



Latin America

November 2021

This overview has been consolidated from a range of information sources and is updated quarterly. The indexes have different base measurements which vary depending on the country.

Key Developments

- The forecasts of main economic organizations expect Latin America to be the hardest hit region by the Covid-19 economic crisis in the developing world. It will be accompanied by weak growth for the region in the following years.
- Latin America and Caribbean are seeing COVID-19 progress as the vaccination is taking place.
- Most Latin companies plan on embracing fully remote working practices after COVID.
- Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, and Mexico, among other nations, signed the deal to end deforestation and restore natural landscapes by 2030.
- Argentina, Brazil, Chile, Colombia, Mexico, Panama, Peru, Venezuela are eight Latin American governments that have managed their relationships with Beijing over the past two years.
- US investment focus in the region to drive to contend with China in Latin America.

GDP Growth Rate and Forecast %

| | 2019 | 2020 | 2021F | 2022F |
|-----------|-------|--------|-------|-------|
| Argentina | -2.0 | -9.9 | +7.2 | +2.1 |
| Bolivia | +2.22 | -7.82 | +7.5 | +4.0 |
| Brazil | +1.4 | -4.4 | +5.1 | +1.8 |
| Chile | +0.9 | -6.0 | +9.0 | +2.5 |
| Colombia | +3.3 | -6.8 | +8.0 | +3.0 |
| Ecuador | +0.01 | -7.75 | +7.0 | +1.5 |
| Guatemala | +3.87 | -1.52 | +4.0 | +3.8 |
| Mexico | -0.02 | -8.5 | +6.2 | +2.9 |
| Panama | +3.0 | -17.95 | +11.0 | +6.0 |
| Peru | +2.2 | -11.0 | +12.0 | +3.0 |
| Uruguay | +0.35 | -5.86 | +1.0 | +1.5 |
| Venezuela | -35 | -30 | -15 | -5 |

In the latest information, most, not all countries are forecast to return to growth in 2021, with a positive, though lower rate expected in 2022.

Further contraction is still expected in Venezuela.

*The measurement of the GDP rate and forecast varies across the countries.

Source: [S&P Q4 2021 Forecast](#), [Trading Economics](#) and [World bank](#)



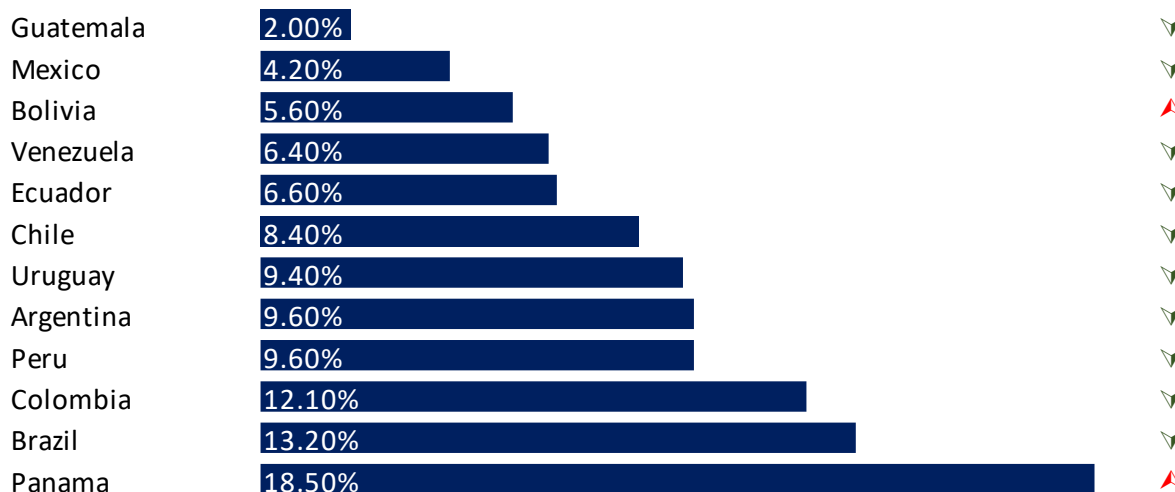
Unemployment ✔

The latest figures show unemployment has generally decreased across the region. It has, however, increased in Bolivia and Panama.

Measurement periods are not consistent for each country:

- Monthly: Colombia, Chile, Mexico and Uruguay (September), Peru (October), Brazil (August) and Venezuela (December 2018).
- Quarterly: Argentina (LE. 2Q 2021), Ecuador (LE. 3Q 2021) and Guatemala (LE. 3Q 2019).
- Annual: Bolivia and Panama (LE. 2020).

Source: [Trading Economics](#)



Inflation ▲

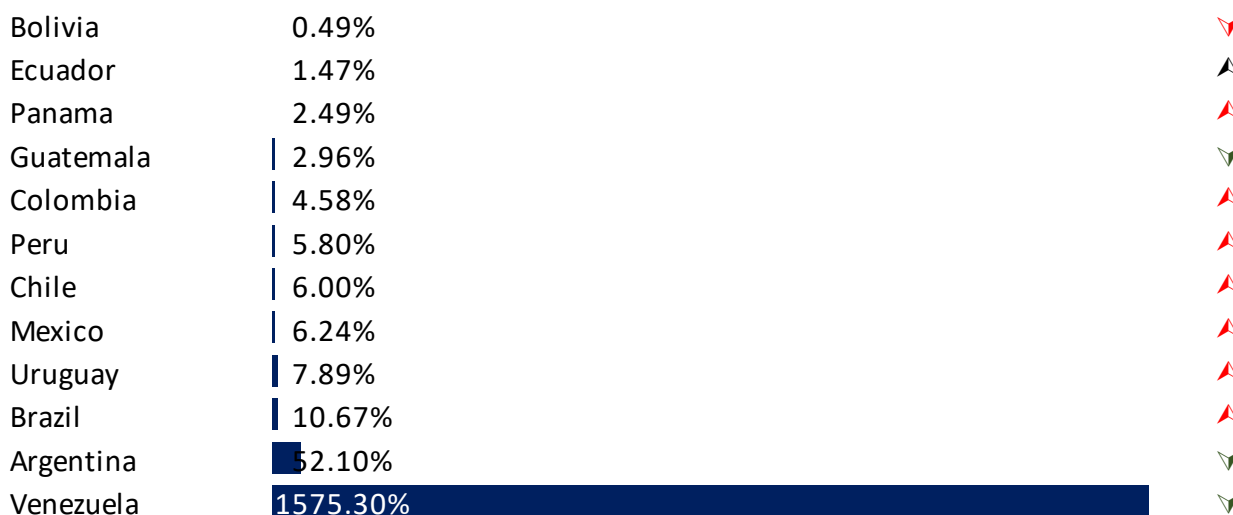
The latest figures from October (September in Panama), show inflation has generally increased across the region from the previous month.

Inflation in Argentina is caused by the devaluation of the Argentine Peso against the Dollar, fiscal and monetary imbalance which were sharpened by the pandemic, which forced the government to freeze prices and issue more money.

Ecuador may continue to be reversing their deflation trend, while Bolivia in the last month may have accentuated its deflation trend.

Venezuela still is experiencing hyperinflation.

Source: [Trading Economics](#)




Business confidence
Consumer confidence
Consumer spending

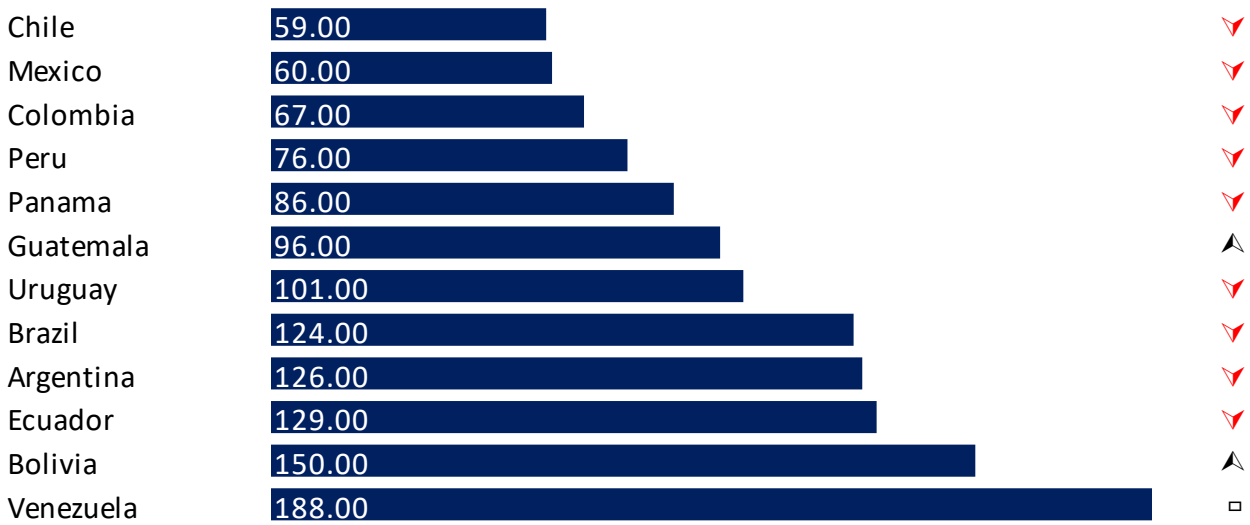



Overall, confidence appears to be decreasing across the region. The countries where the rate has increased are Ecuador, Mexico, and Colombia.
 Source: [Trading Economics](#)

| Country | Rate | Index | Time interval | Change |
|-----------|-------------------------|---------------------|---|--------|
| Ecuador | 1506.30 | Business Confidence | Positive change to September 2021 compared to the previous month. | ▲ |
| Chile | 58.2 | Business Confidence | Negative change to October 2021 compared to September 2021. | ▼ |
| Brazil | 56 | Business Confidence | Negative change to November 2021 compared to previous month. | ▼ |
| Mexico | 52 | Business Confidence | Positive change to October 2021 compared to September 2021. | ▲ |
| Peru | 33.60 | Business Confidence | Negative change to August 2021 compared to previous month. | ▼ |
| Colombia | 20.40 | Business Confidence | Positive change to September 2021 compared to previous month. | ▲ |
| Panama | 104 | Consumer Confidence | Negative change to July 2021 compared to previous one (May 2021). | ▼ |
| Venezuela | 66 | Consumer Confidence | Negative change to the second quarter of 2020 compared to the first quarter. | ▼ |
| Argentina | 40.2 | Consumer Confidence | Negative change to October 2021 compared to the previous month. | ▼ |
| Bolivia | 7636393.44 Thousand BOB | Consumer Spending | Negative change to the second quarter of 2021 compared to the first quarter. | ▼ |
| Guatemala | 450778.20 Million GTQ | Consumer Spending | Negative change to 2020 compared to previous year. | ▼ |
| Uruguay | 257836.93 Thousand UYU | Consumer Spending | Negative change to the second quarter of 2021 compared to the previous quarter. | ▼ |



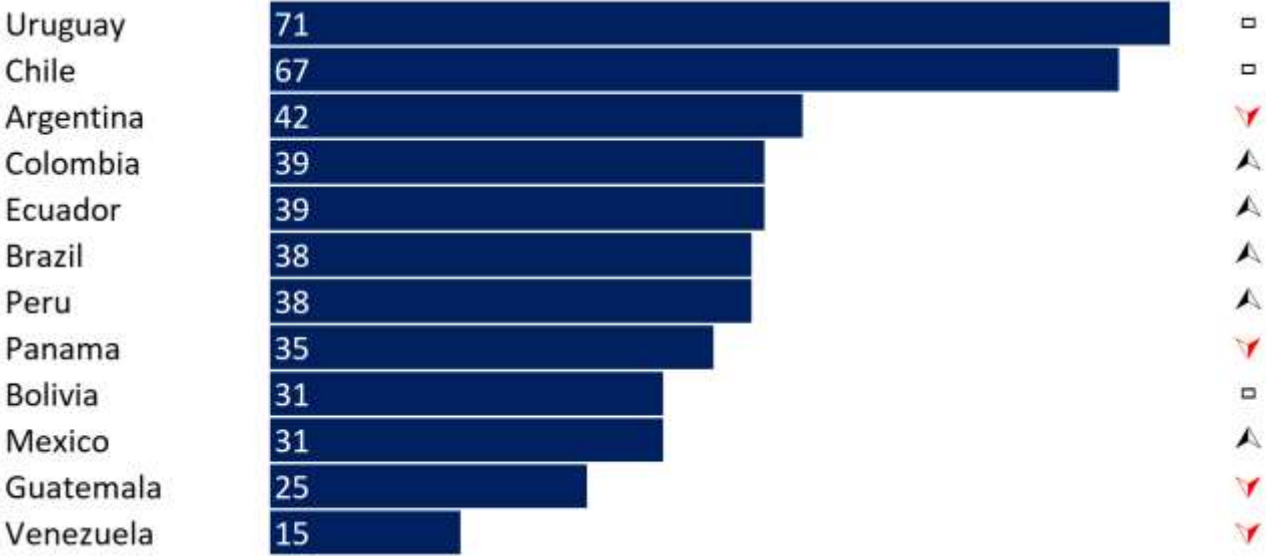
Ease of doing business  The ease of doing business ranking (2019) has decreased in most countries from the previous year, with Bolivia, Guatemala, and Venezuela being the exceptions. Economies with a high rank (1 to 20) have simpler and more friendly regulations for businesses.
Source: [World Bank](#)



Corruption Index  The latest Corruption Index (2020) shows a mixed picture:

- Corruption situation has become worse in four countries from 2019 (notably Argentina),
- Improvements have been seen in Mexico, Peru Brazil, Colombia, and Ecuador.

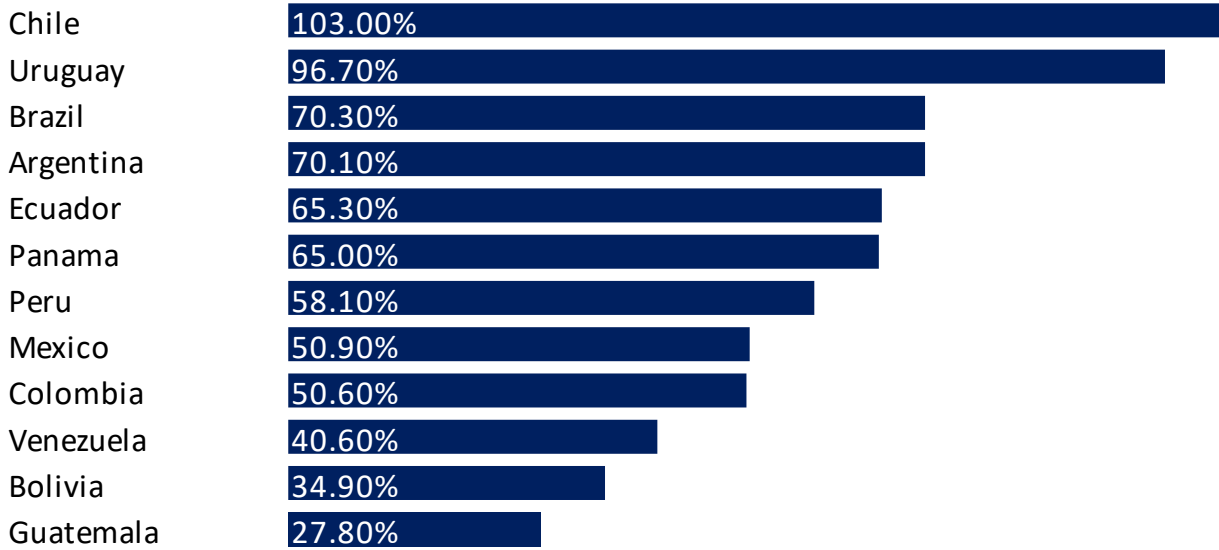
A score indicates the perceived level of public sector corruption on a scale from 100 (very clean) to 0 (highly corrupt).
Source: [Transparency International](#)



**COVID vaccinations
(% of population)**




61.11%

In November, around 60% of the LATAM population had been vaccinated, but country vaccination rates vary considerably. Chile has the highest vaccination percent; Guatemala the lowest.
Source: [Reuters Covid-19 tracker](#)







Demographics

North & Central America

| Mexico | |
|---|---|
|  | <p>GDP: \$2.306 trillion (2020 est.)</p> <p>Population: 130.207 million (July 2021 est.)</p> <p>Population growth: 1.04% (2021 est.)</p> <p>Urban population: 81% (2021)</p> <p>Source: CIA World Fact Book</p> |
| Guatemala | |
|  | <p>GDP: \$141.5 billion (2020 est.)</p> <p>Population: 17.422 million (July 2021 est.)</p> <p>Population growth: 1.62% (2021 est.)</p> <p>Urban population: 52.2% (2021)</p> <p>Source: CIA World Fact Book</p> |
| Panama | |
|  | <p>GDP: \$109.52 billion (2020 est.)</p> <p>Population: 3.928 million (July 2021 est.)</p> <p>Population growth: 1.16% (2021 est.)</p> <p>Urban population: 68.8% (2021)</p> <p>Source: CIA World Fact Book</p> |



South America

| Argentina | |
|---|---|
|  | <p>GDP: \$893.31 billion (2020 est.)</p> <p>Population: 45.864 million (July 2021 est.)</p> <p>Population growth: 0.84% (2021 est.)</p> <p>Urban population: 92.2% (2021)</p> <p>Source: CIA World Fact Book</p> |
| Bolivia | |
|  | <p>GDP: \$92.59 billion (2020 est.)</p> <p>Population: 11.758 million (July 2021 est.)</p> <p>Population growth: 1.39% (2021 est.)</p> <p>Urban population: 70.5% (2021)</p> <p>Source: CIA World Fact Book</p> |
| Brazil | |
|  | <p>GDP: \$2.989 trillion (2020 est.)</p> <p>Population: 213.445 million (July 2021 est.)</p> <p>Population growth: 0.65% (2021 est.)</p> <p>Urban population: 87.3% (2021)</p> <p>Source: CIA World Fact Book</p> |
| Chile | |
|  | <p>GDP: \$445.88 billion (2020 est.)</p> <p>Population: 18.307 million (July 2021 est.)</p> <p>Population growth: 0.68% (2021 est.)</p> <p>Urban population: 87.8% (2021)</p> <p>Source: CIA World Fact Book</p> |



| Colombia | |
|---|--|
|  | <p>GDP: \$683.94 billion (2020 est.)</p> <p>Population: 50.355 million (July 2021 est.)</p> <p>Population growth: 1.04% (2021 est.)</p> <p>Urban population: 81.7% (2021)</p> <p>Source: CIA World Fact Book</p> |

| Ecuador | |
|---|--|
|  | <p>GDP: \$182.24 billion (2020 est.)</p> <p>Population: 17.093 million (July 2021 est.)</p> <p>Population growth: 1.16% (2021 est.)</p> <p>Urban population: 64.4% (2021)</p> <p>Source: CIA World Fact Book</p> |

| Peru | |
|--|--|
|  | <p>GDP: \$371.29 billion (2020 est.)</p> <p>Population: 32.201 million (July 2021 est.)</p> <p>Population growth: 0.88% (2021 est.)</p> <p>Urban population: 78.3% (2020)</p> <p>Source: CIA World Fact Book</p> |

| Uruguay | |
|---|--|
|  | <p>GDP: \$75.06 billion (2020 est.)</p> <p>Population: 3.398 million (July 2021 est.)</p> <p>Population growth: 0.26% (2021 est.)</p> <p>Urban population: 95.6% (2021)</p> <p>Source: CIA World Fact Book</p> |



| Venezuela | |
|---|---|
|  | <p>GDP: \$269.068 billion (2018 est.)</p> <p>Population: 29.069 million (July 2021 est.)</p> <p>Population growth: 2.46% (2021 est.)</p> <p>Urban population: 88.3% (2021)</p> <p>Source: CIA World Fact Book</p> |

*Note: Reports are made with the information available at the time, the sources and calcifications may need to be subjected to revision.

*The ratios may be measured differently according to the countries.

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