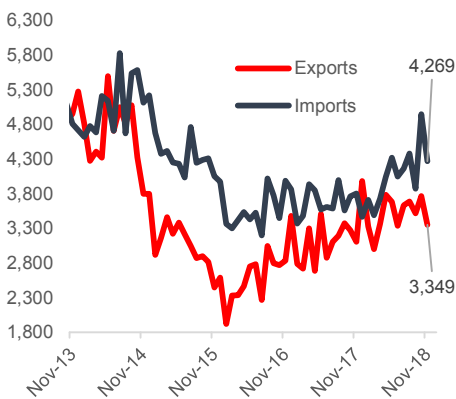


LATAM Market Update

- Colombia: November 2018 Imports keep showing strong numbers**

Yesterday, DANE released November imports. They came in at 12.3% y/y or US\$4.5bn and continued showing strong behaviour. Capital imports grew 11.3% y/y due to industrial and transportation imports. The strong numbers that capital imports have shown this year are consistent with investment recovery in second half of 2018 and bode well for 2019 investment. Additionally, Raw materials and consumption imports are also growing above 10% y/y, which let us to think that domestic demand recovery continues, despite recent drop in confidence indicators. Today's import data do not change our GDP forecast for 2018 of 2.5% y/y and is in line with our 3.3% y/y for 2019.

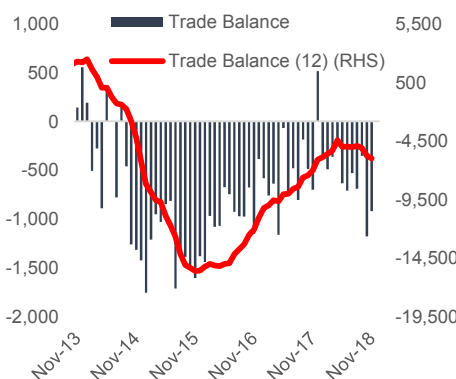
Colombian Exports vs Imports (USD mn)



Sources: DANE, Scotiabank.

Finally, YTD up to November, trade balance showed a deficit of US\$-6.5b (US\$-920mn in November), which is in line with current account deficit (CAD) of -3.3pp of GDP in 2018.

Colombian Trade Balance (USD mn)



Sources: DANE, Scotiabank.

CONTACTS

Eduardo Suárez, VP, Latin America Economics
52.55.9179.5174 (Mexico)
Scotiabank Economics
eduardo.suarez@scotiabank.com

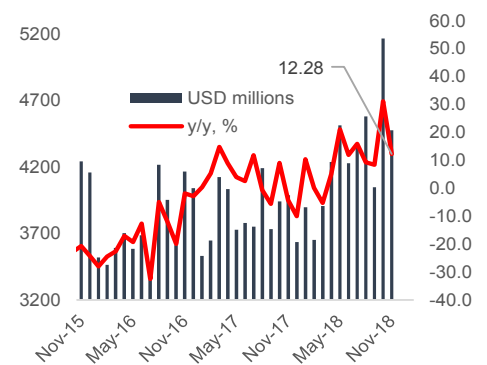
Guillermo Arbe
511.211.6052 (Peru)
Scotiabank Peru
guillermo.arbe@scotiabank.com.pe

Mario Correa
52.55.5123.2683 (Mexico)
Scotiabank Mexico
mcorrea@scotiabank.com.mx

Sergio Olarte
57.1.745.6300 (Colombia)
Scotiabank Colombia
olarteas@colpatria.com

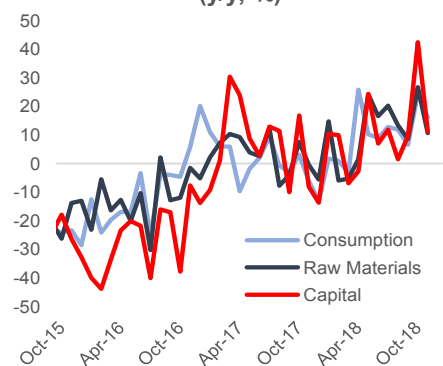
Benjamin Sierra
56.2.2619.4974 (Chile)
Scotiabank Chile
benjamin.sierra@scotiabank.cl

Colombian Imports (USD mn, y/y, %)



Sources: DANE, Scotiabank.

Colombian Imports by Economic Sector (y/y, %)



Sources: DANE, Scotiabank.

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