See the recent Regional Economic Bulletins

See the recent Regional Economic Bulletins Bogotá

(Bogotá, D. C.; Cundinamarca)

Economic indicators for the region of Bogotá (Bogotá and Cundinamarca) in the second quarter of 2023 showed less dynamism in relation to a period of strong recovery observed one year ago. In addition to the annual comparison basis effect, the moderation in consumption, the loss of household confidence, and high prices impacted the industry, trade, local air and cargo transportation, and building construction. Foreign trade showed relative normalization in the face of the high post-pandemic demand for external sales and purchases. Inflation registered a downward correction after reaching its highest peak in March 2023, while the unemployment rate improved, although it continued at double-digit levels.

Central region

(Caquetá, Huila y Tolima)

During the second quarter of 2023, the main official figures available suggested an annual decline in the central region’s economy. The downward adjustment in demand led to a drop in industrial production and the marketing of vehicles and motorcycles, the latter also affected by lower credit disbursements. On the contrary, agricultural production grew, especially in the agricultural sector, partly due to increased funding for working capital and lower rainfall. Likewise, building construction had a positive balance due to the completion of works in progress, but not the indicators associated with civil works and housing sales due to the reduction in mortgage loans. Meanwhile, foreign sales fell (despite the higher volume of coffee exported), and imports recovered. Inflation slowed, and the unemployment rate in the region's three capital cities remained above the national aggregate.

Caribbean Coast

(Atlántico, Bolívar, Cesar, Córdoba, La Guajira, Magdalena, San Andrés y Providencia, Sucre)

During the second quarter of the year, the regional economy in the Caribbean fell again. Exceptfor industry, the activities analyzed showed an annual contraction. Domestic trade declined due to a significant slump in vehicle sales and lower retail sales. At the same time, transportation fell due to the lower movement of passengers and cargo. Construction showed a decline in advanced or constructed square footage, as well as in new housing sales, while the agricultural sector saw a reduction in agricultural product shipments from the region. Foreign trade contracted in both exports and imports. In contrast, the strong industry’s performance was marked by the production of non-metallic minerals, food and beverages, and metal and fuel products. In turn, the unemployment rate fell in the region’s capital cities, and inflation continued its upward trend.

Northwest

(Antioquia, Chocó)

During the second quarter of 2023, the economic slowdown in the Northwestern region worsened, affected by inflation, higher interest rates, and an environment of uncertainty, which led to a reduction in demand. Several productive activities suffered a decline in their annual comparatives, especially industry, retail sales, and most indicators of the construction and agricultural sectors, except for increased agricultural supply. Hotel occupancy and most of the transportation components also fell. In contrast, exports grew, driven by exports of gold and vehicles. In turn, remittances and imports were lower. As for the labor market, the unemployment rate fell in Medellín and the metropolitan area, but increased in Quibdó, remaining the highest in the country. Finally, there was a slower increase in consumer prices, although they remained at high levels.

 Northeast

(Arauca, Boyacá, Norte de Santander, Santander)

The economy in the Northeast slowed down in the second quarter of the year due to low consumption dynamics and high interest rates. This was influenced by a significant annual drop in domestic retail sales and, to a lesser extent, by the reduction of industry in line with the contraction in unregulated energy demand and the decrease in land cargo transportation. There was also a slight slowdown in some variables tracking construction activity and a decrease in investment in new housing, which deepened its decline. On the contrary, growth in most agricultural activities stood out, except for palm oil production. In foreign trade, both exports and imports declined. Inflation began to decline due to smaller increases in food prices; however, data in the three cities of the region remained above *Banco de la República's* target. Despite this scenario, the labor market in the Northeast showed favorable results.

 Eje Cafetero (Coffee Region)

(Caldas, Quindío, Risaralda)

The economy of the Eje Cafetero (Coffee Region) decreased in its annual comparison during the second quarter of 2023. Most available statistics reported a drop resulting from a sharp loss of dynamism in demand, which affected industrial production and business sales, including vehicles and motorcycles. Additionally, the high cost of borrowing limited credit disbursements for agricultural activities and especially for the purchase of new housing. As a result, sales continued to decline, and construction continued to be discouraged. External demand fell, particularly with greater impact for coffee, and imports declined at a more significant pace. In contrast to global dynamics, the labor market remained favorable with high employment and lower unemployment, and consumer inflation slowed in the face of moderating price increases for some food items.

 Southwest

(Cauca, Nariño, Putumayo, Valle del Cauca)

The economy in the Southwest slowed down significantly in the second quarter of 2023, as the contraction in several monitoring activities continued in a scenario of lower domestic demand, persistent inflation, high interest rates, and lower consumer confidence. Among the activities that decreased were industry, which reduced inventories to cover lower production; trade, including new vehicles and their parts; building construction and new housing sales; and transportation in some of its modalities. In contrast, agricultural activity grew, favored by a larger crop harvest and moderate rainfall. Exports and remittances also increased. In turn, the unemployment rate fell in the region's capital cities, and inflation, while still high, declined due to lower food prices, but was limited by the increase in the prices for regulated goods and services.

 Southeast

(Amazonas, Casanare, Guainía, Guaviare, Meta, Vaupés, Vichada)

During the second quarter of 2023, the economy of the Southeast region recorded dissimilar balances among its economic activities compared to what was observed a year ago. Thus, progress was noted, especially in variables of the agricultural sector such as rice production, processed palm fruit, and cattle slaughtering, together with growth in sales perceptions except for the marketing of vehicles and motorcycles, which fell. Indicators related to the construction sector such as the approved area, cement dispatches, and new housing sales declined, as did transportation in its different modalities. As for foreign trade, exports declined, especially due to the lower dynamism of Meta, while imports showed an increase. Finally, the unemployment rate fell in Villavicencio, and inflation remained high, although it was below the national result.

Fuente: https://www.banrep.gov.co/en/news/see-recent-regional-economic-bulletins-2023-2q