Report on the Evolution of the Balance of Payments and the International Investment Position – Second Quarter of 2025

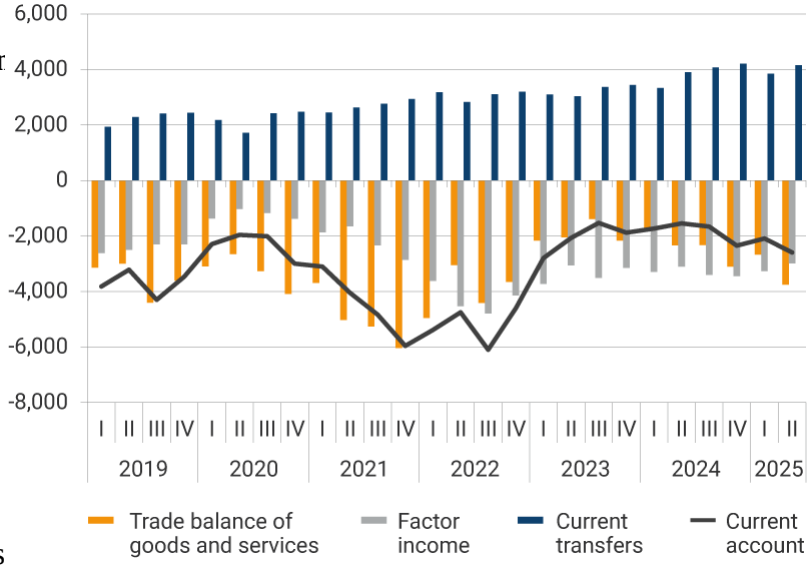
Download (only in Spanish) Balance of payments statistics AUTHORS AND/OR EDITORS Office for Monetary Policy and Economic Information Technical and Economic Information Department Sección de Sector Externo
The quarterly report on the performance of Colombia's balance of payments and the international investment position outlines the main results for the country's current and financial accounts, as well as the evolution of their items.

See the report (only in Spanish)

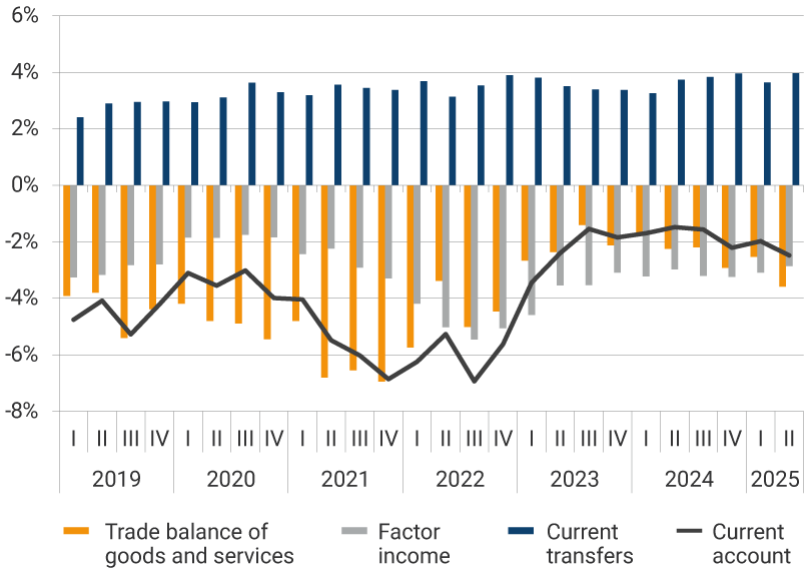
Publication Date: Tuesday, 9 of September 2025 1. Overall Results for the Balance of Payments
During the second quarter of 2025, Colombia's current account of the balance of payments registered a USD 2,595 million (m) deficit, equivalent to 2.5% of the quarterly Gross Domestic Product (GDP). In turn, the financial account, including the variation in reserve assets (USD 525 m), recorded net capital inflows for USD 1,924 m (1.8% of the quarterly GDP). Errors and omissions were estimated at USD 671 m.

By components, the current account deficit (USD 2,595 million) in the second quarter of 2025 was due to deficit balances in the trade balance of goods amounting to USD 3,624 m, factor income of USD 2,990 m, and the deficit in the trade balance of services of USD 132 m. These results were partially offset by net income from current transfers of USD 4,151 m (Graph 1)

Graph 1. Components of Color



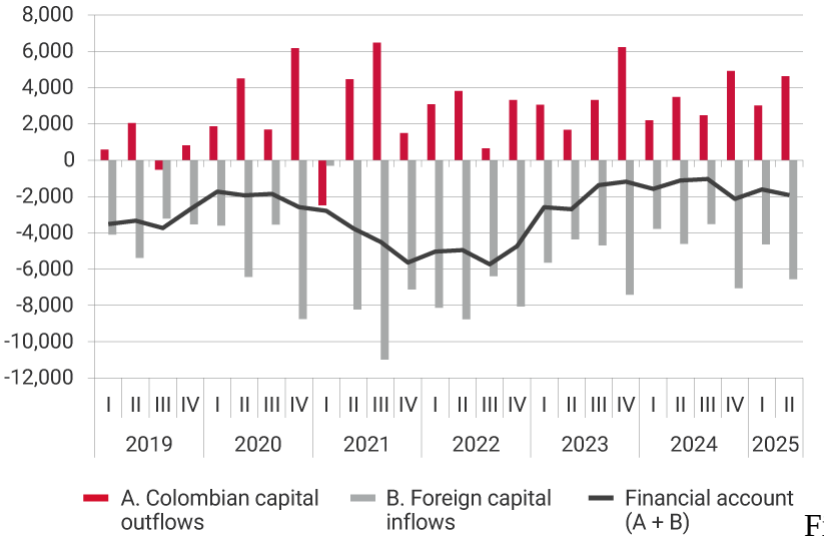
Figures in millions of US dollars Figures as a percentage of GDP



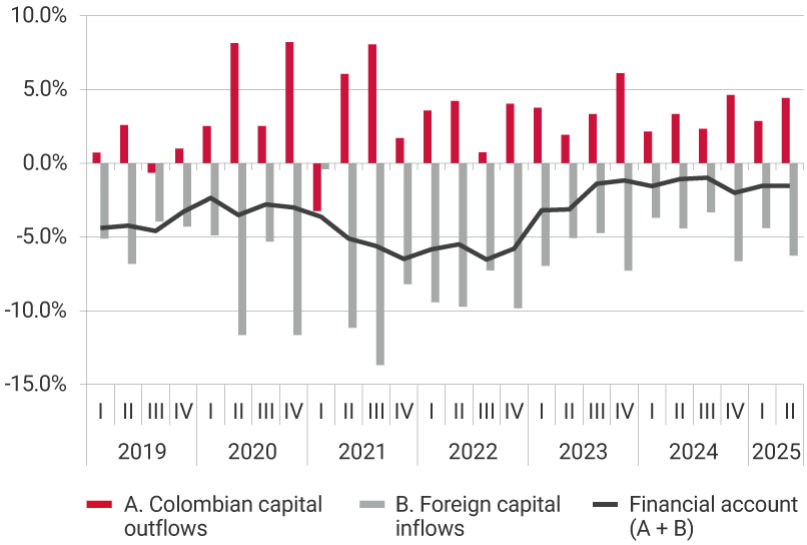
Source: Banco de la República

Regarding the financial account for the second quarter of 2025, net capital inflows are estimated at USD 1,924 m, corresponding to foreign capital inflows (USD 6,555 m), Colombian capital outflows (USD 4,555 million), payments from non-residents to residents for gains in financial derivatives transactions (USD 448 m), and the increase in foreign reserves due to balance of payments transactions (USD 525 m) (Graph 2).

Graph 2. Components of the Fir



Figures in millions of U.S. dollars Figures as a percentage of GDP



Note: According to the Sixth Edition of the International Monetary Fund's Balance of Payments Manual, the financial account is presented with the same sign as the current account. For example, if the current account is in deficit, the financial account is negative. This indicates that the economy is resorting to external financing and/or liquidating its external assets to finance its excess current expenditure.
Source: Banco de la República

2. Quarterly and Annual Evolution of the Current and Financial Accounts of Colombia's Balance of Payments(a)
Current Account
The estimated current account deficit for the second quarter of 2025 (USD 2,595 m, 2.5% of GDP) widened by USD 504 m compared to the immediately preceding quarter. This result is explained by a larger deficit in the trade balance of goods and services, partially offset by the increase in the surplus from current transfers, and the decrease in net factor income outflows (Graph 1).

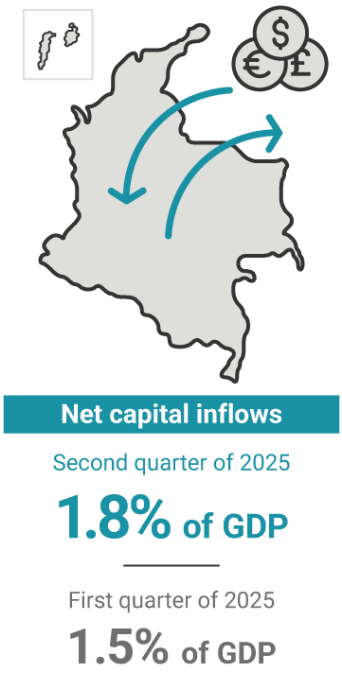
For the January-June period of 2025, the current deficit (USD 4,686 m, 2.2% of GDP) is higher by USD 1,407 m od in 2024. This performance is explained by the widening of the trade deficit of n increase in net income from current transfers, the shift from a deficit to a surplus in es, and lower net factor income outflows.



(b) Financial Account

Net capital inflows of USD 1,924 m (1.8% of GDP) recorded in the financial account during the second quarter of 2025 increased by USD 310 m compared to the immediately preceding quarter. This result is explained by net income from portfolio investments, which was partially offset by higher net amortizations of loans and other foreign credits, higher deposits abroad, and lower net income from foreign direct investment.

During the first half of 2025, compared to the same period in 2024, the financial account (USD 3,538 m, 1.7% of
nflows of USD 841 m. This trend is mainly explained by higher net income from
foreign direct investment, as well as higher withdrawals of deposits abroad, partially
zation of loans and other foreign credits.

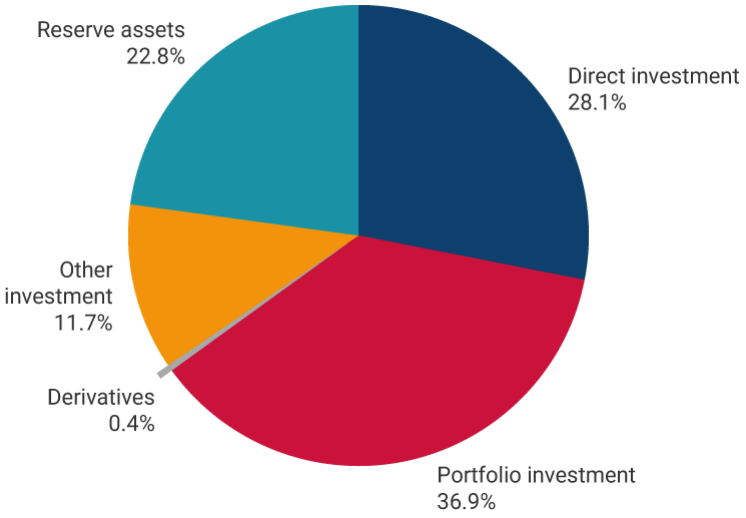


3. International Investment Position (IIP)

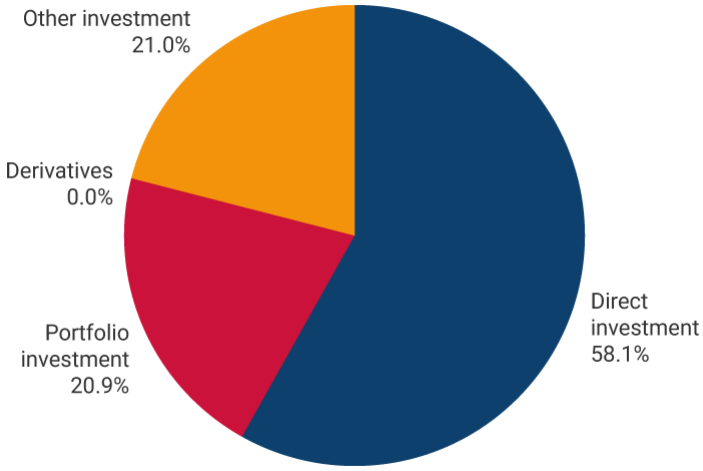
As of the end of June 2025, Colombia recorded a negative net international investment position of USD 197,278 m (45.5% of annual GDP), resulting from assets of USD 285,544 m (67.5% of annual GDP) and liabilities of USD 477,822 m (113% of annual GDP). Of the total asset balance, 36.9% corresponds to portfolio investment, 28.1% to Colombian direct investment abroad, 22.8% to reserve assets, and the remaining 12.1% to other assets such as loans, other foreign credits, deposits abroad, and financial derivatives. Liabilities are broken down into 58.1% foreign direct investment, 21.0% other liabilities (where external loans stand out), and 20.9% portfolio investments.

Graph 3. International Investment Position as of June 2025 (USD 197,2787 m, 45.5% of GDP 1)

Assets
USD 285,544 m



Liabilities



USD 477,822 m

1 The GDP figure in US dollars corresponds to the sum of the last four quarters.

Fuente: https://www.banrep.gov.co/en/publications-research/report-evolution-balance-payments/second-quarter-2025