# Banco BBVA Argentina S.A. (BBAR)

*Updated June 1st, 2026, by Nikolaos Sismanis*

## Key Metrics

| | | | | | |
|---|---|---|---|---|---|
| **Current Price:** | $19.18 | **5 Year Annual Expected Total Return:** | -4.2% | **Market Cap:** | $3.94 B |
| **Fair Value Price:** | $13.50 | **5 Year Growth Estimate:** | 0.0% | **Ex-Dividend Date:** | 06/19/2026[1] |
| **% Fair Value:** | 142% | **5 Year Valuation Multiple Estimate:** | -6.8% | **Dividend Payment Date:** | 06/26/2026 |
| **Dividend Yield:** | 2.1% | **5 Year Price Target** | $13.50 | **Years Of Dividend Growth:** | 0 |
| **Dividend Risk Score:** | F | **Sector:** | Financials | **Rating:** | Sell |

## Overview & Current Events

Banco BBVA Argentina (formerly BBVA Francés) is the third-largest private bank in Argentina by both deposits and total loans. Operating as a subsidiary of the BBVA Group, the bank leverages its parent company's international expertise to serve a diverse client base of about 3.7 million retail customers and a robust portfolio of small, medium, and large corporate entities. While it provides a full suite of universal banking services, it is widely recognized for its dominance in Corporate & Investment Banking (CIB) and its strategic leadership in the automotive financing market through exclusive partnerships with major global manufacturers. The bank has a market cap of $3.94 billion. It pays dividends monthly.

On March 20th, 2026, Banco Macro also agreed to acquire 100% of Banco Sáenz S.A., subject to customary conditions including BCRA approval.

On May 27th, 2026, Banco Macro reported Q1 results for the period ending March 31st, 2026. Net Interest Income rose 27.0% year over year to $0.70 billion, mainly due to lower funding costs as interest expense fell 21.0% from Q4, while Net Fee Income rose 5.0% year over year to $0.15 billion despite a modest sequential decline in fee income. Net income increased 131.0% year over year to $0.10 billion, or $1.57 per ADR, supported by higher net interest income, stronger FX income, gains on government securities held at amortized cost, and lower administrative and personnel expenses. Loan loss provisions rose 173.0% year over year to $0.17 billion as asset quality weakened. The NPL ratio rose to 5.40% by quarter-end. Still, Q1 showed improvement, with net income up 28.0% from Q4, helped by a 25.3% net interest margin including FX and lower operating expenses, partly offset by a larger $0.25 billion loss from the net monetary position as quarterly inflation rose to 9.44%. We have set an earnings power of $1.50 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 | Now | 2031 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **EPS** | $1.38 | $1.15 | ($0.26) | $1.63 | $0.70 | $0.48 | $2.22 | $2.92 | $1.94 | $0.91 | ***$1.50*** | ***$1.50*** |
| **DPS** | $0.42 | $0.25 | $0.44 | $0.26 | $0.00 | $0.11 | $0.19 | $0.28 | $1.43 | $0.22 | ***$0.40*** | ***$0.40*** |
| **Shares[2]** | 536.9 | 569.9 | 612.7 | 612.7 | 612.7 | 612.7 | 612.7 | 612.7 | 612.7 | 612.7 | ***612.7*** | ***615.0*** |

BBVA Argentina's earnings trajectory over the past decade reflects a sharp shift from traditional credit-driven growth to a balance sheet heavily indexed to Argentine inflation. Prior to 2018, BBAR maintained consistent profitability by in USD terms, leveraging a strong corporate lending base and healthy net interest margins (NIM). However, the 2018 currency crisis triggered the mandatory adoption of IAS 29 hyperinflation accounting, which forces the bank to restate its figures in constant currency. This caused the reported USD loss in 2018 as the massive devaluation of the Peso effectively wiped out nominal gains when translated into ADR-equivalent values.

The recent surge in earnings, particularly in 2023, was primarily driven by the "gain from net monetary position." This accounting phenomenon occurs when a bank's non-monetary assets, such as inflation-linked (CER) government bonds, appreciate faster than its monetary liabilities during periods of hyper-devaluation. This was a "paper-heavy" profit year

[1] Estimated dates based on past dividend dates.
[2] Share count is in millions.

that did not represent a recovery in private sector lending. In 2024, earnings began to normalize as the BCRA cut rates, compressing securities yields as inflation slowed. In 2025, lower rates and higher provisions further pressured earnings.

We forecast 0% growth from our earnings power moving forward. This is because structural gains in private sector lending are systematically offset by aggressive margin compression. While the bank is successfully pivoting away from government securities, the resulting Net Interest Margin pressure combined with a "normalization" of interest rates can cap near-term upside. Additionally, persistent FX translation risk and IAS 29 hyperinflation accounting mean that local operational growth rarely translates into sustained USD earnings for ADR holders. We also don't forecast any dividend growth, as payouts have fluctuated wildly over time. The bank has paid a variable monthly dividend since August 2025.

## Valuation Analysis

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Now | 2031 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Avg. P/E | 13.4 | 17.7 | --- | 5.6 | 6.0 | 7.1 | 1.6 | 1.6 | 6.4 | 17.2 | ***12.8*** | ***9.0*** |
| Avg. Yld. | 2.3% | 1.2% | 2.8% | 2.8% | --- | 3.2% | 5.4% | 5.8% | 11.4% | 1.4% | ***2.1%*** | ***3.0%*** |

BBVA Argentina's valuation recently hit "distressed" lows, largely because hyperinflation accounting artificially inflated earnings with non-cash gains. We believe a 9x fair P/E is justified because it aligns with historical "optimism" peaks and accounts for the bank's superior global governance. This multiple provides a balanced risk-premium for a subsidiary of a major Spanish group while remaining conservative enough to account for the persistent Argentine macro volatility and inflation-adjusted earnings issues. Thus, we believe the stock is overvalued today.

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

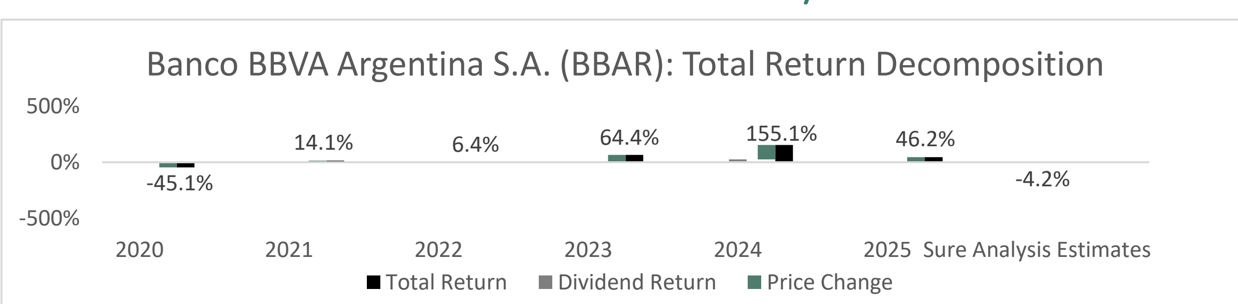
| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2031 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Payout | 30% | 22% | --- | 16% | --- | 23% | 9% | 10% | 74% | 24% | ***27%*** | ***27%*** |

BBVA Argentina's resilience stems from its backing by the global BBVA Group, providing institutional stability and risk-management standards that surpass local peers. Also, its competitive edge is rooted in a dominant corporate banking presence and exclusive automotive partnerships, securing a high-quality loan book. The bank maintains a defensive stance with a CET1 capital ratio of ~32.4%, offering a buffer against domestic shocks as well. However, for US investors, this "quality" is deceptive. While operationally sound, BBAR is highly sensitive to Argentine sovereign risk. The primary threat is FX translation. Basically, aggressive Peso devaluation and hyperinflation accounting (IAS 29) can mathematically erase local success when converted to USD. It remains a high-risk play where global brand safety is perpetually challenged by a volatile macroeconomic setup.

## Final Thoughts & Recommendation

BBVA Argentina represents a high-quality global banking subsidiary with a dominant corporate moat and robust capital. Still, it remains a high-risk investment for U.S.-based ADR holders due to structural FX translation risks. In addition, the stock lacks progressive dividend growth while we also find it overvalued. For these reasons, we rate the stock as a sell.

## Total Return Breakdown by Year




*Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.*

# Banco BBVA Argentina S.A. (BBAR)

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## Income Statement Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 2,015 | 2,021 | 2,292 | 2,604 | 2,173 | 2,706 | 5,445 | 11,332 | 6,030 | 5,101 |
| Gross Profit | - | - | - | - | - | - | - | - | - | - |
| Gross Margin | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| SG&A Exp. | - | - | - | - | - | - | - | - | - | - |
| D&A Exp. | 17 | 36 | 29 | 27 | 43 | 44 | 76 | 91 | 84 | 86 |
| Operating Profit | 366 | 280 | 430 | 658 | 605 | 677 | 1,598 | 3,807 | 2,113 | 817 |
| Operating Margin | 18.2% | 13.9% | 18.8% | 25.3% | 27.8% | 25.0% | 29.3% | 33.6% | 35.0% | 16.0% |
| Net Profit | 254 | 273 | 345 | 649 | 170 | 222 | 443 | 534 | 391 | 215 |
| Net Margin | 12.6% | 13.5% | 15.1% | 24.9% | 7.8% | 8.2% | 8.1% | 4.7% | 6.5% | 4.2% |
| Free Cash Flow | 1,740 | 450 | 49 | 342 | 154 | 1,451 | 2,403 | 2,018 | 3,243 | 1,124 |
| Income Tax | 166 | 97 | 143 | 92 | 122 | (1) | 30 | 530 | 95 | 130 |

## Balance Sheet Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Assets | 9,589 | 11,312 | 9,416 | 7,394 | 8,275 | 10,033 | 11,060 | 7,557 | 14,282 | 17,500 |
| Cash & Equivalents | 2,943 | 2,160 | 2,543 | 2,576 | 1,765 | 2,106 | 1,575 | 1,344 | 2,464 | 2,422 |
| Accounts Receivable | - | - | - | - | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | - | - | - | - | - |
| Goodwill & Int. Ass. | 0 | 18 | 14 | 10 | 18 | 36 | 54 | 41 | 67 | 82 |
| Total Liabilities | 8,510 | 9,706 | 8,392 | 6,303 | 7,029 | 8,450 | 8,994 | 5,807 | 11,740 | 15,060 |
| Accounts Payable | | 111 | 187 | 2 | 23 | 22 | 37 | | 29 | 29 |
| Long-Term Debt | 840 | 144 | 2 | 261 | 51 | 41 | 24 | 64 | 226 | 636 |
| Shareholder's Equity | 1,040 | 1,590 | 1,024 | 1,065 | 1,220 | 1,552 | 2,035 | 1,728 | 2,501 | 2,365 |
| LTD/E Ratio | 0.81 | 0.11 | 0.21 | 0.25 | 0.14 | 0.10 | 0.07 | 0.05 | 0.14 | 0.57 |

## Profitability & Per Share Metrics

| Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Return on Assets | 2.8% | 2.6% | 3.3% | 7.7% | 2.2% | 2.4% | 4.2% | 5.7% | 3.6% | 1.4% |
| Return on Equity | 23.4% | 20.3% | 26.2% | 61.4% | 14.6% | 15.7% | 24.3% | 28.0% | 18.2% | 8.6% |
| ROIC | 13.0% | 14.8% | 22.9% | 50.0% | 12.3% | 14.1% | 22.5% | 26.5% | 16.6% | 6.4% |
| Shares Out. | 536.9 | 569.9 | 612.7 | 612.7 | 612.7 | 612.7 | 612.7 | 612.7 | 612.7 | 612 |
| Revenue/Share | 11.02 | 10.64 | 11.22 | 12.75 | 10.64 | 13.25 | 26.66 | 55.48 | 29.52 | 24.97 |
| FCF/Share | 9.51 | 2.37 | 0.24 | 1.67 | 0.75 | 7.11 | 11.77 | 9.88 | 15.88 | 5.50 |

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