2018

Preliminary Overview of the Economies of Latin America and the Caribbean

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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 2018 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 with inputs provided by the following experts: Cecilia Vera, Claudia de Camino, Pablo Carvallo and José Antonio Sánchez (global economic trends and external sector), Esteban Pérez Caldentey (global liquidity), Claudio Aravena (economic activity), Ramón Pineda and Alejandra Acevedo (prices and monetary and exchange-rate policies), Jürgen Weller (employment and wages) and Michael Hanni, Juan Pablo Jiménez, Ivonne González and Noel Pérez (fiscal policy). Pablo Carvallo, Claudio Aravena and Cecilia Vera were responsible for the economic projections, with the assistance of the ECLAC subregional headquarters and national offices. Sonia Albornoz, Alejandro Garavito 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, Maharouf Adedayo, Dillon Alleyne, Anahí Amar, Don Charles, Martín Cherkasky, Claudia de Camino, Randolph Gilbert, Sonia Gontero, Enrique González, Michael Hendrickson, Sara Lynn Hess, Álvaro Lalanne, Jesús López, Ricardo Mayer, Sheldon McLean, Rodolfo Minzer, Carlos Mussi, Ramón Padilla, Machel Pantin, Esteban Pérez, Juan Carlos Ramírez, Juan Carlos Rivas, Indira Romero, José Antonio Sánchez, Jesús Santamaría, Nyasha Skerrette, Hidenobu Tokuda, Juan Guillermo Valderrama and Francisco Villarreal. José Luis Germán, 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.

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Explanatory notes
- Three dots (…) indicate that data are missing, 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 word "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.
- Individual figures and percentages in tables may not always add up to the corresponding total due to rounding.

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A. International context

The Latin American and Caribbean countries are facing a complex global economic scenario over the next few years, with slower growth expected in both the developed countries and the emerging economies, along with increased volatility in international financial markets. This is in addition to structurally weaker international trade, exacerbated by trade tensions between China and the United States.

Global growth projections have been revised slightly down, for both 2018 and 2019, and are at risk of further downward revision. The global economy is expected to close 2018 with growth of 3.2%, similar to that recorded in 2017, when synchronous growth produced rising growth rates in the majority of countries. In 2018 performance has been more mixed: the countries that did see faster growth this year included the United States (2.9%) and India, whose economy registered expansion of 7.4%, compared with 6.7% in 2017.

One of the weakest aspects of the external context is the poor rate of world trade growth (around 3.9% in 2018, versus 4.6% in 2017). Trade growth projections are subject to major downside risks, not only from global economic activity but also subject to the course taken by trade tensions.

Commodity prices, an important factor for Latin American and Caribbean, rose by 11% in 2018, chiefly reflecting a jump of 28% in crude oil prices, while the prices of metals and agricultural goods also rose, albeit by a more modest 5% and 3%, respectively. In 2019, commodity prices are expected to fall by around 7% across the board. Minerals and agricultural products will be affected by slowing global growth, especially in China, a key importer. In the case of oil, as well as the factors weighing on demand, a number of supply constraints have eased. Accordingly, the Energy Information Administration (EIA) is forecasting a decline of 16% on average in the prices of Brent crude and West Texas Intermediate (WTI).

Volatility increased in the global financial markets in 2018. After historically low volatility at the end of 2017, the Chicago Board Options Exchange Market Volatility Index —the "fear index"— rose steadily in 2018. These increases in financial volatility are related primarily to events occurring in the context of trade tensions between the United States and China, as well as other factors, such as the growing tensions between the United States and Turkey or the situation in Italy. Greater financial volatility and waning risk appetite are reflected in portfolio restructuring at the global level, which has involved capital outflows from emerging markets and stronger demand for dollar-denominated assets. Portfolio capital flows to emerging countries, including Latin America and the Caribbean, have plummeted and sovereign bond yield spreads have widened. By contrast, the dollar has appreciated steadily against most currencies worldwide.

Monetary policy normalization has moved ahead at the global level. The United States Federal Reserve has continued to raise policy interest rates gradually in 2018 and, with regard to its quantitative easing policy, it began to normalize its balance sheet in October 2017 by decreasing its reinvestment of capital from maturing securities. Meanwhile, the European Central Bank has reduced the monthly rate of net asset purchases, in accordance with its quantitative easing programme, and expects to complete its programme in January 2019. However, it will continue to reinvest capital from maturing securities, unlike the United States, which is already reducing such reinvestments. The European Central Bank has not yet raised its benchmark interest rate and is not expected to do so until the second half of 2019.

B. The external sector

The balance-of-payments current account deficit widened from 1.6% in 2017 to 1.9% in 2018, as a deterioration on the trade and income accounts outweighed an improvement in the current transfers balance (remittances). The wider current account deficit occurred in a fairly generalized manner across the region, and was posted in 15 Latin American countries, including all the major economies. Nonetheless, the region's deficit remains below the historical average of the last 10 years (-2.1%); and Argentina and the Plurinational State of Bolivia are the only countries in which the deficit relative to GDP is greater than the previous-decade average.

The recovery in the prices of the region's main exports in 2018 boosted the terms of trade, for the second year running, by an average of almost 1.3%. However, the performance of different subregions' and countries' terms of trade varied; while they worsened in Central America and some Caribbean countries in the wake of higher energy prices, hydrocarbon-exporting countries saw a terms-of-trade gain of 9.4%.

Meanwhile, exports from Latin America expanded by 10% year-on-year in 2018, as a result of a 6% increase in prices and a 4% increase in volumes. By grouping, the largest increase occurred in hydrocarbon-exporting countries (13%), owing to a sharp rise in the price of energy products. They were followed by countries that export mining products (11%), exporters of agribusiness products, and Central America, where exports grew by 5%. Lastly, exports from the region's two largest economies, Brazil and Mexico, grew by 10% and 11%, respectively, in 2018.

Like the other emerging markets, the region saw financial flows dwindle in 2018, owing mainly to weaker portfolio inflows.

Also like emerging markets elsewhere, since early 2018, the region saw a reversal of the downtrend in sovereign risk of the past two years. By the end of October, the regional emerging markets bond index (EMBI Global) had risen by an average of 93 basis points, to stand at 501 basis points.

C. Economic activity

Quarterly data show Latin America's GDP growth clearly slowing throughout 2018, as the year-on-year rates for the second and third quarters were both down on the previous quarter. Growth in 2018 was led by domestic demand, which expanded on the back of an upturn in investment. Private consumption remained the strongest growth driver within domestic demand, although it began to slow in the second quarter.

The contribution to growth made by public consumption weakened as the governments of the region deepened their fiscal adjustments. By sector of economic activity, downturns in the region's primary sectors and weaker growth in commerce explain the slower growth rate.

Quarterly data show differentiated performances by subregion in the contribution of spending components to GDP growth in 2018. In South America the contribution of private consumption and exports fell heavily, whereas in Mexico and Central America, private consumption maintained its contribution to output growth and that of investment and exports rose.

For the year overall, economic growth is estimated at 1.2% in Latin America and the Caribbean, slightly down on the 1.3% achieved in 2017. Growth weakened both in South America (from 0.8% in 2017 to 0.6% in 2018) and in Central America, Cuba and Haiti (from 3.4% to 3.2%). Conversely, Mexico's growth rate edged up from 2.1% in 2017 to 2.2% in 2018. In the Caribbean, recovery from the impacts of the natural disasters that occurred in 2017 contributed to producing a stronger growth rate in 2018, at 1.9%, compared with 0.2% in 2017.

D. Employment and wages

In 2018, the regional urban employment rate showed a slight increase (0.1%) for the first time since 2013. This meant that the open urban unemployment rate held steady and remained at the same level as in 2017 (9.3%) However, in absolute terms, the number of urban unemployed continued to grow, reaching 22.9 million. Most countries saw only a small variation in their unemployment rate.

Employment informality rates improved slightly in comparison to 2017: whereas the proportion of informal employment in relation to total employment rose that year in 6 of the 9 countries for which data are available for 2016 and 2017, in 2018 it declined in five of 10 countries. However, the countries where the proportion of informal workers increased included Argentina and Brazil, two of the region's largest economies.

In the set of countries with information available on the evolution of real wages in registered employment, year-on-year growth has slowed slightly, as the average in 11 countries rose by 1.5% in 2017 and by 1.4% in the first three quarters of 2018. This slowdown was more marked among South American countries, since average real wage growth in Argentina, Brazil, Chile, Colombia, Paraguay, Peru and Uruguay slowed from 1.9% in 2017 to 0.5% in the first three quarters of 2018. The decline in real wages in Argentina and increases of less than 1% in Brazil, Paraguay and Uruguay contributed to this. By contrast, average year-on-year real wage growth in Costa Rica, the Dominican Republic, Mexico and Nicaragua rose from 0.6% to 2.4%.

E. Macroeconomic policies

1. Fiscal policy

Fiscal policies in the region continued to reflect fiscal consolidation in 2018. The slight reduction in the primary deficit seen in Latin America (from 0.7% of GDP in 2017 to 0.6% in 2018), is mainly the result of a contraction in primary expenditure (composed of primary current expenditure and capital expenditure), which fell from 18.6% of GDP in 2017 to 18.4% in 2018. Capital expenditure —and thus public investment— declined from 3.4% of GDP in 2017 to 3.3% in 2018, while the primary current expenditure fell from 15.2% of GDP in 2017 to 15.1% in 2018. The smaller primary deficit largely reflects developments in South America (where it narrowed from -1.7% of GDP in 2017 to -1.1% in 2018), since the primary balance in Central America and Mexico slipped from surplus in 2017 (0.1% of GDP in 2017) into deficit in 2018 (-0.1%). However, Latin America's overall deficit edged up from 2.9% of GDP in 2017 to 3.0% in 2018, as a result of an upswing in interest payments and a slight decline in revenue between the two years.

In the Caribbean, fiscal policy continues to focus on generating primary surpluses to address the heavy burden of public debt. In this context, the average primary surplus is projected to climb from 1.0% of GDP in 2017 to 1.8% in 2018, with a similar reduction in the overall deficit. Primary expenditure is expected to hold steady, thanks to the cautious spending policies adopted by the countries of the subregion. Meanwhile, public revenues will increase, thereby bolstering the primary balance. Various countries in the subregion are undertaking fiscal adjustments, including Barbados —where the government suspended external debt servicing in 2018 as part of its debt restructuring strategy and is in the process of implementing fiscal reform— and Trinidad and Tobago, where the primary deficit dropped from 6.1% of GDP in 2017 to 1.2% of GDP in 2018.

As of the third quarter of 2018, public debt in Latin America reached 41% of GDP, driven by Argentina and Brazil. This figure was 1.5 GDP points up on end-2017.

In the Caribbean, public debt fell by 1.8 GDP points from its 2017 level to 72.1% of GDP in 2018 (second quarter). The overall trend is towards a reduction in public indebtedness, with only 2 out of the 13 reporting countries seeing an upswing in debt levels. However, some countries still have debt levels exceeding 100% of GDP; this is the case of Barbados and Jamaica, whose 2018 debt-to-GDP ratios were 134% and 100.3%, respectively, albeit both these countries have reduced their indebtedness considerably.

2. Prices and monetary and exchange-rate policies

During the first 10 months of 2018, average inflation in Latin America and the Caribbean rose by 1.7 percentage points year-on-year, from 5.3% in October 2017 to 7.0% in October 2018. This rise in inflation reflects price increases in the South American economies (excluding the Bolivarian Republic of Venezuela), where the average rate of inflation jumped by 3.5 percentage points, from 5.0% in October 2017 to 8.5% in October 2018. Inflation eased in the other two subregions, with a drop of 1.7 percentage points in Central America and Mexico, from 5.9% in October 2017 to 4.2% a year later, and a half a percentage point fall in the non-Spanish-speaking Caribbean, from a rate of 3.6% to 3.1% between these two dates.

Despite the rise in weighted average inflation at the regional level, in most countries it has remained stable, and the number of countries where inflation has varied by less than a percentage point (in absolute terms) with respect to 2017 increased from 11 to 18 in 2018. Similarly, the number of countries with year-on-year inflation rates of under 5% has risen from 26 in 2017 to 29 in 2018. Conversely, the number with annual inflation rates in excess of 10% during the same period has fallen from three in 2017 to just one in 2018, not counting the Bolivarian Republic of Venezuela.

Analysis of the behaviour of inflation over the year shows clear differences between the first quarter and the rest of the year. Inflation fell at the regional level between December 2017 and April 2018, but then picked up again.

Inflation and exchange-rate volatility have defined the policy space available to monetary authorities for stimulating aggregate domestic demand. Monetary and exchange-rate policymakers are continuing to use the margins available to maintain the aggregate demand stimulus, but their room for manoeuvre has been shrinking.

In the first 10 months of the year, monetary policy interest rates were raised in five countries: Argentina, Chile, Costa Rica, the Dominican Republic and Mexico. In all cases except Costa Rica, inflation increased in that period. The behaviour of monetary policy rates in these countries also reflected the greater exchange-rate volatility of their currencies during the year, especially in the second half. Meanwhile, the central banks of Brazil, Colombia and Peru all lowered their monetary policy rates during the first half of 2018, when inflation was easing in those countries, and left them unchanged thereafter. Guatemala, Honduras and Paraguay have not made any changes to their monetary policy rates in 2018.

Domestic lending to the private sector continued to grow throughout the region in 2018 and has generally gathered pace. In economies that use interest rates as their main policy tool, domestic credit to the private sector has expanded steadily since the fourth quarter of 2016. In the non-Spanish-speaking Caribbean economies, domestic lending to the private sector has grown since the second quarter of 2018, following contractions in 2016 and 2017. In economies that use monetary aggregates, lending also grew at rates in excess of 5%; in these countries, however, the pace of credit expansion has been slowing throughout 2018, shedding 0.7 percentage points relative to the end-2017 rate.

Following the relative stability of the foreign-exchange values of the region's currencies in 2017, in the first 11 months of 2018 they behaved more erratically in most of the economies of the region that operate flexible rates. Exchange-rate volatility increased in 2018 relative to 2017 levels in 10 of the region's economies. Greater exchange-rate volatility was accompanied by depreciation in 16 of the region's floating currencies, with the Trinidad and Tobago dollar the only currency to strengthen in nominal terms. Both exchange-rate volatility and the pace of currency depreciation were particularly intense during the second half of the year.

The real effective exchange rate also depreciated in 13 of the region's economies in 2018, three fewer than in 2017. Double-digit depreciations were recorded in Argentina, Brazil and Jamaica. By contrast, nine countries saw their currencies appreciate in real terms and in three cases —the Bolivarian Republic of Venezuela, Paraguay and the Plurinational State of Bolivia— by more than 10%.

F. Outlook and challenges for 2019

Forecasts indicate that, far from diminishing, uncertainty will increase in 2019, on various fronts. No clear drivers of stronger growth can be seen in the global economy for 2019. In addition to the expected slowdown for China and emerging countries as a group, lower growth rates are projected for the United States, the eurozone and developed economies in general.

The greatest risk to the region's economic performance over the coming year continues to be a sharp deterioration in the financial conditions facing emerging economies. In 2018, the repercussions of monetary normalization in the United States were felt in a context of increased risk aversion and financial volatility. Emerging markets, including Latin America, saw a significant reduction in external financing flows, while sovereign risk levels increased and currencies depreciated against the dollar.

Further deterioration of financial conditions for emerging markets cannot be ruled out, and the impact on countries will depend on how exposed they are in terms of external financing needs and their share of dollar-denominated debt, as well as short-term debt that would have to be rolled over at a higher cost. Countries with significant imbalances and little room for implementing countercyclical measures will be the most exposed and their economic prospects could worsen.

In addition, trade tensions between the United States and China persist,[1] posing a risk not only to global trade and the global medium-term growth, but also to financial conditions and commodity prices, which tend to reflect economic agents' perception of greater or lesser risk.

[1] At the Group of Twenty (G-20) summit held in Argentina at the end of November 2018, the United States and China agreed to a truce in their trade conflict with a view to halting tariff escalation as the two countries attempt to overcome their differences and reach an agreement within 90 days.

Lastly, geopolitical risks are ever present, compounded by uncertainties that persist surrounding a number of important geopolitical and economic processes. Doubts remain as to the outcome of Brexit —and the shape of future trade relations between the United Kingdom and the European Union. Recent events in Italy, the third largest European Union economy accounting for 11% of the eurozone GDP, could also lead to new waves of market volatility. Italy's influence may have an impact on the eurozone not only through the real channel, but especially through the financial and banking channel.

In this more complex global context, the growth projection for Latin America and the Caribbean for 2019 has been revised downward from the October forecast, to 1.7%.

As in previous years, growth projections vary between countries and subregions, depending not only on the differentiated impacts of international conditions on each economy, but also on the different trends in spending components —mainly consumption and investment— in the economies of the north and south of the region.

CHAPTER

I

Global economic trends

- Global economic growth projections are lowered slightly, and may be revised further downwards
- Growth in the global trade volume is slowing; projections for 2018 and 2019 have been lowered and are at considerable risk of further downward revision
- After posting growth of 11% in 2018, commodity prices are expected to fall by 7% on average in 2019
- In 2018, financial markets were more volatile, emerging markets recorded capital outflows and the dollar appreciated steadily
- United States monetary policy now diverges more widely from that of the Bank of Japan and the European Central Bank

Global economic growth projections are lowered slightly, and may be revised further downwards

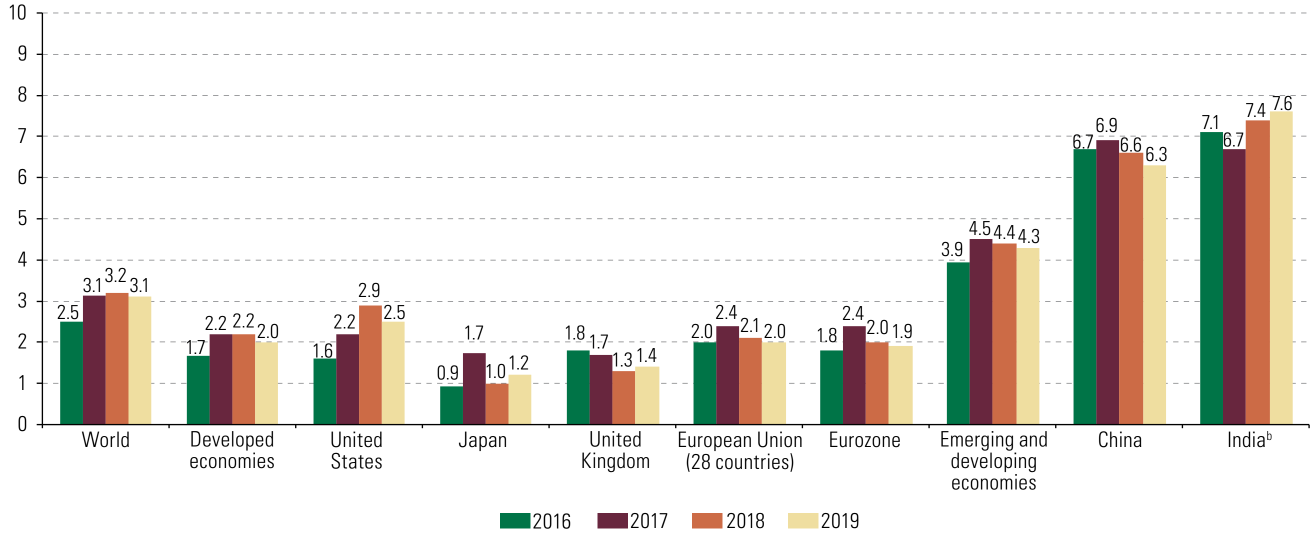
The global economy is expected to close 2018 with growth of 3.2%, similar to that recorded in 2017. However, this percentage is slightly lower than the figure projected in the previous half of the year, owing to the slowdown in emerging economies as well as most developed economies.

The synchrony of growth in both developed and emerging economies in 2017 came to an end this year. In 2018, growth accelerated in the United States (2.9%) and, among the large emerging economies, mainly India (7.4%, compared with 6.7% in 2017). By contrast, the pace of growth in the other economies generally decelerated. Among developed economies, the euro area is expected to grow by just 2.0% (compared with 2.4% in 2017) and the pace of expansion in Japan and the United Kingdom is also projected to slow down. Among emerging economies, China is forecast to lose momentum, with GDP growth of 6.6% in 2018. In 2019, the global economy is expected to grow by 3.1%, which is slightly lower than in 2018, but there is considerable uncertainty about this projection, which may be lowered.

As shown in figure I.1, growth in developed economies as a whole is forecast to slow down, from 2.2% in 2018 to 2.0% in 2019. In that same period, growth in the United States is forecast to drop from 2.9% to 2.5%, owing to the combination of the normalization of monetary policy —with the gradual winding down of the quantitative easing programme and policy interest rate hikes— and the end of the fiscal stimulus that drove growth in 2018. The eurozone is also expected to record a slowdown in 2019. On top of the uncertainty generated by the situation in Italy and the negotiation of the United Kingdom's withdrawal from the European Union (Brexit), there are no clear drivers expected to boost growth in 2019. In fact, exports are already showing signs of weakening this year and the implementation of stricter monetary policy —probably from the second half of 2019 onwards— is likely to dampen domestic spending, which is more sensitive to interest rate hikes.

Emerging economies are forecast to slow down slightly, with average growth of 4.3% in 2019. The acceleration in India (which is forecast to grow by 7.6% in 2019) will not be enough to offset the slowdown in China (expected to post growth of 6.3% in 2019). Some emerging economies, such as Argentina and Turkey, are also projected to continue experiencing vulnerabilities.

Figure I.1
GDP growth rates, 2016-2019[a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations, *World Economic Situation and Prospects 2019*, New York, December 2018, forthcoming; Capital Economics, November 2018; European Central Bank, "Macroeconomic projections", September 2018 [online] https://www.ecb.europa.eu/pub/projections/html/index.en.html; Organization for Economic Cooperation and Development (OECD), "Interim Economic Outlook September 2018" [online] http://www.oecd.org/eco/outlook/interim-economic-outlook-september-2018/; Central Bank of Chile, *Informe de política monetaria, septiembre 2018*, Santiago; International Monetary Fund (IMF), *World Economic Outlook: Challenges to Steady Growth*, Washington, D.C., October 2018 and European Commission, "Commission publishes Autumn 2018 Economic Forecast", 8 November 2018 [online] https://ec.europa.eu/commission/news/commission-publishes-autumn-2018-economic-forecast-2018-nov-08_en.

[a] The 2018 and 2019 figures are projections.

[b] The India figures are for the fiscal year beginning in April and ending in March the following year.

Growth in the global trade volume is slowing; projections for 2018 and 2019 have been lowered and are at considerable risk of further downward revision

After growing by 4.6% in 2017, the global trade volume has slowed somewhat and, between January and September, rose by just 3.8% compared with the year-earlier period. For the full year, the World Trade Organization (WTO) forecasts an increase of 3.9%, which is considerably lower than its 4.4% estimate published in April.[1] WTO also lowered its forecast for 2019, from 4.0% in April to 3.7% at present (see figure I.2).

This global trade growth forecast for 2019 could be lowered significantly, as indicated by WTO. What happens in 2019 and thereafter will be determined by global economic activity as well as trade tensions and their magnitude. Until now, the main target of the United States government's protectionist measures has been China, which has responded with its own retaliatory measures (see a description of the main milestones of the trade conflict and possible repercussions in box I.1 of the *Economic Survey of Latin America and the Caribbean, 2018*).[2]

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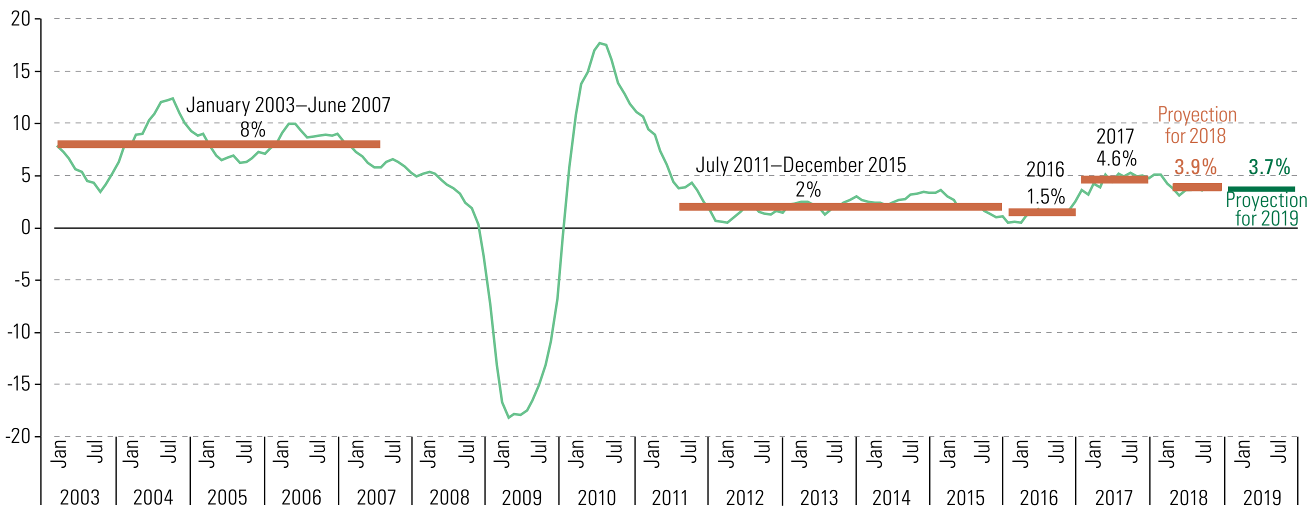
1 Projections published on 27 September 2018. See World Trade Organization (WTO), "WTO downgrades outlook for global trade as risks accumulate", Press Release (Press/822) [online] https://www.wto.org/english/news_e/pres18_e/pr822_e.htm.

2 Economic Commission for Latin America and the Caribbean (ECLAC), *Economic Survey of Latin America and the Caribbean, 2018* (LC/PUB.2018/17-P), Santiago, 2018.

Figure I.2
Year-on-year variation in global trade volume, three-month rolling averages, January 2003–September 2018 and projections for 2018 and 2019
(Seasonally-adjusted percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of CPB Netherlands Bureau of Economic Policy Analysis, World Trade Monitor, 2018 and World Trade Organization (WTO), "WTO downgrades outlook for global trade as risks accumulate", Press Release (Press/822), 27 September 2018, for 2018 and 2019 projections.

After posting growth of 11% in 2018, commodity prices are expected to fall by 7% on average in 2019

Commodity prices in 2018 were, on average, 11% higher than in 2017 (see table I.1), although this increase was concentrated in the energy segments (oil prices shot up by 28% in 2018 compared with 2017).

Table I.1
Year-on-year variation in global commodity prices, 2016–2019
(Percentages, on the basis of annual average prices)

	2016	2017	2018[a]	2019[a]
Agricultural products	4	0	3	-2
Food, tropical beverages and oilseeds	6	-1	0	1
Foods	10	0	-3	1
Tropical beverages	1	-2	-8	5
Oils and oilseeds	2	-2	8	-1
Forestry and agricultural raw materials	-3	5	12	-14
Minerals and metals	-1	23	5	-5
Energy products[b]	-16	23	25	-13
Crude oil	-16	23	28	-16
Total commodities	**-4**	**14**	**11**	**-7**
Total commodities excluding energy products	**2**	**11**	**4**	**-4**

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of data from the World Bank; International Monetary Fund (IMF); Economist Intelligence Unit, Bloomberg; Energy Information Administration (EIA), "Short-Term Energy Outlook", December 2018; Capital Economics and Central Bank of Chile, *Informe de política monetaria, septiembre 2018*, Santiago, for copper prices.
[a] The figures are projections.
[b] This category includes oil, natural gas and coal.

Commodity prices are forecast to decrease by 7% in 2019 compared with 2018. Minerals and metals are expected to decline by 5%, owing above all to lower industrial metal prices. For example, the forecast price of copper has fallen, mainly because of fears about the strength of the Chinese economy, and the escalating trade conflict between that country and the United States. Bearing this in mind, 2019 copper prices are projected at US$ 2.85 per pound on average, compared with US$ 2.95 per pound in 2018 (reflecting a decline of 3%).

Meanwhile, energy products are expected to post a 13% drop. With respect to oil, forecasts up until recently pointed to an average increase in prices owing to supply restrictions for various reasons, such as the sanctions imposed by the United States on the Islamic Republic of Iran, the continued decline in production in the Bolivarian Republic of Venezuela and problems in the commercialization of shale oil from the United States owing to pipeline bottlenecks.

However, the slowdown in oil demand is expected to be larger than anticipated in 2019, as a result of the deceleration of global economic activity, particularly in China, one of the countries accounting for the highest demand. In addition, trade inventories of crude oil are still high and some supply restrictions have been eased. The United States has exempt from sanctions eight countries that import Iranian oil —including China and India, the two largest buyers— which means that the probability of these sanctions leading to excess demand has declined considerably. Hence, the oil price has fallen sharply in the past few weeks (see box I.1) and there are major differences between various analysts' projections of future oil price trends. The latest forecasts by the Energy Information Administration (EIA), at 11 December,[3] are US$ 61.0 per barrel of Brent crude oil and US$ 54.2 per barrel of West Texas Intermediate (WTI) on average for 2019, compared with US$ 71.4 and US$ 65.2 on average, respectively, in 2018.[4] This implies a 16% drop in the average prices per barrel of Brent and WTI in 2019.

Box I.1
Recent oil price trends

Crude oil prices fell sharply in the last few weeks of November and were highly volatile (see figure 1). The WTI spot price fell from US$ 75 at the beginning of October to US$ 50 at the end of November, more than 33%, and thus returned to October 2017 levels.

Physical market factors

Fears of excess supply, owing mainly to a decrease in future demand and the exemption from sanctions against buying Iranian oil granted to certain countries by the United States, resulted in drastic daily changes in crude oil prices, in a context where this country has indicated its preference for oil prices to remain low. The 10-day volatility of WTI prices per barrel has risen to levels not seen since the end of 2016.

Financial market factors

In addition to physical oil market factors, the financial market has also contributed to the decline in oil prices. On one hand, producers have been forced to sell derivatives (put options) to protect their revenue. Non-commercial investors (investment banks and other financial firms) have also significantly reduced their net long positions in the United States futures market, which indicates they have lowered their expectations of future prices, and by reducing their net long position in futures, have increased supply and pushed oil prices even lower (see figure 2).

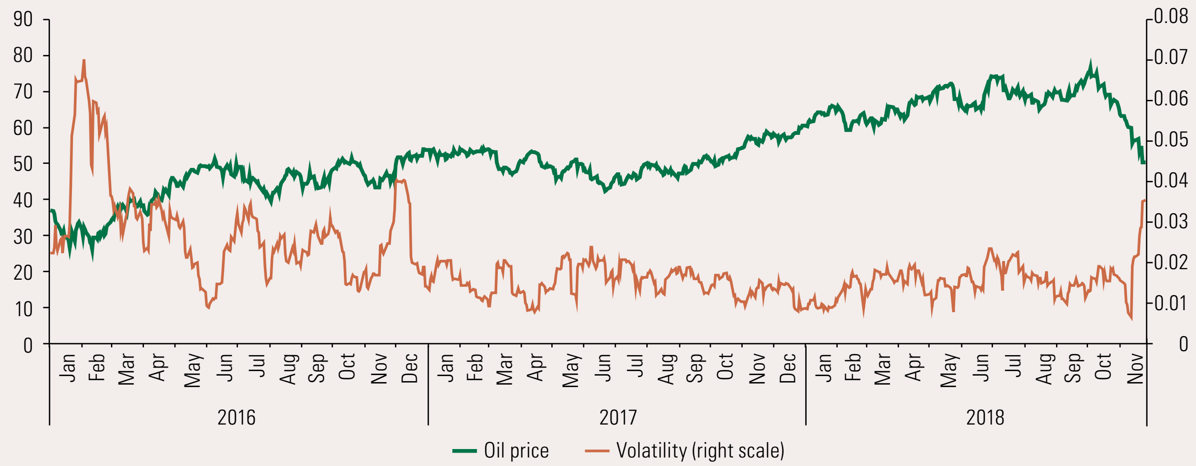
How do lower oil prices affect Latin America?

In the region, the decline in oil price has different effects depending on the export structure of the country. The effect is negative for the major net energy exporters —mainly the Bolivarian Republic of Venezuela, Colombia, Ecuador and the Plurinational State of Bolivia— given that falling prices limit fiscal space and, in the Bolivarian Republic of Venezuela, worsen the crisis. For net importers, such as Chile and Peru, import costs are lowered, which eases the current account deficit and inflationary pressures. Argentina and Brazil are also net importers, but only marginally.

3 Energy Information Administration (EIA), "Short-Term Energy Outlook", December 2018 [online] https://www.eia.gov/outlooks/steo/.
4 To offset these unfavourable oil price trends, the Organization of Petroleum Exporting Countries (OPEC) decided at its meeting from 6–7 December 2018 to cut crude oil production by 1.2 million barrels per day.

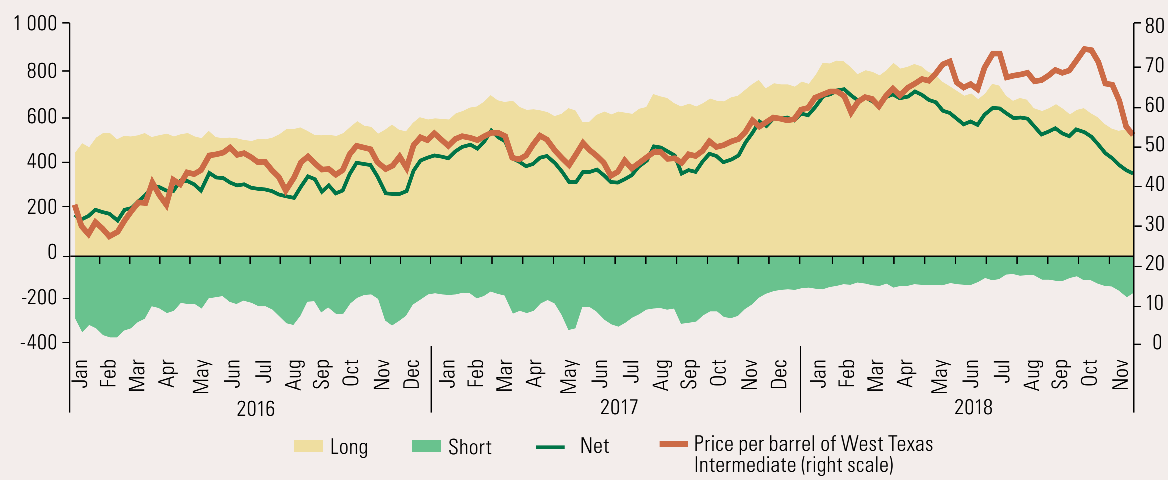
Box I.1 (concluded)

Figure 1
Oil price trend and volatility, January 2016–November 2018
(Dollars per barrel of West Texas Intermediate and standard deviation of daily prices, 10-day moving average)



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

Figure 2
Positions of non-commercial investors in the oil futures market of the New York Mercantile Exchange (NYMEX), January 2016–November 2018
(Millions of barrels and price in dollars)



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

Future expectations

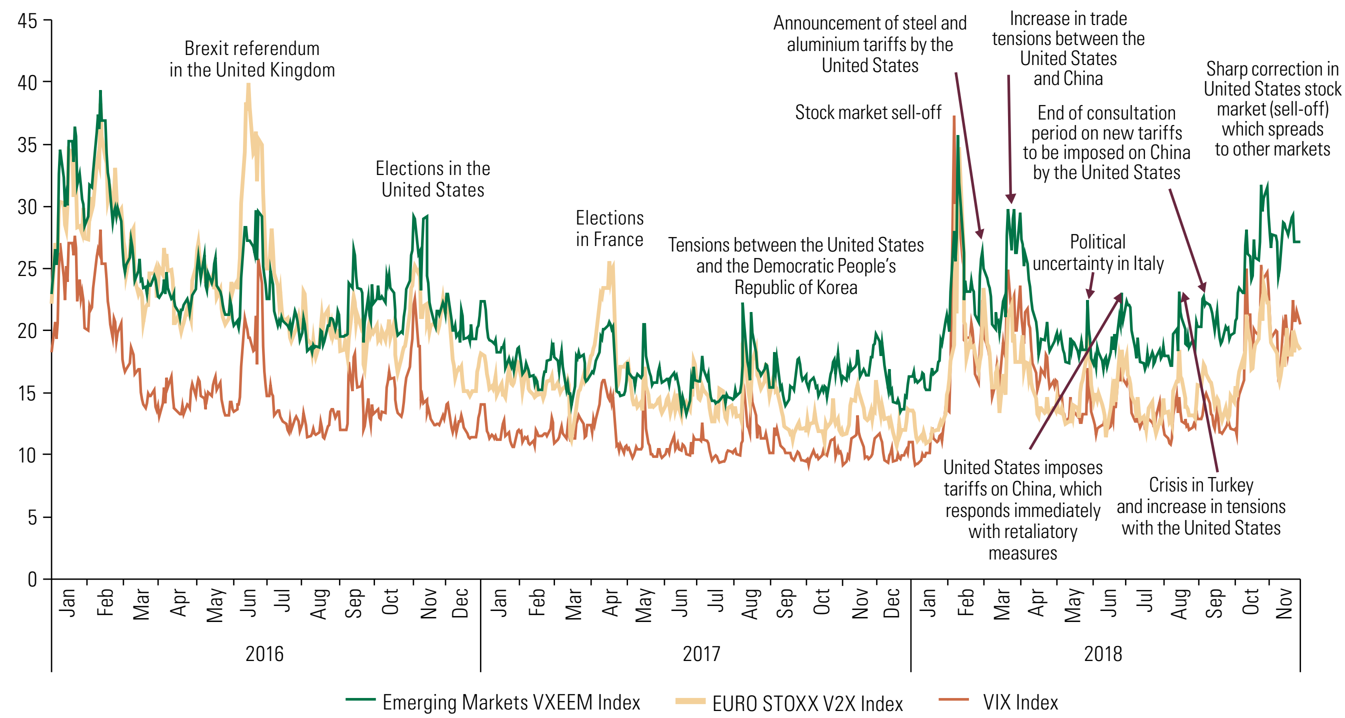
Despite the declared preference of the United States to keep oil prices low, the reduction in prices is limited by the market's self-adjustment. The United States has altered the balance between its total consumption and production and, although that country's shale oil industry improved its efficiency dramatically and reduced its break-even price, a price much lower than the current level can reduce companies' cash flows geared towards financing operations and exploring new wells. Hence, lower prices could result in self-adjustments, to the extent that they could inhibit production and in turn, stimulate demand.

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

In 2018, financial markets were more volatile, emerging markets recorded capital outflows and the dollar appreciated steadily

After historically low financial volatility at the end of 2017, the "fear index" rose steadily in 2018. These increases are related primarily to the milestones of the trade war between the United States and China, as well as other events, such as the growing tensions between the United States and Turkey or the situation in Italy (see figure I.3).

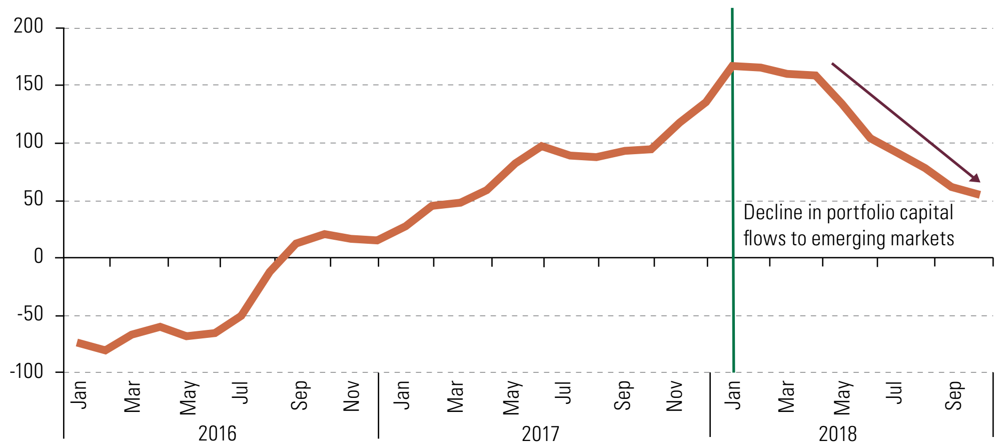
Figure I.3
Financial market volatility indices, January 2016–November 2018



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.

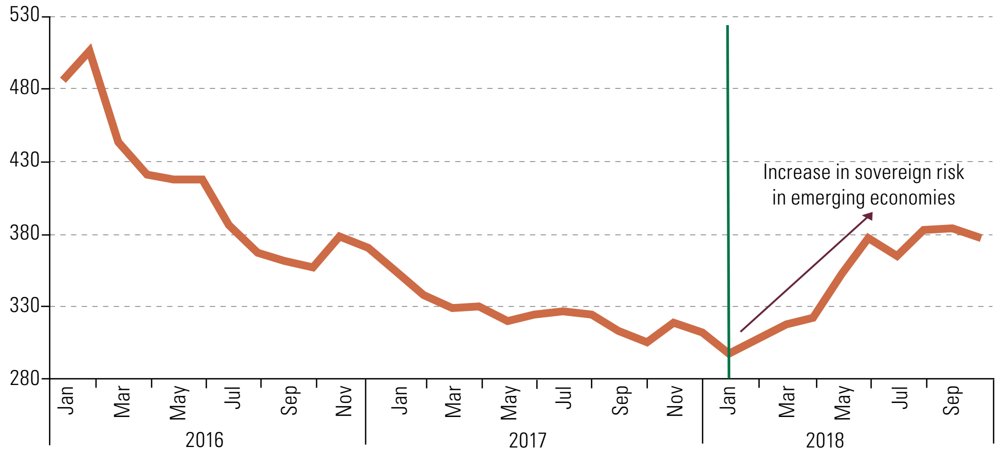
Greater financial volatility and less risk appetite are reflected in portfolio restructuring at the global level, which involved capital outflows from emerging markets and stronger demand for dollar-denominated assets. Portfolio capital flows to emerging countries, including Latin America and the Caribbean, have plummeted. Meanwhile, spreads between the sovereign bonds of these economies have widened. By contrast, the dollar has appreciated steadily against most world currencies (see figures I.4, I.5 and I.6).

Figure I.4
Portfolio capital flows to emerging markets,[a] January 2016–October 2018
(Billions of dollars, accumulated over 12 months)



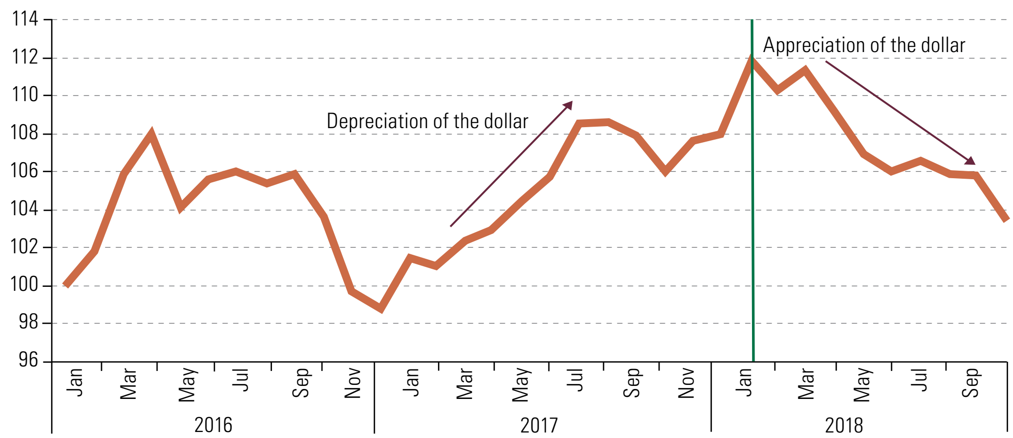
Source: Central Bank of Chile, *Informe de Estabilidad Financiera. Segundo semestre 2018*, Santiago.
[a] Monthly indicator of portfolio capital flows prepared by Emerging Portfolio Fund Research (EPFR). Includes flows into bond and stock markets in the past 12 months.

Figure I.5
Spread between sovereign bonds of emerging countries, January 2016–October 2018
(Emerging Markets Bond Index (EMBIG))



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Central Reserve Bank of Peru.

Figure I.6
Nominal dollar exchange rate against major world currencies, January 2016–October 2018
(DXY index, January 2016=100)

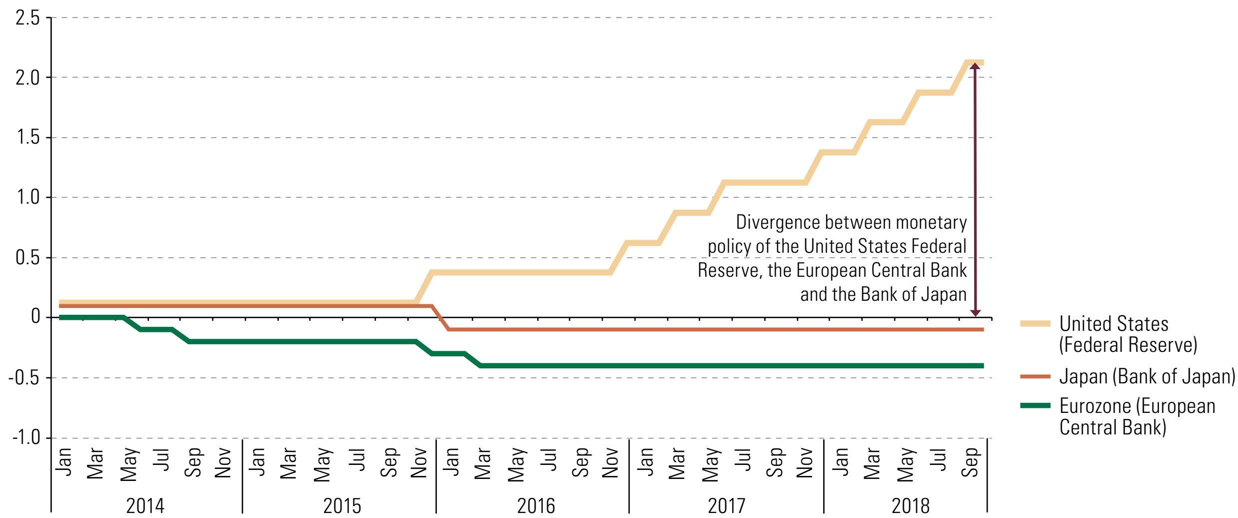


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Bloomberg.
Note: The Bloomberg DXY index (dollar spot index) tracks the performance of a basket of ten leading currencies against the dollar. The currencies that are included in the basket and their weights within 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.

United States monetary policy now diverges more widely from that of the Bank of Japan and the European Central Bank

The United States Federal Reserve has continued to raise monetary policy interest rates gradually in 2018 (see figure I.7). Since the start of this year, it has raised rates three times, by 25 basis points on each occasion, resulting in a rate midpoint of 2.12% at present.

Figure I.7
Selected economies: monetary policy interest rates, January 2014–October 2018
(Percentages)



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

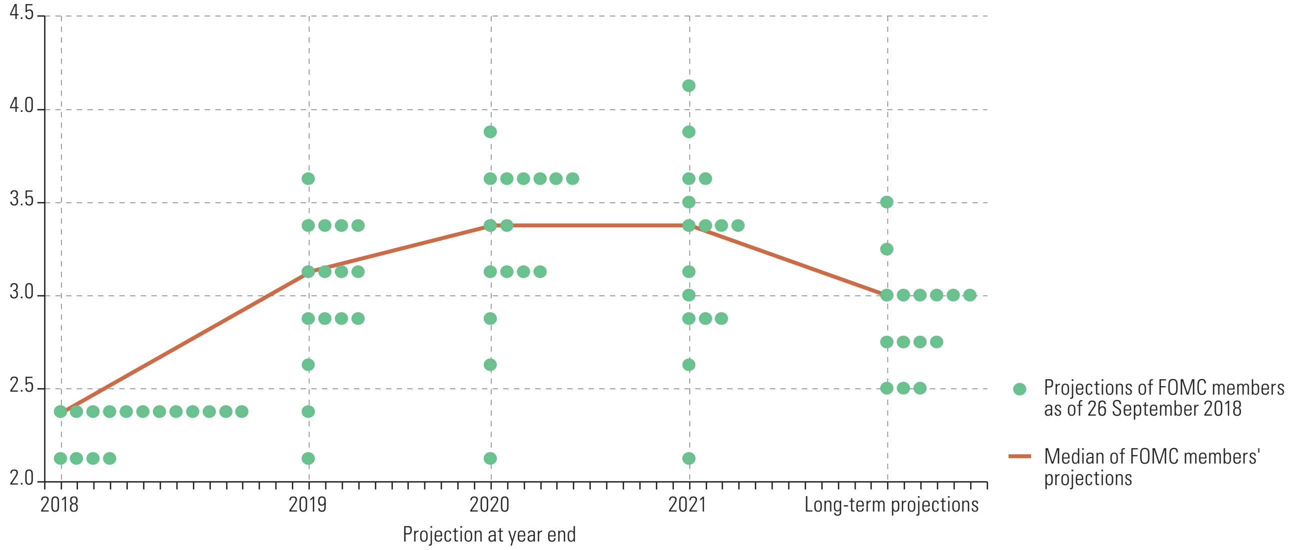
The dot plot —in which members of the Federal Open Market Committee (FOMC) of the United States Federal Reserve set out their forecasts for changes to the policy rate for the upcoming monetary policy meetings— produced at the meeting of the end of September 2018, indicated that another rate hike was highly likely in December 2018. For 2019, the members of the Committee predict a total increase of 75 basis points, which would raise the rate to 3.12% by the end of 2019 (see figure I.8).[5]

However, at the end of November, the Chair of the Federal Reserve, Jerome Powell, said that interest rates were just below what would be considered a neutral rate for the economy. This statement caused prices on the United States stock market to rise, as it was understood to mean that there would be fewer rate hikes than had been indicated in the dot plot. To date (early December), there is still a high chance (over 75%) that the Federal Reserve will hike rates at its last meeting of the year and analysts predict that they will continue to rise in 2019, but it remains to be seen how the outlook for increases in 2019 will evolve.

With regard to the policy of quantitative easing, the Federal Reserve began to normalize its balance sheet in October 2017, decreasing its reinvestment of capital from maturing securities. Initially, this meant reducing securities holdings by up to US$ 10 billion per month, that limit was then increased to US$ 50 billion by October 2018.[6]

5 This is the median from the dot plot of the FOMC members' projections at the September 2018 meeting.
6 For the time being, the Federal Reserve has no plans to raise this limit.

Figure I.8
Dot plot of monetary policy interest rates (federal funds interest rate) of the United States Federal Reserve
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Bloomberg.
Note: the dot plot, which is published after each meeting of the United States Federal Reserve, shows the projections of the members of the Federal Open Market Committee (FOMC), the Committee which sets the policy interest rates within the Federal Reserve. Each dot represents a Committee member's view on where the federal funds interest rate should be at the end of each year, as well as in the long term.

Meanwhile, as of October 2018, the European Central Bank reduced the monthly rate of net purchases of assets, as part of its quantitative easing programme, from 30 billion euros per month to 15 billion euros, and will complete its asset purchase programme at the end of December 2018. However, it will continue to reinvest capital from maturing securities, unlike the United States, which, as stated above, is decreasing such reinvestments. There is also a growing divergence with the Federal Reserve on interest rate policy, as the European Central Bank has not yet raised its benchmark interest rate and is not expected to do so until the second half of 2019.

Lastly, the central bank of Japan is expected to continue to pursue an expansionary monetary policy, without raising interest rates, at least in the medium term. Inflation is likely to remain below the target (2% per year), meaning that the Bank of Japan has no reason to raise the policy interest rate or withdraw its quantitative easing stimulus.

CHAPTER II

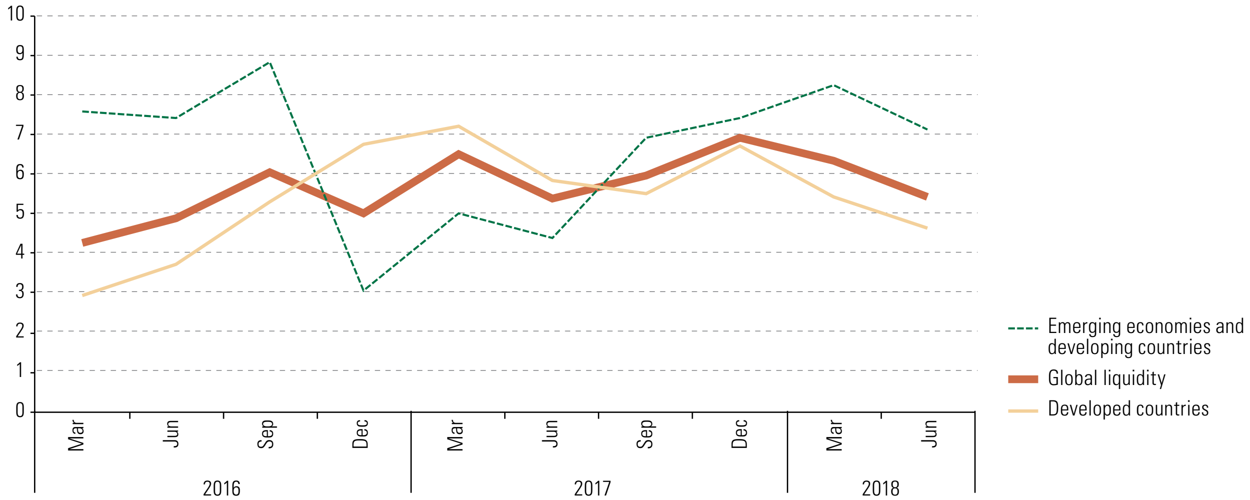
Global liquidity

- In 2018, global liquidity remained buoyant as in 2017, but grew more moderately
- Global liquidity has essentially targeted the developed countries, while the developing countries receive only a quarter
- Global liquidity growth has been underpinned by debt accumulation
- Analysis of global liquidity by instrument shows international bond markets remaining strong, reflecting the importance of the asset management industry as a financial agent
- The asset management industry poses significant risks to financial stability
- Further financial risks derive from the steady growth of the shadow banking sector

In 2018, global liquidity remained buoyant as in 2017, but grew more moderately

In 2018 global liquidity growth carried over buoyancy from 2017, but at a more moderate pace, slowing from 6.9% in December 2017 to 5.4% in June 2018. This slowdown in liquidity growth occurred in both developed economies (from 6.7% to 4.6%) and developing economies (from 7.4% to 7.1%) (see figure II.1). The evolution of global liquidity is a result, among other things, of the rising cost of credit, the appreciation of the dollar and vulnerabilities in some developing economies, as reflected in the higher risk ratings for that group.

Figure II.1
Rate of change in global liquidity, March 2016–June 2018
(Percentages)

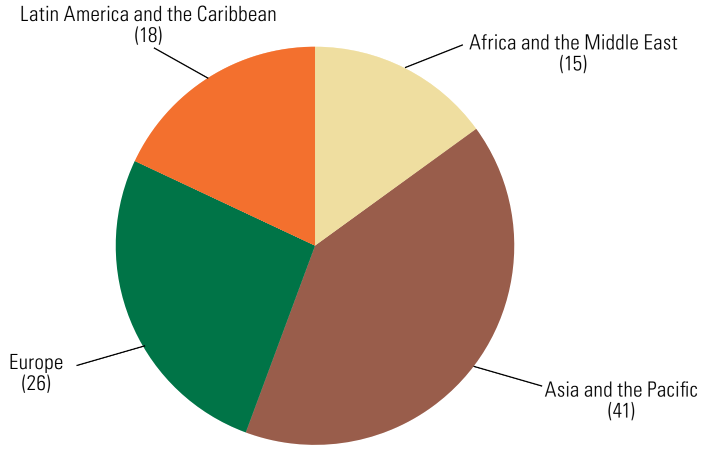


Source: Bank for International Settlements (BIS), Global Liquidity Indicators, 2018 [online database] http://www.bis.org/statistics/gli.htm.
Note: Liquidity comprises total lending by the banking systems of the United States, Europe and Japan and outstanding debt issues on international markets there.

Global liquidity has essentially targeted the developed countries, while the developing countries receive only a quarter

Global liquidity is going mainly to the developed world and to a lesser extent to developing economies (76.3% and 23.7%, respectively, of the global total in the second quarter of 2018). The Asia-Pacific region receives the highest share of global liquidity to the developing world, followed by Europe and Latin America and the Caribbean (40.6%, 26.3% and 18.0% of the total for all developing regions for the second quarter of 2018) (see figure II.2).

Figure II.2
Share in liquidity going to developing countries, second quarter of 2018
(Percentages)



Source: Bank for International Settlements (BIS), Global Liquidity Indicators, 2018 [online database] http://www.bis.org/statistics/gli.htm.
Note: Liquidity comprises total lending by the banking systems of the United States, Europe and Japan and outstanding debt issues on international markets there. Africa and the Middle East includes Saudi Arabia and South Africa; Asia- Pacific includes China, India, Indonesia, Malaysia, the Republic of Korea and Taiwan Province of China; Europe includes the Russian Federation and Turkey; Latin America includes Argentina, Brazil, Chile, Colombia and Mexico.

In the second quarter of 2018, over 60% of global credit extended to developing economies went to Turkey (18.3%), China (16.4%), Mexico (14.5%), Indonesia (11.3%) and the Republic of Korea (7.5%). In Latin America, Argentina, Brazil and Chile had shares of 4.5% 4.2% and 2.2%, respectively.

Some of these economies have seen significant decreases in the rate of credit growth. Between the last quarter of 2017 and the second quarter of 2018, lending growth slowed from 6.5% to 4.2% in the case of Turkey, from 8.2% to 3.6% in China, and from 12.9% to 10.4% in Indonesia. Conversely lending growth accelerated in the case of Mexico.

Global liquidity growth has been underpinned by debt accumulation

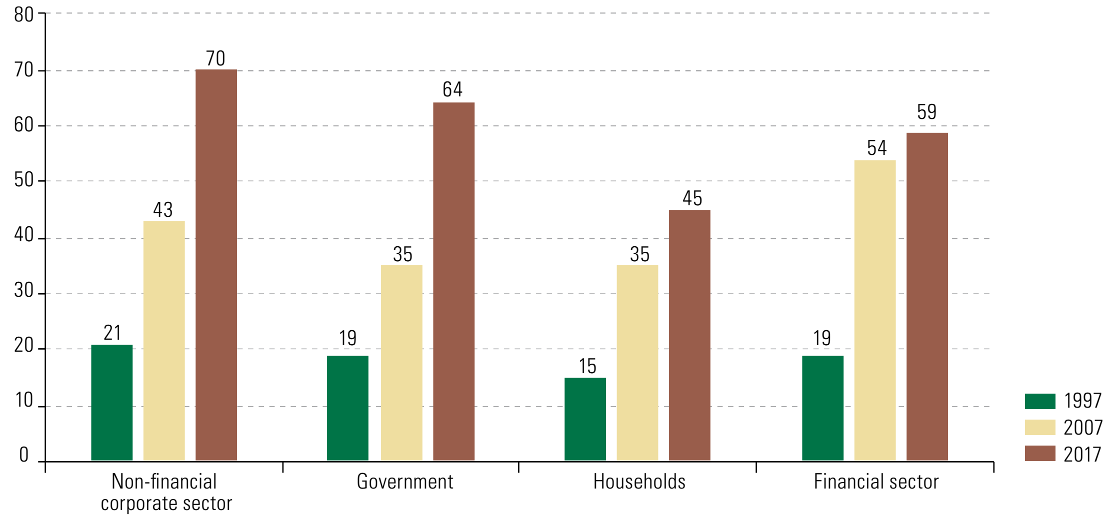
Over the past decade, both public and private debt have expanded significantly. Between 1997 and 2017, overall debt has risen from US$ 70 trillion to US$ 233 trillion, or from 217% to 318% of global GDP. Globally, indebtedness has risen across all sectors. The non-financial corporate sector, the financial sector and the government sector have the highest shares in the global debt stock (see figure II.3).

The breakdown of public and private debt by country shows that the first is concentrated in the developed countries. Data for 2017 show that the United States, Japan and the European Union account for 75% of all public debt stock.

Although the more developed economies account for the largest share of private debt as well (60% of the total in 2017), the developing economies represent a significant percentage (40%), with China standing out in this regard.

Since the global financial crisis, China's debt stock has risen significantly: from 141% to 256% of GDP between 2007 and 2017, an increase of around 377%. The increase has taken place across all the sectors. The corporate sector accounts for the largest share of the total debt, at 63%. Government and household debt represents similar shares (18% and 19% of the total, respectively). However, the household sector has seen the largest increase.

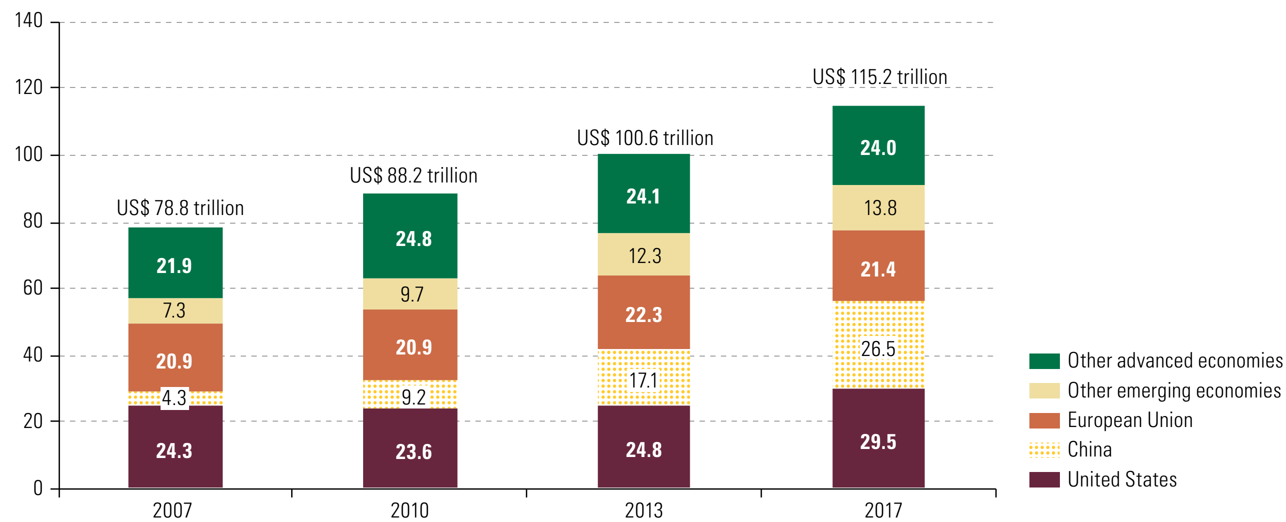
Figure II.3
Global debt levels by sector, 1997–2017
(Trillions of dollars)



Source: Institute of International Finance (IIF), Global Debt Monitor, 2018 [online database] https://www.iif.com/publications/global-debt-monitor.

Between 2008 and 2017, government and non-financial corporate debt multiplied by factors of 4.4 and 4.6, respectively, compared to a factor of 7.2 for household debt. China's share of private debt stock in relation to overall debt grew from 4.3% in 2008 to 26.5% in 2017, surpassing the share of that sector in Europe (21.4%) and approaching the level of the United States (29.5%) (see figure II.4).

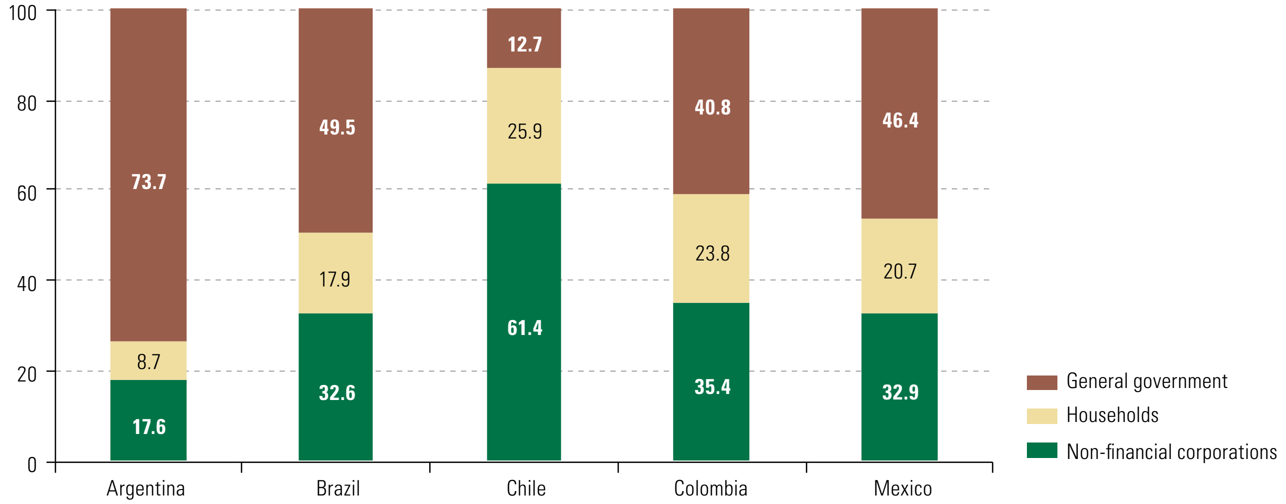
Figure II.4
Private debt by country in trillions of dollars and percentages of global GDP, 1997–2017



Source: Círculo de Empresarios.

Latin America shows mixed trends by sector. On the one hand, in Chile private borrowing accounts for the largest share; the non-financial corporate sector with 61.4% and households with 25.9%. At the other extreme, in Argentina the public sector is by far the largest borrower, with 73.7% (see figure II.5).

Figure II.5
Latin America (5 countries): average share of non-financial corporations, households and general government in total debt, 2013–2017
(Percentages)



Source: Bank for International Settlements (BIS), Global Liquidity Indicators, 2018 [online database] http://www.bis.org/statistics/gli.htm.

Analysis of global liquidity by instrument shows international bond markets remaining strong, reflecting the importance of the asset management industry as a financial agent

The breakdown of global liquidity by instrument for the period also shows slower growth in cross-border bank credit and bond issuance. However, bond issuance is still the fastest-growing instrument; cross border lending expanded 3.4% in the fourth quarter of 2017 and 2.5% in the second quarter of 2018, compared with 10.8% and 8.5% for bond issuance in the same two periods. Bank lending and bonds account for 48% and 52%, respectively, of total global liquidity.

The importance of bonds as a source of financing reflects the importance of the risk management industry, which makes the financial system more complex and may even turn it into additional factor of risk.

As its name indicates, asset management involves the administration of assets on behalf of final institutional investors or retailers, unlike commercial banks, which act as principals in their transactions with customers. In addition, in the risk management industry, customers, not fund managers, bear the losses and gains.

The available evidence for the period 2006–2016 shows that the value of assets administered by the asset management industry increased from US$ 64 trillion to US$ 81 trillion.

In addition, the asset management industry and activities are highly concentrated and intertwined with the financial system. In 2017, by value, almost a third of the assets administered by the asset management industry (US$ 29 trillion) were managed by just 15 companies. Around half of these companies are among the largest global banks (including J.P. Morgan, Goldman Sachs, Deutsche Bank, Morgan Stanley, Crédit Agricole Group and UBS group) (see table II.1).

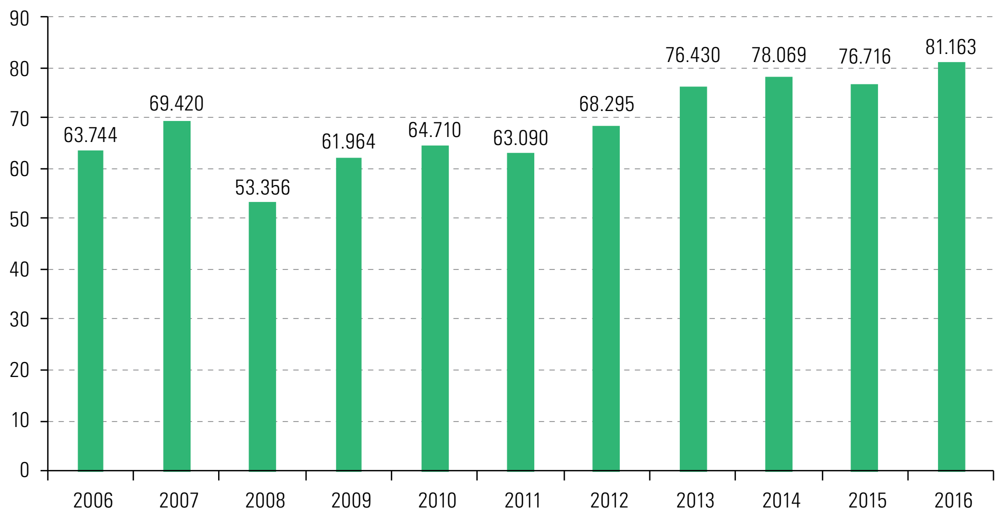


Figure II.6
Assets administered by the asset management industry, 2006–2016
(Trillions of dollars)

Source: A. Matos, "A look at the asset management industry", 2018, unpublished.

Table II.1
Main asset management companies, value of assets administered and share in the total, 2017

Firm	Value of assets administered *(trillions of dollars)*	Share in the total *(percentages)*	Total assets of global correspondent banks *(trillions of dollars)*	Ranking of banks	Country
Blackrock	5	18			United States
The Vanguard Group	4	13			United States
State Street Corporation	3	9			United States
Fidelity Investments	2	7			United States
Allianz SE (including PIMCO)	2	7			Germany
J.P. Morgan	**2**	**6**	**3**	**6**	**United States**
Bank of New York Mellon Corporation	**2**	**6**			**United States**
AXA	2	5			France
The Capital Group	1	5			United States
Goldman Sachs	**1**	**5**	**0.9**	**35**	**United States**
Deutsche Bank	**1**	**4**	**1.8**	**15**	**Germany**
Morgan Stanley	**1**	**4**	**0.9**	**38**	**United States**
Crédit Agricole Group (including Amundi)	**1**	**4**	**2.1**	**10**	**France**
UBS Group	**1**	**4**	**0.9**	**34**	**Switzerland**
Legal & General Group	1	4			United Kingdom
Total	29	100			

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

The investment instruments of the asset management industry include mutual funds, exchange-traded funds, money market funds, venture capital funds and their management companies. The industry's assets are estimated at over US$ 90 trillion, which exceeds global GDP (approximately US$ 78 trillion) and accounts for more than 30% of total global assets.

The asset management industry poses significant risks to financial stability

The risks posed by the industry may be categorized into those relating to illiquidity and procyclicality.

The liquidity risk is reflected in the growth of alternative investments as opposed to the more traditional investments made by asset management firms. Alternative investments include hedge funds, real estate and infrastructure, but also funds relating to raw materials that are important for developing economies, including those of Latin America. Alternative investments represent 25% of the income of the asset management industry. By 2020, this proportion is expected to rise to 40%.

By the same token, specialized mutual funds (including high-yield bonds and emerging market funds) have seen significant growth since 2008 (exceeding 40% annually, more than the global mutual funds industry).[1] The growing share of alternative investments in total assets and as a source of income generation partly reflects a stronger appetite for risk and returns-seeking.

Procyclicality occurs at the level of the investor and at the level of the fund manager. Investors tend to rely on assessment strategies (such as evaluation and categorization of relative returns and monitoring of indexes) to ensure that fund managers act in the interest of the investor. The salaries of fund managers may also be linked to their relative returns and performance monitoring.

These are incentives that deepen procyclicality. Indeed, they can lead to excessive risk-taking; readjustment of investors' portfolio composition according to the relative performance of a given fund; and herd behavior by portfolio managers. Redemption rights, whether limited or not, constitute a source of additional procyclicality.

Further financial risks derive from the steady growth of the shadow banking sector

After the global financial crisis in the shadow financial sector (brokering activity involving entities and activities outside the formal financial system) has continued to expand. The available data for a sample of countries (Ireland, the United Kingdom, Switzerland, the United States, the Netherlands, Germany, France, Japan, Canada and the Republic of Korea) indicates the value of shadow financial sector assets represents a significant portion of the total, with high variance by country, ranging from 48% of GDP in the Republic of Korea to 1,190% of GDP in Ireland (see table II.2).

The shadow financial sector has also tended to grow more than GDP and the regulated banking system in most of the countries included in the sample. The shadow financial system has grown more slowly than GDP in only two (France and the United States) (see table II.2). In the period 2011–2015 the shadow financial sector expanded by 6.4% on average, compared to 5.6% for the formal banking sector.

1 See A. Haldane, "The age of asset management?", London, London Business School, 2014 [online] https://www.bis.org/review/r140507d.pdf.

Table II.2
The shadow financial sector: country shares, relation to GDP and growth of each, 2011–2015
(Percentages)

	Share of country in total shadow financial sector, 2014	Shadow financial sector in relation to GDP, 2014	Annual growth of the shadow financial sector, 2011–2015	Annual growth of GDP, 2011–2015
Ireland	8	1 190	12.9	10.2
United Kingdom	11	147	11.3	2.9
Switzerland	...	90	7.8	1.1
United States	40	82	0.7	3.8
Netherlands	2	74	4.9	1.3
Germany	7	73	11.3	2.9
France	4	71	-1.2	1.4
Japan	7	60	8	1.9
Canada	3	58	9.8	2.9
Republic of Korea	2	48	12.7	4.1

Source: S. Judd, "Shadow banking: non-bank credit intermediation heightens risks for the global financial system", Toronto, Global Risk Institute, 2017 [online] https://globalriskinstitute.org/wp-content/uploads/2017/04/GRI_Paper-Shadow-Banking_FINAL.pdf.

The shadow financial sector overall is concentrated in the developed countries, which account for more than 80% of the sector's total assets. However, some developing countries, such as China (which accounts for about 4% of the shadow financial sector at the global level), have seen significant growth in the past decade. The available evidence for 2013–2017 shows that, in the case of China, the value of the shadow financial sector expanded from 55% to 65% of GDP.

Because it is unregulated, the shadow financial sector is not subject to the same liquidity and leverage rules and capital requirements as the rest of the financial system. The selector's concentration and lack of transparency and the financial mismatches that can be typical of its operation could become major sources of risk and vulnerability at the global level.

CHAPTER III

The external sector

The balance-of-payments current account deficit widened in 2018 as the trade and income accounts both deteriorated, despite an improvement in the balance of transfers (remittances)

The regional terms of trade improved in 2018 for the second year running, although in Central America and in some Caribbean countries they worsened in the wake of higher energy prices

In 2018 the merchandise trade surplus narrowed as imports outpaced exports

In 2018, larger net payments of income and interest on external debt added to the region's current account deficit, while the service trade gap remained stable and the sustained flow of remittances to the region partially made up for these shortfalls

As was true of the other emerging markets, the region saw financial flows dwindle in 2018

Consistent with heightened financial tensions worldwide, access by Latin American and Caribbean countries to the international debt markets has been considerably reduced in 2018

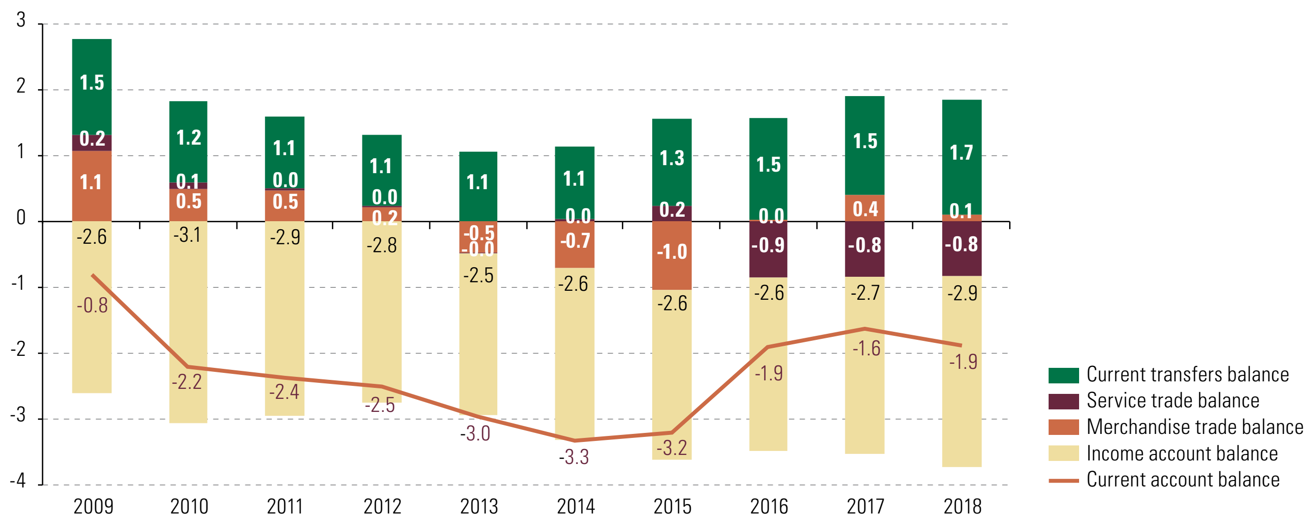
Early 2018 saw a reversal of the region's decreasing sovereign-risk trend of the two previous years.

The balance-of-payments current account deficit widened in 2018 as the trade and income accounts both deteriorated, despite an improvement in the balance of transfers (remittances)

In 2018, import growth —fuelled by stronger domestic demand— outpaced exports and thus eroded the trade surplus. At the same time, the income account deficit widened on the back of increased profit remittances abroad and interest payments on the external debt, in a context of rising international interest rates. On the other hand, the surplus on current transfers continued to grow, driven by a stronger flow of remittances received, while the services trade deficit was broadly unchanged.

As a result, the current account deficit in 2018 widened to 1.9% of GDP from the previous year's 1.6% (see figure III.1).[1] Growing current account gaps have been a widespread feature in 15 Latin American countries, including all the major economies. Nonetheless the region's deficit remains smaller than the historical average of the last ten years (-2.1%); and Argentina and the Plurinational State of Bolivia are the only countries in which the deficit relative to GDP is greater than the previous-decade average.

Figure III.1
Latin America (18 countries): balance-of-payments current account by component, 2009–2018[a]
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] The figures for 2018 are projections. The graph does not include data from the Bolivarian Republic of Venezuela because no official figures are available.

[1] Data from the Bolivarian Republic of Venezuela are not included because official figures are not available.

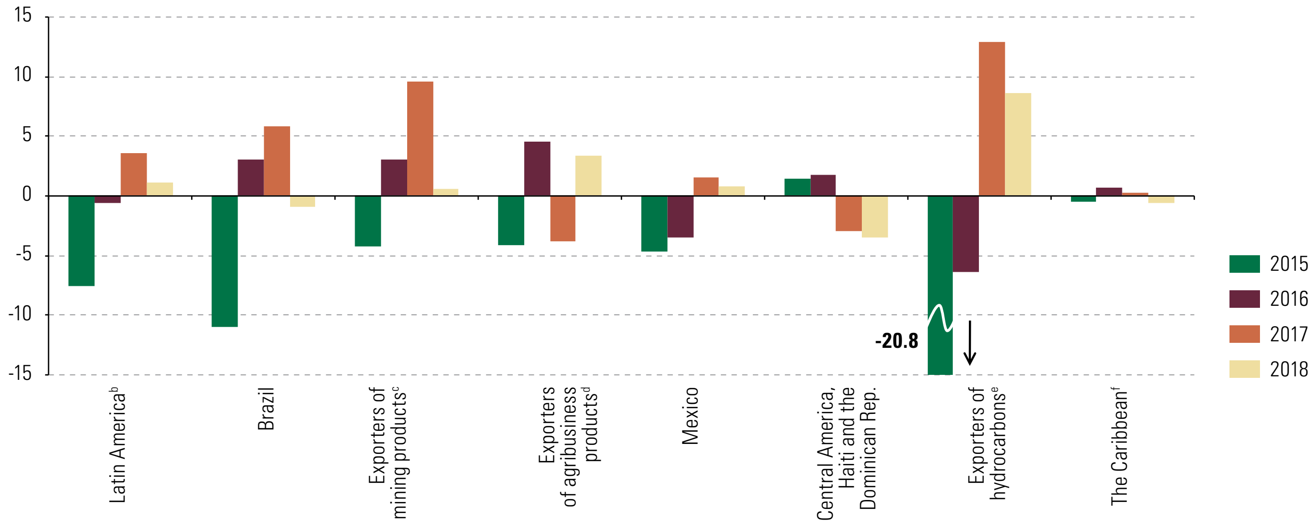
The regional terms of trade improved in 2018 for the second year running, although in Central America and in some Caribbean countries they worsened in the wake of higher energy prices

In 2018, Latin America's average terms of trade improved for the second straight year (1.3%) —following a continuous decline over the five preceding years— thanks to higher energy prices and, to a lesser extent, to the prices of mining and agricultural products.

By country subgroups, hydrocarbon exporters saw their terms of trade rise by most (9.4%), since oil prices were about 28% higher than in 2017. Countries that export agribusiness products also benefited (3.4%), thanks to stronger prices of soybeans, soybean meal, maize and wheat. Mineral exporting countries benefited to a lesser extent (0.3%) because, while export prices for copper, iron, steel and nickel all increased, this was partially offset by higher import prices (mainly fuels).

In contrast, the terms of trade of the Caribbean countries, excluding Trinidad and Tobago, fell by 0.6% in 2018, and those of Central America worsened by 3.6%. The deterioration in these subregions in the year reflected price increases in their two main imported inputs (fuels and steel), compounded, in the case of Central America, by a fall in the price of two of its key export products, coffee and sugar (see figure III.2).

Figure III.2
Latin America and the Caribbean (selected countries and groups): terms-of-trade variation, 2015–2018[a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] The figures for 2018 are projections.
[b] The data do not include the Bolivarian Republic of Venezuela.
[c] Chile and Peru.
[d] Argentina, Paraguay and Uruguay.
[e] Colombia, Ecuador, the Plurinational State of Bolivia, and Trinidad and Tobago. Does not include the Bolivarian Republic of Venezuela.
[f] The data do not include Trinidad and Tobago.

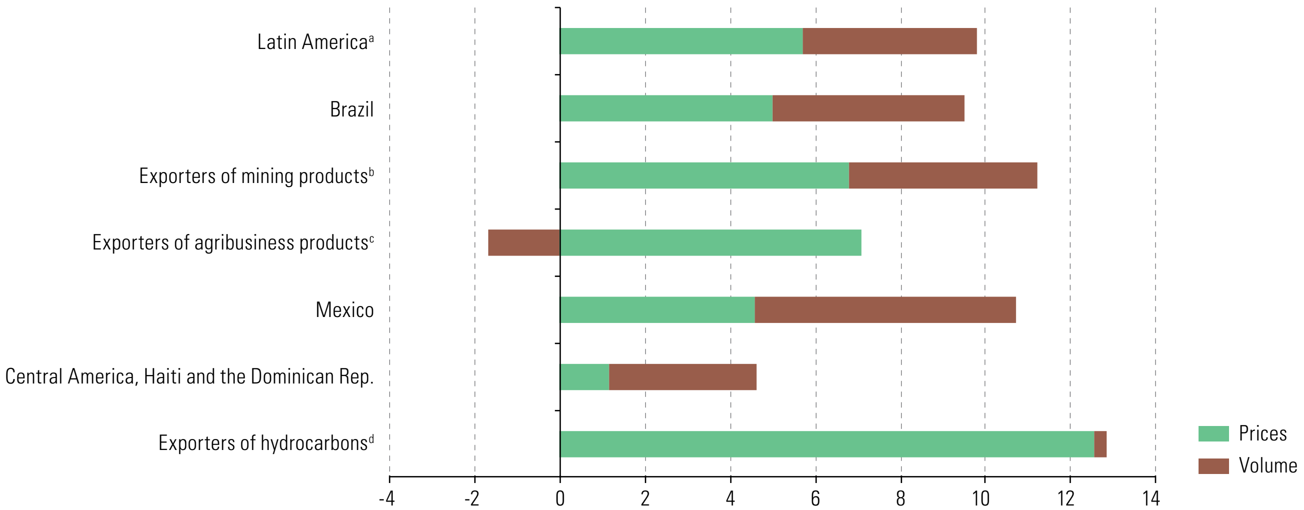
In 2018 the merchandise trade surplus narrowed as imports outpaced exports

Although the trade balance remained in surplus in 2018, thanks to a slight terms-of-trade improvement, it narrowed relative to GDP to 0.1%. from the previous year's 0.4%. A surplus had been recorded in 2017, since exports had grown faster than imports.

This year, however, imports grew by 12% while exports expanded by 10%, owing largely to the momentum of imports in Brazil (20%), Ecuador (16%), Chile (15%) and Paraguay (15%), which grew faster than those from other Latin American countries.

For the region as a whole, in 2018 the value of exports grew by 10% relative to the previous year's level, as a result of higher export prices (up 6%) and a 4% increase in volumes (see figure III.3). Firmer prices in all categories of raw materials, together with the consolidation of global economic growth and the expansion of world trade —which persists, albeit less dynamic and subject to greater uncertainties— have sustained export growth in all subregions in 2018.

Figure III.3
Latin America and the Caribbean (selected countries and groups): projected growth of goods exports, by volume and prices, 2018
(Percentages)

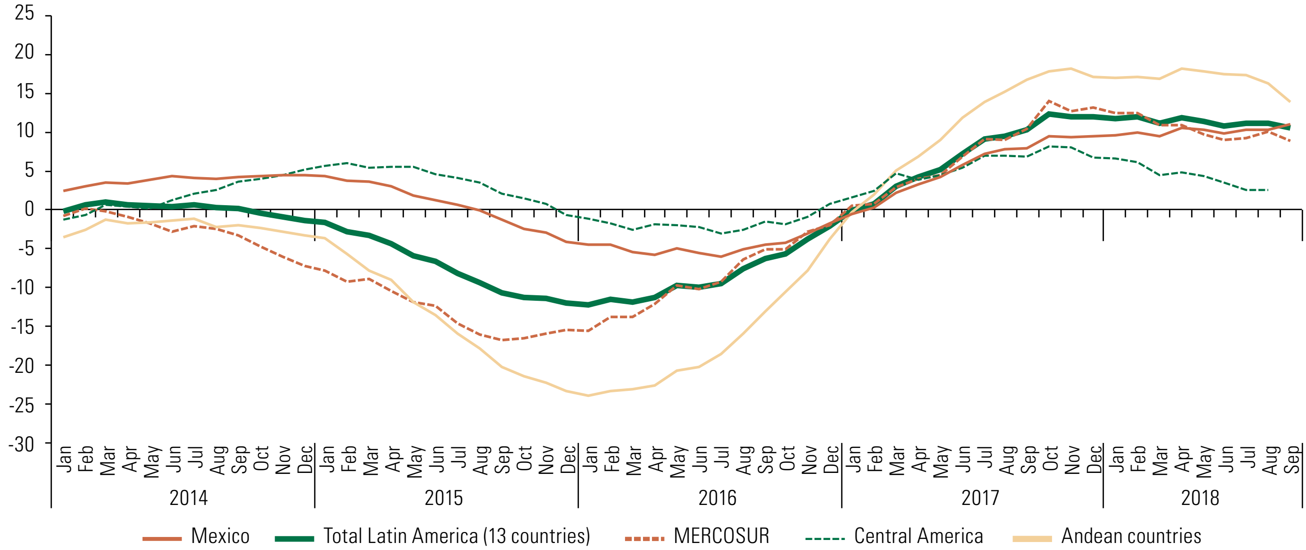


Source: Economic Commission for Latin America and the Caribbean (ECLAC).
[a] Does not include the Bolivarian Republic of Venezuela.
[b] Chile and Peru.
[c] Argentina, Paraguay and Uruguay.
[d] Colombia, Ecuador, the Plurinational State of Bolivia, and Trinidad and Tobago. Does not include the Bolivarian Republic of Venezuela.

By region, the greatest increase occurred in the hydrocarbon-exporting countries (13%), owing to a sharp rise in the price of energy products, which raised export values despite a small reduction in the volume exported. The latter was due to a lack of capacity to increase production in other countries and weaker demand in certain cases. Countries that export mining products also saw their trade surplus improve (11%), thanks to increases in both the average price of their exports and larger volumes, since there has not been a significant drop in demand from China thus far. In countries that export agribusiness products, export growth has been lower (5%), following a reduction in the volume exported owing to the drought that frustrated the harvests in Argentina and Uruguay. In Central America, exports grew by 5% mainly owing to larger volumes, despite the fall in the price of two of its key products (coffee and sugar). Lastly, exports from the region's two largest economies, Brazil and Mexico, both grew by close to 10% in 2018, driven equally by price and quantity increases. Commodities, particularly soybeans and oil, account for most of the growth in Brazilian exports, while in the case of Mexico, automotive exports are driving total foreign sales.[2] In contrast, Nicaragua's exports are estimated to have contracted by a substantial 7%, owing to internal problems in the country that have paralysed economic activity.

In the first nine months of 2018, regional exports were up by around 10% over the year-earlier period (see figure III.4), led by growth in Ecuador (16%), Colombia (14%), Chile (14%) and the Plurinational State of Bolivia (14%).

Figure III.4
Latin America (13 countries):[a] year-on-year growth of 12 months' cumulative goods exports, January 2014–September 2018
(Percentages)

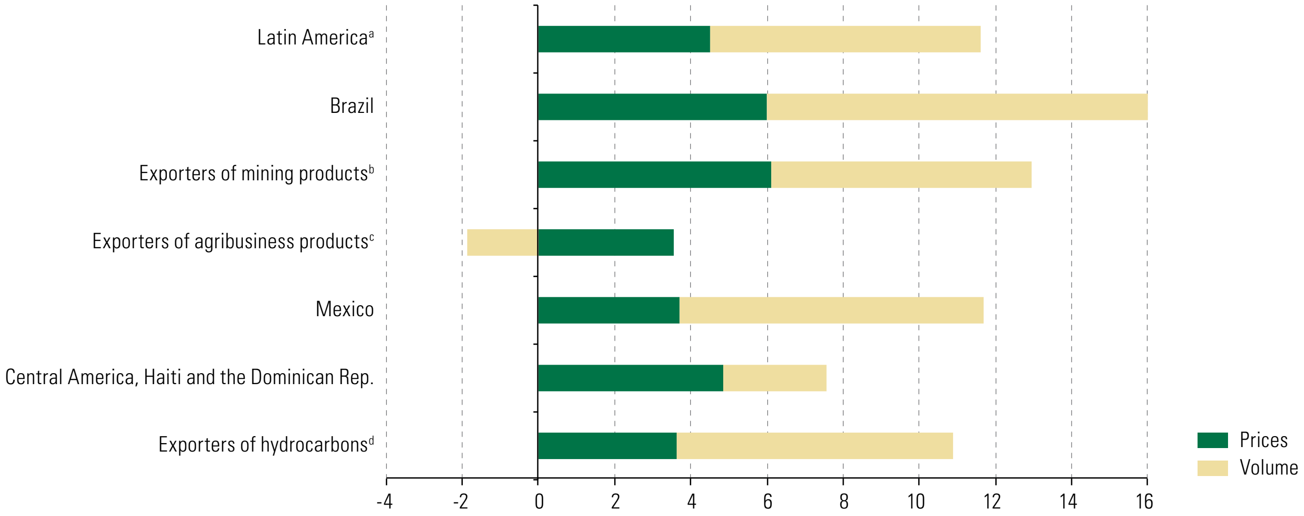


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Includes Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

In 2018, the value of Latin American imports grew on average by 12%. Stronger domestic demand stimulated volume growth (7%) and average import prices also rose (5%), owing largely to higher fuel prices (see figure III.5).

[2] Mexican automotive exports represented about 34% of the total exported in January–October 2018, posting growth of 13%.

Figure III.5
Latin America and the Caribbean (selected countries and groups): projected growth of goods imports, by volume and prices, 2018
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC).
[a] Does not include the Bolivarian Republic of Venezuela.
[b] Chile and Peru.
[c] Argentina, Paraguay and Uruguay.
[d] Colombia, Ecuador, the Plurinational State of Bolivia, and Trinidad and Tobago. Does not include the Bolivarian Republic of Venezuela.

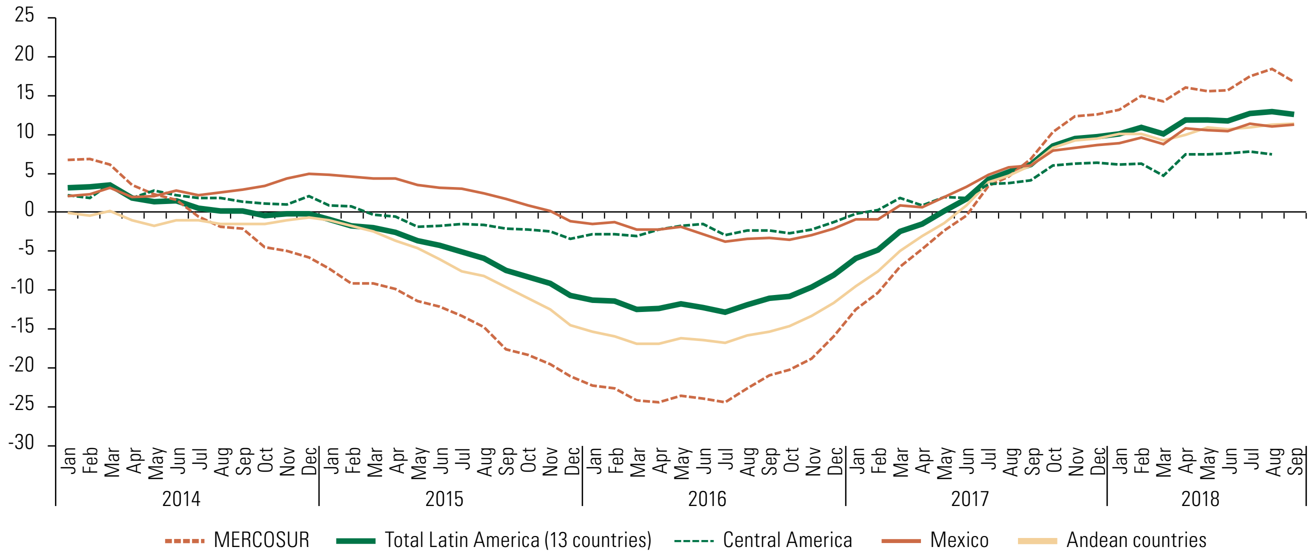
By subregion, Brazil is the country that experienced the strongest import growth (20%),[3] fuelled by a consolidation of the slight expansion in 2017 that followed the recessions of 2015 and 2016. Countries that export mining products also experienced significant import growth (13%) since this group of countries is also displaying the highest growth in investment and activity in the entire region. Mexico's imports expanded by 11%, driven by growth in its main trading partner, the United States, in terms of both stronger exports and remittances received; while the hydrocarbon-exporting countries (11%) have benefited from a terms-of-trade improvement. In all these cases, volumes are driving import growth more than prices.

In contrast, in the Central American countries, import growth (7%) is explained more by prices, since volume growth was more modest. The same is true of countries that export agribusiness products (2%), where volumes are actually expected to fall, since smaller harvests mean fewer inputs are needed. This is being compounded by currency depreciation and —in the case of Argentina— the effects of the crisis that is currently afflicting the country.

In the first nine months of 2018, regional imports were up by about 13% relative to the year earlier period (see figure III.6). Brazil, Ecuador, Chile and Paraguay lead this growth, with rates of 22%, 18%, 16% and 15%, respectively. With economic activity actually declining in Argentina and slowing in other economies of the region, the year is expected to close with regional imports up by around 12%.

3 Although imports outpaced exports in the region in 2018, a significant part of the import growth in Brazil reflected the fact that a new customs regime had been introduced for goods used in the exploration, development and production of oil and natural gas (Repetro-Sped). This will have a significant impact on the measurement of the trade balance until the adjustment is completed in 2019, since it entails recording assets as entering the country which do not represent additional real imports. In 2018, the impact of this measure is estimated to explain about six of the 20 percentage points of import growth. For further information, see [online] Institute of Applied Economic Research (IPEA), *Carta de Conjuntura*, No. 41, 2018 http://www.ipea.gov.br/portal/images/stories/PDFs/conjuntura/181113_cc41_nota_tecnica.pdf.

Figure III.6
Latin America (13 countries):[a] year-on-year growth of 12 months' cumulative goods imports, January 2014–September 2018
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Includes Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

In 2018, larger net payments of income and interest on external debt added to the region's current account deficit, while the service trade gap remained stable and the sustained flow of remittances to the region partially made up for these shortfalls

In 2018, higher interest payments as a result of larger external borrowing in recent years and the rise in interest rates in the United States, together with larger flows of profit repatriation from foreign direct investment (FDI), have widened the deficit on the income account. This increased by 4% in nominal terms, rising from 2.7% of GDP in 2017 to 2.9% in 2018 for the region as a whole. The high oil prices recorded during 2018 boosted the repatriation of profits abroad from the hydrocarbon-exporting countries, thereby widening their income deficit by over 25% relative to 2017 in nominal terms. The other countries have seen a general deterioration in their income account.

In contrast, the service trade deficit remained broadly unchanged in 2018 at 0.8% of GDP, with increased imports of services (mainly transport) being offset by similar increases in exports.

Income from tourism (the travel account) increased thanks to the depreciation of the region's currencies against the dollar during the course of the year (in large economies such as Brazil and Argentina), which encouraged inflows of foreign tourists and discouraged national tourists from travelling abroad.[4] Nonetheless, this growth in exports of tourism services was offset by increased imports of transport services, fuelled by the momentum of goods imports.

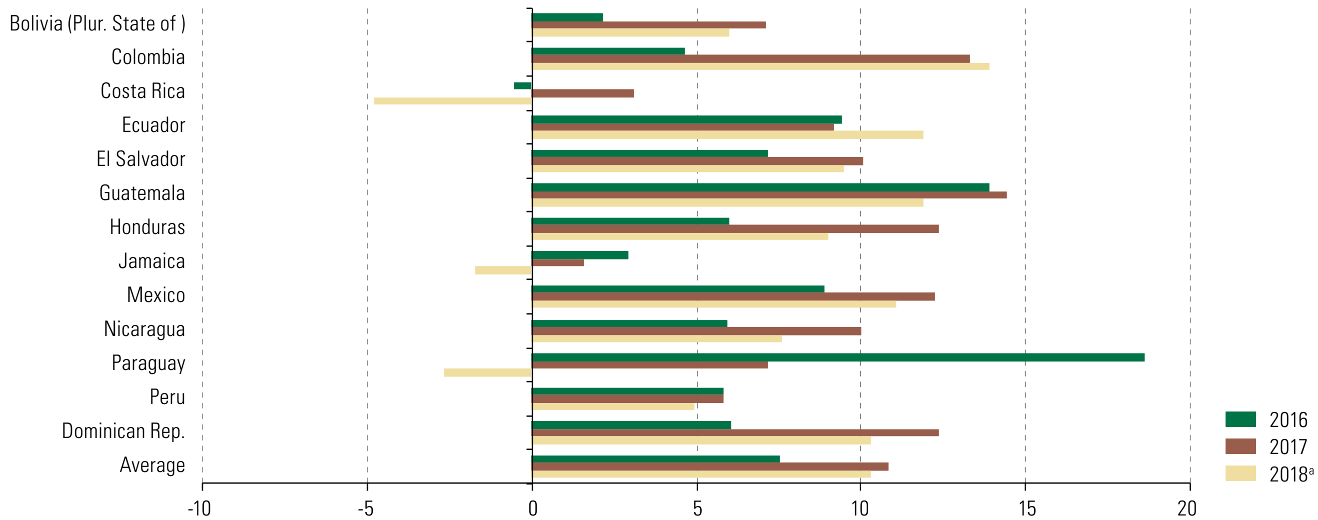
[4] According to figures from the World Tourism Organization (UNWTO) tourist arrivals in the first half of 2018 grew by a substantial 7.4% in South America and by 5.4% in Mexico, while flatlining in Central America. In contrast, in the Caribbean inbound tourism contracted by 9% as a result of the natural disasters that have affected this area (see UNWTO, World Tourism Barometer, vol.16, No. 4, Madrid, November 2018).

In the case of current transfers, higher migrant remittances largely explain the increase in the surplus on this account for the region, which went from 1.5% of GDP in 2017 to 1.7% in 2018.

Remittance flows between January and August 2018 were 10% larger than in the year-earlier period. In addition to the stronger economic activity in the main remitting economies,[5] the fear of tougher immigration measures in the United States probably boosted remittances to Central America and Mexico, where flows have grown by over 10%.

The surplus in current transfers partially compensates for deficits on the income and service accounts.

Figure III.7
Latin America and the Caribbean (selected countries): year-on-year variation in income from emigrant remittances, 2016–2018[a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Figures for 2018 correspond to the following periods: January–September in the case of El Salvador, Guatemala, Honduras and Nicaragua; January–August in the case of Brazil, Mexico and the Dominican Republic; January–July in the case of Colombia and Paraguay; January–June in the case of the Plurinational State of Bolivia, Costa Rica, Ecuador and Peru; and January–May in the case of Jamaica.

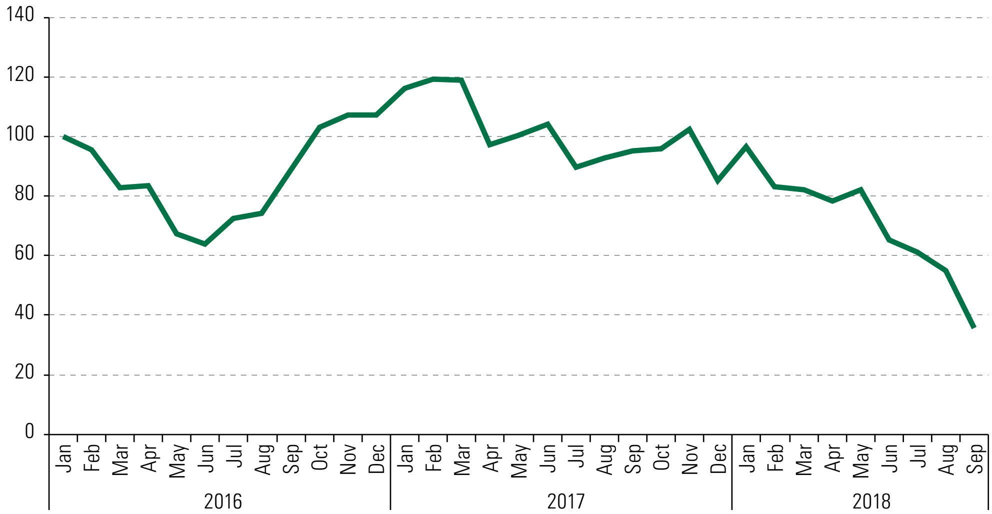
As was true of the other emerging markets, the region saw financial flows dwindle in 2018

Latin America and the Caribbean has not been the exception among emerging markets and in 2018 it faced weaker financial inflows of portfolio and other investment that were not offset by stronger FDI inflows to the region. Data available in the first semester of 2018 show that total flows to the region shrank by 4%,[6] while net FDI grew by 7%, concentrated in South America, especially Chile and Peru. In contrast, portfolio and other investment flows in most of the economies have either contracted —as in Argentina— or else the outflows in these categories have increased relative to 2017.

A proxy indicator of net capital flows constructed in ECLAC[7] shows that these flows continued to decline for the region as a whole, until the third quarter of the year at least (see figure III.8).

[5] The United States and Spain are main economies from which remittances are sent to Latin American countries.
[6] Brazil, Chile, Mexico and Peru have data up to the third quarter of 2018.
[7] Carvallo and others, “Metodología para la construcción de un indicador adelantado de flujos de capitales para 14 países de América Latina”, 2018, unpublished.

Figure III.8
Latin America (13 countries):[a] proxy indicator of cumulative net capital flows to the region in the previous 12 months, January 2016 to September 2018
(Index: 2016=100)

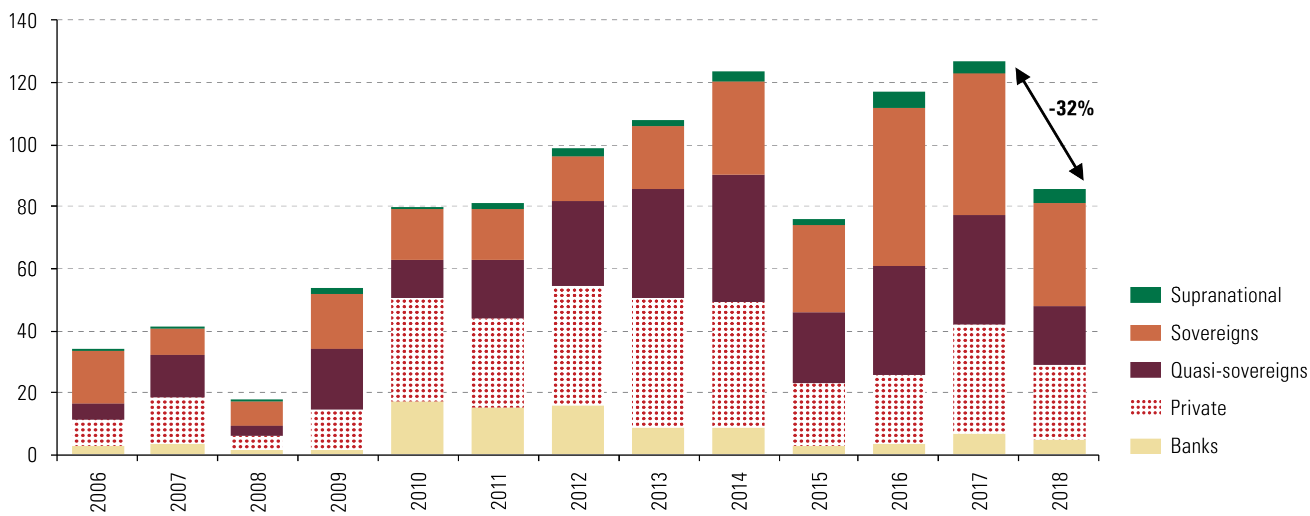


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: The proxy indicator of net capital flows constructed in ECLAC for this document is calculated using data from the following countries: Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

Consistent with heightened financial tensions worldwide, access by Latin American and Caribbean countries to the international debt markets has been considerably reduced in 2018

In line with the tighter financial conditions prevailing globally, debt issues on international markets by the region's countries declined sharply, by 32% between January and October 2018 relative to the year-earlier period (see figure III.9).

Figure III.9
Latin America and the Caribbean: cumulative bond issues on international markets in the first 10 months of each year
(Billions of dollars)

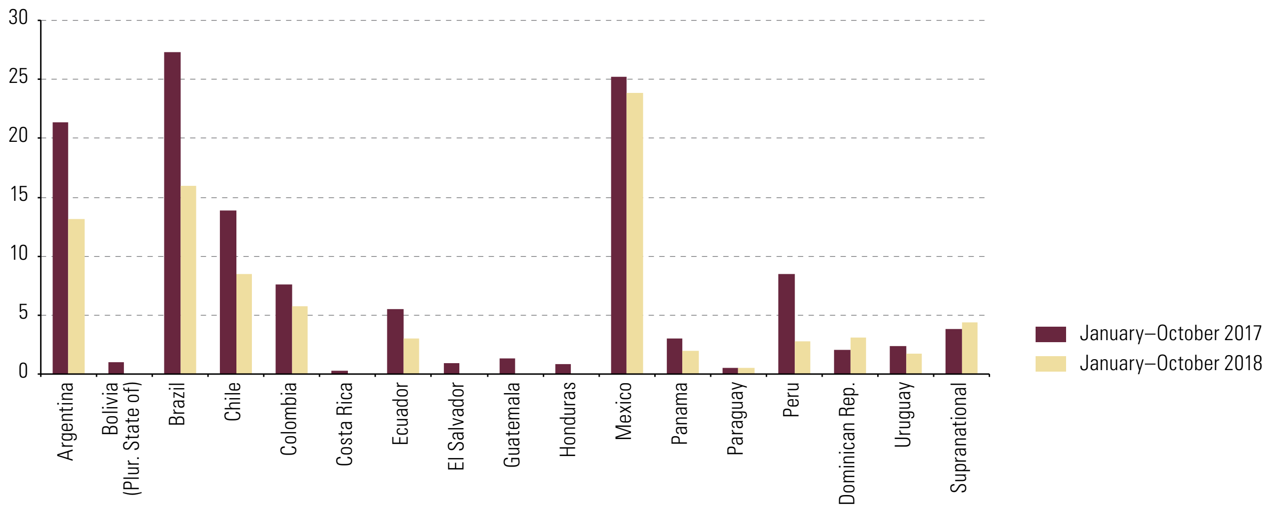


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of figures from LatinFinance.

A sector breakdown shows that the sharpest reductions were in issues by quasi-sovereigns (-45%),[8] followed by the private sector (-33%), sovereigns (-27%) and banks (-25%). The only debt issues that increased in the period were supranational ones; but as these are relatively small, they did not have a material effect on total issues.

At the country level, the largest percentage reductions in bond issuance in the period occurred in Peru (-67%), Ecuador (-45%), Brazil (-42%), Chile (-39%) and Argentina (-38%). Nonetheless, for all countries except Argentina, 2017 was a year of increased issues, so the reduction in 2018 in some cases was relative to a demanding comparison base. For example, in 2017 in Peru and Chile, bond issues had grown by 362% and 171% respectively, while Ecuador and Brazil recorded increases of 111% and 57%. In Argentina, on the other hand, there had already been an 18% drop in issues in 2017, which worsened in 2018 as a result of the crisis that left the country with virtually no access to international debt markets (see figure III.10).

Figure III.10
Latin America (16 countries): cumulative debt issues on international markets between January and October of 2017 and 2018
(Billions of dollars)



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

Early 2018 saw a reversal of the region's decreasing sovereign-risk trend of the two previous years

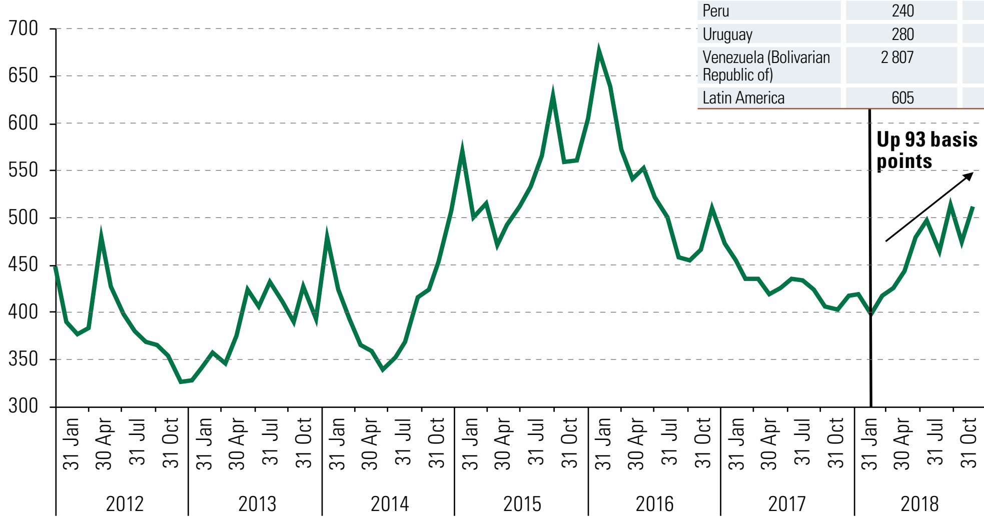
As was the case for emerging markets as a whole, heightened global financial tensions and increased risk aversion have gone hand in hand with widening sovereign-risk spreads in Latin America since early 2018.

By end-October 2018, the EMBIG regional sovereign-risk index had risen by an average of 93 basis points, to stand at 512 (see figure III.11). The largest individual increases in 2018 (to end-October) were recorded in the Bolivarian Republic of Venezuela (up 949 basis points) and Argentina (up 301 points).

8 The quasi-sovereign sector includes entities such as public development banks or State-owned enterprises, among others. 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).

Figure III.11
Latin America (13 countries): sovereign risk as measured by the Emerging Markets Bond Index (EMBIG), January 2012–October 2018
(Basis points)

	Level of EMBIG at:			
	31 December 2015	31 December 2016	31 December 2017	31 October 2018
Argentina	438	455	351	652
Bolivia (Plurinational State of)	250	83	203	275
Brazil	548	330	232	256
Chile	253	158	117	140
Colombia	317	225	173	186
Dominican Republic	421	407	275	326
Ecuador	1 266	647	459	722
Mexico	315	296	245	307
Panama	214	187	119	146
Paraguay	338	281	200	231
Peru	240	170	136	152
Uruguay	280	244	146	185
Venezuela (Bolivarian Republic of)	2 807	2 168	4 854	5 803
Latin America	605	473	419	512



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

CHAPTER IV

Economic activity

Economic momentum in Latin America and the Caribbean has slowed, with mixed trends among countries and subregions

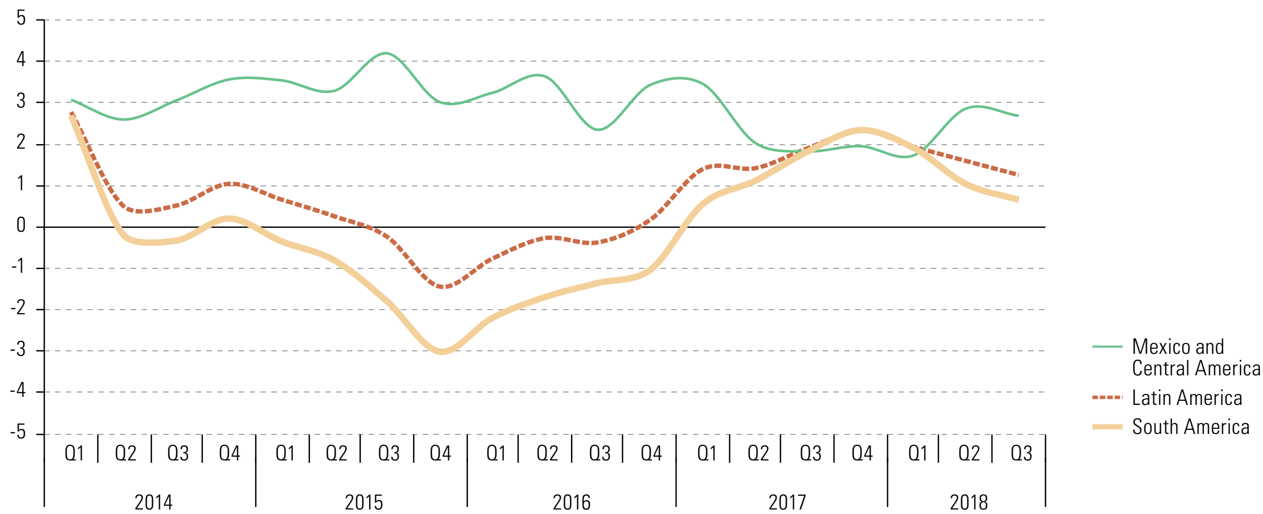
Economic growth in 2018 was supported mainly by domestic demand, which was boosted by stronger investment. Private consumption remained the primary source of growth

The moderation of economic activity in the first half of the year stemmed from a decline in primary industries and weaker trade momentum

Economic momentum in Latin America and the Caribbean has slowed, with mixed trends among countries and subregions

Following a 1.3% increase in the third quarter of 2018, Latin America's cumulative growth for the year thus far stands at 1.5%. GDP growth in the third quarter decelerated in comparison with the first half of the year, confirming the slowdown already seen in the first two quarters of 2018 (2.0% and 1.6%, respectively) as these growth rates were consecutively lower than the previous quarter (see figure IV.1).

Figure IV.1
Latin America and the Caribbean: GDP growth rates, 2014–2018
(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.

As in preceding years, economic outlook in the region is very mixed. On one hand, South American economies specialized in the production of commodities —particularly oil, minerals and food— grew by 1.1% on average in the first three quarters, slightly less than in the year-earlier period (1.2%).

On the other hand, Central American countries posted growth of 3.7% in the third quarter of 2018, two percentage points higher than in the prior-year period. Growth in Central America and Mexico combined came to 2.4% in the first three quarters of 2018, similar to the level seen in the year-earlier period.

In the region, the Dominican Republic posted the strongest growth in the first three quarters (6.9%), followed by Paraguay (5.6%), the Plurinational State of Bolivia (4.4%) and Chile (4.2%). Three economies (Argentina, the Bolivarian Republic of Venezuela and Nicaragua) contracted, while the rest grew by 1%–4%.

Economic growth in 2018 was supported mainly by domestic demand, which was boosted by stronger investment. Private consumption remained the primary source of growth

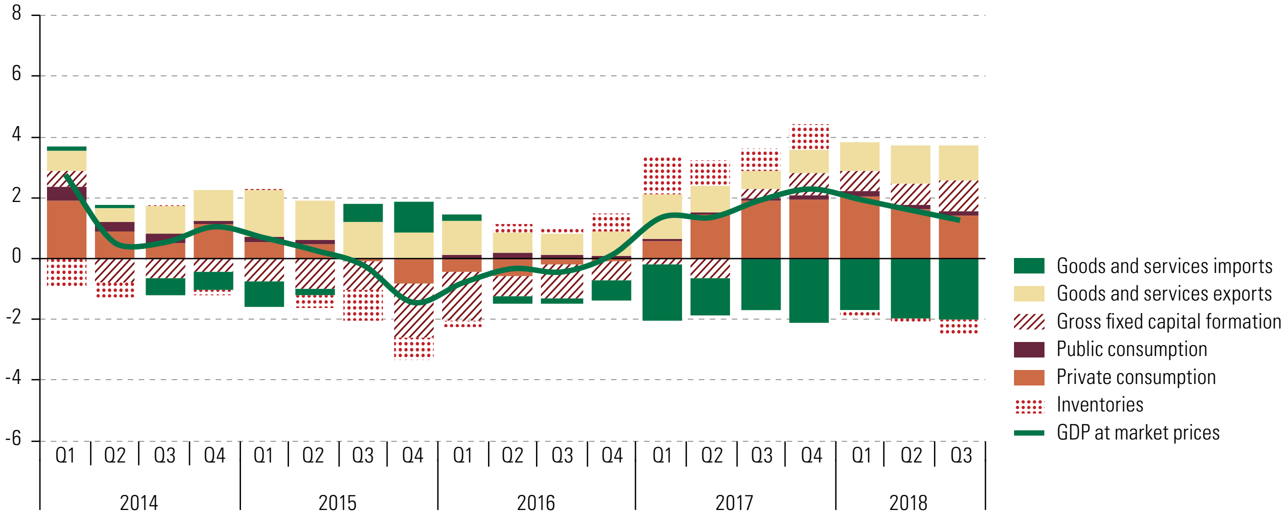
Latin America's GDP is expected to grow in line with domestic demand, which is projected to rise by 2.5% year-on-year in 2018 because of both the 2.3% increase in private consumption and the 3.6% rise in investment, and, to a lesser extent, growth of 0.7% in public consumption. Meanwhile, net exports fell for the second year in a row (see figure IV.2). Private consumption consolidated its role as the biggest contributor to the region's growth, which despite a slowdown continues to be driven by improving labour market conditions, as reflected in higher employment and real wage indices. Public consumption weakened in the framework of fiscal adjustments implemented by governments of the region since 2015, and its contribution to GDP growth fell from a half to a tenth of a percentage point (see figure IV.3).

After falling for three years in a row, investment in the region rose in 2017. However, that positive outcome stemmed from increased inventories, unlike the situation in 2018, when growth in investment derived from increases in the machinery and equipment and construction components. Gross fixed capital formation is on the rise in both subregions in 2018, reflecting a reversal of the contraction in Central America and Mexico in 2017 (see figure IV.4).

In 2018, despite the 0.3-percentage-point increase in the volume of goods and services exports compared with the previous year (3.7%), the external sector's contribution to GDP was negative owing to the sharper increase in the volume of goods and services imports (6.8%). This highlights, on one hand, the stronger performance of investment in machinery and equipment —imports for the most part— and on the other hand, the trend in private consumption.

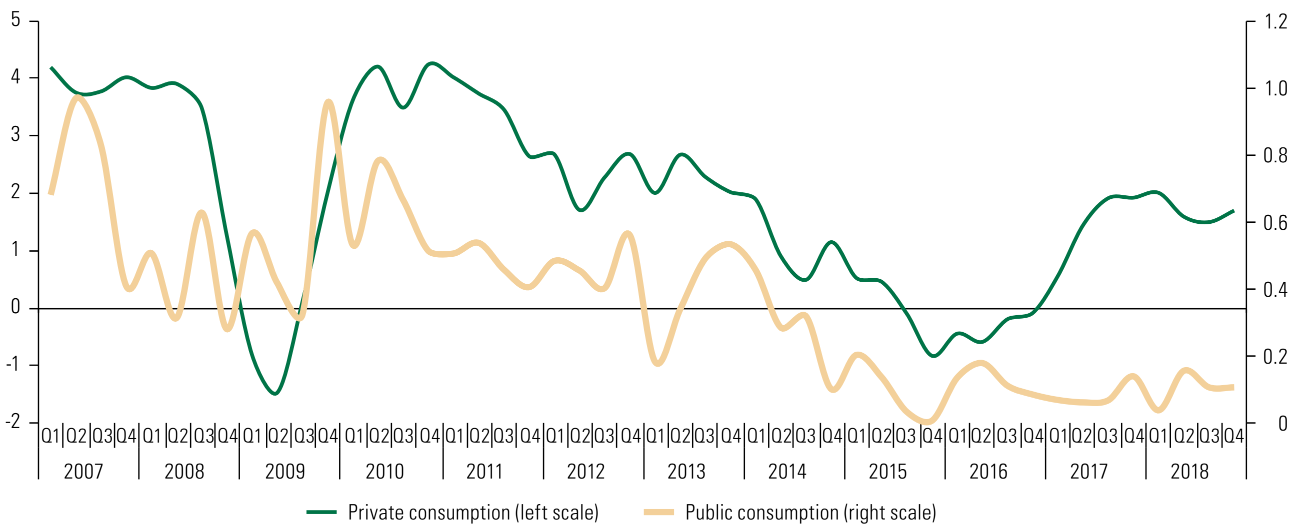
Quarterly data show mixed performances at the subregional level, with contrasting trends between South America, on the one hand, and Central America and Mexico, on the other. While South America showed an improvement, Central America and Mexico reflected a decline, and in the past few quarters, when South America slowed down, Central America and Mexico picked up. In South America, the contribution of private consumption and exports to GDP growth has decreased sharply in 2018. The situation is different in Central America and Mexico, where the contribution of private consumption to GDP growth remains unchanged while that of investment and exports has increased (see figure IV.4).

Figure IV.2
Latin America: GDP growth rates and contribution of expenditure components to growth, 2014–2018[a]
(Percentages)



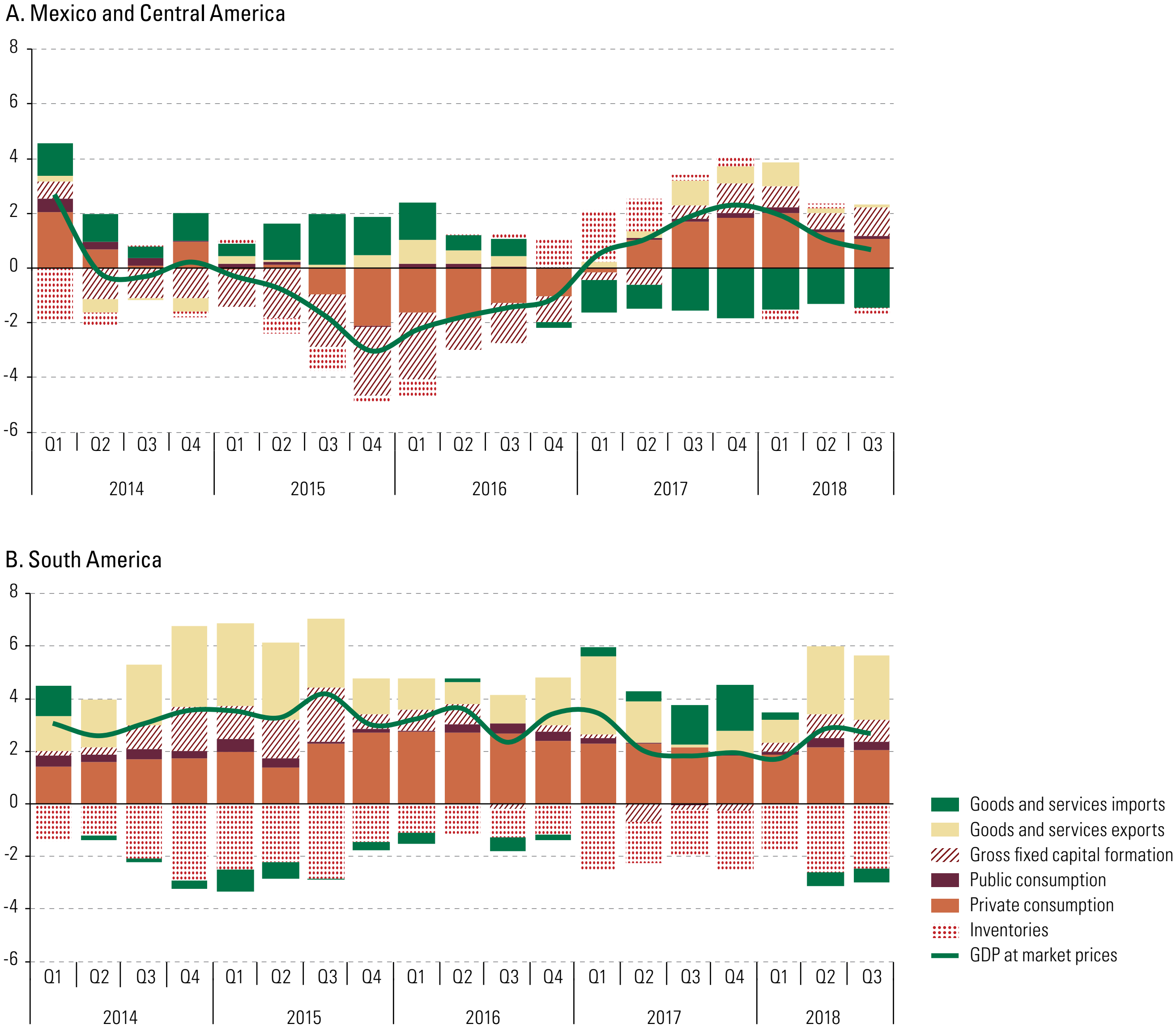
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Figures for the third quarter of 2018 are estimates.

Figure IV.3
Latin America: contribution of private and public consumption to GDP growth, 2007–2018[a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Figures for the third and fourth quarters of 2018 are estimates.

Figure IV.4
Latin America (subregions): GDP growth rates and contribution of expenditure components to growth, 2014–2018
(Percentages)



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

The moderation of economic activity in the first half of the year stemmed from a decline in primary industries and weaker trade momentum

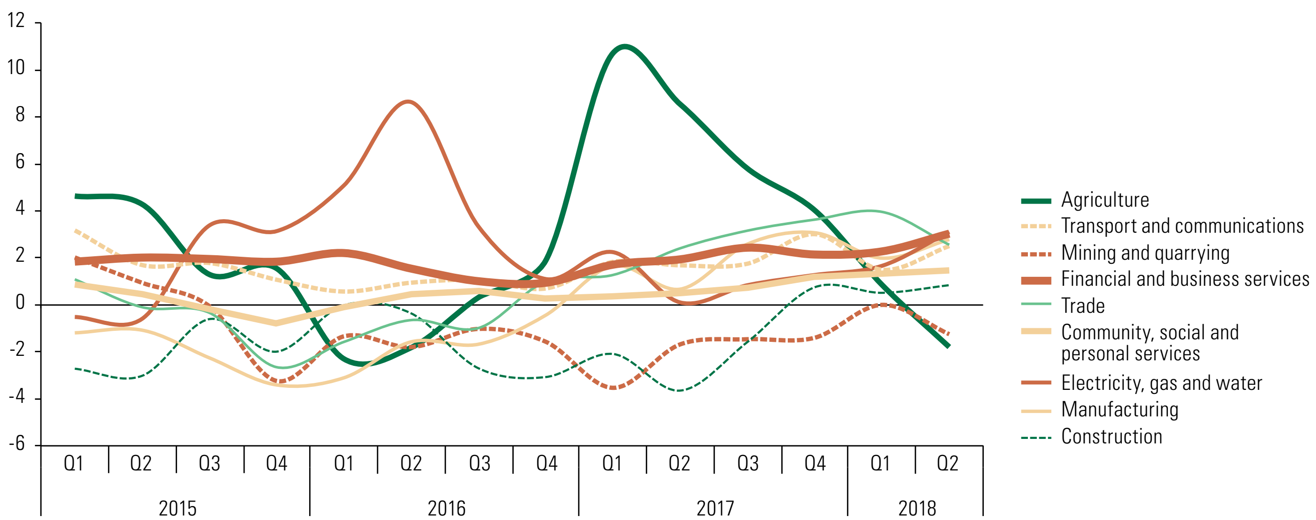
In the first half of 2018, GDP growth was supported primarily by financial and business services, communal, social and personal services, and, to a lesser extent, trade. This growth was offset by agriculture and mining, which were the only sectors to contract (see figure IV.5).

The agricultural sector was unable to consolidate the 2017 growth trend, with a sharp deceleration in the first quarter of 2018 owing to weak performances by Brazil and Uruguay, and a contraction in the second quarter owing to a drought in Argentina that triggered a sharp decline of 31% in that country's agricultural sector. Meanwhile, the contraction in mining, which began in the fourth quarter of 2015 and was only interrupted in the first quarter of 2018, continued. This negative trend stems primarily from the continuous decline in mining in Mexico, Colombia, Guatemala and Ecuador over 17, 12, 10 and 6 months, respectively (see figure IV.5). In addition, other exporters of mining products in the region recorded sporadic decreases.

The remaining economic sectors continued to drive growth. Other notable factors include weaker trade momentum and the performance of the construction sector, which posted positive figures for three consecutive quarters, in line with stronger investment.

For the year overall, economic growth is estimated at 1.2% in Latin America and the Caribbean, slightly down on the 1.3% achieved in 2017. Growth weakened both in South America (from 0.8% in 2017 to 0.6% in 2018) and in Central America, Cuba and Haiti (from 3.4% to 3.2%). Conversely, Mexico's growth rate edged up from 2.1% in 2017 to 2.2% in 2018. In the Caribbean, recovery from the impacts of the natural disasters that occurred in 2017 contributed to producing a stronger growth rate in 2018, at 1.9%, compared with 0.2% in 2017.

Figure IV.5
Latin America: GDP growth by economic sector, 2015–2018
(Percentages)



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

CHAPTER

V

Domestic prices

Inflation rose in the region in 2018, especially in the South American economies

Although it has risen in the average for the region, inflation remains stable and is tending to fall in most of the economies

The inflation trend changed in the second quarter of 2018

Although services have seen the highest inflation rate, the largest year-on-year changes have occurred in food inflation

Inflation rose in the region in 2018, especially in the South American economies

In the first 10 months of 2018, average inflation in Latin America and the Caribbean rose by 1.7 percentage points year-on-year, climbing from 5.3% in October 2017 to 7.0% in October 2018 (see table V.1).

Table V.1
Latin America and the Caribbean: 12-month variation in consumer price index, December 2015–October 2018[a]
(Percentages)

	December 2015	December 2016	December 2017	October 2017	October 2018
Latin America and the Caribbean[b]	**7.9**	**7.3**	**5.6**	**5.3**	**7.0**
South America[b]	**10.6**	**9.1**	**5.3**	**5.0**	**8.5**
Argentina	27.5	38.5	25.0	22.9	45.5
Bolivia (Plurinational State of)	3.0	4.0	2.7	3.0	1.3
Brazil	10.7	6.3	2.9	2.7	4.6
Chile	4.4	2.7	2.3	1.9	2.9
Colombia	6.8	5.7	4.1	4.0	3.3
Ecuador	3.4	1.1	-0.2	-0.1	0.3
Paraguay	3.1	3.9	4.5	4.9	4.1
Peru	4.4	3.2	1.4	2.0	1.8
Uruguay	9.4	8.1	6.6	6.0	8.0
Central America	**2.7**	**3.7**	**6.4**	**5.9**	**4.2**
Costa Rica	-0.8	0.8	2.6	2.3	2.0
Cuba	2.4	-3.0	0.6	-0.1	2.0
Dominican Republic	2.3	1.7	4.2	3.5	3.5
El Salvador	1.0	-0.9	2.0	1.4	0.9
Guatemala	3.1	4.2	5.7	4.2	4.3
Haiti	12.5	14.3	13.3	14.4	14.1[c]
Honduras	2.4	3.3	4.7	4.0	4.7
Mexico	2.1	3.4	6.8	6.4	4.9
Nicaragua	2.9	3.1	5.7	4.6	4.8
Panama	0.3	1.5	0.5	0.5	1.1
The Caribbean	**3.3**	**5.4**	**3.8**	**3.6**	**3.1**
Antigua and Barbuda	0.9	-1.1	2.4	2.2	1.3[d]
Bahamas	2.0	0.8	1.8	0.9	3.4[c]
Barbados	-2.3	3.8	6.6	6.5	5.5[d]
Belize	-0.6	1.1	1.0	0.9	0.6[d]
Dominica	-0.5	0.6	0.6	-0.4	1.0[d]
Grenada	1.1	0.9	0.5	0.6	0.4[e]
Guyana	-1.8	1.4	1.5	1.8	0.6[d]
Jamaica	3.7	1.7	5.2	4.7	4.7
Saint Kitts and Nevis	-2.4	0.0	0.8	0.2	-0.8[d]
Saint Lucia	-2.6	-2.8	2.0	0.8	1.9[d]
Saint Vincent and the Grenadines	-2.1	1.0	3.0	2.3	2.4[d]
Suriname	25.2	49.2	10.0	10.8	6.8[c]
Trinidad and Tobago	1.5	3.1	1.3	1.6	1.0[c]

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Regional and subregional averages are weighted by the size of the population.
[b] Does not include data for the Bolivarian Republic of Venezuela, owing to the lack of official monthly data from December 2015 to January 2017.
[c] Data at August 2018.
[d] Data at June 2018.
[e] Data at March 2018.

The rise in inflation reflects price rises in the South American economies, where the average rate of inflation increased by 3.5 percentage points, from 5.0% in October 2017 to 8.5% for the same month in 2018. By contrast, inflation eased in the other two subregions of Latin America and the Caribbean: by 1.7 percentage points in Central America and Mexico, from 5.9% to 4.2% between October 2017 and 2018, and by half a percentage point in the non-Spanish-speaking Caribbean, from 3.6% in October 2017.

In the case of the Bolivarian Republic of Venezuela,[1] which is not included in the table, inflation accelerated in the first 10 months of 2018. From November 2017 the monthly rate of inflation exceeded 50%, which enters the terrain of hyperinflation. The reasons underpinning that high figure include monetary financing of the public sector by the central bank, since this fuels growth of monetary aggregates —which in the case of the monetary base exceeded 30,000% in October 2018—, and the resulting depreciations of the official and parallel exchange rate. Frequent hikes of the minimum wage and various supply-side factors associated with the prolonged goods supply squeeze have also pushed up prices. In August 2018, the executive branch announced a series of measures aimed at curbing monetary base growth, but these have not had the desired effect on monthly inflation rates, which have averaged 200% since then.

Although it has risen in the average for the region, inflation remains stable and is tending to fall in most of the economies

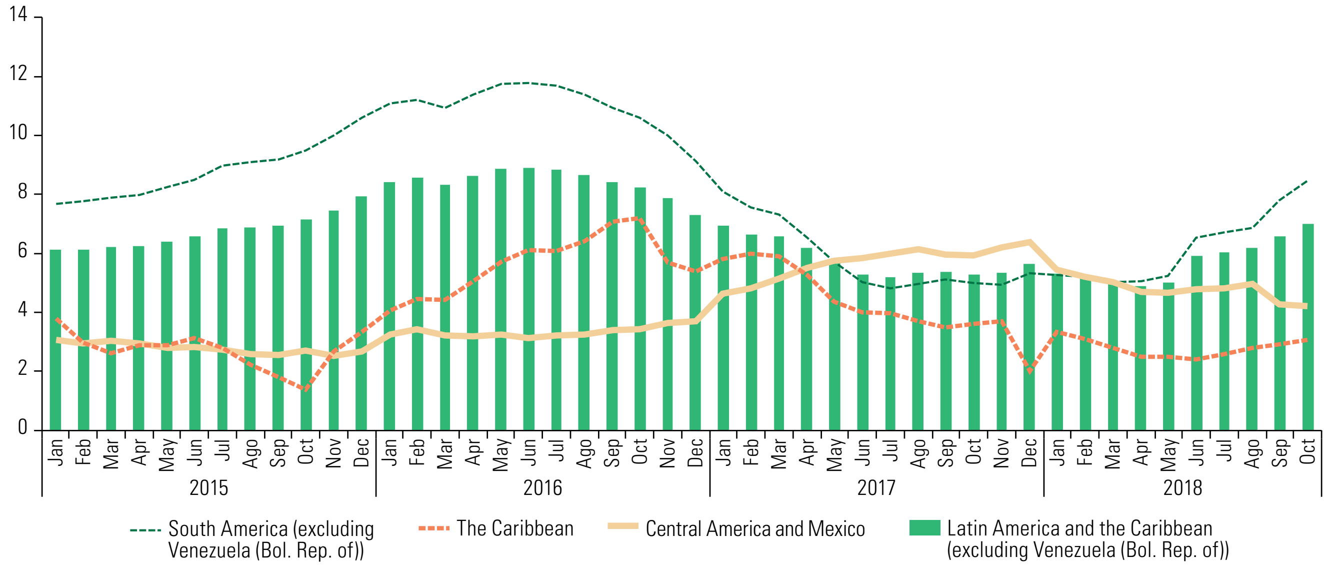
Table V.1 shows that, despite the rise in weighted average inflation at the regional level, in most countries it has remained stable. In 2018, inflation has varied by less than a percentage point in absolute terms with respect to 2017 in 18 countries, a higher number than the 11 countries in this category in 2017. As is also evident in the table, the number of countries with year-on-year inflation rates of under 5% has risen from 26 in 2017 to 29 in 2018. Conversely, the number with rates of inflation in excess of 10% has fallen from three in 2017 to just one in 2018, not counting the Bolivarian Republic of Venezuela. Another important point is that, despite the rise in the regional rate, the countries that have explicit inflation targets have kept inflation within the established range, except in the case of Mexico. Lastly, comparison of the median cumulative inflation rate to October shows a slight fall between 2017 and 2018, from 2.3% to 2.2%.

The inflation trend changed in the second quarter of 2018

Analysis of the behavior of inflation over the year shows clear differences between the first quarter and the rest of the year. Figure V.1 shows the monthly inflation rate at the regional and subregional levels, from which it may be observed that inflation fell at the regional level between December 2017 and April 2018, then picked up again.

[1] The Central Bank of Venezuela has not published data on inflation since December 2015; for this reason, the Bolivarian Republic of Venezuela is not included in table V.1. References to this variable for 2016 are based on the annual information provided by the country's central bank to the International Monetary Fund (IMF) and published by IMF. From January 2017 onward, the information used comes from the monthly consumer price index published by the National Assembly.

Figure V.1
Latin America and the Caribbean: 12-month variation in the consumer price index, weighted average, January 2015–October 2018
(Percentages)



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

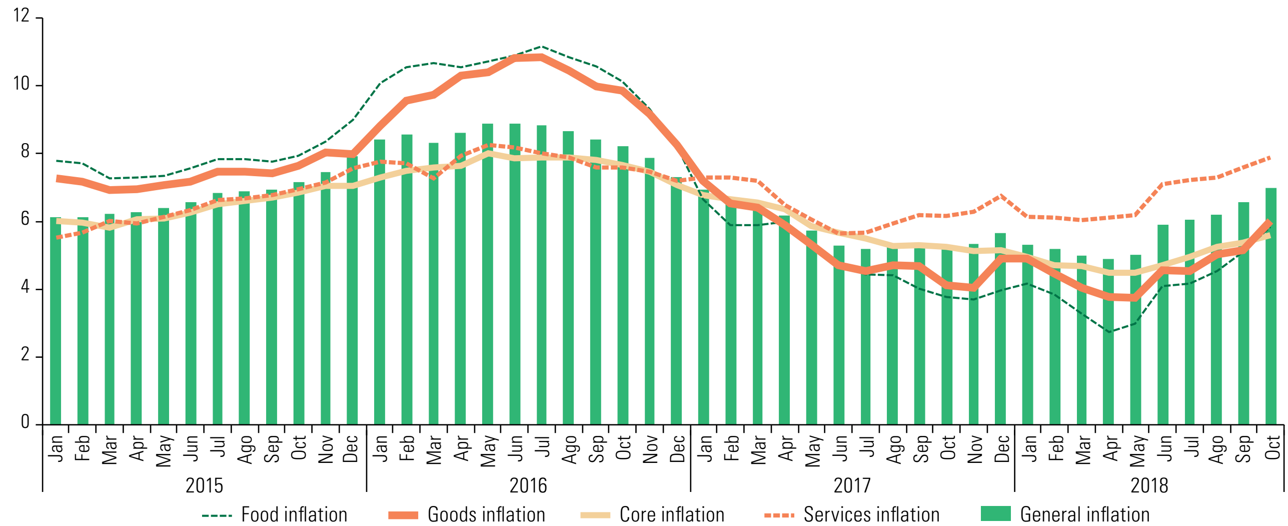
Figure V.1 also shows that the behaviour of the regional index is driven by the path of inflation in South America, where the interannual rate rose 3.5 percentage points between April and October 2018, from 5% in April. Although several countries in the subregion saw inflation rise, the Argentine and Brazilian economies contributed most to the regional climb, owing the magnitude of the variations in those countries —22.6 percentage points in Argentina and 1.9 in Brazil— combined with their weight in the regional average, given that the weighting factor used is population. The reasons for the higher inflation in these two economies include exchange-rate corrections, adjustments to the prices of public services, higher energy prices and supply-side problems relating to transport strikes, in the case of Brazil.

Another aspect that is evident in figure V.1 is the behaviour of inflation in the economies of Central America and Mexico. Inflation slowed in this subregion during the first 10 months of 2018, mostly sharply between September and October. Again, this has to do with exchange-rate patterns and the price of crude oil, as currency appreciation and lower oil prices contributed to slowing the rate of price rises in this subregion over the year. In the non-Spanish-speaking Caribbean, after a heavy fall in inflation in Suriname in 2017, the rate has tended to decline in most of the economies; where it has increased, it remains below 2%.

Although services have seen the highest inflation rate, the largest year-on-year changes have occurred in food inflation

All the components of the general price index contributed to pushing up inflation in the region in the first 10 months of 2018, but the strongest inflation occurred in services, which reached a cumulative rate of 7.9% between October 2017 and October 2018. The rate was lower for the other three components included in figure V.2 —core inflation, food inflation and goods inflation— by 2.3, 2 and 1.9 percentage points, respectively. The adjustments to public service prices made in several economies of the region in the framework of fiscal consolidation plans and higher fuel —and therefore transport— prices have impacted the pattern of the price index for non-tradables.

Figure V.2
Latin America and the Caribbean: 12-month variation in the consumer price index, core inflation and inflation for food, goods and services, weighted average, January 2015–October 2018
(Percentages)



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

As in the case of the general price index, the various components have shown variable behaviour over 2018, and their rates of inflation have tended to rise. Food prices stand out, having risen by 3.2 percentage points between April and October 2018, from 2.7% to 5.9%. In the case of goods, the rise was 2.2 percentage points, from 3.8% in April 2018 to 6.0% in October.

CHAPTER
VI

Employment and wages

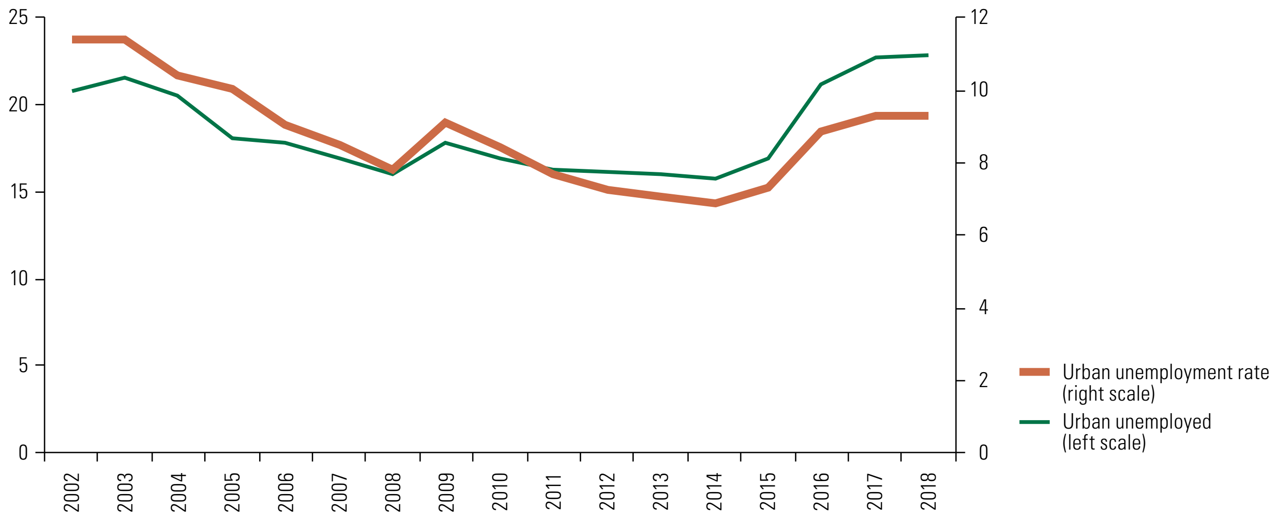
- The urban unemployment rate has stabilized but the number of unemployed has risen
- The regional employment rate has risen in 2018, but not consistently
- The unemployment rate has moved only slightly in most of the countries
- There is still a gender gap in unemployment
- The composition of employment by occupational category has deteriorated again
- Nonetheless, informality has declined slightly in some countries
- New jobs are largely in the tertiary sector
- Moderate real wage growth continued in most of the countries, while slackening in several
- The heterogeneous labour market performance of 2018 is expected to improve slightly in 2019

The region's average urban unemployment rate held steady at 9.3% in 2018 after increasing by 2.4 percentage points between 2014 and 2017. In the same period, the regional urban employment rate is estimated to have risen slightly (by 0.1 percentage points) for the first time since 2013. Even so, the 2018 rate was still 1.3 percentage points below its 2013 level. This rise in the employment-to-population ratio was not enough to reduce the urban unemployment rate because more people entered the labour market in search of work. On a year-on-year comparison, this increase was reflected in what was likewise a small rise in the participation rate, a trend that began in 2015.[1]

The urban unemployment rate has stabilized but the number of unemployed has risen

In addition to the impact of the rise of the participation rate, the labour force increased as a result of demographic growth in the working-age population. A stable unemployment rate, therefore, implies a fresh rise in the absolute number of unemployed. An average of about 22.9 million people were unemployed in urban areas in 2018, which is 240,000 more than in 2017 and 7.1 million more than in 2014. Thus, the number of urban unemployed is higher than it was in the early 2000s, before the period of strong job creation that began in 2004.

Figure VI.1
Latin America and the Caribbean: urban unemployment rate and estimated number of urban unemployed, 2002–2018
(Millions of people and percentages)



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

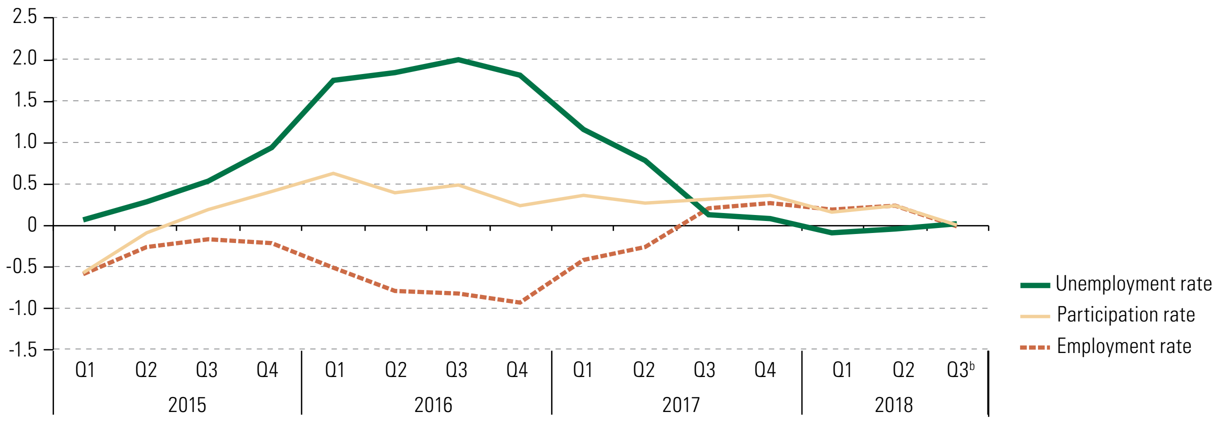
[1] Changes in the unemployment rate (unemployed persons as a proportion of the labour force, which is the sum of the employed and unemployed) correlate negatively with changes in the employment rate (the proportion of the working-age population that is employed) and positively with changes in the participation rate (the labour force as a proportion of the working-age population).

The regional employment rate has risen in 2018, but not consistently

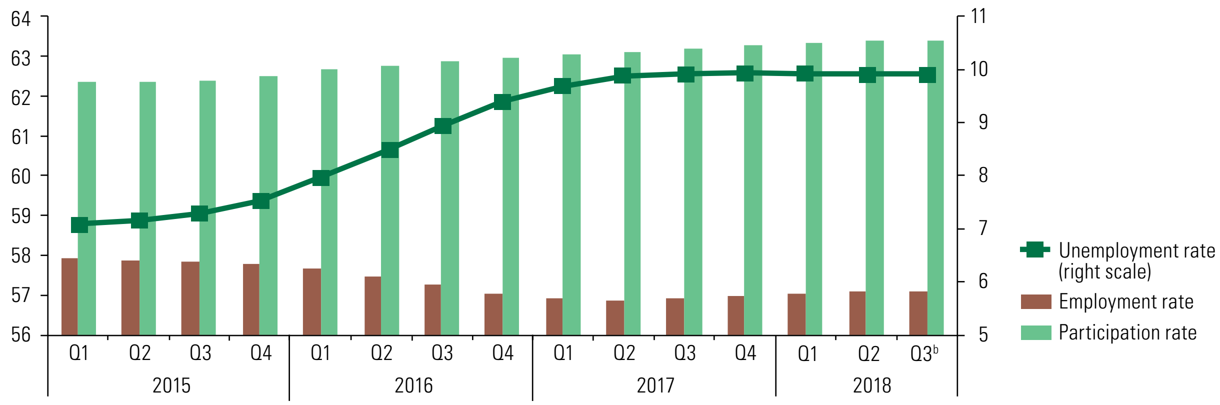
Figure VI.2A shows that the regional employment rate increased by between 0.2 and 0.3 percentage points year on year between the third quarter of 2017 and the second quarter of 2018 in a set of countries with quarterly employment information available. The rate in the third quarter of 2018 was unchanged from the same period of 2017, however. Similarly, the participation rate, which had been rising since the third quarter of 2015, lost dynamism in the third quarter of 2018, which offset the impact of weaker job creation on the unemployment figures. The outcome of these trends was that while the urban unemployment rate in this group of countries fell very slightly in the first half of 2018, by the third quarter it was back to the same level as in the same period of 2017.

Figure VI.2
Latin America and the Caribbean (11 countries):[a] urban participation, unemployment and employment rates, four-quarter moving averages and year-on-year changes, first quarter of 2015–third quarter of 2018
(Percentages and percentage points)

A. Year-on-year changes
(percentage points)



B. Four-quarter moving averages
(percentages)



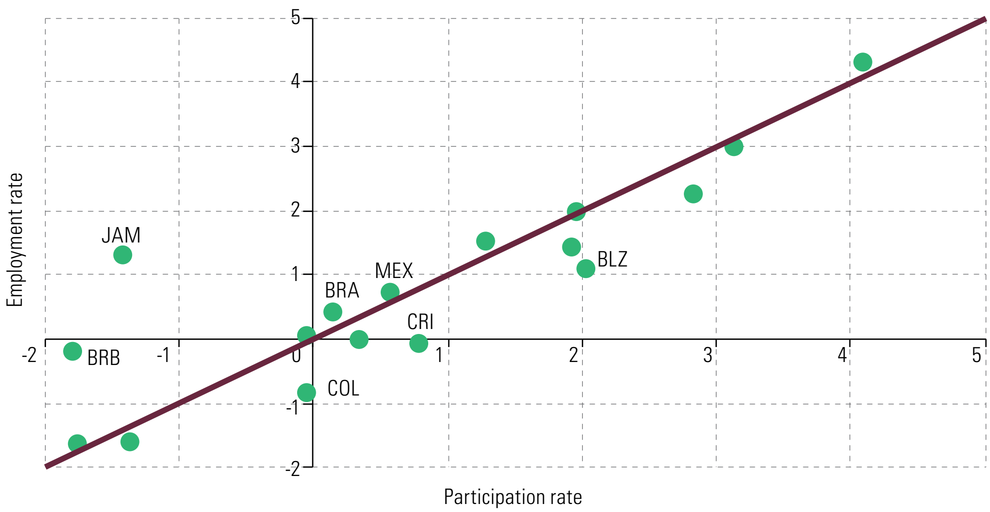
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Weighted average of Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Jamaica, Mexico, Paraguay, Peru and Uruguay. Includes estimates based on partial data.
[b] Preliminary figures.

In this group of countries, then, the unemployment rate (measured on a rolling year basis) held steady at 9.9% between the rolling year from the fourth quarter of 2016 to the third quarter of 2017 and the rolling year from the fourth quarter of 2017 to the third quarter of 2018, reflecting increases of similar size in the participation rate and the employment rate (see figure VI.2B).

The unemployment rate has moved only slightly in most of the countries

The stability of the unemployment rate at the regional level has been reflected in the region's countries, in most of which it has moved only very slightly. Figure VI.3 shows the average percentage changes in the urban participation and employment rates in the first three quarters of the year compared to the same period of 2017. Higher growth in the employment than in the participation rate (points above the diagonal line) implies a drop in the unemployment rate, while a larger increase in the participation rate (below the diagonal) implies the opposite.

Figure VI.3
Latin America and the Caribbean: year-on-year changes in urban participation rates and employment-to-population ratios, averages for the first–third quarters of 2018
(Percentages)



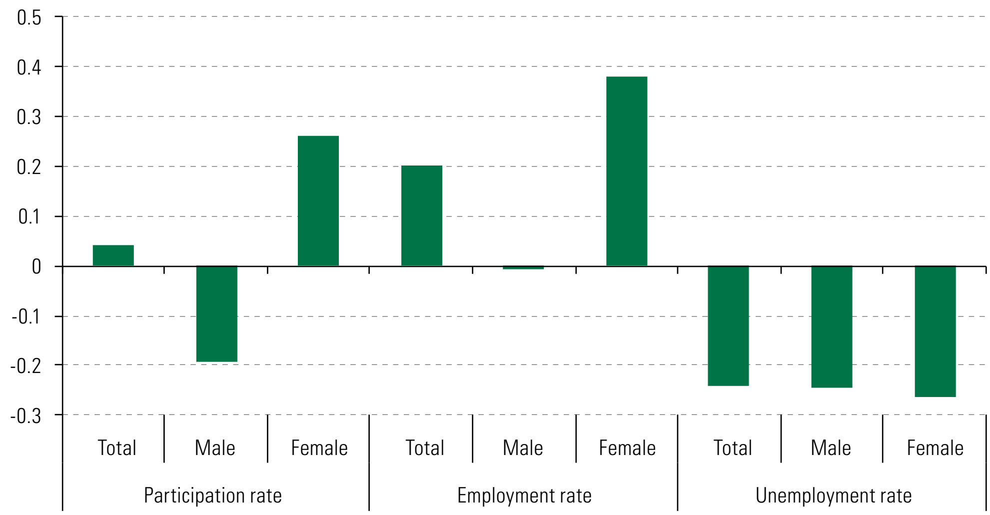
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

As can be seen, participation rates and employment-to-population ratios changed by similar amounts in most of the countries, so that unemployment rates there did not change greatly either. The exceptions are, on the one hand, Belize, Colombia and Costa Rica, where there were fairly large rises in the unemployment rate, owing to a quite sharp fall in the employment rate in the case of Colombia and large increases in the participation rate in the other two countries. In Barbados and Jamaica, on the other hand, there were substantial declines in the unemployment rate, contributed to by sharp falls in labour market participation. In the region's two largest economies, Brazil and Mexico, the unemployment rate declined slightly because the employment rate by more than the participation rate.

There is still a gender gap in unemployment

Gender-differentiated processes underlie the evolution of participation and employment rates.[2] As can be seen in figure VI.4, which has been prepared with data available up to the third quarter of 2018, the weighted average of national female participation rates was up by more than 0.2 percentage points from the same period of 2017, while the male rate was down by a similar amount. At the same time, the female employment rate rose by more than the female participation rate, while the male employment rate remained unchanged. Thus, the gaps between men and women narrowed once again for both rates, although they are still considerable. At the same time, the gender-differentiated evolution of the two rates resulted in similar declines in the unemployment rate in both cases, so that the gender gap in the unemployment rate remained broadly unchanged despite the increase in the female employment rate.

Figure VI.4
Latin America and the Caribbean (17 countries):[a] year-on-year changes in national participation rates, unemployment rates and employment-to-population ratios, by sex, first–third quarters of 2018
(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Weighted average of Argentina, the Bahamas, Barbados, Belize, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Honduras, Jamaica, Mexico, Panama, Paraguay, Peru and Uruguay. Not all countries have complete information for all three quarters.

The composition of employment by occupational category has deteriorated again

Over recent years, the composition of employment by occupational category has evolved in a way that confirms both the close positive correlation between economic growth and new wage employment and the (usually less close) negative correlation between economic growth and own-account work in Latin America and the Caribbean.

In two of the three years before 2018, a time of weak or negative economic growth at the regional level, wage employment expanded only slightly (by 0.3% in each of 2015 and 2017), and it actually contracted by 0.4% in 2016. There has been something of a pick-up in the creation of this type of employment in 2018, with average growth of 1.3% in the first three quarters relative to the same period the year before. However, this increase has not gone far enough in creating the productive, high-quality employment called for by the eighth Sustainable Development Goal (SDG 8) ("Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent

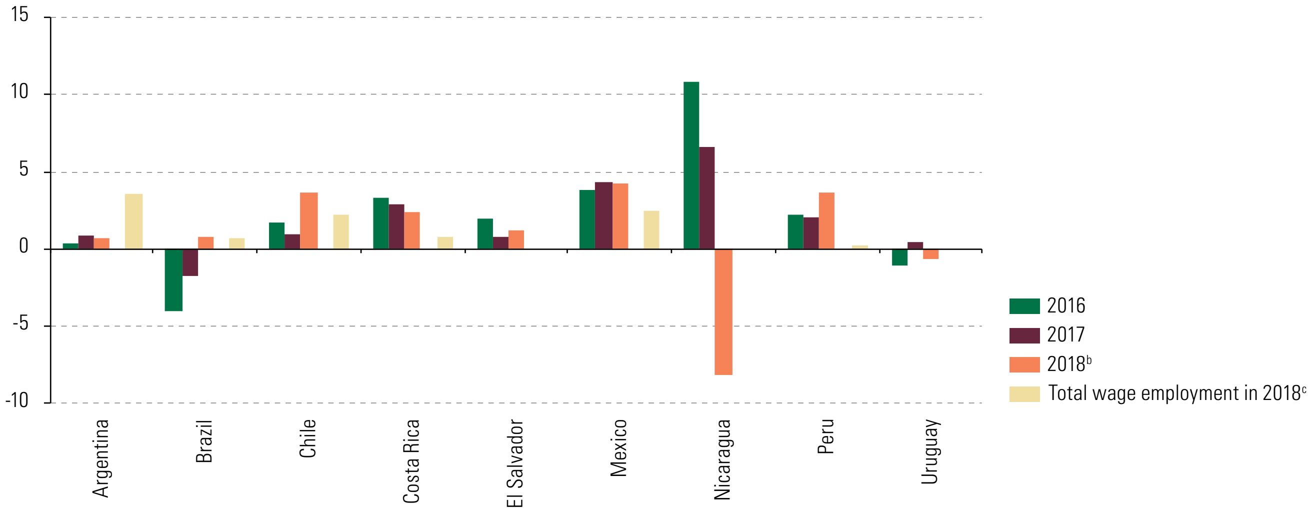
2 Unlike the previous data, those for figure VI.4 are weighted national averages.

work for all"), since the number of wage-paying jobs created has not matched the growth in the workforce. Thus, in the first three quarters of 2018, as in the five years preceding, own-account work expanded by more (3.0%) than wage employment. The relative weakness of wage employment growth was fairly universal. In the countries for which information is available, own-account work expanded by more than wage employment in Argentina, Brazil, Costa Rica, Colombia, Ecuador, Mexico, Panama, Paraguay and Peru. Only Chile, the Dominican Republic and Honduras are exceptions to the trend. Given that this kind of work tends to be of poorer average quality than wage employment, particularly at times of low economic growth, this differentiated expansion can be deemed to reflect a further deterioration in average employment quality.[3] However, there seems to have been less of a deterioration than in the previous three years.

Nonetheless, informality has declined slightly in some countries

Apart from the occupational category of new jobs, another factor in the evolution of average employment quality are changes in the characteristics of existing jobs, for example when informal jobs are formalized. Figure VI.5 shows the evolution of the number of people paying into contributory social security systems (except for Brazil). Contributors can be assumed to hold relatively high-quality jobs, as they presumably have access to social rights, and very probably employment rights as well.[4]

Figure VI.5
Latin America (9 countries): year-on-year rates of change in registered employment, 2016–2018[a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] The data are for wage earners paying into social security systems, except in Brazil, where they are for private sector wage employees as notified by employers to the General Register of the Employed and Unemployed (CAGED).
[b] The figures for year-on-year changes in registered employment in 2018 are averages for January to July in Costa Rica, January to August in El Salvador and January to September in Argentina, Brazil, Chile, Mexico, Nicaragua, Peru and Uruguay.
[c] The figures for year-on-year changes in total wage employment are averages for the first three quarters of 2018, except in Argentina (first semester). There is no information available for El Salvador, Nicaragua or Uruguay.

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[3] Not all wage employment can be assumed to be of high quality. In a difficult economic environment, furthermore, the composition of wage employment tends to deteriorate in quality terms. See Economic Commission for Latin America and the Caribbean (ECLAC), *Economic Survey of Latin America and the Caribbean, 2018* (LC/PUB.2018/17-P), Santiago, 2018, p. 72–73.

[4] This is because of the strong correlation between indicators such as the existence of a formal contract, contributory social security coverage and employment benefits such as paid vacations and bonuses (see J. Weller and C. Roethlisberger, "La calidad del empleo en América Latina", *Macroeconomics of Development series*, No. 110 (LC/L.3320-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2011).

As can be seen from figure VI.5, the numbers paying into social security institutions have evolved heterogeneously in 2018. Registered employment has risen more strongly than in previous years in Brazil, Chile and Peru. In the specific case of Brazil, employment of this type has increased for the first time after three consecutive years of declines totalling 7%, although registered employment growth from January to September 2018 was still weak on average (0.7%).

In the case of Argentina, the data from January to September show a modest expansion in this type of employment, similar to the average for 2017. There has been a sharp slowdown since May 2018, however, and the annual average is likely to turn out less well. In Uruguay, registered employment contracted again in 2018 after recovering slightly in 2017.

In Costa Rica and Mexico, registered employment increased at rates similar to those of 2017, while in El Salvador there was a moderate acceleration, although dynamism is still lacking. In Nicaragua, where the number of people paying into the Nicaraguan Social Security Institute expanded strongly over a long period, the conflict that arose in 2018 precisely because of a proposed social security reform led to a sharp contraction.

Figure VI.5 also presents rates of change in total wage employment in certain countries, calculated for the first three quarters from information provided by household surveys specializing in labour market measurement. If the number of wage earners paying into the system increases by more (less) than the number of wage earners, average wage employment quality tends to improve (worsen).[5]

Of the six countries in figure VI.5 with information on the evolution of total wage employment, the composition of this type of employment improved in Chile, Costa Rica, Mexico and Peru because the numbers paying in grew by more than wage employment overall. This may be because most new wage-paying jobs are being generated in the formal sector or because of policies to formalize informal jobs. The two rates are similar in Brazil, while in Argentina the household survey indicates a much larger increase in wage employment than in the numbers paying into the social security system. The deterioration in the Argentine labour market during the second half of the year is not captured by these rates, however.

The evolution of registered employment is related to the composition of employment in terms of formality and informality. Table VI.1 shows what proportions of those in work are in informal employment for 10 countries of the region. There are discrepancies between the definitions used in national sources, so levels of informality in the countries are not comparable.

Table VI.1 shows that the composition of employment deteriorated in most of the nine countries for which 2016 and 2017 data are available, as the proportion of informal employment rose in six. There has been a slightly better performance in 2018, with the proportion of informal workers in the total declining in 5 of the 10 countries. However, the countries where the proportion of informal workers has increased include Argentina and Brazil, two of the region's largest economies.

Another indicator of employment quality is hourly underemployment, measured by the proportion of people in employment who are working less than a minimum number of hours set by each country and who wish and are available to work more hours. Changes in this rate have varied between the region's countries: over the first three quarters of 2018, as compared with the same period in 2017, it increased in Brazil, Costa Rica, the Dominican Republic, Honduras and Peru, fell in Chile, Colombia, Ecuador and Paraguay and was little changed in Argentina (first semester), Mexico and Uruguay (see figure VI.6).

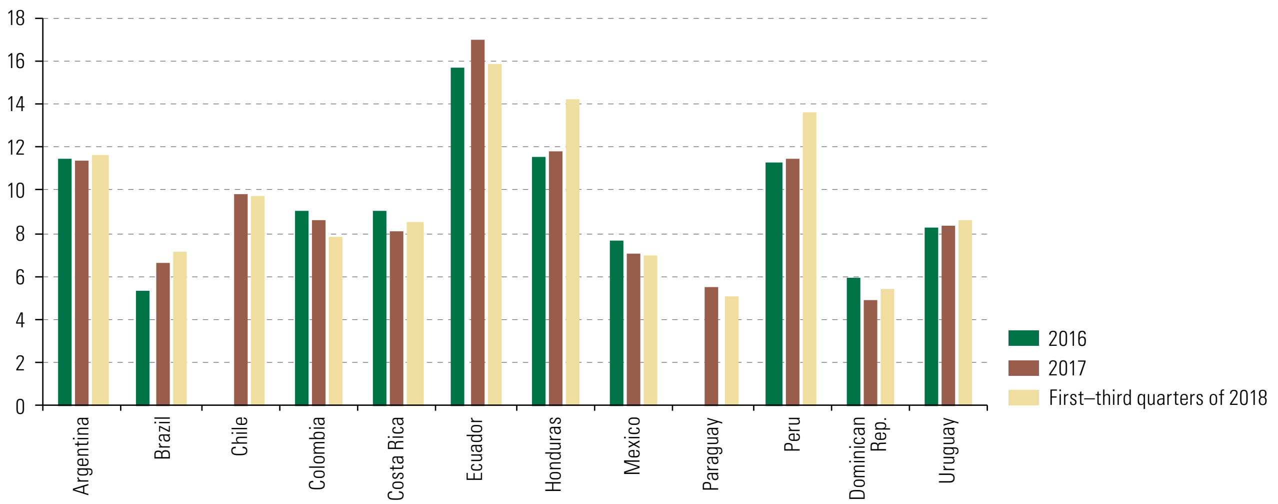
[5] No information is available on changes in overall wage employment in El Salvador, Nicaragua or Uruguay. Coverage in Peru varies, since the data on social security system contributors are for the whole country while the wage employment rate is for metropolitan Lima. In Argentina, there are discrepancies in the periods covered, with contributing employment data being for January to September while the overall wage employment data are for the first semester.

Table VI.1
Latin America (10 countries): informal employment rates (national totals), 2016–2018[a]
(Percentages of all those in work)

	2016	2017	2018
Argentina	33.6	33.9	34.1[b]
Brazil	39.0	40.3	41.0
Chile	…	29.7[c]	28.5
Colombia	48.6	48.4	48.3
Costa Rica	42.7	42.9	43.7
Dominican Republic	57.7	58.6	58.0
Ecuador	43.6	45.3	46.2
Mexico	57.3	57.0	56.7
Panama	40.2	40.8	43.6
Uruguay	19.6	19.0	18.5

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: The information on informal employment from the countries' official sources varies depending on the definition of informality and the coverage used and is not comparable between the different countries. Nor does it match the homogenized data on informal employment published by the International Labour Organization (ILO).
[a] The 2018 data are averages for the first to third quarters of the year.
[b] The 2018 figure for Argentina covers the first semester.
[c] The 2017 figure for Chile covers the second semester.

Figure VI.6
Latin America and the Caribbean (12 countries): hourly underemployment rate, 2016–2018[a]
(Percentages)

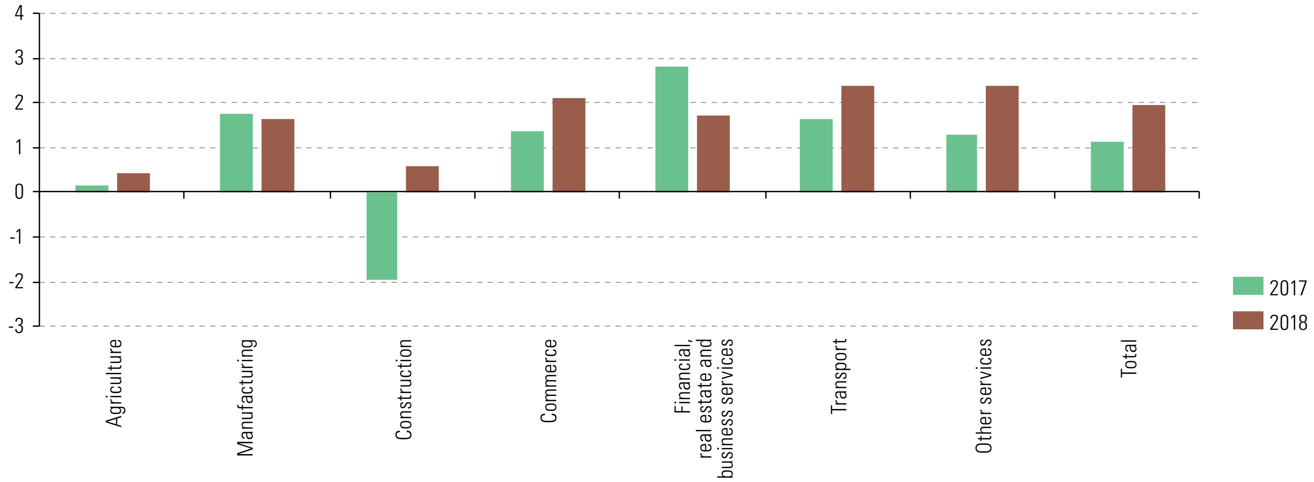


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: The information on hourly underemployment varies depending on the definitions applied in the different countries and is not comparable between them.
[a] The 2018 data are averages for the first to third quarters of the year. The 2018 figure for Argentina covers the first semester. There is no information for 2016 in the cases of Chile and Paraguay.

New jobs are largely in the tertiary sector

The slight improvement in the employment rate in 2018 as compared to 2017 is reflected in the absolute change in the number of people in work, with growth rising from 1.1% in 2017 to about 1.8% in the first three quarters of 2018 (see figure VI.7). The branches of activity that drove this increased job creation were mainly commerce, transport and other services. Construction also contributed, however, since while employment in this branch expanded by only 0.5%, this was a much more positive outcome than in 2017, when there was a contraction of 2%.

Figure VI.7
Latin America and the Caribbean (12 countries):[a] year-on-year changes in employment by branch of activity, weighted averages for 2017 and the first–third quarters of 2018
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] The countries included are: Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Honduras, Jamaica, Mexico, Panama, Paraguay and Peru.

Rates of growth in manufacturing and agricultural employment, meanwhile, were similar to those of 2017. There was a sharp slowdown in job creation in the financial, real estate and business services branch, which may have been affected by a loss of employment in financial services due to labour-saving technological change.

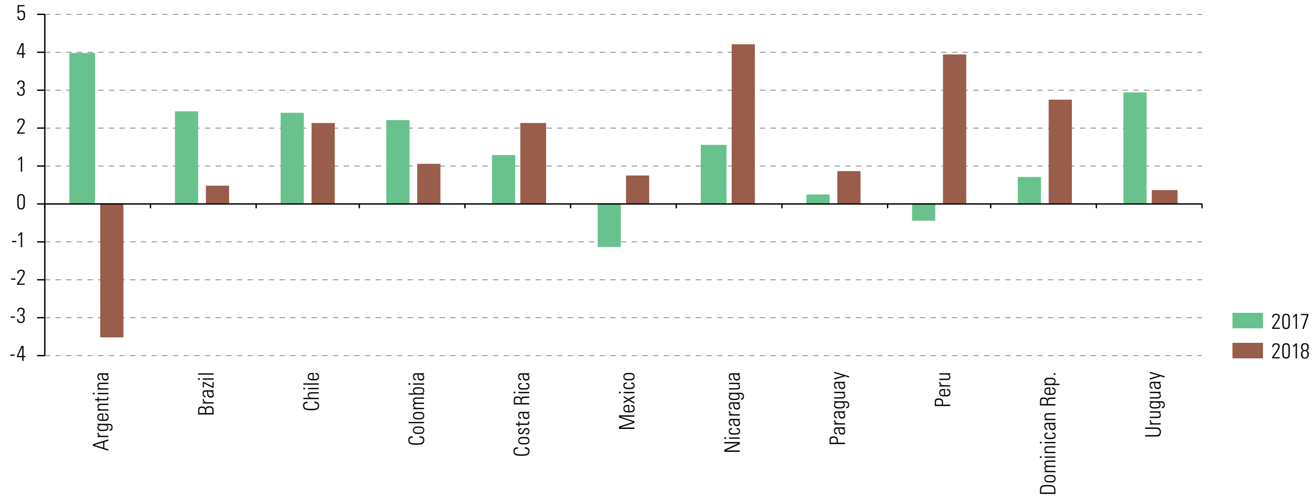
Moderate real wage growth continued in most of the countries, while slackening in several

In the set of countries with information available on the evolution of real wages in registered employment, there has been a slight slowing of year-on-year growth. Average real wages in 11 countries rose by 1.5% in 2017 and 1.4% in the first three quarters of 2018. The slowdown was more marked (from 1.5% to 1.1%) if the median rate of change is taken. It occurred mainly in the South American countries, since average real wage growth in Argentina, Brazil, Chile, Colombia, Paraguay, Peru and Uruguay slowed from 1.9% in 2017 to 0.5% during the first three quarters of 2018. This was contributed to by the contraction of real wages in Argentina and increases of less than 1% in Brazil, Paraguay and Uruguay. By contrast, average year-on-year real wage growth in Costa Rica, the Dominican Republic, Mexico and Nicaragua rose from 0.6% to 2.4% (see figure VI.8).[6]

In a number of countries, wage growth may have been affected by a less expansionary minimum wage policy than in previous years, for whereas median real minimum wage growth was between 2.6% and 3.1% a year from 2014 to 2017 in the countries with information available (between 2.7% and 3.1% if calculated as a simple average), median growth of just 1.1% is estimated for 2018 (simple average of 1.3%).[7]

[6] Although real wage growth in the four countries was higher than in 2017, the average was affected by Nicaragua, where a composition effect seems to have influenced the fairly strong rise in the average wage in the context of a sharp fall in registered employment.
[7] These data do not include the Bolivarian Republic of Venezuela.

Figure VI.8
Latin America (11 countries): year-on-year changes in real wages for those in registered employment, 2017 and first–third quarters of 2018
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: The figures for year-on-year changes in wages in 2018 are averages for January to July in Costa Rica, January to June in Paraguay and January to September in Argentina, Brazil, Chile, Colombia, Mexico, Nicaragua, Peru and Uruguay.

The heterogeneous labour market performance of 2018 is expected to improve slightly in 2019

Thanks to moderate growth in new employment, the regionwide urban unemployment rate stabilized in 2018 after three successive years of increases and is expected to hold steady at 9.3%, the same level as in 2017. At the regional level, some improvements on previous years can be seen in indicators such as new wage employment, workers contributing to the social security system and informal employment. However, results vary considerably from country to country and there cannot be said to have been improvements across the board. Furthermore, there was a further deterioration in the composition of employment by occupational category in many countries and at the regional level, with own-account work, which is usually of poor quality, once again expanding by more than wage employment. Real wages continued to grow moderately in most of the countries, although there was a sharp fall-off in several South American countries. Taking all the relevant factors together (the level and composition of employment and of wages), it is possible to deduce that there was a moderate increase in household purchasing power and that this was the main driver of private consumption over the year.

Job creation is expected to improve moderately in 2019 in the context of a slight pick-up in economic growth. However, this is not expected to have any great effect on the regionwide open urban unemployment rate, which might decline by up to 0.2 percentage points. This would provide only a weak basis for progress towards SDG 8. Consequently, besides encouraging new job creation, there is a need to strengthen labour market policies to improve employment quality, for example by way of renewed efforts with formalization policies. Given modest improvements in job creation and generally restrained inflation, the trend towards moderate growth in real wages is expected to persist. Consequently, overall earnings growth stemming from these small improvements in job creation and real wages should once again support mild expansion in household consumption, albeit not on the same scale in all the countries.

CHAPTER

VII

Macroeconomic policies

A. Fiscal policy

Consolidation efforts have led to an improvement in the primary balance, but the region's fiscal situation remains marked by disequilibrium in some countries

Latin America's gross public debt relative to GDP rose in 2018, driven by Argentina and Brazil

Cuts in capital expenditure continue to be the main means used to contain the growth of primary expenditure

Uneven trends in tax revenues

B. Monetary and exchange-rate policies

The managers of monetary and exchange-rate policies are continuing to use the space available to maintain the aggregate demand stimulus, but their room for manoeuvre has been shrinking

In the year to date, interest rates on loans have risen slightly, and domestic credit growth has gathered pace

Exchange-rate volatility increased considerably in 2018, and the region's currencies tended to depreciate

International reserves have remained stable in nominal terms, while decreasing relative to GDP

A. Fiscal policy

Consolidation efforts have led to an improvement in the primary balance, but the region's fiscal situation remains marked by disequilibrium in some countries

In line with the estimates published in the *Economic Survey of Latin America and the Caribbean, 2018*, the countries' efforts to consolidate their public accounts began to yield results in 2018.[1] In general, the primary deficit in Latin America shrank, thanks to cuts in primary spending that more than made up for a slight downturn in total revenues. Nonetheless, these trends at the regional level mask divergent fiscal results at the country level. Added to this, the prevailing macroeconomic environment of exchange-rate volatility, rising interest rates and mounting sovereign risk, have further complicated policy options.

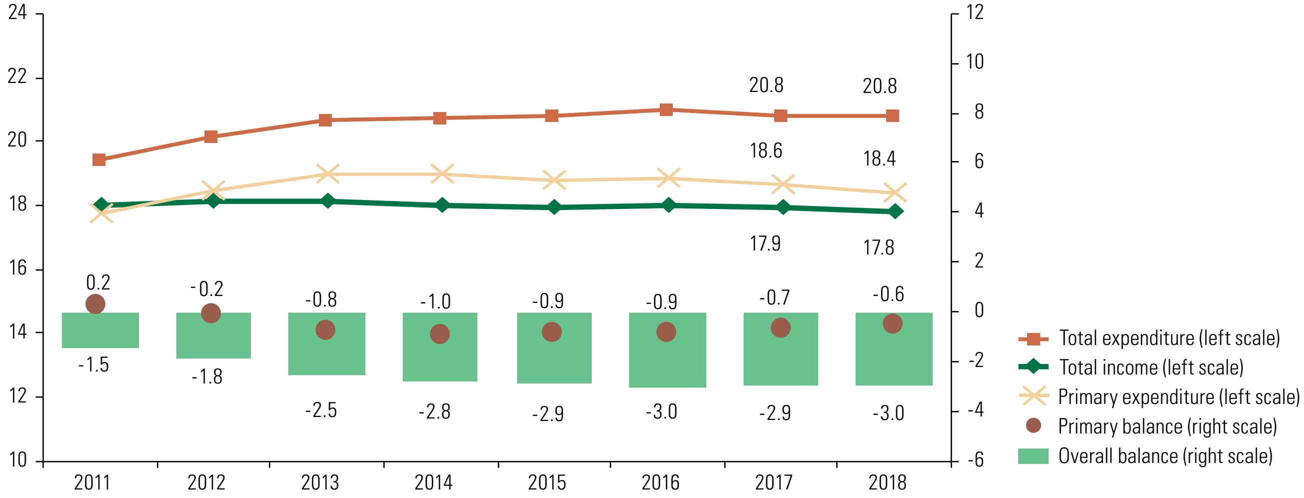
A number of countries in the region are adopting fiscal consolidation measures as a means of tackling the imbalances in their public accounts. Although Argentina and Brazil are the most prominent examples, countries such as Colombia, Costa Rica and Peru have also proposed or already adopted fiscal or tax reform packages. Caribbean countries are not free of these pressures either, given how open their economies are and the size of their public debts. In the extreme case of Barbados, the government suspended the servicing of its external debt in 2018 as part of its debt restructuring strategy and is now in the midst of implementing fiscal reforms.

Seen against this backdrop, the reduction in the primary deficit of Latin America, which was down, on average, from 0.7% of GDP in 2017 to 0.6% of GDP in 2018 (see figure VII.1), was a noteworthy accomplishment. One of the main factors that made this possible was a contraction of primary expenditure (composed of primary current expenditure and capital expenditure), which fell from 18.6% of GDP in 2017 to 18.4% of GDP in 2018. This not withstanding, the overall deficit edged up to 3.0% of GDP as total revenues dipped slightly and total expenditure showed no change from the year before, since the cut in primary expenditure was counteracted by an upswing in interest payments.

In Central America and Mexico, the average primary balance remained near its equilibrium point —although it slipped slightly into deficit— in 2018 for the third year running (see figure VII.2). In contrast with this favourable showing, public revenues in this group of countries slid from 16.6% of GDP in 2017 to 16.1% of GDP in 2018. As will be discussed in greater detail later on in this overview, this downturn was due both to a slowing of economic activity in these countries —which was mirrored in the level of tax receipts— and to a number of one-off factors. In order to safeguard the countries' fiscal position, primary expenditures were cut on average from 16.4% of GDP in 2017 to 16.2% of GDP in 2018. These trends need to be viewed alongside the widely differing fiscal situations in the individual countries, however, which ranged from primary surpluses of over 1.0% of GDP (El Salvador and the Dominican Republic) to significant primary deficits, as in the cases of Costa Rica (3.6% of GDP in 2018) and Panama (1.9% of GDP).

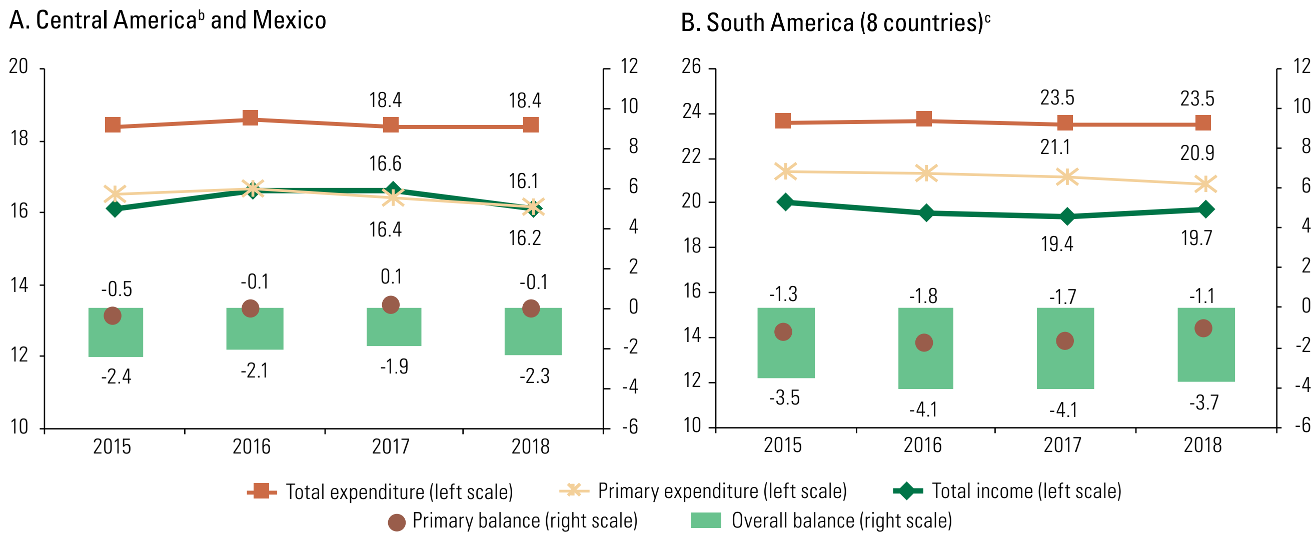
[1] Economic Commission for Latin America and the Caribbean (ECLAC), *Economic Survey of Latin America and the Caribbean, 2018* (LC/PUB.2018/17-P), Santiago, 2018.

Figure VII.1
Latin America (17 countries): central government fiscal indicators, 2011–2018[a b]
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: The figures are simple averages. In the cases of Mexico and Peru, they refer to the federal public sector and to the general government, respectively.
[a] Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay.
[b] The figures for 2018 are projections derived from the 2019 budget figures and government estimates for the close of 2018. The figures for Ecuador, Honduras and Nicaragua are estimates based on a moving sum up to the third quarter of the year.

Figure VII.2
Latin America (selected subregions): central government fiscal indicators, 2015–2018[a]
(Percentages of GDP)

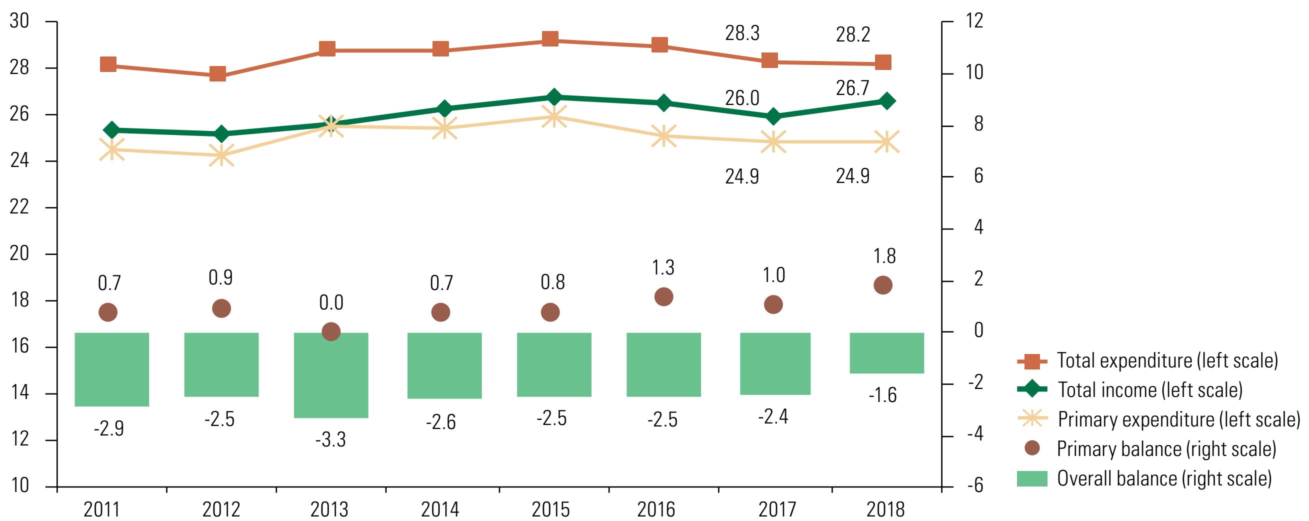


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: The figures are simple averages. In the cases of Mexico and Peru, they refer to the federal public sector and to the general government, respectively.
[a] The figures for 2018 are projections derived from the 2019 budget figures and government estimates for the close of 2018. The figures for Ecuador, Honduras and Nicaragua are estimates based on a moving sum up to the third quarter of the year.
[b] Costa Rica, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Nicaragua and Panama.
[c] Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru and Uruguay.

In South America, the principal indicators suggest that the fiscal consolidation drive is gaining momentum. On average, the primary deficit fell from 1.7% of GDP in 2017 to 1.1% of GDP in 2018 thanks, among other factors, to the increase in public revenues made possible by the higher tax receipts associated with more robust economic activity and the lift given to revenues deriving from the extractive industry. Primary expenditure continued to decline, falling from 21.1% of GDP in 2017 to 20.9% of GDP in 2018. These trends notwithstanding, sharp imbalances remain in several countries, however, particularly in Argentina and Brazil.

In the Caribbean, fiscal policy continues to be focused on generating primary surpluses so that these countries can cope with their cumbersome public debts. As shown in figure VII.3, the subregion's primary surplus is projected to have climbed from 1.0% of GDP in 2017 to 1.8% of GDP for 2018 —chiefly as a result of the reduction in the deficit of Trinidad and Tobago from 6.1% of GDP in 2017 to 1.2% of GDP in 2018— with a reduction of much the same size expected for the overall deficit. Primary expenditure is expected to hold steady, thanks to the cautious spending policies adopted by the countries of the subregion, while public revenues is projected to climb, thereby bolstering the primary balance. Various countries in the subregion are undertaking fiscal adjustment programmes, including Trinidad and Tobago and, as mentioned earlier, Barbados.

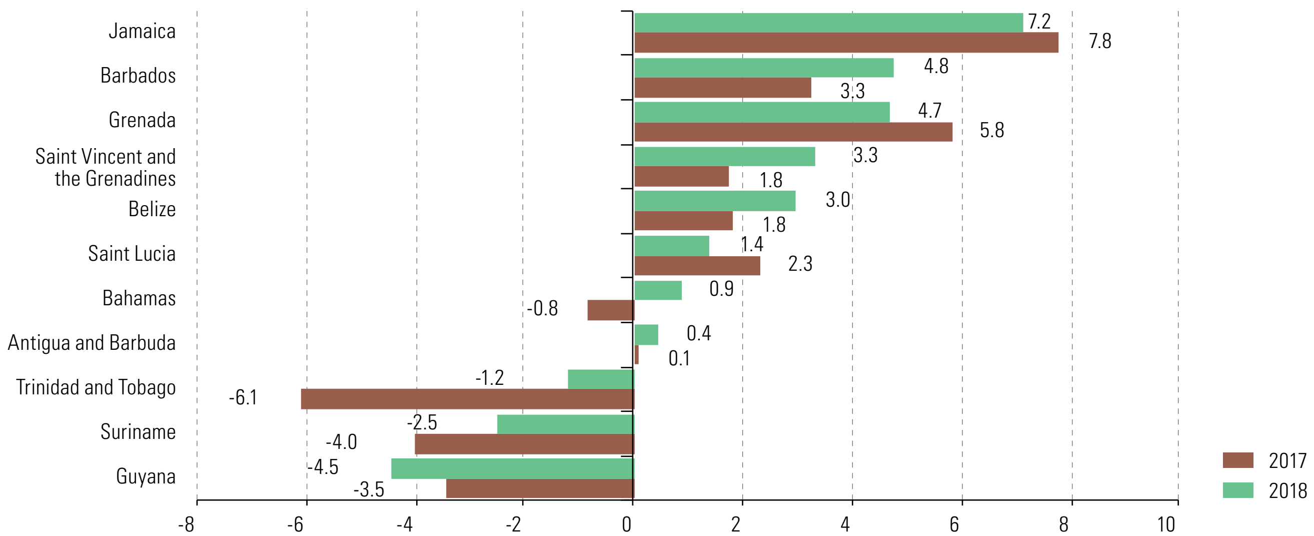
Figure VII.3
The Caribbean (12 countries):[a] central government fiscal indicators, 2011–2018[b]
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Antigua and Barbuda, Bahamas, Barbados, Belize, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Saint Lucia, Suriname, and Trinidad and Tobago.
[b] The figures are simple averages. The figures for 2018 are projections derived from the 2019 budget figures and government estimates for the close of 2018.

In addition to looking at the trend in the primary deficit of the Caribbean subregion, it is important to note the size of the surpluses registered by a number of Caribbean countries. Figure VII.4 reflects the effort that some of these countries have made to close their fiscal gaps as they strive to deal with their high levels of indebtedness. The most emblematic of these is Jamaica, which registered a primary surplus of 7.8% of GDP in 2017, although this is estimated to have declined to 7.2% of GDP in 2018. Other countries, such as Barbados and Grenada, have also attained very sizeable surpluses —of around 5% of GDP— in 2018, in sharp contrast to the results for Guyana, Suriname, and Trinidad and Tobago, which have posted large deficits in 2017 or 2018 or in both of those years.

Figure VII.4
The Caribbean (11 countries): central government primary balances, 2017–2018[a]
(Percentages of GDP)



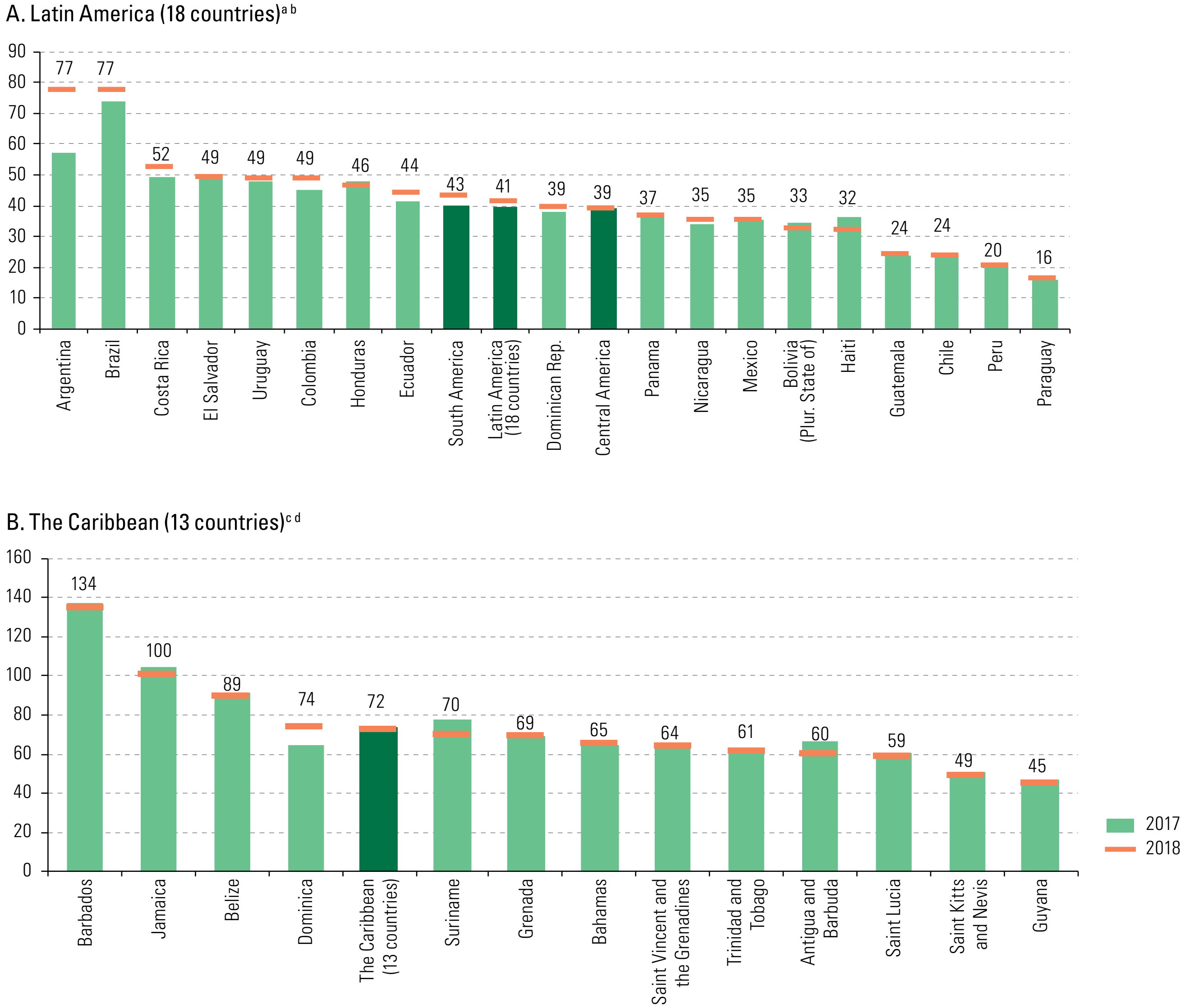
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] The figures for 2018 are projections derived from the 2019 budget figures and government estimates for the close of 2018.

Latin America's gross public debt relative to GDP rose in 2018, driven by Argentina and Brazil

As of the third quarter of 2018, Latin America's public debt amounted to 41.0% of GDP, which was 1.5 percentage points of GDP higher than at the close of 2017. Although the region did improve its primary fiscal balance, the macroeconomic environment could raise the cost of the debt and push up interest payments and the level of government indebtedness in 2019.

At the country level, the case of Argentina stands out, as its level of public debt rose by over 20 percentage points of GDP between 2017 and the second quarter of 2018, when it stood at 77.4% of GDP. This figure includes the first disbursement (US$ 15 billion) of the International Monetary Fund (IMF) loan to that country, which was recorded in June. Figures for the third quarter of 2018 put Brazil's public debt at 77.2% of GDP and Costa Rica's at 52.5% of GDP. Meanwhile, Paraguay posted the lowest level of public debt in the region (16.2% of GDP), followed by Peru (20.4%) and Chile (23.7%) (see figure VII.5).

Figure VII.5
Latin America and the Caribbean: central government gross public debt, 2017–2018
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Figures as of the third quarter of 2018 except in the cases of Argentina, Chile, Colombia, Haiti, Panama and Uruguay, for which the figures correspond to the period up to and including the second quarter of 2018.
[b] The figures for Brazil are for the general government.
[c] Figures to the second quarter of 2018.
[d] The figures for Guyana and Jamaica correspond to the public sector.

At the subregional level, an increase equivalent to 3.1 percentage points of GDP was seen in the gross public debt of South America, which thus rose to an average of 43.2% of GDP, with the largest upturns being registered for Argentina (20.3 points) (see box VII.1), Colombia (3.3 points) and Brazil (3.2 points). Central America's debt shrank by 0.1 percentage points to 38.9% of GDP, on average, for 2018, with Costa Rica posting the largest increase in its public debt (3.3 percentage points of GDP) in that subregion. As a result of these trends, South America's level of indebtedness has, on average, surpassed that of Central America since 2017.

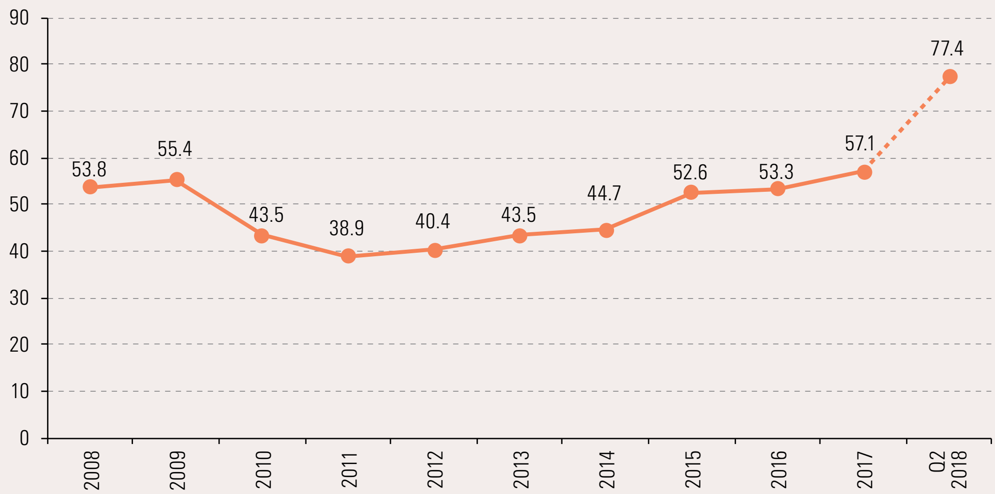
Box VII.1
Recent evolution of gross public debt in Argentina

Argentina's extensive use of debt issuance to finance its fiscal accounts, in combination with a continuing depreciation of the exchange rate, caused investors to doubt that country's ability to cover upcoming maturities, triggering a run on the currency in April and a significant degree of capital flight in the wake of the United States Federal Reserve's decision to hike interest rates.

Given this negative outlook, the International Monetary Fund (IMF) approved an initial US$ 50 billion stand-by arrangement and then followed it up with a second package of US$ 7.1 billion (bringing the total to the equivalent to 12% of GDP) in September. In return, Argentina pledged to undertake a fiscal adjustment plan aimed at balancing its fiscal accounts by 2019.

As a result, the gross national public debt rose sharply to 77.4% of GDP in the second quarter of 2018, for an increase of 20.3 percentage points of GDP over the closing figure for 2017. This increase in the country's debt was chiefly attributable to the recognition of the first IMF disbursement (US$ 15 billion) in combination with a steep depreciation of the Argentine peso, rising interest rates and a downward trend in GDP. Argentina's public debt is expected to continue to climb, as IMF will disburse another US$ 13.4 billion before the end of the year, which will push up its debt to over 80% of GDP by the close of 2018. Another US$ 22.8 billion is to be disbursed in 2019.

Gross national public debt, 2008–2018
(Percentages of GDP)

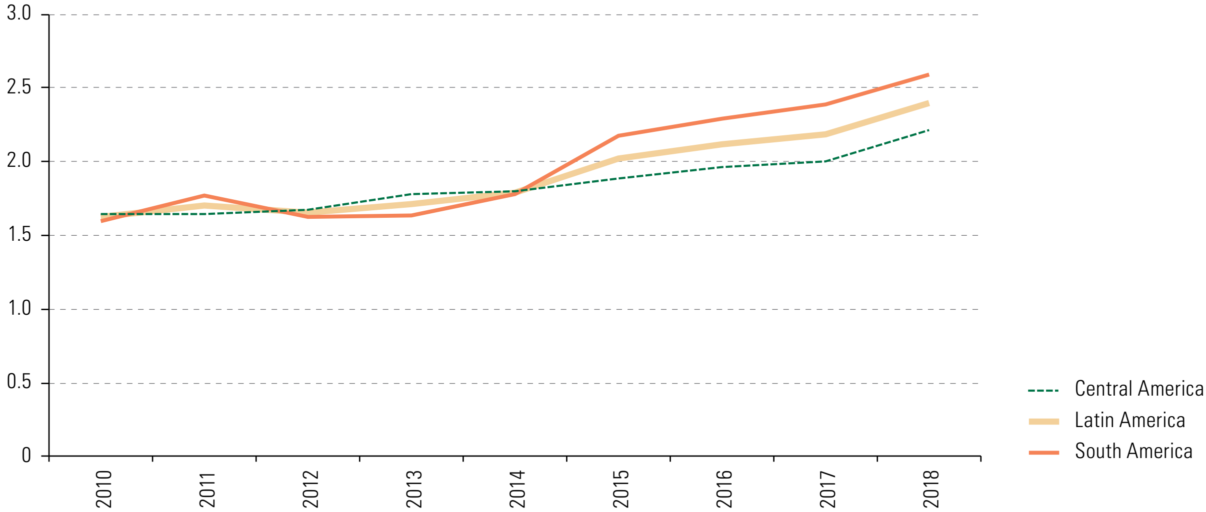


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

Central government public debt in the Caribbean fell by nearly 2 percentage points of GDP from its 2017 level to 72% of GDP in 2018 (second quarter). The subregion's debt levels trended downward, for the most part, with only 2 out of the 13 countries covered in this part of the analysis witnessing an increase in their public debt. There are still some countries whose levels of indebtedness top 100% of GDP, however, such as Barbados and Jamaica —with debt levels of 134% and 100.3% of GDP in 2018, respectively— but both of these countries did manage to reduce their debts considerably from their previous levels (see figure VII.5). In addition, Barbados decided to suspend its payments on its external public debt interest and arrears starting in June 2018 while it negotiates a restructuring agreement with its external creditors.

The cost of Latin America's public debt service has been climbing, although the pace of that increase has been fairly moderate so far. The average cost in 2018 amounted to 2.4% of GDP, which was 0.2 percentage points of GDP above the closing figure for 2017. At the subregional level, South America's interest payments averaged 2.6% of GDP, while those of Central America totalled 2.2% of GDP. The subregions' divergent trends are depicted in figure VIII.6, which shows that the cost of servicing South America's debt has been outpacing that of both Central America and the region as a whole since 2015.

Figure VII.6
Latin America and subregions: interest payments on central government gross public debt, 2010–2018
(Percentages of GDP)



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

Brazil continues to be the country in the region with the highest interest payments, at 6.1% of GDP, followed by Argentina and Costa Rica, with 3.9% and 3.8% of GDP, respectively. The high levels of these payments are chiefly attributable to the large debt maturities registered in 2018 (see figure VII.7). At the other extreme, the cost of debt payments for Chile, Haiti and Paraguay was under 1% of GDP.

Figure VII.7
Latin America and the Caribbean: central government gross public debt interest payments,[a] 2017 and 2018
(Percentages of GDP)

A. Latin America (17 countries)

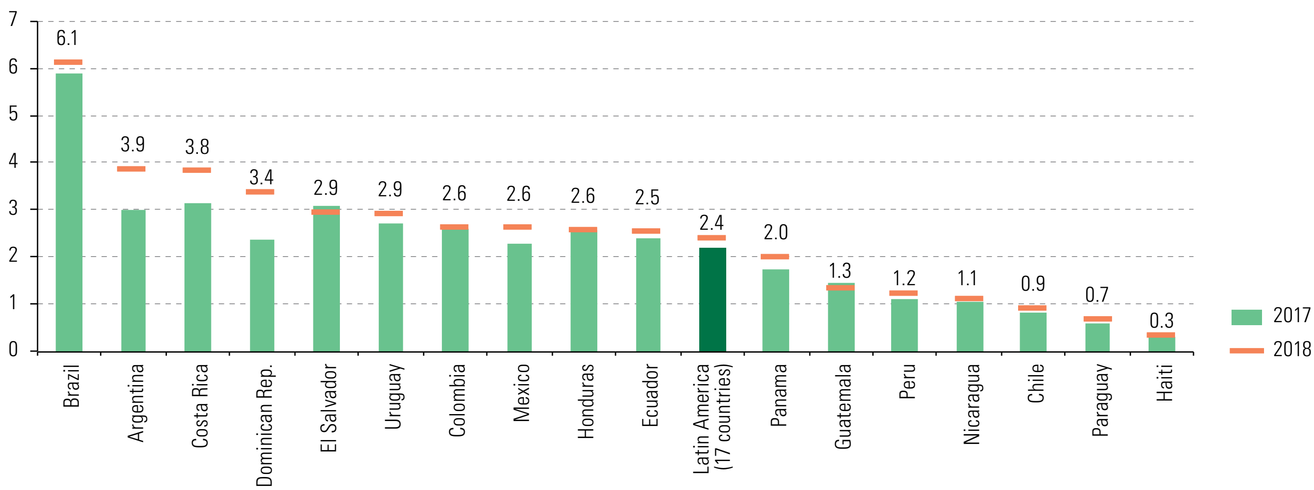
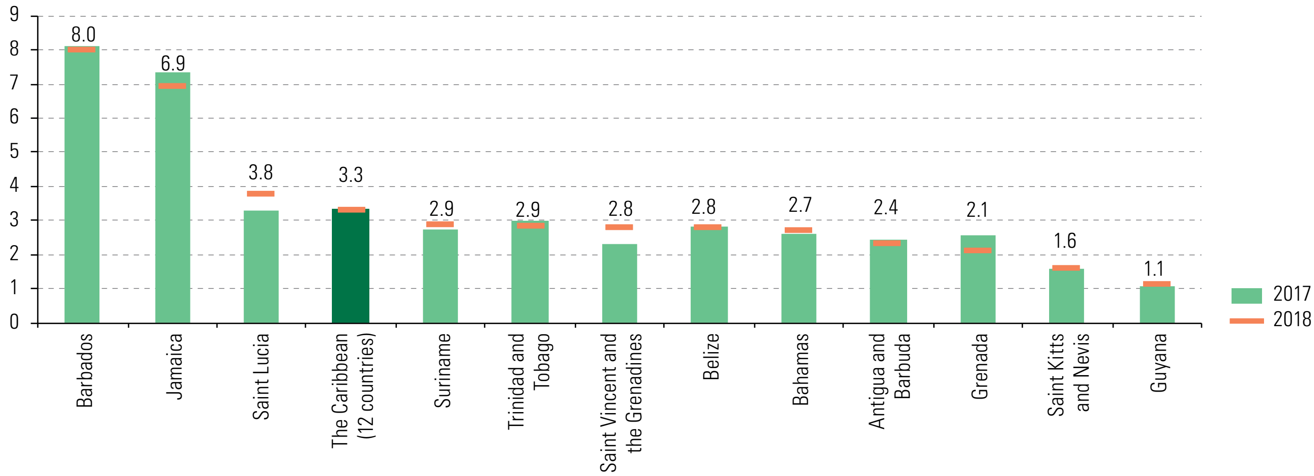


Figure VII.7 (concluded)

B. The Caribbean (12 countries)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] The figures for Peru and Mexico correspond to the general government and the federal public sector, respectively.

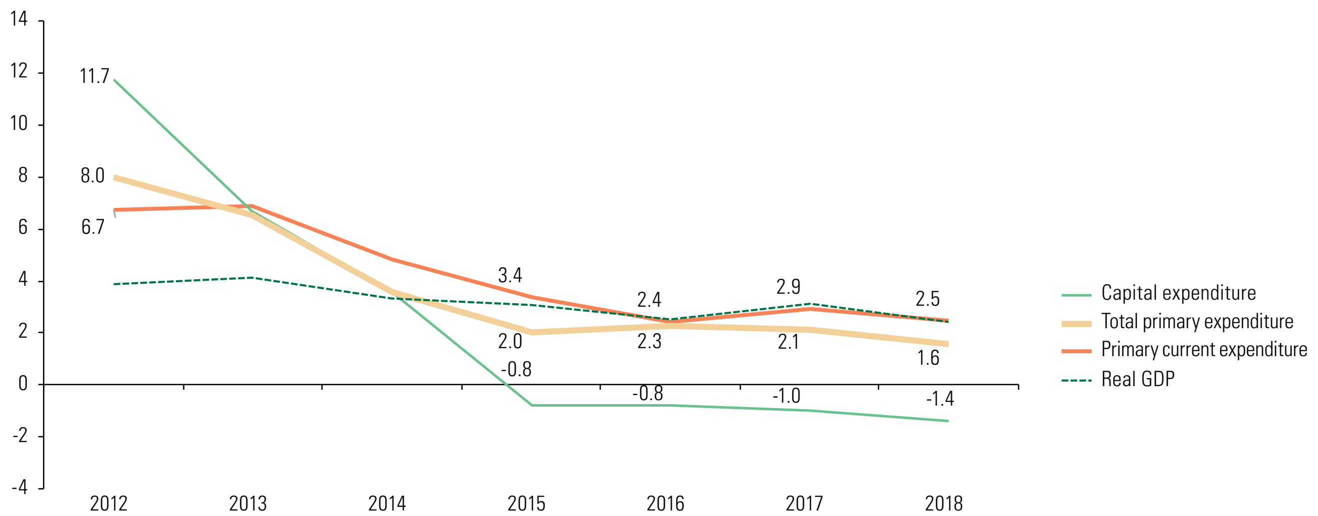
Interest payments on the public debt in the Caribbean subregion amounted to 3.3% of GDP for 2018, which was much the same level as in 2017. Barbados and Jamaica are the countries in which interest payments put the greatest pressure on fiscal accounts (8.0% and 6.9% of GDP, respectively), but they are also the ones that have lowered their debt levels the most, and their interest payments are therefore expected to decline in the coming years. Most of the countries in the subregion have interest payments of less than 3% of GDP, which is below the region-wide average.

Cuts in capital expenditure continue to be the main means used to contain the growth of primary expenditure

As noted earlier, the fiscal consolidation effort being made in Latin America —and especially in Central America and Mexico— has been reflected in the greater containment of the growth of central government outlays, as shown in figure VII.8. The real year-on-year increase in total primary expenditure has remained slightly below the average GDP growth rate for this group of countries. Trends in the various components of primary expenditure have differed significantly, however. Primary current expenditure, which accounts for most of total expenditure, has risen substantially less than it did in 2012 (6.7%) but continues to keep in step with GDP. By contrast, the year-on-year variation in capital expenditure continues to be cut back.

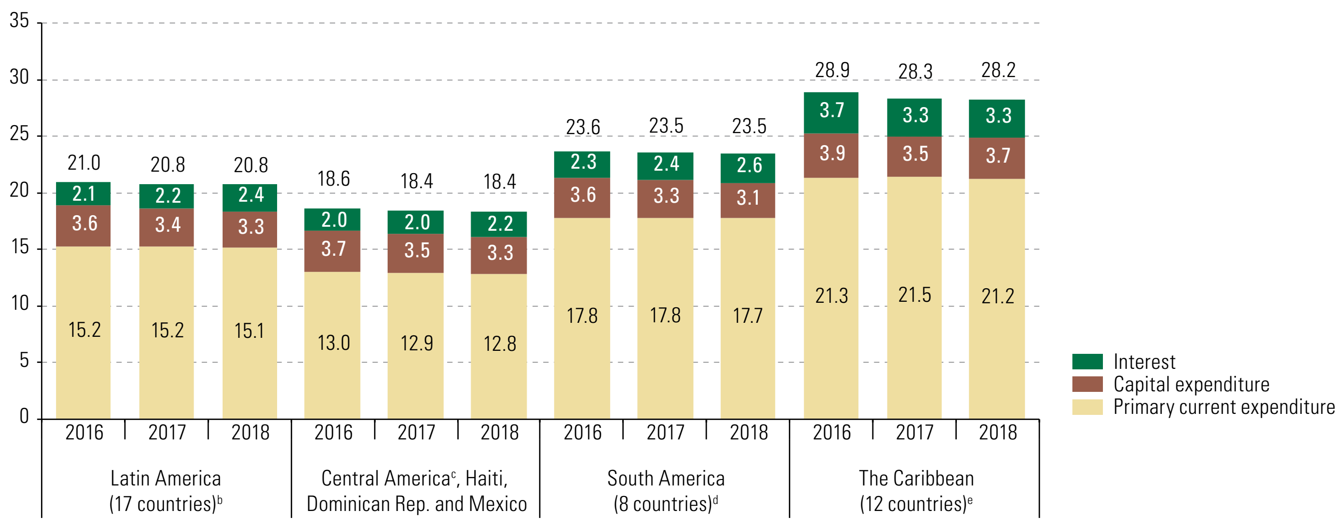
The ultimate outcome of this trend is a change in the structure of total public expenditure. The foregoing analysis and the information provided in figure VII.9 yield some undeniable stylized facts in this regard. First of all, there is the marked stability of total public expenditure in Latin America over recent years. For example, total central government outlays for Latin America held steady at 20.8% of GDP, and the same trend can be observed at the subregional level, with outlays remaining at 18.4% for Central America and Mexico and at 23.5% for South America.

Figure VII.8
Latin America (15 countries):[a] real year-on-year variation in primary public expenditure, by component, and in GDP, 2012–2018[b]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico (federal public sector), Nicaragua, Panama, Paraguay and Peru (general government).
[b] The figures are simple averages.

Figure VII.9
Latin America and the Caribbean: composition of public expenditure, by component, 2016–2018[a]
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: The figures are simple averages. In the cases of Peru and Mexico, they correspond to the general government and the federal public sector, respectively.
[a] The figures for 2018 are projections derived from the 2019 budget figures and government estimates for the close of 2018. Those given for Ecuador, Honduras and Nicaragua are estimates based on a moving sum up to the third quarter of the year.
[b] Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay.
[c] Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.
[d] Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru and Uruguay.
[e] Antigua and Barbuda, Bahamas, Barbados, Belize, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Saint Lucia, Suriname, and Trinidad and Tobago.

Second, the fact that total expenditure is stable even though primary expenditure is decreasing is accounted for by the rise in interest payments being observed throughout Latin America. As observed earlier, these payments are climbing for a number of reasons, including the expansion of the public debt burden, higher interest rates and detrimental exchange-rate movements. As a consequence of this set of circumstances, the greater room for proactive public spending policies that has been seen in the region —thanks, in part, to a reduction in public debt service between 2003 and 2013— is now starting to shrink.[2]

Third, real cuts in capital spending have reduced the share of that component in total outlays, and this has implications for economic activity. These expenditures went from 3.6% of GDP in 2016 to 3.3% of GDP in 2018 in Latin America, with similar reductions at the subregional level (from 3.7% of GDP to 3.3% of GDP in Central America and Mexico and from 3.6% of GDP to 3.1% of GDP in South America). This continuing decline in public investment could result in a reduction in the region's potential economic growth and ultimately reduce the level of well-being of its population in the medium and long terms.[3]

The situations in Latin America and in the Caribbean in terms of public expenditure differ in some noteworthy ways. While total expenditure held steady in 2018 at its 2017 level in both subregions (28.2% of GDP for the Caribbean; the slight change in the figure is due to rounding), capital expenditure is expected to have risen in the Caribbean (from 3.5% of GDP in 2017 to 3.7% of GDP in 2018). Although this is partly a result of the need to rebuild infrastructure in the aftermath of the series of natural disasters that have hit the subregion, it is also partly a consequence of the fact that a number of Caribbean countries are working to boost public investment (capital expenditure was up in 7 of the 12 countries covered in this section of the study in 2018). Another area in which trends in Latin America and the Caribbean diverge is that of interest payments, since the level of those payments is not on the rise in the Caribbean, partly because of the effort being made in that subregion to whittle down the public debt burden.

Uneven trends in tax revenues

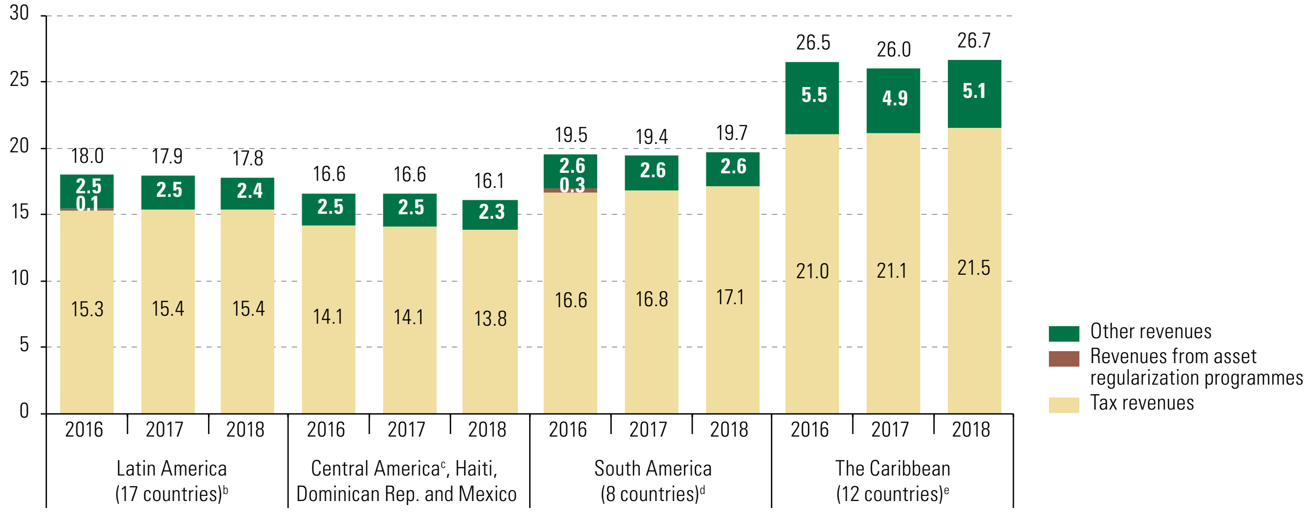
As shown in figure VII.10, divergent trends in public revenues were observed in the region in 2018. In Latin America, total revenues, at 17.8% of GDP, were down very slightly owing to a small decrease in other revenues (mainly non-tax revenues), as tax revenues were unchanged, but within Latin America itself, trends in total revenues also differed. In Central America and Mexico, total revenues slipped from 16.6% of GDP in 2017 to 16.1% of GDP in 2018, whereas they climbed from 19.4% of GDP in 2017 to 19.7% of GDP in 2018 in South America.

In Central America and Mexico, the drop in revenues was a reflection of both a dip in tax receipts (from 14.1% of GDP in 2017 to 13.8% of GDP in 2018) and a reduction in other revenues (mainly non-tax revenues). The decrease in other revenues in 2018 was partly a consequence of the fact that some countries received windfall revenues in 2017; if it had not been for those one-off receipts, that decrease would have been substantially smaller. Tax pressure declined in Costa Rica (0.4 points of GDP), Guatemala (0.3), Honduras (1.2) and Nicaragua (0.8), but increased in El Salvador (0.4 points of GDP) and the Dominican Republic (0.2).

2 Economic Commission for Latin America and the Caribbean, *Fiscal Panorama of Latin America and the Caribbean,* 2018 (LC/PUB.2018/4-P), Santiago, 2018

3 Economic Commission for Latin America and the Caribbean, *Economic Survey of Latin America and the Caribbean, 2018* (LC/PUB.2018/17-P), Santiago, 2018.

Figure VII.10
Latin America and the Caribbean: composition of public revenues, by component, 2016–2018[a]
(Percentages of GDP)



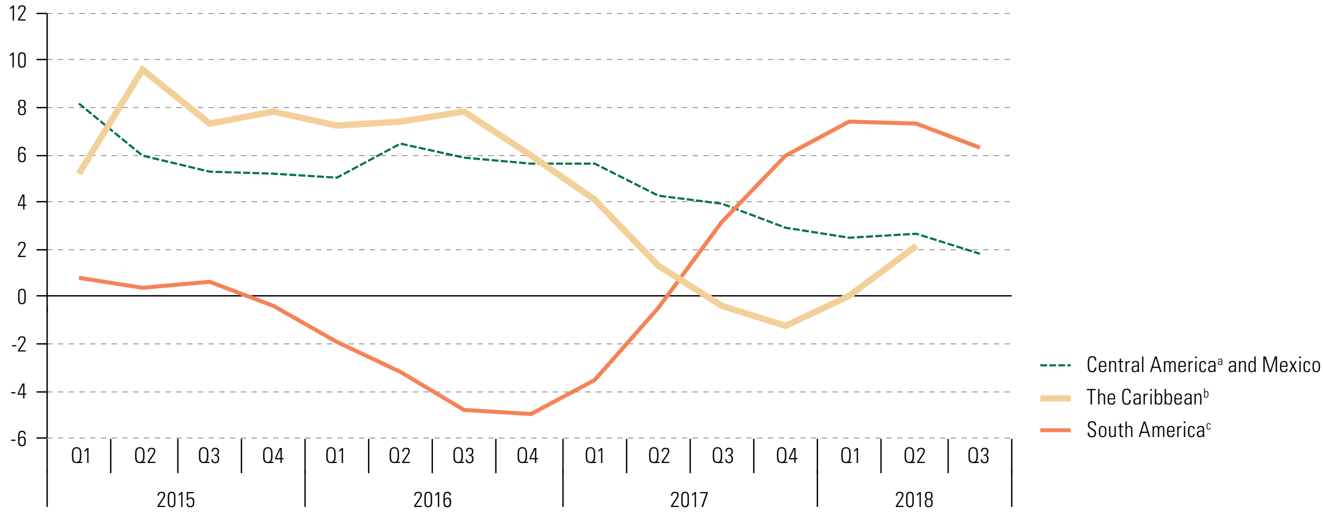
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: The figures are simple averages. In the cases of Peru and Mexico, they correspond to the general government and the federal public sector, respectively.
[a] The figures for 2018 are projections derived from the 2019 budget figures and government estimates for the close of 2018. Those given for Ecuador, Honduras and Nicaragua are estimates based on a moving sum up to the third quarter of the year.
[b] Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay.
[c] Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.
[d] Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru and Uruguay.
[e] Antigua and Barbuda, Bahamas, Barbados, Belize, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Saint Lucia, Suriname, and Trinidad and Tobago.

In South America, the upswing in public revenue was attributable to the fact that, on average, tax receipts were up from 16.8% of GDP in 2017 to 17.1% of GDP in 2018. This overall increase was largely a reflection of a steep rise in tax revenues for Chile (1.1 points of GDP) and Peru (0.9 points of GDP) on the back of rebounding international prices for the main non-renewable natural resource exports of those countries. Tax pressure in Brazil (0.7 points of GDP) also rose, in step with the recovery of economic activity in that country.

The Caribbean is expected to witness an upturn in total revenues in 2018 that will bring them up to 26.7% of GDP from their 2017 level of 26.0% of GDP as the combined result of increases in both non-tax and tax receipts. Other revenues were up particularly sharply in Grenada, Saint Vincent and the Grenadines, and Trinidad and Tobago. The increase in tax receipts was primarily a reflection of the results for this variable in Barbados, the Bahamas, and Trinidad and Tobago. In the case of the Bahamas, the jump was mainly caused by an upswing in receipts from the value added tax (VAT), as the VAT rate was raised from 7.5% to 12.0%.

As can be seen from figure VII.11, the rate of increase in VAT receipts —one of the largest sources of tax revenues in the region and one that is closely linked to changes in the level of economic activity— varied a great deal across the different groups of countries. In the case of South America, the accelerating growth rate observed in 2017 appears to have peaked, as it began to flag in the second quarter of 2018 and slowed more sharply in the third quarter in most of the countries in this subregion.

Figure VII.11
Latin America and the Caribbean: year-on-year variation in real receipts from the value added tax (VAT), first quarter of 2015–third quarter of 2018
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: The figures are simple averages of the rates of variation. The VAT figures given for Brazil correspond to receipts from the federal tax on processed products and the state sales taxes on merchandise and services.
[a] Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua.
[b] Antigua and Barbuda, Dominica, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Saint Lucia, and Trinidad and Tobago.
[c] Argentina, Brazil, Chile, Colombia, Ecuador, Peru and Uruguay.

In Central America and Mexico, the progressive slowdown in the growth rate of VAT receipts continued over the year up to the third quarter, reflecting differing trends within this group. Although growth in VAT revenues continues to wane in most of the countries in this subregion, it has accelerated in El Salvador and the Dominican Republic. In the Caribbean, on the other hand, VAT receipts climbed after having fallen considerably in 2017, partly as a consequence of the disruption of economic activity and private consumption caused by natural disasters.

B. Monetary and exchange-rate policies

The managers of monetary and exchange-rate policies are continuing to use the space available to maintain the aggregate demand stimulus, but their room for manoeuvre has been shrinking

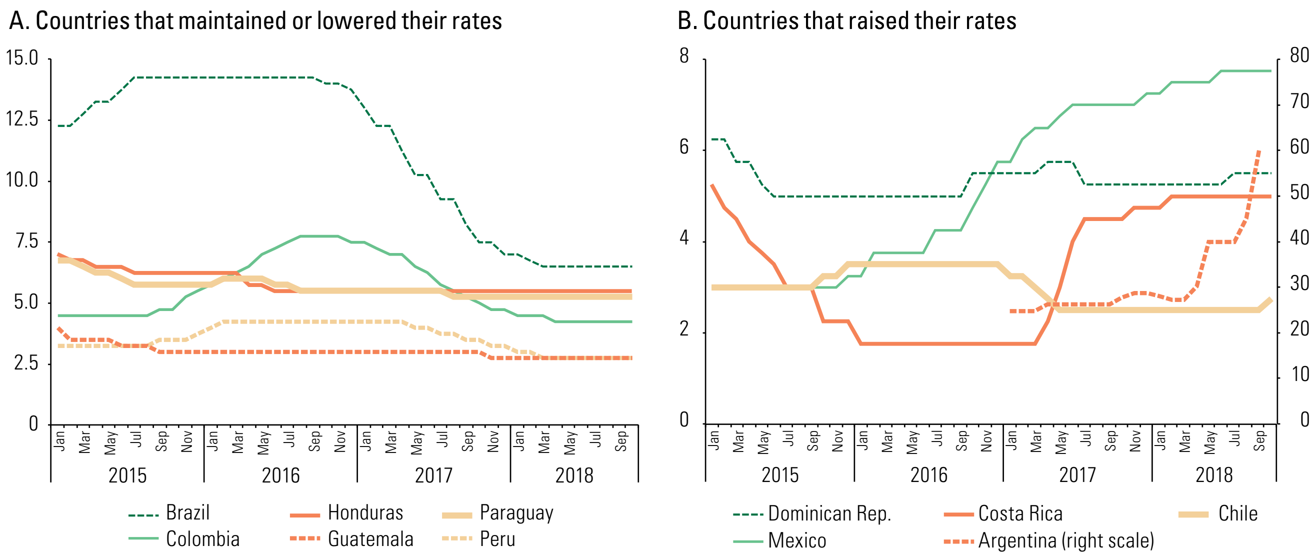
During the first 10 months of 2018, economic growth in the region remained sluggish, leading monetary and exchange-rate policy-makers to try to stimulate domestic aggregate demand. Nonetheless, their capacity to maintain this type of policy has been hampered by the resurgence of inflation in some economies and the volatility experienced by many of the region's currencies during the year.

In the economies that have explicit inflation targets, interest rates reacted to this situation in line with the trend of inflation in the period and the behaviour of the exchange rate.

In the first 10 months of the year, monetary policy interest rates were raised in five countries (Argentina, Chile, Costa Rica, the Dominican Republic and Mexico); and inflation rose in all cases except Costa Rica. Nonetheless, the behaviour of monetary policy rates in these countries also reflected the greater exchange-rate volatility displayed by their currencies during the year, especially in the second half. On the other hand, the central banks of Brazil, Colombia and Peru all lowered their monetary policy rates during the first half of 2018, when inflation was easing in those countries, since when their policy rates have remained unchanged. Guatemala, Honduras and Paraguay, have not changed their policy rates at all in 2018.

In Argentina, after the policy rate had been raised in response to attacks on the peso and the resurgence of inflation, a new policy approach was adopted in October 2018 which replaced inflation targeting with control of the growth of the monetary base.

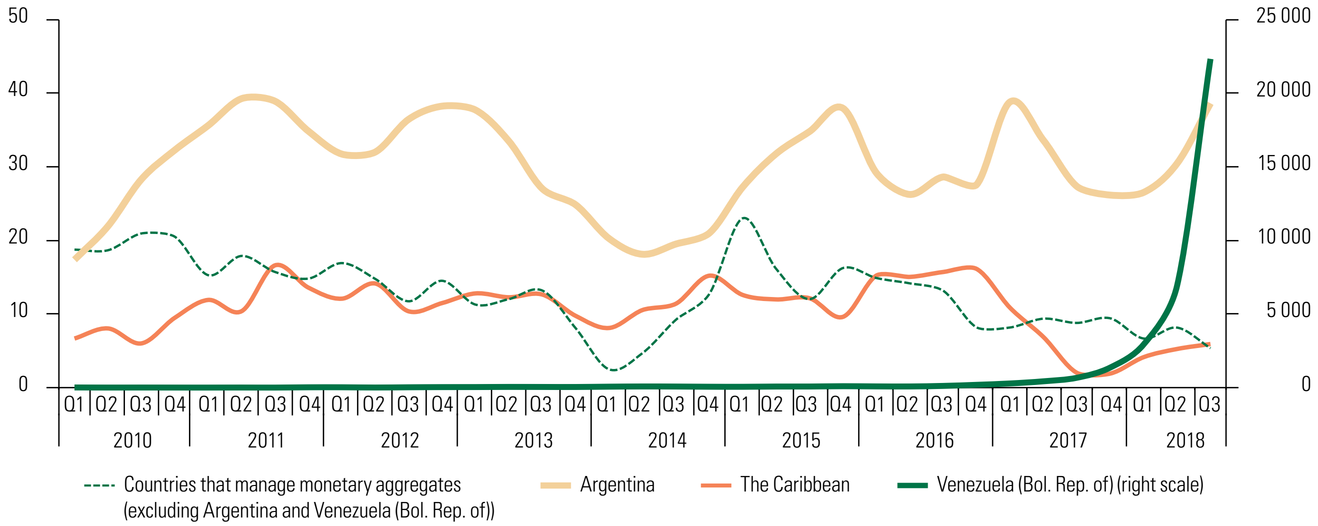
Figure VII.12
Latin America (selected countries): monetary policy interest rate in countries that use this as the key policy instrument, January 2015–October 2018
(Percentages)



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

In the Latin American economies that use monetary aggregates as the main policy tool, base money grew in 2018 by less than in the previous year (see figure VII.13). There are also clear differences between the South American and Central American economies. In the former, the rate of growth of the monetary base picked up slightly, while in the latter it slackened. Nicaragua, El Salvador and Panama all posted double-digit falls in their base money growth rates, comparing the periods December 2017–September 2018 and December of 2016–September 2017.

Figure VII.13
Latin America and the Caribbean (selected groups of countries): trend of the monetary base in countries that use aggregates as the main monetary policy instrument, first quarter of 2010–third quarter of 2018
(Percentages)



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

In nine non-Spanish-speaking Caribbean countries, base money growth accelerated in the first three quarters of the year, in contrast to the muted expansion seen in 2017. Moreover, in five countries, contractions in 2017 gave way to expansions in 2018. In contrast, in four countries the monetary base shrank during the first three quarters of the year, in some cases, such as Belize and Saint Vincent and the Grenadines, for the second year running.

As noted above, in Argentina base money growth is the new instrument which the central bank has been using to conduct monetary policy since October 2018. Figure VII.13 shows that this variable has been growing at year-on-year rates of more than 20% since mid-2014, and it expanded by over 30% in the second and third quarters of 2018. The monetary financing of fiscal management is mainly responsible for this base money expansion, along with the rise in inflation in this economy.

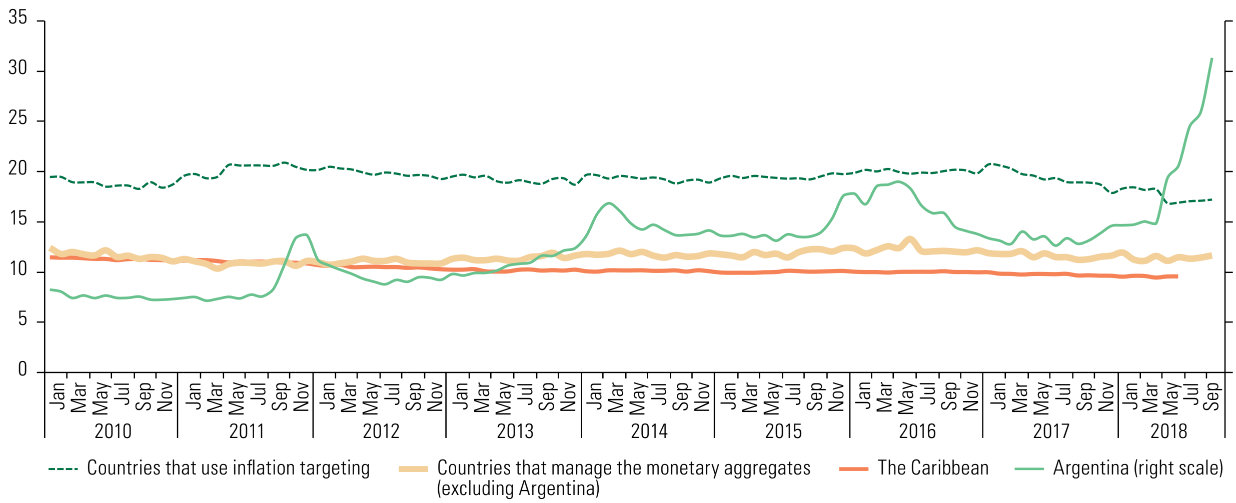
The Venezuelan economy is going through a complex situation, in which hyperinflation is coexisting with economic depression. The combination of major constraints on the financing of public -sector management, compounded by limited access to financial markets, a drop in oil production and a sharp contraction of the domestic tax base has resulted in the central bank having to finance public sector entities —especially the oil company. This has fuelled large expansions in the monetary aggregates, with the monetary base growing at rates in excess of 20,000% in the first nine months of the year.

In the year to date, interest rates on loans have risen slightly, and domestic credit growth has gathered pace

Lending rates trended down during the first half of the year, although they have climbed back since June 2018, as a result of changes in the dynamics of monetary policy instruments, inflation expectations and greater exchange-rate volatility in the second half of the year.

Figure VII.14 illustrates the behaviour of nominal lending rates in the region's economies. In the inflation-targeting countries, the downtrend seen in 2017 persisted into the first semester of 2018; but, since June, lending rates have risen by about 0.3 percentage points, to reach average levels of 17.2% in September. Despite this increase, average rates remain historically low and, in fact, 0.7 percentage points lower than in December 2017.

Figure VII.14
Latin America and the Caribbean (selected groups of countries): average interest rates on loans, January 2010–September 2018
(Percentages)

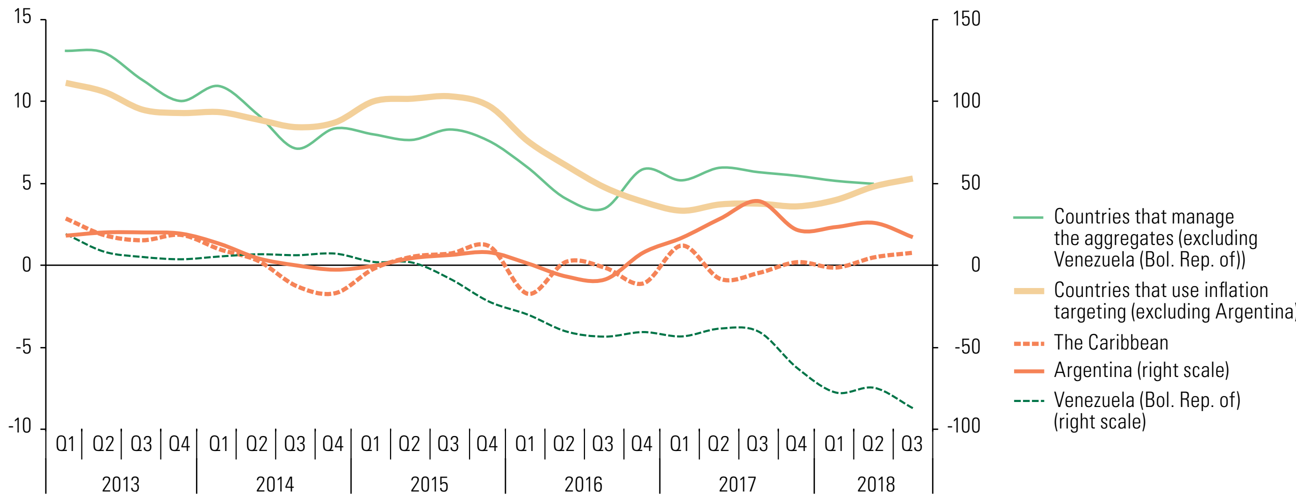


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

The pattern is similar in the economies that use monetary aggregates, where interest rates on loans fell in the first half of the year relative to their end-2017 levels, but have risen slightly since June. In the case of Argentina, lending rates have generally tracked the policy rates, to post increases of more than 30 percentage points in the first nine months of 2018. In the non-Spanish-speaking Caribbean economies, lending rates have been broadly stable, albeit with a slight downward trend.

Domestic credit to the private sector has continued to grow throughout the region and has generally gathered pace. Figure VII.15 shows that in the economies that use monetary policy rates as the main policy tool, domestic credit has expanded steadily since the fourth quarter of 2016. In the non-Spanish-speaking Caribbean countries, domestic lending to the private sector has grown since the second quarter of 2018, following contractions in 2016 and 2017. In economies that use monetary aggregates, credit also grew at rates above 5%; but in these countries the pace of credit expansion has been slowing throughout 2018, shedding 0.7 percentage points relative to the end-2017 rate. In Argentina, lending has also slackened, and this has clearly contributed to the contraction of economic activity, rising inflation, higher interest rates and exchange-rate volatility. In the Bolivarian Republic of Venezuela, hyperinflation has drastically reduced the real value of credit extended to the private sector: the growth rates of this variable have been negative since mid-2015, and they fell by more than 80% in the third quarter of 2018.

Figure VII.15
Latin America and the Caribbean (selected groups of countries): trend of real domestic credit to the private sector, average year-on-year rates, first quarter of 2013–third quarter of 2018
(Percentages)



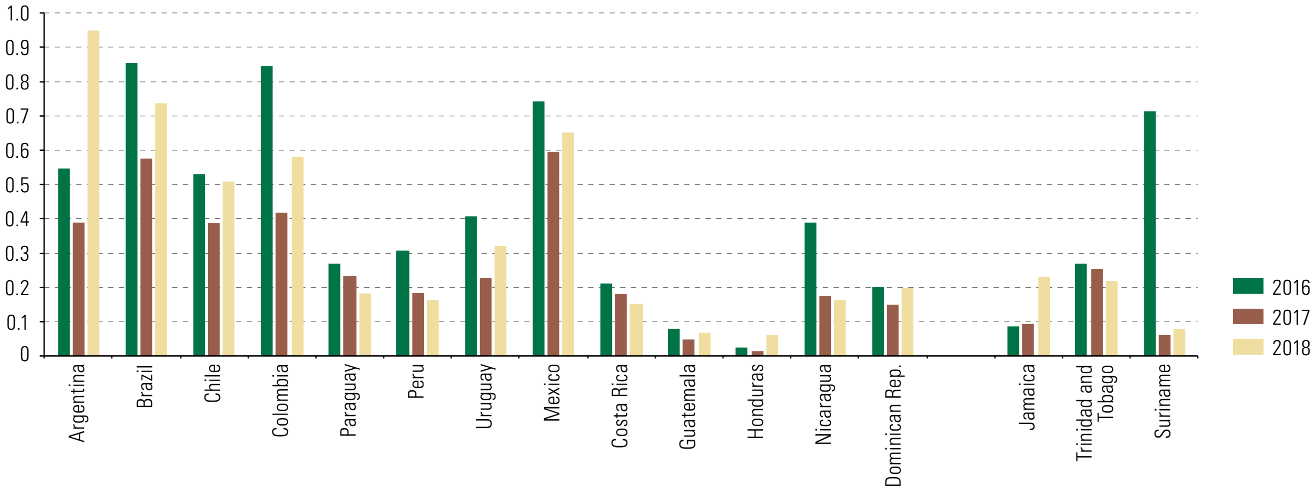
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

Exchange-rate volatility increased considerably in 2018, and the region's currencies tended to depreciate

Following a year (2017) in which the foreign-exchange values of the region's currencies remained relatively stable, in the first eleven months of 2018 they behaved more erratically in most of the economies that operate flexible rates (see figure VII.16). Exchange-rate volatility, measured as the average absolute daily variation of the exchange rate against the dollar, increased in 2018 relative to the 2017 levels in 10 of the region's economies.

Greater exchange-rate volatility was accompanied by depreciation in 16 of the region's currencies, with the Trinidad and Tobago dollar the only currency to strengthen in nominal terms. The steepest depreciations occurred in Argentina, Brazil, Chile, Colombia and Uruguay, where the national currencies weakened by more than 8%. It is worth noting that both exchange-rate volatility and the pace of currency depreciation were particularly intense during the second half of the year.

Figure VII.16
Latin America and the Caribbean (16 countries): nominal-exchange-rate volatility, average absolute daily variation, 2016–2018
(Percentages)



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

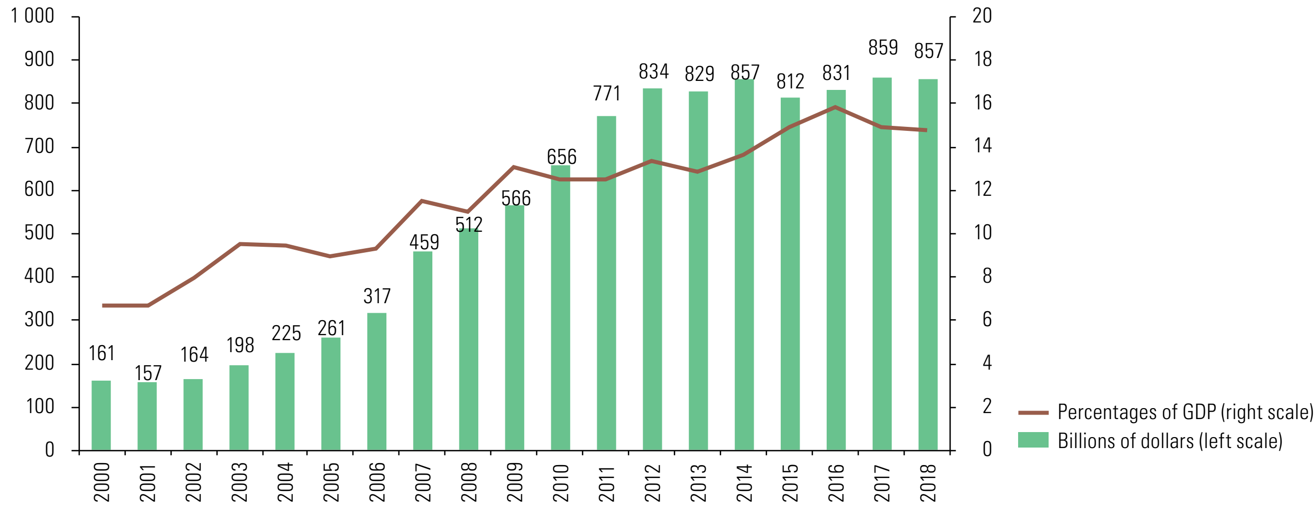
In January 2018, the authorities in the Bolivarian Republic of Venezuela decided to eliminate the DIPRO exchange rate (a protected exchange rate reserved for priority activities), which was quoted at 10 bolívares per dollar, and instead use the DICOM rate (3,545 bolívares per dollar). The Venezuelan government also announced the issuance of a cryptocurrency backed by the country's oil and mineral reserves, to be known as the petro. This would allow operations that are normally undertaken in foreign currency, such as the payment of oil exports, labour obligations and expenditure on tourism activities. Subsequently, in August 2018 and together with the approval of a monetary reform, a fluctuating exchange rate anchored to the petro was announced, with the exchange rate to be determined through auctions. In this context, the frequency of DICOM auctions would be increased to three per week, and the aim would be to eventually hold five per week. In addition, the Exchange Regime and Illicit Activities Law was repealed, to allow for the circulation and trading of convertible currencies, such as the dollar, the euro, the yuan, the yen and the petro. Initially, the DICOM exchange rate was set at 60 bolívares soberanos, which implied a devaluation of over 3,000% relative to the official exchange rate of July 2018. This rate was very similar to that prevailing on the parallel market, so the measure made it possible to reduce the spread between the official and parallel exchange rates. Since August, the official exchange rate has been devalued by 20%, while the parallel rate has depreciated by 268%.

The real effective exchange rate also depreciated in 13 of the region's economies in 2018, three fewer than in the previous year, with double-digit depreciations recorded in Argentina, Brazil and Jamaica. In contrast, nine countries saw their currencies appreciate in real terms —in three cases (the Bolivarian Republic of Venezuela, Paraguay and the Plurinational State of Bolivia) by more than 10%.

International reserves have remained stable in nominal terms, while decreasing relative to GDP

Figure VII.17 shows that the region's international reserves have remained basically stable during 2018, and in October they were down by just 0.2% from their end-2017 level. As in the case of some of the variables analysed in this section of the document, the volume of reserves has changed during the course of the year, increasing slightly (+1.2%) in the first six months, before trending down in the second half of the year.

Figure VII.17
Latin America and the Caribbean: trend of gross international reserves, 2000–2018
(Billions of dollars and percentages of GDP)

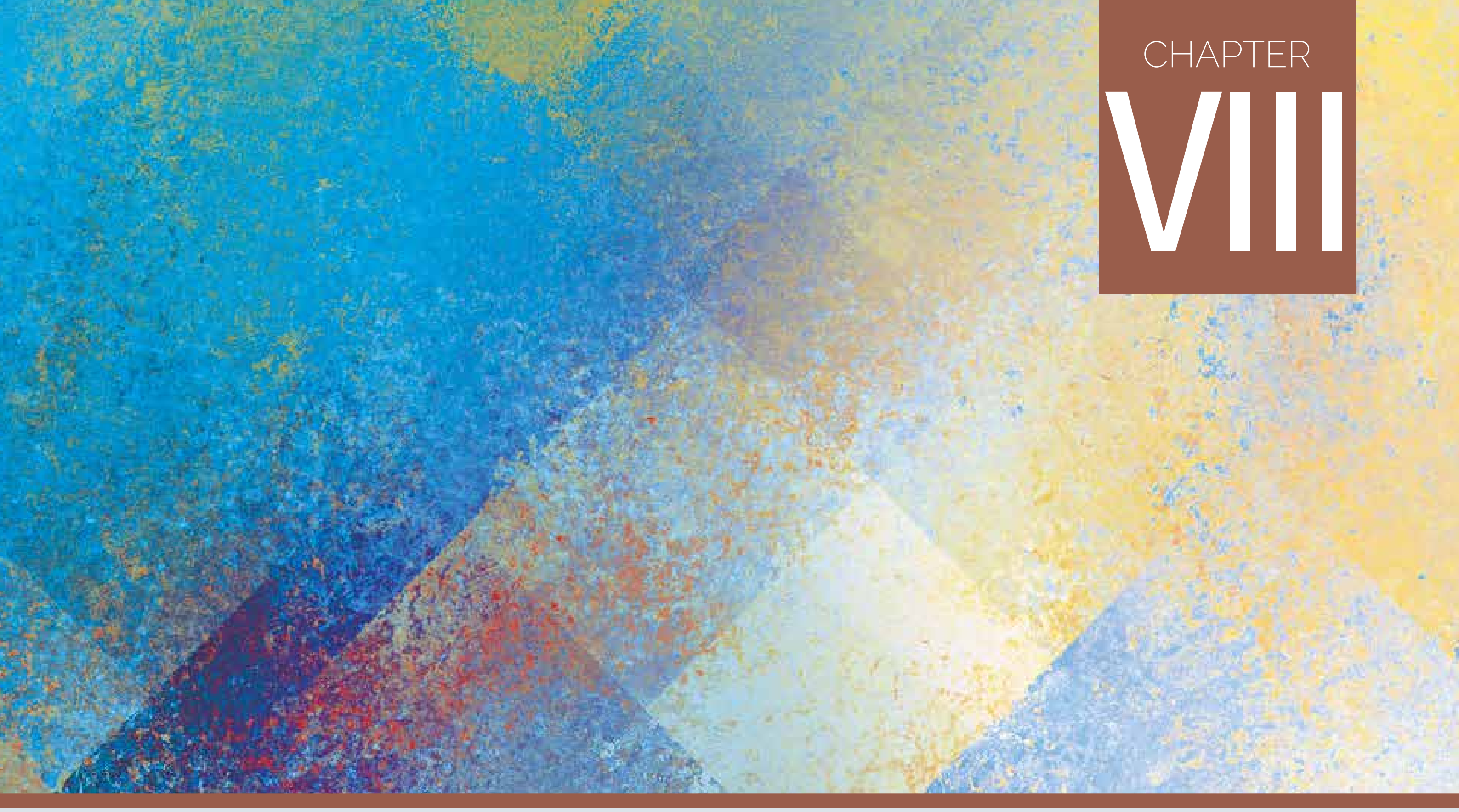


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

Overall, the stock of international reserves has decreased in the year to date in 20 economies, with the largest relative declines occurring in Guyana, Nicaragua and Panama where reserves shrank by over 18%. In the economies with the largest reserve holdings, Peru shed 8.2% and Argentina lost 3.8%, equivalent to a reduction in the region's reserves of US$ 7 billion. Interventions in the foreign exchange markets to mitigate exchange-rate pressures, in conjunction with external-account deficits, are among the factors driving this trend.

In 2018, international reserves grew in 11 countries, of which Barbados, Ecuador, El Salvador and Suriname posted the largest relative increases of more than 10%. Brazil and Mexico were the countries that accumulated the most reserves in the region, between them growing their holdings of international reserve assets by more than US$ 11 billion.

Relative to GDP, reserves declined for the second consecutive year in 2018, owing to the losses experienced in some countries and the GDP growth recorded in the region as a whole. In total, this indicator declined in 24 countries, including Guyana, Nicaragua, the Plurinational State of Bolivia, and Trinidad and Tobago which posted losses of 4 percentage points or more.



CHAPTER VIII

Challenges and outlook for 2019

GDP growth forecasts for Latin America and the Caribbean for 2019 are made against a backdrop of great uncertainty and downside risks for the global economy

The region's growth projection for 2019 has been revised downward to 1.7%, basically owing to perceptions that global conditions are turning less benign

GDP growth forecasts for Latin America and the Caribbean for 2019 are made against a backdrop of great uncertainty and downside risks for the global economy

Forecasts indicate that, far from diminishing, uncertainty will increase in 2019 and will emerge on various fronts. No clear drivers of growth can be seen in the global economy for 2019. In addition to the expected slowdown for China and emerging countries as a group, the projections are similar for the United States, the eurozone and developed economies in general.

The greatest risk to the region's economic performance over the coming year continues to be a sharp deterioration in the financial conditions facing emerging economies. In 2018, the repercussions of monetary normalization in the United States were felt in a context of increased risk aversion and financial volatility. Emerging markets, including Latin America, saw a significant reduction in external financing flows, while sovereign risk levels increased and currencies depreciated against the dollar.

In 2019, the United States will pursue monetary normalization and Europe is expected to follow suit, against a backdrop of global economic slowdown and downside risks. Further deterioration of financial conditions for emerging markets cannot be ruled out, and the impact on countries will depend on how exposed they are in terms of external financing needs and the share of dollar-denominated debt and short-term debt, which would have to be rolled over at a higher cost. Countries with significant imbalances and little room for implementing countercyclical measures will be the most exposed and their economic prospects could worsen. The prolonged period of relaxed financial conditions and low financial volatility until the end of 2017 induced significant rises in public and private borrowing in some countries —accompanied in some cases by greater risk-taking— which has left them more vulnerable to deteriorating international financial conditions.

In addition, trade tensions between the United States and China persist,[1] posing a risk not only to global trade and the global medium-term growth rate, but also to financial conditions, which often reflect economic agents' perception of greater or lesser risk. Commodity prices could also be negatively affected by increased trade restrictions. For now, a slight decline in average commodity prices is forecast for 2019, but should global activity and trade weaken more than expected, this projection could be revised downwards.

Several of the region's economies are commodity-exporting economies and are not immune to the effects of falling prices, not only because of lower exports but also the reduction in tax revenues. Moreover, added to trade tensions, rising financing costs —stemming from increased country risk and reduced investor appetite for risk— will put pressure on Latin American and Caribbean economies. It is therefore likely that some countries in the region will face greater challenges meeting their financing needs, which will affect their international reserves position and their currencies, or lead them to adjust other macroeconomic variables.

[1] At the Group of Twenty (G-20) summit held in Argentina at the end of November 2018, the United States and China agreed to a truce in their trade war with a view to halting the escalation of tariffs as both countries attempt to overcome their differences and reach an agreement within 90 days.

In addition, the concerns of recent years over the strength of China's economy remain. The downturn that had been projected year after year finally did materialize in 2018 and China's economic growth in 2019 is again expected to slow, to a 6.3% growth rate.

The Chinese authorities have been taking steps to contain the risks associated with the country's high levels of indebtedness and shadow banking system but have had to act with caution to avoid an entrenched slowdown of the economy. A perceived greater-than-expected slowdown could have sizeable repercussions on financial markets, not only with regard to the global financial asset prices but also commodity prices, which is not unprecedented.[2]

Lastly, geopolitical risks are ever present, compounded by uncertainties that persist surrounding a number of important geopolitical and economic processes. Doubts remain as to the outcome of Brexit —and the shape of future trade relations between the United Kingdom and the European Union. Recent events in Italy, the fourth largest European Union economy accounting for 11% of the European Union's GDP, could also lead to new waves of market volatility. Italy's influence can have an impact on the eurozone not only through the real channel, but more importantly through the financial and banking channel.[3]

The region's growth projection for 2019 has been revised downward to 1.7%, basically owing to perceptions that global conditions are turning less benign

GDP growth in Latin America and the Caribbean is projected at 1.7% in 2018, one tenth of a percentage point below the forecast published in October. The downward revision is mainly because global conditions are perceived to be less favourable than they were at that time.

The individual performances of the countries of the region are markedly uneven, however. Whereas growth projections for 2019 have held steady or declined for most of them, in a few countries the estimates have in fact been revised upward (see table VIII.1).

2 This was very noticeable in August 2015 and early 2016. In one day (4 January 2016), the Shanghai Stock Exchange Index tumbled by almost 7% and the yuan plunged. The panic spread to stock markets in developed and emerging countries and to commodity prices, which plummeted; the price of oil, for instance, fell to its lowest level in 12 years.

3 Some Italian banks have a high exposure vis-à-vis the Italian Treasury owing to holdings of sovereign bonds. The same is true for other eurozone countries whose banks hold Italian sovereign bonds, albeit to a much lesser extent.

Table VIII.1
Latin America and the Caribbean: GDP growth rates, 2013–2019
(Percentages, on the basis of dollars at constant 2010 prices)

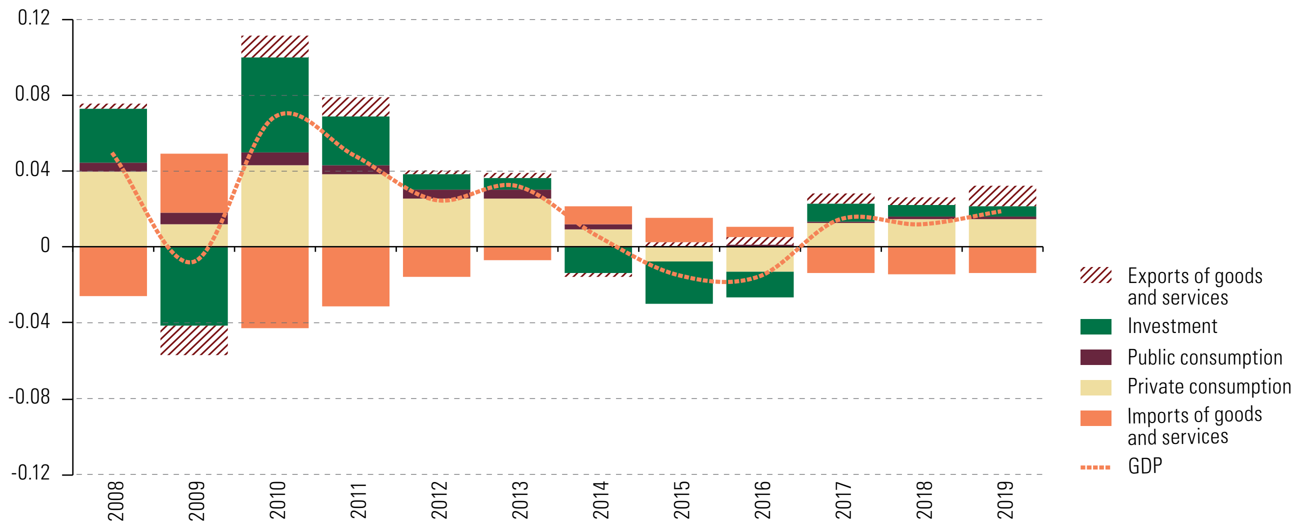
Country	2013	2014	2015	2016	2017	2018[a]	2019[b]
Argentina	2.4	-2.5	2.7	-1.8	2.9	-2.6	-1.8
Bolivia (Plurinational State of)	6.8	5.5	4.9	4.3	4.2	4.4	4.3
BraZil	3.0	0.5	-3.6	-3.3	1.1	1.3	2.0
Chile	4.0	1.8	2.3	1.3	1.5	3.9	3.3
Colombia	4.6	4.7	3.0	2.0	1.8	2.7	3.3
Costa Rica	2.3	3.5	3.6	4.2	3.3	3.0	2.9
Cuba	2.8	1.1	4.4	0.5	1.6	1.1	1.0
Dominican Republic	4.9	7.6	7.0	6.6	4.6	6.3	5.7
Ecuador	5.0	3.8	0.1	-1.2	2.4	1.0	0.9
El Salvador	2.4	2.0	2.4	2.6	2.3	2.4	2.4
Guatemala	3.7	4.2	4.1	3.1	2.8	2.9	3.0
Haiti	4.2	2.8	1.2	1.5	1.2	1.4	2.8
Honduras	2.8	3.1	3.8	3.8	4.8	3.7	3.6
Mexico	1.4	2.8	3.3	2.9	2.1	2.2	2.1
Nicaragua	4.9	4.8	4.8	4.7	4.9	-4.1	-2.0
Panama	9.6	5.1	5.7	5.0	5.3	4.2	5.6
Paraguay	8.4	4.9	3.1	4.3	5.2	4.2	4.2
Peru	5.9	2.4	3.3	4.0	2.5	3.8	3.6
Uruguay	4.6	3.2	0.4	1.7	2.7	1.9	1.5
Venezuela (Bolivarian Republic of)	1.3	-3.9	-6.2	-16.5	-13.0	-15.0	-10.0
Subtotal for Latin America	**2.9**	**1.2**	**-0.2**	**-1.0**	**1.3**	**1.1**	**1.7**
Antigua and Barbuda	-0.1	4.7	4.0	5.6	3.0	5.3	4.7
Bahamas	-0.4	-0.2	1.1	-1.7	1.4	2.5	2.2
Barbados	0.0	0.0	0.9	2.0	-0.2	-0.5	0.5
Belize	0.9	3.7	3.4	-0.6	1.4	2.2	2.1
Dominica	-0.6	4.4	-2.6	2.5	-9.5	-4.4	9.0
Grenada	2.4	7.3	6.4	3.7	5.1	5.2	4.2
Guyana	5.0	3.9	3.1	3.4	2.2	3.4	4.6
Jamaica	0.5	0.7	0.9	1.4	1.0	1.5	1.8
Saint Kitts and Nevis	5.5	6.1	2.2	2.3	1.2	2.1	4.1
Saint Lucia	-2.0	0.0	0.3	3.9	3.7	2.5	2.9
Saint Vincent and the Grenadines	1.8	1.0	1.8	1.3	0.7	3.2	1.5
Suriname	2.9	0.3	-3.4	-5.6	1.7	1.9	2.8
Trinidad and Tobago	2.0	-1.0	1.8	-6.5	-1.9	1.9	1.6
Subtotal for the Caribbean	**1.2**	**0.3**	**1.2**	**-2.1**	**0.2**	**1.9**	**2.1**
Latin America and the Caribbean	**2.9**	**1.2**	**-0.2**	**-1.0**	**1.3**	**1.2**	**1.7**
South America[c]	**3.3**	**0.5**	**-1.6**	**-2.6**	**0.8**	**0.6**	**1.4**
Central America[d], Cuba y Haiti	**4.1**	**3.9**	**4.7**	**3.6**	**3.4**	**3.2**	**3.3**

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] The figures are estimates.
[b] The figures are projections.
[c] Includes Argentina, Boliviarian Republic of Venezuela, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.
[d] Includes Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

As in previous years, projected growth rates vary between countries and subregions, depending not only on the differentiated impacts of international conditions on each economy, but also on the different trends in spending components —mainly consumption and investment— in the economies of the north and south of the region.

Economic growth in South America as a subregion will climb from 0.6% in 2018 to 1.4% in 2019. On the spending side, domestic demand will make a similar contribution to 2018, while the share of goods and services exports will rise. This largely reflects the low basis for comparison in 2018, since external demand has not made a strong showing this year (see figure VIII.1).

Figure VIII.1
South America: GDP growth rates and contribution of expenditure components to growth, 2008–2019
(Percentages)



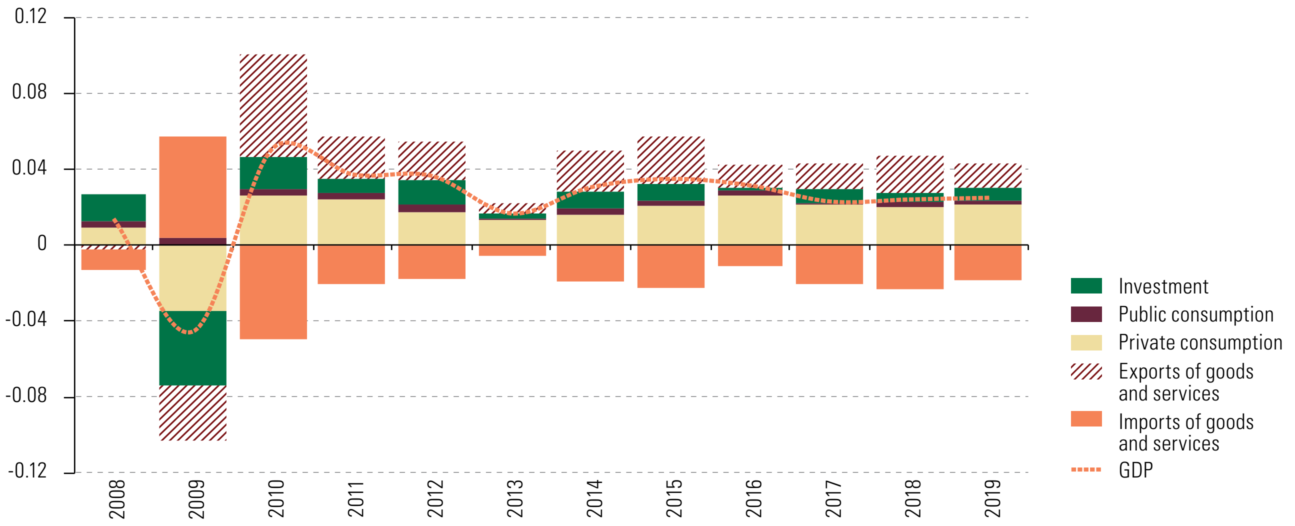
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: Includes Argentina, Bolivarian Republic of Venezuela (except for the period 2016–2019), Brazil, Chile, Colombia, Ecuador, Paraguay, Peru and Uruguay. The figures for 2018 and 2019 are estimates and projections, respectively.

Growth in the Central American subregion[4] will edge up a tenth of a percentage point in 2019, to 3.3%; overall, the performance will be similar to 2017 and 2018. Mexico's growth rate will stand at 2.1% in 2019.

Domestic demand will gain momentum in Central America and Mexico together. Private consumption will hold steady as a proportion of total demand, while investment will rise. Conversely, the contribution by goods and services exports will decline, owing to expectations of a slowdown in the United States economy and weaker global trade growth (see figure VIII.2). Lastly, the economies of the English-and Dutch-speaking Caribbean will post expansion of 2.1%, two tenths of a percentage point up on 2018.

[4] Includes Costa Rica, Cuba, the Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Panama.

Figure VIII.2
Central America and Mexico: GDP growth rates and contribution of expenditure components to growth, 2008–2019
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
Note: Includes Costa Rica, the Dominican Republic, Guatemala, Honduras, Mexico and Nicaragua. The figures for 2018 and 2019 are estimates and projections, respectively.

Statistical annex

Table A1.1
Latin America and the Caribbean: main economic indicators

	2009	2010	2011	2012	2013	2014	2015	2016	2017[a]	2018[a]
					Annual growth rates					
Gross domestic product[b]	-1.8	6.2	4.5	2.8	2.9	1.2	-0.2	-1.0	1.3	1.2
Per capita gross domestic product[b]	-3.0	4.9	3.2	1.6	1.7	0.1	-1.2	-2.1	0.2	0.2
Consumer prices[c]	3.5	5.4	5.8	4.9	5.0	6.3	7.9	7.3	5.6	7.0[d]
					Percentages					
Urban open unemployment	9.1	8.4	7.7	7.3	7.1	6.9	7.3	8.9	9.3	9.3
Total gross external debt/GDP[e f]	24.2	23.2	22.3	24.6	26.1	29.3	34.4	37.2	35.4	37.0
Total gross external debt/exports of goods and services[e g]	121.0	116.2	106.9	116.3	126.7	142.8	160.8	170.8	164.2	154.5
					Millions of dollars					
Balance of payments										
Current account balance	-31 580	-96 976	-114 212	-136 820	-164 071	-187 049	-176 919	-98 469	-88 315	...
Exports of goods f.o.b.	703 782	892 266	1 107 530	1 128 505	1 119 395	1 087 872	927 671	896 464	961 212	...
Imports of goods f.o.b.	652 671	847 298	1 041 619	1 087 409	1 116 699	1 104 810	983 257	893 430	948 908	...
Services trade balance	-25 063	-39 663	-54 241	-57 700	-62 772	-62 488	-55 106	-44 392	-38 857	...
Income balance	-104 826	-152 684	-175 534	-166 625	-151 300	-160 021	-135 361	-132 764	-142 947	...
Net current transfers	58 379	62 863	64 603	63 646	64 347	67 519	69 225	75 780	81 253	...
Capital and financial balance[h]	79 716	182 772	220 350	193 673	179 829	224 413	149 386	118 023	107 965	...
Net foreign direct investment	73 264	114 099	147 254	150 155	146 512	143 912	136 673	130 710	135 935	...
Other capital movements	6 452	68 673	73 096	43 518	33 317	80 501	12 713	-12 687	-27 970	...
Overall balance	48 136	85 796	106 138	56 853	15 758	37 363	-27 534	19 554	19 650	...
Variation in reserve assets[i]	-50 753	-87 214	-106 407	-57 943	-16 179	-37 744	26 833	-19 194	-20 193	...
Other financing	2 616	1 418	254	1 081	422	467	746	-136	581	...
Net transfer of resources	-22 494	31 506	45 069	28 129	28 951	64 859	14 771	-14 877	-34 401	...
International reserves	566 282	656 118	771 019	834 207	829 112	857 144	811 729	830 956	859 326	857 344
					Percentages of GDP					
Fiscal sector[j]										
Overall balance	-2.7	-1.9	-1.5	-1.8	-2.5	-2.8	-2.9	-3.0	-2.9	-3.0
Primary balance	-0.9	-0.3	0.2	-0.2	-0.8	-1.0	-0.9	-0.9	-0.7	-0.6
Total revenue	17.2	17.8	18.0	18.1	18.1	18.0	18.0	18.0	17.9	17.8
Tax revenue	13.9	14.3	14.7	15.0	15.1	15.2	15.5	15.6	15.7	15.4
Total expenditure	19.9	19.7	19.5	20.1	20.7	20.8	20.8	21.0	20.8	20.8
Capital expenditure	3.7	3.9	3.8	4.1	4.2	4.0	3.7	3.6	3.4	3.3
Central government public debt[k]	32.3	30.4	29.7	30.9	32.3	33.8	36.4	38.1	39.6	41.0
Public debt of the non-financial public sector[k]	35.0	30.4	32.0	33.3	34.7	36.5	39.2	41.4	42.8	44.2

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.
[c] December–December variation. Weighted average, does not include the Bolivarian Republic of Venezuela.
[d] Twelve-month variation to October 2018.
[e] Estimates based on figures denominated in dollars at current prices.
[f] Does not include the Caribbean, Cuba and the Bolivarian Republic of Venezuela.
[g] Does not include Cuba and the Bolivarian Republic of Venezuela.
[h] Includes errors and omissions.
[i] A minus sign (-) indicates an increase in reserve assets.
[j] Coverage corresponds to the central government. Simple averages for 17 countries. Does not include the Bolivarian Republic of Venezuela, Cuba or the Plurinational State of Bolivia.
[k] Simple averages for 18 countries. Does not include the Bolivarian Republic of Venezuela and Cuba.

Table A1.2
Latin America and the Caribbean: annual growth rates in gross domestic product
(Constant prices)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 [a]
Latin America and the Caribbean [b]	**-1.8**	**6.2**	**4.5**	**2.8**	**2.9**	**1.2**	**-0.2**	**-1.0**	**1.3**	**1.2**
Latin America	**-1.8**	**6.3**	**4.5**	**2.8**	**2.9**	**1.2**	**-0.2**	**-1.0**	**1.3**	**1.1**
Argentina	-5.9	10.1	6.0	-1.0	2.4	-2.5	2.7	-1.8	2.9	-2.6
Bolivia (Plurinational State of)	3.4	4.1	5.2	5.1	6.8	5.5	4.9	4.3	4.2	4.4
Brazil	-0.1	7.5	4.0	1.9	3.0	0.5	-3.5	-3.3	1.1	1.3
Chile	-1.0	5.8	5.8	5.5	4.0	1.8	2.3	1.3	1.5	3.9
Colombia	1.2	4.3	7.4	3.9	4.6	4.7	3.0	2.0	1.8	2.7
Costa Rica	-1.0	5.0	4.3	4.8	2.3	3.5	3.6	4.2	3.3	3.0
Cuba	1.5	2.4	2.8	3.0	2.8	1.0	4.4	0.5	1.6	1.1
Dominican Republic	0.9	8.3	3.1	2.7	4.9	7.6	7.0	6.6	4.6	6.3
Ecuador	0.6	3.5	7.9	5.6	4.9	3.8	0.1	-1.2	2.4	1.0
El Salvador	-2.1	2.1	3.8	2.8	2.4	2.0	2.4	2.6	2.3	2.4
Guatemala	0.5	2.9	4.2	3.0	3.7	4.2	4.1	3.1	2.8	2.9
Haiti	3.1	-5.5	5.5	2.9	4.2	2.8	1.2	1.5	1.2	1.4
Honduras	-2.4	3.7	3.8	4.1	2.8	3.1	3.8	3.8	4.8	3.7
Mexico	-5.3	5.1	3.7	3.6	1.4	2.8	3.3	2.9	2.1	2.2
Nicaragua	-3.3	4.4	6.3	6.5	4.9	4.8	4.8	4.7	4.9	-4.1
Panama	1.6	5.8	11.8	9.2	9.6	5.1	5.7	5.0	5.3	4.2
Paraguay	-0.3	11.1	4.2	-0.5	8.4	4.9	3.1	4.3	5.2	4.2
Peru	1.1	8.3	6.3	6.1	5.9	2.4	3.3	4.0	2.5	3.8
Uruguay	4.2	7.8	5.2	3.5	4.6	3.2	0.4	1.7	2.7	1.9
Venezuela (Bolivarian Republic of)	-3.2	-1.5	4.2	5.6	1.3	-3.9	-6.2	-16.5	-13.0 [c]	-15.0 [c]
The Caribbean	**-3.6**	**1.5**	**1.1**	**1.3**	**1.2**	**0.3**	**1.2**	**-2.1**	**0.2**	**1.9**
Antigua and Barbuda	-12.1	-7.2	-2.1	3.5	-0.1	4.7	4.0	5.6	3.0	5.3
Bahamas	-4.2	1.5	0.6	3.1	-0.4	-0.1	1.0	-1.7	1.4	2.5
Barbados	-4.0	0.3	0.7	0.3	0.0	0.0	0.9	2.0	-0.2	-0.5
Belize	0.7	3.4	2.2	2.9	0.9	3.7	3.4	-0.6	1.4	2.2
Dominica	-1.2	0.7	-0.2	-1.1	-0.6	4.4	-2.6	2.5	-9.5	-4.4
Grenada	-6.6	-0.5	0.8	-1.2	2.4	7.3	6.4	3.7	5.1	5.2
Guyana	3.6	4.1	5.2	5.3	5.0	3.9	3.1	3.4	2.2	3.4
Jamaica	-4.3	-1.5	1.7	-0.6	0.5	0.7	0.9	1.4	1.0	1.5
Saint Kitts and Nevis	-3.4	-1.5	1.8	-0.7	5.5	6.1	2.1	2.3	1.2	2.1
Saint Lucia	-1.5	0.3	4.1	-0.3	-2.0	0.0	0.3	3.9	3.7	2.5
Saint Vincent and the Grenadines	-2.1	-3.4	-0.4	1.4	1.8	1.0	1.8	1.3	0.7	3.2
Suriname	3.0	5.2	5.8	2.7	2.9	0.3	-3.4	-5.6	1.7	1.9
Trinidad and Tobago	-4.4	3.3	-0.3	1.3	2.0	-1.0	1.8	-6.5	-1.9	1.9

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.
[c] Estimates.

Table A1.3

Latin America and the Caribbean: per capita gross domestic product

(Annual growth rates)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America and the Caribbean[b]	**-3.0**	**4.9**	**3.2**	**1.6**	**1.7**	**0.1**	**-1.2**	**-2.1**	**0.2**	**0.2**
Latin America	**-3.0**	**5.0**	**3.3**	**1.6**	**1.7**	**0.1**	**-1.3**	**-2.1**	**0.2**	**0.1**
Argentina	-6.9	9.0	4.9	-2.1	1.3	-3.5	1.7	-2.8	1.9	-3.9
Bolivia (Plurinational State of)	1.6	2.4	3.5	3.4	5.1	3.8	3.2	2.7	2.6	2.9
Brazil	-1.2	6.4	2.9	0.9	2.0	-0.4	-4.4	-4.1	0.3	0.5
Chile	-2.0	4.7	4.8	4.5	3.0	0.9	1.4	0.4	0.7	3.1
Colombia	0.1	3.2	6.2	2.8	3.5	3.7	2.0	1.1	0.9	1.9
Costa Rica	-2.3	3.6	3.0	3.6	1.1	2.4	2.6	3.2	2.3	2.0
Cuba	1.4	2.3	2.7	2.8	2.6	0.9	4.3	0.5	1.6	1.1
Dominican Republic	-0.4	6.9	1.8	1.4	3.6	6.3	5.8	5.4	3.4	5.2
Ecuador	-1.1	1.8	6.2	4.0	3.3	2.2	-1.4	-2.7	0.9	-0.4
El Salvador	-2.5	1.7	3.4	2.4	2.0	1.6	2.0	2.2	1.9	2.0
Guatemala	-1.7	0.6	1.9	0.8	1.5	2.1	2.1	1.1	0.9	1.1
Haiti	1.5	-6.9	4.0	1.4	2.8	1.4	-0.1	0.1	-0.1	0.1
Honduras	-4.3	1.8	2.0	2.3	1.1	1.4	2.2	2.2	3.3	2.3
Mexico	-6.8	3.5	2.2	2.2	0.0	1.4	1.9	1.6	0.8	0.9
Nicaragua	-4.5	3.1	5.0	5.2	3.7	3.6	3.6	3.5	3.7	-5.1
Panama	-0.1	4.0	9.9	7.4	7.8	3.4	4.1	3.3	3.7	2.6
Paraguay	-1.6	9.7	2.8	-1.9	7.0	3.5	1.8	3.0	3.9	3.0
Peru	-0.1	7.0	4.9	4.7	4.4	1.0	1.9	2.7	1.3	2.6
Uruguay	3.9	7.5	4.8	3.2	4.3	2.9	0.0	1.3	2.3	1.5
Venezuela (Bolivarian Republic of)	-4.7	-2.9	2.7	4.2	0.0	-5.1	-7.4	-17.5	-14.0[c]	-16.0[c]
The Caribbean	**-4.2**	**0.8**	**0.5**	**0.7**	**0.6**	**-0.3**	**0.6**	**-2.6**	**-0.3**	**1.4**
Antigua and Barbuda	-13.1	-8.3	-3.2	2.4	-1.2	3.5	2.9	4.5	2.0	4.3
Bahamas	-5.8	-0.1	-1.0	1.6	-1.8	-1.4	-0.2	-2.8	0.4	1.5
Barbados	-4.4	-0.1	0.3	-0.1	-0.3	-0.3	0.6	1.7	-0.5	-0.7
Belize	-1.8	0.9	-0.2	0.6	-1.3	1.5	1.2	-2.7	-0.7	0.1
Dominica	-1.4	0.4	-0.6	-1.5	-1.1	3.8	-3.1	2.0	-10.0	-4.9
Grenada	-6.9	-0.9	0.4	-1.5	1.9	6.9	6.0	3.3	4.6	4.7
Guyana	3.7	4.0	4.8	4.7	4.3	3.2	2.4	2.7	1.6	2.8
Jamaica	-4.8	-1.9	1.3	-1.0	0.1	0.3	0.6	1.0	0.7	1.2
Saint Kitts and Nevis	-4.4	-2.5	0.7	-1.8	4.3	4.9	1.1	1.3	0.2	1.2
Saint Lucia	-2.5	-0.6	3.4	-0.9	-2.5	-0.4	-0.2	3.4	3.2	2.0
Saint Vincent and the Grenadines	-2.2	-3.4	-0.4	1.4	1.8	0.9	1.7	1.1	0.5	2.9
Suriname	1.9	4.1	4.8	1.6	1.9	-0.7	-4.3	-6.4	0.8	1.0
Trinidad and Tobago	-4.8	2.8	-0.8	0.8	1.5	-1.4	1.4	-6.8	-2.2	1.6

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.

[c] Estimates.

Table A1.4
Latin America and the Caribbean: gross fixed capital formation[a]
(Percentages of GDP)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[b]
Latin America and the Caribbean	**19.1**	**20.2**	**21.0**	**21.3**	**21.2**	**20.7**	**19.7**	**19.0**	**17.9**	**17.9**
Argentina	14.5	16.6	18.4	17.3	17.3	16.5	16.7	16.1	17.4	18.7
Bahamas	26.4	26.2	27.6	30.1	26.9	30.6	24.4	25.1	27.7	...
Belice	20.1	15.3	14.8	14.3	17.7	18.0	21.7	23.4	20.3	...
Bolivia (Plurinational State of)	16.1	16.6	19.5	19.0	19.9	20.7	20.7	20.6	22.1	22.8
Brazil	18.7	20.5	21.1	20.9	21.4	20.4	18.2	16.6	16.0	16.2
Chile	20.7	21.9	23.7	25.1	24.7	23.1	22.5	22.1	21.5	21.6
Colombia	20.3	21.1	23.4	23.3	23.6	25.2	24.2	23.8	23.5	23.7
Costa Rica	19.8	19.7	19.5	20.4	19.9	19.8	19.7	19.8	18.3	18.2
Dominican Republic	23.3	25.2	23.9	23.1	21.5	22.5	25.3	26.4	25.4	26.0
Ecuador	23.1	24.6	26.1	27.3	28.7	28.3	26.5	24.5	25.2	25.9
El Salvador	16.9	14.8	15.7	15.7	16.4	15.1	15.1	15.3	15.0	15.0
Guatemala	15.6	14.8	15.2	15.3	15.0	15.0	15.3	15.2	15.3	15.6
Haiti	25.7	25.4	...	...	...	...	...	...	...	...
Honduras	22.1	21.6	24.3	24.2	23.1	22.5	24.4	21.9	22.4	23.0
Mexico	21.7	21.6	22.5	22.7	21.7	21.7	22.1	21.7	20.9	21.2
Nicaragua	20.6	21.2	24.3	27.5	27.6	27.3	31.5	31.1	30.2	28.9
Panama	28.2	30.2	33.7	37.3	41.0	43.4	43.7	42.5	43.2	...
Paraguay	18.6	21.3	21.0	19.3	19.2	19.6	18.3	18.2	18.3	19.1
Peru	20.9	23.5	24.3	26.3	26.2	25.1	22.5	20.7	20.4	20.5
Uruguay	17.7	19.1	19.4	22.1	22.0	21.8	19.7	19.1	15.7	15.9
Venezuela (Bolivarian Republic of)	19.6	18.7	18.7	21.9	19.6	17.0	17.6	21.0	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Based on official figures expressed in dollars at constant 2010 prices.
[b] Preliminary figures.

Table A1.5
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		
	2016	2017	2018[a]	2016	2017	2018[a]	2016	2017	2018[a]	2016	2017	2018[a]
Latin America and the Caribbean	**896 464**	**961 212**	**...**	**154 420**	**163 867**	**...**	**893 430**	**948 908**	**...**	**198 811**	**202 724**	**...**
Latin America	**882 050**	**954 588**	**1 050 311**	**141 722**	**152 320**	**158 512**	**869 832**	**933 666**	**1 044 934**	**190 118**	**196 522**	**200 487**
Argentina	57 930	58 446	61 860	12 801	14 196	14 621	53 505	63 993	62 985	20 992	24 083	23 119
Bolivia (Plurinational State of)	7 030	8 105	9 118	1 245	1 399	1 447	7 931	8 621	8 811	2 858	3 057	3 270
Brazil	184 453	217 243	238 370	33 300	34 478	34 185	139 416	153 215	183 857	63 747	68 329	68 329
Chile	60 733	69 230	77 274	9 452	10 098	10 129	55 293	61 308	70 504	12 732	13 156	14 053
Colombia	34 091	39 597	44 982	7 771	8 382	8 978	43 239	44 247	48 451	11 302	12 524	13 400
Costa Rica	10 100	10 808	11 399	8 537	8 749	9 364	14 526	15 150	15 908	3 427	3 657	3 813
Dominican Republic	9 840	10 121	10 907	8 309	8 791	9 369	17 399	17 700	19 780	3 370	3 509	3 644
Ecuador	17 425	19 618	22 287	2 140	2 300	3 096	15 858	19 307	22 396	3 194	3 294	3 157
El Salvador	4 321	4 662	4 796	2 556	2 558	2 793	8 954	9 499	10 581	1 773	1 867	1 864
Guatemala	10 581	11 100	11 045	2 784	2 854	2 854	15 767	17 110	18 479	3 026	3 267	3 408
Haiti	995	992	1 072	607	566	571	3 183	3 618	4 522	1 014	1 072	1 072
Honduras	7 940	8 675	8 762	1 269	1 318	1 346	10 559	11 324	12 214	1 732	1 907	1 971
Mexico	374 304	409 775	454 850	24 219	27 668	29 882	387 369	420 765	471 239	33 136	37 463	38 961
Nicaragua	3 772	4 143	3 935	1 394	1 557	1 495	6 384	6 613	6 014	1 000	1 044	1 033
Panama	11 687	12 474	13 988	12 824	14 002	14 982	20 699	22 298	23 748	4 767	4 663	4 429
Paraguay	11 984	13 546	14 489	883	937	937	9 789	11 524	13 260	1 104	1 210	1 319
Peru	37 082	45 275	50 396	6 312	7 394	7 542	35 128	38 704	42 863	8 287	8 828	9 976
Uruguay	10 379	10 778	10 783	4 156	5 073	4 920	8 463	8 671	9 321	3 336	3 594	3 666
Venezuela (Bolivarian Republic of)	27 403	...	...	1 163	...	...	16 370	...	...	9 322	...	...
The Caribbean	**14 415**	**6 625**	**...**	**12 697**	**11 547**	**...**	**23 598**	**15 242**	**...**	**8 693**	**6 202**	**...**
Antigua and Barbuda	85	208	87	951	931	971	443	554	501	468	437	456
Bahamas	481	571	...	2 930	2 850	...	2 632	3 108	...	1 814	1 863	...
Barbados	835	803	...	1 249	1 297	...	1 792	1 833	...	-161	-223	...
Belize	443	458	...	526	581	...	916	846	...	216	241	...
Dominica	26	22	21	255	212	103	188	174	200	126	134	110
Grenada	38	35	38	555	549	578	315	370	399	238	231	242
Guyana	1 434	1 042	...	166	31	...	1 341	1 027	...	447	62	...
Jamaica	1 195	1 306	...	3 218	3 523	...	4 169	5 149	...	2 167	2 363	...
Saint Kitts and Nevis	51	25	23	467	503	560	308	310	329	206	223	233
Saint Lucia	125	129	117	951	931	971	576	576	567	343	353	371
Saint Vincent and the Grenadines	47	...	...	239	...	...	295	...	...	119	...	...
Suriname	1 440	2 028	...	166	139	...	1 202	1 293	...	500	518	...
Trinidad and Tobago	8 214	...	...	1 025	...	...	9 422	...	...	2 210	...	...

Table A1.5 (continued)

	Goods and services balance			Income balance			Current transfers corrientes balance			Current account balance		
	2016	2017	2018[a]	2016	2017	2018[a]	2016	2017	2018[a]	2016	2017	2018[a]
Latin America and the Caribbean	**-41 484**	**-26 770**	**...**	**-133 358**	**-140 011**	**...**	**75 563**	**83 096**	**...**	**-98 469**	**-84 930**	**...**
Latin America	**-36 178**	**-23 281**	**-36 598**	**-130 568**	**-140 923**	**-147 050**	**72 897**	**78 860**	**88 017**	**-93 850**	**-85 344**	**-95 631**
Argentina	-3 765	-15 434	-9 624	-12 105	-16 343	-16 800	1 176	453	1 223	-14 693	-31 324	-25 201
Bolivia (Plurinational State of)	-2 514	-2 174	-1 517	-621	-1 107	-1 200	1 191	1 268	1 294	-1 944	-2 013	-1 423
Brazil	14 590	30 178	20 368	-41 219	-42 615	-39 000	2 944	2 632	2 790	-23 684	-9 805	-15 841
Chile	2 160	4 863	2 846	-7 045	-10 802	-13 400	1 385	1 793	3 405	-3 499	-4 146	-7 148
Colombia	-12 679	-8 793	-7 892	-5 225	-8 394	-11 229	5 880	6 596	7 446	-12 024	-10 591	-11 675
Costa Rica	684	750	1 043	-2 452	-2 941	-3 500	510	507	486	-1 257	-1 685	-1 971
Dominican Republic	-2 619	-2 297	-3 148	-3 253	-3 489	-3 861	5 058	5 621	6 157	-815	-165	-852
Ecuador	513	-683	-171	-1 845	-2 354	-2 687	2 654	2 665	2 315	1 322	-372	-543
El Salvador	-3 850	-4 145	-4 855	-1 229	-1 448	-1 503	4 580	5 092	5 550	-500	-501	-808
Guatemala	-5 428	-6 423	-7 988	-1 507	-1 363	-1 293	7 959	8 975	9 783	1 023	1 189	501
Haiti	-2 595	-3 132	-3 951	48	54	53	2 464	2 832	3 541	-83	-246	-358
Honduras	-3 082	-3 238	-4 078	-1 508	-1 635	-1 636	4 003	4 493	4 910	-587	-380	-804
Mexico	-21 982	-20 784	-25 469	-28 521	-27 942	-28 839	26 527	29 674	32 790	-23 977	-19 053	-21 518
Nicaragua	-2 218	-1 957	-1 617	-357	-390	-300	1 586	1 653	1 768	-989	-694	-149
Panama	-956	-485	792	-3 559	-4 331	-4 400	-119	-125	-62	-4 634	-4 941	-3 671
Paraguay	1 974	1 749	847	-1 474	-1 216	-1 155	775	823	806	1 276	1 356	498
Peru	-21	5 137	5 099	-9 184	-11 263	-12 300	3 967	3 712	3 616	-5 239	-2 414	-3 584
Uruguay	2 735	3 586	2 716	-2 594	-3 342	-4 000	183	197	199	324	441	-1 085
Venezuela (Bolivarian Republic of)	2 874	...	...	-6 918	...	...	174	...	...	-3 870	...	...
The Caribbean	**-5 306**	**-3 489**	**...**	**-2 196**	**-2 024**	**...**	**2 883**	**2 393**	**...**	**-4 619**	**-2 971**	**...**
Antigua and Barbuda	125	148	101	-109	-68	-72	-55	-46	-48	-39	34	-20
Bahamas	-1 034	-1 552	...	-440	-365	...	316	-55	...	-1 158	-1 971	...
Barbados	452	490	...	-237	-242	...	-421	-436	...	-206	-189	...
Belize	-163	-48	...	-109	-155	...	108	72	...	-163	-131	...
Dominica	-33	-74	-187	-20	-11	1	57	286	45	5	202	-141
Grenada	40	-17	-25	-61	-104	-109	-12	-23	-25	-34	-144	-159
Guyana	-188	-161	...	-5	-15	...	320	102	...	128	75	...
Jamaica	-1 922	-2 684	...	-570	-421	...	2 389	2 392	...	-103	-713	...
Saint Kitts and Nevis	4	-5	21	-81	-65	-67	-26	-17	-19	-102	-86	-64
Saint Lucia	30	57	122	-107	-121	-125	21	17	17	-57	-47	14
Saint Vincent and the Grenadines	-127	...	...	-25	...	...	30	...	...	-122	...	...
Suriname	-96	355	...	-176	-457	...	102	100	...	-170	-2	...
Trinidad and Tobago	-2 392	...	...	-258	...	...	53	...	...	-2 598	...	...

Table A1.5 (concluded)

	Capital and financial balance[b]			Overall balance			Reserve assets (variation)[c]			Other financing		
	2016	2017	2018[a]	2016	2017	2018[a]	2016	2017	2018[a]	2016	2017	2018[a]
Latin America and the Caribbean	**118 023**	**107 965**	**...**	**19 554**	**19 650**	**...**	**-19 194**	**-20 193**	**...**	**-136**	**581**	**...**
Latin America	**113 426**	**104 206**	**99 832**	**19 576**	**18 862**	**4 202**	**-19 379**	**-19 414**	**-4 399**	**-198**	**552**	**...**
Argentina	29 004	45 880	23 134	14 311	14 556	-2 067	-14 311	-14 556	2 067	0	0	...
Bolivia (Plurinational State of)	-1 102	2 001	-332	-3 046	-12	-1 755	3 046	12	1 755	0	0	...
Brazil	32 922	14 898	27 341	9 237	5 093	11 500	-9 237	-5 093	-11 500	0	0	...
Chile	5 305	1 397	5 835	1 805	-2 750	-1 313	-1 805	2 750	1 313	0	0	...
Colombia	12 189	11 136	11 543	165	545	-132	-165	-545	132	0	0	...
Costa Rica	1 022	1 266	1 569	-235	-419	-402	235	419	402	0	0	...
Dominican Republic	1 707	894	1 057	892	729	204	-780	-731	-204	-112	2	...
Ecuador	-115	-1 486	925	1 207	-1 859	382	-1 763	1 808	-382	556	51	...
El Salvador	952	809	1 250	453	308	442	-453	-308	-442	0	0	...
Guatemala	368	1 377	87	1 392	2 566	588	-1 392	-2 566	-588	0	0	...
Haiti	164	273	159	81	27	-198	-142	-202	...	61	175	...
Honduras	637	1 265	642	50	885	-161	-66	-884	161	16	-1	...
Mexico	23 841	14 287	25 630	-136	-4 765	4 112	136	4 765	-4 112	0	0	...
Nicaragua	933	994	-319	-57	300	-468	57	-300	468	0	0	...
Panama	5 961	3 644	2 952	1 327	-1 296	-719	-609	971	719	-718	325	...
Paraguay	-318	-479	-797	957	877	-298	-957	-877	298	0	0	...
Peru	5 407	4 043	-1 614	168	1 629	-5 198	-168	-1 629	5 198	0	0	...
Uruguay	-2 512	2 007	769	-2 189	2 449	-316	2 189	-2 449	316	0	0	...
Venezuela (Bolivarian Republic of)	-2 938	...	...	-6 808	...	...	6 808	...	...	0	...	...
The Caribbean	**4 596**	**3 759**	**...**	**-23**	**788**	**...**	**185**	**-779**	**...**	**62**	**29**	**...**
Antigua and Barbuda	13	-51	44	-26	-16	24	26	16	-24	0	0	0
Bahamas	1 250	2 485	...	92	513	...	-92	-513	...	0	0	...
Barbados	83	52	...	-123	-137	...	123	137	...	0	...	...
Belize	104	64	...	-59	-67	...	123	67	...	0	0	...
Dominica	91	-211	157	96	-10	16	0	...	...	0	0	0
Grenada	44	164	147	10	20	-12	0	...	...	10	20	-12
Guyana	-181	-119	...	-53	-45	...	2	19	...	51	25	...
Jamaica	482	1 197	...	379	484	0	-379	-468	...	0	-16	...
Saint Kitts and Nevis	147	94	20	44	8	-44	0	...	...	0	0	0
Saint Lucia	43	62	-20	-13	15	-5	13	-15	5	0	0	0
Saint Vincent and the Grenadines	142	...	...	20	...	...	-20	...	...	0	...	...
Suriname	248	23	...	78	21	...	-78	-21	...	0	0	...
Trinidad and Tobago	2 130	...	...	-467	...	...	467	...	...	0	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Estimates.
[b] Includes errors and omissions.
[c] A minus sign (-) indicates an increase in reserve assets.

Table A1.6
Latin America and the Caribbean: international trade of goods
(Indices: 2010=100)

	Exports of goods f.o.b.								
	Value			Volume			Unit value		
	2016	2017	2018[a]	2016	2017	2018[a]	2016	2017	2018[a]
Latin America	**100.8**	**118.2**	**130.0**	**123.6**	**132.1**	**137.6**	**81.6**	**89.5**	**94.5**
Argentina	84.8	85.6	90.6	89.7	89.3	87.5	94.5	95.8	103.5
Bolivia (Plurinational State of)	109.8	126.6	142.4	127.8	124.7	124.7	85.9	101.5	114.2
Brazil	91.6	107.9	118.4	115.9	124.0	129.6	79.0	87.0	91.3
Chile	85.4	97.4	108.7	110.6	108.4	114.6	77.2	89.8	94.8
Colombia	83.6	97.1	110.4	146.9	143.9	141.7	56.9	67.5	77.9
Costa Rica	134.8	144.2	152.1	126.9	134.4	139.1	106.2	107.3	109.4
Dominican Republic	144.4	148.5	160.0	109.0	108.5	113.4	132.5	136.9	141.2
Ecuador	96.1	108.2	122.9	87.6	96.7	96.1	109.7	111.9	127.9
El Salvador	124.4	134.2	138.1	119.0	127.2	128.4	104.5	105.6	107.5
Guatemala	124.0	130.0	129.4	139.9	141.1	141.3	88.6	92.2	91.6
Haiti	176.6	176.1	190.2	177.6	169.3	179.3	99.4	104.0	106.1
Honduras	126.7	138.5	139.9	149.8	157.4	160.8	84.6	88.0	87.0
Mexico	125.2	137.1	152.2	151.6	154.8	164.3	82.6	88.6	92.6
Nicaragua	138.4	152.0	144.4	136.7	147.1	141.0	101.2	103.3	102.4
Panama	92.2	98.4	110.4	94.4	98.8	108.6	97.7	99.6	101.6
Paraguay	114.4	129.3	138.3	110.9	117.6	121.7	103.1	110.0	113.7
Peru	103.6	126.5	140.8	121.1	130.8	133.6	85.5	96.7	105.4
Uruguay	129.2	134.2	134.3	130.2	143.8	134.4	99.3	93.3	99.9
Venezuela (Bolivarian Republic of)	41.0	...	...	69.5	...	...	59.0	...	...
	Imports of goods f.o.b.								
	Value			**Volume**			**Unit value**		
	2016	**2017**	**2018[a]**	**2016**	**2017**	**2018[a]**	**2016**	**2017**	**2018[a]**
Latin America	**105.2**	**119.0**	**133.1**	**108.2**	**118.9**	**127.4**	**97.3**	**100.1**	**104.5**
Argentina	98.8	118.2	116.3	112.1	128.4	122.6	88.1	92.0	94.9
Bolivia (Plurinational State of)	141.9	154.2	157.6	93.9	99.8	97.8	151.1	154.6	161.2
Brazil	76.3	83.8	100.6	85.0	89.8	101.6	89.7	93.3	98.9
Chile	100.1	111.0	127.7	118.0	124.7	135.5	84.9	89.0	94.3
Colombia	112.6	115.2	126.2	134.8	136.0	143.5	83.5	84.7	87.9
Costa Rica	131.6	137.2	144.1	124.0	127.9	129.0	106.1	107.3	111.7
Dominican Republic	114.4	116.4	130.0	94.4	88.7	93.5	121.2	131.2	139.0
Ecuador	80.7	98.3	114.0	82.0	97.3	108.2	98.5	101.1	105.4
El Salvador	119.5	126.7	141.2	115.0	126.9	134.5	103.9	99.9	104.9
Guatemala	123.1	133.6	144.3	116.6	130.9	136.1	105.6	102.1	106.0
Haiti	105.8	120.2	150.2	121.8	140.6	164.3	86.8	85.5	91.5
Honduras	118.5	127.1	137.1	114.8	128.0	130.5	103.3	99.3	105.0
Mexico	128.4	139.4	156.1	123.1	130.4	140.8	104.3	106.9	110.9
Nicaragua	141.5	146.5	133.3	124.4	134.0	115.3	113.7	109.3	115.6
Panama	120.2	129.5	137.9	124.8	138.7	142.8	96.3	93.4	96.6
Paraguay	102.0	120.1	138.2	127.5	139.0	154.3	80.0	86.4	89.6
Peru	121.9	134.3	148.7	124.3	130.0	134.5	98.1	103.4	110.6
Uruguay	98.9	101.3	108.9	117.1	117.4	119.7	84.5	86.3	91.0
Venezuela (Bolivarian Republic of)	39.2	...	...	42.1	...	...	93.1	...	...

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

Table A1.7
Latin America: terms of trade for goods f.o.b./f.o.b.
(Indices: 2010=100)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
América Latina	**88.1**	**100.0**	**110.8**	**107.5**	**104.8**	**100.0**	**86.0**	**83.9**	**89.4**	**90.4**
Argentina	97.2	100.0	110.9	115.7	108.1	106.0	101.0	107.3	104.1	109.1
Bolivia (Plurinational State of)	95.2	100.0	118.1	112.3	100.4	95.1	71.2	56.8	65.6	70.8
Brazil	86.2	100.0	107.8	101.5	99.4	96.1	85.5	88.1	93.2	92.3
Chile	82.0	100.0	101.5	94.6	91.6	89.7	87.3	91.0	100.9	100.6
Colombia	86.1	100.0	114.7	108.4	100.6	91.5	68.9	68.1	79.7	88.6
Costa Rica	100.0	100.0	100.0	100.0	100.0	100.0	100.1	100.1	100.1	97.9
Dominican Republic	102.0	100.0	98.2	98.8	96.5	96.8	107.1	109.3	104.3	101.5
Ecuador	87.1	100.0	98.4	98.2	101.6	103.6	108.7	111.3	110.7	121.4
El Salvador	91.1	100.0	122.9	123.8	120.8	120.1	107.8	100.6	105.7	102.5
Guatemala	84.6	100.0	126.6	119.6	112.5	107.4	84.2	83.9	90.3	86.4
Haiti	98.1	100.0	125.6	147.5	141.1	142.3	121.9	114.5	121.7	116.0
Honduras	80.5	100.0	141.9	123.8	110.5	108.3	84.5	81.9	88.6	82.8
Mexico	92.9	100.0	106.8	102.9	102.8	97.6	84.4	79.3	82.8	83.5
Nicaragua	84.3	100.0	135.9	138.1	123.4	120.9	100.8	89.0	94.5	88.6
Panama	92.5	100.0	117.1	119.9	116.9	114.6	105.2	101.4	106.7	105.2
Paraguay	92.4	100.0	114.3	102.5	113.3	126.4	128.5	128.9	127.3	126.9
Peru	82.7	100.0	107.0	104.6	99.1	93.8	87.8	87.2	93.5	95.3
Uruguay	100.5	100.0	102.4	106.3	108.1	112.3	114.5	117.6	108.1	109.8
Venezuela (Bolivarian Republic of)	74.9	100.0	142.8	147.1	144.2	131.8	73.6	63.3	...	...

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

Table A1.8
Latin America and the Caribbean (selected countries): remittances from emigrant workers
(Millions of dollars)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017[a]
Bolivia (Plurinational State of)	1 023	939	1 012	1 094	1 182	1 164	1 178	1 204	1 289	641[b]
Brazil	2 224	2 518	2 550	2 191	2124	2 128	2 459	2 365	2 300	1 726[c]
Colombia	4 090	3 996	4 064	3 970	4401	4 093	4 635	4 851	5 496	3 451[d]
Costa Rica	489	505	487	527	561	559	518	515	531	247[b]
Dominican Republic	...	3 683	4 008	4 045	4262	4 571	4 961	5 261	5 912	4 353[c]
Ecuador	2 736	2 591	2 672	2 467	2 450	2 462	2 378	2 602	2 840	1 482[b]
El Salvador	3 387	3 455	3 627	3 887	3944	4 139	4 275	4 581	5 043	4 039
Guatemala	3 912	4 127	4 378	4 783	5105	5 544	6 285	7 160	8 192	6 824
Honduras	2 403	2 526	2 750	2 842	3093	3 437	3 727	3 949	4 438	3 613
Jamaica	1 792	1 906	2 025	2 037	2065	2 157	2 226	2 291	2 305	938[e]
Mexico	21 306	21 304	22 803	22 438	22303	23 647	24 785	26 993	30 291	21 967[c]
Nicaragua	768	823	912	1 014	1078	1 136	1 193	1 264	1 391	1 097
Paraguay	201	274	451	528	519	422	461	547	587	332[d]
Peru	2 409	2 534	2 697	2 788	2 707	2 637	2 725	2 884	3 051	1 549[b]

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 August.
[d] Figures as of July.
[e] Figures as of May.

Table A1.9
Latin America and the Caribbean: net resource transfer[a]
(Millions of dollars)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[b]
Latin America and the Caribbean	**-22 494**	**31 506**	**45 069**	**28 129**	**28 951**	**64 859**	**14 771**	**-14 877**	**-34 401**	**...**
Latin America	**-21 519**	**34 525**	**48 398**	**31 762**	**31 700**	**64 804**	**15 376**	**-17 339**	**-36 165**	**-47 218**
Argentina	-16 227	-8 767	-15 841	-14 921	-11 864	-1 240	611	16 900	29 537	6 334
Bolivia (Plurinational State of)	-1 094	-707	923	-1 888	-1 840	-1 336	-811	-1 723	894	-1 532
Brazil	37 269	57 870	65 194	38 810	36 374	62 844	18 094	-8 297	-27 717	-11 659
Chile	-13 599	-15 522	3 006	-2 493	-486	-3 796	-1 498	-1 740	-9 406	-7 565
Colombia	-2 270	647	-1 945	1 762	5 224	11 678	13 252	6 964	2 742	314
Costa Rica	-180	589	979	3 065	1 064	226	185	-1 429	-1 675	-1 931
Cuba	...	...	...	...	...	...	...	...	...	...
Dominican Republic	1 248	2 563	2 420	933	735	-882	-1 249	-1 659	-2 593	-2 804
Ecuador	-2 264	-625	-522	-1 611	1 450	-1 286	-961	-1 404	-3 790	-1 762
El Salvador	179	-302	79	1 020	201	123	-232	-277	-639	-253
Guatemala	-762	142	313	693	989	-105	-827	-1 139	14	-1 206
Haiti	375	969	573	784	625	325	165	273	502	212
Honduras	-429	546	521	32	894	225	-145	-854	-371	-993
Mexico	-2 071	13 638	22 167	9 709	11 230	9 625	-15 462	-4 680	-13 655	-3 209
Nicaragua	873	749	980	802	967	812	996	576	604	-619
Panama	-664	1 223	2 854	1 667	2 096	4 134	171	1 684	-362	-1 448
Paraguay	-767	-1 036	-603	-1 184	-1 127	-279	-1 775	-1 792	-1 695	-1 952
Peru	-6 728	3 531	-5 495	7 602	1 079	-3 146	1 698	-3 777	-7 220	-13 914
Uruguay	929	-1 131	2 248	1 658	1 991	-428	-3 572	-5 106	-1 334	-3 231
Venezuela (Bolivarian Republic of)	-15 337	-19 853	-29 453	-14 681	-17 901	-12 691	6 736	-9 856	...	...
The Caribbean	**-974**	**-3 019**	**-3 329**	**-3 632**	**-2 749**	**55**	**-605**	**2 462**	**1 764**	**...**
Antigua and Barbuda	108	146	88	140	191	23	-66	-95	-119	-29
Bahamas	909	627	992	1 162	1 227	1 861	1 272	810	2 120	...
Barbados	242	96	150	139	-38	188	-13	-154	-191	...
Belize	15	-107	-60	-30	72	78	-24	-4	-91	...
Dominica	118	70	67	81	23	29	18	71	-222	158
Grenada	160	154	177	157	223	28	37	-7	80	27
Guyana	-51	101	341	311	568	471	236	-134	-110	...
Jamaica	430	871	1 326	400	860	1 472	430	-88	760	...
Saint Kitts and Nevis	172	142	129	52	50	-7	-35	66	29	-48
Saint Lucia	125	195	231	158	84	-54	-132	-64	-59	-144
San Vicente y las Granadinas	189	221	163	208	247	182	114	117	...	...
Suriname	-68	-720	-569	-175	-83	196	507	72	-434	...
Trinidad and Tobago	-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.

Table A1.10
Latin America and the Caribbean: net foreign direct investment[a]
(Millions of dollars)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[b]
Latin America and the Caribbean	**73 264**	**114 099**	**147 254**	**150 155**	**146 512**	**143 912**	**136 673**	**130 710**	**135 935**	**...**
Latin America	**70 266**	**111 599**	**145 396**	**149 573**	**145 660**	**141 944**	**134 731**	**129 224**	**134 325**	**...**
Argentina	3 306	10 368	9 352	14 269	8 932	3 145	10 884	1 474	10 361	...
Bolivia (Plurinational State of)	426	672	859	1 060	1 750	690	556	246	632	...
Brazil	36 033	61 689	85 091	81 399	54 744	71 140	61 200	64 978	64 417	...
Chile	6 622	6 559	3 898	9 736	10 937	10 936	5 026	4 909	1 595	...
Colombia	4 530	947	6 227	15 646	8 557	12 268	7 505	9 333	10 324	...
Costa Rica	1 340	1 589	2 328	1 803	2 401	2 818	2 541	2 127	2 583	...
Dominican Republic	2 165	2 024	2 277	3 142	1 991	2 209	2 205	2 407	3 570	...
Ecuador	309	166	644	567	727	772	1 322	767	618	...
El Salvador	366	-226	218	466	179	306	396	348	792	...
Guatemala	574	782	1 009	1 205	1 262	1 282	1 104	1 068	1 001	...
Haiti	55	178	119	156	162	99	106	105	375	...
Honduras	505	971	1 012	851	992	1 315	952	900	1 013	...
Mexico	8 323	12 961	12 081	-948	34 125	24 185	24 581	29 312	26 947	...
Nicaragua	463	475	929	704	665	790	905	835	816	...
Panama	1 259	2 363	2 956	3 254	3 612	4 130	3 966	4 652	4 631	...
Paraguay	71	462	581	697	245	412	308	371	456	...
Peru	6 020	8 189	7 194	11 710	9 663	3 640	8 144	6 560	6 507	...
Uruguay	1 512	2 349	2 511	2 175	2 789	2 512	827	-1 117	-2 207	...
Venezuela (Bolivarian Republic of)	-3 613	-918	6 110	1 679	1 928	-704	2 204	...	...	...
The Caribbean	**2 997**	**2 500**	**1 859**	**582**	**852**	**1 968**	**1 942**	**1 486**	**1 610**	**...**
Antigua and Barbuda	81	97	65	133	95	42	94	67	98	106
Bahamas	664	872	667	526	382	168	70	74	62	...
Barbados	352	329	83	565	-62	...	...	...	...	...
Belize	108	95	95	193	92	138	59	31	25	...
Dominica	42	43	35	59	23	14	23	32	-3	-38
Grenada	103	60	43	31	113	58	89	91	105	114
Guyana	164	198	247	278	201	238	117	6	141	...
Jamaica	480	169	144	411	631	584	921	564	857	...
Saint Kitts and Nevis	131	116	110	108	136	158	132	89	51	85
Saint Lucia	146	121	81	74	92	53	86	117	118	115
San Vicente y las Granadinas	110	97	86	115	160	108	48	90	...	...
Suriname	-93	-248	218	169	187	-283	101	173	154	...
Trinidad and Tobago	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.
[b] Preliminary figures.

Table A1.11
Latin America and the Caribbean: gross external debt
(Millions of dollars, end-of-period stocks)

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America and the Caribbean[b c]		**921 798**	**1 112 505**	**1 243 927**	**1 380 244**	**1 512 936**	**1 688 548**	**1 699 430**	**1 770 775**	**1 873 209**	**1 898 727**
Latin America[c]		**906 939**	**1 095 210**	**1 225 537**	**1 361 850**	**1 493 263**	**1 667 794**	**1 676 830**	**1 746 320**	**1 847 434**	**1 873 295**
Argentina	Total	149 359	144 653	156 300	156 478	155 489	158 742	167 412	181 170	234 549	261 483
Bolivia (Plurinational State of)	Total	5 801	6 050	6 553	6 954	8 078	8 842	9 796	10 703	12 687	12 799
Brazil	Total	333 607	452 780	516 030	570 831	621 439	712 655	665 101	676 647	667 103	648 996
Chile	Total	72 617	86 570	100 973	122 668	136 351	152 135	160 904	166 974	181 513	180 447
Colombia	Total	53 779	64 792	75 622	78 784	92 073	101 404	111 927	120 414	124 481	126 249
Costa Rica	Total	8 276	9 527	11 286	15 381	19 629	21 671	24 030	25 470	27 142	28 644
Dominican Republic	Public	9 375	11 057	12 761	13 888	16 132	17 280	16 928	18 170	19 124	21 655
Ecuador	Total	13 514	13 914	15 210	15 913	18 744	24 115	27 813	34 181	39 994	42 961
El Salvador	Total	11 307	11 399	11 858	13 353	14 035	14 800	15 217	16 376	16 006	16 309
Guatemala	Total	11 248	12 026	14 021	15 339	17 826	20 031	20 885	21 651	23 178	22 515
Haiti	Public	1 278	353	727	1 126	1 503	1 875	1 993	2 019	2 107	2 134
Honduras	Total	3 365	3 785	4 208	4 861	6 709	7 184	7 456	7 499	8 600	8 638
Mexico	Total	160 427	194 766	210 713	226 492	259 977	286 624	298 398	316 177	335 406	342 585
Nicaragua	Public	6 533	7 286	8 126	8 957	9 677	10 132	10 543	11 025	11 515	11 728
Panama	Public	10 150	10 439	10 858	10 782	12 231	14 352	15 648	16 689	18 390	19 629
Paraguay	Total	3 177	3 713	3 970	4 563	4 780	5 839	6 197	6 540	7 585	8 064
Peru	Total	35 157	43 674	47 977	59 376	60 823	69 215	73 274	74 645	76 894	75 267
Uruguay	Total	17 969	18 425	18 345	36 104	37 767	40 898	43 311	39 970	41 160	43 191
Venezuela (Bolivarian Republic of)	Total	84 602	102 354	118 285	130 785	132 362	135 767	138 869	...	...	...
The Caribbean	**Public**	**14 859**	**17 295**	**18 389**	**18 394**	**19 673**	**20 753**	**22 600**	**24 456**	**25 775**	**25 433**
Antigua and Barbuda	Public	416	432	467	445	577	560	573	562	565	575
Bahamas	Public	767	916	1 045	1 465	1 616	2 095	2 176	2 373	3 234	3 232
Barbados	Public	1 321	1 366	1 385	1 322	1 434	1 563	1 553	1 535	1 502	1 447
Belize	Public	1 017	1 021	1 032	1 029	1 083	1 127	1 177	1 203	1 256	1 267
Dominica	Public	222	232	238	263	275	287	285	270	271	261
Grenada	Public	512	528	535	535	618	634	613	602	535	543
Guyana	Public	933	1 043	1 206	1 358	1 246	1 216	1 143	1 162	1 241	1 250
Jamaica	Public	6 594	8 390	8 626	8 256	8 310	8 659	10 314	10 244	10 103	9 970
Saint Kitts and Nevis	Public	325	296	320	317	320	284	214	195	157	162
Saint Lucia	Public	373	393	417	435	488	526	509	529	610	607
San Vicente y las Granadinas	Public	262	313	328	329	354	387	399	455	424	444
Suriname	Public	269	334	601	707	878	942	1 156	1 870	2 046	2 012
Trinidad and Tobago	Public	1 849	2 032	2 191	1 934	2 474	2 473	2 489	3 454	3 831	3 662

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 A1.12

Latin America and the Caribbean: sovereign spreads on EMBI+ and EMBI global

(Basis points to end of period)

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America and the Caribbean	**EMBI+**	**328**	**305**	**410**	**317**	**410**	**491**	**584**	**483**	**466**	**550**
Argentina	EMBI+	660	496	925	991	808	719	438	455	351	652
Belize	EMBI Global	...	617	1 391	2 245	807	819	822	1 837	771	785
Bolivia (Plurinational State of)	EMBI Global	...	...	...	...	289	277	250	83	203	275
Brazil	EMBI+	192	189	223	142	224	259	523	328	240	260
Chile	EMBI Global	95	115	172	116	148	169	253	158	117	140
Colombia	EMBI+	196	172	195	112	166	196	321	227	174	189
Dominican Republic	EMBI Global	...	322	597	343	349	381	421	407	275	326
Ecuador	EMBI Global	769	913	846	826	530	883	1 266	647	459	722
El Salvador	EMBI Global	...	302	478	396	389	414	634	536	383	504
Jamaica	EMBI Global	...	427	637	711	641	485	469	375	304	283
Mexico	EMBI+	164	149	187	126	155	182	232	232	189	211
Panama	EMBI+	171	162	201	129	199	189	218	186	112	141
Paraguay	EMBI Global	...	...	...	...	240	291	338	281	200	231
Peru	EMBI+	165	163	216	114	159	181	246	175	111	126
Uruguay	EMBI Global	238	188	213	127	194	208	280	244	146	185
Venezuela (Bolivarian Republic of)	EMBI+	1 017	1 044	1 197	773	1 093	2 295	2 658	2 138	5 780	5 884

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 A1.13

Latin America and the Caribbean: sovereign risk premiums on five-year credit default swaps

(Basis points to end of period)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Argentina	914	602	922	1 442	1 654	2 987	5 393	419	232	660
Brazil	123	111	162	108	194	201	495	281	162	210
Chile	68	84	132	72	80	94	129	83	49	57
Colombia	143	113	156	96	119	141	243	164	105	141
Mexico	134	114	154	98	92	103	170	156	106	150
Panama	134	99	150	98	111	109	182	127	67	78
Peru	124	113	172	97	133	115	188	108	72	91
Venezuela (Bolivarian Republic of)	1 104	1 016	928	647	1 150	3 155	4 868	3 750	15 047	8 569

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

[a] Figures as of November.

Table A1.14

Latin America and the Caribbean: international bond issues[a]

(Millions of dollars)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[b]
Total	**64 750**	**90 183**	**91 687**	**114 241**	**123 332**	**133 056**	**78 606**	**129 364**	**144 202**	**85 256**
National issues	**63 250**	**88 657**	**90 272**	**111 757**	**121 518**	**129 743**	**75 436**	**124 528**	**140 355**	**80 880**
Argentina	500	3 146	2 449	663	1 025	1 941	3 586	33 783	27 676	13 117
Bahamas	300	-	-	-	-	300	-	-	750	-
Barbados	450	390	-	-	-	2 500	320	-	-	-
Bolivia (Plurinational State of)	-	-	-	500	500	-	-	-	1 000	-
Brazil	25 745	39 305	38 369	50 255	37 262	45 364	7 188	20 481	32 066	15 929
Chile	2 773	6 750	6 049	9 443	11 540	13 768	7 650	5 336	14 449	8 457
Colombia	5 450	1 912	6 411	7 459	10 012	9 200	6 400	4 061	7 842	5 786
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	3 118
Ecuador	-	-	-	-	-	2 000	1 500	2 750	5 800	3 000
El Salvador	800	450	654	800	310	800	300	-	951	-
Guatemala	-	-	150	1 400	1 300	1 100	-	700	1 330	-
Honduras	-	20	-	-	1 000	-	-	-	850	-
Jamaica	750	1 075	694	1 750	1 800	1 800	2 925	364	869	-
Mexico	16 659	26 882	22 276	28 147	41 729	37 592	30 075	41 539	29 222	23 879
Panama	1 323	-	897	1 100	1 350	1 935	1 700	2 200	3 321	1 975
Paraguay	-	-	100	500	500	1 000	280	600	500	530
Peru	2 150	4 693	2 155	7 240	5 840	5 944	6 407	1 960	9 062	2 813
Suriname	-	-	-	-	-	-	-	636	-	-
Trinidad and Tobago	850	-	175	-	550	-	-	1 600	-	525
Uruguay	500	-	1 693	500	2 000	2 000	2 605	1 147	2 350	1 750
Venezuela (Bolivarian Republic of)	5 000	3 000	7 200	-	-	-	-	5 000	-	-
Supranational issues	**1 500**	**1 526**	**1 415**	**2 484**	**1 814**	**3 313**	**3 171**	**4 837**	**3 847**	**4 376**
Central American Bank for Economic Integration (CABEI)	500	151	-	250	520	505	521	887	382	672
Caribbean Development Bank (CDB)	-	-	175	-	-	-	-	-	-	-
Foreign Trade Bank of Latin America (BLADEX)	-	-	-	400	-	-	-	73	-	-
Development Bank of Latin America (CAF)	1 000	1 375	1 240	1 834	1 294	2 808	2 650	3 376	3 465	3 703
Inter-American Investment Corporation	-	-	-	-	-	-	-	500	-	-

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

[a] Includes sovereign, bank and corporate bonds.

[b] Figures as of October.

Table A1.15

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	150	228	160	185	349	556	757	1 096	1 948	2 040
Brazil	205	207	170	182	154	149	130	180	228	268
Chile	182	251	213	219	188	196	187	211	283	260
Colombia	122	163	133	155	137	122	90	106	121	122
Costa Rica	42	37	43	45	78	88	80	114	116	92
Ecuador	107	126	128	135	148	168	161	150	185	203
Jamaica	80	82	91	88	77	73	144	184	276	375
Mexico	180	217	208	246	240	242	241	256	277	234
Peru	295	487	406	430	328	308	205	324	416	399
Trinidad and Tobago	72	78	95	100	111	108	109	113	119	120
Venezuela (Bolivarian Republic of)	275	325	585	2 355	13 685	19 295	72 940	158 525	6 315 700	4 090 900 000

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

[a] Figures as of November.

Table A1.16
Latin America and the Caribbean: gross international reserves
(Millions of dollars, end-of-period stocks)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America and the Caribbean	**566 282**	**656 118**	**771 019**	**834 207**	**829 112**	**857 144**	**811 729**	**830 956**	**859 326**	**857 344**
Latin America	**552 275**	**640 130**	**753 915**	**818 328**	**812 889**	**838 882**	**794 866**	**814 069**	**842 692**	**841 896**
Argentina	47 967	52 145	46 376	43 290	30 599	31 443	25 563	38 772	55 055	52 988
Bolivia (Plurinational State of)	8 580	9 730	12 019	13 927	14 430	15 123	13 056	10 081	10 261	8 506[b]
Brazil	238 520	288 575	352 012	373 147	358 808	363 551	356 464	365 016	373 972	381 168
Chile	24 946	26 977	39 210	39 954	40 002	39 957	38 459	39 883	38 708	37 395[b]
Colombia	25 365	28 464	32 303	37 474	43 639	47 328	46 740	46 683	47 637	47 506[b]
Costa Rica	4 066	4 627	4 756	6 857	7 331	7 211	7 834	7 574	7 150	6 748
Dominican Republic	3 307	3 765	4 098	3 559	4 701	4 862	5 266	6 047	6 781	6 985[b]
Ecuador[c]	3 792	2 622	2 958	2 483	4 361	3 949	2 496	4 259	2 451	2 833
El Salvador	2 985	2 882	2 503	3 175	2 745	2 693	2 787	3 238	3 567	4 009[b]
Guatemala[c]	5 213	5 954	6 188	6 694	7 273	7 333	7 751	9 160	11 770	12 357[b]
Haiti	733	1 284	1 344	1 337	1 690	1 163	977	1 105	1 258	1 199[d]
Honduras	2 174	2 775	2 880	2 629	3 113	3 570	3 874	4 100	5 012	4 850[e]
Mexico	99 893	120 587	149 209	167 050	180 200	195 682	177 597	178 025	175 450	179 562
Nicaragua	1 490	1 708	1 793	1 778	1 874	2 147	2 353	2 296	2 593	2 125[e]
Panama	3 222	2 561	2 234	2 441	2 775	3 994	3 911	4 511	3 531	2 812[f]
Paraguay	3 861	4 168	4 984	4 994	5 871	6 891	6 200	7 144	8 146	7 847[b]
Peru	33 175	44 150	48 859	64 049	65 710	62 353	61 537	61 746	63 731	58 533[b]
Uruguay	7 987	7 656	10 302	13 605	16 290	17 555	15 634	13 436	15 959	15 643
Venezuela (Bolivarian Republic of)	35 000	29 500	29 889	29 887	21 478	22 077	16 367	10 992	9 662	8 829
The Caribbean	**14 007**	**15 988**	**17 104**	**15 879**	**16 223**	**18 262**	**16 863**	**16 887**	**16 634**	**15 448**
Antigua and Barbuda[c]	108	136	147	161	202	297	356	330	314	339[g]
Bahamas	816	861	892	812	740	787	808	902	1 408	1 440[f]
Barbados	563	575	587	630	516	467	434	315	197	217[h]
Belize	210	216	242	289	402	483	432	371	306	284[b]
Dominica[c]	64	66	75	92	85	100	125	221	211	226[g]
Grenada[c]	112	103	106	104	135	158	189	201	195	193[g]
Guyana	628	780	798	862	777	666	599	616	584	453[e]
Jamaica	1 752	2 979	2 820	1 981	1 818	2 473	2 914	3 291	3 781	3 460[b]
Saint Kitts and Nevis[c]	123	157	233	252	291	318	280	313	357	356[g]
Saint Lucia[c]	151	184	192	208	168	235	298	289	307	295[g]
Saint Vincent and the Grenadines[c]	75	111	88	109	133	156	165	191	180	174[g]
Suriname	659	639	941	1 008	779	625	330	381	424	547[b]
Trinidad and Tobago[c]	8 746	9 181	9 983	9 371	10 176	11 497	9 933	9 466	8 370	7 465[e]

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
[a] Latest data available to November.
[b] Data to October.
[c] Net international reserves.
[d] Figures as of February.
[e] Figures as of September.
[f] Figures as of August.
[g] Figures as of June.
[h] Figures as of July.

Table A1.17

Latin America and the Caribbean: real effective exchange rates[a b]

(Indices: 2005=100, average values for the period)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[c d]
Latin America and the Caribbean	**90.8**	**86.1**	**84.4**	**82.8**	**82.6**	**83.5**	**84.4**	**85.4**	**83.9**	**86.1**
Barbados	93.1	89.2	90.3	89.3	89.3	87.9	84.4	82.9	80.7	80.0
Bolivia (Plurinational State of)	85.5	89.7	89.8	87.0	81.5	74.9	65.6	62.6	64.9	62.1
Brazil	82.3	71.9	69.2	77.6	83.0	85.4	106.1	101.9	94.8	103.9
Chile	101.6	96.2	95.3	94.0	95.2	105.4	109.4	108.4	105.2	101.9
Colombia	91.8	79.2	79.5	76.5	80.1	84.5	104.3	108.7	106.5	100.7
Costa Rica	92.8	82.4	79.7	76.6	74.1	77.4	73.5	75.0	79.4	79.5
Dominican Republic	110.5	108.6	110.3	112.2	115.8	118.9	115.8	117.3	123.9	124.4
Dominica	107.6	105.8	109.3	108.7	110.5	111.6	110.4	109.9	111.1	113.1
Ecuador	100.7	99.4	102.1	98.1	96.5	93.3	85.1	83.8	87.8	88.8
El Salvador	99.6	101.1	102.4	103.1	104.0	104.6	103.7	104.0	107.6	106.9
Guatemala	94.4	93.5	89.5	88.3	87.2	83.3	77.9	73.5	69.9	70.0
Honduras	87.1	86.1	85.4	83.8	84.8	82.8	82.6	84.1	86.0	85.7
Jamaica	110.7	97.6	96.2	95.2	99.8	106.0	104.9	115.4	129.2	115.4
Mexico	117.9	109.0	109.1	112.6	106.8	108.0	122.2	140.8	138.0	136.5
Nicaragua	103.4	99.8	105.9	103.8	100.4	105.6	100.9	104.1	115.0	110.1
Panama	103.5	102.7	103.9	94.4	92.2	89.0	85.5	84.6	86.3	87.9
Paraguay	81.6	80.0	71.7	73.0	68.3	66.0	67.1	69.7	71.8	68.1
Peru	97.8	94.4	96.6	90.1	90.5	93.1	94.9	96.4	93.6	94.9
Trinidad and Tobago	82.5	78.8	79.4	73.7	70.7	67.1	61.2	62.0	64.1	65.2
Uruguay	91.3	79.7	77.9	76.3	70.7	74.3	74.1	74.8	73.0	68.7

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

[a] 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] A currency depreciates in real effective terms when this index rises and appreciates when it falls.

[c] Preliminary figures.

[d] Figures as of September.

Table A1.18

Latin America and the Caribbean: participation rate[a]

(Average annual rates)

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2017	2018
											January–September	
Latin America and the Caribbean[b]		**62.5**	**62.3**	**62.2**	**62.2**	**62.1**	**61.9**	**61.9**	**62.0**	**62.1**	…	…
Argentina[c]	Urban areas	59.3	58.9	59.5	59.3	58.9	58.3	57.7[d]	57.5[e]	57.8	57.3	58.4[f]
Bahamas	Nationwide total	73.4	…	72.3	74.6	73.2	73.7	74.3	77.1	80.5	80.0	82.5[g]
Barbados	Nationwide total	67.0	66.6	67.6	66.2	66.7	63.9	65.1	66.5	65.3	65.4	64.2[f]
Belice	Nationwide total	…	…	…	65.8	64.0	63.6	63.2	64.0	64.1	64.3	65.5[h]
Bolivia (Plurinational State of)	Nationwide total	65.1	…	65.8	61.2	63.4	65.9	61.0	65.6	62.4	…	…
Brazil[i]	Nationwide total[j]	56.7	57.1	57.1	61.4	61.3	61.0	61.3	61.4	61.7	61.7	61.6
Chile[k]	Nationwide total	55.9	58.5	59.8	59.5	59.6	59.8	59.7	59.5	59.7	59.6	59.7
Colombia	Nationwide total	61.3	62.7	63.7	64.5	64.2	64.2	64.7	64.5	64.4	64.2	63.8
Costa Rica[i]	Nationwide total	60.4	59.1	60.7	62.5	62.2	62.6	61.2	58.4	58.8	59.4	59.9
Cuba	Nationwide total	75.4	74.9	76.1	74.2	72.9	71.9	67.1	65.2	63.4	…	…
Dominican Republic[l]	Nationwide total	61.4	62.6	63.8	64.7	64.2	64.8	61.8	62.3	62.2	62.2	63.4
Ecuador[k]	Nationwide total[m]	66.3	63.7	62.5	63.0	62.9	63.2	66.2	68.2	68.8	68.8	67.5
El Salvador	Nationwide total	62.8	62.5	62.7	63.2	63.6	62.8	62.1	62.2	61.9	…	…
Guatemala	Nationwide total	…	…	61.8	65.4	60.6	60.9	60.7	60.8	61.0	60.0	60.2[n]
Honduras	Nationwide total	53.1	53.6	51.9	50.8	53.7	56.0	58.3	57.5	59.0	59.0	60.4[o]
Jamaica	Nationwide total	63.5	62.4	62.3	61.9	63.0	62.8	63.1	64.8	65.1	65.3	64.1
Mexico	Nationwide total	58.6	58.4	58.6	59.2	60.3	59.8	59.8	59.7	59.3	59.3	59.5
Nicaragua	Nationwide total	66.6	71.2	75.6	76.8	75.8	74.0	72.4	73.6	73.5	…	…
Panama	Nationwide total	64.1	63.5	61.9	63.4	64.1	64.0	64.2	64.4	64.0	64.0	65.4[p]
Paraguay[q]	Nationwide total	63.1	60.8	61.1	64.4	63.3	62.3	62.1	62.6	71.0	70.7	71.6[f]
Peru	Nationwide total	74.0	74.1	73.9	73.6	73.2	72.3	71.6	72.2	72.4	72.5	72.2
Trinidad and Tobago	Nationwide total	62.7	62.1	61.3	61.8	61.3	61.9	60.6	59.7	59.2	…	…
Uruguay	Nationwide total	63.4	62.9	64.8	64.0	63.6	64.7	63.8	63.4	62.9	62.9	62.2
Venezuela (Bolivarian Republic of)	Nationwide total	65.1	65.1	64.4	64.4	64.3	65.1	63.7	64.0	…	…	…

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

[a] Employed or unemployed population as a percentage of the working-age population.

[b] The regional series are weighted averages of national data (excluding Belize) 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 figure correspond to the average from the first to the third quarter.

[e] The figure correspond to the average from second to fourth quarter.

[f] The figures in the last two columns correspond to the average for the first and second quarters.

[g] The figures in the last two columns correspond to the mesurement for May.

[h] The figures in the last two columns correspond to the mesurement for April.

[i] New measurements have been used since 2012; the data are not comparable with the previous series.

[j] Up to 2011, the figures correspond to six metropolitan areas.

[k] New measurements have been used since 2010; the data are not comparable with the previous series.

[l] New measurements have been used since 2017, the data are not comparable with the previous series.

[m] New measurements have been used since 2015; the data are not comparable with the previous series.

[n] Up to 2009, urban areas.

[o] The figures in the last two columns correspond to the measurements for May and June, and for June, respectively.

[p] The figures in the last two columns correspond to the measurements for June, and for July and August, respectively.

[q] The figures in the last two columns correspond to the measurement for August.

Table A1.19

Latin America and the Caribbean: open urban unemployment[a]

(Average annual rates)

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[b]
Latin America and the Caribbean[c]		**9.1**	**8.4**	**7.7**	**7.3**	**7.1**	**6.9**	**7.3**	**8.9**	**9.3**	**9.3**
Argentina[d]	Urban areas	8.7	7.7	7.2	7.2	7.1	7.3	6.5[e]	8.5[f]	8.4	9.4[g]
Bahamas[h]	Nationwide total	14.2	…	15.9	14.4	15.8	14.8	13.4	12.2	10.0	10.0[i]
Barbados[h]	Nationwide total	10.0	10.8	11.2	11.6	11.6	12.3	11.3	9.7	10.0	9.0[g]
Belize[h]	Nationwide total	13.1	12.5	…	15.3	13.2	11.6	10.1	9.5	9.3	9.4[j]
Bolivia (Plurinational State of)	Nationwide total	6.8	…	3.8	3.2	4.0	3.5	4.4	4.9	4.6	…
Brazil[k]	Twenty metropolitan regions[l]	8.1	6.7	6.0 |	8.2	8.0	7.8	9.3	13.0	14.5	14.2
Chile[m]	Nationwide total	11.3 |	8.5	7.4	6.7	6.2	6.7	6.4	6.8	6.9	7.2
Colombia[h]	Municipal capitals	13.2	12.7	11.8	11.4	10.7	10.0	9.8	10.3	10.5	10.7
Colombia[n]	Municipal capitals	12.4	12.0	11.1	10.8	10.0	9.4	9.2	9.7	9.9	10.1
Costa Rica[k]	Nationwide total	8.5	7.1	7.7 |	9.8	9.1	9.5	9.7	9.6	9.0	9.7[o]
Cuba	Nationwide total	1.7	2.5	3.2	3.5	3.3	2.7	2.5	2.0	1.7	…
Dominican Republic[p]	Urban total	5.8	5.7	6.7	7.2	7.9	7.2 |	7.9	7.9	6.1	6.0[o]
Ecuador[h]	Nationwide total	8.5	7.6	6.0	4.9	4.7	5.1	5.4	6.8	5.6	5.3
Ecuador[n]	Urban total	6.9	6.1	5.0	4.2	4.0	4.3	4.7	5.9	5.0	4.8
El Salvador	Urban total	7.1	6.8	6.6	6.2	5.6	6.7	6.5	6.9	6.8	…
Guatemala	Urban total	…	…	3.1	4.0	3.8	4.0	3.2	3.4	3.2	3.9[q]
Honduras	Urban total	4.9	6.4	6.8	5.6	6.0	7.5	8.8	9.0	8.2	8.0
Jamaica[h]	Nationwide total	11.4 |	12.4	12.6	13.9	15.2	13.7	13.5	13.2	11.7	9.2[e]
Jamaica[n]	Nationwide total	7.5 |	8.0	8.4	9.3	10.3	9.5	9.8	9.0	7.7	5.7[e]
Mexico	Urban total	5.9	5.9	5.6	5.4	5.4	5.3	4.7	4.3	3.8	3.6
Nicaragua	Urban total	10.2	10.5	8.1	8.7	7.7	8.5	7.7	6.3	5.2	…
Panama[h]	Urban total	7.9	7.7	5.4	4.8	4.7	5.4	5.8	6.4	6.9	7.1[r]
Panama[n]	Urban total	6.3	5.8	3.6	3.6	3.7	4.1	4.5	5.2	5.5	5.8[r]
Paraguay	Urban total[s]	8.2 |	7.4	6.9	7.9	7.7	7.8	6.5	7.7 |	6.9	7.4[g]
Peru	Urban total	5.9	5.3	5.1	4.7	4.8	4.5	4.4	5.2	5.0	5.2
Trinidad and Tobago[h]	Nationwide total	5.3	5.9	5.1	5.0	3.6	3.3	3.5	4.0	4.8	…
Uruguay	Urban total	8.2	7.5	6.6	6.7	6.7	6.9	7.8	8.2	8.3	8.6
Venezuela (Bolivarian Republic of)[h]	Nationwide total	7.9	8.7	8.3	8.1	7.8	7.2	7.0	7.3	…	…

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 correspond to the average from the first to the third quarter.

f The figure correspond to the average to the second and the fourth quarter.

g Figures as of first semester.

h Includes hidden unemployement.

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, 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 January–September average.

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

q Figures as of June.

r Figures as of August.

s Between 2010 and 2016, the data refer to Asunción and urban areas of the Central Department.

Table A1.20

Latin America and the Caribbean: employment rate[a]

(Average annual rates)

		2009	2010	2011	2012	2013	2014	2015	2016	2017[b]	2017	2018
											January–September	
Latin America and the Caribbean[b]		**57.7**	**57.7**	**57.9**	**58.2**	**58.1**	**58.1**	**57.8**	**57.1**	**57.0**	**...**	**...**
Argentina[c]	Urban areas	54.2	54.4	55.2	55.0	54.7	54.0	53.9[d]	52.6[e]	52.9	52.2	53.0[f]
Bahamas	Nationwide total	63.0	…	60.6	64.1	61.6	62.8	64.3	67.7	72.5	71.1	74.3[g]
Barbados	Nationwide total	60.3	59.4	60.0	58.5	58.9	56.0	57.7	60.0	58.5	58.6	58.5[f]
Belize	Nationwide total	…	…	…	55.7	55.7	56.3	56.8	57.9	58.1	58.4	59.0[h]
Bolivia (Plurinational State of)	Nationwide total	63.0	…	64.2	59.7	61.5	64.3	58.9	63.4	60.2	…	…
Brazil[i]	Nationwide total[j]	52.1	53.2	53.7 |	56.9	56.9	56.8	56.1	54.3	53.8	53.6	53.9
Chile[k]	Nationwide total	50.5 |	53.7	55.5	55.7	56.0	56.0	56.0	55.6	55.7	55.5	55.5
Colombia	Nationwide total	53.9	55.4	56.8	57.9	58.0	58.4	59.0	58.5	58.4	58.0	57.5
Costa Rica[i]	Nationwide total	55.4	54.8	56.0 |	56.2	56.4	56.6	55.4	52.8	53.5	54.1	54.1
Cuba	Nationwide total	74.2	73.0	73.6	71.6	70.5	70.0	65.4	63.8	62.4	…	…
Dominican Republic[l]	Nationwide total	52.3	53.6	54.5	55.2	54.6	55.4 |	57.3	57.9	58.7	58.7	59.9
Ecuador[k]	Nationwide total[m]	60.7 |	60.1	59.6	60.4	60.3	60.4	63.3	64.6	65.5	65.9	64.7
El Salvador	Nationwide total	59.2	58.1	58.6	59.4	59.9	58.4	57.8	57.9	57.6	…	…
Guatemala	Nationwide total	...	...	59.2	63.5	58.7	59.1	59.2	59.2	59.4	58.6	58.6[n]
Honduras	Nationwide total	51.5	51.5	49.7	48.9	51.6	53.1	54.0	53.2	55.1	55.1	57.0[o]
Jamaica	Nationwide total	56.3 |	54.6	54.4	53.3	53.4	54.2	54.6	56.2	57.5	57.4	58.2
Mexico	Nationwide total	55.4	55.3	55.5	56.3	56.2	56.9	57.2	57.4	57.3	57.3	57.5
Nicaragua	Nationwide total	61.3	65.6	71.2	72.3	71.5	69.1	68.1	70.2	70.8	…	…
Panama	Nationwide total	59.9	59.4	59.1	60.8	61.5	60.9	60.9	60.8	60.1	60.1	61.5[p]
Paraguay[q]	Nationwide total	59.1	57.3	57.7	61.5	60.1	58.6	58.7	58.9 |	66.7	65.9	66.8[f]
Peru	Nationwide total	70.7	71.1	70.9	70.8	70.3	69.6	68.9	69.2	69.5	69.0	68.9
Trinidad and Tobago	Nationwide total	59.4	58.4	58.2	58.8	59.1	59.9	58.5	57.4	56.3	…	…
Uruguay	Nationwide total	58.5	58.4	60.7	59.9	59.5	60.4	59.0	58.4	57.9	57.8	56.9
Venezuela (Bolivarian Republic of)	Nationwide total	60.0	59.0	59.0	58.7	59.3	60.4	59.2	59.3	…	…	…

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 The regional series are weighted averages of national data (excluding Belize) and include adjustment 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 figure corresponds to the average from the first to the third quarter.

e The figure corresponds to the average from the second to fourth quarter.

f The figures in the last two columns correspond to the average for the first and second quarters.

g The figures in the last two columns correspond to the measurement for May.

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

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

j Up to 2011, six metropolitan areas.

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

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

m Up to 2009, urban total.

n The figures in the last two columns correspond to the mesurements for May and June, and for June, respectively.

o The figures in the last two columns correspond to the mesurements for June, and for July and August, respectively.

p The figures in the last two columns correspond to the measurement for August.

q New measurements have been used since 2017; the data are not comparable with the previous series.

Table A1.21
Latin America: real average wages[a]
(Index: 2010=100)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[b]
Bolivia (Plurinational State of)[c]	96.5	100.0	98.2	99.3	100.3	101.8	107.7	109.5	111.5[d]	…
Brazil[e]	98.5	100.0	101.4	104.9	107.4	108.4	108.9	107.6	110.2	110.6
Chile[f]	97.9	100.0	102.5	105.8	109.9	111.9	113.9	115.4	118.2	120.5
Colombia[g]	97.3	100.0	100.3	101.3	104.0	104.5	105.7	103.4	106.8	108.0
Costa Rica[h]	97.9	100.0	105.7	107.1	108.5	110.7	115.2	119.7	121.2	123.7[i]
Cuba	99.7	100.0	100.2	100.7	101.2	124.0	143.2	154.9	162.2	…
El Salvador[h]	98.9	100.0	97.1	97.3	97.8	98.5	100.9	102.3	106.0	108.7[i]
Guatemala[h]	97.2	100.0	100.4	104.4	104.3	106.8	110.4	108.2	107.2	…
Mexico[h]	100.5	100.0	101.1	101.2	101.3	101.7	103.2	104.1	102.9	103.9
Nicaragua[h]	98.8	100.0	100.1	100.5	100.7	102.4	105.1	107.5	109.1	114.4
Panama	93.3	100.0	100.1	103.5	103.8	109.5	113.1	118.0	121.0	127.2[d]
Paraguay	99.4	100.0	102.8	103.5	105.7	107.0	107.5	108.2	108.5	109.5[j]
Peru[k]	103.1	100.0	108.4	111.0	114.7	117.9	117.5	122.2	121.7	126.7
Uruguay	96.8	100.0	104.0	108.4	111.7	115.4	117.3	119.1	122.6	122.7
Venezuela (Bolivarian Republic of)	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] The figure corresponds to the average for the first semester.
[e] Private sector workers covered by social and labour legislation.
[f] General index of hourly remuneration.
[g] Manufacturing.
[h] Average wage declared by workers registered with and paying into social security.
[i] Interannual variation of the period from January to July.
[j] Estimate based on interannual growth of average for January–June.
[k] Average income in the formal sector. Between 2011 and 2015, wages of employed workers in Lima metropolitan area. Until 2010, formal private sector workers in Lima metropolitan area.

Table A1.22
Latin America and the Caribbean: monetary indicators
(Percentage variation of the average balances with respect to the year-earlier period)

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America and the Caribbean											
Argentina	Monetary base	5.4	25.1	37.1	34.9	30.2	19.7	33.2	27.9	31.0	32.9
	Money (M1)	13.0	24.1	32.4	33.3	29.5	26.1	31.6	20.2	29.4	26.0[b]
	M2	5.9	27.6	36.9	32.4	30.9	23.1	33.2	23.9	28.0	36.1[b]
	Foreign-currency deposits	61.6	35.9	8.7	-22.6	-6.1	51.7	38.5	172.5	96.1	67.0[b]
Bolivia (Plurinational State of)	Monetary base	19.6	32.4	11.6	18.2	10.8	9.5	19.2	3.9	0.1	11.5[c]
	Money (M1)	9.4	24.1	27.2	18.3	13.5	15.4	9.4	9.6	2.0	7.6[c]
	M2	18.4	34.6	34.0	31.3	22.6	18.8	18.4	12.5	7.7	12.5[c]
	Foreign-currency deposits	20.4	4.7	-12.8	-5.0	-4.1	-3.4	3.7	-1.0	-2.7	-3.8[c]
Brazil	Monetary base	8.0	17.5	11.0	9.4	5.5	7.2	3.0	3.2	6.2	6.2[b]
	Money (M1)	7.5	17.5	6.5	6.2	11.1	5.1	-1.1	0.2	4.4	8.2[b]
	M2	21.7	9.9	14.3	6.6	3.7	4.6	-0.9	3.7	12.2	12.1[b]
Chile	Monetary base	15.0	13.8	14.8	13.7	16.3	5.3	9.6	11.4	7.1	6.8
	Money (M1)	14.1	27.7	10.9	9.1	10.1	12.1	14.3	6.4	8.7	12.3[b]
	M2	5.4	6.3	16.0	18.3	10.3	7.7	11.3	9.8	4.9	9.6[b]
	Foreign-currency deposits	2.6	8.5	11.8	8.9	18.7	29.0	18.7	8.0	-2.8	2.3[b]
Colombia	Monetary base	10.3	12.4	15.1	9.5	12.5	16.7	15.0	8.8	1.3	7.2[b]
	Money (M1)	9.7	14.7	16.2	6.7	14.3	14.8	10.4	3.9	1.1	6.4[b]
	M2	13.2	6.9	14.8	16.9	17.5	12.9	10.2	10.5	5.7	5.6[b]
Costa Rica	Monetary base	6.3	10.0	11.7	12.1	14.1	11.7	11.1	10.1	7.5	4.9[d]
	Money (M1)	-3.5	11.0	17.7	8.4	13.2	12.3	9.6	17.8	1.7	2.9[d]
	M2	1.1	3.5	10.8	13.1	13.6	14.0	8.9	4.1	0.5	-1.5[d]
	Foreign-currency deposits	37.1	-3.2	-6.5	-0.6	0.8	15.9	0.8	1.4	11.6	1.0[d]
Dominican Republic	Monetary base	3.4	6.4	5.8	9.0	3.9	3.3	22.1	9.1	1.7	-3.2[b]
	Money (M1)	-1.1	17.5	4.9	7.3	12.1	13.6	12.9	13.9	6.2	16.2[b]
	M2	7.6	13.5	8.8	12.1	8.0	11.2	10.7	12.2	7.5	9.2[b]
	Foreign-currency deposits	4.4	18.9	17.8	18.4	16.1	11.5	11.9	8.9	9.9	12.2[b]
Ecuador	Monetary base	18.1	24.1	9.9	16.1	23.3	17.5	16.9	22.8	12.9	5.0[b]
	Money (M1)	38.0	16.1	15.5	14.0	14.8	14.4	10.6	10.4	13.1	6.2[b]
	M2	22.0	18.6	20.0	17.8	13.4	14.5	6.7	6.6	13.5	8.8[b]
El Salvador	Monetary base	10.8	0.4	-1.3	1.8	4.8	2.8	1.2	3.5	9.3	6.3[b]
	Dinero (M1)	7.6	19.8	10.4	4.4	2.9	4.0	4.9	3.9	6.5	7.8[b]
	M2	0.4	4.2	1.4	1.5	2.5	1.3	2.9	5.6	7.1	8.1[b]
Guatemala	Monetary base	6.6	8.0	10.1	5.8	9.2	5.8	12.1	9.7	11.3	8.8[b]
	Money (M1)	7.6	7.2	9.1	5.8	6.9	5.2	11.9	6.1	7.7	8.2[b]
	M2	9.4	8.4	10.7	9.3	9.7	8.1	11.5	7.9	8.4	8.8[b]
	Foreign-currency deposits	18.1	11.6	4.9	3.2	11.2	9.4	6.0	4.2	-1.9	5.3[b]
Haiti	Monetary base	14.2	34.1	18.1	9.2	0.4	-1.0	15.4	26.2	15.9	13.2[e]
	Money (M1)	9.2	26.9	14.4	8.7	11.1	8.7	12.7	6.0	16.6	19.3[e]
	M2	6.9	17.4	11.5	5.7	9.4	8.4	12.5	8.5	13.5	14.3[e]
	Foreign-currency deposits	14.4	22.5	18.4	6.9	8.2	8.5	18.5	27.7	18.2	2.8[e]
Honduras	Monetary base	11.6	-13.8	10.7	11.3	4.0	9.7	16.6	14.9	18.8	9.4[b]
	Money (M1)	2.2	5.2	17.7	2.1	-5.0	8.4	18.9	10.2	18.4	7.5[b]
	M2	0.8	4.7	17.2	8.7	3.6	8.9	12.7	10.7	15.9	10.5[b]
	Foreign-currency deposits	-1.0	5.4	7.8	15.3	12.6	7.3	11.3	8.2	16.3	5.4[b]

Table A1.22 (continued)

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Mexico	Monetary base	15.9	9.7	9.5	13.9	6.3	13.5	20.1	15.9	10.9	10.2[b]
	Money (M1)	11.7	11.0	16.2	13.7	7.5	13.9	16.1	11.9	10.0	9.9[b]
	M2	12.7	4.9	12.6	11.2	6.7	11.1	11.7	10.6	9.5	11.1[b]
	Foreign-currency deposits	...	...	...	17.5	12.5	26.1	39.7	30.2	29.6	11.1[b]
Nicaragua	Monetary base	0.7	24.0	20.5	18.3	6.3	12.9	17.4	11.3	7.4	8.6[b]
	Money (M1)	3.7	21.4	24.7	17.7	8.5	16.4	21.0	9.5	8.9	4.6[b]
	M2	3.7	21.4	24.7	17.7	8.5	16.4	21.0	9.5	8.9	4.6[b]
	Foreign-currency deposits	5.0	28.7	9.2	20.5	13.9	19.5	16.5	14.0	11.6	-0.8[b]
Panama	Monetary base	11.2	7.5	27.1	12.7	16.0	-1.2	28.5	7.9	3.2	5.7[c]
	Money (M1)	17.4	19.2	21.5	17.1	6.8	15.1	-0.4	0.2	0.5	1.1[c]
	M2	9.2	11.3	9.9	10.8	6.3	13.3	4.8	6.1	5.4	3.3[c]
Paraguay	Monetary base	30.7	5.2	5.0	11.8	5.1	8.3	11.3	2.7	11.1	15.1[b]
	Money (M1)	6.6	28.7	7.8	8.6	15.6	9.6	11.6	3.1	14.2	12.3[b]
	M2	13.3	26.4	14.0	13.7	17.4	10.6	11.2	3.9	13.2	12.4[b]
	Foreign-currency deposits	40.1	16.4	13.5	14.9	15.8	29.3	22.3	13.9	1.8	3.8
Peru	Monetary base	2.1	24.2	31.3	31.2	21.1	-8.6	-0.9	3.3	5.5	8.3
	Money (M1)	8.8	28.0	19.7	18.7	14.3	4.9	5.1	4.4	8.1	14.1[b]
	M2	-2.2	27.8	18.7	23.2	18.4	2.5	2.9	10.2	11.5	12.0[b]
	Foreign-currency deposits	23.1	-0.1	13.8	0.4	16.3	21.4	17.3	5.9	-8.7	0.8[b]
Uruguay	Monetary base	6.1	12.9	23.1	21.8	15.3	11.0	11.5	10.9	13.2	0.1
	Money (M1)	13.1	24.6	19.6	18.4	11.7	6.1	7.1	2.2	13.1	6.8[b]
	M2	11.3	25.8	26.0	17.4	12.4	8.7	9.4	11.1	15.4	11.4[b]
	Foreign-currency deposits	24.1	2.3	10.7	19.6	14.8	25.8	26.6	17.2	-6.9	5.2[b]
Venezuela (Bolivarian Republic of)	Monetary base	18.3	24.5	27.0	40.8	61.1	86.5	95.2	144.2	873.1	14 399.9[b]
	Money (M1)	28.8	27.5	44.8	62.0	66.1	69.5	85.1	116.6	551.7	9 568.5[c]
	M2	28.3	18.0	37.6	57.5	65.4	69.1	84.9	116.4	544.9	9 510.7[c]
El Caribe											
Antigua and Barbuda	Monetary base	-13.9	0.8	19.2	29.5	9.5	22.7	19.6	12.5	-17.1	2.8[c]
	Money (M1)	-14.2	-7.3	-6.6	-2.1	3.1	11.5	4.4	12.0	12.6	9.9[c]
	M2	-2.9	-3.1	-1.1	1.7	2.8	3.5	2.5	0.1	5.1	5.0[c]
	Foreign-currency deposits	39.9	-45.2	5.8	-12.8	0.9	20.0	17.0	17.3	18.3	39.6[c]
Bahamas	Monetary base	2.0	2.5	26.8	-7.8	2.2	13.8	-1.8	24.7	9.9	21.2[e]
	Money (M1)	-0.2	2.8	6.2	8.6	5.6	8.4	18.7	9.0	13.6	8.7[e]
	M2	2.8	2.8	2.3	1.1	-0.6	0.1	1.5	2.7	4.9	2.3[e]
	Foreign-currency deposits	8.4	0.1	-2.7	11.6	15.8	-1.5	-19.9	1.2	32.2	-5.9[e]
Barbados	Monetary base	-13.9	3.4	7.7	-0.9	10.6	5.8	31.5	24.1	12.5	-1.9[d]
	Money (M1)	-5.3	1.7	-0.5	-20.3	5.5	9.4	14.1	15.0	9.3	5.2[e]
	M2	-1.0	-0.8	0.3	-5.7	3.5	1.5	3.4	4.3	2.6	1.6[e]
Belize	Monetary base	11.9	-1.2	8.2	17.5	19.2	18.8	24.6	12.6	-11.9	-10.2[b]
	Money (M1)	-1.9	-0.9	9.1	24.0	13.7	14.0	14.6	10.3	-4.9	7.2[b]
Dominica	Monetary base	-3.4	10.0	7.4	18.2	-0.1	14.6	22.9	40.7	25.4	3.6[c]
	Money (M1)	-1.3	-1.5	-2.1	9.8	2.5	2.2	7.8	18.1	13.2	57.4[c]
	M2	7.5	3.8	3.2	7.0	4.5	6.5	4.3	6.0	7.5	22.5[c]
	Foreign-currency deposits	15.9	30.2	38.8	25.4	-6.1	13.5	1.3	3.2	-20.6	-16.5[c]

Table A1.22 (concluded)

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Grenada	Monetary base	-8.4	6.6	7.0	4.6	6.1	19.7	10.2	5.6	1.7	0.0[c]
	Money (M1)	-12.9	3.8	-7.3	2.9	5.4	24.1	20.6	11.1	3.0	11.5[c]
	M2	0.8	3.4	0.4	1.8	3.0	5.2	3.7	1.7	0.9	4.3[c]
	Foreign-currency deposits	17.4	-3.9	-5.5	5.5	-18.8	7.8	17.4	35.9	10.2	-2.1[c]
Guyana	Monetary base	10.6	17.7	17.4	15.2	6.6	2.5	14.3	13.5	6.2	9.9[b]
	Money (M1)	8.2	12.9	21.9	16.1	6.7	10.1	7.9	7.1	9.0	8.5[b]
Jamaica	Monetary base	22.8	5.5	5.3	6.3	6.3	5.9	9.9	15.5	19.0	18.8[e]
	Money (M1)	7.6	7.0	7.8	4.7	5.9	5.0	15.7	21.8	11.2	19.9[b]
	M2	4.4	6.1	5.6	3.3	6.4	2.6	9.9	15.2	24.1	20.3[b]
	Foreign-currency deposits	17.5	-0.9	-4.8	6.8	28.5	9.2	13.6	19.4	21.0	9.9[b]
Saint Kitts and Nevis	Monetary base	47.1	-5.0	35.9	15.4	22.8	11.5	-13.3	15.8	2.3	1.9[c]
	Money (M1)	9.2	17.0	31.3	17.3	10.8	1.5	10.8	-0.7	-7.9	-3.2[c]
	M2	10.2	9.5	12.7	8.6	4.5	6.4	5.9	0.2	-4.2	1.0[c]
	Foreign-currency deposits	-7.0	-8.8	4.5	15.1	18.4	46.4	16.3	-6.3	-5.9	-12.3[c]
Saint Lucia	Monetary base	8.1	3.0	16.4	2.7	7.8	9.6	28.5	3.3	-4.9	8.7[c]
	Money (M1)	-2.4	-4.3	4.0	3.2	2.2	7.1	3.0	6.5	8.3	8.0[c]
	M2	4.1	0.2	4.9	3.7	3.5	-1.0	1.6	1.7	1.3	1.1[c]
	Foreign-currency deposits	9.3	-13.2	16.4	14.0	-10.1	45.0	20.1	11.1	5.5	-14.5[c]
Saint Vincent and the Grenadines	Monetary base	-5.4	13.2	-0.3	11.8	26.8	19.5	15.6	8.9	2.4	-1.4[c]
	Money (M1)	-8.3	-0.5	-3.9	-0.4	9.6	5.8	8.6	10.0	4.6	-1.4[c]
	M2	0.8	2.2	1.9	1.2	8.6	8.1	5.6	4.6	3.6	0.1[c]
	Foreign-currency deposits	-6.5	-7.7	30.8	-7.3	28.9	15.8	17.6	6.4	-7.4	-2.7[c]
Suriname	Monetary base	22.1	13.0	3.2	27.0	13.8	-7.2	-6.2	30.3	23.9	21.1[b]
	Money (M1)	26.3	16.7	5.3	17.0	11.3	5.4	-4.5	15.0	14.1	11.2[c]
	M2	25.1	18.2	7.0	20.0	17.7	8.1	-2.4	12.4	11.7	12.1[c]
	Foreign-currency deposits	12.0	7.9	39.1	13.6	10.8	11.4	9.9	85.5	20.3	7.1[c]
Trinidad and Tobago	Monetary base	37.6	24.7	14.1	15.4	19.5	8.0	-7.9	-7.3	-8.4	-2.7[c]
	Money (M1)	24.0	25.5	17.2	15.4	19.2	19.8	0.0	1.2	-1.9	-1.5[c]
	M2	17.6	17.9	8.4	12.0	11.8	11.6	3.8	2.8	-1.4	-0.8[c]
	Foreign-currency deposits	32.2	7.9	-4.0	4.7	12.6	-5.7	1.6	7.3	0.4	-0.7[c]

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 September.
[c] Figures as of August.
[d] Figures as of July.
[e] Figures as of June.

Table A1.23
Latin America and the Caribbean: domestic credit
(Percentage variation with respect to the year-earlier period)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America										
Argentina	2.3	51.3	59.5	33.0	42.2	24.4	35.2	25.0	35.0	35.7
Bolivia (Plurinational State of)	10.9	13.0	18.8	22.7	21.6	17.6	16.7	18.5	16.9	...
Brazil	11.3	18.0	17.6	16.8	11.9	9.5	9.0	9.5	7.5	2.5
Chile	6.6	-0.1	12.1	15.1	9.3	7.6	20.0	8.8	5.5	10.4[b]
Colombia	14.4	25.9	19.0	15.7	13.8	12.2	16.6	8.4	9.8	9.8[b]
Costa Rica	19.9	11.8	12.5	13.7	12.0	19.4	13.1	13.5	11.0	5.9[c]
Dominican Republic	10.2	6.9	9.7	11.8	11.8	13.1	14.5	13.5	11.5	11.9
Ecuador	20.8	33.6	31.5	21.5	16.7	16.2	10.1	5.6	12.0	8.4
El Salvador	2.4	2.3	3.4	9.6	5.5	9.5	7.3	8.1	4.4	4.9
Guatemala	5.2	5.6	15.2	11.3	12.6	12.0	12.0	6.0	2.2	2.5
Haiti	9.7	-23.0	-17.1	11.4	70.0	30.4	18.2	10.2	11.8	17.9[d]
Honduras	7.7	14.0	6.3	18.9	9.1	7.0	7.8	7.0	17.6	13.7
Mexico	16.8	9.6	11.0	10.9	9.4	9.9	12.6	14.1	8.0	11.4[b]
Nicaragua	0.7	-4.5	-6.2	21.0	20.8	11.6	11.8	13.2	14.9	4.6
Panama	1.2	14.4	15.5	19.7	13.0	15.9	5.8	10.4	10.3	10.3[d]
Paraguay	12.7	36.3	25.5	28.4	20.8	12.0	26.0	5.9	-1.1	10.6
Peru	9.9	24.1	12.0	9.6	6.6	18.6	14.2	12.5	11.2	21.8
Uruguay	…	3.9	24.7	19.4	16.5	18.6	12.9	33.4	4.1	-8.8
Venezuela (Bolivarian Republic of)[e]	28.4	13.7	36.0	56.1	61.9	63.8	74.5	100.1	302.9	41 881.1[b]
The Caribbean										
Antigua and Barbuda	19.9	0.6	-3.8	-3.0	-4.9	-0.4	-5.9	-10.5	5.1	-2.7[b]
Bahamas	5.3	3.4	0.8	4.0	1.9	0.0	0.7	0.7	1.9	-4.4[d]
Barbados	6.4	-0.5	-0.9	6.6	8.0	2.3	3.2	7.4	4.5[f]	...
Belize	5.7	-0.4	-1.6	0.4	-2.6	-0.6	8.9	18.5	2.5	6.6
Dominica	8.5	12.5	13.7	7.6	7.7	1.7	-1.8	-24.3	-24.6	10.0[b]
Grenada	8.9	3.9	2.6	5.0	-2.1	-9.0	-10.2	-11.2	-6.7	-3.8[b]
Guyana	4.5	-0.8	34.5	40.1	26.3	16.0	11.3	11.3	9.2	19.3
Jamaica	15.0	-3.4	-4.1	11.7	16.0	14.2	-2.2	4.7	5.6	6.0
Saint Kitts and Nevis	6.2	6.4	3.1	-6.8	-25.0	-18.7	-79.9	-78.8	105.8	38.3[b]
Saint Lucia	4.6	-0.3	2.9	6.6	5.4	-3.1	-12.2	-6.1	-8.0	-7.3[b]
Saint Vincent and the Grenadines	7.1	1.5	-7.2	-1.0	6.5	3.5	5.4	0.3	0.1	3.7[b]
Suriname	16.9	21.4	20.8	10.3	23.5	21.5	23.5	33.8	13.3	-2.5
Trinidad and Tobago	35.5	36.6	9.3	7.9	-20.4	-23.8	3.2	36.6	13.5	13.1[b]

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 August.
[c] Figures as of July.
[d] Figures as of June.
[e] Credit granted by the commercial and universal banks.
[f] Figures as of March.

Table A1.24
Latin America and the Caribbean: monetary policy rates
(Average rates))

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America										
Argentina	14.0	12.3	11.8	12.8	14.6	26.7	27.0	28.8	26.4	37.5[b]
Bolivia (Plurinational State of)	7.0	3.0	4.0	4.0	4.1	5.1	2.7	2.5	2.4	2.4[c]
Brazil	10.1	9.9	11.8	8.5	8.4	11.0	13.6	14.2	9.8	6.6[c]
Chile	1.8	1.5	4.8	5.0	4.9	3.7	3.1	3.5	2.7	2.5[c]
Colombia	5.8	3.2	4.0	4.9	3.4	3.9	4.7	7.1	6.0	4.3[c]
Costa Rica	9.6	8.1	5.6	5.0	4.4	4.9	3.5	1.8	3.5	5.0
Dominican Republic	5.1	4.2	6.4	5.8	5.3	6.3	5.4	5.1	5.4	5.4[c]
Guatemala	5.5	4.5	4.9	5.2	5.1	4.6	3.3	3.0	3.0	2.8[c]
Haiti	6.2	5.0	3.2	3.0	3.0	4.8	12.3	14.7	12.0	12.0[c]
Honduras	4.9	4.5	4.8	6.6	7.0	7.0	6.5	5.7	5.5	5.5[c]
Mexico	5.4	4.5	4.5	4.5	3.9	3.2	3.0	4.2	6.8	7.6[c]
Paraguay	2.1	2.2	7.9	6.0	5.5	6.7	6.1	5.7	5.4	5.3[c]
Peru	3.3	2.1	4.0	4.3	4.2	3.8	3.4	4.2	3.8	2.8[c]
Uruguay[d]	8.5	6.3	7.5	8.8	9.3	…	…	…	…	…
Venezuela (Bolivarian Republic of)	8.1	6.3	6.4	6.4	6.2	6.4	6.2	6.5	6.4	6.5[e]
The Caribbean										
Antigua and Barbuda	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5[b]
Bahamas	5.3	5.3	4.8	4.5	4.5	4.5	4.5	4.5	4.0	4.0[b]
Barbados	7.9	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0[b]
Belize	18.0	18.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0[f]
Dominica	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5[f]
Grenada	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5[f]
Guyana	6.9	6.4	5.4	5.4	5.0	5.0	5.0	5.0	5.0	5.0[b]
Jamaica	14.8	9.0	6.6	6.3	5.8	5.8	5.5	5.1	4.5	2.7[f]
Saint Kitts and Nevis	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5[b]
Saint Lucia	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5[b]
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[b]
Trinidad and Tobago	7.5	4.7	3.2	2.9	2.8	2.8	4.1	4.8	4.8	4.9[c]

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 September.
[c] Figures as of October.
[d] As of June 2013, the interest rate was no longer used as an instrument of monetary policy.
[e] Figures as of March.
[f] Figures as of June.

Table A1.25

Latin America and the Caribbean: representative lending rates

(Average rates)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America										
Argentina[b]	21.3	15.2	17.7	19.3	21.6	29.3	28.2	33.3	26.8	40.3[c]
Bolivia (Plurinational State of)[d]	8.5	5.2	6.3	6.7	7.0	6.5	6.4	6.2	6.0	6.4
Brazil[e]	47.5	42.9	44.7	39.9	39.1	45.0	49.5	53.7	49.9	45.4[c]
Chile[f]	12.9	11.8	12.4	13.5	13.2	10.8	9.3	10.4	11.5	10.5
Colombia[g]	15.6	12.4	12.8	13.7	12.2	12.1	12.1	14.7	13.7	12.3[c]
Costa Rica[h]	21.6	19.8	18.1	19.7	17.4	16.6	15.9	14.7	14.5	15.5
Dominican Republic[h]	...	...	...	15.5	13.6	13.9	14.9	15.1	13.9	12.6
Ecuador[i]	9.2	9.0	8.3	8.2	8.2	8.1	8.3	8.7	7.9	7.5
El Salvador[j]	9.3	7.6	6.0	5.6	5.7	6.0	6.2	6.4	6.5	6.5[c]
Guatemala[h]	13.8	13.3	13.4	13.5	13.6	13.8	13.2	13.1	13.1	13.0
Haiti[k]	21.6	20.7	19.8	19.4	18.9	18.6	18.8	19.7	18.0	17.9[c]
Honduras[h]	19.4	18.9	18.6	18.4	20.1	20.6	20.7	19.3	19.3	17.9[c]
Mexico[l]	...	...	29.9	28.6	27.9	28.6	28.5	26.8	27.0	26.7[m]
Nicaragua[n]	14.0	13.3	10.8	12.0	15.0	13.5	12.0	11.4	10.9	10.4[c]
Panama[o]	7.6	7.3	7.5	7.7	7.4	6.9	6.5	6.6	6.8	6.9[c]
Paraguay[p]	14.6	12.5	16.9	16.6	16.6	15.7	14.4	15.6	14.3	12.9[c]
Peru[q]	21.0	19.0	18.7	19.2	18.1	15.7	16.1	16.5	16.8	14.6
Uruguay[r]	16.6	12.0	11.0	12.0	13.3	17.2	17.0	17.6	15.4	14.2[c]
Venezuela (Bolivarian Republic of)[s]	20.7	18.2	17.5	16.4	15.7	17.1	19.9	21.4	21.5	21.8
The Caribbean										
Antigua and Barbuda[t]	9.5	10.2	10.1	9.4	9.4	9.6	8.7	9.2	9.0	9.1[u]
Bahamas[v]	10.6	11.0	11.0	10.9	11.2	11.8	12.3	12.5	11.8	11.4[c]
Barbados[t]	8.8	8.3	8.1	7.2	7.0	7.0	6.9	6.7	6.6	6.7[c]
Belize[w]	14.1	13.9	13.3	12.3	11.5	10.9	10.3	9.8	9.5	9.2[x]
Dominica[t]	10.0	9.4	8.7	8.9	9.0	8.8	8.6	8.2	8.0	7.8[u]
Grenada[t]	10.7	10.3	10.4	9.5	9.1	9.1	8.8	8.4	8.2	7.8[u]
Guyana[y]	14.0	15.2	14.7	14.0	12.1	11.1	10.8	10.7	10.6	10.4[c]
Jamaica[z]	21.5	20.4	20.0	18.6	17.7	17.2	17.0	16.5	14.9	14.2[c]
Saint Kitts and Nevis[t]	8.6	8.5	9.2	8.5	8.4	8.8	8.5	8.5	8.5	8.3[u]
Saint Lucia[t]	9.5	9.5	9.2	8.6	8.4	8.4	8.5	8.2	8.1	8.0[u]
Saint Vincent and the Grenadines[t]	9.1	9.0	9.0	9.3	9.2	9.3	9.3	9.1	8.7	8.5[u]
Suriname[z]	11.7	11.7	11.8	11.7	12.0	12.3	12.6	13.5	14.4	14.3[c]
Trinidad and Tobago[y]	11.9	9.3	8.0	7.7	7.5	7.5	8.2	9.0	9.0	9.1

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

[a] Figures as of October.
[b] Local-currency loans to the non-financial private sector, at fixed or renegotiable rates, signature loans of up to 89 days.
[c] Figures as of September.
[d] Nominal local-currency rate for 61–90 day operations.
[e] Interest rate on total consumer credit.
[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] Effective benchmark lending rate for the corporate commercial segment.
[j] Basic lending rate for up to one year.
[k] Average of minimum and maximum lending rates.
[l] Average interest rate for credit cards from commercial banks and the TAC rate (Total Annual Cost).
[m] Figures as of April.
[n] Weighted average of short-term lending rates in local currency.
[o] Interest rate on one-year trade credit.
[p] Commercial lending rate, local currency.
[q] Market lending rate, average of credit operations that have a current balance to date.
[r] Business credit, 30–367 days.
[s] Average rate for loan operations for the six major commercial banks.
[t] Weighted average of lending rates.
[u] Figures as of June.
[v] Weighted average of lending and overdraft rates.
[w] Rate for personal and business loans, residential and other construction loans; weighted average.
[x] Figures as of August.
[y] Basic prime lending rate.
[z] Average of lending rates.

Table A1.26
Latin America and the Caribbean: consumer prices
(12-month percentage variation)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America and the Caribbean[b]	**4.6**	**6.5**	**6.8**	**5.7**	**7.5**	**9.4**	**16.5**	**…**	**…**	**…**
Latin America and the Caribbean[c]	**3.5**	**5.4**	**5.8**	**4.9**	**5.0**	**6.3**	**7.9**	**7.3**	**5.6**	**7.0**
Latin America										
Argentina[d]	7.7	10.9	9.5	10.8	10.9	23.9	27.5	38.5	25.0	45.5
Bolivia (Plurinational State of)	0.3	7.2	6.9	4.5	6.5	5.2	3.0	4.0	2.7	1.3
Brazil	4.3	5.9	6.5	5.8	5.9	6.4	10.7	6.3	2.9	4.6
Chile	-1.4	3.0	4.4	1.5	3.0	4.6	4.4	2.7	2.3	2.9
Colombia	2.0	3.2	3.7	2.4	1.9	3.7	6.8	5.7	4.1	3.3
Costa Rica	4.0	5.8	4.7	4.5	3.7	5.1	-0.8	0.8	2.6	2.0
Cuba[e]	-0.1	1.5	1.3	2.0	0.0	2.1	2.4	-3.0	0.6	2.0
Dominican Republic	5.7	6.3	7.8	3.9	3.9	1.6	2.3	1.7	4.2	3.5
Ecuador	4.3	3.3	5.4	4.2	2.7	3.7	3.4	1.1	-0.2	0.3
El Salvador	-0.2	2.1	5.1	0.8	0.8	0.5	1.0	-0.9	2.0	1.4[f]
Guatemala	-0.3	5.4	6.2	3.4	4.4	2.9	3.1	4.2	5.7	4.3
Haiti	2.0	6.2	8.3	7.6	3.4	6.4	12.5	14.3	13.3	14.1[f]
Honduras	3.0	6.5	5.6	5.4	4.9	5.8	2.4	3.3	4.7	4.7
Mexico	3.6	4.4	3.8	3.6	4.0	4.1	2.1	3.4	6.8	4.9
Nicaragua	1.8	9.1	8.6	7.1	5.4	6.4	2.9	3.1	5.7	4.8
Panama	1.9	4.9	6.3	4.6	3.7	1.0	0.3	1.5	0.5	1.1
Paraguay	1.9	7.2	4.9	4.0	3.7	4.2	3.1	3.9	4.5	4.1
Peru	0.2	2.1	4.7	2.6	2.9	3.2	4.4	3.2	1.4	1.8
Uruguay	5.9	6.9	8.6	7.5	8.5	8.3	9.4	8.1	6.6	8.0
Venezuela (Bolivarian Republic of)	25.1	27.2	27.6	20.1	56.2	68.5	180.9	…	…	…
The Caribbean										
Antigua and Barbuda	2.4	2.9	4.0	1.8	1.1	1.3	0.9	-1.1	2.4	1.3[g]
Bahamas	1.3	1.4	3.2	0.7	0.8	0.2	2.0	0.8	1.8	3.4[f]
Barbados	4.4	6.5	9.6	2.4	1.1	2.3	-2.3	3.8	6.6	5.5[g]
Belize	-0.4	0.0	2.6	0.8	1.6	-0.2	-0.6	1.1	1.0	0.6[g]
Dominica	3.2	2.3	1.3	3.4	-0.4	0.5	-0.5	0.6	0.6	1.0[g]
Grenada	-2.3	4.2	3.5	1.8	-1.2	-0.6	1.1	0.9	0.5	0.4[g]
Guyana	3.6	4.5	3.3	3.4	0.9	1.2	-1.8	1.4	1.5	0.6[h]
Jamaica	10.2	11.8	6.0	8.0	9.7	6.2	3.7	1.7	5.2	4.7
Saint Kitts and Nevis	1.2	4.3	2.0	0.5	0.6	-0.5	-2.4	0.0	0.8	-0.8[g]
Saint Lucia	-3.1	4.2	4.8	5.0	-0.7	3.7	-2.6	-2.8	2.0	1.9[g]
Saint Vincent and the Grenadines	-1.6	0.9	4.7	1.0	0.0	0.1	-2.1	1.0	3.0	2.4[g]
Suriname	1.3	10.3	15.3	4.4	0.6	3.9	25.2	49.2	10.0	6.8[f]
Trinidad and Tobago	1.3	13.4	5.3	7.2	5.6	8.5	1.5	3.1	1.3	1.0[f]

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.
a Twelve-month variation to October 2018.
b Weighted average.
c Weighted average; does not include the Bolivarian Republic of Venezuela.
d As from 2017, the data are spliced with those for Greater Buenos Aires, in order to effect an interannual comparison.
e Refers to national-currency markets.
f Twelve-month variation to August 2018.
g Twelve-month variation to June 2018.
h Twelve-month variation to March 2018.

Table A1.27
Latin America and the Caribbean: fiscal balances
(Percentages of GDP)

	Primary balance				Overall balance			
	2015	2016	2017	2018[a]	2015	2016	2017	2018[a]
Latin America and the Caribbean[b]	**-0.2**	**0.0**	**0.0**	**0.3**	**-2.7**	**-2.8**	**-2.7**	**-2.6**
Latin America[c]	**-0.9**	**-0.9**	**-0.7**	**-0.6**	**-2.9**	**-3.0**	**-2.9**	**-3.0**
Argentina	-1.9	-2.1	-2.9	-1.7	-3.7	-5.8	-5.8	-5.6
Bolivia (Plurinational State of)[d]	-3.6	-2.8	-4.4	…	-4.5	-3.4	-5.0	…
Brazil	-1.9	-2.5	-1.8	-2.1	-9.1	-7.6	-7.7	-8.2
Chile	-1.5	-2.0	-1.9	-1.0	-2.1	-2.7	-2.8	-1.9
Colombia	-0.8	-1.6	-1.1	-0.5	-3.0	-4.1	-3.7	-3.1
Costa Rica	-3.0	-2.4	-3.1	-3.6	-5.7	-5.3	-6.2	-7.4
Cuba	…	…	…	…	-0.4	…	…	…
Dominican Republic	0.3	0.5	0.0	1.2	-2.4	-2.4	-2.4	-2.2
Ecuador	-2.1	-3.7	-3.6	-2.0	-3.8	-5.6	-6.0	-4.6
El Salvador	1.5	1.9	3.0	2.1	-1.2	-0.9	-0.1	-0.8
Guatemala	-0.1	0.4	0.1	-0.4	-1.5	-1.1	-1.3	-1.7
Haiti[e]	0.3	0.9	0.7	0.8	0.1	0.6	0.4	0.4
Honduras	-0.6	-0.3	-0.2	0.5	-3.1	-2.8	-2.8	-2.1
Mexico[f]	-1.2	-0.2	1.2	0.6	-3.4	-2.5	-1.1	-2.0
Nicaragua	0.3	0.4	0.5	-0.4	-0.6	-0.6	-0.6	-1.5
Panama	-2.0	-2.1	-1.2	-1.9	-3.7	-3.8	-2.9	-3.9
Paraguay	-0.9	-0.5	-0.5	-0.7	-1.3	-1.1	-1.1	-1.3
Peru[d]	-1.1	-1.2	-1.8	-1.4	-2.1	-2.2	-2.9	-2.6
Uruguay	-0.5	-1.0	-0.3	0.3	-2.8	-3.7	-3.0	-2.6
Venezuela (Bolivarian Republic of)	-0.2	…	…	…	-1.4	…	…	…
The Caribbean[g]	**0.8**	**1.3**	**1.0**	**1.8**	**-2.5**	**-2.5**	**-2.4**	**-1.6**
Antigua and Barbuda	4.5	2.3	0.1	0.4	2.2	-0.4	-2.3	-1.9
Bahamas[h]	-0.3	-3.4	-0.8	0.9	-2.6	-5.7	-3.4	-1.9
Barbados[i j]	-2.1	2.4	3.3	4.8	-9.4	-5.8	-4.8	-3.2
Belize[i]	-4.7	-1.8	1.8	3.0	-7.2	-4.2	-1.0	0.2
Dominica	0.0	15.5	-3.3	…	-1.8	13.8	-4.8	…
Grenada	2.1	4.7	5.8	4.7	-1.2	1.8	3.2	2.5
Guyana	-0.4	-3.6	-3.5	-4.5	-1.4	-4.5	-4.6	-5.6
Jamaica[j]	7.3	8.0	7.8	7.2	-0.3	0.1	0.5	0.2
Saint Kitts and Nevis	8.2	10.1	3.6	…	6.2	2.8	2.0	…
Saint Lucia	1.3	2.8	2.3	1.4	-2.1	-0.5	-1.0	-2.3
Saint Vincent and the Grenadines	0.9	4.3	1.8	3.3	-1.3	2.2	-0.6	0.5
Suriname[e]	-8.2	-7.3	-4.0	-2.5	-10.6	-10.8	-7.9	-5.4
Trinidad and Tobago[k]	0.5	-2.8	-6.1	-1.2	-1.7	-5.4	-9.0	-4.1

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. Does not include Bolivarian Republic of Venezuela, Cuba, Dominica or Plurinational State of Bolivia.
[c] Simple averages. Does not include Bolivarian Republic of Venezuela, Cuba or Plurinational State of Bolivia.
[d] General government.
[e] Includes statistical discrepancy.
[f] Federal public sector.
[g] Simple averages. Does not include Dominica.
[h] Fiscal years, from 1 July to 30 June.
[i] Fiscal years, from 1 April to 31 March.
[j] Non-financial public sector.
[k] Fiscal years, from 1 October to 30 September.

Table A1.28
Latin America and the Caribbean: central government revenues composition
(Percentages of GDP)

	Total revenue				Tax revenue			
	2015	2016	2017	2018[a]	2015	2016	2017	2018[a]
Latin America and the Caribbean[b]	**21.6**	**21.5**	**21.3**	**21.1**	**18.0**	**17.9**	**17.9**	**17.9**
Latin America[c]	**18.0**	**18.0**	**17.9**	**17.8**	**15.5**	**15.6**	**15.7**	**15.4**
Argentina	20.4	20.3	18.4	18.5	17.2	17.2	15.9	16.0
Bolivia (Plurinational State of)[d]	36.1	31.3	29.3	...	23.2	21.6	19.7	...
Brazil	20.8	21.0	21.1	21.6	19.7	19.8	19.6	20.3
Chile	21.0	20.8	21.0	22.2	19.1	18.6	18.6	19.6
Colombia	16.2	15.0	15.8	15.4	14.6	13.7	13.9	13.9
Costa Rica	14.3	14.7	14.5	14.1	13.4	13.9	13.7	13.3
Cuba	33.5	...	...	...	...	...	...	...
Dominican Republic	14.3	14.6	14.9	15.0	13.4	13.6	13.9	14.1
Ecuador	20.5	18.8	17.6	17.9	15.7	14.2	13.7	13.4
El Salvador	17.9	18.3	19.3	19.2	16.9	17.4	17.8	18.2
Guatemala	10.8	11.0	10.8	10.5	10.5	10.8	10.5	10.2
Haiti	13.7	14.4	13.8	15.1	13.4	13.7	13.6	14.6
Honduras	19.8	20.2	20.7	19.8	17.9	18.5	18.6	17.4
Mexico[e]	23.0	24.1	22.7	20.7	12.8	13.5	13.0	12.7
Nicaragua	17.7	18.6	18.7	17.8	15.6	16.2	16.6	15.8
Panama	13.4	13.4	13.9	14.1	9.3	9.7	9.2	9.3
Paraguay	14.1	13.9	14.2	14.0	10.7	10.5	11.0	10.9
Peru[d]	20.2	18.7	18.2	19.1	17.4	16.2	15.4	16.3
Uruguay	27.2	27.8	29.0	28.7	25.2	25.5	26.6	26.6
Venezuela (Bolivarian Republic of)	17.5	...	...	...	12.8	...	...	...
The Caribbean[f]	**26.8**	**26.5**	**26.0**	**26.7**	**21.1**	**21.0**	**21.1**	**19.9**
Antigua and Barbuda	23.6	24.1	19.5	19.6	16.9	16.3	15.5	15.8
Bahamas[g]	16.4	17.5	16.9	20.7	14.2	15.6	15.2	19.0
Barbados[h i]	26.8	30.4	30.0	30.9	24.7	27.5	28.0	29.1
Belize[h]	28.7	28.9	29.5	30.6	24.3	25.4	25.8	26.7
Dominica	30.0	49.2	41.6	...	22.8	22.3	21.4	...
Grenada	24.5	26.4	25.8	27.2	19.7	21.6	22.2	20.8
Guyana	25.8	26.5	28.3	27.6	21.9	21.7	23.4	23.5
Jamaica[h]	27.5	28.7	30.4	30.0	24.8	26.1	26.9	26.3
Saint Kitts and Nevis	40.1	35.0	33.0	...	21.4	20.3	19.5	...
Saint Lucia	22.8	23.0	24.2	23.2	20.5	21.5	21.3	21.1
Saint Vincent and the Grenadines	28.0	30.9	30.0	31.1	21.7	24.1	24.0	24.2
Suriname	20.6	16.7	20.0	18.1	16.5	12.4	14.0	12.2
Trinidad and Tobago[j]	36.8	30.2	24.2	27.8	27.2	20.0	17.7	20.6

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. Does not include Bolivarian Republic of Venezuela, Cuba, Dominica or Plurinational State of Bolivia.
[c] Simple averages. 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 A1.29
Latin America and the Caribbean: central government expenditure composition
(Percentages of GDP)

	Total expenditure				Interest payments on public debt				Capital expenditure			
	2015	2016	2017	2018[a]	2015	2016	2017	2018[a]	2015	2016	2017	2018[a]
Latin America and the Caribbean[b]	**24.3**	**24.3**	**23.9**	**23.6**	**2.5**	**2.8**	**2.7**	**2.8**	**4.1**	**3.7**	**3.5**	**3.4**
Latin America[c]	**20.8**	**21.0**	**20.8**	**20.8**	**2.0**	**2.1**	**2.2**	**2.4**	**3.7**	**3.6**	**3.4**	**3.3**
Argentina	24.0	26.0	24.3	24.1	1.8	3.6	3.0	3.9	2.7	2.1	1.9	1.5
Bolivia (Plurinational State of)[d]	40.6	34.6	34.3	…	0.9	0.6	0.7	…	13.7	12.1	12.0	…
Brazil	29.9	28.6	28.8	29.8	7.1	5.2	5.9	6.1	1.8	1.4	1.0	1.1
Chile	23.2	23.5	23.7	24.1	0.7	0.7	0.8	0.9	4.2	3.9	3.6	3.7
Colombia	19.2	19.1	19.5	18.9	2.2	2.5	2.6	2.6	3.0	2.3	2.1	1.9
Costa Rica	20.0	20.0	20.7	21.4	2.7	2.8	3.1	3.8	1.8	1.8	2.0	1.9
Cuba	33.9	…	…	…	…	…	…	…	4.1	…	…	…
Dominican Republic	16.7	17.1	17.3	17.2	2.6	2.9	2.4	3.4	2.8	2.8	3.5	2.7
Ecuador	24.3	24.4	23.6	22.5	1.8	2.0	2.4	2.5	9.7	9.7	8.4	7.1
El Salvador	19.1	19.2	19.3	20.0	2.7	2.8	3.1	2.9	2.9	3.0	2.8	2.7
Guatemala	12.3	12.1	12.1	12.3	1.4	1.5	1.4	1.3	2.2	2.1	2.2	2.3
Haiti	12.8	13.2	12.7	12.7	0.2	0.3	0.3	0.3	1.5	1.2	1.1	1.1
Honduras	22.9	23.0	23.4	21.8	2.5	2.4	2.6	2.6	4.7	5.1	5.4	5.2
Mexico[e]	26.4	26.6	23.8	22.7	2.1	2.2	2.3	2.6	5.0	5.9	3.6	3.3
Nicaragua	18.3	19.2	19.3	19.3	0.9	1.0	1.1	1.1	4.5	4.5	4.8	4.6
Panama	17.1	17.2	16.9	18.0	1.7	1.7	1.7	2.0	6.0	6.5	6.0	6.4
Paraguay	15.5	15.0	15.3	15.4	0.5	0.6	0.6	0.7	3.1	3.2	3.6	3.5
Peru[d]	22.3	20.9	21.1	21.7	1.0	1.0	1.1	1.2	5.4	4.7	4.7	5.1
Uruguay	30.0	31.5	32.0	31.3	2.3	2.7	2.7	2.9	1.2	1.4	1.3	1.2
Venezuela (Bolivarian Republic of)	19.2	…	…	…	1.2	…	…	…	3.9	…	…	…
The Caribbean[f]	**29.2**	**28.9**	**28.3**	**28.2**	**3.1**	**3.7**	**3.3**	**3.3**	**4.6**	**3.9**	**3.5**	**3.7**
Antigua and Barbuda	21.4	24.5	21.8	21.5	2.4	2.6	2.4	2.4	1.4	3.9	1.5	2.3
Bahamas[g]	19.0	23.1	20.3	22.6	2.3	2.3	2.6	2.7	2.0	3.3	2.2	2.3
Barbados[h i]	36.2	36.2	34.9	34.2	7.3	8.2	8.1	8.0	2.6	2.5	1.8	2.4
Belize[h]	35.9	33.1	30.4	30.5	2.5	2.5	2.8	2.8	10.5	7.0	3.5	3.9
Dominica	31.8	35.4	46.4	…	1.8	1.7	1.5	…	5.7	10.2	17.1	…
Grenada	25.7	24.5	22.6	24.6	3.3	2.9	2.6	2.1	8.3	4.7	2.7	5.4
Guyana	27.3	31.0	32.8	33.2	1.0	1.0	1.1	1.1	4.7	6.7	8.0	7.7
Jamaica[h]	27.8	28.6	29.9	29.7	7.6	7.9	7.3	6.9	2.0	2.4	2.5	3.0
Saint Kitts and Nevis	33.9	32.3	31.0	…	2.0	7.3	1.6	…	7.0	3.7	5.4	…
Saint Lucia	24.9	23.6	25.2	25.5	3.3	3.3	3.3	3.8	4.9	3.2	4.7	3.5
Saint Vincent and the Grenadines	29.3	28.7	30.6	30.6	2.2	2.1	2.3	2.8	4.2	3.8	4.2	2.6
Suriname	30.4	25.8	26.7	23.4	1.5	1.8	2.7	2.9	2.6	2.7	3.3	3.5
Trinidad and Tobago[j]	38.5	35.6	33.2	31.9	2.2	2.5	3.0	2.9	4.9	2.9	2.3	2.3

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. Does not include Bolivarian Republic of Venezuela, Cuba, Dominica or Plurinational State of Bolivia.
[c] Simple averages. 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 A1.30

Latin America and the Caribbean: central government gross public debt

(Percentages of GDP)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America and the Caribbean[b]	**46.2**	**45.9**	**46.4**	**48.2**	**49.3**	**50.2**	**51.5**	**52.4**	**54.0**	**54.1**
Latin America[b]	**32.3**	**30.4**	**29.7**	**30.9**	**32.3**	**33.8**	**36.4**	**38.1**	**39.6**	**41.0**
Argentina	55.4	43.5	38.9	40.4	43.5	44.7	52.6	53.3	57.1	77.4
Bolivia (Plurinational State of)	36.3	34.6	34.5	29.1	28.4	27.7	29.5	31.4	34.4	32.6
Brazil[c]	59.6	52.0	50.8	55.2	56.7	58.9	66.5	70.0	74.0	77.2
Chile	5.7	8.6	11.0	11.9	12.8	14.9	17.4	21.3	23.6	23.7
Colombia	38.1	38.7	36.5	34.6	37.2	40.0	43.9	44.3	45.3	48.6
Costa Rica	26.2	28.4	29.9	34.3	35.9	38.5	41.0	45.0	49.2	52.5
Dominican Republic	26.9	27.2	28.3	31.5	37.2	35.9	34.4	36.2	38.0	39.5
Ecuador	15.0	17.8	17.3	20.1	22.9	27.5	30.9	35.7	41.3	43.8
El Salvador	50.0	49.4	47.6	50.9	49.2	49.6	50.2	50.2	49.1	49.0
Guatemala	22.8	24.0	23.7	24.3	24.6	24.3	24.2	24.0	23.8	24.3
Haiti[d]	34.3	22.8	23.9	28.0	30.5	35.1	39.7	40.8	36.6	31.8
Honduras	23.9	30.4	32.5	34.4	43.1	44.4	44.4	46.1	47.7	46.3
Mexico[e]	27.0	27.0	27.3	27.8	29.8	31.7	34.1	37.0	35.2	35.0
Nicaragua	32.6	33.2	31.8	31.2	30.8	30.2	29.9	30.6	34.1	35.1
Panama	40.7	39.6	36.7	35.2	34.4	36.2	36.9	37.1	37.6	36.5
Paraguay	10.5	9.1	6.9	9.5	9.7	12.1	13.3	15.1	15.8	16.2
Peru	22.8	20.7	18.4	18.2	17.2	18.0	19.7	21.6	21.2	20.4
Uruguay	53.3	39.9	38.4	40.2	36.9	39.2	47.2	46.1	48.2	48.8
Venezuela (Bolivarian Republic of)	25.2	29.0	25.1	27.5	32.9	28.5	31.7	…	…	…
The Caribbean[f]	**65.4**	**67.4**	**69.5**	**72.1**	**72.8**	**72.9**	**72.5**	**72.1**	**73.9**	**72.1**
Antigua and Barbuda	79.6	74.2	77.1	72.2	77.9	82.1	69.9	66.5	66.9	60.1
Bahamas	36.1	40.7	42.3	45.1	52.6	57.4	56.5	59.6	64.8	65.3
Barbados	86.0	93.0	96.8	106.3	116.2	121.9	129.5	138.4	136.9	134.0
Belize	82.2	72.3	70.7	72.8	78.5	75.6	78.4	83.2	91.6	88.9
Dominica	53.7	56.7	54.6	64.6	64.6	64.8	64.0	57.5	64.7	73.6
Grenada	81.3	84.2	87.8	91.4	94.6	89.6	82.7	75.7	68.9	68.9
Guyana[g]	67.0	68.0	66.7	63.6	58.1	51.8	48.7	47.6	47.1	44.6
Jamaica[g]	126.3	131.7	131.4	133.9	135.5	131.8	128.1	122.3	104.6	100.3
Saint Kitts and Nevis	78.6	90.2	105.0	99.7	71.3	59.9	50.6	48.8	51.2	48.6
Saint Lucia	47.3	48.6	54.1	61.5	64.0	65.6	63.3	63.6	61.0	58.7
Saint Vincent and the Grenadines	48.9	55.5	58.5	61.2	59.1	68.8	67.5	65.8	64.1	63.6
Suriname	27.6	27.5	26.8	27.3	35.6	33.3	52.3	48.4	78.0	69.7
Trinidad and Tobago	36.0	34.1	31.3	38.0	38.5	45.4	50.5	60.0	61.0	61.0

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

[a] Preliminary figures.

[b] Simple averages. Does not include Bolivarian Republic of Venezuela.

[c] General government.

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

[e] Federal government.

[f] Simple averages.

[g] Public sector.

Table A1.31

Latin America and the Caribbean: non-financial public sector gross public debt

(Percentages of GDP)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[a]
Latin America and the Caribbean[b]	**51.9**	**50.3**	**51.6**	**53.4**	**54.8**	**55.5**	**56.7**	**57.8**	**59.3**	**59.4**
Latin America [b]	**35.0**	**30.4**	**32.0**	**33.3**	**34.7**	**36.5**	**39.2**	**41.4**	**42.8**	**44.2**
Argentina	55.4	43.5	38.9	40.4	43.5	44.7	52.6	53.3	57.1	77.4
Bolivia (Plurinational State of)[c]	39.3	34.6	33.7	31.3	30.4	30.0	31.6	34.1	37.2	34.5
Brazil[d]	59.6	52.0	50.8	55.2	56.7	58.9	66.5	70.0	74.0	77.2
Chile	12.0	8.6	17.7	18.9	20.5	24.1	27.6	30.7	32.1	32.0
Colombia	45.2	38.7	43.1	40.7	43.1	46.0	50.1	54.9	54.4	58.3
Costa Rica	32.5	28.4	37.2	41.5	44.1	46.9	49.2	53.0	58.9	61.8
Dominican Republic	27.6	27.2	28.5	32.2	37.4	36.0	35.1	37.0	38.9	40.0
Ecuador	16.3	17.8	18.3	21.1	24.0	29.6	33.0	38.2	44.5	46.8
El Salvador	53.0	49.4	50.3	53.3	51.3	51.9	52.8	53.4	52.6	52.2
Guatemala	23.2	24.0	23.9	24.5	24.7	24.5	24.3	24.1	23.9	24.3
Haiti[e f]	34.3	22.8	23.9	28.0	30.5	35.1	39.7	40.8	36.6	31.8
Honduras	23.9	30.4	32.5	34.7	43.1	43.6	43.5	46.9	48.9	47.3
Mexico[g]	33.6	27.0	34.1	33.9	36.8	40.1	44.2	49.4	46.9	46.1
Nicaragua	33.5	33.2	32.6	32.0	31.5	30.7	30.4	32.0	34.5	35.5
Panama	41.3	39.6	37.3	35.7	34.9	36.5	37.3	37.5	37.8	37.8
Paraguay[h]	12.1	9.1	8.1	10.7	10.8	13.5	15.1	17.3	18.2	18.7
Peru	27.2	20.7	22.0	20.4	19.4	19.8	20.9	22.7	22.6	21.8
Uruguay	59.6	39.9	43.4	45.7	41.5	44.6	52.2	50.2	52.0	52.8
Venezuela (Bolivarian Republic of)[f]	25.2	29.0	25.1	27.5	32.9	28.5	31.7	...	...	...
The Caribbean[i]	**75.3**	**77.8**	**78.8**	**81.3**	**82.6**	**81.9**	**81.0**	**80.5**	**82.1**	**80.5**
Antigua and Barbuda	85.9	84.0	92.2	86.8	100.1	97.8	85.5	80.3	79.9	71.4
Bahamas[f]	44.7	50.9	53.4	57.5	65.4	71.3	69.7	73.0	78.2	78.4
Barbados	97.3	105.2	109.6	120.3	131.5	137.0	144.2	151.2	148.4	155.8
Belize	82.2	72.3	70.7	72.8	78.5	75.6	78.8	86.6	94.2	91.7
Dominica	68.2	69.0	67.5	77.6	77.3	77.6	74.1	68.4	77.3	87.4
Grenada	90.8	93.5	98.7	101.4	103.7	96.9	88.6	80.0	69.7	63.5
Guyana	67.0	68.0	66.7	63.6	58.1	51.8	48.7	47.3	48.0	44.6
Jamaica	126.3	131.7	131.4	133.9	135.5	131.8	128.1	122.3	104.6	100.3
Saint Kitts and Nevis	123.4	133.4	128.9	126.1	92.2	71.7	62.8	60.0	63.0	62.4
Saint Lucia	55.1	56.1	60.8	67.2	68.9	69.5	66.6	66.2	65.1	62.6
Saint Vincent and the Grenadines	61.4	67.3	69.9	68.6	71.4	80.5	79.0	82.9	80.0	78.4
Suriname[f]	27.6	27.5	26.8	27.3	35.6	33.3	52.3	48.4	78.0	69.7
Trinidad and Tobago	49.0	52.9	48.0	53.2	56.2	70.6	74.4	80.5	80.5	79.8

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

[a] Preliminary figures.
[b] Simple averages. Does not include Bolivarian Republic of Venezuela.
[c] Refers to the external debt of the non-financial public-sector and central-government domestic debt.
[d] General government.
[e] Data to September 2013. Does not include public sector liabilities owed to commercial banks.
[f] Central government.
[g] Federal public sector.
[h] Domestic debt includes liabilities owed to the central bank only.
[i] Simple averages.

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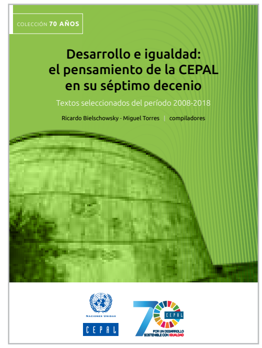

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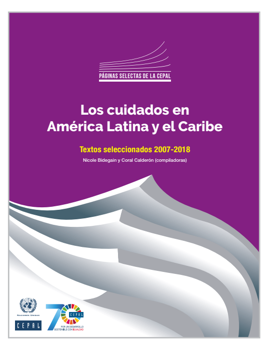

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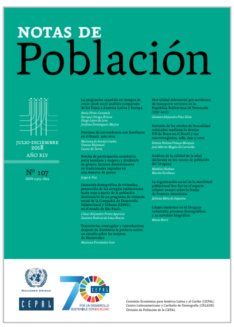

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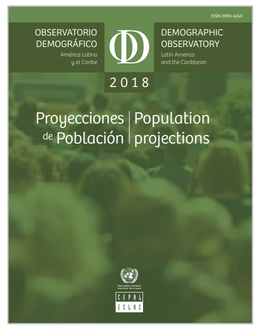

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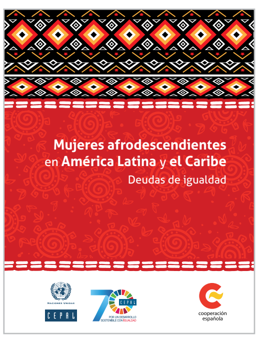

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