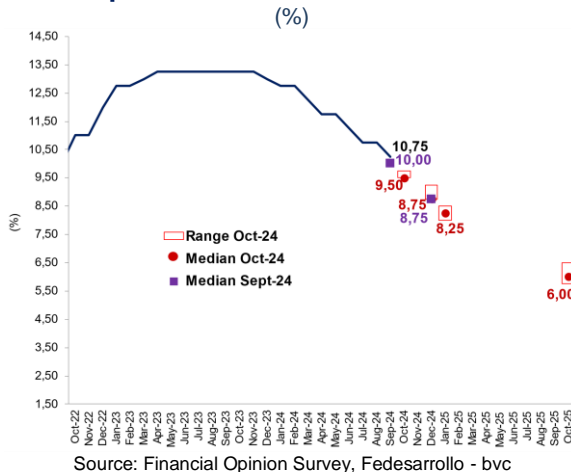


## CENTRAL BANK POLICY RATE

In September 2024, the Board of Directors of Banco de la República (Colombia's Central Bank) decided to lower the intervention rate by 50 basis points, placing it at 10.25%. The next meeting at which a decision on the interest rate will be made will be on October 31st, 2024.

**In October, analysts expect the intervention rate to be at 9.50%. They also anticipate that the intervention rate will be at 8.75% in December 2024 (remaining stable compared to the previous edition's forecast), and 8.25% in January 2025 (Graph 1).**

**Graph 1. Central Bank interest rate**

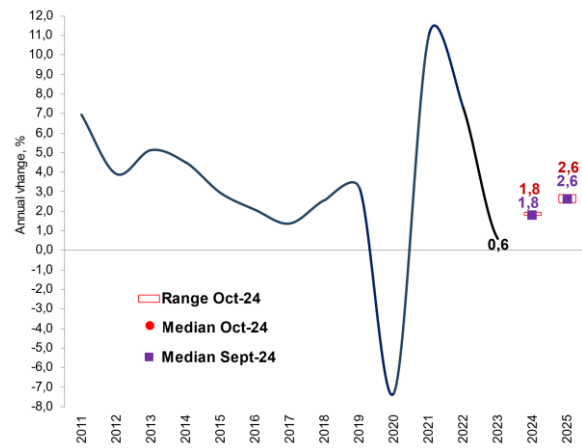


## ECONOMIC GROWTH

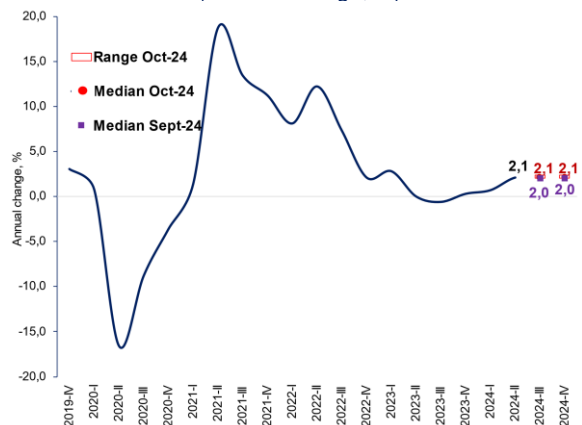
**In October, the growth forecast for 2024 was in a range between 1.8% and 2.0%, with 1.8% as the median response (stable compared to September forecast) (Graph 2). The median for 2025 was 2.6% (stable compared to September forecast), placing it in a range between 2.4% and 2.9%.**

**Expectations for the third quarter of 2024 growth were in a range between 2.0% and 2.4%, with 2.1% as the median response, an increase from 2.0% in September. The growth forecast for the fourth quarter of 2024 was at 2.1%, increasing from 2.0% in September (Graph 3).**

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



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

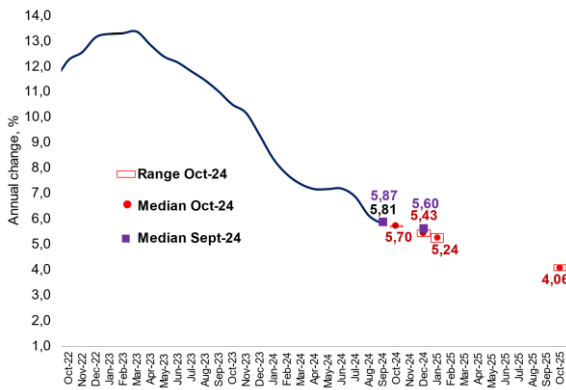


## INFLATION

In September, annual inflation stood at 5.81%, slightly under analysts' forecast (5.87%). **In October, analysts expect inflation to be 5.70%, in a range between 5.68% and 5.75% (Graph 4).**

**Analysts expect inflation to close at 5.43% in December 2024, in a range between 5.31% and 5.56% (decreasing compared to 5.60% in September), so expectations remain outside the target range of Banco de la República (2-4%). 12-month expectations (as of October 2025) are at 4.06%.**

Graph 4. Inflation forecast

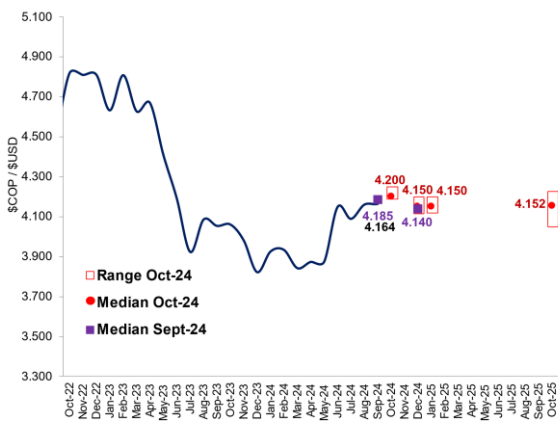


Source: Financial Opinion Survey, Fedesarrollo - bvc

EXCHANGE RATE

In September, the exchange rate closed at \$4,164, with a monthly depreciation of 0.1%, reaching its maximum value for the month on September 11th (\$4,286) and its minimum value on September 25th (\$4,139). Thus, the observed value was \$21 lower than expected in the September survey (\$4,185). In October, analysts consider that the exchange rate will be in a range between \$4,190 and \$4,250, with \$4,200 as the median response (Graph 5). By the end of 2024, they expect a rate of \$4,150, which is a slight increase compared to the previous month's forecast (\$4,140).

Graph 5. Exchange rate - end of period



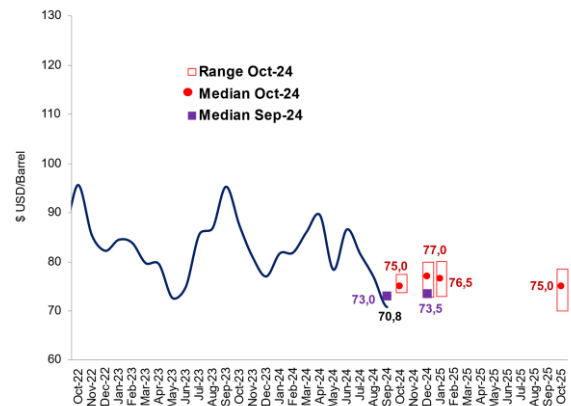
Source: Financial Opinion Survey, Fedesarrollo – bvc

OIL

In September, Brent oil prices closed at \$70,8 dollars, showing a monthly fall of 7.9% and \$2.2 dollars lower than analysts' expectations (\$73). In October, analysts consider that oil prices will be in a range between \$73,8 and \$77,4, with \$75 as the median response

(Graph 6). By the end of 2024, they expect a price of \$77 (an increase from \$73,5 in the September edition).

Graph 6. Brent oil prices - End of period



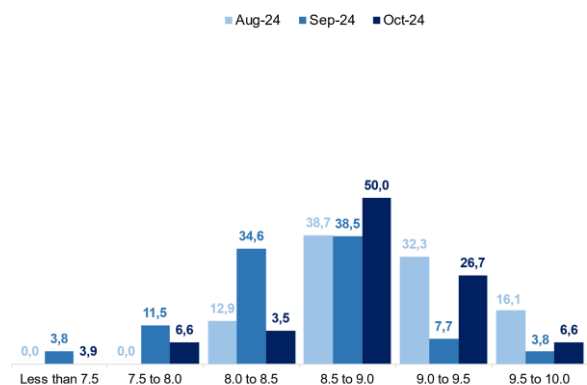
Source: Financial Opinion Survey, Fedesarrollo – bvc

TES 2028 and 2032 RATE

In this edition, 6.6% of analysts believe that the TES rate maturing in 2028 in three months will be between 7.5%-8.0%; 10.0% between 8.0%-8.5%; 50% between 8.5%-9.0%; 26.7% between 9.0%-9.5% and 6.7% between 9.5%-10.0% (Graph 7).

For TES maturing in 2032, 3.3% of analysts project its yield in three months to be less than 8.5%; 33.4% project it to be between 9.0%-9.5%; 50.0% between 9.5%-10.0% and 13.3% between 10.0%-10.5% (Graph 8).

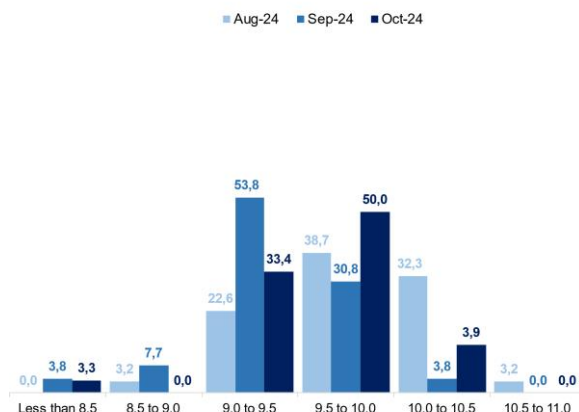
Graph 7. Expectation of TES 2028 performance rate within 3 months (% of answers)



Source: Financial Opinion Survey, Fedesarrollo – bvc

1 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.

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

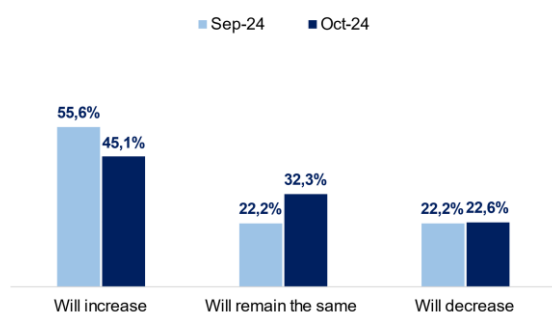


Source: Financial Opinion Survey, Fedesarrollo - bvc

## DEBT SPREAD – COLOMBIA EMBIG

The debt spread (EMBIG Colombia)<sup>1</sup> closed in September at 317 basis points (4 basis points more than August). **In October, 45.1% of analysts** (10.5 percentage points more than the previous month) **expect the spread to increase in the next 3 months, while 32.3%** (10.1 percentage points less than the previous month) **expect it to decrease. The remaining 22.6% of respondents expect the spread to remain the same** (0.4 percentage points more than the previous month) (Graph 9).

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



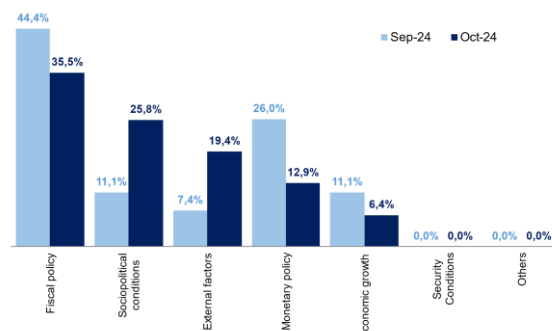
Source: Financial Opinion Survey, Fedesarrollo - bvc

## INVESTMENT DETERMINANTS

**In this edition, fiscal policy conditions were shown as the most relevant aspect when it comes to investing, being chosen by 35.5% of analysts each** (vs. 44.4% the previous month). Sociopolitical conditions came in second place with 25.8% of participation (vs.

11.1% the previous month). External factors, Monetary policy and economic growth followed with 19,4%, 12,9% and 6,4% of the share, respectively (vs. 7,4%, 26% and 11,1% the previous month) (Graph 10).

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

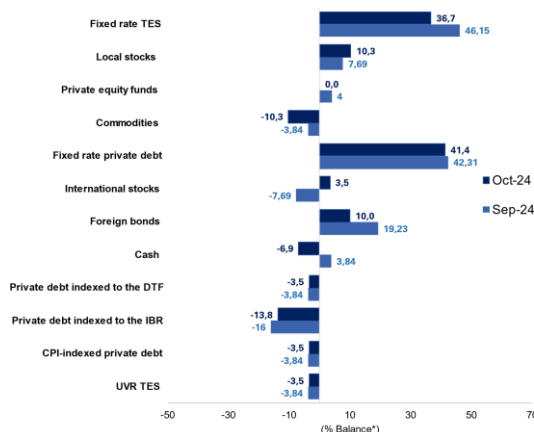


Source: Financial Opinion Survey, Fedesarrollo - bvc

## INVESTMENT PREFERENCES

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

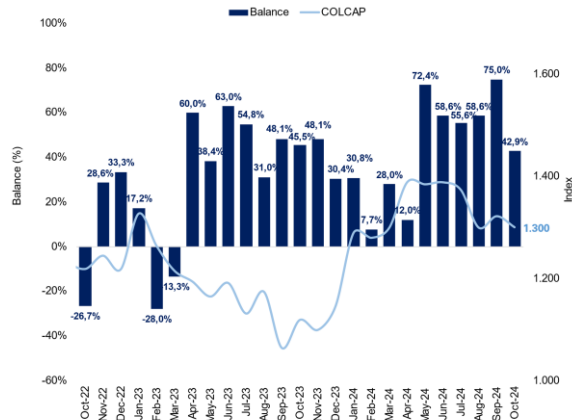
The MSCI COLCAP reflects changes in the prices of the most liquid stocks on the Colombian Stock Exchange (bvc). **In October, 57.1% of analysts** (vs. 87.5% in September) **expect the index to appreciate in three months** (Table 1), **28.6% expect it to remain constant** (vs. 0% in September), **while the remaining 14.3% expect the stock index to devalue** (vs. 12.5% in September).

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

| Index COLCAP Price Level              | September | October |
|---------------------------------------|-----------|---------|
|                                       | 2024      | 2024    |
| Will increase 10% or more             | 4,1%      | 3,6%    |
| Will increase between 5% and 9.99%    | 16,7%     | 17,8%   |
| Will increase between 0.01% and 4.99% | 66,7%     | 35,7%   |
| Will remain the same                  | 0,0%      | 28,6%   |
| Will decrease between 0.01% and 4.99% | 12,5%     | 10,7%   |
| Will decrease between 5% and 9.99%    | 0,0%      | 3,6%    |
| 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

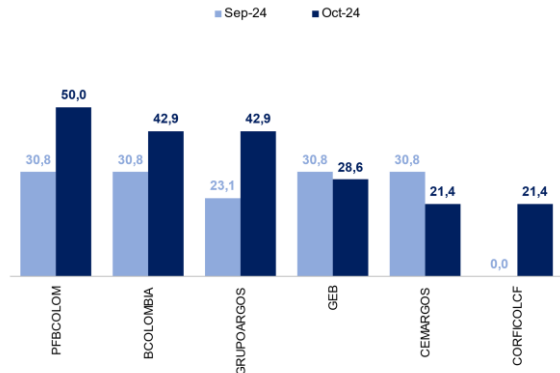
\* Balance: % of respondents expecting a valuation minus % of respondents expecting a devaluation. The calculations use the index corresponding to the day on which the FOS was enabled.

**MOST ATTRACTIVE COLCAP SHARES**

The FOS consults analysts about the three stocks they consider most attractive within the MSCI COLCAP index. **In October, the preferential stock of Bancolombia ranked first, being selected by 50% of analysts** (Graph 13). It was followed by the ordinary stock of Bancolombia (42.9%), Grupo Argos (42.9%), Grupo de Energía de Bogotá (GEB) (28,6%) and Cementos Argos and Corficolombiana (21,4% each).

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

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

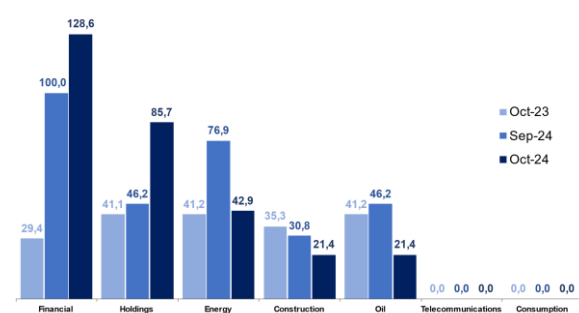


Source: Financial Opinion Survey, Fedesarrollo – bvc

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

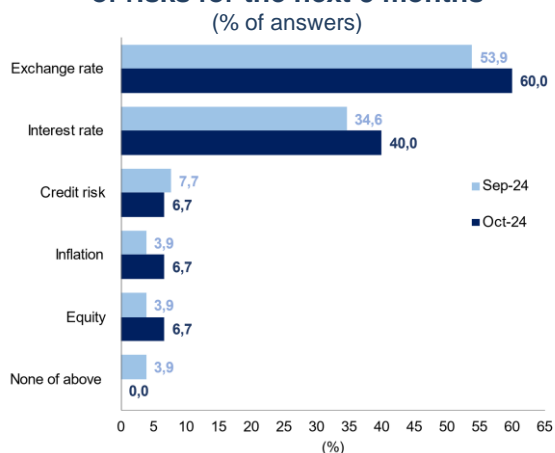


Source: Financial Opinion Survey, Fedesarrollo – bvc

**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 October, 60% of respondents** (vs. 53.9% in September) **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 40% while against credit risk it stood at 6.7%** (vs. 34.6% and 7.7% in September, 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) |        |
|-----------------------------------|------------------|----------|------------------------------|--------|
|                                   |                  | Sept-24  | Sept-24                      | Oct-24 |
| Inflation (Annual variation, %)   | End of month     | 5.81     | 5.87                         | 5.70   |
|                                   | End of year 2024 |          | 5.60                         | 5.43   |
| Exchange rate (\$)                | End of month     | 4,164    | 4,185                        | 4,200  |
|                                   | End of year 2024 |          | 4,140                        | 4,150  |
| Monetary policy interest rate (%) | End of month     | 10.25    | 10,00                        | 9.50   |
|                                   | End of year 2024 |          | 8.75                         | 8.75   |
| Oil (Brent, \$USD/Barrel)         | End of month     | 70.8     | 73.0                         | 75.0   |
|                                   | End of year 2024 |          | 73.5                         | 77.0   |
| Growth (%)*                       | IT-2024          |          | 2.0                          | 2.1    |
|                                   | IIT-2024         |          | 2.0                          | 2.1    |
|                                   | 2024             |          | 1.8                          | 1.8    |
|                                   | 2025             |          | 2.6                          | 2.6    |

Source: Financial Opinion Survey – bvc

\*Original series.

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