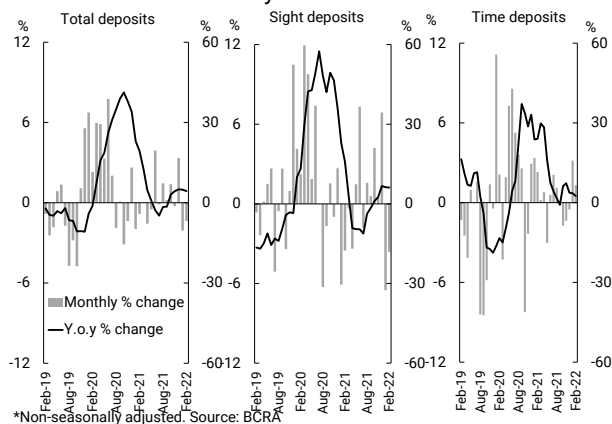
8 The interest rate on LELIQs was changed on four occasions since the beginning of 2022, reaching a 9 p.p. increase.

9 See [Press Release](#) and Communication "A" 7491.

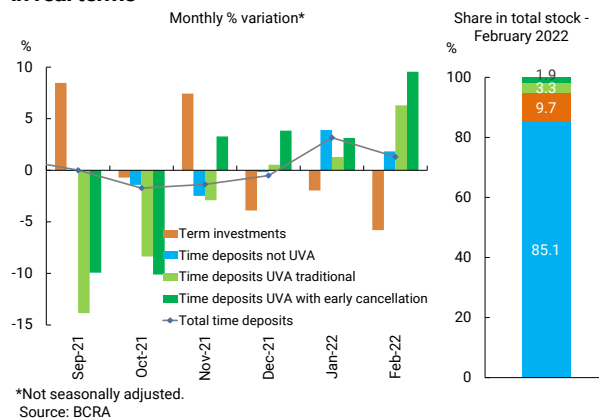
rates per amount traded for deposits in pesos (considering both sight accounts and time deposits) (see Chart 3). In turn, the BCRA has fostered keeping the interest rates on the loans in pesos at levels consistent with the development and needs of MSMEs, resulting in a more moderate increase in these rates than the rise recorded in the rates on deposits,<sup>10</sup> during the first months of this year. Consequently, it is estimated that the spread between lending interest rates (for loans) and borrowing interest rates (for deposits) in nominal terms for the segment in pesos has experienced a slight contraction in the first months of 2022.<sup>11</sup>

In terms of the ensemble of financial institutions' funding, the stock of private sector deposits in domestic currency went down 1.4% in real terms (+3.3% in nominal terms) in February, mainly due to the performance of sight accounts (-3.6% in real terms or 0.9% in nominal terms). In turn, within the context of the abovementioned increases in borrowing interest rates, the stock of private sector time deposits in domestic currency went up 1.3% in real terms against January (6.1% in nominal terms) (see Chart 4). Within this segment, UVA deposits posted the highest relative momentum on a monthly basis (9.6% in real terms for deposits with early cancellation option and 6.3% in real terms for traditional deposits) (see Chart 5). Likewise, traditional time deposits increased 1.8% in real terms for the aggregate financial system over the month.

**Chart 4 | Stock of private sector deposits in pesos**  
In real terms\* - Financial System



**Chart 5 | Stock of private sector time deposits in pesos**  
in real terms



Regarding the items in foreign currency, the stock of private sector deposits in this denomination went down 0.8% in February against January, mainly driven by the drop in time deposits. Thus, the total stock of private sector deposits (in domestic and foreign currency) shrank 1.6% in real terms over the period (+3% in nominal terms).

In year-on-year terms, the stock of private sector deposits in pesos rose 4.3% in real terms (+58.8% in nominal terms), with increases in sight accounts and time deposits. In turn, public sector deposits in pesos grew 1.9% y.o.y. in real terms over the period. Consequently, the total stock of deposits in pesos (considering both sectors) increased 3.9% y.o.y. in real terms. Taking into account all currencies and both sectors, the total stock of deposits contracted 1% y.o.y. in real terms.

<sup>10</sup> Within the framework of the LFIP, so far this year, the increase in the interest rates for the financing of investment projects was relatively lower than the rise in the minimum interest rates applicable to time deposits.

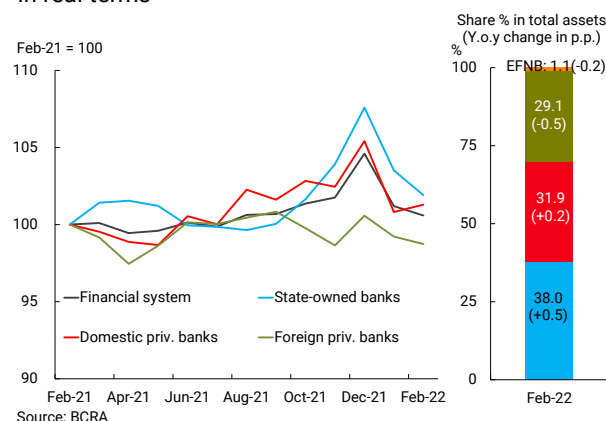
<sup>11</sup> For a further detail about the expected changes for the first part of the year in terms of implicit interest rates (ratio between the items of the income statement and of the balance sheet), see Section IV of this Report.

## II. Aggregate Balance Sheet Evolution and Composition

In February, the aggregate financial system's total assets contracted 0.6% in real terms, mainly due to the performance of state-owned and foreign private financial institutions (see Chart 6). Thus, total assets posted no significant changes against the level observed one year ago (+0.6% y.o.y. in real terms or +53.1% y.o.y. in nominal terms).

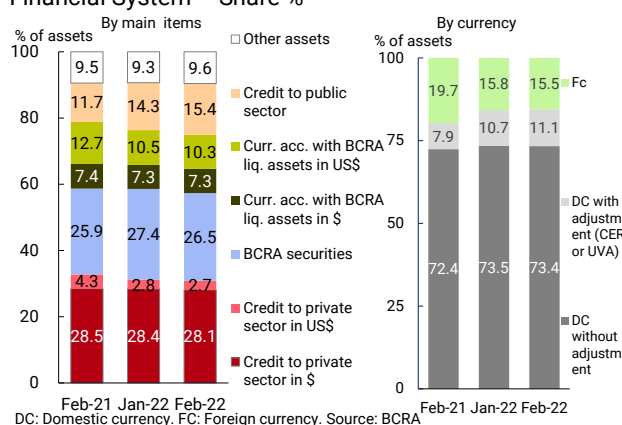
With reference to the main components of the financial system's total assets, there was an increase in the relative share of the stock of loans to the public sector in February (see Chart 7), while the share of BCRA instruments and, to a lesser extent, of lending in pesos to the private sector contracted over the month. In year-on-year terms, the relative share of loans to the public sector and of BCRA instruments expanded, while the share of lending to the private sector and of liquid assets in foreign currency contracted in total assets. In turn, a breakdown by currency shows an increase in the share of assets in domestic currency adjusted by CER, accompanied by a reduction in the share of assets in foreign currency.

**Chart 6 | Financial system's total assets**  
In real terms

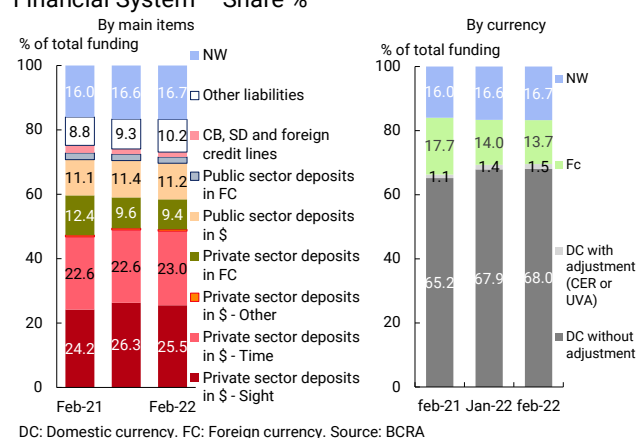


Regarding the main components of the financial system's total funding, there was an increase in

**Chart 7 | Composition of total assets**  
Financial System – Share %



**Chart 8 | Composition of total funding**  
Financial System – Share %



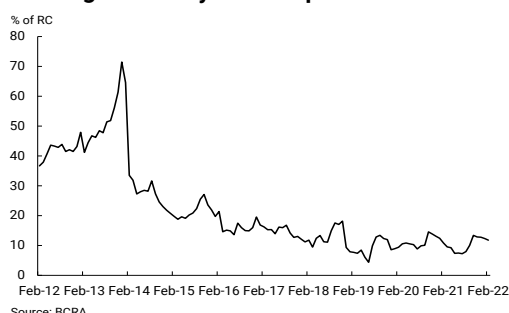
the relative share of private sector time deposits in pesos, while the share of sight accounts in pesos, of private sector deposits in foreign currency and of public sector deposits in domestic currency contracted during the month under analysis (see Chart 8). Against the same month of 2021, an increase was observed in the share of private sector deposits in domestic currency and also in the share of net worth in total funding, while the relative share of deposits from households and companies in foreign currency contracted over the

month. In turn, a breakdown by currency shows that there was a month-on-month reduction in the share of items in foreign currency in total funding, while the share of items in domestic currency expanded slightly in February.

The ensemble of financial institutions continued to show a moderate exposure to items in foreign currency within the framework of the macroprudential regulations in force. In February, the

positive differential between assets and liabilities in foreign currency<sup>12</sup> of the financial system accounted for 11.8% of the regulatory capital (see Chart 9); it has narrowed slightly (-0.6 p.p.) against the value recorded in January and it has stood slightly above the level observed in February 2021 (+1 p.p.). In turn, it is estimated that the differential of items with CER adjustment clause and/or denominated in UVA stood at 65.5% of the regulatory capital in February, and it has expanded in both month-on-month and year-on-year terms (+1.2 p.p. and +17.4 p.p., respectively).

**Chart 9 | Foreign currency assets – Foreign currency liabilities + Foreign currency forward position – Financial System**

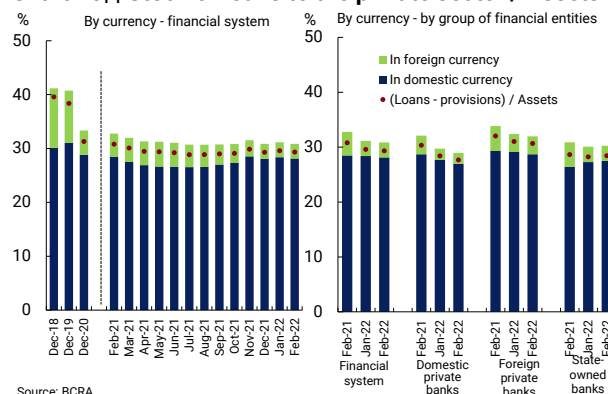


Source: BCRA

### III. Portfolio Quality

In February, the financial system's gross exposure to the private sector (including both domestic and foreign currency) stood at 30.9% of total assets,<sup>13</sup> down 0.3 p.p. against January (-1.9 p.p. y.o.y.). This decline was mainly led by private financial institutions. Upon considering lending in pesos only, the ratio stood at 28.1% over the period, down 0.3 p.p. against January (-0.4 p.p. y.o.y.) (see Chart 10). The share of lending in foreign currency to the private sector contracted slightly in total assets over the month to 2.7% (-1.6 p.p. y.o.y.), thus reaching the lowest value in the last six years.

**Chart 10 | Stock of loans to the private sector / Assets**



Source: BCRA

In February, the non-performing ratio of loans to the private sector did not post significant changes (-0.1 p.p.), standing at 4.2% (+0.4 p.p. y.o.y.) for the ensemble of financial institutions (see Chart 11). The evolution of this ratio has occurred in the context of the targeted focus of the financial relief measures adopted, when applicable, during the pandemic.<sup>14</sup>

<sup>12</sup> Including purchase and sale forward transactions in foreign currency, classified as off-balance.

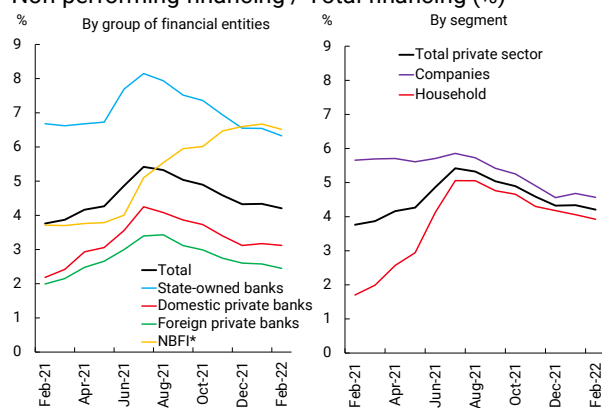
<sup>13</sup> This ratio reached 29.3% if credit to the private sector is netted from the stock of accounting provisions.

<sup>14</sup> See Communication "A" [6938](#), Communication "A" [7107](#), Communication "A" [7181](#), Communication "A" [7245](#) and Item 2.1.1. of the Consolidated Text on "[Financial Services in the framework of the Health Emergency provided for by Executive Order No. 260/2020 CORONAVIRUS \(COVID-19\)](#)".



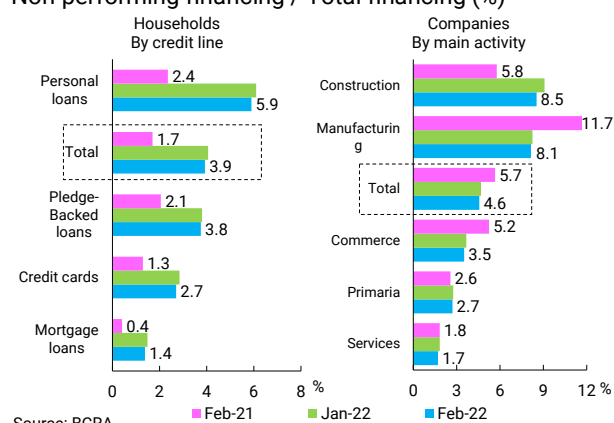
The non-performing ratio of lending to the private sector did not show significant changes either if we consider the various homogeneous groups of financial institutions as well as the segments of loans to companies and to households. In particular, during February, the non-performing ratio of loans to households accounted for 3.9% of the total stock of lending to this segment (see Chart 12), while a slightly more marked reduction was observed in lending for consumption purposes (personal loans and credit cards). In turn, the non-performing ratio of loans to companies accounted for 4.6% of the financing to this segment over the period (change of -0.1 p.p. m.o.m. and -1.1 p.p. y.o.y.). The non-performing ratio of loans to companies mainly involved in the construction business showed a slight decline.

**Chart 11 | Non-performing loans to the private sector**  
Non-performing financing / Total financing (%)



\*NBFIs: Non-Banking Financial Institutions. Source: BCRA

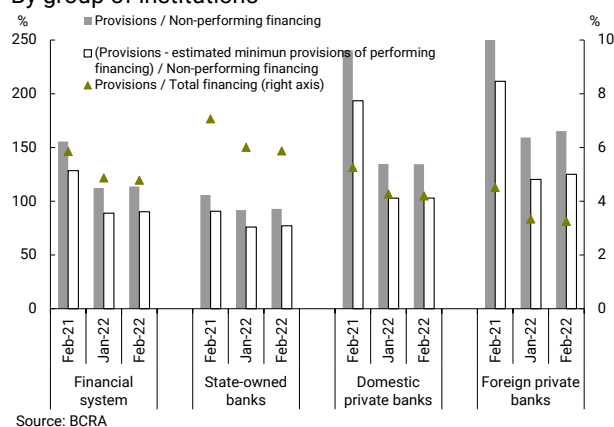
**Chart 12 | Non-performing loans to the private sector**  
Non-performing financing / Total financing (%)



Source: BCRA

In February, the aggregate financial system's total provisions accounted for 4.8% of total lending to the private sector, and they stood slightly below the figure recorded in January and 1.1 p.p. below the value recorded one year ago. Total provisions continued to exceed the non-performing portfolio of loans in February 2022 (see Chart 13). In particular, the ratio of provisions relative to the non-performing portfolio stood at 113.8% over the month at systemic level (+1.5 p.p. m.o.m and -41.7 p.p. y.o.y.). In turn, in February, the stock of regulatory provisions attributable to the non-performing portfolio (according to the criteria set by the rules on regulatory minimum provisions for loan loss exposure) accounted for 90.3% of such portfolio for the ensemble of financial institutions.

**Chart 13 | Loans to the private sector and provisions**  
By group of institutions

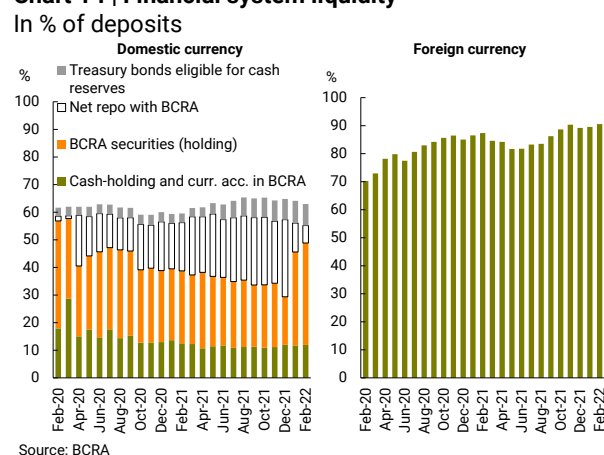


Source: BCRA

## IV. Liquidity and Solvency

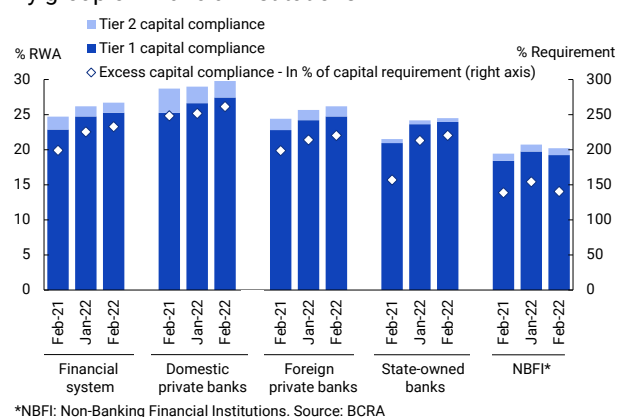
At systemic level, liquid assets<sup>15</sup> contracted in February in terms of deposits, even though they continued to stand at high levels if compared to the average of the last 15 years. Over the month, the broad liquidity ratio stood at 67.3% for the financial system (63% for the items in domestic currency and 90.5% for the segment in foreign currency, see Chart 14), down 0.9 p.p. against January (-1.1 p.p. for the segment in pesos and +1 p.p. for the items in foreign currency). Within the framework of the regulatory changes introduced at the beginning of the year,<sup>16</sup> several modifications continued to be observed in the composition of the financial system's liquidity in pesos in February: an increase in the share of the BCRA's instrument holdings (mainly LELIQs and, to a lesser extent, NOTALIQs) and a decrease in the share of net repo transactions with the BCRA.<sup>17</sup> Against the same month of 2021, the broad liquidity ratio grew 2.3 p.p. of total deposits for the ensemble of financial institutions (in pesos and in foreign currency).

**Chart 14 | Financial system liquidity**



The financial sector's solvency ratios were on the rise in February. The Regulatory Capital (RC) of the ensemble of financial institutions accounted for 26.7% of their risk-weighted assets (RWAs), up 0.5 p.p. against the level recorded in January (+2 y.o.y., see Chart 15). Nearly 95% of the total regulatory capital consisted mainly in Tier 1 Capital, with a greatest capacity to absorb potential losses. In turn, the capital surplus position (difference between RC and the regulatory minimum capital requirement) accounted for 232.8% of the regulatory requirement at aggregate level over the month, up 7.4 p.p. against January (+33.7 p.p. y.o.y.).

**Chart 15 | Compliance with regulatory capital**  
By group of financial institutions



The ratio between the regulatory capital surplus position and the loans to the private sector net of provisions stood at 34% for the sector as a whole during February (increasing slightly over the

<sup>15</sup> It considers liquid assets, assets admitted for compliance with minimum cash requirements, and BCRA instruments, in domestic currency and in foreign currency.

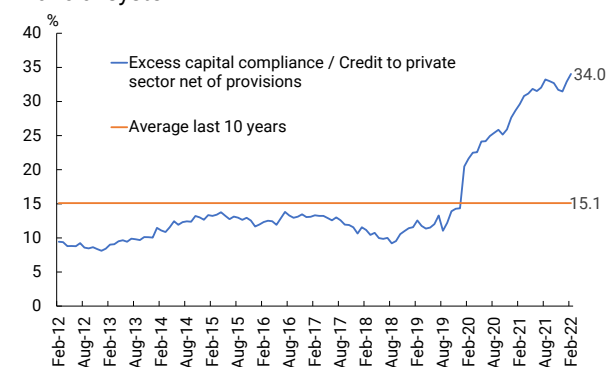
<sup>16</sup> Due to the reshaping of the monetary policy instruments. For further detail, see the [Report on Banks](#) corresponding to January 2022.

<sup>17</sup> NOTALIQs started to be auctioned in February, and their share in terms of deposits is still limited. In turn, a modification to the allowance on the minimum reserve requirement in pesos for the institutions participating in the "Ahora 12" Plan became effective in February (going down from 50% to 40% of the new lending channeled via this program, see Communication ["A" 7448](#)).

month and going up 4.4 p.p. y.o.y.), reaching a much higher level than the average of the last 10 years (15.1%) (see Chart 16).

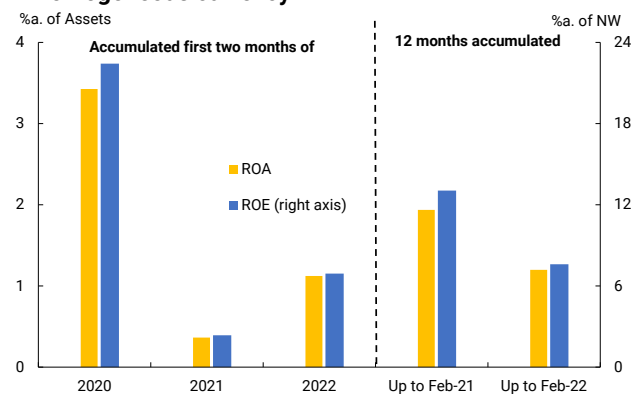
In February, the financial system exhibited positive profitability ratios, even though they stood at lower levels than in the preceding months. In the aggregate of the last 12 months up to February, the financial system accrued a total comprehensive income in homogenous currency of 1.2% of assets (ROA) and 7.6% of equity (ROE), down 0.7 p.p. and 5.4 p.p. in a year-on-year comparison, respectively (see Chart 17). This decline was mainly due to increases in the cost of funding for deposits and higher monetary losses, which were offset in part by higher income from premiums for repo transactions and a reduction of loan loss provisions, among other.

**Chart 16 | Capital surplus position in terms of loans to the private sector net of provisions**  
Financial system



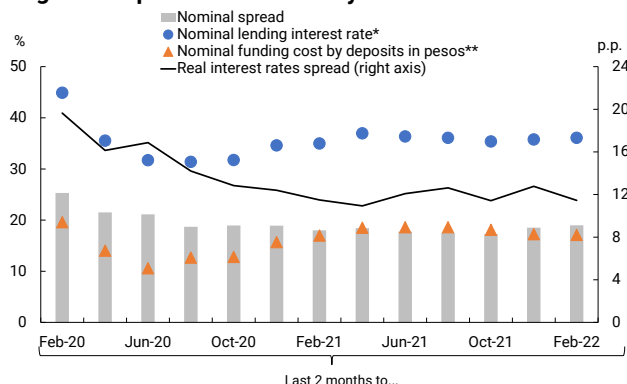
Source: BCRA

**Chart 17 | Financial sytem's total comprehensive income in homogenous currency**



Source: BCRA

**Chart 18 | Estimated implicit interest rates (annualized) – Segment in pesos – Financial System**



\*For loans in pesos (non-financial), LELIQ not used for integration of minimum cash requirements and net repo with BCRA. \*\* It is considered minimum cash requirements. Source: BCRA

The evolution of the implicit interest rates (both lending and borrowing rates) and their spread helps monitor, at least to some extent, the eventual impact on the financial system's balance sheet –items of the income statement and of the balance sheet– of the changes in the interest rates traded and in the evolution of balances. In the context of the changes observed in the BCRA's reference interest rates in February,<sup>18</sup> it is estimated that, at the beginning of 2022, the system would not have evidenced significant changes against the levels of the nominal implicit interest rates –lending and

18 Reshaping of the monetary policy instruments. For further detail, see Chart 3 of Section 1.

borrowing rates— of late 2021 (see Chart 18).<sup>19 20</sup> Thus, it is estimated that the implicit lending interest rate recorded a slight increase during the first two months of the current year, mainly associated with BCRA’s instrument holdings. In turn, until February 2022, the increase in the interest rates traded on deposits in pesos and the higher share of these deposits in the total stock would not have translated into a rise in the implicit cost of funding for deposits in the same denomination, within a context where there were also changes in the allowances on the minimum reserve requirement.

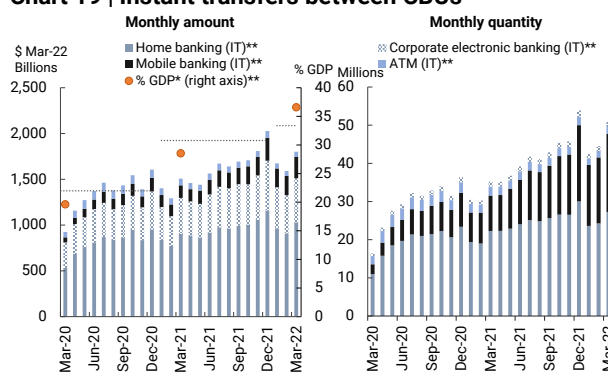
Despite the abovementioned performance of the nominal implicit interest rates, it is estimated that the spread between the implicit lending rate in real terms and the implicit cost of funding in real terms for deposits has narrowed against the figures recorded by the end of 2021 for the aggregate financial system (see Chart 18).

## V. Payment System

In March, instant transfers between accounts opened at financial institutions via Uniform Banking Codes (CBUs<sup>21</sup>) rose against February in both number (+14.6%) and amount in real terms (+13.2%, see Chart 19). In year-on-year terms, these transactions expanded 44.8% y.o.y. in number and 19.5% y.o.y. in amount in real terms. In this year-on-year evolution, the increase in transactions via Mobile Banking was especially remarkable. Consequently, there was an increase in the relative share of Mobile Banking transactions to 40.2% in number (+13.9 p.p. y.o.y.) and 13% in amount (+3.9 p.p. y.o.y.). It is estimated that, as of February, instant transfers between CBUs accounted for 36.6% of GDP<sup>22</sup> (+8 p.p. if compared to the same month of the year before).<sup>23</sup>

In March, payments by transfer (PCTs) initiated via an interoperable QR code<sup>24</sup> were on the rise against February in number (6.5%) and remained nearly unchanged in amount in real terms (see

**Chart 19 | Instant transfers between CBUs**



Source: BCRA. \*Three-month moving average annualized in terms of nominal GDP estimated for the same period. Not-seasonally adjusted. \*\*IT between accounts open at financial entities (from and to a CBU). Note: high value transfers and batch transfers are not included.

19 Taking the nominal implicit interest rates resulting from the main assets and liabilities in domestic currency. For the calculation of the implicit interest rates, concepts such as administrative expenses, tax expenditures, cost of capital or other components associated with hedging for risks inherent in the financial intermediation activities are not taken into account. In this estimate, implicit interest rates are built by accumulating the flows of the last two months, which are annualized.

20 For further detail about the recent evolution of the interest rates traded and the perception of the banks participating in the Survey on Credit Conditions (ECC) about the terms and conditions of loans for the first part of the year, see Section 1 of this Report.

21 Given the information available at the time of preparation of this Report, transactions via instant transfers that include Uniform Virtual Codes (CVUs) are not considered.

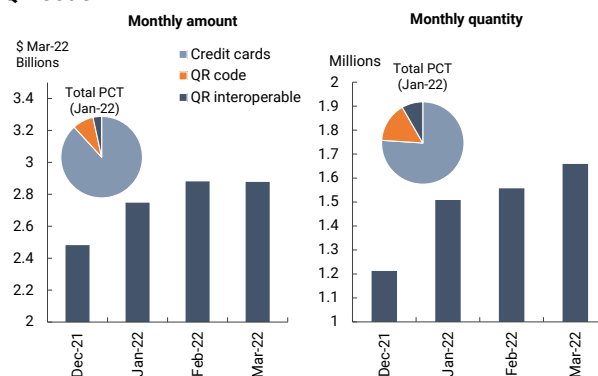
22 When considering annualized amounts of the last three months.

23 In the context of a positive performance of instant transfers, with an increasing momentum of the segment where Payment Service Providers are involved (from and/or to CVU), the BCRA reinforced its measures to improve the security of digital wallets ([Press Release of February 24, 2022](#)).

24 In the framework of the 3.0 Transfer initiative and driven by the regulation implemented by the BCRA, the monetary authority provided for the interoperability of the transactions initiated with QR code (for further information, see the Report on Banks corresponding to [November 2021](#)).

Chart 20). As from the beginning of the QR codes' full interoperability scheme, 6 million transactions were made until March, for an amount equivalent to \$10.33 billion at March 2022 prices (resulting in an average amount of \$1,725 per transaction). Consequently, in January (latest information available), payments by transfer via interoperable QR codes accounted for 8% of the total number of transactions via payments by transfer and 3% of the total amount transacted via payments by transfer.

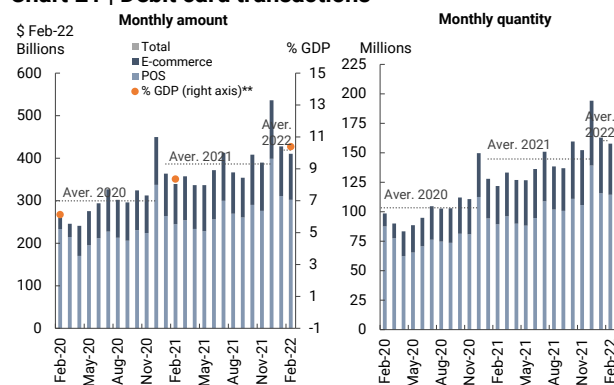
**Chart 20 | Payments by transfer (PCTs) via interoperable QR code**



Source: BCRA. Note: operations of payment started with codes QR interoperable. \*\* Total payments by transfers (PCT).

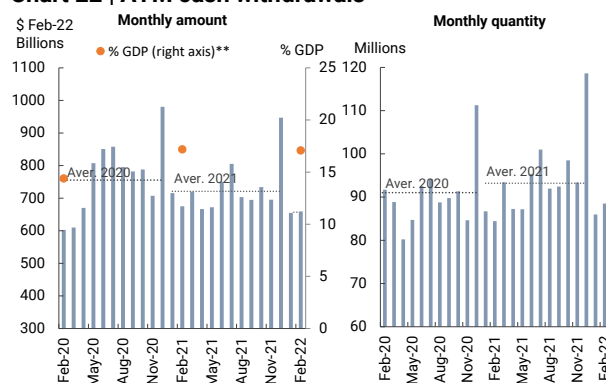
During February (latest information available), there was a decrease in transactions with debit cards –both onsite and electronic– against January (see Chart 21), in part due to seasonal factors. However, in year-on-year terms, debit card transactions went up significantly (+29.5% in number and +20.9% in amount in real terms). This evolution was evident in both onsite and electronic transactions.<sup>25</sup> Thus, it is estimated that transactions via debit cards accounted for 10.4% of GDP (up 2 p.p. against the same month of 2021).

**Chart 21 | Debit card transactions**



Source: BCRA. \*Desegregation available from Nov-19. \*\* Three-month moving average annualized in terms of nominal GDP estimated for the same period, Not-seasonally adjusted.

**Chart 22 | ATM cash withdrawals**



Source: BCRA \*\* Three-month moving average annualized in terms of nominal GDP estimated for the same period, Not-seasonally adjusted.

In February (latest information available), ATM cash withdrawals were on the rise against January in number (+3%) and in amount in real terms (+0.7%). In year-on-year terms, ATM cash withdrawals expanded 4.8% in number and dropped 2.4% in amount in real terms. It is estimated that, as of February, the value of ATM cash withdrawals accounted for 17.1% of PIB<sup>26</sup> (similar to the figure recorded in the same month of 2021, see Chart 22).<sup>27</sup>

In March, the clearing of checks went up against February (+28.4% in number and +27.1% in amount in real terms). Against the same month of 2021, check clearing accumulated a 5% rise in

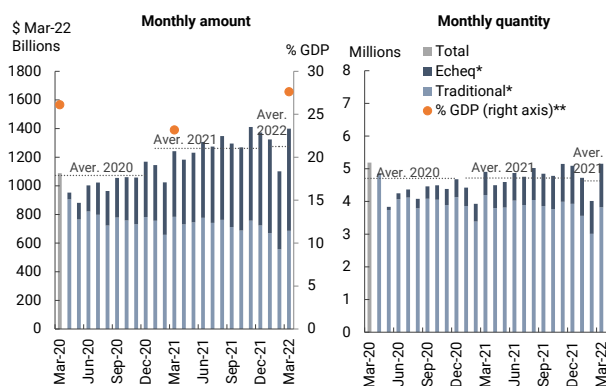
25 A greater opening of the economy due to the flexibilization of the measures adopted during the COVID-19 pandemic is consistent with a relative increase in onsite transactions.

26 When considering annualized amounts of the last three months.

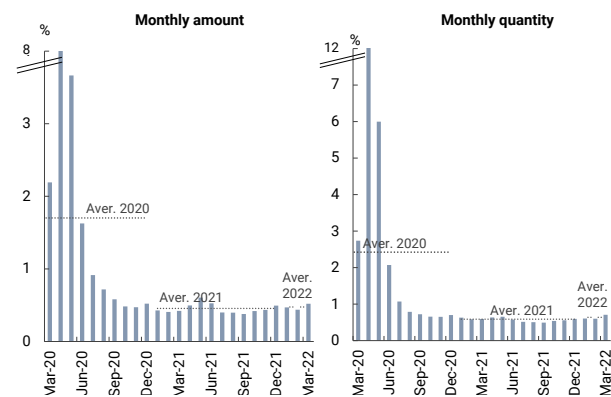
27 These values are in line with the historical average of 15.7% since March 2016.

number and a 12.6% rise in amount in real terms, and this increase was entirely explained by electronic checks (ECHEQs)(+87.1% in number and +55.6% in amount in real terms). Thus, during March, the share of ECHEQs continued to go up in total clearing to 25.8% in number (+11.3 p.p. y.o.y.) and 51% in amount in real terms (+14.1 p.p. y.o.y., see Chart 23). It is estimated that the amount of cleared checks has reached 27.6% of GDP as of March (+5.6 p.p. y.o.y.).

**Chart 23 | Cleared checks**



**Chart 24 | Bounced checks for insufficient funds**



In March, the ratio of bounced checks for insufficient funds in terms of total cleared checks<sup>28</sup> went up slightly against February (+0.11 p.p. to 0.7% in number and +0.08 p.p. to 0.5% in amount, see Chart 24).

<sup>28</sup> It considers both physical instruments and electronic checks.