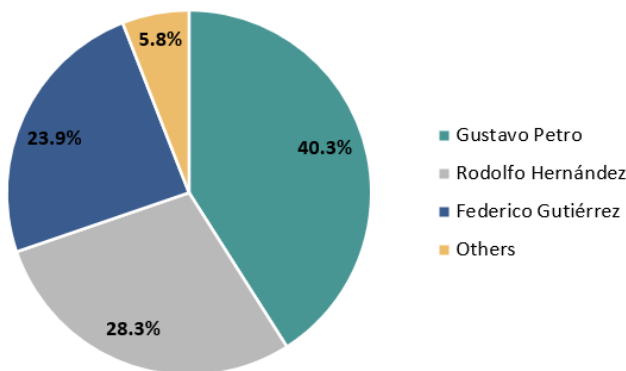


## Colombia: The Elections of Change

The Colombian first-round presidential elections were held on Sunday, May 29, 2022. The left-wing candidate Gustavo Petro (representing the Pacto Histórico party) and independent Rodolfo Hernández were victorious, as anticipated by previous polls —in which the latter candidate registered a relevant increase in voter preferences. This result indicates how Colombian people voted for change, motivated by social demands, breaking the continuity of traditional elections and moving away from conventional political parties.

**Presidential Elections Results**  
First Round | %

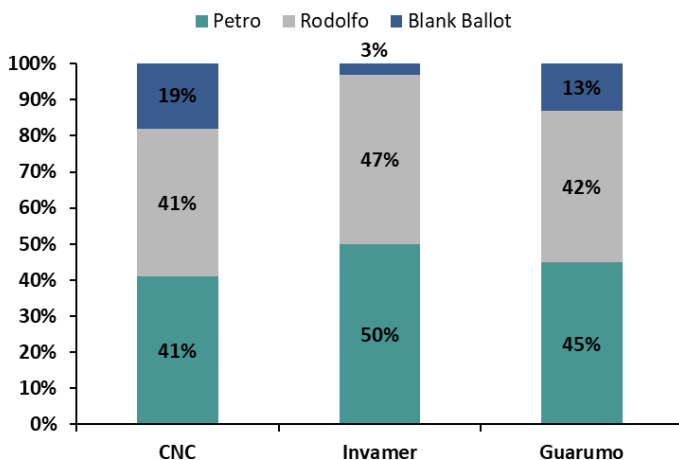


Source: National Registry of Civil Status of Colombia

The election turnout was 54.9% of the electoral roll, suggesting that nearly half of the voting population did not vote - the lowest in 20 years. Furthermore, Federico Gutierrez was shockingly dropped to third place after leading polls with Gustavo Petro. However, the electoral scenario changed significantly in the last two weeks, as Rodolfo Hernandez gained popularity to third in the polls and eventually proceeded to the second round.

The left-wing candidate gained greater popularity among young people by picking up the demands for social changes expected by the population. However, he has controversial proposals, especially not granting new oil exploration licenses for environmental reasons. He also included a tax and pension reform; however, due to the fragmentation of Congress, it is unlikely that he will be able to pass them without moderating his approach.

**Voting Intention in Presidential Runoff**  
Petro vs Rodolfo



Source: National Consulting Center / Invamer / Guarumo, data as of May 19.

Rodolfo Hernández is a former real estate businessman and is considered an outsider for not being linked to any traditional political party, which reflects the anti-establishment voting trend seen in other elections in Latin America. He gained relevance through a strong anti-corruption discourse and a striking campaign through social networks without participating in the presidential debates. Although his proposals are not too apparent, he wants to decrease the level of fiscal expenditure.

This context gives a positive spin on Colombian assets, which had already incorporated the Petro vs. Fico scenario, and considered the leftist candidate the winner. On the other hand, the Petro vs. Rodolfo scenario makes it difficult for Petro since the latest polls show a technical tie. The independent candidate seems to be more competitive as he can attract center and right-wing voters through his appeal to anti-Uribe, anti-politicians, and anti-Petro voters. Similarly, Petro has the highest rejection (37%), which would indicate that he would have reached his “peak” of voters in the first round.

# ADDENDUM

LatAm Investment Strategy



COMPASS GROUP

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