ECUADOR

1. General trends

In 2021, the Ecuadorian economy grew by 4.2% in real terms, following the sharp contraction of 7.8% in 2020; that growth was not, however, enough to secure a return to the pre-pandemic levels of 2019, when GDP held constant. Stronger private consumption played a crucial role in the recovery of economic activity, in a context of ongoing weak investment and continuously declining final consumption by the central government. Despite a more favourable external environment, exports of goods and services declined in value, partly reflecting the heavy dependence on primary activities and the difficulties faced by certain key export sectors, especially oil and bananas.

The rebound in domestic output was lower than anticipated: 67% of the productive sectors failed to recover their pre-pandemic levels. This was compounded by increased imports of raw materials and fuels, against a backdrop of high general inflation and persistent difficulties in global supply chains.

Fiscal revenues, which increased as economic activity picked up, received an ample boost from higher-than-budgeted tax and oil revenues, while spending on wages and transfers declined. At the same time, public investment spending remained depressed and was only 72% of the level recorded in 2019, when it had already contracted by 22% compared to 2018.

Given those circumstances, and despite improvements in unemployment, labour conditions remained largely precarious, with the informal sector as the main source of job creation for most workers and practically one third of the population living in poverty. Lastly, inflationary risks have imposed additional pressures on Ecuadorians’ purchasing power, particularly those with fewer resources, while at the same time making the reactivation of certain productive sectors more complicated by raising production costs, especially when less than 30% of the workforce have quality jobs.

For 2022, the Economic Commission for Latin America and the Caribbean (ECLAC) forecasts that growth in the Ecuadorian economy will slow to 2.7%, depending on the fiscal strategy measures adopted to stimulate domestic demand in response to the likely deterioration of private consumption resulting from mounting inflationary pressures, lower remittance inflows, limited investment performance and the still unequal recovery among productive sectors. It will be further determined by the steps taken to mitigate the impact that the export sector will sooner or later suffer in the face of an adverse international context derived from geopolitical risks and lower global growth expectations, particularly in the United States and China, with a view to strengthening the post-pandemic recovery and responding to social demands.[1]

[1] In particular, the effects on the national accounts of the national strike called in June of this year are likely to manifest themselves as of the third quarter of 2022. According to statement by the central bank, the losses generated by the 18 days of social mobilization could total an estimated US$ 800 million, in addition to those caused by the social unrest of October 2019.

2. Economic policy

(a) Fiscal policy

Ecuador's non-financial public sector (NFPS) position improved significantly in 2021, posting a primary deficit of US$ 192 million compared to US$ 4.242 billion in 2020. Interest payments on both external and domestic debt totalled US$ 1.453 billion in 2021, implying an overall deficit of US$ 1.645 billion (1.5% of GDP).

Total revenue amounted to US$ 38.326 billion (36.1% of GDP), an increase of 21.6% over 2020. First, oil revenues —which, with growth of 65.5%, exceeded their 2019 figure— totalled US$ 13.103 billion, essentially from overseas shipments of Ecuadorian crude (71.6%). Specifically, oil revenues bettered the forecasts thanks to the increase in the international price of West Texas Intermediate (WTI) oil, which in turn had an impact on the export price of Ecuadorian crude.[2] Second, tax revenues increased by US$ 1.257 billion over their 2020 level to reach US$ 13.623 billion in 2021: all sources of collection recorded increases, with the exception of income tax, which shrank by 4.5%.[3] The largest contribution, 44%, came from value added tax (VAT), which reported an increase of 15%, partly on account of faster consumption growth. Also notable was the healthy 38% rise in collection of the tax on foreign exchange outflows (ISD), which in 2021 totalled US$ 1.755 billion, equal to 1.7% of GDP.[4]

The increase in total spending was lower (3.5%), because of a 27% increase in non-recurring expenses and a 2% reduction in recurring expenses. Among recurring expenditure, the wages and salaries bill fell by 4% in 2021, on top of a 6% decrease in 2020, in keeping with the fiscal austerity policy. The 15% increase in spending seen in 2021, reflecting purchases of goods and services, was recorded from a low baseline, as spending had contracted by 23% in the previous year. Notable among the non-recurring expenditure is the 11% increase in "non-financial assets", which covers public investment made between 2020 and 2021 and which in 2021 represented just 1.9% of GDP.

Total revenue continued to rise over the first quarter of 2022. Tax revenues were up by 20% and oil revenues by 36% compared to the same period in 2021, although the oil sector had not yet expanded its export volumes. By contrast, there was a significant 9.8% contraction in non-recurrent spending. In the current context, the public finance situation could be affected by the adverse effects of geopolitical tensions, by the social protests in June 2022 and by the increase in the international price of oil, which will lead to a higher total cost of imported fuels for domestic consumption and higher spending on fuel subsidies.[5]

[2] WTI prices rose from an average of US$ 39.40 a barrel in 2020 to US$ 68 in 2021. Similarly, the price of the Ecuadorian crude reference basket rose from US$ 35.90 to US$ 62.10 over the same period.

[3] In 2022, a new tax reform (the Organic Act for Economic Development and Fiscal Sustainability) came into force, whose provisions include an increase in income tax for taxpayers with monthly incomes of US$ 2,000 or more.

[4] In December 2021, it was decided to reduce the ISD rate (set at 5%) by 0.25 percentage points each quarter, to reach 4% at the end of 2022. Similarly, ISD was lifted from fuel imports.

[5] In 2021, the fuel subsidy was reduced by 4% from its 2019 level; 2020 was an atypical year, which is partly explained by the adoption of a price band system to align domestic fuel prices to the global price. In October 2021, this system ceased to apply when fuel prices were frozen. A reduction in domestic fuel prices (for extra, ecopaís and diesel) was announced in 2022.

At the end of December 2021, the country's public debt[6] stood at US$ 72.095 billion, or 67.9% of GDP; of that total, US$ 46.021 billion was external and US$ 26.074 billion was domestic. Separately, the "other liabilities" category added a further US$ 5.696 billion. This category contains mainly special drawing rights (SDRs), which were previously included in the public debt calculations.

Notable within the external debt was the contribution of multilateral credits (46%) and bonds issued in international markets (38.5%). There was an increase of 6.7% in external loans to the country over their December 2020 level as a result of disbursements from multilateral agencies (12%), compared to a reduction of 16% and 5%, respectively, in the original agreements of banks and governments. The main multilateral creditors were the Inter-American Development Bank (IDB) and the International Monetary Fund (IMF), which respectively accounted for 33.5% and 32.4% of the total; this reflects the current administration's strategy of seeking more affordable sources of external financing. Among the governmental agreements, the credit lines granted by the Export-Import Bank (44%) and the China Development Bank (34%) account for a significant share of the total, making the process of renegotiating the bilateral debt with that country particularly important. Meanwhile, bonds issued in international markets fell by 1% during the period under analysis.

Domestic debt totalled US$ 26.074 billion in December 2021, mostly composed of debt securities issued in the domestic market (54%) and other obligations (24%). Among the debt securities, bonds issued in the domestic market on behalf of public bondholders totalled US$ 13.017 billion.

Ecuador's public debt is expected to continue to rise over the current year, given that as of April the country had accumulated US$ 901 million in multilateral disbursements, to which another US$ 1.7 billion will be added under the IMF extended fund facility (EFF) programme.[7] At the end of April 2022, the public debt of US$ 71.811 billion was equal to 63% of GDP.[8]

(b) Monetary and exchange-rate policy

At the end of December 2021, total liquidity (M2) and the money supply (M1) were on an upward trend, with annual rates of change of 9.8% and 6.5%, respectively. Also notable was a 6.1% reduction in legal reserve requirements compared to the same month in 2020, which has helped increase households' and companies' access to credit in order to sustain the economic recovery. In particular, this stands in contrast with the significant increase seen when legal reserve requirements rose from US$ 4.377 billion in December 2019 to US$ 8.620 billion in December 2020. In fact, so far this year, total liquidity continues to rise and, in May 2022, it posted a year-on-year increase of 10.3% as a result of the dynamics of demand deposits (7.7%) and quasi-money (14.7%). Legal reserve requirements were 15% lower than in May 2021.

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[6] In July 2021, a new method for calculating public debt came into effect. Since then, external debt includes the "other obligations" item (oil-related financing, advances agreed in commercial contracts for product sales, contractual rights originating from or linked to regular operations, etc.) and domestic debt also includes "other obligations" (treasury certificates, liabilities derived from liquidity agreements, obligations to the Ecuadorian Social Security Institute and obligations pending payment for the current fiscal year). The figures presented reflect aggregate debt.

[7] Multilateral sources are expected to provide a total of US$ 4.420 billion in 2022.

[8] Indicator calculated on the basis of the nominal forecast GDP of US$ 113.783 billion published by the BCE.

International reserves totalled US$ 7.898 billion, equal to 7.4% of GDP, for an annual increase of 9.8%.[9] The accumulation of international reserves included a significant 21% increase in the "investments, time deposits and securities" component compared to the same month in 2020, following a 7.4% drop in non-monetary gold. The upward trend in international reserves is continuing during the current year, with a year-on-year increase of 38.2% in May 2022. To that must be added the significant share of investments and resources held in overseas banks and financial institutions, which as of the same date recorded a healthy year-on-year increase of 60%, and the 4.6% increase in non-monetary gold,[10] a position adopted to diversify international reserve assets and facilitate rapid access to credit lines.

Deposits in the financial sector[11] grew over 2021, with increases of 10.7% in demand deposits, which rose to US$ 28.873 billion, and 18.1% in term deposits, which totalled US$ 25.891 billion; these figures speak to the continued preferences of individuals for savings. However, the composition of the term deposits shifted, as deposits maturing in less than 90 days fell in favour of those with maturities between 90 and 360 days, which accounted for 49.7% of the total. Meanwhile, lending embarked on an upward trend as of the first quarter of 2021 and grew at a rate of 16.3%. Compared to the previous year, consumer loans increased by 14% to US$ 18.917 billion and production loans by 18% to US$ 16.046 billion. The average benchmark lending rate was 8.07% over the course of 2021, which represents a reduction of 0.78 percentage points.[12]

During the first five months of 2022, both deposits and loans in the financial system continued to rise, with average increases of 9% in demand and term deposits and of 21% in the loan portfolio over the prior-year period. Notable in this context is the fragile recovery of home loans, which grew by 5.8% to total US$ 3.680 billion; this could have repercussions on investment dynamics, given the difficulties faced by the construction sector.

3. The main variables

(a) The external sector

In 2021, Ecuador's balance-of-payments current account reported a surplus of US$ 2.965 million (2.8% of GDP), US$ 273 million larger than the 2020 surplus.[13] This was on account of the positive balance in the goods and the secondary income accounts, offset by deficits in the services account and primary income.

In relation to goods, the balance of trade in oil reported an annual rate of change of 49.1%; exports totalled US$ 8.607 billion and imports US$ 4.656 billion.

[9] The special drawing rights (SDRs) received under the IMF allocation programme and recorded in international reserves in August 2021 were allocated to the Ministry of Economy and Finance.

[10] Specifically, the result of operations undertaken by the central bank to purchase non-monetary gold from local small-scale miners in March 2022.

[11] This includes private banks, cooperatives (segment 1) and mutual societies. Banks account for the largest share, accounting for 74% of the total assets at the end of 2021. Three additional cooperatives were incorporated between 2020 and 2021.

[12] A new method for calculating benchmark interest rates came into effect in January 2022.

[13] In addition, the capital account recorded a positive balance of US$ 151 million in 2021, which was lower than the surplus of US$ 1,847 billion achieved in 2020.

Although the value of overseas shipments of crude oil and its derivatives increased by 64%, their volume decreased by 5%. Fuel and lubricant imports rose by 78% in value and 15% in volume. In 2021 there was an average differential of US$ 19 per barrel between the export price of Ecuadorian crude oil and the price of imported derivatives. At the same time, the non-oil balance of trade recorded a deficit of US$ 1.080 billion in 2021, after posting a surplus in 2020. The cost of imports rose across the board but particularly in raw materials (51%), due in part to the rise in international commodity prices, especially fertilizers. Non-oil exports increased to a lesser extent, essentially driven by increases of 39% and 99%, respectively, in shipments of shrimp and mining products. In contrast, the services account deficit increased by US$ 1.523 billion against the 2020 result on account a range of factors, including higher shipping and freight costs arising from persistent difficulties in global supply chains.

The healthy performance in secondary income (current transfers) was mainly the result of remittances received, which totalled US$ 4.362 billion, the equivalent of 4.1% of 2021 GDP, for an increase of 30.7% over 2020. However, in the first quarter of 2022, incoming remittance flows began to show signs of a slowdown, falling by 9% compared to the last quarter of 2021. In turn, the 2021 deficit in the primary income account fell by US$ 1.167 billion.

Although the financial account recorded a surplus of US$ 3.047 billion in 2021, this was 35% below the 2020 figure, owing to a 37% decrease in net asset acquisitions and an 81% drop in net liabilities incurred. In particular, a significant drop of 42% occurred between 2020 and 2021 in inward FDI flows,[14] amounting to US$ 638 million or 0.6% of GDP. Across the region, 38.4% of inward FDI comes from Latin America and the Caribbean. This downward trend became more pronounced the first quarter of 2022, with a 44% reduction in FDI against the same quarter of 2021.

In the first four months of 2022, the foreign trade performance recorded in 2021 was consolidated to some degree, although the effects of the conflict in Ukraine had not yet been fully felt. Compared to the corresponding period in 2021, the revenue from exports of traditional products, at US$ 4.067 billion,[15] exceeded the US$ 3.907 billion earned by oil exports. In particular, crude oil export volumes fell by 7.5%, reflecting the oil sector's persistent difficulties in sustaining and increasing output,[16] which were aggravated by the increased frequency of power outages and social protests in May and June of this year, as well as the regressive erosion of the Coca River.

Oil imports continued to rise and reached US$ 2.175 billion, compared to US$ 1.305 billion for the same period of the previous year.

[14] FDI went mainly to the following sectors: manufacturing industry (30%), business services (21%) and mining and quarrying (17%). The main providers were Costa Rica (13.3%), the United States (13.1%), Switzerland (12.7%) and China (11.9%).

[15] Including shrimp, bananas and plantains, cocoa and processed by-products, tuna and fish, and coffee and processed by-products.

[16] Average daily crude oil production fell from 503,000 barrels between January and April 2021 to 481,000 barrels over the year-earlier period.

(b) Economic growth[17]

In 2021, real GDP increased by 4.2% over 2020, while real GDP per capita recorded a more moderate rise of 2.8%, reaching US$ 3,892 after the 9.1% contraction recorded in 2020.

The sharp increase in household consumption, which in 2021 rose by 10.2% over its 2020 level and equalled 65.3% of GDP, has been the main driver of recovery in the Ecuadorian economy. It is notable for being the only component to exceed its pre-pandemic level. This dynamic coincided with a higher level of consumer confidence, greater access to credit —coupled with a progressive decline in the lending rate— and greater demand for imported consumer goods, particularly durables, at a time marked by significant inflows of remittances. In contrast, final consumption by the central government fell at an annual rate of 1.7%, its third consecutive year of decline. Similarly, in 2021 private investment fell by 6% compared to the previous year.[18] In addition, and as noted above, the performance of exports of goods and services remained mediocre.

On the supply side, the gross value added (GVA) of the oil sector recorded a slight increase of 0.17% in 2021, despite the poor performance of the crude oil extraction industry, which accounts for 90% of the sector's total value and where GVA fell by 1.75%.[19] As for the non-oil sector, 13 of the 17 economic activities analysed showed positive rates of GVA variation, particularly the mining sector (31.8%), hotels and restaurants (17.4%) and aquaculture and shrimp fisheries (16.2%). In contrast, domestic services and construction activities recorded contractions of 9.2% and 6.6%, respectively.

In the first quarter of 2022, GDP growth slowed by 0.41% compared to the fourth quarter of 2021. This reflected a 0.25% drop in private consumption, a 0.47% decrease in central government final consumption and a 4% increase in investment. As regards external demand, the performance of goods and services exports remained weak, with a quarterly variation of 0.1%. GVA in the oil sector reported better results, with a quarterly increase of 13.9%. In contrast, non-oil GVA fell by 0.63%, indicating that a large number of industries struggled earlier in the year, particularly in such key sectors as fisheries (-4.7%), agriculture (-2.5%), manufacturing (-1.6%) and even mining (-0.7%). At the same time, imports continued to rise, with a quarterly variation of 4.5%.

(b) Economic activity[20]

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[17] Values in this section are expressed in constant dollars (2007=100), in line with official figures from the Central Bank of Ecuador. To analyse the first quarter of 2022, quarterly rather than year-on-year rates of change are used to avoid the effect of a low base of comparison caused by the still-negative results recorded in the first quarter of 2021 as a result of the pandemic.

[18] While there was annual growth of 4.3% in gross fixed capital formation (GFCF) in aggregate terms, it should be noted that GFCF coming from the private sector amounted to US$ 8.282 billion in 2021, compared to US$ 8.807 billion in 2020. The above calculations were based on the national accounts and NFPS results, as indicated by central bank data.

[19] The oil refining industry, meanwhile, posted a 23.9% increase in GVA in 2021 over its 2020 level.

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(c) Prices, wages and employment

In December 2021, the annual inflation rate reached 1.94% as a result of the rises seen since July 2021. Among the 12 consumer divisions that make up the consumer price index (CPI) basket, the 9.8% increase in transport prices is particularly significant, reflecting the pass-through of higher international energy prices to domestic prices. Inflation has been accelerating in Ecuador, with May 2022 reporting a rate of 3.38% and marking 11 consecutive months of rising prices. This is in addition to the increase in the value of imported goods, as noted above. In this category, 9 of the 12 consumer divisions recorded increases of more than 1.5%, led by transport (8.9%), alcoholic beverages, tobacco and narcotics (6.3%), furniture, household articles and regular household maintenance supplies (6%) and foodstuffs and non-alcoholic beverages (4%).[23] Simultaneously, there was an increase in the producer price index (PPI), suggesting a possible pass-through of global inflation to production and distribution costs and, in turn, to final consumer

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[22] The oil refining industry, meanwhile, posted a 23.9% increase in GVA in 2021 over its 2020 level.

[23] This division recorded a negative inflation rate of 0.82% on average during 2021, and is the category with the highest weighting in the reference basket (22.45%).

goods. With that in mind, the annual variation in the PPI was 7.8% in May 2022, up from 1.7% in December 2021. In particular, the PPI for intermediate consumption[24] stood at 12.4% in May 2022, compared to 2% in December 2021.

As regards labour indicators, in December 2021 the unemployment rate stood at 4.1% of the economically active population (EAP), 0.8 percentage points lower than in December 2020. Adequate or full employment in the formal sector increased by 3.3 percentage points to 27.4% of the EAP.[25] Significantly, in December 2021, 50.6% of the EAP was working in the informal sector, against 43.2% in the formal sector. This represents progress of 2.3 percentage points in formal employment and a decrease of one percentage point in informal employment with respect to December 2020. However, when compared to the pre-pandemic period in December 2019 —when the informal employment rate stood at 46.7% and that of formal employment at 44.7%— labour precariousness has deepened. In particular, the revival of informal activities was the main driver of the labour market recovery in 2021. The recent evolution of the labour situation has also had an impact on wage trends.[26] In December 2021, the national average labour wage stood at US$ 297 in constant prices, up from US$ 289 in December 2020 but still 9% down from December 2019. There is also a steep differential between the wages earned by men (US$ 321) and by women (US$ 259), particularly taking into account that 17% of the EAP were women in unpaid work, a percentage almost 2.8 times higher than among men.

In May 2022, 3.7% of the EAP was unemployed, and the downward trend in unemployment continued, standing below its December 2019 level. The informal sector continued to expand, however, and accounted for 51.7% of total employment; as a result, the full formal employment rate declined, to stand at 26.7% of the EAP.

Finally, public sector job creation continues to fall: public sector employment declined from 7.5% of the total in December 2019 to 6.7% in May 2022. It should also be noted that only 19% of public sector workers had adequate jobs in May of this year. In the current labour context, support programmes aimed at vulnerable groups, households and businesses must be maintained in order to combat the poverty and inequalities that exacerbated during the pandemic.

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[24] INEC publishes PPI-IC and PPI-FC indices to distinguish between intermediate and final consumption.

[25] In December 2021, the formal sector provided 81% of the total number of adequate jobs.

[26] The unified basic wage of US$ 425 came into effect on 1 January 2022, following a US$ 25 increase over the wage in effect in 2021.

Table 1
ECUADOR: MAIN ECONOMIC INDICATORS

	2013	2014	2015	2016	2017	2018	2019	2020	2021 a/
	Annual growth rates b/								
Gross domestic product	4.9	3.8	0.1	-1.2	2.4	1.3	0.0	-7.8	4.2
Per capita gross domestic product	3.4	2.2	-1.5	-2.9	0.6	-0.5	-1.7	-9.2	2.8
Gross domestic product, by sector									
Agriculture, livestock, hunting, forestry and fishing	6.7	7.6	2.9	0.9	5.5	0.1	1.6	0.4	3.4
Mining and quarrying	2.9	6.6	-2.1	1.5	-2.8	-5.9	3.2	-7.6	0.8
Manufacturing	2.2	0.2	-0.8	-0.9	3.6	0.6	-0.8	-6.3	4.2
Electricity, gas and water	11.5	6.5	9.0	0.5	9.6	3.5	9.8	-5.1	0.8
Construction	7.4	4.7	-0.8	-5.8	-4.4	0.6	-4.7	-20.0	-6.6
Wholesale and retail commerce, restaurants and hotels	6.5	3.3	-1.1	-3.5	5.5	2.3	0.0	-9.9	11.9
Transport, storage and communications	8.9	3.5	2.6	0.6	0.4	4.4	0.2	-10.8	11.9
Financial institutions, insurance, real estate and business services	1.6	5.1	0.5	-1.9	-1.1	3.0	1.8	-5.3	5.5
Community, social and personal services	4.9	4.1	2.5	0.5	2.2	2.0	-0.7	-4.8	-0.1
Gross domestic product, by type of expenditure									
Final consumption expenditure	5.0	3.5	0.3	-2.0	3.6	2.4	-0.2	-7.6	7.8
Government consumption	10.3	6.7	2.1	-0.2	3.2	3.5	-2.0	-5.1	-1.7
Private consumption	3.9	2.7	-0.1	-2.4	3.7	2.1	0.3	-8.2	10.2
Gross capital formation	9.5	3.4	-9.2	-11.5	-11.7	1.7	-3.2	-19.0	9.0
Exports (goods and services)	2.6	6.2	-0.6	1.4	0.7	1.2	3.6	-5.4	-0.1
Imports (goods and services)	7.0	4.8	-8.2	-9.6	12.2	4.4	0.3	-13.8	13.2
Investment and saving c/	**Percentages of GDP**								
Gross capital formation	28.5	28.3	26.9	25.0	26.3	26.7	25.9	22.0	22.3
National saving	27.5	27.7	24.6	26.1	26.1	25.5	25.8	24.8	25.2
External saving	1.0	0.7	2.2	-1.1	0.2	1.2	0.1	-2.7	-2.9
Balance of payments	**Millions of dollars**								
Current account balance	-933	-669	-2 221	1 109	-184	-1 308	-62	2 693	3 060
Goods balance	-529	-63	-1 650	1 567	254	-202	1 025	3 499	3 263
Exports, f.o.b.	25 587	26 596	19 049	17 413	19 549	22 157	22 774	20 591	27 236
Imports, f.o.b.	26 115	26 660	20 699	15 846	19 295	22 359	21 749	17 092	23 972
Services trade balance	-1 420	-1 171	-805	-978	-747	-687	-797	-976	-2 424
Income balance	-1 361	-1 543	-1 729	-1 813	-2 318	-2 829	-3 028	-2 823	-1 636
Net current transfers	2 376	2 108	1 963	2 333	2 627	2 409	2 739	2 993	3 858
Capital and financial balance d/	2 779	244	732	725	-2 122	1 479	777	1 453	-2 113
Net foreign direct investment	727	777	1 331	756	630	1 388	975	1 104	621
Other capital movements	2 052	-532	-599	-32	-2 751	91	-198	349	-2 733
Overall balance	1 846	-424	-1 489	1 834	-2 305	171	715	4 146	948
Variation in reserve assets e/	-1 878	411	1 453	-1 834	2 305	-171	-715	-4 146	-948
Other financing	32	13	36	0	0	0	0	0	0
Other external-sector indicators									
Terms of trade for goods (index: 2010=100)	124.7	116.8	88.5	84.4	91.7	100.0	96.5	83.0	95.1
Net resource transfer (millions of dollars)	1 450	-1 286	-961	-1 088	-4 440	-1 349	-2 251	-1 370	-3 749
Total gross external debt (millions of dollars)	18 788	24 112	27 933	34 181	40 323	44 239	52 668	56 893	57 744
Employment g/	**Average annual rates**								
Labour force participation rate h/	62.3	62.6	65.6	67.7	68.1	66.7	66.2	62.2	65.8 i/
Unemployment rate j/	3.0	3.4	3.6	4.5	3.8	3.5	3.8	6.2	4.5 i/
Visible underemployment rate	9.9	10.6	11.7	15.7	17.0	15.4	16.6	26.6	23.1

Table 1 (concluded)

	2013	2014	2015	2016	2017	2018	2019	2020	2021 a/
Prices	**Annual percentages**								
Variation in consumer prices (December-December)	2.7	3.7	3.4	1.1	-0.2	0.3	-0.1	-0.9	1.9
Variation in producer prices (December-December)	3.1	3.1	-0.7	1.7	1.3	-1.1	1.9	-1.5	…
Nominal deposit rate k/	4.5	4.9	5.3	5.7	4.9	5.1	5.9	6.3	5.6
Nominal lending rate l/	8.2	8.1	8.3	8.7	7.9	7.7	8.6	8.9	8.1
Central government	**Percentages of GDP**								
Total revenue	25.9	23.5	23.9	21.5	21.3	24.4	22.8	19.6	23.6
Tax revenue	14.4	14.2	16.1	14.3	13.8	14.3	13.4	12.5	12.8
Total expenditure	35.1	34.1	30.3	29.2	27.6	28.2	27.8	27.1	27.5
Current expenditure	22.9	22.4	20.1	18.7	19.2	21.1	22.6	22.0	20.5
Interest	1.2	1.4	1.8	1.9	2.4	2.8	3.0	3.3	1.8
Capital expenditure	12.2	11.6	10.2	10.6	8.4	7.1	5.2	5.1	7.0
Primary balance	-8.0	-9.1	-4.7	-5.8	-3.9	-1.1	-2.0	-4.2	-2.1
Overall balance	-9.2	-10.5	-6.5	-7.8	-6.3	-3.8	-5.0	-7.5	-3.9
Central government public debt	22.9	27.5	30.9	35.7	41.3	42.2	48.2	59.0	57.0
Domestic	10.4	12.3	12.6	12.5	14.2	12.5	13.5	16.8	15.4
External	12.5	15.2	18.3	23.2	27.1	29.7	34.7	42.3	41.6
Money and credit	**Percentages of GDP, end-of-year stocks**								
Domestic credit	27.6	29.8	29.9	34.4	36.4	38.9	42.7	48.5	53.1
To the public sector	-0.5	1.1	1.5	4.5	3.0	1.7	1.5	2.5	4.3
To the private sector	28.2	28.7	28.4	29.9	33.4	37.2	41.2	46.0	48.8
Monetary base	13.4	14.5	16.7	21.3	21.3	21.2	21.7	29.0	27.3
M2	35.9	38.3	38.4	44.5	46.9	48.2	51.8	62.4	64.3

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 2007 prices.
c/ Estimates based on figures denominated in dollars at current prices.
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/ Up to 2013, the figures correspond to December of each year. From 2014, they correspond to the average for the year.
i/ No data is published in the first quarter.
j/ Open unemployment rate includes an adjustment for workforce figures due to exclusion of hidden unemployment.
k/ Weighted average of the system effective deposit rates.
l/ Effective benchmark lending rate for the corporate commercial segment.