ECUADOR

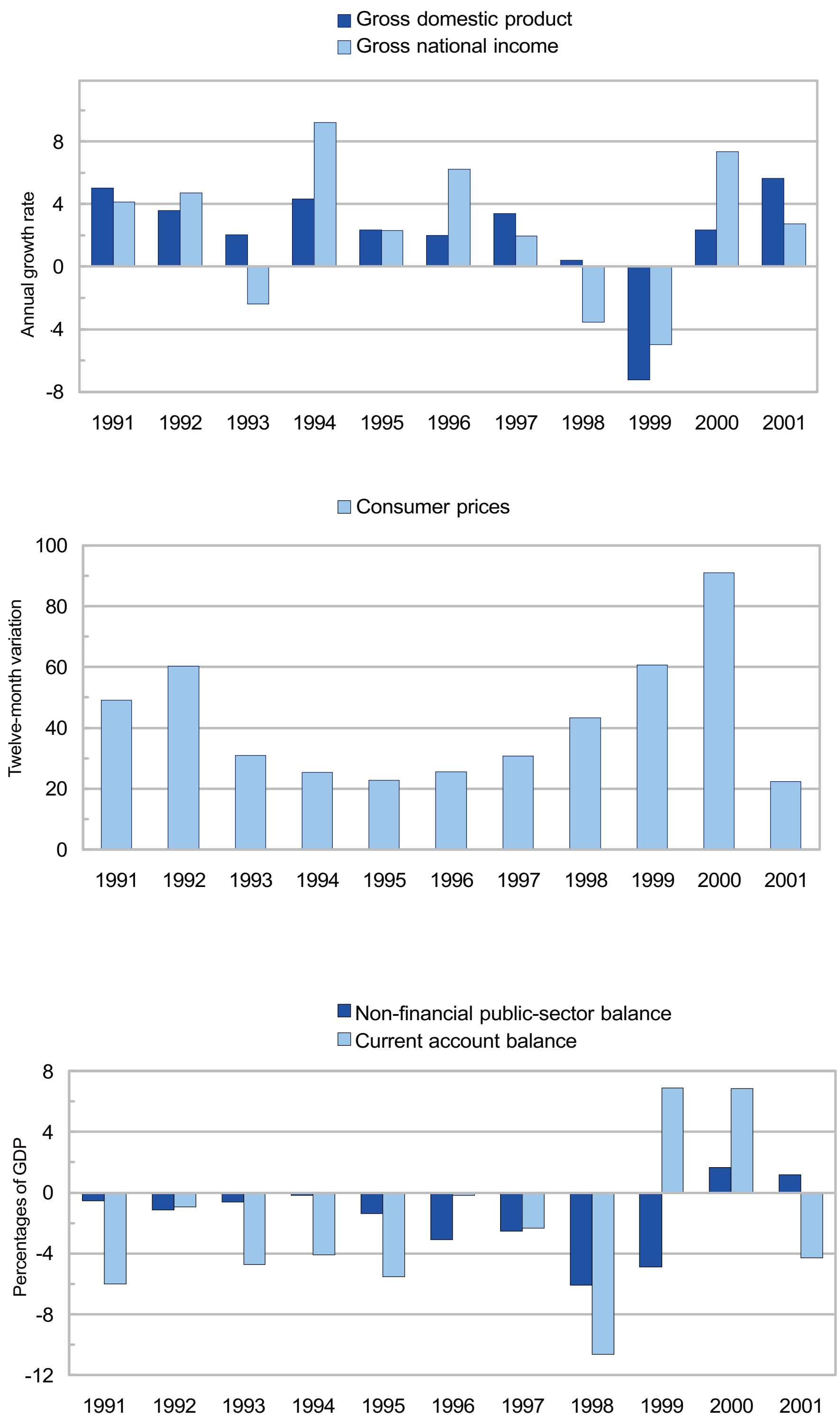
1. General trends

A strong upturn in the Ecuadorian economy in 2001 boosted GDP growth to a region-wide high of 5.6%. This, in combination with its performance in 2000 was just barely sufficient to compensate for the decline in GDP recorded in the deep recession of 1999. The stability achieved through dollarization contributed to a considerable surge in investment flows and consumption levels. The public sector ran a small surplus for the second consecutive year, and inflation fell dramatically, dropping from the previous year's figure of 91% to 22.4%. The resultant loss of exchange-rate competitiveness triggered an unwonted expansion in imports, which, added to the sluggishness of external demand, turned the current account surplus for the two previous years into a deficit equivalent to 4.3% of GDP. Unemployment declined substantially thanks to the growth of the economy and the continued emigration of members of the economically active population.

TOTAL INVESTMENT received a strong impetus from the start of construction work on the new heavy crude pipeline, which will enable the industry to double its oil exports in the medium term. In December, the successful conclusion of the structural adjustment programme agreed upon with the International Monetary Fund (IMF) opened up the possibility of a new agreement in 2002 which could help provide a firm foundation for plans to dollarize the Ecuadorian economy. As part of the structural reform programme, efforts to strengthen the financial system were pursued, and social security legislation was passed that establishes a mixed pension system. Privatization plans suffered a number of setbacks, however.

The year 2002 is expected to be a time of transition, both politically –owing to the presidential elections scheduled for October– and economically, given the need to consolidate dollarization and prepare the economy for a new oil boom starting in 2003. GDP growth, which will probably be led once again by the construction sector, is likely to be less buoyant in 2002 than in 2001, while inflation is expected to decline to approximately 10%. An increase is projected in the current account deficit.

Figure 1
ECUADOR: MAIN ECONOMIC INDICATORS



Source: ECLAC, on the basis of official figures.

2. Macroeconomic policy

Throughout 2001, economic policy was directed towards completing the new dollarization scheme introduced the year before, as the authorities worked to create an atmosphere conducive to the reactivation of the economy. Two major constraints hindered progress in this respect: the fragility of the financial system, which is still recovering from the financial crisis of 1998-1999, and the weakness of the Administration's fiscal standing, since the lower international oil prices have translated into a considerable reduction in oil revenues.

(a) Fiscal policy

In a dollarized economy, monetary policy is less likely to have an impact on the real sector and, relatively speaking, fiscal policy therefore becomes substantially more important. Nevertheless, in 2001, oil revenues accounted for the equivalent of 7.5% of the country's GDP, compared with 10.7% the year before. This decline was due to the decrease in international oil prices, as average Ecuadorian crude oil prices fell from US$ 25 per barrel in 2000 to US$ 19 in 2001.

Economic authorities took steps to increase non-oil tax revenues with the dual purpose of offsetting the decline in oil proceeds in the short term and reducing fiscal dependence on this source of revenue in the long term. This second objective is being pursued in response to the high volatility of oil earnings and the fact that the level of public spending bears no relation to the capacity of the non-oil economy to generate revenue.

The Government pushed through tax reform, the central element of which was to raise value added tax (VAT) from 12% to 14%. This reform measure was only in effect in July and August, however, as it was subsequently declared unconstitutional by the Constitutional Court. Even so, VAT receipts increased by the equivalent of 1.1 percentage points of GDP thanks to a more buoyant economy and improved tax collection. Indeed, in the three years since the creation of the new collections agency (the Internal Revenue Service), the number of VAT taxpayers has increased tenfold. Improvements in collections cut across all sectors, bringing the tax ratio to 12.9% in 2001, up from 7.3% of GDP in 1998.

The result of these two opposing trends was a decline in the total income of the non-financial public sector (NFPS) equivalent to 3.3 percentage points of GDP. Since total expenditure was also lower than it had been the previous year (2.9 percentage points of GDP), the NFPS closed out the year with a surplus equivalent to 1.2% of GDP. The primary balance (excluding interest payments) was a surplus amounting to 7% of GDP.

The reduction in total NFPS expenditure was also a consequence of two opposing trends. While current expenditure diminished by more than 3 percentage points of GDP, capital expenditure increased slightly. The decline in current spending was due mainly to the reduction in interest payments and decreases in other current items, which include payments designed to shore up the financial system. Central government expenditure and revenues accounted for a smaller percentage of GDP in 2001, while the opposite was true of other NFPS agencies. The central government's balance, equivalent to 0.9% of GDP, was its first surplus in eight years. In the rest of the NFPS, non-financial State enterprises posted a small deficit, while the Ecuadorian Social Security Institute had a positive balance. In the first half of 2002, a new fiscal reform bill –labeled the Accountability and Fiscal Prudence Act– was under discussion which would provide for the establishment of an oil stabilization and savings fund to administer the fiscal revenues that would be generated by the new oil pipeline.

(b) Monetary and exchange-rate policy

Main events in the arena of monetary policy included the work being done to finalize the dollarization programme and measures designed to strengthen the country's weak financial system. During the year, the changeover from sucres to dollars was completed, with the exception of US$ 27 million in subsidiary coins. Another notable change was the reduction in the legal reserve, as the cash ratio was cut from 8% to 4%. In addition, financial institutions were allowed to use their discretion in deciding on how much of their legal reserves to hold in cash in their vaults and how much to deposit in a current account with the Central Bank. Another measure was the elimination, effective January 2001, of the 0.8% tax on financial transactions. Progress was also made in liberalizing interest rates.

In the course of the year, other activities provided for in the Economic Transformation Act were undertaken that served to complement the dollarization programme. First, a liquidity fund was set up by the institutions in the financial system and the Andean Development

Table 1
ECUADOR: MAIN ECONOMIC INDICATORS

	1993	1994	1995	1996	1997	1998	1999	2000	2001[a]
					Annual growth rates [b]				
Growth and investment									
Gross domestic product	2.0	4.3	2.3	2.0	3.4	0.4	-7.3	2.3	5.6
Per capita gross domestic product	-0.2	2.1	0.2	-0.1	1.3	-1.6	-9.0	0.4	3.7
Gross domestic product, by sector									
Goods	2.8	6.0	2.8	1.8	3.7	-1.0	-3.1	1.2	4.7
Agriculture	-1.7	3.9	3.2	3.5	4.1	-1.4	-1.3	-5.3	4.5
Mining	11.0	10.6	3.8	-1.9	3.5	-3.3	0.3	4.8	3.0
Manufacturing	2.5	4.4	2.2	3.3	3.5	0.4	-7.2	5.2	5.0
Construction	-4.3	5.3	-1.4	2.5	2.8	6.0	-8.0	3.7	14.7
Basic services	4.1	4.0	2.1	3.0	3.7	1.6	-7.1	4.5	3.5
Electricity, gas and water	2.1	3.1	-3.7	2.8	2.4	2.1	4.7	5.1	0.5
Transport, storage and communications	4.5	4.2	3.0	3.1	3.9	1.6	-8.8	4.4	4.0
Other services	2.9	2.9	2.2	3.2	2.4	0.6	-11.1	0.8	5.3
Commerce, restaurants and hotels	1.7	3.6	2.2	4.4	3.3	0.9	-12.1	4.7	10.5
Financial establishments, insurance, real estate and business services	9.2	4.9	3.5	4.6	2.4	-0.3	-5.7	-2.0	3.2
Consumption	2.0	2.5	2.2	1.6	2.0	1.8	-10.4	1.8	3.7
General government	-1.2	0.0	1.9	-1.0	-0.3	0.2	-15.5	-1.3	0.0
Private	2.5	2.9	2.2	1.9	2.4	2.0	-9.7	2.2	4.1
Gross domestic investment	-4.1	6.6	8.5	-11.6	17.1	9.7	-52.9	48.0	60.7
Exports of goods and services	4.2	8.7	5.0	3.6	4.3	-3.2	-0.4	-0.2	5.0
Imports of goods and services	0.8	6.0	9.8	-5.9	8.8	5.5	-39.0	18.7	33.7
					Percentages of GDP [c]				
Gross national income	91.0	95.2	94.6	98.2	96.4	92.0	94.9	99.7	96.6
Gross domestic investment	17.9	18.1	18.7	16.1	18.2	19.7	10.3	14.7	21.9
National saving	10.4	15.6	14.3	18.1	17.2	11.8	17.4	22.8	20.8
External saving	7.5	2.5	4.4	-1.9	1.0	7.9	-7.1	-8.1	1.1
					Percentages				
Employment and wages	58.0	55.6	55.8	55.8	57.3	58.4	60.0	56.8	55.8
Labour force participation rate [d]	8.9	7.8	7.7	10.4	9.3	11.5	14.4	14.1	10.4
Open unemployment rate [e]									
Real average wage (index: 1995=100)	83.5	90.9	100.0	105.4	103.0	98.9	90.7	86.4	97.2
					Growth rates				
Prices (December-December)									
Consumer prices	31.0	25.3	22.8	25.6	30.6	43.4	60.7	91.0	22.4
Wholesale prices	...	...	...	...	...	...	186.9	64.9	-5.6
External sector									
Terms of trade (index: 1995=100)	106.4	108.9	100.0	109.6	111.9	99.6	106.2	123.8	114.2
Nominal exchange rate (sucres per dollar)	1,919	2,197	2,564	3,189	3,998	5,447	11,787	24,988	25,000
Real effective exchange rate for imports (index: 1995=100)	101.7	97.9	100.0	101.4	98.4	96.8	132.8	148.7	104.2
					Millions of dollars				
Balance of payments									
Current account	-678	-681	-994	-37	-458	-2,099	942	928	-772
Trade balance (goods and services)	118	188	-512	494	-52	-1,695	1,160	987	-1,082
Exports	3,718	4,581	5,124	5,572	6,011	4,934	5,246	5,892	5,597
Imports	3,600	4,393	5,635	5,078	6,063	6,629	4,086	4,904	6,679
Capital and financial accounts [f]	1,217	116	-458	-34	-57	1,313	-1,887	-6,636	542
Overall balance	...	-565	-1,452	-71	-515	-785	-945	-5,707	-230
Variation in reserve assets (- indicates an increase)	...	-458	178	-246	-251	460	492	-307	106

Table 1 (concluded)

	1993	1994	1995	1996	1997	1998	1999	2000	2001[a]
	Percentages								
External debt									
Gross debt (as a percentage of GDP)	95.3	87.9	77.7	76.6	76.4	83.2	118.9	99.7	80.1
Net interest (as a percentage of exports)[g]	20.9	17.9	17.1	16.2	15.9	21.4	21.5	20.3	17.4
	Percentages of GDP								
Central government									
Current income	15.2	15.5	17.4	16.8	17.4	16.4	19.5	22.9	21.4
Current expenditure[h]	12.2	12.2	15.0	14.8	14.9	15.9	17.6	19.1	14.9
Saving	3.0	3.3	2.4	2.0	2.5	0.4	1.9	3.7	6.5
Capital expenditure	2.6	3.4	4.0	4.6	3.9	5.3	5.3	4.8	5.6
Financial balance	0.4	-0.1	-1.6	-2.6	-1.4	-4.9	-3.5	-1.1	0.9
Non-financial public sector balance	-0.1	0.6	-1.1	-3.0	-2.6	-5.7	-4.7	1.7	1.2
	Growth rates								
Money and credit									
Net international reserves[i]	50.7	34.8	13.5	68.1	11.5	-3.6	165.3	35.2	-9.0
Net domestic credit	54.6	74.7	59.6	32.9	48.4	62.4	59.5	-11.6	25.9
To public sector	77.0	71.4	52.5	25.3	46.8	35.7	52.1	-3.7	14.5
Money (M1)	49.4	35.7	12.7	35.4	29.7	34.8	88.6	-1.0	44.6
Local currency savings and time deposits[j]	52.2	64.6	41.1	39.7	20.0	29.6	29.1	73.9	26.7
M2	51.0	52.2	30.2	38.3	23.2	31.4	50.0	15.3	15.1
Dollar deposits[k]	79.8	112.7	143.1	69.8	80.4	72.3	141.9		
	Annual rates								
Real interest rate (annualized, %)[l]									
Deposit rate	-9.6	4.9	16.6	13.9	-2.3	2.6	-2.0	-43.3	-28.3
Lending rate	1.2	13.0	26.6	24.3	9.5	10.3	7.9	-38.9	-20.9
Equivalent interest rate in foreign currency[m]	31.9	33.4	42.0	41.1	28.5	37.6	40.8	7.3	3.1

Source: ECLAC, on the basis of official figures.
[a] Preliminary figures. [b] Based on constant 1975 sucres. [c] Based on constant 1995 dolllars. [d] Percentages of the working-age population. [e] Percentages of the economically active population in urban areas nationwide. From 1999 on, refers to Cuenca, Guayaquil and Quito. [f] Includes errors and omissions. [g] Refers to net interest as shown in the balance of payments, divided by exports of goods and services. [h] Includes expenditure on downsizing. [i] From 2000 on, refers to freely available international reserves. [j] From 2000 on, measured in dollars. [k] From 2000 on, dollar deposits became local currency deposits. [l] The figures shown for 2000 on are not comparable with those of previous years. [m] Interest rate on deposits, deflated by the variation in the exchange rate.

Corporation. Second, the Central Bank has been raising the amounts and extending deadlines for repo operations throughout the year. The freely available international reserve came to US$ 1.074 billion in December, which was 9% less than a year earlier.

The sharp increase in the financial system's iquidity stemmed not only from of a deliberate policy of the Central Bank, but also from the return of funds that had been frozen in 1999 and from the return of confidence in the banking sector. The restoration of confidence is a process that is far from over, however, since although sight deposits expanded by close to 50%, term deposits increased by much less (15%). There were also signs of an upturn in credit activity, especially consumer loans, with loans to the private sector increasing by approximately 15%. Real interest rates continued to be negative, although to a lesser extent owing to the reduction in the rate of inflation. The intermediation spread widened during the year, mainly as a result of the reduction in rates on deposits due to the high level of liquidity in the private banking system.

Efforts to strengthen the financial system included the reformulation of rules in order to bring them into line with the Basle Accords, the implementation of measures to facilitate debt restructurings for small debtors and the reorganization of the Superintendency of Banks. Towards the middle of the year, credibility in the financial system was shaken yet again by the

Table 2
ECUADOR: MAIN QUARTERLTY INDICATORS

	1999				2000				2001 [a]				2002 [a]
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I
Gross domestic product (change from same quarter of previous year) [b]	-5.0	-7.2	-8.7	-8.1	-2.7	2.2	4.3	5.7	7.8	5.9	5.3	3.7	1.2
Consumer prices,nationwide (12-month variation, %)	54.4	52.9	50.3	60.7	80.7	103.4	107.7	91.0	58.5	33.1	27.0	22.4	13.2
Exports (millions of dollars)	1,001	1,117	1,147	1,186	1,250	1,253	1,263	1,154	1,204	1,224	1,172	994	1,001
Imports (millions of dollars)	952	611	695	759	703	788	1,129	1,086	1,075	1,239	1,251	1,487	1,403
Net international reserves (millions of dollars)	1,482	1,580	1,824	1,642	545	646	800	947	733	976	912	840	777
Real exchange rate [c] (index: 1995=100)	119.2	115.7	127.9	168.5	187.6	149.3	134.0	123.9	110.1	104.8	102.9	99.0	95.8
Money (M1) (change from same quarter of previous year)	-13.3	3.4	26.1	17.3	39.6	...	...	...	...	...	...		
Real interest rates (annualized, %)													
Deposit rate	5.3	-3.5	-5.1	-4.7	-35.6	-44.6	-47.3	-45.6	-36.2	-23.6	-17.6	-14.5	-45.1
Lending rate	12.9	6.6	5.9	6.2	-30.3	-40.4	-43.6	-41.2	-30.6	-17.5	-10.5	-7.5	-40.0

Source: ECLAC, on the basis of official figures.
[a] Preliminary figures. [b] Based on figures at constant domestic prices. [c] Refers to exchange rate for imports. [d] The figures shown from 2000 on are not comparable with those of previous years.

difficulties being experienced by the largest bank in the country (Filanbanco), which was under State control. The decision was then taken to proceed with its orderly liquidation, and private banks were offered the option of purchasing its assets and liabilities. Another large State-owned bank (Banco del Pacífico) that was in distress was capitalized and placed under the supervision of a foreign consultancy firm to prepare it for early privatization. In addition, the authorities went ahead with the sale of the assets of the banks in which they had intervened in order to recover at least a portion of the substantial cost of the required financial rescue package.

After a sharp depreciation in 1999, the real exchange rate began to appreciate in 2000, and in 2001 it registered an average appreciation of 28% over the preceding year. This trend is attributable to the fact that domestic inflation has been higher than international inflation. Once inflation in the country falls into line with international levels, the real exchange rate should stabilize.

3. The main variables

The more stable rules of the game afforded by the dollarization scheme evoked a prompt and positive response from the firms operating in the country, as evidenced by the fact that they increased their use of installed capacity even in the absence of any official policy for the provision of direct production incentives. Demand, which had contracted during the previous five years of slow growth, rallied and has played a leading role in the recovery. The other factor that has contributed to the buoyancy of the economy is the start-up of construction work on the new oil pipeline.

Box 1
CONSTRUCTION OF THE NEW PIPELINE FOR HEAVY CRUDE OIL

The pipeline for heavy crude oil is both a tremendous opportunity and a danger for the Ecuadorian economy. Over the next five years, this project is expected to bring US$ 1.1 billion in foreign direct investment into the country and an additional US$ 2.6 billion in investments in oil exploration and production and secondary oil pipelines. Upon completion of the pipeline in mid-2003, the country's existing capacity for transporting crude will more than double in terms of volume. Additional revenues from oil exports are expected to be between twice and three times as much as current levels. This would give the economy a permanent source of foreign exchange, which would help to underpin dollarization and avoid the external constraints and fiscal weakness suffered by other countries that have had a similar foreign-exchange regime (Argentina). Nevertheless, these positive effects could be counteracted by the problems that often affect natural-resource exporters, namely, excessive growth of domestic demand, debt overhang and an appreciation of the exchange rate as domestic inflation outpaces the international rate (a version of Dutch disease). In order to avert such contingencies and maintain the economy on a sustainable growth path, the institutions (e.g., an oil fund) should be set up to stabilize the revenues from this activity and steps should be taken to increase the competitiveness of the non-oil private sector, modernize State structures and improve the efficiency of public utilities.

(a) Economic activity

Following a moderate recovery in 2000, in 2001 the Ecuadorian economy recorded the highest growth in the entire region and its strongest upswing in the last 13 years. The fact that GDP was scarcely back up to its 1998 level should not detract from the importance of this performance, given the gravity of the 1999 recession. Trends observed in the previous year strengthened in 2001. Once again, the recovery was led by domestic demand, as external demand was dampened by the slowdown in global growth and by the decline in oil prices. Fuelled by private investment, the rebound in gross fixed capital formation was particularly vigorous at 40%. An expansion was also seen in private consumption (4%) in contrast to the stagnation in government consumption. The volume of exports rose by 5%, but this was well below the increase in imports, which soared by (34%) thanks to the economic recovery, the construction of the heavy crude oil pipeline and abundant foreign-exchange inflows in the form of remittances from family members abroad.

In contrast to the year before, when the recovery was confined to a few sectors, in 2001 all areas of economic activity posted positive growth rates. Construction remained strong thanks to the start-up of work on the crude oil pipeline, public works and private housing starts and to building projects dealing with commercial establishments, restaurants and hotels; both sectors had growth rates of over 10%. The manufacturing sector expanded by 5% for the second consecutive year, with the automotive industry posting a striking 40% growth rate. The oil industry expanded less than it had the previous year, as did the electricity, gas and water sector. Financial services and agriculture grew for the first time in four years. The financial system benefited from measures taken to restore confidence after the financial crisis and from a more stable macroeconomic climate, while the farm sector performed well in all areas except bananas and coffee, mainly because of unfavourable weather conditions for these crops. Coffee output slumped to half its usual level. Shrimp production, which is still being affected by white spot syndrome, made a slow recovery to stand at one third of the level reached before the outbreak of this disease. On the other hand, other important staples (potatoes, rice, corn) had good harvests.

(b) Prices, wages and employment

The consumer price index (CPI) rose by 22.4% in 2001 following a record increase of 91% in 2000. In the past two years, inflation reflected the lagged effects of money creation and devaluation, which were both in the triple-digit range in 1999. Monthly rates followed a clear downward trend, falling below 1% from May on, except for a few instances which were attributable to seasonal and isolated factors. Price adjustments were uneven, however, with tradables rising by a much lower rate (17.1%) than non-tradables (37.1%). The strongest inflationary pressures from non-tradable items came from education (64%), government-controlled prices (60%), rentals (39%) and fresh foods (25%). Government-controlled prices were adjusted several times during the year in order to reflect production costs more accurately. Producer prices exhibited a deflation rate of 5.6% by the end of the year, thereby demonstrating greater flexibility and speed than consumer prices in adjusting to new conditions.

Conditions in the labour market continued to improve. The annual average rate of unemployment fell from 14.1% to 10.4% in the country's three largest cities (Guayaquil, Quito and Cuenca). The annual average rate of underemployment also declined, falling from 53.3% to 47.4%. These favourable trends are attributable to two groups of factors. First, large-scale emigration to other countries, especially Spain and the United States, has eased pressure on the labour market, since most of the persons leaving the country belong to the economically active population. One sign of this is that Cuenca, the city with the greatest percentage of emigrants, is also the one with the lowest rate of unemployment (2.9% in December). Second, against the backdrop of the country's widespread economic reactivation, the sectors that grew the most in 2001 were construction, commerce and manufacturing, which are all labour-intensive activities. The mismatch between the demand for certain occupations and the existing labour supply may grow worse in the future, however. Real remunerations, as measured by the minimum wage index, climbed by 11% in 2001.

(c) The external sector

The 2001 balance of payments accurately reflected events and trends in the Ecuadorian and world economies. In particular, the recovery of domestic demand, the dynamism of investment and the real exchange rate's appreciation fuelled a strong expansion in imports. Meanwhile, exports weakened as a result of the decline in international prices for oil and other commodities and the slowdown in global growth. The capital account was positive, thanks to foreign direct investment in the oil sector.

After two years of healthy surpluses, the current accout showed a deficit of US$ 770 million, or 4.3% of GDP. This reversal was due to various factors. The value of merchandise exports contracted by 7%, owing mainly to the poor performance of commodities. Crude oil exports declined by 20% in value, despite the large volumes exported. Coffee and shrimp exports suffered a similar fate; external banana sales, on the other hand, held steady, since the rise in prices compensated for the decline in export volumes. Cocoa and other commodity shipments expanded significantly, but still accounted for a very small percentage of the total. Exports of manufactured goods, on the other hand, remained at much the same level as the year before, despite the 40% slump in petroleum products. By contrast, processed coffee performed well, as did processed seafood and other products. The advantage afforded by the real depreciation of the exchange rate over the past two years has been dwindling, however, and exports of manufactures are therefore going to have increasing difficulties in competing on the world market.

The 44% expansion in merchandise imports was the main reason for the marked deterioration of the trade balance. Increases of over 70% in imports of both consumer and capital goods were basically attributable to factors beyond the control of economic authorities. These factors included the buoyancy of the construction sector due to the start-up of work on the pipeline, pent-up demand, which was given freer rein in 2001, and the real appreciation of the currency, which made imports cheaper in relative terms. Meanwhile, imports of raw materials and intermediate goods increased by only 17%. Among consumer goods, imports of consumer durables practically doubled, as did transport equipment in the case of capital goods. Nevertheless, consumer goods were the only category of imports to exceed their pre-crisis value in 2001, while intermediate and capital goods were still below 1998 levels.

The deficit on the balance of non-factor services widened by one third, thereby reversing the trend observed in the three preceding years. The deficit on the income account declined by close to US$ 200 million, thanks to the reduction in interest payments resulting from the debt rescheduling exercise in 2000. Lastly, remittances by Ecuadorian emigrants amounted to US$ 1.43 billion (a record figure that trebles the amount recorded in 1995), thus becoming the country's second largest source of foreign exchange inflows, surpassed only by oil exports.

In contrast with the deterioration in the current account, the capital account improved in 2001, after two years of net capital outflows. This was made possible by long-term capital inflows and, in particular, to the extraordinary increase (85%) in foreign direct investment, which amounted to US$ 1.33 billion. The bulk of these funds went to the mining and quarrying sector (84%) –and especially the oil industry, where investment doubled– but other sectors also received substantial increases. Inflows into agriculture, for example, expanded by a factor of 13 and, in manufacturing, investment flows increased fivefold over the previous year's, which attests to foreign investors' interest in non-oil sectors as well.

The overall balance-of-payments position showed a US$ 230 million deficit, which was financed by international reserves (US$ 105 million), the use of IMF credit and exceptional financing. The external debt balance at year-end was US$ 14.41 billion, or 6% more than the preceding year.