

Ministerio de Economía y Finanzas

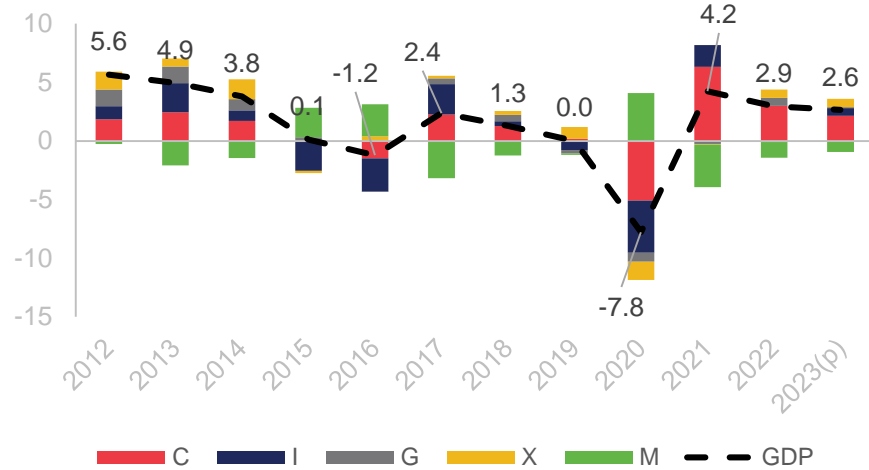
Ecuador Macroeconomic Bulletin

May, 2023

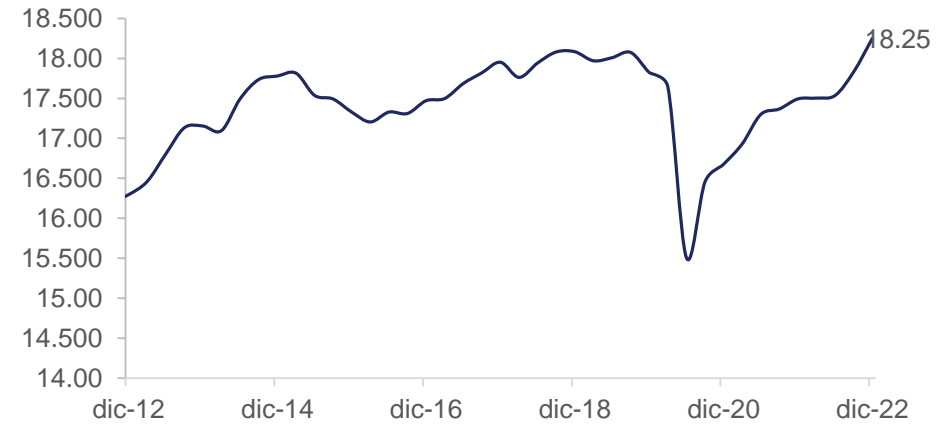


In 2022 Ecuador matched pre-Covid economic activity level. Ecuadorian economy is expected to grow 2.6% in 2023, above regional average forecast.

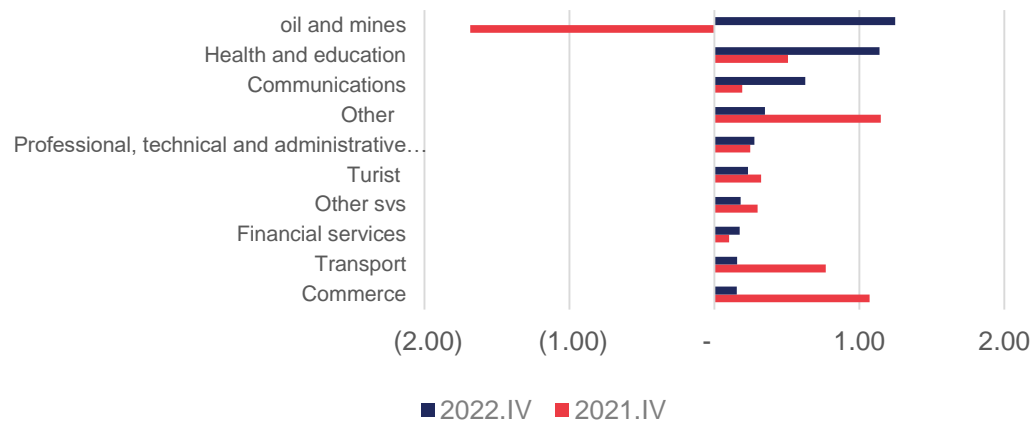
> Contributions to real annual GDP growth (%)



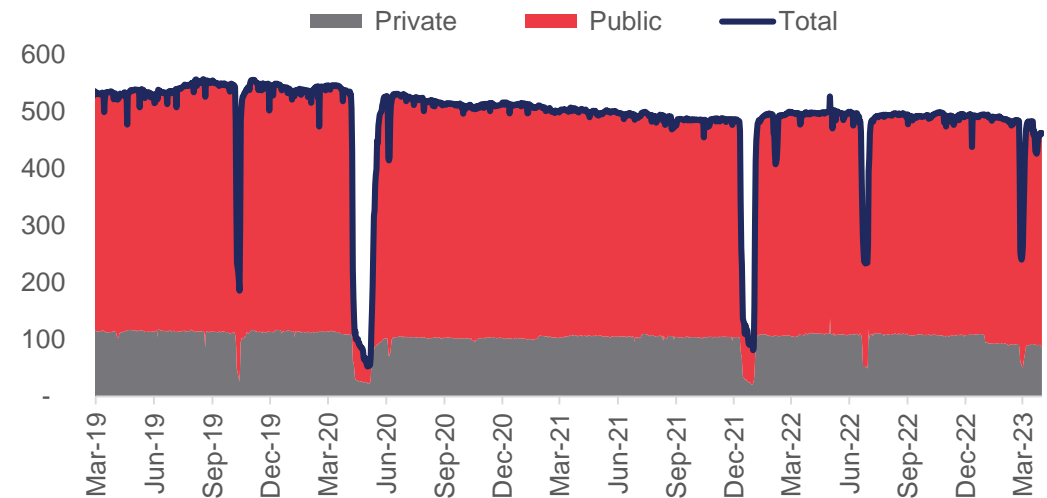
> Quarterly real GDP level, (USD billion, 2007)



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

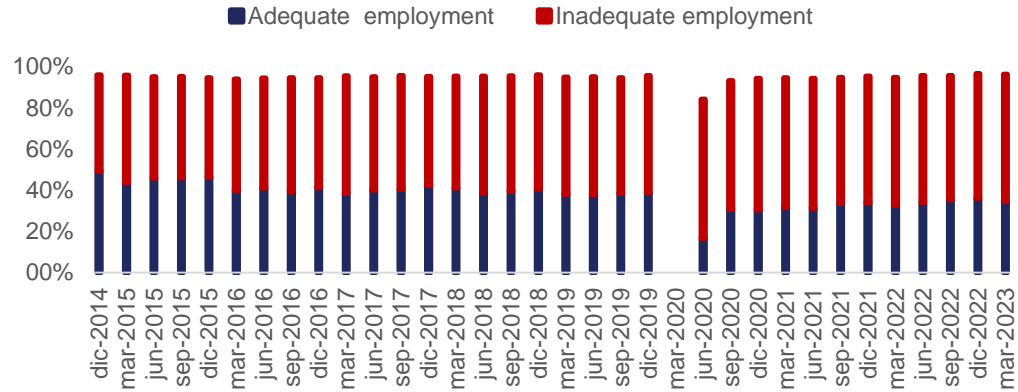


> Oil production (thousand barrels per day)

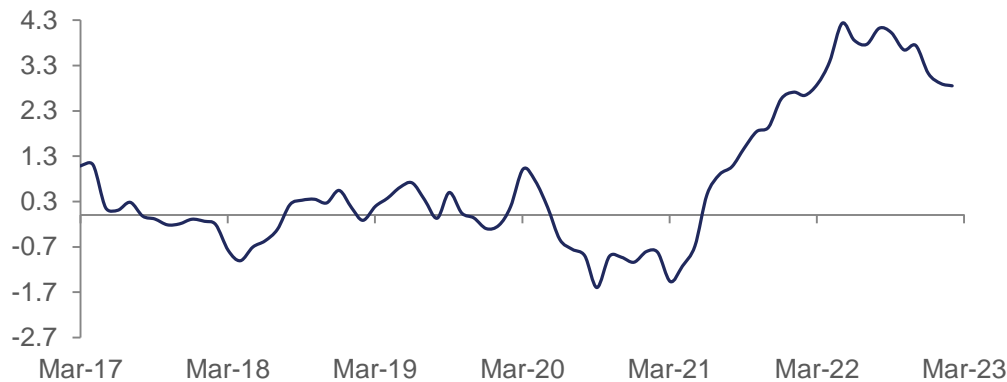


Employment levels are continuously improving, but are still a challenge. After the strike (June 2022), inflation reached a pick at September then did show a smooth decrease. Until March 2023, it is among the lowest in the region.

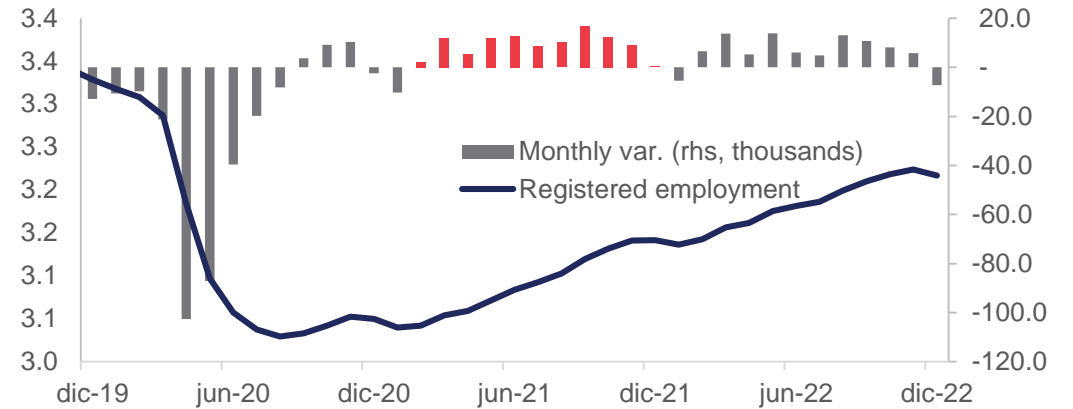
> Quality of employment (% PEA, quarterly data)



> Annual headline inflation (%)



> Registered employment at the Social Security (millions)



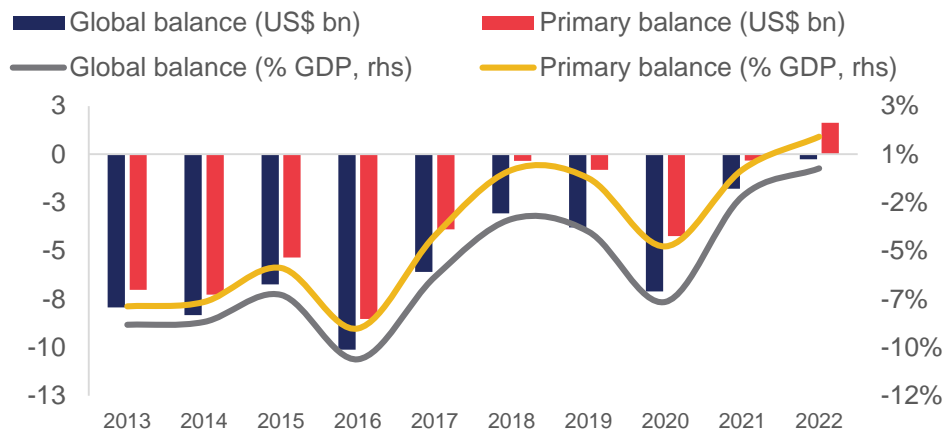
> Total sales (% yoy)



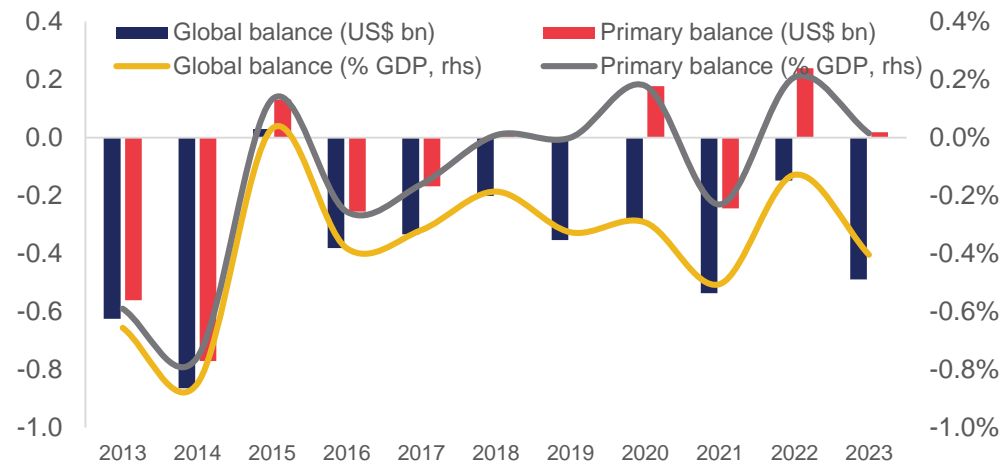
Source: BCE, MEF, IRS

The fiscal sector closed the year with positive primary results, not observed in the last 10 years. Its external financing was consolidated mainly with the participation of multilateral organizations

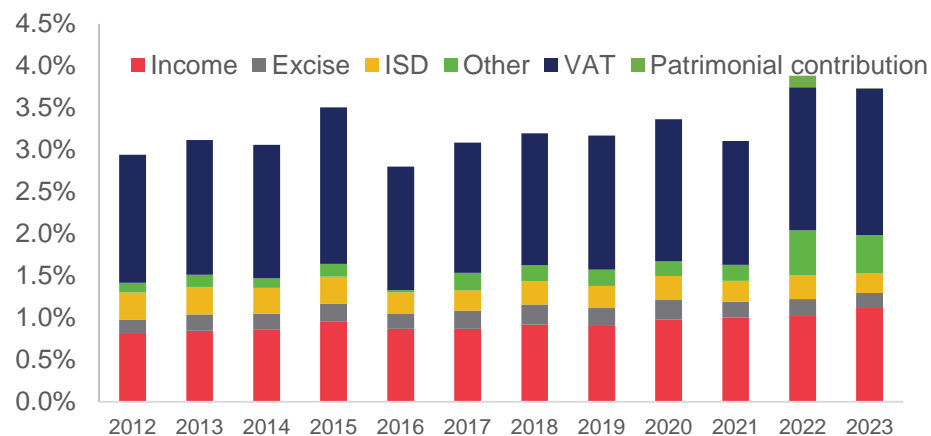
> Non-financial public sector balances, annual



> Central government's budget balances (Jan – Feb)



> Tax collection (% of GDP) Jan – Mar each year

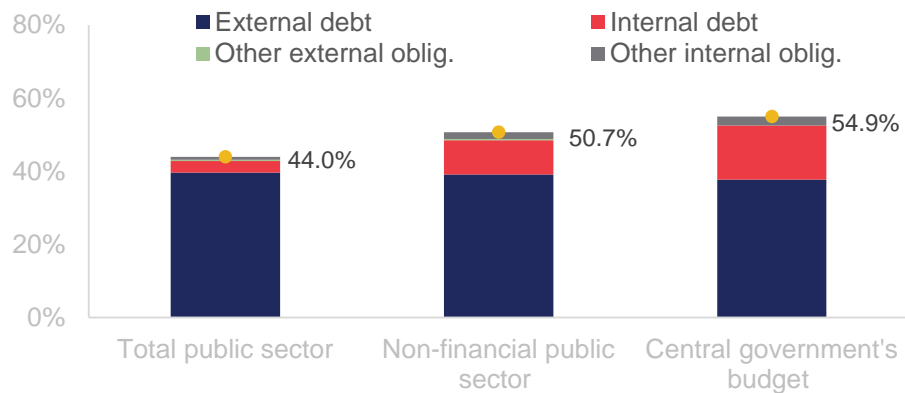


> Financial plan of the National Treasury (Updated Jan. 2023)

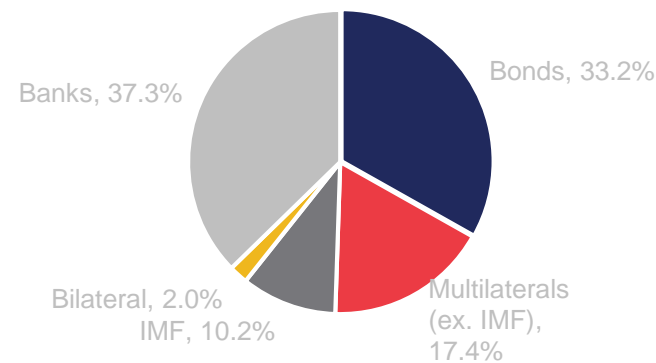
Plan Financiero del Tesoro Nacional			
2023			
FUENTES Y USOS			
En millones USD			
Sources		Uses	
Initial availability	794,05	Deficit	2.629,56
Domestic debt	3.844,43	Domestic amortizations	2.898,18
Bonds	3.844,43	Bonds	2.716,65
CETES/NOTES	-	CETES/NOTES	181,53
External debt	3.732,73	External amortizations	1.707,61
Multilaterals	2.477,09	Multilaterals	879,37
Bilaterals	618,94	Bilaterals	635,80
Privats	636,70	Privats	192,44
Other	1.590,00	Otros	2.444,00
Accounts payable	1.300,00	Accounts payable	1.980,00
Liquidity management	290,00	Liquidity management	290,00
		Other	174,00
		Final availability	281,86
Total Sources	9.961,21	Total Uses	9.961,21

Ecuador's largest creditor is the multilateral sector. In 2023 we have reached the first medium-term debt objective, keeping the indicator below 57% of GDP, two years earlier than initially scheduled.

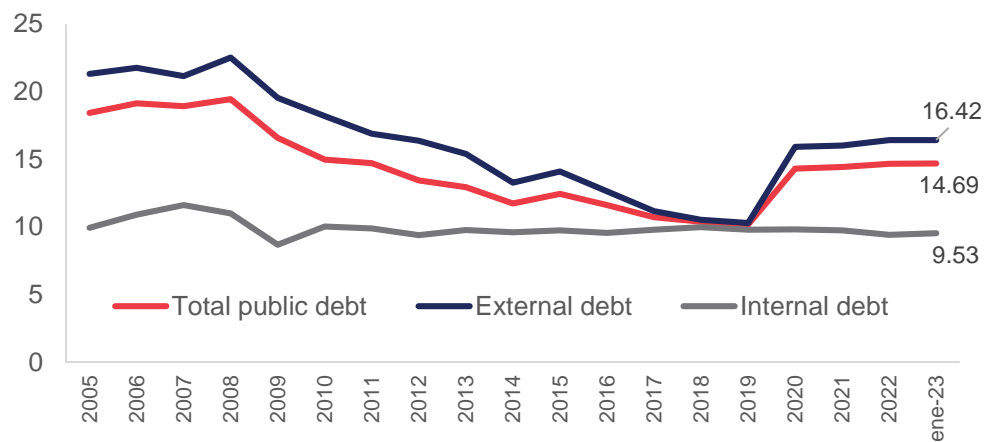
> Consolidated gross public debt (through Jan 2023, % GDP)



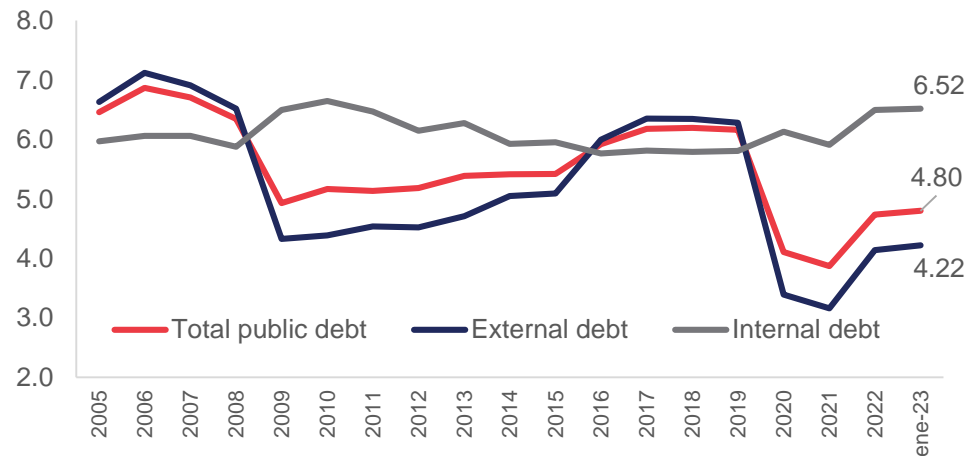
> Composition of external debt (through Jan 2023, % of total)



> Contractual weighted interest rates of public debt (%)

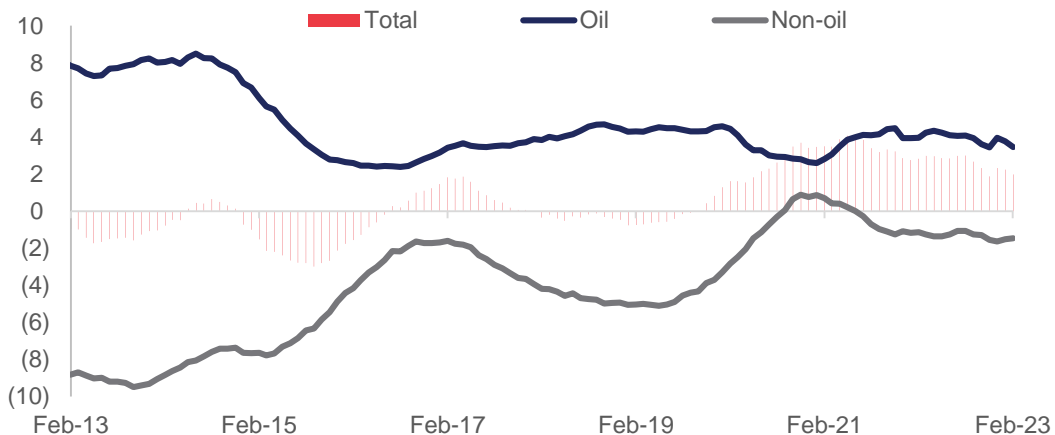


> Contractual weighted maturities of public debt (number of years)

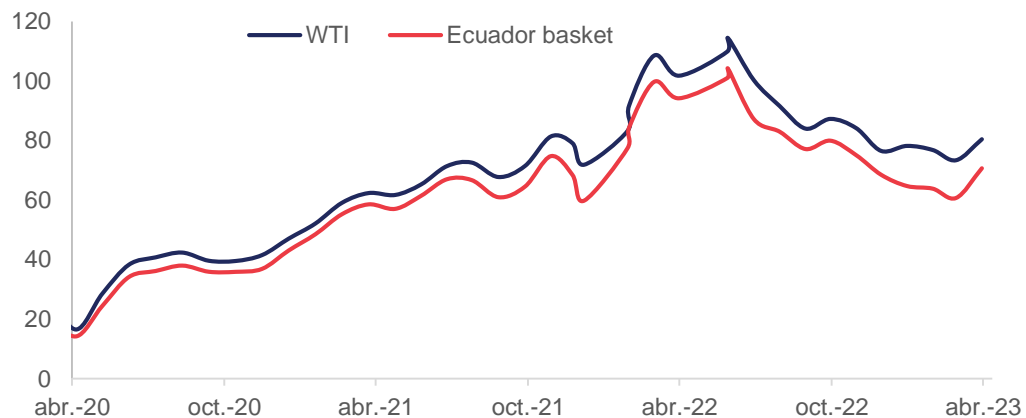


The external accounts remain well balanced thanks to strong exports (mining and shrimp) and remittances, which mitigate the recovery of imports and deficits of primary income and services

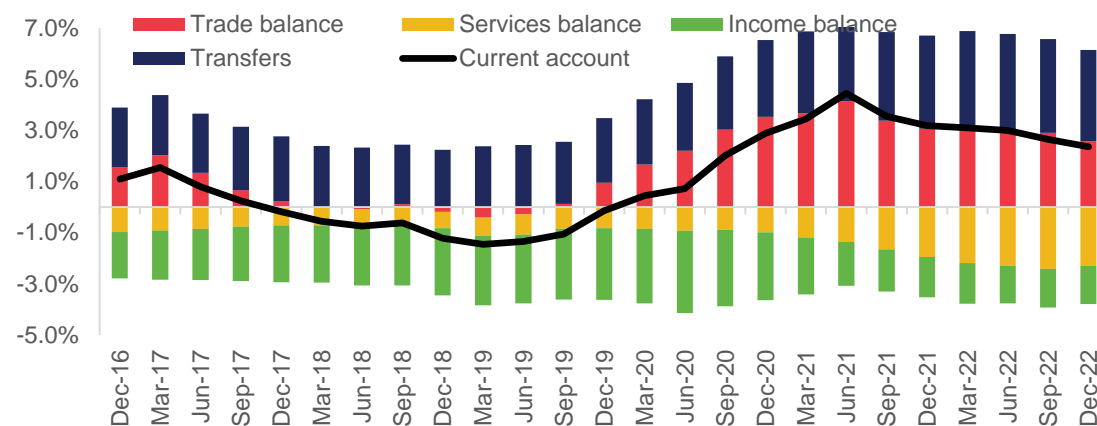
> Trade balance (12 months accumulated, USD bn)



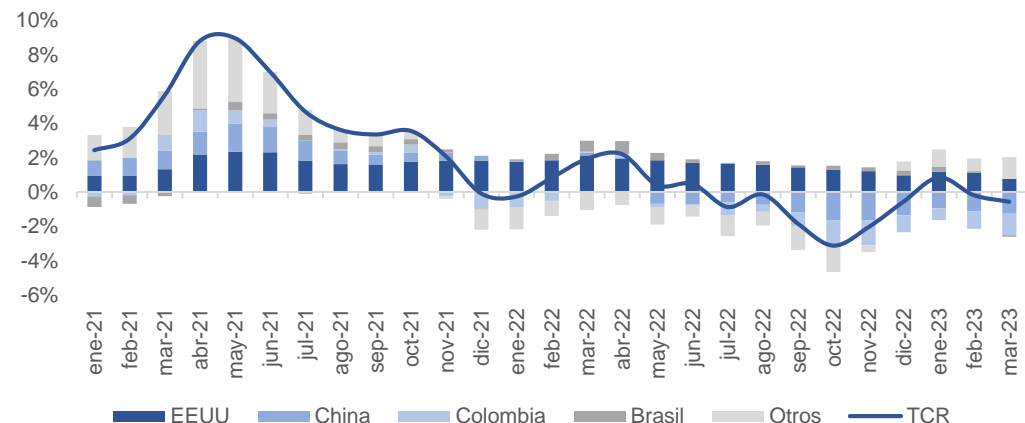
> Oil prices (dollars per barrel)



> Current account balance (% of GDP)



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



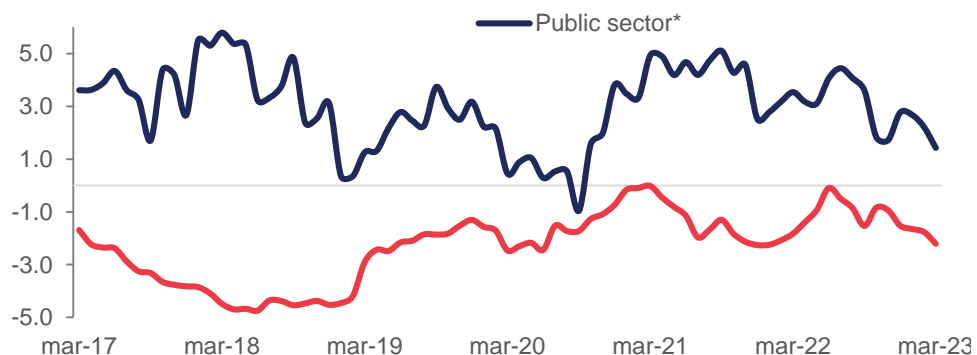
Source: BCE, Bloomberg

International reserves in March 2023 remain at the highest historical levels. Ecuador has improved the endogenous capacity to sustain dollarization. The coverage of the different levels of central bank liabilities by international reserves has increased

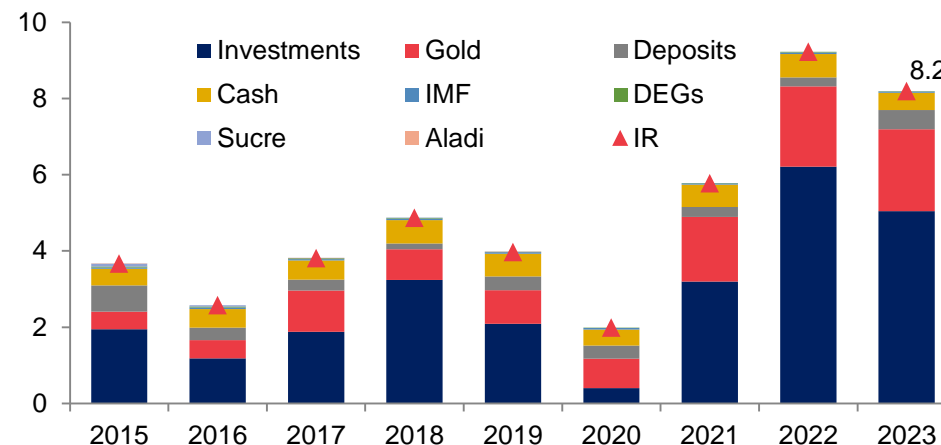
> International Reserves (USD bn, through apr 21, 2023)



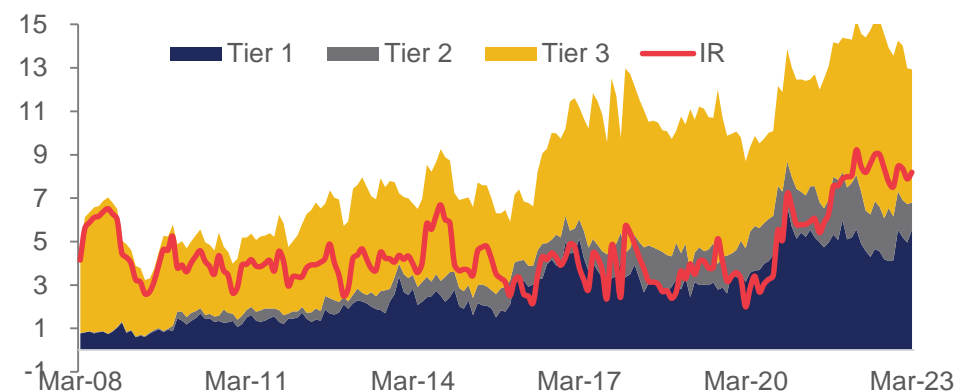
> Net contributions to international reserves by sector (12m accumulated, USD bn)



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



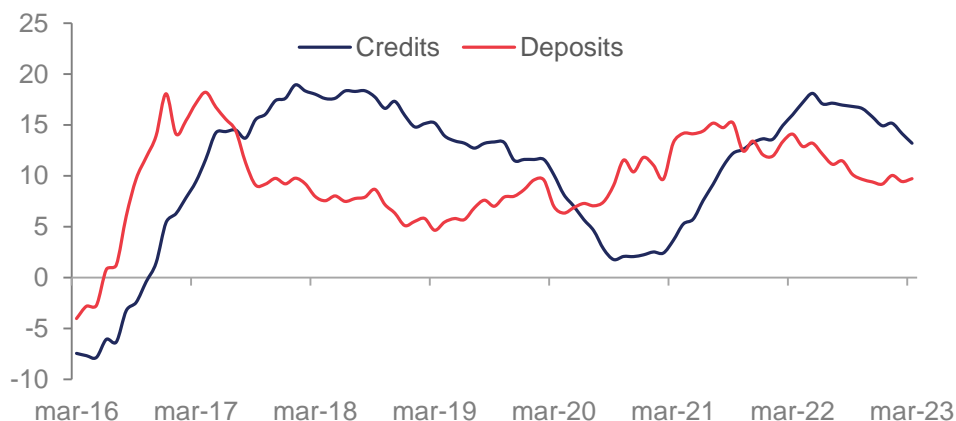
> International reserves and central bank liabilities** (USD bn, through Mar 31, 2023)



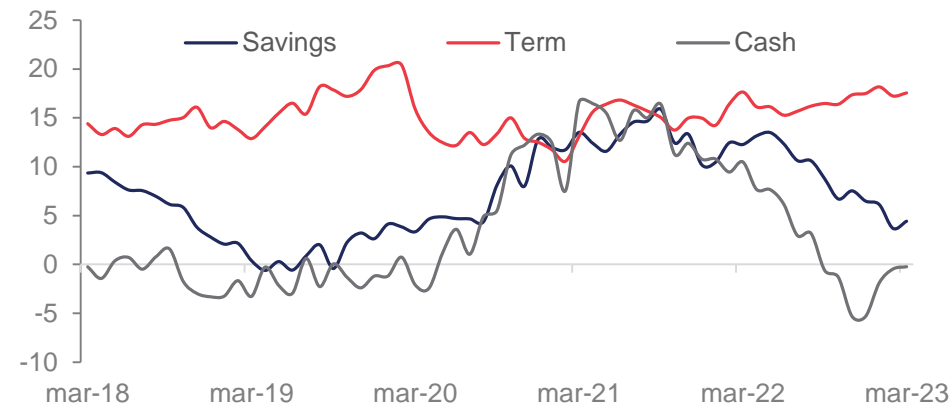
Source: BCE *Public sector includes the hydrocarbons' sector and external debt disbursements
 **Tier 1: Deposits of Other Depository Institutions, CB titles, coin, and other private sector deposits
 Tier 2: Deposits of Other Financial Institutions
 Tier 3: Deposits of the non-financial public sector
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Credit slows down but remains in positive territory. Deposit growth continues to ensure a healthy source of funding. The financial system keeps healthy liquidity buffers.

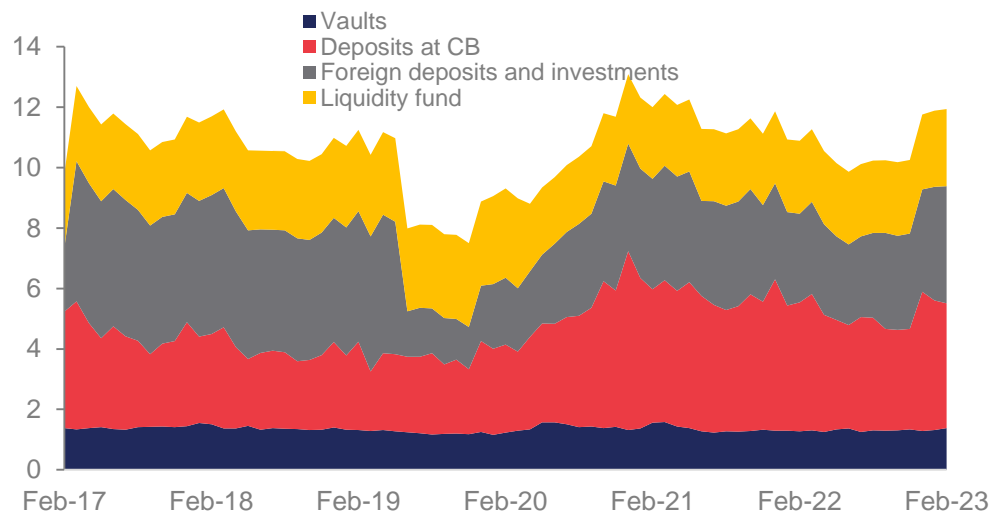
> Private financial system credit and deposits (% yoy)



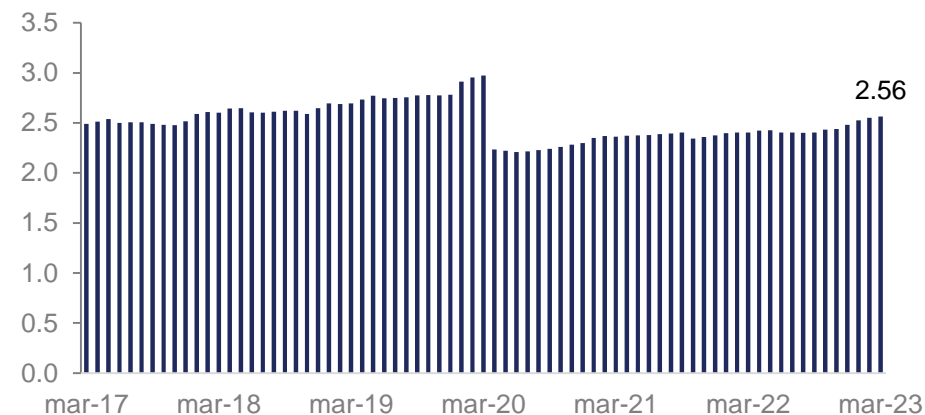
> Evolution of deposits private financial system deposits (USD bn)



> Private financial institutions liquidity (USD bn)

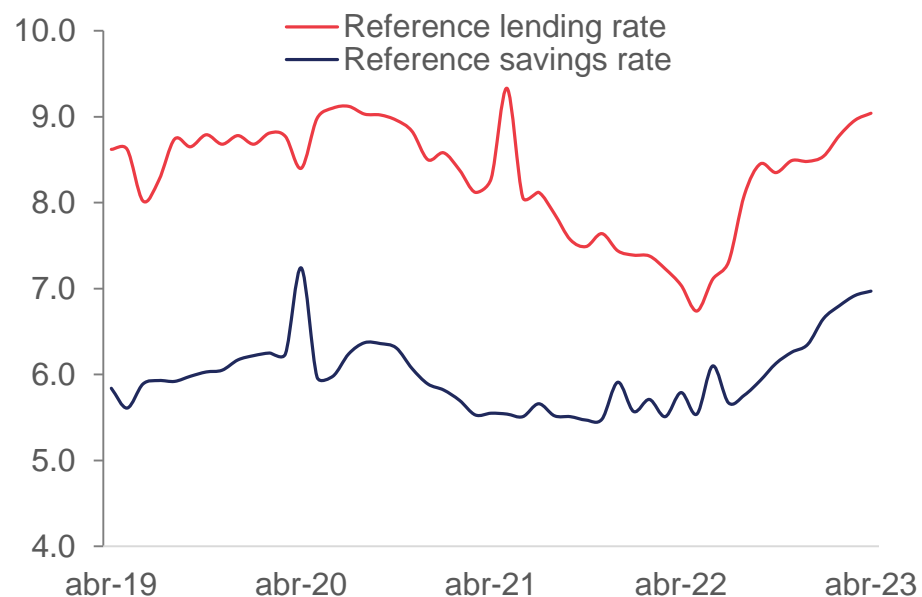


> Liquidity Fund (USD bn)



The tightening of monetary policy in the international scenario has had an impact on domestic rates. The Productive and Microcredit segments increased their rates with levels lower than those registered internationally.

> Reference interest rates (%)



> Effective interest rates by segment (%)

Segmento	dic-19	dic-20	dic-21	dic-22	abr-22	abr-23	Var. Interanual
Productivo Corporativo	9,04	8,62	7,44	8,48	7,04	9,04	2,00
Productivo Empresarial	8,96	9,75	9,37	9,50	8,90	10,01	1,11
Productivo PYMES	11,37	10,02	10,63	10,23	10,08	10,36	0,28
Microcrédito Acumulación Ampliada	20,10	20,19	20,13	19,85	19,62	19,85	0,23
Microcrédito Acumulación Simple	23,35	23,10	20,74	20,34	20,29	20,44	0,15
Microcrédito Minorista	25,18	26,14	19,80	19,46	19,77	20,42	0,65
Consumo	16,69	16,68	16,22	16,08	15,94	16,22	0,28
Educativo	9,44	9,43	8,87	8,92	8,63	8,41	-0,22
Educativo Social	6,42	6,18	5,49	5,49	5,49	5,49	0,00
Inmobiliario	10,17	10,33	9,84	9,37	9,41	9,55	0,14
Vivienda de Interés Público	4,70	4,98	4,98	4,96	4,99	4,98	-0,01
Vivienda de Interés Social	0,00	4,99	4,98	4,98	4,98	4,98	0,00
Inversión Pública	8,44	8,51	8,53	8,50	8,40	8,52	0,12

Source: BCE

