Box 2: Borrowing In Foreign Currency by Colombian Companies and Its Importance to the Domestic Financial System

Box 2: Inflation Report September 2015 Keep in mind
The Monetary Policy Report presents the Bank's technical staff's analysis of the economy and the inflationary situation and its medium and long-term outlook. Based on it, it makes a recommendation to the Board of Directors on the monetary policy stance. This report is published on the second business day following the Board of Directors' meetings in January, April, July, and October.

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The last fifteen years have seen a considerable increase in the outstanding external debt in the private sector. On the one hand, corporate external borrowing doubled, going from USD $11,334 million (m) in December 2000 to USD $25,005 m in June 2015. On the other, the external debt in the Colombian bank system rose by more than 800%, from USD $1,461 m USD $12,925 m. The Peso appreciation over a number of years, as well as low foreign interest rates (compared to those for loans in pesos), provided an incentive for this to happen.

Fuente: https://d1b4gd4m8561gs.cloudfront.net/en/publications/inflation-report/box-2-borrowing-in-foreign-currency-by-colombian-companies-and-its-importance-to-the-domestic-financial-system