

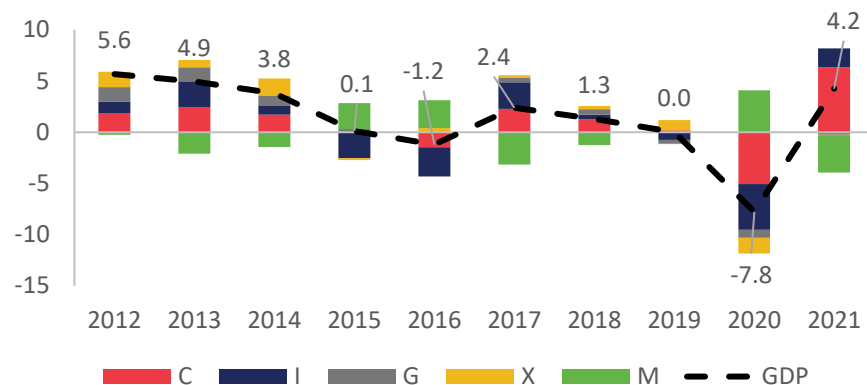
Ecuador

Macroeconomic bulletin

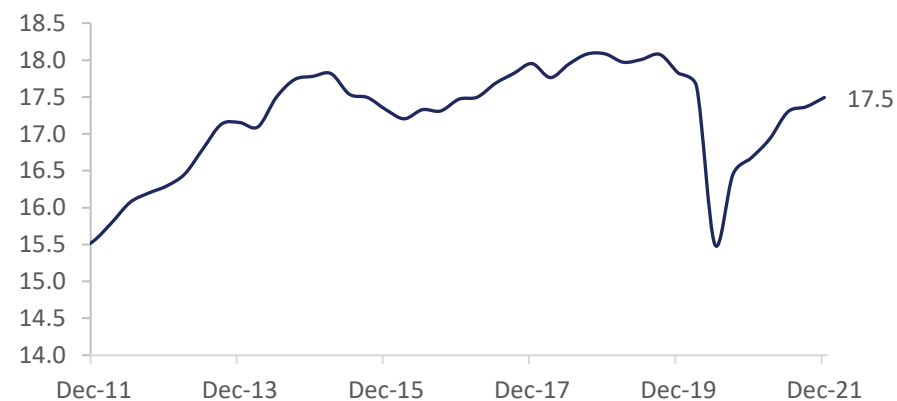
May 2022

Real GDP likely grew 4.2% in 2021 thanks to the success of the vaccination campaign. Real GDP levels continue approaching to pre-pandemic levels.

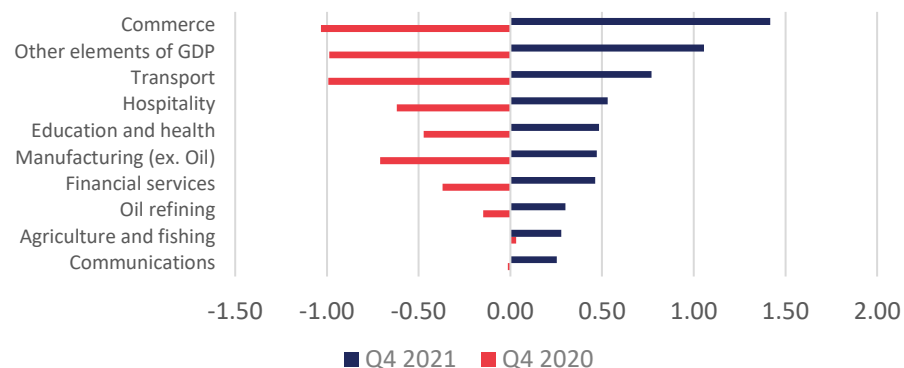
> Contributions to real annual GDP growth (%)



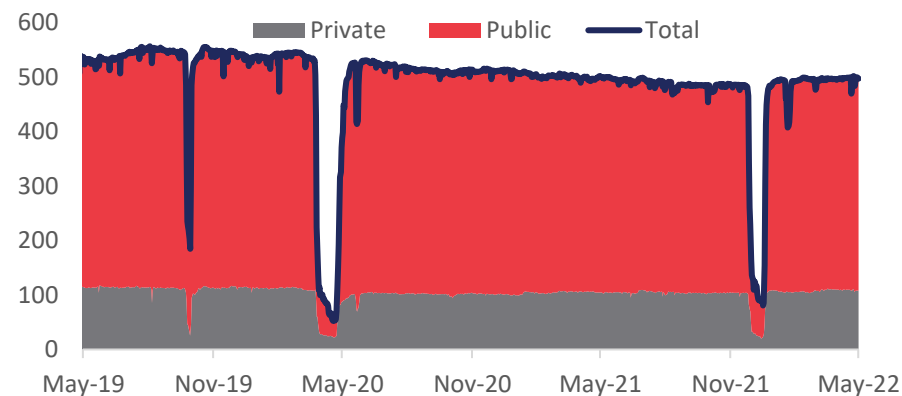
> Quarterly real GDP level, (USD billion, 2007)



> Contributions to real quarterly GDP growth of top 10 sectors (%)



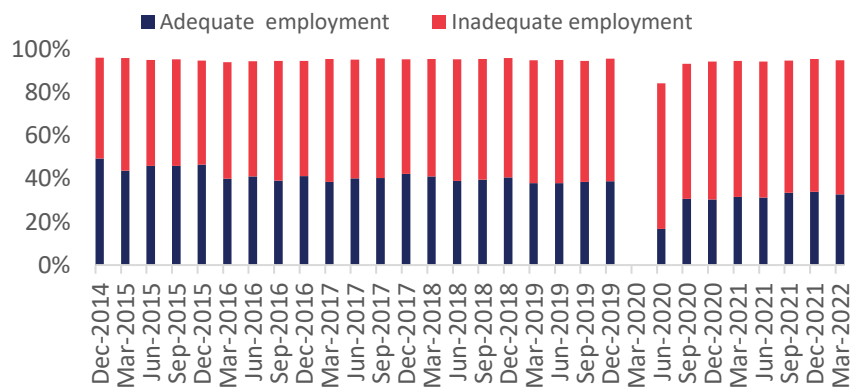
> Oil production (thousand barrels per day)



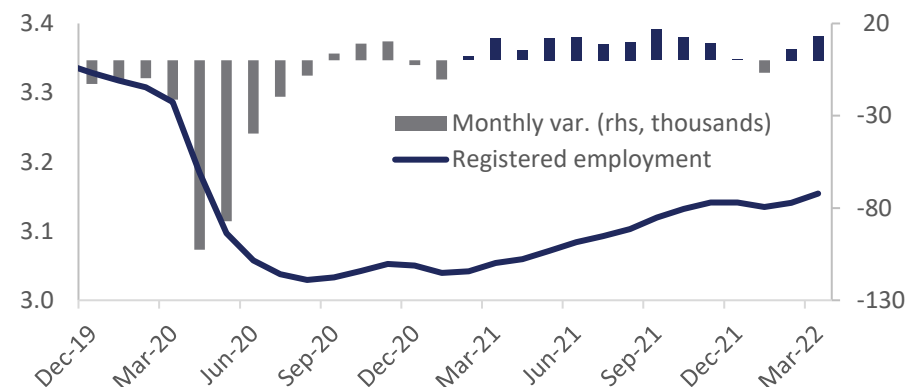
Source: BCE, MEF, MERNNR

Employment levels are improving after the harsh effects of the pandemic, total sales are recovering, and inflation is rising accordingly.

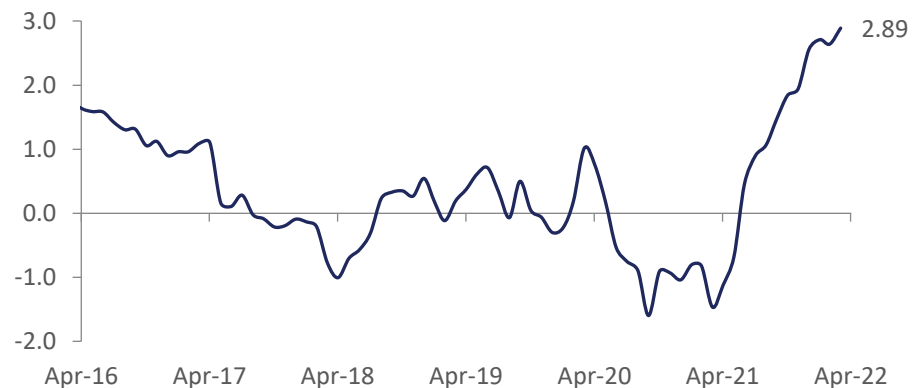
> Quality of employment



> Registered employment at the Social Security (millions)



> Annual headline inflation (%)



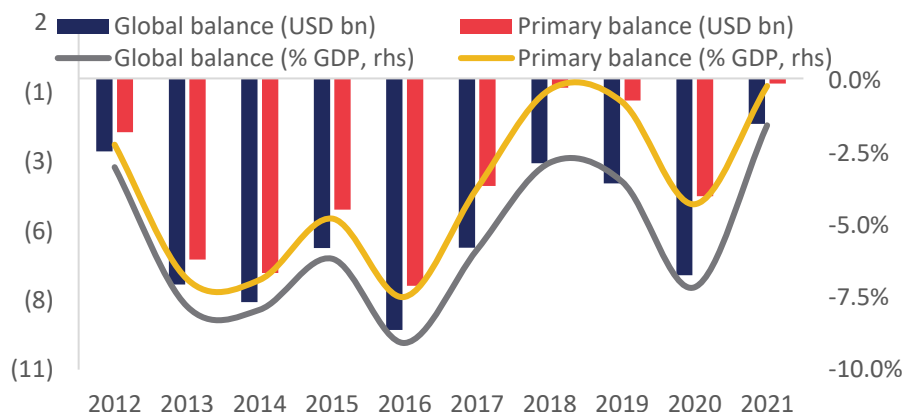
> Total sales (% yoy)



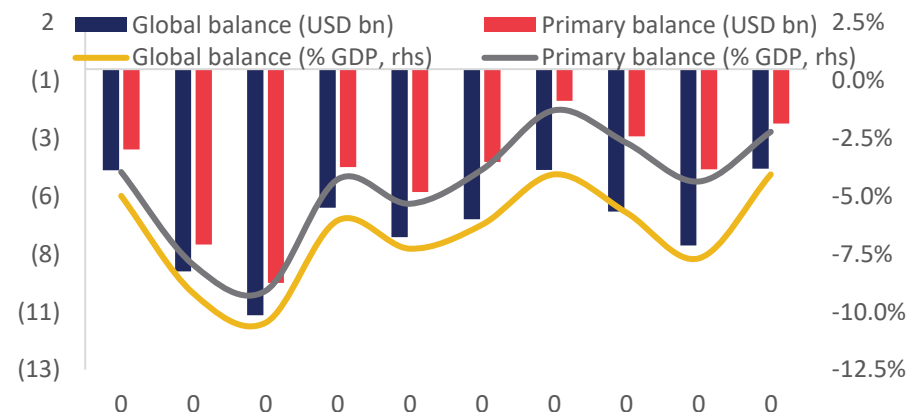
Source: BCE, MEF, IRS

The government remains committed to an orderly fiscal consolidation process. The deficit target for the government's budget in 2022 is 2% of GDP, mostly financed by multilateral lending.

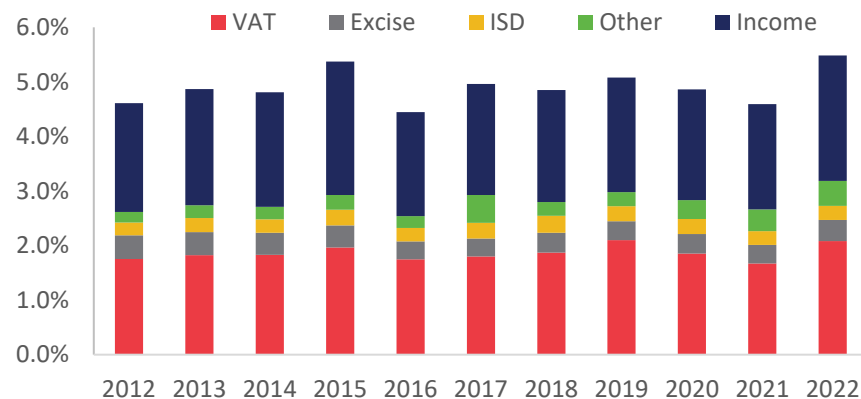
> Non-financial public sector balances



> Central government's budget balances



> Tax collection (% of GDP, as of April of each year)



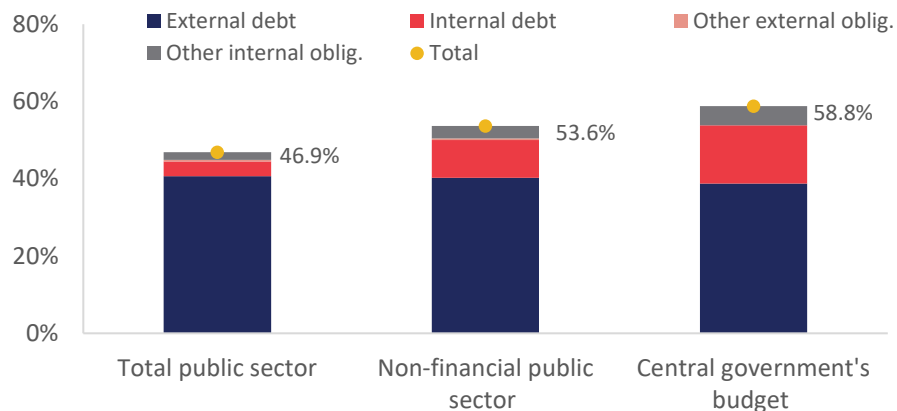
> Financial plan of the National Treasury (Updated January 15, 2022)

Sources		Uses	
Initial availability	823	Deficit	2,302
Domestic debt	2,501	Domestic amortizations	2,154
Bonds	2,501	Bonds	2,154
External Ddbt	5,522	External amortizations	2,458
Multilaterals	3,792	Multilaterals	1,000
Bilaterals	380	Bilaterals	1,232
Private	1,350	Private	227
Other	2,410	Other	4,256
Accounts payable	1,610	Accounts payable	2,363
Liquidity management	800	Accounts payable (other inst)	1,000
		Liquidity management	700
		Other	193
		Final availability	86
Total Sources	11,256	Total Uses	11,256

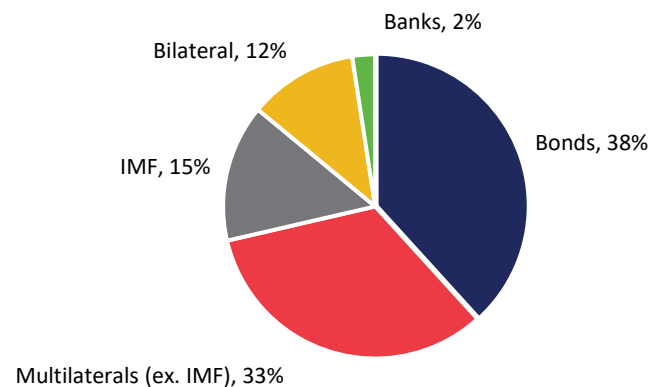
Source: MEF, IRS

The multilateral sector is Ecuador's largest creditor. Ecuador's debt profile improved after the 2020 restructuring, and has strengthened further as multilaterals remain the main funding source.

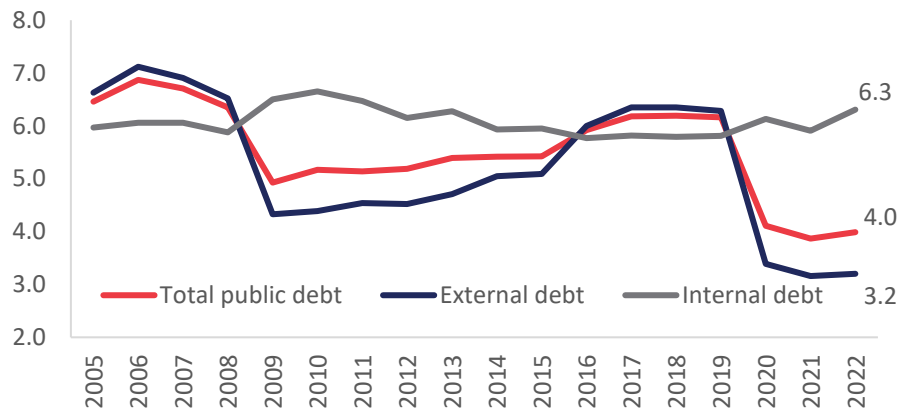
> Consolidated gross public debt (through March 2022, % GDP)



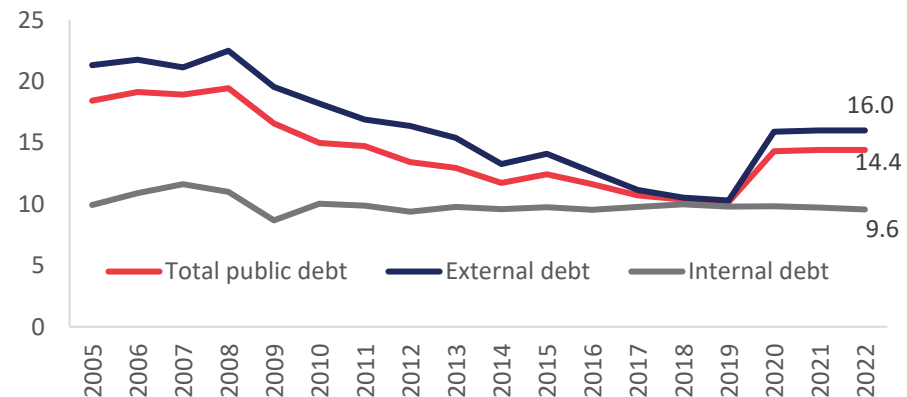
> Composition of external debt (through March 2022, % of total)



> Contractual weighted interest rates of public debt (%)



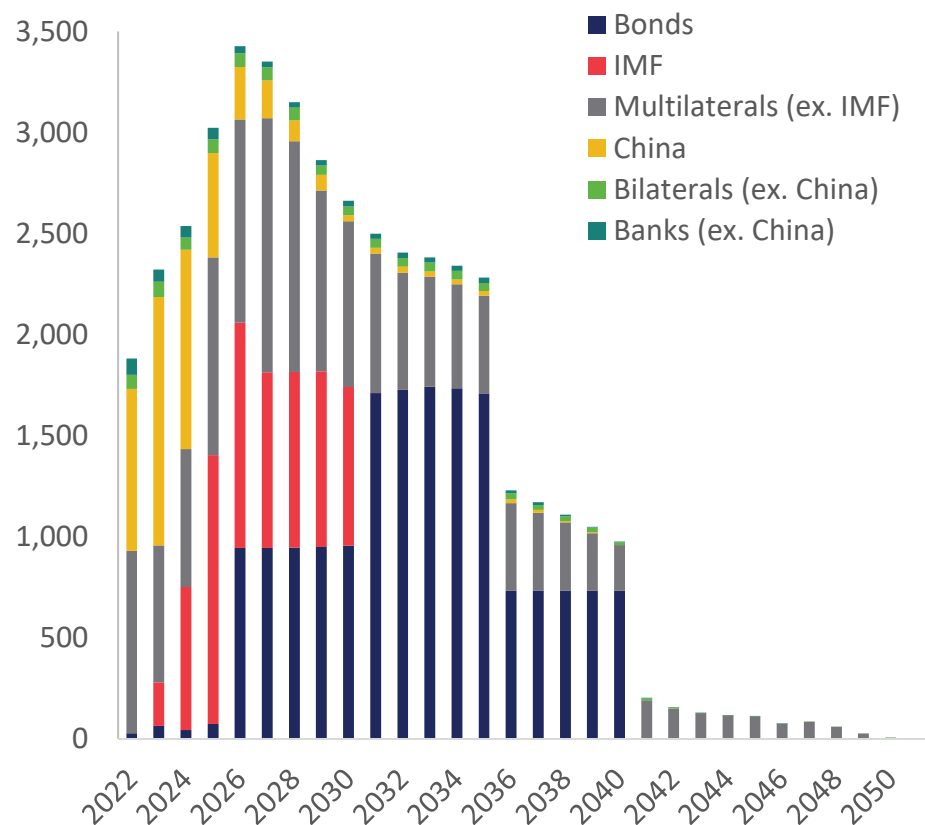
> Contractual weighted maturities of public debt (number of years)



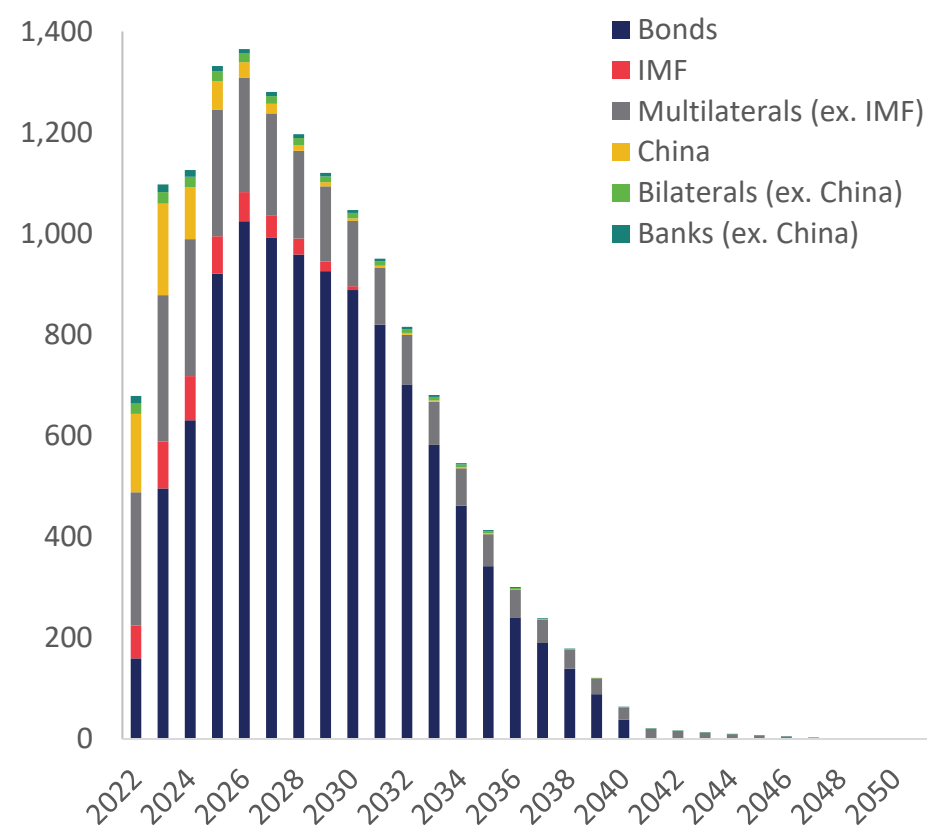
Source: MEF

Ecuador's external debt service is concentrated on bilateral and bank debt in the short term, on multilateral lending in the medium term, and in bond debt in the long term.

> Ecuador's external debt amortizations (central government's Budget, USD mn)



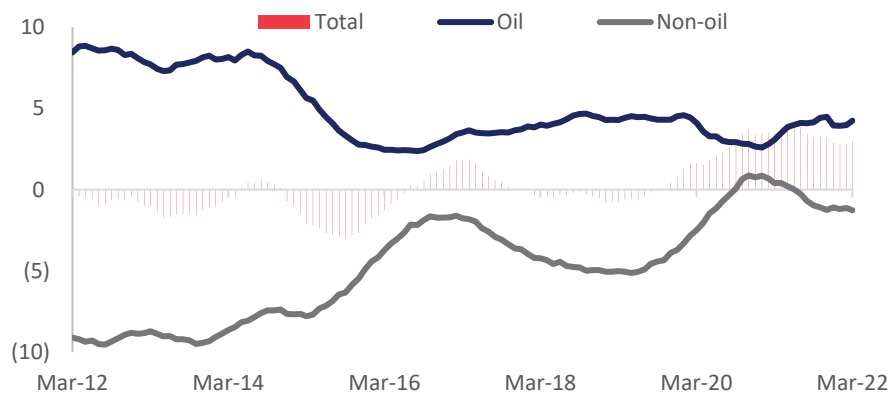
> Ecuador's external debt interest payments (central government's Budget, USD mn)



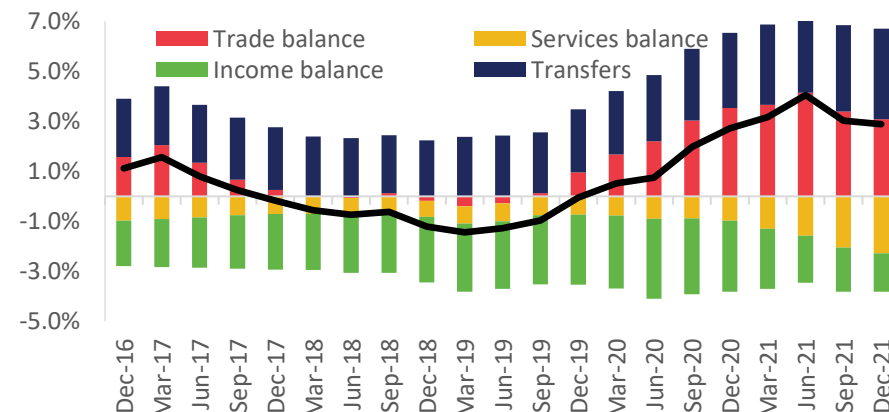
Source: MEF
2022 is projected service for April - December

External accounts remain well balanced thanks to strong exports and recovering imports. The real exchange rate has depreciated.

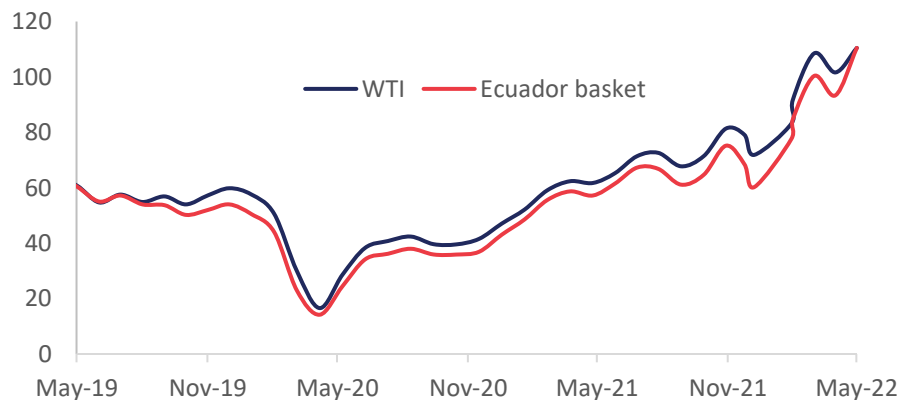
> Trade balance (12 months accumulated, USD bn)



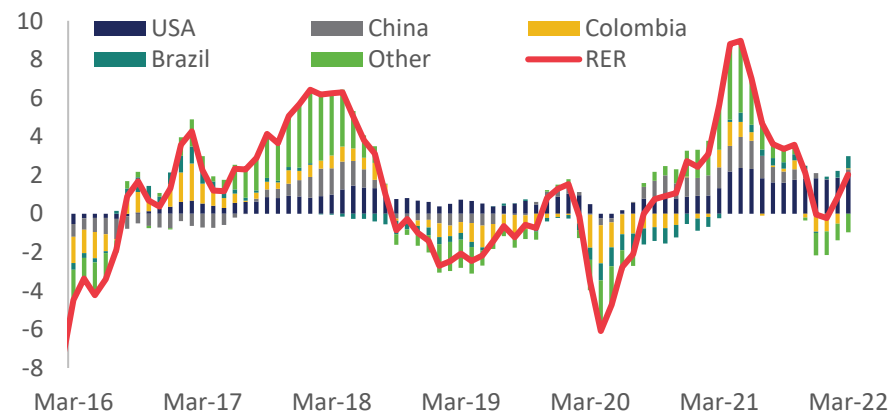
> Current account balance (% of GDP)



> Oil prices (dollars per barrel)



> Real exchange rate (% yoy, impact by country)



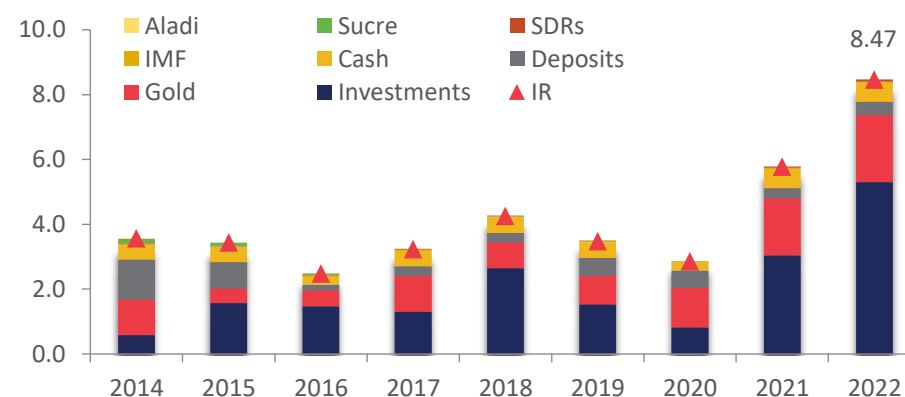
Source: BCE, Bloomberg

Internal reserves' dynamics show a healthier balance relative to previous years. The coverage of different tiers of central bank liabilities by international reserves continues to improve.

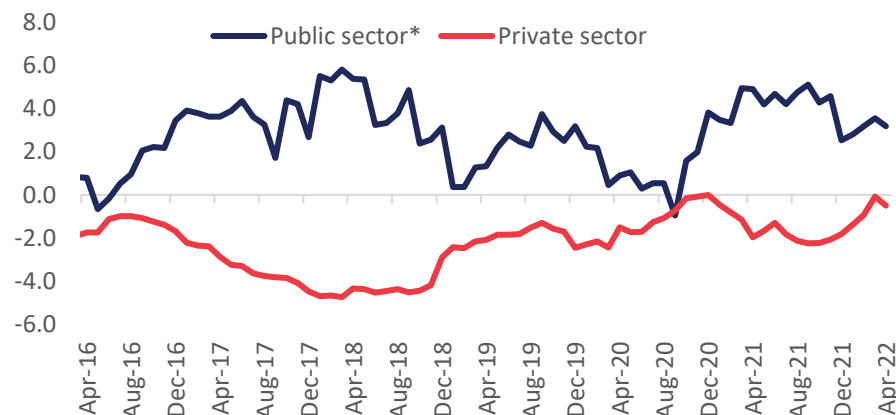
> International Reserves (USD bn)



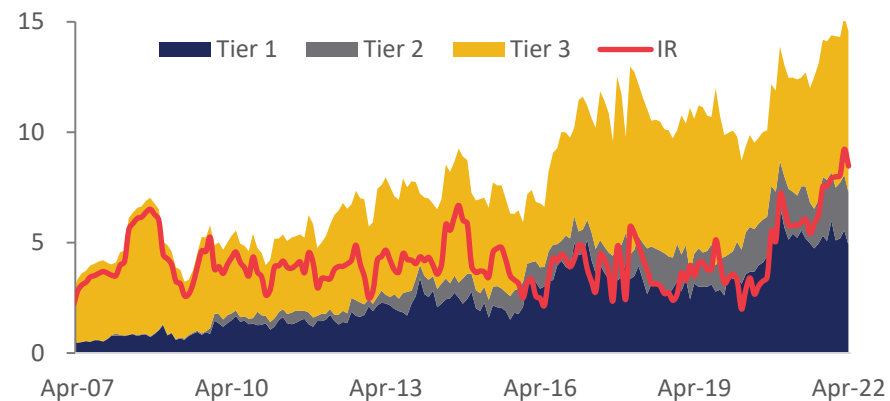
> International reserves' composition (USD bn)



> Net contributions to international reserves by sector (12m accumulated, USD bn)



> International reserves and central bank liabilities (USD bn)



Source: BCE *Public sector includes the hydrocarbons' sector and external debt disbursements
 **Tier 1: Deposits of Other Depository Institutions, CB titles, coin, and other private sector deposits
 Tier 2: Deposits of Other Financial Institutions
 Tier 3: Deposits of the non-financial public sector
Ministerio de Economía y Finanzas



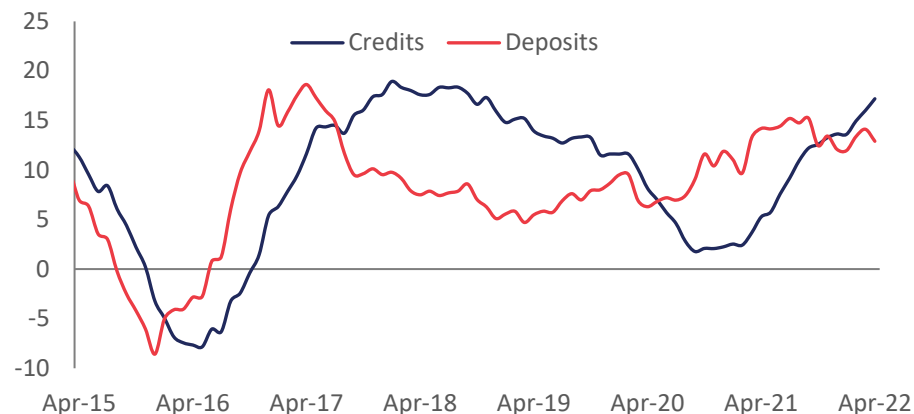
República
del Ecuador



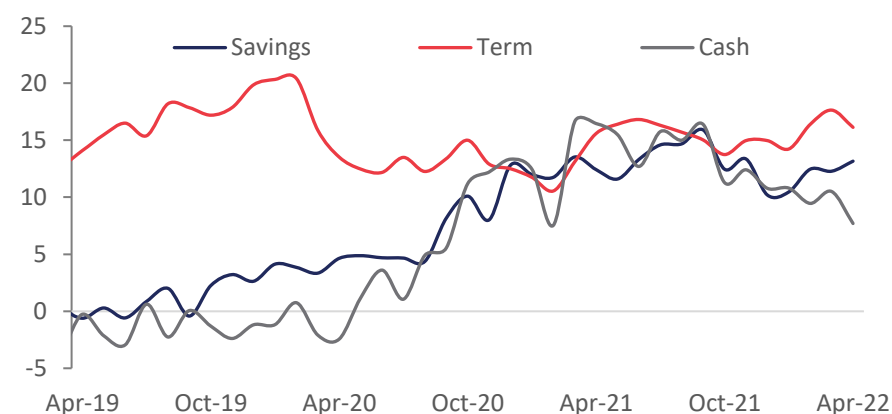
Juntos
lo logramos

Credit growth remains on strong footing, while deposit growth continues to ensure a healthy source of funding. The financial system keeps healthy liquidity buffers.

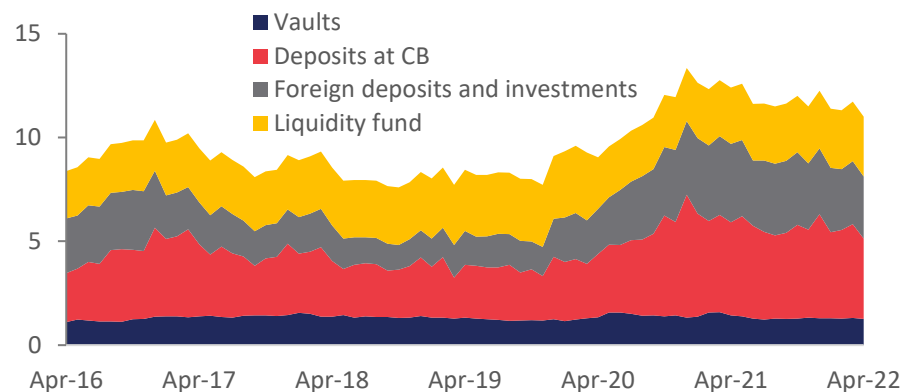
> Private financial system credit and deposits (% yoy)



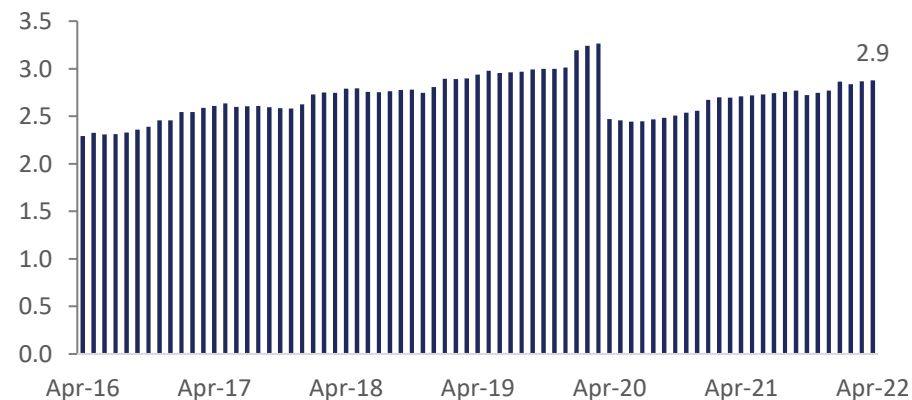
> Evolution of deposits private financial system deposits (USD bn)



> Private financial institutions liquidity (USD bn)



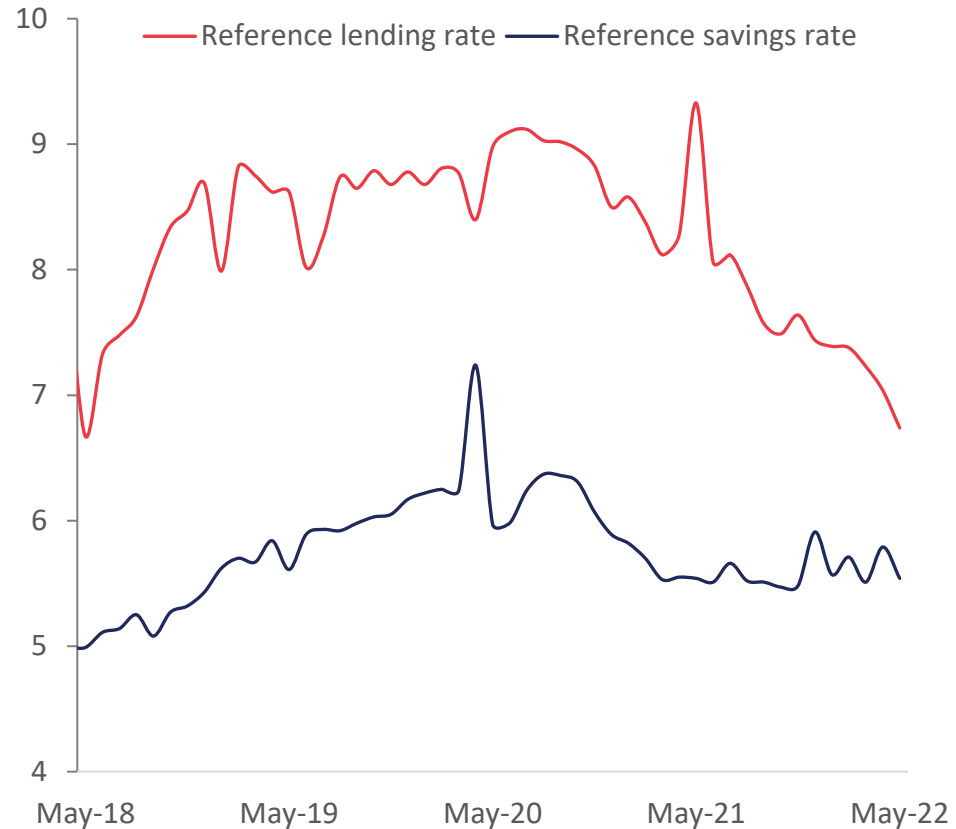
> Liquidity Fund (USD bn)



Source: BCE

Interest rates have declined in every segment of economy, providing relief to private sector balance sheets

> Reference interest rates (%)



> Effective interest rates by segment (%)

SEGMENT	Dec-19	Dec-20	Dec-21	May-22
Corporate (over US\$5mn)	9.0	8.6	7.4	6.7
Corporate (US\$1mn - US\$5mn)	9.0	9.8	9.4	9.0
SMEs	11.4	10.0	10.6	9.9
Microcredit (US\$20K - US\$100K)	20.1	20.2	20.1	19.6
Microcredit (US\$5K - US\$20K)	23.4	23.1	20.7	20.3
Microcredit (under US\$5K)	25.2	26.1	19.8	19.7
Consumption	16.7	16.7	16.2	16.0
Education	9.4	9.4	8.9	8.9
Social Education	6.4	6.2	5.5	5.5
Real estate	10.2	10.3	9.8	9.4
Public interest housing	4.7	5.0	5.0	5.0
Social housing	0.0	5.0	5.0	5.0
Public investment	8.4	8.5	8.5	8.6

Source: BCE

Thank you