Latin America: Economic and Political Outlook for 2011 (ARI

*Carlos Malamund and Federico Steinberg**

Theme: Latin America's economic and political outlook for 2011 is favourable. Growth and political stability appear to be guaranteed, although there are some risks on the horizon.

Summary: This paper reviews the economic and political outlook for Latin America in 2011. After exploring its general macroeconomic strengths, it goes on to analyse the risks which the currency war, inflation and the commodity, energy and food price boom could pose for some countries. The analysis ends by identifying the main events on the political agenda for 2011 and their possible implications.

Analysis: Once again, Latin America, together with Asia, is spearheading global economic growth. Buoyed by the sound economic policies implemented both before and during the Great Recession of 2008, and by the latest commodities boom, the region's growth prospects are very good, and this is also translating (although somewhat more slowly) into an improvement in social indicators. While this is more noticeable in the reduction in poverty, it has so far been less tangible (except for a few cases, like Brazil) when it comes to the fight against inequality.

The economic prospects and the good news that has already materialised are such that many analysts, political leaders and academics have already started to talk of the 'Latin American Decade'. It would seem that in the wake of the difficulties posed by the crisis, the region is back on the virtuous path of growth, a path which could lead, according to the same sources, to the region's definitive take-off. However, it is too soon to declare victory since, although the results are sound, at any moment a number of lingering uncertainties could derail the progress made in the last few years.

This appeal for caution responds to the fact that the region's economies are facing major challenges, including most notably how to manage the huge capital inflows, currency appreciation and rising inflation; how to make the most of the higher commodity, energy and food prices without unleashing social unrest; and how to side-step the currency war, in which the region's economies, especially Brazil, are suffering from the negative external impact of the exchange rate dispute between the US and China due to the yuan's appreciation.

To tackle these problems, each country devises its own individual range of responses, since due to the lack of progress in regional integration the coordination of

* *Carlos Malamud, Senior Analyst for Latin America, Elcano Royal Institute.*
Federico Steinberg, Senior Analyst for International Economy and Trade, Elcano Royal Institute.

macroeconomic, monetary and fiscal policies is at a very early, if not non-existent stage. Indeed, some governmental projects which initially appeared to be set to play a significant role in this coordination, such as Banco del Sur, have so far gone no further than the drawing board. However, the convergence of the stock markets in Chile, Colombia and Peru could signal a path for the future that is still at a very early phase, but growing all the time, namely the role of private initiative in regional integration.

There follows an analysis of the economic and political outlook for the region in 2011. After exploring the region's general macroeconomic strengths, the work goes on to examine the overheating risks which a poor handling of the boom would pose. The analysis ends by identifying the main political events on the agenda in 2011 and their possible implications.

A Favourable Macroeconomic Scenario

According to International Monetary Fund (IMF) data, the economies of Latin America and the Caribbean are doing an outstanding job of sustaining continued growth rates (see Appendix for country-by-country breakdown). The IMF has tweaked up its growth projection for the region in 2011 to 4% (in the wake of almost 6% growth in 2010). The performance of South American countries could be even better, and they will only be outperformed by emerging Asia, which is expected to grow above 8%. Moreover, the Latin American acceleration is especially impressive considering that the IMF expects a slowdown in the growth of various countries due to the end of fiscal stimulus programmes, suggesting that internal demand in the region is starting to gain momentum.

Nationally, we highlight the performance by large countries like Brazil and Argentina (which in 2010 posted 7.5% growth) and Mexico (5%). However, these are not the top performers: Paraguay, Uruguay and Peru all posted growth in excess of 8%, and Chile and Colombia recorded 5% growth. Only Venezuela and Haiti shrank, the former due to capital outflows and the strangulation deriving from a lack of investment in its productive system, especially salient in the oil sector, and the latter due to the devastating effects of the earthquake in early 2010. The outlook for Mexico, Central America and the Caribbean is broadly less bullish than for South America. The growth data are supplemented with inflationary tensions, current account deficits (admittedly still low, and somewhat offset by increasing capital inflows) and lower unemployment rates.

In this general context it is possible to talk broadly of two clearly differentiated economic realities in the region, of two Latin Americas, one in the south and the other in the north. The outlook for the first group, led by Brazil and including Mercosur and its commodity-exporting neighbours, looks more prosperous than that of the northern countries, led by Mexico. Nevertheless, in each of these blocs there are also quite considerable national differences.

The existence of these two different reflects both their growth models and their international insertion strategies. While Mexico and Central American and Caribbean countries send more of their exports to the US, are more dependent on remittances and produce industrial goods that compete directly with Asian products (which are much more competitive), the southern countries export primary products (mainly to Asia), making them complementary to China and its neighbours, rather than direct competitors.

If to this is added the fact that potential economic growth in the US will tend to be sluggish (due to both its high indebtedness and overinvestment as a result of its aging population) while emerging Asian economies should continue to post near double-digit growth (at least during the next decade), the southern countries, including both Mercosur and some Andean economies, most notably those of the Pacific Basin, present better economic prospects than Mexico and Central America. Their real trade relation will continue to improve on the back of the likely increase in commodity prices, while those of the manufacturing exporters of the north will only worsen due to tough Asian competition, especially in the US market.

But in this context of divergence between the north and south there are also differences within the south itself. While some countries are taking advantage of the boom in exports to diversify their productive structure, promote certain strategic industries and try to generate growth that is less dependent on commodity exports, others are behaving like the grasshopper in the fable, failing to take advantage of the robust situation to consolidate this incipient new growth model through productive diversification.

This regional dichotomy illustrates how the main economic challenge for the region in the next decade, as well as continuing to progress in reducing inequalities and increasing social cohesion, is to redesign its international insertion model, which for decades was imposed on it from the advanced economies outside the region. There are various kinds of responses to this challenge which are largely dependent on the public policies developed by governments. On the one hand, there have been highly ideological responses that insist on a decisive economic intervention by the public sector and, on the other hand, there are much more pragmatic proposals that seek to combine state and market on a more or less equal footing.

The Short-term Economic Challenges

However, in the short term, and particularly in 2011, the two biggest challenges facing Latin America are the currency war and the ongoing spiral in commodity prices, which is a double-edged sword. If they are not well managed, both these phenomena could end up sending inflation soaring by more than 20% in countries like Argentina and Venezuela this year (they already closed 2010 with rates in excess of 25%). Even in the case of countries that are managing these problems wisely, currency exchange rate appreciation could jeopardise growth, job creation and redistribution. Let us see why.

The currency war: it is no coincidence that the first person to explicitly talk about a currency war was the Brazilian Finance Minister during the last few months of former President Luiz Inácio Lula da Silva's mandate. Both the Latin American giant and its neighbours (and also emerging Asian economies) are the victims –through the appreciation of their currencies– of the exchange rate dispute between the US and China. Although the G-20 summit in Seoul in November 2010 warned that competitive devaluations could lead to increasing protectionism, no agreement was reached. Consequently, Latin American countries will have to find their own solutions and, in view of the aforementioned lack of coordination, they will have to do so individually.

The region is the victim of the US Federal Reserve’s monetary policy and the asymmetry of the global recovery. Because growth in Latin America clearly outpaces that of developed countries, there are significant capital flows towards the region. China is able to prevent these flows from causing it too many internal problems in the form of inflation because it maintains stringent controls on capital and it will not let its currency appreciate. But if the US, Japan and the UK continue to increase liquidity to stimulate their economies, the flows would increase. This would hamper mainly those countries in Latin

America that do not have capital controls and that allow their currencies to fluctuate freely. On the one hand, capital inflows are exerting considerable upside pressure on their exchange rates, undermining their exports and potentially pushing their current account deficits wider. On the other, they accelerate inflation and may trigger bubbles in securities markets which, in the event of a change in outlook and a reversal of capital flows, could unleash financial crises such as those of the 1990s.

Against this backdrop, countries are opting to intervene directly in order to depreciate their currencies or impose controls to limit capital inflows (Brazil has raised the tax on non-productive capital inflows from 2% to 4% and most central banks are directly and periodically intervening in the currency market). In fact, the IMF itself, so critical of the capital controls of the last few decades, appears now to have given its blessing to these practices as a preventive measure against overheating. But if the controls became widespread, there would be a process of financial de-globalisation with negative consequences for the emerging world in the long term.

In short, because, through no fault of its own, Latin America is on the receiving end of some of the external effects of US and Chinese policies, it is justified in imposing taxes and controls on capital inflows. However, it would be better not to have to. This would require an internationally coordinated solution to revalue the yuan and reduce the US current account deficit. But until such a solution is implemented, Latin American countries should continue to intervene selectively and implement counter-cyclical policies in order to prevent their economies from overheating.

Commodities boom: the other headache for Latin American authorities is how to manage the latest commodities boom, which represents an opportunity (with major risks) for exporting countries and a serious problem for countries that import food and fuel, especially the poorest ones. The latest upside price cycle is dangerously reminiscent of the one experienced by the global economy in mid-2008. Then, oil prices (which reached US$147 per barrel) and the food crisis wreaked havoc. In wealthy countries inflation spiralled out of control. In poor countries with massively populated cities there were riots and looting and, according to the World Bank, more than 100 million people fell below the poverty line.

For Latin America, that boom generated conflicting sentiments. The major South American exporters recorded profits and a substantial improvement in the real exchange relation, but there were also problems due to the increase in internal prices, which led to export taxes being introduced. In Central American food importing countries, rising food prices caused serious social problems.

According to *The Economist's* commodities index, excluding oil, at the end of 2010 prices had already reached the highs of 2008. Since they might well continue to rise because the global economic recovery is still at an early stage, the challenge for Latin America is to learn from the mistakes of the last boom in order to make the most of its export capacity. This requires a thorough diagnosis of the macroeconomic situation and a rapid response to tackle the adverse socio-economic effects which high prices might have on the most vulnerable segments of the population.

From the macroeconomic standpoint, there appear to be a number of causes for the price increase. The first is the strong growth in emerging countries, where demand for all kinds of commodities is high. The second is that the enormously lax monetary policy of advanced economies (and in particular the US) appears to have fuelled speculative investment in these markets; in other words, it has led to an increase in long positions among investors using the oil, commodities and food markets as just another asset in which to invest. Third, the oil price hike itself implies an increase in food and commodity production costs as transport and fertilisers expenses also rise. Lastly, in the case of food, there have been a number of poor harvests in some exporting countries (especially in the former Soviet Union), reducing supply precisely as demand was rising. Since none of these factors is going to change in the short term, prices look set to continue rising.

In this context, Latin American exporting countries must prevent their currencies from continuing to appreciate (due to the causes outlined above), since this could reduce the price competitiveness of their exports, and they must do everything they can to curb inflation (especially in basic products such as food and energy), which also reduces their competitiveness and can generate social unrest. For this purpose, they will have to continue using capital controls and it would be advisable for them to implement a fiscal policy (something which Brazil has already announced). Another option would be to use the Chilean model to create a fund using extraordinary revenue from exports to be tapped when the current price growth cycle comes to an end. This would not be politically easy to do, because demands for social expenditure in the region are huge. However, since most of the countries are growing quickly and certain overheating risks are beginning to appear in their economies, perhaps the authorities, which in most countries enjoy broad democratic legitimacy, could explain this new strategy to the public. Finally, in those cases where social turmoil emerges due to rising food prices (and energy prices, like in the recent case of Bolivia), accumulated fiscal surpluses will need to be used to support the population.

The Political Context: Elections and Stability

Thanks to the general framework of economic boom, the Latin American political outlook for 2011 is broadly one of continuity. This does not mean that at the various elections to be held this year the options representing officialism will necessarily triumph, but certainly the job of defending governments' performance will be made easier by the robust economic data. However, in some cases, inflation and higher basic consumer product prices are generating significant unrest which is eroding the popularity and approval ratings of the region's leaders.

Another matter which will be, and indeed already is, present on the political and electoral agenda of most countries in the region is that of public safety. The high levels of violence in some countries (Venezuela, El Salvador, Guatemala and Mexico, among others), often associated with the drugs trade and efforts to combat it, are an increasing concern for the public, as made evident year-after-year by the findings of the *Latinobarómetro* survey and the known crime statistics.

From the electoral standpoint, 2011 marks the mid-point of an intense period of electoral activity (2009-12), in which all countries in the region except for Paraguay will have elected or re-elected their Presidents (Paraguay will have to wait until 2013). In 2011, there are presidential elections in five Latin American countries: Haiti, Peru, Guatemala, Argentina and Nicaragua. As evidence of a trend that has consolidated in the region, in addition to the possibility of re-election of most leaders in the region, run-offs are held in all these countries should no candidate achieve an absolute or qualified majority in the first round. The exact rules vary from one country to the next. For example, Nicaragua and Argentina have the lowest requirements when it comes to avoiding a run-off. In

Nicaragua, candidates need at least 40% of valid votes, unless, having obtained at least 35% support, they obtain 5% more than the second-placed candidate. In Argentina, candidates need at least 45% of votes to win, or at least 40% and a difference of at least 10% with respect to the second-placed candidate. In contrast, in Haiti, Guatemala and Peru candidates need more than 50% of valid votes to avoid a run-off.

Both in 2011 and in previous years and even in 2012, when elections are due in Venezuela, one of the key questions with regard to the polls is that of continuity or alternation. From this point of view the region has yielded results to meet all tastes, with alternation in Chile, continuity in Brazil and alternation within a context of continuity in Colombia. For 2011, factoring in the uncertainty which surrounds electoral processes, a series of considerations are worth making, taking into account that elections in Guatemala, Argentina and Nicaragua will all be held in the final quarter of this year. This implies a long period until the elections are held, with candidates not yet announced, and this can sometimes lead to significant surprises. Accordingly, in these cases it is wise to avoid speculating.

Only Haiti and Peru hold elections in the first half of the year. On 20 March Haiti will have elected its President between two opposition candidates: Mirlande Manigat (the undisputed winner of the first round) and the former pop singer Michel Martelly. This situation arose after the Haitian Electoral Council had eliminated Jude Célestin, the candidate of current President René Préval, from the contest, after detecting fraud in his favour. In Peru there will be a change in the political balance since, on the one hand, it is not possible to be re-elected for two consecutive (though not alternate) mandates and, on the other hand, the governing APRA party does not plan to present a candidate of its own. The polls show the former President Alejandro Toledo as leading, expressing another dominant trend in the region: the difficulty which former Presidents have in moving away from the active political arena, especially if they are allowed to stand for re-election.

Of the remaining three elections, re-election may be at risk in Argentina and Nicaragua. First, it is important to first dispel some uncertainties regarding the candidates: in Argentina, it is not clear whether current President Cristina Fernández de Kirchner will decide to stand for re-election; and in Nicaragua it is not clear whether the country's legal system will uphold the highly controversial bid for re-election by Daniel Ortega. In Guatemala, where consecutive re-election is not permitted, the major doubt is whether Sandra Torres, wife of current President Álvaro Colom, will stand for election. If she does, she will embody another increasingly typical regional trend, namely the presidential marriage, which has had a considerable impact in countries like Argentina and Nicaragua.

Conclusion: In 2011, the economic boom is set to continue, underpinned by the robust performance of traditional exports. Accordingly, funds will continue to fill government coffers and, generally speaking, the region's different governments could continue with the public policies they are implementing. While it is true that 'the Latin American Decade' might be undermined by the unwanted consequences of the currency war and poor management of the commodities boom, it is no less true that the current economic stability is a very significant value for the future of the entire region. In this connection, there has been something of a move towards the political centre in the various countries. While in the first half of the first decade of the 21st century there was insistent talk of the so-called 'shift to the left', in the last two or three years we have seen more moderate options gaining electoral ground.

Carlos Malamud
Senior Analyst for Latin America, Elcano Royal Institute

Federico Steinberg
Senior Analyst for International Economy and Trade, Elcano Royal Institute

Appendix

Figure 1. The economic outlook for Latin America

	Crecimiento del producto (Porcentaje)							Inflación (Fin de período, porcentaje) [2]							Cuenta corriente externa (Porcentaje del PIB)						
	1996-2005 Prom.	2006	2007	2008	2009	2010 Proy.	2011 Proy.	1996-2005 Prom.	2006	2007	2008	2009	2010 Proy.	2011 Proy.	1996-2005 Prom.	2006	2007	2008	2009	2010 Proy.	2011 Proy.
América del Norte																					
Canada	3.3	2.8	2.2	0.5	-2.5	3.1	2.7	2.1	1.4	2.5	1.9	0.8	2.1	2.0	1.0	1.4	0.8	0.4	-2.8	-2.8	-2.7
México	3.7	4.9	3.3	1.5	-6.5	5.0	3.9	10.6	4.0	3.7	6.5	3.5	4.5	3.0	-1.9	-0.5	-0.8	-1.5	-0.6	-1.2	-1.4
Estados Unidos	3.4	2.7	1.9	0.0	-2.6	2.6	2.3	2.6	2.2	4.1	0.7	1.9	0.5	1.2	-3.7	-6.0	-5.1	-4.7	-2.7	-3.2	-2.6
América del Sur																					
Argentina [3]	2.5	8.5	8.7	6.8	0.9	7.5	4.0	6.0	9.8	8.5	7.2	7.7	11.0	11.0	-0.1	3.2	2.3	1.5	2.0	1.7	1.2
Bolivia	3.3	4.8	4.6	6.1	3.4	4.0	4.5	4.2	4.9	11.7	11.8	0.3	3.5	3.5	-2.7	11.3	12.0	12.1	4.6	6.5	5.2
Brasil	2.4	4.0	6.1	5.1	-0.2	7.5	4.1	7.4	3.1	4.5	5.9	4.3	5.2	4.8	-2.0	1.2	0.1	-1.7	-1.5	-2.6	-3.0
Chile	4.3	4.6	4.6	3.7	-1.5	5.0	6.0	3.7	2.6	7.8	7.1	-1.4	3.7	3.0	-1.5	4.9	4.5	-1.5	2.6	-0.7	-2.0
Colombia	2.3	7.1	6.3	2.7	0.8	4.7	4.6	10.5	4.5	5.7	7.7	2.0	3.2	3.3	-1.8	-1.9	-2.8	-2.9	-2.2	-2.7	-2.8
Ecuador	3.3	4.8	2.0	6.5	0.4	2.9	2.3	29.4	2.9	3.3	8.8	4.3	3.7	3.2	-1.2	3.9	3.6	2.2	-0.7	-0.8	-1.6
Guyana	1.6	5.1	7.0	2.0	3.0	2.9	3.1	5.4	4.2	14.0	6.4	3.7	4.5	4.0	-7.6	-13.1	-11.1	-13.2	-8.6	-11.3	-10.2
Paraguay	1.2	4.3	6.8	5.8	-3.8	9.0	5.0	8.8	12.5	5.9	7.5	1.9	5.5	5.5	-1.6	1.4	1.8	-2.5	-1.0	-1.2	-1.6
Perú	3.4	7.7	8.9	9.8	0.9	8.3	6.0	4.0	1.1	3.9	6.7	0.2	2.8	2.0	-2.8	3.1	1.3	-3.7	0.2	-1.3	-2.2
Suriname	3.4	3.8	5.2	6.0	2.5	4.0	4.7	30.3	4.7	8.4	9.3	1.3	12.4	4.9	-14.6	7.5	7.5	4.0	-2.4	0.1	-2.3
Uruguay	1.3	4.3	7.5	8.5	2.9	8.5	5.0	11.0	6.4	8.5	9.2	5.9	7.0	6.0	-0.9	-2.0	-0.9	-4.8	0.7	-0.1	-0.7
Venezuela	2.0	9.9	8.2	4.8	-3.3	-1.3	0.5	30.8	17.0	22.5	30.9	25.1	33.3	31.0	8.0	14.8	8.8	12.0	2.6	7.8	8.2
América Central																					
Belice	5.8	4.7	1.2	3.8	0.0	2.0	2.3	1.9	2.9	4.1	4.4	-0.4	5.9	2.5	-12.7	-2.1	-4.1	-9.8	-6.8	-5.7	-6.7
Costa Rica	4.5	8.8	7.9	2.8	-1.1	3.8	4.2	11.6	9.4	10.8	13.9	4.0	5.5	4.5	-4.1	-4.5	-6.3	-9.2	-1.8	-4.2	-4.8
El Salvador	2.7	4.2	4.3	2.4	-3.5	1.0	2.5	3.3	4.9	4.9	5.5	0.0	1.5	2.8	-2.5	-4.2	-6.0	-7.6	-1.8	-2.8	-3.1
Guatemala	3.3	5.4	6.3	3.3	0.5	2.4	2.6	7.8	5.8	8.7	9.4	-0.3	5.5	5.0	-5.2	-5.0	-5.2	-4.5	-0.6	-2.9	-3.5
Honduras	3.9	6.6	6.2	4.0	-1.9	2.4	3.5	11.5	5.3	8.9	10.8	3.0	5.7	5.8	-4.7	-3.7	-9.0	-12.9	-3.2	-6.3	-6.9
Nicaragua	4.1	4.2	3.1	2.8	-1.5	3.0	3.0	8.3	9.4	16.9	13.8	0.9	7.0	6.7	-19.7	-13.6	-17.7	-24.1	-13.7	-16.4	-16.0
Panamá	5.0	8.5	12.1	10.1	3.0	6.2	6.7	1.2	2.2	6.4	6.8	1.9	4.1	2.7	-5.2	-3.1	-7.2	-11.6	0.0	-7.9	-7.9
El Caribe																					
Antigua y Barbuda	4.3	12.9	6.5	1.8	-8.9	-4.1	3.1	1.9	0.0	5.2	0.7	2.4	-1.1	4.4	-11.2	-31.4	-32.9	-29.4	-25.4	-14.8	-16.7
Bahamas, Las	3.8	3.5	1.9	-1.7	-4.3	0.5	1.5	1.7	2.3	2.9	4.5	1.3	1.7	1.2	-9.7	-19.6	-17.8	-15.9	-12.6	-13.9	-13.7
Barbados	2.4	3.6	3.8	-0.2	-5.5	-0.5	3.0	2.8	5.7	4.8	7.2	4.3	5.0	2.2	-5.2	-6.9	-4.5	-9.6	-5.8	-4.2	-4.2
Dominica	0.8	4.8	2.5	3.2	-0.3	1.4	2.5	1.5	1.8	6.0	2.1	3.2	1.5	1.5	-19.0	-15.7	-25.0	-31.8	-28.1	-25.4	-23.3
República Dominicana	5.2	10.7	8.5	5.3	3.5	5.5	5.5	12.8	5.0	8.9	4.5	5.8	6.3	5.0	-0.8	-3.6	-5.3	-9.9	-4.6	-6.9	-6.3
Grenada	4.7	-2.3	4.9	2.2	-7.7	0.8	2.0	2.0	1.7	7.4	5.2	-2.4	4.7	2.0	-19.7	-33.2	-43.2	-38.7	-25.7	-25.0	-26.0
Haiti [4]	1.0	2.2	3.3	0.8	2.9	-8.5	9.8	16.5	12.4	7.9	19.8	-4.7	8.5	8.6	-0.7	-1.4	-0.3	-4.5	-3.2	-2.1	-3.7
Jamaica	0.7	3.0	1.4	-0.9	-3.0	-0.1	1.8	10.2	5.7	16.8	16.8	10.2	10.2	5.3	-5.9	-10.0	-16.5	-18.3	-10.5	-7.7	-7.3
St. Kitts y Nevis	3.7	2.6	4.2	4.6	-5.5	-1.5	0.5	3.6	7.9	2.1	7.6	1.0	2.2	2.5	-25.6	-20.4	-24.0	-34.2	-26.4	-24.7	-22.8
St. Lucia	1.7	4.8	1.5	0.7	-5.2	1.1	2.3	2.4	0.7	6.8	3.8	1.0	1.9	2.1	-13.6	-30.2	-31.3	-30.7	-20.0	-21.2	-22.1
St. Vincent y Grenadines	3.1	7.6	8.0	-0.6	-1.0	0.5	2.0	1.8	4.8	8.3	8.7	-1.6	1.9	2.9	-18.4	-23.7	-34.6	-35.2	-34.7	-48.3	-33.0
Trinidad y Tobago	7.9	13.2	4.8	2.4	-3.5	1.2	2.5	4.6	9.1	7.6	14.5	1.3	10.4	6.0	3.7	39.6	24.8	31.3	9.0	17.8	16.7
Memorandum:																					
América Latina y el Caribe	3.0	5.6	5.7	4.3	-1.7	5.7	4.0	9.8	5.1	6.3	8.2	5.0	6.8	6.0	-1.5	1.6	0.4	-0.7	-0.6	-1.2	-1.6
(Promedio simple)	3.2	5.7	5.4	3.6	-1.4	2.7	3.6	8.4	5.5	7.9	8.9	2.8	5.9	5.0	-6.6	-5.0	-7.5	-9.6	-6.9	-7.1	-7.0
AL-7 [5]	2.9	5.5	5.7	4.2	-2.0	6.0	4.1	2.9	5.5	5.7	4.2	-2.0	6.0	4.1	87.7	105.5	111.6	116.3	114.0	120.8	125.7
UMCO [6]	3.0	6.6	5.6	1.9	-6.7	-1.0	2.1	1.5	2.8	5.8	4.2	0.7	1.5	2.7	-17.5	-30.9	-35.4	-36.9	-26.7	-25.4	-22.5

Fuente: Cálculos del personal técnico del FMI.
[1] Los agregados regionales se reportan ponderados por el PIB en función a la PPA.
[2] Tasas de fin de período (Diciembre). Estas generalmente diferirán de las tasas de inflación anual presentadas en Perspectivas de la economía mundial, si bien ambas estan basadas en las mismas proyecciones.
[3] Estimaciones de analistas privados consideran que la inflación en el îndica de precios al consumidor ha sido considerablemente mas elevada. Las autoridades crearon un consejo de asesoramiento académico para tratar esta cuestión. Los analistas privados también estimaron que el crecimiento del PIB real ha sido significativamente mas bajo que el que aparece en reportes oficiales desde el último trimestre de 2008.
[4] Datos correspondientes al año fiscal.
[5] Incluye Argentina, Brasil, Chile, Colombia, México, Perú, y Venezuela. Estos corresponden a las siete econonmias mas grandes de América Latina.
[6] Incluye Anguilla, Antigua y Barbuda, Dominica, Grenada, Monseratt, St. Kitts y Nevis, St. Lucia, y St. Vincent y las Granadinas.

Data from IMF World Economic Outlook, October 2010.