

	For the Fiscal Year Ended December 31,				
	2009	2008	2007	2006	2005
Devaluation Rate	9.93%	9.61%	2.66%	1.25%	1.94%
Exchange Rate	3.7967	3.4537	3.1510	3.0695	3.0315
Inflation Rate ⁽¹⁾	10.26%	8.98%	14.56%	7.17%	10.59%

(1) The inflation rate presented is the general WPI published by the INDEC.

Risk Factors

Factors Related to Argentina

Overview

We are an Argentine corporation (sociedad anónima) and substantially all of our operations, properties and customers are located in Argentina. Accordingly, the quality of our assets, our financial condition and our results of operations depend primarily on macroeconomic and political conditions prevailing in Argentina. In 2001, the Argentine economy suffered a severe economic and political crisis ("the Argentine Crisis"), but was able to recover during Nestor Kirchner's term as President, which ended in 2007. Kirchner was succeeded by Cristina Fernández de Kirchner, whose term will last until 2011. The global financial crisis in 2009 led to lower growth and a moderate rise in unemployment, but did not affect the stability of Argentina's financial system (see Item 4. *Information on the Company—Recent Political and Economic Developments in Argentina – Macroeconomic Setting*).

Although the economic policies implemented by the Kirchner administrations have succeeded in the short- and mid-term, there still remain issues to be resolved, such as contracts with privatized public utilities and continuing default with respect to the pre-existing sovereign debt of the Argentine government that did not participate in the government's exchange offer consummated in June 2005. For more information regarding the restructuring of Argentina's sovereign debt, see *"The incomplete restructuring of Argentina's sovereign debt may affect the future of economic performance"* below.

Moreover, there are a number of bills in Congress that could amend the Financial Entities Law and may result in greater intervention by the executive branch in the organizational structure and activities of financial entities. In addition, the Ministry of Economy recently issued Decree No. 272/10 creating a Board for the Coordination of Monetary and Financial Policies, which could have a material effect on the Central Bank's by-laws and activities. In the event that the Argentine government is unable to implement suitable political measures necessary to transform the current growth in the Argentine economy into a long-term sustained increase, there is a risk of political and economic turmoil reappearing. This could have a material and adverse effect on the Argentine economy, including the financial system.

High inflation rate expectations could negatively affect the Argentine economy in general, including access to the long-term financing market.

In the event of high inflation rates, Argentine exports could lose competitiveness in international markets and private consumption could decline, causing a negative effect on economic activity and employment. Moreover, a high inflation rate could undermine confidence in the Argentine financial system in general, and this would negatively affect the business volume of banks, including BBVA Banco Francés, and could potentially hinder loan activities, especially those at long-term and fixed interest rates.

There exists a discrepancy between statistical data published by INDEC (National Institute for Statistics and Census) referring to the CPI (consumer price index) for the Greater Buenos Aires area, CPI indexes corresponding to the different Argentine regions/provinces and private estimates. This generates uncertainty about the country's actual rate of inflation and does not contribute to inflation expectations. It is to be noted that assets indexed by Coeficiente de Estabilización de Referencia ("CER") are adjusted according to the Greater Buenos Aires CPI.

A considerable decrease in the public sector balance could negatively affect the Argentine economy, and access to international financing markets.

Commencing in 2005, primary spending started to increase more than public income. Thus, the primary fiscal surplus of the central public non-financial sector has fallen from 3.9% of GDP in 2004 to 1.5% of GDP in 2009. Moreover, the primary balance could be negatively affected in the future if public spending continues to increase at a rate higher than revenues due to subsidies to lower-income sectors, social security debt, financial assistance to provinces with economic problems, increased spending on public works and subsidies to the energy and transportation sectors.

A further deterioration in fiscal accounts could negatively affect the government's ability to access the long-term financing markets.

The incomplete restructuring of Argentina's sovereign debt may affect the future of economic performance.

The Argentine debt exchange offer closed on February 25, 2005. On March 18, 2005, the Argentine government announced the final results of the debt restructuring process, with a rate of participation by bondholders of approximately 76.15% and an aggregate tendered amount of U.S.\$62.3 billion. The settlement of the debt exchange was completed on June 2005 due to a delay resulting from legal action by certain bondholders who did not participate in the exchange offer and attempted to attach the tendered bonds. Some of these bondholders have legal actions against the Argentine government, therefore the Treasury Department of the United States and the IMF have insisted that the Argentine government provide a clear strategy directed to those bondholders who did not participate in the exchange offer.

Despite the high levels of acceptance of the offer, the amounts not tendered for exchange totalled approximately U.S.\$20 billion, which created uncertainty as to the final resolution of the sovereign debt problem and its impact on the future performance of the Argentine economy. In August 2009, the Argentine government announced the re-opening of the offer for the "hold-outs" of the 2005 swap and a law was approved by Congress, enabling the government to carry out the operation. After obtaining the corresponding authorizations from the controlling agencies in United States and Europe, the government issued Decree No. 563/10 approved the restructuring of the public debt, and describing the corresponding details of the offer.

A successful result of the debt exchange would reduce the significance of the amount of sovereign debt remaining in default, thus allowing for an improvement in sovereign credit ratings and access to international capital markets.

However, the creation of the fund denominated "Fondo del Desendeudamiento Argentino" by Dto. No. 298/10 to guarantee external debt maturities in 2010 with Central Bank international reserves raised some concerns about the risk of an attachment being made on Argentine international payments. Bondholders who have litigated against the Argentine government in New York courts requested an attachment on Central Bank accounts, arguing that the Central Bank would be acting as the "alter ego" of the Treasury if the fund was established. This risk could have a material adverse effect on the result of the re-opening of the offer to "hold-outs" and the future performance of the Argentine economy. Moreover, the constitutionality of the creation of this fund is being discussed in Congress.

The stability of the foreign exchange market has led the Government to relax currency exchange controls. However, no assurance can be given that currency exchange controls will not again be tightened and that such circumstance will not have a material adverse effect on the results and the solvency of the financial system.

During the last five years, the Government established a series of currency restrictions and foreign exchange controls. These measures included a prohibition of fund transfers abroad as a general matter, except in connection with foreign trade transactions, payment of purchases or withdrawals made through credit or debit cards and settlement of financial transactions, as well as the requirement of the Central Bank's approval to transfer funds outside of Argentina for purposes of paying principal and interest on financial loans and making dividend payments. Since then, the currency restrictions and foreign exchange controls have been gradually relaxed in light of the increasing stability in the foreign exchange market. See "Item 10. Additional Information-Exchange Controls". While the foreign exchange system has become more flexible under current regulations, there can be no assurance that the Government will not again tighten these restrictions or otherwise change the current foreign exchange system or that one or more of the types of transactions described in this annual report will not be severely restricted. Such restrictions could have a material adverse effect on the Argentine financial system, on our results of operations and financial condition and on our ability to make dividend payments to non-residents.

Economic conditions in Argentina could potentially restrict access to capital markets and third-party funding.

In view of the combination of macroeconomic and regulatory developments in Argentina during the last years, Argentine entities have encountered significant difficulties in accessing capital markets and alternative long-term financing. No assurance can be given that Argentine entities will be able to access the securities markets or that they may rely on third-party funding, either locally or internationally, in amounts sufficient to meet future projects obligations. In addition, no assurance can be given to investors that the current macroeconomic environment in Argentina will be maintained in the long term, thereby adversely affecting Argentine entities' ability to generate funds sufficiently to meet their current and future debt obligations.

Government measures designed to exercise greater control over funds entering the country may disrupt our ability to access the international capital markets.

Argentina's executive branch enacted Decree No. 616/05 to regulate funds coming into and flowing out of Argentina in order to maintain stability and support the economic recovery of the country. These measures require that 30% of the funds remitted to Argentina must be deposited in an account with a local financial institution as a U.S. dollar deposit for one year, without accruing interest. Financial sector and non-financial private sector inflows originated from foreign financial borrowings that are invested in non-financial assets and must be fully repaid (principal and interest) within 24 months from the date of the borrowing are not subject to the foregoing deposit requirement. These measures may adversely affect the Argentine entities' ability to access the international capital markets and to effectively invest the funds raised in any such financing, which could materially adversely affect Argentine entities' financial condition and results of operations.

Financial institutions have made payments related to currency exchange rate differences in the refunding of deposits as ordered by the courts, for which financial institutions have still not been compensated. Although such payments have had a material adverse effect on the liquidity and the solvency of the Argentine financial system, at present this risk has been reduced.

The measures adopted by the executive branch with respect to the political, economic, financial and foreign exchange emergency during 2001 triggered a number of legal actions filed by individuals and companies, in the form of constitutional protection actions (judicial injunctions resulting in the immediate release of frozen deposits), against the Federal Government, the BCRA and Financial Institutions where the petitioners argued that the Law on Public Emergency and its supplementary provisions were unconstitutional. Relying mainly on the "Kiper vs. Federal Government and Others" case, dictated by the Argentine Supreme Court of Justice ("Supreme Court"), the courts massively started to order, through constitutional protection actions, the partial reimbursement of bank deposits in U.S. dollars or Argentine pesos at the "floating" exchange rate.

The Supreme Court has handed down several decisions in relation to the claims filed as a result of the 2001 Argentine emergency situation, and on December 27, 2006, in "Massa, Juan Agustin vs. Poder Ejecutivo Nacional - Dto. No. 1570 y Otro s/ Amparo Ley No. 16,986" (the "Massa Case") the Supreme Court confirmed the constitutionality of the emergency legislation during 2001 and 2002 regarding the pesification of the Argentine economy and stated the calculation method applicable for the restitution of the deposits in the financial system subject to the mentioned emergency legislation. This calculation method is substantially different from the method that was originally enforced by the executive branch because it entitles each deposit holder to receive from the corresponding financial institution the reimbursement of his or her deposit at an exchange rate of Ps.1.4 = U.S.\$1.00, adjusted by the benchmark stabilization coefficient known as and herein referred to as "CER" until the payment date, plus a 4% annual compensatory interest for every concept which cannot be capitalized. CER is a stabilization coefficient applicable to debt obligations that have been pesificated as from February 4, 2002. This coefficient is calculated according to the variation of the Consumer Price Index published by a government dependent organism known as INDEC. Both in this court order as well as in a more recent one, "Kujarchuk vs/ Poder Ejecutivo Nacional", the National Supreme Court establishes that the amounts withdrawn from the bank by judicial or non-judicial court measures will be considered advance payments, thus being obliged to deduce from the original tax in foreign currency, the percentage that, once converted into such currency, represents those payments converted into U.S. dollars at the free market quotation corresponding to each date. The payments thus effected are consolidated and deducted in this way in the liquidation made in accordance with the Massa Case. Legal costs are applied in this instance pursuant to the order thereof and according to the Court of Appeals' resolutions in prior cases. Also, the Supreme Court restricts the remaining amount to be refunded to the limit fixed by the Supreme Court, that is to say, the value in U.S. dollars of the original deposit.

As of the date hereof, due to the disposition of the Massa Case, and the time passed since 2001, the number of precautionary measures filed against Argentine banks has considerable reduced.

Notwithstanding this reduction in litigation, enforcement of the precautionary measures ordered by different courts in constitutional protection actions implies for the financial system substantial losses of capital. The Bank has informed the Ministry Economy and the BCRA of these losses and has sought to reserve all of its legal rights. The Dispositions of Communication "A" 3916 dated April 3, 2003, which states the method to account the capitalizations arising from compliance with court orders in cases challenging regulations in force in accordance with Law No. 25,561, Decree No. 214/02 and complementary regulations in relation to deposits within the financial system, is still in force.

To date the authorities have not ruled on possible compensation for the financial system in relation to these matters.

Conditions in the global financial markets and economy have yet to normalize and may materially adversely affect the Bank's business and profitability.

The outlook for the global economy over the near- to medium-term remains challenging as the global financial system has yet to fully stabilize. Results of operations in the past have been, and in the future may continue to be, materially affected by many factors of a global nature, including political, economic and market conditions; the availability and cost of capital; the liquidity of global markets; the level and volatility of equity prices, commodity prices and interest rates; currency values and other market indexes; technological changes and events; the availability and cost of credit; inflation, the stability and solvency of financial institutions and other companies; investor sentiment and confidence in the financial markets; or a combination of these factors.

While there are signs of global recovery, it is not yet certain whether the global recovery will continue or reverse.

Factors Related to BBVA Banco Francés

BBVA Banco Francés and its subsidiaries have a portfolio in public securities from, and loans to, the Argentine Government, including the debt rescheduled in 2005. Due to our level of exposure, any failure by the Argentine Government to comply with its duties according to the terms thereof would have an adverse effect on our equity situation.

As of December 31, 2009, the holdings of BBVA Banco Francés and its subsidiaries in debt from government totaled Ps.4,236.5 million, 16.1% of total assets, which consists mainly of: (i) rescheduled foreign and domestic debt: Ps.1,400.2 million in guaranteed loans, Ps.730.8 million in guaranteed bonds; Ps.397.7 million in bonds denominated in pesos and Ps.102.4 million in bonds denominated in dollars; and (ii) post-default foreign debt: Ps.1,301.5 million in bonds denominated in pesos; Ps.303.1 million in bonds denominated in dollars and Ps.0.8 million in other bonds.

Additionally, BBVA Banco Francés and its subsidiaries had a portfolio in short-term bills and notes of the BCRA, which totaled Ps.3,789.1 million, 14.4% of total assets, as of December 31, 2009. This exposure increased by Ps.255.3 million during 2009.

Although we and our subsidiaries significantly reduced our exposure to the public sector from 2005 to 2008, during 2009 this exposure was slightly increased compared to 2008. This increase is mainly attributable to higher valuations associated with the positive evolution of the Argentine bonds' quotation that occurred during 2009. Moreover, due to the existing difficulties in accessing the international markets, the government could implement measures to offer public debt within the local financial markets in order to obtain financing.

Therefore, BBVA Banco Francés and its subsidiaries continue to have a government bonds and loans portfolio, which could increase and due to its level of exposure, a new government default in respect of a substantial part of its debt would have an adverse effect on our assets.

BBVA Banco Francés is exposed to the risks associated with a structural mismatch, which may have an adverse effect on the Bank's future profitability in the event that real interest rates significantly increase from current levels.

While a significant part of the Bank's risk assets, mainly public sector loans and bonds, accrue CER adjustment plus an annual interest rate, a part of the Bank's liabilities accrue interest at a fixed rate. As of December 31, 2009, the Bank maintains a Ps.1,979.7 million long CER position, which represents 7.5% of total assets. During fiscal years 2005, 2006 and 2007, the remaining imbalance positively affected the Bank's results of operations, within an environment of negative real interest rates. During fiscal years 2008 and 2009, the long position in CER negatively affected the results of the Bank's operations in a context of positive real interest rates.

However, nothing can be asserted in relation to the future relative behavior of interest rates regarding the consumer price index. If actual interest rates increase in a significant manner, such increase may have a substantial adverse effect on our future profitability.

BBVA Banco Francés has made payments related to currency exchange rate differences in the refunding of deposits as ordered by the courts, for which the Bank has not been compensated. Although such payments have had a material and adverse effect in the liquidity and the solvency of the Bank, at present this risk has been reduced.

The judgment of the Supreme Court in the Massa Case has fixed a maximum amount for the refund of deposits in claims filed as a result of the 2001 Argentine emergency situation.

The number of court orders has considerably reduced and is concentrated only in certain jurisdictions. During 2009, BBVA Banco Francés paid Ps.48.8 million in exchange rate difference of deposit refunds in compliance with court orders. Please note that the Bank had already estimated this contingency (see Note 2.3 m) to the Consolidated Financial Statements).

Although the risk has been reduced, these payments may have a material and adverse effect on the liquidity and the solvency of the Bank.

Argentine corporate disclosure, governance and accounting standards may require the Bank to provide different information than would be required under U.S. standards.

The securities laws of Argentina that govern publicly listed companies such as the Bank impose disclosure requirements that are more limited than those in the United States in important respects. The Argentine securities markets are not as highly regulated and supervised as the U.S. securities markets. There are also important differences between accounting and financial reporting standards applicable to financial institutions in Argentina and to those in the U.S. As a result, financial statements and reported earnings of Argentine financial institutions generally differ from those reported based on U.S. accounting and reporting standards. See "Item 5. Operating and Financial Review and Prospects-U.S. and Argentine Banking GAAP Reconciliation" for a description of the principal differences between Argentine banking GAAP and U.S. GAAP and how they affect our financial statements and the reconciliation to U.S. GAAP of net income and total stockholders' equity for the periods ended and as of the dates therein indicated.

Lawsuits brought against us outside Argentina, the enforcement of foreign judgments and complaints based on foreign legal concepts may be unsuccessful.

We are a commercial bank organized under the laws of Argentina. Most of our shareholders, directors, members of the supervisory committee, and officers and certain experts named herein reside outside the United States (principally in Argentina). Substantially all of our assets are located outside the United States. If any shareholder were to bring a lawsuit against our directors, officers or experts in the United States, it may be difficult for them to effect service of legal process within the United States upon these persons or to enforce against them, in the United States courts based upon the civil liability provisions of the United States federal securities laws, due to specific requirements of Argentine law regarding procedural law issues and principles of public policy.

Because we are a financial institution, any insolvency proceeding against us would be subject to the powers of and intervention by the Central Bank, which may limit remedies otherwise available and extend the duration of the proceedings.

Under Argentine law, the liquidation and commencement of bankruptcy proceedings against financial institutions, until their banking license has been revoked by the Central Bank, may only be commenced by the Central Bank. If BBVA Banco Francés were unable to pay its debts as they come due, the Central Bank would intervene and revoke its banking license, and file a bankruptcy petition before a commercial court. If the Central Bank intervenes, the reorganization proceeding could take longer and it is likely that the shareholders' remedies would be restricted. During any such process, the Central Bank would have to consider its interests as a regulator and could well prioritize the claims of other creditors and third parties against the Bank. As a result of any such intervention, the shareholders may realize substantially less on the claims than they would in a bankruptcy proceeding in Argentina, the United States or any other country.

The special rules that govern the priority of different stakeholders of financial institutions in Argentina, which give priority to depositors with respect to most other creditors, may negatively affect other stakeholders in case of judicial liquidation or bankruptcy of the Bank.

Argentine Law No. 24,485, in force since April 18, 1995 and as amended by Law No. 25,089, provides that in case of judicial liquidation or bankruptcy of the Bank, all depositors, irrespective of the type, amount or currency of their deposits, will have general and absolute preferential rights with respect to all other creditors, except for certain labor credits and credits secured with pledge or mortgage, to be paid with 100% of the funds deriving from the liquidation of the Bank's assets. In addition, depositors of any kind of deposits have special preferential rights over the remaining creditors of the Bank, except for certain labor credits, to be paid with (i) any of the Bank's funds which may be held by the Central Bank as total reserves, (ii) any remaining funds of the Bank in existence as of the date on which the Bank's license is revoked, or (iii) any funds derived from the compulsory transfer of certain assets of the Bank according to instructions of the Central Bank, in the following order of priority: (a) deposits made by legal entities up to Ps.5,000 per entity, or its equivalent in foreign currency, (b) deposits for terms exceeding 90 days and (c) all other deposits on a pro rata basis.

Factors Related to BBVA Banco Francés' Subsidiaries

§ Consolidar AFJP S.A.

Consolidar AFJP S.A. ("AFJP") is a privately owned pension fund managing company whose purpose is the administration of retirement contributions from affiliates and the corresponding grant of old age, disability and death pensions. On December 4, 2008, the National Government enacted Law No. 26,425 to implement social security reform, by which the National State assumed once again the coverage of contingencies in cases of old age, disability and death. Notwithstanding certain matters deriving from Law No. 26,425 that remain pending, such as possible indemnity in favor of AFJP in the amount of its corporate capital arising from the loss of its corporate business purpose.

As a result of the social security reform and the loss of corporate business purpose, on December 28, 2009, in a Shareholders' Extraordinary Meeting of AFJP, the shareholders decided to terminate the corporate existence of the company and liquidate it.

During 2009, 289 legal labor actions were filed against AFJP claiming differences in severance payment amounts. AFJP has estimated this contingency and raised the corresponding allowances. The exact effects of either of the unknowns described above are impossible to predict, but it is reasonable to anticipate that neither would have material adverse effects on our results.

§ Consolidar Compañía de Seguros de Vida S.A.

Consolidar Compañía de Seguros de Vida S.A. provides coverage for risks of disability and death of workers joining private pension funds administrators, granting the necessary supplemental capital to determine the pension to be granted to those who request a disability pension or to pension's beneficiaries as a consequence of worker's death.

As a consequence of the amendment of Law No. 26,222, this subsidiary has ceased subscribing the pension fund related coverage. Additionally, this subsidiary has sold the group life portfolio to BBVA Consolidar Seguros S.A. During 2009, this company was absorbed as a result of the merger with Consolidar Compañía de Seguros de Retiro S.A.

§ Consolidar Compañía de Seguros de Retiro S.A.

Consolidar Compañía de Seguros de Retiro S.A. ("Retiro") enters into individual pension agreements, group agreements and life annuity agreements. Regarding the pesification of the social security payments carried out during the 2001 crisis, the Argentine Supreme Court rendered judgment in a case where the dollarization of a social security life annuity was claimed, granting the dollarization of the social security contract which was initially agreed in such foreign currency.

The judgments rendered by the National Supreme Court are applicable exclusively to those individual cases it resolves. In this sense, it is pertinent to point out that Retiro has received various claims arising from the required government pesification for all contracts providing for foreign currency and it is possible that these claims will be resolved in a manner adverse to the subsidiary. This, however, would not be reasonably expected to result in a material adverse effect on the financial results of BBV Banco Francés.

During 2009, Retiro absorbed Consolidar Compañía de Seguros de Vida S.A., which significantly increased Retiro's capital, making it one of the most solvent entities in the market.

ITEM 4. INFORMATION ON THE COMPANY**RECENT POLITICAL AND ECONOMIC DEVELOPMENTS IN ARGENTINA****Macroeconomic Setting**

Economic activity in Argentina was also affected by the global financial crisis in 2009 (the “Global Financial Crisis”), and, to a lesser extent by the swine flu, all of which led to a decline in GDP after six years of continuous growth. Preliminary data as provided by the Monthly Activity Estimator (EMAE) showed that the economy grew by only 0.8% during 2009.

As a consequence of the slowdown and higher uncertainty, the unemployment rate increased from 7.3% in the fourth quarter of 2008 to 8.4% in the last quarter of 2009. Private companies’ salaries in the formal sector continued to rise showing an average increase of 18.7% during the year. Wage increases in the informal sector were somewhat higher, while government agencies increased their workers’ salaries less than in the formal sector, so the total wage index rose by 19.5% year-over-year on average during 2009.

Tax collection was up by 13.2% year-over-year as a result of rising social security contributions (up by 48.1%). Public revenues benefited from the pension funds reform (transfer of employee’s personal contributions from the former AFJP (Private Pension Fund Managers) to the government-managed pension system) which was ordered at the end of 2008. VAT and Income Tax collections rose to a lesser extent than the average, reflecting the general slowdown in economic activity, while Export Duties were down by 11.1% as a result of the collapse in commodity prices when compared with 2008. Primary expenditures increased by 30.2% year-over-year, well above revenues, mainly due to capital expenditures and salaries (wage hikes and hirings). Primary surplus was Ps.17,286 million, a decline of 46.9% compared to 2008.

The official CPI index for the Greater Buenos Aires Area was up by 7.7% in 2009. As in the previous year, the main increases were in services, especially in private education fees.

In terms of international trade, exports dropped by 20.4% year-over-year, while imports contracted by 32.5% year-over-year, which resulted in a record trade surplus of U.S.\$16,980 million during the year.

The aftermath of the Global Financial Crisis continued to be felt in Argentina during the first half of 2009 and private capital outflows increased. As a consequence of a higher demand for U.S. dollars, the BCRA intervened by selling international reserves, continuing to apply a “managed float” policy from January to June. The nominal FX depreciated by 11% during that period and remained approximately constant for the rest of the year. The U.S. dollar closed at 3.797 to the Argentine Peso.

Monetary Policy

The first half of 2009 was marked by a more restrictive monetary policy as a result of the capital outflows of private sector. The monetary base dropped 5.7% year over year and the BCRA offset the lack of monetization through the external sector not renewing Lebac and Nobac (Central Bank bills and notes) at maturity. The situation was reversed during the last months of 2009 and the Central Bank became net buyer of foreign currency once again. International reserves were up by U.S.\$1,582 million during 2009, which ended with U.S.\$47,967 million in reserves.

In general, interest rates declined throughout 2009. As a consequence of the Global Financial Crisis and electoral uncertainty at the domestic level, the Badlar (wholesale deposit) rate in private banks had risen to 19% at the end of 2008 while in 2009 it ended at an average of 9.8% due to high liquidity levels in the banking system.

Total private sector deposits rose 19.1% year-over-year to December 2009. During the first months of 2009, there was an increase in dollar-denominated deposits, but in the second half of the year, this trend was reverted as a result of better economic conditions and falling uncertainty. In spite of this, U.S. dollar deposits in the private sector were up by 26% during the year, while peso deposits only increased 14.9% year over year. On the other hand, public sector deposits practically remained at the same level as at the end of 2008 as government fiscal surpluses dropped, reflecting less saving capacity for the public sector.

Overall, the rate of growth of loans granted to the private sector dropped sharply from 22.9% year over year in 2008 to only 8.2% year over year in 2009. Corporate loans (overdrafts, discounts document and other corporate loans) were strongly impacted by the crisis while in the consumer segment, only credit card financing registered positive growth rates.