Money, prices and the exchange rate II
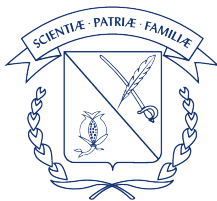
Luis Francisco Gómez López

FAEDIS

2025-02-24

UNIVERSIDAD MILITAR
NUEVA GRANADA

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- Check the message **Welcome greeting** published in the News Bulletin Board.

- Dear student please edit your profile uploading a photo where your face is clearly visible.

- The purpose of the virtual meetings is to answer questions and not to make a summary of the study material.

- If you want to participate, please fill out the following survey: Primer corte 30% > Learning Activities > Tu opinión sobre la economía colombiana

- This presentation is based on (Cardenas 2020, chap. 7)

Analyze the money market and introduce the concepts of inflation, nominal exchange rate and interest rate

- In the link **https://www.banrep.gov.co/es/estadisticas/tasas-interes-politica-monetaria** on **2024-07-02** it was pointed out that:

  - *"La tasa de intervención de política monetaria o tasa de referencia es la tasa de interés mínima que el Banco de la República (BanRep) cobra a las entidades financieras por la liquidez que les suministra mediante las operaciones de mercado abierto (OMA). Esta tasa es el principal instrumento de intervención de política monetaria utilizado por el BanRep para afectar la cantidad de dinero que circula en la economía."*

  - Also the *"tasa de intervención de política monetaria"* on **2024-07-02** was **11.25%**
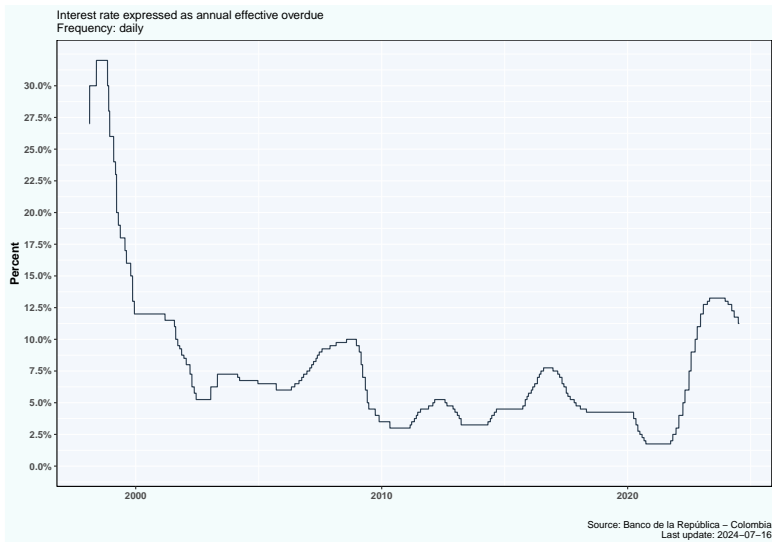
Figure 1: Monetary policy intervention rate of the Bank of the Republic (Colombia)
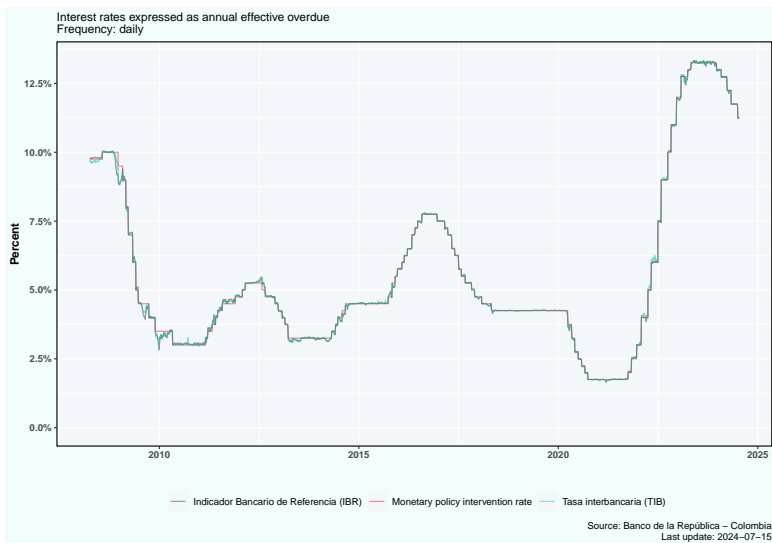
Figure 2: Monetary policy intervention rate, TIB and IBR

Interest rates expressed as annual effective overdue
Frequency: daily

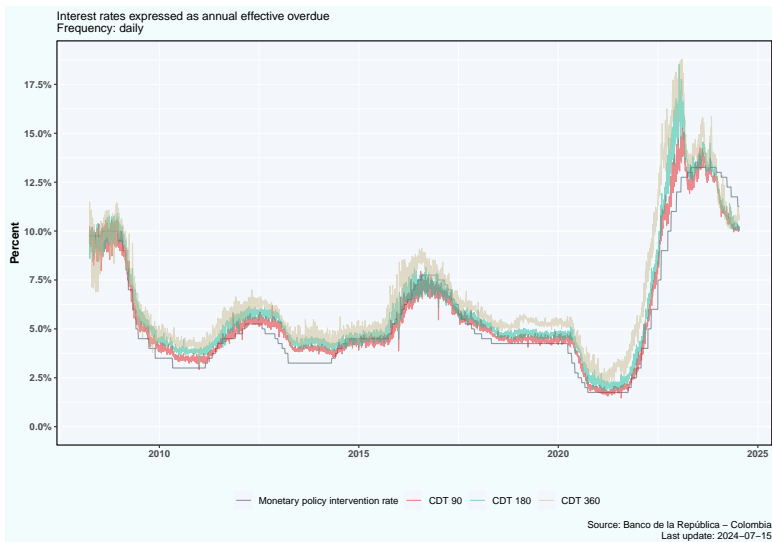Source: Banco de la República – Colombia
Last update: 2024–07–15

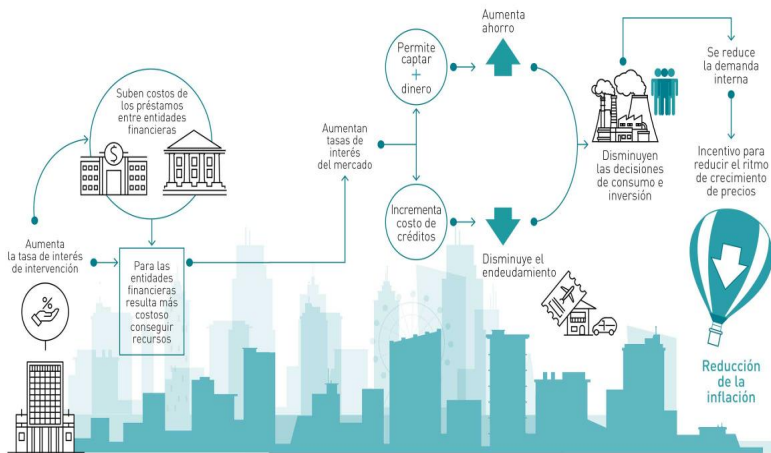**Figure 3:** Monetary policy intervention rate and CDT interest rates

Figure 4: Interest rate and credit (Banrep 2022, fig. Canal de tasa de interés y de crédito: ejemplo gráfico)
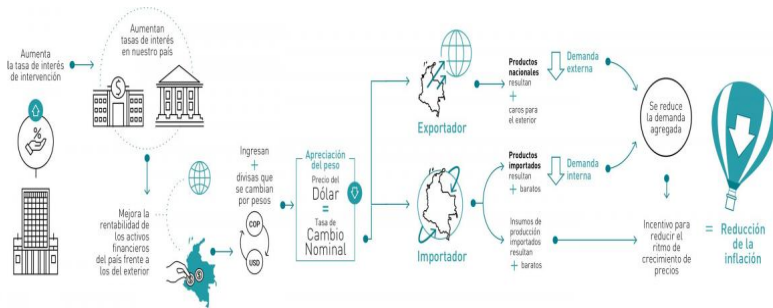
Figure 5: Exchange rate (Banrep 2022, fig. Canal de la casa de cambio: ejemplo gráfico)
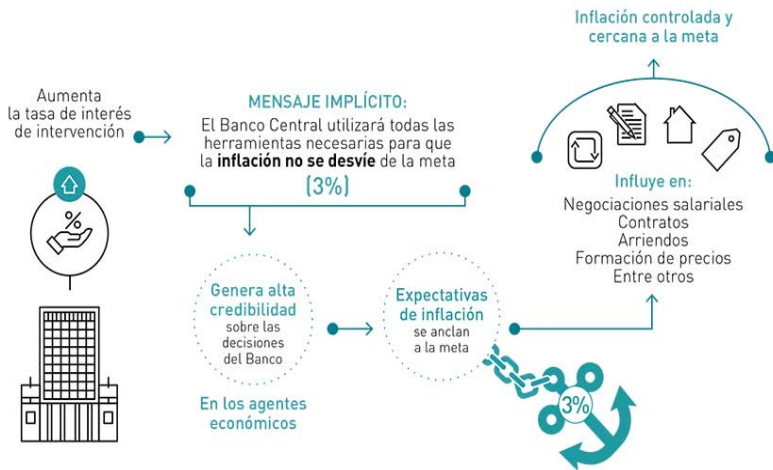
Figure 6: Expectations (Banrep 2022, fig. Canal de las expectativas: ejemplo gráfico)

- To my family that supports me

- To the taxpayers of Colombia and the **UMNG students** who pay my salary

- To the **Business Science** and **R4DS Online Learning** communities where I learn **R** and π-**thon**

- To the **R Core Team**, the creators of **RStudio IDE**, **Quarto** and the authors and maintainers of the packages **tidyverse**, **knitr**, **kableExtra**, **wbstats**, **tidyquant**, and **tinytex** for allowing me to access these tools without paying for a license

- To the **Linux kernel community** for allowing me the possibility to use some **Linux distributions** as my main **OS** without paying for a license

References I

Banrep. 2022. "Econo-Cimientos: Canales de Transmisión de La Política Monetaria." *Banco de La República (Banco Central de Colombia)*. https://www.banrep.gov.co/es/banrep-educa/econo-cimientos/canales-transmision-politica-monetaria.

Cardenas, Mauricio. 2020. *Introducción a La Economía Colombiana.* 4th ed. Alfaomega.