Box 1: Recent Performance of Production and International Trade in the Industrial Sector

Box 1: Inflation Report December 2015 Keep in mind
The Monetary Policy Report presents the Bank's technical staff's analysis of the economy and the inflationary situation and its medium and long-term outlook. Based on it, it makes a recommendation to the Board of Directors on the monetary policy stance. This report is published on the second business day following the Board of Directors' meetings in January, April, July, and October.

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Colombian industry has stagnated in the last four years, compared to the relatively favorable performance of the country’s economy as a whole. The national accounts produced by DANE show the manufacturing sector grew 0.3%, on average, between 2012 and September 2015, while GDP and domestic demand rose at respective average rates of 4.2% and 5.0% during the same period. Poor industrial performance is not only a problem in Colombia; it is a worldwide phenomenon. However, Colombia seems to have emerged from it relatively unscathed compared to its peers in Latin America (Table B1.1). Poor industrial performance in Colombia has been associated, in part, with appreciation of the peso (mainly between 2012 and 2013) and the loss of competitiveness it would have entailed. However, that phenomenon was reversed during the past year by devaluation of the peso in 2015. The purpose of this section is to analyze whether the current trend in the exchange rate has somehow influenced in the recent performance of industrial production.

Fuente: https://www.banrep.gov.co/en/publications/inflation-report/box-1-recent-performance-of-production-and-international-trade-in-the-industrial-sector