

**BEHAVIOR UP OF THE MAIN MONETARY,
EXCHANGE AND CREDIT POLICY VARIABLES**

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IV. INFORMATIVE VARIABLES

	12/31/2021	PERFORMANCE AT 10/20/2022	10/27/2022	YEAR-END ESTIMATE	PROJECTED	MOBILE HORIZONS
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A. MONETARY ISSUE

December 2021	December 2022	12 months	24 months
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Level in millions	71,955.1	74,273.3	74,848.8				
Year to Year Percentage Change (%) (1)	12.1	15.3	15.0	(10.5 - 13.5)	(8.5 - 11.5)	(9.0 - 12.0)	(8.9 - 11.9)

B. M2 DOMESTIC AND FOREIGN CURRENCY (DC + FC)

Level in millions	369,207.1	395,335.5	397,783.1				
Year to Year Percentage Change (%) (1)	11.6	12.4	12.5	(9.5 - 11.5)	(8.0 - 10.0)	(8.5 - 10.5)	(8.4 - 10.4)

C. BANKING CREDIT TO THE PRIVATE SECTOR (DC + FC)

Level in millions	254,438.8	286,226.7	291,267.1				
Year to Year Percentage Change (%) (1)	12.7	18.0	19.2	(12.0 - 15.0)	(7.0 - 10.0)	(7.7 - 10.7)	(8.6 - 11.6)

D. EQUILIBRIUM REAL EXCHANGE RATE (2)

REERI MISALIGNMENT

3rd. Quarter 2021	4th. Quarter 2021	1st. Quarter 2022	2nd. Quarter 2022
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Model 1	-6.70%	-6.07%	-5.85%	-4.22%
Model 2	-8.09%	-4.48%	-3.49%	-4.83%
Model 3	1.15%	4.45%	3.94%	3.43%

**E. WEIGHTED AVERAGE ACTIVE AND PASSIVE INTEREST RATES
OF THE BANKING SYSTEM**

12/31/2021	PERFORMANCE AT 10/20/22	10/27/22
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1. Domestic Currency			
a) Lending Rates (3)	11.92	11.92	11.84
b) Deposit Rates (4)	3.99	3.90	3.90
2. Foreign Currency			
a) Lending Rates (5)	5.61	5.86	5.85
b) Deposit Rates (6)	2.55	2.79	2.82

F. SHORT TERM INTEREST RATES (%)

Weighted Average Repurchase Interest Rate (1 day) (DC)	1.55	2.80	2.80
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G. NEUTRAL INTEREST RATE (%)

Dec 2021	Aug 2022	Sep 2022
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a) Gap (leading interest rate - neutral interest rate) (7)	-1.82	-6.62	-6.78
b) Second threshold (+)	1.00	1.00	1.00
c) First threshold (+)	0.50	0.50	0.50
d) First threshold (-)	-0.50	-0.50	-0.50
e) Second threshold (-)	-1.00	-1.00	-1.00

H. Monetary Conditions Index (MCI) (%)

Dec 2021	Aug 2022	Sep 2022
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a) ICM calculation using the real exchange rate (8)	-2.33	-9.39	-10.19
b) ICM calculation using the nominal exchange rate (8)	-2.58	-9.74	-10.46
c) Second threshold (+)	2.00	2.00	2.00
d) First threshold (+)	1.00	1.00	1.00
e) First threshold (-)	-1.00	-1.00	-1.00
f) Second threshold (-)	-2.00	-2.00	-2.00

(1) It refers to the comparison of the week study regarding the equivalent week of the previous year.

(2) As of 2019, improvements were implemented on the estimation models of the the equilibrium real exchange rate (ERER) in order to ensure its methodological consistency. Positive sign means overappreciation, negative sign means overdepreciation, with respect to the equilibrium exchange rate.

(3) By including credit card loans, the weighted average interest rate would be 15.78%.

(4) By including checking accounts, the weighted average deposit interest rate would be 2.92%.

(5) By including credit card loans, the weighted average interest rate would be 6.42%.

(6) By including checking accounts, the weighted average deposit interest rate would be 1.92%.

(7) Determines the monetary policy stance. A gap within the first threshold corresponds to a neutral stance. A positive gap above the second threshold would indicate a restrictive stance, while a negative gap below the second threshold corresponds to an accommodative stance.

(8) Determines the monetary policy stance. A value within the first threshold corresponds to a neutral stance. A positive value above the second threshold indicate a restrictive position, while a negative value below the second threshold corresponds to an accommodative stance.