

## Colombia | Inflation reaches 15-year high on soaring food prices

Fabián Mauricio García

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Consumer prices rose 8.0% YoY (0.94% MoM) in March, topping the forecasts of all analysts (Bloomberg: 0,7% MoM, BBVA: 0,6% MoM). Food prices, especially those of perishable goods, were the main driver behind this increase (1.6% MoM). Additionally, tradable inflation grew 1.0% MoM, a 13-month high. March inflation came as a surprise, since we expected that tradable and food inflation receded in a context of weaker El Niño and stronger currency. However, the opposite happened. Despite this, we believe that inflation will have significant corrections in the second half of the year due to better weather conditions, higher fresh-food supply and a stronger Peso. Given March figures, we believe that year-end inflation could be a little higher than our forecast of 5.4%.