

## Colombia COLTES Holders Report December: Offshore became the main COLTES buyer of the year due to punctual financing operations of the MoF

**December was by far one of the most eventful year-end periods in Colombia on the economic front.** Regarding fiscal policy, the Government maintained the auction calendar until the third week of December, ending with a compliance rate of 98% of the program. In addition, on December 19, the MoF announced a direct placement of COLTES with an international counterpart (PIMCO), involving a portfolio of COLTES 2029s, 33s, 35s, and 40s (average maturity of 8.7 years) at a weighted average yield of 13.15%, which implied a premium of 140 bps over the weighted average yield observed during regular auctions of those references. Our view on this operation is that there was likely an urgent liquidity need by the MoF, which was resolved at a high rate. However, as you know, the most expensive liquidity is the one we cannot obtain.

**In December, the COLTES peso yield curve jumped 44 bps,** showing a significant impact on the short end (+87 bps), while the belly and long end increased by 34 bps and 20 bps, respectively. This occurred in a context where the minimum wage increase was set at 23.2% (including the transport subsidy) on the night of December 29, fueling expectations of a new imminent hiking path from the central bank.

**The COLTES holders report for December reflects the outcome of financing operations.** Foreign investors purchased COP 26.6 tn, securing their position as one of the largest COLTES holders during the year. It is worth noting that foreign investors were the main buyers of the year, as certain participants engaged in specific financing structures such as the structuring of a Total Return Swap among six international banks and the Ministry of Finance, and the recent direct placement of COP 23 tn in peso-denominated COLTES to a foreign investor announced on December 19.

**During the period, the Ministry of Finance and major holders (excluding offshore investors) were the main sellers.** The Ministry of Finance was the largest seller of COLTES, with COP 9.4 tn in sales, as part of the direct placement of COP 23 tn in COLTES to the foreign investor came from its portfolio. Local banks led COLTES sales among financial

institutions, selling COP 2.8 tn, while Pension Funds sold COP 700 bn. Local retail funds also recorded significant sales of COP 2.5 tn, marking their highest sale since August 2025.

### Key takeaways

**Offshore investors increased their public debt holdings in December due to financing operations.** Offshore accounts added COP 26.6 tn in COLTES, including COP 26.4 tn in peso-denominated securities and COP 165 bn in UVR-denominated instruments. This movement was driven by the direct placement of COP 23 tn (approximately USD 5.8 bn) in COLTES pesos maturing in 2040, 2035, 2033, and 2029, where the average yield paid on the new resources was 13.15% (40 bps above market trades on the transaction date and 140 bps over the weighted average yields materialized during regular auctions of those references). Year-to-date, offshore investors reported net purchases of COP 61.2 tn, of which, according to our estimates, ~COP 12 tn in COLTES and ~COP 21.6 tn in TCOs were driven by Total Return Swaps (TRS), and COP 23 tn by the direct COLTES placement. Currently, foreign investors hold 22.7% of the total COLTES outstanding.

**The Ministry of Finance was the largest seller of COLTES during the month.** Its holdings decreased by COP 9.4 tn to a total of COP 3.6 tn, as part of the direct placement of COP 23 tn in COLTES pesos to the foreign investor came from its portfolio. Year-to-date, the Ministry's share of COLTES stands at 0.5% of the total outstanding amount, in line with Colombia's liquidity needs, which could continue to drive reductions in COLTES holdings. In fact, the low liquidity buffer in pesos by the end of 2026, plus the moderate portfolio positions are interesting signals for the today's announcement of a new global bond issuance of dollar denominated references up to 3, 5 and 7 years.

**Local banks were the second-largest sellers of COLTES in December, reducing their holdings by COP 2.8 tn and bringing their total portfolio to COP 108.2 tn.** Of the total net sales, COP 3.9 tn corresponded to peso-denominated COLTES, while COP 1.1 tn were added to UVR-denominated securities. This trend contrasts with the significant purchases of short-term debt (TCOs) observed in the previous month, and probably are showing that at the end of the year the activity of credit to the real sector improved. Year-to-date, local banks have purchased COP 15.5 tn, lowering their share of total outstanding COLTES to 15.0%.

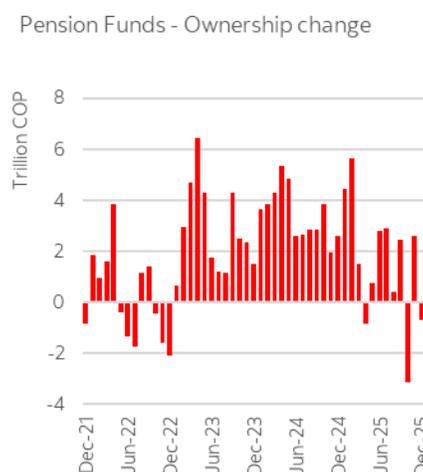
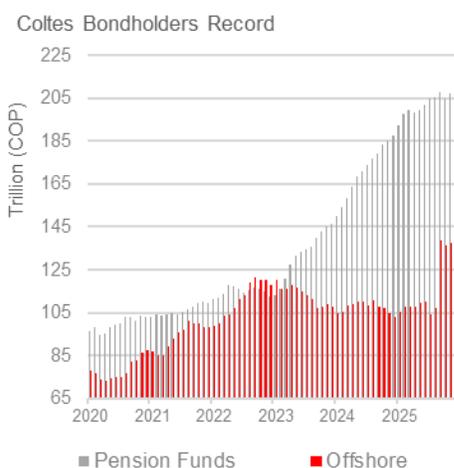
**Pension funds were the third-largest sellers of COLTES during the period.** Sales of peso-denominated COLTES totaled COP 700 bn, contrasting with the purchases recorded in the previous month. According to BanRep reports, the most of these sales were concentrated

in the mid-to-long segment of the curve (5–10 years). Pension fund portfolios now stand at COP 206.6 tn, representing 28.6% of the total outstanding amount.

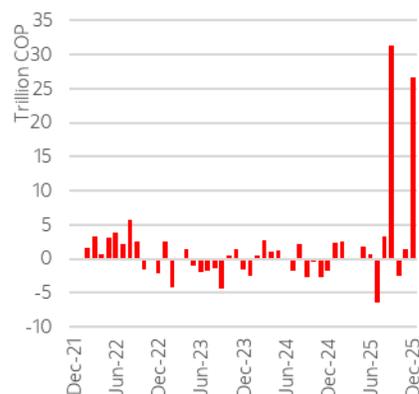
**Total COLTES outstanding rose by COP 15.1 tn in December, with nominal bonds now account for 70.3% of the total.** Year-to-date through December, the outstanding amount increased by COP 139.8 tn. Of the monthly increase, COP 6.88 tn was driven by auctions (TCOs and long-term COLTES), while direct TES issuance, debt-management operations, and other portfolio adjustments by the Treasury accounted for the remaining COP 8.3 tn.

### COLTES holdings (December 2025, Trillion COP)

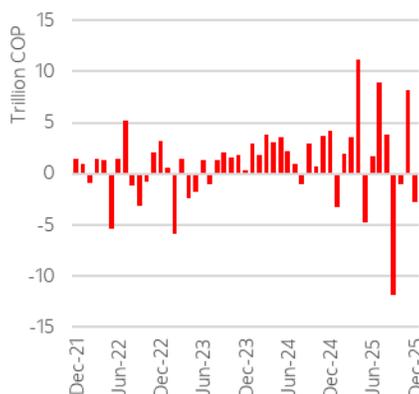
Agent	COLTES Holdings			% of outstanding			Monthly change			YTD change		
	COP	UVR	TOTAL	COP	UVR	TOTAL	COP	UVR	TOTAL	COP	UVR	TOTAL
Pension Funds	132,0	74,6	206,6	26,0	34,7	28,6	-0,7	0,0	-0,7	15,4	3,4	18,9
Banks	83,3	24,9	108,2	16,4	11,6	15,0	-3,9	1,1	-2,8	13,5	2,0	15,5
Offshore Funds	156,0	8,1	164,1	30,7	3,8	22,7	26,4	0,165	26,6	59,8	1,4	61,2
Insurance and Capitalization Companies	15,9	68,8	84,7	3,1	32,0	11,7	-0,5	0,9	0,4	1,8	14,2	16,0
Public Trusts	23,7	15,1	38,8	4,7	7,0	5,4	1,1	0,3	1,4	-6,4	0,8	-5,5
Banrep	35,3	7,7	43,0	7,0	3,6	6,0	0,3	0,010	0,3	9,0	1,8	10,8
Infraestructure Companies	21,9	6,1	28,0	4,3	2,9	3,9	0,5	0,2	0,7	6,2	0,8	6,9
Local retail funds	15,6	4,3	19,8	3,1	2,0	2,7	-1,4	-1,1	-2,5	6,7	1,4	8,1
MoF	3,5	0,1	3,6	0,7	0,0	0,5	-8,9	-0,5	-9,4	3,4	0,0	3,4
Commercial Financing Companies	6,5	0,0	6,6	1,3	0,0	0,9	0,5	0,0	0,5	5,4	0,0	5,4
Financial Corporations	2,5	1,4	3,9	0,5	0,6	0,5	0,6	0,5	1,1	-0,3	-0,6	-0,9
Public Pension Fund (Colpensiones)	2,2	1,7	3,9	0,4	0,8	0,5	0,1	0,1	0,2	0,3	-0,1	0,2
Businesses	2,6	0,6	3,2	0,5	0,3	0,4	0,1	0,0	0,2	1,1	0,3	1,4
Public entities	1,0	0,3	1,3	0,2	0,1	0,2	-0,4	0,0	-0,4	-3,6	0,0	-3,6
Funds and pension funds administered by	0,8	0,1	0,9	0,2	0,0	0,1	-0,3	-0,1	-0,5	0,2	-0,2	0,1
Stockbrokers	1,8	0,2	2,1	0,4	0,1	0,3	0,0	0,0	0,1	1,0	0,1	1,1
Non-profit Entities	0,4	0,4	0,8	0,1	0,2	0,1	0,0	0,0	0,0	0,1	0,2	0,3
Individuals	0,5	0,0	0,6	0,1	0,0	0,1	0,0	0,0	0,0	0,3	0,0	0,4
Other Funds	0,1	0,0	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total</b>	<b>507,8</b>	<b>214,8</b>	<b>722,6</b>				<b>13,5</b>	<b>1,6</b>	<b>15,1</b>	<b>114,2</b>	<b>25,6</b>	<b>139,8</b>



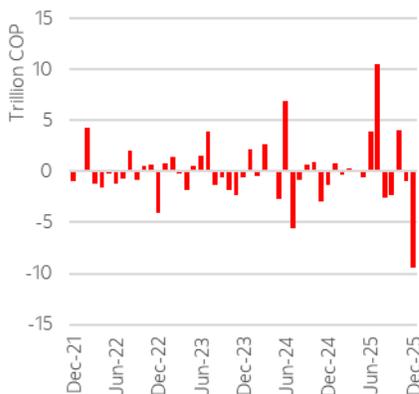
Offshore - Ownership change



Local Banks - Ownership change



MoF - Ownership change



Banrep - Ownership change



Source: [Ministerio de Hacienda y Crédito Público](#), DAVIbank Economics.

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