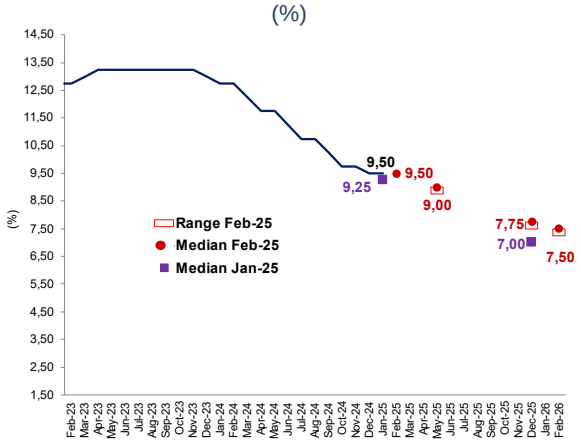
Financial Opinion Survey
February 2025
Bulletin No. 238

CENTRAL BANK POLICY RATE

In January 2024, the Board of Directors of Banco de la República decided to maintain the intervention rate unchanged at 9.50%. The next meeting at which a decision on the intervention rate will be made will be on March 31, 2025.

For the months of February and May, analysts expect the intervention rate to be at 9.50% and 9.00%, respectively. They also anticipate that the intervention rate will be at 7.75% in December 2025 (up from the 7.0% expected in the previous month).

Graph 1. Central Bank interest rate
(%)



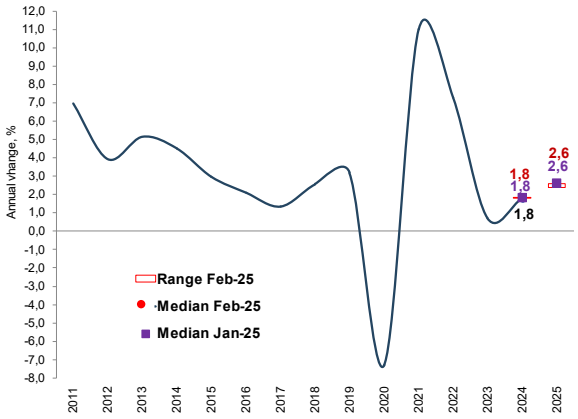
Source: Financial Opinion Survey, Fedesarrollo - bvc

ECONOMIC GROWTH

In February, the economic growth forecast for 2024 remained stable at 1.8% (Graph 2). However, the figure published by DANE was 1.7%, which is below analysts' expectations. **The median for 2025 came in at 2.6%** (remaining stable compared to January's expectation), and is located in a range between 2.4% and 2.6%.

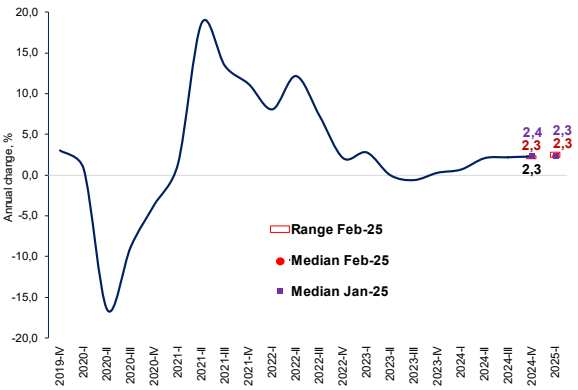
Growth expectations for the fourth quarter of 2024 were located in a range between 2.0% and 2.4%, with 2.3% as the median response, consistent with the data reported by DANE. On the other hand, the growth forecast for the first quarter of 2025 was 2.3%, remaining stable compared to the previous month's expectation (Graph 3).

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



Source: Financial Opinion Survey, Fedesarrollo - bvc

Graph 3. GDP growth forecast - fourth quarter 2024 and first quarter 2025
(Annual Change, %)



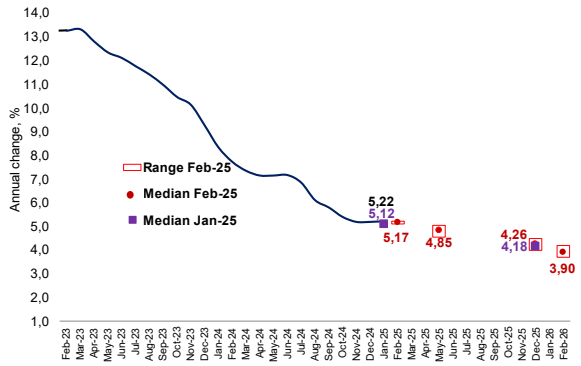
Source: Financial Opinion Survey, Fedesarrollo - bvc

INFLATION

In January, annual inflation stood at 5.22%, above analysts' forecast (5.12%). **In February, analysts expect inflation to stand at 5.17%, in a range between 5.10% and 5.22%** (Graph 4).

Analysts also foresee that in December 2025 inflation will close at 4.26% (up from 4.18% in the January edition), in a range between 4.00% and 4.50%, so market expectations still remain outside the target range of Banco de la República (2-4%) in 2025. On the other hand, 12-month expectations (February 2026) are at 3.90%.

Graph 4. Inflation forecast
(%)

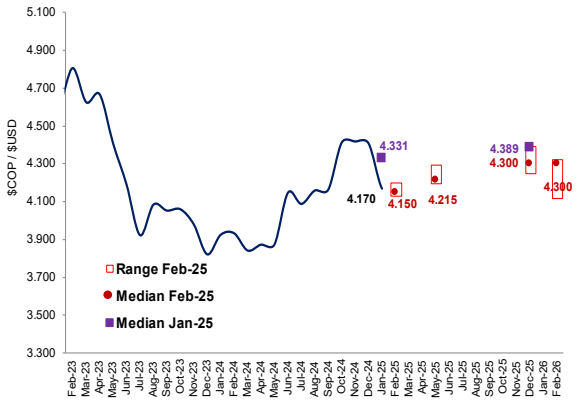


Source: Financial Opinion Survey, Fedesarrollo - bvc

EXCHANGE RATE

In January, the exchange rate closed at $4,170, with an average monthly appreciation of 1.8%. It reached its highest value of the month on January 3 ($4,410) and its lowest value on January 31 ($4,170). The observed value was $161 lower than the expected figure in the January survey ($4,331). **In February, analysts expect the exchange rate to be within a range of $4,130 to $4,200, with $4,150 as the median response** (Chart 5). **By December 2025, analysts anticipate an exchange rate of $4,30**0, which represents a decrease from the forecast made in the previous month ($4,389).

Graph 5. Exchange rate - end of period

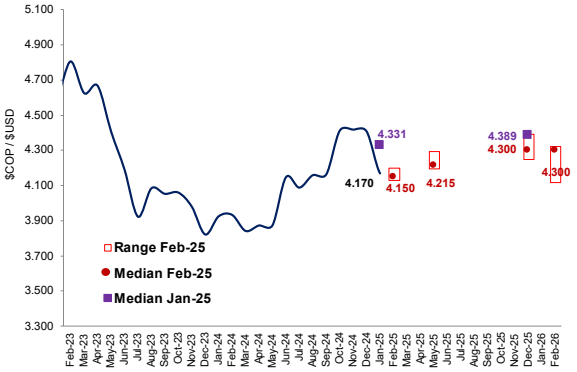


Source: Financial Opinion Survey, Fedesarrollo – bvc

OIL

In January, Brent oil price closed at $76.8, showing an average monthly increase of 7.4%, and was $3.2 lower than the analysts' expected price ($80). **In February, analysts anticipate that the oil price at the end of the month will range between $74 and $76, with $75 as the median response** (Chart 6). By December 2025, they expect a price of $72, which represents a decrease compared to the $74.5 expected in January.

Graph 6. Brent oil prices - End of period



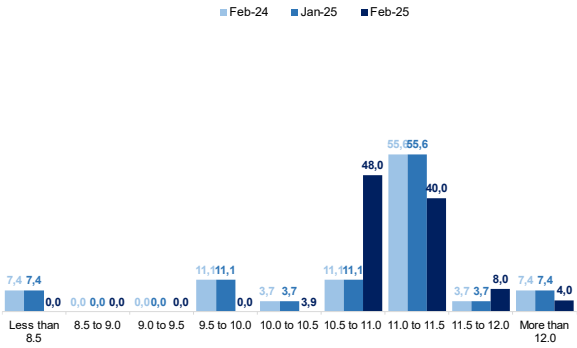
Source: Financial Opinion Survey, Fedesarrollo – bvc

TES 2032 and 2042 interest rate

In this edition, **48% of analysts expect that the yield on the TES maturing in 2032 in three months will range between 10.5% and 11.0%; 40% expect it to be between 11.0% and 11.5%; 8% between 11.5% and 12.0%, and the remaining 4% foresee a yield of more than 12.0%** (Chart 7).

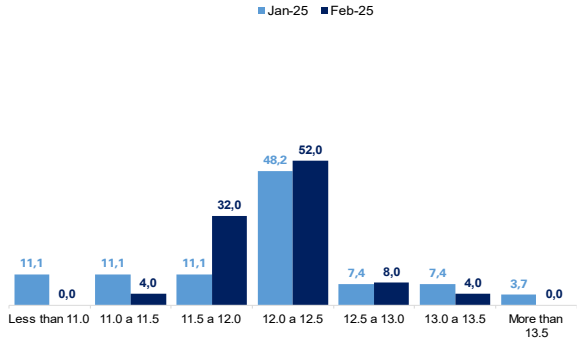
For the TES maturing in 2042, **4.0% of analysts project that their yield will be between 11.0% and 11.5%; 32% between 11.5% and 12.0%; 52% between 12.0% and 12.5%; 8% between 12.5% and 13%, and 4% between 13% and 13.5%** (Chart 8).

Graph 7. Expectation of TES 2032 performance rate within 3 months
(% of answers)



Source: Financial Opinion Survey, Fedesarrollo – bvc

Graph 8. Expectation of TES 2042 performance rate within 3 months
(% of answers)

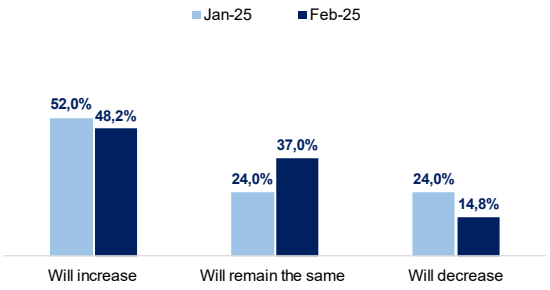


Source: Financial Opinion Survey, Fedesarrollo - bvc

DEBT SPREAD – COLOMBIA EMBIG

The debt spread (EMBIG Colombia) closed in January at 327 (3 points lower than in December). **In February, 48.2% of analysts** (10.2 percentage points more than the previous month) **expect the spread to increase in the next 3 months, while 37.0% of respondents expect the spread to remain unchanged** (7.8 percentage points less than the previous month). **The remaining 14.8%** (2.4 percentage points less than the previous month) **expect it to decrease** (Chart 9).

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

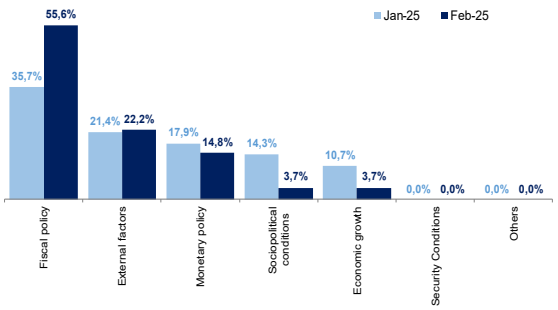


Source: Financial Opinion Survey, Fedesarrollo - bvc

INVESTMENT DETERMINANTS

In this edition, fiscal policy emerged as the most relevant factor when making investment decisions, chosen by 55.6% of analysts (compared to 35.7% in the previous month). External factors ranked second with 22.2% participation (compared to 21.4% in the previous month). Following these were monetary policy, sociopolitical conditions, and economic growth with 14.8%, 3.7%, and 3.7%, respectively (compared to 17.9%, 14.3%, and 10.7% in the previous month). Meanwhile, security conditions remained at 0.0% (Chart 10).

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

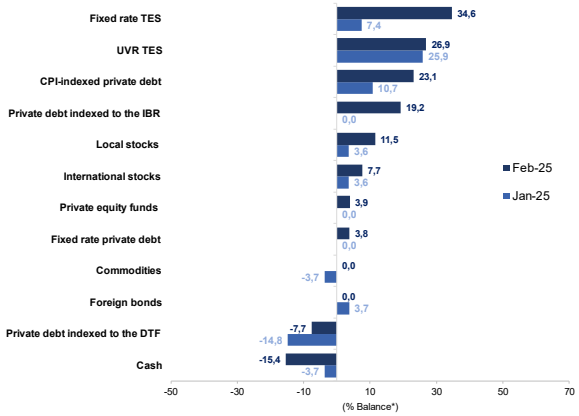


Source: Financial Opinion Survey, Fedesarrollo – bvc

INVESTMENT PREFERENCES

Compared to January, **portfolio managers increased their preferences for 10 of the 12 assets analyzed in the survey**, including fixed-rate TES, UVR TES, private debt indexed to the CPI, private debt indexed to the IBR, local equities, international equities, private equity funds, fixed-rate private debt, commodities, and private debt indexed to the DTF. In contrast, a decrease in preferences was observed for foreign bonds and cash (Chart 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

MSCI COLCAP

The MSCI COLCAP reflects the price variations of the most liquid stocks on the Bolsa de Valores de Colombia (BVC). **In February, 66.7% of analysts** (compared to 50.0% in January) **expect an appreciation of the index within three months** (Table 1), **20.8% expect it to remain unchanged** (compared to 3.8% in January), and the remaining 12.5% expect the stock index to depreciate (compared to 46.2% in January).

Table 1. Expectations about the MSCI COLCAP index price at 3 months

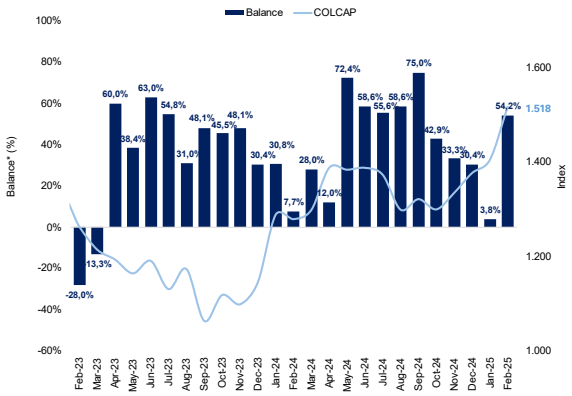
(% of answers)

Index COLCAP Price Level	January 2024	February 2024
Will increase 10% or more	3.8%	4.2%
Will increase between 5% and 9.99%	0.0%	4.2%
Will increase between 0.01% and 4.99%	46.2%	58.3%
Will remain the same	3.8%	20.8%
Will decrease between 0.01% and 4.99%	46.2%	8.3%
Will decrease between 5% and 9.99%	0.0%	4.2%
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.

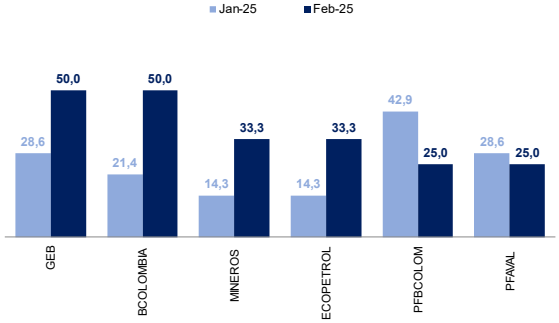
MOST ATTRACTIVE COLCAP SHARES

The FOS surveys analysts about the three stocks they consider most attractive among those that make up the MSCI COLCAP index. **In January, the most preferred stock by analysts was Bancolombia's preferred share, selected by 42.9% of analysts** (Graph 13). It was followed by Grupo Argos' stock (35.7%), Davivienda's preferred share (35.7%), and the stocks of Cementos Argos, Grupo de Energía de Bogotá (GEB), and the preferred share of Grupo Aval (28.6% each).

This month, an increase in appetite for stocks **in the financial and energy sectors** was observed compared to the previous month, while there was a decrease in appetite for stocks in the holdings, construction, and oil sectors (Graph 14).

Graph 13. Most attractive MSCI COLCAP stocks for investors

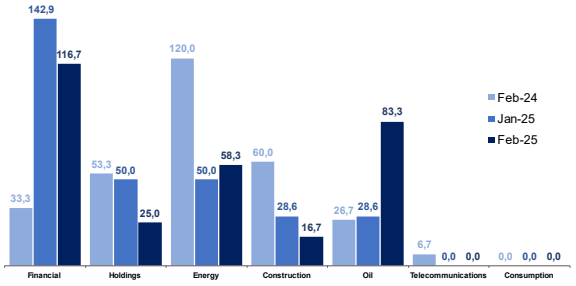
(% of the respondents who consider the stock as one of the three more attractive)



Source: Financial Opinion Survey, Fedesarrollo – bvc

Graph 14. Most attractive MSCI COLCAP sectors for investors

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



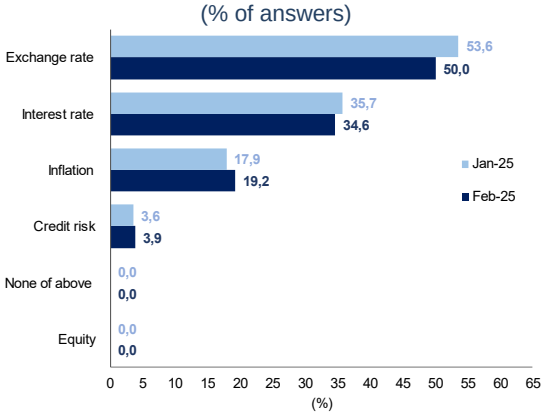
Source: Financial Opinion Survey, Fedesarrollo – bvc

RISK COVERAGE

The FOS asks portfolio managers about the types of risks for which they plan to establish a hedge in the next three months. **In February, 50.0% of respondents** (53.6% in January) **stated they are planning a short-term hedge against the exchange rate** (Chart 15). In second place, the percentage of managers planning to hedge against interest rate risk decreased to 34.6%, while 19.2% plan to hedge against inflation risk (compared to 35.7% and 17.9% in January, respectively).

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

(% of answers)



Source: Financial Opinion Survey, Fedesarrollo – bvc

Table 2. Summary of macroeconomic expectations

Variable	Temporality	Observed	Forecast (Median of answers)	
		Jan-25	Jan-25	Feb-25
Inflation (Annual variation, %)	Enf of month	5,22	5,12	5,17
	End of 2025	-	4,18	4,26
Exchange rate ($)	Enf of month	4.170	4.331	4.150
	End of 2025	-	4.389	4.300
Monetary policy interest rate (%)	Enf of month	9,50	9,25	9,50
	End of 2025	-	7,00	7,75
Oil (Brent, $USD/Barrel)	Enf of month	76,8	80,0	75,0
	End of 2025	-	74,5	72,0
Growth (%)*	IVT-2024	2,3	2,4	2,3
	IT-2025	-	2,3	2,3
	2024	1,7	1,8	1,8
	2025	-	2,6	2,6

Source: Financial Opinion Survey – bvc
*Original series

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