



# Banco Macro S.A. (BMA)

Updated April 1<sup>st</sup>, 2026, by Nikolaos Sismanis

## Key Metrics

<b>Current Price:</b>	\$77	<b>5 Year Annual Expected Total Return:</b>	-1.4%	<b>Market Cap:</b>	\$5.26 B
<b>Fair Value Price:</b>	\$39	<b>5 Year Growth Estimate:</b>	5.0%	<b>Ex-Dividend Date:</b>	04/20/2026 <sup>1</sup>
<b>% Fair Value:</b>	197%	<b>5 Year Valuation Multiple Estimate:</b>	-12.7%	<b>Dividend Payment Date:</b>	04/27/2026
<b>Dividend Yield:</b>	5.2%	<b>5 Year Price Target</b>	\$50	<b>Years Of Dividend Growth:</b>	0
<b>Dividend Risk Score:</b>	F	<b>Sector:</b>	Financials	<b>Rating:</b>	Sell

## Overview & Current Events

Banco Macro S.A. is one of the leading universal banks in Argentina and the largest domestically-owned private bank in the country by branch network. The bank provides a comprehensive suite of financial products and services to over 6.3 million retail customers and 225,000 corporate clients. While it offers a full range of traditional banking services, like savings accounts, credit cards, personal loans, and corporate financings, it distinguishes itself through a strategic focus on underserved regional markets and a dominant presence in Argentina's interior provinces. The bank also serves as the exclusive financial agent for four Argentine provinces (Jujuy, Salta, Misiones, and Tucumán), giving it a stable base of public sector deposits and unique access to regional economic ecosystems. The bank has a market cap of \$5.26 billion. It pays dividends on a monthly basis.

On February 26<sup>th</sup>, 2026, Banco Macro posted its Q4 and full-year results for the period ending December 31<sup>st</sup>, 2025. The company reported net interest income of about \$578.9 million, up 19% year over year, driven by 40% financing growth as higher lending rates partly offset pressure from deposit interest costs. Net fee income reached \$135.0 million, with modest growth supported by banking fee repricing and higher brokerage volumes. Net income was \$69.3 million, rebounding from the previous quarter's loss but below the roughly \$93.1 million reported in 4Q 2024. This resulted in earnings per ADR of \$1.08, primarily impacted by a 243% year-over-year surge in loan loss provisions and an increase in administrative expenses linked to early retirement plans and severance payments. We believe the bank has an earnings power of \$7.84 under "normal conditions", which we have embedded in our estimates.

## Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
<b>EPS</b>	\$7.58	\$9.01	(\$0.38)	\$6.69	\$5.81	\$3.76	\$4.91	\$34.90	\$5.60	\$3.62	<b>\$7.84</b>	<b>\$10.01</b>
<b>DPS</b>	\$1.01	\$0.75	\$2.23	\$2.23	---	---	\$1.12	\$2.23	\$5.90	\$2.14	<b>\$4.00</b>	<b>\$4.64</b>
<b>Shares<sup>2</sup></b>	584.5	629.5	661.1	639.4	639.4	639.4	639.4	639.4	639.4	639.0	<b>639.0</b>	<b>640.0</b>

Banco Macro's last decade really shows a bank trying to survive and adapt through some pretty wild macro conditions. In 2026 and 2017, things were relatively normal, including stable rates, solid private credit demand, which is probably the best reference point for its "normalized" earning power. That changed in 2018 with the return of hyperinflation accounting. The reported USD loss that year wasn't a real operational collapse, as the bank was still profitable in pesos, but a consequence of currency devaluation and the way results had to be restated.

More recently, the numbers are skewed by the huge 2023 EPS spike and the Itaú Argentina acquisition. The 2023 result was mostly a non-cash gain from holding assets that beat inflation during a hyper-devaluation episode. Now the story is more about consolidation. By buying Itaú's local business, Macro used a bad macro environment to expand into Buenos Aires and pick up market share when organic growth was basically frozen.

We forecast 5% growth from our earnings power moving forward, because the efficiency and scale benefits from the Itaú Argentina integration could boost results, but that could be offset by a tough macro transition. Even though the

<sup>1</sup> Estimated dates

<sup>2</sup> Share count is in millions.

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bank is rotating out of low-yield government paper and back into higher-margin private lending, that growth is running into near-term pressure from narrowing net interest margins as rates normalize. On top of that, FX volatility is still the big wildcard for ADR investors. Because of hyperinflation accounting, even strong profits in pesos can get wiped out in dollar terms if the currency moves the wrong way.

The bank has historically paid dividends, but amounts can move from insignificant to major, without a clear policy in place or intention for progressive growth. The bank has been paying a monthly variable dividend since August 2015.

## Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	9.2	10.6	---	6.6	3.5	4.0	2.9	0.6	10.4	21.4	9.8	5.0
Avg. Yld.	1.5%	0.8%	3.1%	5.1%	0.0%	0.0%	7.8%	10.3%	10.1%	2.8%	5.2%	9.3%

Historically, Banco Macro's valuation de-rated from a 10x average to a "distressed" 3.5x–5.5x range following the 2018 crisis and the implementation of hyperinflation accounting. It's now trading back to ~10x this year's expected EPS. We maintain our fair P/E at 5x our EPS power forecast, effectively pricing in a necessary "Argentina Discount." This accounts for the lower quality of inflation-adjusted earnings and provides a critical margin of safety against persistent FX volatility.

## Safety, Quality, Competitive Advantage, & Recession Resiliency

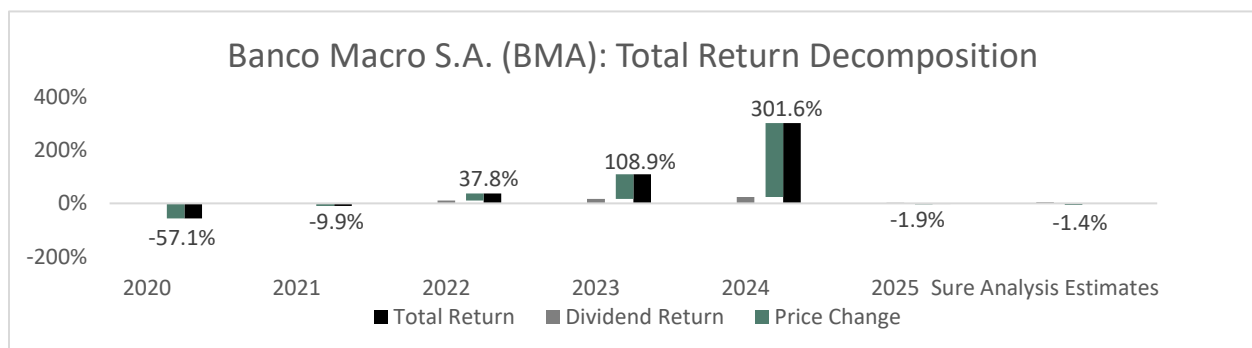
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	13%	8%	---	---	---	---	---	6%	105%	59%	51%	46%

The case for Banco Macro rests on a balance sheet characterized by "excess" strength, with capital adequacy ratios (Tier 1 of ~31%) that far exceed regulatory mandates, offering a rare level of stability in a volatile market. This fiscal robustness is paired with a geographic moat. As the exclusive financial agent for four interior provinces, Banco Macro maintains a locked-in, low-cost deposit base and a captive retail audience that competitors cannot easily penetrate. However, for US-based investors, any operational success is constantly at the mercy of intense "translation risk." Despite strong local performance and a dominant branch network, aggressive Peso devaluations as well as the complexities of hyperinflation accounting mean that dollar-denominated returns are never guaranteed. It remains a high-quality institution operating in a high-risk jurisdiction, where the primary threat is not the bank's management, but the unpredictable macro floor of the country itself. Do not blindly trust the dividend.

## Final Thoughts & Recommendation

Banco Macro stands as a high-quality defensive institution with a dominant regional moat and sector-leading capital ratios, yet it remains a high-risk vehicle for US investors due to extreme foreign exchange volatility. Along with the lack of progressive dividend growth and our assessment that the stock is significantly overvalued at current levels, we rate Banco Macro a sell.

## Total Return Breakdown by Year



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## Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenue</b>	2,826	2,480	2,615	2,699	2,886	2,030	3,891	5,943	14,705	6,916
<b>Gross Profit</b>	-	-	-	-	-	-	-	-	-	-
<b>Gross Margin</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>SG&amp;A Exp.</b>	-	-	-	-	-	-	-	-	-	-
<b>D&amp;A Exp.</b>	18	14	35	26	28	62	74	115	195	149
<b>Operating Profit</b>	832	689	905	898	948	413	985	2,238	6,892	2,979
<b>Operating Margin</b>	29.4%	27.8%	34.6%	33.3%	32.8%	20.3%	25.3%	37.7%	46.9%	43.1%
<b>Net Profit</b>	545	446	613	560	845	428	285	329	1,996	355
<b>Net Margin</b>	19.3%	18.0%	23.4%	20.7%	29.3%	21.1%	7.3%	5.5%	13.6%	5.1%
<b>Free Cash Flow</b>	451	828	487	707	741	1,224	1,158	3,477	7,472	1,040
<b>Income Tax</b>	268	235	298	248	165	173	17	149	959	36

## Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total Assets</b>	8,108	9,795	12,023	9,103	7,155	9,158	9,716	11,803	8,311	14,057
<b>Cash &amp; Equivalents</b>	1,354	2,113	2,094	1,629	1,247	897	1,298	966	1,130	2,274
<b>Accounts Receivable</b>										
<b>Inventories</b>										
<b>Goodwill &amp; Int. Ass.</b>	2	42	44	37	35	61	82	98	93	143
<b>Total Liabilities</b>	6,871	8,386	9,541	7,653	5,655	7,396	7,392	8,909	5,782	10,128
<b>Accounts Payable</b>				271	225	205	16	32	43	53
<b>Long-Term Debt</b>	668	981	587	489	507	443	414	407	394	391
<b>Shareholder's Equity</b>	1,203	1,370	2,430	1,426	1,473	1,761	2,323	2,893	2,528	3,859
<b>LTD/E Ratio</b>	0.54	0.70	0.29	0.46	0.38	0.29	0.20	0.16	0.23	0.13

## Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Return on Assets</b>	6.4%	5.0%	5.6%	5.3%	10.4%	5.3%	3.0%	3.1%	19.8%	3.2%
<b>Return on Equity</b>	41.8%	33.8%	31.5%	28.4%	57.3%	26.3%	13.9%	12.6%	73.6%	11.0%
<b>ROIC</b>	27.1%	20.8%	21.9%	21.1%	40.4%	19.7%	11.3%	10.7%	61.9%	9.4%
<b>Shares Out.</b>	584.6	584.5	629.5	661.1	639.4	639.4	639.4	639.4	639.4	639.4
<b>Revenue/Share</b>	48.16	42.27	41.53	40.83	45.13	31.74	60.85	92.94	229.97	108.17
<b>FCF/Share</b>	7.68	14.11	7.74	10.69	11.60	19.15	18.11	54.38	116.86	16.26

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

### Disclaimer

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