**Stock market confidence indices**
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At the end of March, the **MSCI COLCAP** stood at 1,603, 7 units below analysts' forecast (1,610). By the end of April, the index is expected to reach a level of 1,609.

In April, the **One-Year Confidence Index** stood at 83.3%, which is 2.5 percentage points higher than in the previous month (80.8%) and 3.3 percentage points higher than in the same month of 2024 (80.0%). This indicates that the proportion of analysts forecasting an appreciation of COLCAP in the next 12 months increased compared to the previous month and compared to a year ago.

The **Buy-on-Dips Confidence Index** stood at 53.3% in April, down 2.3 percentage points versus the previous month (55.6%) and 4.6 percentage points versus the same month in 2024 (57.9%). This implies that analysts consider a rise in the MSCI COLCAP the day after a potential fall in the index less likely compared to March 2025 and compared to April 2024.

In April, the **Crash Confidence Index** stood at 56.3%, down 4.8 percentage points from the previous month (61.1%) and 13.7 percentage points from the same month in 2024 (70.0%). This indicates that analysts consider the market more vulnerable to downturns in international markets compared to the previous month and compared to a year ago.

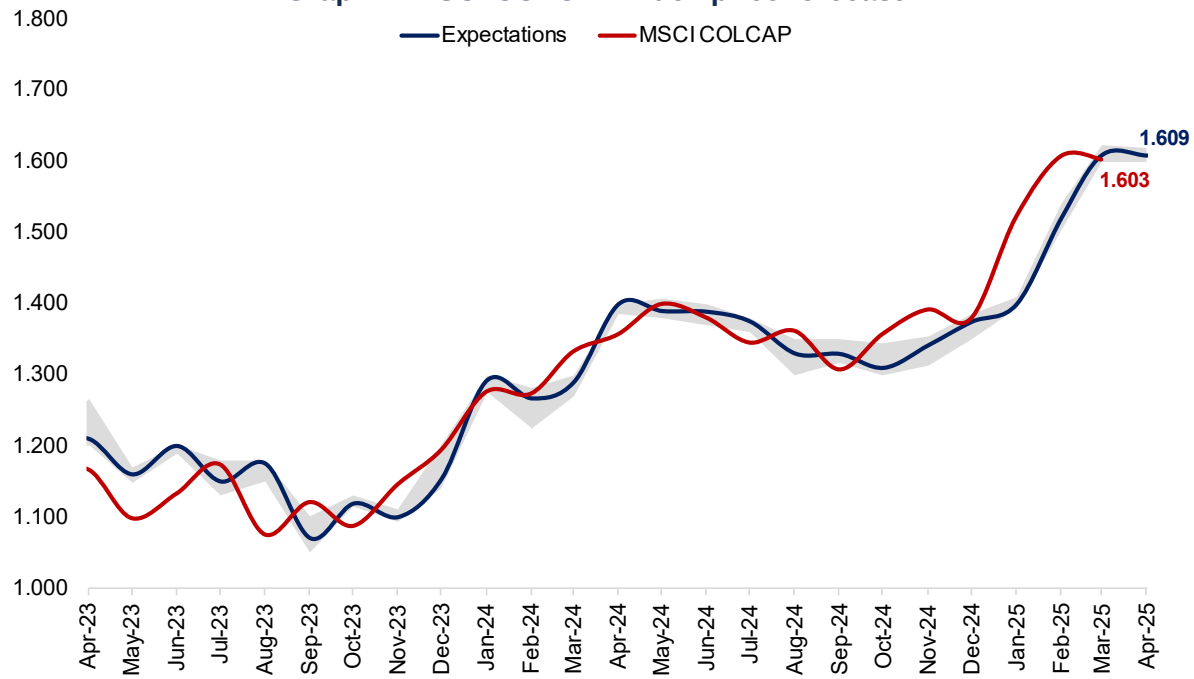
Finally, the **Valuation Confidence Index** stood at 88.9% in April, up 2.1 percentage points from the previous month's level (86.8%), but down 6.6 percentage points from the same month in 2024 (95.5%). This implies that a higher proportion of analysts believe that equity values underestimate the value of their fundamentals versus March 2025, but is at a lower level than in April 2024.

## MSCI COLCAP Index

The MSCI COLCAP index, which reflects the variations in the prices of the most liquid stocks on the Colombian Stock Exchange (bvc), represents one of the most important leading indicators for monitoring the country's capital market. The average so far in April 2025 (up to April 21) is at 1,605, which represents an appreciation of 0.2% with respect to the average for March 2025 (1,602) and of 17.2% with respect to the average for April 2024 (1,370).

At the end of March, the MSCI COLCAP stood at 1,603, which corresponds to 7 units below the analysts' forecast (1,610). By the end of April, the index is expected to increase to 1,609 as a median response, in a range between 1,600 and 1,620 (Graph 1).

**Graph 1. MSCI COLCAP Index price forecast**




Source: Financial Opinion Survey, Fedesarrollo – bvc.

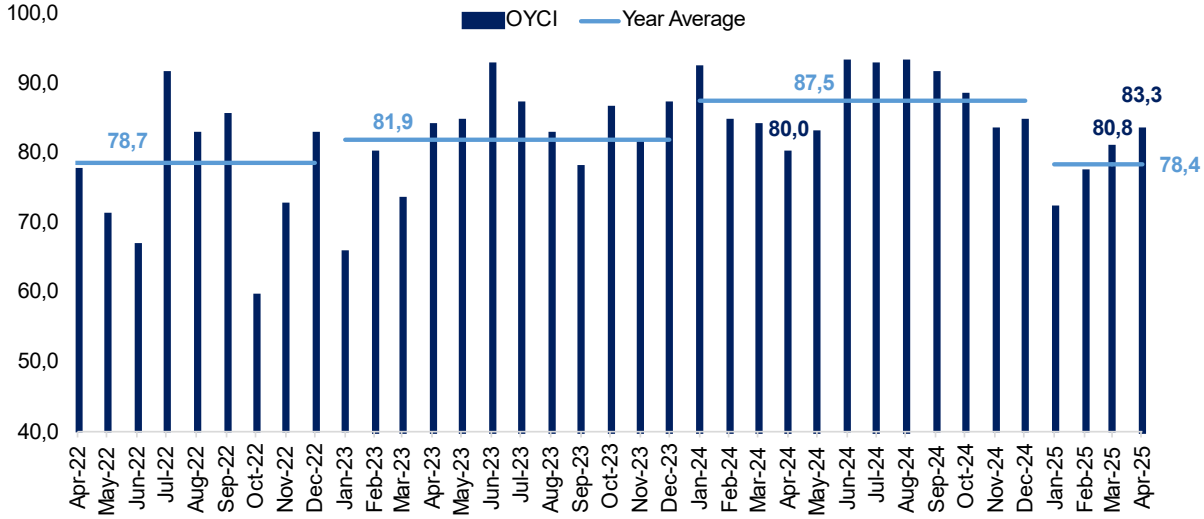
The four confidence indices for the Colombian stock market are presented down below. These indices are calculated based on the Shiller (2000)[1] methodology and using the analysts' expectations collected in the Financial Opinion Survey.

[1] Shiller, Robert J. (2000). Irrational Exhuberance. Princeton University Press. Princeton, N. J

## One-Year Confidence Index[2]

The One-Year Confidence Index measures the proportion of analysts who expect an increase in the MSCI COLCAP over the next year. In this edition, the index stood at 83.3%, indicating that this percentage of respondents expects an increase in the index in April 2026 with respect to the level prior to the sending of the survey (1,610) (Graph 2). The index increased 2.5 percentage points from the previous month (80.8%) and 3.3 percentage points from the same month last year (80.0%), reflecting an improvement in stock market confidence from the previous month and from the April 2024 level.

**Graph 2. One-Year Confidence Index**
(%)



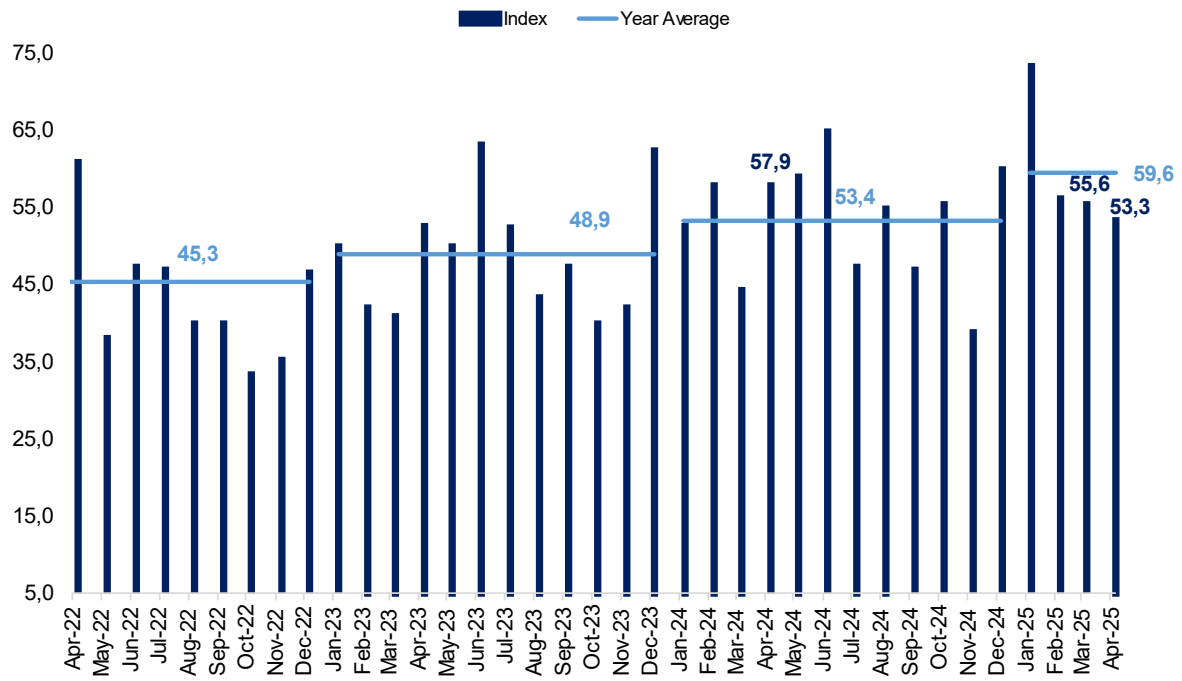

Source: Financial Opinion Survey, Fedesarrollo – bvc.

[2] The One-Year Confidence Index is calculated as the number of respondents that establish a price for the MSCI COLCAP index in 12-months higher than the current level of the index, divided by the total responses excluding invalid answers.

## Buy-on-Dips Confidence Index[3]

The Buy-on-Dips Confidence Index measures the proportion of analysts who believe that the MSCI COLCAP has the ability to recover the day after a hypothetical 3% drop. In April 2025, the index decreased 2.3 percentage points compared to March (55.6%), standing at 53.3% (Graph 3). Likewise, analysts consider an immediate recovery of COLCAP less likely compared to the same month of 2024 (57.9%), which represents a drop of 4.6 percentage points.

**Graph 3. Buy-on-Dips Confidence Index**
(%)




Source: Financial Opinion Survey, Fedesarrollo – bvc.

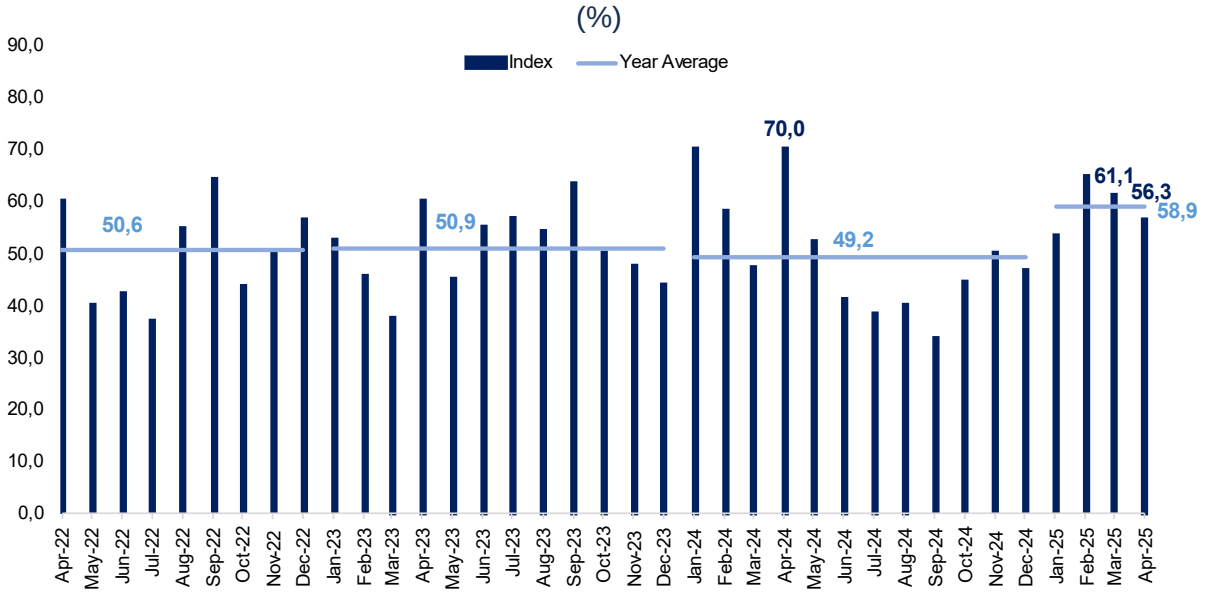
[3] The Buy-on-Dips Confidence Index is calculated as the number of respondents who expect an increase in the MSCI COLCAP index the next day after a 3% drop, divided by the total answers excluding the “no opinion” option.

## Crash Confidence Index[4]

The Crash Confidence Index shows the proportion of analysts who believe that the Colombian stock market has a low probability of a depreciation in the MSCI COLCAP over the next six months in the event of a sharp decline in international markets. In April 2025, the index decreased 4.8 percentage points with respect to the previous month's result (61.1%), standing at 56.3%, indicating that the perception of the probability of an eventual fall of the local stock market in the face of the deterioration of international markets increased compared to March 2025 (Graph 4).

On the other hand, the index was 13.7 percentage points below the figure recorded in the same month of the previous year (70.0%), reflecting a deterioration of confidence in the immunity of the stock market to external shocks compared to April 2024.

**Graph 4. Crash Confidence Index**



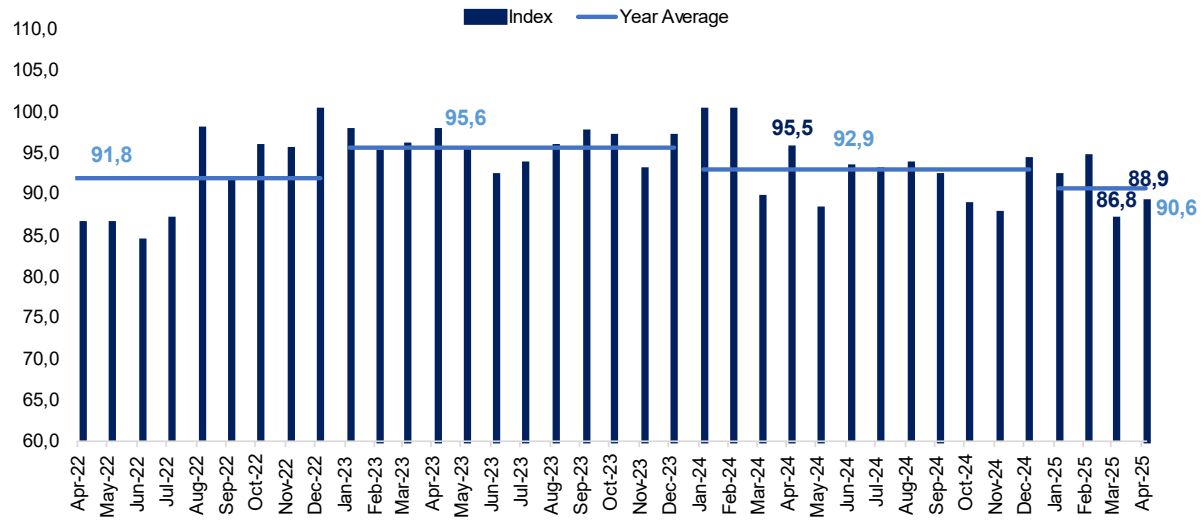

Source: Financial Opinion Survey, Fedesarrollo – bvc.

[4] The Crash Confidence Index is calculated as the number of responses who attach a probability between 0% and 25% to a stock market crash in the next six months including the case that a crash occurred in the international markets and spreads to Colombia, divided by the total responses excluding the “does not apply” option.

## Valuation Confidence Index[5]

The Valuation Confidence Index measures the proportion of analysts who consider the prices of MSCI COLCAP stocks to be very low or fair relative to their fundamental value. In April 2025, the index stood at 88.9%, 2.1 percentage points above the March figure (86.8%), but 6.6 percentage points below the April 2024 level (95.5%). This indicates that, compared to the previous month, a higher proportion of analysts believe that the value of stocks underestimates the value of their fundamentals, although this proportion is below the level of a year ago (Figure 5).

**Graph 5. Valuation Confidence Index**
(%)




Source: Financial Opinion Survey, Fedesarrollo – bvc.

**Contact us if you wish to access historical results and further information**

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[5] The Valuation Confidence Index is calculated as:
$Valuation\ Confidence\ Index = \left(1 * (\%\ too\ low)\right) + \left(0.5 * (\%\ about\ right)\right)$, where % too low and % about right, correspond respectively to the number of analysts who chose that the values of the local stocks are too low and about right in regard of the fundamental value excluding the option "do not know".