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## Revelation of Expectations in Latin America

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Research Department  
Marina Conesa and Andrew Powell  
Inter-American Development Bank (IDB)

**REVELA** is a free Web-based monthly service on inflation and growth expectations in Latin America. REVELA's Web site offers an up-to-date report and a database with historical information. This service compiles data from the expectations surveys conducted and reported by eight Central Banks in Latin American with inflation-targeting regimes. REVELA does not represent official projections by the IDB or any other official institution.

### A. Highlights

March surveys of expectations conducted by Central Banks in the region indicate that the simple average of growth expectations in 2019 decreased from 2.9% to 2.8%, while the simple average of inflation expectations remained constant at 4.0% with respect to February's surveys.

At the individual country level, growth expectations for 2019 in March compared to the previous month increased in Guatemala, decreased in Brazil, Chile, Paraguay and Peru, and remained constant in Colombia, Mexico and Uruguay.

Inflation expectations for 2019 decreased in Colombia and increased in Guatemala, while they remained constant in Brazil, Chile, Mexico, Paraguay, Peru and Uruguay.

In March, growth expectations for 2019 ranged from 1.3% in Uruguay to 3.9% in Paraguay, while inflation expectations for 2019 ranged from 2.4% in Peru to 7.5% in Uruguay.

Country	Growth expectation (percentage expected for 2019)		Inflation expectation (percentage expected for 2019)	
	as of Mar 2019	Feb - Mar change	as of Mar 2019	Feb - Mar change
Brazil	2.1	↓ -0.4	3.9	→ 0.0
Chile	3.4	↓ -0.1	2.7	→ 0.0
Colombia	3.0	→ 0.0	3.2	↓ -0.2
Guatemala	3.1	↑ 0.1	4.4	↑ 0.2
Mexico	1.6	→ 0.0	3.7	→ 0.0
Paraguay	3.9	↓ -0.1	4.0	→ 0.0
Peru	3.8	↓ -0.1	2.4	→ 0.0
Uruguay	1.3	→ 0.0	7.5	→ 0.0
<b>Eight country average</b>	<b>2.8</b>	<b>↓ -0.1</b>	<b>4.0</b>	<b>→ 0.0</b>

Source: REVELA, IDB 2019. Data available for download

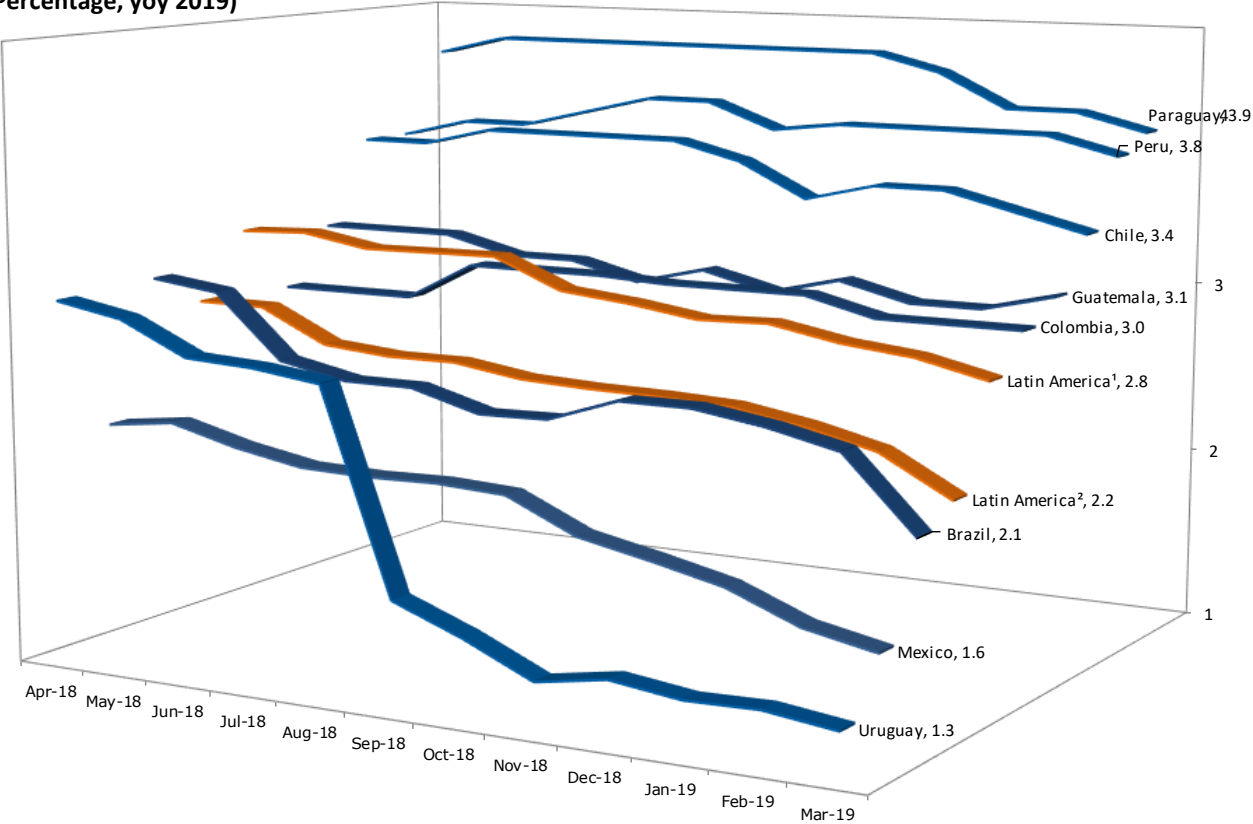
## B. Growth

According to surveys in March, the simple average of growth expectations decreased by 0.2% from 2.9% to 2.8%, but also the GDP-weighted average of growth expectations decreased by 0.2% from 2.4% to 2.2% for 2019. Compared to expectations six months before, expected growth decreased both under the GDP-weighted average and under the simple average calculations by 0.4% in the former from 2.6% to 2.2%, and by 0.3% in the later, from 3.1% to 2.8%.

Growth expectations for 2019 decreased by 0.4% in Brazil and by 0.1% in Chile, Paraguay and Peru, while they grew by 0.1% in Guatemala and remained constant in Colombia and Uruguay.

Compared to surveys six months ago, growth expectations for 2019 decreased in all the countries but Guatemala. With these results, growth expectations for the region for 2019 ranged from 1.3% in Uruguay to 3.9% in Paraguay in March.

**Figure 1. Market Expectations of Growth**  
(Percentage, yoy 2019)



Source: REVELA, IDB 2019. Data available for download [here](#).

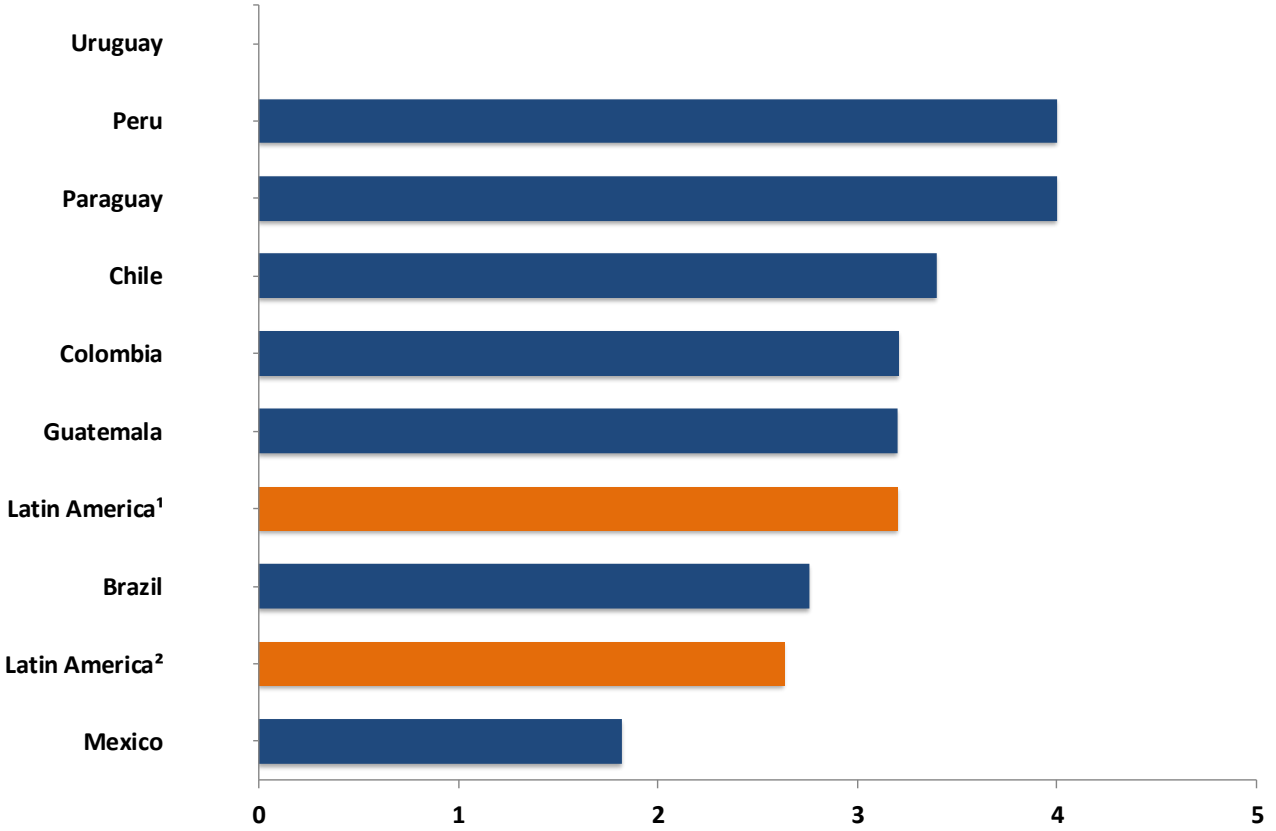
<sup>1</sup> Refers to the simple average of the eight inflation targeting countries.

<sup>2</sup> Refers to the GDP weighted average of the eight inflation targeting countries.

Growth expectations for 2020 remained constant in March compared to February for the simple average calculation at 3.2% and for the GDP-weighted average calculation at 3.2%.

Expected growth for 2020 increased in Brazil, decreased in Chile and Mexico and remained constant in the rest of the countries with respect to the previous month. According to March surveys, growth expectations for 2020 ranged from 1.8% in Mexico to 4.0% in Paraguay.

**Figure 2. Growth Market Expectations**  
(Percentage, yoy 2020)



Source: REVELA, IDB 2019. Data available for download [here](#).

<sup>1</sup> Refers to the simple average of the eight inflation targeting countries.

<sup>2</sup> Refers to the GDP weighted average of the eight inflation targeting countries.

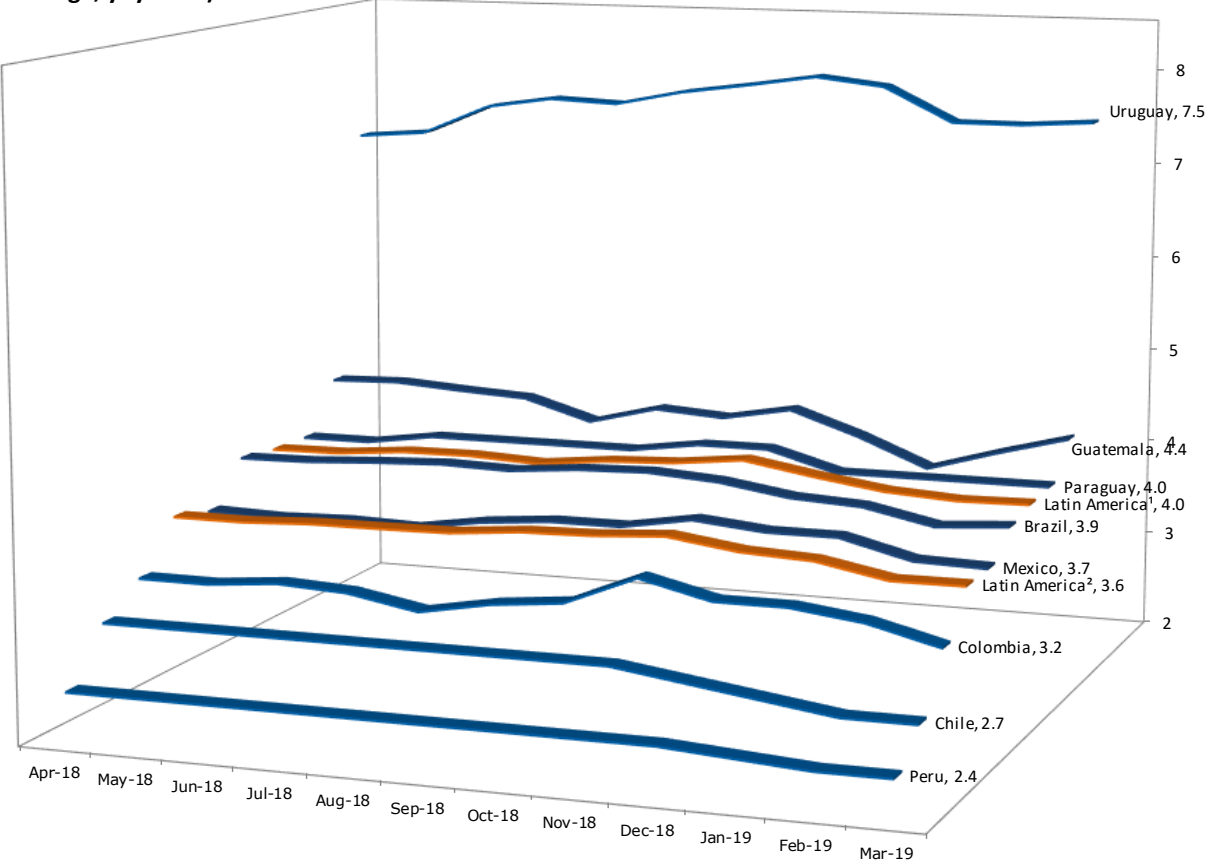
### C. Inflation

According to surveys in March, both the simple average of inflation and the GDP-weighted average expectations for 2019 remained constant at 4,0% and 3.6%, respectively.

At the individual country level, compared to the previous month inflation expectations for 2019 decreased by 0.2% in Colombia, increased by 0.2% in Guatemala and remained constant in the rest of the countries.

During the previous six months, cumulative decreases were surveyed in all the countries except Guatemala, where inflation expectations remained constant. According to March surveys, inflation expectations in the region for 2019 ranged from 2.4% in Peru to 7.5% in Uruguay.

**Figure 3. Inflation Market Expectations (Percentage, yoy 2019)**



Source: REVELA, IDB 2019. Data available for download [here](#).

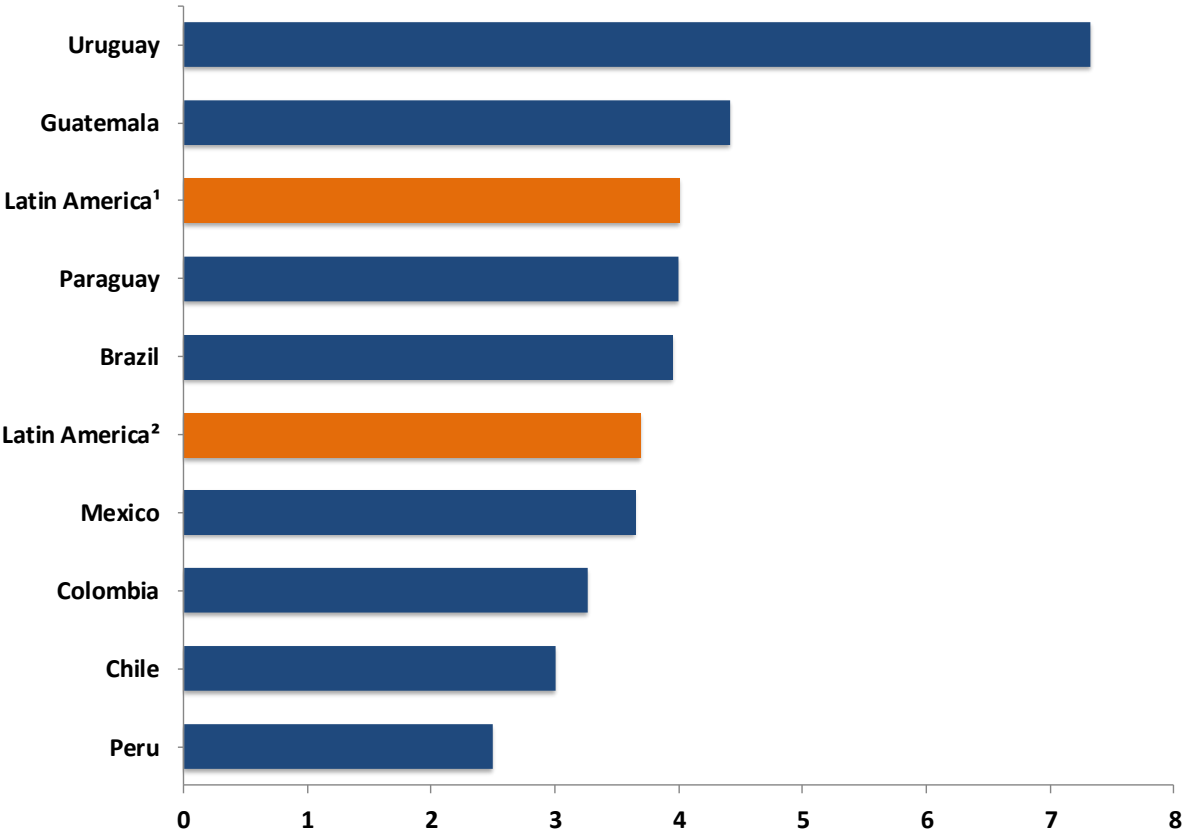
<sup>1</sup> Refers to the simple average of the eight inflation targeting countries.

<sup>2</sup> Refers to the GDP weighted average of the eight inflation targeting countries.

Inflation expectations for 2020 remained constant in March compared to February for the simple average calculation at 4.0%, and for the GDP-weighted average calculation at 3.7%.

Expected inflation for 2020 increased in Colombia and Guatemala and remained constant in the other countries with respect to the previous month. According to March surveys, inflation expectations for 2020 ranged from 2.5% in Peru to 7.4% in Uruguay.

**Figure 4. Inflation Market Expectations**  
(Percentage, yoy 2020)



Source: REVELA, IDB 2019. Data available for download [here](#).

<sup>1</sup> Refers to the simple average of the eight inflation targeting countries.

<sup>2</sup> Refers to the GDP weighted average of the eight inflation targeting countries.

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