BOLIVARIAN REPUBLIC OF VENEZUELA

1. General trends

The gross domestic product (GDP) of the Bolivarian Republic of Venezuela grew by 1.3% in 2013, chiefly driven by private consumption, against a backdrop of high inflation and shortages of various goods. Public spending, financed in part by lending from the central bank to State-owned companies, accounted for much of the increase in monetary liquidity. One consequence of the abundant liquidity was a spike in inflation, which surged in year-on-year terms from 20% in December 2012 to 56% in December 2013. At the same time, goods shortages also became more severe, with the scarcity index reaching 28% in January 2014. Certain monetary adjustments were also made in 2013 and the first few months of 2014, and the country now has three different exchange rates depending on the intended use of the foreign currency. However, the amount of currency provided to private companies remains insufficient to cover import requirements, as evidenced by the gulf between the official and parallel exchange rates. Growth in the country's GDP has slackened since the fourth quarter of 2013, and a fall of 0.5% is forecast for 2014.

2. Economic policy

(a) Fiscal policy

The Bolivarian Republic of Venezuela's fiscal policy was expansionary in 2013. According to preliminary data given in the 2014 Budget Act,[1] the central government ran a primary deficit of 0.3% of GDP in 2013, less than in 2012 (which saw a deficit of 2.2% of GDP). The overall central government deficit, meanwhile, was equivalent to 3.4 % of GDP, 1.5 percentage points up from 2012 (when it equalled 4.9% of GDP). Certain additional appropriations,[2] used to fund extra spending in the last months of 2013, were however omitted from the data published in the Budget Act. Central government revenues remained at around 23.6% of GDP in 2013, similar to 2012 levels. Tax revenues declined from 13.2% of GDP in 2012 to 12.8% of GDP in 2013, while non-tax revenues edged up from 10.2% to 10.9% of GDP over the same period. Current expenditure stood at 22.4% of GDP in 2013, slightly down on the 2012 figure of 23.6%. The steepest drop-off was seen in subsidies and transfers, which together accounted for around half of spending. Total income reported in the preliminary budget for 2014 stood at 442.947 billion bolívares, equivalent to 18.3% of GDP.

However, the available data on the central government gives only a partial picture of the country's fiscal policy since a substantial proportion of public income and spending is channelled through the National Development Fund (FONDEN) —which is financed with contributions from Petróleos de Venezuela S.A. (PDVSA)[3]— and joint Chinese-Venezuelan funds (financed from loans from China that

[1] The 2014 budget was published on 10 December 2013 and contains the most up-to-date information on implementation of the 2013 budget.
[2] Additional appropriations are income from oil exports above a certain level of prices set out in the Budget Act for financial year 2013.
[3] Prior to 2013, FONDEN was also financed from central bank reserves.

are repaid in oil exports). Direct lending from the central bank to State-owned enterprises, particularly PDVSA, also increased. This began in December 2009 and has risen from 0.1% of GDP that year to 17.3% of GDP in 2013, including a jump of 6.2 percentage points of GDP from 2012 to 2013.

In 2014 the central government is expected to continue to run a fiscal deficit and to finance State-owned enterprises with loans from the central bank, given the expectation of an economic slowdown and a drop-off in oil revenues. Although the monetary adjustments are expected to yield some additional income in bolívares, these increases will be partially offset by an overall decline in oil revenues, since an increasing proportion of oil exports will be used to repay debts to China and to finance imports of food and other goods from countries that are beneficiaries under the PetroCaribe programme. A greater proportion of the deficit will therefore be debt-financed.

(b) Monetary policy

Monetary policy was vigorously expansionary in 2013 with average year-on-year growth of 66% and 65% in M1 and M2 aggregates, respectively, comfortably outstripping the average year-on-year inflation rate of 40%. The greater abundance of liquidity is attributable to higher central government spending and the funding of State-owned enterprises via loans from the central bank.

This strongly expansionary monetary policy continued into the first four months of 2014, with average year-on-year increases of 76% and 75% in M1 and M2 aggregates, respectively, whereas average year-on-year inflation in the same period stood at 59%.

The central bank, while increasing lending to State-owned enterprises, has attempted to curb liquidity growth by raising general and marginal reserve requirements for financial institutions. The general reserve requirements were raised in three increments from 17% in October 2013 to 21.5% in April 2014, and marginal requirements from 17% to 31% over the same period. The central bank stepped up its open market operations from November 2013 (when the latter increased 83% on the previous month), incorporating 270- and 360-day periods into its daily liquidity-absorbing operations directed at public and private financial institutions registered with it.

As a share of GDP, credit to the private sector did not increase significantly during 2013, creeping up from 25.2% in December 2012 to 29.7% in December 2013. In nominal terms, however, it skyrocketed by 62%.

(c) Exchange-rate policy

In February 2013, the bolívar was devalued from 4.30 to 6.30 against the dollar (losing 47% of its dollar value). However, the spread between the official and parallel exchange rates continued to widen until the close of 2013, when the latter was nine times the former. In 2013 the Transaction System for Foreign Currency Denominated Securities (SITME) was replaced by another complementary foreign-exchange system, the Complementary System for Foreign Currency Administration (SICAD), which auctions foreign currency to companies meeting a set of formal requirements and importing categories of product listed as priorities. Individuals with specific requirements were also authorized to participate in the system.[4]

[4] Following the introduction of the Alternative Foreign Currency System (SICAD II) in 2014, individuals may no longer participate in SICAD I.

Even after the devaluation in February 2013 to 6.30 bolívares to the dollar, the Venezuelan currency remained overvalued, since the real effective exchange rate in December 2013 was 47% less than the average seen from 1990 to 2009 (a sign of currency appreciation).

The Bolivarian Republic of Venezuela made two monetary adjustments in the first few months of 2014. The official exchange rate remained at 6.30 bolívares to the dollar, but this only applied to a limited number of imported products; less favourable exchange rates were used for the remaining products and for transactions carried out by individuals.

Exchange Rate Agreement No. 25, issued by the executive branch and central bank, stipulated that as of 24 January 2014 the exchange rate for most private-sector transactions would be set using the Complementary System for Foreign Currency Administration (SICAD). The exchange rate against the dollar for most categories of imported goods and services was thus raised from 6.30 bolívares in 2013 to 11.30 bolívares with effect from January 2014. At the time of writing (16 June 2014), this rate stood at 10 bolívares to the dollar (approximately 60% higher than the official exchange rate of 6.30 bolívares to the dollar).

In March 2014 the government introduced a third foreign-exchange system, the Alternative Foreign Currency System (SICAD II), which applies a floating exchange rate, but which has so far remained stable at almost 50 bolívares to the dollar (seven times the official rate of 6.30). SICAD II has been helped by the repeal of the Illegal Currency Transactions Act and the entry into force of the new Currency Administration System and Illegal Currency Transactions Act, which means that State-owned public companies, including PDVSA, the central bank, private companies and individuals can now bid for dollars in cash or bonds. Following the introduction of SICAD II, use of the two pre-existing systems was confined to certain specific priority areas. The official exchange rate (6.30 bolívares to the dollar) covers only “basic necessities”, namely medicines, food, housing and education. There are no predefined priority areas for SICAD I, which means that the government can change the sectors to which it applies according to its needs. The remaining segments of the economy and individuals must use SICAD II.

The parallel exchange rate fell between the announcement of the introduction of SICAD II in mid-February and mid-April of 2014, but has been rising since then.

The Bolivarian Republic of Venezuela’s international reserves continued to trend downwards in the first five months of 2014 (down 3.2% on average in May on levels seen in early January) after having contracted by 28% in 2013. Given that most of the country’s reserves are not liquid operating reserves (in 2013 an average of 72% was held in gold), its non-gold holdings are insufficient to cover two months’ worth of imports.

3. The main variables

(a) The external sector

The balance-of-payments current account surplus is estimated to have diminished by 0.7 percentage points to an equivalent of 2.2% of GDP, chiefly as a result of respective contractions of 9% and 11% in exports and imports of goods. The drop-off in the value of exports is attributable principally to falls in volume (-6.1%) and, to a lesser extent, price (-2.9%). The share of oil in total exports and imports remained stable, accounting for 96.3% of exports (as against 96.1% in 2012) and 20.7% of imports (compared with 20.3% in 2012). Since 2008 the share of oil products in total imports has more than doubled (from 8.6% to 20.7%). This may be the result of insufficient refining capacity in the face of growing domestic demand against a backdrop of very low gasoline prices in the country (0.097 bolívares, or US$ 0.02, per litre at an exchange rate of 6.30 bolívares to the dollar). In fact, the oil price in bolívares has not changed since 1998 (while the accumulated inflation from 1998 to 2013 stands at 3.120%). Imports, after having risen by 27% in 2012, fell by 11% in 2013, mainly as a result of an inability to supply sufficient quantities of foreign currency to importers, particularly in sectors of the economy not deemed to be priorities by the government.

The services, rents and transfer balances were slightly down.

The capital and financial account was US$ 7.796 billion in the red in the first three quarters of 2013 (compared with a deficit of US$ 13.563 billion in the same period of 2012), an improvement mainly due to a reduction in the public-sector acquisition of currency and deposits. Net foreign direct investment was positive, thanks in a large part to several investments in oil joint ventures and the reinvestment of profits.

The balance of payments ran a deficit of US$ 3.305 billion in the first three quarters of 2013 (compared with a deficit of US$ 4.283 billion in the same period in 2012).

(b) Economic activity

In 2013, GDP growth in the Bolivarian Republic of Venezuela stood at 1.3% (down from 5.6% in 2012). On the demand side, private consumption, which increased by 2.6%, was practically the sole driving force for growth. Government consumption also increased by 2.0% but played a much less important role in boosting growth than private consumption. Gross fixed capital formation (investment) and inventories both contracted.

The most buoyant sectors of the economy were finance and insurance, communications and commerce (with respective year-on-year growth of 9.4%, 3.1% and 3.4%). The financial and insurance industry accounted for 1.2 percentage points of growth, whereas the contribution of communications and commerce was much smaller: 0.4 and 0.3 percentage points, respectively.

Growth in financial institutions was principally a result of the expanding loan portfolio and more abundant monetary liquidity. The rise in commerce was driven by increased liquidity, expectations of credit-financed private consumption (the use of credit cards grew by 25% year-on-year in real terms) and government-imposed price reductions in electronic and white goods in late 2013. The communications sector was boosted by increased demand for its services and investment to expand technology infrastructure.

Other major sectors such as oil, manufacturing and construction, however, experienced sluggish or negative growth (of +0.9%, -0.2% and -2.3% respectively). The oil and manufacturing sectors provided practically no impetus to growth (accounting for a respective share thereof of 0.1 and 0.0 percentage points). Construction, which had accounted for 1.2 percentage points of the 5.5% growth rate recorded in 2012, actually dragged growth down in 2013 (by -0.2 points).

In the fourth quarter of 2013, the Venezuelan economy’s troubles (due to the scarcity of consumer products and foreign exchange, continuing high rates of inflation and falling oil prices) were exacerbated, a state of affairs that has only got worse in the first few months of 2014. The year-on-year fall of 7.2% in VAT collection in real terms in the first quarter of 2014 could be a symptom of an incipient recession over this period, since consumption had constituted the mainstay of growth in 2013.[5] The protests that began in the first quarter continue to rage and have spread to more sectors of the population. It is, however, too early to tell what impact they have had on the Venezuelan economy, as data from the national accounts and the balance of payments for the first quarter of 2014 will not be published until the middle of the year. Nonetheless, given that the fourth quarter of 2013 saw very low or negative quarterly growth rates in almost all sectors of the economy, it is more than likely that the protests and supply problems will lead to negative growth of around 0.5% for 2014. ECLAC is, however, of the opinion that the economy may outperform these expectations, and may even see slender growth (of less than 1%) if the recent foreign-exchange relaxations (renewed access to foreign exchange for the private sector) cause an uptick in activity in sectors dependent on "non-priority" imported inputs that is accompanied by an end to the protests.

(c) Prices, wages and employment

Year-on-year inflation surged from 20.1% in December 2012 to 56.2% in December 2013. Inflation in the basic necessities of food and beverages reached 73.9%. The rate of inflation snowballed over the year despite the government's best efforts to control prices and alleviate shortages. For example, the government decided to dip into its strategic food reserves, thereby reducing inflationary pressures. A temporary slowdown in inflation was seen as recently as December 2013 (down from 58.2% in November to 56.2% in December in year-on-year terms), as a result of government action to curb spiralling prices, mainly concerning white goods and other electronic appliances, as part of an official campaign to put a direct brake on price rises in such goods.

This, among other factors, led to increasing shortages, with the scarcity index rising from 16.3% in December 2012 to 28.0% in January 2014, the highest level seen since measurements began in 2005 and the most recent such statistic released by the central bank. It is estimated that shortages in February and March were even more severe, owing to the ongoing economic and currency turmoil, the limiting of company profits to 30% and the spread of protests across the country, which greatly hindered the distribution of goods. Unofficial data from the central bank published in the Venezuelan press pointed to a scarcity index of 29.4% for March, which let up slightly in April (25.3%).

Average year-on-year inflation from January to May 2014 stood at 59%, slightly up on 2013 (approximately 57%). In May the year-on-year headline inflation rate was 60.9%, while inflation in the food and beverages sector was 76.4%.

In 2013 the average urban unemployment rate was down 0.3 percentage points to 7.8%. The participation rate increased by 0.4 points to 64.3%.

The high level of inflation caused real wages to fall by around 4.4% year-on-year in 2013, declining by 5.5% in the private sector and by 2.3% in the public sector. Earnings were up 32.5% in nominal terms in 2013, less than cumulative increases in the minimum wage, which totalled 45.2%. The minimum wage was raised three times in 2013, in May (20%), September (10%) and November (10%), and has already been increased twice in the first few months of 2014: in January (10%) and in May (30%), a cumulative hike of 43%.

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[5] Apart from the third quarter of 2010— when receipts fell by just 0.5% in real terms— this is the first quarterly year-on-year fall in VAT receipts since mid-2009.

Real earnings are expected to fall in 2014, chiefly as result of the projected high inflation and reduced economic activity over the year.

Table 1
VENEZUELA: MAIN ECONOMIC INDICATORS

	2005	2006	2007	2008	2009	2010	2011	2012	2013 a/
	Annual growth rates b/								
Gross domestic product	10.3	9.9	8.8	5.3	-3.2	-1.5	4.2	5.6	1.3
Per capita gross domestic product	8.4	8.0	6.9	3.5	-4.8	-3.0	2.6	4.0	-0.1
Gross domestic product, by sector									
Agriculture, livestock, hunting, forestry and fishing	9.8	1.0	2.6	3.5	1.0	0.9	-1.1	2.3	-0.4
Mining and quarrying	2.8	-1.9	-2.7	2.9	-7.7	-1.8	1.6	1.0	0.0
Manufacturing	6.0	7.3	3.2	1.3	-6.4	-2.3	2.9	1.8	-0.2
Electricity, gas and water	11.2	4.9	2.6	5.0	4.1	-5.8	5.0	3.8	3.3
Construction	20.0	30.6	20.8	10.5	-0.2	-7.0	4.8	16.6	-2.3
Wholesale and retail commerce, restaurants and hotels	21.5	15.6	16.3	4.7	-7.7	-6.2	5.3	8.8	3.4
Transport, storage and communications	18.4	18.9	17.5	12.9	3.4	4.2	6.7	6.8	3.1
Financial institutions, insurance, real estate and business services	13.9	18.3	11.0	-1.1	-1.2	-2.8	6.0	13.3	9.4
Community, social and personal services	8.1	6.9	7.3	6.7	2.3	1.7	5.6	5.9	3.6
Gross domestic product, by type of expenditure									
Final consumption expenditure	14.6	14.3	16.3	6.0	-2.1	-1.1	4.4	6.9	2.5
Government consumption	10.7	9.6	13.8	4.8	1.5	2.1	5.9	6.3	2.0
Private consumption	15.7	15.5	16.9	6.3	-2.9	-1.9	4.0	7.0	2.6
Gross capital formation	30.5	36.3	28.2	2.2	-19.1	1.0	15.2	24.1	-4.5
Exports (goods and services)	3.8	-3.0	-7.6	-1.0	-13.7	-12.9	4.7	1.6	-4.3
Imports (goods and services)	35.2	34.8	33.0	1.4	-19.6	-2.9	15.4	24.4	-3.5
Investment and saving c/	**Percentajes of GDP**								
Gross capital formation	23.0	26.9	30.3	26.8	25.8	22.0	23.1	26.6	24.2
National saving	40.5	41.3	37.9	37.7	27.6	27.0	30.8	29.5	26.3
External saving	-17.5	-14.4	-7.5	-10.9	-1.8	-5.0	-7.7	-2.9	-2.1
Balance of payments	**Millions of dollars**								
Current account balance	25,447	26,462	17,345	34,275	6,035	12,071	24,387	11,016	8,000
Goods balance	31,708	31,995	23,320	44,050	17,957	27,132	45,998	38,001	36,000
Exports, f.o.b.	55,716	65,578	69,980	95,021	57,603	65,745	92,811	97,340	89,000
Imports, f.o.b.	24,008	33,583	46,660	50,971	39,646	38,613	46,813	59,339	53,000
Services trade balance	-3,997	-4,410	-7,968	-9,611	-8,497	-9,191	-13,697	-15,959	-16,200
Income balance	-2,202	-1,045	2,547	411	-3,134	-5,302	-7,124	-10,048	-10,500
Net current transfers	-62	-78	-554	-575	-291	-568	-790	-978	-1,300
Capital and financial balance d/	-20,023	-21,558	-22,702	-24,819	-16,834	-20,010	-28,419	-12,012	-13,000
Net foreign direct investment	1,422	-2,032	1,587	45	-4,374	-1,462	4,919	756	2,400
Other capital movements	-21,445	-19,526	-24,289	-24,864	-12,460	-18,548	-33,338	-12,768	-15,400
Overall balance	5,424	4,904	-5,357	9,456	-10,799	-7,939	-4,032	-996	-5,000
Variation in reserve assets e/	-5,424	-4,904	5,357	-9,456	10,799	7,939	4,032	996	5,000
Other external-sector indicators									
Real effective exchange rate (index: 2005=100) f/	100.0	93.3	83.7	69.1	53.5	81.9	72.6	60.6	62.7
Terms of trade for goods (index: 2005=100)	100.0	119.4	130.9	161.6	117.6	139.8	168.1	169.7	166.3
Net resource transfer (millions of dollars)	-22,225	-22,603	-20,155	-24,408	-19,968	-25,312	-35,543	-22,060	-23,500
Total gross external debt (millions of dollars)	46,427	44,735	53,378	53,223	70,246	97,092	110,745	118,949	118,766
Employment g/	**Average annual rates**								
Labour force participation rate	66.3	65.4	64.9	64.9	65.1	64.6	64.4	63.9	64.3
Open unemployment rate	12.4	9.9	8.4	7.3	7.9	8.7	8.3	8.1	7.8

Table 1 (concluded)

	2005	2006	2007	2008	2009	2010	2011	2012	2013 a/
Prices	**Annual percentages**								
Variation in consumer prices (December-December)	14.4	17.0	22.5	30.9	25.1	27.2	27.6	20.1	56.2
Variation in wholesale prices (December-December)	14.2	15.9	17.2	32.4	24.8	26.8	20.7	16.6	52.4
Variation in nominal exchange rate (annual average)	11.9	1.9	0.0	0.0	0.0	89.4	5.6	0.0	41.5
Variation in average real wage	2.6	5.1	1.2	-4.5	-5.8	-5.3	3.0	5.9	-4.4
Nominal deposit rate h/	11.7	10.1	10.6	16.0	15.6	14.7	14.7	14.5	14.5
Nominal lending rate i/	15.6	14.6	16.7	22.8	20.6	18.0	17.4	16.2	15.6
Central government	**Percentajes of GDP**								
Total revenue	27.5	29.7	28.6	24.5	21.4	19.3	22.5	23.5	23.6
Tax revenue	15.3	15.6	16.0	13.4	13.3	11.1	12.5	13.2	12.8
Total expenditure j/	25.9	29.8	25.6	25.7	26.5	22.9	26.4	28.4	27.0
Current expenditure	19.6	22.6	19.7	19.8	20.6	19.2	21.7	23.6	22.4
Interest	2.9	2.1	1.5	1.3	1.3	1.5	2.1	2.7	3.0
Capital expenditure	5.8	6.7	5.8	5.7	5.4	2.9	3.1	4.8	4.6
Primary balance	4.6	2.0	4.5	0.1	-3.7	-2.1	-1.8	-2.2	-0.3
Overall balance	1.6	0.0	3.0	-1.2	-5.0	-3.6	-4.0	-4.9	-3.4
Central government public debt	33.1	24.0	19.1	14.0	18.2	32.0	25.1	27.5	32.3
Domestic	11.1	9.2	7.3	4.5	7.5	14.5	11.3	15.6	19.7
External	22.0	14.9	11.9	9.5	10.7	17.5	13.7	11.9	12.5
Money and credit	**Percentages of GDP, end-of-year stocks**								
Domestic credit k/	20.8	33.6	32.2	28.6	32.9	27.6	30.8	40.4	49.6
To the public sector	3.3	6.3	4.3	2.4	5.1	5.6	7.8	12.8	16.2
To the private sector	12.7	16.5	22.8	20.8	22.9	18.6	20.4	25.2	29.7
Others	4.7	10.8	5.1	5.4	4.9	3.4	2.6	2.4	3.7
Monetary base	7.6	11.4	13.0	12.3	13.8	12.1	12.7	16.4	19.8
Money (M1)	14.1	26.6	26.4	24.6	28.6	26.8	31.4	42.7	53.4
M2	23.3	30.4	30.9	28.8	33.2	28.4	32.7	43.6	54.3

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 1997 prices.
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/ 90-day deposits rate.
i/ Average rate for loan operations for the six major commercial banks.
j/ Includes extraordinary expenditure and net lending.
k/ Credit granted by the commercial and universal banks..

Table 2
VENEZUELA: MAIN QUARTERLY INDICATORS

	2012				2013				2014	
	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/	5.9	5.6	5.5	5.5	0.8	2.6	1.1	1.0	...	...
Gross international reserves (millions of dollars)	27,932	26,437	26,366	27,417	27,724	25,669	23,212	21,509	21,785	21,802 c/
Real effective exchange rate (index: 2005=100) d/	74.9	72.5	68.2	63.7	61.5	59.4	57.2	54.6	64.4	68.5 c/
Open unemployment rate e/	9.3	8.3	7.8	6.9	8.5	7.8	7.9	7.0	8.0	...
Employment rate e/	57.7	58.4	59.2	59.6	58.2	58.8	59.9	60.1	59.3	...
Consumer prices (12-month percentage variation)	24.6	21.3	18.0	20.1	25.1	39.6	49.4	56.2	59.3	60.9 c/
Wholesale prices (12-month percentage variation)	18.4	15.3	13.3	15.1	19.9	30.8	45.2	52.7	...	... c/
Average nominal exchange rate (bolívares per dollar)	4.29	4.29	4.29	4.29	5.43	6.29	6.29	6.29	6.29	6.29
Average real wage (variation from same quarter of preceding year)	-8.2	4.1	8.5	7.6	11.4	5.9	3.1	4.1	-0.8	...
Nominal interest rates (annualized percentages)										
Deposit rate f/	14.6	14.5	14.5	14.6	14.5	14.5	14.5	14.6	14.6	14.5 g/
Lending rate g/	16.0	16.4	16.5	16.0	15.5	15.5	15.9	15.5	15.9	16.5
Interbank rate	0.3	2.0	0.5	0.5	1.0	2.5	1.8	1.1	0.5	4.4 g/
Monetary policy rates	6.4	6.5	6.3	6.3	6.2	6.2	6.2	6.3	6.4	6.5 g/
Sovereign bond spread, Embi + (basis points to end of period) i/	907	1,097	928	773	787	966	991	1,093	1,130	890
Risk premiia on five-year credit default swap (basis points to end of period)	722	894	777	647	739	1,004	933	1,150	1,261	918
International bond issues (millions of dollars)	-	-	-	-	-	-	-	-	-	-
Stock price index (national index to end of period, 31 December 2005 = 100)	979	1,235	1,511	2,312	3,040	5,641	8,802	13,421	12,374	10,362
Domestic credit (variation from same quarter of preceding year)	52.9	58.8	56.7	55.8	58.2	59.1	60.0	68.5	66.6	63.5 g/
Non-performing loans as a percentage of total credit	1.5	1.4	1.2	1.0	1.0	1.0	0.9	0.7	0.7	...

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 1997 prices.
c/ Figures as of May.
d/ Quarterly average, weighted by the value of goods exports and imports.
e/ Nationwide total.
f/ 90-day deposits rate.
g/ Figures as of April.
h/ Average rate for loan operations for the six major commercial banks.
i/ Measured by J.P.Morgan.