



Banco BBVA Argentina S.A. (BBAR)

Updated August 29th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	\$14.47	5 Year Annual Expected Total Return:	1.4%	Market Cap:	\$3.16 B
Fair Value Price:	\$13.50	5 Year Growth Estimate:	0.0%	Ex-Dividend Date:	09/03/2026 ¹
% Fair Value:	107%	5 Year Valuation Multiple Estimate:	-1.4%	Dividend Payment Date:	09/14/2026
Dividend Yield:	2.8%	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 \$3.16 billion. It pays dividends monthly.

On August 19th, 2026, Banco Macro reported Q2 results for the period ending June 30th, 2026. Net interest income rose 11% year over year to \$0.73 billion, supported by a 21% decline in interest expense, while net fee income fell 11% to \$0.15 billion. Net income increased 4% year over year and 39% sequentially to \$0.15 billion, or about \$2.29 per ADR.

The improvement from Q1 reflected higher gains on securities at fair value, lower operating expenses, and reduced loan-loss provisions. Loan-loss provisions still rose 41% year over year to \$0.14 billion, while the NPL ratio increased to 6.25% from 5.40% in Q1. NIM including FX declined to 24.0%. The net monetary-position loss narrowed 27% sequentially to \$0.19 billion as quarterly inflation slowed to 6.77%. Banco Macro's pending acquisition of Banco Sáenz remained subject to central-bank approval. 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
Shares²	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 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.

¹ Estimated dates based on past dividend dates.

² Share count is in millions.

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.



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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	9.6	9.0
Avg. Yld.	2.3%	1.2%	2.8%	2.8%	---	3.2%	5.4%	5.8%	11.4%	1.4%	2.8%	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 slightly overvalued today.

Safety, Quality, Competitive Advantage, & Recession Resiliency

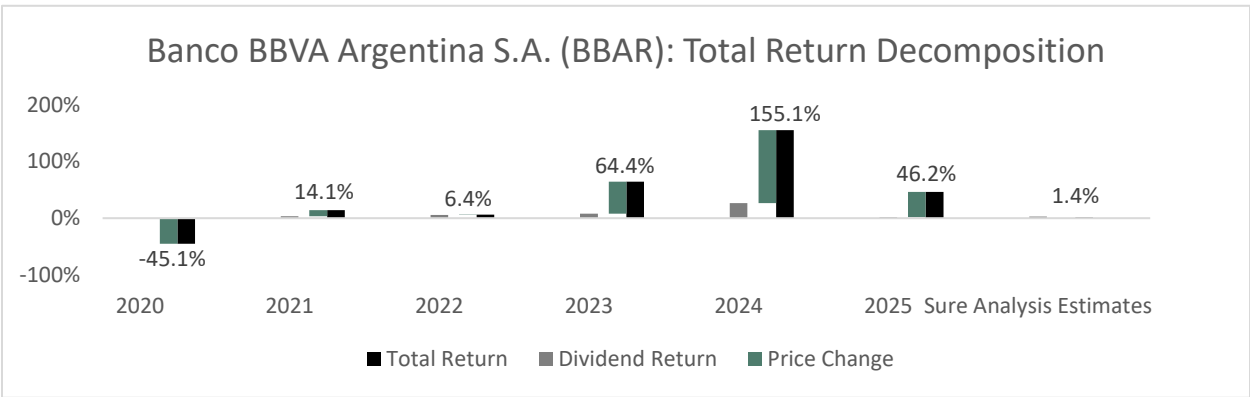
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	30%	22%	---	16%	---	23%	9%	10%	74%	24%	27%	27%

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 28%, 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



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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.

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