

8-6-1991

Ecuador: Commentary On Use Of Exchange Rate Policy To Control Inflation

Barbara Khol

Follow this and additional works at: <https://digitalrepository.unm.edu/notisur>

Recommended Citation

Khol, Barbara. "Ecuador: Commentary On Use Of Exchange Rate Policy To Control Inflation." (1991).
<https://digitalrepository.unm.edu/notisur/6963>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in NotiSur by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.

Ecuador: Commentary On Use Of Exchange Rate Policy To Control Inflation

by Barbara Khol

Category/Department: General

Published: Tuesday, August 6, 1991

In its July 30 issue, Analisis Semanal (Quito) reported that the Ecuadoran government's attempt to use exchange rate policy for containing inflation is ineffective. According to Analisis, the recent 4% devaluation was innocuous, and by the end of August, overvaluation of the sucre is expected to approach 17% once again. Weekly minidevaluations of 3.5 sucres per dollar are equal to an annualized devaluation of only 17%. The annualized inflation rate thus far in 1991 is calculated at 49%, and for the next 12 months, the predicted rate is 60%. (Basic data from AFP, 07/30/91)

-- End --