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The Covid-19 pandemic caused an economic downturn and an unprecedented increase in the unemployment rate. In April 2020, when the impact of the pandemic was strongest, the National Department of Statistics (DANE) estimated that economic activity dropped at an annual rate of 20.1% based on the economic tracking indicator (ISE). They also reported that the national unemployment rate hit 19.8% and was even higher in the thirteen main cities (23.5%). At the same time, global economy was hardly hit by the pandemic, export prices collapsed, and there was enormous uncertainty regarding the country's sources of foreign financing. Thus, *Banco de la República* faced the greatest challenge in its almost one hundred years of existence. The gravity of this situation lay not only in the magnitude of the shock, but also in the fact that its origin was health-related and not economic, making it unpredictable and difficult to manage. Moreover, the severe disruptions produced by the shock on the financial markets threatened their proper functioning and the markets' ability to provide credit when the economy needed it the most.

The Board of Directors of *Banco de la República* (BDBR) recognized the exceptional nature of this crisis and the danger it posed to the Colombian economic stability. Therefore, they acted quickly and forcefully to mitigate the economic effects of the shock despite the volatility and uncertainty caused by the spread of the virus. Read the Board of Directors' March 2021 Report to Congress.