



Revelation of Expectations in Latin America

May 2022

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

Inter-American Development Bank (IDB)

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 2022 and 2023

The May surveys of expectations conducted by Central Banks in the region indicate that the simple average of growth expectations in 2022 decreased by 0.3 percentage points from 2.7% to 2.4% and the simple average of inflation expectations increased by 0.6 percentage points from 6.8% to 7.4%. Paraguay and Peru decreasing their growth expectations. Mexico registered and increase while the remaining countries do not present changes. On the other side, higher inflation expectations are observed in most of the countries, except in Brazil and Uruguay.

Country	Growth expectation (percentage expected for 2022)		Inflation expectation (percentage expected for 2022)	
	as of May	May - Apr change	as of May	May - Apr change
Brazil	0.6	0.0	7.4	0.0
Chile	1.5	0.0	8.9	1.1
Colombia	4.9	0.0	8.4	1.4
Guatemala	3.7	0.0	5.3	0.5
Mexico	1.8	0.1	6.9	0.2
Paraguay	0.2	-1.8	8.0	1.0
Peru	2.7	-0.1	5.8	0.8
Uruguay	4.2	0.0	8.5	0.0
Eight country average	2.4	-0.3	7.4	0.6

Source: REVELA, IDB 2022. Data available for download [here](#).

In the case of expectations for 2023, the May surveys indicate that the simple average of growth expectations stay without change while inflation expectations increased 0.2 percentage points. Guatemala, Peru and Uruguay registered an increase in the expectations of growth, while Chile, and Mexico present negative changes respect to April's survey. In the case of inflation, it is observed an increase in most countries but Brazil, Paraguay and Uruguay expectations remained stable.

Country	Growth expectation (percentage expected for 2023)		Inflation expectation (percentage expected for 2023)	
	as of May	May - Apr change	as of May	May - Apr change
Brazil	1.1	0.0	3.9	0.0
Chile	0.5	-0.3	4.4	0.2
Colombia	3.1	0.0	4.7	0.5
Guatemala	3.8	0.1	4.5	0.3
Mexico	1.9	-0.1	4.4	0.2
Paraguay	4.0	0.0	5.0	0.0
Peru	2.7	0.1	3.8	0.3
Uruguay	3.0	0.1	7.0	0.0
Eight country average	2.5	0.0	4.7	0.2

Source: REVELA, IDB 2022. Data available for download [here](#).

B. Expectations evolution for 2022

According to surveys in May, since December-2021 the simple average of growth expectations decreased by 0.4 percentage points from 2.8% to 2.4% while the GDP-weighted average of growth expectations decreased 0.2 percentage points from 1.8% to 1.6%. Chile, Guatemala, Mexico and Paraguay show a decrease in the growth expectations while Brazil, Colombia, Peru and Uruguay registered and increase in growth expectations since December-2021. With these results, growth expectations for the region for 2022 ranged from 0.2% in Paraguay to 4.9% in Colombia in May.

In the case of inflation, the simple average expectations increased by 2.8 percentage points from 4.6% to 7.4% while the GDP-weighted average increased 2.8 percentage points as well. Chile, Colombia and Paraguay are the countries where inflation increased the most, more than 3.5 percentage points. The results indicates that inflation expectations for the region for 2022 ranged from 5.3% in Guatemala to 8.9% in Chile in May.

Figure 1: 2022 growth expectations evolution

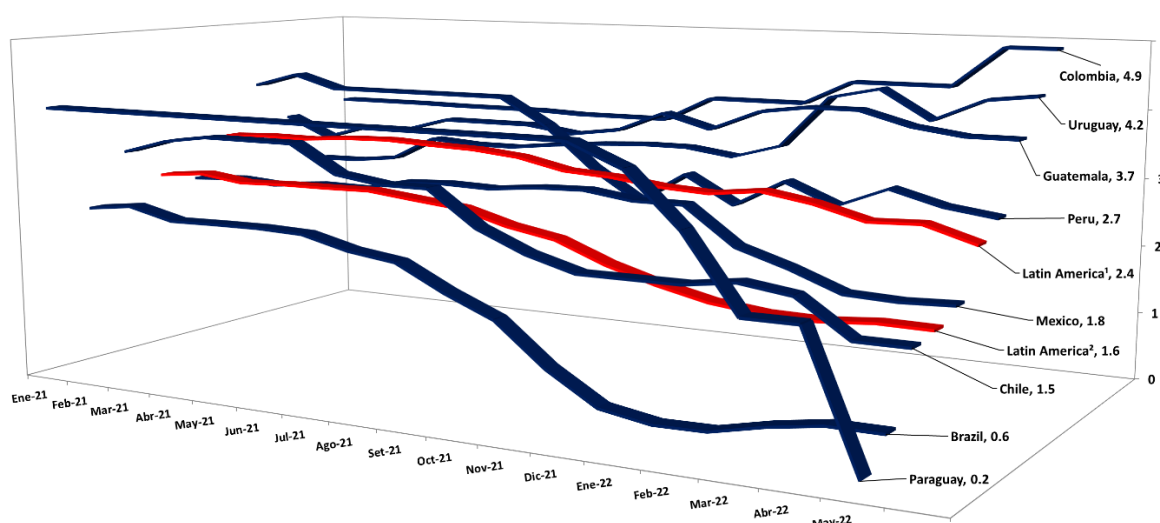
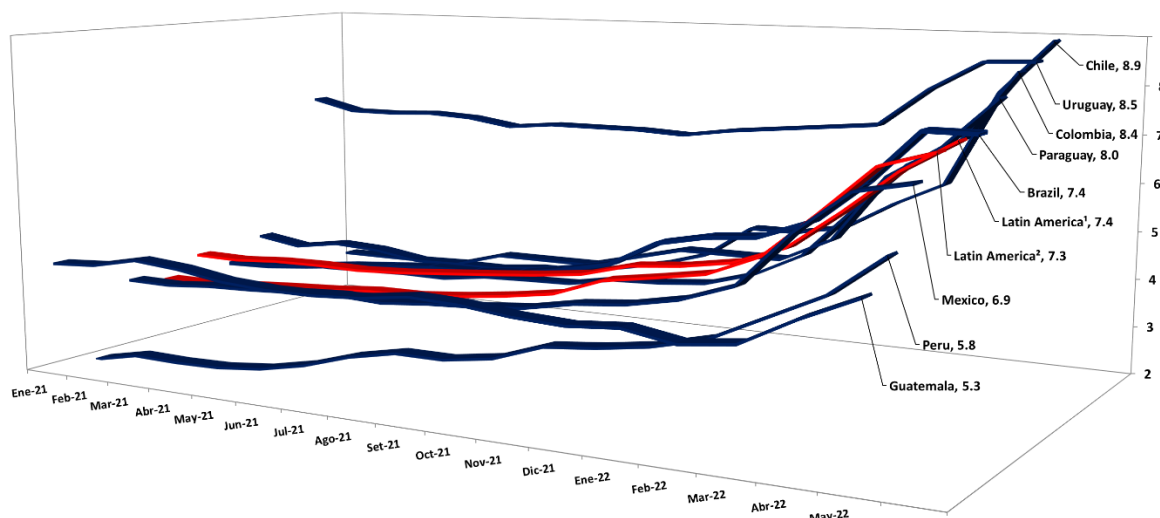


Figure 2: 2022 inflation expectations evolution



Source: REVELA, IDB 2022. 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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