

Latest Regulations – May 2023

This section contains a summary of the main regulations implemented by the BCRA during the month related to the activity of financial institutions. They are referenced by the date of publication.¹

Communication ["A" 7758](#) – May 4, 2023 | The BCRA admitted a decrease in the minimum cash requirement in domestic currency taking into account the financing to Micro, Small and Medium-Sized Enterprises (MSMEs) through the purchase of MSMEs Electronic Credit Invoices (FCEMs) accepted by companies complying with certain requirements from clients meeting the conditions to be categorized as MSMEs.

Communication ["A" 7767](#) – May 15, 2023 | As from May 16, 2023, the BCRA raised the percentages to determine the minimum interest rates for time deposits in pesos by natural persons: the BCRA raised up to a 97% nominal annual percentage rate (APR) the minimum interest rate for time deposits in pesos for 30-day deposits up to ARS30 million whereas, for other time deposits, the rate floor was set at an 90% nominal annual percentage rate (APR). The Central Bank also increased the coefficient to determine the early-payment fixed rate for time deposits denominated in Units of Purchasing Power (UVAs) with early cancellation option. An adjustment was made to fixed interest rates for lending under the regulation on the ["Credit Line for Productive Investment \(LFIP\) of Micro, Small and Medium-Sized Enterprises \(MSMEs\)"](#) and the interest rate for loans intended for investment projects was set at a 76% nominal annual percentage rate (APR), whereas the rate for other lending was set at an 88% nominal annual percentage rate (APR). As from the invoicing cycle of June 2023, the BCRA raised to 86% nominal annual percentage rate (APR) the limit for compensatory interest for loans associated with credit cards which may be applied by financial institutions when the amount financed to natural persons does not exceed ARS200,000. Effective as from May 15, 2023, the Central Bank admitted that the minimum cash requirement to be complied by financial institutions with "National Treasury Bonds in pesos with maturity on May 23, 2027" and "National Treasury Bonds in pesos with maturity on November 23, 2027" may also be complied, under the same conditions and with the same effects in force, with "National Treasury Bonds in pesos with maturity on August 23, 2025".

Communication ["A" 7775](#) – May 29, 2023 | The BCRA admitted that financial institutions may comply with the minimum cash requirement in pesos using national sovereign bonds in domestic currency—including CER-adjustable bonds and bonds with dual currency yields (BONO DUAL) and excluding US dollar-linked bonds—with a residual term neither shorter than 90 calendar days nor longer than 760 calendar days at the time of underwriting, which are acquired through primary underwriting as from the date of this communication.

¹ For an overview of the changes implemented by the BCRA in recent months, see the previous editions of the [Report on Banks](#) and of the [Financial Stability Report](#).