

Briefing paper



2017

# Preliminary Overview of the Economies of Latin America and the Caribbean



UNITED NATIONS

ECLAC

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IP

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ECLAC

**Alicia Bárcena**  
Executive Secretary

**Mario Cimoli**  
Deputy Executive Secretary a.i.

**Daniel Titelman**  
Chief, Economic Development Division

**Ricardo Pérez**  
Chief, Publications and Web Services Division

The *Preliminary Overview of the Economies of Latin America and the Caribbean* is an annual publication prepared by the Economic Development Division of the Economic Commission for Latin America and the Caribbean (ECLAC). This 2017 edition was prepared under the supervision of Daniel Titelman, Chief of the Division, while Jürgen Weller, Senior Economic Affairs Officer, was responsible for its overall coordination.

In the preparation of this edition, the Economic Development Division was assisted by the Statistics Division, the ECLAC subregional headquarters in Mexico City and Port of Spain, and the Commission's country offices in Bogota, Brasilia, Buenos Aires, Montevideo and Washington, D.C.

The regional report was prepared by Daniel Titelman with inputs provided by the following experts: Alejandra Acevedo, Claudio Aravena, Pablo Carvalho, Claudia de Camino, Ivonne González, Michael Hanni, Juan Pablo Jiménez, Esteban Pérez, Ramón Pineda, Ignacio Ruelas, José Antonio Sánchez, Cecilia Vera and Jürgen Weller. Sonia Albornoz, Cristóbal Budnevich, Rodrigo Contreras, Luis Rodrigo Díaz and Luis Méndez collaborated as research assistants and in the preparation of statistical data and graphical presentations.

The country notes are based on studies conducted by the following experts: Olga Lucía Acosta, Dillon Alleyne, Anahí Amar, Martín Brum, Martín Cherkasky, Marcos Chiliatto, Cameron Daneshvar, Claudia de Camino, Randolph Gilbert, Sonia Gontero, Enrique González, Michael Hendrickson, Álvaro Lalanne, Jesús López, Ricardo Mayer, Sheldon McLean, Rodolfo Minzer, Yaddi Miranda, Carlos Mussi, Ramón Padilla, Machel Pantin, Esteban Pérez, Juan Carlos Ramírez, Juan Carlos Rivas, Indira Romero, José Antonio Sánchez, Jesús Santamaría, Nyasha Skerrette and Francisco Villarreal. Michael Hanni and Albert Klein reviewed the Caribbean country notes. Georgina Cipoletta collaborated in the review of the country notes for the Latin American countries.

The country notes are available online at [www.cepal.org](http://www.cepal.org).

The cut-off date for the information presented in this publication was 30 November 2017.

#### Explanatory notes

- Three dots (...) indicate that data are not available or are not separately reported.
- A dash (-) indicates that the amount is nil or negligible.
- A full stop (.) is used to indicate decimals.
- The term "dollars" refers to United States dollars, unless otherwise specified.
- A slash (/) between years (e.g. 2013/2014) indicates a 12-month period falling between the two years.
- Figures and percentages in tables may not necessarily add up to the corresponding totals due to rounding.

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# Executive summary

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## A. International context

In 2017, the external context was more favourable in both real and financial terms for Latin America and the Caribbean.

In real terms, the global economy will grow at a rate of 2.9%, up from 2.4% in 2016. This improvement in growth took place across the board and benefited developed and emerging economies alike, both of which saw faster rates of growth over the current year. The estimated 2017 growth rate for the former group is 2.1% (compared to 1.6% in 2016), while the estimate for the latter is 4.5% (over 4.0% in 2016). This stronger growth is expected to carry over into 2018.

Forecasts for 2018 place global economic growth at 3.0%, with a more buoyant performance expected for emerging economies. Developed economies will continue to grow at around 2%, while growth in emerging economies will accelerate to 4.8%. By country, the United States is expected to maintain its economic upturn in 2018, with an estimated growth rate of 2.4%, while the eurozone will post rates similar to those of 2017. China's growth looks likely to drop by three tenths of a percentage point to 6.5%, while India stands to grow by 7.2% in 2018, up from 6.7% in 2017.

One of the weakest aspects of the external context is the sluggish growth in global trade volumes: while higher growth was posted in 2017 than in 2016, it remains below historical averages. For 2017 a growth rate of around 3.6% is estimated, more than double the figure of 1.4% recorded in 2016, and that level is expected to continue into 2018. Among the factors driving this faster growth are rising global aggregate demand and, in particular, higher levels of global investment, which is import-intensive.

Commodity prices—a key factor for the economies of Latin America and the Caribbean—are performing positively. After a 4% decline in 2016, they are expected to rise by almost 13% in 2017 on average. Energy products—whose prices fell most sharply in 2016—will see the largest increases, along with metals and minerals. By contrast, prices for agricultural product prices will edge up slightly. In 2018, barring geopolitical conflicts, commodity prices are expected to remain, on average, similar to those of this year. If that is the case, prices in 2018 would still be more favourable than they were in 2015 and 2016 (7% and 12% higher, respectively).

In the financial sphere, Latin America and the Caribbean continues to benefit from low international interest rates, reduced financial volatility and declining risk perceptions.

In line with the more benign international financial conditions and changes in investors' appetite for risk, capital inflows to bond and equity markets in emerging markets—including those of Latin America and the Caribbean—have recovered over the course of the year, although they remain far below the levels seen between 2010 and 2013. This was also reflected in the prices of financial assets, particularly in stock market prices, which generally followed an upward trend over the year.

## B. External sector

While higher economic growth in Latin America and the Caribbean in 2017 has led to a rise in imports of about 8% over their 2016 level, that increase has been more than offset by exports, which rose by almost 11% after declining for four consecutive years. The performance of exports may be explained by higher commodity prices and the recovery not only of economic activity but also of trade at both the global and intraregional levels.

The recovery in prices for the region's main exports in 2017 will boost the terms of trade by an average of almost 3% over 2016 levels. This marks the first increase after five years of decline. Hydrocarbon-exporting countries will benefit the most this year, with a 12% increase in their terms of trade. Exporters of mining products will also gain from higher prices, which are expected to boost their terms of trade by 6%. Meanwhile, trends in agricultural prices have been less favourable and point to a 1% decline in exporters' terms of trade in 2017, owing to higher prices for energy products and other intermediate goods.

Across the region, all countries will see their exports grow, led in particular by Brazil, which will post an increase of 17%. In the first nine months of the year, exports of iron ore and oil derivatives soared, up by 62% and 100%, respectively, owing to strong price increases. Soybean exports also climbed sharply (20%) thanks to improved harvests, as did exports of manufactured products, including automobiles and heavy goods vehicles. Those countries whose exports comprise mainly minerals and hydrocarbons will experience sharp increases of 15% and 12%, respectively, in their 2017 exports.

Improved trade balances in 2017, combined with inflows of remittances from migrants, will result in an improvement of the region's current account deficit, which is expected to amount to 1.6% of GDP in 2017, lower than the 1.9% calculated for 2016.

In 2017, overall net financial flows to the region are expected to be around 4% lower than in 2016, but they will still be enough to cover the reduced current account deficit and, additionally, to accumulate international reserves of about US\$ 28 billion, which will mean an increase of 3.2% in reserves between 2016 and 2017.

Within the financial account, data to June point to a degree of stability in the region's net foreign direct investment (FDI) flows. This stems from a considerable increase in FDI flows in Brazil (up 23% year-on-year at the end of the third quarter), combined with declines in all the other countries. So far in 2017, non-FDI flows (basically, portfolio and other types of investment flows) have posted declines in the region overall.

## C. Economic activity

After two years of contraction of regional GDP, economic growth turned positive in 2017 (1.3%), as a result of increases in both domestic demand and export volumes. Domestic demand rose by an average of 1.5% over the first three quarters of 2017. That was on account of increases of 2.3% in investment and 1.7% in private consumption and, to a lesser extent, of a 0.1% uptick in public consumption. Export growth also picked up.

The economies of South America will grow by 0.8% this year, after two years of economic downturn. For the group comprising the economies of Central America, Cuba, the Dominican Republic and Haiti, a growth rate of 3.3% is expected this year, a level similar to the 2016 result. Forecasts for the English- and Dutch-speaking Caribbean indicate average growth rates of 0.1% in 2017, a figure that reflects the damage wrought by Hurricanes Irma and María in some of the subregion's countries.

## D. Employment and wages

Despite the slow economic recovery in 2017, the average urban unemployment rate in Latin America and the Caribbean will rise from 8.9% in 2016 to an estimated 9.4%. As a result, the cumulative increase in unemployment since 2014 will be 2.5 percentage

points, or 7 million people (from 15.8 million to 22.8 million) in the region's urban areas. This spike in urban unemployment is the result of a decline in the employment rate and an increase in the number of people seeking work (participation rate).

Amid the generally sluggish performance of employment, wage employment creation was particularly weak and declined as a percentage of total employment. Given that wage employment is characterized by higher levels of quality than other job categories, average employment quality deteriorated again in the region.

Real wages in formal employment evolved positively, with a median growth rate of 2%. This increase was the result of falling inflation atop a moderate increase in nominal wages. At the same time, earnings in many countries received a boost from minimum wage policies aimed at improving the situation of lower-income workers.

## E. Macroeconomic policies

### 1. Fiscal policy

Fiscal consolidation continued to mark the tenor of fiscal policy in the region in 2017. Accordingly the primary deficit for the region on average should narrow from -1.0% of GDP in 2016 to -0.8% in 2017, mainly owing to a slowdown in primary public expenditure. However, an increase in public debt servicing costs offset the improvement in the primary balance, and the overall balance therefore held steady at -3.1% of GDP. The adjustment of the primary deficit had the effect of reducing the contribution of general government consumption to GDP growth to near zero in 2017.

Fiscal situations vary within the region. On the one hand, at -0.2% of GDP in 2017 for the second year in a row, the average primary balance for Central America, the Dominican Republic, Haiti and Mexico was nearly at equilibrium. Higher interest payments—which rose from an average of 2.0% of GDP in 2016 to 2.2% in 2017—pushed up the total deficit in those countries from -2.1% of GDP in 2016 to -2.4% in 2017.

In South America, conversely, the average primary deficit narrowed for the first time in five years, falling from -1.9% of GDP in 2016 to -1.5% of GDP in 2017; despite the drop, however, the level remains high. The impact that the reduction in the primary deficit had on the overall deficit (which fell from -4.2% of GDP in 2016 to -3.9% in 2017) was undone to some extent by the increase in the service on the public debt, which rose from 2.3% of GDP in 2016 to 2.4% of GDP in 2017.

In the Caribbean, the average primary surplus held at 1.2% of GDP in 2017 for the second year running, but the fiscal deficit rose slightly—from -2.2% of GDP to -2.3% of GDP—owing to higher interest payments. The need to generate large primary surpluses in order to cope with these countries' hefty public debts continues to constrain the role of fiscal policy in driving the subregion's growth.

In the third quarter of 2017, Latin America's gross public debt amounted to 38.4% of GDP, which was similar to the level recorded at the close of 2016. Although the simple average of the public debt hardly changed at all, the number of countries that witnessed an increase in their level of debt rose; this was offset by a decline in debt levels in 7 of the 19 countries of the region, however. Brazil continues to be the country with the largest public debt, at 73.9% of GDP, followed by Argentina, with a debt equivalent to 53.7% of GDP, and Honduras, with a debt amounting to 47.8% of GDP. At the other end of the spectrum, Paraguay has the smallest public debt in the region (20.8% of GDP), followed by Peru (21.2% of GDP) and Guatemala (23.5% of GDP).

In the Caribbean, as of the third quarter of 2017, central government debt amounted to 70.9% of GDP, down 1.5 percentage points from its 2016 level. The overall trend is towards a downturn in the rate of public indebtedness, with only 4 out of the 13 reporting countries seeing an upswing in debt levels. Barbados and Jamaica still have debt levels of over 100% of GDP (102.7% and 109.5% of GDP for 2017, respectively), but they both reduced their indebtedness substantially, as did Antigua and Barbuda, Dominica and Saint Kitts and Nevis.

## 2. Prices and exchange-rate and monetary policies

During the first 10 months of 2017, average inflation in Latin America and the Caribbean continued the downward trend that started in mid-2016, falling from 8.2% at October 2016 to 5.3% at October 2017. Current inflation levels in the region are the lowest they have been since the end of 2013. Also noteworthy is the rapid drop in inflation since mid-2016: between May 2016, when it peaked at 8.9%, and October 2017, regional inflation fell by 390 basis points, at a little over 20 basis points per month for a total decrease of 40%. In spite of that downward trend, however, a slight increase has been recorded since July 2017, ending 13 consecutive months of declining inflation in the region.

A sharper divergence in inflationary patterns between the different subregions of Latin America and the Caribbean also emerged during 2017. Between October 2016 and October 2017, the inflation rate in South America fell from 10.6% to 4.9%, while in the Caribbean it fell from 7.2% to 3.7%; in the Central America and Mexico subregion, however, inflation rose 2.6 percentage points, from 3.4% in 2016 to 6.0% in 2017. While different factors contributed to these subregional disparities, there is little doubt that exchange rate dynamics and anti-inflationary monetary policies are the most significant.

Inflation continues to define the margins available to monetary authorities for stimulating aggregate domestic demand. In South America and the non-Spanish-speaking Caribbean, falling inflation rates are providing space for more expansionary monetary policies, whereas in Central America and Mexico, the management of monetary policy is geared towards controlling increases in general prices.

The economies of South America that use policy rates as their main monetary policy instruments reported downward trends during 2017, with cuts in Brazil, Chile, Colombia, Paraguay and Peru. The dynamics are more diverse among the economies of Central America and Mexico: in Costa Rica and Mexico, the monetary authorities decided to increase their benchmark interest rates, while Guatemala and Honduras held theirs steady.

In the region's economies that use aggregates as the main policy instrument, the monetary base slowed its pace of growth. Latin America's monetary base has expanded by 8.5% on average since the fourth quarter of 2016, a rate 7 percentage points lower than the average for the period between the first quarter of 2015 and the third quarter of 2016. The situation is similar in the economies of the non-Spanish-speaking Caribbean, whose monetary base has grown 4.0 percentage points more slowly, on average, in the first two quarters of 2017 than in the same period of 2016.

In 2017, there has been a slight increase in the rate of growth of real private sector credit in the economies of Latin America. The contraction of domestic credit continued in the economies of the non-Spanish-speaking Caribbean, and data obtained for the second quarter of 2017 point to an annualized drop of 3.2%.

Most of the region's countries reported more moderate fluctuations in their exchange rates in 2017 than in 2016. Likewise, over the course of the year, the real

effective extraregional exchange rate appreciated by 0.3% for the economies of Latin America and the Caribbean as a whole, contrasting with the depreciation recorded in 2016. This dynamic in the real effective extraregional exchange rate was on account of the appreciation posted in the economies of South America; while lower than the 2016 result, it offset the real-term depreciation recorded in the economies of Central America, Mexico and the non-Spanish-speaking Caribbean.

## F. Outlook and challenges for 2018

The context for the region's performance in 2018 will continue to be favourable in both real and monetary areas. The global economy is expected to continue to grow at rates close to those recorded in 2017, and emerging economies are poised to outperform developed ones. On the monetary front, liquidity will continue to expand, and international interest rates will remain low. This opens up a promising opportunity for Latin American and Caribbean countries to expand their economic policy space in a way that will sustain the expansionary phase of the business cycle.

Nevertheless, the international situation poses certain challenges for the consolidation of global growth over the medium term.

Efforts to normalize monetary policy, notably the reversal of the quantitative easing policies that is already under way or has been announced by the Federal Reserve of the United States, the European Central Bank and the Bank of Japan, are creating uncertainties in the financial markets.

These financial risks are coupled with others that are associated with developed countries' domestic policies. Examples include the move being made to reduce financial regulation and specifically to roll back the Dodd-Frank Wall Street Reform and the Consumer Protection Act in the United States, which could make the financial system more vulnerable in the medium term. In addition, the tax reform bill now moving through the legislature in the United States could ease the corporate tax burden and bolster capital flows to that country.

Finally, there are a number of geopolitical risks, including those arising from the growing protectionism being observed in some countries, from rising nationalism—evidenced by the growing support for anti-globalization parties in some European countries—and last year's vote in favour of Brexit in the United Kingdom. Meanwhile, the rhetoric used by the United States in the latest rounds of the North American Free Trade Agreement (NAFTA) talks suggests that the dissolution of that treaty is a less remote possibility than it used to be, especially in light of that country's withdrawal from the Trans-Pacific Partnership (TPP).

Together with the boost the region will receive from rising external demand, domestic demand will play an important role in accelerating growth, although with differences among components. Thanks to the upswing in gross fixed capital formation, investment will make a greater contribution to the economy. Private consumption continues to drive domestic demand. Fiscal consolidation efforts are expected to continue in 2018, making it unlikely that fiscal policy will contribute significantly to GDP growth.

Estimates put the GDP growth rate for Latin America and the Caribbean at 2.2% for 2018, which is substantially higher than the rate for 2017 (1.3%). More robust economic growth in Brazil (2.0%) will be one of the factors behind this upturn. In addition, economic activity is expected to strengthen in a number of countries that have been growing at moderate rates up to now, including Chile (2.8%), Colombia (2.6%) and Peru (3.5%). Panama will be the Latin American country with the highest growth rate (5.5%), followed by the Dominican Republic (5.1%) and Nicaragua (5.0%). With

the exception of Cuba (1.0%), Ecuador (1.3%) and the Bolivarian Republic of Venezuela (-5.5%), all the other economies in Latin America will expand by between 2% and 4%.

At the subregional level, South American countries are expected to post stronger growth in 2018 (at 2.0%, up from 0.9% in 2017). The economies of Central America, Cuba, the Dominican Republic and Haiti are projected to attain a growth rate of 3.6%, above their 2017 rate of 3.3%. The average growth rate for the English- and Dutch-speaking Caribbean is projected at 1.5% for 2018, fostered, among others, by expenditure on reconstruction in the aftermath of Hurricane Irma and Hurricane Maria in some countries of the subregion.

# Global economic trends

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Global economic growth rose in 2017 (2.9%) and is also expected to increase in 2018 (3.0%), albeit in a context of low dynamism in the medium term

As the global economy has strengthened, so have international trade volumes, although their growth rates remain below the levels seen before the global financial crisis

Commodity prices are expected to be an average of 13% higher in 2017 than in 2016; no major changes are expected in 2018, with forecasts indicating average levels similar to those of this year

During 2017, despite some short-lived spikes, financial market volatility has remained low, capital flows into emerging markets have continued and prices of stock market assets have generally been on the increase

The elimination of some of the monetary stimulus in developed countries could have an impact on the dynamics of exchange rates and relative interest rates



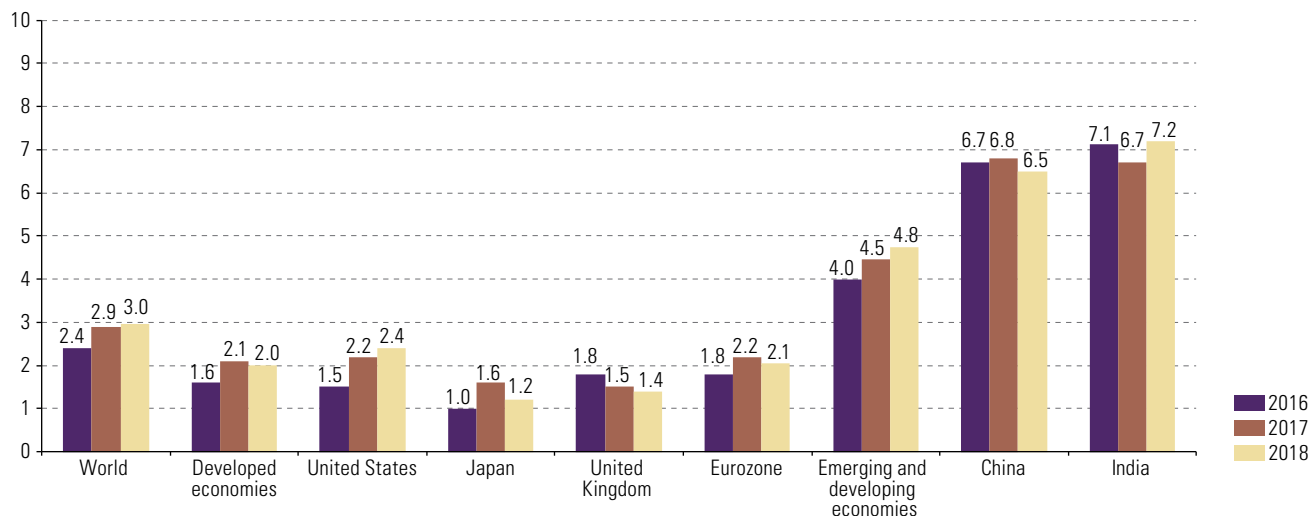


## Global economic growth rose in 2017 (2.9%) and is also expected to increase in 2018 (3.0%), albeit in a context of low dynamism in the medium term

After expanding by only 2.4% in 2016, the world economy showed greater dynamism in 2017 and is set to achieve an average growth rate of 2.9% at the close of the year. This trend towards greater dynamism is expected to continue in 2018, with growth of 3.0% (see figure I.1).

**Figure I.1**

Selected regions and countries: gross domestic product growth, 2016-2018<sup>a</sup>  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations, "World Economic Situation and Prospects, 2018", forthcoming; International Monetary Fund (IMF), *World Economic Outlook. Seeking Sustainable Growth: Short-Term Recovery, Long-Term Challenges*, Washington, D.C., October 2017; Capital Economics, *Global Economic Outlook*, October 2017; Organization for Economic Cooperation and Development (OECD), *OECD Economic Outlook*, vol. 2017, No. 2, November 2017, and data from Consensus Economics.

**Note:** GDP at market prices is used for world growth rates.

<sup>a</sup> Figures for 2017 and 2018 are projections.

The emerging economies have been accelerating in 2017 and should post a growth rate of 4.5% at the end of the year. For 2018, a growth of 4.8% is expected.

Particularly notable within this group is China, with an expected growth rate of 6.8% this year, which is more than both the 2016 result and the mid-year forecast of 6.5%. The expected slowdown in the Chinese economy did not materialize this year, but it is expected to happen in 2018—a growth rate of 6.5% is forecast for next year—in line with the Government's more restrictive economic policies.

Brazil and the Russian Federation, two other large emerging economies, are expected to post positive rates of growth this year (0.9% and 1.9% respectively), after drops in 2016 (-3.5% and -0.2%, respectively).

In India, however, everything indicates that the economy will grow less this year than the forecasts of a few months ago predicted. The impact of the banknote demonetization initiative and the launch of the goods and services tax (GST) resulted in weak levels of economic activity during the first half of the year: year-on-year GDP grew by 5.7% in the second quarter, the lowest result in three years. Consequently, the growth rate for the year as a whole will probably be below 7%. More dynamic growth

(7.2%) is expected in 2018, given that over the second half of 2017 the effects of the Government policies referred to above were already beginning to dissipate.

The developed economies are expected to report 2.1% growth in 2017, five tenths of a percentage point above their 2016 result.

In the United States, economic activity showed signs of strength during the first three quarters of 2017. While the hurricanes that struck during the second half of the year caused some disruption, their impact on overall activity was not significant and the economy is moving towards a growth rate of 2.2% this year, which would be seven tenths of a percentage point higher than its 2016 result. Additional growth, rising to 2.4%, is expected for 2018.

Japan is another developed economy that will post a significant acceleration in 2017: it is expected to close the year with a growth rate of 1.6%, six tenths of a percentage point higher than its result in 2016. This would be Japan's best result since 2013 and would occur after more than four years of economic stimulus policies under the Government of Prime Minister Shinzo Abe. The dynamism of the country's economic activity has rebounded in recent quarters: GDP growth in the third quarter of 2017 (1.4% compared to the previous quarter, in annualized terms) was the seventh consecutive positive result, something that had not been seen since the start of the century. However, the expansion of the Japanese economy is forecast to weaken in 2018, with a growth rate of 1.2%. First, fiscal policy is expected to be more restrictive than in 2017 and, second, a part of the increased external demand and private investment related to the 2020 Tokyo Olympic Games is likely to be offset by higher imports.

As in Japan and the United States, the eurozone is expected to report accelerated expansion in 2017 and end the year with a growth rate of 2.2%, up from 1.8% in 2016. Despite higher levels of political uncertainty fuelled by certain events in the single-currency area's countries over the course of the year, consumer- and business-confidence indicators suggest that to date, those uncertainties have not filtered through to the economic arena. Thus, the year-on-year growth rate in the third quarter of 2017 was 2.5%, the best result since the beginning of 2011. Private consumption has shown strength while investment is on the upswing, in a context of better expectations and favourable financing conditions.

Finally, mention must be made of the United Kingdom, where lower growth is expected this year than in 2016 (1.5%, compared to 1.8% last year) and forecasts indicate an even lower result for 2018 (1.4%). Growth over the first three quarters of 2017 reflected the impact of sterling's depreciation on inflation and, consequently, on real incomes and private consumption. The Government itself, upon presenting its proposed budget in November, revised its growth forecasts for 2017 and 2018 downward, on account of weak productivity growth and a worse investment performance than expected.<sup>1</sup> In the less immediate future, the evolution of the United Kingdom economy will be determined by the impact of the negotiations for the country's departure from the European Union in the Brexit process.

<sup>1</sup> See Office for Budget Responsibility, *Economic and Fiscal Outlook*, November 2017 [online] <http://cdn.budgetresponsibility.org.uk/Nov2017EFOwebversion.pdf>.

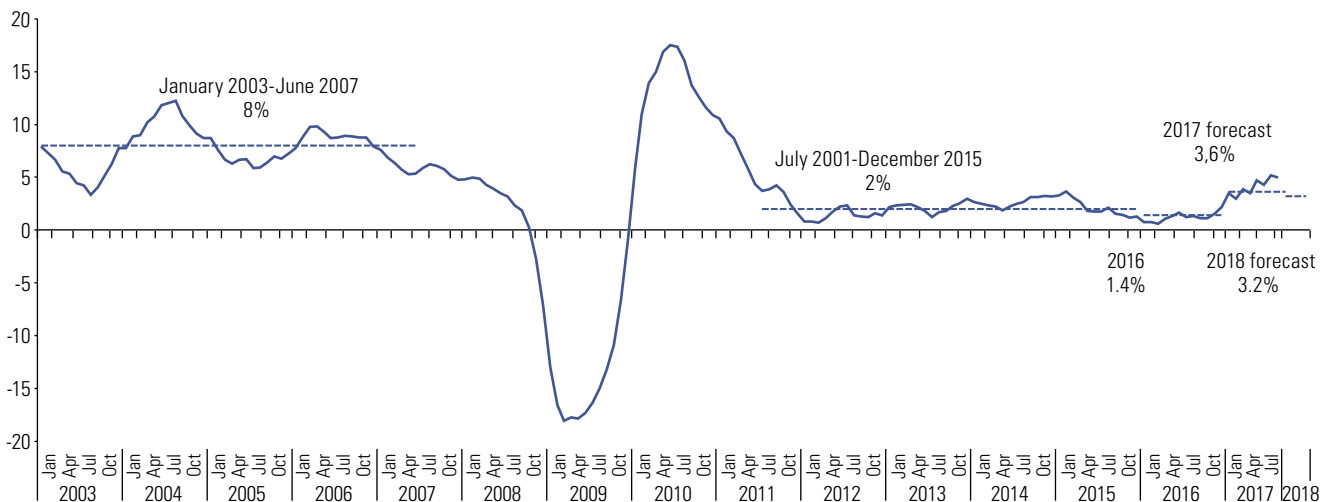
## As the global economy has strengthened, so have international trade volumes, although their growth rates remain below the levels seen before the global financial crisis

Global trade, after growing by only 1.4% in 2016, began a rebound in November of that year in line with the quickening pace of global economic activity.

In its September 2017 report, the World Trade Organization (WTO) forecast a trade volume growth of 3.6% for the year.<sup>2</sup> That figure stands at the higher end of the range of between 1.8% and 3.6% forecast in the previous report. The WTO had stated that the uncertainty created by the Brexit process and the possible tightening of trade policies pointed to “a significant risk that trade expansion in 2017 will fall into the lower end of the range.”<sup>3</sup> However, those risks did not materialize this year and, in the last month for which data are available (August 2017), trade volumes reported year-on-year growth of 5%. In addition, according to the WTO, export orders have increased, which would point to+ continued trade growth over the second half of the year.

For 2018, WTO forecasts a trade growth rate of 3.2%, only four tenths of a percentage point lower than in 2017 (see figure I.2), on the assumption that the developed countries will adopt less expansive monetary policies and that “fiscal expansion and easy credit in China are likely to be reined in to prevent the economy from overheating.”<sup>4</sup> However, the WTO forecast for 2018 covers a broad range (from 1.4% to 4.4%), reflecting the prevailing uncertainty whereby, in the Organization’s words, recovery could be undermined by “downside risks, including trade policy measures, monetary tightening, geopolitical tensions and costly natural disasters.”<sup>5</sup> Those risks could bring the trade growth rate down to levels closer to the lower end of the range.

**Figure I.2**  
World: year-on-year variation in trade volume, three-month rolling averages, 2003-2017  
(Seasonally adjusted percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of figures provided by Netherlands Bureau for Economic Policy Analysis (CPB), and World Trade Organization (WTO), “WTO upgrades forecast for 2017 as trade rebounds strongly” [online] [https://www.wto.org/english/news\\_e/pres17\\_e/pr800\\_e.htm](https://www.wto.org/english/news_e/pres17_e/pr800_e.htm).

<sup>2</sup> See World Trade Organization (WTO), “WTO upgrades forecast for 2017 as trade rebounds strongly” [online] [https://www.wto.org/english/news\\_e/pres17\\_e/pr800\\_e.htm](https://www.wto.org/english/news_e/pres17_e/pr800_e.htm).  
<sup>3</sup> See WTO, “Trade recovery expected in 2017 and 2018, amid policy uncertainty” [online] [https://www.wto.org/english/news\\_e/pres17\\_e/pr791\\_e.htm](https://www.wto.org/english/news_e/pres17_e/pr791_e.htm).  
<sup>4</sup> See WTO, “WTO upgrades forecast for 2017 as trade rebounds strongly” [online] [https://www.wto.org/english/news\\_e/pres17\\_e/pr800\\_e.htm](https://www.wto.org/english/news_e/pres17_e/pr800_e.htm).  
<sup>5</sup> Ibid.

## Commodity prices are expected to be an average of 13% higher in 2017 than in 2016; no major changes are expected in 2018, with forecasts indicating average levels similar to those of this year

After a 4% decline in 2016, commodity prices are expected to rise by an average of almost 13% in 2017. Energy products (i.e. the goods with the sharpest price drops in 2016) will see the largest increases, along with minerals and metals. In contrast, agricultural product prices will rise only slightly in 2017 (see table I.1).

**Table I.1**  
Annual variation in international commodity prices, 2016-2018<sup>a</sup>  
(Percentages)

	2016	2017	2018
<b>Agricultural and livestock products</b>	<b>4.7</b>	<b>1.1</b>	<b>-0.7</b>
Foods, tropical beverages and oilseeds	5.8	0.71	-0.5
Foods	9.3	1.3	-1.2
Tropical beverages	0.6	0.6	-0.3
Oils and oilseeds	2.6	-0.20	0.3
Forestry and agricultural raw materials	0.3	2.8	-1.2
<b>Minerals and metals</b>	<b>-0.9</b>	<b>19.9</b>	<b>-2.4</b>
<b>Energy</b>	<b>-16.3</b>	<b>19.5</b>	<b>1.3</b>
Crude oil	-15.7	19.0	2.3
Petroleum products	-24.1	19.0	0.0
Coal	14.5	30.0	-9.5
Natural gas	-4.6	20.0	2.3
<b>Total commodities</b>	<b>-4.2</b>	<b>12.5</b>	<b>-0.6</b>
<b>Total commodities (excluding energy)</b>	<b>2.1</b>	<b>9.5</b>	<b>-1.5</b>

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of figures provided by Bloomberg, the World Bank, the International Monetary Fund (IMF) and The Economist Intelligence Unit.

<sup>a</sup> Figures for 2017 and 2018 are projections.

Barring unforeseen geopolitical or other contingencies, the commodity price forecast agencies predict no major changes in 2018. Instead, commodity prices are expected to remain, on average, similar to their 2017 values. If that is the case, prices would ultimately be more favourable in 2018 than they were in 2015 and 2016 (which they would exceed by 7% and 12%, respectively).

In terms of individual products, in 2018 the oil market expects prices to rise slightly (by 2.3%) over their 2017 average, as future production cuts by the Organization of Petroleum Exporting Countries (OPEC)<sup>6</sup> and recovering demand could be partly offset by increased output from non-OPEC countries that have not agreed to reduce their production, particularly the United States.

In the case of industrial metals, which include copper and iron, a slight price correction is expected (-2.4%) with respect to the 2017 average, which might have been influenced by excessive optimism about Chinese demand, which is expected to slow next year.

Finally, for agricultural products as a whole, favourable prospects for harvests would mean a slight downward pressure (-0.7%) on prices in 2018. Buoyant soybean stocks and the good harvests expected will keep prices down at their 2017 levels; for maize, in

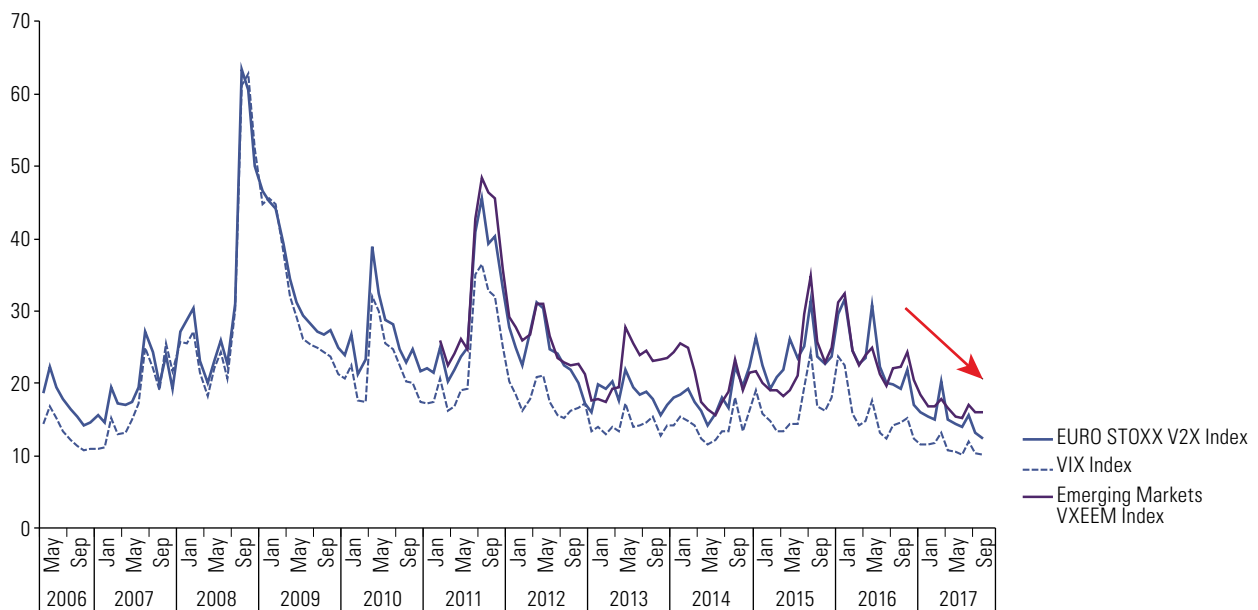
<sup>6</sup> At its meeting of 30 November 2017, OPEC decided to maintain the cuts in output in 2018.

contrast, a fall in global stocks looks likely to lead to slightly higher prices. At the same time, coffee prices are likely to remain depressed, on account of forecasts indicating increased output from the main producers (Brazil and Viet Nam). Sugar production is expected to remain buoyant, which would lead to downward pressures on its price.

## During 2017, despite some short-lived spikes, financial market volatility has remained low, capital flows into emerging markets have continued and prices of stock market assets have generally been on the increase

Over the year, volatility in financial markets has been on the decline, interrupted only by specific, short-duration episodes. At the end of October 2017, the indices normally used to measure this volatility—particularly, the VIX index in the United States and its counterparts for the European market (the V2X index) and for emerging markets (the VXEEM index)—stood at levels not seen since before the global financial and economic crisis (see figure I.3).

**Figure I.3**  
Implied market volatility indices, May 2006 to October 2017



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Bloomberg.

**Note:** The VIX Index is prepared by the Chicago Board Options Exchange (CBOE) from S&P 500 call and put option prices, and measures expected volatility over the next 30 days. Following the same logic, the CBOE also produces the VXEEM index, which measures volatility in emerging markets, while Deutsche Börse and Goldman Sachs produce the V2X index, which does the same for the eurozone.

In line with the kinder international financial conditions and changes in investors' appetites for risk, capital inflows into emerging country bond and equity markets—including those of Latin America and the Caribbean—have recovered over the course of the year, although they still remain far below the levels reported between 2010 and 2013 (see figure I.4). This was also reflected in the prices of financial assets, particularly in stock market prices, which generally followed an upward trend over the year (see figure I.5).

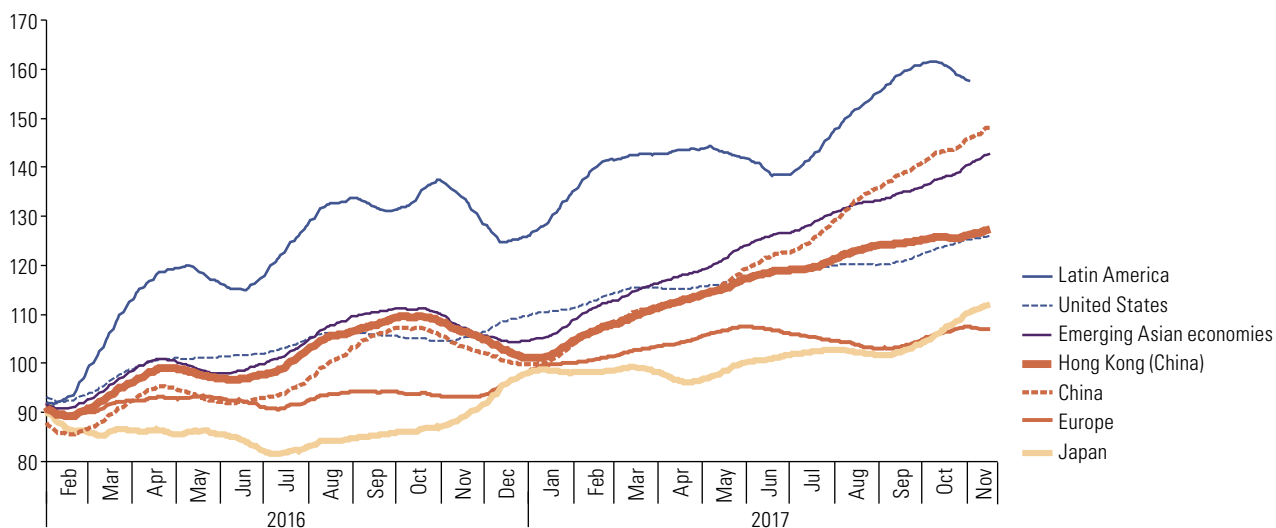
**Figure I.4**  
12-month cumulative portfolio capital flows to emerging markets, January 2008-July 2017<sup>a</sup>  
(Billions of dollars)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Bloomberg and Central Reserve Bank of Peru, "Reporte de inflación: panorama actual y proyecciones macroeconómicas 2017-2019" [online] <http://www.bcrp.gob.pe/docs/Publicaciones/Reporte-Inflacion/2017/setiembre/reportes-de-inflacion-setiembre-2017-presentacion.pdf>.

<sup>a</sup> Monthly indicator of portfolio capital flows prepared by the Institute of International Finance (IIF). Includes flows into bond and stock markets.

**Figure I.5**  
Stock market indices (MSCI),<sup>a</sup> 30-day rolling averages, February 2016-November 2017  
(Index: 1 January 2016=100)

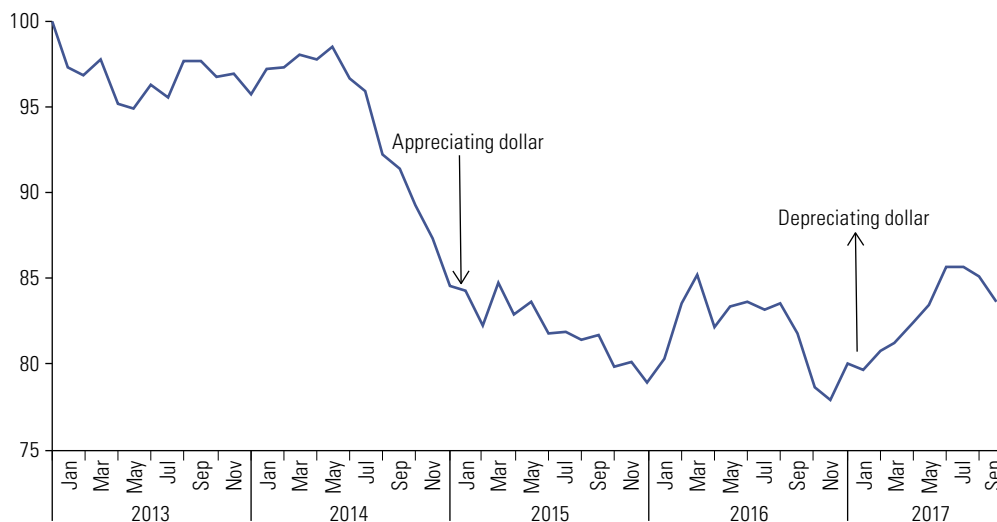


**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Bloomberg.

<sup>a</sup> Market capitalization weighted index, Morgan Stanley Capital International.

## The elimination of some of the monetary stimulus in developed countries could have an impact on the dynamics of exchange rates and relative interest rates

After a series of three increases starting in December 2016, the United States Federal Reserve kept its policy interest rate unchanged in September 2017, with which it remains in a range between 1.0% and 1.25%. The most important outcome of that meeting, however, was the widely expected announcement that the gradual unwinding of its quantitative easing programme would start in October. Together with the perceptions that existed regarding a likely increase in interest rates in December, this fuelled an appreciation of the dollar, which had been declining over the course of the year (see figure I.6).



**Figure I.6**  
Nominal dollar exchange rate against major world currencies, January 2013–September 2017 (DXY index, 1 January 2013=100)

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Bloomberg.

**Note:** The Bloomberg DXY index (dollar spot index) tracks the performance of a basket of ten leading currencies against the dollar. The currencies that are included in the basket and their weights within it are determined annually depending on their share of international trade and their liquidity on foreign exchange markets. The figure shows the opposite of the index published by Bloomberg, whereby an increase in the index indicates a depreciation of the dollar and a drop in the index shows an appreciation of the dollar against the other currencies.

The Bank of England increased its policy rate for the first time in a decade in early November 2017, while the European Central Bank announced, at the end of October, that it would begin to reduce the monthly security purchases of its quantitative easing programme in January 2018. According to the announcements, the key aspects of the bank's future monetary policy are to be the following: (i) the European Central Bank will begin (in January 2018) to reduce the amount of its net security purchases (tentatively planned to reach zero in September 2018, but possibly later than that if deemed necessary), (ii) upon completion of the net security purchases, the bank will continue to reinvest the capital of maturing securities (for an extended period), and (iii) the bank will begin to reduce the size of its balance sheet. Given the time frame indicated, it is possible that this final phase will not start before 2020.<sup>7</sup> At the same time, the monetary authority left interest rates unchanged and said there would be no increases until the net security purchases were completed: in other words, not before September 2018 at the earliest.

<sup>7</sup> See Capital Economics, "Global Economics Update", 27 October 2017 [online] <https://www.capitaleconomics.com/publications/global-economics/global-economics-update/global-qe-to-slow-only-gradually/>.



Even taking these monetary policy decisions into account, however, the perception still exists that levels of global liquidity will remain high at least in the medium term and that efforts to reduce the size of the global monetary base will be unable to commence for at least two years. This is partly because although the Federal Reserve has begun to reduce its balance sheet, the elimination of monetary stimulus by the United States will be a slow process. In addition, no reduction is forecast in Europe until 2020, while in Japan, although the monetary authority (the Bank of Japan) has reduced the rate of its security purchases, it is not expected to begin reducing the size of its balance sheet for a couple of years.

Thus, prevailing global financial conditions in 2018 should not significantly affect the capital flows available to emerging markets, including those of Latin America. It is true that the process towards normalizing interest rates that is already underway in the United States will increase the costs of financing for countries and lead to changes in the structures of portfolios but, given the gradual rate increases expected, flows of external financing into the emerging economies should not be too severely affected.

# Global liquidity

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Global liquidity showed signs of faster growth in 2017

Global banking has partly recovered from the effects of the global financial crisis

The international bond market is still an important source of financing for emerging economies, including those of Latin America and the Caribbean

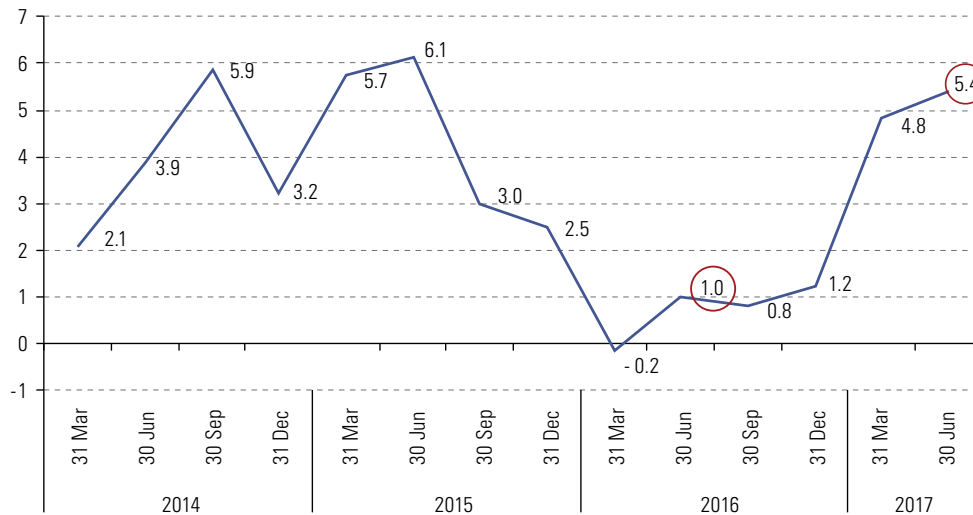
The policy of quantitative easing reversal may be a source of risk, albeit limited, for emerging economies, including in Latin America and the Caribbean





## Global liquidity showed signs of faster growth in 2017

Global liquidity, including banking and debt markets, grew faster in 2017 than the previous year (5.4% in the second quarter of 2017, compared with 1% in the same quarter of 2016) (see figure II.1). This was driven essentially by the international bond markets, although bank lending was also up.



**Figure II.1**  
Rate of change in global liquidity, March 2014-June 2017 (Percentages)

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of figures from the Bank for International Settlements (BIS), 2017.

**Note:** Liquidity comprises total lending by the banking systems of the United States, Europe and Japan and outstanding debt issues on international markets there.

Global liquidity was channelled mostly to developed economies, with less going to developing economies: 77% and 23% of the total for the second quarter of 2017, respectively. In that same quarter, the breakdown of global lending by subregion shows that the emerging economies of Asia-Pacific received 9.3% of the total, followed by the developing economies of Europe (6.0%) and Latin America and the Caribbean (4.5%).

Analysis by type of instrument shows that the bond market has led the liquidity upturn in the United States, with bank lending and bonds up by 1.3% and 9.1%, respectively, in the second quarter of 2017. Conversely, Europe and Japan have seen bank credit climb strongly, with rates of 11.3% and 8.3% year-on-year in the second quarter (compared with 1.7% and 5.9% for the second quarter of 2016).

## Global banking has partly recovered from the effects of the global financial crisis

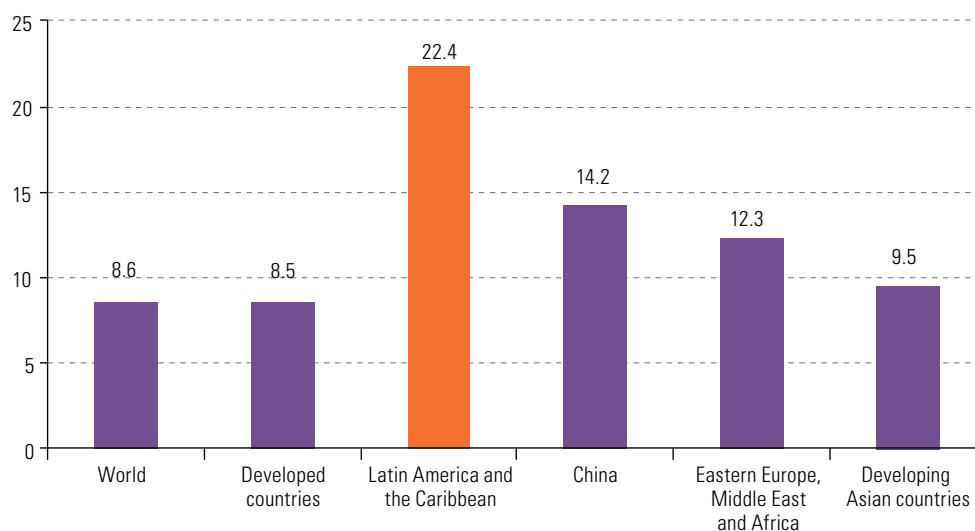
Global banking is showing signs of partial recovery from the effects of the global financial crisis, with recapitalization and cost profile improvements. However, the return on equity (ROE) in the banking system is in the range of 8%-10%, half the figures seen before the global financial crisis and only just enough to cover the cost of capital.

As a result, revenue growth has tended to fall. The evidence available shows that revenue growth in global banking slipped from 16.8% in the period 2002-2007 to 6% in 2010-2014, and to 3.9% in 2015-2017. This has eroded banks' capacity to extend credit and the loans-to-deposits ratio has in fact fallen on average from 124.6% in 2002-2007 to 105.7% in 2012-2016.

Falling revenue growth has affected developed countries in particular, and developing countries to a lesser extent. For the period 2015–2017, North America, Western Europe and Japan recorded revenue growth rates of 0.9%, 0.3% and 4.4%, respectively. Conversely, in the developing economies, including those of Latin America and the Caribbean, banking revenue growth has been quite high: 8.1% in emerging Asia and 7.5% in Latin America in 2015-2017.

In addition, the banking industry has higher rates of return in Latin America and the Caribbean than in other developing and developed regions. The evidence shows that for 2016, the return on assets was 8.6% for banking globally, 22.4% for Latin America and the Caribbean, 14.2% for China and 12.3% for Eastern Europe, the Middle East and Africa (see figure II.2)

**Figure II.2**  
Return on equity in the  
financial sector, 2016  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of McKinsey Global Institute (MGI), 2017.

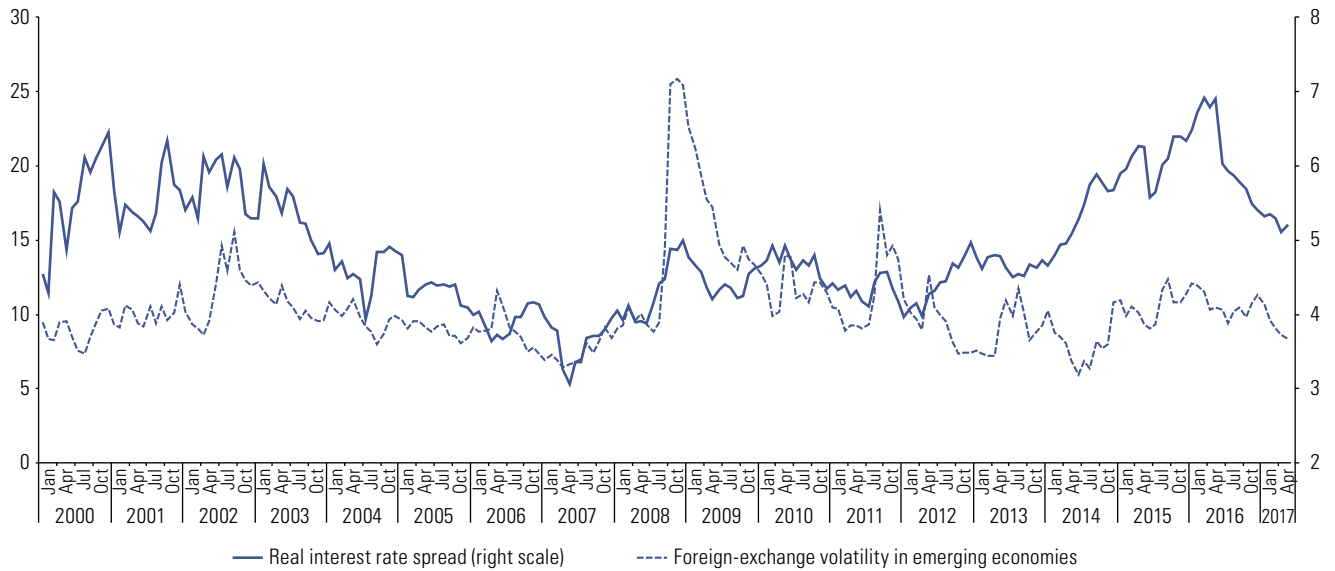
## The international bond market is still an important source of financing for emerging economies, including those of Latin America and the Caribbean

International bond market activity has been favourable for emerging economies, partly thanks to the low international interest rates that have offered them a beneficial spread since 2013. Moreover, foreign-exchange volatility has eased for the emerging economies since the global financial crisis (see figure II.3).

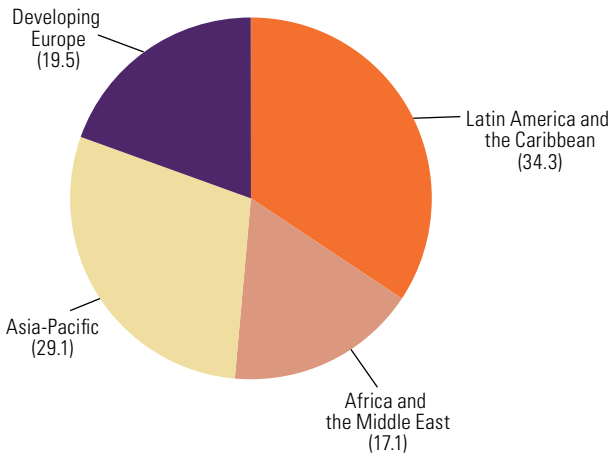
Bond issues by emerging economies (which represent approximately 10% of the total) increased by 12% in 2017, almost twice as much as in 2016. By region, Latin America and the Caribbean accounted for the largest share of emerging economy bond issues (34.3%), followed by Asia-Pacific (29.1%) (see figure II.4).

**Figure II.3**

Foreign-exchange volatility in emerging economies and interest rate spread between emerging and developed economies, January 2000–April 2017  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Bloomberg and the International Monetary Fund (IMF).



**Figure II.4**

Share in total bond issues by developing economies, second quarter 2017  
(Percentages)

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of figures from the Bank for International Settlements (BIS), 2017.

In the first 10 months of 2017, bond issuance by Latin America and the Caribbean stood at US\$ 127 billion, up 9% from 2016. By country, Argentina, Brazil and Mexico accounted for 75% of the issuance on international bond markets. By sector, government was the largest issuer, with 46% in the second quarter of 2017, followed by the non-financial corporate sector, with 39%. Meanwhile, the financial sector issued 15% of the total for that period.

In the first quarter of 2017, non-financial corporate sector debt represented 88% and 104% of GDP, respectively, for developed and developing economies, slightly less than in the year-earlier period (90% and 105%, respectively). Among the developed economies, the countries and territories with the highest level of non-financial corporate sector borrowing include Hong Kong Special Administrative Region, Ireland and Belgium (243%, 226% and 157% of their respective GDP for the first quarter of 2017).

China stands out among the developing economies with a figure of 165% of GDP and, if household borrowing is added to the estimate, China's total private sector debt comes to 258% of GDP for the first quarter of 2017.

Within Latin America and the Caribbean, the country with the highest level of corporate borrowing is Chile (100.5% of GDP), followed by Brazil (42.4%) and Colombia (40.5%), in the first quarter 2017 figures. Chile and Colombia also showed the largest credit-to-GDP gaps, albeit smaller than in 2016 in both cases:<sup>1</sup> 10.5% in first-quarter 2017 compared with 15.9% in first-quarter 2016 for Chile and 8.4% compared with 12.2% for Colombia in the same periods.

## The policy of quantitative easing reversal may be a source of risk, albeit limited, for emerging economies, including in Latin America and the Caribbean

One of the main questions of 2018 and the coming years, in terms of global economic performance, is the impact that may be expected from the reversal of quantitative easing announced by the Federal Reserve, the European Central Bank and the Bank of Japan.

The Federal Reserve started to reduce its balance sheet in October 2017 and the European Central Bank will begin to reduce its bond purchases in 2018. The Bank of Japan, is also expected to cut back its bond purchases next year.

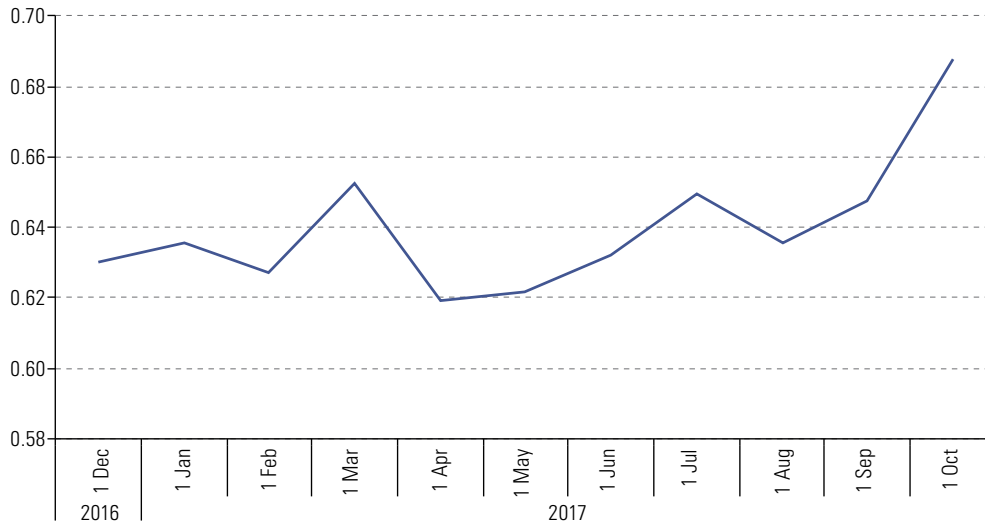
On the one hand, the resulting rise in international interest rates will likely aid banking yields, which could boost lending and the monetary multiplier, both of which fell significantly in the wake of quantitative easing.<sup>2</sup> These expectations are reflected in the yield curve on United States treasury bonds as from September 2017, which began to rise after holding steady earlier in the year (see figure II.5).

Moreover, the rising interest rates brought by quantitative easing will produce a negative wealth effect by reducing bond values, which could act as a drag on international bond market growth. At the same time, higher interest rates will erode the relative returns on the assets of emerging economies,<sup>3</sup> which could trigger outflows from emerging economies to developed countries.

<sup>1</sup> The credit-to-GDP gap refers to the percentage difference between the debt-to-GDP ratio and its long-term trend estimated using a Hodrick-Prescott filter.

<sup>2</sup> To put things in perspective, between January 2006 and August 2008 the M1 and M2 multipliers averaged 1.63 and 8.48, respectively (with a standard deviation of 0.01 and 0.29). After the collapse of Lehman Brothers in September 2008, the two multipliers fell from 1.33 and 7.20, respectively, in October to 1.09 and 5.75 in November. After quantitative easing began in December, the multiplier for the narrow money supply (M1) fell below 1, suggesting that it became a monetary divisor. The multiplier of the broad money supply (M2) averaged 3.6 after quantitative easing began, with a top and bottom range of 5.2 and 2.8.

<sup>3</sup> This effect is known as the portfolio rebalancing effect and it is a key channel for quantitative easing transmission. Portfolio rebalance refers to a decrease in an asset's risk premium (the spread between its expected yield and the risk-free interest rate) caused by changes in its net supply. In the case of treasury bonds, the risk premium is accounted for mainly by the maturity, i.e. by the extra return that investors require to offset the interest rate risk inherent in holding bonds for a longer period as opposed to short-term holdings. Accordingly, long-term bond prices are more sensitive to interest rate variations than short-term bond prices. A number of studies have found evidence of a negative relationship between large-scale asset purchases and the maturity premium of treasury bonds, and a positive relationship between large-scale asset purchases and the yield on other assets such as bonds in general, corporate bonds and, to some extent, prices and returns on raw materials. In fact, the evidence available indicates that large-scale asset purchases did boost the bond market.



**Figure II.5**  
Yield curve for United States treasury bonds (5-year bonds with respect to 30 year-bonds), December 2016–November 2017

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Federal Reserve Bank of St. Louis, Federal Reserve Economic Data (FRED) [online] <https://fred.stlouisfed.org/> and Lynch & Allen, November, 2017.

For the developing economies, the consequences of this scenario will depend in part on the composition of the financial inflows to the region and the weight of the components that are more sensitive to international interest rate variations.

The evidence for Latin America and the Caribbean<sup>4</sup> shows a change in the composition of the balance-of-payments financial account, specifically in portfolio flows, with accrued annual bond flows exceeding those of bank loans. This could have a significant impact given that bonds are more sensitive to shifts in external conditions. A recent study by the Bank for International Settlements (2017)<sup>5</sup> found that a 25-basis-point rise in the federal funds rate translates into a fall of 57 basis points in the growth of cross-border lending, but a drop of 125 basis points in the growth of international bond issuance.

<sup>4</sup> E. Pérez Caldentey, N. Favreau Negront and L. Mendez, “Deuda del sector corporativo no-financiero en América Latina y sus posibles implicaciones macroeconómicas”, document presented at the workshop “¿Cómo dinamizar el crecimiento económico de América Latina y el Caribe?”, Santiago, 3-4 October 2017.

<sup>5</sup> S. Avdjiev and others, “The shifting drivers of global liquidity”, *BIS Working Papers*, vol. 644, Bank for International Settlements (BIS), 2017.







# The external sector

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The balance-of-payments current account deficit is forecast to narrow in 2017 owing mainly to Brazil

The terms of trade are expected to improve for the region as a whole in 2017 and to remain stable next year

The trade balance will improve in 2017 thanks to stronger exports

Deficits in the services and income accounts are projected to grow in 2017 while the transfer balance is expected to reflect a bigger surplus thanks to stronger migrant remittance inflows

Net financial flows to the region will be slightly lower in 2017 than in 2016, but will be more than enough to finance the smaller current account deficit

External bonds issued by Latin American and Caribbean countries grew by almost 9% in the first 10 months of 2017 compared with the year-earlier period and posted record volumes since the data series began

In 2017, sovereign risk levels in the region maintained the downward trend that began in February 2016

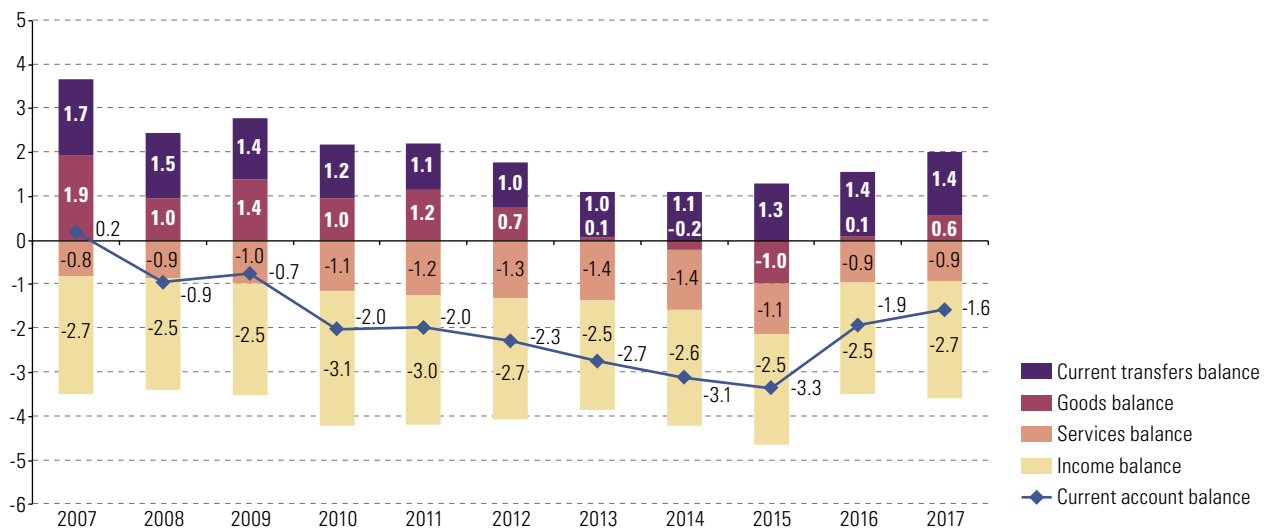


## The balance-of-payments current account deficit is forecast to narrow in 2017 owing mainly to Brazil

The regional current account deficit is expected to amount to 1.6% of GDP in 2017, lower than the 1.9% seen in 2016 (see figure III.1), owing mainly to the decline in Brazil's deficit, by almost one percentage point of GDP, thanks to strong export growth. Excluding Brazil, the regional current account deficit will remain steady at about 2.3% of GDP.

**Figure III.1**

Latin America (19 countries): balance-of-payments current account by component, 2007-2017<sup>a</sup>  
(Percentages of GDP)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> The figures for 2017 are projections.

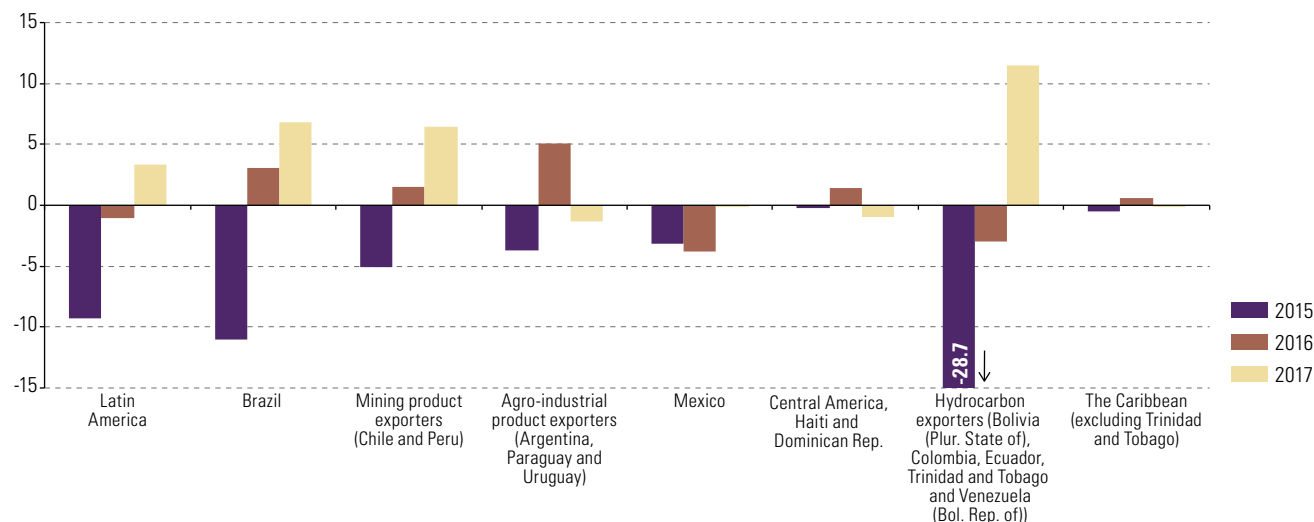
Most countries posted an improvement in their trade balances and transfers, owing especially to migrants' remittances, which were partly offset by larger interest payments abroad and the repatriation of profits by transnational firms.

## The terms of trade are expected to improve for the region as a whole in 2017 and to remain stable next year

The recovery in prices for the region's main exports in 2017 will boost the terms of trade by 3% compared with 2016 (see figure III.2). This increase is the first after five years of declines. Hydrocarbon-exporting countries will benefit the most this year, with a 12% increase in their terms of trade. Exporters of mining products have also gained from higher prices, which are expected to boost their terms of trade by 6%. Meanwhile, trends in agricultural goods prices have been less favourable, and point to a 1% decline in exporters' terms of trade in 2017, owing to higher prices for energy products and other intermediate goods. The situation will be similar for Central American countries (-1%) and the Caribbean excluding Trinidad and Tobago (-0.1%), which are generally net importers of energy and food products, and which are expected to post a decline in their terms of trade this year.

**Figure III.2**

Latin America and the Caribbean (selected countries and country groupings):  
variation in the terms of trade, 2015-2017<sup>a</sup>  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

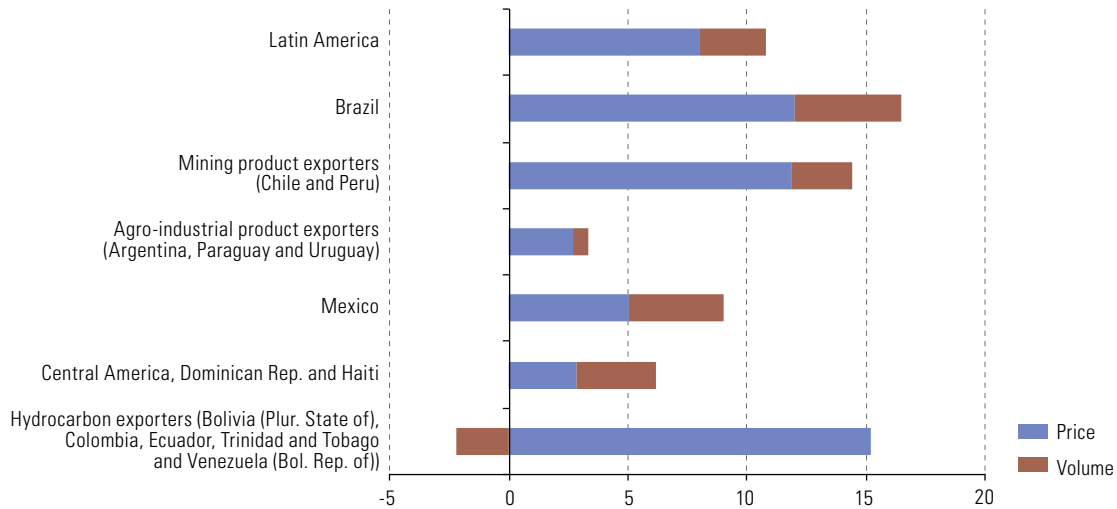
<sup>a</sup> The figures for 2017 are projections.

## The trade balance will improve in 2017 thanks to stronger exports

Higher commodity prices, along with an improvement in global and intraregional trade activity and volumes, are reflected in an increase Latin American exports, which are expected to grow for the first time after four years of contractions (see box III.1).<sup>1</sup> Year-on-year growth of 11% is expected at the end of 2017, including an 8% increase in prices and a 3% rise in volumes (see figure III.3). All of the region's countries posted growth in exports, particularly Brazil, which is forecast to record a jump of 17% in 2017. In the first nine months of the year, exports of iron ore and oil derivatives soared, up by 62% and 100%, respectively, owing to strong price increases. Soybean exports also climbed sharply (20%) thanks to improved harvests, as did exports of manufactured products, including automobiles and heavy goods vehicles. The countries which mainly export minerals and hydrocarbons saw big increases of 15% and 12%, respectively, in their exports. This trend stemmed primarily from higher prices for these products, which offset weaker export volumes in some cases. Assuming that the prices and export volumes of agricultural products will remain fairly steady this year, the value of exports for the countries concerned is expected to rise by 3%, on average. The improvement in Mexico's manufacturing exports to the United States and Latin America, along with higher crude oil prices, is expected to boost that country's exports by 9%. The other Central American countries are projected to record an increase of 6% in exports owing mainly to greater volumes, particularly in Honduras and Nicaragua, where exports are expected to grow by 6% and 9%, respectively, thanks to stronger coffee, sugar and fruit production.

<sup>1</sup> See Economic Commission for Latin America and the Caribbean (ECLAC), *International Trade Outlook for Latin America and the Caribbean*, 2017 (LC/PUB.2017/22-P), Santiago, 2017.

**Figure III.3**  
Latin America (selected countries and groupings): projected variation in goods exports, by volume and price, 2017  
(Percentages)



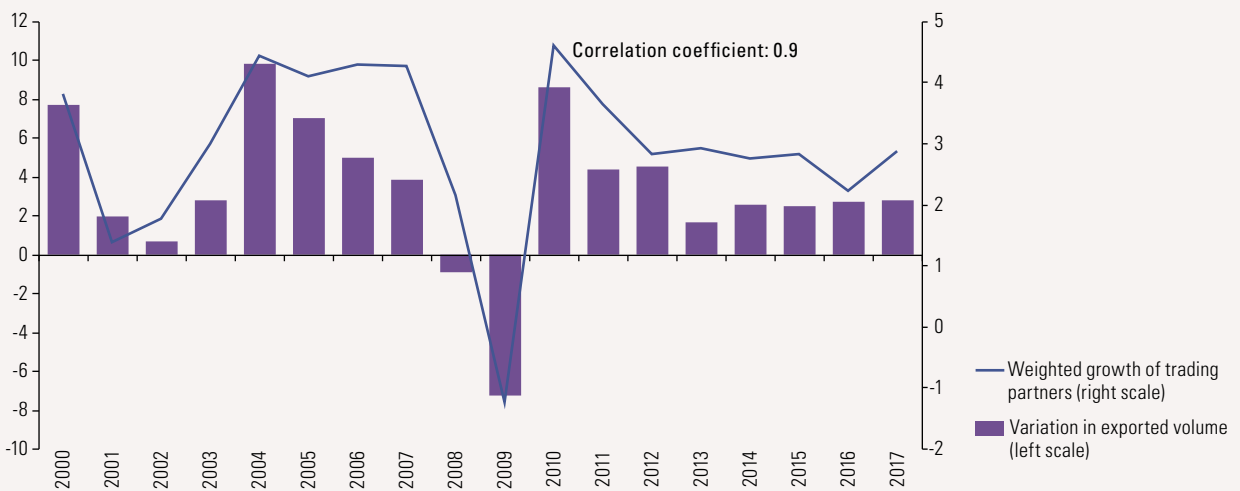
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

**Box III.1**  
Growth of trading partners and Latin American export volumes

The export volumes of Latin American countries are strongly linked to the economic activity of the region's trading partners—both intraregional and extraregional— as this activity is a proxy for the level of demand for exports from each country in the region.

The weighted average GDP growth of the region's trading partners, compared with the region's export volumes, points to a correlation coefficient of 0.9 for 2000-2017.

**Latin America: indicator of trading partners' GDP growth and variation in export volumes<sup>a</sup>**  
(Year-on-year percentage variation)



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

<sup>a</sup> The growth indicator was calculated on the basis of trading partners' growth rates weighted according to each partner's share of the goods exported by the region's countries.

## Box III.1 (concluded)

Bearing this in mind, and assuming that commodity prices remain stable, regional exports are likely to grow in 2018, owing primarily to export volumes. If current projections are confirmed, GDP growth for the region's trading partners is expected to be stronger in 2018 than in 2017 for virtually all countries, both in South and Central America.

**Latin America: indicator of trading partners' growth, 2013-2018***(Percentages)*

	2013	2014	2015	2016	2017	2018
<b>South America</b>	<b>3.3</b>	<b>2.8</b>	<b>2.8</b>	<b>2.5</b>	<b>3.1</b>	<b>3.2</b>
Argentina	3.2	2.4	1.9	2.0	2.9	3.1
Bolivia (Plurinational State of)	2.9	1.1	1.0	0.8	2.3	2.6
Brazil	3.4	2.9	3.3	2.7	3.3	3.3
Chile	3.7	3.4	3.4	3.1	3.6	3.5
Colombia	2.8	3.0	2.6	1.6	2.3	2.5
Ecuador	2.5	2.6	2.7	2.2	2.7	2.9
Peru	3.1	3.2	3.1	2.9	3.3	3.3
Paraguay	2.7	1.5	0.2	-0.2	2.1	2.3
Uruguay	3.0	1.8	1.4	1.1	2.3	2.4
<b>Central America and Mexico</b>	<b>2.0</b>	<b>2.6</b>	<b>2.8</b>	<b>1.7</b>	<b>2.3</b>	<b>2.5</b>
Costa Rica	2.4	3.1	3.1	2.2	2.6	2.7
Dominican Republic	2.3	2.5	2.7	1.9	2.4	2.7
El Salvador	2.5	3.2	3.4	2.5	2.9	3.0
Guatemala	2.3	2.5	2.9	2.3	2.7	2.7
Honduras	2.4	2.6	2.3	2.0	2.4	2.4
Mexico	1.9	2.6	2.8	1.6	2.3	2.4
Nicaragua	1.8	2.0	2.3	2.3	2.3	2.3
Panama	2.5	2.0	2.0	0.9	1.3	2.0
<b>Latin America</b>	<b>2.9</b>	<b>2.8</b>	<b>2.8</b>	<b>2.2</b>	<b>2.9</b>	<b>3.0</b>

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the United Nations Commodity Trade Database (COMTRADE), for trade partner weightings, and International Monetary Fund (IMF), World Economic Outlook, October 2017 [online database], <https://www.imf.org/external/pubs/ft/weo/2017/01/weodata/index.aspx>, for GDP growth projections.

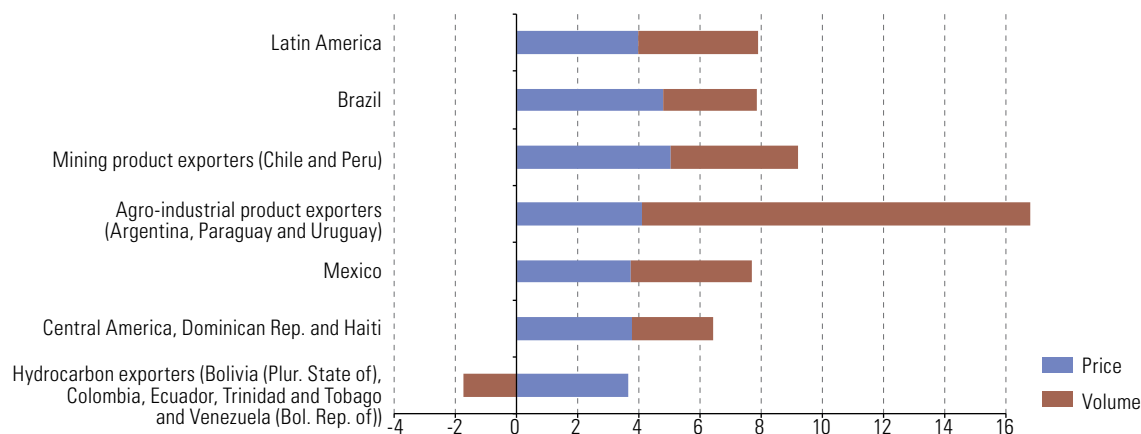
In line with the improvement in the region's economies and higher commodity prices, goods imports are expected to reflect year-on-year growth of 8% at the end of 2017, with an increase of 4% in prices and in volumes (see figure III.4). All countries in the region are forecast to post increases in imports except the Bolivarian Republic of Venezuela. The most notable examples are Argentina, Ecuador and Paraguay, with growth of around 20%. In the first two cases, imports improved against the backdrop of a return to economic growth after declines in 2016. In Ecuador, in addition to the improved economic performance, imports were also boosted considerably by the elimination of "safeguards" at the end of the first half of 2017.<sup>2</sup> The region's two largest economies, Brazil and Mexico, are projected to post growth of 8% in imports in 2017. Meanwhile, the rise in commodity prices, particularly of energy products, along with stronger volumes, explains the expected 7% jump in imports into Central America.

Latin America's trade balance improved in both 2016 and 2017: in the first case, owing to a contraction in imports coinciding with weaker regional GDP growth and in the second case, to stronger exports. As a result, the region moved from a deficit representing 1% of GDP in 2015 to surpluses equivalent to 0.1% and of 0.6% of GDP in 2016 and 2017, respectively.

<sup>2</sup> In March 2015, the Ecuadorian Government implemented tariff surcharges between 5% and 45% to around 3,000 tariff lines (38% of the total). The safeguards were eliminated on 1 June 2017.

**Figure III.4**

Latin America (selected countries and groupings): projected variation in goods imports, by volume and price, 2017 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

## Deficits in the services and income accounts are projected to grow in 2017 while the transfer balance is expected to reflect a bigger surplus thanks to stronger migrant remittance inflows

In 2017, the services account deficit is expected to remain the same as in 2016, at around 0.9% of GDP. However, in nominal terms it is forecast to expand slightly, from US\$ 474 billion to US\$ 50.3 billion. The increase in goods imports will lead to higher volumes and freight costs, thus raising transport payments.<sup>3</sup> Meanwhile, the economic upturns have boosted spending on travel and other services. Services exports will post growth of 7% in 2017, owing to stronger tourism income as well as to transport and other services in general.<sup>4</sup>

With respect to the income account, the improvement in commodity prices this year implies an expansion of the deficit, from 2.5% of GDP to 2.7%, given the higher level of repatriated earnings from foreign investment in natural resources.<sup>5</sup> Since the beginning of the 2000s, the income account deficit has been closely linked to commodity price trends, as that period saw considerable foreign direct investment (FDI) inflows, with a large share directed to the natural resources sector (see figure III.5).<sup>6</sup>

By contrast, the current transfer balance, which is a historically positive account, is expected to maintain its surplus of around 1.4% of GDP, although, measured in dollars, it is set to grow by 7% in 2017. In the first nine months of the year, migrant remittance flows, which are the main component of transfers, climbed by 9% on average in the region, thanks to stronger economic growth in the originating countries (see figure III.6). Notable examples are the Dominican Republic and Guatemala, where remittance inflows grew by 15%, as well as Colombia, El Salvador, Honduras, Nicaragua and Paraguay, where they climbed by more than 10%.

<sup>3</sup> The Baltic Dry Index (BDI) average for 2017 is 37% higher than the 2016 average. This index measures the price of shipping major commodities (metals, grains, fuels and more) along the main global sea routes, and is produced by the London-based Baltic Exchange.

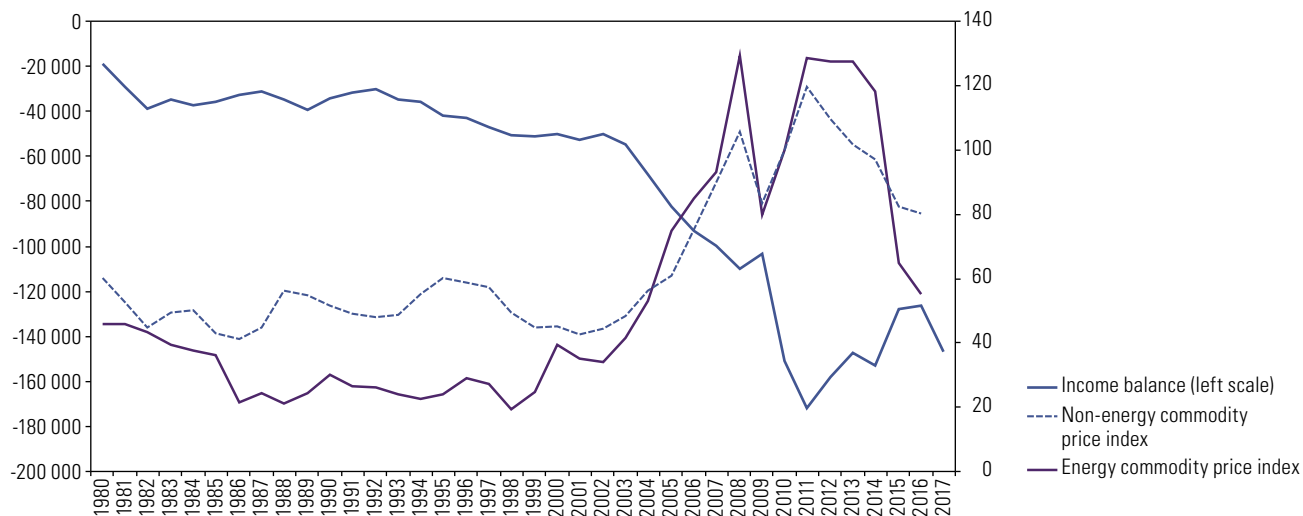
<sup>4</sup> Between January and August 2017, tourist arrivals by subregion grew 4.4% in the Caribbean, 3.7% in Central America and 6.7% in South America (World Tourism Organization, WTO), *UNTWO World Tourism Barometer*, vol. 15, October 2017.

<sup>5</sup> The income account has long been structurally negative in the region, as a result of outward remittances of profits on FDI and interest on external debt.

<sup>6</sup> Between 2003 and 2012, FDI flows into the region grew almost fivefold in nominal terms, from US\$ 42.502 billion in 2003 to US\$ 203.5 billion in 2012.

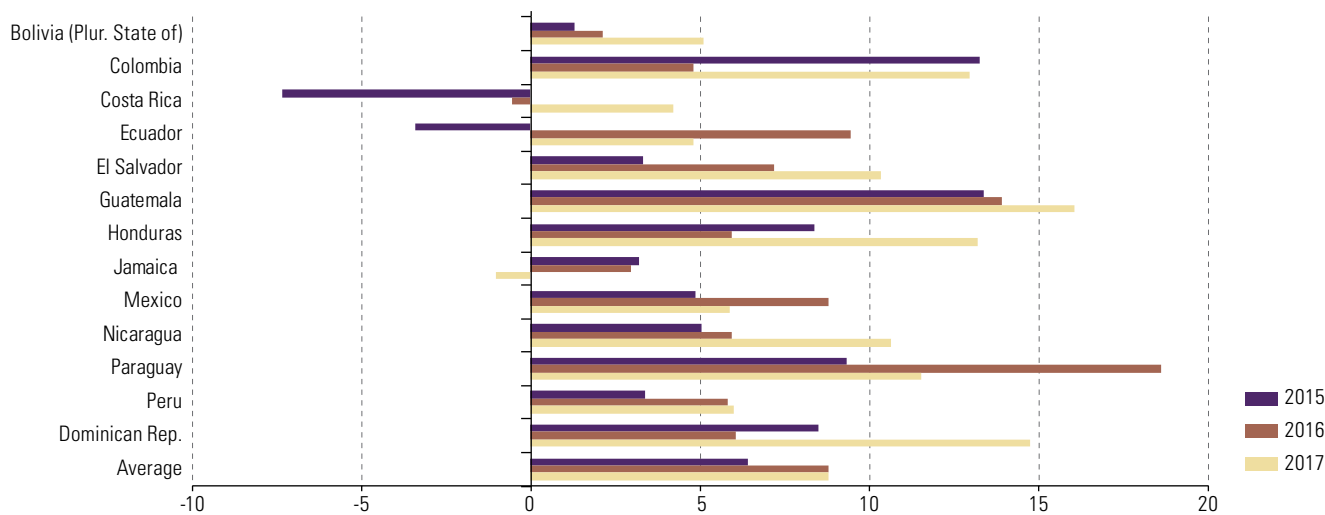


**Figure III.5**  
Latin America: income balance and energy and non-energy commodity price indices, 1980-2017<sup>a</sup>  
(Indices: base=2010)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures and World Bank Commodity Price Data (Pink Sheet).  
<sup>a</sup> The figures for 2017 are projections.

**Figure III.6**  
Latin America and the Caribbean (selected countries): year-on-year variation in income from migrant remittances, 2015-2017<sup>a,b</sup>  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> Figures for 2017 refer to the period from January to October for El Salvador and Guatemala, and from January to September for Brazil, Colombia, the Dominican Republic, Mexico, Nicaragua and Paraguay. The figures for Costa Rica, Ecuador, Honduras, Peru and the Plurinational State of Bolivia refer to the period from January to June. Figures for Jamaica refer to the period from January to April.

<sup>b</sup> The United States is the main country of origin of remittances for all the countries considered, except for Paraguay and the Plurinational State of Bolivia, for which Spain is the main country of origin of remittances.

## Net financial flows to the region will be slightly lower in 2017 than in 2016, but will be more than enough to finance the smaller current account deficit

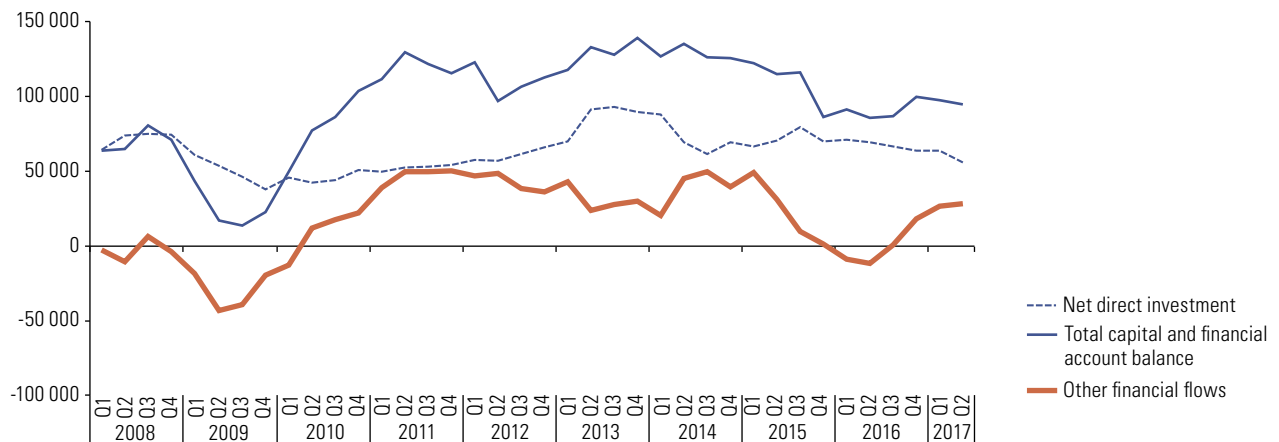
In 2017, overall net financial flows to the region will be 4% lower than in 2016, but will still be enough to cover the current account deficit and even to accumulate international reserves. The stock of these reserves is expected to increase by about 4.2% between 2016 and 2017.

Within the financial account, data to June point to stability in the region's net FDI flows. However, this stability stems from a considerable increase in FDI flows in Brazil (up 23% year-on-year at the end of the third quarter), combined with a decline in FDI for the rest of the region (see figure III.7).

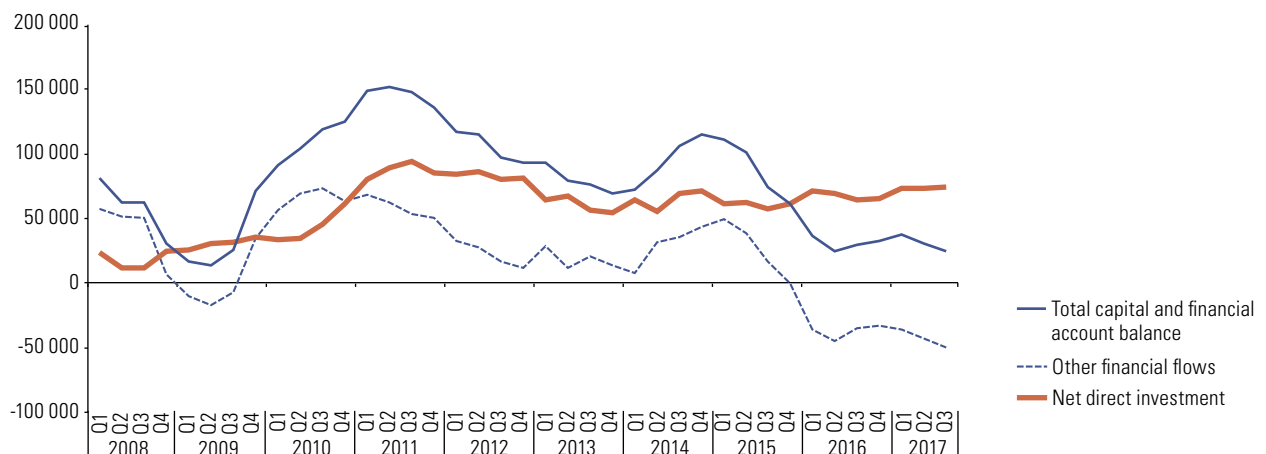
Non-FDI flows (basically, portfolio and other types of investment flows) have fallen so far this year in the region as a whole. Nonetheless, this trend also reflects two different realities for Brazil (increasing net outflows) and for the rest of the region (growing net inflows).

**Figure III.7**  
Latin America (selected countries): net direct investment flows and other financial flows, first quarter of 2008–second quarter of 2017  
(Millions of dollars)

### A. Latin America (16 countries), excluding Brazil



### B. Brazil



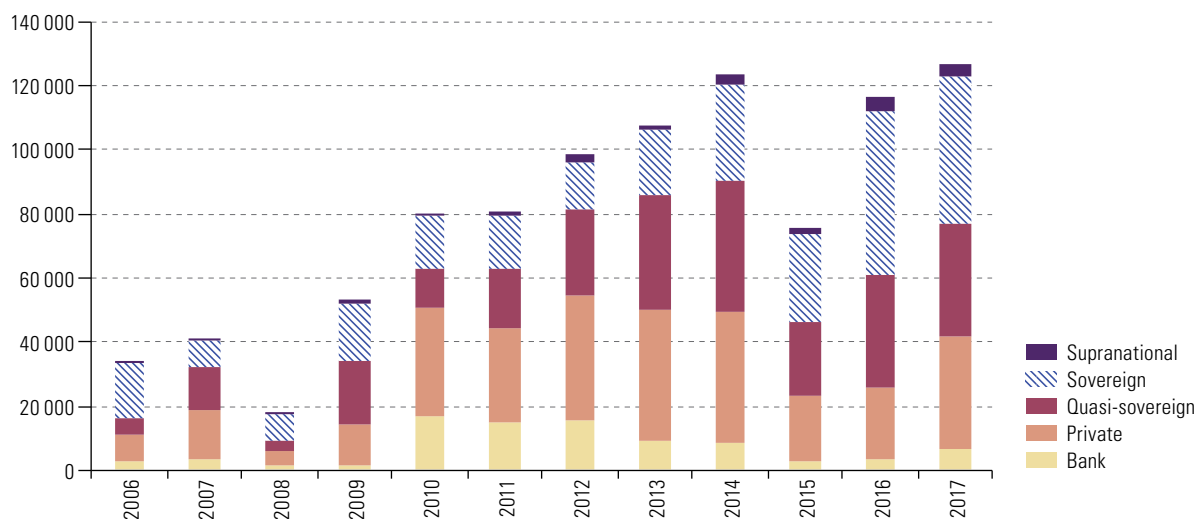
**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

## External bonds issued by Latin American and Caribbean countries grew by almost 9% in the first 10 months of 2017 compared with the year-earlier period and posted record volumes since the data series began

Bond issues in international markets by the countries of the region continued to grow, and were up by almost 9% in the first 10 months of 2017 (compared with the year-earlier period). This is the result of a stronger appetite for emerging market assets and more favourable economic conditions in the region. Moreover, for the period from January to October 2017, total bond issues amounted to roughly US\$ 127 billion, a record since the data series began (see figure III.8). The banking and private corporate sectors posted the strongest increases in bond issues over the period, while those of the other sectors fell year-on-year.<sup>7</sup>

**Figure III.8**

Latin America and the Caribbean: bonds issued in international markets in the first 10 months of each year, 2006-2017 (Millions of dollars)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of figures from the Latin Finance Bonds Database.

The largest increases between January and October in 2017 were posted by Chile and Peru, where, despite weaker economic performances, sovereign risk levels remained low and demand for these countries' bonds on international markets was solid (see figure III.9). By contrast, bonds issued by Argentina and Mexico recorded the strongest declines compared with 2016, although in both cases this performance stemmed from a particularly demanding comparison base in 2016. For Argentina, 2016 was the year the country returned to the bond markets after reaching an agreement with holdout creditors, which resulted in record bond issues during the first half of the year. In Mexico, bond issues by PEMEX were exceptionally high in 2016, as the State-owned oil company sought to pre-finance its needs for 2017 ahead of presidential elections in the United States.<sup>8</sup>

<sup>7</sup> The quasi-sovereign sector includes public sector development banks and State-owned enterprises, among other entities. The supranational sector includes regional development banks, such as the Development Bank of Latin America (CAF) and the Central American Bank for Economic Integration (CABEI).

<sup>8</sup> See PEMEX, "Pemex coloca el bono en euros más grande en la historia de los mercados emergentes" [online, in Spanish] [http://www.pemex.com/saladeprensa/boletines\\_nacionales/Paginas/2017-011-nacional.aspx](http://www.pemex.com/saladeprensa/boletines_nacionales/Paginas/2017-011-nacional.aspx) and El Economista, "Emisión de deuda del sector público rompe récord en el 2016" [online, in Spanish] <https://www.eleconomista.com.mx/economia/Emision-de-deuda-del-sector-publico-rompe-record-en-el-2016-20170228-0071.html>.

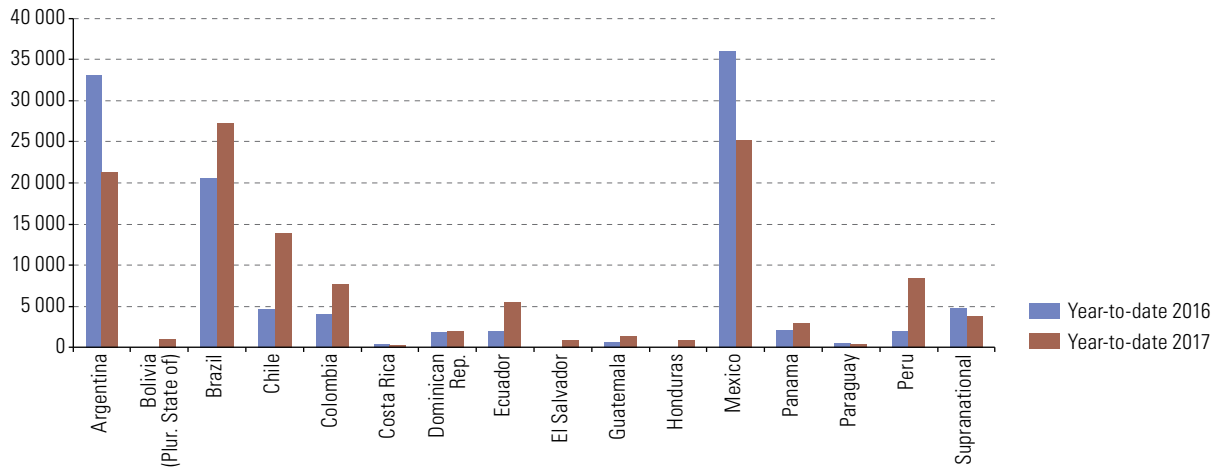
## In 2017, sovereign risk levels in the region maintained the downward trend that began in February 2016

Sovereign risk levels in almost all the countries of the region have been declining since early 2016, in line with calmer global financial markets and greater financing volumes in the region’s bond markets.

Between 1 January and 31 October 2017, the Emerging Market Bond Index Global (EMBIG), which reflects regional sovereign risk, fell by 70 basis points to 403 basis points (see figure III.10). The notable exception to this trend was the Bolivarian Republic of Venezuela, where risk levels stood at 3,171 basis points at the end of October, and even shot up to more than 5,000 basis points following the Government’s announcement that it would be restructuring its debt and the country’s failure to meet interest payment deadlines, which resulted in a downgrade to selective default by credit rating agencies.

**Figure III.9**

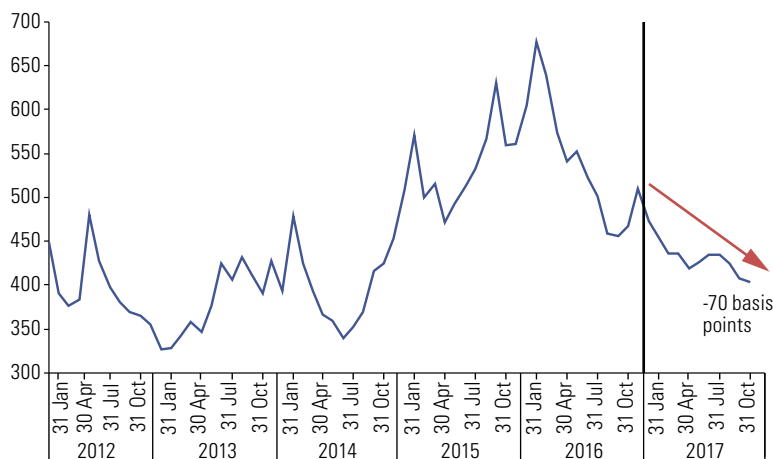
Latin America (15 countries): debt issuance in international markets, January-October 2016 and 2017 (Millions of dollars)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of figures from the Latin Finance Bonds Database.

**Figure III.10**

Latin America (13 countries): variation in sovereign risk according to the Emerging Markets Bond Index Global (EMBIG), January 2012-October 2017 (Basis points)



	EMBIG level at:		
	31 December 2015	31 December 2016	31 October 2017
Argentina	438	455	361
Bolivia (Plurinational State of)	250	83	204
Brazil	548	330	237
Chile	253	158	118
Colombia	317	225	183
Dominican Republic	421	407	278
Ecuador	1 266	647	563
Mexico	315	296	247
Panama	214	187	124
Paraguay	338	281	196
Peru	240	170	136
Uruguay	280	244	154
Venezuela (Bolivarian Republic of)	2 807	2 168	3 171
Latin America	605	473	403

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of figures from JP Morgan.

## Box III.2

Link between terms of trade, capital flows and economic activity in the region

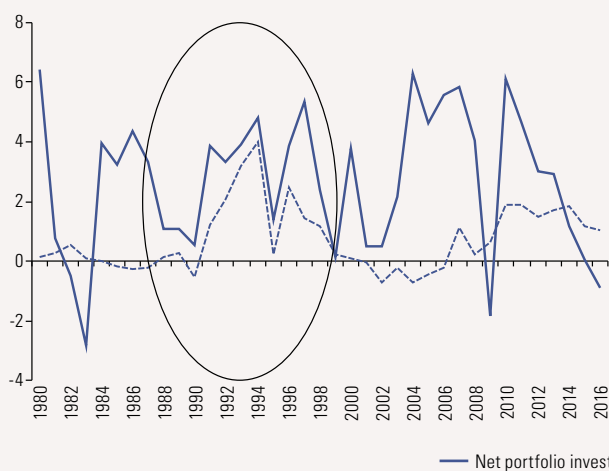
Commodity price trends have a strong impact on terms of trade in the region, particularly for a number of South American countries where commodities and the manufactured products derived from them account for a large portion of the export basket. Also, global financial market conditions (degree of liquidity and financial tensions) determine the availability of external financing for the countries of the region. The impact of these two external factors on these countries' economic growth has changed over time.

In the 1990s, capital flows, particularly portfolio flows (investments by non-residents in stocks and bonds in the region's countries) were closely linked to regional growth, but this link weakened considerably from 2000 onwards (see figure 1).

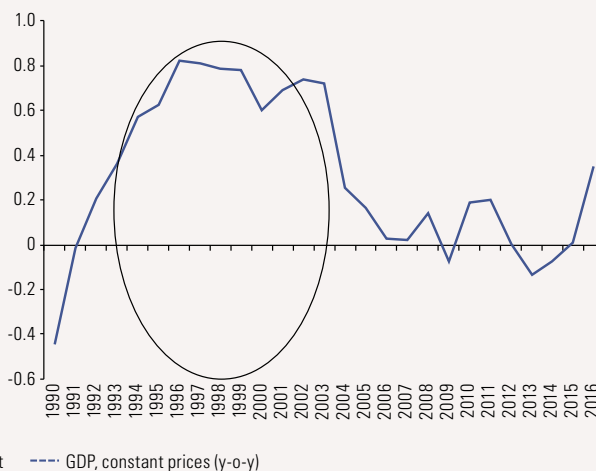
Figure 1

Latin America: economic growth, terms of trade and capital flows

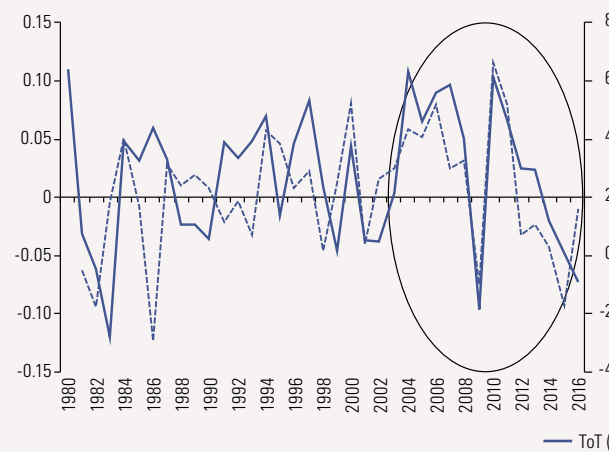
**A. Latin America and the Caribbean: variation in GDP and net portfolio inflows**  
(Percentages of GDP)



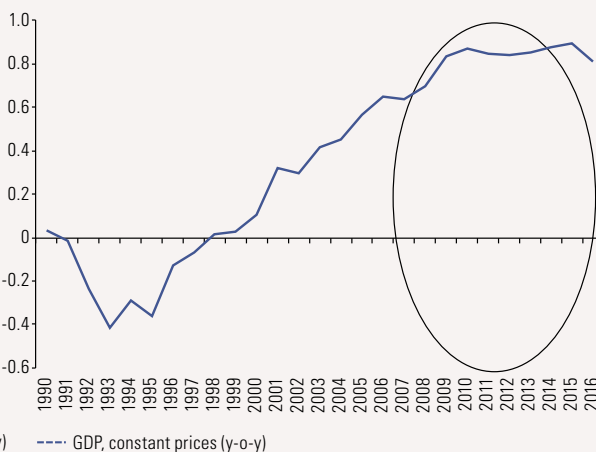
**B. Correlation coefficient of GDP growth and net portfolio flows**  
(10-year moving windows)



**C. Latin America and the Caribbean: variation in GDP and annual variation in terms of trade**  
(Percentages of GDP)



**D. Correlation coefficient of GDP growth and variation in terms of trade**  
(10-year moving windows)

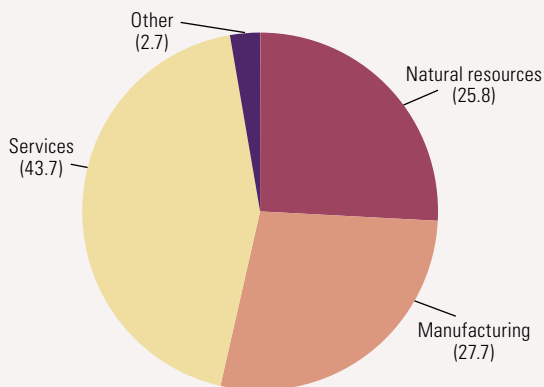
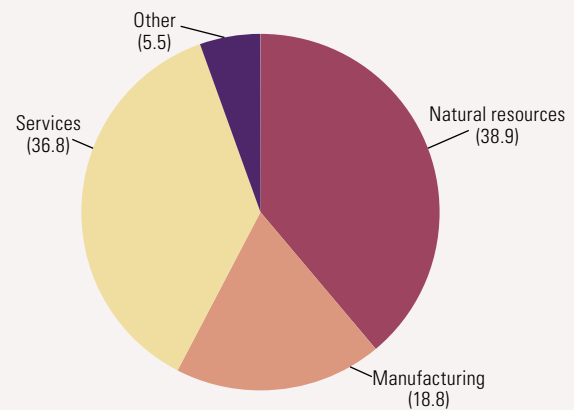


**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures and International Monetary Fund (IMF), World Economic Outlook Database, October 2017 [online] <https://www.imf.org/external/pubs/ft/weo/2017/01/weodata/index.aspx>.

## Box III.2 (concluded)

Meanwhile, at the beginning of the analysis period the correlation between the terms of trade and regional economic growth was weak, but grew much stronger from 2000 onwards. The latter trend stemmed partly from stronger FDI in the same period, as a large share of this FDI —particularly in South America— was focused on the natural resources sector (see figure 2). In the 1990s, the crises in the region involved sudden stops in portfolio flows, while in the past few years, the shocks in terms of trade were the main cause —in terms of external factors—of declining growth in several commodity-exporting countries, and thus, of the weak average economic growth in the region.

**Figure 2**  
**South America: net FDI flows, by sector**  
*(Percentages)*

**A. South America****B. South America, excluding Brazil**

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC).



## Economic activity

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The recovery of economic growth in Latin America is slowly strengthening  
Economic activity is expanding, driven by the recovery of domestic demand and export growth

After declining for 13 consecutive quarters and thanks to the rebound in South America, gross fixed capital formation expanded in Latin America, while it fell in Mexico and Central America

Agriculture, commerce and manufacturing are the sectors driving economic growth



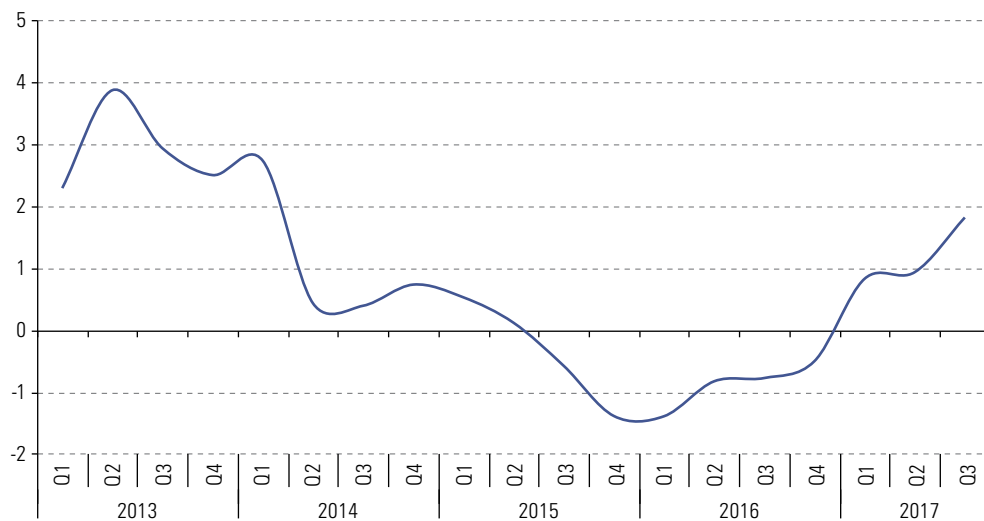


## The recovery of economic growth in Latin America is slowly strengthening

In 2016, economic activity in the countries of Latin America and the Caribbean recorded its worst performance since the global financial crisis, with the region's GDP posting a drop of 1.0%. Nevertheless, as early as the first quarter of 2016, Latin America's GDP showed the first sign of a possible reversion of the downward trend, when the region's GDP marked a turning point and after which it has maintained an upward trend, with the highest rate of growth in three years being recorded in the third quarter of 2017 (see figure IV.1).

**Figure IV.1**

Latin America: year-on-year change in quarterly GDP, weighted averages, first quarter of 2013-third quarter of 2017  
(Percentages, on the basis of dollars at constant 2010 prices)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

During the first three quarters of 2017, the regional growth rate rose by 1.2% over the same period the previous year, compared with -0.5% of GDP in the last quarter of 2016. In Argentina (2.5%), Brazil (0.6%), Colombia (1.5%), Ecuador (2.8%), Honduras (5.1%), Nicaragua (5.4%), Panama (5.8%) and Uruguay (3.6%), the semi-annual economic activity growth rates show an increase in the rate of expansion of economic activity compared to the levels of dynamism posted in the second half of 2016.<sup>1</sup> In Brazil, GDP growth over the two most recent quarters (0.4% and 1.4%, respectively) has been considerable, since over the previous 12 quarters the economy had been growing at negative rates.

After the contraction registered in 2016, the GDP of Latin America and the Caribbean will grow by 1.3% in 2017, although, as is typical in the region, the performances of certain specific countries and subregions will diverge significantly from the general trend. The 2017 growth in the region's GDP will translate into an increase of 0.3% in the region's per capita GDP. While this increase is modest, it outstrips the growth rates recorded over the past two years, when, on average, annual drops of 1.7% were reported. A rebound in the region's economic dynamics is expected in 2018, with a higher rate of average growth. The economies of South America will grow

<sup>1</sup> The semi-annual growth rate figures for Argentina, Brazil and Colombia indicate growth over three quarters.

by 0.8% this year, after two years of economic downturn. For the group comprising the economies of Central America, Cuba, the Dominican Republic and Haiti, a growth rate of 3.3% is expected this year, a level similar to the 2016 result. Forecasts for the English- and Dutch-speaking Caribbean indicate average growth rates of 0.1% in 2017, a figure that reflects the damage wrought by Hurricanes Irma and María in some of the subregion's countries.

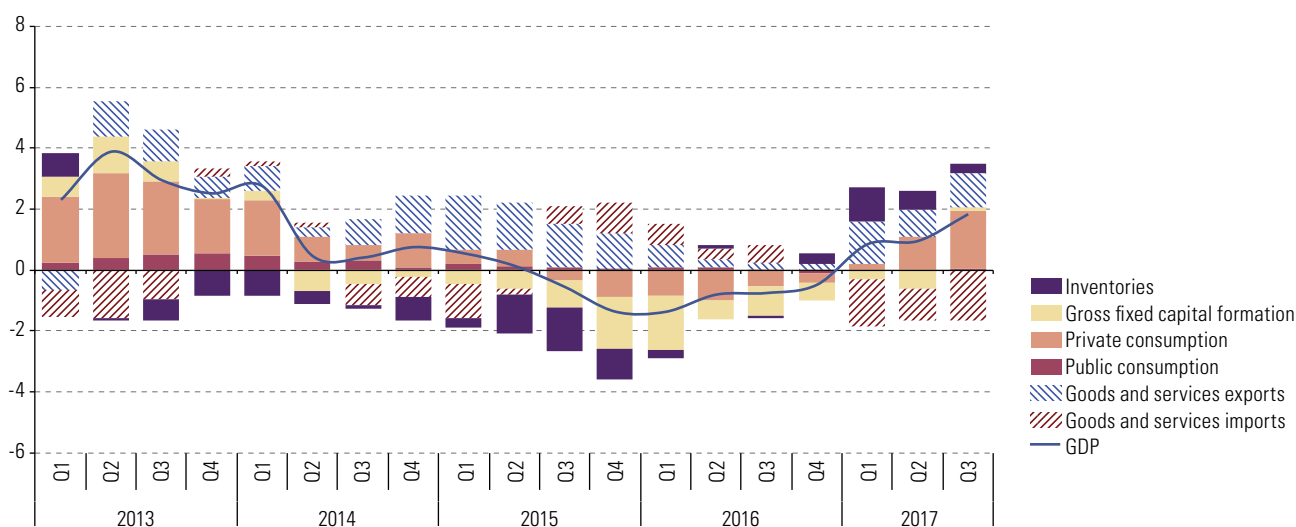
## Economic activity is expanding, driven by the recovery of domestic demand and export growth

After the downturn posted in 2016, the GDP of Latin America and the Caribbean will grow by 1.3% in 2017. This improvement in GDP performance comes on the back of rising domestic demand, for both consumption and investment, as well as rising external demand. Domestic demand rose by 1.5% over the first three quarters of 2017. That was on account of increases of 2.3% in investment and 1.7% in private consumption and, to a lesser extent, of a 0.1% rise in public consumption.

The growth in investment is the result of larger changes in inventories, which in the fourth quarter of 2016 embarked on a positive path that increased their contribution to GDP (amounting to 0.3 percentage points of GDP in the fourth quarter of 2016 and 0.8 percentage points of GDP in the first three quarters of this year). This result can be explained by the positive contribution made by changes in inventories in all the economies of South America, with the exception of the Bolivarian Republic of Venezuela (see figure IV.2).

**Figure IV.2**

Latin America: GDP growth rates and contribution by expenditure components to growth, first quarter of 2013–third quarter of 2017  
(Percentage points)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

The positive evolution of real wages —since the low inflation rates recorded more than offset the slower growth in nominal wages— and the recovery of migrant remittances in some countries are behind the increase in private consumption seen so far this year. This positive effect on private consumption offset the relatively low dynamism of domestic credit and the worsening employment situation (the urban unemployment rate in Latin America and the Caribbean rose over last year's result). Meanwhile, the fiscal adjustments implemented by several of the region's governments continued to weigh on public consumption.

Moving on to foreign trade in goods and services, the improved performance of domestic demand and the more encouraging international context allowed imports and exports to expand. Thus, the contribution of exports to GDP was three times the 0.4 percentage point result posted in 2016. However, since import volumes rose faster than exports, net exports over the first three quarters of 2017 made a negative contribution of -0.9 percentage points to GDP.

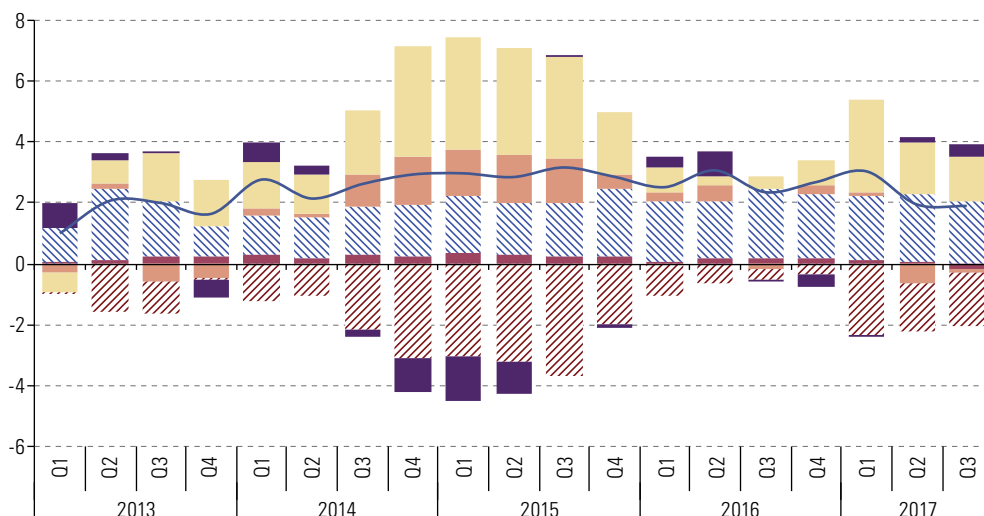
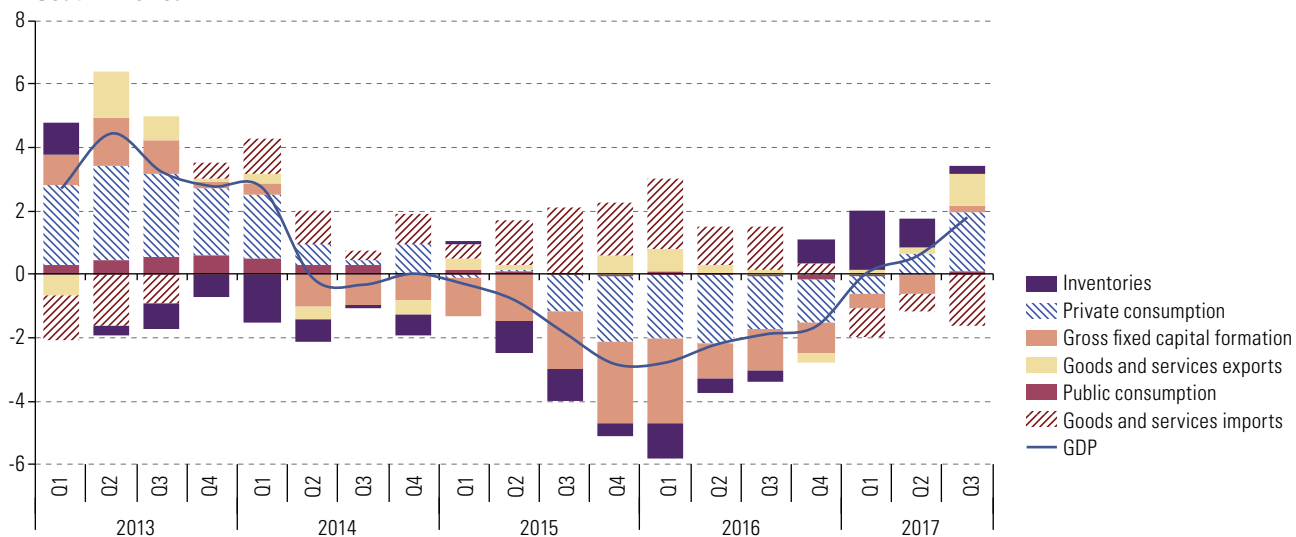
The quarterly dynamics show that at the subregional level —certain outliers notwithstanding— the clear contrast in trends that had existed between the South America and the group comprising Central America, the Dominican Republic and Mexico since 2013 evaporated in the third quarter of 2017. While South America hit a turning point in the second quarter of 2016 and began to post improvements, the Central America, Dominican Republic and Mexico group continue along the path they have followed over the past few years. In South America, the expenditure components that contributed to GDP growth in 2017 were, initially, the recovery of investment, through increased inventories, and, at a later point, an uptick in private consumption. In the third quarter, however, both in South America and in the group comprising Central America, the Dominican Republic and Mexico, GDP growth was on account of the contribution made by private consumption and exports (see figure IV.3).

### After declining for 13 consecutive quarters and thanks to the rebound in South America, gross fixed capital formation expanded in Latin America, while it fell in Mexico and Central America

After falling for 13 consecutive quarters at an average annual rate of 4.4%, the region's gross fixed capital formation rose by 0.7% in the third quarter of 2017. The downturn was attributable in its entirety to the drop in gross fixed capital formation in South America, particularly in Brazil. However, in the third quarter of 2017, this decline in South America was reversed, when an increase of 1.0% was reported. Over the same period, however, gross fixed capital formation in the group comprising Central America, the Dominican Republic and Mexico fell by 0.9% (see figure IV.4).

**Figure IV.3**

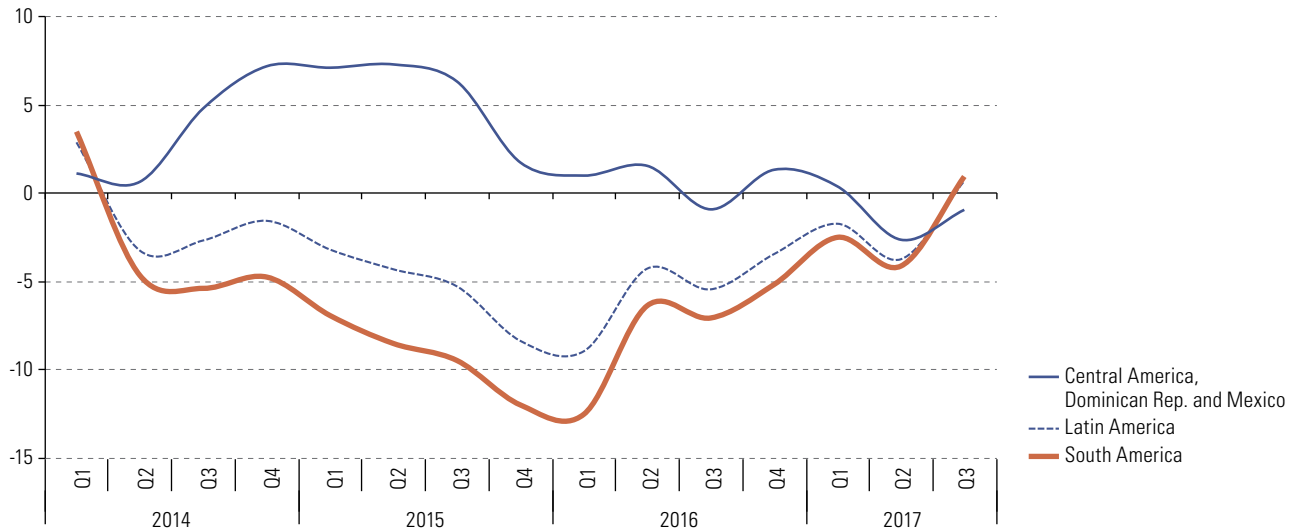
Mexico, Central America and South America: GDP growth rates and contribution by expenditure components to growth, first quarter of 2013–third quarter of 2017  
(Percentage points)

**A. Central America, Dominican Republic and Mexico****B. South America**

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

**Figure IV.4**

Latin America: changes in gross fixed capital formation on the same quarter the previous year, weighted averages, first quarter of 2014-third quarter of 2017 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

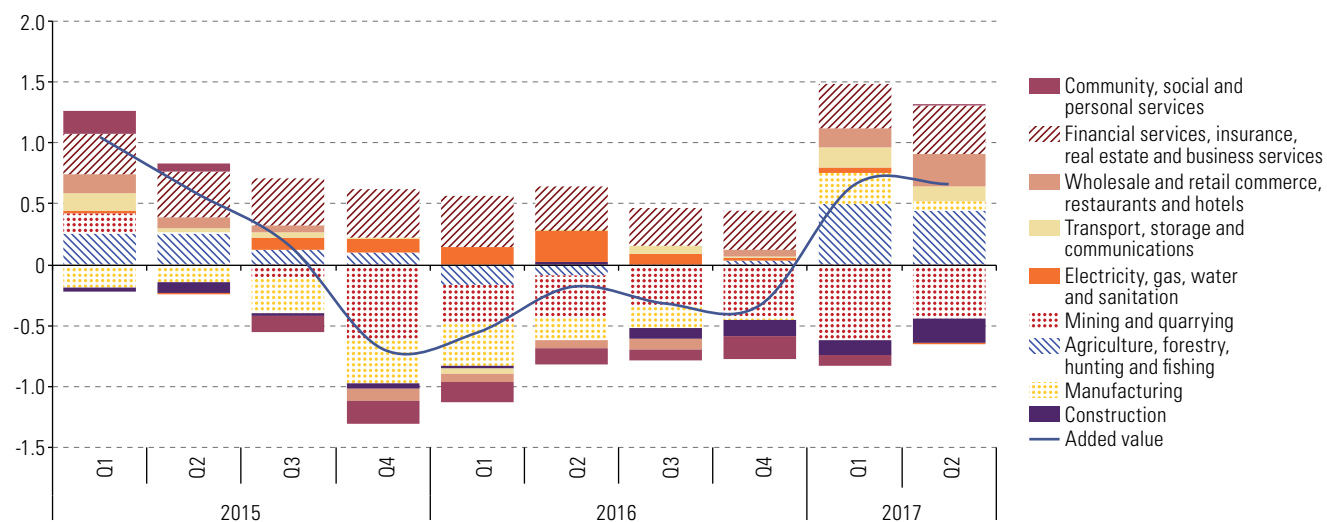
## Agriculture, commerce and manufacturing are the sectors driving economic growth

Activity in the commercial sector, which partly reflects the evolution of private consumption and which had been falling since the fourth quarter of 2015, reported a modest spike in the fourth quarter of 2016, with further increases in the first and second quarters of 2017. This behaviour in the region's commercial activity was on account of an uptick in private consumption. Likewise, the recovery of the external sector, coupled with greater dynamism in domestic demand, was reflected in the growth of the transport and communications sectors and manufacturing industry. The contribution of the region's agricultural sector also rose by around half a percentage point thanks to the higher rate of growth in the sector posted by Brazil.

In contrast, the poor performance of the construction sector activity, which reflects investment dynamics, continues to make a negative contribution to growth. Similarly, mining and quarrying contribute negatively to GDP growth and, because of their falling levels of activity, this is the sector with the largest negative impact (see figure IV.5).

**Figure IV.5**

Latin America: value added growth rates and contribution by economic sectors, first quarter of 2015-second quarter of 2017  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

## Domestic prices

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Inflation has fallen in the region, with clearly differentiated patterns between subregions

Food price inflation fell more quickly than core inflation and inflation slowed more rapidly in tradable goods than in non-tradables



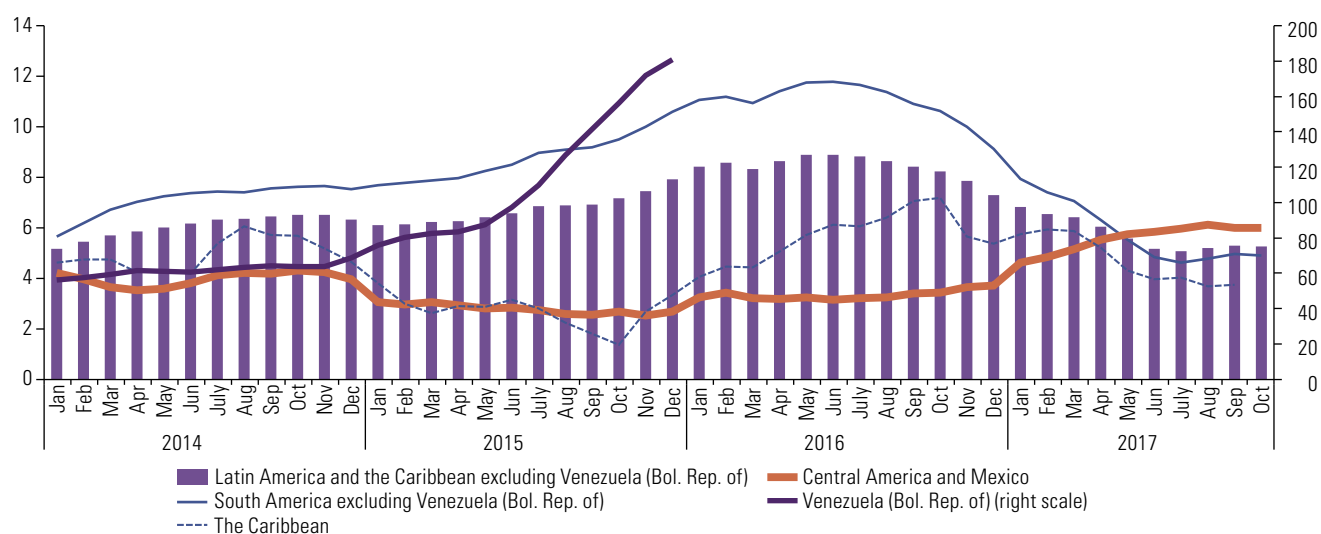


## Inflation has fallen in the region, with clearly differentiated patterns between subregions

During the first 10 months of 2017, average inflation in Latin America and the Caribbean continued the downward trend that started in mid-2016, falling by 2.9 percentage points year-on-year (from 8.2% at October 2016 to 5.3% at October 2017). Figure V.1 clearly shows that current inflation levels in the region are the lowest they have been since the beginning of 2014.

**Figure V.1**

Latin America and the Caribbean: consumer price index (CPI), weighted average 12-month rates of variation, January 2014–October 2017  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

Figure V.1 illustrates the speed of the disinflation the region has seen in recent months. Between May 2016 —when it peaked at 8.9%— and October 2017, regional inflation fell by 360 basis points, at about 20 basis points per month; this represented a 40% drop. Nevertheless, there has been a slight increase since July 2017, bringing an end to 13 consecutive months of declining inflation in the region.

Figure V.1 also points to a sharper divergence in inflation patterns between the different subregions of Latin America and the Caribbean. Between October 2016 and October 2017, inflation dropped by 5.7 percentage points in South America and by 3.5 percentage points in the Caribbean, falling from 10.6% to 4.9% and 7.2% to 3.7%, respectively. At the same time, in Central America and Mexico, inflation rose by 2.6 percentage points, from 3.4% in 2016 to 6.0% in 2017 (see table V.1). Although different factors contributed to these subregional disparities, exchange-rate dynamics and anti-inflationary monetary policies were certainly the most significant. While currency appreciation in the economies of the south of the continent has helped to drive down prices, the depreciation of currencies in the Central America and Mexico group has sparked an increase in inflation. Furthermore, the adoption of policies aimed at disinflation in Argentina, Brazil, Colombia and Suriname has led to a sharp decline in inflation.

**Table V.1**

Latin America and the Caribbean: 12-month rates of change in consumer price indices (CPI), October 2015–October 2017 (Percentages)

	At October 2015	At October 2016	At October 2017	At December 2015	At December 2016
<b>Latin America and the Caribbean<sup>a</sup></b>	<b>7.2</b>	<b>8.2</b>	<b>5.3</b>	<b>7.9</b>	<b>7.3</b>
<b>South America<sup>a</sup></b>	<b>9.5</b>	<b>10.6</b>	<b>4.9</b>	<b>10.6</b>	<b>9.1</b>
Argentina <sup>b</sup>	22.4	43.4	22.9	27.5	38.5
Bolivia (Plurinational State of)	4.3	3.5	3.0	3.0	4.0
Brazil	9.9	7.9	2.7	10.7	6.3
Chile	4.0	2.8	1.9	4.4	2.7
Colombia	5.9	6.5	4.0	6.8	5.7
Ecuador	3.5	1.3	-0.1	3.4	1.1
Paraguay	3.2	3.6	4.9	3.1	3.9
Peru	3.7	3.4	2.0	4.4	3.2
Uruguay	9.2	8.5	6.0	9.4	8.1
Venezuela (Bolivarian Republic of)	156.1	...	...	180.9	...
<b>Central America and Mexico</b>	<b>2.7</b>	<b>3.4</b>	<b>6.0</b>	<b>2.7</b>	<b>3.7</b>
Costa Rica	-0.9	0.6	2.3	-0.8	0.8
Dominican Republic	1.2	0.9	3.5	2.3	1.7
El Salvador	-0.2	-0.9	1.6 <sup>c</sup>	1.0	-0.9
Guatemala	2.2	4.8	4.2	3.1	4.2
Haiti	11.7	13.3	15.6 <sup>d</sup>	12.5	14.3
Honduras	2.5	2.8	4.0	2.4	3.3
Mexico	2.5	3.1	6.4	2.1	3.4
Nicaragua	2.8	3.4	4.6	2.9	3.1
Panama	-0.4	1.4	0.5	0.3	1.5
<b>The Caribbean</b>	<b>1.4</b>	<b>7.2</b>	<b>3.7</b>	<b>3.3</b>	<b>5.4</b>
Antigua and Barbuda	1.2	-1.1	2.2 <sup>e</sup>	0.9	-1.1
Bahamas	1.5	0.5	2.7 <sup>e</sup>	2.0	0.8
Barbados	-2.4	2.0	1.2 <sup>f</sup>	-2.3	3.2
Belize	-0.8	0.7	2.3 <sup>d</sup>	-0.6	1.1
Dominica	-0.6	0.2	1.3 <sup>e</sup>	-0.5	0.6
Grenada	0.7	1.0	1.5 <sup>e</sup>	1.1	0.9
Guyana	-1.4	1.2	2.5 <sup>d</sup>	-1.8	1.4
Jamaica	2.0	1.8	4.1 <sup>c</sup>	3.7	1.7
Saint Kitts and Nevis	-4.0	1.2	0.5 <sup>e</sup>	-2.4	0.0
Saint Lucia	-3.1	-2.1	-0.3 <sup>d</sup>	-2.6	-2.8
Saint Vincent and the Grenadines	-2.0	0.7	1.9 <sup>e</sup>	-2.1	1.0
Suriname	4.1	75.6	30.9 <sup>d</sup>	25.2	49.2
Trinidad and Tobago	3.1	2.5	1.2 <sup>c</sup>	1.5	3.1

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> Excludes the Bolivarian Republic of Venezuela owing to the lack of official information from December 2015.

<sup>b</sup> For 2017, the series was spliced with that of the consumer price index of the Greater Buenos Aires Province for the purposes of year-on-year comparison.

<sup>c</sup> Data to September 2017.

<sup>d</sup> Data to August 2017.

<sup>e</sup> Data to March 2017.

<sup>f</sup> Data to June 2017.

At the country level, between October 2016 and October 2017, inflation dropped in 14 of the region's economies, 8 of which are in South America. Significant declines—by more than 20 percentage points—were posted in Argentina and Suriname. However, inflation picked up in 16 economies: 7 in the Central America and Mexico subregion and 9 in the non-Spanish-speaking Caribbean. While inflation quickened in the economies of the Central America and Mexico group, only in Mexico was it outside of the target range set by monetary authorities. In the Caribbean countries that saw a pick-up in inflation, only Jamaica registered rates higher than 4%.

With regard to the Bolivarian Republic of Venezuela, although neither the Central Bank nor the National Institute of Statistics have published information on prices since December 2015, Central Bank figures for 2016 released by the International Monetary Fund (IMF) show inflation reaching 302.7% that year. In 2017, the National Assembly published data on monthly inflation using a national index, which showed inflation climbing over the year, from 18% in January to 45.5% in October. The data point to cumulative inflation of 825%.

### Food price inflation fell more quickly than core inflation and inflation slowed more rapidly in tradable goods than in non-tradables

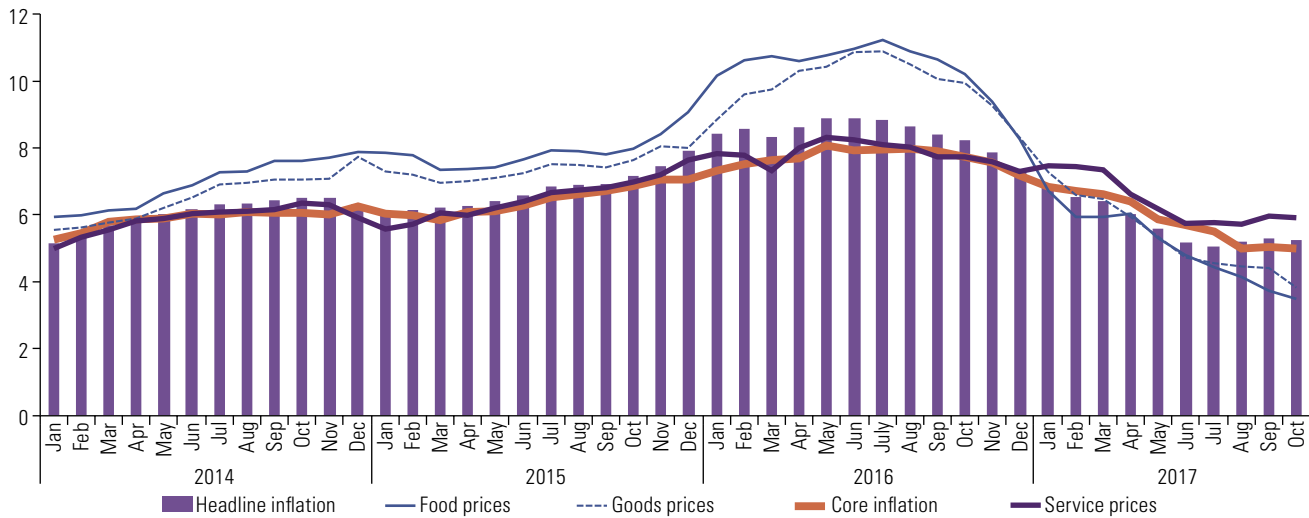
In 2017, inflation in foods and non-alcoholic beverages in the region fell by 6.7 percentage points year-on-year from 10.2% in October 2016 to 3.5% in October 2017; the drop was 4.8 percentage points when compared with December 2016 (8.3%). In the South American economies, food price inflation was down by 10.9 percentage points, from 13.2% in October 2016 to 2.3% in October 2017. Of the eight countries in which this occurred, Argentina and Brazil recorded double-digit falls. In Central America and Mexico, food price inflation was down in only two countries (Haiti and Panama), but picked up in the other economies; as a result, the average for this subregion rose by 1.7 percentage points between October 2016 (4.3%) and October 2017 (6.0%).

Core inflation in Latin America and the Caribbean also fell in that period. In South America, it dropped from 9.9% in October 2016 to 5.7% in the same month of 2017, representing a fall of 4.2 percentage points, while in Central America and Mexico, it rose by 0.2 percentage points, from 3.5% to 3.7%. The countries that recorded the largest year-on-year declines in core inflation in October 2017 were Argentina (18.1 percentage points) and Haiti (15 percentage points); the greatest increase occurred in Mexico (see figure V.2)

As with the other components of headline inflation, average tradable goods inflation fell in Latin America and the Caribbean, from 9.9% in October 2016 to 3.8% in the same month of 2017. Once again, the fall in South America (down 9.8 percentage points from 13% in October 2016) was responsible for the drop in the regional average since, by contrast, this category of inflation in Central America and Mexico rose by 1.3 percentage points, climbing from 4.0% in October 2016 to 5.3% in October 2017. Inflation eased the most in the economies of Argentina, Brazil and Haiti, while Costa Rica, Mexico and the Dominican Republic showed the largest increases.

**Figure V.2**

Latin America and the Caribbean: consumer price index (CPI), weighted average 12-month rates of variation in headline, core, food, goods and services inflation, January 2014–October 2017  
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

# Employment and wages

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Unemployment rose on account of weak job creation and a rebound in entries into the labour market

There is a slight reduction in differentials in employment and participation between men and women, but not in the unemployment gap

Regional wage employment began to grow, but still very slowly, and average job quality fell again

Real wages increased moderately in most countries, bolstering household consumption



The urban unemployment rate in Latin America and the Caribbean is forecast to rise from 8.9% in 2016 to an average of 9.4% in 2017. That will give a cumulative increase of 2.5 percentage points since 2014 and a rise of 7 million unemployed people (from 15.8 million to 22.8 million) in the region's urban areas between 2014 and 2017. It is the highest rate since 2005, which means that a considerable part of the significant progress the region made during the 2000s and the first years of the 2010s will have been lost. Over the year, however, the year-on-year decline eased gradually, and the first reduction in the urban unemployment rate since 2014 is expected in 2018.

## Unemployment rose on account of weak job creation and a rebound in entries into the labour market

This new increase in urban unemployment was due, first, to the persistent weakness of job creation, since the urban employment rate has been falling steadily in year-on-year terms since the second quarter of 2014. However, as occurred with the urban unemployment rate, this decline became less pronounced as the year progressed and, for the region as a whole, the average employment rate is expected to fall only slightly during 2017, by around 0.1 of a percentage point. As will be shown below, this drop in the employment rate was again related to the weak creation of wage employment, reflecting slow economic growth and the correspondingly lacklustre demand for labour; however, in terms of the number of people employed, this was partially offset by the increase in unwaged employment.

At the same time, weak job creation was accompanied by a relatively large increase in the unemployment rate. This was caused by a significant expansion of the labour supply, seen in a rise of some 0.3 percentage points in the urban participation rate.

Figure VI.1 shows how, since 2016, the dynamics of the labour supply and job creation have reinforced each other to raise the unemployment rate, while in the preceding two years, a falling participation rate had eased the impact of falling employment on unemployment figures.<sup>1</sup> The greatest contribution to increased urban unemployment made by changes in the labour participation rate—almost 0.5 percentage points—was registered in 2016. While the influence of the labour supply fell in 2017 and its impact on the rise in the unemployment rate was approximately 0.4 percentage points, this year it had a greater relative impact than weak job creation.

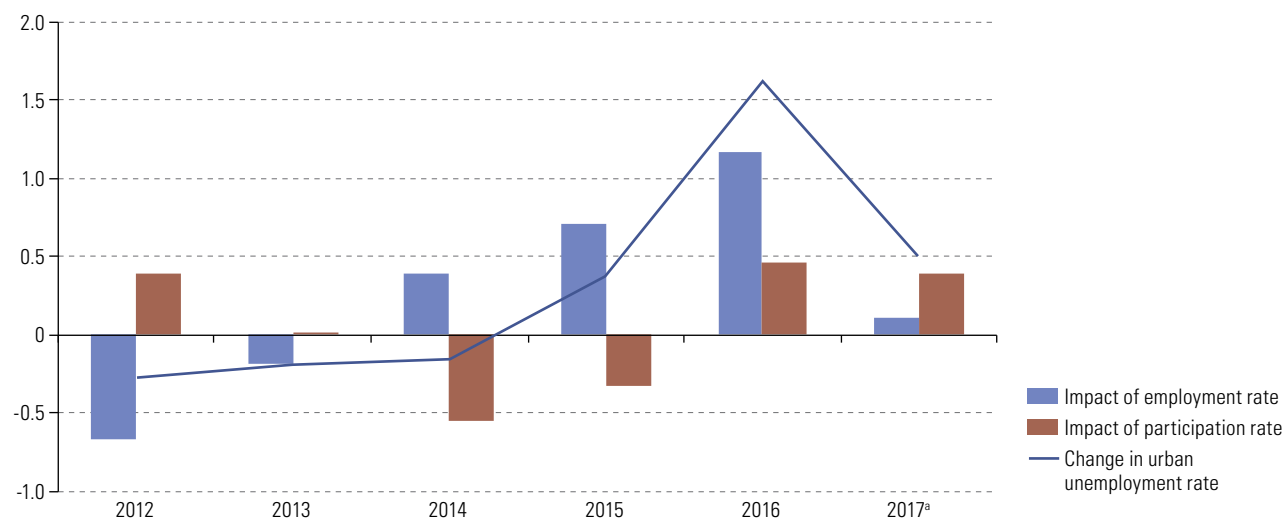
Up until 2013, the change in the employment rate helped reduce the unemployment rate; since then, the region's low (in 2014 and 2017) and negative (in 2015 and 2016) economic growth caused a drop in the proportion of the population of working age who were employed, with the corresponding impact on unemployment. That impact peaked in 2016, when it had an influence of 1.1 percentage points on the unemployment rate; in contrast, in 2017 it will have a lower influence than the labour supply, with an impact of around 0.1 of a percentage point.

<sup>1</sup> This breakdown of the variation in the urban unemployment rate is based on the equation  $U_t = (P_t - O_t)/P_t$ , where, in year  $t$ ,  $U_t$  represents the unemployment rate (unemployed persons as a proportion of the labour force),  $P_t$  is the participation rate (labour force as a proportion of the working age population) and  $E_t$  is the employment rate (people employed as a proportion of the working age population). To distinguish the impact of changes in the rates of participation and employment on the unemployment rate, the breakdown  $u_t = (P_{t-1} - E_t)/P_{t-1} + (P_t - E_{t-1})/P_t$  is used, where the first term on the right represents the impact of the change in the employment rate and the second term indicates the impact of the change in the participation rate.



**Figure VI.1**

Latin America and the Caribbean: contributions of changes in the rates of participation and employment to changes in the urban unemployment rate, 2012-2017 (percentage points)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

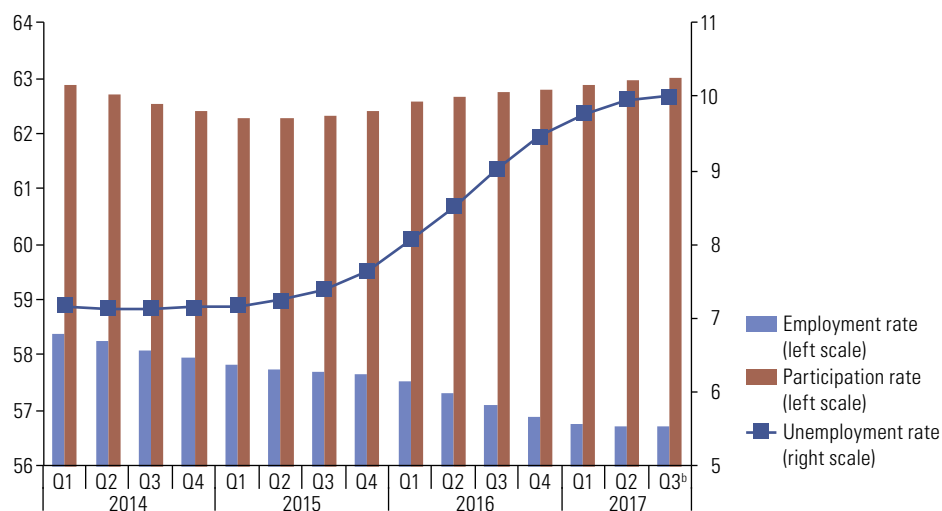
**Note:** Since the figure depicts the contributions of the employment and participation rates to changes in the unemployment rate, increases in the employment rate are indicated by negative figures, while drops in the employment rate are shown by positive figures.

<sup>a</sup> Estimates.

Over the course of the year, in line with the gradual reactivation of the region's economy, both the employment and unemployment rates improved, after both indicators posted the largest year-on-year deteriorations in the second quarter of 2016. As shown in figure VI.2, in one group of 11 Latin American and Caribbean countries, the year-on-year drop in the urban employment rate declined gradually and, in the third quarter of 2017, improved very slightly compared to the same quarter the previous year. At the same time, the increase in the urban unemployment rate slowed continuously and, in the third quarter of 2017, the year-on-year increase was minimal. Taking into account the dynamics of economic growth up to the end of 2017 and the forecasts for 2018, these trends indicate that both indicators will post modest improvements next year.

**Figure VI.2**

Latin America and the Caribbean (11 countries): urban participation, employment and unemployment rates (rolling years) and year-on-year changes (weighted averages), first quarter of 2014 to third quarter of 2017<sup>a</sup> (Percentages and percentage points)

**A. Urban participation, employment and unemployment rates, rolling years** (percentages)

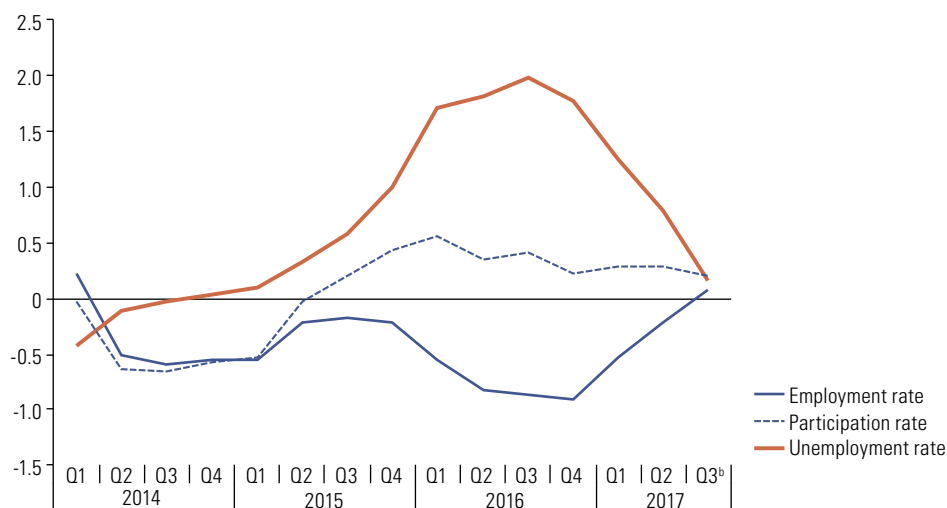
**B. Year-on-year change***(percentage points)*

Figure VI.2 (concluded)

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> The countries covered are Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Jamaica, Mexico, Paraguay, Peru and Uruguay. Some estimates based on incomplete data are included.

<sup>b</sup> Preliminary data.

As in 2016, the region's 2017 results were strongly influenced by the performance of the Brazilian labour market where, while the deterioration eased over the year, the unemployment rate rose again quite sharply: the average for the first three quarters increased from 11.3% to 13.1% nationally, and from 12.8% to 14.7% in the 20 largest metropolitan regions. However, deteriorating labour indicators were a relatively widespread phenomenon. This was especially true in South America, where the unemployment rate increased —albeit moderately— in six of the eight countries with available data (Chile, Colombia, Paraguay, Peru and Uruguay, in addition to Brazil); in contrast, Argentina and Ecuador posted falling unemployment rates. The preliminary results were somewhat more favourable in the Caribbean —with unemployment falling in the Bahamas and Jamaica but rising in Barbados, Belize and Trinidad and Tobago— and, most particularly, in Mexico and Central America: among the countries of that subregion for which information is available, only Panama reported a worsening unemployment rate; the figures remained stable in Guatemala and fell in Costa Rica, the Dominican Republic, Mexico and Nicaragua.<sup>2</sup>

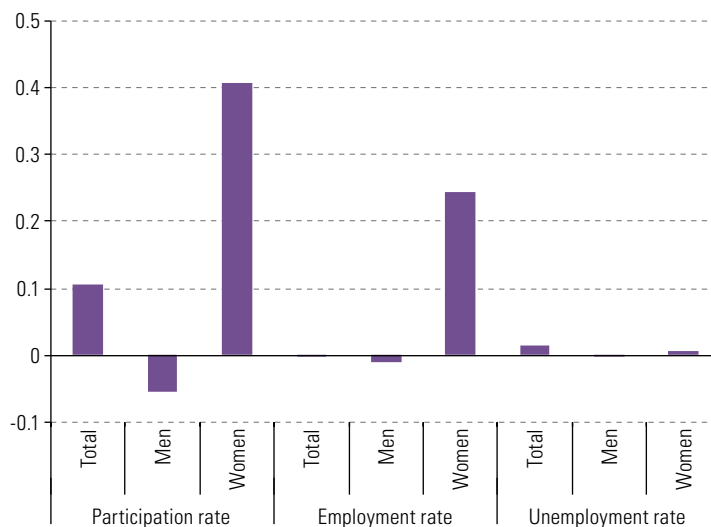
## There is a slight reduction in differentials in employment and participation between men and women, but not in the unemployment gap

The main employment variables for men and women evolved unevenly in the region's countries over the year. Figure VI.3 shows the median year-on-year variations in the rates of participation, employment and unemployment for men and women in the countries with national total data available for the first three quarters of 2017. The figures indicate that the increase in the median value of the participation rate was on

<sup>2</sup> The countries posting increases in their unemployment rates outnumbered those reporting decreases. If Brazil were excluded from the calculations, however, the region's weighted average unemployment rate would fall, on account of the more favourable results in Argentina and Mexico.

account of the stronger labour insertion of women: the female participation rate rose by 0.4 percentage points, while that of men posted a slight decrease. The result of this is a continuation of the long-term trend towards a reduced gender gap in labour participation; in absolute terms, however, the gap remains wide.<sup>3</sup>

**Figure VI.3**  
Latin America and the Caribbean (18 countries): year-on-year changes in participation, employment and unemployment rates by sex, median values, first three quarters 2017<sup>a</sup> (Percentage points)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> The countries covered are Argentina, the Bahamas, Barbados, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Guatemala, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago and Uruguay. Not all the countries have complete information for all three quarters.

In contrast to the weighted average variation in urban employment rates, the median figures for variations in the national employment rate remained unchanged. As with the participation rate, there is a contrast between the sexes: the median figure for the women's employment rate rose by more than 0.2 percentage points, while the rate for men remained largely unchanged.<sup>4</sup>

Finally, in the median of those countries where information is available, the unemployment rate remained virtually stable for both men and women.<sup>5</sup> Among men, however, this was the result of largely unchanged participation and employment rates, while among women it occurred in a context of simultaneous increases in both variables. In any case, the severe gap between male and female unemployment rates remains in place, underscoring the difficulties many women face in trying to enter the labour market.<sup>6</sup>

<sup>3</sup> In 2016, the weighted average national participation rate in 24 Latin American and Caribbean countries was 75.1% for men and 49.8% for women (calculations based on CEPALSTAT database).

<sup>4</sup> In 2016, the regional employment rate (expressed as the weighted average of national rates) was 70.0% for men and 45.3% for women (calculations based on CEPALSTAT database).

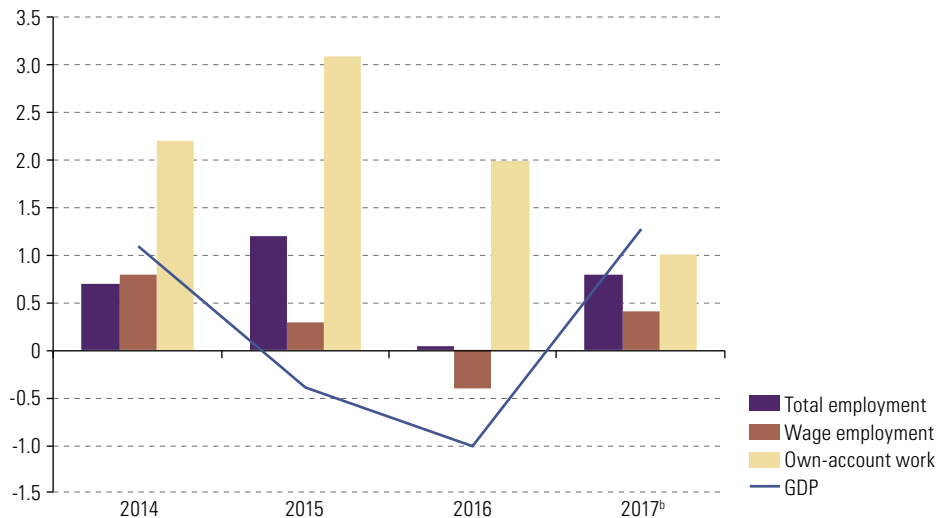
<sup>5</sup> Note that this exercise uses nationwide rates, whereas the previous discussions centred on the evolution of the urban unemployment rate. The prevailing economic circumstances are better reflected in the open unemployment figure in urban areas than in rural areas.

<sup>6</sup> In 2016, the region's urban unemployment rate was 7.9% for men and 10.2% for women (calculations based on CEPALSTAT database).

## Regional wage employment began to grow, but still very slowly, and average job quality fell again

Since 2013, own-account work has grown faster than wage employment, with particularly sharp differentials reported between 2014 and 2016.<sup>7</sup> This divergence reflects, first, the weakness of the demand for labour and thus of wage employment creation in private companies and the public sector. Second, it was the result of pressure from the labour supply, given that many households were forced to seek earnings from sources other than waged employment and to self-generate paid work, generally with precarious and volatile incomes and without social protection; thus, this increase indicates a deterioration in average job quality.

This trend continued in 2017: while the creation of wage jobs showed moderate levels of dynamism in some countries, in general those new jobs were not created in sufficient numbers to meet the needs of labour market entrants and, again, own-account work increased more rapidly than wage employment. Thus, in the weighted average of 12 countries for the third quarter of 2017, wage employment rose by 0.4% in comparison with the period between the first and third quarters of 2016, while the number of own-account workers increased by 1.1% and employment as a whole by 0.8% (see figure VI.4).<sup>8</sup>



**Figure VI.4**  
Latin America and the Caribbean (12 countries): economic growth and job creation dynamics, weighted averages, 2014-2017<sup>a</sup>  
(Percentages)

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> The countries covered are Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Guatemala, Mexico, Panama, Paraguay and Peru.

<sup>b</sup> The growth rates for the employment categories are averages for the January-September period, while the economic growth figures are projections for the year as a whole.

<sup>7</sup> In 2013, own-account work grew slightly more than wage employment. However, other categories of non-wage work expanded only weakly. Thus, the share of wage jobs in total employment increased, thereby maintaining the prevailing trend that started in 2004.

<sup>8</sup> The unusually low growth of own-account work was mainly due to its contraction during the first half of the year in Brazil, a phenomenon for which the causes are not apparent.

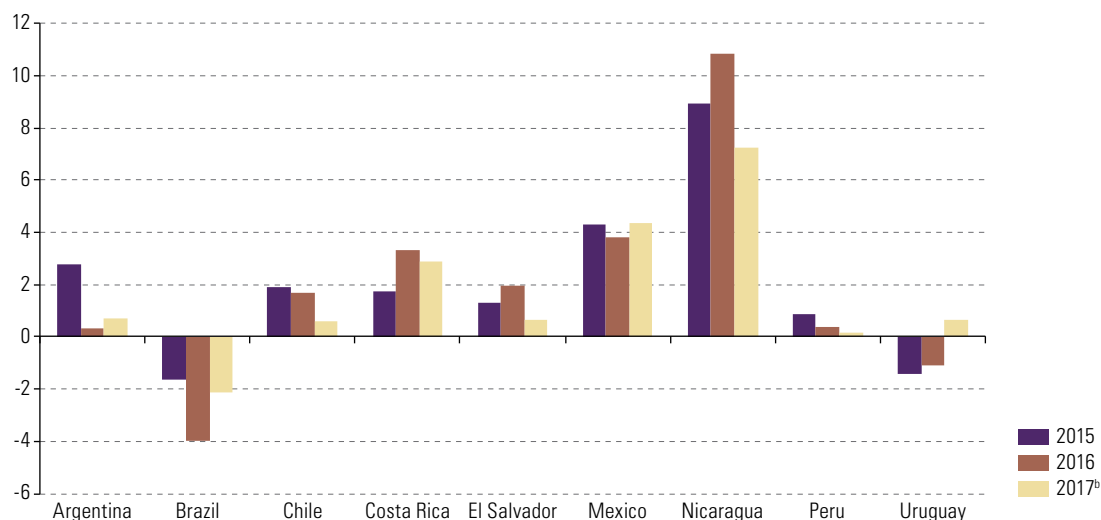
Registered employment,<sup>9</sup> which is used as an indicator of formal, better quality jobs, evolved along lines similar to the patterns analysed above: (i) the creation of jobs of this kind was weak, (ii) the situation improved as the year progressed, and (iii) countries in the north of the region posted more favourable results than the countries of South America.

Among South American countries in particular, the expansion of this type of employment remains very weak, with rates of growth in the third quarter generally not exceeding 1%. On the other hand, there was a clear upturn in Argentina and Brazil, with modest increases in the number of formally employed persons over the year, although the year-on-year change in Brazil remained negative. Despite the positive rates reported, the evolution of registered employment in Chile, Peru and Uruguay shows that the formal sector's demand for labour remains depressed, especially compared to the expansion recorded in employment of this kind up until 2013 (see figure VI.5).

At the same time, three of the four economies in the north of Latin America for which monthly data are available posted increases in formal employment at rates in excess of 2%. Particularly notable in this regard were Mexico and Nicaragua, which are implementing programmes to formalize pre-existing jobs.<sup>10</sup>

**Figure VI.5**

Latin America (9 countries): year-on-year variation in registered employment, 2015-2017<sup>a</sup>  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> Data indicate wage-earners contributing to social security systems, except in the case of Brazil where they refer to private sector wage-earners reported by firms to the General Registry on Employment and Unemployment, and Peru, where the figures represent employment reported in formal, non-agricultural small, medium and large firms.

<sup>b</sup> The year-on-year variation for 2017 refers to the averages for January-July in the case of Uruguay, January-August for Costa Rica and El Salvador, and January-September for Argentina, Brazil, Chile, Mexico, Nicaragua and Peru.

<sup>9</sup> In most cases, indicated by the numbers contributing to social security or its components.

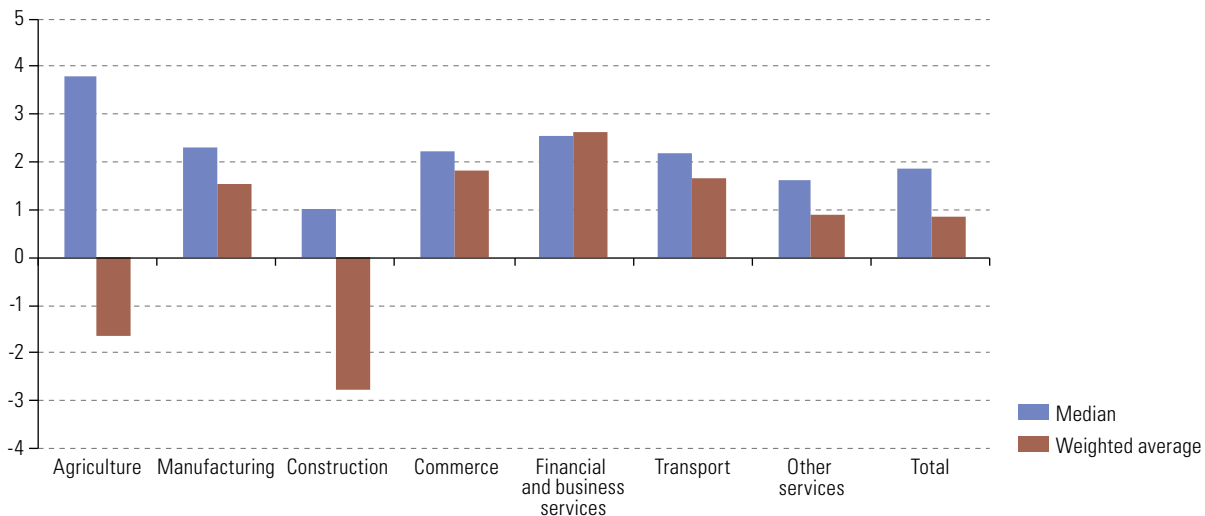
<sup>10</sup> The high growth rates in registered employment—in these cases, clearly above the rate of economic growth—can only be explained by these policies. Indeed, it is unlikely that formal businesses will create new jobs with those levels of dynamism over lengthy periods, as that would imply a continuous decline in average labour productivity.

The 2017 evolution of hourly underemployment<sup>11</sup> broadly reflected the uneven evolution of employment in the north and south of Latin America already outlined above. Among the countries in the north of the region with information available, Costa Rica, the Dominican Republic, Mexico and Nicaragua reported improvements and only in Guatemala did hourly underemployment increase compared to the previous year. In contrast, among the South American countries, the hourly underemployment rate rose in Brazil, Chile, Ecuador and Peru, while it remained largely unchanged in Paraguay and Uruguay and fell slightly in Argentina and Colombia.

Employment by branch of activity also evolved unevenly, but the predominant pattern, indicated by the median growth rate figures, showed changes in some branches but not in others, compared to previous years. Agricultural activities, which had contracted in recent years, enjoyed a relatively healthy expansion, as indicated by the median values of those countries for which data are available. As a result, the sector increased its share of employment, led by some countries where it already accounts for a relatively high share, such as Ecuador and Guatemala; this might be the result of increases in the numbers of people engaged in small-scale farming caused by weak job creation in more productive and better paid activities (see figure VI.6). Another area where employment grew more than in previous years was manufacturing industry, where job growth between 2012 and 2016 reported very low—or even, in 2016, negative—results. In keeping with the sector’s reactivation across the region in 2017, relatively large increases were recorded. The situation was similar in the construction sector, where employment expanded only slowly between 2013 and 2016 and where, in several countries, there is now a degree of recovery. However, in other countries, such as Brazil, Colombia, Chile and Guatemala, employment in this sector declined from the 2016 level, so the increase in question was not a region-wide phenomenon.

**Figure VI.6**

Latin America and the Caribbean (13 countries): year-on-year variation in employment by sector of activity, median values and weighted averages, first three quarters of 2017<sup>a</sup>  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> The countries covered are Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Guatemala, Jamaica, Mexico, Panama, Paraguay and Peru.

<sup>11</sup> Hourly underemployment refers to employed persons who work less than a minimum number of hours set in each country, who wish to work more hours and who are available to do so.

Employment in financial services, real estate and business services tends to be markedly procyclical and, in recent years, it has risen much more slowly than the rates recorded since the mid-2000s, with 2016 posting a contraction. In 2017, several countries again lost jobs in those sectors but, in line with the rising output of those activities in the region, most countries reported relatively strong improvements. At the same time, commerce, transport, and community, social and personal services continued to grow at rates similar to those seen in the preceding years.

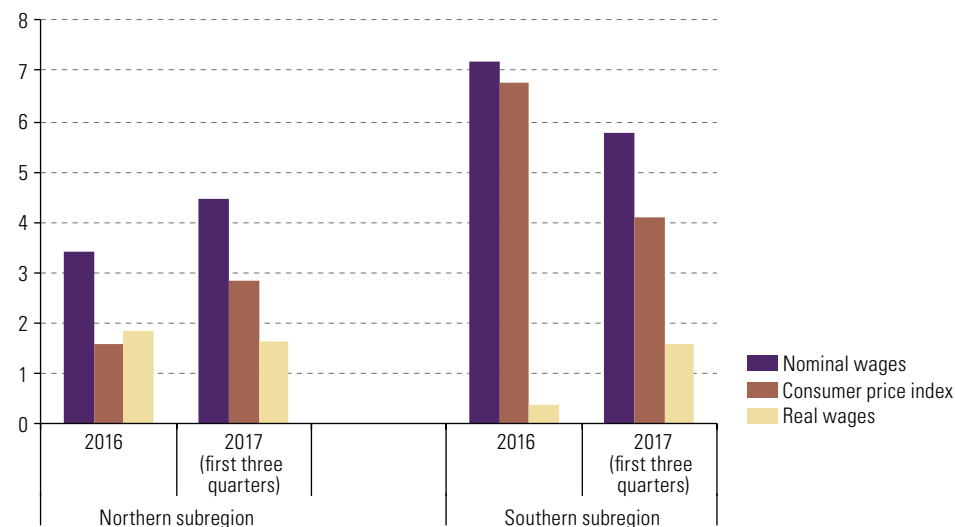
As can be seen in figure VI.6, the weighted average of changes in employment by sector shows some pronounced differences from the median value; this was caused, in particular, by weak job creation and the major changes in certain sectors in Brazil. Thus, in the weighted average, employment in the agricultural and construction sectors fell, whereas the median reports increases of different magnitudes.

## Real wages increased moderately in most countries, bolstering household consumption

The evolution of the real wages for registered employment was shaped by the combined impact of the constrained demand for labour (and its implications for nominal wages) and the evolution of inflation. As shown in figure VI.7, in the group of countries from the northern subregion (Costa Rica, El Salvador, Mexico and Nicaragua), the nominal wage growth rate increased, but steeper inflation caused a slightly slower growth in real wages than in 2016. Lower increases in real wages were reported in Costa Rica and Nicaragua, while in Mexico, the acceleration of inflation caused a decline. In contrast, a combination of low inflation and a sharp rise in nominal wages—the result of a major increase in the minimum wage—led to a real-term gain of more than 4% in the average wages of social security contributors in El Salvador.

**Figure VI.7**

Latin America (10 countries): breakdown of year-on-year variation in real wages by subregions, simple average for 2016 and first three quarters of 2017<sup>a</sup>  
(Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> The countries covered are Costa Rica, El Salvador, Mexico and Nicaragua in the northern subregion, and Brazil, Chile, Colombia, Paraguay, Peru and Uruguay in the southern subregion.

In contrast to the prevailing trend in the north of the region, the sharp drop in inflation in the South American countries for which figures are available (Brazil, Chile, Colombia, Paraguay, Peru and Uruguay) had a favourable impact on real wages that more than offset the slower growth in nominal wages. This was a key factor in stabilizing household purchasing power and thus driving consumption, and that was a major element in the 2017 revitalization of economic growth. In any event, real increases in wages were limited and, with the exception of Uruguay, did not exceed 2%.

As in previous years, the evolution of average wages in most of the countries was supported by wage policies that aimed at ensuring moderate increases in real-term minimum wages. Thus, the median real-term minimum wage for 18 Latin American and Caribbean countries rose by 2.8%.

In 2018, the return to economic growth is expected to have a positive impact on overall demand and job creation and, as a result, the region's urban employment rate will increase slightly, for the first time since 2013. The impact of this increased job creation will be limited, however, as the trend of a moderately rising participation rate is expected to continue. Consequently, the region's urban unemployment rate is forecast to fall slightly, by 0.2 percentage points, and to stand at an average of 9.2% in 2018. At the same time, because of the modest increase in the demand for labour and because inflation rates are generally being held in control, the trend of gradually rising real wages is expected to continue.





# Macroeconomic policies

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## A. Fiscal policy

Latin America's primary deficit shrank in 2017, but rising interest payments drove up the total deficit in many countries

Public debt, measured as a percentage of GDP, was fairly stable in 2017

The upturn in economic activity in South America is reflected in higher tax revenues

Fiscal consolidation is mainly taking the form of the containment of public expenditure

## B. Monetary and exchange-rate policies

Differences in monetary policies widen between the region's south and north

Lending rates are headed downwards, while domestic credit for the private sector is increasing in Latin America but not in the Caribbean countries

The region's currencies were more stable in 2017 than in 2016

After the depreciation seen in 2016, the real effective extraregional exchange rate appreciated in 2017

International reserves continue to rise



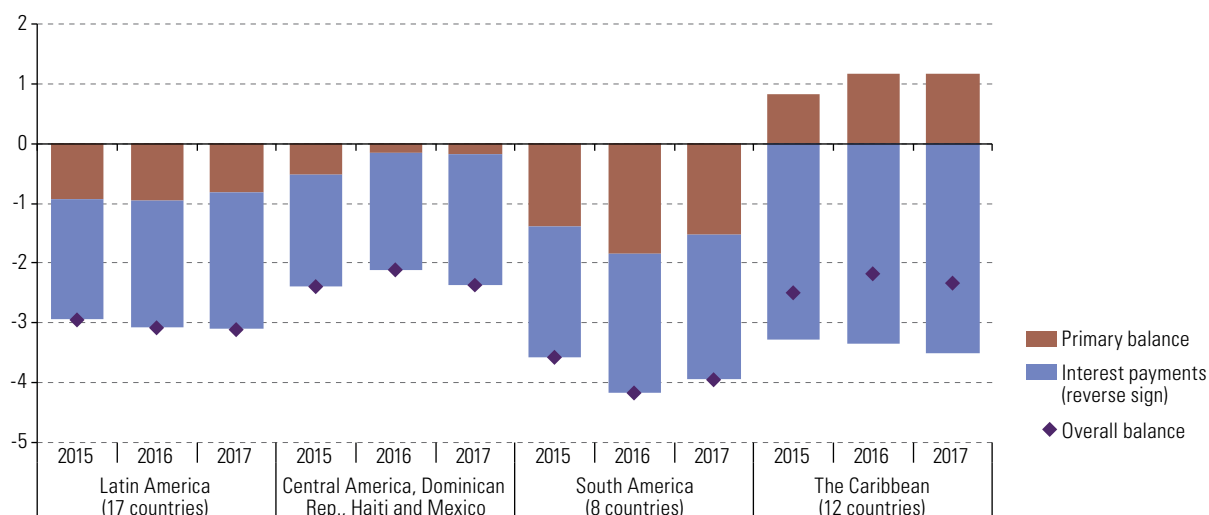
## A. Fiscal policy

### Latin America's primary deficit shrank in 2017, but rising interest payments drove up the total deficit in many countries

Preliminary estimates for 2017 indicate that the primary deficit for the 17 reporting countries of Latin America declined from its 2016 level of -1.0% of GDP to -0.8% of GDP, as a result of a slowdown in public expenditure and the countries' efforts to boost fiscal revenues (see figure VII.1). However, an upturn in the service on the public debt offset the improvement in the primary balance, and the overall balance therefore held steady at -3.1% of GDP. Given these factors, the adjustment of fiscal accounts had the effect of reducing the contribution of general government consumption to GDP growth to around zero, according to the corresponding national accounts.

**Figure VII.1**

Latin America and the Caribbean: overall and primary balances and interest payments, 2015-2017<sup>a,b</sup>  
(Percentages of GDP)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> Simple averages. The figures for 2017 are official estimates taken from 2018 budget documents. The figures for Mexico correspond to the federal public sector, while those shown for Peru correspond to the general government. The data do not include figures for the Bolivarian Republic of Venezuela or for the Plurinational State of Bolivia.

<sup>b</sup> The averages shown for the Caribbean do not include figures for Dominica, which registered a fiscal surplus of 35.1% of GDP in 2016 owing to the receipt of windfall gains.

However, as may be seen from figure VII.1, the fiscal performance of the various countries in Latin America varied substantially. On the one hand, at -0.2% of GDP in 2017 for the second year in a row, the average primary balance for Central America, the Dominican Republic, Haiti and Mexico was nearly at equilibrium. This trend towards smaller primary deficits is largely attributable to the efforts of these countries' governments to overcome the fiscal challenges that they faced in the wake of the 2008-2009 global crisis, and this was particularly true of the Dominican Republic and Honduras. Some of the countries in this group did have large primary deficits, however, as was the case of Costa Rica (-2.9% of GDP in 2017) and Panama (-2.4% of GDP). On the other hand, higher interest payments—which rose from an average of 2.0% of GDP in 2016 to 2.2% of GDP—pushed up the total deficit from -2.1% of GDP in 2016 to -2.4% of GDP in 2017.

South America's average primary deficit, although still significant, narrowed for the first time in five years, falling from -1.9% of GDP in 2016 to -1.5% of GDP in 2017. This downward trend was quite widespread: of the eight countries reporting these figures, the primary balance improved in five of them. Nevertheless, the size of the primary deficit remained significant in 2017 in a number of countries, including Argentina (-2.5% of GDP), Brazil (-2.2% of GDP), Chile (-1.9% of GDP), Ecuador (-2.4% of GDP) and Peru (-1.7% of GDP). The impact that the reduction in the primary deficit had on the overall deficit (which shrank from -4.2% of GDP in 2016 to -3.9% of GDP) was undone to some extent by the increase in the service on the public debt, which climbed from 2.3% of GDP in 2016 to 2.4% of GDP.

In the Caribbean, the average primary surplus held at 1.2% of GDP in 2017 for the second year running. However, the need to generate large primary surpluses in order to cope with these countries' hefty public debts continues to constrain the role of fiscal policy in driving the subregion's growth. Although the average primary balance for the subregion is relatively stable, an upward trend in the primary deficit has been observed in some countries that specialize in the production of raw materials, such as Guyana (from -3.5% of GDP in 2016 to -4.5% of GDP in 2017) and Trinidad and Tobago (from -2.9% in 2016 to -5.4% of GDP).

## Public debt, measured as a percentage of GDP, was fairly stable in 2017

In the third quarter of 2017, Latin America's gross public debt amounted to 38.4% of GDP, which was similar to the level recorded at the close of 2016. Although the simple average of the public debt hardly changed at all, the number of countries that witnessed an increase in their level of debt rose; this was offset by a decline in debt levels in 7 of the 19 countries of the region, however. In many of the countries, the upswing in debt levels was primarily fueled by increased sovereign debt issues undertaken in an effort to find new sources of financing.

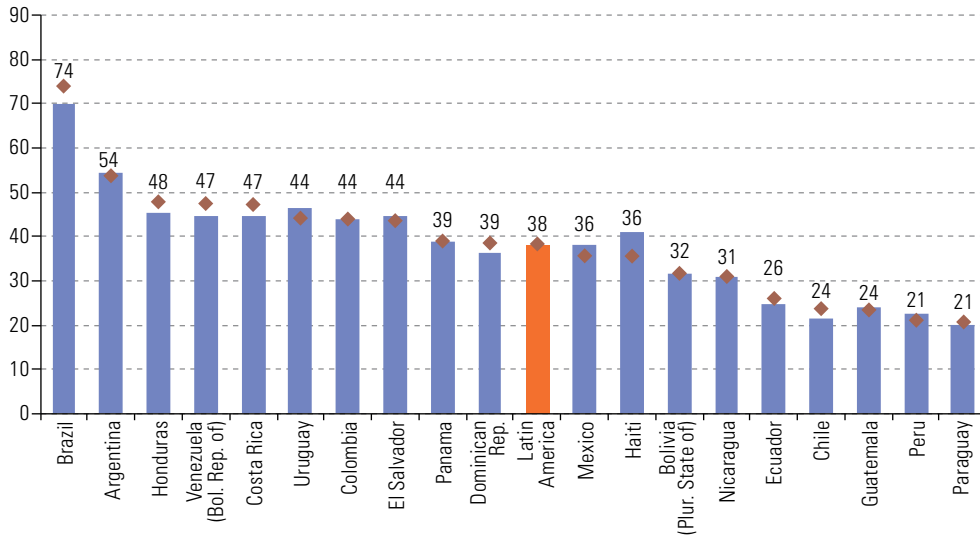
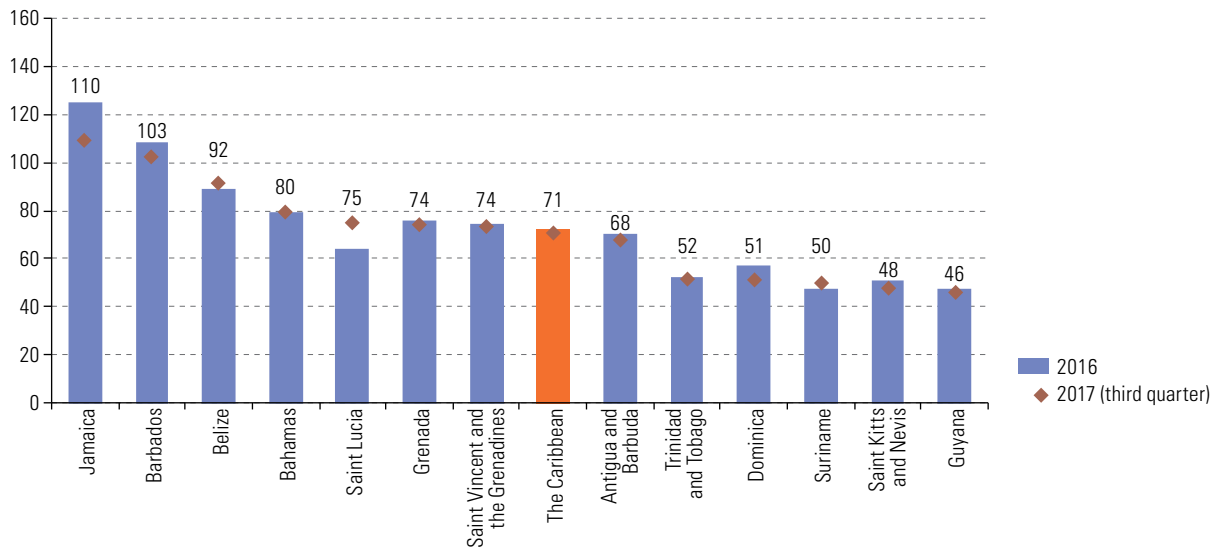
Brazil continues to be the country with the largest public debt, at 73.9% of GDP, followed by Argentina, with a debt equivalent to 53.7% of GDP, and Honduras, with a debt amounting to 47.8% of GDP. At the other end of the spectrum, Paraguay has the smallest public debt in the region (20.8% of GDP), followed by Peru (21.2% of GDP) and Guatemala (23.5% of GDP) (see figure VII.2).

At the subregional level, South America's gross public debt expanded by 0.8 percentage points of GDP to 38.7% of GDP, on average, with the sharpest upswings being recorded for Brazil (4.0 points), Chile (2.5 points) and Ecuador (1.5 points). In the group comprising Central America, Haiti, the Dominican Republic and Mexico, the level of indebtedness slipped by 0.2 percentage points of GDP to an average of 38.0% of GDP, despite increases in Costa Rica (2.6 points), Honduras (2.3 points) and the Dominican Republic (2.1 points). South America's level of indebtedness has climbed so sharply since 2015 that it overtook the average level of public debt in Central America and other economies in the north of the region in 2017.

In the Caribbean, as of the third quarter of 2017, central government debt amounted to 70.9% of GDP, for a drop of 1.5 percentage points from its 2016 level. The overall trend is towards a downturn in the rate of public indebtedness, with only 4 out of the 13 reporting countries seeing an upswing in debt levels. Barbados and Jamaica still have debt levels of over 100% of GDP (102.7% and 109.5% of GDP for 2017, respectively), but they both reduced their levels of indebtedness substantially, as did Antigua and Barbuda, Dominica and Saint Kitts and Nevis (see figure VII.2B).

**Figure VII.2**

Latin America and the Caribbean: gross public debt of the central government, 2016-2017<sup>a</sup>  
(Percentages of GDP)

**A. Latin America (19 countries)<sup>b</sup>****B. The Caribbean (13 countries)<sup>c</sup>**

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> The figures for 2017 cover the first three quarters, except for Argentina, the Bolivarian Republic of Venezuela, Chile, Colombia, the Dominican Republic, Haiti and Uruguay, for which they cover the first two quarters.

<sup>b</sup> In the case of Brazil, the coverage corresponds to general government. For 2017 debt is 69.9% of GDP for the federal government, 3.4% of GDP for state governments and 0.5% of GDP for the municipal governments.

<sup>c</sup> The figures shown for Guyana and Jamaica correspond to the public sector.

The relative stability of public debt in Latin America, despite the persistence of sizeable fiscal deficits, can be better understood by analyzing the components of public debt trends.<sup>1</sup> As depicted in figure VII.3, the slight increase in public debt in South America in 2017 —0.6 percentage points of GDP— can be accounted for, in large part, by the steep

<sup>1</sup> For a further analysis of debt patterns, see box II.1 in Economic Commission for Latin America and the Caribbean (ECLAC), *Economic Survey of Latin America and the Caribbean 2016: the 2030 Agenda for Sustainable Development and the challenges of financing for development* (LC/G.2684-P), Santiago, 2016.

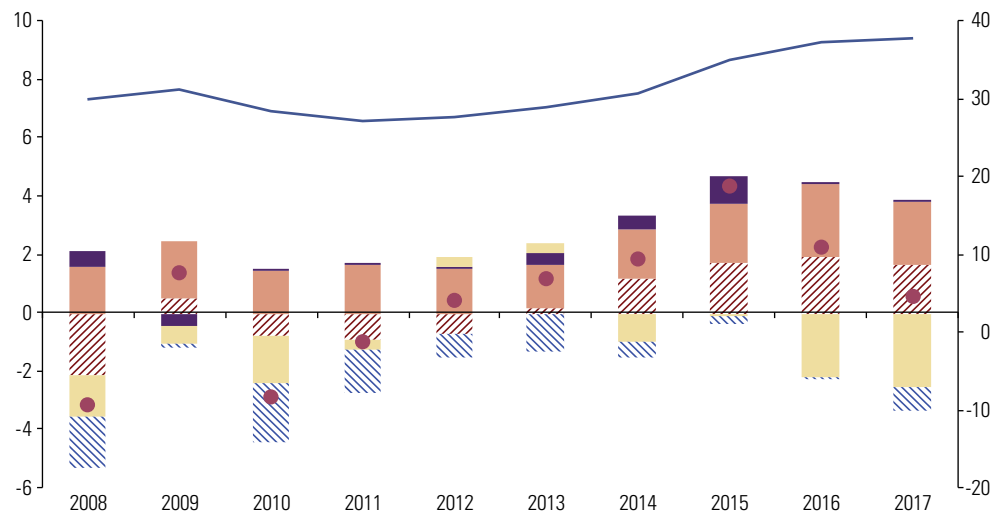
adjustment in the value of assets (the stock-flow effect) and the strengthening real growth rate. This counteracted the effect that variations in the interest rate and the primary deficit had on the expansion of public debt. Something similar occurred in the northern Latin American countries, where a greater stock-flow effect in 2017 curbed the growth of the public debt.

These trends in central government indebtedness are not necessarily reflected in the behaviour of non-financial public-sector gross debt. As can be seen in figure VII.4, in 2017 borrowing by public enterprises slowed —as it also did in the rest of the general government, although, in most of the countries, this subdivision accounts for no more than a small fraction of the non-financial public-sector debt. The level of indebtedness of public enterprises in Ecuador and Peru was on the rise, however. In Peru, the increase in the indebtedness of public enterprises is largely accounted for by the issue of US\$ 2 billion in PetroPeru bonds in June 2017.

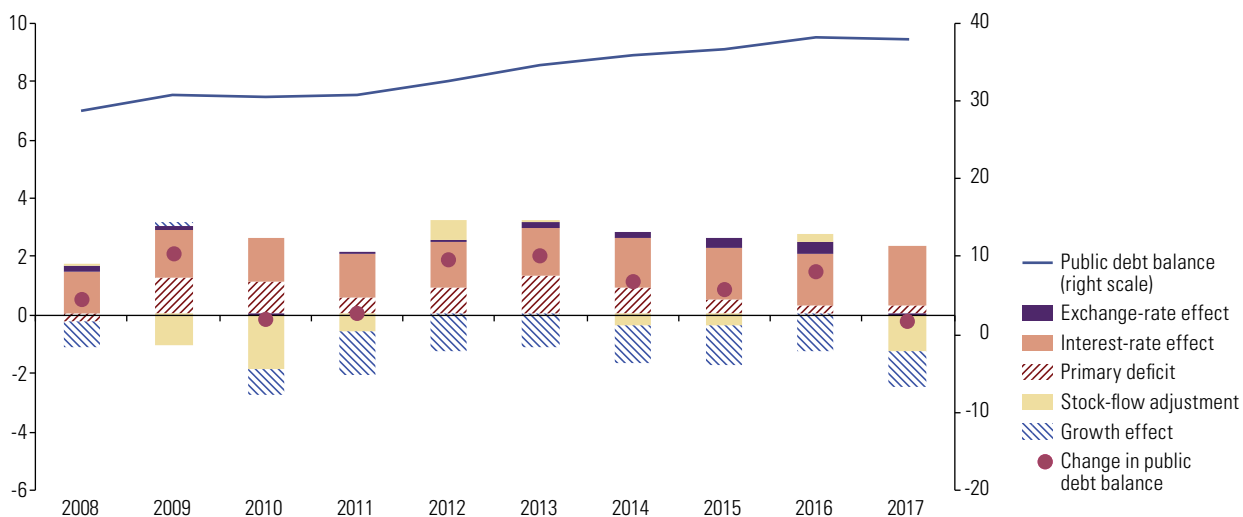
**Figure VII.3**

Latin America: gross public debt, 2008-2017  
(Percentages of GDP)

**A. South America<sup>a</sup>**



**B. Central America, Dominican Republic, Haiti and Mexico**

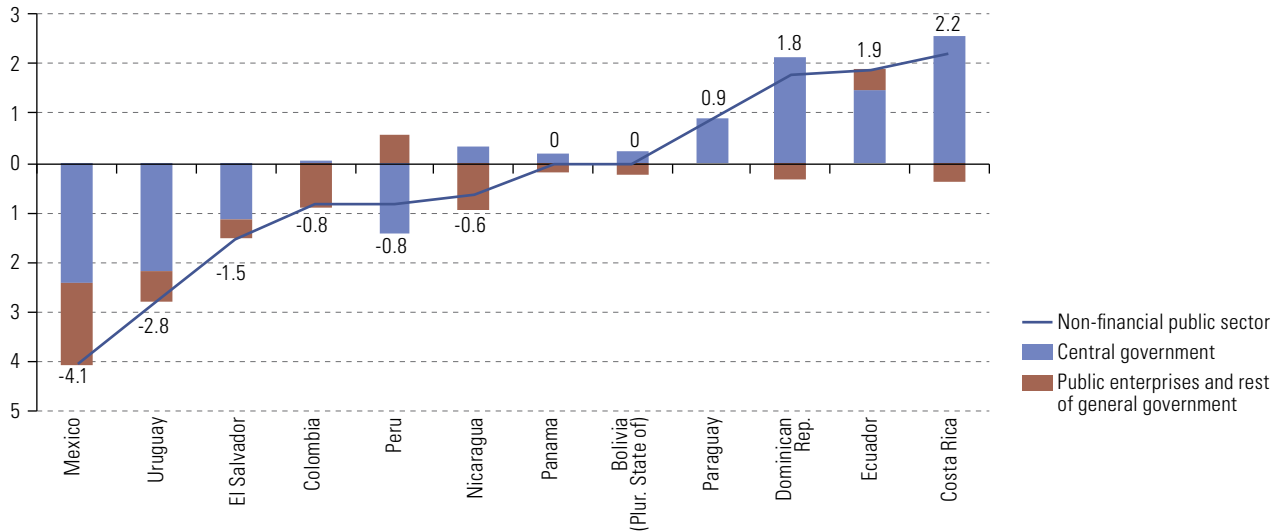


**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> Excluding figures for the Bolivarian Republic of Venezuela.

**Figure VII.4**

Latin America (12 countries): change in the non-financial public sector's and central government's gross public debt, 2016-2017  
(Percentage points of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

The cost of the public debt has been edging upward. The average cost for the region reached 2.3% of GDP in 2017, for a 0.2 percentage-point increase over the figure for 2016. At the country level, Brazil continued to have the largest interest-rate bill at 5.7% of GDP, followed by Costa Rica and the Dominican Republic, with 3.2% of GDP each. Chile and Paraguay, on the other hand, had debt costs of below 1% of GDP. At the subregional level, South America's debt costs averaged 2.4% of GDP, while those of Central America, Haiti, the Dominican Republic and Mexico amounted to 2.2% of GDP. In the Caribbean, the cost of the public debt was equivalent to 3.5% of GDP, with Barbados and Jamaica shouldering the heaviest debt burdens on fiscal accounts (7% of GDP) (see figure VII.5).

**Figure VII.5**

Latin America and the Caribbean: interest payments on the central government's gross public debt, 2017a  
(Percentage points of GDP)

**A. Latin America (17 countries)**

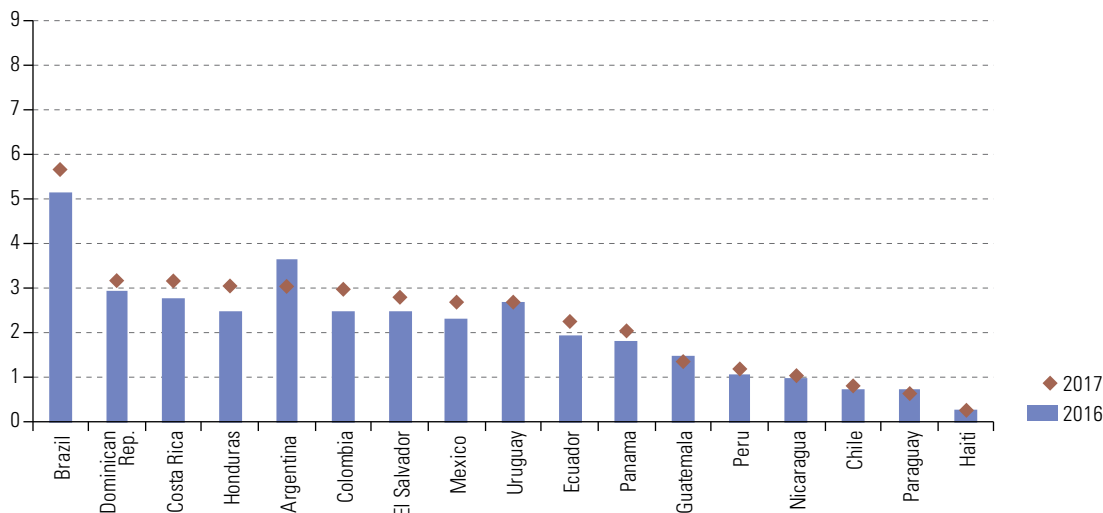
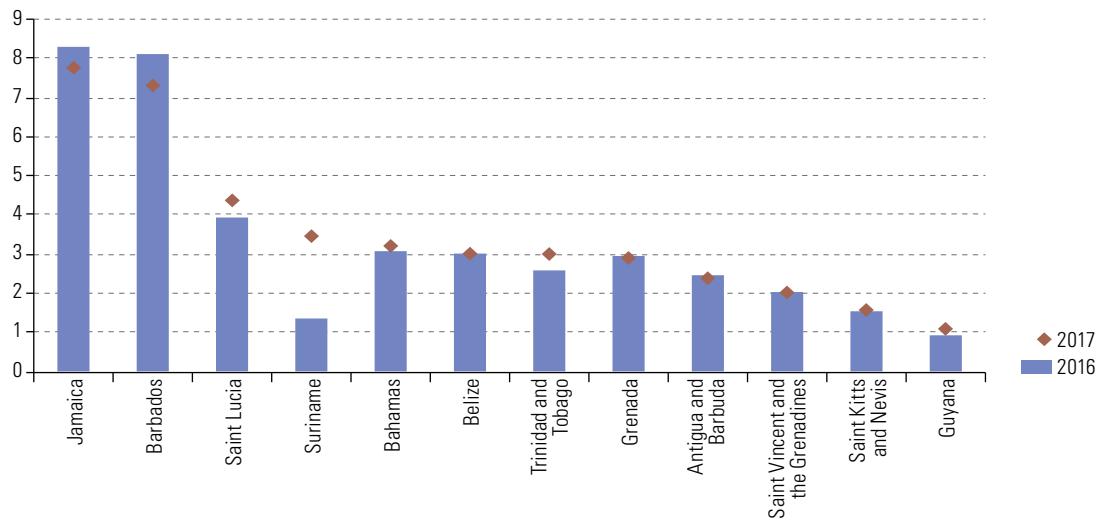




Figure VII.5 (concluded)

**B. The Caribbean (12 countries)**

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> The figures for Peru correspond to the general government and the figures for Mexico correspond to the federal public sector.

## The upturn in economic activity in South America is reflected in higher tax revenues

The reactivation of economic activity in South America has spurred an upswing in tax receipts. As shown in figure VII.6, revenues from the value added tax began to climb—and their year-on-year growth rate moved into the black—in a number of South American countries in 2017 after having plunged in 2016. This trend is especially clear in Argentina and Brazil, although it should be noted that the year-on-year variation in both of these countries was still hovering around zero as of the third quarter. In Colombia, the tax reform approved in late 2016, which raised the general value added tax (VAT) rate from 16% to 19% as of February 2017, had a strong impact.

Figure VII.6

Latin America (selected countries): 12-month cumulative year-on-year variation in real value added tax receipts, 2015-2017  
(Percentages)

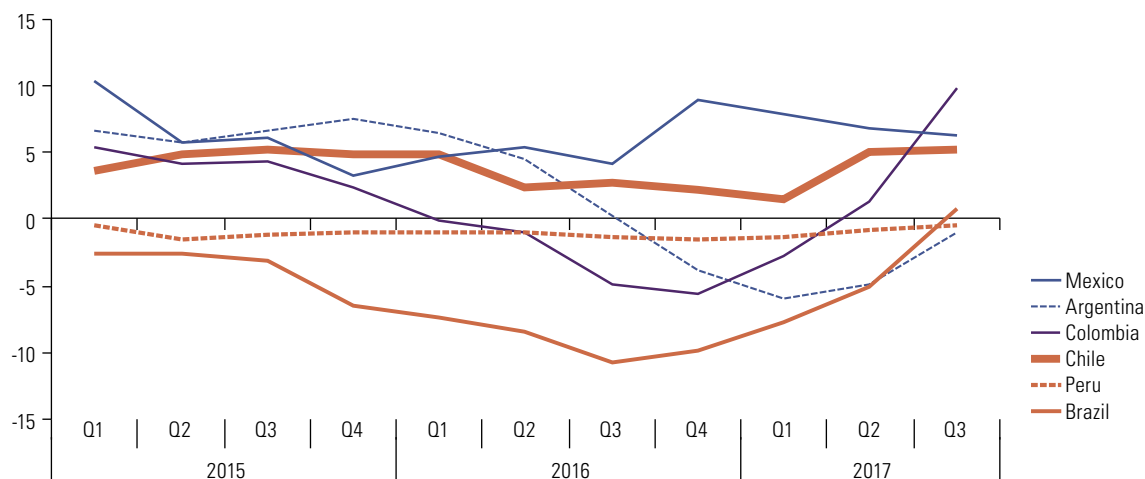
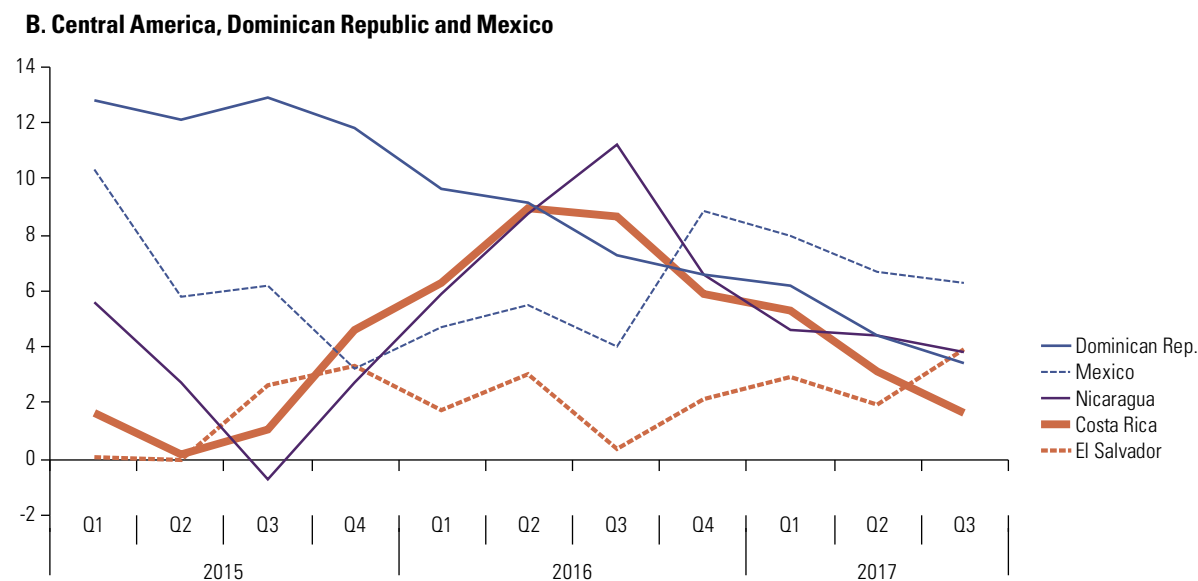
**A. South America<sup>a</sup>**

Figure VII.6 (concluded)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> The VAT figures given for Brazil are the sum of receipts from the federal manufactures tax (IPI) and the state tax on merchandise and services (ICMS).

In contrast, rates of increase in value added tax receipts in Central America, the Dominican Republic and Mexico slowed somewhat. As shown in figure VII.6, the real growth rates recorded by almost all of these countries in the third quarter of 2017 were lower than their end-2016 levels. This is chiefly accounted for by a slight slowdown in GDP growth and in private consumption, in particular, together with the statistical effects of a high basis of comparison in some countries, such as Nicaragua and Mexico.

In line with these trends, total central government revenues in Latin America are expected to have remained fairly stable in 2017 at around 18.2% of GDP (see figure VII.7). Tax receipts (excluding receipts associated with asset regularization programmes) edged up to 15.6% of GDP in 2017 from 15.5% of GDP in 2016. Other income, composed primarily of non-tax revenues and grants and donations, remained at 2.6%, on average.

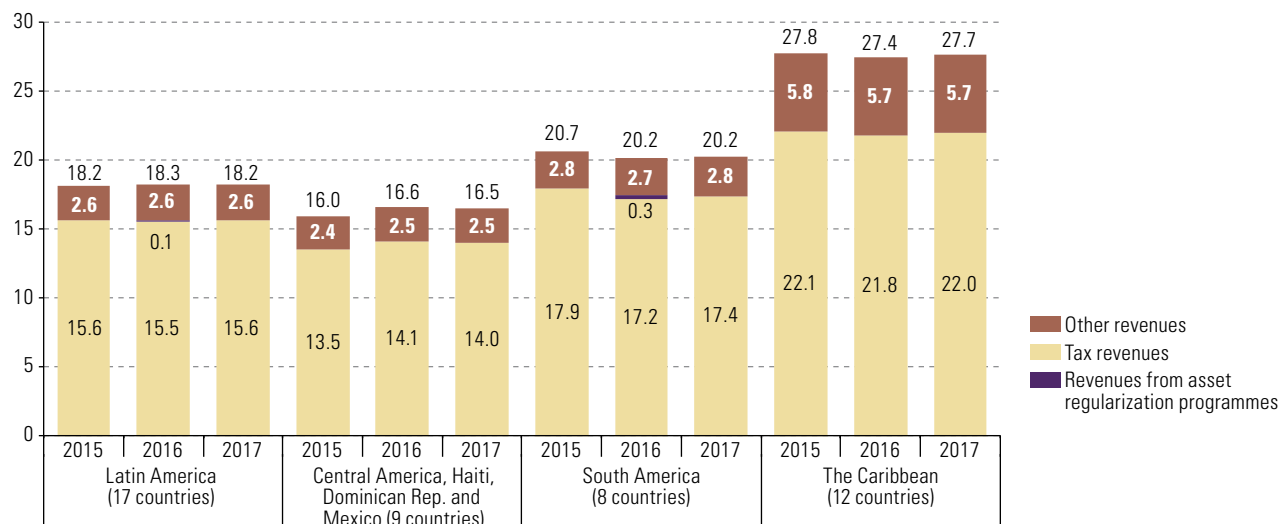
Although total revenues were fairly stable for Latin America as a whole, the average figure is the result of countervailing trends in the subregions. On the one hand, the slowdown in tax receipts in the northern part of the region was reflected in a slight decrease in the central government tax ratio, which slipped from 14.1% of GDP in 2016 to 14.0% of GDP in 2017 (see figure VII.7). Particularly sharp decreases were seen in Honduras (-0.4 percentage points of GDP) and Mexico (-0.9 percentage points of GDP). As a result, total revenues dropped by one tenth of a point (from 16.6% of GDP to 16.5%).

In South America, on the other hand, although total revenues are projected to hold steady at 20.2% of GDP, the tax take (excluding receipts associated with asset regularization programmes) rose to 17.4% of GDP in 2017 from 17.2% in 2016.<sup>2</sup> While this uptick did not completely make up for the absence of the windfall gains registered in 2016 (0.3% of GDP, on average) it marked a significant trend change for the subregion. Particularly notable increases in tax receipts were seen in Chile (0.2 percentage points of GDP, or 0.5 percentage points if the revenues from asset registration in 2016 are excluded), Colombia (0.6 percentage points of GDP), Ecuador (0.8 percentage points of GDP) and Uruguay (0.7 percentage points of GDP).

<sup>2</sup> For further information on regularization programmes, see box I.1 in Economic Commission for Latin America and the Caribbean (ECLAC), *Economic Survey of Latin America and the Caribbean 2017* (LC/PUB.2017/17-P), Santiago, 2017.

**Figure VII.7**

Latin America and the Caribbean: breakdown of total central government revenues, 2015-2017<sup>a b</sup>  
(Percentages of GDP)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> Simple averages. The figures for 2017 are official estimates taken from 2018 budget documents. The figures for Mexico correspond to the federal public sector, while those shown for Peru correspond to the general government. The data do not include figures for the Bolivarian Republic of Venezuela or the Plurinational State of Bolivia.

<sup>b</sup> The averages for the Caribbean do not include data for Dominica.

In the Caribbean, total revenues climbed from 27.4% of GDP in 2016 to 27.7% of GDP in 2017, although these averages are the sum total of sharply varying results at the national level. Substantial upswings in the tax take are projected for Antigua and Barbuda (1.9 percentage points of GDP) and Belize (1.1 percentage points of GDP), thanks to new tax enforcement measures—especially in the case of property taxes—and the introduction of new taxes, such as the tax now being levied on the earnings of international banks in Antigua and Barbuda. On the other hand, total revenues for Trinidad and Tobago slid from 30.8% of GDP in 2016 to 25.0% of GDP in 2017 owing to steep decreases in both tax receipts (-2.0 percentage points of GDP) and non-tax income (-3.8 percentage points of GDP).

Fiscal (both tax and non-tax) revenues from non-renewable natural resources in the region also rose in step with the upswing in raw material prices, although price levels are still far below what they were in the wake of the international economic and financial crisis of 2008-2009. For example, income from mining in Chile and Peru is expected to double, but will still remain at levels well below those of the raw materials boom. Oil revenues are also on the rise overall, but widely disparate trends are to be observed at the national level, with upswings in Brazil and Ecuador and slight downturns in Mexico and in Trinidad and Tobago.

## Fiscal consolidation is mainly taking the form of the containment of public expenditure

The persistence of public-sector deficits has put greater pressure on the region's governments to adopt fiscal consolidation measures. The deterioration of primary balances in recent years in South America and in some countries in Central America, in particular, has brought the issue of the sustainability of the public debt to the fore. Despite this pressure, however, it is very difficult for these governments to make cuts at a time of relatively slow economic growth in a region that is still marked by such striking structural gaps.

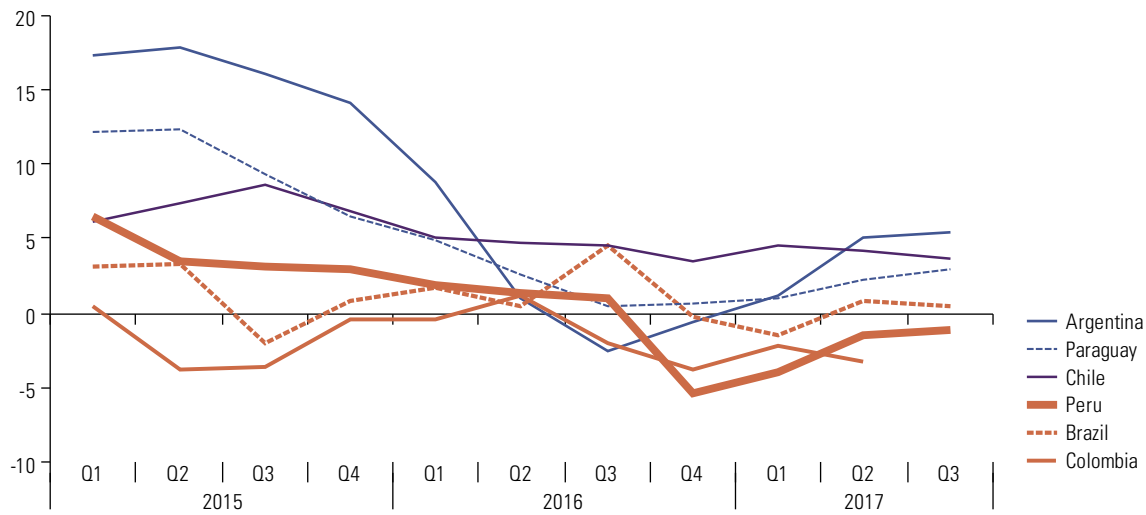
These tensions are most apparent in South America, where many countries have restricted the expansion of public spending but few have managed to make any substantial cuts. As shown in figure VII.8, the growth rate in total primary expenditure, which excludes interest payments, was reined back sharply in 2016. In 2017, spending picked up somewhat in some countries, but nonetheless climbed at a slower rate than in earlier years. Noteworthy developments in this respect included reductions in spending in real terms in Colombia and Peru and the near-zero growth of expenditure in Brazil.

**Figure VII.8**

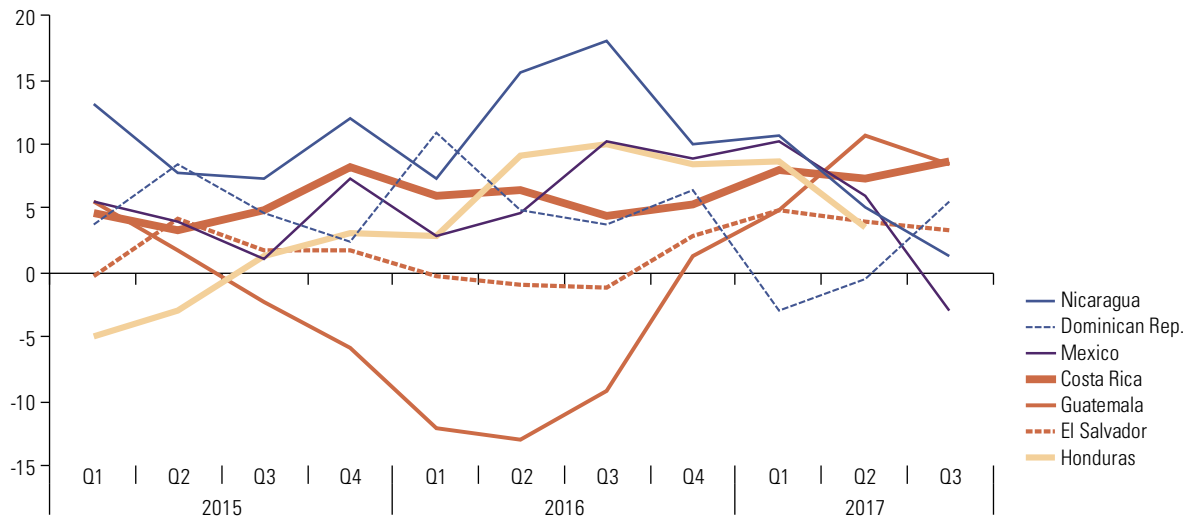
Latin America (selected countries): 12-month cumulative year-on-year variation in real central government primary expenditure, 2015-2017

(Percentages)

**A. South America**



**B. Central America and Mexico**



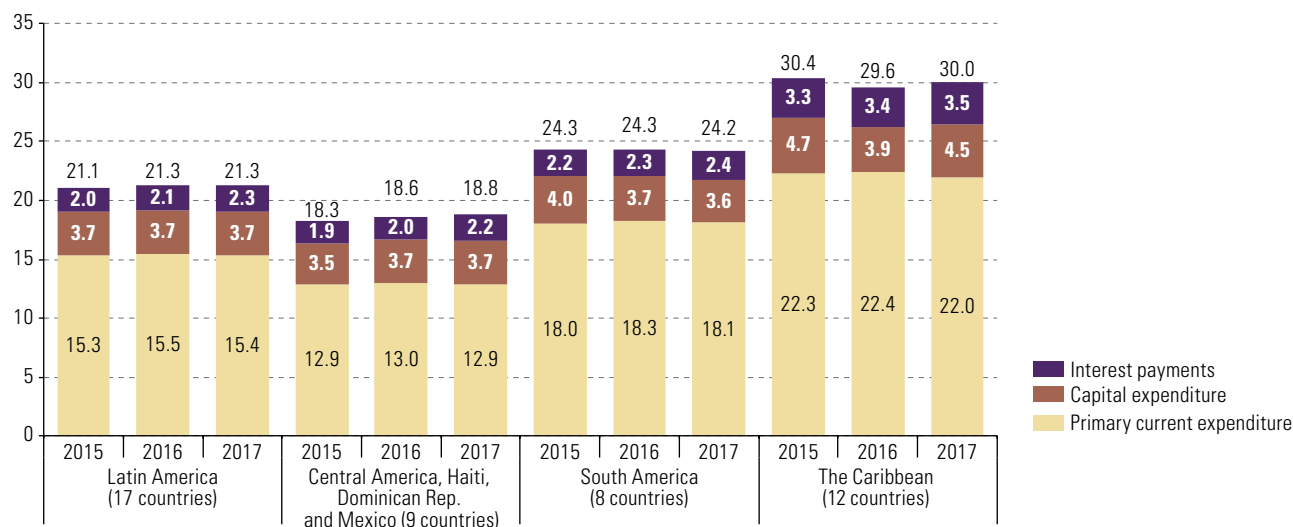
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

In the northern part of Latin America, trends in public expenditure have been less uniform and reflect sharply differing situations across those countries. As may be seen from figure VII.8B, the real growth rate of public expenditure in Costa Rica and El Salvador remained fairly even in the first three quarters of 2017, whereas it slumped in Nicaragua—following a steep increase in 2016—and in Mexico, where it actually contracted.

These trends notwithstanding, average total expenditure in Latin America is projected to hold steady at 21.3% of GDP for 2017 (see figure VII.9). But while the level of spending is stable, its composition is changing. On the one hand, the public debt service jumped from 2.1% of GDP in 2016 to 2.3% in 2017, thus reaching its highest level since 2005. On the other hand, a reduction in primary current expenditure (from 15.5% of GDP in 2016 to 15.4% in 2017) is projected, along with a smaller contraction in capital expenditure.

**Figure VII.9**

Latin America and the Caribbean: breakdown of total central government expenditure, 2015-2017<sup>a,b</sup>  
(Percentages of GDP)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> Simple averages. The figures for 2017 are official estimates taken from 2018 budget documents. The figures for Mexico correspond to the federal public sector, while those shown for Peru correspond to the general government. The data do not include figures for the Bolivarian Republic of Venezuela or for the Plurinational State of Bolivia.

<sup>b</sup> The averages shown for the Caribbean do not include figures for Dominica.

Interest payments are on the rise in both northern and southern Latin America. This is attributable not only to the expansion of public debt in recent years but also to trends in the local currencies' dollar exchange rates, in interest rates (especially on variable-rate instruments) and in domestic financial conditions. As a result, the average debt service for Central America, the Dominican Republic, Haiti and Mexico climbed from 2.0% of GDP in 2016 to 2.2% of GDP in 2017, while South America's debt servicing obligations rose from 2.3% of GDP to 2.4%.

Average capital expenditure for the countries of Central America, the Dominican Republic, Haiti and Mexico remained at the level of 3.7% of GDP that had been reached the year before. This occurred despite a sizeable cut in this category of expenditure in Mexico because of the high basis of comparison afforded by the exceedingly large financial investments made in 2016 (transactions between the federal government and

a number of State-owned enterprises). In the other countries in this group, substantial increases in capital expenditure are expected, although, in some of these countries, this category of expenditure includes large capital transfers made to State-owned companies that have been operating at a loss.

In South America, capital expenditure continues to decline in most of the countries, with the average falling to 3.6% of GDP in 2017 and thus slipping below the level registered in northern Latin America. This situation points to the importance of a prudent management of public investment, especially during times of fiscal consolidation, in order to avoid dampening the growth of aggregate demand in the short run or of potential GDP growth in the medium and long terms.

Primary current expenditure was down in both subregions, although the reduction was bigger in South America, where it dropped from 18.3% of GDP in 2016 to 18.1% in 2017. This is due in large part to declines relative to GDP owing to the slow rise of expenditure in Argentina and near-zero growth in Brazil. In the northern portion of Latin America, primary current expenditure is expected to slip from 13.0% of GDP in 2016 to 12.9% in 2017, with the decrease being led by reductions of around 1% of GDP in Honduras and Mexico.

In the Caribbean, the rise in total public spending from 29.6% of GDP to 30.0% of GDP was coupled with changes in its composition. A part of that shift was associated with the reconstruction work needed in some of the Caribbean countries in the aftermath of the passage of Hurricane Matthew in October 2016. Increases are projected in capital expenditure, which is expected to stand at 4.5% of GDP for 2017, owing to spending hikes in Saint Kitts and Nevis and in Saint Lucia. Primary current expenditure, on the other hand, is set to edge downward from 22.4% of GDP to 22.0% of GDP, mainly as a result of changes in spending levels in Antigua and Barbuda, Barbados, Saint Kitts and Nevis, and Suriname.

## B. Monetary and exchange-rate policies

### Differences in monetary policies widen between the region's south and north

Inflation continues to define the margins available to monetary authorities for stimulating aggregate domestic demand. In South America and the non-Spanish-speaking Caribbean, falling inflation rates are providing space for a more expansionary monetary policy, whereas in Central America and Mexico, the management of monetary policy is geared towards controlling increases in general prices.

The section below describes the policy actions taken throughout the region. The countries are classified by region and by their principal policy instruments, and the analysis shows how each group makes use of the manoeuvring room created by inflationary dynamics or deals with the reduced margins they generate.

Among the economies that use monetary policy rates as their main instrument, decreases in those rates during 2017 were posted by Brazil (625 basis points), Chile (100 basis points), Colombia (250 basis points), Paraguay (25 basis points) and Peru (75 basis points) (see figure VII.10).

These cuts in benchmark monetary policy interest rates occurred after a series of increases—in Brazil, since 2013; in Chile, since 2016; and in Colombia, since 2015—as part of efforts to reduce inflationary pressures, particularly in Brazil and Colombia, where inflation rates and forecasts had exceeded the official targets. After controlling those pressures, the central banks have been able to reduce their benchmark rates and, by so doing, to attempt to stimulate aggregate demand.

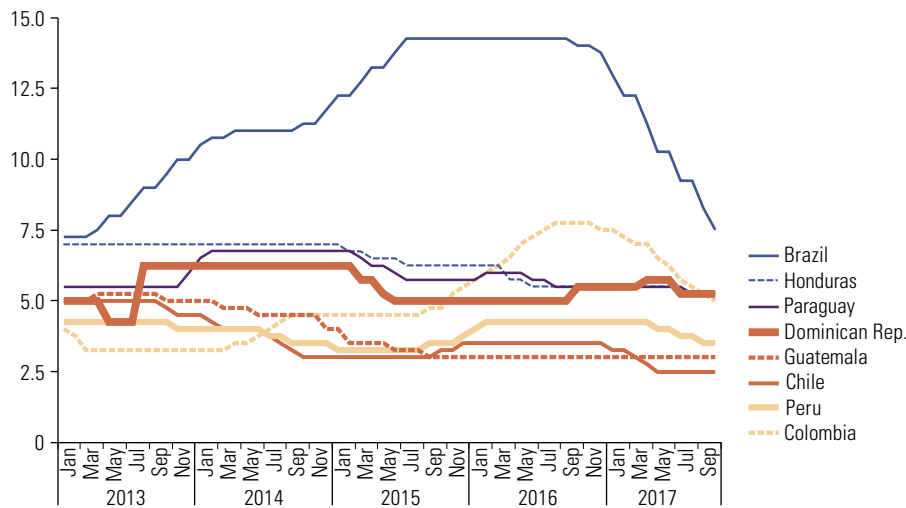
In September 2016, in a bid to reduce the prevailing inflation rate, the Central Bank of the Argentine Republic announced the adoption of a floating inflation targeting regime. This plan has established a track of descending inflation targets for 2017 (from 17% down to 12%) and 2018 (10%, with a tolerance of plus or minus 2 percentage points), with the ultimate objective of setting a 2019 target of 5% plus or minus 1.5 percentage points. Since current inflation is not in line with the target, the bank has increased the benchmark interest rate by 459 basis points.

Among the economies of Central America and Mexico, the dynamics are more diverse. In Costa Rica and Mexico, the monetary authorities decided to increase their benchmark interest rates by 275 and 125 basis points, respectively.

In the case of Mexico, the policymakers' actions were in response to rising inflation, which has reached levels above the established target range, but they were also intended to temper the volatility that the Mexican peso has displayed since mid-2016. In Costa Rica's case, expanding dollar deposits—a side effect of increased exchange rate volatility and uncertainty about the sustainability of public finances—were the reason behind the hike in the benchmark policy rate.

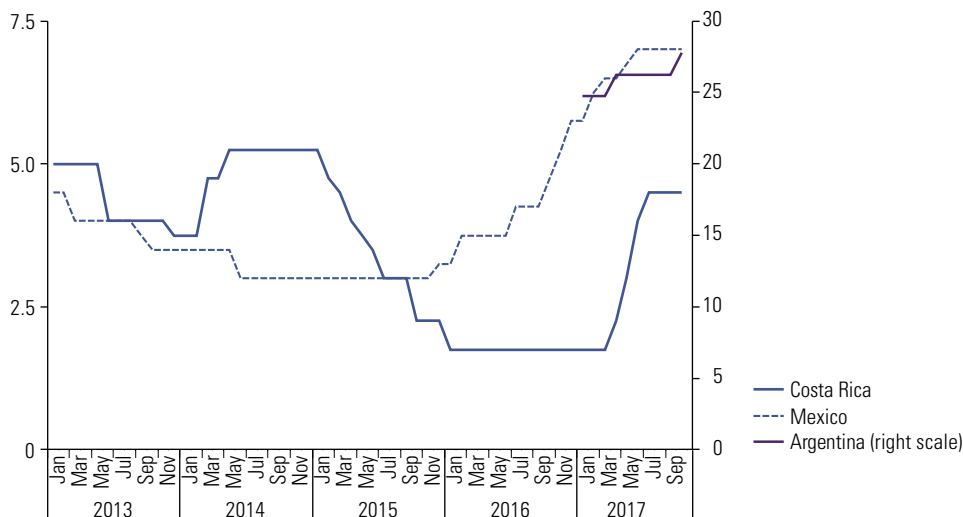
In both Guatemala and Honduras, the authorities left the benchmark rates unchanged, arguing that improvements in the international climate and domestic conditions were expected on schedule, including levels of inflation within the established target ranges. In the Dominican Republic, following the increase of 25 basis points in April 2017, the benchmark interest rate was revised downwards in July, on the grounds that inflation was within the range set by the monetary authority for the year.

**A. Countries that maintained or lowered their rates**



**Figure VII.10**  
Latin America (selected countries): monetary policy interest rates in countries where they are used as the main policy instrument, January 2013–October 2017 (Percentages)

**B. Countries that increased their rates**



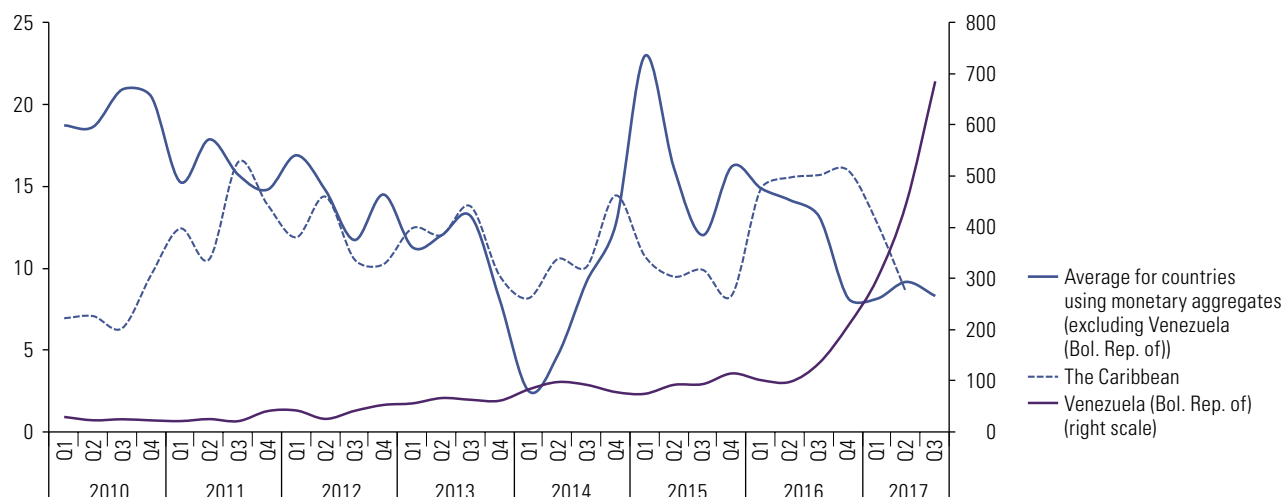
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

In the region’s economies that use monetary aggregates as their main policy instrument, the monetary bases reported a slowdown in their pace of growth (see figure VII.11). In the economies of Latin America, the growth rate of the monetary base has averaged 8.5% since the fourth quarter of 2016, which represents a drop of 7 percentage points from the average recorded between the first quarter of 2015 and the third quarter of 2016. The situation is similar in the economies of the non-Spanish-speaking Caribbean, with the monetary base growing an average of 4.0 percentage points less in the first two quarters of 2017 than in 2016. Despite this slowdown, in 2017 the monetary base reported average growth rates in excess of 10% in the Bahamas, Barbados, Dominica, Ecuador, Haiti, Jamaica and Suriname. In the Bolivarian Republic of Venezuela, the monetary base has grown at quarterly rates of above 200% in 2017 and, in the third quarter of the year (the latest period for which data are available), the monetary base expanded by 686%.



**Figure VII.11**

Latin America and the Caribbean (selected country groupings): evolution of the monetary base in countries where aggregates are the main monetary policy instrument, first quarter of 2010–third quarter of 2017 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

## Lending rates are headed downwards, while domestic credit for the private sector is increasing in Latin America but not in the Caribbean countries

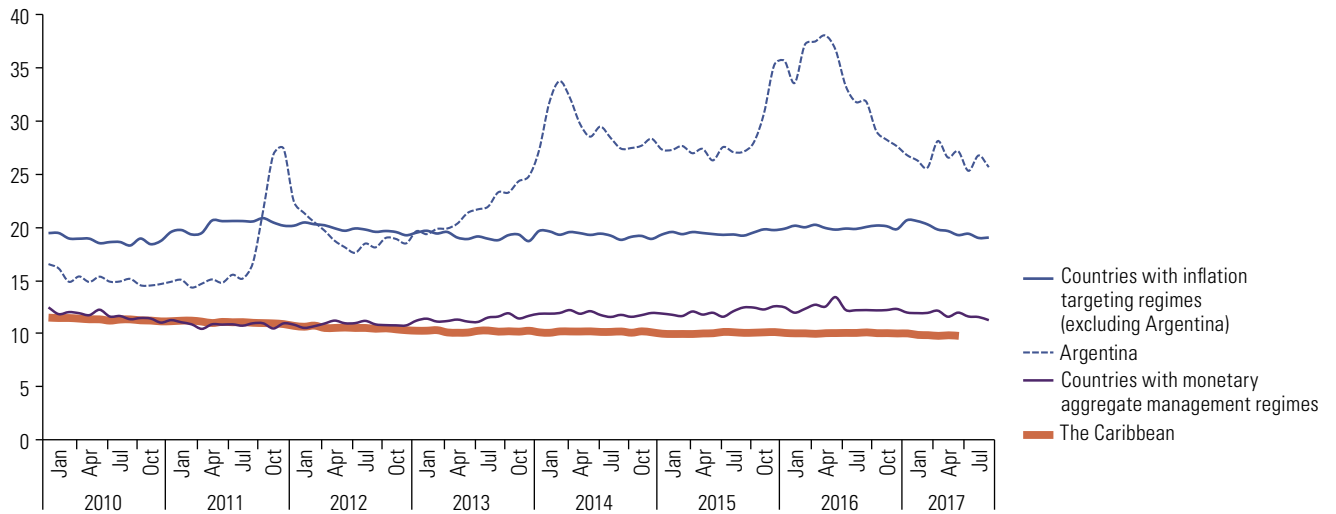
Nominal interest rates on loans have fallen in the different subregions identified for the analysis, with average drops of 20 basis points in the countries where interest rates are the main monetary policy instrument and in the economies of the non-Spanish-speaking Caribbean, and of 60 basis points in those economies that use aggregates as their primary monetary policy instrument (see figure VII.12). At the country level, particularly notable were the falls in average annual interest rates in Argentina (685 basis points), Brazil (275 basis points), Haiti (180 basis points), Jamaica (150 basis points), Paraguay (110 basis points) and Uruguay (170 basis points). While nominal interest rates fell in 24 of the region's economies, there were increases in annual average interest rates in 7 countries: most notably, rates rose 120 basis points in Chile, 90 basis points in Suriname and 60 basis points in Honduras and Peru.<sup>3</sup> At the same time, even though there have been widespread drops in the lending rate, falling inflation across the region means that real-term interest rates have increased.

During 2017, with the exception of the Bolivarian Republic of Venezuela, the economies of Latin America—both those that use policy interest rates as their main monetary policy instruments and those that use aggregates—posted slight increases in the private-sector credit growth rate. The contraction of domestic credit continued in the economies of the non-Spanish-speaking Caribbean, and data obtained for the second quarter of 2017 point to an annualized drop of 3.2%. Another country where the private-sector credit crunch worsened is the Bolivarian Republic of Venezuela, where the variable has now posted decreases for nine consecutive quarters (see figure VII.13).

<sup>3</sup> Nevertheless, despite the increase in average lending rates, the monthly values of those rates as of September or October 2017 in Chile, Peru and Suriname show a decline from the levels posted at the start of the year.

**Figure VII.12**

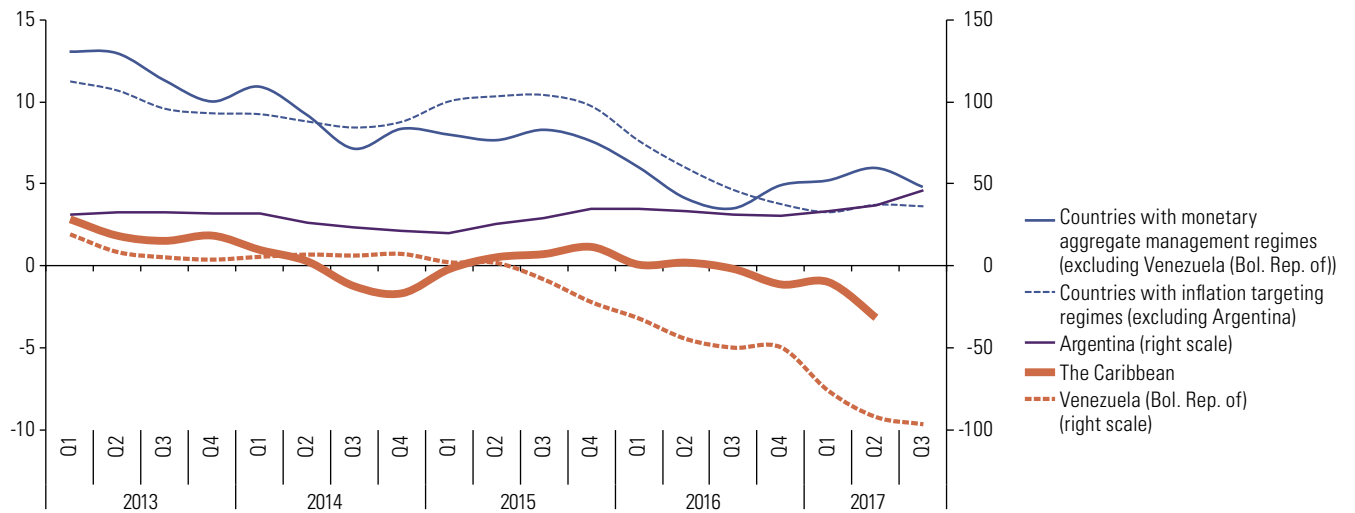
Latin America and the Caribbean (selected country groupings): average lending rates, January 2010–April 2017 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

**Figure VII.13**

Latin America and the Caribbean (selected country groupings): evolution of domestic private-sector credit in real terms, first quarter of 2013–third quarter of 2017 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

## The region's currencies were more stable in 2017 than in 2016

Following significant fluctuations in a number of the region's currencies in 2016, exchange rate variations were more moderate in 2017. Whereas in 2016 the currencies of Argentina, Haiti, Mexico and Suriname posted depreciations of more than 10% and the Brazilian real appreciated by 17.8%, the largest depreciation in 2017 was posted by Argentina (10.2%) and the greatest appreciation was that of the Mexican peso (-8.6%). Meanwhile, economies such as those of Brazil, Colombia, Honduras, Jamaica, the Plurinational State of Bolivia, Trinidad and Tobago and Uruguay reported only minor currency fluctuations (less than 1%) in 2017. The currencies of Chile, Guatemala, Mexico, Paraguay and Peru posted nominal appreciations against the dollar in 2017 (see table VII.1).

**Table VII.1**

Latin America and the Caribbean (19 countries): nominal depreciations and appreciations in dollar exchange rates, annualized variations, 2014–November 2017<sup>a</sup>  
(Percentages)

Country	2014	2015	2016	As of 21 November 2017
<b>Latin America</b>				
Argentina	29.8	52.8	22.8	10.2
Bolivia (Plurinational State of)	0.0	-0.1	0.4	-0.3
Brazil	12.5	49.0	-17.8	0.2
Chile	15.4	16.8	-5.4	-5.3
Colombia	23.2	33.6	-5.4	0.2
Costa Rica	7.6	-0.4	3.0	2.2
Dominican Republic	4.0	2.5	2.5	3.1
Guatemala	-3.1	0.5	-1.4	-2.6
Haiti	8.1	20.0	18.7	-5.4
Honduras	3.8	6.4	5.0	0.4
Mexico	13.2	16.6	20.5	-8.6
Nicaragua	5.0	5.0	5.0	4.5
Paraguay	0.8	24.7	-0.8	-1.2
Peru	6.5	14.6	-1.7	-3.5
Uruguay	13.1	23.0	-2.5	0.6
<b>The Caribbean</b>				
Belize	1.0	-0.8	0.0	0.2
Jamaica	7.9	4.9	7.4	-2.2
Suriname	3.8	16.8	85.4	0.6
Trinidad and Tobago	-0.6	0.8	5.0	-0.4

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from Bloomberg.  
<sup>a</sup> Positive values indicate depreciations, while negative values show appreciations.

Factors such as expectations of recovery in the region's economies, rebounding commodity prices and reduced uncertainties related to the normalization of monetary policy in developed countries (especially those of Europe) allowed the currencies of the region to enjoy greater stability.

Economies such as Argentina, Costa Rica, the Dominican Republic and Nicaragua saw their currencies depreciate against the dollar as a result of several factors—including rising inflation expectations, replacement of assets in favour of others denominated in foreign currencies and doubts about possible fiscal consolidation processes—that are behind exchange-rate dynamics.

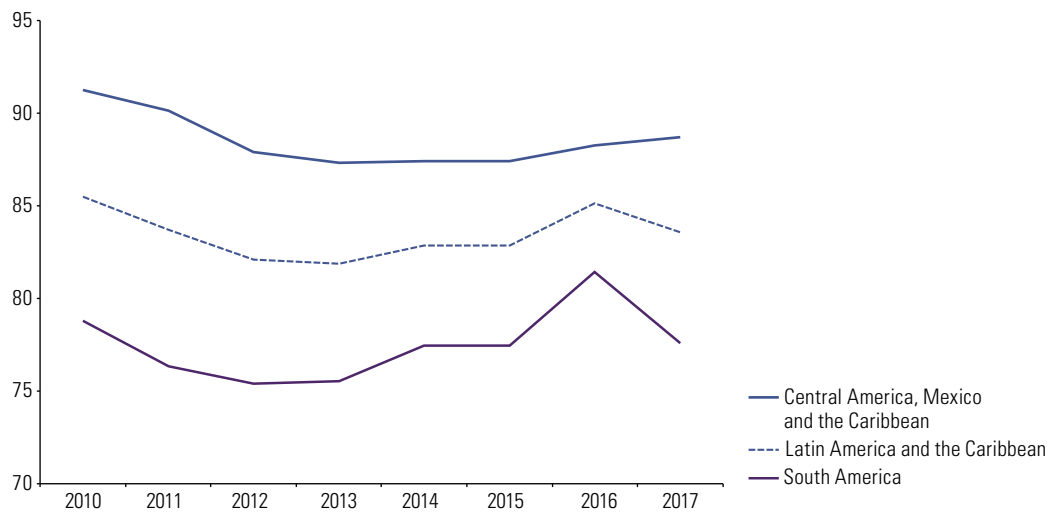
In the Bolivarian Republic of Venezuela, the exchange rate mechanism changed in May 2017, when it was announced that sales of foreign currency would use the DICOM exchange rate (complementary exchange rate for imports, used to finance priority, non-essential imports), while maintaining the DIPRO protected rate (exchange rate for protected activities), used for public sector imports. If the DICOM exchange rate is used as the benchmark, the depreciation of the bolívar would total 396% between January and November 2017, but if the parallel exchange rate is used as the benchmark, total depreciation reached 2,468%.

## After the depreciation seen in 2016, the real effective extraregional exchange rate appreciated in 2017

During 2017, the real effective extraregional exchange rate appreciated by 0.3% in real terms for the economies of Latin America and the Caribbean as a whole, contrasting with the depreciation recorded in 2016 (see figure VII.14). This dynamic in the region-wide real effective extraregional exchange rate was on account of the appreciation posted in the economies of South America (1.1%); while this result was lower than the 8.1% recorded in 2016, it offset the real-term depreciation posted by the economies of Central America, Mexico and the non-Spanish-speaking Caribbean.

**Figure VII.14**

Latin America and the Caribbean: real effective extraregional exchange-rate index, annual averages, by subregion, 2010-2017  
(Base year: 2005=100)



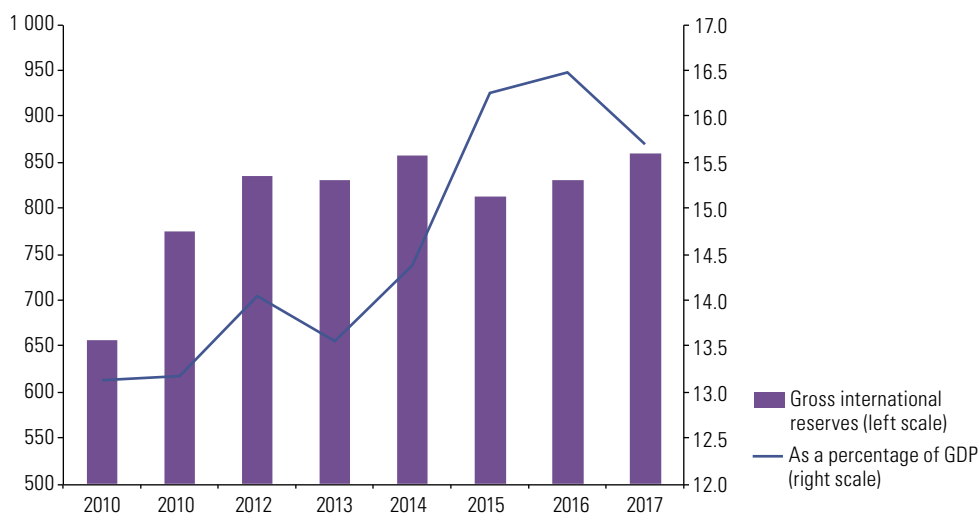
**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

As with the nominal exchange rates, the variations in 2017 were lower than those recorded in 2016. Of the region's currencies included in the sample basket, only the appreciating Mexican peso underwent a change of more than 10% in its real effective extraregional exchange rate. In addition, eight of the economies included in the sample posted appreciations of the real effective extraregional exchange rate in 2017 (one fewer than in 2016), while 11 economies reported depreciations in their real effective extraregional exchange rates.

## International reserves continue to rise

In 2017, the international reserves of Latin America and the Caribbean grew by 4.2% compared to the total posted at the end of 2016 (see figure VII.15). That increase was equal to an accumulation of US\$ 34.671 billion in reserves over the year, some US\$ 15.041 billion more than the amount accumulated in 2016. Although reserves rose in 20 economies, the variation seen in the region as a whole during 2017 was essentially on account of the accumulation observed in Argentina (US\$ 15.791 billion) and Brazil (US\$ 16.040 billion).

**Figure VII.15**  
Latin America and the Caribbean: international reserves, 2010-2017  
(Billions of dollars and percentages of GDP)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

In December 2015, the Central Bank of the Argentine Republic adopted a flexible exchange rate regime, consistent with its inflation targeting model and, at the same time, it introduced a policy of currency interventions, buying foreign exchange to strengthen the position of its reserves and to provide leeway for its management of exchange rate policy. In Brazil's case, the performance of its reserve assets and the completion of the buy-backs (repos) made earlier to stabilize the exchange rate were the causes of the increased reserves.

Over the same period, the international reserves of 12 countries posted declines. The countries with the largest drops in their international reserves were Panama (20.0%), Barbados (19.8%), Belize (18.9%), Bolivarian Republic of Venezuela (11.1%) and Antigua and Barbuda (10.0%).

With this, Trinidad and Tobago and the Bolivarian Republic of Venezuela have posted drops in their international reserve balances for three consecutive years, since 2015.

As regards the ratio of international reserves to GDP, the data recorded at the end of 2017 show a decline from 2016 levels, with 17 economies reporting a drop in the ratio. The most significant declines were posted in Belize (4.7 percentage points of GDP), Antigua and Barbuda (3.5 percentage points of GDP), Trinidad and Tobago (2.7 percentage points of GDP), Saint Vincent and the Grenadines (2.7 percentage points of GDP) and Panama (2.1 percentage points of GDP). At the same time, the ratio of international reserves to GDP rose in 15 countries, including Guatemala (2.5 percentage points of GDP), Jamaica (2.1 percentage points of GDP), Honduras (2.0 percentage points of GDP), Argentina (1.9 percentage points of GDP) and Paraguay (1.6 percentage points of GDP).

## Outlook and challenges for 2018

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Monetary factors and the situation in the production sector will continue to provide a supportive environment for the region's economies in 2018. The global economy is expected to continue to grow at rates close to those recorded in 2017, and emerging economies are poised to out-perform developed ones. On the monetary front, liquidity will continue to expand, and international interest rates will remain low. This opens up a promising opportunity for the Latin American and Caribbean countries to expand their economic policy space in a way that will buoy the expansionary phase of the business cycle.

Nevertheless, the international situation poses certain challenges for the consolidation of global growth over the medium term.

The ramifications of such a prolonged period of slow growth are still being felt globally in the areas of investment and capital stock, labour markets and productivity. Potential GDP growth in many countries is now below the levels seen in the years leading up to the global financial crisis; this poses a challenge whose scope goes beyond that of the cyclical recovery of economic activity that is expected for 2017 and 2018.

The situation is much the same in terms of international trade. Growth rates for trade volumes have been rebounding since late 2016, but they are starting off from such a low point that volumes are still below their pre-crisis levels. The slowdown in trade was a result not only of cyclical factors —such as the slump in trade-intensive activity (particularly investment), which is slated to pick up this year and the next— but also of more structural factors whose longer-term trends are difficult to predict.<sup>1</sup> The uncertainty surrounding the future trend in trade volumes also has to do with the growing protectionism being observed in some countries. The mounting support for anti-globalization political parties in some European countries and the vote in favour of Brexit in the United Kingdom in 2016 are just two examples. Meanwhile, the rhetoric used by the United States in the latest rounds of the North American Free Trade Agreement (NAFTA) talks suggests that the dissolution of that treaty is a less remote possibility than it used to be, especially in view of that country's withdrawal from the Trans-Pacific Partnership (TPP).

Over the course of the year, the financial markets have become less volatile and, in general, asset prices have risen in line with rising profit expectations and the improved economic outlook. However, a prolonged period of low volatility, as has been occurring recently, may encourage further risk-taking and make financial systems more fragile.<sup>2</sup> Moreover, the fact that the price-to-earnings ratios in the United States and the eurozone are currently higher than the historical averages points to a possible overvaluation which will probably give way to an adjustment in the future.

One of the main unanswered questions in financial markets has to do with the potential impact over the medium term of the reversal of the quantitative easing policies that is already under way or has been announced by the Federal Reserve of the United States, the European Central Bank and the Bank of Japan. Although liquidity is expected to remain high in the immediate future, there are no prior experiences from which to draw lessons about the pass-through mechanisms and potential ramifications that may arise when a substantial reduction actually begins to be seen on the balance sheets of these monetary authorities. Meanwhile, sharper increases in interest rates in developed economies will have a negative wealth effect, since this will drive down bond prices and could dampen activity on international bond markets. In addition, rising interest rates will make the securities of emerging economies less profitable, and this may,

<sup>1</sup> See Economic Commission for Latin America and the Caribbean (ECLAC), *Preliminary Overview of the Economies of Latin America and the Caribbean, 2016* (LC/G.2698-P), Santiago, 2016.

<sup>2</sup> See Office of Financial Research (OFR), "The volatility paradox: tranquil markets may harbor hidden risks", *Markets Monitor*, second quarter, 2017.



in turn, reduce the flow of financing to those economies, as well as making it difficult for monetary policymakers in the countries of the region to know which way to turn, especially if this occurs at a time when their countries are in the downswing of the business cycle. The consequences of this state of affairs will depend, in part, on the composition of financial flows and on the relative weight of the components of those flows that are most sensitive to changes in international interest rates.

Mounting debt levels—an area in which China is a stand-out example, with a total debt equivalent 260% of GDP—in the private sector, in particular, at a time of low inflation are reawakening fears of the appearance of a debt-deflation cycle. China's situation is also compounded by the vulnerability of both its parallel financial system (the so-called “shadow” financial system) and its formal financial sector, which is carrying a large percentage of poor-quality debt. The Chinese authorities have been taking steps to eliminate these risks and to curb the country's growing debt and are expected to continue to do so in the future. These measures are at the root of projections of a cooling of that economy in 2018.

These financial risks are coupled with others that are associated with developed countries' domestic policies. Examples include the move being made to reduce financial regulation and specifically to roll back the Dodd-Frank Wall Street Reform and Consumer Protection Act in the United States, which could make the financial system more vulnerable in the medium term. In addition, the tax reform bill now moving through the legislature in the United States could ease the corporate tax burden and bolster capital flows to that country. In addition to the possible redistributive effects of that bill, the cuts in corporate tax rates and the repatriation of capital may not only have a direct effect on capital flows, but may also change the rules of the game in international taxation. This could trigger other reductions in corporate taxes (in what is known as a “race to the bottom”) that could have an impact on the tax systems of other countries, including those of the region.

In all probability, stronger external demand will spur economic activity in Latin America and the Caribbean, while domestic demand will play an important role in accelerating growth, although the pace of growth will differ from one component of the economy to the next. Thanks to the upswing in gross fixed capital formation, investment will make a greater contribution to the economy than before. Private consumption continues to drive domestic demand. The governments of the region are expected to continue to pursue their fiscal consolidation efforts during 2018, and it is therefore unlikely that fiscal policy will make any significant contribution to GDP growth.

Estimates put the GDP growth rate for Latin America and the Caribbean at 2.2% for 2018, which is substantially higher than the rate for 2017 (1.3%) (see table VIII.1). More robust economic growth in Brazil (2.0%) will be one of the factors behind this upturn. In addition, economic activity is expected to strengthen in a number of countries that have been growing at moderate rates up to now, including Chile (2.8%), Colombia (2.6%) and Peru (3.5%). Panama will be the Latin American country with the highest growth rate (5.5%), followed by the Dominican Republic (5.1%) and Nicaragua (5.0%). With the exception of Cuba (1.0%), Ecuador (1.3%) and the Bolivarian Republic of Venezuela (-5.5%), all the other Latin American economies will expand by between 2% and 4%.

At the subregional level, South America is expected to turn in a stronger showing in 2018 (2.0% on average, up from 0.8% in 2017). The economies of Central America, Cuba, the Dominican Republic and Haiti are projected to attain a growth rate of 3.6%, thus outdoing their 2017 rate of 3.3%. The average growth rate for the English- and Dutch-speaking Caribbean is projected at 1.5% for 2018, fostered, among other things, by expenditure on reconstruction in the aftermath of Hurricane Irma and Hurricane María in some countries of the subregion.

**Table VIII.1**

Latin America and the Caribbean: annual growth in gross domestic product (GDP), 2012-2018  
(Percentages, based on dollars at constant 2010 prices)

	2012	2013	2014	2015	2016	2017 <sup>a</sup>	2018 <sup>b</sup>
Argentina	-1.0	2.4	-2.5	2.6	-2.2	2.9	3.0
Bolivia (Plurinational State of)	5.1	6.8	5.5	4.9	4.3	3.9	4.0
Brazil	1.9	3.0	0.5	-3.5	-3.5	0.9	2.0
Chile	5.5	4.0	1.9	2.3	1.6	1.5	2.8
Colombia	4.0	4.9	4.4	3.1	2.0	1.8	2.6
Costa Rica	4.8	2.3	3.5	3.6	4.5	3.9	4.1
Cuba	3.0	2.8	1.0	4.3	-0.9	0.5	1.0
Dominican Republic	2.8	4.7	7.6	7.0	6.6	4.9	5.1
Ecuador	5.6	4.9	4.0	0.2	-1.5	1.0	1.3
El Salvador	1.9	1.8	1.4	2.3	2.4	2.4	2.5
Guatemala	3.0	3.7	4.2	4.1	3.1	3.2	3.5
Haiti	2.9	4.2	2.8	1.2	1.4	1.3	2.2
Honduras	4.1	2.8	3.1	3.6	3.6	3.9	3.9
Nicaragua	3.6	1.4	2.8	3.3	2.9	2.2	2.4
Mexico	6.5	4.9	4.8	4.9	4.7	4.9	5.0
Panama	9.2	6.6	6.1	5.8	4.9	5.3	5.5
Paraguay	-1.2	14.0	4.7	3.0	4.0	4.0	4.0
Peru	6.1	5.9	2.4	3.3	4.0	2.5	3.5
Uruguay	3.5	4.6	3.2	0.4	1.5	3.0	3.2
Venezuela (Bolivarian Republic of)	5.6	1.3	-3.9	-5.7	-9.7	-9.5	-5.5
<b>Subtotal for Latin America</b>	<b>2.8</b>	<b>2.9</b>	<b>1.2</b>	<b>-0.2</b>	<b>-0.8</b>	<b>1.3</b>	<b>2.2</b>
Antigua and Barbuda	3.5	-0.1	5.1	4.1	5.3	4.5	5.8
Bahamas	3.1	-0.6	-1.2	-3.1	0.2	1.2	2.0
Barbados	0.3	0.0	0.0	0.9	2.0	1.5	1.5
Belize	3.7	0.7	4.1	2.9	-0.5	2.5	2.4
Dominica	-1.1	-0.6	4.4	-2.5	2.6	-8.3	7.6
Grenada	-1.2	2.4	7.3	6.4	3.7	3.5	2.5
Guyana	4.8	5.2	3.8	3.2	3.3	2.9	3.5
Jamaica	-0.6	0.5	0.7	1.0	1.4	1.2	1.3
Saint Kitts and Nevis	-0.6	6.2	6.0	4.0	2.2	2.1	3.8
Saint Lucia	0.2	3.4	-0.2	2.0	1.7	2.8	3.6
Saint Vincent and the Grenadines	1.4	1.8	1.0	1.8	1.3	0.8	1.5
Suriname	2.7	2.9	0.3	-2.6	-5.1	-0.7	0.7
Trinidad and Tobago	1.3	1.0	-0.3	1.5	-6.0	-2.3	0.5
<b>Subtotal for the Caribbean</b>	<b>1.4</b>	<b>1.0</b>	<b>0.4</b>	<b>0.6</b>	<b>-1.6</b>	<b>0.1</b>	<b>1.5</b>
<b>Latin America and the Caribbean</b>	<b>2.8</b>	<b>2.9</b>	<b>1.2</b>	<b>-0.2</b>	<b>-0.8</b>	<b>1.3</b>	<b>2.2</b>
<b>South America (10 countries)</b>	<b>2.5</b>	<b>3.3</b>	<b>0.5</b>	<b>-1.6</b>	<b>-2.3</b>	<b>0.8</b>	<b>2.0</b>
<b>Central America, Cuba, Dominican Republic and Haiti (9 countries)</b>	<b>4.0</b>	<b>3.7</b>	<b>4.0</b>	<b>4.7</b>	<b>3.5</b>	<b>3.3</b>	<b>3.6</b>

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

<sup>a</sup> Estimates.

<sup>b</sup> Projections.





## Statistical annex

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Table A-1  
**Latin America and the Caribbean: main economic indicators**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Annual growth rates</b>										
Gross domestic product b/	4.0	-1.8	6.2	4.4	2.8	2.9	1.2	-0.2	-0.8	1.3
Per capita gross domestic product b/	2.7	-3.0	4.9	3.2	1.6	1.7	0.1	-1.3	-1.9	0.3
Consumer prices c/	7.0	3.5	5.4	5.8	4.9	5.0	6.3	7.9	7.3	5.3
<b>Percentages</b>										
Urban open unemployment	7.8	9.1	8.4	7.7	7.3	7.1	6.9	7.3	8.9	9.4
Total gross external debt / GDP d/ e/	30.0	31.2	28.7	27.4	30.6	32.3	34.9	37.7	39.4	38.6
Total gross external debt / exports of goods and services	79.5	111.7	108.1	98.4	106.8	117.4	133.7	154.2	170.9	161.7
<b>Millions of dollars</b>										
Balance of payments e/										
Current account balance	-38,484	-32,050	-96,994	-115,143	-133,867	-162,508	-184,107	-174,943	-89,090	...
Exports of goods f.o.b.	903,604	703,807	892,283	1,107,548	1,128,259	1,118,963	1,087,410	926,951	865,465	...
Imports of goods f.o.b.	863,741	652,643	847,567	1,041,388	1,087,430	1,116,580	1,103,753	984,239	872,283	...
Services trade balance	-23,044	-25,431	-39,928	-54,828	-57,880	-62,884	-62,859	-55,610	-35,634	...
Income balance	-110,908	-103,927	-151,489	-173,524	-161,585	-147,311	-155,962	-131,808	-124,372	...
Net current transfers	67,209	57,997	61,031	63,159	63,636	64,253	67,770	69,763	75,366	...
Capital and financial balance f/	79,739	79,050	181,414	219,673	190,721	178,266	221,475	147,744	116,052	...
Net foreign direct investment	103,847	72,774	113,546	146,131	147,726	145,700	140,732	136,874	125,847	...
Other capital movements	-24,107	6,276	67,868	73,542	42,995	32,566	80,743	10,871	-9,795	...
Overall balance	41,255	46,999	82,420	104,529	56,854	15,757	37,369	-27,198	26,459	...
Variation in reserve assets g/	-41,995	-50,801	-87,095	-104,551	-59,154	-14,568	-35,171	23,394	-26,491	...
Other financing	741	3,801	4,675	1,611	1,081	422	445	681	-117	...
Net transfer of resources	-30,428	-21,076	34,600	47,760	30,217	31,377	65,958	17,433	-7,028	...
International reserves	511,960	566,708	657,005	773,789	835,902	830,204	857,634	811,913	831,542	867,042
<b>Percentages of GDP</b>										
Fiscal sector h/										
Overall balance	-0.4	-2.7	-1.9	-1.4	-1.9	-2.6	-2.8	-2.9	-3.1	-3.1
Primary balance	1.3	-0.9	-0.3	0.3	-0.2	-0.9	-1.0	-0.9	-1.0	-0.8
Total revenue	18.4	17.3	18.0	18.2	18.4	18.4	18.2	18.2	18.3	18.2
Tax revenue	14.6	14.0	14.4	14.8	15.2	15.2	15.3	15.6	15.7	15.6
Total expenditure	18.8	20.0	19.9	19.6	20.4	20.9	21.0	21.1	21.3	21.3
Capital expenditure	3.7	3.8	4.0	3.8	4.2	4.2	4.0	3.7	3.7	3.7
Central-government public debt	28.5	30.7	29.4	28.8	30.0	31.8	33.0	35.6	38.0	38.3
Public debt of the non-financial public-sect	30.6	33.2	32.4	31.0	32.2	34.1	35.5	38.5	41.3	41.3

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures.

b/ Based on official figures expressed in 2010 dollars.

c/ December - December variation. Weighted average, does not include the Bolivarian Republic of Venezuela.

d/ Estimates based on figures denominated in dollars at current prices.

e/ Does not include the Caribbean, Cuba and the Bolivarian Republic of Venezuela.

f/ Includes errors and omissions.

g/ A minus sign (-) indicates an increase in reserve assets.

h/ Coverage corresponds to the central government. Simple averages for 19 countries.

Table A-2  
**Latin America and the Caribbean: gross domestic product in millions of dollars**  
*(Current prices)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America and the Caribbean b/</b>	<b>4.0</b>	<b>-1.8</b>	<b>6.2</b>	<b>4.4</b>	<b>2.8</b>	<b>2.9</b>	<b>1.2</b>	<b>-0.2</b>	<b>-0.8</b>	<b>1.3</b>
<b>Latin America</b>	<b>4.0</b>	<b>-1.8</b>	<b>6.3</b>	<b>4.5</b>	<b>2.9</b>	<b>2.9</b>	<b>1.1</b>	<b>-0.3</b>	<b>-0.9</b>	<b>1.3</b>
Argentina	4.1	-5.9	10.1	6.0	-1.0	2.4	-2.5	2.6	-2.2	2.9
Bolivia (Plurinational State of)	6.1	3.4	4.1	5.2	5.1	6.8	5.5	4.9	4.3	3.9
Brazil	5.1	-0.1	7.5	4.0	1.9	3.0	0.5	-3.5	-3.5	0.9
Chile	3.7	-1.0	5.8	5.8	5.5	4.0	1.9	2.3	1.6	1.5
Colombia	3.5	1.7	4.0	6.6	4.0	4.9	4.4	3.1	2.0	1.8
Costa Rica	2.7	-1.0	5.0	4.5	5.2	2.3	3.5	3.6	4.5	3.9
Cuba	4.1	1.5	2.4	2.8	3.0	2.8	1.0	4.3	0.0	0.5
Dominican Republic	3.2	0.9	8.3	3.1	2.8	4.7	7.6	7.0	6.6	4.9
Ecuador	6.4	0.6	3.5	7.9	5.6	4.9	4.0	0.2	-1.5	1.0
El Salvador	1.3	-3.1	1.4	2.2	1.9	1.8	1.4	2.3	2.4	2.4
Guatemala	3.3	0.5	2.9	4.2	3.0	3.7	4.2	4.1	3.1	3.2
Haiti	0.8	3.1	-5.5	5.5	2.9	4.2	2.8	1.2	1.4	1.3
Honduras	4.2	-2.4	3.7	3.8	4.1	2.8	3.1	3.6	3.6	3.9
Mexico	1.1	-5.3	5.1	3.7	3.6	1.4	2.8	3.3	2.9	2.2
Nicaragua	3.4	-3.3	4.4	6.3	6.5	4.9	4.8	4.9	4.7	4.9
Panama	8.6	1.6	5.8	11.8	9.2	6.6	6.1	5.8	4.9	5.3
Paraguay	6.4	-4.0	13.1	4.3	-1.2	14.0	4.7	3.0	4.0	4.0
Peru	9.1	1.1	8.3	6.3	6.1	5.9	2.4	3.3	4.0	2.5
Uruguay	7.2	4.2	7.8	5.2	3.5	4.6	3.2	0.4	1.5	3.0
Venezuela (Bolivarian Republic of)	5.3	-3.2	-1.5	4.2	5.6	1.3	-3.9	-5.7	...	...
<b>Caribbean</b>	<b>1.2</b>	<b>-3.5</b>	<b>1.4</b>	<b>1.0</b>	<b>1.4</b>	<b>1.0</b>	<b>0.4</b>	<b>0.6</b>	<b>-1.6</b>	<b>0.1</b>
Antigua and Barbuda	0.0	-12.1	-7.2	-2.1	3.5	-0.1	5.1	4.1	5.3	4.5
The Bahamas	-2.3	-4.2	1.5	0.6	3.1	-0.6	-1.2	-3.1	0.2	1.2
Barbados	0.1	-4.0	0.3	0.7	0.3	0.0	0.0	0.9	2.0	1.5
Belize	3.2	0.8	3.3	2.1	3.7	0.7	4.0	3.8	-0.5	2.5
Dominica	7.1	-1.2	0.7	-0.2	-1.1	-0.6	4.4	-2.5	2.6	-8.3
Grenada	1.0	-6.6	-0.4	0.7	-1.2	2.3	7.3	6.5	3.7	3.5
Guyana	2.0	3.3	4.4	5.4	4.8	5.2	3.8	3.2	3.3	2.9
Jamaica	-0.8	-4.3	-1.5	1.7	-0.6	0.5	0.7	1.0	1.4	1.2
Saint Kitts and Nevis	6.3	-3.0	-2.2	2.4	-0.6	6.2	6.0	4.0	2.2	2.1
Saint Vincent and the Grenadines	1.6	-2.1	-3.4	-0.4	1.4	1.8	1.0	1.8	1.3	0.8
Saint Lucia	5.7	1.2	-1.6	0.6	0.2	3.4	-0.2	2.0	1.7	2.8
Suriname	4.1	3.0	5.2	5.3	3.3	2.9	0.3	-2.6	-5.1	-0.7
Trinidad and Tobago	3.4	-4.4	3.3	-0.3	1.3	1.0	-0.3	1.5	-6.0	-2.3

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures.

b/ Based on official figures expressed in dollars at constant 2010 prices.

Table A-3  
**Latin America and the Caribbean: per capita gross domestic product**  
*(Annual growth rates)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America and the Caribbean b/</b>	<b>2.7</b>	<b>-3.0</b>	<b>4.9</b>	<b>3.2</b>	<b>1.6</b>	<b>1.7</b>	<b>0.1</b>	<b>-1.3</b>	<b>-1.9</b>	<b>0.3</b>
<b>Latin America</b>	<b>2.7</b>	<b>-3.0</b>	<b>4.9</b>	<b>3.2</b>	<b>1.6</b>	<b>1.7</b>	<b>0.1</b>	<b>-1.3</b>	<b>-1.9</b>	<b>0.2</b>
Argentina	3.0	-6.9	9.0	4.9	-2.1	1.3	-3.5	1.6	-3.2	2.0
Bolivia (Plurinational State of)	4.3	1.6	2.4	3.5	3.4	5.1	3.8	3.2	2.7	2.4
Brazil	3.9	-1.2	6.4	2.9	0.9	2.0	-0.4	-4.4	-4.3	0.1
Chile	2.5	-2.1	4.6	4.7	4.3	2.9	0.8	1.2	0.5	0.5
Colombia	2.3	0.5	2.8	5.5	3.0	3.8	3.4	2.1	1.1	1.0
Costa Rica	1.3	-2.3	3.6	3.2	3.9	1.1	2.4	2.5	3.5	2.9
Cuba	4.1	1.4	2.3	2.7	2.8	2.6	0.9	4.2	0.0	-0.5
Dominican Republic	1.8	-0.4	6.9	1.8	1.5	3.5	6.3	5.8	5.4	3.8
Ecuador	4.6	-1.1	1.8	6.2	4.0	3.3	2.4	-1.3	-2.9	-0.5
El Salvador	0.9	-3.5	1.0	1.8	1.5	1.4	1.0	1.9	1.9	2.0
Guatemala	1.0	-1.6	0.7	2.0	0.8	1.6	2.1	2.1	1.1	1.3
Haiti	-0.7	1.5	-6.9	4.0	1.4	2.8	1.4	-0.1	0.1	0.0
Honduras	2.4	-4.1	2.1	2.2	2.6	1.3	1.6	2.2	2.2	2.6
Mexico	-0.5	-6.8	3.5	2.2	2.2	0.0	1.5	1.9	1.6	0.9
Nicaragua	2.1	-4.5	3.1	5.0	5.2	3.7	3.6	3.7	3.6	3.8
Panama	6.7	-0.1	4.0	9.9	7.4	4.9	4.4	4.1	3.2	3.7
Paraguay	4.9	-5.2	11.6	2.9	-2.6	12.5	3.3	1.6	2.8	2.8
Peru	7.8	-0.1	7.0	4.9	4.7	4.4	1.0	1.9	2.7	1.3
Uruguay	6.8	3.9	7.5	4.8	3.2	4.3	2.9	0.0	1.1	2.6
Venezuela (Bolivarian Republic of)	3.6	-4.7	-2.9	2.7	4.2	0.0	-5.1	-6.9	...	...
<b>Caribbean</b>	<b>0.5</b>	<b>-4.2</b>	<b>0.7</b>	<b>0.4</b>	<b>0.8</b>	<b>0.4</b>	<b>-0.2</b>	<b>0.0</b>	<b>-2.2</b>	<b>-0.4</b>
Antigua and Barbuda	-1.1	-13.1	-8.2	-3.1	2.4	-1.1	4.0	3.0	4.3	3.5
The Bahamas	-4.1	-5.8	-0.2	-1.0	1.5	-2.0	-2.6	-4.3	-1.0	0.1
Barbados	-0.3	-4.4	-0.1	0.3	-0.1	-0.3	-0.3	0.6	1.7	1.2
Belize	0.6	-1.7	0.9	-0.3	1.4	-1.5	1.8	1.6	-2.6	0.4
Dominica	7.0	-1.3	0.4	-0.6	-1.5	-1.0	3.9	-3.0	2.2	-8.7
Grenada	0.6	-7.0	-0.8	0.3	-1.6	1.8	6.9	6.0	3.2	3.0
Guyana	1.6	3.0	4.0	5.1	4.5	4.9	3.5	2.7	2.8	2.4
Jamaica	-1.3	-4.8	-1.9	1.3	-1.0	0.1	0.3	0.6	1.0	0.8
Saint Kitts and Nevis	5.0	-4.2	-3.4	1.2	-1.8	4.9	4.7	2.8	1.1	1.0
Saint Vincent and the Grenadines	1.5	-2.2	-3.4	-0.4	1.4	1.8	1.0	1.7	1.1	0.6
Saint Lucia	4.1	-0.2	-2.8	-0.4	-0.7	2.6	-0.9	1.2	0.9	2.1
Suriname	3.0	1.8	4.0	4.2	2.3	2.0	-0.6	-3.4	-6.0	-1.5
Trinidad and Tobago	2.9	-4.8	2.8	-0.8	0.8	0.5	-0.7	1.1	-6.3	-2.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures.

b/ Based on official figures expressed in dollars at constant 2010 prices.



Table A-4  
**Latin America and the Caribbean: gross fixed capital formation**  
*(Percentages of GDP)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America and the Caribbean b/</b>	<b>20.3</b>	<b>19.1</b>	<b>20.2</b>	<b>21.1</b>	<b>21.3</b>	<b>21.3</b>	<b>20.7</b>	<b>19.5</b>	<b>18.7</b>	<b>17.9</b>
Argentina	17.6	14.5	16.6	18.4	17.3	17.3	16.5	16.7	16.2	16.7
The Bahamas	28.1	26.4	26.2	27.6	30.1	27.0	28.8	23.8	25.1	...
Belize	24.9	20.1	15.3	14.9	15.7	18.3	20.2	23.8	25.1	...
Bolivia (Plurinational State of)	16.1	16.1	16.6	19.5	19.0	19.9	20.7	20.7	20.6	20.3
Brazil	19.1	18.7	20.5	21.1	20.9	21.4	20.4	18.2	16.9	16.6
Chile	23.3	20.7	21.9	23.7	25.1	24.7	23.1	22.4	21.9	21.7
Colombia	22.3	21.7	21.9	24.4	24.6	25.0	26.3	26.0	24.6	24.6
Costa Rica	22.1	19.9	20.0	20.8	21.4	20.8	20.8	20.6	19.8	19.5
Dominican Republic	24.1	23.1	24.6	26.1	27.3	28.7	28.7	27.0	25.2	25.9
Ecuador	15.8	13.2	13.3	14.8	14.3	15.4	14.2	15.0	14.6	14.5
El Salvador	18.0	15.6	14.8	15.2	15.3	15.0	15.0	15.3	15.2	16.3
Guatemala	25.6	25.7	25.4	...	...	...	...	...	...	...
Haiti	33.3	22.1	21.6	24.3	24.2	23.1	22.5	24.4	21.8	21.7
Honduras	23.2	21.7	21.6	22.5	22.7	21.7	21.7	22.1	21.7	21.5
Mexico	26.4	20.6	21.2	24.3	27.5	27.6	27.3	31.2	31.2	31.3
Nicaragua	29.5	28.2	30.2	33.7	37.3	42.2	43.7	...	...	...
Panama	15.2	14.7	15.9	16.9	15.8	15.5	16.1	16.0	16.5	16.9
Paraguay	21.9	20.9	23.5	24.3	26.3	26.2	25.1	22.7	21.0	20.3
Peru	27.6	23.3	25.1	23.7	23.0	22.4	23.3	26.3	27.4	27.2
Uruguay	19.6	17.7	19.1	19.4	22.1	22.0	21.8	19.7	19.6	19.3
Venezuela (Bolivarian Republic of)	20.7	19.6	18.7	18.7	21.9	19.6	17.0	17.5	19.3	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures.

b/ Based on official figures expressed in dollars at constant 2010 prices.

Table A-5  
Latin America and the Caribbean: balance of payments  
(Millions of dollars)

	Exports of goods f.o.b.			Exports of services			Imports of goods f.o.b.			Imports of services		
	2015	2016	2017 a/	2015	2016	2017 a/	2015	2016	2017 a/	2015	2016	2017 a/
<b>Latin America and the Caribbean</b>	<b>926,951</b>	<b>865,465</b>	...	<b>153,765</b>	<b>152,283</b>	...	<b>984,239</b>	<b>872,283</b>	...	<b>209,375</b>	<b>187,918</b>	...
<b>Latin America b/</b>	<b>909,789</b>	<b>852,984</b>	<b>948,533</b>	<b>141,156</b>	<b>142,991</b>	<b>152,778</b>	<b>960,160</b>	<b>853,001</b>	<b>928,956</b>	<b>200,436</b>	<b>180,811</b>	<b>195,372</b>
Argentina	56,813	57,784	58,922	13,219	12,812	14,134	57,176	53,243	63,610	19,005	20,956	23,680
Bolivia (Plurinational State of)	8,684	7,000	7,840	1,243	1,245	1,307	9,004	7,888	8,573	2,835	2,841	2,898
Brazil	190,092	184,453	215,810	33,778	33,300	34,632	172,422	139,416	150,569	70,696	63,747	68,209
Chile	62,183	60,597	67,599	9,636	9,500	10,070	58,718	55,341	60,875	13,054	12,638	13,270
Colombia	38,263	33,382	37,967	7,424	8,012	8,334	52,051	43,239	46,266	12,193	11,171	11,898
Costa Rica	9,432	10,166	10,936	7,693	8,648	9,218	14,059	14,587	15,317	3,085	3,533	4,035
Dominican Republic	9,442	9,860	10,346	7,542	8,305	8,886	16,907	17,484	18,183	3,174	3,344	3,503
Ecuador	19,049	17,425	19,888	2,391	2,140	2,172	20,699	15,858	19,236	3,197	3,194	3,276
El Salvador	4,381	4,186	4,463	2,337	2,477	2,570	9,384	8,823	9,352	1,532	1,721	1,787
Guatemala	10,824	10,581	11,114	2,823	2,784	2,840	16,381	15,767	16,871	3,162	3,026	3,193
Haiti	1,024	995	988	724	607	613	3,449	3,183	3,693	1,042	1,013	1,044
Honduras	8,188	7,841	8,317	1,104	1,181	1,217	11,097	10,559	11,142	1,794	1,791	1,827
Mexico	380,976	374,296	409,734	22,903	24,597	26,566	395,573	387,369	417,825	32,657	33,549	37,910
Nicaragua	3,859	3,772	4,111	1,254	1,394	1,506	6,405	6,384	6,518	1,021	1,148	1,056
Panama	12,765	11,705	12,641	14,337	14,613	16,065	22,487	20,513	22,564	4,758	4,423	4,738
Paraguay	10,898	11,155	11,754	860	883	895	10,317	9,789	11,649	1,104	1,104	1,181
Peru	34,414	37,020	44,424	6,236	6,312	7,070	37,331	35,132	38,118	8,276	8,287	8,508
Uruguay	11,145	10,766	11,680	4,488	4,181	4,683	9,801	8,427	8,595	4,077	3,325	3,358
Venezuela (Bolivarian Republic of)	37,357	...	...	1,163	...	...	36,901	...	...	13,774	...	...
<b>Caribbean</b>	<b>17,162</b>	<b>12,481</b>	...	<b>12,609</b>	<b>9,292</b>	...	<b>24,079</b>	<b>19,281</b>	...	<b>8,939</b>	<b>7,107</b>	...
Antigua and Barbuda	66	78	...	968	955	...	460	503	...	388	424	...
The Bahamas c/	527	...	...	2,737	...	...	2,953	...	...	1,271	...	...
Barbados	483	517	...	1,471	1,565	...	1,537	1,540	...	494	495	...
Belize c/	538	...	...	496	...	...	961	...	...	221	...	...
Dominica	34	26	...	234	255	...	188	188	...	126	126	...
Grenada	41	38	...	537	555	...	327	315	...	238	238	...
Guyana	1,170	...	...	143	...	...	1,475	...	...	423	...	...
Jamaica	1,255	1,195	1,222	3,059	3,218	2,900	4,449	4,169	4,200	2,161	2,167	2,200
Saint Kitts and Nevis	49	51	...	482	467	...	302	308	...	216	206	...
Saint Vincent and the Grenadines	46	47	...	233	239	...	295	295	...	117	119	...
Saint Lucia	187	166	...	853	811	...	502	576	...	330	320	...
Suriname	1,652	2,149	...	204	203	...	2,028	1,966	...	674	803	...
Trinidad and Tobago	11,114	8,214	...	1,192	1,025	...	8,602	9,422	...	2,277	2,210	...

Table A-5 (continued)  
**Latin America and the Caribbean: balance of payments**  
*(Millions of dollars)*

	Goods and services balance			Income balance			Current transfers balance			Current account balance		
	2015	2016	2017 a/	2015	2016	2017 a/	2015	2016	2017 a/	2015	2016	2017 a/
<b>Latin America and the Caribbean</b>	<b>-112,897</b>	<b>-42,452</b>	...	<b>-131,808</b>	<b>-124,372</b>	...	<b>69,763</b>	<b>75,366</b>	...	<b>-174,943</b>	<b>-89,090</b>	...
<b>Latin America b/</b>	<b>-109,651</b>	<b>-37,837</b>	<b>-18,971</b>	<b>-129,861</b>	<b>-123,367</b>	<b>-141,052</b>	<b>66,908</b>	<b>72,772</b>	<b>77,746</b>	<b>-172,604</b>	<b>-88,432</b>	<b>-86,322</b>
Argentina	-6,148	-3,603	-14,235	-12,105	-12,105	-13,710	1,083	1,176	1,092	-17,170	-14,533	-26,853
Bolivia (Plurinational State of)	-1,911	-2,485	0	-1,127	-616	-900	1,171	1,194	1,253	-1,868	-1,907	-1,971
Brazil	-19,249	14,590	31,664	-42,910	-41,080	-46,000	2,724	2,960	2,398	-59,434	-23,530	-11,938
Chile	47	2,119	3,524	-6,576	-7,117	-10,249	1,858	1,424	2,300	-4,670	-3,574	-4,425
Colombia	-18,557	-13,016	-11,862	-5,650	-5,113	-6,400	5,430	5,823	6,118	-18,777	-12,305	-12,144
Costa Rica	-19	694	803	-2,380	-2,864	-3,099	457	473	488	-1,942	-1,698	-1,809
Dominican Republic	-3,097	-2,663	-2,454	-2,936	-3,364	-3,900	4,753	5,049	5,454	-1,280	-978	-901
Ecuador	-2,455	513	-453	-1,731	-1,856	-2,290	2,078	2,780	2,836	-2,108	1,438	92
El Salvador	-4,198	-3,881	-4,107	-1,091	-1,225	-1,287	4,363	4,576	5,066	-926	-531	-328
Guatemala	-5,896	-5,428	-6,110	-1,399	-1,507	-1,550	7,199	7,959	8,914	-96	1,023	1,254
Haiti	-2,743	-2,595	-3,136	41	48	50	2,437	2,464	2,830	-266	-83	-256
Honduras	-3,598	-3,328	-3,434	-1,380	-1,491	-1,614	3,835	4,009	4,473	-1,144	-810	-575
Mexico	-24,351	-22,025	-19,435	-29,268	-27,152	-30,000	24,131	26,527	28,192	-29,489	-22,650	-21,243
Nicaragua	-2,313	-2,366	-236	-345	-354	-394	1,515	1,586	1,665	-1,144	-1,133	-685
Panama	-143	1,382	1,404	-4,025	-4,385	-4,245	-106	-157	-116	-4,274	-3,160	-2,958
Paraguay	337	1,146	-181	-1,311	-1,506	-1,490	672	775	869	-301	415	-802
Peru	-4,956	-86	4,867	-7,544	-9,184	-11,021	3,331	3,967	3,712	-9,169	-5,303	-2,441
Uruguay	1,755	3,195	4,410	-2,327	-2,494	-2,953	176	187	204	-395	888	1,661
Venezuela (Bolivarian Republic of)	-12,155	...	...	-5,798	...	...	-197	...	...	-18,150	...	...
<b>Caribbean</b>	<b>-3,246</b>	<b>-4,614</b>	<b>-2,278</b>	<b>-1,947</b>	<b>-1,006</b>	<b>-280</b>	<b>2,854</b>	<b>2,594</b>	<b>2,200</b>	<b>-2,340</b>	<b>-658</b>	...
Antigua and Barbuda	185	106	...	-81	-98	...	-11	-7	...	93	2	...
The Bahamas	-960	...	...	-403	47	...	-46	47	...	-1,409	47	...
Barbados	-78	47	...	-213	-221	...	2	-33	...	-289	-207	...
Belize	-149	...	...	-95	47	...	70	47	...	-175	47	...
Dominica	-47	-33	...	-19	-20	...	55	57	...	-10	5	...
Grenada	13	40	...	-58	-61	...	7	-12	...	-38	-34	...
Guyana	-585	...	...	25	...	...	417	0	...	-144	0	...
Jamaica	-2,296	-1,922	-2,278	-440	-570	-280	2,306	2,389	2,200	-430	-103	-358
Saint Kitts and Nevis	13	4	...	-81	-81	...	-17	-26	...	-85	-102	...
Saint Vincent and the Grenadines	-132	-127	...	-14	-25	...	33	30	...	-113	-122	...
Saint Lucia	208	81	...	-111	-118	...	15	6	...	112	-31	...
Suriname	-846	-417	...	-27	47	...	65	47	...	-808	47	...
Trinidad and Tobago	1,428	-2,392	...	-429	47	...	-42	47	...	957	-207	...

(Continues)

Table A-5 (concluded)  
**Latin America and the Caribbean: balance of payments**  
*(Millions of dollars)*

	Capital and financial balance c/			Overall balance			Reserve assets (variation) d/			Other financing		
	2015	2016	2017 a/	2015	2016	2017 a/	2015	2016	2017 a/	2015	2016	2017 a/
<b>Latin America and the Caribbean</b>	<b>149,132</b>	<b>116,052</b>	...	<b>-27,489</b>	<b>26,459</b>	...	<b>23,685</b>	<b>-26,491</b>	...	<b>681</b>	<b>-117</b>	...
<b>Latin America b/</b>	<b>146,759</b>	<b>114,820</b>	<b>115,820</b>	<b>-25,845</b>	<b>26,388</b>	<b>28,562</b>	<b>25,212</b>	<b>-26,187</b>	<b>-29,464</b>	<b>638</b>	<b>-201</b>	...
Argentina	12,264	28,844	39,965	-4,906	14,311	13,112	4,906	-14,311	-13,112	0	0	...
Bolivia (Plurinational State of)	248	-1,138	1,961	-1,620	-3,046	-9	1,620	3,046	9	0	0	...
Brazil	61,003	32,767	27,105	1,569	9,237	15,167	-1,569	-9,237	-15,167	0	0	...
Chile	4,881	5,379	1,802	211	1,805	-2,623	-211	-1,805	2,623	0	0	...
Colombia	19,192	12,470	12,986	415	165	842	-415	-165	-842	0	0	...
Costa Rica	2,586	1,463	1,059	644	-235	-750	-644	235	750	0	0	...
Dominican Republic	2,051	1,870	1,870	770	892	129	-407	-780	-129	-363	-112	...
Ecuador	620	-231	-231	-1,489	1,207	-1,533	1,453	-1,763	1,533	36	556	...
El Salvador	1,039	983	850	113	453	523	-113	-453	-523	0	0	...
Guatemala	572	368	853	475	1,392	2,107	-475	-1,392	-2,107	0	0	...
Haiti	81	164	321	-185	81	65	141	-142	-65	49	61	...
Honduras	1,437	864	-575	293	53	597	-303	-66	-597	10	13	...
Mexico	13,822	22,515	17,704	-15,667	-136	-3,539	15,667	136	3,539	0	0	...
Nicaragua	1,341	1,077	1,077	197	-57	-57	-197	57	57	0	0	...
Panama	3,290	4,487	2,057	-984	1,327	-901	78	-609	0	907	-718	...
Paraguay	-258	543	1,632	-560	957	830	560	-957	-830	0	0	...
Peru	9,242	5,472	5,118	73	168	2,677	-73	-168	-2,677	0	0	...
Uruguay	-1,281	-3,076	265	-1,677	-2,189	1,926	1,677	2,189	-1,926	0	...	...
Venezuela (Bolivarian Republic of)	14,632	...	...	-3,518	...	...	3,518	...	...	0	...	...
<b>Caribbean</b>	<b>986</b>	<b>1,232</b>	...	<b>-1,353</b>	<b>71</b>	...	<b>-1,818</b>	<b>-304</b>	...	<b>43</b>	<b>84</b>	...
Antigua and Barbuda	-35	-27	...	58	-24	...	-58	24	...	0	0	...
The Bahamas	1,437	84	...	28	...	...	-28	...	...	0	...	...
Barbados	226	84	...	-63	-123	...	63	123	...	0	...	...
Belize	71	84	...	-104	...	...	104	...	...	0	...	...
Dominica	36	91	...	26	96	...	-26	-96	...	0	0	...
Grenada	67	44	...	29	10	...	-29	-10	...	0	0	...
Guyana	169	...	...	25	...	...	-68	...	...	43	...	...
Jamaica	870	482	210	440	379	148	-440	-379	-148	0	0	0
Saint Kitts and Nevis	47	147	...	-38	44	...	38	-44	...	0	0	...
Saint Vincent and the Grenadines	128	142	...	15	20	...	-15	-20	...	0	0	...
Saint Lucia	-51	18	...	61	-13	...	-61	13	...	0	0	...
Suriname	542	84	...	-266	150	...	266	84	...	0	84	...
Trinidad and Tobago	-2,521	...	...	-1,564	-467	...	-1,564	...	...	0	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Estimates.

b/ Does not include the Bolivarian Republic of Venezuela.

c/ Includes errors and omissions.

d/ A minus sign (-) indicates an increase in reserve assets.

Table A-6  
**Latin America and the Caribbean: international trade of goods**  
*(Indices: 2010=100)*

	<b>Exports of goods, f.o.b.</b>								
	Value			Volume			Unit value		
	2015	2016	2017 <i>a/</i>	2015	2016	2017 <i>a/</i>	2015	2016	2017 <i>a/</i>
<b>Latin America</b>	<b>104.0</b>	<b>105.4</b>	<b>117.4</b>	<b>116.6</b>	<b>122.4</b>	<b>127.6</b>	<b>89.2</b>	<b>86.1</b>	<b>92.0</b>
Argentina	83.2	84.6	86.3	84.0	89.6	88.7	99.3	94.5	97.3
Bolivia (Plurinational State of)	135.6	109.3	122.5	141.1	128.9	128.7	94.7	81.7	93.1
Brazil	94.4	91.6	107.2	112.1	115.9	121.1	84.2	79.0	88.5
Chile	87.5	82.7	95.1	110.5	106.8	108.9	80.0	78.3	88.2
Colombia	93.9	81.9	93.1	143.6	142.7	144.1	65.4	57.4	64.6
Costa Rica	125.9	135.7	146.0	132.1	138.1	144.9	93.7	92.2	94.5
Dominican Republic	138.5	144.7	151.8	141.0	150.4	154.2	92.3	90.3	92.5
Ecuador	105.0	96.1	109.7	119.4	118.2	119.3	83.9	78.0	88.2
El Salvador	126.1	120.5	128.5	121.5	119.9	126.6	106.7	104.5	105.6
Guatemala	126.8	124.0	130.2	143.1	136.7	140.6	86.4	88.6	92.2
Haiti	176.3	171.3	170.2	170.6	172.7	169.9	103.2	99.4	104.0
Honduras	130.7	125.2	132.8	145.7	140.7	144.4	84.5	84.6	88.0
Mexico	127.5	125.2	137.1	130.8	134.8	142.5	97.8	93.6	96.9
Nicaragua	141.6	138.4	150.8	132.3	136.1	145.3	106.8	101.2	103.3
Panama	100.7	92.3	99.7	98.8	93.2	98.7	101.1	97.7	99.6
Paraguay	104.0	106.5	112.2	102.6	108.3	112.6	96.4	93.6	94.8
Peru	96.1	103.4	124.1	108.2	121.0	132.0	88.8	85.5	94.0
Uruguay	138.8	134.1	145.4	131.3	135.0	143.1	105.7	99.3	101.6
Venezuela (Bolivarian Republic of)	55.8	...	...	83.5	...	...	69.6	59.0	68.7

	<b>Imports of goods, f.o.b.</b>								
	Value			Volume			Unit value		
	2015	2016	2017 <i>a/</i>	2015	2016	2017 <i>a/</i>	2015	2016	2017 <i>a/</i>
<b>Latin America</b>	<b>116.1</b>	<b>108.6</b>	<b>116.1</b>	<b>114.8</b>	<b>111.8</b>	<b>114.5</b>	<b>101.1</b>	<b>97.2</b>	<b>101.4</b>
Argentina	105.6	98.3	117.5	107.5	111.7	128.4	98.2	87.9	91.4
Bolivia (Plurinational State of)	161.1	141.1	153.4	100.3	90.4	94.5	160.6	158.6	165.7
Brazil	94.3	76.3	82.4	95.7	85.0	87.6	98.5	89.7	94.0
Chile	106.3	100.2	110.2	115.7	113.6	119.0	92.8	88.7	93.3
Colombia	135.5	112.6	120.5	143.3	134.7	140.0	94.5	83.5	86.0
Costa Rica	127.3	132.1	138.7	130.9	135.8	137.0	96.4	95.1	99.0
Dominican Republic	111.2	114.9	119.5	119.3	125.9	125.9	94.3	91.4	95.0
Ecuador	105.4	80.7	97.9	100.4	81.0	93.7	104.9	103.5	108.4
El Salvador	125.2	117.7	124.8	132.1	130.3	132.8	101.0	96.3	100.1
Guatemala	127.9	123.1	131.7	128.9	125.3	129.7	97.4	94.7	98.0
Haiti	103.6	95.6	111.0	88.5	83.3	92.9	118.1	115.2	117.0
Honduras	124.6	118.5	125.1	121.1	116.4	118.1	100.0	96.8	100.7
Mexico	131.1	128.4	138.4	125.5	122.9	127.8	103.5	102.9	106.7
Nicaragua	141.9	141.5	144.4	150.8	160.6	157.6	94.3	87.9	91.5
Panama	130.6	119.1	131.0	124.3	113.4	121.0	104.1	103.8	107.1
Paraguay	107.5	102.0	121.4	105.0	100.6	115.4	101.0	99.0	102.7
Peru	129.6	121.9	132.3	128.0	124.1	128.6	101.3	98.2	102.9
Uruguay	114.5	98.5	100.4	124.0	119.8	-117.5	92.4	82.2	85.5
Venezuela (Bolivarian Republic of)	87.0	...	...	82.5	...	...	105.8	107.4	110.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Estimates.

Table A-7  
**Latin America: terms of trade for goods f.o.b. / f.o.b.**  
*(Indices: 2010=100)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 <i>a/</i>
<b>Latin America</b>	<b>97.2</b>	<b>89.7</b>	<b>100.0</b>	<b>108.0</b>	<b>104.5</b>	<b>102.1</b>	<b>97.9</b>	<b>88.2</b>	<b>88.6</b>	<b>90.7</b>
Argentina	96.4	97.2	100.0	110.9	115.7	108.1	105.4	100.8	107.3	106.3
Bolivia (Plurinational State of)	99.0	95.2	100.0	118.1	112.3	94.5	79.9	59.9	54.3	58.6
Brazil	88.5	86.2	100.0	107.8	101.5	99.4	96.1	85.5	88.1	94.1
Chile	78.4	82.0	100.0	101.3	94.8	91.9	89.9	86.0	87.9	94.1
Colombia	91.3	86.1	100.0	114.8	108.4	100.6	91.6	69.1	68.7	75.1
Costa Rica	100.8	104.1	100.0	96.3	95.8	96.1	97.0	98.0	101.0	99.5
Dominican Republic	96.0	103.8	100.0	94.7	93.8	91.5	97.7	105.4	105.3	103.6
Ecuador	103.7	86.7	100.0	112.4	112.1	113.2	112.7	83.8	81.6	87.9
El Salvador	107.1	105.1	100.0	100.8	97.1	96.5	101.2	109.5	111.3	108.0
Guatemala	92.6	100.5	100.0	99.1	93.7	91.8	92.3	89.3	92.3	91.2
Haiti	79.9	103.4	100.0	83.0	86.0	80.6	83.1	88.2	86.4	83.9
Honduras	91.1	97.3	100.0	108.4	94.6	88.6	90.4	87.2	87.3	86.8
Mexico	104.6	92.9	100.0	106.8	102.9	102.8	97.6	93.3	89.0	88.9
Nicaragua	90.9	97.9	100.0	106.6	106.7	98.4	100.3	113.7	115.4	113.3
Panama	97.3	101.9	100.0	97.8	98.2	97.7	99.7	97.0	94.3	93.3
Paraguay	102.3	100.0	100.0	102.4	103.4	102.8	103.3	98.9	96.9	94.7
Peru	84.6	82.6	100.0	107.2	104.4	99.0	93.6	87.8	87.0	91.4
Uruguay	94.1	100.5	100.0	102.4	106.3	108.1	112.3	114.5	120.8	118.9
Venezuela (Bolivarian Republic of)	115.5	84.1	100.0	120.2	121.4	118.9	111.8	63.3	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

*a/* Estimates.

Table A-8  
**Latin America and the Caribbean (selected countries): remittances from emigrant workers**  
*(Millions of dollars)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 <i>a/</i>
Bolivia (Plurinational State of)	1,097	1,023	939	1,012	1,094	1,182	1,164	1,179	1,204	605 <i>b/</i>
Brazil	2,913	2,224	2,518	2,550	2,191	2,124	2,128	2,459	2,365	1,685 <i>c/</i>
Colombia	4,785	4,090	3,996	4,064	3,970	4,401	4,093	4,635	4,858	3,993 <i>c/</i>
Costa Rica	584	489	505	487	527	561	559	518	515	259 <i>b/</i>
Dominican Republic	...	...	3,683	4,008	4,045	4,262	4,571	4,961	5,261	4,485 <i>c/</i>
Ecuador	3,083	2,736	2,591	2,672	2,467	2,450	2,462	2,378	2,602	1,325 <i>b/</i>
El Salvador	3,742	3,387	3,455	3,628	3,880	3,938	4,133	4,270	4,576	4,112
Guatemala	4,315	3,912	4,127	4,378	4,783	5,105	5,544	6,285	7,160	6,825
Haiti	2,707	2,403	2,526	2,750	2,842	3,093	3,437	3,726	3,946	2,179 <i>b/</i>
Honduras	2,021	1,792	1,906	2,025	2,037	2,065	2,157	2,226	2,291	732 <i>d/</i>
Jamaica	25,145	21,306	21,304	22,803	22,438	22,303	23,647	24,792	26,972	21,224 <i>c/</i>
Mexico	818	768	823	912	1,014	1,078	1,136	1,193	1,264	1,020 <i>c/</i>
Nicaragua	202	201	274	451	528	519	422	462	547	432 <i>c/</i>
Peru	2,444	2,409	2,534	2,697	2,788	2,707	2,637	2,725	2,884	1,476 <i>b/</i>

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

*a/* Figures as of October.

*b/* Figures as of June.

*c/* Figures as of September.

*d/* Figures as of April.

Table A-9  
**Latin America and the Caribbean: net resource transfer a/**  
*(Millions of dollars)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 b/
<b>Latin America and the Caribbean</b>	<b>-30,428</b>	<b>-21,076</b>	<b>34,600</b>	<b>47,760</b>	<b>30,217</b>	<b>31,377</b>	<b>65,958</b>	<b>17,433</b>	<b>-7,028</b>	...
<b>Latin America c/</b>	<b>-28,390</b>	<b>-20,101</b>	<b>37,619</b>	<b>51,089</b>	<b>33,849</b>	<b>34,257</b>	<b>66,307</b>	<b>18,352</b>	<b>-7,356</b>	<b>-25,232</b>
Argentina	-14,438	-16,227	-8,767	-15,841	-14,921	-11,864	-1,745	160	16,738	26,255
Bolivia (Plurinational State of)	359	-421	157	2,083	-258	67	362	248	-1,138	1,061
Brazil	-9,401	37,269	57,870	65,194	38,810	36,374	62,844	18,094	-8,313	-18,895
Chile	-1,352	-13,265	-15,432	3,358	-2,016	218	-3,318	-1,222	-962	-8,447
Colombia	-516	-2,270	649	-1,950	1,759	5,218	11,676	13,542	7,358	6,586
Costa Rica	1,644	-180	589	979	3,065	1,064	226	206	-1,402	-2,040
Cuba	...	...	...	...	...	...	...	...	...	...
Dominican Republic	2,462	1,248	2,563	2,420	933	735	-882	-1,249	-1,606	-2,031
Ecuador	-2,246	-2,264	-625	-522	-1,611	1,427	-1,441	-1,076	-1,530	-2,521
El Salvador	1,477	179	-302	79	1,039	267	145	-52	-242	-436
Guatemala	906	-762	142	313	693	989	-105	-827	-1,139	-697
Haiti	960	699	3,188	1,798	788	625	325	170	273	371
Honduras	1,532	-429	546	521	32	894	225	67	-615	-2,189
Mexico	8,982	-1,985	13,556	22,125	9,719	11,229	9,631	-15,446	-4,638	-12,296
Nicaragua	1,258	873	749	980	802	967	812	996	723	683
Panama	1,732	-664	1,223	2,854	1,667	2,096	4,134	171	-616	-2,189
Paraguay	-915	-767	-1,036	-603	-1,184	-1,127	-279	-1,569	-964	142
Peru	-288	-6,728	3,531	-5,495	7,602	1,079	-3,146	1,698	-3,712	-5,902
Uruguay	3,045	929	-1,131	2,248	1,609	1,900	-465	-3,608	-5,571	-2,688
Venezuela (Bolivarian Republic of)	-23,589	-15,337	-19,853	-29,453	-14,681	-17,901	-12,691	8,050	...	...
<b>Caribbean</b>	<b>-2,039</b>	<b>-974</b>	<b>-3,019</b>	<b>-3,329</b>	<b>-3,632</b>	<b>-2,880</b>	<b>-349</b>	<b>-919</b>	<b>328</b>	...
Antigua and Barbuda	292	108	146	88	140	191	-9	-116	-124	...
The Bahamas	1,246	909	627	992	1,162	1,096	1,542	1,035	...	...
Barbados	140	242	96	150	139	-38	188	13	-137	...
Belize	38	15	-107	-60	-30	72	78	-24	...	...
Dominica	108	118	70	67	81	23	29	18	71	...
Grenada	201	160	154	177	157	223	6	9	-17	...
Guyana	262	-51	101	341	311	568	471	236	...	...
Jamaica	2,120	430	871	1,326	400	860	1,472	430	-88	-70
Saint Kitts and Nevis	183	172	142	129	52	50	-7	-35	66	...
Saint Vincent and the Grenadines	204	189	221	163	208	247	182	114	117	...
Saint Lucia	257	125	195	231	158	84	-86	-162	-100	...
Suriname	-96	-68	-720	-569	-175	-84	196	514	-1,331	...
Trinidad and Tobago	-6,995	-3,324	-4,816	-6,364	-6,236	-6,173	-4,411	-2,950	1,872	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ The net resource transfer is calculated as total net capital income minus the income balance (net payments of profits and interest).

Total net capital income is the balance on the capital and financial accounts plus errors and omissions, plus loans and the use of

IMF credit plus exceptional financing. Negative figures indicate resources transferred outside the country.

b/ Preliminary figures.

c/ Does not include the Bolivarian Republic of Venezuela.

Table A-10  
**Latin America and the Caribbean: net foreign direct investment a/**  
*(Millions of dollars)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Latin America and the Caribbean</b>	<b>103,847</b>	<b>72,774</b>	<b>113,546</b>	<b>146,131</b>	<b>147,726</b>	<b>145,700</b>	<b>140,732</b>	<b>136,874</b>	<b>125,847</b>	...
<b>Latin America</b>	<b>98,095</b>	<b>69,776</b>	<b>111,045</b>	<b>144,417</b>	<b>147,140</b>	<b>144,847</b>	<b>138,270</b>	<b>134,758</b>	124,954	...
Argentina	8,335	3,306	10,368	9,352	14,269	8,932	3,145	10,884	1,474	...
Bolivia (Plurinational State of)	509	420	651	859	1,060	1,750	690	495	331	...
Brazil	24,601	36,033	61,689	85,091	81,399	54,744	71,135	61,200	66,114	...
Chile	7,453	6,159	6,049	3,057	7,937	9,491	9,428	4,663	0	...
Colombia	7,479	4,530	947	6,227	15,646	8,557	12,265	7,414	9,210	...
Costa Rica	2,240	1,340	1,589	2,328	1,803	2,401	2,818	2,541	2,440	...
Dominican Republic	2,870	2,165	2,024	2,277	3,142	1,991	2,209	2,205	2,407	...
Ecuador	1,057	309	166	644	567	727	772	1,322	755	...
El Salvador	824	366	-226	218	484	176	311	399	374	...
Guatemala	738	574	782	1,009	1,205	1,262	1,282	1,104	1,068	...
Haiti	39	57	186	114	156	162	99	106	105	...
Honduras	1,007	505	971	1,012	851	992	1,315	1,113	880	...
Mexico	28,256	8,300	12,931	11,948	-1,603	34,757	22,160	24,316	27,801	...
Nicaragua	608	463	475	929	704	665	790	905	860	...
Panama	2,196	1,259	2,363	2,956	3,254	3,612	4,130	3,966	5,041	...
Paraguay	263	71	462	581	697	245	412	306	320	...
Peru	6,188	6,020	8,189	7,194	11,710	9,663	3,640	8,144	6,560	...
Uruguay	2,117	1,512	2,349	2,511	2,179	2,793	2,373	842	-784	...
Venezuela (Bolivarian Republic of)	1,316	-3,613	-918	6,110	1,679	1,928	-704	2,833	...	...
<b>Caribbean</b>	<b>5,752</b>	<b>2,997</b>	<b>2,500</b>	<b>1,714</b>	<b>586</b>	<b>853</b>	<b>2,462</b>	<b>2,115</b>	<b>894</b>	...
Antigua and Barbuda	159	81	97	65	133	95	40	96	42	...
The Bahamas	860	664	872	667	526	382	251	76	...	...
Barbados	468	352	329	83	565	-62	...	...	...	...
Belize	167	108	95	95	193	92	138	59	...	...
Dominica	57	42	43	35	59	23	14	23	32	...
Grenada	135	103	60	43	31	113	58	89	91	...
Guyana	178	164	198	247	278	201	238	117	...	...
Jamaica	1,361	480	169	144	411	631	584	921	564	-148
Saint Kitts and Nevis	178	131	116	110	108	136	158	132	89	...
Saint Vincent and the Grenadines	159	110	97	86	115	160	108	48	90	...
Saint Lucia	161	146	121	81	74	92	19	75	116	...
Suriname	-231	-93	-248	73	173	188	163	276	-284	...
Trinidad and Tobago	2,101	709	549	-13	-2,080	-1,197	689	205	153	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Corresponds to direct investment in the reporting economy after deduction of outward direct investment by residents of that country.

Includes reinvestment of profits.



Table A-11  
**Latin America and the Caribbean: gross external debt a/**  
*(Millions of dollars, end-of-period stocks)*

		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Latin America and the Caribbean b/ c/</b>		<b>823,047</b>	<b>917,268</b>	<b>1,107,491</b>	<b>1,238,188</b>	<b>1,373,967</b>	<b>1,506,024</b>	<b>1,681,512</b>	<b>1,687,969</b>	<b>1,761,323</b>	<b>1,811,714</b>
<b>Latin America c/</b>		<b>809,488</b>	<b>902,907</b>	<b>1,090,706</b>	<b>1,220,283</b>	<b>1,356,029</b>	<b>1,486,815</b>	<b>1,661,238</b>	<b>1,665,716</b>	<b>1,737,090</b>	<b>1,787,117</b>
Argentina	Total	154,091	149,359	144,653	156,300	156,478	155,489	158,742	167,412	181,170	204,818
Bolivia (Plurinational State of)	Total	5,930	5,801	5,875	6,298	6,625	7,756	8,543	9,445	10,717	12,036
Brazil	Total	289,573	333,607	452,780	516,030	570,831	621,439	712,655	665,101	676,647	667,763
Chile	Total	63,534	72,617	86,570	100,973	122,668	136,351	152,135	157,764	163,789	173,565
Colombia	Total	46,436	53,779	64,792	75,622	78,784	92,073	101,404	110,502	120,153	124,770
Costa Rica	Total	8,827	8,276	9,527	11,286	15,381	19,629	21,671	24,030	25,470	26,232
Dominican Republic	Public	7,219	8,215	9,947	11,625	12,872	14,919	16,074	16,029	17,567	18,819
Ecuador	Total	16,900	13,514	13,914	15,210	15,913	18,788	24,112	27,720	34,181	36,151
El Salvador	Total	11,143	11,307	11,399	11,858	13,353	14,035	14,800	15,217	16,253	16,405
Guatemala	Total	11,163	11,248	12,026	14,021	15,339	17,826	20,031	20,885	21,651	22,267
Haiti	Public	1,917	1,278	353	727	1,126	1,503	1,875	1,993	2,019	2,124
Honduras	Total	3,499	3,365	3,785	4,208	4,861	6,709	7,184	7,456	7,506	8,392
Mexico	Total	123,626	160,427	194,766	210,713	226,492	259,977	286,624	298,398	316,194	323,423
Nicaragua	Public	3,512	3,661	4,068	4,263	4,481	4,724	4,796	4,804	5,042	5,341
Panama	Public	8,477	10,150	10,439	10,858	10,782	12,231	14,352	15,648	16,689	18,273
Paraguay	Total	3,220	3,177	3,713	3,970	4,563	4,776	6,126	6,513	7,122	7,876
Peru	Total	34,997	35,157	43,674	47,977	59,376	60,823	69,215	73,274	74,651	80,200
Uruguay	Total	15,425	17,969	18,425	18,345	36,104	37,767	40,898	43,527	40,268	38,662
Venezuela (Bolivarian Republic of)	Total	66,727	84,602	88,652	103,140	113,112	112,103	117,217	120,204	...	...
<b>Caribbean</b>	<b>Public</b>	<b>13,559</b>	<b>14,361</b>	<b>16,785</b>	<b>17,905</b>	<b>17,938</b>	<b>19,209</b>	<b>20,274</b>	<b>22,253</b>	<b>24,233</b>	<b>24,596</b>
Antigua and Barbuda	Public	436	416	432	467	445	577	560	581	590	649
The Bahamas	Public	443	767	916	1,045	1,465	1,616	2,095	2,185	2,371	2,311
Barbados	Public	1,089	1,321	1,366	1,385	1,322	1,434	1,521	1,490	1,538	1,507
Belize	Public	958	1,017	1,021	1,032	1,029	1,083	1,127	1,177	1,202	1,234
Dominica	Public	234	222	232	238	263	273	278	283	270	278
Grenada	Public	481	512	528	535	535	562	578	602	601	607
Guyana	Public	834	933	1,043	1,206	1,358	1,246	1,216	1,143	1,162	1,201
Jamaica	Public	6,344	6,594	8,390	8,626	8,256	8,310	8,659	10,314	10,244	10,184
Saint Kitts and Nevis	Public	312	325	296	320	317	320	280	213	197	189
Saint Vincent and the Grenadines	Public	229	262	313	328	329	354	385	399	465	474
Saint Lucia	Public	364	373	393	417	435	488	526	509	529	555
Suriname	Public	319	269	334	601	707	878	942	1,156	1,869	1,957
Trinidad and Tobago	Public	1,515	1,351	1,522	1,706	1,478	2,068	2,109	2,203	3,194	3,451

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures.

b/ Includes debt owed to the International Monetary Fund.

c/ Does not include the Bolivarian Republic of Venezuela.

Table A-12  
**Latin America and the Caribbean: sovereign spreads on EMBI+ and EMBI global**  
*(Basis points to end of period)*

		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America</b>	<b>EMBI +</b>	<b>722</b>	<b>328</b>	<b>305</b>	<b>410</b>	<b>317</b>	<b>410</b>	<b>491</b>	<b>584</b>	<b>483</b>	<b>437</b>
Argentina	EMBI +	1,704	660	496	925	991	808	719	438	455	361
Belize	EMBI Global	...	...	617	1,391	2,245	807	819	822	1,837	717
Bolivia (Plurinational State of)	EMBI Global	...	...	...	...	...	289	277	250	83	204
Brazil	EMBI +	428	192	189	223	142	224	259	523	328	243
Chile	EMBI Global	343	95	115	172	116	148	169	253	158	118
Colombia	EMBI +	498	196	172	195	112	166	196	321	227	185
Dominican Republic	EMBI Global	...	...	322	597	343	349	381	421	407	278
Ecuador	EMBI +	4,731	769	913	846	826	530	883	1,266	647	563
El Salvador	EMBI Global	...	...	302	478	396	389	414	634	536	432
Jamaica	EMBI Global	...	...	427	637	711	641	485	469	375	286
Mexico	EMBI +	376	164	149	187	126	155	182	232	232	186
Panama	EMBI +	540	171	162	201	129	199	189	218	186	119
Paraguay	EMBI Global	...	...	...	...	...	240	291	338	281	196
Peru	EMBI +	509	165	163	216	114	159	181	246	175	114
Uruguay	EMBI Global	685	238	188	213	127	194	208	280	244	154
Venezuela (Bolivarian Republic of)	EMBI +	1,862	1,017	1,044	1,197	773	1,093	2,295	2,658	2,138	3,267

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from JPMorgan, Emerging Markets Bond Index Monitor.  
a/ Figures as of October.

Table A-13  
**Latin America and the Caribbean: sovereign risk premiums on five-year credit default swaps**  
*(Basis points to end of period)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
Argentina	4,041	914	602	922	1,442	1,654	2,987	5,393	419	239
Brazil	301	123	111	162	108	194	201	495	281	171
Chile	203	68	84	132	72	80	94	129	83	55
Colombia	309	143	113	156	96	119	141	243	164	113
Mexico	293	134	114	154	98	92	103	170	156	102
Panama	302	134	99	150	98	111	109	182	127	70
Peru	304	124	113	172	97	133	115	188	108	71
Venezuela (Bolivarian Republic of)	3,218	1,104	1,016	928	647	1,150	3,155	4,868	3,750	5,542 b/

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from Bloomberg.

a/ Figures as of November.

b/ Figures as of October.

Table A-14  
**Latin America and the Caribbean: international bond issues a/**  
*(Millions of dollars)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 b/
<b>Total</b>	<b>19,848</b>	<b>64,750</b>	<b>90,183</b>	<b>91,687</b>	<b>114,241</b>	<b>123,332</b>	<b>133,056</b>	<b>78,606</b>	<b>129,364</b>	<b>126,246</b>
<b>National issues</b>	<b>19,401</b>	<b>63,250</b>	<b>88,657</b>	<b>90,272</b>	<b>111,757</b>	<b>121,518</b>	<b>129,743</b>	<b>75,436</b>	<b>124,528</b>	<b>122,456</b>
Argentina	65	500	3,146	2,449	663	1,025	1,941	3,586	33783	21,318
The Bahamas	100	300	-	-	-	-	300	-	-	-
Barbados	-	450	390	-	-	-	2,500	320	-	-
Bolivia (Plurinational State of)	-	-	-	-	500	500	-	-	-	1,000
Brazil	6,520	25,745	39,305	38,369	50,255	37,262	45,364	7,188	20481	27,325
Chile	-	2,773	6,750	6,049	9,443	11,540	13,768	7,650	5336	13,861
Colombia	1,000	5,450	1,912	6,411	7,459	10,012	9,200	6,400	4,061	7,614
Costa Rica	-	-	-	250	1,250	3,000	1,000	1,000	500	300
Dominican Republic	-	-	1,034	750	750	1,800	1,500	3,500	1,870	2,017
Ecuador	-	-	-	-	-	-	2,000	1,500	2750	5,500
El Salvador	-	800	450	654	800	310	800	300	-	951
Guatemala	30	-	-	150	1,400	1,300	1,100	-	700	1,330
Honduras	-	-	20	-	-	1,000	-	-	-	850
Jamaica	350	750	1,075	694	1,750	1,800	1,800	2,925	364	869
Mexico	6,000	16,659	26,882	22,276	28,147	41,729	37,592	30,075	41539	25,188
Panama	686	1,323	-	897	1,100	1,350	1,935	1,700	2,200	3,021
Paraguay	-	-	-	100	500	500	1,000	280	600	500
Peru	-	2,150	4,693	2,155	7,240	5,840	5,944	6,407	1,960	8,462
Suriname	-	-	-	-	-	-	-	-	636	-
Trinidad and Tobago	-	850	-	175	-	550	-	-	1,600	-
Uruguay	-	500	-	1,693	500	2,000	2,000	2,605	1,147	2,350
Venezuela (Bolivarian Republic of)	4,650	5,000	3,000	7,200	-	-	-	-	5000	-
<b>Supranational issues</b>	<b>447</b>	<b>1,500</b>	<b>1,526</b>	<b>1,415</b>	<b>2,484</b>	<b>1,814</b>	<b>3,313</b>	<b>3,171</b>	<b>4,837</b>	<b>3,790</b>
Central American Bank for Economic Integration (CABEI)	-	500	151	-	250	520	505	521	887	382
Caribbean Development Bank (CDB)	-	-	-	175	-	-	-	-	-	-
Foreign Trade Bank of Latin America (BLADEX)	-	-	-	-	400	-	-	-	73	-
Development Bank of Latin America (CAF)	447	1,000	1,375	1,240	1,834	1,294	2,808	2,650	3376	3,408
Inter-American Investment Corporation	-	-	-	-	-	-	-	-	500	-

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from Merrill Lynch, J.P. Morgan and Latin Finance.

a/ Includes sovereign, bank and corporate bonds.

b/ Figures as of October.

Table A-15  
**Latin America and the Caribbean: stock exchange indices**  
*(National indices to end of period, 31 December 2005=100)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
Argentina	70	150	228	160	185	349	556	757	1,096	1,743
Brazil	112	205	207	170	182	154	149	130	180	215
Chile	121	182	251	213	219	188	196	187	211	255
Colombia	79	122	163	133	155	137	122	90	106	114
Costa Rica	207	142	118	121	129	190	211	191	250	-
Ecuador	128	107	126	128	135	148	168	161	150	182
Jamaica	77	80	82	91	88	77	73	144	184	263
Mexico	126	180	217	208	246	240	242	241	256	265
Peru	147	295	487	406	430	328	308	205	324	410
Trinidad and Tobago	79	72	78	95	100	111	108	109	113	120
Venezuela (Bolivarian Republic of)	175	275	325	585	2,355	13,685	19,295	72,940	158,525	6,599,350

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from Bloomberg.

a/ Figures as of November.

Table A-16  
**Latin America and the Caribbean: gross international reserves**  
*(Millions of dollars, end-of-period stocks)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>América Latina y el Caribe</b>	<b>511,960</b>	<b>566,708</b>	<b>657,005</b>	<b>773,789</b>	<b>835,902</b>	<b>830,204</b>	<b>857,634</b>	<b>811,913</b>	<b>831,542</b>	<b>867,042</b>
<b>América Latina</b>	<b>498,078</b>	<b>552,701</b>	<b>641,017</b>	<b>756,685</b>	<b>820,023</b>	<b>813,981</b>	<b>839,372</b>	<b>795,049</b>	<b>814,669</b>	<b>850,709</b>
Argentina	46,198	47,967	52,145	46,376	43,290	30,599	31,443	25,563	38,772	54,563
Bolivia (Estado Plurinacional de)	7,722	8,580	9,730	12,019	13,927	14,430	15,123	13,056	10,081	10,742
Brasil	193,783	238,520	288,575	352,012	373,147	358,808	363,551	356,464	365,016	381,056
Chile	23,162	25,373	27,864	41,979	41,650	41,094	40,447	38,643	40,483	38,033
Colombia	24,041	25,365	28,464	32,303	37,474	43,639	47,328	46,740	46,683	47,417 b/
Costa Rica	3,799	4,066	4,627	4,756	6,857	7,331	7,211	7,834	7,574	6,837
Dominican Republic	2,662	3,307	3,765	4,098	3,559	4,701	4,862	5,266	6,047	6,345
Ecuador c/	4,473	3,792	2,622	2,958	2,483	4,361	3,949	2,496	4,259	4,018
El Salvador	2,544	2,985	2,882	2,503	3,175	2,745	2,693	2,787	3,238	3,683 b/
Guatemala c/	4,659	5,213	5,954	6,188	6,694	7,273	7,333	7,751	9,160	11,494 b/
Haiti	587	733	1,284	1,344	1,337	1,690	1,163	977	1,105	1,245 b/
Honduras	2,690	2,174	2,775	2,880	2,629	3,113	3,570	3,874	4,100	4,742 d/
Mexico	95,302	99,893	120,587	149,209	167,050	180,200	195,682	177,597	178,025	176,441 b/
Nicaragua	1,062	1,490	1,708	1,793	1,778	1,874	2,147	2,353	2,296	2,540
Panama	2,637	3,222	2,561	2,234	2,441	2,775	3,994	3,911	4,511	3,609 e/
Paraguay	2,864	3,861	4,168	4,984	4,994	5,871	6,891	6,200	7,144	8,020
Peru	31,233	33,175	44,150	48,859	64,049	65,710	62,353	61,537	61,746	64,423 d/
Uruguay	6,360	7,987	7,656	10,302	13,605	16,290	17,555	15,634	13,436	15,734
Venezuela (Bolivarian Republic of)	42,299	35,000	29,500	29,889	29,887	21,478	22,077	16,367	10,992	9,767
<b>Caribbean</b>	<b>13,882</b>	<b>14,007</b>	<b>15,988</b>	<b>17,104</b>	<b>15,879</b>	<b>16,223</b>	<b>18,262</b>	<b>16,863</b>	<b>16,874</b>	<b>16,332</b>
Antigua and Barbuda c/	138	108	136	147	161	202	297	356	330	297
The Bahamas	563	816	861	892	812	740	787	808	902	1,065 d/
Barbados	523	563	575	587	630	516	467	434	315	253 d/
Belize	156	210	216	242	289	402	483	432	371	300
Dominica c/	55	64	66	75	92	85	100	125	221	240 f/
Grenada c/	104	112	103	106	104	135	158	189	201	207 f/
Guyana	356	628	780	798	862	777	666	599	616	580 d/
Jamaica	1,795	1,752	2,979	2,820	1,981	1,818	2,473	2,914	3,291	3,659 b/
Saint Kitts and Nevis c/	110	123	157	233	252	291	318	280	313	327 f/
Saint Vincent and the Grenadines c/	83	75	111	88	109	133	156	165	191	180 f/
Saint Lucia c/	140	151	184	192	208	168	235	298	275	296 f/
Suriname	433	659	639	941	1,008	779	625	330	381	411 b/
Trinidad and Tobago c/	9,425	8,746	9,181	9,983	9,371	10,176	11,497	9,933	9,466	8,517 b/

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Figures as of November.

b/ Figures as of October.

c/ Net international reserves.

d/ Figures as of September.

e/ Figures as of August.

f/ Figures as of March.

Table A-17  
**Latin America and the Caribbean: real effective exchange rates a/ b/**  
*(Indices: 2005=100, average values for the period)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 c/ d/
<b>Latin America and the Caribbean e/</b>	<b>89.9</b>	<b>90.5</b>	<b>85.5</b>	<b>83.8</b>	<b>82.1</b>	<b>81.9</b>	<b>82.9</b>	<b>84.1</b>	<b>85.3</b>	<b>83.6</b>
Barbados	97.5	93.1	89.2	90.3	89.3	89.3	87.9	84.4	83.0	84.1
Bolivia (Plurinational State of)	93.4	85.5	89.9	89.8	87.0	81.5	74.9	65.6	62.5	64.7
Brazil	80.4	82.3	72.0	69.2	77.6	83.0	85.4	106.1	101.6	92.5
Chile	97.3	101.6	96.3	95.3	94.0	95.2	105.4	109.4	108.4	105.2
Colombia	87.8	91.8	79.3	79.5	76.5	80.1	84.5	104.3	108.4	103.6
Costa Rica	94.1	92.8	82.4	79.7	76.6	74.1	77.4	73.5	75.0	78.8
Dominica	105.1	107.6	106.1	109.3	108.7	110.5	111.6	110.3	109.8	110.7
Dominican Republic	105.9	110.5	108.9	110.3	112.3	115.8	119.0	115.9	116.9	120.9
Ecuador	108.4	100.7	99.6	102.1	98.1	96.5	93.3	85.1	83.7	86.1
El Salvador	101.7	99.6	101.2	102.4	103.1	104.0	104.6	103.7	103.8	105.9
Guatemala	91.2	94.4	93.5	89.5	88.3	87.2	83.3	77.9	73.4	69.8
Honduras	94.2	87.1	86.1	85.4	83.8	84.8	82.8	82.6	84.0	85.5
Jamaica	99.1	110.7	98.1	96.2	95.2	99.8	106.0	104.9	113.9	120.2
Mexico	103.4	117.9	109.1	109.1	112.6	106.8	108.0	122.2	140.8	137.9
Nicaragua	94.9	103.4	100.8	105.8	103.4	100.1	105.3	100.8	103.2	109.2
Panama	106.5	103.5	103.0	103.9	94.4	92.2	89.0	85.5	84.6	85.6
Paraguay	73.8	81.6	80.1	71.7	73.0	68.3	66.0	67.1	69.7	71.6
Peru	99.5	97.8	94.4	96.6	90.1	90.5	93.1	94.9	96.3	92.7
Trinidad and Tobago	90.5	82.5	78.8	79.4	73.7	70.7	67.1	61.2	61.9	63.7
Uruguay	93.2	91.3	79.9	77.9	76.3	70.7	74.3	74.1	74.5	70.7

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Annual averages. A country's overall real effective exchange rate index is calculated by weighting its real bilateral exchange rate indices with each of its trading partners by each partner's share in the country's total trade flows in terms of exports and imports. The extraregional real effective exchange rate index excludes trade with other Latin American and Caribbean countries.

b/ currency depreciates in real effective terms when this index rises and appreciates when it falls.

c/ Preliminary figures.

d/ Figures as of September.

e/ Simple average of the extraregional real effective exchange rate for 18 countries. Does not include countries with multiple exchange rates.

Table A-18  
**Latin America and the Caribbean: participation rate**  
*(Average annual rates)*

		2008	2009 #	2010	2011	2012	2013	2014	2015	2016	2016 January to September	2017 a/
<b>Latin America and the Caribbean b/</b>		<b>62.2</b>	<b>62.5</b>	<b>62.3</b>	<b>62.2</b>	<b>62.2</b>	<b>62.1</b>	<b>61.9</b>	<b>61.8</b>	<b>61.9</b>	...	...
Argentina c/	Urban areas	58.8	59.3	58.9	59.5	59.3	58.9	58.3	57.7 d/	57.5 e/	57.8 f/	57.4 f/
Bahamas	Nationwide total	...	73.4	...	72.3	74.6	73.2	73.7	74.3	76.9 g/	76.9 g/	80.0 g/
Barbados	Nationwide total	67.6	67.0	66.6	67.6	66.2	66.7	63.9	65.1	66.5	66.6 h/	65.4 h/
Belize	Nationwide total	59.2	...	...	...	65.8	64.0	63.6	63.2	64.0	63.7 i/	64.3 i/
Bolivia (Plurinational State of)	Nationwide total	64.9	65.1	...	65.8	61.2	63.4	65.9	61.0	65.6	...	...
Brazil j/	Nationwide total k/	57.0	56.7	57.1	57.1	61.4	61.3	61.0	61.3	61.4	61.4	61.7
Chile l/	Nationwide total	56.0	55.9	58.5	59.8	59.5	59.6	59.8	59.7	59.5	59.4	59.6
Colombia	Nationwide total	58.5	61.3	62.7	63.7	64.5	64.2	64.2	64.7	64.5	64.2	64.2
Costa Rica j/ m/	Nationwide total	56.7	60.4	59.1	60.7	62.5	62.2	62.6	61.2	58.4	57.8	59.4
Cuba	Nationwide total	74.7	75.4	74.9	76.1	74.2	72.9	71.9	67.1	65.2	...	...
Ecuador l/	Nationwide total n/	67.7	66.3	63.7	62.5	63.0	62.9	63.2	66.2	68.2	68.5	68.8
El Salvador	Nationwide total	62.7	62.8	62.5	62.7	63.2	63.6	62.8	62.1	62.2	...	...
Guatemala	Nationwide total	...	...	...	61.8	65.4	60.6	60.9	60.7	60.8	61.5 o/	61.0 o/
Honduras	Nationwide total	51.0	53.1	53.6	51.9	50.8	53.7	56.0	58.3	57.5	...	...
Jamaica	Nationwide total	65.4	63.5	62.4	62.3	61.9	63.0	62.8	63.1	64.8	64.8	65.3
Mexico	Nationwide total	58.7	58.6	58.4	58.6	59.2	60.3	59.8	59.8	59.7	59.7	59.3
Nicaragua m/	Nationwide total	53.3	66.6	71.2	75.6	76.8	75.8	74.0	72.4	73.6	73.1 h/	73.7 h/
Panama	Nationwide total	63.9	64.1	63.5	61.9	63.4	64.1	64.0	64.2	64.4	64.7 p/	64.7 p/
Paraguay	Nationwide total	62.2	63.1	60.8	61.1	64.4	63.3	62.3	62.1	62.6	...	...
Peru	Nationwide total	73.8	74.0	74.1	73.9	73.6	73.2	72.3	71.6	72.2	72.4	72.5
Dominican Republic	Nationwide total	63.7	61.4	62.6	63.8	64.7	64.2	64.8	64.9	65.2	62.1 q/	62.0 q/
Trinidad and Tobago	Nationwide total	63.5	62.7	62.1	61.3	61.8	61.3	61.9	60.6	59.7	60.1 r/	59.8 r/
Uruguay	Nationwide total	62.7	63.4	62.9	64.8	64.0	63.6	64.7	63.8	63.4	63.4	62.9
Venezuela (Bolivarian Republic of)	Nationwide total	64.9	65.1	64.6	64.4	63.9	64.3	65.1	63.7	62.9 s/	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures.

b/ The regional series are weighted averages of national data (excluding the Belize and Nicaragua) and include adjustments for lack of information and changes in methodology. The data relating to the different countries are not comparable owing to differences in coverage and in the definition of the working-age population.

c/ The National Institute of Statistics and Censuses (INDEC) of Argentina does not recognize the data for the period 2007-2015 and has them under review. These data are therefore preliminary and will be replaced when new official data are published.

d/ The figures refer to the average from first to three quarters.

e/ The figures refer to the average from second to fourth quarters.

f/ The figures in the last two columns refer to the second quarter.

g/ Figures as of May.

h/ The figures in the last two columns refer to the average for first and the second quarters.

i/ The figures in the last two columns refer to the measurement for April.

j/ New measurements have been used since 2012; the data are not comparable with the previous series.

k/ Up to 2011, the figures refer to six metropolitan areas.

l/ New measurements have been used since 2010; the data are not comparable with the previous series.

m/ New measurements have been used since 2009; the data are not comparable with the previous series.

n/ Up to 2009, urban areas.

o/ The figures in the last two columns refer to the average February-March

p/ The figures in the last two columns refer to the measurement for March.

q/ The figures in the last two columns refer to the average for first and the second quarters.

Due to methodological changes, they are not comparable with the annual data.

r/ The figures in the last two columns refer to the first quarter.

s/ The figure refers to average from January to April.

Table A-19  
**Latin America and the Caribbean: open urban unemployment <sup>a</sup>**  
*(Average annual rates)*

		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 b/
<b>Latin America and the Caribbean c/</b>		<b>7.8</b>	<b>9.1</b>	<b>8.4</b>	<b>7.7</b>	<b>7.3</b>	<b>7.1</b>	<b>6.9</b>	<b>7.3</b>	<b>8.9</b>	<b>9.4</b>
Argentina d/	Urban areas	7.9	8.7	7.7	7.2	7.2	7.1	7.3	6.5 e/	8.5 f/	9.0 g/
The Bahamas h/	Nationwide total	8.7	14.2	...	15.9	14.4	15.8	14.8	13.4	12.2	9.9 i/
Barbados h/	Nationwide total	8.1	10.0	10.8	11.2	11.6	11.6	12.3	11.3	9.7	10.4 g/
Belize h/	Nationwide total	8.2	13.1	12.5	...	15.3	13.2	11.6	10.1	9.5	9.0 j/
Bolivia (Plurinational State of)	Urban total	6.7	6.8	...	3.8	3.2	4.0	3.5	4.4	4.9	...
Brazil k/	Twenty metropolitan regions l/	7.9	8.1	6.7	6.0	8.2	8.0	7.8	9.3	13.0	14.5
Chile m/	Urban total	...	11.3	8.5	7.4	6.7	6.2	6.7	6.4	6.8	6.9
Colombia h/	Municipal capitals	12.1	13.2	12.7	11.8	11.4	10.7	10.0	9.8	10.3	10.6
Colombia n/	Municipal capitals	11.4	12.4	12.0	11.1	10.8	10.0	9.4	9.2	9.7	10.0
Costa Rica o/	Urban total	4.8	8.5	7.1	7.7	9.8	9.1	9.5	9.7	9.6	8.9 p/
Cuba	Nationwide total	1.6	1.7	2.5	3.2	3.5	3.3	2.7	2.5	2.0	...
Dominican Republic q/	Nationwide total	4.7	5.3	5.0	5.8	6.5	7.1	6.4	7.3	7.1	5.6 g/
Ecuador h/	Urban total	6.9	8.5	7.6	6.0	4.9	4.7	5.1	5.4	6.8	5.5
Ecuador n/	Urban total	5.4	6.9	6.1	5.0	4.2	4.0	4.3	4.7	5.9	4.9
El Salvador	Urban total	5.5	7.1	6.8	6.6	6.2	5.6	6.7	6.5	6.9	...
Guatemala	Urban total	...	...	...	3.1	4.0	3.8	4.0	3.2	3.4	4.0 r/
Honduras	Urban total	4.1	4.9	6.4	6.8	5.6	6.0	7.5	8.8	9.0	...
Jamaica h/	Nationwide total	10.6	11.4	12.4	12.6	13.9	15.2	13.7	13.5	13.2	11.1 e/
Jamaica n/	Nationwide total	6.9	7.5	8.0	8.4	9.3	10.3	9.5	9.8	9.0	8.0 e/
Mexico	Urban total	4.3	5.9	5.9	5.6	5.4	5.4	5.3	4.7	4.3	3.8
Nicaragua	Urban total	8.0	10.2	10.5	8.1	8.7	7.7	8.5	7.7	6.3	5.2 g/
Panama h/	Urban total	6.5	7.9	7.7	5.4	4.8	4.7	5.4	5.8	6.4	6.4 s/
Panama n/	Urban total	5.0	6.3	5.8	3.6	3.6	3.7	4.1	4.5	5.2	5.4 s/
Paraguay	Asunción and urban areas of the Departamento Central t/	7.4	8.2	7.4	6.9	7.9	7.7	7.8	6.5	7.7	8.7 g/
Peru	Urban total	6.0	5.9	5.3	5.1	4.7	4.8	4.5	4.4	5.2	5.4
Trinidad and Tobago h/	Nationwide total	4.6	5.3	5.9	5.1	5.0	3.6	3.3	3.5	4.0	4.5 u/
Uruguay	Urban total	8.3	8.2	7.5	6.6	6.7	6.7	6.9	7.8	8.2	8.4
Venezuela (Bolivarian Republic of) h/	Nationwide total	7.3	7.9	8.7	8.3	8.1	7.8	7.2	7.0	7.5 v/	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of household surveys.

a/ Unemployed population as a percentage of the economically active population.

b/ Estimate based on data from January to September.

c/ Weighted average adjusted for lack of information and differences and changes in methodology. The data relating to the different countries are not comparable owing to differences in coverage and in the definition of the working age population.

d/ The National Institute of Statistics and Censuses (INDEC) of Argentina does not recognize the data for the period 2007-2015 and has them under review.

These data are therefore preliminary and will be replaced when new official data are published.

e/ The figure refers to average from first to three quarters.

f/ The figure refer to the average for second and the three quarters.

g/ Figures as of first semester.

h/ Includes hidden unemployment.

i/ Figures as of May.

j/ Figures as of April.

k/ New measurements have been used since 2012; the data are not comparable with the previous series.

l/ Up to 2011, the figures refer to six metropolitan areas.

m/ New measurements have been used since 2010; the data are not comparable with the previous series.

n/ Includes an adjustment to the figures for the economically active population to exclude hidden unemployment.

o/ New measurements have been used since 2009; the data are not comparable with the previous series.

p/ January-September average.

q/ New measurements have been used since 2015; the data are not comparable with the previous series.

r/ The figure refers to the measurement of February and March.

s/ Figures as of March.

t/ Up to 2009, urban total.

u/ Figures as of first quarter.

v/ January-April average.

Table A-20  
**Latin America and the Caribbean: employment rate \***  
(Average annual rates)

		2008	2009	2010	2011	2012	2013	2014	2015	2016	2016 January to September	2017 b/
<b>Latin America and the Caribbean c/</b>		<b>58.1</b>	<b>57.7</b>	<b>57.7</b>	<b>57.9</b>	<b>58.2</b>	<b>58.1</b>	<b>58.1</b>	<b>57.7</b>	<b>57.1</b>	...	...
Argentina d/	Urban areas	54.2	54.2	54.4	55.2	55.0	54.7	54.0	53.9 e/	52.6 f/	52.4 g/	52.4 g/
The Bahamas	Nationwide total	69.7	63.0	...	60.6	64.1	61.6	62.8	64.3	67.1 h/	67.1 h/	72.1 h/
Barbados	Nationwide total	62.1	60.3	59.4	60.0	58.5	58.9	56.0	57.7	60.0	60.1 i/	58.6 i/
Belize	Nationwide total	54.3	...	...	...	55.7	55.7	56.3	56.8	57.9	58.7 j/	58.5 j/
Bolivia (Plurinational State of)	Nationwide total	63.1	63.0	...	64.2	59.7	61.5	64.3	58.9	63.4	...	...
Brazil k/	Nationwide total l/	52.5	52.1	53.2	53.7	56.9	56.9	56.8	56.1	54.3	54.4	53.6
Chile m/	Nationwide total	51.7	50.5	53.7	55.5	55.7	56.0	56.0	56.0	55.6	55.5	55.5
Colombia	Nationwide total	51.9	53.9	55.4	56.8	57.9	58.0	58.4	59.0	58.5	58.0	58.0
Costa Rica k/ n/	Nationwide total	53.9	55.4	54.8	56.0	56.2	56.4	56.6	55.4	52.8	52.3	54.1
Cuba	Nationwide total	73.6	74.2	73.0	73.6	71.6	70.5	70.0	65.4	63.8	...	...
Dominican Republic	Nationwide total	54.7	52.3	53.6	54.5	55.2	54.6	55.4	55.8	56.6	57.4 o/	58.8 o/
Ecuador m/	Nationwide total p/	63.1	60.7	60.1	59.6	60.4	60.3	60.4	63.3	64.6	64.8	65.9
El Salvador	Nationwide total	59.0	59.2	58.1	58.6	59.4	59.9	58.4	57.8	57.9	...	...
Guatemala	Nationwide total	...	...	...	59.2	63.5	58.7	59.1	59.2	59.2	59.6 q/	59.0 q/
Honduras	Nationwide total	49.4	51.5	51.5	49.7	48.9	51.6	53.1	54.0	53.2	...	...
Jamaica	Nationwide total	58.5	56.3	54.6	54.4	53.3	53.4	54.2	54.6	56.2	56.2	57.4
Mexico	Nationwide total	56.3	55.4	55.3	55.5	56.3	56.2	56.9	57.2	57.4	57.3	57.3
Nicaragua n/	Nationwide total	50.1	61.3	65.6	71.2	72.3	71.5	69.1	68.1	70.2	69.3 i/	70.8 i/
Panama	Nationwide total	60.3	59.9	59.4	59.1	60.8	61.5	60.9	60.9	60.8	61.1 r/	61.1 r/
Paraguay	Nationwide total	58.7	59.1	57.3	57.7	61.5	60.1	58.6	58.7	58.9	...	...
Peru	Nationwide total	70.4	70.7	71.1	70.9	70.8	70.3	69.6	68.9	69.1	69.0	69.2
Trinidad and Tobago	Nationwide total	60.6	59.4	58.4	58.2	58.8	59.1	59.9	58.5	57.4	57.8 s/	57.1 s/
Uruguay	Nationwide total	57.7	58.5	58.4	60.7	59.9	59.5	60.4	59.0	58.4	58.4	57.8
Venezuela (Bolivarian Republic of)	Nationwide total	60.2	60.0	59.0	59.0	58.7	59.3	60.4	59.2	58.2 t/	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Employed population as a percentage of the working-age population.

b/ Preliminary figures.

c/ The regional series are weighted averages of national data (excluding Belize and Nicaragua) and include adjustment for lack of information and changes in methodology. These data are therefore preliminary and will be replaced when new official data are published. The data relating to the different countries are not comparable owing to differences in coverage and in the definition of the working age population.

d/ The National Institute of Statistics and Censuses (INDEC) of Argentina does not recognize the data for the period 2007-2015 and has them under review. These data are therefore preliminary and will be replaced when new official data are published.

e/ The figure refers to average from first to three quarters.

f/ The figure refers to average from second to fourth quarters.

g/ The figures in the last two columns refer to the second quarter.

h/ Figures as of May.

i/ The figures in the last two columns refer to the average for first and the second quarters.

j/ The figures in the last two columns correspond to the measurement for April.

k/ New measurements have been used since 2012; the data are not comparable with the previous series.

l/ Up to 2011, the figures refer to six metropolitan areas.

m/ New measurements have been used since 2010; the data are not comparable with the previous series.

n/ New measurements have been used since 2009; the data are not comparable with the previous series.

o/ The figures in the last two columns refer to the average for first and the second quarters.

By methodological changes are not comparable with the annual data.

p/ Up to 2009, urban total.

q/ The figures in the last two columns refer to the average February-March.

r/ The figures in the last two columns refer to the measurement for March.

s/ The figures in the last two columns refer to the first quarter.

t/ The figure refers to average from January to April.



Table A-21  
**Latin america: real average wages <sup>a</sup>**  
*(Index 2010=100)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 b/
Bolivia (Plurinational State of) c/	94.4	96.5	100.0	98.2	99.3	100.3	101.8	108.8	110.7	...
Brazil d/	96.3	98.5	100.0	101.4	104.9	107.1	108.8	105.3	103.8	105.8
Chile e/	93.4	97.9	100.0	102.5	105.8	109.9	111.9	113.9	115.4	117.8
Colombia f/	96.1	97.3	100.0	100.3	101.3	104.0	104.5	105.4	103.8	105.9
Costa Rica g/	90.9	97.9	100.0	105.7	107.1	108.5	110.7	115.2	119.7	121.4 h/
Cuba	95.3	99.7	100.0	100.2	100.7	101.2	124.0	143.1	154.8	...
El Salvador i/	95.6	98.9	100.0	97.1	97.3	97.8	98.5	100.9	102.3	107.9 j/
Guatemala g/	97.1	97.2	100.0	100.4	104.4	104.3	106.8	110.4	108.2	...
Mexico g/	101.9	100.9	100.0	100.8	101.0	100.9	101.3	102.8	103.8	102.6
Nicaragua g/	93.3	98.8	100.0	100.1	100.5	100.7	102.4	105.2	106.4	108.6
Panama	90.9	93.3	100.0	100.1	103.5	103.8	109.5	113.1	118.0	...
Paraguay	95.0	99.4	100.0	102.8	103.5	105.7	107.0	107.5	108.2	109.9 k/
Peru l/	100.0	103.1	100.0	108.4	111.0	114.7	117.9	117.5	119.5	118.4
Uruguay	90.2	96.8	100.0	104.0	108.4	111.7	115.4	117.3	118.9	122.6
Venezuela (Bolivarian Republic of)	112.1	105.6	100.0	103.0	109.1	104.3	...	...	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Figures deflated by the official consumer price index of each country.

b/ Estimate based on data from January to September.

c/ Private-sector average wage index.

d/ Private-sector workers covered by social and labour legislation.

e/ General index of hourly remuneration.

f/ Manufacturing.

g/ Average wage declared by workers registered with and paying into social security.

h/ Estimate based on average for January-August.

i/ Average taxable wage.

j/ Interannual variation of the period from January to August.

k/ Estimate based on interannual growth of average for January-June.

l/ Payroll workers in the Lima metropolitan area. Until 2010, formal private sector workers in the Lima metropolitan area.

Table A-22  
**Latin America and the Caribbean: monetary indicators**  
*(Percentage variation with respect to the year-earlier period)*

		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America</b>											
Argentina	Monetary base	19.1	5.4	25.1	37.1	34.9	30.2	19.7	33.2	27.9	32.9
	Money (M1)	16.7	13.0	24.1	32.4	33.3	29.5	26.1	31.6	20.2	30.9
	M2	18.1	5.9	27.6	36.9	32.4	30.9	23.1	33.2	23.9	28.9
	Foreign-currency deposits	36.4	61.6	35.9	8.7	-22.6	-6.1	51.7	38.5	172.5	130.6
Bolivia (Plurinational State of)	Monetary base	53.8	19.6	32.4	11.6	18.2	10.8	9.5	19.2	3.9	-5.0 b/
	Money (M1)	50.2	9.4	24.1	27.2	18.3	13.5	15.4	9.4	9.6	0.4 c/
	M2	59.6	18.4	34.6	34.0	31.3	22.6	18.8	18.4	12.5	6.0 c/
	Foreign-currency deposits	-9.2	20.4	4.7	-12.8	-5.0	-4.1	-3.4	3.7	-1.0	-3.0 c/
Brazil	Monetary base	12.5	8.0	17.5	11.0	9.4	5.5	7.2	3.0	3.2	5.9
	Money (M1)	11.8	7.4	17.5	6.1	5.9	10.7	4.7	-1.6	-0.3	3.3
	M2	30.3	22.1	11.1	21.0	13.4	9.3	11.7	6.8	4.9	4.9
Chile	Monetary base	7.0	15.0	13.8	14.8	13.7	16.3	5.3	9.6	11.4	7.4
	Money (M1)	11.1	14.1	27.7	10.9	9.1	10.1	12.1	14.3	6.4	7.9
	M2	18.5	5.4	6.3	16.0	18.3	10.3	7.7	11.3	9.8	5.1
	Foreign-currency deposits	40.7	2.6	8.5	11.8	8.9	18.7	29.0	18.7	8.0	-3.1
Colombia	Monetary base	14.3	10.3	12.4	15.1	9.5	12.5	16.7	15.0	8.8	0.1
	Money (M1)	8.0	9.7	14.7	16.2	6.7	14.3	14.8	10.4	3.9	0.2
	M2	14.6	13.2	6.9	14.8	16.9	17.5	12.9	10.1	10.5	5.6
Costa Rica	Monetary base	25.7	6.3	10.0	11.7	12.1	14.1	11.7	11.1	10.1	6.9 c/
	Money (M1)	34.2	-3.5	11.0	17.7	8.4	13.2	12.3	9.6	17.8	3.5 c/
	M2	28.2	1.1	3.5	10.8	13.1	13.6	14.0	8.9	4.1	1.2 c/
	Foreign-currency deposits	19.3	37.1	-3.2	-6.5	-0.6	0.8	15.9	0.8	1.4	12.6 c/
Ecuador	Monetary base	16.4	18.1	24.1	9.9	16.1	23.3	17.5	16.9	22.8	15.4
	Money (M1)	44.5	38.0	16.1	15.5	14.0	14.8	14.4	10.6	10.4	14.1
	M2	33.0	22.0	18.6	20.0	17.8	13.4	14.5	6.7	6.6	14.6
El Salvador	Monetary base	8.1	10.8	0.4	-1.3	1.8	4.8	2.8	1.2	3.5	8.8
	Money (M1)	8.5	7.6	19.8	10.4	4.4	2.9	4.0	4.9	3.9	4.2
	M2	6.0	0.4	4.2	1.4	1.5	2.5	1.3	2.9	5.6	6.1
Guatemala	Monetary base	4.1	6.6	8.0	10.1	5.8	9.2	5.8	12.1	9.7	10.9
	Money (M1)	3.4	7.6	7.2	9.1	5.8	6.9	5.2	11.9	6.1	7.2
	M2	7.3	9.4	8.4	10.7	9.3	9.7	8.1	11.5	7.9	8.0
	Foreign-currency deposits	9.9	18.1	11.6	4.9	3.2	11.2	9.4	6.0	4.2	-1.9
Haiti	Monetary base	16.1	14.2	34.1	18.1	9.2	0.4	-1.0	15.4	26.2	17.4 c/
	Money (M1)	21.4	9.2	26.9	14.4	8.7	11.1	8.7	12.7	6.0	18.4 c/
	M2	13.7	6.9	17.4	11.5	5.7	9.4	8.4	12.5	8.5	15.0 c/
	Foreign-currency deposits	22.1	14.4	22.5	18.4	6.9	8.2	8.5	18.5	27.7	21.9 c/
Honduras	Monetary base	24.8	11.6	-13.8	10.7	11.3	4.0	9.7	16.6	14.9	21.1 c/
	Money (M1)	11.5	2.2	5.2	17.7	2.1	-5.0	8.4	18.9	10.2	20.1 c/
	M2	9.2	0.8	4.7	17.2	8.7	3.6	8.9	12.7	10.5	14.9 c/
	Foreign-currency deposits	20.3	-1.0	5.4	7.8	15.3	12.6	7.3	11.3	8.2	16.0 c/
Mexico	Monetary base	12.6	15.9	9.7	9.5	13.9	6.3	13.5	20.1	15.9	11.9
	Money (M1)	8.5	11.8	11.2	16.2	13.7	7.5	13.9	16.1	12.0	10.5
	M2	13.9	11.5	5.8	12.4	10.7	7.1	11.0	13.5	10.2	10.1
	Foreign-currency deposits	2.8	20.7	0.9	3.0	16.8	13.3	26.6	40.0	30.4	33.6
Nicaragua	Monetary base	15.2	0.7	24.0	20.5	18.3	6.3	12.9	17.4	11.3	5.8 b/
	Money (M1)	32.9	4.4	21.4	24.8	17.6	8.5	16.5	21.0	9.5	8.0 b/
	M2	32.9	4.4	21.4	24.8	17.6	8.5	16.5	21.0	9.5	8.0 b/
	Foreign-currency deposits	10.2	5.3	25.8	7.8	21.2	13.6	20.4	16.3	14.8	13.2 b/
Panama	Monetary base	17.7	11.2	7.5	27.1	12.7	16.0	-1.2	28.5	7.9	1.9
	Money (M1)	26.5	17.4	19.2	21.5	17.1	6.9	15.1	-0.4	0.2	0.8
	M2	17.1	9.2	11.3	9.9	10.8	6.3	13.3	4.8	6.1	5.5
Paraguay	Monetary base	27.6	30.7	5.2	5.0	11.8	5.1	8.3	11.3	2.7	9.8
	Money (M1)	30.5	6.6	28.7	7.8	8.6	15.6	9.6	11.6	3.1	13.6
	M2	38.4	13.3	26.4	14.0	13.7	17.4	10.6	11.2	3.9	12.5
	Foreign-currency deposits	21.1	40.1	16.4	13.5	14.9	15.8	29.3	22.3	13.9	2.1
Peru	Monetary base	38.2	2.1	24.2	31.3	31.2	21.1	-8.6	-0.9	3.3	5.1
	Money (M1)	31.3	8.8	28.0	19.7	18.7	14.3	4.9	5.1	4.4	6.7
	M2	48.5	-2.2	27.8	18.7	23.2	18.4	2.5	2.9	10.2	11.2
	Foreign-currency deposits	11.2	23.1	-0.1	13.8	0.4	16.3	21.4	17.3	5.9	-10.5
Dominican Republic	Monetary base	12.3	3.4	6.4	5.8	9.0	3.9	3.3	22.1	9.1	3.6
	Money (M1)	11.0	-1.1	17.5	4.9	7.3	12.1	13.6	12.9	13.9	4.7
	M2	10.9	7.6	13.5	8.8	12.1	8.0	11.2	10.7	12.2	6.9
	Foreign-currency deposits	15.0	4.4	18.9	17.8	18.4	16.1	11.5	11.9	8.9	10.4

(Continues)

Table A-22 (concluded)

		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
Uruguay	Monetary base	28.6	6.1	12.9	23.1	21.8	15.3	11.0	11.5	10.9	15.4
	Money (M1)	22.4	13.1	24.6	19.6	18.4	11.7	6.1	7.1	2.2	12.9
	M2	26.1	11.3	25.8	26.0	17.4	12.4	8.7	9.4	11.1	15.3
	Foreign-currency deposits	3.1	24.1	2.3	10.7	19.6	14.8	25.8	26.6	17.2	-8.4
Venezuela (Bolivarian Republic of)	Monetary base	39.5	18.3	24.5	27.0	40.8	61.1	86.5	95.2	144.2	503.7
	Money (M1)	24.3	28.8	27.5	44.8	62.0	66.1	69.5	85.1	116.6	302.2 c/
	M2	16.9	28.3	18.0	37.6	57.5	65.4	69.1	84.9	116.4	298.1 c/
<b>Caribbean</b>											
Antigua and Barbuda	Monetary base	2.0	-10.5	0.9	20.1	29.4	13.2	20.0	14.4	11.5	-10.0 d/
	Money (M1)	6.7	-14.2	-7.3	-6.6	-2.1	3.1	11.5	4.4	12.0	12.0 d/
	M2	7.6	-2.9	-3.1	-1.1	1.7	2.8	3.5	2.5	0.1	4.9 d/
	Foreign-currency deposits	-0.5	39.9	-45.2	5.8	-12.8	0.9	20.0	17.0	17.3	12.8 d/
The Bahamas	Monetary base	6.4	2.0	2.5	26.8	-7.8	2.2	13.8	-1.8	24.7	12.7 d/
	Money (M1)	0.3	-0.2	2.8	6.2	8.6	5.6	8.4	18.7	9.0	16.9 d/
	M2	6.5	-2.8	2.8	2.3	1.1	-0.6	0.1	1.5	2.7	6.0 d/
	Foreign-currency deposits	15.9	8.4	0.1	-2.7	11.6	15.8	-1.5	-19.9	1.2	49.6 d/
Barbados	Monetary base	9.2	-13.9	3.4	7.7	-0.9	10.6	5.8	31.5	24.1	16.6
	Money (M1)	7.7	-5.3	1.7	-0.5	-20.3	5.5	9.4	14.1	15.0	10.2 c/
	M2	9.3	-1.0	-0.8	0.3	-5.7	3.5	1.5	3.4	4.3	2.7 c/
Belize	Monetary base	11.5	11.9	-1.2	8.2	17.5	19.2	18.8	24.6	12.6	-12.0
	Money (M1)	9.2	-1.9	-0.9	9.1	24.0	13.7	14.0	14.6	10.3	-7.6
Dominica	Monetary base	-0.1	-4.6	9.7	8.5	17.8	0.0	15.0	19.1	40.7	70.8 d/
	Money (M1)	4.4	-1.3	-1.5	-2.1	9.8	2.5	2.2	7.8	18.1	8.5 d/
	M2	8.2	7.5	3.8	3.2	7.0	4.5	6.5	4.3	6.0	5.0 d/
	Foreign-currency deposits	19.0	15.9	30.2	38.8	25.4	-6.1	13.5	1.3	3.2	-7.7 d/
Grenada	Monetary base	3.5	-8.5	6.0	7.2	4.7	5.4	21.1	6.1	3.8	7.2 d/
	Money (M1)	3.1	-12.9	3.8	-7.3	2.9	5.4	24.1	20.6	11.1	1.4 d/
	M2	8.3	0.8	3.4	0.4	1.8	3.0	5.2	3.7	1.7	0.1 d/
	Foreign-currency deposits	2.7	17.4	-3.9	-5.5	5.5	-18.8	7.8	17.4	35.9	6.1 d/
Guyana	Monetary base	16.5	10.6	17.7	17.4	15.2	6.6	2.5	14.3	13.5	7.2
	Money (M1)	18.6	8.2	12.9	21.9	16.1	6.7	10.1	7.9	7.1	9.5
Jamaica	Monetary base	9.5	22.8	5.5	5.3	6.3	6.3	5.9	9.9	15.5	17.9
	Money (M1)	9.1	7.6	7.0	7.8	4.7	5.9	5.0	15.7	22.4	25.0 e/
	M2	7.9	4.4	6.1	5.6	3.3	6.4	2.6	9.9	15.5	23.2 e/
	Foreign-currency deposits	10.9	17.5	-0.9	-4.8	6.8	28.5	9.2	15.6	27.5	36.1 e/
Saint Kitts and Nevis	Monetary base	7.3	48.3	-3.2	36.1	13.7	22.2	10.5	-14.5	15.8	-1.0 d/
	Money (M1)	7.2	9.2	17.0	31.3	17.3	10.8	1.5	10.8	-0.7	-9.2 d/
	M2	10.3	10.2	9.5	12.7	8.6	4.5	6.4	5.9	0.2	-5.7 d/
	Foreign-currency deposits	-9.2	-7.0	-8.8	4.5	15.1	18.4	46.4	16.3	-6.3	-2.0 d/
Saint Vincent and the Grenadines	Monetary base	2.0	-3.2	11.9	0.8	11.8	26.2	16.9	8.3	13.3	3.7 d/
	Money (M1)	-1.4	-8.3	-0.5	-3.9	-0.4	9.6	5.8	8.6	10.0	6.7 d/
	M2	1.9	0.8	2.2	1.9	1.2	8.6	8.1	5.6	4.6	3.5 d/
	Foreign-currency deposits	1.5	-6.5	-7.7	30.8	-7.3	28.9	15.8	17.6	6.4	-5.2 d/
Saint Lucia	Monetary base	10.2	8.5	3.6	16.3	4.2	8.0	8.0	25.2	2.5	-1.4 d/
	Money (M1)	7.1	-2.4	-4.3	4.0	3.2	2.2	7.1	3.0	6.5	10.6 d/
	M2	10.7	4.1	0.2	4.9	3.7	3.5	-1.0	1.6	3.1	2.5 d/
	Foreign-currency deposits	8.9	9.3	-13.2	16.4	14.0	-10.1	45.0	20.1	11.1	9.2 d/
Suriname	Monetary base	30.2	22.1	13.0	3.2	27.0	13.8	-7.2	-6.2	30.3	23.5
	Money (M1)	21.3	26.3	16.7	5.3	17.0	11.3	5.4	-5.1	14.9	12.8
	M2	21.0	25.1	18.2	7.0	20.0	17.7	8.1	-2.8	12.4	11.1
	Foreign-currency deposits	24.3	12.0	7.9	39.1	13.6	10.8	11.4	9.9	85.5	25.2
Trinidad and Tobago	Monetary base	32.3	37.6	24.7	14.1	15.4	19.5	8.0	-7.9	-7.3	-8.2 c/
	Money (M1)	17.6	24.0	25.5	17.2	15.4	19.2	19.8	0.0	1.2	-1.2 c/
	M2	17.2	17.6	17.9	8.4	12.0	11.8	11.6	3.8	2.8	-0.9 c/
	Foreign-currency deposits	21.1	32.2	7.9	-4.0	4.7	12.6	-5.7	1.6	7.3	-0.4 c/

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Figures as of September.

b/ Figures as of July.

c/ Figures as of August.

d/ Figures as of June.

e/ Figures as of February.

Table A-23  
**Latin America and the Caribbean: domestic credit**  
*(Percentage variation with respect to the year-earlier period)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America</b>										
Argentina	23.9	2.3	51.3	59.5	33.0	40.8	24.7	36.2	25.0	26.1
Bolivia (Plurinational State of)	7.5	10.9	13.0	18.8	22.7	21.6	17.6	16.7	18.5	18.1 b/
Brazil	15.8	11.3	18.0	17.6	16.8	11.9	9.5	9.0	9.5	7.8
Chile	18.4	6.6	-0.1	12.1	15.1	9.3	7.6	8.4	8.5	4.2 c/
Colombia	15.7	14.4	25.9	19.0	15.7	13.8	12.2	16.6	8.4	8.8 d/
Costa Rica	23.6	13.0	0.4	8.1	12.9	2.9	20.0	9.9	7.1	10.5 d/
Dominican Republic	17.4	12.3	7.5	9.5	12.1	12.4	11.6	14.9	14.5	8.4
Ecuador	1.7	20.8	33.6	31.5	21.5	16.7	16.2	10.1	5.6	14.1
El Salvador	11.3	2.4	2.3	3.4	9.6	5.5	9.5	7.3	8.1	4.0
Guatemala	10.4	5.2	5.6	15.2	11.3	12.6	12.0	12.0	6.0	2.6
Haiti	7.8	9.7	-23.0	-17.1	11.4	70.0	30.4	18.2	10.2	11.5 d/
Honduras	27.1	6.7	10.0	10.8	18.3	9.3	6.8	7.9	5.9	8.4 d/
Mexico	8.7	16.8	9.6	11.0	10.9	9.4	9.9	12.6	14.1	8.6 d/
Nicaragua	16.7	0.7	-4.5	-6.2	21.0	20.8	11.6	11.8	13.2	14.8 c/
Panama	15.9	1.2	14.4	15.5	19.7	13.0	15.9	5.8	10.4	10.4
Paraguay e/	33.5	12.7	36.3	25.5	28.4	20.8	12.0	26.0	5.9	-2.2
Peru	9.4	9.9	24.1	12.0	9.6	6.6	18.6	14.2	12.3	8.6
Uruguay	...	...	3.9	24.7	19.4	16.5	18.6	12.9	33.4	6.1
Venezuela (Bolivarian Republic of) f/	22.0	28.4	13.7	36.0	56.1	61.9	63.8	74.5	100.1	200.0 d/
<b>Caribbean</b>										
Antigua and Barbuda	12.5	19.9	0.6	-3.8	-3.0	-4.9	-0.4	-5.9	-10.8	8.6 b/
The Bahamas	7.5	5.3	3.4	0.8	4.0	1.9	0.0	0.7	0.7	2.8 b/
Barbados	10.1	6.4	-0.5	-0.9	6.6	8.0	2.3	3.2	7.4	...
Belize	8.9	5.7	-0.4	-1.6	0.4	-2.6	-0.6	8.9	18.5	2.8
Dominica	5.0	8.5	12.5	13.7	7.6	7.7	1.7	-1.8	-24.3	-27.5 b/
Grenada	13.1	8.9	3.9	2.6	5.0	-2.1	-9.0	-10.2	-11.2	-8.2 b/
Guyana	15.8	4.5	-0.8	34.5	40.1	26.3	16.0	11.3	11.3	8.7
Jamaica	16.3	15.0	-3.4	-4.1	11.7	16.0	14.2	-2.2	4.7	17.3 f/
Saint Kitts and Nevis	3.0	6.2	6.4	3.1	-6.8	-25.0	-18.7	-2.3	-8.2	-8.8 b/
Saint Vincent and the Grenadines	9.5	7.1	1.5	-7.2	-1.0	6.5	3.5	5.4	0.3	-1.6 b/
Saint Lucia	21.1	4.6	-0.3	2.9	6.6	5.4	-3.1	-12.2	-6.1	-7.7 b/
Suriname	18.5	16.9	21.4	20.8	10.3	23.5	21.5	23.5	33.8	8.8
Trinidad and Tobago	6.5	35.5	36.6	9.3	7.9	-20.4	-23.8	3.2	36.6	16.6 d/

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Figures as of September.

b/ Figures as of June.

c/ Figures as of July.

d/ Figures as of August.

e/ Credit granted by the commercial and universal banks.

f/ Figures as of February.

Table A-24  
**Latin America and the Caribbean: monetary policy rates**  
*(Average rates)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America</b>										
Argentina	11.3	14.0	12.3	11.8	12.8	14.6	26.7	27.0	28.8	26.0
Bolivia (Plurinational State of)	9.0	7.0	3.0	4.0	4.0	4.1	5.1	2.7	2.5	2.4
Brazil	12.4	10.1	9.9	11.8	8.5	8.4	11.0	13.6	14.2	10.4
Chile	7.2	1.8	1.5	4.8	5.0	4.9	3.7	3.1	3.5	2.7
Colombia	9.8	5.8	3.2	4.0	4.9	3.4	3.9	4.7	7.1	6.3
Costa Rica	8.0	9.6	8.1	5.6	5.0	4.4	4.9	3.5	1.8	3.3
Dominican Republic	9.0	5.1	4.2	6.4	5.8	5.3	6.3	5.4	5.1	5.5
Guatemala	6.9	5.5	4.5	4.9	5.2	5.1	4.6	3.3	3.0	3.0
Haiti	6.9	6.2	5.0	3.2	3.0	3.0	4.8	12.3	14.7	12.0
Honduras	8.4	4.9	4.5	4.8	6.6	7.0	7.0	6.5	5.7	5.5
Mexico	7.9	5.4	4.5	4.5	4.5	3.9	3.2	3.0	4.2	6.7
Paraguay	5.9	2.1	2.2	7.9	6.0	5.5	6.7	6.1	5.7	5.4
Peru	5.9	3.3	2.1	4.0	4.3	4.2	3.8	3.4	4.2	4.0
Uruguay b/	7.4	8.5	6.3	7.5	8.8	9.3	...	...	...	...
Venezuela (Bolivarian Republic of)	12.3	8.1	6.3	6.4	6.4	6.2	6.4	6.2	6.5	6.5 c/
<b>Caribbean</b>										
Antigua and Barbuda	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5 d/
The Bahamas	5.3	5.3	5.3	4.8	4.5	4.5	4.5	4.5	4.5	4.0
Barbados	11.8	7.9	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0 d/
Belize	18.0	18.0	18.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0 c/
Dominica	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5 d/
Grenada	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5 d/
Guyana	6.6	6.9	6.4	5.4	5.4	5.0	5.0	5.0	5.0	5.0 d/
Jamaica	14.1	14.8	9.0	6.6	6.3	5.8	5.8	5.5	5.1	4.9 e/
Saint Kitts and Nevis	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5 d/
Saint Vincent and the Grenadines	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5 d/
Saint Lucia	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5 d/
Trinidad and Tobago	8.4	7.5	4.7	3.2	2.9	2.8	2.8	4.1	4.8	4.8 d/

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Figures as of October.

b/ As of June 2013, the interest rate was no longer used as an instrument of monetary policy.

c/ Figures as of July.

d/ Figures as of September.

e/ Figures as of April.

Table A-25  
**Latin America and the Caribbean: representative lending rates**  
*(Average rates)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America</b>										
Argentina b/	19.8	21.3	15.2	17.7	19.3	21.6	29.3	28.2	33.3	26.4
Bolivia (Plurinational State of) c/	8.9	8.5	5.2	6.3	6.7	7.0	6.5	6.4	6.2	5.9
Brazil d/	54.1	47.5	42.9	44.7	39.9	39.1	45.0	49.5	53.7	50.9 e/
Chile f/	15.2	12.9	11.8	12.4	13.5	13.2	10.8	9.3	10.4	11.6
Colombia g/	19.6	15.6	12.4	12.8	13.7	12.2	12.1	12.1	14.7	14.0
Costa Rica h/	16.7	21.6	19.8	18.1	19.7	17.4	16.6	15.9	14.7	14.4 e/
Dominican Republic i/	...	...	...	...	15.5	13.6	13.9	14.9	15.1	14.5 e/
Ecuador j/	9.8	9.2	9.0	8.3	8.2	8.2	8.1	8.3	8.7	8.0
El Salvador k/	7.9	9.3	7.6	6.0	5.6	5.7	6.0	6.2	6.4	6.4
Guatemala h/	13.4	13.8	13.3	13.4	13.5	13.6	13.8	13.2	13.1	13.1
Haiti l/	23.3	21.6	20.7	19.8	19.4	18.9	18.6	18.8	19.7	17.9 e/
Honduras h/	17.9	19.4	18.9	18.6	18.4	20.1	20.6	20.7	19.3	20.0 e/
Mexico m/	...	...	...	29.9	28.6	27.9	28.6	28.5	26.8	27.1 e/
Nicaragua n/	13.2	14.0	13.3	10.8	12.0	15.0	13.5	12.0	11.4	10.8
Panama o/	8.2	8.3	7.9	7.3	7.0	7.4	7.6	7.6	7.6	7.5 e/
Paraguay o/	13.5	14.6	12.5	16.9	16.6	16.6	15.7	14.4	15.6	14.5 e/
Peru p/	23.7	21.0	19.0	18.7	19.2	18.1	15.7	16.1	16.5	17.0 e/
Uruguay q/	13.1	16.6	12.0	11.0	12.0	13.3	17.2	17.0	17.6	15.9 e/
Venezuela (Bolivarian Republic of) r/	22.8	20.6	18.0	17.4	16.2	15.6	17.2	20.0	21.5	21.5 e/
<b>Caribbean</b>										
Antigua and Barbuda s/	10.1	9.5	10.2	10.1	9.4	9.4	9.6	8.7	9.2	9.0 t/
The Bahamas u/	11.0	10.6	11.0	11.0	10.9	11.2	11.8	12.3	12.5	12.0 e/
Barbados s/	9.3	8.8	8.3	8.1	7.2	7.0	7.0	6.9	6.7	6.7 e/
Belize v/	14.1	14.1	13.9	13.3	12.3	11.5	10.9	10.3	9.8	9.5 e/
Dominica s/	9.4	10.0	9.4	8.7	8.9	9.0	8.8	8.6	8.2	8.1 t/
Grenada s/	9.4	10.7	10.3	10.4	9.5	9.1	9.1	8.8	8.5	8.3 t/
Guyana q/	13.9	14.0	15.2	14.7	14.0	12.1	11.1	10.8	10.7	10.6 e/
Jamaica v/	21.4	21.5	20.4	20.0	18.6	17.7	17.2	17.0	16.5	15.0 w/
Saint Kitts and Nevis s/	8.6	8.6	8.5	9.2	8.5	8.4	8.8	8.5	8.5	8.5 t/
Saint Vincent and the Grenadines s/	9.5	9.1	9.0	9.0	9.3	9.2	9.3	9.3	9.1	8.8 t/
Saint Lucia s/	9.3	9.5	9.5	9.2	8.6	8.4	8.4	8.5	8.2	8.1 t/
Suriname x/	12.0	11.7	11.7	11.8	11.7	12.0	12.3	12.6	13.5	14.4 e/
Trinidad and Tobago q/	12.4	11.9	9.3	8.0	7.7	7.5	7.5	8.2	9.0	9.0

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Figures as of October.

a/ Local-currency loans to the non-financial private sector, at fixed or renegotiable rates, signature loans of up to 89 days.

c/ Nominal local-currency rate for 60-91-day operations.

d/ Interest rate on total consumer credit.

e/ Figures as of September.

f/ Non-adjustable 90-360 day operations.

g/ Weighted average of consumer, prime, ordinary and treasury lending rates for the working days of the month.

h/ Weighted average of the system lending rates in local currency.

i/ Market lending rate, average for transactions conducted in the last 30 business days.

j/ Effective benchmark lending rate for the corporate commercial segment.

k/ Basic lending rate for up to one year.

l/ Average of minimum and maximum lending rates.

m/ Average interest rate for credit cards from commercial banks and the TAC rate (Total Annual Cost).

n/ Weighted average of short-term lending rates in local currency.

o/ Interest rate on one-year trade credit.

n/ Figures as of August.

o/ Weighted average of short-term lending rates in local currency.

p/ Commercial lending rate, local currency.

q/ Business credit, 30-367 days.

r/ Average rate for loan operations for the six major commercial banks.

s/ Weighted average of lending rates.

t/ Figures as of June.

u/ Weighted average of lending and overdraft rates.

v/ Rate for personal and business loans, residential and other construction loans; weighted average.

w/ Figures as of July.

x/ Average of lending rates.

Table A-26  
**Latin America and the Caribbean: consumer prices**  
*(12-month percentage variation)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America and the Caribbean b/</b>	<b>8.3</b>	<b>4.6</b>	<b>6.5</b>	<b>6.8</b>	<b>5.7</b>	<b>7.5</b>	<b>9.4</b>	<b>16.5</b>	...	...
<b>Latin America and the Caribbean c/</b>	<b>7.0</b>	<b>3.5</b>	<b>5.4</b>	<b>5.8</b>	<b>4.9</b>	<b>5.0</b>	<b>6.3</b>	<b>7.9</b>	<b>7.3</b>	<b>5.3</b>
<b>Latin America</b>										
Argentina	7.2	7.7	10.9	9.5	10.8	10.9	23.9	27.5	38.5	22.9
Bolivia (Plurinational State of)	11.9	0.3	7.2	6.9	4.5	6.5	5.2	3.0	4.0	3.0
Brazil	5.9	4.3	5.9	6.5	5.8	5.9	6.4	10.7	6.3	2.7
Chile	7.1	-1.4	3.0	4.4	1.5	3.0	4.6	4.4	2.7	1.9
Colombia	7.7	2.0	3.2	3.7	2.4	1.9	3.7	6.8	5.7	4.0
Costa Rica	13.9	4.0	5.8	4.7	4.5	3.7	5.1	-0.8	0.8	2.3
Cuba d/	-0.1	-0.1	1.5	1.3	2.0	0.0	2.1	2.8	...	...
Dominican Republic	4.5	5.7	6.3	7.8	3.9	3.9	1.6	2.3	1.7	3.5
Ecuador	8.8	4.3	3.3	5.4	4.2	2.7	3.7	3.4	1.1	-0.1
El Salvador	5.5	-0.2	2.1	5.1	0.8	0.8	0.5	1.0	-0.9	1.6 e/
Guatemala	9.4	-0.3	5.4	6.2	3.4	4.4	2.9	3.1	4.2	4.2
Haiti	10.1	2.0	6.2	8.3	7.6	3.4	6.4	12.5	14.3	15.6 f/
Honduras	10.8	3.0	6.5	5.6	5.4	4.9	5.8	2.4	3.3	4.0
Mexico	6.5	3.6	4.4	3.8	3.6	4.0	4.1	2.1	3.4	6.4
Nicaragua	12.7	1.8	9.1	8.6	7.1	5.4	6.4	2.9	3.1	4.6
Panama	6.8	1.9	4.9	6.3	4.6	3.7	1.0	0.3	1.5	0.5
Paraguay	7.5	1.9	7.2	4.9	4.0	3.7	4.2	3.1	3.9	4.9
Peru	6.7	0.2	2.1	4.7	2.6	2.9	3.2	4.4	3.2	2.0
Uruguay	9.2	5.9	6.9	8.6	7.5	8.5	8.3	9.4	8.1	6.0
Venezuela (Bolivarian Republic of) g/	31.9	25.1	27.2	27.6	20.1	56.2	68.5	180.9	...	...
<b>Caribbean</b>										
Antigua and Barbuda	0.7	2.4	2.9	4.0	1.8	1.1	1.3	0.9	-1.1	2.2 h/
The Bahamas	4.5	1.3	1.4	0.0	0.7	0.8	0.2	2.0	0.8	2.7 h/
Barbados	7.3	4.4	6.5	9.6	2.4	1.1	2.3	-2.5	3.2	1.2 i/
Belize	4.4	-0.4	0.0	2.6	0.8	1.6	-0.2	-0.6	1.1	2.3 f/
Dominica	2.0	3.2	0.3	1.9	1.3	-0.4	0.5	-0.5	0.6	1.3 h/
Grenada	5.2	-2.3	4.2	3.5	1.8	-1.7	-0.2	1.1	0.9	1.5 h/
Guyana	6.4	3.6	4.5	3.3	3.4	0.9	1.2	-1.8	1.4	2.5 f/
Jamaica	16.9	10.2	11.8	6.0	8.0	9.7	6.2	3.7	1.7	4.1 e/
Saint Kitts and Nevis	6.5	1.2	4.3	2.0	0.5	0.6	-0.5	-2.4	0.0	0.5 h/
Saint Vincent and the Grenadines	8.7	-1.6	0.9	4.7	1.0	0.0	0.1	-2.1	1.0	1.9 h/
Saint Lucia	3.4	-3.1	4.2	4.8	5.0	-0.7	3.7	-2.6	-2.8	-0.3 e/
Suriname	9.4	1.3	10.3	15.3	4.4	0.6	3.9	25.2	49.2	30.9 f/
Trinidad and Tobago	14.5	1.3	13.4	5.3	7.2	5.6	8.5	1.5	3.1	1.2 e/

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Twelve-month variation to October 2017.

b/ Weighted average.

c/ Weighted average, does not include the Bolivarian Republic of Venezuela.

d/ Refers to national-currency markets.

e/ Twelve-month variation to September 2017.

f/ Twelve-month variation to August 2017.

g/ Up to 2008, national consumer price index.

h/ Twelve-month variation to March 2017.

i/ Twelve-month variation to June 2017.

Table A-27  
**Latin America and the Caribbean: fiscal balances**  
*(Percentages of GDP)*

	Primary balance				Overall balance			
	2014	2015	2016	2017 a/	2014	2015	2016	2017 a/
<b>Latin America and the Caribbean b/</b>	<b>-0.3</b>	<b>-0.2</b>	<b>-0.1</b>	<b>0.0</b>	<b>-2.8</b>	<b>-2.8</b>	<b>-2.7</b>	<b>-2.8</b>
<b>Latin America c/</b>	<b>-1.0</b>	<b>-0.9</b>	<b>-1.0</b>	<b>-0.8</b>	<b>-2.8</b>	<b>-2.9</b>	<b>-3.1</b>	<b>-3.1</b>
Argentina	-2.3	-1.9	-2.2	-2.5	-4.2	-3.7	-5.9	-5.5
Bolivia (Plurinational State of) d/	-1.7	-3.6	-2.4	...	-2.5	-4.5	-3.0	...
Brazil	-0.3	-1.9	-2.5	-2.2	-5.0	-9.0	-7.6	-7.8
Chile	-1.0	-1.5	-2.0	-1.9	-1.6	-2.1	-2.7	-2.7
Colombia	-0.4	-0.8	-1.6	-0.6	-2.4	-3.0	-4.0	-3.6
Costa Rica	-3.0	-3.0	-2.4	-2.9	-5.6	-5.7	-5.2	-6.1
Cuba	...	...	...	...	0.6	-0.5	...	...
Dominican Republic	-0.1	0.3	0.5	0.8	-2.6	-2.4	-2.4	-2.4
Ecuador	-4.9	-2.0	-3.6	-2.4	-6.3	-3.8	-5.6	-4.7
El Salvador	0.8	1.3	1.7	1.9	-1.6	-1.1	-0.8	-0.9
Guatemala	-0.4	0.1	0.4	-0.5	-1.9	-1.4	-1.1	-1.9
Haiti	-0.5	0.3	0.8	...	-0.9	0.1	0.6	...
Honduras	-2.1	-0.6	-0.4	-0.5	-4.4	-3.0	-2.9	-3.6
Mexico e/	-1.2	-1.3	-0.3	1.4	-3.2	-3.4	-2.6	-1.3
Nicaragua	0.6	0.3	0.4	0.1	-0.3	-0.6	-0.6	-0.9
Panama	-2.3	-2.1	-2.5	-2.4	-4.0	-3.9	-4.3	-4.5
Paraguay	-0.7	-1.1	-0.7	-0.9	-1.1	-1.8	-1.4	-1.5
Peru d/	0.8	-1.1	-1.3	-1.7	-0.3	-2.2	-2.4	-2.9
Uruguay	0.0	-0.5	-1.0	-0.1	-2.3	-2.8	-3.7	-2.8
Venezuela (Bolivarian Republic of)	1.1	-0.2	...	...	-1.9	-1.4	...	...
<b>The Caribbean f/</b>	<b>0.7</b>	<b>0.8</b>	<b>1.2</b>	<b>1.2</b>	<b>-2.8</b>	<b>-2.5</b>	<b>-2.2</b>	<b>-2.3</b>
Antigua and Barbuda	-0.1	4.6	2.4	5.0	-2.7	2.2	0.0	2.6
Bahamas g/	-1.7	-0.4	-2.6	-0.3	-4.4	-3.5	-5.7	-3.5
Barbados h/ i/	-0.6	-2.2	2.6	2.9	-8.1	-9.8	-5.6	-4.4
Belize h/	-1.2	-5.1	-1.6	3.2	-3.8	-7.5	-4.6	0.2
Dominica	0.1	0.0	...	...	-1.7	-1.8	...	...
Grenada	-1.2	2.2	4.8	4.8	-4.7	-1.2	1.8	1.9
Guyana	-4.5	-0.4	-3.5	-4.5	-5.5	-1.4	-4.4	-5.6
Jamaica h/	7.6	7.4	8.4	6.8	-0.5	-0.3	0.1	-0.9
Saint Kitts and Nevis	13.9	8.2	6.1	1.5	10.5	6.2	4.5	-0.1
Saint Lucia	0.3	2.0	3.8	3.8	-2.1	-0.2	1.8	1.8
Saint Vincent and the Grenadines	0.2	1.4	3.3	...	-3.7	-2.4	-0.6	...
Suriname j/	-3.8	-8.1	-6.7	-2.5	-5.6	-10.2	-7.9	-6.0
Trinidad and Tobago k/	-0.8	0.5	-2.9	-5.4	-2.6	-1.8	-5.5	-8.4

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures established on the basis of information from official budgets and estimates.

b/ Simple averages for the 33 countries reported. Coverage corresponds to central government.

c/ Simple averages for 17 countries. Does not include Bolivarian Republic of Venezuela, Cuba or Plurinational State of Bolivia.

d/ General government.

e/ Federal public sector.

f/ Simple averages. Does not include Dominica.

g/ Fiscal years, from 1 July to 30 June.

h/ Fiscal years, from 1 April to 31 March.

i/ Non-financial public sector.

j/ Includes statistical discrepancy.

k/ Fiscal years, from 1 October to 30 September.



Table A-28  
**Latin America and the Caribbean: central government revenues composition**  
*(Percentages of GDP)*

	Total revenue				Tax revenue			
	2014	2015	2016	2017 a/	2014	2015	2016	2017 a/
<b>Latin America and the Caribbean b/</b>	<b>21.9</b>	<b>22.2</b>	<b>22.1</b>	<b>22.1</b>	<b>17.9</b>	<b>18.3</b>	<b>18.2</b>	<b>18.2</b>
<b>Latin America c/</b>	<b>18.2</b>	<b>18.2</b>	<b>18.3</b>	<b>18.2</b>	<b>15.3</b>	<b>15.6</b>	<b>15.7</b>	<b>15.6</b>
Argentina	20.6	20.7	20.6	18.6	17.3	17.5	17.4	16.0
Bolivia (Plurinational State of) d/	37.7	36.1	31.4	...	22.3	23.2	20.7	...
Brazil	21.1	20.8	21.0	20.3	19.9	19.7	19.8	18.8
Chile	20.6	21.2	21.1	21.2	17.9	19.1	18.8	19.0
Colombia	16.6	16.2	14.9	15.3	14.3	14.6	13.6	14.2
Costa Rica	13.9	14.3	14.6	14.6	13.1	13.4	13.8	13.7
Cuba	31.3	35.7	...	...	19.4	....	....	....
Dominican Republic	14.8	14.5	14.8	15.0	13.8	13.5	13.7	13.9
Ecuador	19.9	20.3	18.6	21.0	14.1	15.6	14.0	14.9
El Salvador	15.8	15.9	16.4	16.9	15.1	15.0	15.5	15.9
Guatemala	11.5	10.8	11.0	11.3	11.2	10.5	10.7	11.0
Haiti	13.1	13.5	14.4	...	12.0	13.2	13.7	...
Honduras	18.7	19.6	20.9	20.4	16.7	17.7	19.1	18.7
Mexico d/	23.1	23.5	24.9	22.7	10.5	13.0	13.9	13.0
Nicaragua	17.6	17.8	18.7	18.3	15.4	15.7	16.3	16.3
Panama	14.4	13.9	13.9	14.9	10.2	9.7	10.0	9.9
Paraguay	17.9	18.7	18.3	17.9	14.4	14.2	13.8	14.0
Peru	22.5	20.5	19.1	18.8	19.3	17.7	16.6	16.1
Uruguay	27.6	27.2	27.9	28.7	25.3	25.2	25.6	26.3
Venezuela (Bolivarian Republic of)	33.0	17.5	...	...	17.9	12.8	...	...
<b>The Caribbean f/</b>	<b>27.2</b>	<b>27.8</b>	<b>27.4</b>	<b>27.7</b>	<b>21.6</b>	<b>22.1</b>	<b>21.8</b>	<b>22.0</b>
Antigua and Barbuda	19.8	23.8	24.8	24.5	16.6	17.0	16.6	18.5
Bahamas g/	19.7	21.8	22.0	23.4	17.4	18.9	18.5	21.3
Barbados h/ i/	27.7	27.8	30.3	31.0	25.1	25.6	27.5	28.6
Belize h/	29.3	28.3	31.2	32.7	24.7	24.5	27.3	28.5
Dominica	31.8	31.0	...	...	22.1	23.6	...	...
Grenada	24.5	24.8	26.9	27.3	19.4	20.0	22.0	20.4
Guyana	23.6	25.7	26.0	26.4	21.4	21.8	21.3	21.5
Jamaica h/	26.6	27.8	30.1	29.6	24.0	25.2	27.3	26.9
Saint Kitts and Nevis	43.4	40.2	34.2	33.2	20.7	21.4	19.5	20.0
Saint Lucia	29.3	28.8	30.7	30.7	22.2	22.3	24.2	24.2
Saint Vincent and the Grenadines	25.7	26.2	27.4	...	22.9	23.6	25.5	...
Suriname	21.7	20.4	15.0	18.4	16.5	16.3	11.1	11.1
Trinidad and Tobago j/	34.8	38.1	30.8	25.0	28.2	28.2	20.4	18.4

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures established on the basis of information from official budgets and estimates.

b/ Simple averages for the 33 countries reported.

c/ Simple averages for 17 countries. Does not include Bolivarian Republic of Venezuela, Cuba or Plurinational State of Bolivia.

d/ General government.

e/ Federal public sector.

f/ Simple averages. Does not include Dominica.

g/ Fiscal years, from 1 July to 30 June.

h/ Fiscal years, from 1 April to 31 March.

i/ Non-financial public sector.

j/ Fiscal years, from 1 October to 30 September.

Table A-29  
**Latin America and the Caribbean: central government expenditure composition**  
*(Percentages of GDP)*

	Total expenditure				Interest payments on public debt				Capital expenditure			
	2014	2015	2016	2017 a/	2014	2015	2016	2017 a/	2014	2015	2016	2017 a/
<b>Latin America and the Caribbean b/</b>	<b>24.7</b>	<b>24.9</b>	<b>24.8</b>	<b>24.9</b>	<b>2.4</b>	<b>2.5</b>	<b>2.6</b>	<b>2.8</b>	<b>4.5</b>	<b>4.2</b>	<b>3.8</b>	<b>4.0</b>
<b>Latin America c/</b>	<b>21.0</b>	<b>21.1</b>	<b>21.3</b>	<b>21.3</b>	<b>1.8</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>	<b>4.0</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>
Argentina	24.8	24.5	26.5	24.1	1.9	1.8	3.7	3.1	4.2	2.7	2.1	1.7
Bolivia (Plurinational State of) d/	40.2	40.6	34.4	...	0.8	0.9	0.6	...	16.6	13.7	12.2	...
Brazil	26.2	29.9	28.6	28.1	4.7	7.1	5.2	5.7	1.6	1.8	1.4	1.3
Chile	22.2	23.3	23.8	23.9	0.6	0.7	0.8	0.8	3.8	4.2	4.0	3.9
Colombia	19.1	19.2	18.9	18.9	2.1	2.2	2.5	3.0	3.0	3.0	2.3	1.9
Costa Rica	19.5	19.9	19.8	20.6	2.6	2.7	2.8	3.2	1.7	1.8	1.8	2.3
Cuba	30.7	36.2	...	...	...	...	...	...	3.1	4.1	...	...
Dominican Republic	17.3	16.9	17.2	17.3	2.5	2.7	2.9	3.2	2.7	2.8	2.8	2.7
Ecuador	26.2	24.1	24.1	25.6	1.4	1.8	1.9	2.3	11.5	9.6	9.6	9.2
El Salvador	17.4	17.0	17.1	17.8	2.4	2.4	2.5	2.8	2.8	2.6	2.6	2.8
Guatemala	13.4	12.3	12.1	13.2	1.4	1.6	1.5	1.4	2.9	2.2	2.1	2.5
Haiti	13.4	12.6	13.1	...	0.4	0.2	0.3	...	1.9	1.4	1.2	...
Honduras	23.1	22.6	23.7	24.0	2.3	2.5	2.5	3.1	5.2	4.6	5.2	5.9
Mexico e/	26.3	26.9	27.4	24.0	1.9	2.2	2.3	2.7	5.2	5.1	6.1	3.3
Nicaragua	17.9	18.4	19.3	19.2	0.9	0.9	1.0	1.1	4.0	4.5	4.6	5.3
Panama	18.4	17.8	18.2	19.4	1.7	1.8	1.8	2.1	6.8	6.3	6.7	7.1
Paraguay	19.0	20.5	19.7	19.4	0.4	0.6	0.7	0.6	3.6	4.1	4.3	4.3
Peru d/	22.8	22.7	21.5	21.8	1.1	1.0	1.1	1.2	6.0	5.5	4.8	5.1
Uruguay	29.9	30.0	31.6	31.5	2.3	2.3	2.7	2.7	1.4	1.2	1.4	1.4
Venezuela (Bolivarian Republic of)	35.9	19.2	...	...	3.0	1.2	...	...	6.1	3.9	...	...
<b>The Caribbean f/</b>	<b>29.9</b>	<b>30.4</b>	<b>29.6</b>	<b>30.0</b>	<b>3.4</b>	<b>3.3</b>	<b>3.4</b>	<b>3.5</b>	<b>5.1</b>	<b>4.7</b>	<b>3.9</b>	<b>4.5</b>
Antigua and Barbuda	22.5	21.6	24.8	21.8	2.6	2.4	2.5	2.4	1.6	1.4	4.0	2.6
The Bahamas g/	24.2	25.3	27.6	26.9	2.7	3.1	3.1	3.2	3.3	2.6	3.5	2.5
Barbados h/ i/	35.8	37.5	35.9	35.4	7.5	7.6	8.1	7.3	2.2	2.7	2.5	2.8
Belize h/	33.1	35.8	35.8	32.5	2.5	2.4	3.0	3.0	8.6	10.2	7.0	4.1
Dominica	33.5	32.9	...	...	1.8	1.8	1.9	...	8.5	5.9	...	...
Grenada	29.2	26.0	25.0	25.4	3.5	3.4	2.9	2.9	9.2	8.4	4.8	5.2
Guyana	29.1	27.2	30.5	32.0	1.0	1.0	0.9	1.1	8.0	4.7	6.6	7.5
Jamaica h/	27.1	28.1	30.0	30.5	8.1	7.7	8.3	7.7	1.5	2.0	2.5	2.8
Saint Kitts and Nevis	32.8	34.0	29.7	33.4	3.4	2.0	1.6	1.6	5.7	7.0	3.2	8.6
Saint Lucia	31.4	30.1	28.9	28.9	2.3	2.3	2.0	2.0	5.5	4.3	3.4	0.0
Saint Vincent and the Grenadines	29.4	28.6	28.0	...	3.9	3.8	3.9	...	5.7	5.7	3.8	...
Suriname	26.4	30.0	23.0	24.3	0.9	1.5	1.3	3.5	5.2	2.6	2.4	2.9
Trinidad and Tobago j/	37.4	39.9	36.3	33.4	1.9	2.3	2.6	3.0	5.0	5.1	3.0	2.4

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures established on the basis of information from official budgets and estimates.

b/ Simple averages for the 33 countries reported.

c/ Simple averages for 17 countries. Does not include Bolivarian Republic of Venezuela, Cuba or Plurinational State of Bolivia.

d/ General government.

e/ Federal public-sector.

f/ Simple averages. Does not include Dominica.

g/ Fiscal years, from 1 July to 30 June.

h/ Fiscal years, from 1 April to 31 March.

i/ Non-financial public sector.

j/ Fiscal years, from 1 October to 30 September.

Table A-30  
**Latin America and the Caribbean: central government gross public debt**  
*(Percentages of GDP)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 a/
<b>Latin America and the Caribbean b/</b>	<b>41.4</b>	<b>45.2</b>	<b>44.6</b>	<b>45.2</b>	<b>46.9</b>	<b>48.2</b>	<b>48.9</b>	<b>50.0</b>	<b>52.0</b>	<b>51.6</b>
<b>Latin America b/</b>	<b>28.5</b>	<b>30.7</b>	<b>29.4</b>	<b>28.8</b>	<b>30.0</b>	<b>31.8</b>	<b>33.0</b>	<b>35.6</b>	<b>38.0</b>	<b>38.4</b>
Argentina	39.2	39.6	36.1	33.3	35.1	43.5	44.7	53.5	54.2	53.7
Bolivia (Plurinational State of)	34.0	36.3	34.6	34.5	29.1	28.4	27.7	29.5	31.5	31.7
Brazil c/	57.5	59.6	52.0	50.8	55.2	56.7	58.9	66.5	69.9	73.9
Chile	5.1	5.7	8.6	11.0	11.9	12.8	14.9	17.4	21.3	23.8
Colombia	36.2	38.1	38.7	36.5	34.6	37.2	40.0	43.9	43.9	44.0
Costa Rica	24.1	26.5	28.4	29.8	34.3	35.9	38.5	40.9	44.6	47.2
Dominican Republic	23.2	27.1	27.6	28.8	32.2	38.1	37.1	34.7	36.4	38.6
Ecuador	15.1	10.7	11.5	12.1	11.9	13.6	16.2	19.1	24.6	26.1
El Salvador	34.4	42.6	42.6	41.7	45.7	44.4	44.8	44.7	44.8	43.6
Guatemala	19.9	22.8	24.0	23.7	24.3	24.6	24.3	24.2	24.0	23.5
Haiti d/	42.3	34.3	22.8	23.9	28.0	30.5	35.1	39.0	40.8	35.9
Honduras	20.1	23.9	30.4	32.5	34.4	43.1	44.4	44.6	45.5	47.8
Mexico e/	24.0	27.2	27.2	27.5	28.2	29.8	31.7	34.1	38.1	35.7
Nicaragua	28.6	32.3	33.3	31.9	31.5	30.8	30.2	29.9	30.7	31.0
Panama	42.0	40.7	39.6	36.7	35.2	35.0	36.8	38.5	38.8	39.0
Paraguay	13.4	13.9	12.1	9.8	12.6	13.0	15.8	17.6	19.9	20.8
Peru	23.1	22.8	20.7	18.4	18.3	17.3	18.2	19.7	22.6	21.2
Uruguay	44.5	53.3	39.9	38.4	40.2	36.9	39.2	47.2	46.4	44.2
Venezuela (Bolivarian Republic of)	15.2	25.2	29.0	25.1	27.5	32.9	28.5	31.7	44.6	47.4
<b>The Caribbean b/</b>	<b>60.3</b>	<b>66.4</b>	<b>66.9</b>	<b>69.3</b>	<b>71.6</b>	<b>72.3</b>	<b>72.1</b>	<b>71.0</b>	<b>72.5</b>	<b>70.9</b>
Antigua and Barbuda	72.6	79.6	74.2	77.1	72.2	77.9	82.1	71.8	70.1	68.0
The Bahamas	39.0	50.0	54.3	55.3	59.6	65.6	72.9	75.3	79.3	79.7
Barbados	55.7	63.2	71.9	78.0	83.9	96.4	100.1	105.2	108.2	102.7
Belize	79.4	82.2	72.3	70.7	72.8	78.5	75.6	78.4	88.8	91.7
Dominica	57.1	53.7	56.7	54.6	64.6	65.0	62.9	65.0	56.9	51.4
Grenada	73.3	83.4	86.1	89.7	93.2	94.3	89.5	80.0	76.2	74.4
Guyana f/	62.9	67.0	68.0	66.7	63.6	58.1	51.8	48.7	47.6	46.2
Jamaica f/	112.3	126.3	131.7	131.4	133.9	135.5	131.8	128.1	125.1	109.5
Saint Kitts and Nevis	100.2	108.3	98.1	114.1	108.7	76.9	64.8	53.9	51.2	47.9
Saint Lucia	45.9	51.0	55.5	58.5	57.1	59.1	68.7	67.6	74.5	73.6
Saint Vincent and the Grenadines	46.2	47.4	48.3	53.5	61.6	63.6	65.2	63.0	64.5	75.2
Suriname	15.7	15.7	18.6	20.1	21.6	29.9	26.8	42.8	47.2	50.1
Trinidad and Tobago	23.8	35.9	34.0	31.2	37.9	38.6	45.3	43.9	52.6	51.7

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a/ Preliminary figures.

b/ Simple averages.

c/ General government.

d/ Data to September 2013. Does not include public sector liabilities owed to commercial banks.

e/ Federal government.

f/ Public sector

Table A-31  
**Latin America and the Caribbean: non-financial public sector gross public debt**  
*(Percentages of GDP)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 <i>a/</i>
<b>Latin America and the Caribbean <i>b/</i></b>	<b>45.7</b>	<b>50.0</b>	<b>50.5</b>	<b>50.0</b>	<b>51.5</b>	<b>52.9</b>	<b>53.4</b>	<b>54.5</b>	<b>55.9</b>	<b>55.3</b>
<b>Latin America <i>b/</i></b>	<b>30.6</b>	<b>33.2</b>	<b>32.4</b>	<b>31.0</b>	<b>32.2</b>	<b>34.1</b>	<b>35.5</b>	<b>38.5</b>	<b>41.3</b>	<b>41.3</b>
Argentina	39.2	39.6	36.1	33.3	35.1	43.5	44.7	53.5	54.2	53.7
Bolivia (Plurinational State of) <i>c/</i>	37.2	39.5	38.1	33.7	31.3	30.4	30.0	31.6	34.3	34.3
Brazil <i>d/</i>	57.5	60.9	53.6	50.8	55.2	56.7	58.9	66.5	69.9	73.9
Chile	11.6	12.1	14.7	17.7	18.9	20.5	24.0	27.6	30.7	30.9
Colombia	42.6	45.1	46.2	43.1	40.7	43.1	46.0	50.1	54.9	54.0
Costa Rica	29.0	34.0	35.7	37.1	41.5	44.1	46.9	49.2	54.8	57.0
Dominican Republic <i>f/</i>	23.2	27.1	27.6	28.8	32.2	38.1	37.2	35.4	37.3	39.1
Ecuador	16.6	16.3	19.6	13.1	12.9	14.7	18.3	21.2	27.2	29.1
El Salvador	36.9	45.2	45.1	44.1	47.9	46.3	46.7	47.0	47.6	46.1
Guatemala	20.1	23.3	24.4	23.9	24.5	24.7	24.5	24.3	24.1	23.6
Haiti <i>e/ f/</i>	42.3	34.3	22.8	23.9	28.0	30.5	35.1	39.0	40.8	35.9
Honduras <i>f/</i>	20.1	23.9	30.4	32.5	34.4	43.1	44.4	44.6	45.5	47.8
Mexico <i>g/</i>	26.5	34.3	31.7	34.4	33.9	36.8	40.1	44.2	50.8	46.7
Nicaragua	29.4	34.2	34.8	32.6	32.2	31.5	30.7	30.4	32.1	31.5
Panama	42.6	45.4	43.0	37.3	35.7	35.5	37.1	38.8	39.3	39.3
Paraguay <i>h/</i>	15.5	16.8	14.9	11.5	14.2	14.4	17.6	20.0	22.8	23.7
Peru	26.9	23.7	23.5	22.1	20.4	19.6	20.1	23.3	23.8	23.0
Uruguay	48.9	49.4	43.5	43.4	45.7	41.5	44.6	52.2	50.4	47.7
Venezuela (Bolivarian Republic of) <i>f/</i>	15.2	25.2	29.0	25.1	27.5	32.9	28.5	31.7	44.6	47.4
<b>The Caribbean <i>b/</i></b>	<b>67.9</b>	<b>74.5</b>	<b>77.1</b>	<b>77.9</b>	<b>79.8</b>	<b>80.3</b>	<b>79.4</b>	<b>78.0</b>	<b>77.3</b>	<b>75.7</b>
Antigua and Barbuda	79.8	89.5	84.0	92.2	86.9	100.1	97.8	85.7	82.6	78.0
Bahamas <i>f/</i>	39.0	50.0	54.3	55.3	59.6	65.6	72.9	75.3	79.3	79.7
Barbados	67.2	76.0	88.1	89.8	91.0	100.2	106.1	106.7	101.4	96.2
Belize	79.4	82.2	72.3	70.7	72.8	78.5	75.6	78.8	89.2	92.1
Dominica	69.2	65.0	69.0	67.5	77.6	77.7	75.6	75.3	63.3	65.2
Grenada	82.1	93.0	95.4	100.8	103.5	103.4	96.8	85.8	80.5	79.1
Guyana	62.9	67.0	68.0	66.7	63.6	58.1	51.8	48.7	47.3	46.2
Jamaica	112.3	126.3	131.7	131.4	133.9	135.5	131.8	128.1	125.1	109.5
Saint Kitts and Nevis	128.0	135.1	145.1	140.1	137.5	99.4	77.5	66.9	63.2	58.9
Saint Lucia	58.8	64.7	67.3	69.9	68.7	71.4	80.4	79.2	81.5	76.3
Saint Vincent and the Grenadines	54.0	55.4	55.9	60.3	67.3	68.5	69.1	66.2	67.0	76.7
Suriname <i>f/</i>	15.7	15.7	18.6	20.1	21.6	29.9	26.8	42.8	47.0	49.8
Trinidad and Tobago	34.5	49.0	52.9	48.0	53.2	56.2	70.6	74.4	77.2	75.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

*a/* Preliminary figures.

*b/* Simple averages.

*c/* Refers to the external debt of the non-financial public-sector and central-government domestic debt.

*d/* General government.

*e/* Central government.

*f/* Data to September 2013. Does not include public sector liabilities owed to commercial banks.

*g/* Federal public-sector.

*h/* Domestic debt includes liabilities owed to the central bank only.

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