These are the Regional Economic Bulletins for the Third Quarter

These are the Regional Economic Bulletins for the Third Quarter Bogotá

(Bogotá, D. C.; Cundinamarca)

In the third quarter of 2024, the Bogotá and Cundinamarca region showed improvements in some economic activities. Trade in the capital city stopped declining given the recovery of essential goods and high demand for hybrid and electric vehicles. Transportation increased in air passenger movement and land cargo. In contrast, the industrial sector contracted as a result of weak consumption dynamics, leading to adjustments in production due to low order volumes. Construction activity continued to lag in buildings projects, offset by the progress of infrastructure works. As for foreign trade, exports continued to perform favorably, while imports reported improved performance. Inflation continued its downward trend, and the unemployment rate returned to single-digit levels.

Central Region

(Caquetá, Huila y Tolima)

During the third quarter of the year, the economy of the Central Region showed mixed results across activities. In the primary sector, agricultural production experienced growth, especially coffee, which boosted exports. In contrast, oil extraction declined, as did industry, due to a reduced demand for inputs from the construction sector. Meanwhile, household demand was more dynamic for durable goods such as vehicles and motorcycles, as well as for the acquisition of new housing, which benefited from lower interest rates, encouraging expansion in the mortgage portfolio. Finally, the three capital cities exhibited positive results in inflation, which was driven by reduced upward pressures in the food component, and in the labor market, with lower unemployment rates and higher employment rates.

Caribbean Coast

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

In the third quarter of the year, the Caribbean Coast region performed slightly better compared to the previous year. Activities such as retail trade, air transportation, construction, and tourism were driven by increased domestic demand, supported by lower interest rates. The crop and livestock sector grew in terms of the supply of agricultural products and the slaughtering of cattle and pigs. In contrast, industrial production continued to decrease due to the decline in domestic and external demand and the reduced availability of raw materials. Mining production remained limited due to low coal exports resulting from declining international prices. The labor market exhibited a negative performance, with a contraction in employment and an increase in unemployment. Finally, inflation in the region’s main cities continued to moderate.

Northwest

(Antioquia, Chocó)

During the third quarter of 2024, the economy in the Northwest exhibited improved performance across most productive activities. The gradual reduction of interest rates, driven by a more moderate price growth, stimulated demand in several sectors. The crop and livestock, and trade sectors stand out. In construction, despite the low dynamics in certain civil works indicators, some building variables grew, along with the higher balance of mortgage loans. Additionally, transportation showed a general increase, although there were some disruptions due to blockages. As for industry, the decline was less pronounced. In the external sector, exports continued to increase, exhibiting higher imports of consumer goods and a record level of remittances. Finally, Medellín reported the lowest unemployment rate in the country, while inflation was lower, although still above the target range.

● Northeast

(Arauca, Boyacá, Norte de Santander, Santander)

In the third quarter, economic activity in the Northeast showed annual growth, reflected by higher trade sales, new home sales, regulated energy demand, and imports, partly supported by lower interest rates and historic remittance inflows. The recovery was also driven by higher agricultural production and certain industrial sectors, particularly refined oil products, which boosted ground freight transportation despite the truckers' strike. However, construction variables continued exhibiting negative results in building projects and civil works. As for foreign trade, exports to Venezuela stood out, doubling last year's figures. Inflation continued to decline, although it remained above the 3.0% target. The unemployment rate increased in all the region's capital cities, while the number of employed people only grew in Cúcuta.

● *Eje Cafetero* (Coffe Region)

(Caldas, Quindío, Risaralda)

The economy of the *Eje Cafetero* reported annual growth during the third quarter of 2024. The agricultural and livestock sector performed well, particularly coffee, which benefited associated industrial processes and exports. Manufacturing production also increased, partly driven by external demand, which in turn benefited ground freight transportation. Meanwhile, business sales did not recover, but lower interest rates encouraged the purchase of durable goods, which, combined with a low base of comparison, led to an increase in sales of vehicles and motorcycles, as well as new home sales. Finally, all three capital cities in the region reported an increase in unemployment, while inflation continued to decline, driven by lower upward pressure on food prices.

● Southwest

(Cauca, Nariño, Putumayo, Valle del Cauca)

During the third quarter of 2024, the Southwest region showed favorable performance in most economic activities. The strongest results were recorded in domestic trade, which was driven by higher demand for durable goods, and in imports, due to higher purchases of intermediate goods. Similarly, construction grew due to the dynamic residential area built and higher new home sales, while agricultural supply increased due to the good weather conditions that favored crop flowering and facilitated harvest collection. Remittances contributed to improve the indicators, driving household spending on essential goods and housing purchases. In contrast, manufacturing production and exports decreased, as did loan placements and deposits in the financial system. Finally, the unemployment rate declined, and the annual inflation rate in the region's three capital cities continued its downward trend.

● Southeast

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

At the end of the third quarter of 2024, the economy of the Southeast region recorded growth in some of its key activities: in mining, due to increased oil exploitation, which was partly driven by improved productivity in certain fields; and in the agricultural sector, which exhibited increases in cattle and hog slaughter. In contrast, sales showed negative results, although less pronounced vis-a-vis previous periods, which may have been linked to some factors that improved in the national context, such as higher disposable income and reduced financial burden. Additionally, construction showed a setback, with declines in variables such as the area effectively built and the area under development, although new home sales improved, supported by lower interest rates. Finally, in Villavicencio, the unemployment rate fell, and annual inflation continued its downward trend.

Fuente: https://www.banrep.gov.co/en/news/regional-economic-bulletins-third-quarter-2024