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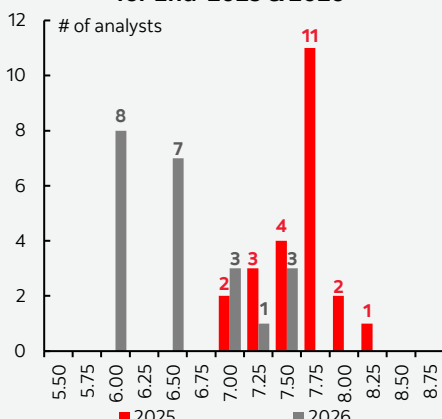
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Chart 1

Colombia: Repo Rate Expectations for End-2025 & 2026



Latam Daily: Colombia Survey and Peru Mining Recap

- **Colombia: Citi Survey—Inflation expectations increased and analysts expect a 25bps rate cut in March**
- **Peru: Mining investment steadied in 2024, but production remained mostly positive**

COLOMBIA: CITI SURVEY—INFLATION EXPECTATIONS INCREASED AND ANALYSTS EXPECT A 25BPS RATE CUT IN MARCH

The Citi Survey for February was published on Monday, February 24th. BanRep uses this survey as one of its indicators for inflation expectations, the monetary policy rate, GDP, and COP.

Key points included:

- **Economic growth projections for 2025 and 2026 had no significant changes.** 2024 closed with economic growth of 1.7%, below the 1.8% estimated in the January survey. For 2025, the average expectation is 2.61% (2 basis points higher than the previous survey). Meanwhile, for 2026, economic growth of 2.94% is expected (2 basis points lower than the previous survey), which assumes that the Colombian economy would maintain growth below its potential for the following 2 years.
- **Inflation expectations were adjusted upwards for 2025, while for 2026 the change was not significant.** In the first inflation reading of 2025, the impact of a high increase in wages was evident, showing a slight increase in inflation from 5.20% to 5.22%. For February, the average of respondents expects inflation to be 1.02% m/m, which would leave annual inflation at 5.14%. For the end of 2025, the expectation increased by 20bps compared to the previous survey, standing at 4.28% y/y, lower than the 4.35% contemplated in the BanRep expectations survey. For 2026, the expectation stood at 3.54% (2 basis points lower than the previous survey). Scotiabank Colpatria estimates that February inflation will be 1.10% m/m and 5.23% y/y, while by the end of 2025 and 2026 it is estimated to reach 4.86% y/y and 3.68% y/y, respectively.
- **Most respondents expect a rate cut at the March 31st meeting.** According to the survey, 20 of the 23 respondents expect a rate cut of 25bps to 9.25%, including the Scotiabank Colpatria team. Two analysts expect a rate pause at 9.50%, while one expects a 50bps cut to 9%. Expectations for the end of 2025 are concentrated at 7.75% (chart 1), and the range is between 7% and 8.25%. For 2025, the distribution is slightly more dispersed, with a median of 6.50% and a range between 6% and 7.50%. Scotiabank Colpatria expects the monetary policy rate to be 7.75% at the end of 2025 and 6.50% in 2026.
- **Finally, the consensus of economists expects the exchange rate to be 4,161 pesos in February.** By the end of 2025, the average forecast is that the exchange rate will be 4,291 pesos and 4,214 pesos in 2026. Scotiabank Colpatria estimates an exchange rate of 4,367 pesos for 2025 and 4,364 for 2026.

—Daniela Silva

PERU: MINING INVESTMENT STEADIED IN 2024, BUT PRODUCTION REMAINED MOSTLY POSITIVE

Mining investment remained nearly unchanged in 2024, totaling US \$4.96 billion—just a hair above the US \$4.93 billion invested in 2023 (+0.5%) (chart 2). This figure was very close to our forecast of US \$5 billion. The flat trend was mainly due to having only one greenfield project in the portfolio and only two brownfield projects had begun construction.

February 26, 2025

The biggest investments came from Antamina (+9.7%), driven by its ongoing Antamina Replacement project; Las Bambas (+59.8%), thanks to its Chalcobamba project; and Cerro Verde (+19.7%), due to increased expected Capex investments. Meanwhile, Anglo American's investment continued to decline, dropping 38.9% y/y (table 1).

Looking ahead to 2025, we estimate 5.0% growth in mining investment, reaching about US \$5.2 billion. The portfolio includes only one greenfield project under construction—San Gabriel—expected to be completed this year. In addition, there are two brownfield projects: Inmaculada Replacement and Antamina Replacement. There are other brownfield projects in the pipeline but are waiting for approval of their EIA permits.

Mining output in 2024 showed largely positive results. Gold production grew by 6.9% y/y, driven by a significant 28.6% increase at Yanacocha, where injection leaching techniques improved metal recoveries, along with higher grades at Quecher Main. Minera Boroo grew a notable 33.3% y/y due to optimized leaching processes, and Poderosa's production rose 8.5% y/y thanks to higher ore grades. These companies together produce 25% of total gold output. Silver production increased by 15.4% y/y, mainly driven by Buenaventura's remarkable 265% boost following Yumpag's first full year of operation. Additionally, production of lead, iron, and molybdenum grew by 6.6%, 23.2%, and 25.3%, respectively (table 2).

On the flip side, copper production dipped slightly by 0.7% in 2024, due to the lack of new projects. Zinc output also fell by 13.5%, largely because Antamina mined areas with lower grades.

Chart 2

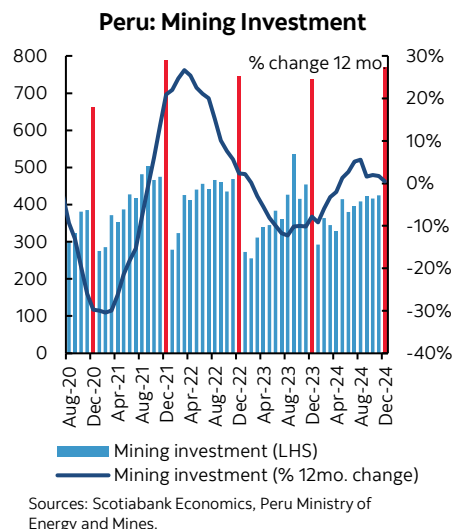


Table 1: Peru - Top 20 Mining Companies by Investment Amount in USD

Company	December			January-December			December 2024 Share
	2023	2024	y/y % change	2023	2024	y/y % change	
1 COMPAÑIA MINERA ANTAMINA S.A.	112,098,794	172,646,209	54.0%	628,398,078	689,401,491	9.7%	22.4%
2 MINERA LAS BAMBAS S.A.	43,878,472	40,675,273	-7.3%	241,152,091	385,429,153	59.8%	5.3%
3 SOCIEDAD MINERA CERRO VERDE S.A.A.	34,113,301	36,977,427	8.4%	296,790,333	355,364,206	19.7%	4.8%
4 ANGLO AMERICAN QUELLAVECO S.A.	39,331,319	46,585,173	18.4%	567,019,438	346,252,134	-38.9%	6.1%
5 SOUTHERN PERU COPPER CORPORATION SUCURSAL DEL PERU	40,596,602	39,189,783	-3.5%	338,053,858	312,312,703	-7.6%	5.1%
6 COMPAÑIA DE MINAS BUENAVENTURA S.A.A.	35,969,588	62,576,367	74.0%	182,290,821	287,663,461	57.8%	8.1%
7 SHOUGANG HIERRO PERU S.A.A.	51,302,885	47,377,614	-7.7%	260,256,314	259,761,740	-0.2%	6.2%
8 MINERA CHINALCO PERU S.A.	17,926,466	21,819,578	21.7%	150,154,568	232,603,176	54.9%	2.8%
9 COMPAÑIA MINERA PODEROSA S.A.	13,582,246	14,639,490	7.8%	131,291,771	154,763,984	17.9%	1.9%
10 COMPAÑIA MINERA ANTAPACAY S.A.	54,656,410	30,244,982	-44.7%	158,767,291	152,145,295	-4.2%	3.9%
11 MINSUR S.A.	19,883,087	18,647,628	-6.2%	110,648,717	110,790,218	0.1%	2.4%
12 VOLCAN COMPAÑIA MINERA S.A.A.	12,792,354	13,742,200	7.4%	110,714,117	100,830,336	-8.9%	1.8%
13 COMPAÑIA MINERA ARES S.A.C.	11,209,811	12,214,857	9.0%	84,551,278	99,393,205	17.6%	1.6%
14 HUBBAY PERU S.A.C.	15,160,396	14,864,131	-2.0%	104,488,486	90,005,018	-13.9%	1.9%
15 MARCOBRE S.A.C.	24,759,411	18,943,909	-23.5%	114,555,327	82,882,752	-27.6%	2.5%
16 PAN AMERICAN SILVER HUARON S.A.	7,724,784	4,686,013	-39.3%	37,240,089	65,451,462	75.8%	0.6%
17 MINERA YANACOCHA S.R.L.	47,970,849	6,532,069	-86.4%	306,620,374	65,111,726	-78.8%	0.8%
18 NEXA RESOURCES EL PORVENIR S.A.C.	21,227,032	6,765,680	-68.1%	69,054,007	61,408,584	-11.1%	0.9%
19 COMPAÑIA MINERA RAURA S.A.	15,475,255	11,658,603	-24.7%	32,731,110	51,906,361	58.6%	1.5%
20 COMPAÑIA MINERA ZAFRANAL S.A.C.	4,084,902	12,760,686	212.4%	20,023,241	50,436,022	151.9%	1.7%
Others	114,176,214	135,698,489	18.9%	991,287,800	1,006,805,218	1.6%	17.6%
Total investment	737,920,178	769,246,161	4.2%	4,936,089,109	4,960,718,245	0.5%	100.0%

Sources: Scotiabank Economics, Peru Ministry of Energy and Mines.

Table 2: Peru - Mining Output

	Copper MT	Gold oz	Zinc MT	Silver oz	Lead MT	Iron MT	Tin MT	Molybdenum MT
December 2024, y/y % change	2.9	1.0	-25.3	17.9	-0.5	-1.1	-23.5	32.3
Jan-Dec 2024, y/y % change	-0.7	6.9	-13.5	15.4	6.6	2.5	23.2	25.3

Sources: Scotiabank Economics, Peru Ministry of Energy and Mines.

—Katherine Salazar

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