

## Economics Colombia

June 30, 2026

**Research Team Colombia**

Jackeline Piraján

**Head of Research**[jackeline.pirajan@davibank.com](mailto:jackeline.pirajan@davibank.com)

Daniel García

**Senior Economist**[daniel.castro@davibank.com](mailto:daniel.castro@davibank.com)

Paula Andrea Patiño

**Intern**[paula.patino@davibank.com](mailto:paula.patino@davibank.com)**Colombia: BanRep resumed the hiking cycle in a divided vote, foreseeing that inflation will take longer to return to the target range.**

**On Tuesday, June 30, BanRep increased its monetary policy rate by 75 bps to 12% in a split vote: four members voted for a 75-bps hike, two for a 50-bps cut, and one member for holding rates unchanged.** In the communiqué, the central bank highlighted that inflation, and inflation expectations remain well above the 3% target; economic growth accelerated at the beginning of 2026 compared to the end of 2025, showing that domestic demand remains strong; the unemployment rate is at a historically low level; and the international context remains highly uncertain.

**The wording in the press conference was much more hawkish than in the past, especially after Governor Villar stated that inflation will take longer than expected to converge to the target range (defined as 2%–4%), downplaying the possibility of reaching it in 2027 and instead pointing to 2028 as the more likely timeframe.** In this regard, Governor Villar emphasized that monetary policy should continue to maintain a contractionary stance, given the lagged effects of policy on the economy. At several points during the press conference, he noted that both the domestic and international environments involve high uncertainty; however, he consistently reinforced the need to strengthen credibility in the inflation target, even if there are early signs of easing risks.

**During the press conference, Governor Villar said the central bank is constantly monitoring incoming information and is strongly data dependent.** Regarding inflationary risks, he highlighted the “El Niño” weather phenomenon, noting that in the case of a strong El Niño, the risk to food inflation is high. Regarding regulated prices, he said that an improved international environment could help reduce inflationary pressures on fuel and fertilizers; however, continued monitoring is required.

**Governor Villar emphasized that the current domestic and international scenario is uncertain,** and that despite recent signs of declining sovereign risk premiums in Colombia, it is necessary to assess whether this trend is sustainable before assuming it could support a more moderate contractionary monetary policy stance.

**All in all, after today’s meeting, we see that further interest rate hikes are still on the table; however, we believe we are close to reaching the peak. In the coming months, we expect the central bank to continue monitoring emerging risks related to the El Niño weather phenomenon, as well as how the political environment evolves around the minimum wage discussion. Labor costs are a key**

determinant of inflation persistence, and they will be critical to assessing how and how quickly inflation can ultimately converge to the target by 2028.

## Macroeconomic forecast DAVIbank Economics Colombia

Forecast	2019	2020	2021	2022	2023	2024	2025pr	2026pr
<b>National Accounts</b>								
Real GDP growth (yearly %)	3,2	-7,2	11,1	7,6	0,9	1,5	2,6	2,4
Domestic demand (y/y. %)	4,0	-7,5	13,8	10,5	-2,3	1,6	3,9	2,9
Consumption (y/y. %)	4,3	-4,3	14,1	9,5	0,7	1,4	4,2	3,4
Private (y/y. %)	4,0	-5,0	15,3	11,1	0,6	1,6	3,4	3,5
Government (y/y. %)	5,5	-0,9	10,3	2,2	1,1	0,0	7,4	3,6
Gross capital formation (y/y. %)	2,5	-21,1	13,4	16,6	-16,3	3,4	7,8	0,3
Exports (y/y. %)	3,3	-22,3	15,7	13,6	3,1	0,3	0,6	1,9
Imports (y/y. %)	7,7	-19,8	28,5	25,0	-9,8	1,3	8,8	3,0
<b>Laboral Market</b>								
Unemployment (%. Average)	10,9	16,7	13,8	11,2	10,2	10,2	8,9	
<b>Balance of Payments</b>								
Trade Balance (USD\$. B)	-14,1	-13,1	-20,0	-16,6	-8,2	-9,77	-14,87	-19,27
Exports (USD\$. B)	51,3	38,2	50,9	73,1	67,8	68,87	71,08	73,16
Imports (USD\$. B)	65,5	51,3	70,9	89,6	76,0	78,63	85,95	92,44
Current account (USD\$ Balance. B)	-15	-9	-18	-21,3	-9,7	-7,412	-10,88	-10,88
Current account (% of GDP)	-4,6	-3,4	-5,6	-6,2	-2,7	-1,8	-2,4	-2,4
Exchange terms (y/y. %)	4,04	-12,62	20,74	5,94	-8,22	8,56	1,46	
<b>Prices. Rates &amp; Exchange Rates</b>								
CPI (y/y. %. End period)	3,80	1,61	5,62	13,12	9,28	5,20	5,10	6,60
CPI (y/y. %. Average)	3,52	2,53	3,49	10,15	11,77	6,63	5,14	5,93
CPI without food (y/y. %. End period)	3,45	1,03	3,44	9,99	10,33	5,60	5,11	6,35
COP (\$. End period)	3297	3422	4077	4850	3902	4405	3780	3918
COP (\$. Average)	3281	3694	3766	4254	4322	4153	4050	3924
BanRep's rate (%. End period)	4,25	1,75	3,00	12	13,0	9,50	9,25	12,00
<b>Tax Codes*</b>								
Net Debt of CNG (% of GDP)	48,4	60,7	60,1	57,6	53,4	59,3	58,5	58,5
Primary Balance of CNG (% del PIB)	0,4	-5,0	-3,6	-1,0	-0,3	-2,4	-3,5	-2,1
Deficit of CNG (% of GDP)	-2,5	-7,8	-7,1	-5,3	-4,3	-6,8	-6,4	-5,1

\*Source: Financing Plan 2026.

Source: DAVIbank Economics Colombia.

Disclaimer

- This document has been prepared by Banco DAVIbank S.A., a banking institution, for distribution among its clients and those of its subsidiaries in Colombia: Fiduciaria and Brokerage Firm, entities subject to inspection, surveillance, and control by the Financial Superintendence of Colombia.
- This document is for informational purposes only. It should not be interpreted as professional advice or as a research report for making investment decisions, in accordance with the provisions of Articles 2.40.1.1.2 and 2.40.1.1.3 of Decree 2555 of 2010 and its complementary regulations.
- The information contained is provided for informational purposes only and does not constitute personalized investment advice, nor an invitation, offer, solicitation, suggestion, or obligation on the part of Banco DAVIbank S.A. or its subsidiaries in Colombia, their managers, representatives, associates, directors, partners, employees, advisors, or contractors. Accordingly, the information in this document is published for general use and does not take into account specific investment objectives, financial situations, or the needs of any particular investor. The use of the information provided is the sole responsibility of the recipient. The reader should understand that the purpose of this document is not to predict the future or guarantee a financial result, nor to ensure the fulfillment of the scenarios presented. This document does not predict future outcomes or guarantee financial results; all scenarios are strictly referential.
- Interested parties should seek authorized professional advice regarding the suitability of making investment decisions and should understand that statements regarding future outlooks may not materialize.
- The opinions contained in this document have been compiled or obtained from public sources considered reliable, but no express or implied warranty is made regarding their accuracy or completeness.
- Neither Banco DAVIbank S.A., nor its subsidiaries accept any responsibility for any direct, indirect, or consequential loss arising from any use of the information contained in this document.
- The information in this document is based on certain assumptions and analyses of the information available at the time it was prepared, which may or may not be correct. Therefore, there is no certainty that the projections contained in this document will be met; thus, nothing in this document is or should be considered a promise or guarantee regarding the future performance of such projections.
- The opinions, estimates, and projections contained in this document are subject to change without prior notice.
- This document does not constitute, nor should it be understood as: (i) an offer to sell or an invitation to buy securities; (ii) a proposal to carry out commercial transactions; (iii) personalized investment advice.