

# Financial Opinion Survey

April 2022

Bulletin No.204

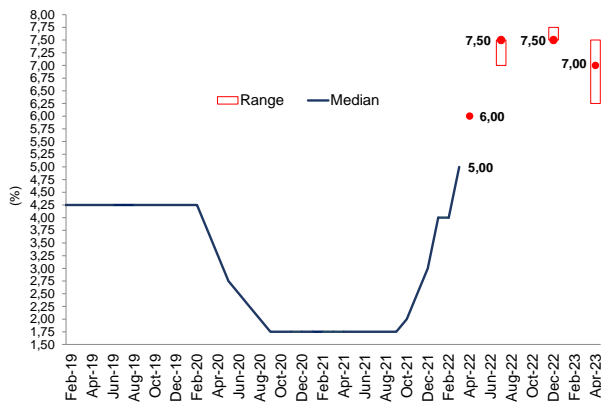


## CENTRAL BANK POLICY RATE

In March, the Board of Directors of the Central Bank placed the intervention rate in 5,0%. The next monetary policy decision will take place on April 29.

By April, 84,4% of analysts expect the interest rate to reach 6,0% at the end of the month. Meanwhile 6,3% forecast an increase to 5,75% and another 3,1% expect it to reach 6,5%. In contrast, 6,3% expect it to remain at 5,0% (Graph 1).

Graph 1. Central Bank interest rate



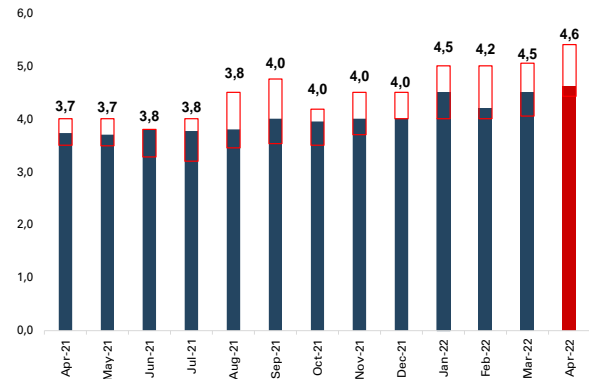
Source: Financial Opinion Survey, Fedesarrollo - BVC

## ECONOMIC GROWTH

In April, the economic growth forecast for 2022 ranges between 4,4% and 5,4%, with 4,6% as median response (4,5% in the previous FOS) (Graph 2). The economic growth forecast for 2023 was at 3,6%, ranging between 3,0% and 4,0%.

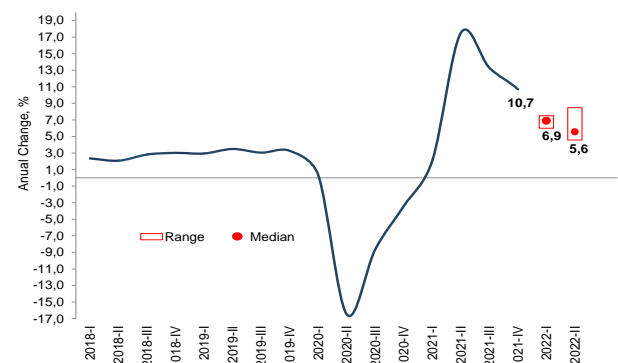
Expectations about the first quarter of 2022 were in a median of 6,9% (6,0% in the previous edition), ranging between 6,0% and 7,5%. Expectations regarding the second quarter of 2022 growth reached 5,6%, ranging between 4,6% and 8,5% (Graph 3).

Graph 2. GDP annual growth forecast-2022 (Annual Change, %)



Source: Financial Opinion Survey, Fedesarrollo - BVC

Graph 3. GDP growth forecast – first quarter 2022 and second quarter 2022 (Annual Change)



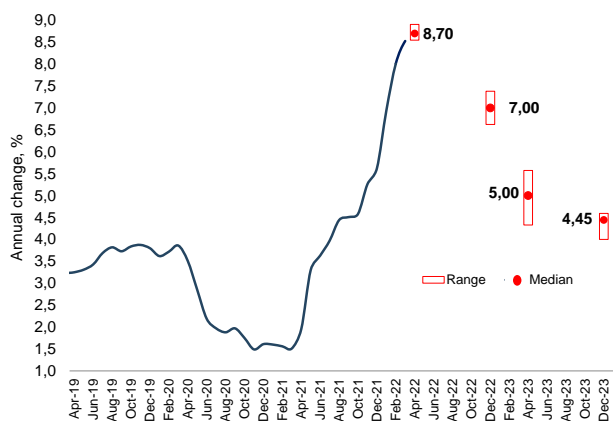
Source: Financial Opinion Survey, Fedesarrollo - BVC

## INFLATION

In March, the annual inflation reached 8,53%, higher than the analysts forecast in the previous edition (8,45%). In April, the analysts believe that inflation will reach 8,70% (Graph 4). It is highlighted that the current expectations are above the target range (2,0% to 4,0%) of the Central Bank.

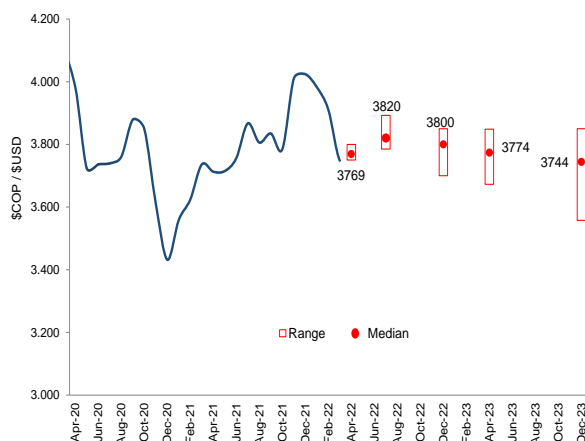
On the other hand, the experts foresee that the inflation at the end of 2022 will reach the value of 7,00%. This means that the prediction made at this edition is higher than the one made on the previous month (6,4%) (Graph 4).

Graph 4. Inflation forecast



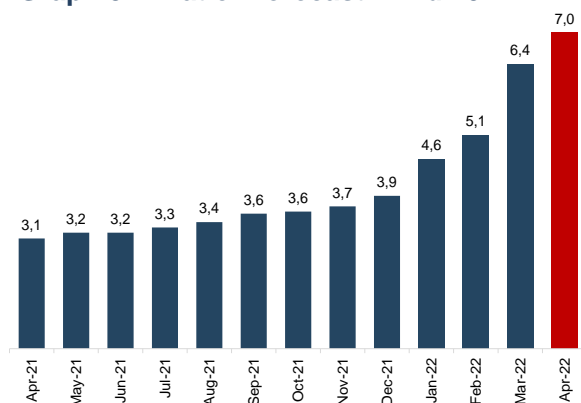
Source: Financial Opinion Survey, Fedesarrollo - BVC

Graph 6. Exchange rate - end of period



Source: Financial Opinion Survey, Fedesarrollo - BVC

Graph 5. Inflation forecast - End 2022



Source: Financial Opinion Survey, Fedesarrollo - BVC

Graph 7. Exchange rate forecast  
End of 2022



Source: Financial Opinion Survey, Fedesarrollo - BVC

## EXCHANGE RATE

In March, the exchange rate closed at \$ 3.748,15 with a monthly appreciation of 4,16%. On March 1 it reached a maximum value of \$ 3.910,28 pesos per dollar and on March 31 it reached a minimum value of \$3.748,15 pesos per dollar. **The exchange rate forecast by the end of the month ranges between \$3.750 and \$3.800, with \$3.769 as median response** (Graph 6). Thus, it is expected that the exchange rate in April will close below the \$ 3.800 pesos.

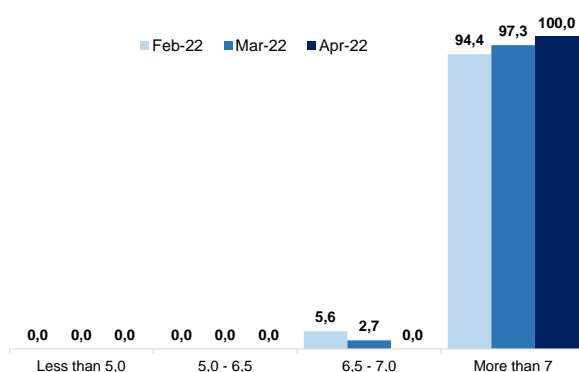
On the other hand, and as in the previous month, **experts forecast that the exchange rate will close at 3.800 at the end of 2022** (Graph 7).

## TES 2024 and 2028 RATE

In this edition, the percentage of analysts who considers that **the interest rate on the treasury bonds maturing in 2024 will be over 7.0% during the next three months is 100%** (Graph 8). This shows an evident increase in the predictions made by the experts compared to the previous editions.

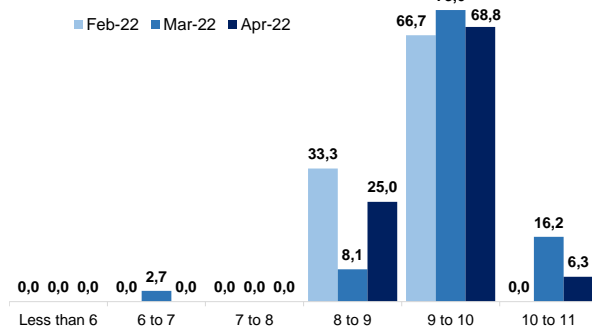
Regarding TES maturing in 2028, **the 68,8% of the analysts expects a rate between 9,0% and 10,0%; meanwhile there is an 25,0% that expects it to be between 8,0% and 9,0% for the next 3 months. Meanwhile, 6,2% of analysts estimate the rate to be between 10,0% and 11,0%** (Graph 9).

**Graph 8. Expectation of TES 2024 performance rate for the next 3 months**  
(% of answers)



Source: Financial Opinion Survey, Fedesarrollo – BVC

**Graph 9. Expectation of TES 2028 performance rate for the next 3 months**  
(% of answers)

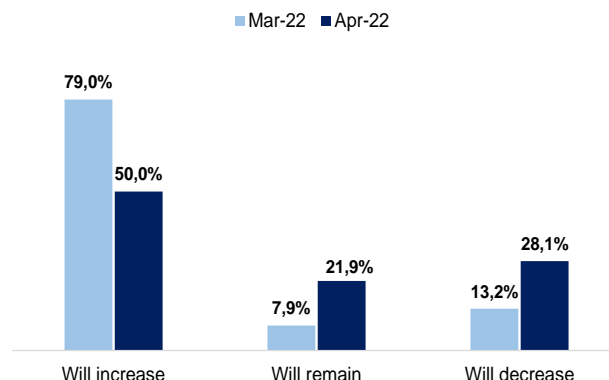


Source: Financial Opinion Survey, Fedesarrollo - BVC

## DEBT SPREAD – EMBI + COLOMBIA

The debt spread (EMBI + Colombia) is defined as the difference between the yield of Colombian bonds issued abroad and the yield of American treasury securities. The debt spread closed at 339-bps in March. **In April, 50,0% of the analysts** (29,0-bps less than the previous FOS) **expects the spread to increase in the next three months, while 28,1% (15,0-bps more than previous FOS) expects it to decrease. The remaining 21,9% of the respondents expects for the spread to remain equal** (14,0-bps more than the previous FOS) (Graph 10).

**Graph 10. Expectation 3-months debt spread**  
(% of answers)

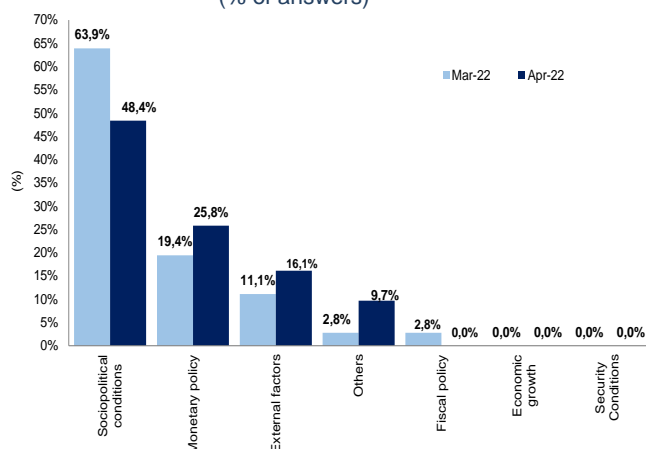


Source: Financial Opinion Survey, Fedesarrollo - BVC

## INVESTMENT DETERMINANTS

In this edition, the **sociopolitical conditions** rank as the most important aspect considered for investing decisions, reaching **48,4%** (63,9% in the previous month). Monetary policy placed second, with 25,8% (19,4% in the previous month). External factors were placed at third place, with 16,1% (11,1% in the previous month). Finally, 9,7% of analysts (2,8% last month) considered that other factors, such as the upcoming elections, also stand out as relevant factors when it comes to investing. On the other hand, fiscal policy, economic growth, and security conditions are not relevant reasons for analysts (Graph 11).

**Graph 11. Most relevant factors for investment decisions**  
(% of answers)



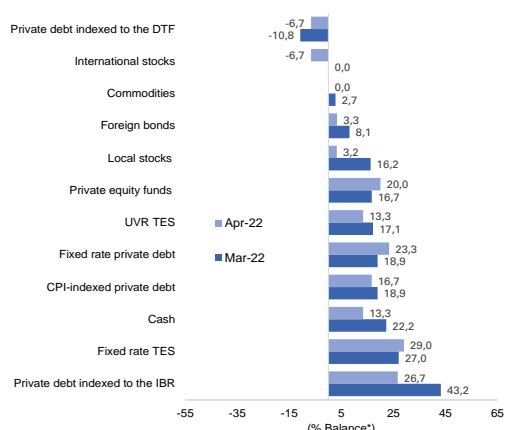
Source: Financial Opinion Survey, Fedesarrollo – BVC

## INVESTMENT PREFERENCES

Compared to March, **portfolio managers increased their preferences for fixed rate private debt, private debt indexed to the DTF, private equity funds and fixed rate TES.** In contrast, there is evidence of a deterioration in preferences for private debt indexed to the IBR, cash, CPI-indexed private debt, UVR TES, local stocks, foreign bonds, *commodities*, and international stocks (Graph 12).

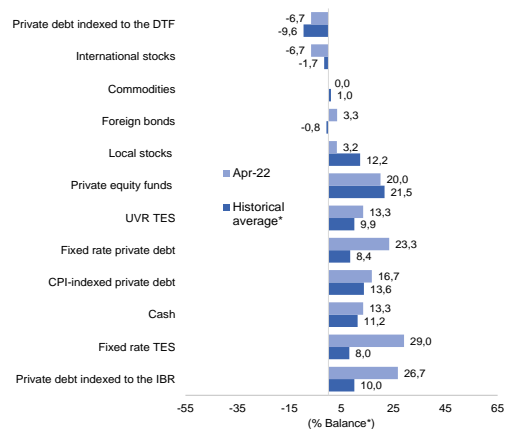
Compared to the survey's historical average, there is a greater preference for private debt indexed to the IBR, fixed rate TES, cash, CPI-indexed private debt, fixed rate private debt, UVR TES, foreign bonds and private debt indexed to the DTF (Graph 13).

**Graph 12. 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

**Graph 13. Projection of positions in the next 3 months for different assets vs historical average**



\* The historical average refers to the average of the response balances from June 2014 to date.  
Source: Financial Opinion Survey, Fedesarrollo – BVC

## MSCI COLCAP

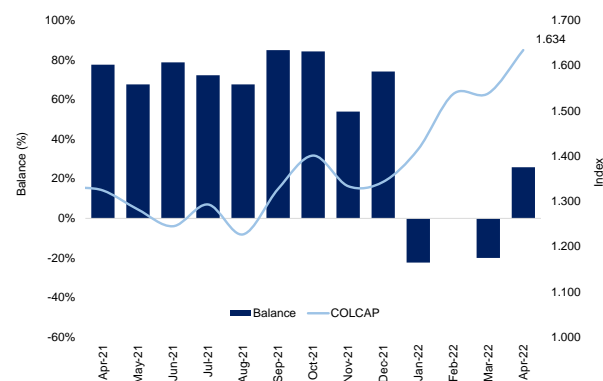
The MSCI COLCAP index is a market-capitalization weighted index that reflects price changes on the most liquid stocks listed in the Colombia's stock exchange. **In April, the 61,3% of the analysts (40,0% in March) expects a valuation of the index during the next three months (Table 1), while the remaining 38,7% of the analysts expects the index to devalue (60,0% in the previous FOS).**

**Table 1. Expectations about the MSCI COLCAP index price at 3 months**  
(% of answers)

Index COLCAP Price Level	March 2021	April 2022
Will increase 10% or more	0,0%	3,2%
Will increase between 5% and 9,99%	5,7%	0,0%
Will increase between 0,01% and 4,99%	34,3%	58,1%
Will remain	0,0%	0,0%
Will decrease between 0,01% and 4,99%	31,4%	22,6%
Will decrease between 5% and 9,99%	22,9%	12,9%
Will decrease between 10% or more	5,7%	3,2%

Source: Financial Opinion Survey, Fedesarrollo – BVC

**Graph 15. Balance on the price of the MSCI COLCAP index 3 months\***  
(% of answers)



Source: Financial Opinion Survey, Fedesarrollo – BVC

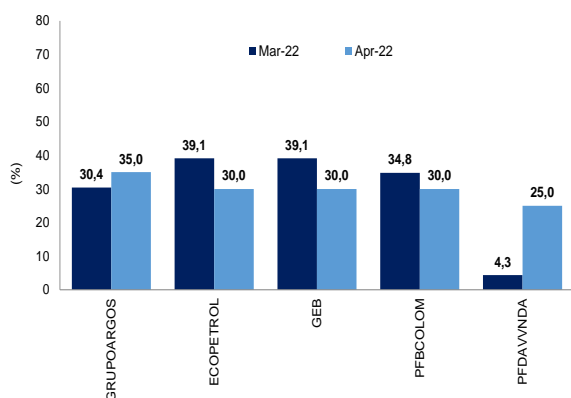
\* Balance: % of respondents expecting a valuation minus % of respondents expecting a devaluation

## MOST ATTRACTIVE COLCAP SHARES

The FOS inquires the analysts for the most attractive stocks compounding the MSCI COLCAP index. **In April, the stock of Grupo Argos was ranked in the first place with 35,0%. It was followed by the stock of Ecopetrol, GEB, Bancolombia's preferential stock and Davivienda's preferential stock (Graph 15).**

**Graph 15. More attractive MSCI COLCAP stocks for investors**

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

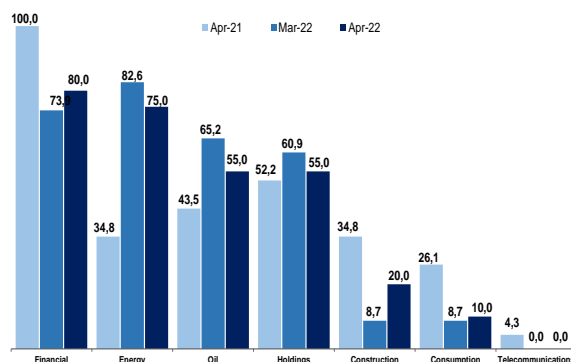


Source: Financial Opinion Survey, Fedesarrollo – BVC

Compared to the last month, there is greater appetite among respondents for shares of the financial, construction, consumption, and telecommunications sectors (Graph 16).

**Graph 16. Most attractive MSCI COLCAP sectors for investors**

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



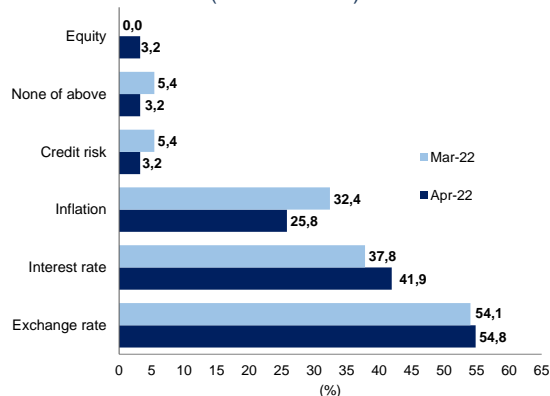
Source: Financial Opinion Survey, Fedesarrollo – BVC

**RISK COVERAGE**

The FOS inquires portfolio managers about the types of risk for which they plan to hedge against, in the next three months. **In April, 54,8% of the respondents** (54,1% in March) **were planning to hedge against the exchange rate in the short term.** The percentage of managers who expect to hedge against the interest rate is 41,9% (37,8% in March).

**Graph 18. Coverage of the different types of risk for the next 3 months**

(% of answers)



Source: Financial Opinion Survey, Fedesarrollo – BVC

**Table 2. Summary of the Macroeconomic Expectations**

Variable	Observed	Forecasts (Median of answers)		
	Mar-22	Apr-22	Jul-22	Dec-22
Inflation (Annual variation, %)	8,53	8,70		7,00
Exchange rate	\$ 3.748,15	\$ 3.769	\$ 3.820	\$ 3.800
Monetary policy interest rate (%)	5,0	6,0	7,5	7,5
	IVQ-2021	IQ-2022	IIQ-2022	2022
Growth (%)	10,7	6,9	5,6	4,6

Source: Financial Opinion Survey - BVC

Published April 21, 2022  
Comments to Diego Cuesta Mora: [dcuesta@fedesarrollo.org.co](mailto:dcuesta@fedesarrollo.org.co)



**Contact us if you wish to access historical results and other survey questions**

+57 1 3259777 ext. 340  
[comercial@fedesarrollo.org.co](mailto:comercial@fedesarrollo.org.co)