MONETARY POLICY REACTION TO EXTERNAL SHOCKS
MACROECONOMIC COORDINATION COMMITTEE
MONETARY POLICY COMMITTEE
PUBLIC DEBT COORDINATION COMMITTEE
FINANCIAL STABILITY COMMITTEE
SUPERVISION & REGULATION COMMITTEE

INSTITUTIONAL FRAMEWORK
MONETARY POLICY COMMITTEE 2008

REGIME – INSTRUMENT – TARGETS
(INDICATIVE)
PUBLIC DEBT COORDINATION COMMITTEE 2016

INTEGRATED ASSETS & LIABILITY FRAMEWORK
SUPERVISION & REGULATION COMMITTEE 2008

CENTRAL BANK & SUPERINTENDENCY COORDINATION (INDEPENDENCY)
ADAPTATION TO A CHANGING ENVIRONMENT
1- UNITED STATES (TIGHTENING OF INTERNATIONAL FINANCIAL CONDITIONS)
2- EUROPE (STAGNATION & DEFLATION)
3- CHINA (HARD LANDING & FINANCIAL VOLATILITY)
4- REGION (POLITICAL EVENTS & FISCAL CONSOLIDATION)
5- GEOPOLITICAL (INCREASED TENSIONS IN PROBLEMATIC ZONES)
MULTIPLE EQUILIBRIA
FOCUSED ON OUR MANDATE
INFLATION TARGETING TOOLKIT
INFLATION TARGETING

MPR

2013

M1

3% - 7%
24 MONTHS

(5%+ 3%)
24 MONTHS

MONETARY PROGRAM

FX MARKET INTERVENTIONS (TO REDUCE VOLATILITY)
RESERVE REQUIREMENTS ON BANK DEPOSITS (AVERAGE & MARGINAL)
DEBT MANAGEMENT OPERATIONS PUBLIC SECTOR BALANCE SHEET
RESERVE REQUIREMENTS ON NR HOLDINGS OF LC DEBT
PRIMARY DEALERS
AMORTIZATION / INTEGRATION IN FX OF LC NOTES
FLEXIBILITY ALLOWS MACROECONOMIC ADJUSTMENT

INFLATION TARGETING <-> FX FLEX

M1 INSTRUMENT <-> "CALL MONEY" INTEREST RATE FLEX
INTERNATIONAL ENVIRONMENT & POLICY REACTIONS: PRAGMATISM
EUROPE
GREEK DEBT PROBLEM (RESCUE 3)

CHINA YUAN DEV.
BRASIL LOSS INV. GRADE

MACRI WON
BRASIL (IMPEACHMENT)

CHINA YUAN DEPR.
BRASIL’S REAL DEPR.

USA
TRUMP WON


CB & MF
RESERVE REQ. (MARGINAL NR)
-

CB
RESERVE REQ. (MARGINAL NR)
-

CB & MF
DEBT MANAGEMENT
-

CB
BANKING RESERVE REQ. (MARGINAL)
-
COMUNICATION & EXPECTATIONS

INSTRUMENT QUANTITY + FLEXIBILITY = COMMUNICATION CHALLENGES

+ PRAGMATISM
M1’ ANUNCIADO Y OBSERVADO
variación interanual promedio trimestral
Correlation between last month observed inflation (CPI) and inflation expectation for the monetary policy horizon (24 months)

- Economic analysts 0.73
- Firms 0.87
CAPITAL INFLOWS
APPRECIATION
INTEREST RATES
(DIFFERENT)

2009 - 2013
GROWTH (DIFFERENT)
CAPITAL INFLOWS APPRECIATION
INTEREST RATES (DIFFERENT)
STRONG MACRO FUNDAMENTAL

2013 - 2016
INFLATION (SIMILAR)
CAPITAL OUTFLOWS DEPRECIATION
INTEREST RATES (SIMILAR)
MACRO FUNDAMENTALS ?

2017
RISK MANAGEMENT + FLEXIBILITY + PRAGMATISM + COMUNICATION

2009 - 2013

2013 - 2016

2017

GROWTH
DECOUPLING

FINANCIAL
STABILITY

INFLATION
6.4%
THANK YOU