



Determinants and evolution of export prices and quantities of noncoffee agricultural goods for Colombia

Download Other Working Papers Keep in mind

The series Working Papers on Economics is published by the Office for Economic Studies at the *Banco de la República* (Central Bank of *Colombia*). It contributes to the dissemination and promotion of the work by researchers from the institution. This series is indexed at Research Papers in Economics (RePEc).

On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. The works published are provisional, and their authors are fully responsible for the opinions expressed in them, as well as for possible mistakes. The opinions expressed herein are those of the authors and do not necessarily reflect the views of Banco de la República or its Board of Directors.

AUTHOR OR EDITOR Viviana A. Alfonso-Corredor Enrique Montes-Uribe María A. Prieto-Sánchez Héctor M. Zárate-Solano

The series Borradores de Economía (Working Papers on Economics) contributes to the dissemination and promotion of the work by researchers from the institution. On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. This series is indexed at Research Papers in Economics (RePEc)

Publication Date: Monday, 30 of December 2019

The opinions contained in this document are the sole responsibility of the author and do not commit Banco de la República or its Board of Directors.

Abstract

The purpose of this paper is to measure the effect of the main determinants of the exported quantities of noncoffee agricultural goods by using an approach that disaggregates the exported value between exported volumes and prices. Additionally, it includes variables associated with the cost of imports and climatic factors that may affect the supply of agricultural products. The econometric methodology relies on panel cointegration techniques for four agricultural products. The main results indicate that external demand is the variable with the highest impact on the export performance of agricultural goods, with a more than a proportional effect on the quantities shipped. Thus, in the long term, it is expected that a 10% increase in external demand will result in a 12% increase in export volumes. Additionally, it was found that the effect of the real exchange rate is positive and significant, a real depreciation of 10% translates into an export volume growth of 3%.