ECUADOR

1. General trends

As a result of the coronavirus disease (COVID-19) pandemic and the slow resumption of activities in the second half of 2020, Ecuador's real GDP contracted by 7.8% in the past year, after registering zero growth in 2019. This unprecedented contraction was due to the collapse of domestic demand –which had already been declining in 2019– and, to a lesser extent, to the weakening of external demand, which resulted in a drop in exports of goods and services. While certain aquaculture (shrimp) and agricultural products (bananas and plantains) became the country's main goods exports, shipments of crude oil and its derivatives were reduced as a result of the high volatility of international prices and the persistent difficulties faced by the oil sector in terms of extraction and transportation.

The supply side was also hit hard as more than 80% of the sectors of activity counted recorded a negative change in their gross value added in 2020. This was compounded by a sharp decline in imports of goods and services owing to lower demand for fuels and lubricants, transport equipment and construction materials.

This complex scenario has deepened the fiscal deficit of the non-financial public sector, which came to almost 6% of GDP in 2020. While this deficit was the result of a reduction in public revenues, it has also been marked by the continuation of austerity measures, which led to a contraction in public spending, with consequent repercussions on investment, employment and the performance of key sectors such as health. Fiscal policy, the main short-term policy available to the country in a dollarized framework, was pro-cyclical in the midst of a "triple" crisis. Faced with insufficient liquidity and costly access to financial markets, multilateral loans became the country's main source of financing, while public debt increased by 11 percentage points, reaching 64% of GDP by the end of 2020.

This injection of liquidity was reflected in the country's international reserves position, which registered a positive variation in the second half of 2020 (19%), while in the first half of that year the variation had been negative (-3%). As liquidity accumulated in the banking system due to increased deposits, the great majority of credit segments decelerated concomitantly with the rise, on average, in the lending rate. In line with this, the Ecuadorian economy experienced a prolonged deflationary process in 2020 that was especially marked from July of that year onwards, symptomatic of the fragile domestic demand.

During 2020, the severity of the effects of the health crisis was reflected in the profound deterioration of the labour market, particularly in the increasing precariousness and informality of employment, as well as the widening of pre-existing gender gaps. This has resulted in a worsening of poverty and inequality, as well as of health problems, such as hunger and chronic child undernutrition. In just under a year, the pandemic has wiped out a decade of social progress.

The country entered a new phase with the election of President Guillermo Lasso, who took office on 24 May 2021. In the coming months, the new government will have to contend with the challenges of reviving the economy and putting it on a path of sustained growth in the midst of a profound health, economic and social crisis and in an environment of limited governability.

The Ecuadorian economy is expected to recover slowly this year, depending on the scope of the policies implemented by the authorities to stimulate domestic demand, respond to social demands, reactivate the production sector, particularly small and medium-sized enterprises (SMEs), generate quality jobs and reverse the decline in household incomes. In this scenario, the Economic Commission for Latin America and the Caribbean (ECLAC) forecasts that Ecuador's GDP will grow by 3% in 2021, but this forecast is ultimately contingent on the ability to overcome the health crisis as a matter of urgency, in an international context of great uncertainty.

2. Economic policy

(a) Fiscal policy

In 2020, the overall non-financial public sector deficit stood at US$ 5.531 billion (5.6% of GDP), US$ 2.079 billion above the figure recorded in 2019. The primary deficit, meanwhile, went from US$ 532 million in 2019 to US$ 2.758 billion in 2020. The country faced a drastic drop in its main sources of revenue, totalling US$ 6.037 billion (-16.8%), driven essentially by a decline in tax revenue -–particularly from value added tax (VAT) collection– and a significant reduction in revenue from external oil sales.

Similarly, public expenditure contracted by 10% in 2020 compared to the previous year, largely due to continued austerity measures. The most affected items were procurement of goods and services (-13.6%), gross fixed capital formation (-12.2%) and salaries and wages (-5.8%). The lower procurement of goods and services coincided with a 7.3% reduction in the gross value added of the education and social services and health sectors compared to 2019.

Accordingly, the overall State budget has decreased by 9.6%, a reduction of US$ 3.418 billion relative to the original budget.[1] Among the areas that sustained the largest cuts were key sectors such as education (US$ 941 million lower) and health (US$ 235 million less). In addition, it should be noted that the effort directed to the social welfare sector, which includes social programmes, was marginal (an extra US$ 49 million).[2] In 2021, it is anticipated that even if there is an improvement in the country's economic situation, the overall State budget will not be able to exceed US$ 33.684 billion, or US$ 1.604 billion more than in 2020.[3]

In this complex situation, Ecuador's aggregate public debt came to some US$ 63.163 billion in December 2020 (63.9% of GDP). The external debt, mostly made up of multilateral loans (42%), accounted for US$ 45.367 billion of that total. The renegotiation of the debt was crucial to this process.[4] In just one year, the country has received US$ 7.692 billion from multilateral agencies, an increase of 58.3% compared to December 2019.[5] In that regard, 2020 has seen a significant change in the structure of the external debt, with multilateral loans predominating over international bond issues. Domestic debt was the component

[1] The amounts in the initial budget and the coded budget as of December 2020 were compared.

[2] According to a World Bank report, temporary assistance programmes to mitigate the effects of the health crisis only reached 10% of the population and amounted to 3% of the income of the most vulnerable groups.

[3] The general State budget extended for the current year is expected to be based on the amount codified as of December 2020 and, in accordance with the Organic Law on the Regulation of Public Finances, published in July 2020, could be increased by a maximum of 5%.

[4] The debt renegotiation, completed in August 2020, has resulted in a US$1.54 billion reduction in the initial principal amount of 10 series of Global bonds maturing between 2022 and 2030, a reduction in the average interest rate from 9.2% to 5.3% and an extension of the grace period.

[5] This increase coincides mainly with disbursements by the International Monetary Fund (IMF) of US$ 643.13 million under the Rapid Financing Instrument in May 2020 and US$ 4.04 billion under the Extended Fund Facility, with an approved amount in September 2020 of US$ 6.5 billion.

that grew most –at a rate of 12.3%– in order to address short-term liquidity problems. Although domestic bond issues with public holders account for the largest proportion (93%), the significant growth (46.8%) in the amount of bonds sold to private holders is notable.

In 2021, financing needs are estimated to reach US$ 8.7 billion to cover the fiscal deficit (US$ 3.9 billion) and to service public debt repayments (US$ 4.8 billion). In the first quarter of this year, public revenue continued to fall (-9.1%), as did public expenditure (-9.7%), compared with the same quarter in 2020. In this context, the public external debt appears likely to continue increasing, mainly financed by multilateral loans, which totalled US$ 461 million between January and May 2021. On the other hand, the placement of bonds in the domestic market and treasury certificates will continue.[6]

(b) Monetary and exchange-rate policy

Money supply –the sum of currency in circulation and demand deposits– recorded a year-on-year increase of 8.45% in 2020. Demand deposits grew by 13.3%, a far cry from the -1.2% rate seen in 2019. In addition, currency in circulation amounted to 63% of the money supply (18.2% of GDP) that was not channelled through the banking system. Meanwhile, total liquidity expanded at a rate of 10.1%, reaching US$ 63.821 billion in December 2020.[7] Savings and time deposits –in particular, deposits with maturities of less than 90 days– recorded positive rates of 12.8% and 12.5%, respectively, in 2020. Households and companies are inclined to save in conditions of uncertainty regarding the economic situation, concomitant with a deposit rate that averaged 6.26% in 2020, 0.4 percentage points above the rate in effect in 2019.

International reserves totalled to US$ 7.196 billion in 2020. The cumulative increase in international reserves accounted for an increase of US$ 3.798 billion in the period from January to December 2020, while in the same period in 2019 the increase was US$ 721 million. From a sectoral perspective, public sector flows were characterized by positive net values corresponding to public external debt (US$ 4.694 billion) and hydrocarbons (US$ 1.439 billion).[8] In contrast, net public-sector outflows (US$ 2.034 billion) were marked by a sharp decline in revenues (-78%), which put additional pressure on international reserves of US$ 1.009 billion. The private sector, on the other hand, recorded an improvement in the net flow of money transfers, from negative US$ 1.75 billion in the January–December 2019 period to negative US$ 12.2 million in the same period in 2020 , and received additional income associated with liquidity funds.[9] The fall in transfers abroad (-9.1%) channelled through the private sector reflected, inter alia, a reduction in outward foreign exchange flows from activities such as trade and manufacturing, caused by the suspension of activities, the decline in output and the fall in imports of intermediate goods. Finally, the BCE recorded a negative operating result (US$ 303 million), explained, inter alia, by the payment of dividends on the IMF loan granted in 2016.

With regard to monetary management instruments, the legal reserve ratio of private banks averaged 14%, well above the required rate, and stood at US$ 8.62 billion (8.7% of GDP) in December of the same year.[10] Despite the effects of the health crisis, the minimum liquidity reserves built up by the Ecuadorian

[6] Of particular note is an agreement with the private financial system for the purchase of 500 million treasury certificates in June 2021 in order to meet supplier arrears estimated at US$ 2.7 billion.

[7] According to the calculation of the BCE, total liquidity also includes quasi-money, that is, savings and time deposits, repo operations, cardholder funds and other deposits.

[8] The net flow related to public external debt was the result of a contraction of almost 50% in external debt service payments (outflows) versus a 4% increase in disbursements (receipts).

[9] In April 2020, the Monetary and Financial Policy and Regulation Board approved the reduction of monthly contributions to the liquidity fund by the private financial sector and the popular and solidarity-based financial sector.

[10] The reserve requirement set by the Monetary and Financial Policy and Regulation Board is 2% but rises to 5% for public and private financial institutions with assets in excess of US$ 1 billion.

financial system recorded an increase of 38.5% in December 2020 compared to the same month in 2019, and reached US$ 16.379 billion (16.6% of GDP). A liquidity surplus of US$ 8.94 billion was therefore recorded, in line with the minimum requirement of US$ 7.438 billion. The domestic liquidity ratio was 83% in December 2020, higher than the statutory requirement of 60%.

With regard to the performance of the banking system, while in 2020 there was an acceleration in deposits, the loan portfolio behaved differently, with a year-on-year dip of -1.64%, compared to the growth of 9.9% recorded in 2019.[11] Thus, loans amounted to US$ 29.538 billion (30% of GDP) and went mainly to the productive and commercial sectors (45%) and consumption (39%). All credit segments performed negatively in 2020, with the exception of microenterprise loans, which remained stable. The effective lending rate averaged 8.9% in 2020, compared to 8.6% in 2019. In terms of credit portfolio segment, the highest rates applied on average by the banking sector were to the consumer segment (17%), the SME segments, such as productive and priority commercial (11%), and the real-estate segment (10%).

As regards the initial months of 2021, a change is expected in the regulatory rules governing segmentation of credit for the financial system, which would lead to a decrease in lending rates in order to stimulate demand for credit and reignite economic activity.[12] In a similar vein, it was announced that the Risk Centre would expunge its records of past due debts of less than US$ 1,000, benefiting almost 2 million people. In addition, the Law for the Defence of Dollarization, approved in April 2020 with the purpose of ensuring the independence of the BCE, began to be implemented in June 2021 with the signing of an agreement for the purchase and sale of 2,377 million shares of public banking entities to be transferred from the BCE to the Ministry of Economy and Finance.

3. The main variables

(a) The external sector

In 2020, the balance of payments current account recorded a surplus of US$ 2.474 billion, equivalent to 2.5% of GDP, compared to a deficit in 2019 of US$ 59 million. Goods exports and imports fell by 10.2% and 21.2%, respectively, compared to 2019, resulting in a positive trade balance (US$ 3.331 billion). Non-oil exports showed greater dynamism in 2020, with an increase of 9.7% over 2019, led by the increase in the value of sales of food goods such as bananas and plantains (11.3%), as a result of the continuation of operations in those activities during the health emergency. On the other hand, shipments of oil and petroleum products contracted due to the price effect (-39.5%) and the volume effect (-6.2%). By category of use or destination, of note were the falls in imports of transport equipment as capital goods (-37%), fuels and lubricants (-36%), construction materials as raw materials (-34%) and durable consumer goods (-34%). There was also a slump in exports (-47.2%) and imports (-33.4%) of services in comparison to the previous year, associated with the strong impact of the health crisis on the travel sector.

One of the trends observed during the pandemic was the increase in remittances received by the country as current transfers. With a 3.2% increase over 2019, they totalled US$ 3.338 billion in 2020, equivalent to 3.4% of GDP. In addition, from a financial account perspective, net foreign direct investment

[11] Based on information provided on the overview for the other depository corporations and published by the Central Bank of Ecuador.

[12] This also comes in response to the limited scope of the "Reactívate Ecuador" credit programme for the productive sector, due to the few operations carried out and the difficulty of accessing these credits in 2020.

(FDI) inflows increased by 5.8% over 2019, mainly in the form of equity and flows to the mining and quarrying sector.[13]

In the first quarter of 2021, oil exports recovered in value terms, with an increase of 32% over the same period in 2020, due to the rebound in the international price of West Texas Intermediate. In terms of volume, however, there was a negative variation of 8%, evincing the headwinds in regaining pre-pandemic levels. Traditional exports fell by 7% over the same period. Goods imports climbed 7%, driven by the performance in all components except capital goods.

(b) Economic activity

The Ecuadorian economy ended 2020 with a sharp contraction in real GDP of 7.8% compared with 2019, with the steep year-on-year decline in the second quarter of 2020 (-12.8%) having a particular bearing. For its part, real GDP per capita fell sharply at a rate of 9%, compared with a decline of 1.4% in 2019.

A comparison of 2020 and 2019 shows that the components of aggregate demand included falls in gross fixed capital formation (-11.9%), household consumption (-7%), general government spending (-6.1%) and exports of goods and services (-2.1%).[14]

To a large extent, the performance of gross fixed capital formation in 2020 is explained by the decline in investment in both machinery, equipment and electrical appliances and in construction, which registered negative annual variation rates of 16.7% and 11%, respectively. Meanwhile, household consumption was the variable that had the greatest impact on the annual variation of GDP in 2020, with an absolute contribution of -4.2%. The sharp reduction in household spending was reflected in the plunge in imported consumer goods (-17.9%) and the decrease in consumer loans from the banking system (-23.4%), combined with a decline in general government consumption expenditures, as mentioned above.

On the supply side, the gross value added of oil-related activities recorded an annual fall of 9.8% in 2020, while the gross value added of non-oil activities declined by 6.6%. National crude oil production has been deeply affected by extraction and transportation difficulties with the rupture of the Trans-Ecuadorian Oil Pipeline System (SOTE). Of the 18 economic activities recorded in total gross value added, 15 experienced a negative year-on-year variation in 2020, with petroleum refining (-19%), transportation (-14%) and accommodation/food services (-12%) leading the way.

According to BCE estimates, between March and December 2020, US$ 16.382 billion at current prices was lost as a result of the pandemic, compared with the same period last year, 79.2% of which was in the private sector. Within this sector, commerce was the segment hardest hit by the health crisis, with a revenue loss of US$ 5.515 billion. In addition, the US$ 3.591 billion lost in the public sector was compounded by the US$ 2.886 billion lost in the health sector alone.

For 2021, ECLAC estimates that the country will grow by 3%, depending on the slowness of the recovery of the domestic demand components, particularly investment, on whether the downward trend reverses, and on private consumption, which is conditioned by the profound deterioration of the labour

[13] FDI from Spain (US$ 305 million), Canada (US$ 268 million) and the United Kingdom (US$ 112 million) were particularly noteworthy.
[14] Gross fixed capital formation is defined as the non-financial fixed assets of the public and private sectors of the economy, according to the quarterly national accounts published by the BCE.

market. Austerity measures leading to a contraction in public spending are also expected to have adverse effects on the process of economic recovery. In addition, the results recorded in the first quarter of 2021 show a negative year-on-year variation in GDP of 5.6%, driven by the persistent fall in investment and general government consumption, and a lower dynamism in goods and services exports.

(c) Prices, wages and employment

2020 saw six consecutive months of deflation starting in July, when economic activity gradually began to resume. Thus, as of December 2020, the country recorded year-on-year inflation of -0.9%. Of the 12 consumer divisions that make up the consumer price index (CPI) basket, 8 experienced a negative percentage change; these included education (-4.9%), recreation and culture (-4.5%), clothing and footwear (-4.1%), and transport (-2.3%). Meanwhile, prices related to health (3.6%) and communications (3.1%) rose. The profound social deterioration resulted in a collapse of the population's purchasing power.

A comparison of December 2019 and December 2020 showed that the national unemployment rate rose 1.12 percentage points to 4.96% of the economically active population (EAP).[15] Of the 3.4 million women in the EAP, 6.7% were unemployed in December 2020, compared to 3.7% for the male population, a widening of the gap by 1.7 points between December 2019 and December 2020. In addition, the quality of employment has deteriorated: adequate or full employment fell by 8 percentage points to 30.8% of the EAP, the lowest rate recorded since 2007. As a result, an additional 529,669 workers were inadequately employed, with the number of people in that situation reaching 5.12 million by the end of 2020.[16] The informal sector, meanwhile, absorbed 51.1% of the employed population (an increase of 4.3 percentage points), indicating that most workers in Ecuador lack the benefits of proper labour rights or access to social protection programmes.[17] In this context, the average labour income fell by 10.2%, to US$ 292.6 per month, which is equivalent to 73% of the minimum wage (US$ 400).[18] At the same time, as of December 2020, almost a third of the Ecuadorian population was living in poverty, that is, on US$ 2.8 or less per day, and this situation was more prevalent in rural areas. Compared to the same month in 2019, this represents a nationwide increase of 7.4 percentage points.

Year-on-year inflation continues to show a similar trajectory and stood at -1.13% as of May 2021, the eleventh consecutive month to register a negative value. However, monthly inflation was again slightly positive at 0.08%. In the same month, the labor market still showed no signs of recovery; the unemployment rate has increased and adequate or full employment has decreased.[19]

[15] Defines the reference period, unless otherwise specified.
[16] Inadequate employment includes underemployment, other non-full employment and unpaid employment. This estimate did not include the "unclassified employment" category, which applied to nearly 70,000 people as of December 2020.
[17] According to figures published by the International Labour Organization (ILO) in June 2021, only 35% of the EAP was covered by some contributory social security benefit in 2020.
[18] This coincided, among other things, with a reduction in working hours, from 37.9 hours to 35.5 hours on average per week, and with the contract modalities –such as the special emergency contract– included in the Organic Law on Humanitarian Support to Combat the Health Crisis arising from COVID-19.
[19] As of January 2021, the National Institute of Statistics and Censuses (INEC) began publishing monthly figures on labor indicators.

Table 1
ECUADOR: MAIN ECONOMIC INDICATORS

	2012	2013	2014	2015	2016	2017	2018	2019	2020 a/
	Annual growth rates b/								
Gross domestic product	5.6	4.9	3.8	0.1	-1.2	2.4	1.3	0.0	-7.8
Per capita gross domestic product	4.1	3.4	2.2	-1.5	-2.9	0.6	-0.5	-1.7	-9.2
Gross domestic product, by sector									
Agriculture, livestock, hunting, forestry and fishing	0.8	6.7	7.6	2.9	0.9	5.5	0.1	1.6	0.4
Mining and quarrying	2.6	2.9	6.6	-2.1	1.5	-2.8	-5.9	3.2	-9.0
Manufacturing	4.1	2.2	0.2	-0.8	-0.9	3.6	0.6	-0.8	-7.6
Electricity, gas and water	17.9	11.5	6.5	9.0	0.5	9.6	3.5	9.8	-1.0
Construction	12.2	7.4	4.7	-0.8	-5.8	-4.4	0.6	-4.7	-11.1
Wholesale and retail commerce, restaurants and hotels	4.6	6.5	3.3	-1.1	-3.5	5.5	2.3	0.0	-8.7
Transport, storage and communications	7.0	8.9	3.5	2.6	0.6	0.4	4.4	0.2	-9.3
Financial institutions, insurance, real estate and business services	5.0	1.6	5.1	0.5	-1.9	-1.1	3.0	1.8	-4.5
Community, social and personal services	6.6	4.9	4.1	2.5	0.5	2.2	2.0	-0.7	-6.9
Gross domestic product, by type of expenditure									
Final consumption expenditure	4.2	5.0	3.5	0.3	-2.0	3.6	2.4	-0.2	-6.8
Government consumption	11.1	10.3	6.7	2.1	-0.2	3.2	3.5	-2.0	-6.1
Private consumption	2.9	3.9	2.7	-0.1	-2.4	3.7	2.1	0.3	-7.0
Gross capital formation	4.2	9.5	3.4	-9.2	-11.5	-11.7	1.7	-3.2	-17.8
Exports (goods and services)	5.5	2.6	6.2	-0.6	1.4	0.7	1.2	3.6	-2.1
Imports (goods and services)	0.8	7.0	4.8	-8.2	-9.6	12.2	4.4	0.3	-7.9
Investment and saving c/	**Percentages of GDP**								
Gross capital formation	27.8	28.5	28.3	26.9	25.0	26.3	26.7	25.9	23.1
National saving	27.6	27.5	27.7	24.6	26.1	26.1	25.5	25.8	25.6
External saving	0.2	1.0	0.7	2.2	-1.1	0.2	1.2	0.1	-2.5
Balance of payments	**Millions of dollars**								
Current account balance	-144	-933	-669	-2 221	1 109	-157	-1 333	-61	2 469
Goods balance	50	-529	-63	-1 650	1 567	281	-226	1 025	3 331
Exports, f.o.b.	24 569	25 587	26 596	19 049	17 413	19 576	22 133	22 774	20 461
Imports, f.o.b.	24 519	26 115	26 660	20 699	15 846	19 295	22 359	21 749	17 131
Services trade balance	-1 394	-1 420	-1 171	-805	-978	-747	-687	-797	-986
Income balance	-1 279	-1 361	-1 543	-1 729	-1 813	-2 318	-2 829	-3 028	-2 869
Net current transfers	2 480	2 376	2 108	1 963	2 333	2 627	2 409	2 739	2 993
Capital and financial balance d/	-438	2 779	244	732	725	-2 148	1 504	777	1 677
Net foreign direct investment	567	727	777	1 331	756	625	1 388	974	1 190
Other capital movements	-1 006	2 052	-532	-599	-32	-2 773	115	-198	488
Overall balance	-582	1 846	-424	-1 489	1 834	-2 305	171	715	4 146
Variation in reserve assets e/	475	-1 878	411	1 453	-1 834	2 305	-171	-715	-4 146
Other financing	107	32	13	36	0	0	0	0	0
Other external-sector indicators									
Real effective exchange rate (index: 2005=100) f/	98.2	96.5	92.5	82.8	81.0	83.5	85.2	83.4	83.0
Terms of trade for goods (index: 2010=100)	112.9	113.5	106.3	80.6	76.9	83.5	91.0	87.8	76.2
Net resource transfer (millions of dollars)	-1 611	1 450	-1 286	-961	-1 088	-4 466	-1 325	-2 251	-1 191
Total gross external debt (millions of dollars)	15 913	18 788	24 112	27 933	34 181	40 323	44 239	52 668	56 963
Employment g/	**Average annual rates**								
Labour force participation rate h/	61.7	62.1	63.2	66.2	68.2	68.8	67.0	66.6	62.5 i/
Unemployment rate j/	3.2	3.0	3.4	3.6	4.5	3.8	3.5	3.8	5.9 i/
Visible underemployment rate	7.9	9.9	10.6	11.7	15.7	17.0	15.4	16.6	25.5

Table 1 (concluded)

	2012	2013	2014	2015	2016	2017	2018	2019	2020 a/
Prices	**Annual percentages**								
Variation in consumer prices (December-December)	4.2	2.7	3.7	3.4	1.1	-0.2	0.3	-0.1	-0.9
Variation in producer prices (December-December)	2.0	3.1	3.1	-0.7	1.7	1.3	-1.1	1.9	-1.5
Variation in minimum real wage	5.2	2.7	0.4	1.2	-2.2	3.1	1.1	0.8	-4.9
Nominal deposit rate k/	4.5	4.5	4.9	5.3	5.7	4.9	5.1	5.9	6.3
Nominal lending rate l/	8.2	8.2	8.1	8.3	8.7	7.9	7.7	8.6	8.9
Central government	**Percentages of GDP**								
Total revenue	22.2	21.4	20.0	20.5	18.6	17.4	18.8	22.8	19.8
Tax revenue	13.9	14.4	14.2	15.7	14.0	13.5	14.3	13.4	12.5
Total expenditure	24.2	27.2	26.3	24.3	24.1	23.3	22.5	27.8	27.3
Current expenditure	13.6	15.0	14.7	14.6	14.5	15.0	16.1	22.6	22.2
Interest	0.9	1.2	1.4	1.8	1.9	2.4	2.8	3.0	3.4
Capital expenditure	10.5	12.2	11.6	9.7	9.6	8.3	6.4	5.2	5.1
Primary balance	-1.0	-4.5	-4.9	-2.1	-3.6	-3.5	-0.9	-1.9	-4.2
Overall balance	-2.0	-5.7	-6.3	-3.8	-5.6	-5.9	-3.6	-5.0	-7.5
Central government public debt	20.1	22.9	27.5	30.9	35.7	41.3	42.2	48.2	59.0
Domestic	8.8	10.4	12.3	12.6	12.5	14.2	12.5	13.5	16.8
External	11.2	12.5	15.2	18.3	23.2	27.1	29.7	34.7	42.3
Money and credit	**Percentages of GDP, end-of-year stocks**								
Domestic credit	25.8	27.6	29.8	29.9	34.4	36.4	38.9	42.7	48.7
To the public sector	-1.7	-0.5	1.1	1.5	4.5	3.0	1.7	1.5	2.5
To the private sector	27.6	28.2	28.7	28.4	29.9	33.4	37.2	41.2	46.2
Monetary base	11.4	13.4	14.5	16.7	21.3	21.3	21.2	21.7	29.1
M2	34.4	35.9	38.3	38.4	44.5	46.9	48.2	51.8	62.8

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 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.

Table 2
ECUADOR: MAIN QUARTERLY INDICATORS

	2019				2020				2021	
	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/	1.2	0.4	0.0	-1.4	-1.9	-12.8	-9.1	-7.2	-5.6	…
Gross international reserves (millions of dollars)	3 630	3 889	4 237	3 558	2 946	2 976	3 247	5 927	6 054	5 920
Real effective exchange rate (index: 2005=100) c/	83.2	83.9	83.1	83.3	83.0	80.4	83.5	85.2	86.7	87.1 d/
Consumer prices (12-month percentage variation)	-0.1	0.6	-0.1	-0.1	0.2	0.2	-0.9	-0.9	-0.8	-0.7
Wholesale prices (12-month percentage variation)	4.1	3.1	1.9	-0.3	-0.9	-0.8	0.7	2.7	5.3	6.6 e/
Nominal interest rates (average annualized percentages)										
Deposit rate f/	5.7	5.8	5.9	6.1	6.2	6.4	6.3	6.1	5.7	5.5 d/
Lending rate g/	8.5	8.4	8.6	8.8	8.8	8.8	9.1	8.8	8.4	8.8 d/
Interbank rate	1.3	1.3	1.4	1.3	1.8	1.5	2.1	1.0	…	1.2 d/
Sovereign bond spread, Embi + (basis points to end of period) h/	592	580	779	826	4 553	3 373	1 015	1 062	1 201	776
International bond issues (millions of dollars)	1 400	1 125	2 000	-	327	-	-	-	-	-
Stock price index (national index to end of period, 31 December 2005 = 100)	201	201	194	195	202	196	190	190	187	177
Domestic credit (variation from same quarter of preceding year)	15.6	9.3	8.9	10.0	12.4	10.9	9.4	5.8	4.1	4.7 e/

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/ Quarterly average, weighted by the value of goods exports and imports.
d/ Figures as of May.
e/ Figures as of April.
f/ Weighted average of the system effective deposit rates.
g/ Effective benchmark lending rate for the corporate commercial segment.
h/ Measured by J.P.Morgan.

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