



Revelation of Expectations in Latin America

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<http://www.iadb.org/revela>

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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 expectation's 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. Expectations for 2021 and 2022

The August surveys of expectations conducted by Central Banks in the region indicate that the simple average of growth expectations in 2021 increased by 0.3 percentage points from 5.4% to 5.7% and the simple average of inflation expectations increased by 0.3 percentage points from 4.8% to 5.1%. Chile, Guatemala, Paraguay, Peru and Uruguay registered increases in growth expectations and the remaining countries do not present changes. On the other side, higher inflation expectations are observed in most of the countries, except in Guatemala.

Country	Growth expectation (percentage expected for 2021)		Inflation expectation (percentage expected for 2021)	
	as of Aug	Aug - Jul change	as of Aug	Aug - Jul change
Brazil	5.3	0.0	7.0	0.7
Chile	8.5	0.5	4.2	0.5
Colombia	6.4	0.0	4.2	0.5
Guatemala	3.9	0.2	4.6	0.0
Mexico	6.0	0.0	6.1	0.2
Paraguay	4.0	0.5	4.1	0.6
Peru	9.0	1.0	3.6	0.5
Uruguay	2.6	0.1	7.2	0.1
Eight country average	5.7	0.3	5.1	0.3

Source: REVELA, IDB 2021. Data available for download [here](#).

In the case of expectations for 2022, the August surveys indicate that the simple average of growth expectations decreased 0.1 percentage points while inflation expectations increased 0.1 percentage points. Only in Uruguay registered an increase in the expectations of growth, while Brazil, Guatemala and Peru present negative changes respect to July's survey. In the case of inflation, it is observed an increase in most countries but Colombia and Paraguay inflation expectations remained stable.

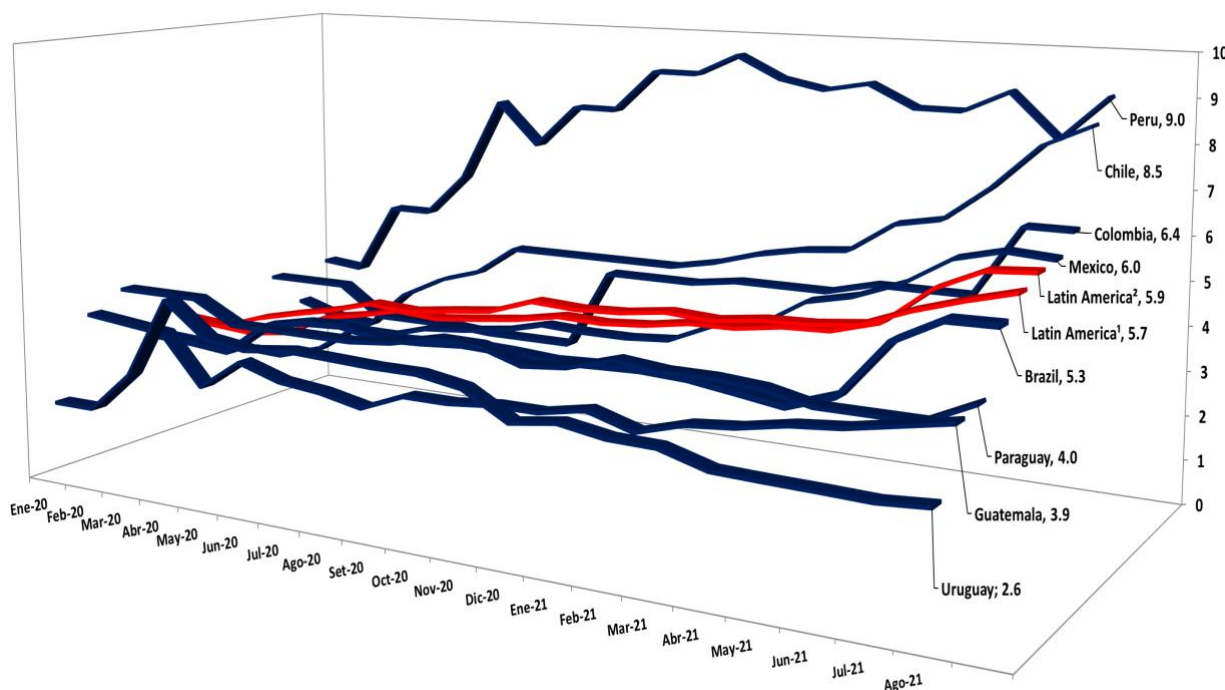
Country	Growth expectation (percentage expected for 2022)		Inflation expectation (percentage expected for 2022)	
	as of Aug	Aug - Jul change	as of Aug	Aug - Jul change
Brazil	2.0	-0.1	3.9	0.1
Chile	3.0	0.0	3.3	0.2
Colombia	3.5	0.0	3.3	0.0
Guatemala	3.4	-0.1	4.3	0.1
Mexico	2.8	0.0	3.8	0.1
Paraguay	4.0	0.0	4.0	0.0
Peru	3.6	-0.4	3.0	0.2
Uruguay	3.2	0.1	7.0	0.3
Eight country average	3.2	-0.1	4.1	0.1

Source: REVELA, IDB 2021. Data available for download [here](#).

B. GDP growth expectations for 2021

According to surveys in August, the simple average of growth expectations increased by 0.3 percentage points from 5.4% to 5.7% while the GDP-weighted average of growth expectations changed 0.1 from 5.8% to 5.9%. Some countries registered increases while others present stable results, but no country registered decreases of growth expectations. Chile, Guatemala, Peru, Paraguay and Uruguay show an increase in the growth expectations while Brazil, Colombia and Mexico remained stable. With these results, growth expectations for the region for 2021 ranged from 2.6% in Uruguay to 9.0% in Peru in August.

Compared to surveys at the beginning of the 2021, seven months ago, growth expectations for 2021 increased by 1.2 percentage points in the simple average case and by 1.9 in the GDP-weighted average case. Since January, the expectations have increased the most in Chile, Mexico, Colombia and Brazil both in 3.5, 2.3, 1.9 and 1,8 percentage points respectively. On the other hand, Uruguay growth expectations decreased and Peru growth expectations remained stable since January.



Source: REVELA, IDB 2021. Data available for download [here](#).

¹ Refers to the simple average of the eight inflation targeting countries.

² Refers to the GDP weighted average of the eight inflation targeting countries

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