Box 2: The Patacon Model

Box 2: Inflation Report March 2017 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.

AUTHOR OR EDITOR Departamento de Modelos Macroeconómicos The Macroeconomic Models Department at Banco de la República has been working on medium- and long-term forecasts for inflation and economic growth during the last six years. In doing so, its main forecasting tool has been a dynamic stochastic general equilibrium model that is useful in designing monetary policy for a small and open economy such as that of Colombia. This has been dubbed as a policy analysis tool applied to Colombian needs (PATACON). Central banks such as those in Canada, Sweden, Norway and Chile, which are recognized for adopting the latest technological tools, currently use models similar to PATACON. This demonstrates the constant efforts of Banco de la República to include the very latest academic development in its economic analysis.

Fuente: https://www.banrep.gov.co/en/publications/inflation-report/box-2-the-patacon-model