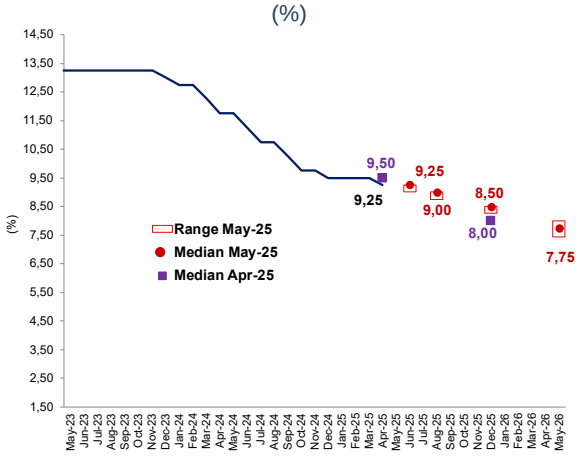
Financial Opinion Survey
May 2025
Bulletin No. 241

CENTRAL BANK POLICY RATE

In April 2025, the Board of Directors of Banco de la República decided to reduce the intervention rate by 25 basis points to 9.25%. The next meeting at which a decision on the intervention rate will be made will be on June 27, 2025.

For the months of June and August, analysts expect the intervention rate to be at 9.25% and 9.00%, respectively. They also anticipate that the intervention rate will be at 8.50% in December 2025 (up from the 8.00% expected the previous month).

Graph 1. Central Bank interest rate
(%)



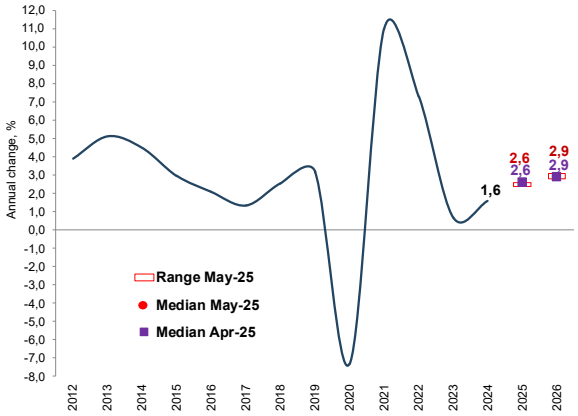
Source: Financial Opinion Survey, Fedesarrollo - bvc

ECONOMIC GROWTH

In May, the economic growth forecast for 2025 was located in a range between 2.4% and 2.6%, with 2.6% as the median response (stable compared to the April edition) (Graph 2). The median for 2026 came in at 2.9%, ranging between 2.8% and 3.1%.

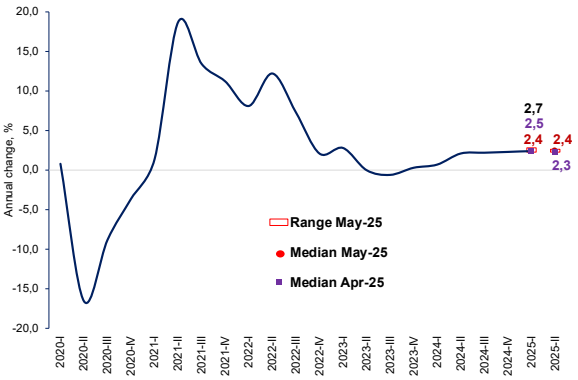
Growth expectations for the first quarter of 2025 were in a range between 2.2% and 2.8%, with 2.4% as the median response (down from the 2.5% expected in the April issue). This result was below the growth figure for the first quarter revealed by DANE of 2.7%. On the other hand, the growth forecast for the second quarter of 2025 increased to 2.4%, compared to 2.3% in the previous edition (Graph 3).

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



Source: Financial Opinion Survey, Fedesarrollo - bvc

Graph 3. GDP growth forecast – first and second quarter 2025
(Annual Change, %)



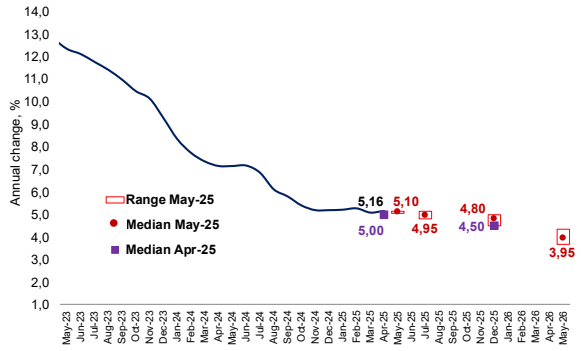
Source: Financial Opinion Survey, Fedesarrollo - bvc

INFLATION

In April, annual inflation stood at 5.16%, above analysts' forecast (5.00%). In May, analysts consider that inflation will stand at 5.10%, in a range between 5.05% and 5.15% (Graph 4).

Analysts also forecast that in December 2025 inflation will close at 4.80% (up from 4.50% in the April edition), in a range between 4.51% and 5.00%, 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 (May 2026) are at 3.95%.

Graph 4. Inflation forecast
(%)



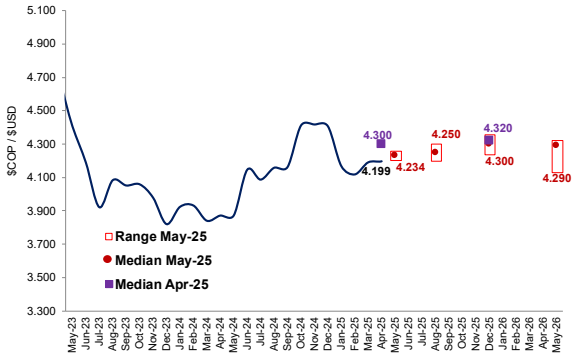
Source: Financial Opinion Survey, Fedesarrollo - bvc

EXCHANGE RATE

In April, the exchange rate closed at $4,199, with an average monthly depreciation of 3.4%, reaching its maximum value for the month on April 10 ($4,417) and its minimum value on April 4 ($4,130). The observed figure was $101 lower than expected in the April survey ($4,300).

In May, analysts consider that the exchange rate will be in a range between $4,200 and $4,258, with $4,234 as the median response (Graph 5). For December 2025, analysts expect an exchange rate of $4,300, which represents a drop compared to the previous month's forecast ($4,320).

Graph 5. Exchange rate - end of period

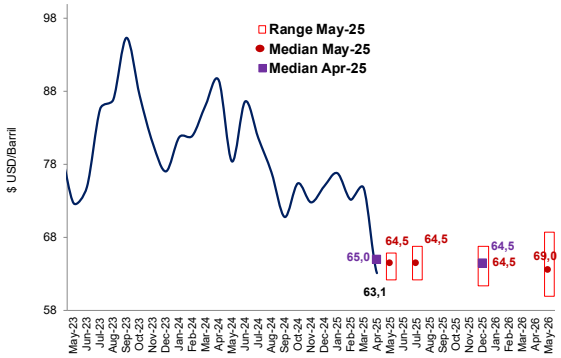


Source: Financial Opinion Survey, Fedesarrollo – bvc

OIL

In April, Brent oil closed at $63.1 dollars, showing an average monthly decrease of 7.3% and $1.9 dollars below analysts' expectations ($65). In May, analysts consider that the oil price at the close of the month will be in a range between $62.3 and $65.9, with $64.5 dollars as the median response (Graph 6). For December 2025, they expect a price of $64.5 dollars (remaining stable compared to the expectation in April).

Graph 6. Brent oil prices - End of period



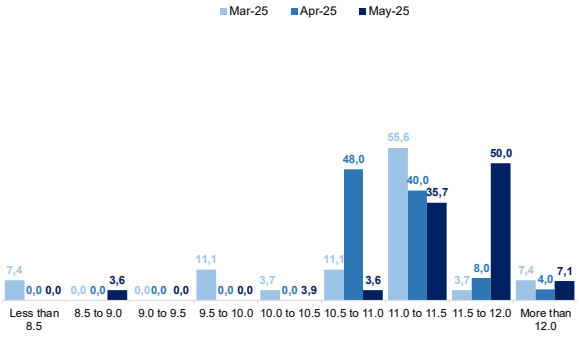
Source: Financial Opinion Survey, Fedesarrollo – bvc

TES 2032 and 2042 interest rate

In this edition, 50% of analysts expect the rate of TES maturing in 2032 in three months to be between 11.5-12.0%; 35.7% expect it to be in the 11.0-11.5% range; 7.1% believe it will be over 12.0% and the remaining 7.2% are equally distributed between 10.5-11.0% and 8.5-9.0% (Graph 7).

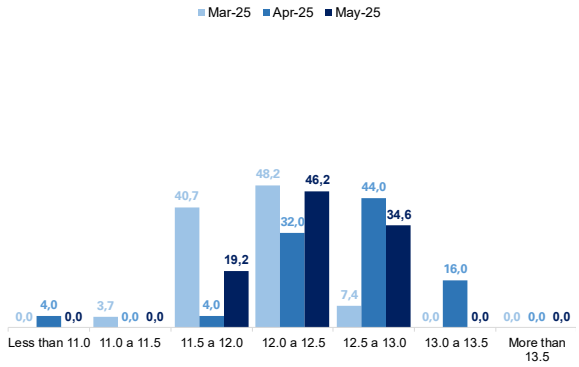
For TES maturing in 2042, 46.2% of analysts project their yield to be between 12.0-12.5%; 34.6% between 12.5-13.0% and the remaining 19.2% between 11.5-12.0% (Graph 8).

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)

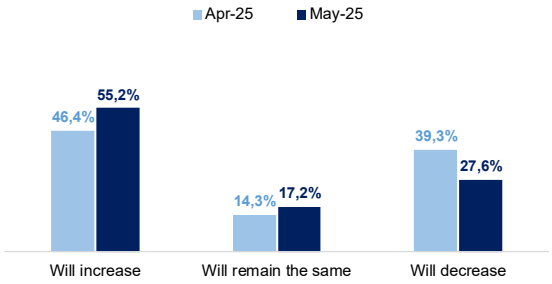


Source: Financial Opinion Survey, Fedesarrollo - bvc

DEBT SPREAD – COLOMBIA EMBIG

The debt spread (EMBIG Colombia) closed April at 388 basis points (32 basis points higher than in March). In May, 55.2% of analysts (8.8 percentage points more than the previous month) expect the spread to increase in the next 3 months, while 27.6% of respondents expect the spread to decrease (11.7 percentage points less than the previous month). The remaining 17.2% (2.9 percentage points more than the previous month) expect it to remain the same (Graph 9).

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

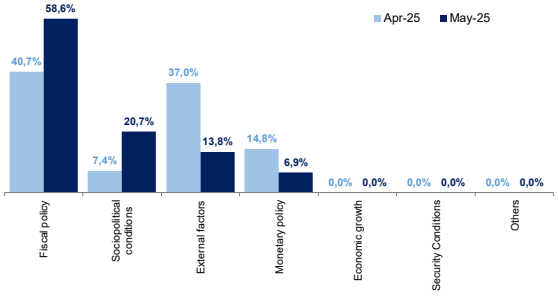


Source: Financial Opinion Survey, Fedesarrollo - bvc

INVESTMENT DETERMINANTS

In this edition, fiscal policy was shown as the most relevant aspect when it comes to investing, being chosen by 58.6% of analysts (compared to 40.7% in the previous month). Socio-political conditions came in second place with 20.7% of participation (compared to 7.4% in the previous month). These were followed by external factors and monetary policy with 13.8% and 6.9% (compared to 37.0% and 14.8%, respectively, in the previous month). On the other hand, economic growth and security conditions remained at 0.0% (Graph 10).

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

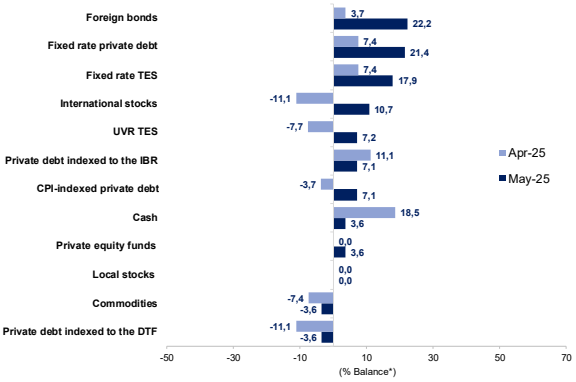


Source: Financial Opinion Survey, Fedesarrollo – bvc

INVESTMENT PREFERENCES

Compared to April, portfolio managers increased their preferences for 9 of the 12 assets analyzed in the survey, including foreign bonds, fixed-rate private debt, fixed-rate TES, international equities, TES in UVR, private debt indexed to the CPI, private equity funds, commodities and private debt indexed to the DTF. On the other hand, there was a decrease in preferences for IBR-indexed private debt and cash. Preferences for local equities remained stable (Figure 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 changes in the prices of the most liquid stocks on the Colombian Stock Exchange (bvc). In May, 70.4% of analysts (vs. 41.7% in April) expect the index to appreciate in three months (Table 1), 22.2% expect it to remain the same (vs. 16.7% in April), and the remaining 7.4% expect the stock index to depreciate (vs. 41.7% in April).

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

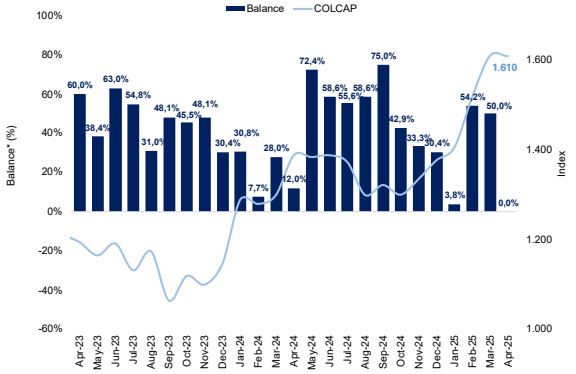
(% of answers)

Index COLCAP Price Level	April 2025	March 2025
Will increase 10% or more	0,0%	0,0%
Will increase between 5% and 9.99%	4,2%	7,4%
Will increase between 0.01% and 4.99%	37,5%	63,0%
Will remain the same	16,7%	22,2%
Will decrease between 0.01% and 4.99%	41,7%	7,4%
Will decrease between 5% and 9.99%	0,0%	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.

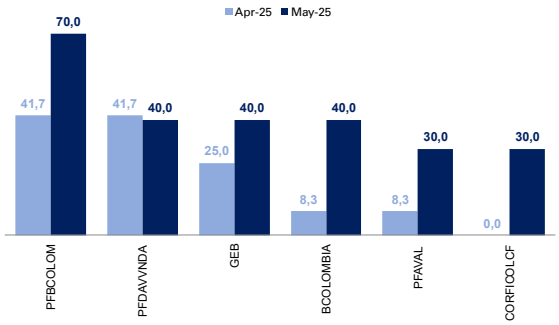
MOST ATTRACTIVE COLCAP SHARES

The FOS asks analysts about the three stocks they consider most attractive within the MSCI COLCAP index. In May, the stock preferred by analysts was preferencial Bancolombia stock, being selected by 70.0% of analysts (Graph 13). These were followed by preferencial Davivienda stock, Grupo Energía de Bogotá (GEB) and Bancolombia (40.0% each).

This month there was an increase in the appetite for shares in the financial and holdings sectors with respect to the previous month, and a decrease in the appetite for shares in the energy, oil and construction sectors (Graph 14).

Graph 13. Most attractive MSCI COLCAP stocks for investors

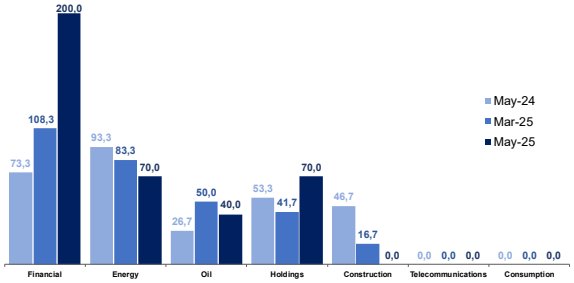
(% of the respondents who consider the stock as one of the three more attractive)



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

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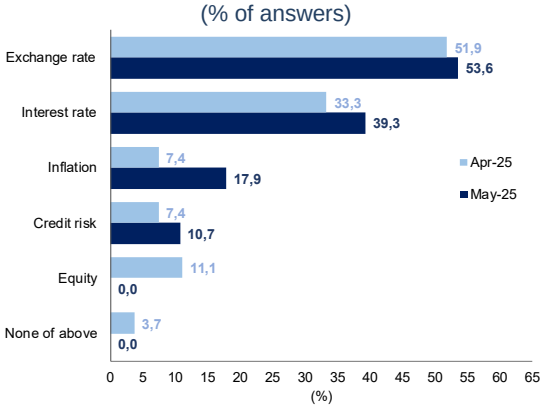
Bolsa de Valores de Colombia

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 May, 53.6% of respondents (51.9% in April) say they are planning to hedge against the exchange rate in the short term (Graph 15).

In second place, 39.3% of managers expect to hedge against the interest rate (compared to 33.3% in April) and, in third place, 17.9% against inflation (compared to 7.4% in April). Finally, hedging against credit risk was selected by 10.7% of respondents (vs. 7.4% in April).

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)	
		Abr-25	Abr-25	May-25
Inflation (Annual variation, %)	Enf of month	5,16	5,00	5,10
	End of 2025	-	4,50	4,80
Exchange rate ($)	Enf of month	4.199	4.300	4.234
	End of 2025	-	4.320	4.300
Monetary policy interest rate (%)	Enf of month	9,25	9,50	9,25
	End of 2025	-	8,00	8,50
Oil (Brent, $USD/Barrel)	Enf of month	63,1	65,0	64,5
	End of 2025	-	64,5	64,5
Growth (%)*	2025-Q1	2,7	2,5	2,4
	2025-Q2	-	2,3	2,4
	2025	-	2,6	2,6
	2026	-	2,9	2,9

Source: Financial Opinion Survey – bvc
*Original series

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