



Ministerio de Economía y Finanzas

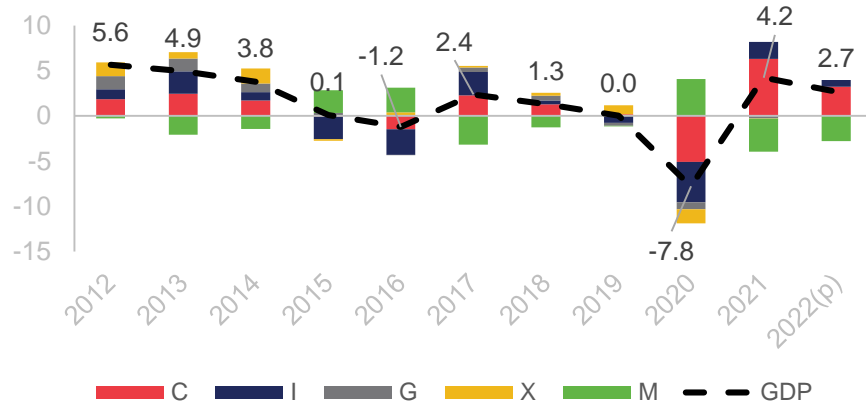
# Ecuador Macroeconomic Bulletin

January, 2023

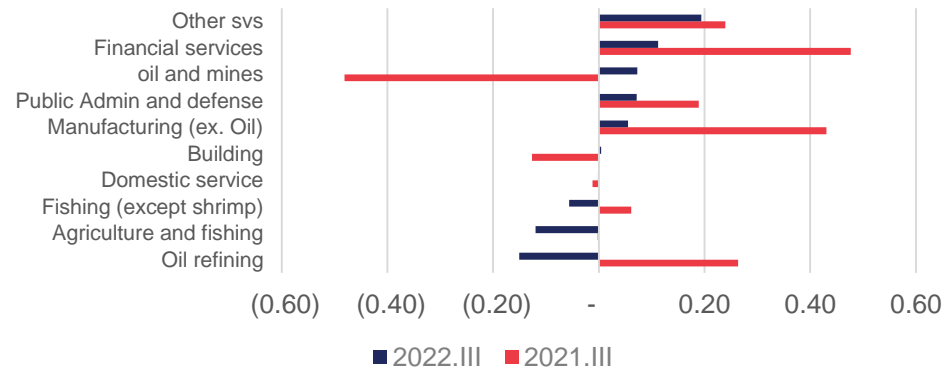


# Nine consecutive quarters of growth since Q3 2020: Ecuador on track to meet 2022 GDP growth target, approaching pre-Covid economic activity level

> Contributions to real annual GDP growth (%)



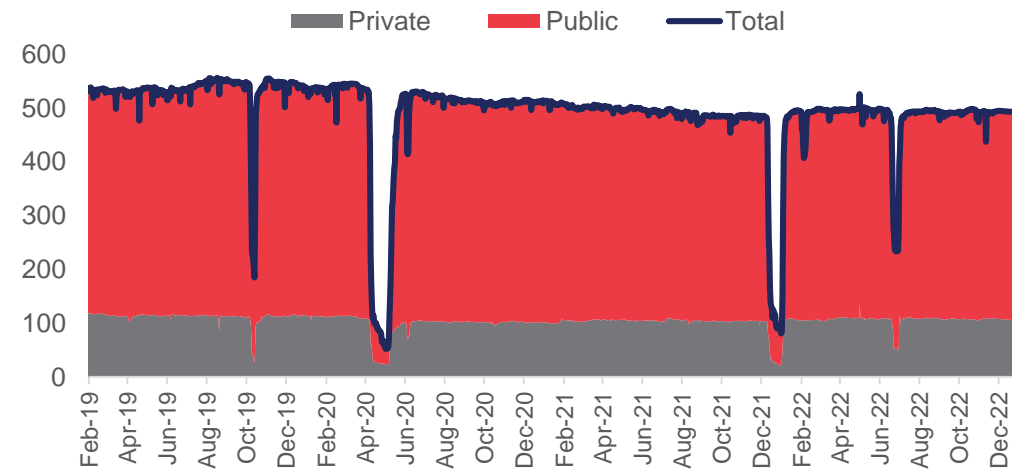
> Contributions to real quarterly GDP growth of top 10 sectors (%)



> Quarterly real GDP level, (USD billion, 2007)



> Oil production (thousand barrels per day)



Source: BCE, MEF, MEM

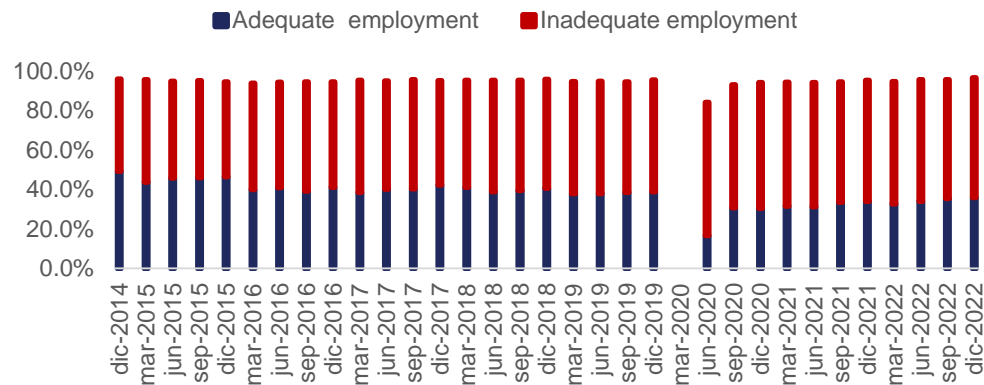
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Gobierno del Ecuador

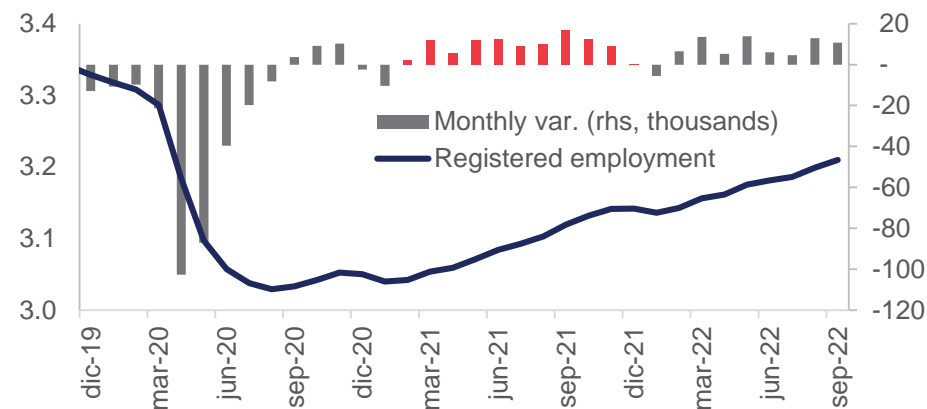
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# Employment improvement continues with medium-term challenges. Inflation peaked in September, showing subsequent steady decline and ranking among the lowest in the region

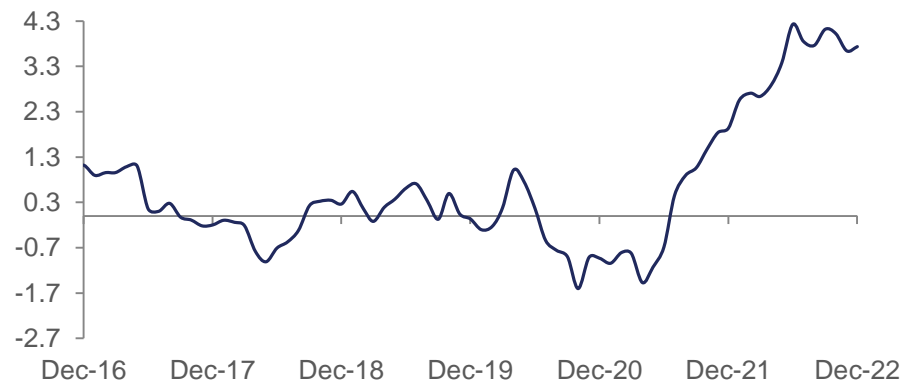
## > Quality of employment (quarterly data)



## > Registered employment at the Social Security (millions)



## > Annual headline inflation (%)



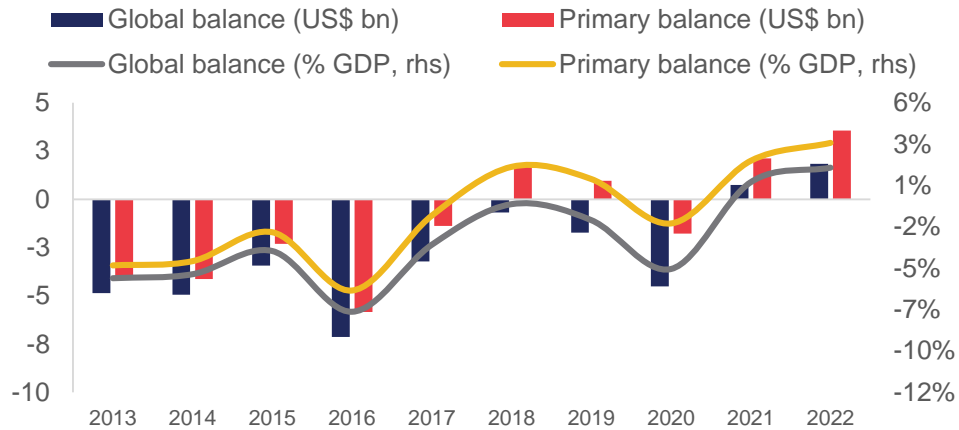
## > Total sales (% yoy)



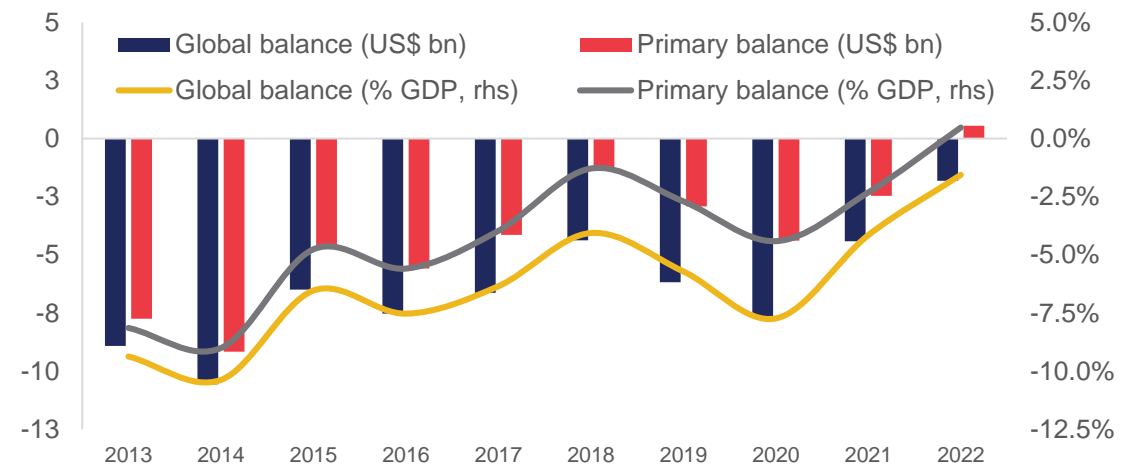
Source: BCE, MEF, IRS

# Surpassing Projections: Fiscal Sector leads to reduced central government deficit in 2022 at 1.6% of GDP, financed through multilateral organizations and domestic markets

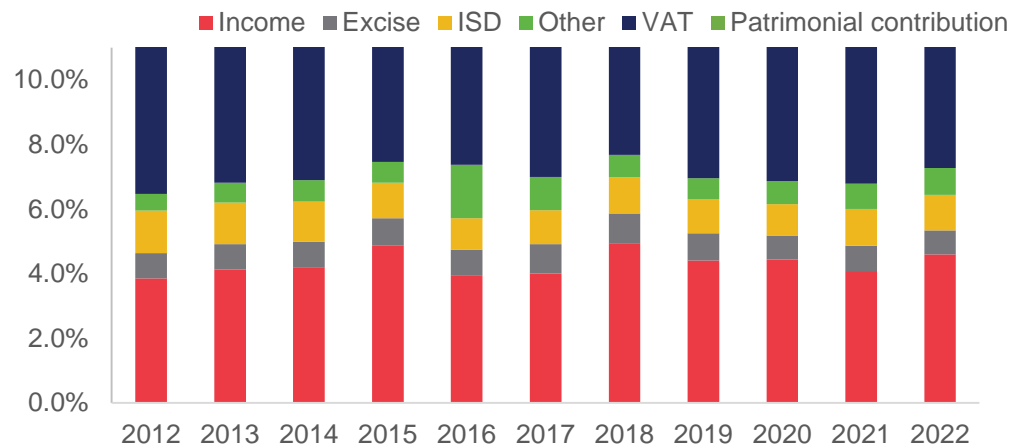
## > Non-financial public sector balances (Jan-Nov. each year)



## > Central government's budget balances



## > Tax collection (% of GDP)

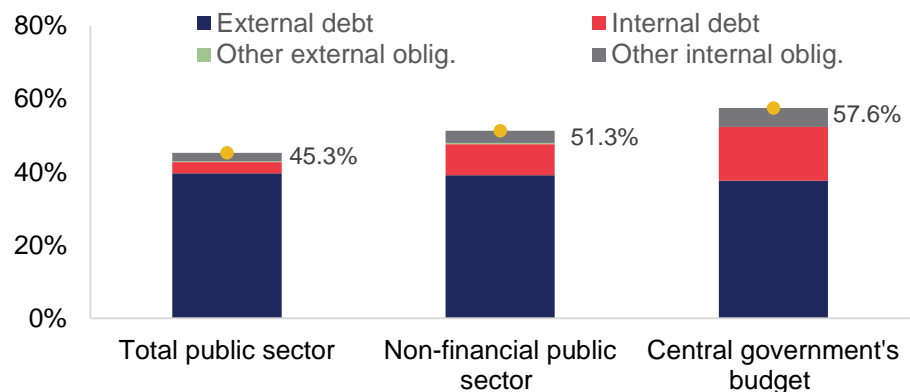


Source: MEF, IRS

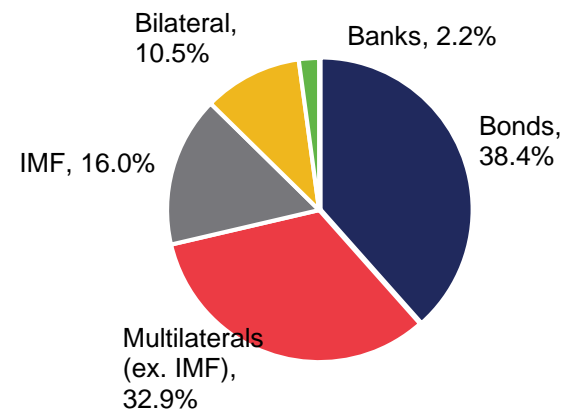
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# Debt profile strengthens following 2020 restructuring, with multilateral funding remaining key source of financing

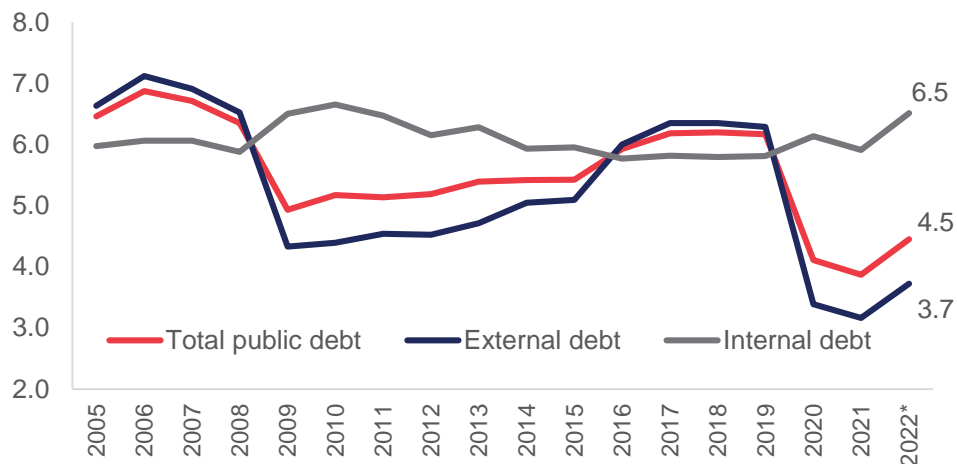
> Consolidated gross public debt (through Nov 2022, % GDP)



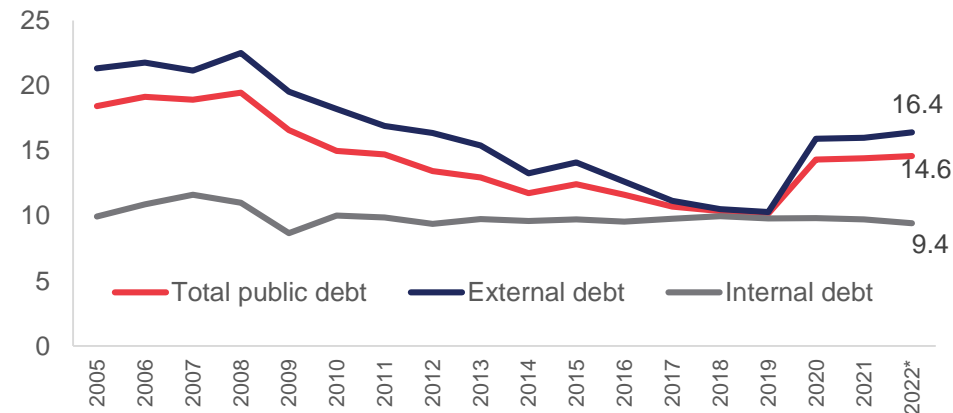
> Composition of external debt (through Nov 2022, % of total)



> Contractual weighted interest rates of public debt (%)



> Contractual weighted maturities of public debt (number of years)

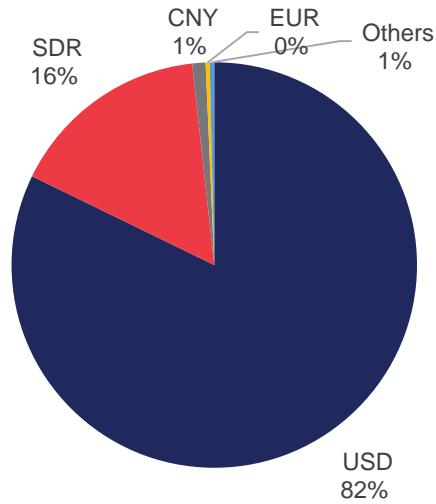


Source: MEF.

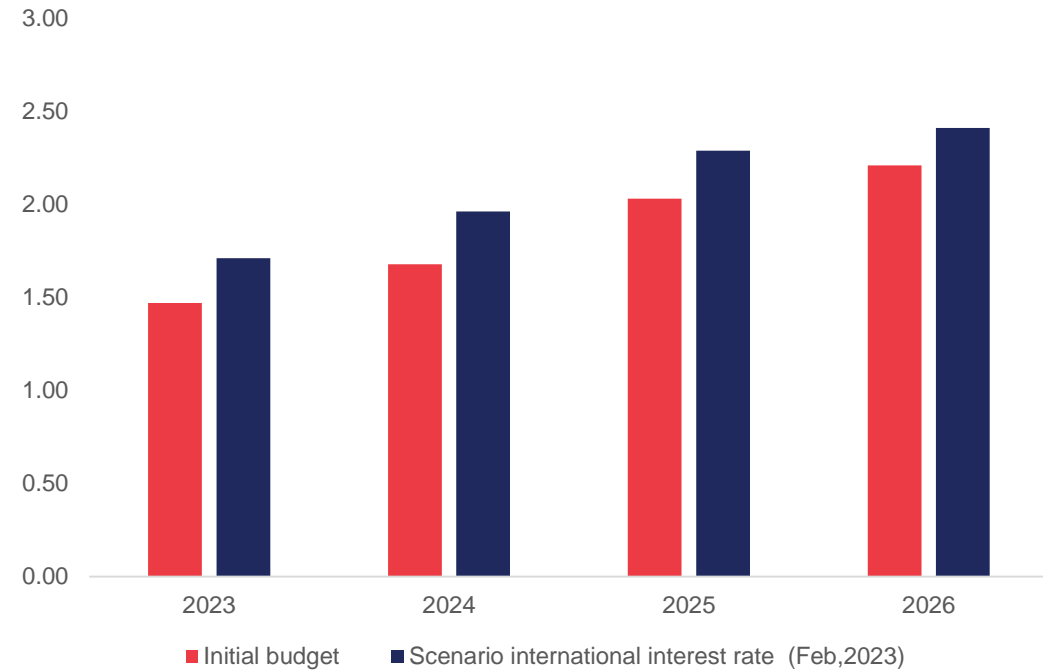
\* Through November 2022

# Higher international rates present short- and medium term challenges: mitigation efforts in 2022, focused on fixing interest rates of selected debt contracts with multilateral organizations

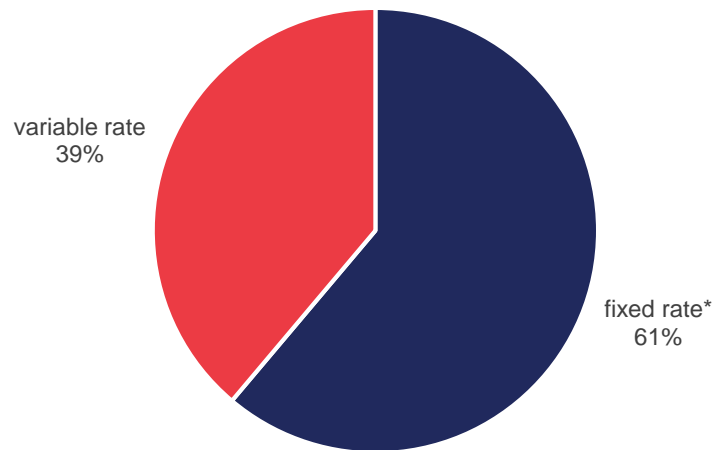
> Ecuador's external debt by currency (% of total)



> Ecuador's external interest payment profile (USD billions)



> Ecuador's external debt by interest rate (% of total)



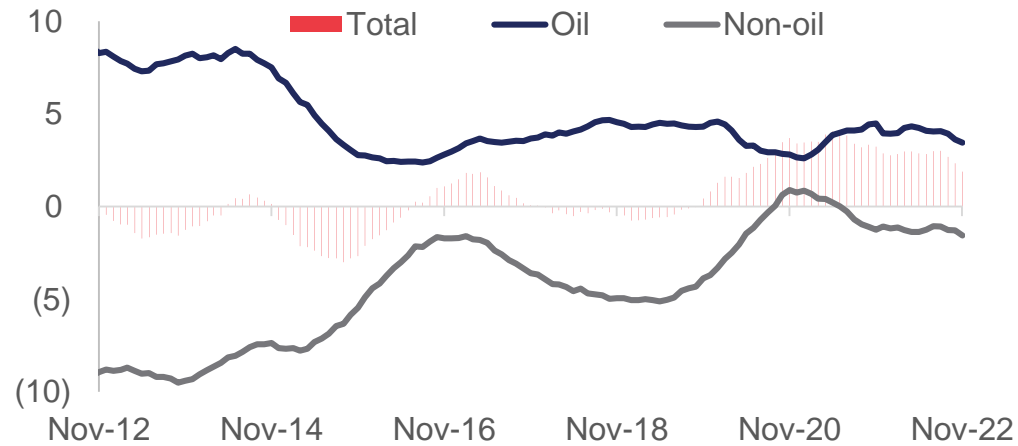
Source: MEF.

\*includes debt contracts with no reported interest rate

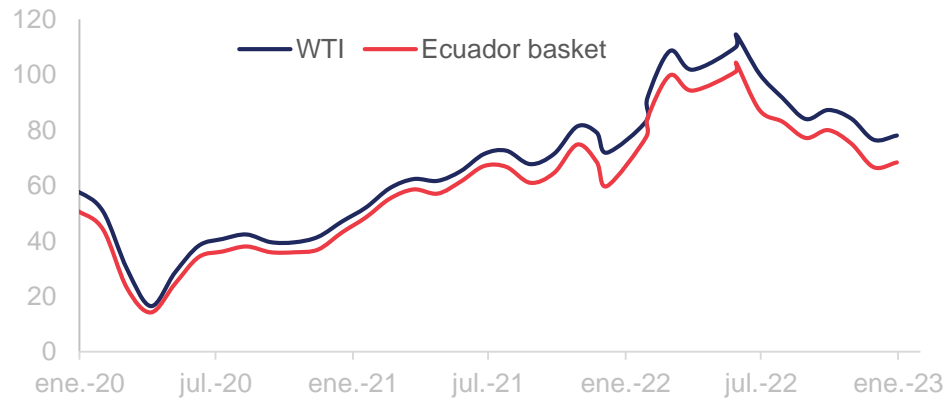
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# Well-balanced external accounts achieved through strong exports (mining, shrimp) and remittances, which compensated imports recovery and primary income deficit

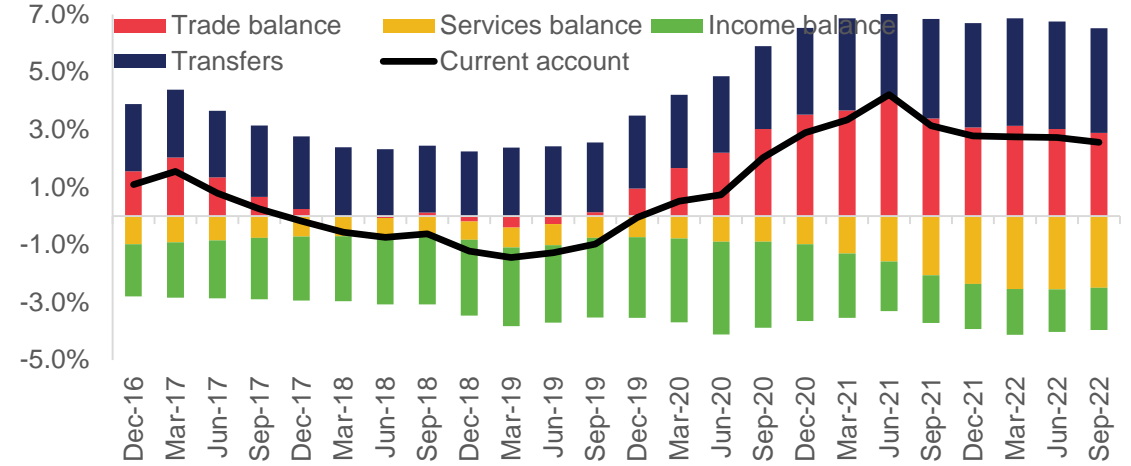
> Trade balance (12 months accumulated, USD bn)



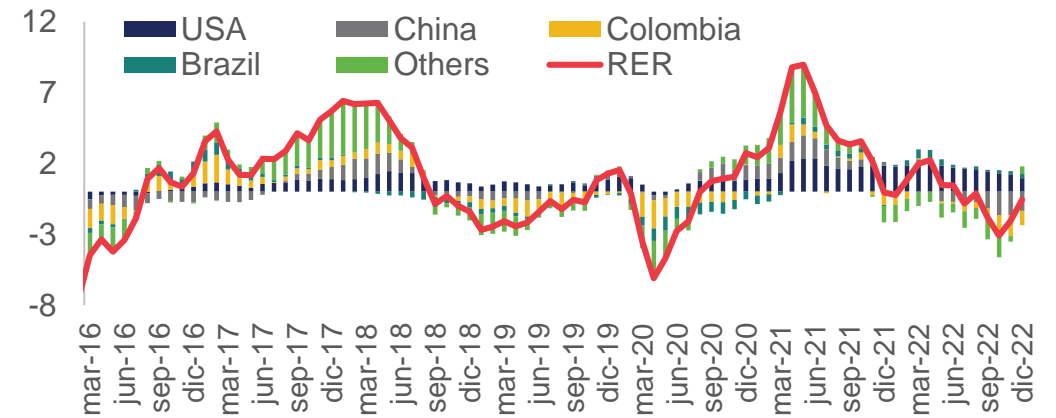
> Oil prices (dollars per barrel)



> Current account balance (4 quarters accumulated, % of GDP)

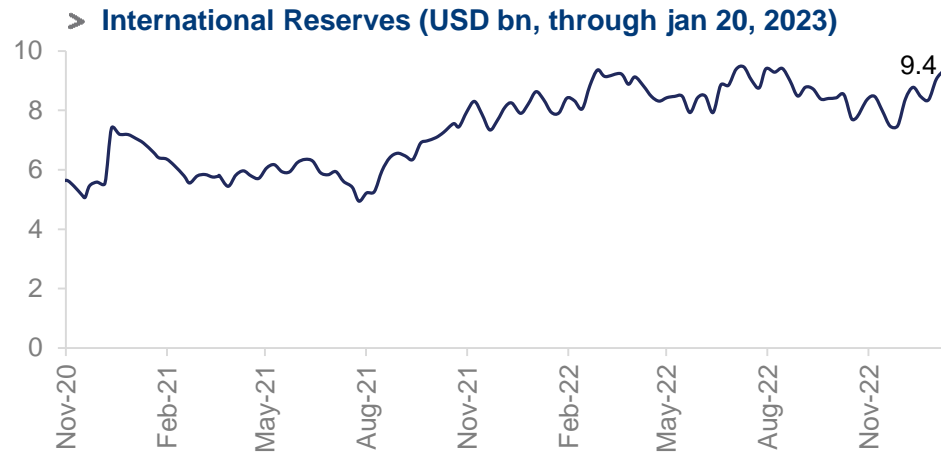


> Real exchange rate (% yoy, impact by country)

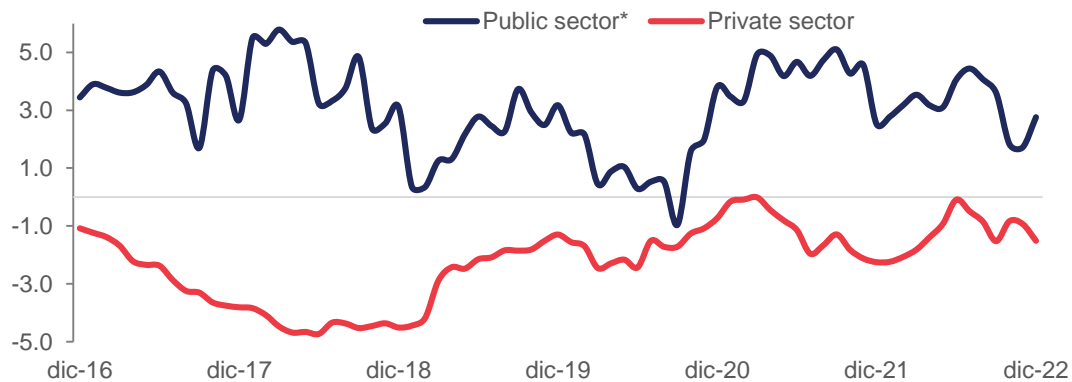


Source: BCE, Bloomberg

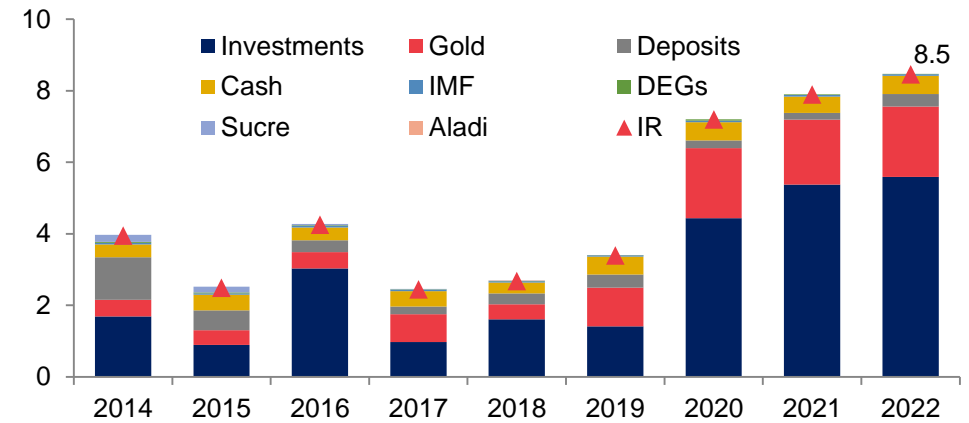
# Ecuador improves endogenous capacity to sustain dollarization, boosting coverage of Central Bank liabilities through record-high international reserve levels in 2022



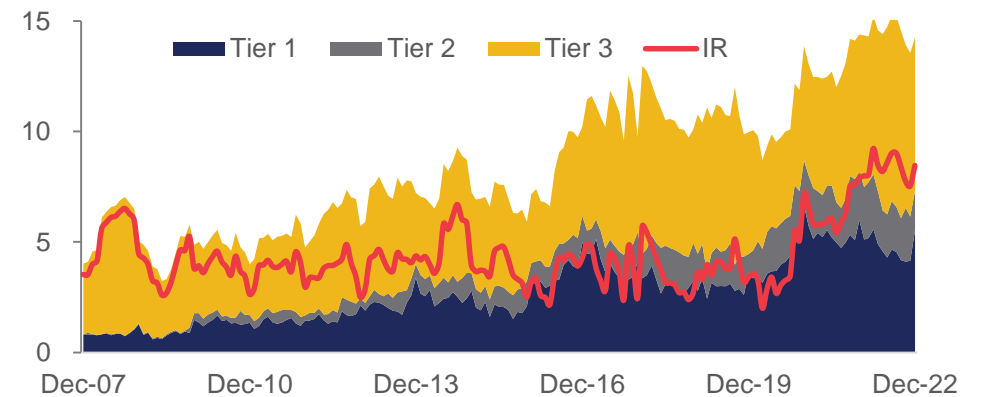
> Net contributions to international reserves by sector (12m accumulated, USD bn)



> International reserves' composition (USD bn, Dec 31, each year)



> International reserves and central bank liabilities\*\* (USD bn, through Dec 31, 2023)

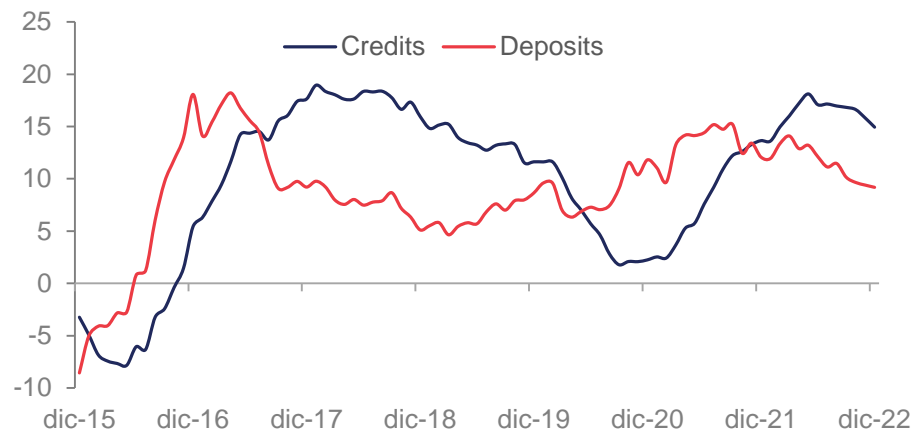


Source: BCE \*Public sector includes the hydrocarbons' sector and external debt disbursements  
 \*\*Tier 1: Deposits of Other Depository Institutions, CB titles, coin, and other private sector deposits  
 Tier 2: Deposits of Other Financial Institutions  
 Tier 3: Deposits of the non-financial public sector  
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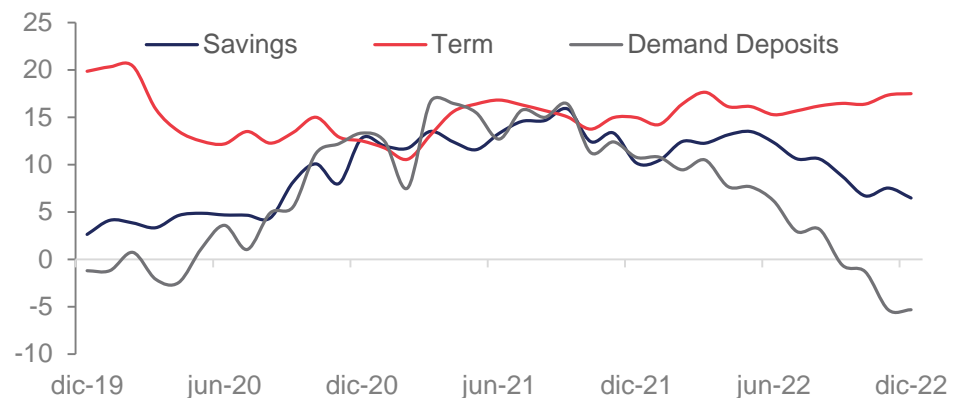


# Credit growth slows but remains positive, while deposit expansion maintains healthy financial system stability with strong liquidity buffers

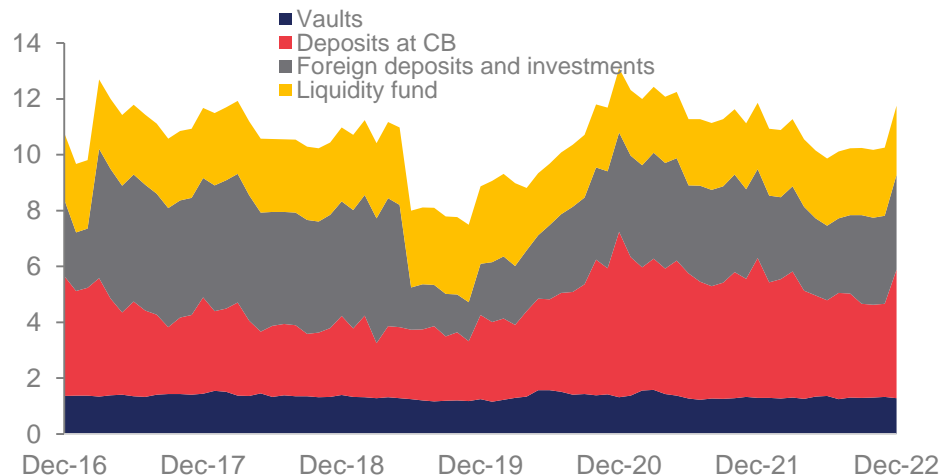
> Private financial system credit and deposits (% yoy)



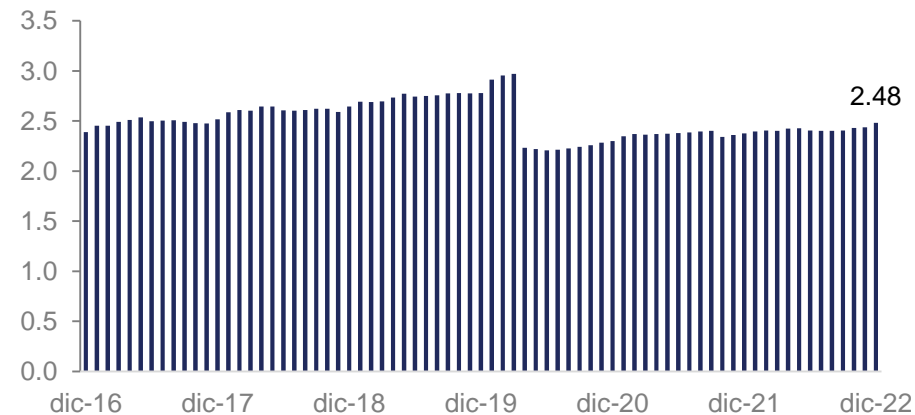
> Evolution of deposits private financial system (USD bn)



> Private financial institutions liquidity (USD bn)



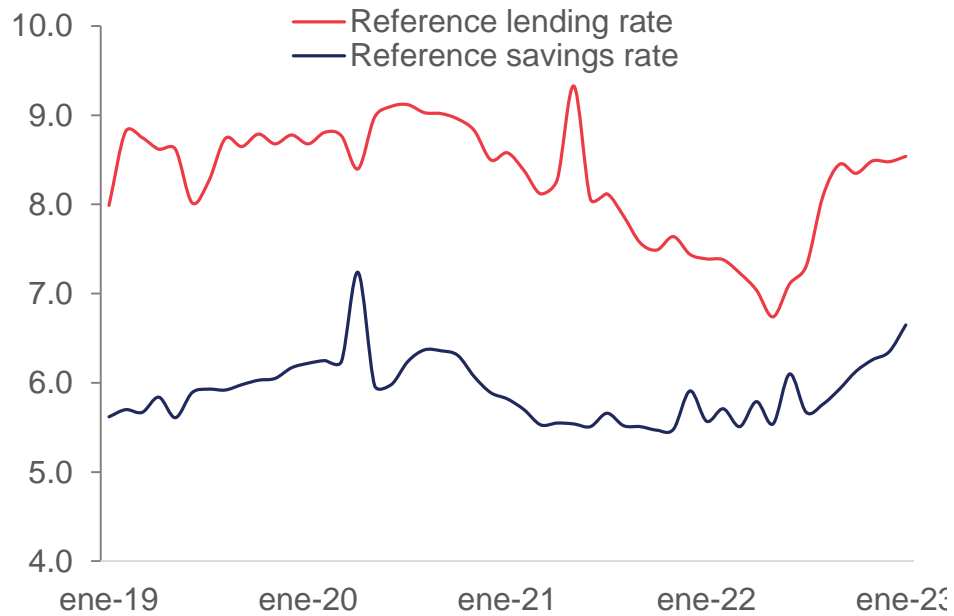
> Liquidity Fund (USD bn)



Source: BCE

The tightening of monetary policy in the international scenario has had a slight impact on domestic rates. The Corporate segment increased its rates, which implied a loss of ground in the relative relief in the balance sheets of the private sector registered at the beginning of 2022.

> Reference interest rates (%)



> Effective interest rates by segment (%)

SEGMENT	dec-19	dec-20	dec-21	dec-22	jan-22	jan-23	Var. YoY
Corporate (over US\$5mn)	9,04	8,62	7,44	8,48	7,39	8,54	1,15
Corporate (US\$1mn - US\$5mn)	8,96	9,75	9,37	9,50	9,30	9,60	0,30
SMEs	11,37	10,02	10,63	10,23	10,23	10,31	0,08
Microcredit (US\$20K - US\$100K)	20,10	20,19	20,13	19,85	20,17	19,57	-0,60
Microcredit (US\$5K - US\$20K)	23,35	23,10	20,74	20,34	20,51	20,06	-0,45
Microcredit (under US\$5K)	25,18	26,14	19,80	19,46	19,92	19,50	-0,42
Consumption	16,69	16,68	16,22	16,08	16,16	16,08	-0,08
Education	9,44	9,43	8,87	8,92	8,64	8,74	0,10
Social Education	6,42	6,18	5,49	5,49	5,49	5,49	0,00
Real estate	10,17	10,33	9,84	9,37	9,79	9,45	-0,34
Public interest housing	4,70	4,98	4,98	4,96	4,97	4,96	-0,01
Social housing	0,00	4,99	4,98	4,98	4,98	4,98	0,00
Public investment	8,44	8,51	8,53	8,50	8,28	8,22	-0,06

Source: BCE

