Stock market confidence indices
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bvc nuam

At the end of September, the **MSCI COLCAP** stood at 2,549, that is, 11 points below analysts' forecast (2,560). By the end of October, the index is expected to reach a level of 2,560.

In October, the **One-Year Confidence Index** stood at 91.3%, which represents an increase of 0.4 percentage points relative to the previous month (90.9%) and an increase of 1.8 percentage points compared to the same month in 2025 (89.5%). This indicates that the share of analysts expecting an appreciation of the COLCAP over the next 12 months increased compared to both the previous month and the previous year.

The **Buy-on-Dips Confidence Index** stood at 55.6% in October, increasing by 8.9 percentage points compared to the previous month (46.7%), but declining by 4.4 percentage points relative to the same month in 2025 (60%). This suggests that analysts consider a recovery of the MSCI COLCAP following a potential drop in the index to be more likely compared to the previous month, but less likely compared to the previous year.

In October, the **Crash Confidence Index** stood at 78.9%, which represents an increase of 12.2 percentage points compared to the previous month (66.7%) and of 18.9 percentage points relative to the same month in 2025 (60%). 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.

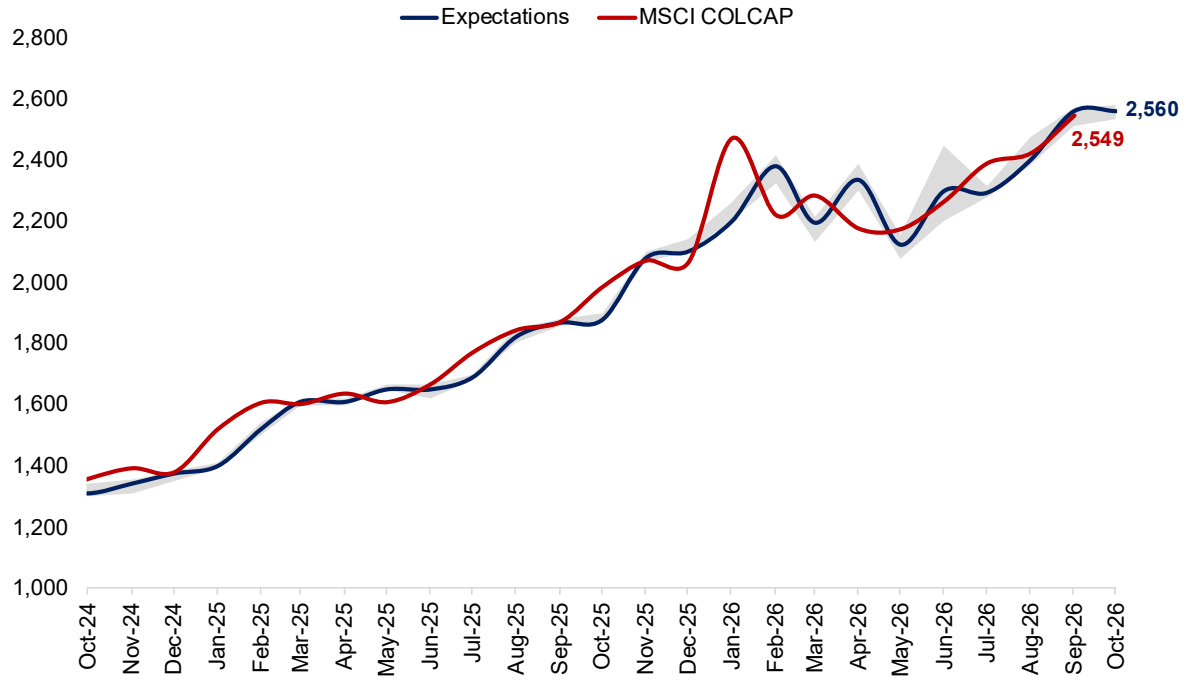
Finally, the **Valuation Confidence Index** stood at 64.3% in October, declining by 7.9 percentage points compared to the previous month (72.2%) and by 5.1 percentage points relative to the same month in 2025 (69.4%). This implies that, compared to both the previous month and the previous year, a smaller share of analysts believe 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 October 2026 to date (through October 19) stands at 2,552, representing a decline of 0.4% relative to the September 2026 average (2,562) and an appreciation of 33.7% compared to the October 2025 average (1,909).

At the end of September, the MSCI COLCAP stood at 2,549, which corresponds to 11 points below analysts' forecast (2,560). By the end of October, the index is expected to increase to 2,560 as the median response, within a range between 2,534 and 2,580 (Chart 1).

Chart 1. MSCI COLCAP Index price forecast



Source: Financial Opinion Survey, Fedesarrollo – bvc.

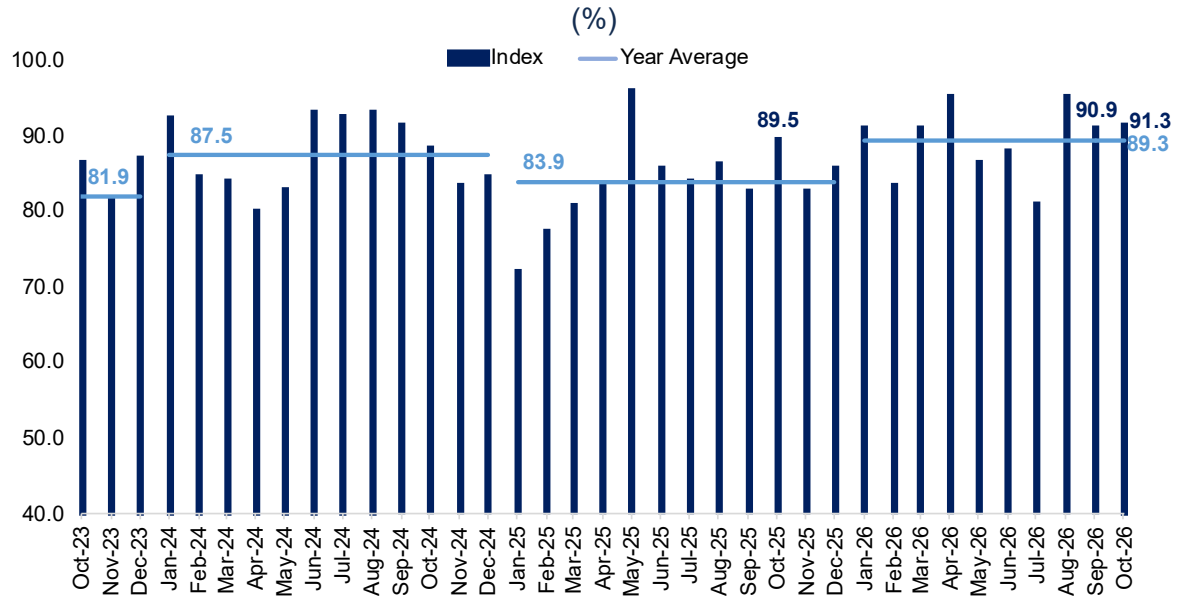
The following four indices track the Colombian equity market. They are calculated [1]using analysts' expectations collected in the Financial Opinion Survey and the Shiller (2000) methodology.

[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 an increase in the MSCI COLCAP over a one-year horizon. In this edition, the index stood at 91.3%, indicating that this percentage of respondents expects the index to increase in October 2027 relative to its level prior to the survey being sent (2,535) (Chart 2). The index increased by 0.4 percentage points compared to the previous month (90.9%) and by 1.8 percentage points compared to the same month of the previous year (89.5%), reflecting an increase in equity market confidence compared to both the previous month and the previous year.

Chart 2. One-Year Confidence Index



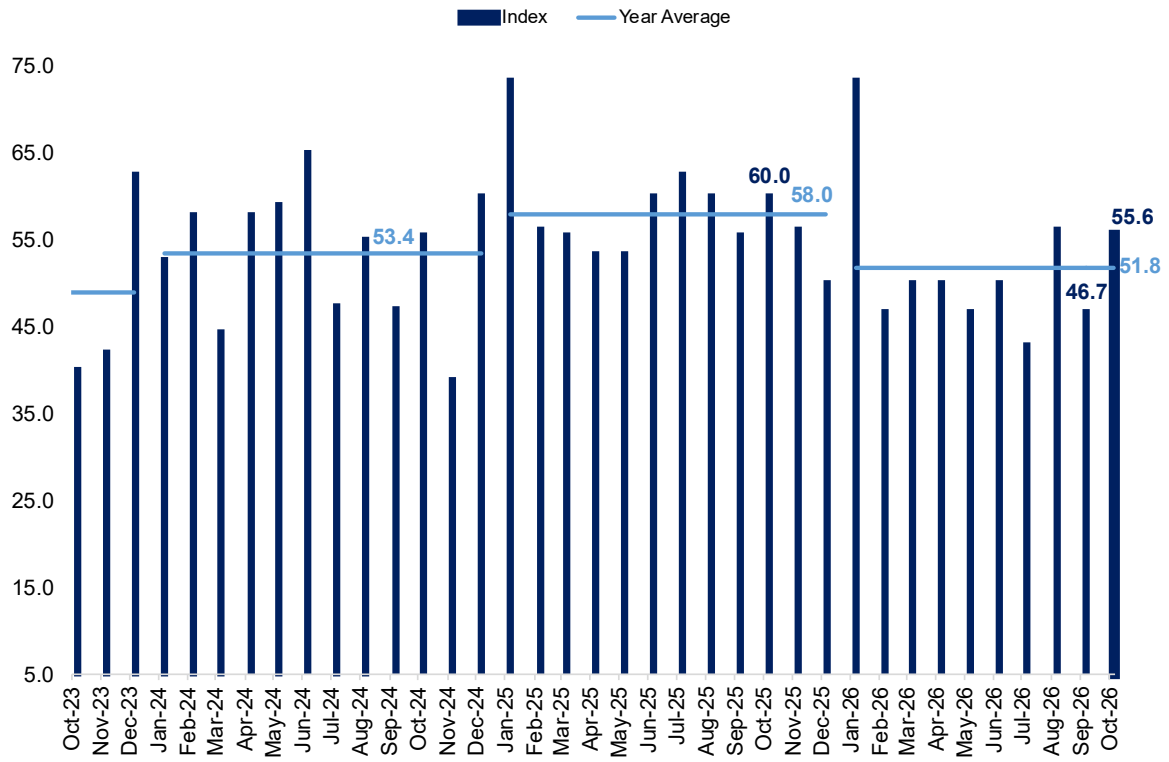
Source: Financial Opinion Survey, Fedesarrollo – bvc.

[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 share of analysts who believe the MSCI COLCAP has the ability to recover one day after a hypothetical 3% drop. In October 2026, the index stood at 55.6%, increasing by 8.9 percentage points compared to the previous month (46.7%), but declining by 4.4 percentage points relative to the same month in 2025 (60%) (Chart 3). This suggests that analysts consider a recovery of the MSCI COLCAP following a potential drop in the index to be more likely compared to the previous month, but less likely compared to the previous year.

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



Source: Financial Opinion Survey, Fedesarrollo – bvc.

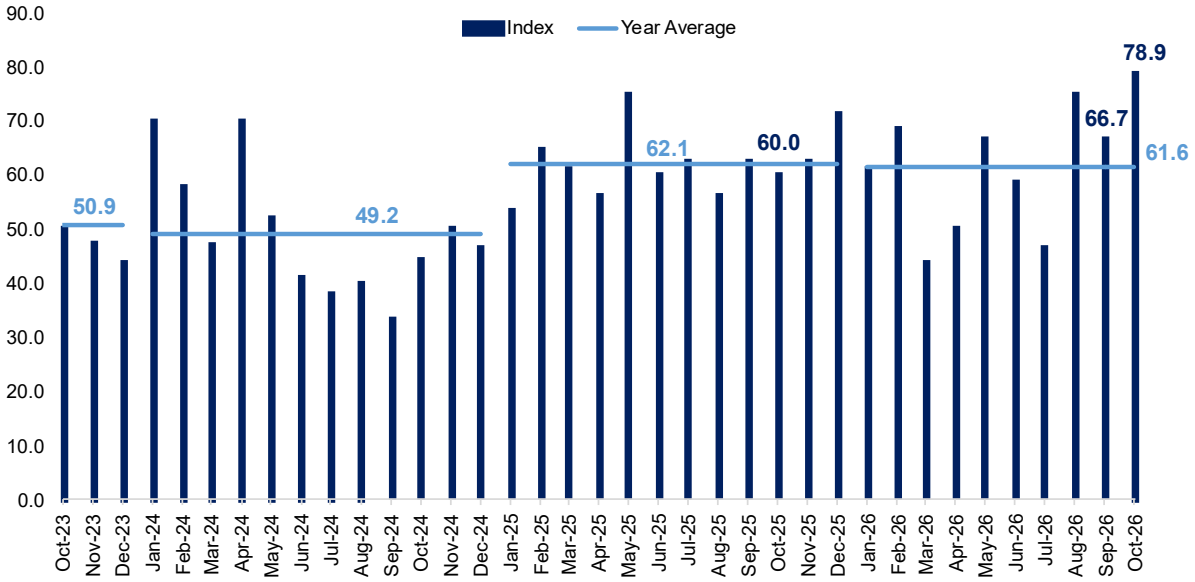
[3] The Buy-on-Dips Confidence Index is calculated as the number of respondents who expect an increase in the MSCI COLCAP index the next day after a 3% drop, divided by the total answers excluding the "no opinion" option.

Crash Confidence Index[4]

The Crash Confidence Index shows the 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 October 2026, the index increased by 12.2 percentage points compared to the previous month (66.7%), standing at 78.9%, indicating that analysts perceive a lower likelihood of a potential decline in the local equity market amid deteriorating international conditions compared to September 2026 (Chart 4). Compared to the same month in 2025 (60%), the index stood 18.9 percentage points higher, reflecting an increase in confidence in the equity market's immunity to external shocks.

Chart 4. Crash Confidence Index

(%)



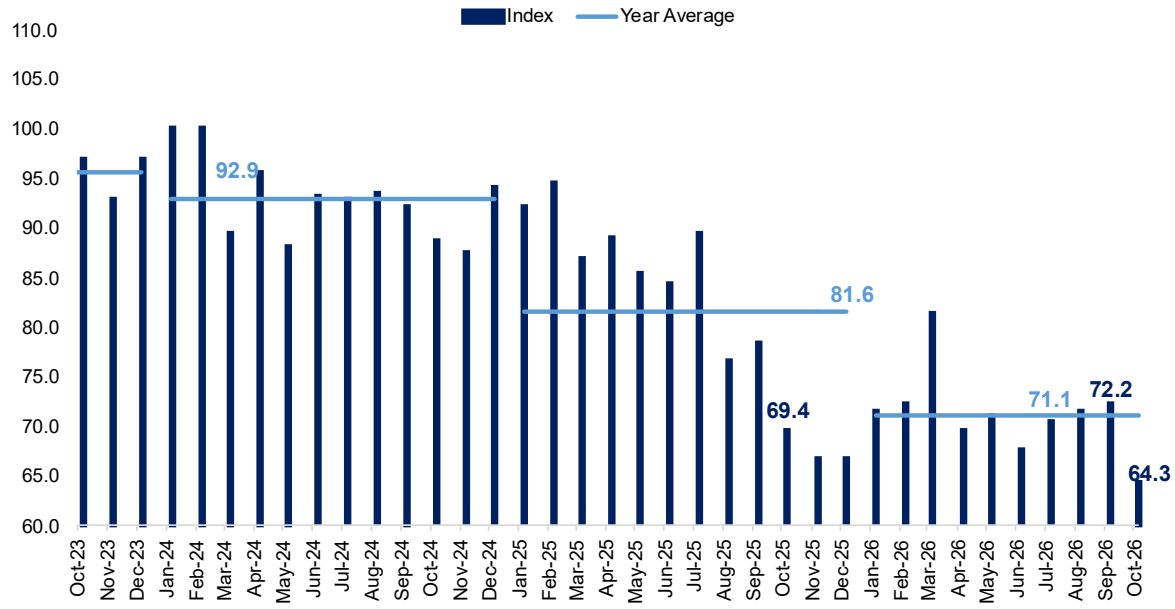
Source: Financial Opinion Survey, Fedesarrollo – bvc.

[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 share of analysts who consider MSCI COLCAP stock prices to be very low or fair relative to their fundamental value. In October 2026, the index stood at 64.3%, declining by 7.9 percentage points compared to the figure observed in September (72.2%) and by 5.1 percentage points relative to the level of October 2025 (69.4%). This suggests that, compared to both the previous month and the previous year, a smaller share of analysts believes that stock prices underestimate their fundamentals (Chart 5).

Chart 5. Valuation Confidence Index
(%)



Source: Financial Opinion Survey, Fedesarrollo – bvc.

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[5] 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".