Stock market confidence indices
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bvc nuam

At the end of November, the **MSCI COLCAP** stood at 2,073, that is, 7 points below analysts' forecast (2,080). By the end of December, the index is expected to reach a level of 2,101.

In December, the **One-Year Confidence Index** stood at 85.7%, which represents an increase of 3.1 pp relative to the previous month (82.6%) and a rise of 1.1 pp compared to the same month in 2024 (84.6%). This indicates that the share of analysts expecting an appreciation of the COLCAP over the next 12 months increased relative to both the previous month and the previous year.

The **Buy-on-Dips Confidence Index** stood at 50% in December, declining by 6.3 pp compared to the previous month (56.3%) and falling by 10 pp relative to the same month in 2024 (60%). This suggests that analysts consider a recovery of the MSCI COLCAP following a potential drop in the index to be less likely compared to both the previous month and the previous year.

In December, the **Crash Confidence Index** stood at 71.4%, which represents an increase of 8.9 pp compared to the previous month (62.5%) and an increase of 24.7 pp relative to the same month in 2024 (46.7%). This indicates that analysts perceive the local market as less vulnerable to declines in international markets compared to both the previous month and the previous year.

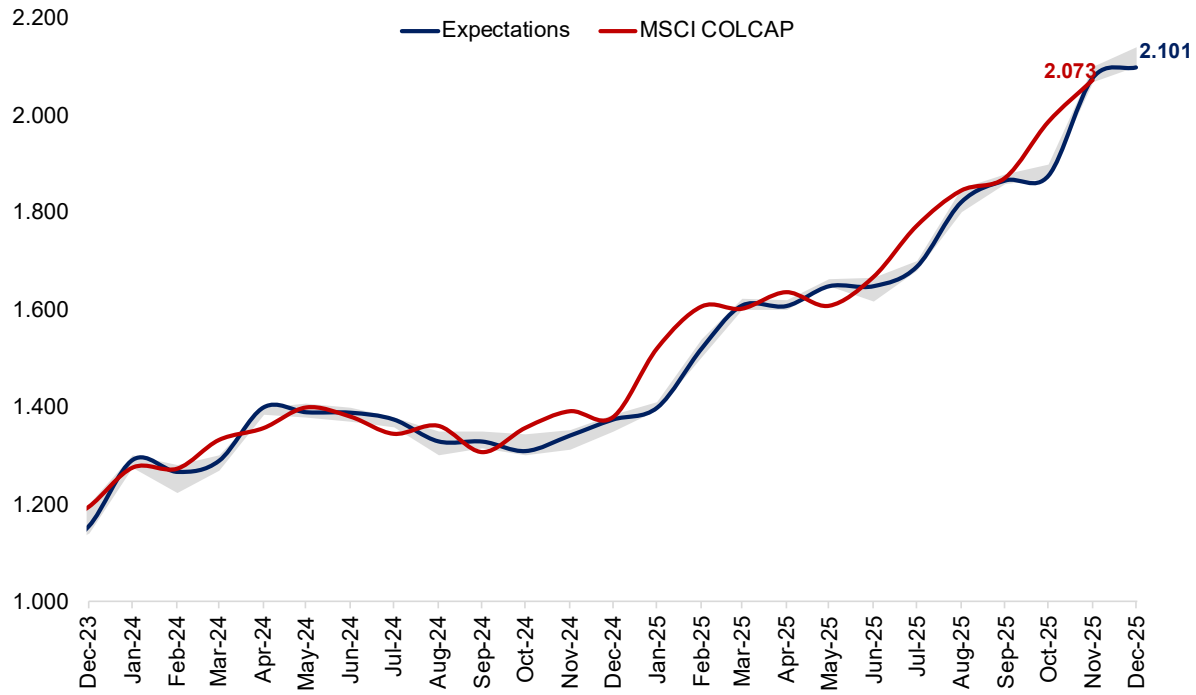
Finally, the **Valuation Confidence Index** stood at 66.7% in December, remaining unchanged from the previous month (66.7%), but declining by 27.4 pp relative to the same month in 2024 (94.1%). This implies that, compared to the same month of the previous year, a smaller share of analysts believes that stock prices underestimate their fundamentals.

MSCI COLCAP Index

The MSCI COLCAP Index, which reflects price movements of the most liquid stocks on the Colombian Stock Exchange (bvc), is one of the most important leading indicators for monitoring the country's capital market. The average for December 2025 to date (through December 19) stands at 2,094, representing an appreciation of 2.1% relative to the November 2025 average (2,052) and an increase of 51.7% compared to the December 2024 average (1,381).

At the end of November, the MSCI COLCAP stood at 2,073, which is 7 points below analysts' forecast (2,080). By the end of December, the index is expected to rise to 2,101 as the median response, within a range between 2,100 and 2,141 (Graph 1).

Graph 1. MSCI COLCAP Index price forecast



Source: Financial Opinion Survey, Fedesarrollo – bvc.

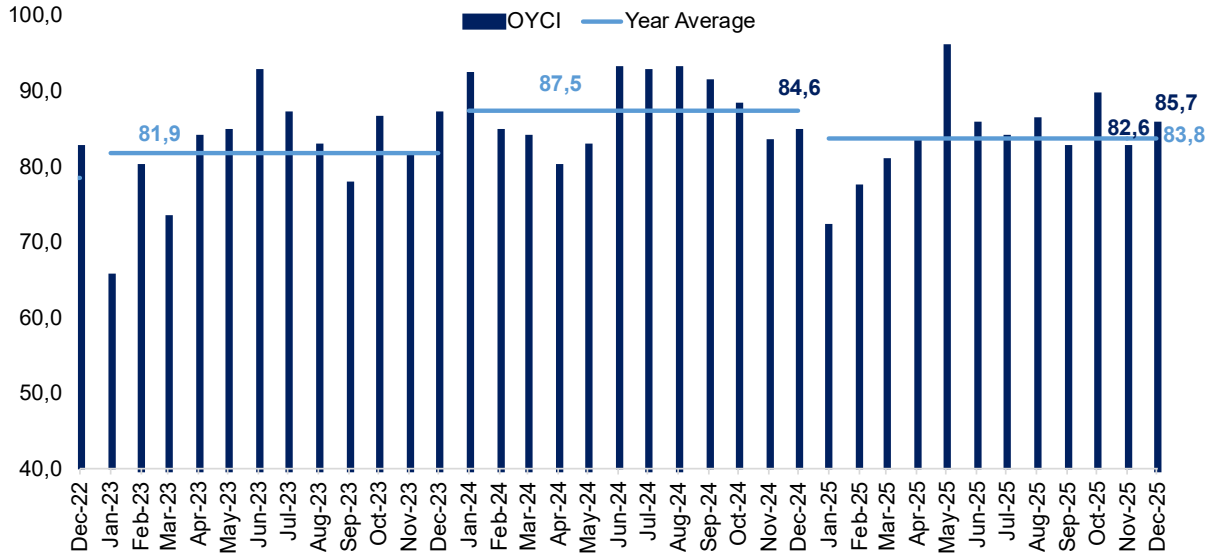
The four-confidence index for the Colombian stock market are presented down below. These indices are calculated based on the Shiller (2000)[1] methodology and using the analysts' expectations collected in the Financial Opinion Survey.

[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 share of analysts who expect the MSCI COLCAP to increase over a one-year horizon. In this edition, the index stood at 85.7%, indicating that this percentage of respondents expects the index to rise in December 2026 relative to its level prior to the survey being sent (2,113)[3] (Graph 2). The index increased by 3.1 pp compared to the previous month (82.6%) and by 1.1 pp relative to the same month of the previous year (84.6%), reflecting an improvement in equity market confidence compared to both the previous month and the previous year.

Graph 2. One-Year Confidence Index
(%)



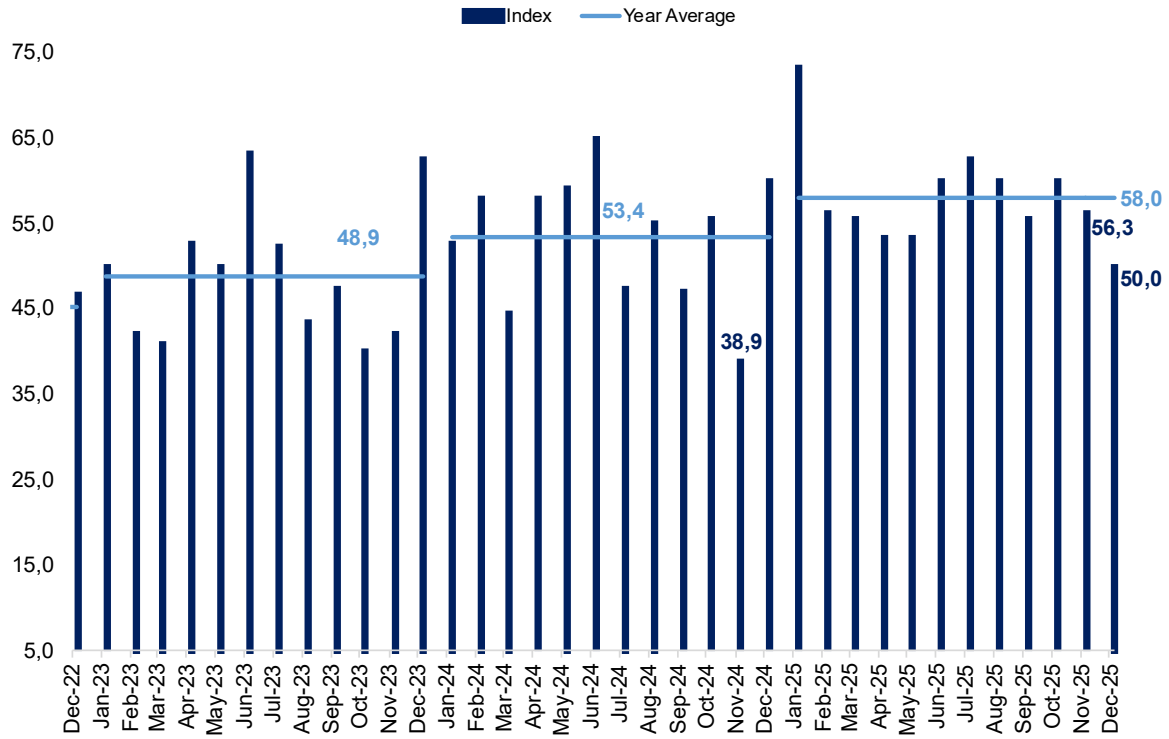
Source: Financial Opinion Survey, Fedesarrollo – bvc.

[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.
[3] 5 of December 2025

Buy-on-Dips Confidence Index[4]

The Buy-on-Dips Confidence Index measures the share of analysts who believe the MSCI COLCAP has the ability to recover one day after a hypothetical 3% drop. In December 2025, the index stood at 50%, representing a decline of 6.3 pp compared to November (56.3%) and a reduction of 10 pp relative to the same month in 2024 (60%) (Graph 3). This suggests that analysts consider a recovery of the MSCI COLCAP following a potential drop in the index to be less likely compared to both the previous month and the previous year.

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



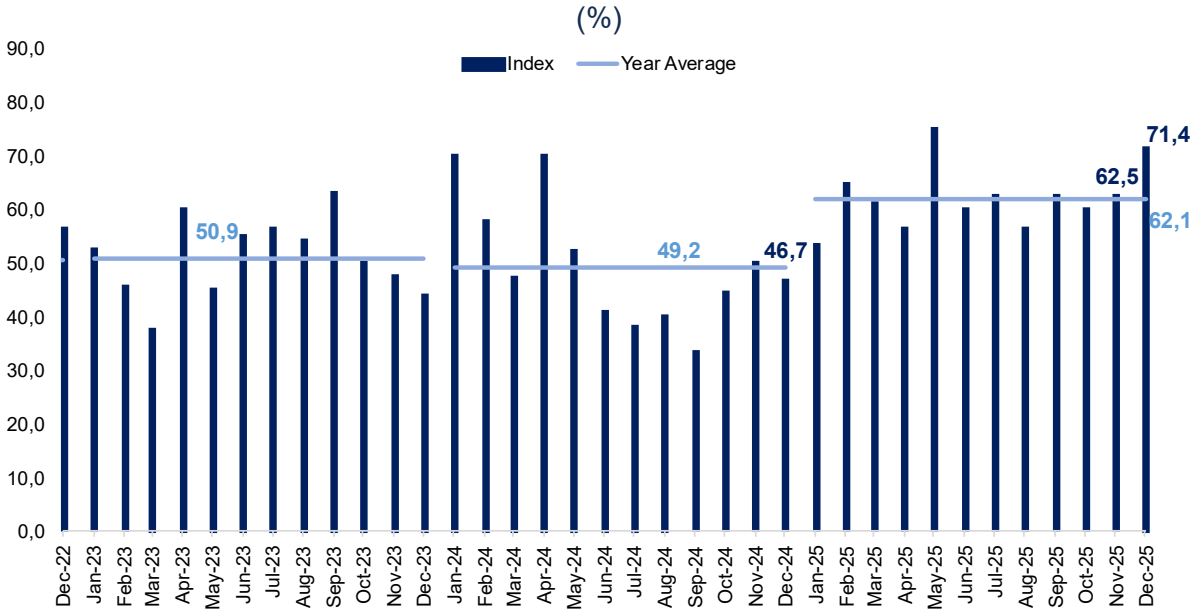
Source: Financial Opinion Survey, Fedesarrollo – bvc.

[4] 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[5]

The Crash Confidence Index shows the share of analysts who believe the Colombian equity market would face a low probability of a depreciation in the MSCI COLCAP over the next six months in the event of a sharp drop in international markets. In December 2025, the index increased by 8.9 pp relative to the previous month (62.5%), reaching 71.4%, indicating that analysts perceive a lower likelihood of a potential decline in the local equity market amid deteriorating international markets compared to November 2025 (Graph 4). Likewise, the index stood 24.7 pp above the level recorded in the same month of the previous year (46.7%), reflecting an improvement in confidence in the equity market's immunity to external shocks relative to December 2024.

Graph 4. Crash Confidence Index



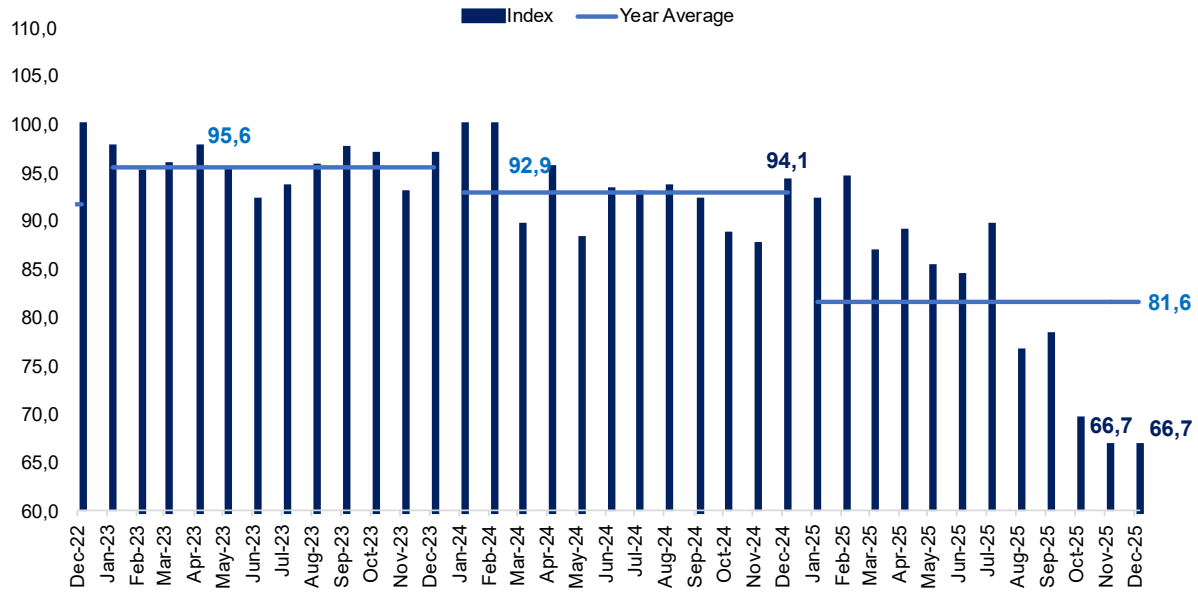
Source: Financial Opinion Survey, Fedesarrollo – bvc.

[5] 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[6]

The Valuation Confidence Index measures the share of analysts who consider MSCI COLCAP stock prices to be very low or fair relative to their fundamental value. In December 2025, the index stood at 66.7%, remaining unchanged from the level observed in November (66.7%), but declining by 27.4 pp relative to the level of December 2024 (94.1%). This indicates that, compared to the previous year, a smaller share of analysts believes that stock prices underestimate their fundamentals (Graph 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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[6] The Valuation Confidence Index is calculated as:
$Valuation\ Confidence\ Index = (1 * (\%\ too\ low)) + (0.5 * (\%\ about\ right))$, 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".