

MONTHLY

COLOMBIA RISK

COLOMBIA
RISK
ANALYSIS

ISSUE # 69 | JUNE 2024

IAFP
Presidential aggregate
favorability index*

33.7% ↓

*Calculations by CRA

RISK TREND

JUNE

- ➔ POLITICAL
- ➔ SECURITY
- ➔ SOCIAL
- ➔ ECONOMY

Risk increase ↑

Risk likely increase ➔

Risk likely decrease ➔

Risk decrease ↓

Risk stable ■

UNEMPLOYMENT

APRIL 2024

10.6% ↓

INFLATION

APRIL 2024

0.59% ↓

ANNUAL

7.16% ↓

GROWTH

Q1 2024

0.7% ↑

DOLLAR

1 JUNE 2024

\$3,860.91 ↑

BARREL WTI

31 MAY 2024

US 77.22 ↓

BARREL BRENT

31 MAY 2024

US 81.62 ↓

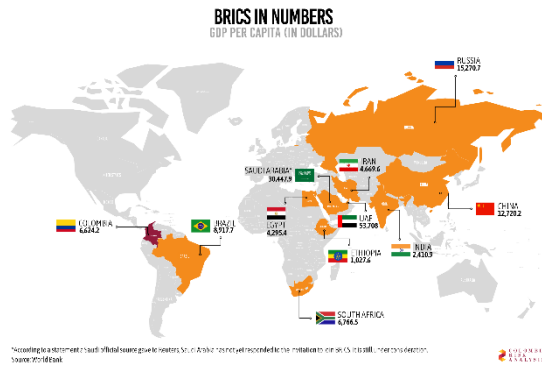
COFFEE - LB

31 MAY 2024

US 2.21 ↓

STRATEGIC AMBIGUITY IN COLOMBIAN FOREIGN POLICY IS UNSUSTAINABLE

Colombian foreign policy is distancing itself from the United States and preparing to diversify its alliances in anticipation of Donald Trump's possible re-election. This shift is demonstrated by President Petro's announcement that Colombia, with Brazil's support, will seek to join BRICS. Additionally, Colombia has cut diplomatic ties with Israel; however, this does not imply that it will adopt an anti-Western alignment.



CHINESE STEEL THREATENS COLOMBIA'S STEEL MILLS

Chinese steel is flooding the Latin American market and threatening the survival of the continent's steelmakers. The Colombian government is unlikely to impose tariffs on Chinese imports due to fears of retaliation from the Asian giant.

UNGRD CORRUPTION CASE WILL HAVE LEGISLATIVE, ELECTORAL, AND ENVIRONMENTAL

The UNGRD corruption scandal related to the purchase of water tankers for La Guajira, which allegedly involves at least 15 members of Congress, will affect the government's reforms in Congress, expose structural flaws in the use of the institution's resources, and pose risks for the management of the La Niña phenomenon.

GOVERNMENT MEASURES ARE OUT OF SYNC WITH ECONOMIC REALITY

Proposed government measures are not timely and effective in addressing economic stagnation. The most viable short-term solutions include accelerating the execution of the national budget, instilling confidence in international markets, implementing sectoral policies, and promoting co-financing. Economic reactivation will undoubtedly be one of the primary challenges for the remainder of 2024.