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## Revelation of Expectations in Latin America

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**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

July surveys of expectations conducted by Central Banks in the region indicate that the simple average of growth expectations in 2019 decreased by 0.1% from 2.3% to 2.2% and the simple average of inflation expectations decreased by 0.1% from 4.1% to 4.0% with respect to June's surveys.

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

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

In July, growth expectations for 2019 ranged from 0.7% in Uruguay to 3.1% in Colombia, Guatemala and Peru, while inflation expectations for 2019 ranged from 2.3% in Peru to 7.7% in Uruguay.

Country	Growth expectation (percentage expected for 2019)		Inflation expectation (percentage expected for 2019)	
	as of Jul 2019	Jun - Jul change	as of Jul 2019	Jun - Jul change
	Brazil	0.9	→ 0.0	3.8
Chile	2.8	↓ -0.1	2.7	↓ -0.1
Colombia	3.1	↓ -0.1	3.5	↑ 0.1
Guatemala	3.1	→ 0.0	4.6	↑ 0.1
Mexico	0.8	↓ -0.3	3.6	→ 0.0
Paraguay	3.0	→ 0.0	4.0	→ 0.0
Peru	3.1	↓ -0.2	2.3	↓ -0.2
Uruguay	0.7	↓ -0.1	7.7	→ 0.0
<b>Eight country average</b>	<b>2.2</b>	<b>↓ -0.1</b>	<b>4.0</b>	<b>↓ -0.1</b>

Source: REVELA, IDB 2019. Data available for download

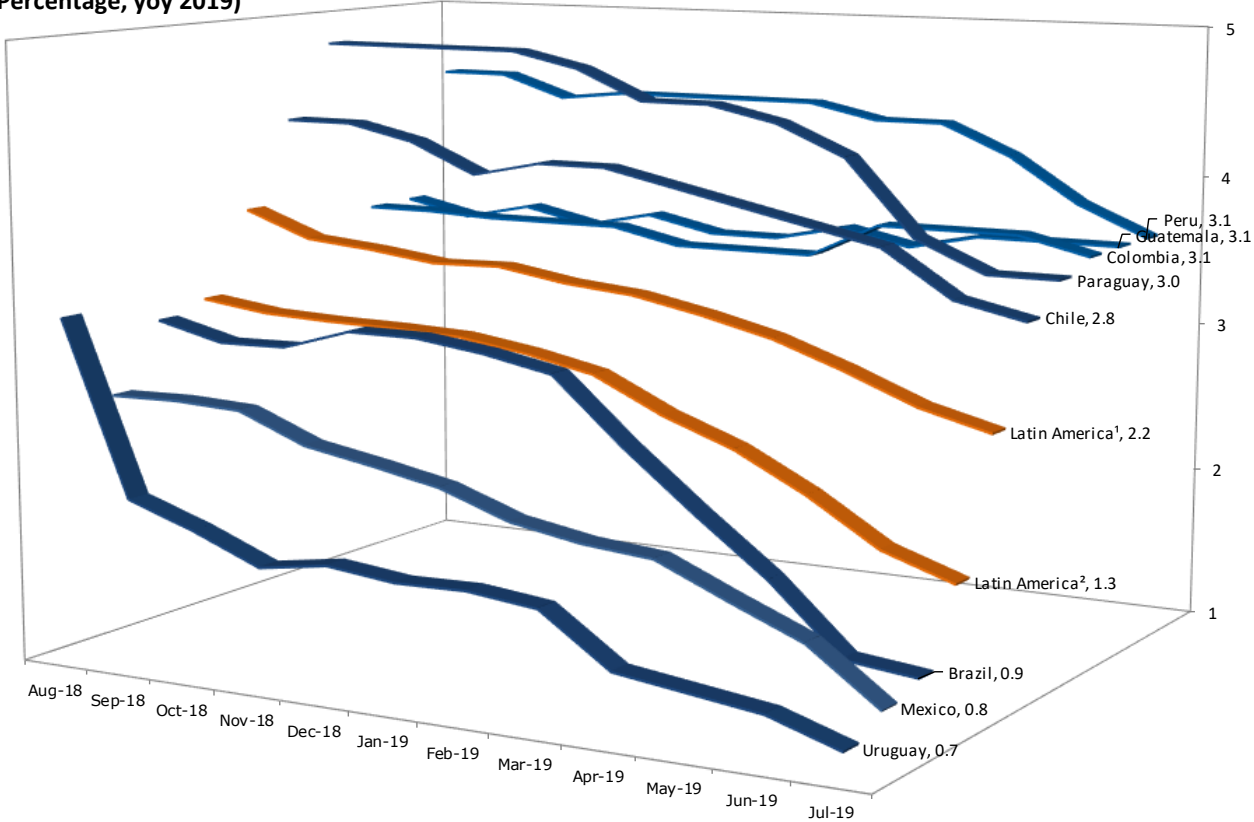
## B. Growth

According to surveys in July, the simple average of growth expectations decreased by 0.1% from 2.3% to 2.2% and the GDP-weighted average of growth expectations decreased by 0.2% from 1.5% to 1.3% for 2019. Compared to expectations six months before, expected growth decreased both under the GDP-weighted average and under the simple average calculations by 1.2% and 0.7%, respectively.

Growth expectations for 2019 decreased by 0.3% in Mexico, by 0.2% in Peru, by 0.1% in Chile, Colombia and Uruguay and remained constant in Guatemala and Paraguay.

Compared to surveys six months ago, growth expectations for 2019 decreased in all the countries except Colombia and Guatemala, where they increased by 0.1%. With these results, growth expectations for the region for 2019 ranged from 0.7% in Uruguay to 3.1% in Peru in July.

**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.

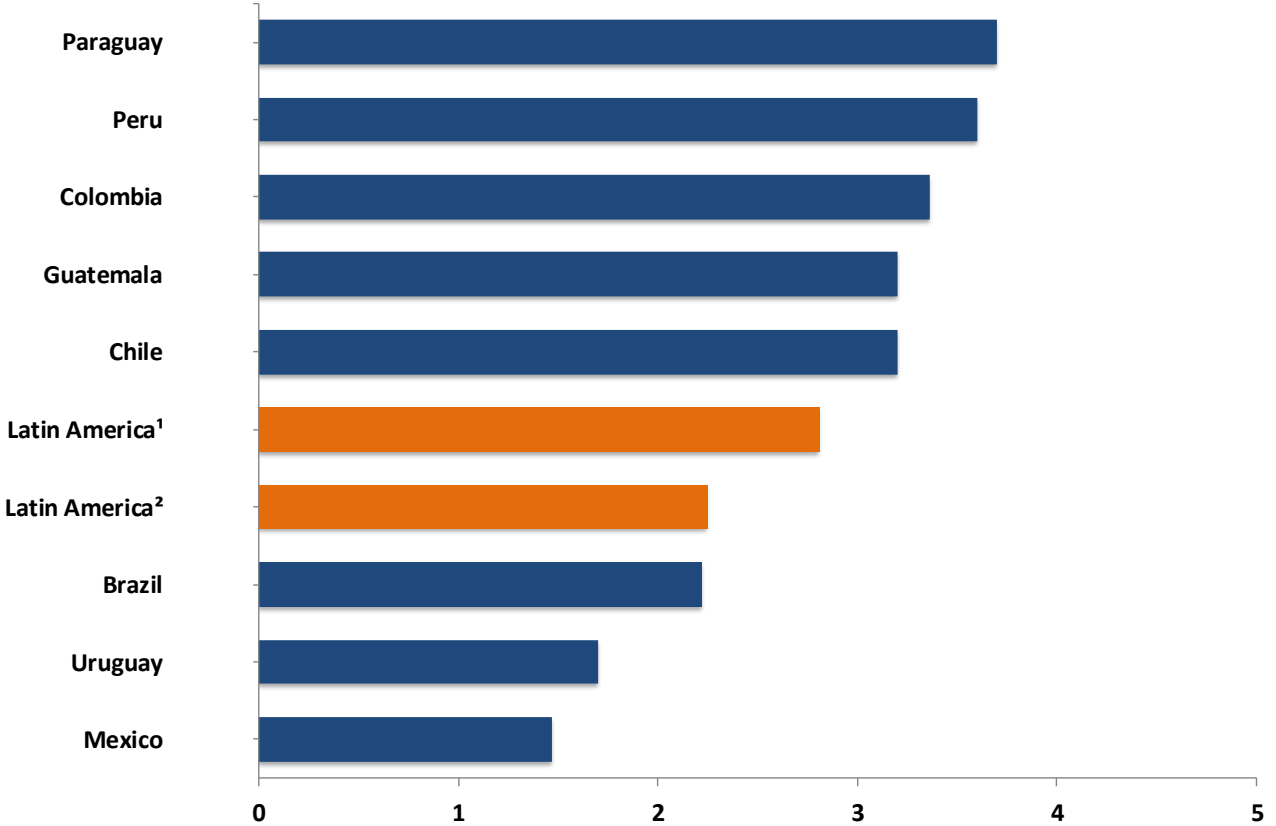
Growth expectations for 2020 in July decreased by 0.1% with respect to the previous month both under the simple average calculation and the GDP-weighted average calculation to 2.8% and 2.2%, respectively.

Expected growth for 2020 decreased in Brazil, Chile, Mexico, Paraguay and Peru and remained constant for the rest of the countries compared to the previous month.

Compared to surveys six months ago, growth expectations for 2020 decreased in Brazil, Chile, Mexico, Paraguay and Peru, increased in Colombia and remained constant in Guatemala.

According to July surveys, growth expectations for 2020 ranged from 1.5% in Mexico to 3.7% 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.

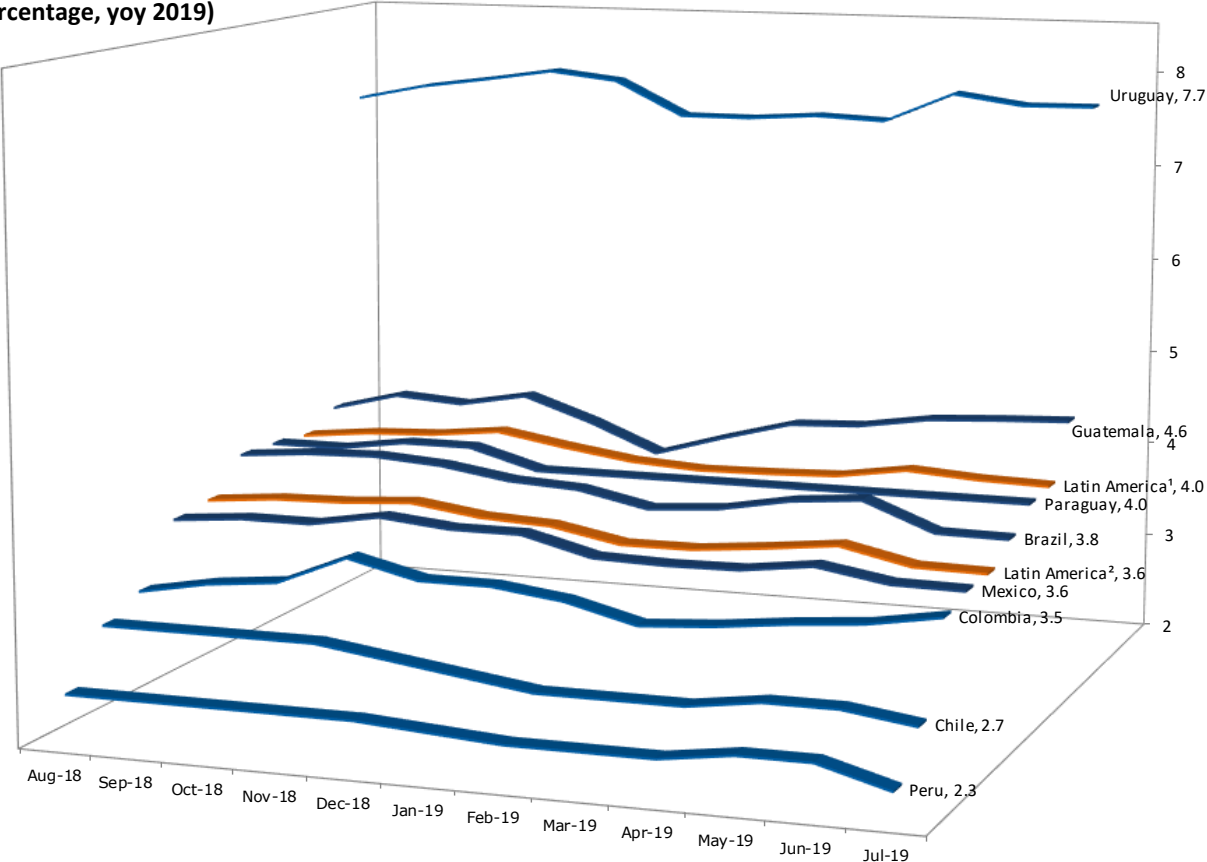
# C. Inflation

According to surveys in July, the simple average of inflation expectations decreased by 0.1% from 4.1% to 4.0% while the GDP-weighted average remained constant at 3.6% with respect to June.

At the individual country level, compared to the previous month inflation expectations for 2019 decreased in Chile and Peru, increased in Colombia and Guatemala and remained constant in the other countries.

During the previous six months, inflation expectations decreased in Brazil, Chile, and Peru, increased in Guatemala and Uruguay and remained constant in Colombia and Paraguay. According to July surveys, inflation expectations in the region for 2019 ranged from 2.3% in Peru to 7.7% 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.

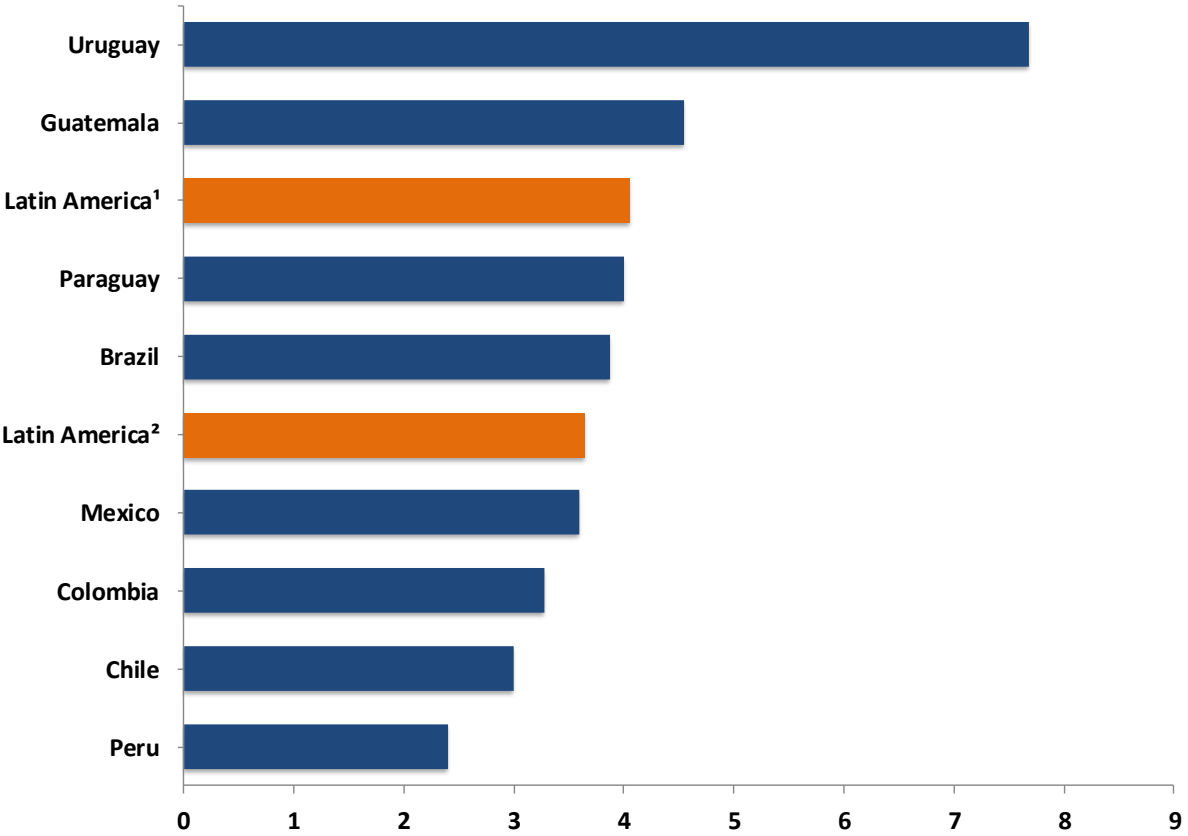
Inflation expectations for 2020 decreased by 0.1% in July compared to June for the simple average calculation from 4.1% to 4.0% and for the GDP-weighted average calculation from 3.7% to 3.6%.

Expected inflation for 2020 decreased in Peru, increased in Guatemala and remained constant in the rest of the countries with respect to the previous month.

Compared to surveys six months ago, inflation expectations for 2020 decreased in Brazil, Mexico and Peru, increased in Guatemala Uruguay and remained constant in the rest of the countries.

According to July surveys, inflation expectations for 2020 ranged from 2.4% in Peru to 7.7% 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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