

---

[Download](#)

Keep in mind

En cumplimiento con lo estipulado en el artículo 5 de la Ley 31 de 1992, la Junta Directiva del Banco de la República presenta a consideración del Honorable Congreso de la República, un informe al Congreso de la República en el cual da cuenta del comportamiento de la economía y de sus perspectivas. Este informe se presenta dos veces al año, en los meses de marzo y julio, dentro de los diez días hábiles siguientes a la fecha de inicio de las sesiones del Congreso.

AUTHORS AND/OR EDITORS

[Banco de la República](#)

Publication Date:

Friday, 03 January 2025

The levels of the monetary policy interest rate (MPR) are periodically set after deliberation processes within the Board of Directors of *Banco de la República* (the Central Bank of Colombia). These

---

---

discussions are informed by a detailed assessment of the performance of inflation, inflation expectations, economic growth, and other key variables affecting macroeconomic stability. This analysis is regularly carried out by the technical staff of *Banco de la República* (the Central Bank of Colombia) and is presented quarterly in the Monetary Policy Report.

The current phase of interest rate cuts, which began in December 2023, has been made possible by the observed decline in headline and core inflation (excluding food and regulated items). This annual inflation peaked during the first half of 2023 (13.3% for headline inflation in March and 10.5% for core inflation in June), which began declining to 7.2% and 6.0% in June 2024 for headline and core inflation, respectively. This decline in inflation is largely due to the adjustment in economic activity, particularly in domestic demand. This adjustment, partially driven by a contractionary monetary policy that aimed at correcting significant internal and external imbalances of the post-pandemic economy, helped to reduce inflationary pressures stemming from domestic demand.