

# Update 23: Colombia - Economy Contracts by 9% YoY in Q3 2020 Amid COVID-19 Pandemic

- Colombia's Government announced that its economy shrank 9% in the third quarter compared with the same period last year, due to the effect of COVID-19 pandemic and long lockdown period
- Government said the Gross Domestic Product (GDP) shrink was severe than the median prediction of 8.7% by the analysts
- The recreation and entertainment sector contracted by 29.7% in the third quarter, while construction shrank by 26.2% and the retail, wholesale, transport, hospitality, and food services sector contracted by 20.1% compared with the same period in 2019
- However, the real estate sector expanded 1.8%, while the agriculture and finance sectors grew by 1.5% during the quarter
- It is to be noted that the economy contracted 9.54% and 10.37% in July, 2020 and August, 2020 respectively and shrank by 7.25% in September, 2020
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments
- Please consult National Institute of Health (<https://www.ins.gov.co/Paginas/inicio.aspx>) for latest information on COVID-19 in Colombia

## Source(s)

<https://in.reuters.com/article/colombia-gdp/update-1-colombias-economy-contracted-9-in-third-quarter-more-than-predicted-idINL1N2I31S9>

<https://www.marketscreener.com/news/latest/Colombia-s-economy-contracted-9-in-third-quarter-more-than-predicted--31804737/>

## Targets Affected:

Colombia

## Category(s):

Macro-Economic Risk - Geo-Political Risk

## Event:

Coronavirus (COVID-19) Incident(s)

## Guidance

### *Actions to consider:*

- Consider implementing suggested actions related to 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

**Related Alerts**

**Oct. 25, 2020**

Medium

Update 22: Colombia - Confirmed COVID-19 Cases Surpass One Million with 30,000 Related Deaths

**Sept. 29, 2020**

Medium

Update 21: Colombia - Extends Selective Quarantine Until October 31, 2020 to Curb the Spread of COVID-19 Infections

**Sept. 21, 2020**

Medium

Update 20: Colombia - Resumes International Flights as COVID-19 Infections Decline

**Aug. 26, 2020**

Medium

Update 19: Colombia - Extends COVID-19 Emergency Commencing September 1, 2020 Until November 30, 2020; Lifts Lockdown in Bogota and Medellin Commencing September 1, 2020

**Aug. 12, 2020**

Medium

Update 18: Colombia - Plans to Reopen Domestic Flights Commencing September 1, 2020 Amid Surge in COVID-19 Infections

**July 29, 2020**

Medium

Update 17: Colombia - Extends COVID-19 Lockdown Until August 30, 2020

**July 18, 2020**

Medium

Update 16: Colombia - Economy Contracts by 16.65% in May 2020, Amid COVID-19 Pandemic

**July 8, 2020**

Medium

Update 15: Colombia - Extends COVID-19 Lockdown Until August 1, 2020

June 19, 2020

Medium

Update 14: Colombia - Economy Contracts by 20.06% in April 2020, Lowest Drop Since January 2004, Amid COVID-19 Pandemic

June 1, 2020

Immediate

Update 13: Colombia - Imposes Stricter Restrictions in Three Regions to Curb the Spread of COVID-19 Infections

May 29, 2020

High

Update 12: Colombia - Extends Nationwide COVID-19 Quarantine Until July 1, 2020, Allowing Certain Businesses to Resume Operations

May 28, 2020

High

Update 11: Colombia - Total COVID-19 Cases Exceed 24,000, with 1,010 Cases in Last 24 Hours

May 21, 2020

Immediate

Update 10: Colombia - Suspends International Flights Until August 31 to Contain COVID-19 Pandemic

May 20, 2020

Immediate

Update 9: Colombia - Extends Compulsory COVID-19 Quarantine Until May 31, 2020

May 8, 2020

High

Update 8: Colombia - Announces Second State of Emergency to Support Businesses Amid COVID-19 Pandemic

May 6, 2020

High

Update 7: Colombia - Extends COVID-19 Lockdown Until May 25, 2020; Relaxation in Unaffected Regions

April 21, 2020

Immediate

Update 6: Colombia - Extends COVID-19 Lockdown Until May 11, 2020

**April 7, 2020**

**Immediate**

Update 5: Colombia - Extends COVID-19 Quarantine Until April 26

**March 21, 2020**

**Immediate**

Update 4: Colombia - Announces Total Lockdown as Coronavirus Cases Surge

**March 20, 2020**

**Immediate**

Update 3: Colombia - Suspends Entry of Locals and Foreigners from Abroad Amid Coronavirus (COVID-19) Pandemic

**March 18, 2020**

**Immediate**

Update 2: Colombia - Declares State of Emergency Amid Coronavirus Pandemic

**March 13, 2020**

**Immediate**

Update 1: Colombia - Declares Public Health Emergency Amid Coronavirus Pandemic

**March 9, 2020**

**Low**

Colombia - Coronavirus Infection Cases - Bogota

# Impact level Definitions

Impact Level	Definitions
Immediate	<b>Certain</b> - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	<b>Highly likely to occur in the near term (within 3 months)</b> - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	<b>Likely to occur in the mid-term (within 3 to 6 months)</b> - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	<b>Possible in the long-term (after 6 months)</b> - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.