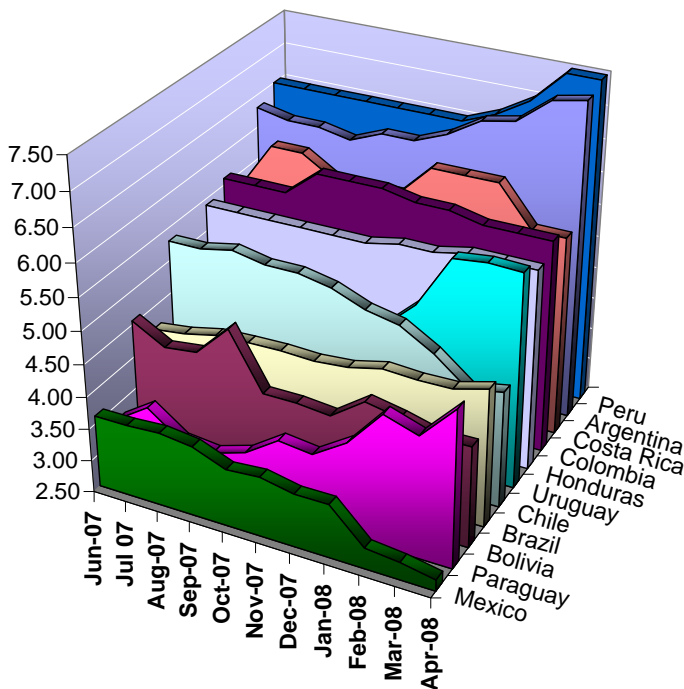




**Revelation of Expectations in Latin America**  
**RES-IDB**  
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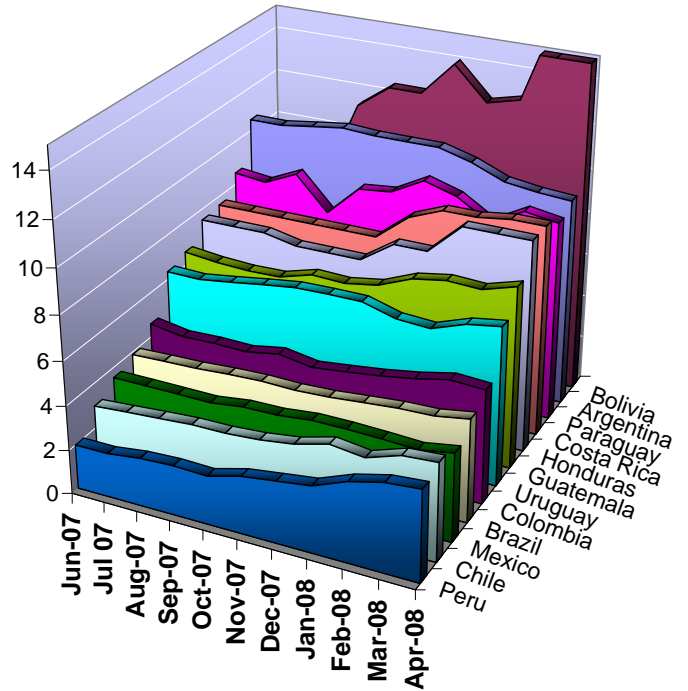
**About REVELA:** The figures analyzed represent the results of surveys of private sector actors conducted by the central banks of each country according to their own specific methodologies. They do not represent official projections by the IDB or any other official body. The IDB Research Department collects the results of these surveys from participating central banks on a monthly basis (around the 20th of each month) to produce REVELA. This document analyzes differences across countries and trends over time. The data are available at [www.iadb.org/res](http://www.iadb.org/res)

**Market Expectations-GDP Growth**  
**(%, end 2008)**



**Growth** expectations for 2008 on average remained almost unchanged in Latin America. The simple average of expected growth rate for 2008 in the April survey is 5.23%, a slight increase of 0.06 compared to the March survey.

**Market Expectations-Inflation**  
**(%, end 2008)**



**Inflation** expectations continue to increase: the simple average of expected inflation for 2008 is now 7.7%, up from last month's 7.6%. The graphs show the path of growth and inflation expectations across the surveyed countries, between June 2007 and April 2008.

**Growth**

Growth expectations for 2008 increased in five countries included in REVELA. Argentine 2008 expected growth is now 7.4%, 0.1 higher than last month's forecast; Bolivian growth is expected to be 4.06%, slightly up from 4.05% and for Brazil, 2008 expected growth increased

from 4.49% to 4.63%. Other countries with higher expected growth rates include Chile, now 4.3% against the previous 4.2%, and Paraguay, where the expected 2008 growth rate rose from 4.37% to 4.91%. Compared to last month's survey, growth expectations fell in Mexico by 0.1 to 2.67% and in Uruguay from 5.83% to 5.81%. Finally, 2008 growth expectations remained unchanged in Colombia (5.79%), Costa Rica (5.6%), Guatemala (4.5%), Honduras (5.6%) and Peru (7.5%).

### Inflation

Inflation expectations continue to rise in Latin America. They rose in six countries: in Brazil from 4.42% to 4.66%, in Chile from 4.3% to 4.4%, in Guatemala by 0.45 to 8.25%, in Mexico by 0.25 to 3.98%, in Peru from 3.97% to 4.1% and in Uruguay where the expected 2008 inflation rate is now 7.2%, 0.24 higher than last month's survey. On the other hand, inflation expectations decreased in Bolivia by 0.19 to 16.78%, in Colombia from 5.25% to 5.16% and in Paraguay by 0.24 to 9.11%.

	Average changes	
	Inflation	Growth
Argentina	▼	▲
Bolivia	▼	▲
Brazil	▲	▲
Chile	▲	▲
Colombia	▼	—
Costa Rica	—	—
Guatemala	▲	—
Honduras	—	—
Mexico	▲	▼
Paraguay	▼	▲
Peru	▲	—
Uruguay	▲	▼

*Source: Latin American Market expectations surveys*

The table above summarizes the change in expectations from March 2008 to April 2008 for 2008 growth and inflation. As can be seen, the changes in expected inflation and in expected growth are mixed.

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