COLOMBIA

1. General trends

Economic activity in Colombia remained solid and resilient despite the slowdown in external demand, the drop in government revenues —owing to the decline in oil prices— and the temporary shocks to domestic supply. The main drivers of the economy, which in 2016 grew 2.0%, were financial and real estate services, social services, the industrial sector —boosted by oil refining— and housing and civil works construction. The agricultural sector was hurt by weather-related factors and barely grew, the transport and communications sector posted negative growth and the mining sector contracted significantly. Domestic demand also dropped owing to slower growth in consumption and the decline in investment.

The slowdown bottomed in the first quarter of 2017 and it is foreseeable that the economy will grow around 2.1% in the year if favourable trends in the agricultural sector continue (up 7.7% in the period) and execution of infrastructure works picks up. Household consumption is also expected to recover as signalled by the positive trends in consumer confidence in recent months.

The upward trend in prices moderated in the second half of 2016, thanks to the peso's marked depreciation since the second half of 2014 and the contraction of food supply caused by weather disruptions; by the end of the year, inflation had slowed down to 5.7%, but was still above the 2%-4% target range. Colombia's restrictive monetary policy, which mitigated upside price pressures through successive rate hikes, was another factor underpinning the lower inflation.

Inflation continued falling in 2017 and by the end of May had recorded a 4.4% year-on-year decline. The drop in the main inflation measurements paved the way for a more accommodative policy through cumulative rate cuts totalling 150 basis points between the end of December 2016 and 27 May 2017, when rates stood at 6.25%.

Lower outlays resulting from the reduction in the demand of imported goods and the decline in the repatriation of earnings by foreign companies, in a context of a floating exchange-rate regime, led to a contraction in the current account deficit from 6.4% of GDP in 2015 to 4.4% at the end of 2016. Imports and exports both fell, and exports did not begin to show an upturn until the early months of 2017. The external deficit is expected to continue on a downward trend, and should stand at approximately 3.7% of GDP by year-end. The peso has appreciated so far in 2017 owing to oil prices going up and larger portfolio investments by foreign investors in the country.

The challenge for fiscal policy in 2016 consisted in mitigating the impact of the continuing fall in income on public accounts. Investment expenditure was cut, but spending on the main social programmes was locked in. A tax reform bill was approved towards the end of 2016 to address structural tax problems, in particular limited progressiveness and informal labour practices. Despite the widening of the central government's fiscal deficit in 2016, the fiscal rule in place since 2011 was followed. The central government's fiscal deficit stood at 4.0% of GDP, equivalent to a structural deficit of 2.2% of GDP. The expected improvement in Colombia's fiscal results for 2017, owing to the tax reform adopted at the end of 2016, will prevent the deterioration of its debt rating and allow the country to retain the confidence of external markets and access necessary financing at a lower cost.

The country continues to move forward despite marked polarization with regard to the peace agreement signed in 2016 by the Government of Colombia and the Revolutionary Armed Forces of Colombia (FARC).

2. Economic policy

(a) Fiscal policy

Sustainability was the main objective of fiscal policy in 2016. The deficit of the non-financial public sector stood at 2.4% of GDP at the end of 2016, one percentage point of GDP below 2015 levels, reflecting the widening of the central government's deficit on the one hand and the significant improvement of the decentralized sector on the other.

The sharp decline in international oil prices translated into a fall in central government revenues equivalent to 3% of GDP. The government was forced to adjust, by seeking new resources to compensate for the loss of hydrocarbon-related revenues, cutting expenditures —without compromising its most important social policy programmes— and, lastly, finding ways to finance its larger deficit without threatening long-term fiscal policy sustainability.

At the end of 2016, the central government posted a deficit equivalent to 4.0% of GDP, one percentage point of GDP higher than in 2015. Total income, which in 2015 had been 16.2% of GDP, contracted to 14.9% of GDP in 2016. The slump in tax revenues went hand in hand with the economic downturn, which caused a decline in taxes on income, imports, sales (domestic VAT) and wealth (owing to the sliding rates prescribed by the law). Capital resources were also affected by the slump in Ecopetrol contributions to State coffers, and investment dropped by almost one percentage point of GDP to absorb increases in interest expenditures and operational spending. The central government recorded a structural deficit of 2.2% of GDP, slightly below the 2.3% recorded the year before, in keeping with the fiscal rule in place since 2011 according to which it must follow a downward path, adjusted by cyclical revenues and hydrocarbon price fluctuations.

In contrast, the decentralized sector ended 2016 with a surplus that offset the widening of the central government's deficit. Social security agencies, State-owned companies, and regional and local entities recorded surpluses, which were added to the income generated by the sale of the power generation company ISAGEN. Sales proceeds, equivalent to 0.7% of GDP, were accounted for as a surplus of the decentralized sector as they were allocated to the National Fund for Infrastructure Development.

The improvement in the fiscal outlook for 2017 is closely linked to the results of the tax reform adopted in 2016, which introduced the following measures: a rise in VAT from 16% to 19%, the unification of corporate tax rates and their gradual reduction over the period 2016-2019, the introduction of a progressive tax on dividends received by natural persons, the adoption of the 0.4% financial transactions tax on a permanent basis, the strengthening of the tax regime for non-profit organizations, an increase in tax on tobacco consumption and the creation of new green taxes, such as a specific carbon tax and another on the use of plastic bags. A simplified income tax regime aimed at promoting formalization of labour practices was also introduced, seeking to streamline and facilitate tax compliance by non-reporting natural persons and to offer a complementary social service providing basic social security in old age through a system of partial contributions. The simplified tax targets small traders with high levels of labour informality and limited income. Another change was the introduction of penalties for tax evasion. This reform is expected to gradually increase tax collections, from 0.7% of GDP in 2017, to 3.1% of GDP by 2022.

The expansion of the central government's debt explains the jump in the total net debt of the non-financial public sector, which stood at 43.3% of GDP in December 2016, or 1.1 percentage points of GDP above 2015 levels. The growing financing needs of the central government were met by increasing domestic debt via sales of treasury securities (TES) to foreign investors. These financing instruments have grown since 2014 as a percentage of total debt.

(b) Monetary policy

The biggest challenge for monetary policy in 2016 was balancing the risks between addressing inflationary pressures and confronting the sharp economic downturn. Inflationary pressures began in 2015 when the peso's marked depreciation began affecting prices of tradable goods, a situation that was compounded in the first half of 2016 by price hikes resulting from food supply squeezes caused by weather events and other food pipeline difficulties related to the 46-day freight transport strike in June and July.

Against this backdrop, the monetary authority raised its policy rate in a gradual series of hikes, from 4.5% in September 2015 to 7.75% in July 2016. However, at the end of the year the downward trend in prices confirmed the trajectory of inflation towards its target level, as well as the disappearance of food supply and pipeline shocks. Accordingly, in its last meeting of 2016, the central bank's board of directors cut its policy rate by 25 basis points to 7.50%.

Faced with a sharp economic downturn in the first quarter of 2017, the monetary authority decided to maintain the economic stimulus through cumulative rate cuts, which totalled 125 basis points to leave the official lending rate at 6.25% at the end of May.

The policy rate hikes passed through to lending and deposit rates in 2016 with the typical lags. Lending rates on commercial loans were affected the most, rising from 10.6% in 2015 to 12.8% in December 2016, while fixed-term deposit rates also increased in that period, from 5.2% to 6.9%. As a result of these rate hikes and the sluggish economy, credit demand —mostly for commercial loans— slowed in the second half of 2016 and continued to do so in 2017. The new expansionary tone of Colombia's monetary policy has yet to be reflected in the commercial sphere, especially in consumption and usury rates. Non-performing loans had grown 21.3% in real terms at December 2016 and continued growing in the first few months of 2017, highlighting the deterioration in credit risk indicators.

(c) Exchange-rate policy

The fall in international oil prices and the ensuing contraction in income from exports and foreign investment had a significant effect on the terms of trade, which, through the devaluation of the peso, translated into higher prices for tradable goods and products with imported components. The depreciation of the Colombian peso that had begun at the end of 2014 —which intensified in 2015 and then moderated somewhat in the first half of 2016— eventually reversed in the second half of 2016 thanks to the rebound in oil prices. In December, the peso recorded a nominal appreciation of 7.2%, but on average, the currency recorded a real effective depreciation of 3.3% in 2016.

Between January and May 2017, the real effective exchange rate appreciated 9.4% owing to the sustained improvement in international oil prices, which rose to approximately US$ 50 per barrel. The appreciation of the Colombian peso also reflected inflows of capital in the form of foreign investors purchasing government bonds, as a result of excess liquidity in international markets. The share of foreign investors in the domestic debt market grew from 6.5% in 2014 to 25.3% at the end of March 2017.

(d) Other policies

In order to finance activities related to the implementation of the peace agreement signed in November 2016, Colombia launched the new multi-donor trust fund “Colombia in Peace,” which in its first five-year period aims to raise US$ 660 million annually in non-refundable cooperation.

3. The main variables

(a) The external sector

The slowdown in domestic demand translated into an adjustment in the balance of payments; the current account deficit fell by about US$ 6.40 billion, from 6.4% of GDP in 2015 to 4.4% in 2016, in particular because of the drop in outward flows due to lower demand for imported goods and to the repatriation of earnings by foreign companies in the Colombian hydrocarbon sector. In turn, the almost 5.0% rise (more than US$ 4.8 billion) in remittances from Colombians working abroad also contributed to the narrowing of the external deficit in 2016. Conversely, the favourable exchange rate did not produce an export response owing to weak demand on the part of Colombia’s main trading partners and to the limited diversity of the country’s export basket.

In 2016, the value of exported goods in dollars fell 13%, mainly owing to lower exports of crude oil, industrial products and coffee. Exports to the United States, a recipient of 30% of Colombia’s external shipments, remained unchanged in value terms, but increased 17% in volume terms. Trade with European Union partners contracted 17.3% in 2016, although this trend reversed early in 2017, when exports grew around 14%. Exports to South American countries represent the third largest group for Colombia (13.5%), but have been slowing since 2013. China’s deceleration and the end of the oil boom have been reflected in the smaller share of exports to this country, from 10.5% in 2014 to 3.7% in 2016.

The value of imports, in dollars, also fell (17.0%), as a result of shrinking imports of industrial machinery, transport equipment, metals and vehicles, which was attributable mainly to the economic slump and the greater value of imports, in pesos, as a result of the country’s cumulative currency depreciation.

In 2016, foreign direct investment (FDI) stood at US$ 13.593 billion (4.8% of GDP), owing mostly to the sale of the State-owned power utility, ISAGEN. Apart from its growth in the electric power segment, FDI also expanded in the financial and in the transport, storage and communications sectors. Although portfolio investments shrank by US$ 900 million in 2016, international market issuance of long-term government debt securities was especially strong.

The deficit is expected to continue narrowing in 2017, to 3.7% of GDP by the end of the year, mainly owing to the reduction in outlays, unlike in 2016, when export income was the main factor in the narrower deficit. From January to April 2017 the dollar value of exports grew 25.4% compared with the year-earlier period thanks to price increases in hydrocarbons and to exports of gold and agricultural products, led by coffee. Imports grew 6.9% in the first three months of 2017, in particular those of raw materials, vehicles and telecommunications equipment.

With regard to capital flows, expectations point to a drop in foreign direct investment in 2017, already down 20% in the first quarter. In turn, portfolio investments during the same period have shown a healthy momentum.

(b) Economic activity

The economy grew at a slower pace in 2016 (2.0%) than in 2014 (4.4%) and 2015 (3.1%). Domestic demand expanded meagrely (0.3%), owing to a rise in consumption (2.0%) that was countered by a drop in gross capital formation (4.5%). Meanwhile, on the external front, there were declines in both imports (6.2%) and exports (0.9%). From a sector perspective, the main drivers of growth in 2016 were financial services (5.0%), construction (4.1%) and industrial manufacturing (3.0%), the latter boosted by the reopening of Cartagena oil refinery (Reficar).

Household and public sector consumption grew at a slower pace, while gross fixed capital formation contracted as a result of shrinking investments in the extractive sectors. The momentum of investment in buildings and civil construction was not enough to offset the quarter-on-quarter fall throughout 2016 of investment in machinery, equipment and transport equipment.

Low consumer and producer confidence levels in early 2017 were borne out by 1.1% growth in the first quarter of 2017, compared with quarterly growth of 2.5% registered in the year-earlier period. Household consumption was hurt by the combination of price increases, the three point hike in VAT and the lagged effect of restrictive monetary measures in 2016.

The agricultural sector led growth in the first quarter of 2017 (7.7%), boosted by greater production of temporary and permanent crops, of which coffee was the standout performer thanks to more favourable weather conditions and supply-side stimulus. Financial services (4.4%) and social services (2.2%) continued on a positive path, while industrial production (0.3%) weakened as a result of falling sales, although the resurgence of consumer confidence bodes well for its recovery in the coming months. The contraction of housing and non-residential buildings construction (7.1%) hurt the sector, although this result could be offset if fourth generation infrastructure works are executed as planned.

(c) Prices, wages and employment

In 2016, monetary policy measures and the easing of supply shocks helped reverse the upward trend in prices that had continued until July, and by the end of the year the consumer price index (CPI) was up 5.7%. In 2017 inflation has continued to wane (4.4% in May), especially in food prices. However, core inflation, which provides a longer-term outlook, is not falling at the same rate. Inflation is expected to continue trending downwards in 2017, although there may be certain indexation pressures along the way linked to wage increases and the temporary effect of tax hikes.

The labour market has remained notably resilient despite the economic downturn. In 2016 the national unemployment rate stood at 9.2%, on average only 0.3 percentage points above 2015 levels (8.9%). In the 12 months to April 2017, unemployment had edged up in the 13 main metropolitan areas, coming in at 10.2%. This was attributable to a drop in the employment rate (from 61.2% to 60.4%) greater than the decline in the rate of the population actively seeking employment (from 67.9% to 67.3%). Formal employment continued growing in the first four months of 2017, as reflected in the rise in the numbers paying into social security schemes compared with the year-earlier period (0.4% up in health) and (1.6% up in pensions). In 2016, average nominal wages in the 13 main urban areas grew 5.6%, although real wages contracted 0.2% compared with 2015, as the nominal rise was smaller than that of the minimum wage (7%) and of inflation.

Table 1

COLOMBIA: MAIN ECONOMIC INDICATORS

	2008	2009	2010	2011	2012	2013	2014	2015	2016 a/
	Annual growth rates b/								
Gross domestic product	3.5	1.7	4.0	6.6	4.0	4.9	4.4	3.1	2.0
Per capita gross domestic product	2.3	0.5	2.8	5.5	3.0	3.8	3.4	2.1	1.1
Gross domestic product, by sector									
Agriculture, livestock, hunting, forestry and fishing	-0.4	-0.7	0.2	2.1	2.5	6.5	2.7	2.5	0.5
Mining and quarrying	9.4	10.9	10.6	14.5	5.3	5.0	-1.2	0.2	-6.5
Manufacturing	0.6	-4.1	1.8	4.7	0.1	0.9	1.0	1.7	3.0
Electricity, gas and water	0.5	1.9	3.9	3.0	2.3	3.0	3.4	3.0	0.1
Construction	8.8	5.3	-0.1	8.2	5.9	11.5	10.3	3.7	4.1
Wholesale and retail commerce, restaurants and hotels	3.1	-0.3	5.2	6.7	3.9	4.5	5.0	4.6	1.8
Transport, storage and communications	4.6	-1.3	6.2	6.6	3.9	3.3	4.6	2.6	-0.1
Financial institutions, insurance, real estate and business services	4.5	3.1	3.6	6.7	5.1	4.6	5.8	5.1	5.0
Community, social and personal services	2.6	4.4	3.6	3.1	4.6	5.9	5.2	3.1	2.2
Gross domestic product, by type of expenditure									
Final consumption expenditure	3.5	1.6	5.1	5.5	4.8	4.6	4.4	3.6	2.0
Government consumption	3.2	6.0	5.6	3.5	6.4	9.3	4.8	4.9	1.8
Private consumption	3.5	0.6	5.0	6.0	4.4	3.4	4.3	3.2	2.1
Gross capital formation	9.2	-4.1	7.4	18.9	4.3	6.3	11.6	1.2	-4.5
Exports (goods and services)	4.5	-2.8	1.3	11.8	6.0	5.2	-1.5	1.2	-0.9
Imports (goods and services)	10.5	-9.1	10.8	21.5	9.1	6.0	7.9	1.4	-6.2
Investment and saving c/	**Percentajes of GDP**								
Gross capital formation	23.5	22.4	22.1	23.9	23.9	24.3	26.3	26.7	25.5
National saving	20.8	20.4	19.1	21.0	20.8	21.0	21.1	20.3	21.1
External saving	2.6	2.0	3.0	2.9	3.1	3.3	5.2	6.4	4.3
Balance of payments	**Millions of dollars**								
Current account balance	-6 461	-4 649	-8 736	-9 802	-11 365	-12 501	-19 611	-18 642	-12 236
Goods balance	965	2 549	2 356	6 137	4 956	3 181	-4 640	-13 774	-9 858
Exports, f.o.b.	38 476	33 977	40 762	58 262	61 604	60 282	56 899	38 275	33 381
Imports, f.o.b.	37 511	31 428	38 406	52 126	56 648	57 101	61 539	52 050	43 239
Services trade balance	-3 328	-3 387	-4 522	-5 496	-6 141	-6 340	-7 218	-4 769	-3 151
Income balance	-9 552	-8 370	-11 229	-15 494	-15 013	-14 230	-12 375	-5 528	-5 074
Net current transfers	5 455	4 558	4 659	5 051	4 833	4 887	4 622	5 430	5 846
Capital and financial balance d/	9 036	6 100	11 879	13 544	16 771	19 448	24 048	19 057	12 401
Net foreign direct investment	7 479	4 530	947	6 227	15 646	8 557	12 265	7 514	9 171
Other capital movements	1 557	1 570	10 931	7 318	1 125	10 890	11 783	11 543	3 231
Overall balance	2 576	1 451	3 142	3 742	5 406	6 946	4 437	415	165
Variation in reserve assets e/	-2 576	-1 451	-3 142	-3 742	-5 406	-6 946	-4 437	-415	-165
Other external-sector indicators									
Real effective exchange rate (index: 2005=100) f/	87.8	91.8	79.3	79.5	76.5	80.1	84.5	104.3	108.3
Terms of trade for goods (index: 2010=100)	91.3	86.1	100.0	114.8	108.4	100.6	91.6	69.1	68.7
Net resource transfer (millions of dollars)	-516	-2 270	649	-1 950	1 758	5 218	11 673	13 529	7 328
Total gross external debt (millions of dollars)	46 369	53 719	64 738	75 568	78 763	91 976	101 282	110 596	119 976
Employment	**Average annual rates**								
Labour force participation rate g/	58.5	61.3	62.7	63.7	64.5	64.2	64.2	64.7	64.5
Unemployment rate h/	12.1	13.2	12.7	11.8	11.4	10.7	10.0	9.8	10.3
Open unemployment rate i/	11.4	12.4	12.0	11.1	10.8	10.0	9.4	9.2	9.7
Visible underemployment rate j/	9.1	9.6	10.4	12.0	11.5	12.3	12.2	10.5	10.6

Table 1 (concluded)

	2008	2009	2010	2011	2012	2013	2014	2015	2016 a/
Prices	**Annual percentages**								
Variation in consumer prices (December-December)	7.7	2.0	3.2	3.7	2.4	1.9	3.7	6.8	5.7
Variation in producer prices (December-December)	8.4	2.2	5.8	8.7	-4.9	-0.1	6.0	5.5	2.2
Variation in nominal exchange rate (annual average)	-5.2	9.6	-12.0	-2.7	-2.8	4.0	7.1	37.1	11.1
Variation in average real wage	-1.6	1.3	2.8	0.3	1.1	2.7	0.4	1.1	-1.0
Nominal deposit rate k/	9.7	6.1	3.7	4.2	5.4	4.2	4.1	4.6	6.8
Nominal lending rate l/	19.6	15.6	12.4	12.8	13.7	12.2	12.1	12.1	14.7
Central national government	**Percentajes of GDP**								
Total revenue	15.6	15.3	13.8	15.2	16.1	16.9	16.6	16.2	14.9
Tax revenue	13.4	12.9	12.3	13.5	14.3	14.2	14.3	14.6	13.6
Total expenditure	17.9	19.4	17.6	18.0	18.4	19.2	19.1	19.2	18.9
Current expenditure	15.7	17.1	15.5	15.6	15.6	16.0	16.1	16.2	16.9
Interest	2.9	2.9	2.6	2.5	2.4	2.2	2.1	2.2	2.5
Capital expenditure	2.2	2.2	2.1	2.4	2.8	3.1	3.0	3.0	2.0
Primary balance	0.6	-1.2	-1.2	-0.3	0.1	-0.1	-0.4	-0.8	-1.6
Overall balance	-2.3	-4.1	-3.9	-2.8	-2.3	-2.3	-2.4	-3.0	-4.0
Central national government debt	36.2	38.1	38.7	36.5	32.8	37.2	40.0	43.9	43.7
Domestic	24.8	26.2	27.8	26.2	23.7	27.5	28.1	27.7	28.2
External	11.4	11.8	10.9	10.3	9.1	9.7	11.9	16.2	15.5
Money and credit	**Percentages of GDP, end-of-year stocks**								
Domestic credit	33.7	35.1	41.0	43.0	46.3	48.3	51.3	54.7	55.1
To the public sector	6.3	9.2	8.7	8.1	8.4	8.6	8.6	7.5	8.0
To the private sector	27.4	26.0	32.3	34.9	37.9	39.7	42.7	47.2	47.1
Others									
Monetary base	7.7	7.8	8.2	8.3	8.5	8.6	9.3	10.3	9.8
M2	35.2	35.2	35.9	37.6	40.9	43.8	44.8	47.8	47.3

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
a/ Preliminary figures.
b/ Based in the new quarterly national accounts figures published by the country, base year 2005.
c/ Based on values calculated in national currency and expressed in current dollars.
d/ Includes errors and omissions.
e/ A minus sign (-) indicates an increase in reserve assets.
f/ Annual average, weighted by the value of goods exports and imports.
g/ Nationwide total.
h/ Municipal capitals. Includes hidden unemployment.
i/ Includes an adjustment to the figures for the economically active population for exclusion of hidden unemployment.
Thirteen metropolitan areas.
j/ Municipal capitals.
k/ 90-day fixed-term certificates of deposit, weighted average.
l/ Weighted average of consumer, prime, ordinary and treasury lending rates for the working days of the month.

Table 2
COLOMBIA: MAIN QUARTERLY INDICATORS

	2015				2016				2017	
	Q.1	Q.2	Q.3	Q.4	Q.1	Q.2	Q.3	Q.4	Q.1	Q.2 a/
Gross domestic product (variation from same quarter of preceding year) b/	2.6	3.0	3.2	3.4	2.7	2.5	1.1	1.6	1.1	…
Gross international reserves (millions of dollars)	47 018	47 058	46 765	46 780	46 941	47 289	47 084	46 803	46 973	47 051 c/
Real effective exchange rate (index: 2005=100) d/	95.9	96.3	111.8	113.2	115.9	106.5	104.6	106.3	101.6	101.4 c/
Open unemployment rate e/	10.2	9.2	8.8	8.2	11.2	9.2	9.4	8.5	11.0	…
Employment rate	57.5	59.1	58.6	60.6	57.2	58.6	58.3	60.0	57.0	…
Consumer prices (12-month percentage variation)	4.6	4.4	5.4	6.8	8.0	8.6	7.3	5.7	4.8	4.4 c/
Wholesale prices (12-month percentage variation)	2.3	3.8	6.0	5.48	5.7	7.0	2.4	2.16	1.1	-0.7 c/
Average nominal exchange rate (pesos per dollar)	2 471	2 498	2 952	3 061	3 254	2 992	2 949	3 007	2 920	2 922
Average real wage (variation from same quarter of preceding year)	1.8	2.1	1.2	-0.6	-0.3	-1.8	-2.2	0.2	1.7	…
Nominal interest rates (average annualized percentages)										
Deposit rate f/	4.4	4.4	4.5	5.0	6.1	6.8	7.2	7.0	6.8	6.5 g/
Lending rate h/	12.3	11.8	11.9	12.5	13.7	14.8	15.3	15.1	15.0	14.5 g/
Interbank rate	4.5	4.5	4.5	5.2	6.1	7.0	7.7	7.7	7.4	7.0 g/
Monetary policy rates	4.5	4.5	4.6	5.2	6.0	6.9	7.7	7.7	7.3	6.6
Sovereign bond spread, Embi + (basis points to end of period) i/	219	229	318	321	299	261	222	227	195	206 c/
Risk premiia on five-year credit default swap (basis points to end of period)	159	169	249	243	216	206	170	164	134	136
International bond issues (millions of dollars)	3 000	1 900	1 500	-	1 760	1 801	-	500	3 010	350 c/
Stock price index (national index to end of period, 31 December 2005 = 100)	105	108	98	90	104	103	104	106	107	114
Domestic credit (variation from same quarter of preceding year)	16.1	16.6	18.1	15.8	9.1	10.3	7.4	7.0	7.0 j/	…
Non-performing loans as a percentage of total credit	3.0	3.1	3.0	3.0	3.1	3.2	3.3	3.4	3.8	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
a/ Preliminary figures.
b/ Based on figures in local currency at constant 2005 prices.
c/ Figures as of May.
d/ Quarterly average, weighted by the value of goods exports and imports.
e/ Municipal capitals.
f/ 90-day fixed-term certificates of deposit, weighted average.
g/ Figures as of April.
h/ Weighted average of consumer, prime, ordinary and treasury lending rates for the working days of the month.
i/ Measured by J.P.Morgan.
j/ Figures as of February.