

Stock market confidence indices

September 2025

Bulletin No. 59



At the end of August, the **MSCI COLCAP** stood at 1,846, which is 23 points above analysts' forecasts (1,823). By the end of September, the index is expected to reach a level of 1,868.

In September, the **One-Year Confidence Index** stood at 82.6%, which is equivalent to a drop of 3.6 percentage points compared to the previous month (86.2%) and 8.7 percentage points compared to the same month in 2024 (91.3%). This indicates that the proportion of analysts who expect the COLCAP to appreciate over the next 12 months decreased compared to the previous month and compared to a year ago.

The **Buy-on-Dips Confidence Index** stood at 55.4% in September, down 4.4 percentage points from the previous month (60%) and increasing 8.5 percentage points from the same month in 2024 (47.1%). This implies that analysts consider an increase in the MSCI COLCAP is less likely the day after a potential decline in the index compared to the previous month, but more likely compared to the same month in 2024.

In September, the **Crash Confidence Index** stood at 62.5%, which is an increase of 6.2 percentage points compared to the previous month (56.3%) and an increase of 29.2 percentage points compared to the same month in 2024 (33.3%). This indicates that analysts consider the local market to be less vulnerable to declines in international markets compared to the previous month and to the same month in 2024.

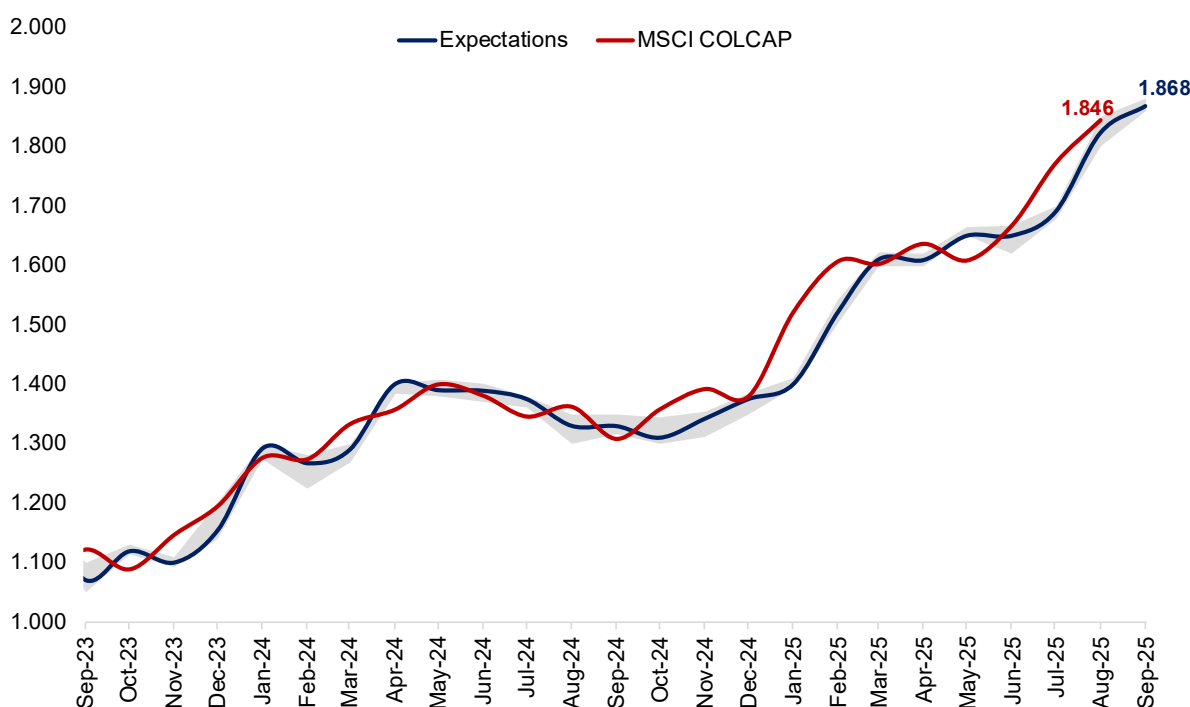
Finally, the **Valuation Confidence Index** stood at 78.3% in September, showing an increase of 1.8 percentage points compared to the previous month (76.5%) and a decrease of 13.8 percentage points compared to the same month in 2024 (92.1%). This implies that a higher proportion of analysts believe that stock prices underestimate the value of their fundamentals compared to August 2025. However, the indicator is at levels lower than those seen a year ago.

MSCI COLCAP Index

The MSCI COLCAP index, which reflects the variations in the prices of the most liquid stocks on the Colombian Stock Exchange (bvc), represents one of the most important leading indicators for monitoring the country's capital market. The average for September 2025 (through September 15) stands at 1,851.2, representing a 1.5% increase over the August 2025 average (1,823.7) and a 35% increase over the September 2024 average (1,324).

At the end of August, the MSCI COLCAP stood at 1,846, which is 23 points above analysts' forecasts (1,823). By the end of September, the index is expected to rise to 1,868 as a median response, in a range between 1,860 and 1,881.

Graph 1. MSCI COLCAP Index price forecast



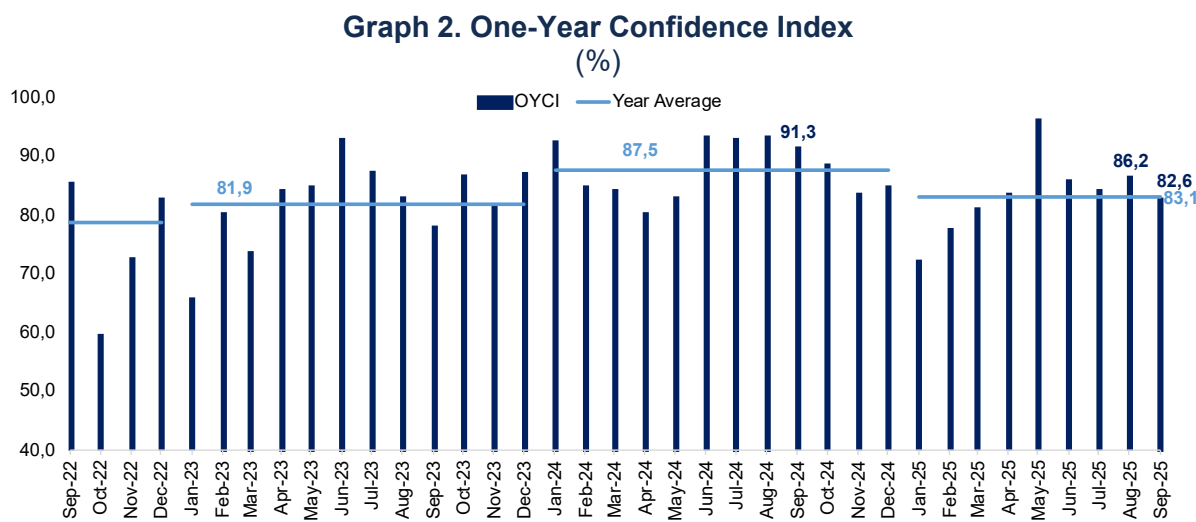
Source: Financial Opinion Survey, Fedesarrollo – bvc.

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 Exuberance. Princeton University Press. Princeton, N. J

One-Year Confidence Index²

The One-Year Confidence Index measures the proportion of analysts who expect an increase in the MSCI COLCAP over the next year. In this edition, the index stood at 82.6%, indicating that this percentage of respondents expects an increase in the index in September 2026 compared to the level prior to the survey being sent out (1,862.9) (Graph 2). The index decreases by 3.6 percentage points compared to the previous month (86.2%) and by 8.7 percentage points compared to the same month last year (91.3%), reflecting an improvement in stock market confidence compared to the previous month and to the level in September 2024.



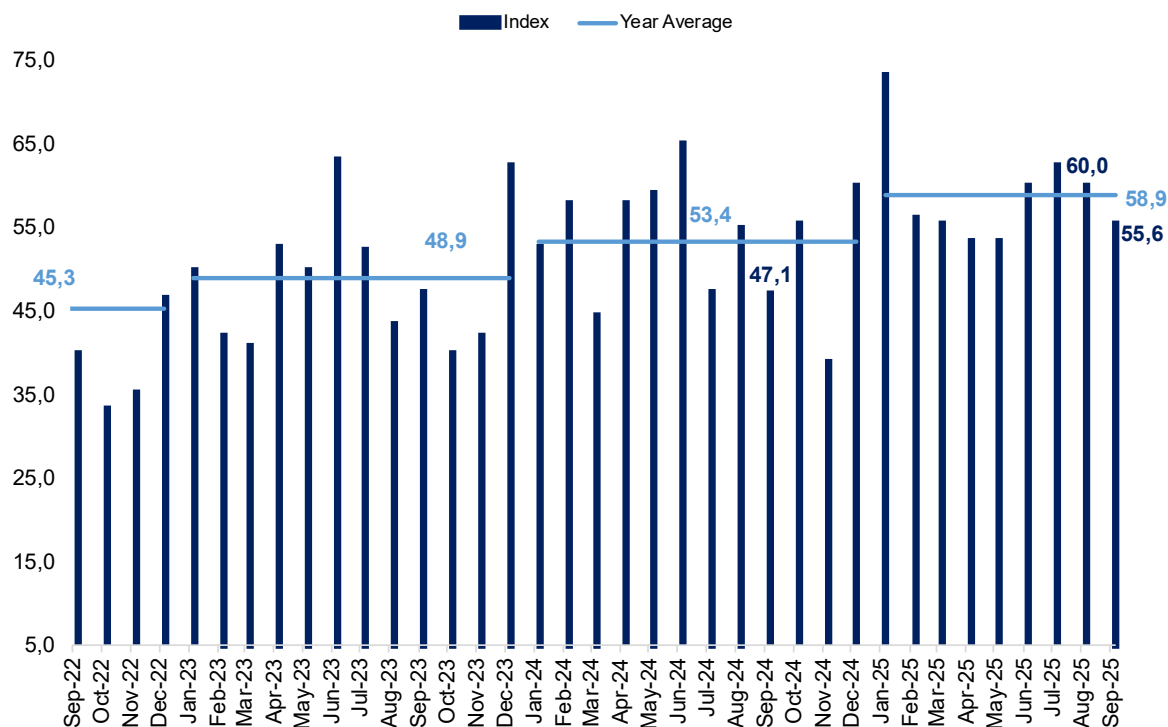
Source: Financial Opinion Survey, Fedesarrollo – bvc.

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 Index³

The Buy-on-Dips Confidence Index measures the proportion of analysts who believe that the MSCI COLCAP has the ability to recover the day after a hypothetical 3% drop. In September 2025, the index stood at 55.6%, down 4.4 percentage points from August (60%) (Chart 3). Analysts consider an immediate recovery of the COLCAP more likely compared to the same month in 2024 (47.1%), representing an increase of 8.5 percentage points.

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



Source: Financial Opinion Survey, Fedesarrollo – bvc.

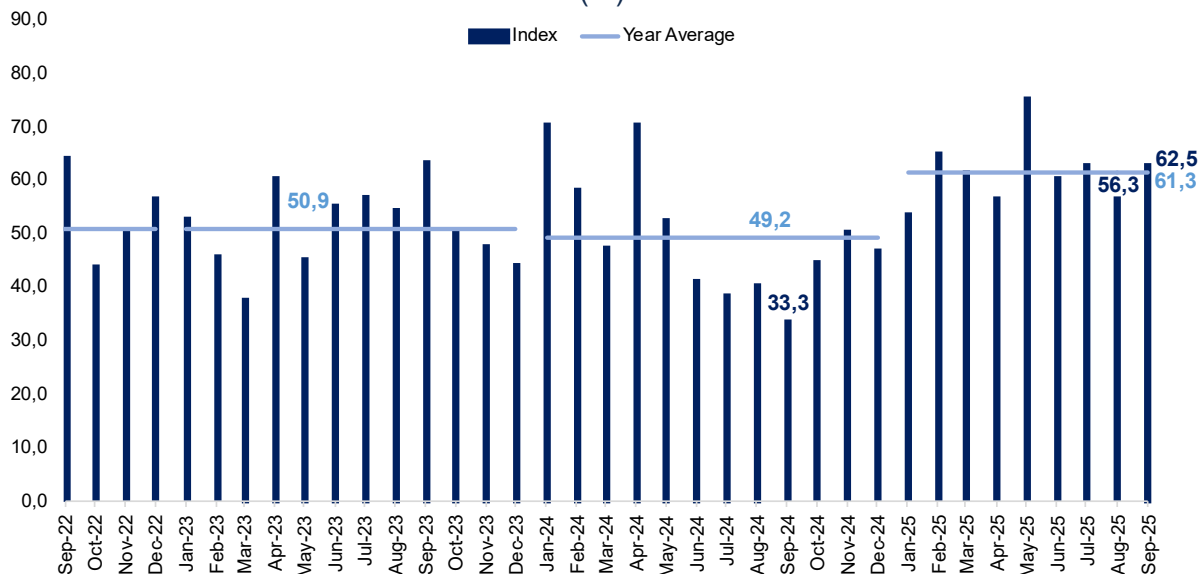
³ The Buy-on-Dips Confidence Index is calculated as the number of respondents who expect an increase in the MSCI COLCAP index the next day after a 3% drop, divided by the total answers excluding the “no opinion” option.

Crash Confidence Index⁴

The Crash Confidence Index shows the proportion of analysts who believe that the Colombian stock market has a low probability of a depreciation in the MSCI COLCAP over the next six months in the event of a sharp decline in international markets. In September 2025, the index rose by 6.2 percentage points compared to the previous month's result (56.3%), reaching 62.5%, which indicates that the perception of the likelihood of a possible decline in the local stock market due to the deterioration of international markets decreased compared to August 2025 (Graph 4).

Meanwhile, the index stood 29.2 percentage points above the figure recorded in the same month of the previous year (33.3%), reflecting an improvement in confidence in the stock market's immunity to external shocks compared to September 2024.

Graph 4. Crash Confidence Index
(%)



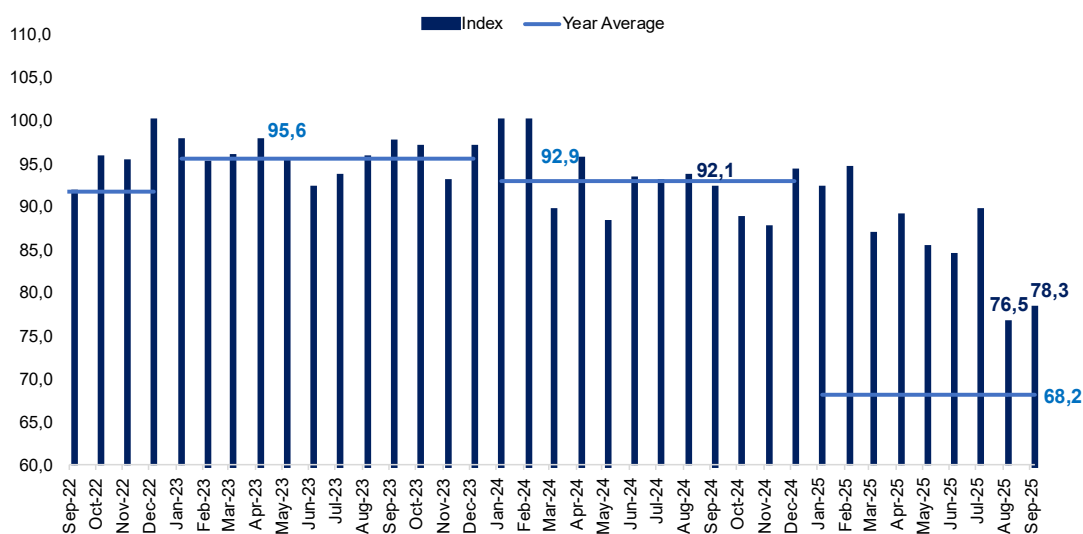
Source: Financial Opinion Survey, Fedesarrollo – bvc.

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 Index⁵

The Valuation Confidence Index measures the proportion of analysts who consider the prices of MSCI COLCAP stocks to be very low or fair relative to their fundamental value. In September 2025, the index stood at 78.3%, which is 1.8 percentage points above August 2025 (76.5%), but 13.8 percentage points below the September 2024 level (92.1%). This indicates that, compared to the previous month and year, a higher proportion of analysts believe that the value of the shares underestimates their fundamental value, but a lower proportion compared to September 2024 (Chart 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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⁵ The Valuation Confidence Index is calculated as:
 $Valuation\ Confidence\ Index = (1 * (\% \text{ too low})) + (0.5 * (\% \text{ about right}))$, 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”.