

# ECONOMIC INDICATORS

## First Quater 2002



*Banco de la República*  
*Colombia*

**Information about the Cover and its Author**

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## CONTENTS

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ECONOMIC PERFORMANCE IN THE FIRST QUARTE OF 2002	2
GROSS DOMESTIC PRODUCT GROWTH	3
BALANCE OF PAYMENTS	4
FOREIGN TRADE – Exports	5
FOREIGN TRADE – Imports	6
FOREIGN INVESTMENT	7
OUTSTANDING FOREIGN DEBT	8
UNEMPLOYMENT	9
MONEY GROWTH	10
CONSUMER AND PRODUCER INDICES	11
EXCHANGE RATE	12
PUBLIC SECTOR	13

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## ECONOMIC PERFORMANCE IN THE FIRST QUARTER OF 2002

The Colombian economy continued to expand at a slow pace up to March 2002. Annual growth rate for the first quarter was 0.50%. New data released by DANE (National Statistics Department) revised 2001 growth down from 1.6% to 1.4%. Lower growth has come with an important reduction in consumer inflation during the first quarter. By March, annual inflation rate was 5.9%, 1.8 percent points below December 2001 inflation and also slightly below the target level set by the Board of Directors for the end of 2002. The current account turned again deficitary for the first quarter of 2002, because of negative net flows of Non-factorial services and Factorial incomes. By March, international reserves stood at US\$10.2 billion, US\$37 million over the December 2001 level. The March level correspond to 9.1 months of imports of goods and services.

### ECONOMIC PERFORMANCE IN THE FIRST QUARTER OF 2002 <sup>1/</sup>

YEARS	GROWTH			UNEMPLOYMENT RATE (%)	CURRENT ACCOUNT (% of GDP)	NET INTERNATIONAL RESERVES (Months of imports of goods and services)
	GDP (%)	CPI (%)	PPI (%)			
1990	4,3	32,4	29,9	10,6	1,2	7,6
1991	2,0	26,8	23,1	9,4	4,9	11,6
1992	4,1	25,1	17,9	9,8	1,5	11,2
1993	5,4	22,6	13,2	7,8	-3,4	8,1
1994	5,8	22,6	20,7	8,0	-4,5	7,0
1995	5,2	19,5	15,4	9,5	-5,0	6,3
1996	2,1	21,6	14,5	11,3	-4,9	7,2
1997	3,4	17,7	17,5	12,0	-5,5	6,5
1998	0,6	16,7	13,5	15,6	-5,3	6,0
1999	-4,2 p	9,2	12,7	18,0	0,4	7,3
2000	2,7 p	8,8	11,0	19,5	0,4 pr	7,5
2001	1,4 p	7,7	6,9	16,8	-2,2 p	7,7
2002 *	-0,8 **p	5,9	3,6	19,1	-1,8 p <sup>2/</sup>	9,1

\* : Up to March.

\*\* : Quaterly growth

p : Provisional.

pr : Preliminar.

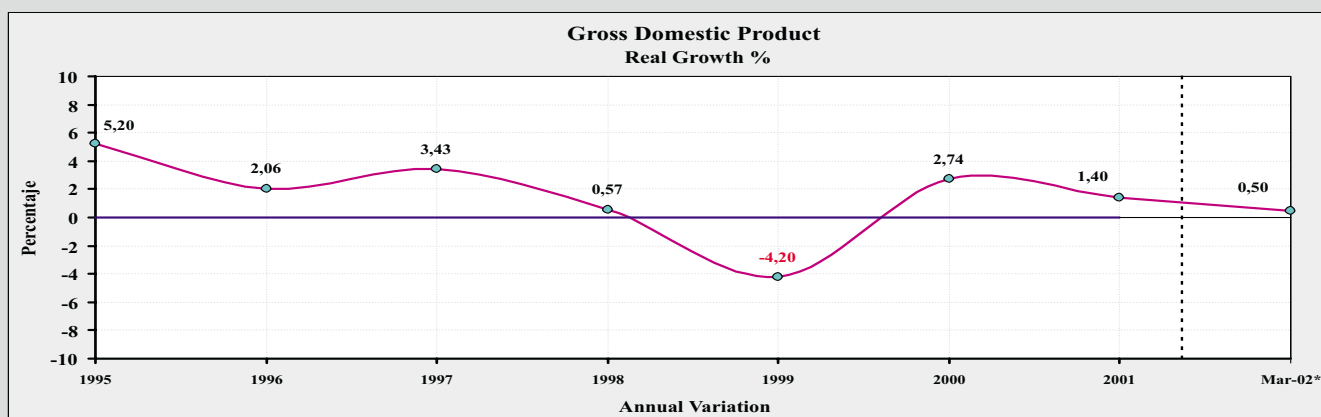
<sup>1/</sup> Since 1994, the statistics correspond to the new measurement of the Balance of Payment, according to the Balance of Payment Methodology of the 5th International Edition of the Monetary Fund Balance of Payment Manual.

<sup>2/</sup> This indicator is calculated over quarter nominal GDP in pesos, accrued to September 2001 and published by National Administrative Department of Statistics DANE.

Source: DANE, National Planning Department ( DNP) and Banco de la República.

## GROSS DOMESTIC PRODUCT GROWTH

In the first quarter of 2002, the Colombian economy grew by an annual rate of 0.50%, up from 1.4% in the fourth quarter of 2001. This growth is explained by an expansion in transport (3.68%), construction (3.47%), electricity (3.08%), commerce (1.08%), agriculture (0.54%) and social services (0.20%) sectors, and by a contraction in mining (-4.70%), manufacturing industry (-3.72%) and financial institutions (-0.14%). The GDP quarterly variation stood at -0.79%. The economic sectors performance during the first quarter of 2002 compared with the last quarter of 2001, was favorable for transport, electricity, mines, financial establishments and industry, with quarterly growth rates of 2.07%, 2.20%, 1.15%, 0.61% and 0.72%, respectively. On the contrary, the economic activities that registered negative quarterly variations were construction (-12.39%), commerce (-2.46%), agriculture (-0.94%) and social services (-0.90%).



\*: First quarter 2002.

### REAL GDP GROWTH BY SECTOR %

SECTOR	1998	1999 p	2000 p	2001 p	2002 Annual growth I Quarter	2002 Quarterly growth I Quarter	2002 Accrued during the year I Quarter
AGRICULTURE AND LIVESTOCK, FISHING, FORESTRY AND HUNTING	0,04	-0,05	5,03	0,10	0,54	-0,94	0,54
MINING AND QUARRY EXPLOITATION	15,59	18,47	-10,04	-2,23	-4,70	1,15	-4,70
ELECTRICITY, GAS AND WATER	1,76	-4,18	0,70	1,86	3,08	2,20	3,08
MANUFACTURING INDUSTRY	-0,24	-8,55	9,72	-0,76	-3,72	0,72	-3,72
CONSTRUCTION	-7,23	-27,00	-2,85	3,17	3,47	-12,39	3,47
COMMERCE, REPAIRS, RESTAURANTS AND HOTELS	-1,60	-15,44	10,46	1,88	1,08	-2,46	1,08
TRANSPORTATION, STORAGE AND COMMUNICATIONS	2,49	-1,92	2,23	3,36	3,68	2,07	3,68
FINANCIAL, INSURANCE, REAL STATE AND SERVICE INSTITUTIONS	-1,28	-4,94	1,15	0,24	-0,14	0,61	-0,14
SOCIAL SERVICES, COMMUNAL AND PERSONAL	1,81	3,25	-0,92	1,45	0,20	-0,90	0,20
Minus: Imputed banking services	-7,27	-19,54	0,29	-6,14	-10,48	-1,55	-10,48
Subtotal value added	0,84	-3,31	2,76	1,16	0,50	-0,64	0,50
Plus taxes except IVA	3,21	-0,47	-2,10	1,10	1,46	-2,20	1,46
Minus: Subsidies	18,73	2,96	15,01	15,53	-2,92	0,27	-2,92
Plus non deductible IVA	-5,27	-20,13	5,32	5,70	1,32	-2,20	1,32
Plus: Duties and taxes on imports	-1,33	-25,70	9,85	15,09	-5,03	-5,16	-5,03
<b>GROSS DOMESTIC PRODUCT</b>	<b>0,57</b>	<b>-4,20</b>	<b>2,74</b>	<b>1,40</b>	<b>0,50</b>	<b>-0,79</b>	<b>0,50</b>

p : Provisional.

Annual variation = actual quarter / same quarter of the previous year.

Quarterly variation = actual quarter / previous quarter.

Accrued variation during the year = Current accrued during the year / previous accrued same period during the year.

Fuente: DANE.

## BALANCE OF PAYMENTS

At the end of the first quarter of 2002, the Colombian current showed a US\$384 million deficit, (1.8% of the GDP quarterly), US\$293 million higher than the one obtained in the same period of 2001. This result is explained by the deficits of the factorial income (US\$771million), and the non-factorial services (US\$341million), which were partially compensated by the net incomes of the current transfers (US\$463 million) and by the trade balance surplus (US\$265 million). On the other hand, the capital account showed net incomes of US\$223 million, US\$617 million lower than the one received in equal period of 2001. The net inflows are explained by short-term capital flows, which grew US\$798 million, offsetting long-term capital outflows, by US\$574 million. At March 2002, international reserves stood at US\$10.2 billion, equivalent to 11.8 months of goods imports, 9.1 months of goods and services and 2.4 times the short-term external debt balance.

### BALANCE OF PAYMENTS <sup>1/</sup>

US\$ millions

	2000 pr	2001 pr I Quarter	2001 pr II Quarter	2001 pr III Quarter	2001 pr IV Quarter	2001 pr	2002 pr I Quarter
<b>I. CURRENT ACCOUNT</b>	<b>356</b>	<b>-677</b>	<b>-488</b>	<b>-215</b>	<b>-409</b>	<b>-1.789</b>	<b>-384</b>
Trade balance	2.531	37	37	321	113	508	265
Non-factorial services	-1.307	-330	-361	-353	-372	-1.416	-341
Factorial income	-2.530	-793	-767	-714	-700	-2.975	-771
Current transfers	1.662	410	603	531	551	2.094	463
<b>II. CAPITAL AND FINANCIAL ACCOUNT</b>	<b>497</b>	<b>840</b>	<b>582</b>	<b>339</b>	<b>710</b>	<b>2.470</b>	<b>223</b>
<b>Long-term financial flows</b>	<b>2.064</b>	<b>1.093</b>	<b>2.036</b>	<b>575</b>	<b>1.292</b>	<b>4.997</b>	<b>-574</b>
Net direct investment	2.031	471	845	446	525	2.287	757
External debt <sup>2/</sup>	73	627	1.191	155	772	2.745	-1.331
Other long-term movements	-40	-5	0	-25	-5	-35	0
<b>Short-term financial flows</b>	<b>-1.567</b>	<b>-253</b>	<b>-1.454</b>	<b>-236</b>	<b>-583</b>	<b>-2.526</b>	<b>798</b>
Portfolio investment	-997	-436	-1.506	-546	-1.033	-3.521	256
Other short-term movements <sup>3/</sup>	-571	182	52	310	451	995	541
<b>III. OTHERS</b>	<b>16</b>	<b>153</b>	<b>-25</b>	<b>77</b>	<b>165</b>	<b>407</b>	<b>407</b>
<b>IV. CHANGE IN NET INTERNATIONAL RESERVES</b>	<b>869</b>	<b>316</b>	<b>68</b>	<b>201</b>	<b>581</b>	<b>1.166</b>	<b>152</b>
<b>V. CURRENT ACCOUNT / GDP (%) <sup>4/</sup></b>	<b>0,4</b>	<b>-3,4</b>	<b>-2,4</b>	<b>-1,0</b>	<b>-1,9</b>	<b>-2,2</b>	<b>-1,8</b>

pr : Preliminar.

1/ The statistics correspond to the new measurement of the Balance of Payments, according to the Balance of Payments Methodology of the 5th Edition International Monetary Fund Balance of Payments Manual.

2/ Includes loans, commercial credit, leases and bonds.

3/ Includes loans and commercial credit.

4/ This indicator is published by DANE and calculated according to the quarterly nominal GDP in pesos.

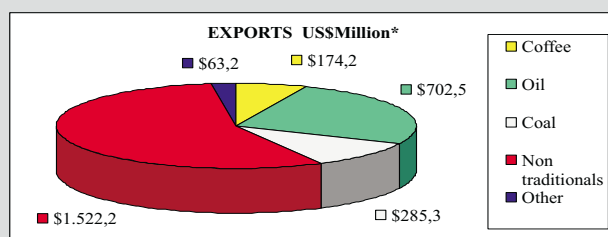
Source: Banco de la República, Economic Studies.

## FOREIGN TRADE - Exports

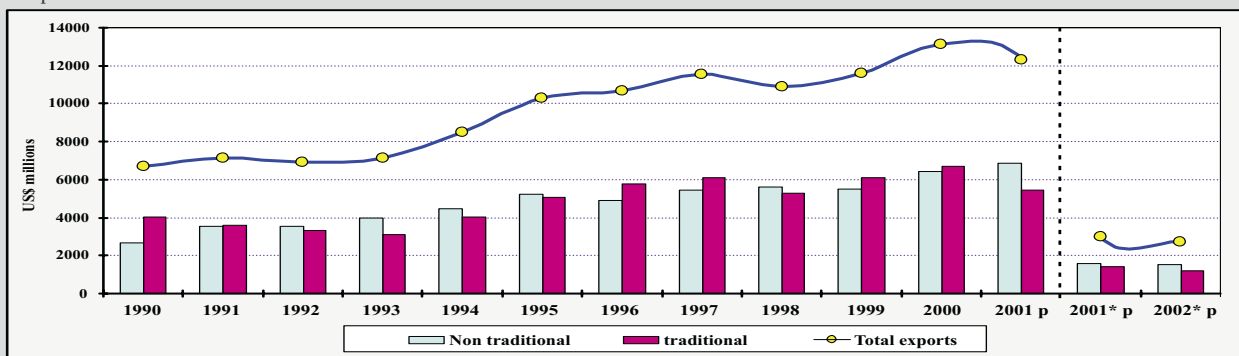
During the first quarter of 2002, exports amounted US\$2.7 billion, US\$231 million (m) (7.8%) lower than the observed value in the same period of 2001. Lower external sales were the result of a decrease in exports of traditional goods (US\$178 million, mainly due to the fall of oil sales by US\$178 million, as a result of a reduction in volumes (-21.4%) rather than prices. Traditional exports were also affected by a contraction in nickel sales (US\$16m). In a lesser extent, the non-traditional export decreased by US\$49 m, behavior associated with the reduction of industrial goods sales, especially transport, chemicals, machinery and equipment, graphics. On the contrary, coal exports grew by US\$12 m and gold by US\$5m. The destiny of Colombian exports centered in the United States (40.0%), followed by the Andean Group (20.9%), the European Union (14.3%) and Japan (1.6%).

### EXPORTS

DESTINY	2002* %
U.S.A.	40,0
ANDEAN GROUP	20,9
EUROPEAN UNION	14,3
JAPAN	1,6
REST	23,2



\*: Up to March.



US\$ millions FOB

YEARS	Total exports	Variation %	Non traditional exports	Variation %	Traditional exports	Variation %
1990	6.720,6	17,7	2.664,3	24,0	4.056,3	13,8
1991	7.113,8	5,9	3.543,2	33,0	3.570,6	-12,0
1992	6.900,0	-3,0	3.564,6	0,6	3.335,4	-6,6
1993	7.115,9	3,1	3.984,4	11,8	3.131,5	-6,1
1994	8.478,8	19,2	4.469,2	12,2	4.009,6	28,0
1995	10.298,3	21,5	5.238,3	17,2	5.060,0	26,2
1996	10.671,5	3,6	4.905,5	-6,4	5.766,0	14,0
1997	11.554,7	8,3	5.463,8	11,4	6.090,9	5,6
1998	10.890,2	-5,8	5.596,4	2,4	5.293,8	-13,1
1999	11.576,3	6,3	5.492,1	-1,9	6.084,2	14,9
2000	13.121,1	13,3	6.410,5	16,7	6.710,6	10,3
2001 p	12.309,1	-6,2	6.842,6	6,7	5.466,5	-18,5
2001* p	2.978,4	-4,6	1.575,4	9,3	1.403,0	-16,6
2002* p	2.747,4	-7,8	1.522,2	-3,4	1.225,2	-12,7

\*: Up to March.

p: Provisional.

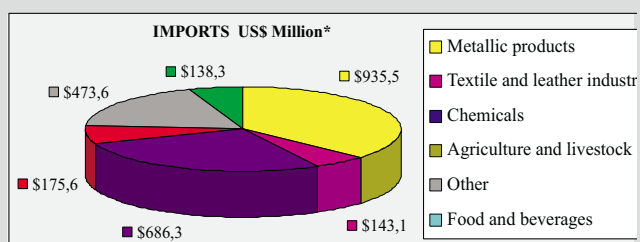
Source: DANE.

## FOREIGN TRADE - Imports

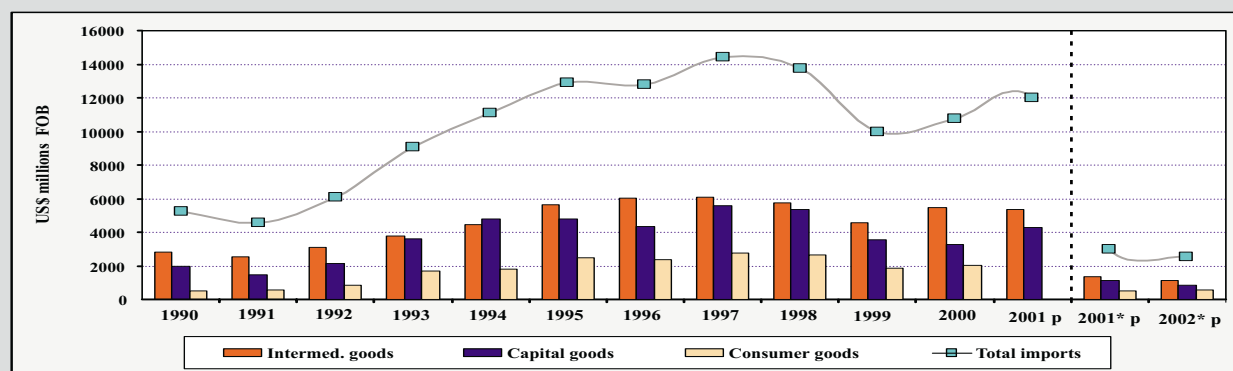
Between January and March of 2002, FOB imports registered US\$2.6 billions, US\$ 425 million (m) lower (14.3%) than the level registered in 2001. This behavior was primarily due to lower external purchases of manufacturing products (US\$392 million), especially metallic products, machinery and equipment. Both, the agricultural and mining external purchases registered a fall by US\$16 m. By economic use and allocation, the reduction in imports was explained by a decrease in external capital goods purchases (US\$267 million), being outlined those of transport equipment. The intermediate goods and raw material purchases diminished in US\$148 m. Consumer goods grew by US\$30m, especially transport. According to geographical origin, the Colombian imports were attended principally by the United States (31.2%), the European Union (13.9%), the Andean Community (11.5%) and Japan (5.3%).

### IMPORTS

ORIGIN	2002 * %
U.S.A.	31,2
EUROPEAN UNION	13,9
ANDEAN GROUP	11,5
JAPAN	5,3
REST	38,0



\* : Up to March.



US\$ millions FOB

YEAR	Total imports	Variation %	Intermed. goods	Variation %	Consumer goods	Variation %	Capital goods	Variation %
1990	5.266,8	11,3	2.805,4	7,8	514,4	6,7	1.947,0	18,1
1991	4.564,8	-13,3	2.523,1	-10,1	569,9	10,8	1.471,7	-24,4
1992	6.111,7	33,9	3.113,3	23,4	867,0	52,1	2.131,4	44,8
1993	9.085,7	48,7	3.797,1	22,0	1.665,7	92,1	3.622,9	70,0
1994	11.080,2	22,0	4.448,8	17,2	1.818,6	9,2	4.812,9	32,8
1995	12.921,2	16,6	5.657,5	27,2	2.486,0	36,7	4.777,6	-0,7
1996	12.793,6	-1,0	6.045,4	6,9	2.384,3	-4,1	4.363,9	-8,7
1997	14.409,3	12,6	6.076,6	0,5	2.770,1	16,2	5.562,6	27,5
1998	13.726,2	-4,7	5.742,1	-5,5	2.646,1	-4,5	5.338,1	-4,0
1999	9.990,1	-27,2	4.589,8	-20,1	1.878,2	-29,0	3.522,1	-34,0
2000	10.783,8	7,9	5.458,4	18,9	2.035,2	8,4	3.290,1	-6,6
2001 p	12.009,8	11,4	5.356,0	-1,9	2.359,6	15,9	4.294,2	30,5
2001* p	2.977,1	13,8	1.336,5	7,1	531,5	17,8	1.109,1	21,1
2002* p	2.552,4	-14,3	1.145,9	-14,3	564,2	6,2	842,3	-24,1

\* : Up to March.

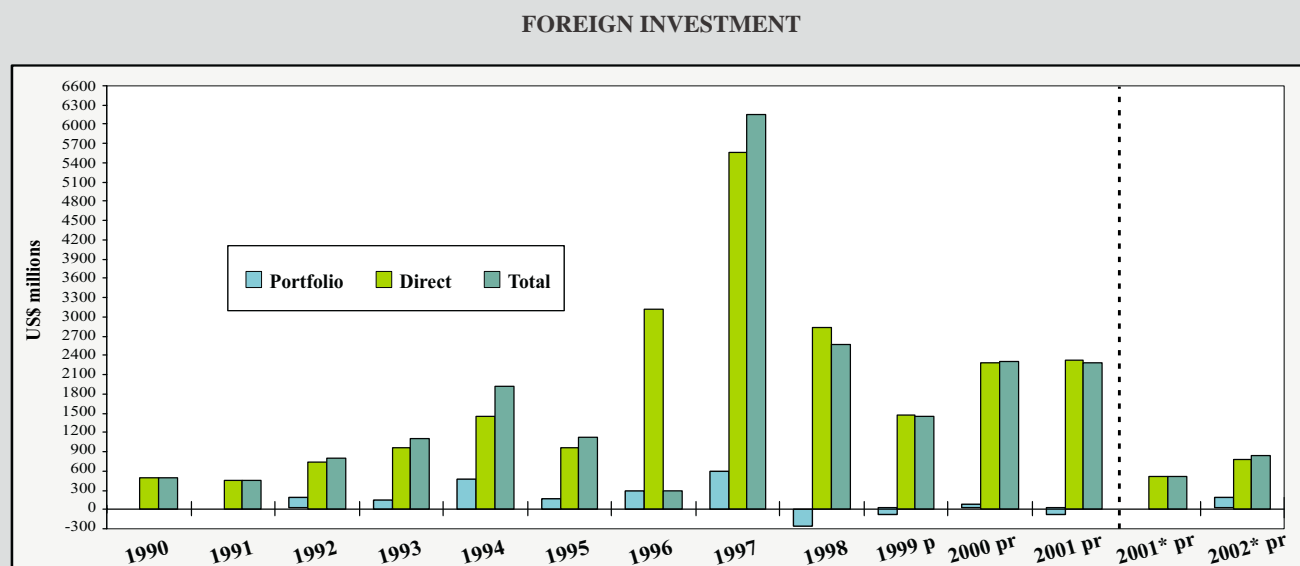
p : Provisional.

Source: DANE and National Customs and Taxes Authority (DIAN).



## FOREIGN INVESTMENT

Between January-March of 2002, foreign investment in Colombia reached US\$830 millions, with a US\$307 million (m) annual increase with respect to last year's first quarter. This result is due to increasing of direct investment flows (US\$254 million), mainly on the communications, petroleum, and electricity, gas and water sectors. On the other hand, portfolio investment registered net capital inflows of US\$57 m, US\$52 million higher than the value observed in the same period of 2001.



Foreign investment 1/ US\$ millions

FOREIGN INVESTMENT	1990	1991	1992	1993	1994	1995	1996
Total	500,5	456,9	794,7	1.104,7	1.924,5	1.133,0	3.403,8
Direct	500,5	456,9	728,7	959,7	1.446,5	968,4	3.111,7
Oil	269,6	264,1	439,6	557,3	134,7	151,3	778,3
Other sectors	230,9	192,8	289,1	402,4	1.311,8	817,0	2.333,4
Portfolio	-	-	66,0	145,0	478,0	164,7	292,2
FOREIGN INVESTMENT	1997	1998	1999 p	2000 pr	2001 pr	2001* pr I Quarter	2002* pr I Quarter
Total	6.154,9	2.563,5	1.441,1	2.297,8	2.287,7	523,3	830,0
Direct	5.562,4	2.828,4	1.468,0	2.280,7	2.328,4	518,7	773,0
Oil	382,3	91,1	-550,9	-638,8	347,3	58,4	133,3
Other sectors	5.180,1	2.737,3	2.018,9	2.919,4	1.981,1	460,3	639,7
Portfolio	592,5	-264,9	-26,9	17,1	-40,7	4,6	57,0

\* : Up to March.      p : Provisional.      pr : Preliminar

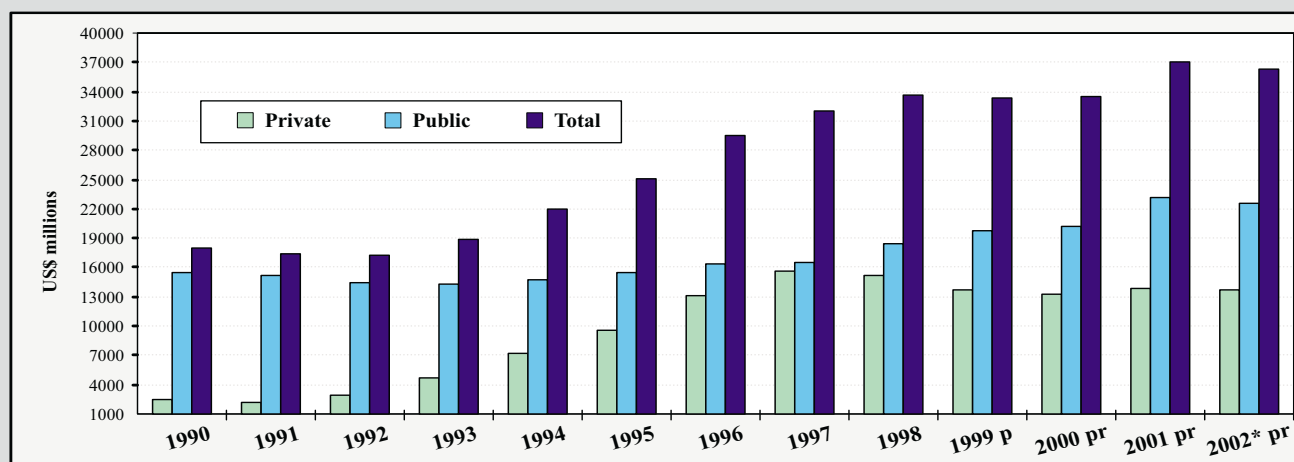
1/ Since 1994, the statistics correspond to the new measurement of the Balance of Payments, according to the Balance of Payments Methodology of the 5th Edition International Monetary Fund Balance of Payments Manual.

Source: Banco de la República, International Exchange Department and Economic Studies.

## OUTSTANDING FOREIGN DEBT

At the end of the first quarter of 2002, Colombian foreign debt stood at US\$36.3 billion (42.2% of GDP projected for 2002) a US\$775 million decrease from the level registered in 2001. This reduction is explained by the decrease of the public sector debt (667 million) and, to a lesser extent, of the private sector debt (US\$108 million (m)). Of the total foreign debt, 62.1% corresponded to the public sector and 37.9% to the private agents. In terms of maturity, 88.2% (US\$32.0 billion) is long term debt and 11.8% (US\$4.3 billion) correspond to short term obligations. At the end of 2002 it is estimated that the total external debt will reach US\$36.8 billion, of which US\$23.6 billion will correspond to the public sector, and US\$13.3 billion to the private sector.

### OUTSTANDING FOREIGN DEBT



External debt 1/\*\* US\$ millions

YEAR	TOTAL	% GDP	PUBLIC	% GDP	PRIVATE	% GDP
1990	17.993	38,4	15.471	33,0	2.522	5,4
1991	17.335	36,1	15.171	31,6	2.165	4,5
1992	17.278	30,1	14.416	25,1	2.862	5,0
1993	18.887	29,1	14.254	21,9	4.634	7,1
1994	21.912	26,8	14.718	18,0	7.194	8,8
1995	25.059	27,1	15.540	16,8	9.519	10,3
1996	29.555	30,4	16.376	16,9	13.179	13,6
1997	32.078	30,1	16.455	15,4	15.623	14,6
1998	33.678	34,2	18.468	18,8	15.210	15,5
1999 p	33.403	38,8	19.753	22,9	13.650	15,8
2000 pr	33.439	40,2	20.250	24,3	13.189	15,8
2001 pr	37.103	45,0	23.232	28,2	13.871	16,8
2002 * pr	36.328	42,2	22.565	26,2	13.763	16,0

\* : Up to March.    \*\* : Does not include leasing.    p : Provisional.    pr : Preliminar.

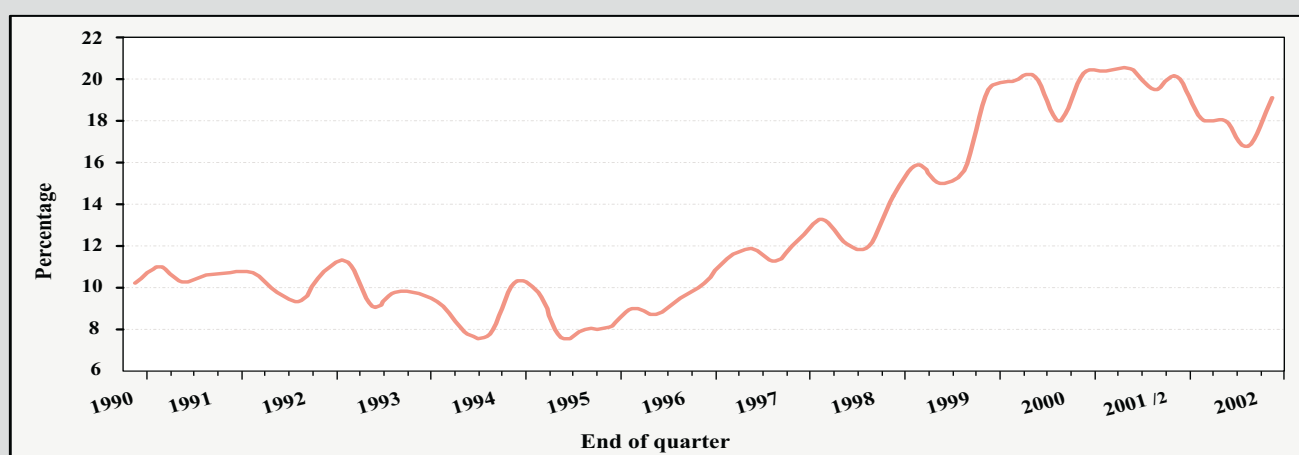
1/ Since 1994, the statistics correspond to the new measurement of the Balance of Payments, according to the Balance of Payments Methodology of the 5th Edition International Monetary Fund Balance of Payments Manual.

Source: Banco de la República, Economic Studies and International Exchange Department.

## UNEMPLOYMENT

Unemployment rate for the seven main metropolitan areas stood at 19.1% in the first quarter of 2002, 2.3 percentage points higher than the one observed in the previous quarter. The jump in the unemployment rate came both from a reduction of the numbers of people employed (by 282 thousand) and from a higher number of lay-offs (by 146 thousand). Comparing with the same period of 2001, the unemployment rate decreased by 1.1 percentage point lower as a result of a reduction in the number of unemployed persons by 74 thousand and of an increase in the number of people employed by 101 thousand. The quarterly unemployment rate for the seven principal metropolitan areas was 0.1 and 2.6 percentage points higher than the one observed for the thirteen cities and the national whole respectively. The metropolitan areas that registered the major rates of unemployment are Pasto (21,4%), Bucaramanga (21,1%), Manizales (21,0%) and Bogotá 20.4%. On the contrary, the cities that presented minor unemployment rates were Medellín 18.8%, Cali 16.7%, and Barranquilla 14.4%.

**UNEMPLOYMENT RATE**  
Seven cities and their metropolitan areas



**UNEMPLOYMENT RATE % 1/**

END OF QUARTER	1990	1991	1992	1993	1994	1995	1996
1	10,1	10,7	10,8	9,7	10,2	8,1	10,2
2	10,9	10,7	11,2	9,1	9,8	9,0	11,4
3	10,2	9,8	9,1	7,8	7,6	8,7	11,9
4	10,6	9,4	9,8	7,8	8,0	9,5	11,3
END OF QUARTER	1997	1998	1999	2000	2001 2/	2002	
1	12,3	14,4	19,5	20,3	20,1	19,1	
2	13,4	15,9	19,9	20,4	18,1		
3	12,1	15,0	20,1	20,5	18,0		
4	12,0	15,6	18,0	19,5	16,8		

1/ The unemployment rate is the percentage relation between the number of unoccupied persons and the economically active population.

2/ In the 2000 the National Administrative Department of Statistics revised and actualized the National Household Survey methodology now called Continued Household Survey (CHS), which embody among others, the new concepts of occupied and unoccupied variables. Since January 2001, in the CHS, the population's data come from the demography projections of the Work Age Population, estimated on the 1993 census results, instead of using the Total Population projection. Wherefore, since this date, the figures are not comparable and the Banco de la República calculates the data of the seven metropolitan areas (Bogotá, Barranquilla, Cali, Medellín, Bucaramanga, Manizales and Pasto).

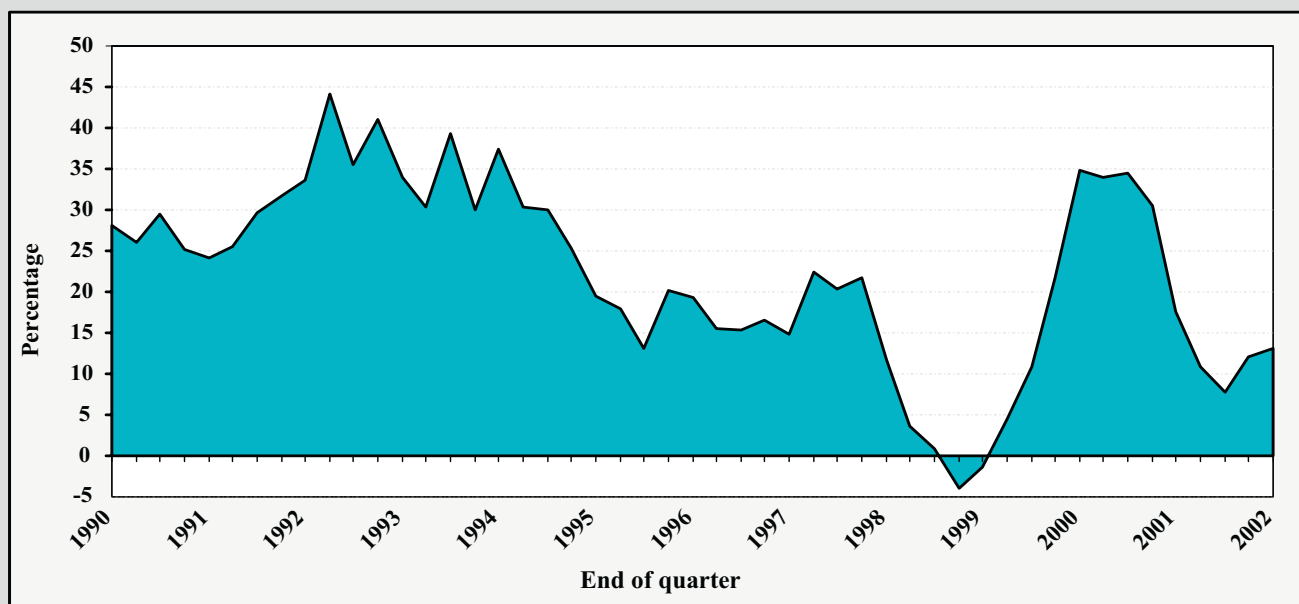
Source: DANE.

## MONEY GROWTH

At the end of the first quarter of 2002, the money supply reached Col. \$15.6 trillion with an annual variation of 13.1%. This behavior is explained by the cash holdings and current accounts variation, 19.9% and 7.5% respectively.

### MONEY GROWTH (M1)

Annual variation %



### MONEY GROWTH

Annual variation %

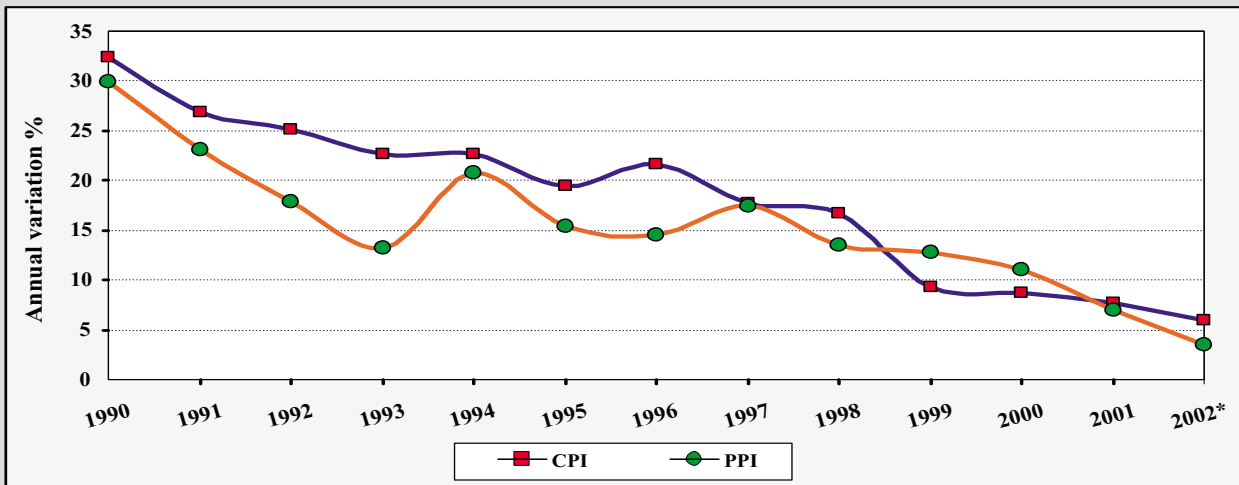
END OF QUARTER	1990	1991	1992	1993	1994	1995	1996
1	28,1	24,1	33,7	34,0	37,4	19,4	19,3
2	26,0	25,5	44,1	30,4	30,4	17,9	15,6
3	29,4	29,7	35,5	36,6	30,0	13,1	15,3
4	25,2	31,7	41,0	30,0	25,3	20,2	16,5
END OF QUARTER	1997	1998	1999	2000	2001	2002	
1	14,9	12,2	-1,7	35,4	17,6	13,1	
2	22,5	2,2	6,3	34,1	10,9		
3	20,4	0,9	11,3	34,4	7,7		
4	21,7	-3,9	22,1	30,4	12,1		

Source: Banco de la República, Economic Studies.

## CONSUMER AND PRODUCER PRICE INDICES

At the end of the first quarter of 2002, annual consumer inflation was 5.9%, 1.9 percentage points lower than at the previous year. Similarly, accumulated consumer inflation over the first quarter was 2.8% down by 1.7 percentage points on the same period of 2001. The groups of major contribution to the total annual inflation were food with 7.2% of annual variation, housing 3.8%, and transports 5.8%. These groups explained the 68.5% of the Consumer Price Index (CPI). The annual inflation for the remaining indices were: other expenditures 5.3%, culture and scattering 7.0%, education 9.3%, health 9.3% and wardrobe 2.2%. On the other hand, the Producer Price Index (PPI) showed a 1.3% variation during the first quarter of 2002 and 3.6% year to year; 3.3 and 7.4 percentage points lower respectively than those of 2001. Breakdown of the PPI by origin shows that 85.1 % of PPI March annual variation is explained by industrial good prices. The manufacturing industry presented a 3.9% annual variation in its prices, the agriculture, livestock, fishing, forestry, and hunting, 2.4%, and mining 1.7%. As regards the use or economic destiny, raw material registered a 12.4% annual variation, the goods of final consumption 8.8%, capital goods 10.2%, and construction materials 14.4%. Breakdown by origin shows that locally produced and consumed good's explained 94.4% of where as imported good's prices grew by 0.8%.

### CONSUMER AND PRODUCER PRICE INDICES %



### PRICE INCREMENT

Annual variation %

END OF PERIOD	CPI	PPI	END OF PERIOD	CPI	PPI
1990	32,37	29,90	1997	17,68	17,49
1991	26,82	23,06	1998	16,70	13,50
1992	25,14	17,88	1999	9,23	12,71
1993	22,61	13,19	2000	8,75	11,04
1994	22,60	20,73	2001	7,65	6,93
1995	19,47	15,43	2002 *	5,89	3,55
1996	21,64	14,54	-	-	-

\* : Annual variation to March.

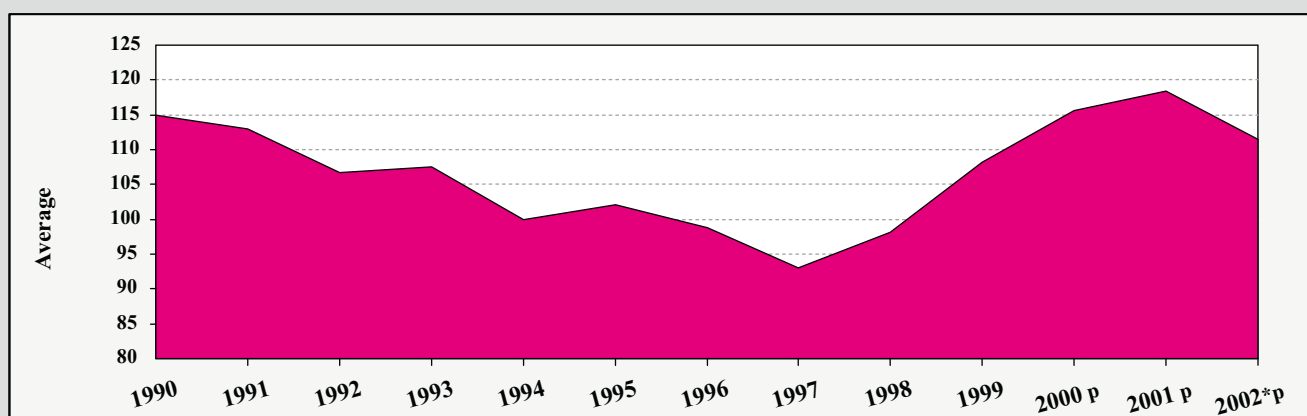
Source: CPI: DANE.

PPI: Banco de la República - Economic Studies.

## EXCHANGE RATE

In March 2002, the Market Exchange Rate (MER) stood at 2,282.33 pesos per dollar, registering a nominal annual devaluation of 0.2%, 16.3 percentage points lower than in the same period of 2001. The Real Exchange Rate Index (RERI) stood at 111.43 in March 2002, presenting a real annual revaluation of 6.7%, and 3.3 year to year. The fall of the RERI in the 2001 is mainly explained by the major nominal external devaluation 3.6%, over the nominal revaluation of the Colombian peso, -1.1%, which caused a 5,5 percentage point reduction of the RERI. The increase in the nominal devaluation of Argentina 14.8%, Venezuela 23.0% and Japan 2,8% is outstanding. On the other hand, the internal and external prices behavior contributed positively in 2.2 percentage points to the RERI, due to the fact that the domestic inflation (calculated by the PPI) was lower in 1.3% than the external prices growth of 3.6%.

### REAL EXCHANGE RATE INDEX



### REAL EXCHANGE RATE INDEX

Non traditional trade  
Geometric Average 1994 = 100

### NOMINAL EXCHANGE RATE DEVALUATION %

PERIOD	AVERAGE	PERIOD	AVERAGE	AVERAGE DECEMBER	RATE	ANNUAL VARIATION	AVERAGE DECEMBER	RATE	ANNUAL VARIATION
1990	114,87	1997	93,07	1990	563,38	31,23	1997	1.296,70	29,57
1991	113,04	1998	98,12	1991	630,38	11,89	1998	1.524,56	17,57
1992	106,77	1999	108,23	1992	733,42	16,35	1999	1.888,46	23,87
1993	107,46	2000 p	115,59	1993	803,56	9,56	2000	2.186,21	15,77
1994	100,00	2001 p	118,43	1994	829,37	3,21	2001	2.306,90	5,52
1995	102,03	2002 *p	111,43	1995	988,15	19,14	2002 *	2.282,33	0,16
1996	98,83	-	-	1996	1.000,79	1,28	-	-	-

\* : Average to March.

p : Provisional.

Source: Banco de la República, Economic Studies.

## PUBLIC SECTOR

Preliminary numbers show that during the first quarter of 2002, the Colombian non-financial public sector, registered a deficit of \$823.5 billion (0.4 % of the GDP). This fiscal result shows that the National Government increased its deficit in \$2.2 trillion, 1.0% of GDP, while the decentralized sector registered surpluses, of 1.3 trillion. This last numbers includes social security surplus by 351.4 billion, as well as Ecopetrol surplus by \$768.5 billion, together with PSSF, (Petroleum Saving and Stabilization Fund). PSSF is found in the group of “other entities”.

### NON-FINANCIAL PUBLIC SECTOR REVENUES, EXPENDITURES AND DEFICIT

Billions of pesos

ENTITIES	2001					First Quarter of 2002 pr				
	REVENUES 1/	EXPENDITURES 2/	ACTUARIAL ADJUSTMENTS 3/	DEFICIT (-) SURPLUS (+)	DEFICIT (-) SURPLUS (+) (% of GDP)	REVENUES 1/	EXPENDITURES 2/	ACTUARIAL ADJUSTMENTS 3/	DEFICIT (-) SURPLUS (+)	DEFICIT (-) SURPLUS (+) (% of GDP)
Electric sector	4.689,7	4.398,6	-21,0	270,2	0,1	1.168,7	1.092,2	37,9	114,4	0,1
Ecopetrol	9.287,3	8.769,0	260,4	778,7	0,4	2.492,6	1.631,3	-92,8	768,5	0,4
Telecom	1.324,0	1.249,1	280,4	355,2	0,2	312,6	253,8	-8,8	49,9	0,0
Other entities 4/	7.425,4	6.047,1	-169,6	1.208,7	0,6	1.478,8	1.395,2	7,9	91,5	0,0
Social security	14.581,4	13.659,2	166,4	1.088,6	0,6	3.202,7	3.133,0	281,4	351,0	0,2
Local and regional entities	22.801,6	22.690,8	-87,1	23,6	0,0	5.182,0	5.222,8	2,1	-38,7	0,0
National Coffee Fund	1.023,9	1.100,8	0,0	-76,8	0,0	152,5	146,7	0,0	5,8	0,0
National Government	27.489,0	39.043,6	779,6	-10.774,9	-5,8	7.726,2	8.240,5	-1.651,7	-2.166,0	-1,0
<b>TOTAL</b>	<b>88.622,4</b>	<b>96.958,2</b>	<b>1.209,0</b>	<b>-7.126,8</b>	<b>-3,8</b>	<b>21.716,0</b>	<b>21.115,6</b>	<b>-1.423,9</b>	<b>-823,5</b>	<b>-0,4</b>

pr : Preliminary.

1/ Does not include privatization revenues.

2/ Includes net loans.

3/ Includes, among others, crude oil securitization revenues and floating debt variation for the National Government and principal enterprises.

4/ Includes the Petroleum Saving and Stabilization Fund.

Source: Council for Fiscal Policy (CONFIS) and DNP.

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