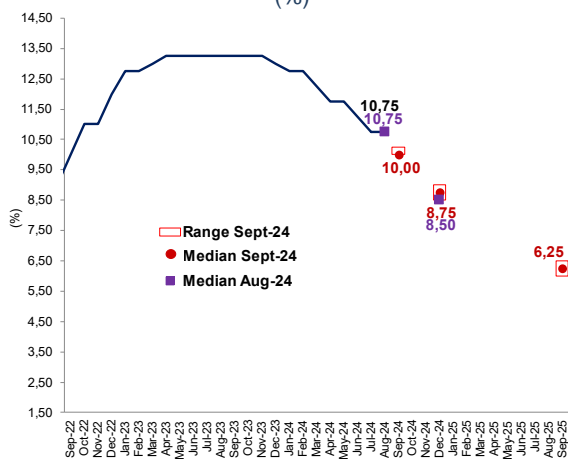


## CENTRAL BANK POLICY RATE

In August 2024, the Board of Directors of Banco de la República (Colombia's Central Bank) didn't decide on the intervention rate. In the previous meeting of July the bank decided to lower the intervention rate by 50 basis points, placing it at 10.75%. The next meeting at which a decision on the interest rate will be made will be on September 30th, 2024.

In September, analysts expect the intervention rate to be at 10.00%. They also anticipate that the intervention rate will be at 8.75% in December 2024, an increase from previous month forecast (Graph 1).

**Graph 1. Central Bank interest rate**  
(%)



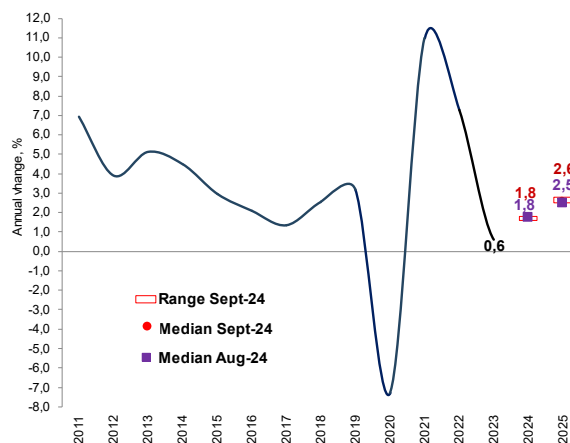
Source: Financial Opinion Survey, Fedesarrollo - bvc

## ECONOMIC GROWTH

In September, the growth forecast for 2024 was in a range between 1.6% and 1.8%, with 1.8% as the median response (stable from 1.5% in August) (Graph 2). The median for 2025 was 2.6% (an increase from 2.5% in August), placing it in a range between 2.5% and 2.8%.

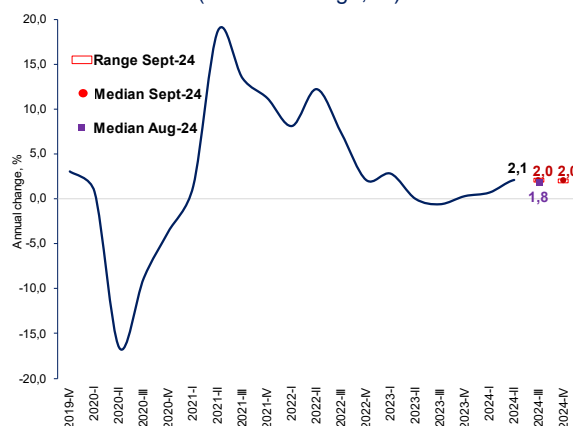
Expectations for the third quarter of 2024 growth were in a range between 1.9% and 1.8%, with 2.0% as the median response, an increase from 1.8% in August. The growth forecast for the fourth quarter of 2024 was at 2.0% (Graph 3).

**Graph 2. GDP annual growth forecast - 2024 and 2025**  
(Annual Change, %)



Source: Financial Opinion Survey, Fedesarrollo - bvc

**Graph 3. GDP growth forecast - third quarter and fourth quarter 2024**  
(Annual Change, %)



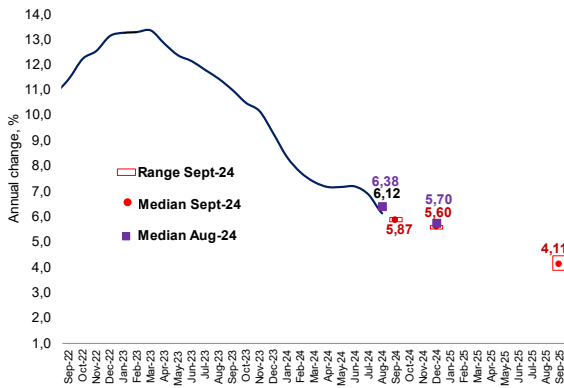
Source: Financial Opinion Survey, Fedesarrollo - bvc

## INFLATION

In August, annual inflation stood at 6.12%, slightly under analysts' forecast (6.38%). In September, analysts expect inflation to be 5.87%, in a range between 5.80% and 5.96% (Graph 4).

Analysts expect inflation to close at 5.60% in December 2024, in a range between 5.50% and 5.64% (decreasing compared to 5.70% in August), so expectations remain outside the target range of Banco de la República (2-4%). 12-month expectations (as of September 2025) are at 4.11%.

Graph 4. Inflation forecast

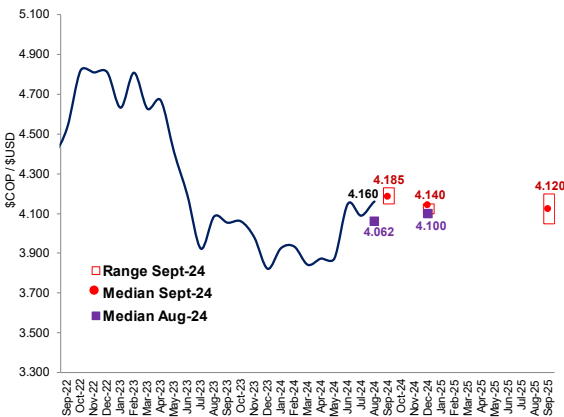


Source: Financial Opinion Survey, Fedesarrollo - bvc

## EXCHANGE RATE

In August, the exchange rate closed at \$4,160, with a monthly depreciation of 1.7%, reaching its maximum value for the month on August 6th (\$4,184) and its minimum value on August 21st (\$4,011). Thus, the observed value was \$98 higher than expected in the August survey (\$4,062). In September, analysts consider that the exchange rate will be in a range between \$4,150 and \$4,230, with \$4,185 as the median response (Graph 5). By the end of 2024, they expect a rate of \$4,140, which is a slight increase compared to the previous month's forecast (\$4,100).

Graph 5. Exchange rate - end of period



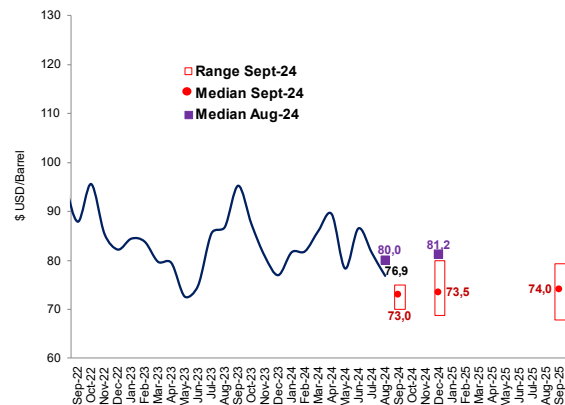
Source: Financial Opinion Survey, Fedesarrollo – bvc

## OIL

In August, Brent oil prices closed at \$76,9 dollars, showing a monthly fall of 5.8% and \$3.1 dollars lower than analysts' expectations (\$80). In September, analysts consider that oil prices will be in a range between \$70 and \$75, with \$73,5 as the median response (Graph 6). By the end of 2024, they expect a

price of \$73,5 (an increase decrease from \$81,2 in the August edition).

Graph 6. Brent oil prices - End of period



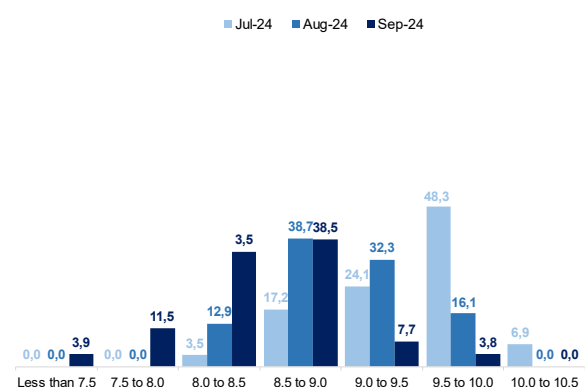
Source: Financial Opinion Survey, Fedesarrollo – bvc

## TES 2028 and 2032 RATE

In this edition, 3.9% of analysts believe that the TES rate maturing in 2028 in three months will be less than 7.5%; 11.5% between 7.5%-8.0%; 34.6% between 8.0%-8.5%; 38.7% between 8.5%-9.0%; 7.7% between 9.0%-9.5% and 3.8% between 9.5%-10.0% (Graph 7).

For TES maturing in 2032, 3.8% of analysts project its yield in three months to be less than 8.5%; 7.7% project it to be between 8.5%-9.0%; 53.8% between 9.0%-9.5%; 30.8% between 9.5%-10.0% and 3.9% between 10.0%-10.5% (Graph 8).

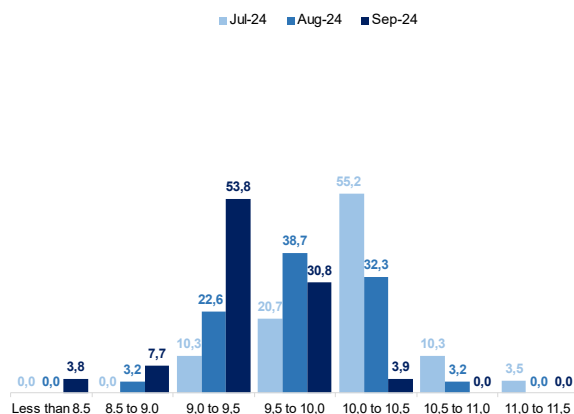
Graph 7. Expectation of TES 2028 performance rate within 3 months (% of answers)



Source: Financial Opinion Survey, Fedesarrollo – bvc

Graph 8. Expectation of TES 2032 performance rate within 3 months (% of answers)

<sup>1</sup> The debt spread (EMBIG Colombia) is defined as the difference between the yield of Colombian bonds issued abroad and the yield of American treasury securities.

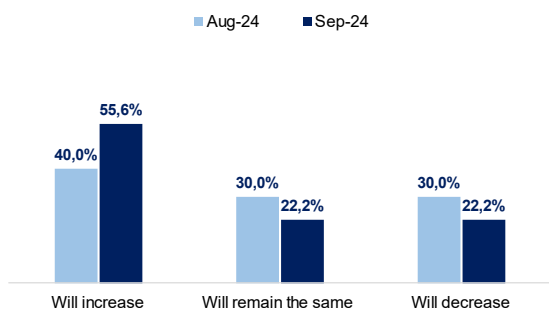


Source: Financial Opinion Survey, Fedesarrollo - bvc

### DEBT SPREAD – COLOMBIA EMBIG

The debt spread (EMBIG Colombia)<sup>1</sup> closed in August at 312 basis points (2 basis points less than August). **In September, 55.6% of analysts** (15.6 percentage points more than the previous month) **expect the spread to increase in the next 3 months, while 22.2%** (7.8 percentage points less than the previous month) **expect it to decrease. The remaining 22.2% of respondents expect the spread to remain the same** (7.8 percentage points less than the previous month) (Graph 9).

Graph 9. 3-month debt spread expectation  
(% of answers)



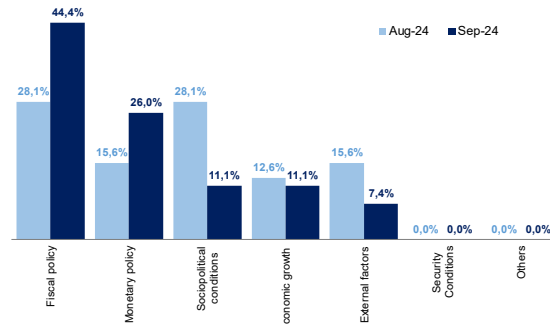
Source: Financial Opinion Survey, Fedesarrollo - bvc

### INVESTMENT DETERMINANTS

**In this edition, fiscal policy conditions was shown as the most relevant aspect when it comes to investing, being chosen by 44.4% of analysts each** (vs. 28.1% the previous month). Monetary policy came in second place with 26% of participation (vs. 15.6% the previous month). Socio-political conditions, economic growth and external factors followed

with 11.1%, 11.1% and 7.4% of the share, respectively (vs. 28.1%, 12.6% and 15.6% the previous month) (Graph 10).

Graph 10. Most relevant factors for investment decisions  
(% of answers)

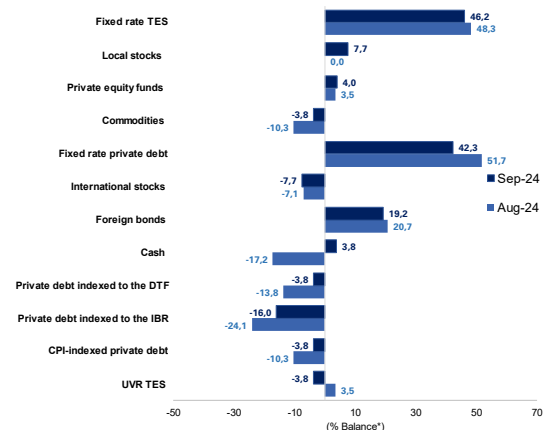


Source: Financial Opinion Survey, Fedesarrollo - bvc

### INVESTMENT PREFERENCES

Compared to August, **portfolio managers increased their preferences for local stock, private equity funds, commodities, cash and DTF, IBR and CPI indexed private debt.** On the other hand, there was a decrease in preferences for UVR and fixed-rate TES, foreign bonds, international stock and fixed-rate private debt (Graph 11).

Graph 11. Projection of positions in the next 3 months for different assets



\*Balance: % of respondents who will increase their position minus % of respondents that will decrease their position  
Source: Financial Opinion Survey, Fedesarrollo - bvc

<sup>1</sup> The debt spread (EMBIG Colombia) is defined as the difference between the yield on Colombian securities issued abroad and the yield on U.S. treasury securities.

## MSCI COLCAP

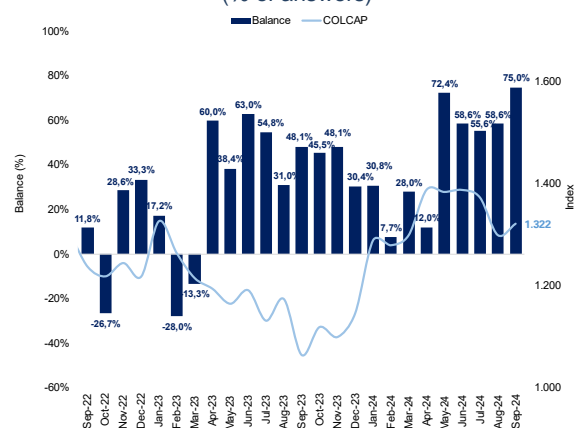
The MSCI COLCAP reflects changes in the prices of the most liquid stocks on the Colombian Stock Exchange (bvc). **In September, 87.5% of analysts (vs. 79.4% in August) expect the index to appreciate in three months (Table 1), while the remaining 12.5% expect the stock index to devalue (vs. 20.6% in August).**

**Table 1. Expectations about the MSCI COLCAP index price at 3 months**  
(% of answers)

Index COLCAP Price Level	August 2024	September 2024
Will increase 10% or more	10,5%	4,1%
Will increase between 5% and 9.99%	24,1%	16,7%
Will increase between 0.01% and 4.99%	44,8%	66,7%
Will remain the same	0,0%	0,0%
Will decrease between 0.01% and 4.99%	17,2%	12,5%
Will decrease between 5% and 9.99%	3,4%	0,0%
Will decrease between 10% or more	0,0%	0,0%

Source: Financial Opinion Survey, Fedesarrollo – bvc

**Graph 12. Balance on the price of the MSCI COLCAP index 3 months\***  
(% of answers)



Source: Financial Opinion Survey, Fedesarrollo – bvc

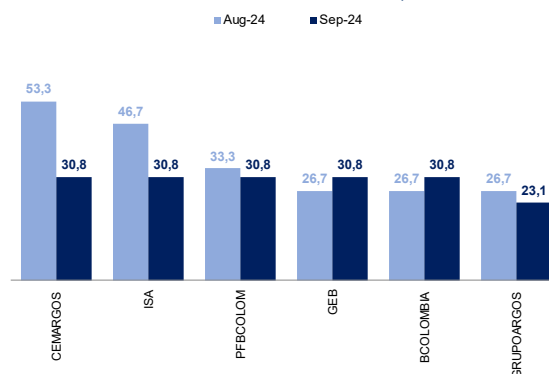
\* Balance: % of respondents expecting a valuation minus % of respondents expecting a devaluation. The calculations use the index corresponding to the day on which the FOS was enabled.

## MOST ATTRACTIVE COLCAP SHARES

The FOS consults analysts about the three stocks they consider most attractive within the MSCI COLCAP index. **In September, the stock of Cementos Argos, ISA, the ordinary and preferential shares of Bancolombia and the stock of Grupo Energía de Bogotá (GEB) ranked first, being selected by 30.8% of analysts (Graph 13). It was followed by Grupo Argos being selected by 23.1 (vs. 26.7% in August).**

**Graph 13. Most attractive MSCI COLCAP stocks for investors**

(% of the respondents who consider the stock as one of the three more attractive)

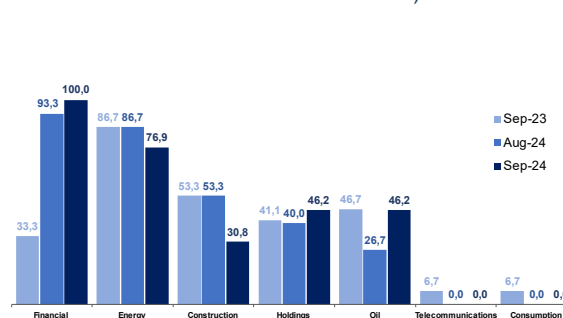


Source: Financial Opinion Survey, Fedesarrollo – bvc

This month there was a greater appetite for shares in the **financial, holdings and oil sectors** compared to the previous month, and a lesser appetite for shares in the energy and construction sectors (Graph 14).

**Graph 14. Most attractive MSCI COLCAP sectors for investors**

(% of the respondents who consider the stock as one of the three most attractive)

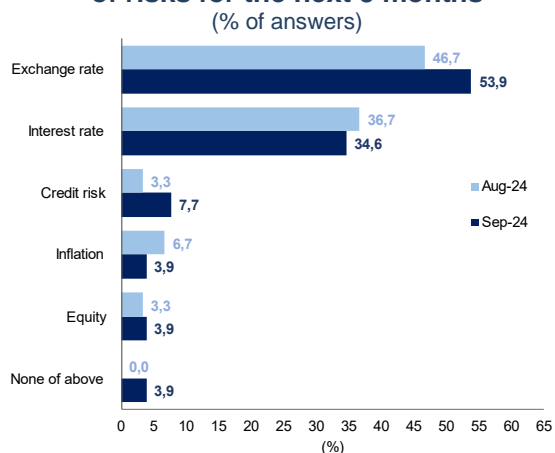


Source: Financial Opinion Survey, Fedesarrollo – bvc

## RISK COVERAGE

The FOS asks portfolio managers about the types of risk for which they plan to hedge against in the next three months. **In September, 53.9% of respondents (46.7% in August) stated that they are planning to hedge against the exchange rate in the short term (Graph 15). In second place, the percentage of managers expecting to hedge against the interest rate was 36.7% while against credit risk it stood at 7.7% (36.7% and 3.3% in August, respectively).**

**Graph 15. Coverage of the different types of risks for the next 3 months**



Source: Financial Opinion Survey, Fedesarrollo – bvc

**Table 2. Summary of macroeconomic expectations**

Variable	Temporality	Observed	Forecast (Median of answers)	
		Aug-24	Aug-24	Sept-24
Inflation (Annual variation, %)	End of month	6.12	6.38	5.87
	End of year 2024		5.70	5.60
Exchange rate (\$)	End of month	4,160	4,062	4,185
	End of year 2024		4,100	4,140
Monetary policy interest rate (%)	End of month	10.75	10.75	10.00
	End of year 2024		8.50	8.75
Oil (Brent, \$USD/Barrel)	End of month	76.9	80.0	73.0
	End of year 2024		81.2	73.5
Growth (%)*	IT-2024		1.8	2.0
	IIT-2024			2.0
	2024		1.8	1.8
	2025		2.5	2.6

Source: Financial Opinion Survey – bvc  
\*Original series.

Published September 23rd, 2024  
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