

**Survey Date**  
**August 17, 2015**

Every month, Consensus Economics surveys around 120 prominent Latin American economic and financial forecasters for their estimates of a range of variables including future growth, inflation, foreign trade, interest rates and exchange rates. More than a dozen countries are covered and the reference data, together with analysis and polls on topical issues, is rushed to subscribers by express mail and e-mail.

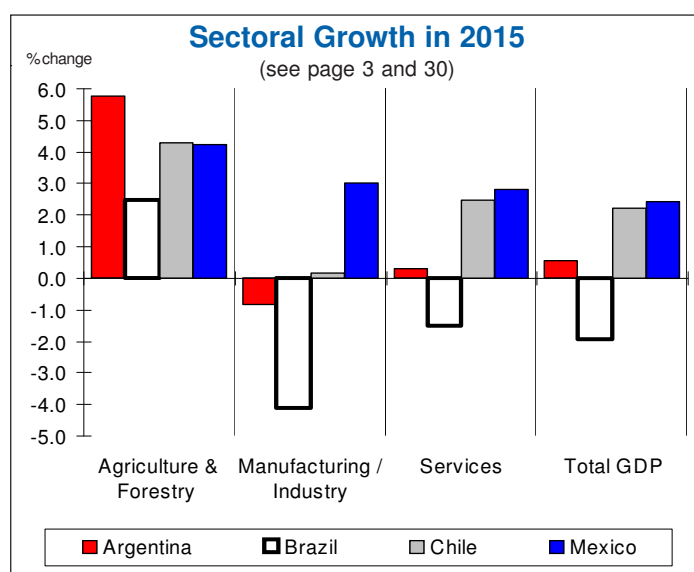
### Contents

	<u>Page</u>
<b>Significant Changes in the Consensus</b> .....	2
<b>Sectoral Growth (continued on page 30)</b> .....	3
<b>Individual Country Forecasts</b>	
Argentina .....	4
Brazil .....	8
Chile .....	12
Mexico .....	16
Venezuela .....	20
Colombia .....	24
Peru .....	25
Bolivia .....	26
Costa Rica .....	26
Dominican Republic .....	26
Ecuador .....	26
El Salvador .....	26
Guatemala .....	27
Honduras .....	27
Nicaragua .....	27
Panama .....	27
Paraguay .....	27
Uruguay .....	27
<b>Foreign Exchange Policies and Forecasts</b> .....	28-29
<b>Oil Price Forecasts</b> .....	29
<b>Sectoral Growth (continued from page 3)</b> .....	30
<b>Foreign Direct Investment</b> .....	31
<b>Latin American Economic Activity Table</b> .....	32

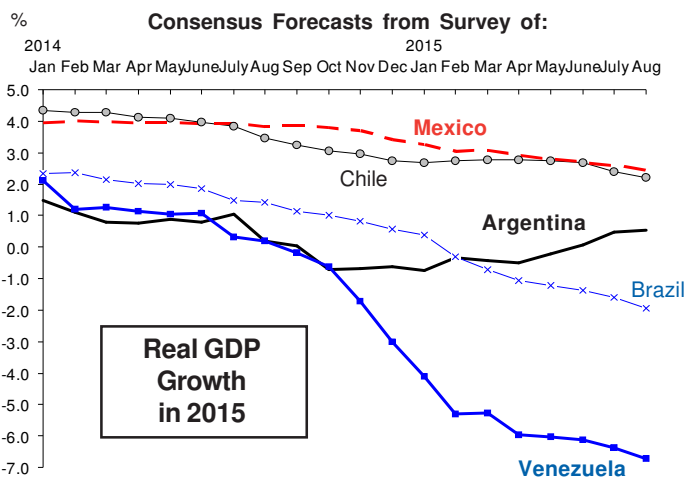
### Survey Highlights

- ◆ **Brazil** is now expected to contract by almost 2.0% this year as a worsening economy and multi-billion dollar corruption scandal at state-controlled oil company, Petrobras, continue to cast a cloud over the outlook. All this has undermined President Dilma's authority, prompting her approval rating to plummet as well as recent widespread public protests.
- ◆ In **Chile**, the GDP growth forecast for 2015 has also slipped this month from 2.4% previously to 2.2%, despite better-than-expected Q2 national accounts data. The economy grew by 1.9% (y-o-y), thanks to a recovery in consumer demand, but growth was sluggish, nevertheless.
- ◆ Our special survey this month focuses on the **Sectoral Growth** outlook for our seven largest economies (pages 3 and 30). In addition, our panellists were asked to provide forecasts for **Foreign Direct Investment** in 2015 and 2016 (page 31).

Our next issue of **Latin American Consensus Forecasts** will be available at the end of the day on  
**September 16, 2015.**

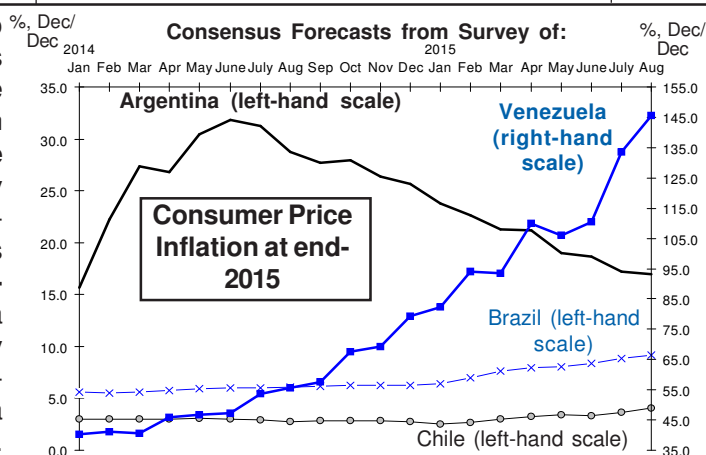


The economic outlook for several of **Latin America's** leading economies has witnessed a noticeable deterioration this month, with recessions in both **Brazil** and **Venezuela** now expected to be much deeper in 2015, while growth prospects in **Chile** and **Mexico** have dimmed. Although official data releases have been non-existent, anecdotal evidence suggests that Venezuela's economy is being strangled by measures such as capital, price and forex controls, against a backdrop of tumbling global oil prices. According to our panel, this year's recession in **Venezuela** will be more than twice as deep as the 3.0% contraction posted in 2014. In **Brazil**, the political crisis is exacerbating an already worsening economy and output is now set to shrink by -1.9% this year. Going into 2016, GDP growth is expected to be flat in **Brazil**, while this year's recession in **Venezuela** is set to



Gross Domestic Product* * % change on previous year	Historical Data			Consensus Forecasts for 2015 from Survey of						2016 Consensus Forecast
	2012	2013	2014	Mar '14	Apr	May	June	July	Aug	
Argentina	0.8	2.9	0.5	-0.4	-0.5	-0.2	0.1	0.5	0.6	1.0
Brazil	1.8	2.7	0.1	-0.7	-1.1	-1.2	-1.4	-1.6	-1.9	0.0
Chile	5.5	4.2	1.9	2.8	2.8	2.7	2.7	2.4	2.2	2.8
Mexico	4.0	1.4	2.1	3.0	2.9	2.8	2.7	2.6	2.4	3.0
Venezuela	5.6	1.3	-3.0	-5.3	-6.0	-6.0	-6.1	-6.4	-6.7	-2.7

linger. Elsewhere, both **Mexico** and **Chile** are expected to perform better next year, although sluggish activity in Q2 has resulted in a downgrade to 2015 GDP expectations. The recent devaluation of the Chinese renminbi could threaten manufacturing export prospects in **Mexico**, **Brazil** and **Chile** while also exerting further downward pressure on commodity prices. Despite the latter, many countries are facing accelerating inflationary pressures. Policy mismanagement means that price rises remain elevated in **Argentina** and **Venezuela**. In the latter, the CPI looks set to end the year at a whopping 145.5%, while inflation in the former is probably more than twice the official figure. Inflation remains stubbornly high in **Brazil**, despite tight monetary policy, while a weak **Chilean** peso has also fed through into higher prices.



Consumer Price Inflation* * % change December/December	Historical Data			Consensus Forecasts for end-2015 from Survey of						end-2016 Consensus Forecast
	2012	2013	2014	Mar '14	Apr	May	June	July	Aug	
Argentina	10.8	10.9	24.0	21.3	21.2	19.0	18.7	17.2	17.0	25.9
Brazil	5.8	5.9	6.4	7.7	7.9	8.0	8.4	8.9	9.2	5.5
Chile	1.5	3.0	4.6	3.0	3.2	3.4	3.4	3.7	4.0	3.1
Mexico	3.6	4.0	4.1	3.1	3.1	3.0	3.0	2.9	2.8	3.4
Venezuela	19.5	52.7	64.7	93.4	109.9	105.9	110.4	133.5	145.5	118.4

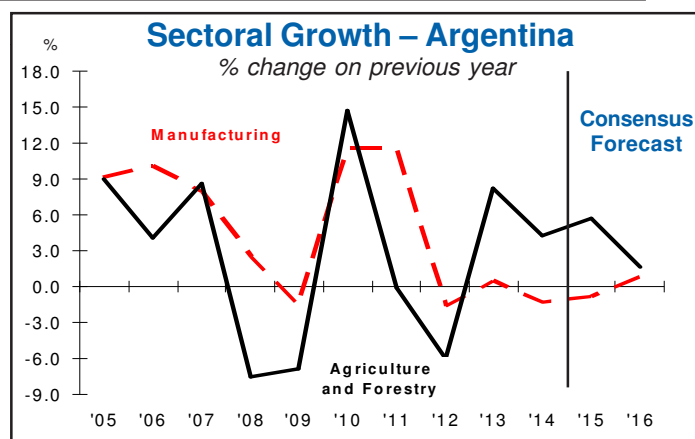
**NOTES AND ABBREVIATIONS**

- GDP - Gross Domestic Product; na - not available; IMF - International Monetary Fund
- OECD - Organisation for Economic Co-operation and Development
- y-o-y - year-on-year; q-o-q - quarter-on-quarter; m-o-m - month-on-month
- Growth rates of GDP, consumption, investment and industrial production are expressed in real (i.e. inflation-adjusted) terms. Unless otherwise noted, these and certain other variables (see Historical Data tables) are expressed as average percentage changes over the previous calendar year.
- Measures of consumer prices are December-on-December percentage changes. Most salary measures (unless noted as "real") are average nominal percentage changes over the previous calendar year.
- Measures of trade, current account and foreign currency reserves are expressed as nominal amounts in US dollars (billions).
- All individual country forecasters on pages 4-25 are listed in descending order of their 2015 real GDP estimates. Consensus forecasts are arithmetic averages of the listed individual estimates.

In addition to their regular forecasts, in this special survey we asked our panellists to provide us with their projections for growth in a range of economic sectors, based on conventional GDP breakdowns used in the individual countries. Sectoral GDP growth rates are shown as average percentage changes (in real terms) over the previous calendar year, and the consensus forecasts represent the arithmetic averages of our individual panellists' forecasts.

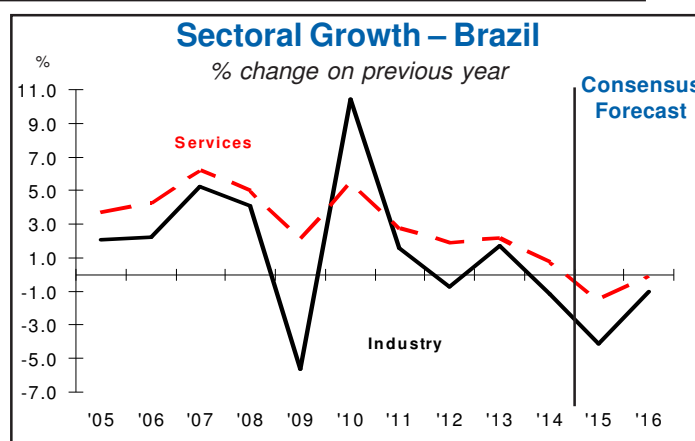
<b>Argentina</b>						
% change on previous year	Historical Data				Consensus Forecasts	
	2011	2012	2013	2014	2015	2016
<b>Agriculture and Forestry</b>	-0.1	-6.0	8.2	4.2	5.8	1.7
<b>Fishing</b>	4.2	0.2	22.2	0.9	-0.4	3.5
<b>Mining</b>	-2.5	-1.2	1.5	1.9	0.7	0.5
<b>Manufacturing</b>	11.5	-1.7	0.4	-1.3	-0.9	0.8
<b>Electricity, Gas, Water</b>	5.0	6.3	2.0	0.6	2.4	1.2
<b>Construction</b>	9.0	-2.8	3.6	-0.5	3.8	0.6
<b>Services</b>	9.6	3.3	4.0	0.9	0.3	0.4
<b>Total GDP</b>	<b>8.4</b>	<b>0.8</b>	<b>2.9</b>	<b>0.5</b>	<b>0.6</b>	<b>1.0</b>

After posting official growth of +0.5% last year, **Argentine** activity is not expected to advance at a much faster pace in 2015. Forecasts for most sectors reflect the highly uncertain economic (and political) environment. Mining and services activity is projected to remain weak in both years. Manufacturing is expected to continue declining after last year's drop, on the back of waning demand from neighbouring Brazil. A strong harvest will hopefully buoy agricultural production to 5.8% this year, helping with the government's fiscal intake, but recent serious flooding in the farming regions, coupled with weaker agricultural prices, threatens that outlook. Presidential candidates have yet to express their views on whether heavy export tariffs on farmers' crops will be lifted after October's election.



<b>Brazil</b>						
% change on previous year	Historical Data				Consensus Forecasts	
	2011	2012	2013	2014	2015	2016
<b>Agriculture and Livestock</b>	3.9	-2.1	7.3	0.4	2.5	1.9
<b>Industry</b>	1.6	-0.8	1.7	-1.2	-4.1	-1.0
<b>Services</b>	2.7	1.9	2.2	0.7	-1.5	-0.1
<b>Total GDP</b>	<b>3.9</b>	<b>1.8</b>	<b>2.7</b>	<b>0.1</b>	<b>-1.9</b>	<b>0.0</b>

Last year **Brazil's** economy barely grew and this was reflected in all three of the country's major industries posting sluggish growth or contracting in 2014. Going into this year, the economic situation has turned markedly worse and the country looks set to endure its worst recession in 25 years. Industry is expected to be hit particularly hard by the recession, with the sector forecast to shrink by -4.1%, followed by services of -1.5%. By contrast, our panel is predicting growth of 2.5% in agriculture and livestock. This sector will likely continue to grow, albeit at a slower pace next year, but even as the recession loosens its grip on the economy, our panellists reckon that industry and services will continue to contract in 2016 against a backdrop of high interest rates and fiscal austerity. *continued on page 30*



<b>Chile</b>						
% change on previous year	Historical Data				Consensus Forecasts	
	2011	2012	2013	2014	2015	2016
<b>Agriculture, Forestry, Fishing</b>	11.8	-2.2	-0.3	2.8	4.3	3.8
<b>Mining</b>	-5.2	3.8	5.9	1.3	1.4	2.5
<b>Manufacturing</b>	7.6	3.6	1.1	-0.3	0.2	1.1
<b>Construction</b>	6.8	7.2	3.9	1.5	1.9	2.2
<b>Electricity, Gas, Water</b>	11.7	8.4	9.8	4.9	3.0	3.7
<b>Services</b>	7.7	6.3	4.5	2.5	2.5	2.8
<b>Total GDP</b>	<b>5.8</b>	<b>5.5</b>	<b>4.2</b>	<b>1.9</b>	<b>2.2</b>	<b>2.8</b>

	Average % Change on Previous Calendar Year						% Change, Dec-on-Dec		Average Annual % change		Annual Total			
	Gross Domestic Product		Final Consumption		Gross Fixed Investment		Industrial Production (EMI)		Consumer Prices (National Urban Index)		Nominal Average Wages per Industrial Worker (INDEC)		Non-financial Public Sector Budget Balance, (% of GDP)	
	Producto Bruto Interno		Consumo Final		Inversión Bruta Fija		Producción Industrial (EMI)		Precios al Consumidor (Índice Nacional Urbano)		Salarios Medios Nominales por Obrero Industrial (INDEC)		Balanza de Presupuesto del Sector Público No Financiero, (% de PBI)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
<b>EXANTE</b>	2.5	1.2	2.3	1.0	-2.3	2.9	na	na	14.5	29.5	na	na	-5.7	-0.5
<b>BofA - Merrill Lynch</b>	1.8	0.6	na	na	-4.0	8.0	na	na	17.2	40.7	31.0	27.5	-6.7	-3.9
<b>Banco Credicoop</b>	1.6	1.3	1.7	1.8	2.0	4.0	1.2	1.5	15.2	20.0	29.5	25.0	-3.3	-2.7
<b>JP Morgan Chase</b>	1.4	2.6	1.4	1.9	0.4	2.5	1.5	3.0	15.0	25.0	na	na	-4.5	-4.4
<b>BBVA Banco Frances</b>	1.4	1.7	1.7	1.6	0.5	2.5	0.6	1.3	18.5	20.5	na	na	-5.9	-5.0
<b>Citigroup</b>	1.0	-1.0	1.9	-0.5	-5.6	-5.5	na	na	13.3	30.0	29.8	32.6	-5.1	-5.5
<b>Bulltick</b>	1.0	4.0	2.5	4.5	1.0	7.5	0.0	6.0	26.0	20.0	30.0	20.0	-3.8	-2.8
<b>Ecolatina</b>	1.0	1.4	1.3	1.5	-0.5	3.0	-1.0	1.5	na	na	30.5	30.0	-4.4	-3.8
<b>Elypsis</b>	1.0	2.0	na	na	na	na	na	na	15.0	24.0	28.0	25.0	na	na
<b>Fundacion Capital</b>	1.0	na	0.8	na	3.6	na	na	na	na	na	na	na	-6.2	na
<b>M A Broda &amp; Asociados</b>	1.0	0.9	2.2	1.2	1.6	na	-1.0	na	14.0	na	29.0	21.0	-5.4	-6.5
<b>Banco Galicia</b>	0.6	0.6	0.5	-0.7	1.2	4.8	1.0	1.9	15.0	20.0	30.6	29.7	-5.5	-5.3
<b>Capital Economics</b>	0.5	-1.0	na	na	na	na	na	na	na	na	na	na	-4.0	-3.0
<b>Econviews</b>	0.5	0.5	1.0	0.5	-2.5	4.0	-3.0	0.2	16.0	34.0	28.0	33.0	-5.0	-4.5
<b>Oxford Economics</b>	0.4	1.5	0.9	1.3	0.1	0.4	-0.8	1.5	16.2	18.5	28.6	21.1	-4.2	-2.4
<b>FIEL</b>	0.4	-0.9	1.5	-1.8	-0.3	-4.8	na	na	na	na	na	na	-5.2	na
<b>IHS Economics</b>	0.3	0.8	-0.5	0.7	-2.2	-3.5	-0.9	0.7	16.9	22.3	na	na	na	na
<b>Orlando Ferreres &amp; Asoc</b>	0.0	0.6	-0.6	0.5	1.0	5.0	-0.9	1.1	na	na	27.9	36.1	-6.3	-5.0
<b>ALPHA</b>	0.0	na	0.2	na	-2.0	na	-2.0	na	15.0	na	29.0	na	-5.0	na
<b>HSBC</b>	0.0	1.2	0.5	1.5	-3.9	3.8	-0.4	3.0	na	na	29.7	30.5	-5.0	-3.9
<b>Abeceb.com</b>	-0.5	0.2	-0.3	-0.2	-4.3	5.4	-1.1	2.3	na	na	na	na	-4.6	na
<b>M &amp; S Consultores</b>	-0.5	na	0.0	na	-5.0	na	-1.0	na	na	na	30.0	na	-6.0	na
<b>ACM</b>	-1.2	1.7	-2.1	0.4	4.8	7.4	-0.9	1.8	15.5	32.7	28.7	28.0	-4.8	-4.9
<b>Esperit &amp; Asociados</b>	-2.1	na	0.5	na	-15.2	na	na	na	28.4	na	34.8	na	-8.1	na
<b>Consensus (Mean)</b>	0.6	1.0	0.8	0.9	-1.4	2.8	-0.5	2.0	17.0	25.9	29.7	27.7	-5.2	-4.0
<b>Last Month's Mean</b>	0.5	1.3	0.8	1.3	-1.7	3.4	-0.6	2.6	17.2	25.6	29.5	27.6	-4.8	-3.9
<b>3 Months Ago</b>	-0.2	2.0	0.2	1.5	-3.2	3.7	-0.8	3.0	19.0	24.8	29.4	27.9	-4.1	-3.1
<b>High</b>	2.5	4.0	2.5	4.5	4.8	8.0	1.5	6.0	28.4	40.7	34.8	36.1	-3.3	-0.5
<b>Low</b>	-2.1	-1.0	-2.1	-1.8	-15.2	-5.5	-3.0	0.2	13.3	18.5	27.9	20.0	-8.1	-6.5
<b>Standard Deviation</b>	1.0	1.2	1.1	1.4	4.1	4.0	1.2	1.4	4.2	6.9	1.7	5.0	1.1	1.5
<b>Comparison Forecasts</b>														
<b>IMF (Apr. '15)</b>	-0.3	0.1							20.5	20.5				
<b>ECLAC (Aug. '15)</b>	0.5													

**Government**

**President** - Mrs. Cristina Fernández de Kirchner (Peronist Party). The president was elected for a second four-year term ending in October 2015.

**Government** - Half of the Chamber of Deputies (lower house) is directly elected every two years, with members serving four-year terms. One-third of the Senate (upper house) is elected by provincial legislatures every two years, with members serving six-year terms.

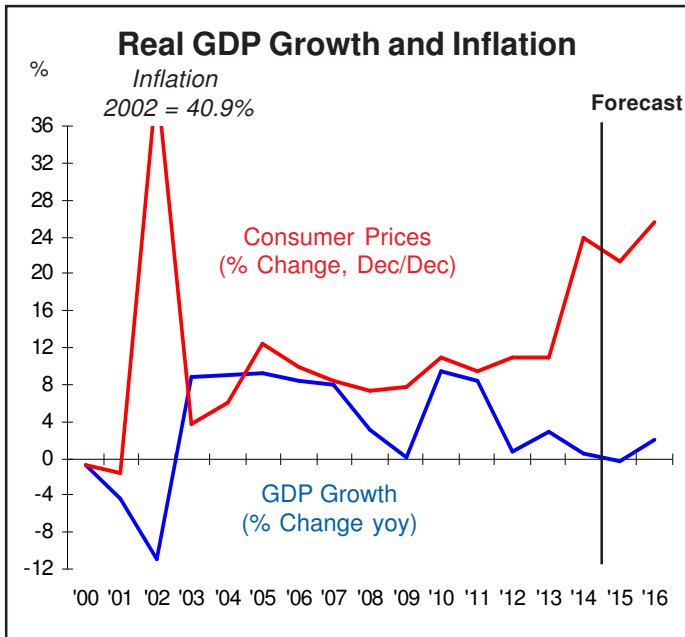
**Next Elections** - October 25, 2015 (presidential and legislative).

**Background Data**

(see page 7)

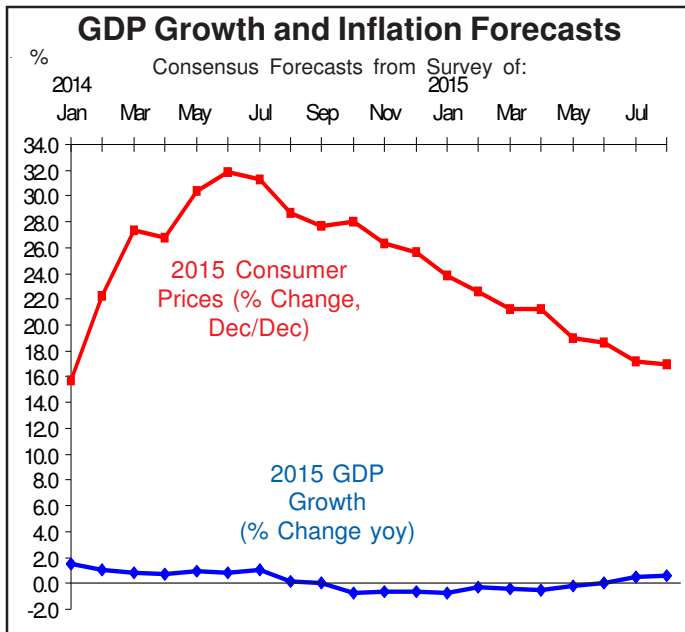
**Historical Data**

	2011	2012	2013	2014
<b>Gross Domestic Product*</b>	8.4	0.8	2.9	0.5
<b>Final Consumption*</b>	10.1	4.5	4.3	-0.1
<b>Gross Fixed Investment*</b>	19.4	-7.0	3.1	-5.5
<b>Industrial Production, EMI*</b>	6.5	-1.2	-0.2	-2.5
<b>Consumer Prices,</b>				
<b>Buenos Aires (Dec/Dec)</b>	9.5	10.8	10.9	24.0
<b>Nominal Average Wages Per</b>				
<b>Industrial Worker, INDEC*</b>	30.9	29.0	27.0	29.0
<i>* average % change on previous year</i>				
<b>Non-financial Public Sector Budget</b>				
<b>Balance, including privatisation</b>				
<b>proceeds (% of GDP)</b>	-1.3	-2.0	-1.9	-2.5



### Economy Hobbling Ahead of October Election

The national primaries for presidential candidates have raised questions about who will be elected on October 25 and if they can chart a more successful course for the economy. Under the current administration, activity remains choked by FX and capital controls; last year's default further plunged the economy into recession (although official data glossed over the worst of the decline), and inflation has stayed high for many years (again, with data masking the worst). In addition, the Chinese renminbi's devaluation on August 11-13 exerted downward pressure on already-muted world commodity prices. Given that Argentina is the leading exporter of soybeans – and is heavily reliant on its agricultural exports for badly-needed fiscal revenue and foreign currency – the current environment remains squeezed. The trade surplus did rise to US\$0.456bn in June, from US\$0.355bn in May, and trade in Q2 (US\$1.064bn) did outpace Q1 (US\$0.168bn) but, compared with the last few years, the surplus has diminished, weighed down by lower soy prices and an overvalued peso. The economic activity indicator (a proxy for GDP) reported a 2.2% (y-o-y) increase in May, exceeding expectations. This means that, after a 0.5% advance in Q4 last year and a 1.1% gain in Q1 2015, growth is on a 2% track for Q2. Our panel predicts GDP growth of +0.6% for 2015, an uptick from +0.5% last month.



Official industrial production jumped by 0.9% (y-o-y) in June, its first y-o-y increase after 22 months of decline. Production fell by -0.5% (y-o-y) in Q2, the pace down from a -2.0% contraction in Q1. On seasonally-adjusted m-o-m terms, industry is thought to have expanded by +1.2% in June. But with neighbouring Brazil in the doldrums and currency controls an obstacle to quickly obtaining imported parts, our panel's industrial outlook remains weak. Indeed, auto production and car exports continued declining in July.

### Q: What is the "True" Rate of Argentine Inflation?

Year-on-year inflation for July 2015:

Consensus estimated true rate:	27.2% (y-o-y)
<u>December/December inflation:</u>	
Consensus forecast true rate (end-2015):	27.9% (y-o-y)
Consensus forecast true rate (end-2016):	31.7% (y-o-y)

### Monthly Inflation Forecasts

\* Consumer prices, Buenos Aires Index, not seasonally adjusted -- up to December 2013  
 \*\* Consumer prices, National Urban Index, not seasonally adjusted -- From January 2014 onwards

Consensus forecasts shown in bold italics	% change on previous month	% change on same month in previous year
<b>** 2015 Feb</b>	0.9	18.0
<b>Mar</b>	1.3	16.5
<b>Apr</b>	1.1	15.8
<b>May</b>	1.0	15.3
<b>June</b>	1.0	15.0
<b>July</b>	1.3	14.8
<b>Aug</b>	1.8	15.4
<b>Sep</b>	1.8	16.0
<b>Oct</b>	1.9	16.7
<b>Nov</b>	2.0	17.7
<b>Dec</b>	2.3	19.2
<b>2016 Jan</b>	3.6	22.1
<b>December 2015</b>		17.0
<b>December 2016</b>		25.9

Readers should note that the December y-o-y figure for the current year may not equate to the Dec/Dec consensus forecast shown on the main table, since the number of survey respondents may be different, or because of rounding.

**Forecast**

The introduction of a new "National urban" CPI index in January 2014 came without any historical data. Only the m-o-m inflation rate is available between January to December 2014. We illustrate the break between the old (historical) and new (forecast) m-o-m series on the chart here.

**New Series**

**Old Series**

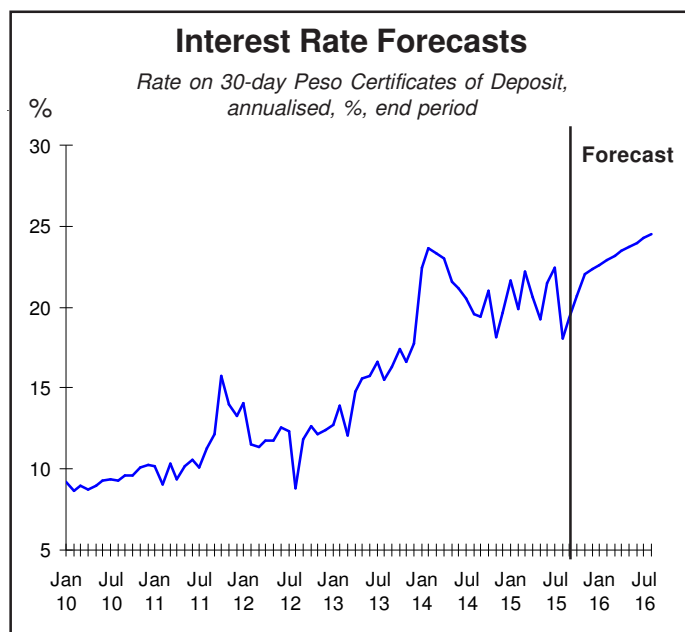
Jan 10 Jul 10 Jan 11 Jul 11 Jan 12 Jul 12 Jan 13 Jul 13 Jan 14 Jul 14 Jan 15 Jul 15 Jan 16

----- Consensus plus 1 Standard Deviation  
 ——— Actual and Consensus  
 ----- Consensus minus 1 Standard Deviation

	Annual Total								Rate on Survey Date: 18.0%	
	Merchandise Exports (fob, US\$bn)		Merchandise Imports (cif, US\$bn)		Merchandise Trade Balance (fob-cif US\$bn)		Current Account Balance (US\$bn)		30-Day Peso Certificates of Deposit (%)	
	Exportaciones de Mercancías (fab, US\$bn)		Importaciones de Mercancías (cif, US\$bn)		Balanza Comercial (fab-cif, US\$bn)		Saldo en Cuenta Corriente (US\$bn)		Certificados de Depósitos en Pesos a 30 días (%)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	End Nov '15	End Aug '16
<b>EXANTE</b>	61.5	64.6	58.4	62.6	3.1	2.0	-9.9	-10.6	na	na
<b>BofA - Merrill Lynch</b>	60.4	61.8	56.7	60.3	3.7	1.5	-8.3	-9.6	na	na
<b>Banco Credicoop</b>	62.5	68.0	60.5	65.0	2.0	3.0	-10.5	-8.4	21.5	21.5
<b>JP Morgan Chase</b>	66.7	70.4	61.2	65.2	5.5	5.2	-8.3	-8.5	na	na
<b>BBVA Banco Frances</b>	60.9	63.6	57.4	59.0	3.5	4.6	-10.7	-10.0	21.5	20.0
<b>Citigroup</b>	61.8	68.0	54.4	59.8	7.4	8.1	-9.6	-8.8	na	na
<b>Bulltick</b>	68.0	75.0	61.0	64.0	7.0	11.0	-8.0	-8.0	21.5	25.0
<b>Ecolatina</b>	61.6	70.0	62.7	73.0	-1.1	-3.0	-14.5	-16.0	21.0	24.4
<b>Elypsis</b>	62.1	65.2	60.6	66.6	1.6	-1.4	na	na	21.5	30.0
<b>Fundacion Capital</b>	62.1	na	59.7	na	2.4	na	-12.4	na	na	na
<b>M A Broda &amp; Asociados</b>	61.0	64.7	60.5	64.1	0.5	0.5	-12.0	na	23.4	28.5
<b>Banco Galicia</b>	63.4	66.5	60.3	62.1	3.1	4.4	-10.2	-10.0	22.2	26.0
<b>Capital Economics</b>	na	na	na	na	na	na	-8.0	-6.0	na	na
<b>Econviews</b>	60.5	63.0	54.0	58.4	6.5	4.7	-10.1	-12.7	22.1	28.0
<b>Oxford Economics</b>	61.5	66.0	59.6	61.0	1.9	5.0	-13.5	-4.7	18.2	16.9
<b>FIEL</b>	58.7	56.6	58.6	58.0	0.1	-1.4	-13.1	-13.2	24.0	24.5
<b>IHS Economics</b>	58.1	53.8	53.8	51.9	4.3	2.0	-10.0	-12.8	na	na
<b>Orlando Ferreres &amp; Asoc</b>	62.0	62.0	60.1	56.1	1.9	6.0	-10.4	-6.8	20.3	na
<b>ALPHA</b>	62.5	na	59.0	na	3.5	na	na	na	23.0	na
<b>HSBC</b>	58.1	57.5	54.8	58.9	3.4	-1.3	-15.3	-19.2	22.0	22.0
<b>Abeceb.com</b>	62.5	68.9	59.5	64.1	3.0	4.9	-5.9	-6.4	23.2	27.4
<b>M &amp; S Consultores</b>	59.0	na	57.0	na	2.0	na	-8.0	na	22.0	na
<b>ACM</b>	60.6	65.8	58.4	65.3	2.2	0.5	-9.6	-12.5	25.3	24.8
<b>Esperit &amp; Asociados</b>	62.5	na	56.1	na	6.4	na	-3.3	na	na	na
<b>Consensus (Mean)</b>	<b>61.7</b>	<b>64.8</b>	<b>58.4</b>	<b>61.9</b>	<b>3.2</b>	<b>3.0</b>	<b>-10.1</b>	<b>-10.2</b>	<b>22.1</b>	<b>24.5</b>
<b>Last Month's Mean</b>	62.3	65.5	59.0	62.6	3.4	3.0	-9.3	-9.1		
<b>3 Months Ago</b>	63.8	67.7	59.2	62.6	4.6	5.1	-8.3	-8.2		
<b>High</b>	68.0	75.0	62.7	73.0	7.4	11.0	-3.3	-4.7	25.3	30.0
<b>Low</b>	58.1	53.8	53.8	51.9	-1.1	-3.0	-15.3	-19.2	18.2	16.9
<b>Standard Deviation</b>	2.3	5.1	2.5	4.6	2.2	3.6	2.8	3.7	1.6	3.7
<b>Comparison Forecasts</b>										
<b>IMF (Apr. '15)</b>										
<b>ECLAC (Aug. '15)</b>										

Trade Structure	
Major Export Markets (% of Total)	
	<b>2014</b>
Brazil	20.4
China	6.9
USA	5.6
Chile	3.8
Netherlands	2.6
Major Import Suppliers (% of Total)	
	<b>2014</b>
Brazil	23.4
USA	17.8
China	12.6
Germany	5.1
Italy	2.2
Major Exports (% of Total)	
	<b>2014</b>
Agro-Industrial Products	39.1
Manufactures	33.6
Primary Products	20.8
Fuel and Energy	6.5
Major Imports (% of Total)	
	<b>2014</b>
Intermediate Goods	28.7
Capital Goods	19.3
Parts	19.1
Fuel and Energy	16.7
Consumer Goods	10.2
Passenger Vehicles	5.5

Historical Trade Data (US\$ billion)				
	2011	2012	2013	2014
<b>Merchandise Exports, fob</b>	84.1	80.2	81.7	72.0
<b>Merchandise Imports, cif (-)</b>	74.3	68.0	73.7	65.3
<b>Trade Balance, fob-cif</b>	9.7	12.2	8.0	6.7
<i>Services Exports</i>	15.6	15.2	14.7	13.9
<i>Services Imports (-)</i>	17.9	18.3	18.6	17.0
<i>Interest, Profits and Dividends (net)</i>	-13.8	-12.8	-11.0	-11.4
<i>Transfers (net)</i>	-0.5	-0.5	-0.9	-0.1
<b>Current Account Balance</b>	-3.7	-1.2	-4.7	-5.6
<b>30-Day Peso Certificates of Deposit (%), end year</b>	13.3	12.4	17.8	19.6
<b>Foreign Currency Reserves, excl. Gold &amp; SDRs, end year</b>	40.1	36.8	25.0	26.0



### Background Data

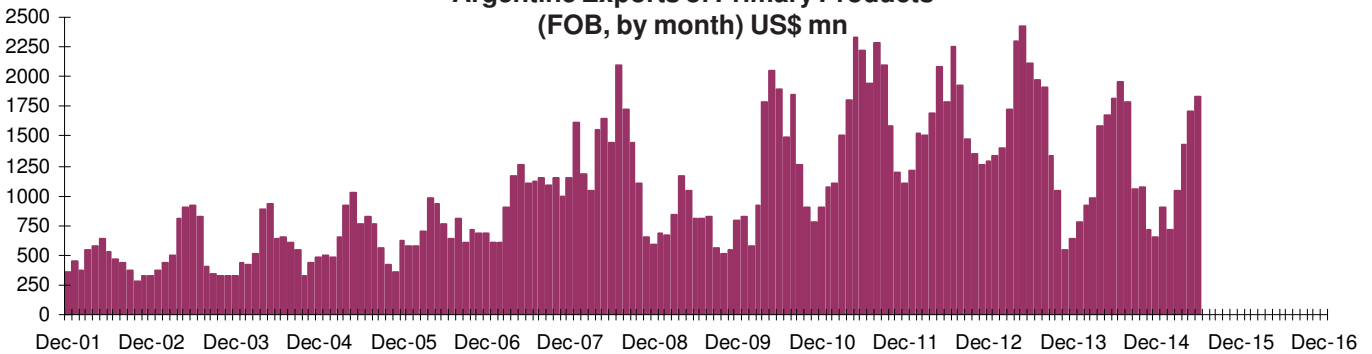
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Nominal GDP</b>												
<b>US\$bn</b>	New GDP base starting from 2004											
<b>Pesos bn</b>	183.3	222.9	264.7	331.9	408.3	380.5	464.8	562.5	609.6	623.9	544.1	
<b>Peso - % Change</b>		535.8	647.3	808.6	1027.3	1283.9	1411.5	1810.8	2312.0	2765.6	3406.3	4412.4
<b>GDP per Head (US\$)</b>		4785	5767	6790	8438	10291	9507	11512	13811	14835	15053	13016
<b>Population (millions)</b>	38.0	38.3	38.7	39.0	39.3	39.7	40.0	40.4	40.7	41.1	41.5	41.8
<b>Peso per US\$</b>			20.8	24.9	27.1	25.0	9.9	28.3	27.7	19.6	23.2	29.5
<b>End-year</b>	2.905	2.959	3.012	3.042	3.129	3.433	3.780	3.956	4.284	4.898	6.501	8.465
<b>Average</b>	2.901	2.923	2.904	3.054	3.096	3.144	3.710	3.896	4.110	4.537	5.459	8.110

### Sentiment Indicators

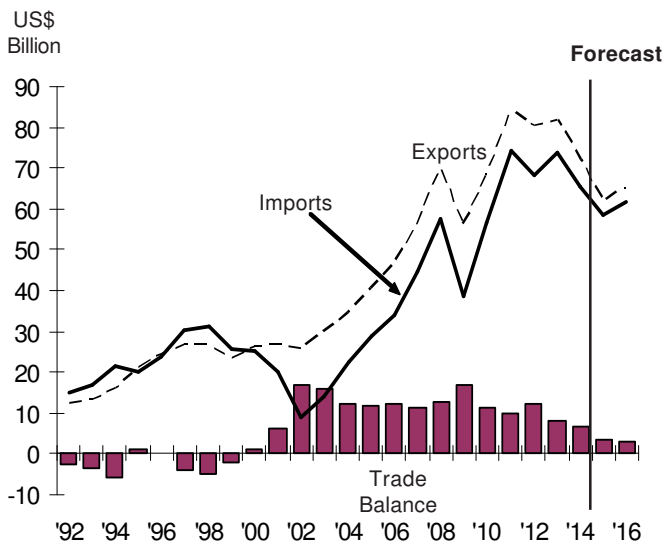
Stock Market - Argentine Mercado de Valores  
MERCAL index  
price-weighted in Argentine pesos



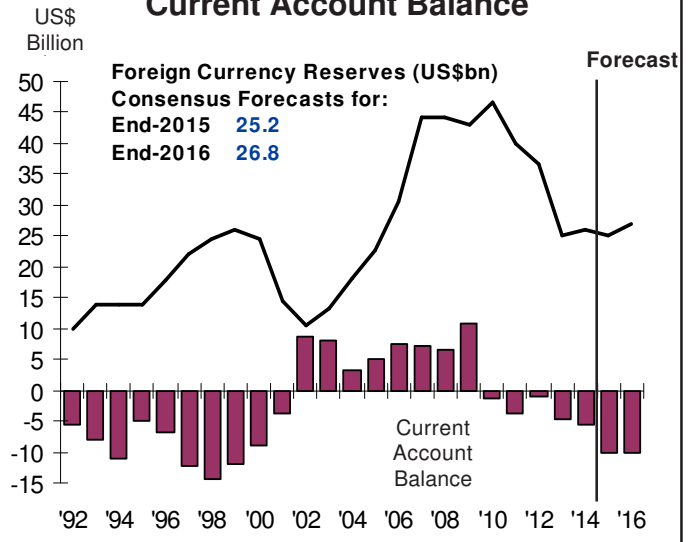
Argentine Exports of Primary Products  
(FOB, by month) US\$ mn



### Merchandise Trade



### Foreign Currency Reserves and Current Account Balance



	Average % Change on Previous Calendar Year								% Change, Dec-on-Dec		Average Annual % change		Annual Total	
	Gross Domestic Product		Household Consumption		Gross Fixed Investment		Industrial Production (IBGE)		Consumer Prices IPCA (IBGE)		Nominal Average Income (Private Sector), Monthly Employment Survey (PME) (IBGE)		Nominal Public Sector Borrowing Requirement, inc. privatization (% of GDP)	
	Produto Interno Bruto		Consumo das Famílias		Formação Bruta de Capital Fixo		Produção Industrial (IBGE)		Preços ao Consumidor IPCA (IBGE)		Rendimento Médio Nominal (Setor Privado), (PME) (IBGE)		Necessidades de Financiamento Nominal do Setor Público (% do PIB)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
<b>Capital Economics</b>	-1.0	1.0	-0.5	0.5	-4.0	1.5	na	na	8.5	5.4	na	na	na	na
<b>Timetric</b>	-1.0	0.7	-1.2	1.5	-5.1	2.9	-4.2	1.1	8.4	5.6	na	na	5.2	4.1
<b>Barclays</b>	-1.1	0.5	-1.2	0.5	-7.8	-1.1	-5.5	0.2	8.9	5.6	na	na	5.9	5.2
<b>BBVA</b>	-1.5	0.5	-2.6	-0.3	-6.3	0.7	na	na	8.9	5.3	na	na	6.7	5.8
<b>HSBC</b>	-1.6	1.0	-1.0	0.0	-7.5	3.2	-5.0	4.0	8.5	5.3	6.5	6.1	7.0	6.3
<b>Morgan Stanley</b>	-1.7	0.3	-0.7	0.3	-7.7	-1.0	na	na	9.1	5.5	na	na	4.8	3.3
<b>Citigroup</b>	-1.7	-0.2	-1.8	-0.7	-6.3	-0.7	-5.0	0.7	9.2	5.7	10.7	11.0	na	na
<b>Grupo Bursatil Mex</b>	-1.9	0.3	-1.5	0.3	-6.9	-0.4	-5.3	0.1	9.1	5.5	na	na	5.0	4.2
<b>SILCON/C.R. Contador</b>	-1.9	0.3	-1.9	-0.3	-8.2	2.0	-1.2	1.6	9.8	6.2	6.5	6.0	3.8	3.4
<b>JP Morgan</b>	-2.0	-0.1	-1.6	-0.5	-7.0	-1.1	-6.4	-1.4	9.1	5.4	na	na	6.1	4.7
<b>Datalynk</b>	-2.0	1.0	-0.3	0.5	-5.8	2.0	-4.0	2.0	9.3	5.7	9.0	9.0	5.0	4.0
<b>IHS Economics</b>	-2.0	-0.4	-2.0	-0.5	-4.9	-0.9	-6.0	-0.2	9.3	5.1	na	na	7.1	6.1
<b>Rosenberg Consultoria</b>	-2.0	0.0	-1.3	0.0	-5.1	1.5	-5.2	1.5	9.3	5.0	na	na	7.0	5.4
<b>ING</b>	-2.1	-0.2	-1.8	-0.2	-8.5	0.0	-7.0	0.0	9.9	5.4	na	na	7.0	6.3
<b>M B Associados</b>	-2.1	-0.6	-1.2	-0.5	-8.7	-4.5	-5.0	-1.2	9.4	5.6	na	na	6.8	5.7
<b>LCA Consultores</b>	-2.2	0.6	-1.8	0.1	-6.6	0.2	-5.3	0.7	9.3	5.2	6.1	6.2	6.4	5.5
<b>Eaton</b>	-2.2	-1.0	-1.2	-0.9	-6.0	-2.0	-6.3	1.0	9.3	6.5	na	na	na	na
<b>BofA - Merrill Lynch</b>	-2.3	-0.4	-2.3	-0.6	-8.2	-0.4	na	na	9.2	5.2	na	na	7.2	5.4
<b>Itau BBA</b>	-2.3	-1.0	-2.5	-1.5	-8.6	-3.7	-6.8	-2.6	9.3	5.8	na	na	7.2	5.8
<b>Oxford Economics</b>	-2.4	-0.3	-1.1	1.1	-7.1	-0.3	-6.0	0.7	na	na	5.9	5.1	7.8	4.7
<b>MCM Consultores</b>	-2.4	-0.4	-2.7	-0.4	-8.0	-0.1	-7.5	-2.8	9.2	5.6	6.5	2.7	8.6	7.1
<b>Banco Bradesco</b>	-2.5	-0.8	-2.8	-1.0	-10.0	-1.0	-7.0	-0.5	9.3	5.2	na	na	na	na
<b>Banco Votorantim</b>	-2.5	-0.5	-2.4	-0.9	-11.9	-4.1	-6.0	-1.0	9.0	5.4	na	na	7.0	6.0
<b>Consensus (Mean)</b>	-1.9	0.0	-1.6	-0.2	-7.2	-0.3	-5.5	0.2	9.2	5.5	7.3	6.6	6.4	5.2
<b>Last Month's Mean</b>	-1.6	0.6	-1.1	0.3	-6.8	0.8	-5.0	0.7	8.9	5.5	7.5	6.8	5.6	4.5
<b>3 Months Ago</b>	-1.2	1.1	-0.4	0.7	-6.3	2.1	-3.2	1.3	8.0	5.5	7.9	7.6	5.5	4.2
<b>High</b>	-1.0	1.0	-0.3	1.5	-4.0	3.2	-1.2	4.0	9.9	6.5	10.7	11.0	8.6	7.1
<b>Low</b>	-2.5	-1.0	-2.8	-1.5	-11.9	-4.5	-7.5	-2.8	8.4	5.0	5.9	2.7	3.8	3.3
<b>Standard Deviation</b>	0.4	0.6	0.7	0.7	1.8	2.0	1.4	1.6	0.4	0.3	1.8	2.7	1.2	1.0
<b>Comparison Forecasts</b>														
<b>Corp Andina de Fomento (Aug. '15)</b>	-1.9	-0.9							9.9	6.3			6.2	6.9
<b>IMF (Apr. '15)</b>	-1.0	1.0							8.0	5.4				
<b>OECD (Jun. '15)</b>	-0.8	1.1												
<b>ECLAC (Aug. '15)</b>	-1.5													

### Government

**President** - Ms. Dilma Rousseff (PT). The president was re-elected for a second four-year term in October 2014.

**Government** - Senators (upper house) are elected for eight-year terms; the Chamber of Deputies (lower house) is elected every four years. **Next Elections** - Presidential - 2018. Senate - Two-thirds will be elected in 2018. Chamber of Deputies - 2018.

### Background Data

(see page 11)

### Historical Data

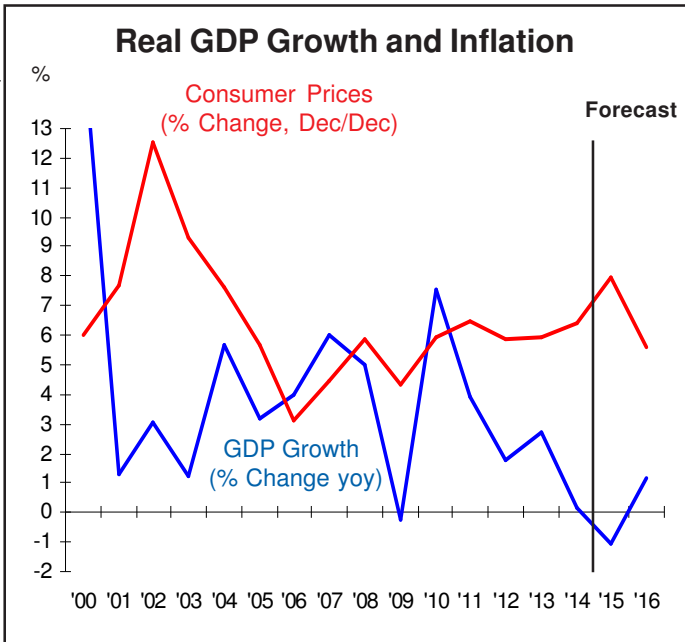
	2011	2012	2013	2014
<b>Gross Domestic Product*</b>	3.9	1.8	2.7	0.1
<b>Household Consumption*</b>	4.1	3.2	2.6	0.9
<b>Gross Fixed Investment*</b>	4.7	-4.0	5.2	-4.4
<b>Industrial Production, IBGE*</b>	0.4	-2.3	2.1	-3.2
<b>Consumer Prices, IPCA, IBGE Index (Dec/Dec)</b>	6.5	5.8	5.9	6.4
<b>Nominal Average Income, (Private Sector), (IBGE)*</b>	9.7	9.8	8.1	8.9

\* average % change on previous year

**Operational Public Sector Borrowing Requirement, including privatisation proceeds**  
(% of GDP, - = budget surplus)

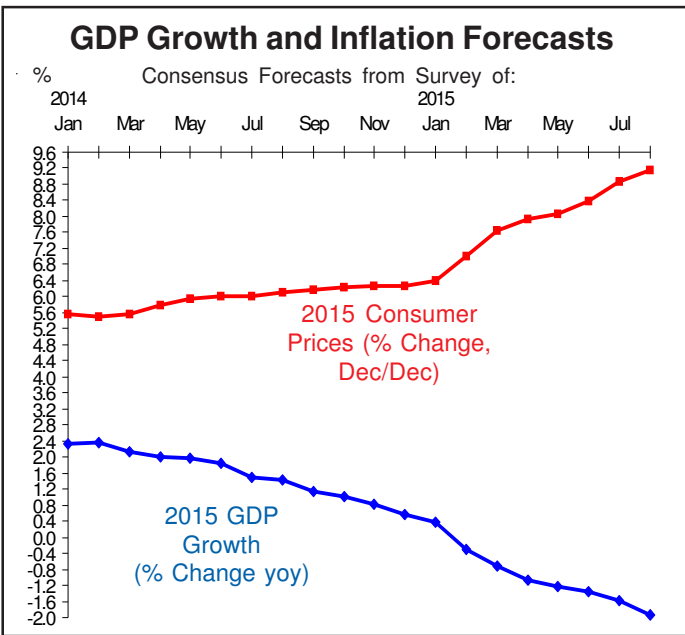
	2.6	2.5	3.3	6.7
--	-----	-----	-----	-----



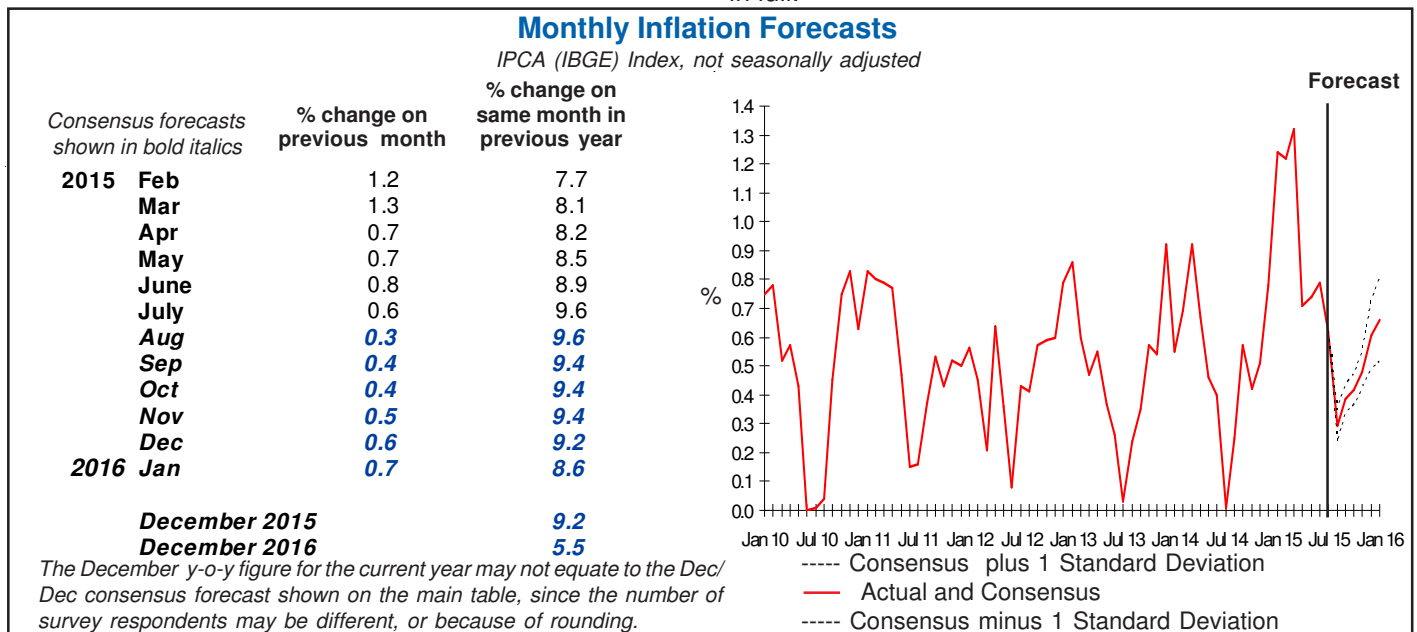


### Deepening Political Crisis Adds to Economic Woes

The growth outlook for Brazil has continued to deteriorate for many months, with our panel now predicting a slightly more severe recession (-1.9%) for this year. A worsening economy is being hampered by a deepening political crisis and these political headwinds are undermining the government's fiscal consolidation efforts. President Dilma is struggling to convince lawmakers to approve unpopular austerity measures in light of the current difficult economic climate. A shrinking economy has meant that tax revenues have been disappointing and this was clearly illustrated in June's weak fiscal numbers, which saw the government's primary budget balance report a deficit of Br-9.3bn (0.8% of GDP). This followed a surplus of Br6.9bn in the previous month. In the face of disappointing tax revenues, the government announced last month that it would lower its fiscal targets. The primary budget surplus for 2015 was lowered from 1.1% of GDP (Br66.3bn) to 0.15% (Br8.7bn), while targets for 2016 and 2017 were cut to 0.7% and 1.3% of GDP, respectively. To meet these new targets, the government plans to reduce expenditure by Br8.6bn, in a move designed to underscore its commitment to fiscal discipline. However, Brazil remains at risk of losing its coveted investment grade rating, which could undermine investor confidence and raise the cost of borrowing on international markets. Already two of the world's leading credit rating agency have downgraded Brazil's rating, although they have not stripped the country of its investment grade status. Standard & Poor's recently put Brazil on a negative outlook from 'previously stable', while Moody's cut the country's rating to Baa3, near-junk status.



Meanwhile, the corruption scandal at Petrobras, the state-owned oil company, is further weighing on the economic outlook. The scandal, along with a weak economy, has turned the tide of public opinion against President Dilma, whose approval ratings now stand at a record low. Following recent widespread public protests, the president now looks to be fighting for her political survival as she faces calls of impeachment. Although there is no evidence to suggest that the president was involved in the corruption, some observers now question whether she can serve out her second term in full.



	Annual Total								Rate on Survey Date: 14.3%	
	Merchandise Exports (fob, US\$bn)		Merchandise Imports (fob, US\$bn)		Merchandise Trade Balance (fob-fob, US\$bn)		Current Account Balance (US\$bn)		Overnight Interbank Interest Rate, SELIC (%)	
	Exportação de Mercadorias (US\$bn)		Importação de Mercadorias (US\$bn)		Saldo Comercial (US\$bn)		Saldo em Conta Corrente (US\$bn)		Taxa de juros (overnight), SELIC (%)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	End Nov '15	End Aug '16
<b>Capital Economics</b>	na	na	na	na	na	na	-66.0	-62.0	14.3	13.0
<b>Timetric</b>	209.5	221.3	204.6	211.5	4.9	9.8	-78.9	-75.4	na	na
<b>Barclays</b>	227.7	237.9	223.2	225.9	4.4	12.1	-74.4	-69.1	14.3	13.0
<b>BBVA</b>	217.0	234.0	210.0	218.0	7.0	16.0	-73.0	-57.0	14.3	12.3
<b>HSBC</b>	196.0	205.5	190.0	191.0	6.0	14.5	-75.2	-59.6	14.3	11.3
<b>Morgan Stanley</b>	195.0	193.5	191.0	186.0	4.0	7.5	-63.5	-58.0	14.5	11.5
<b>Citigroup</b>	207.3	216.2	196.1	202.0	11.2	14.1	-77.0	-78.3	na	na
<b>Grupo Bursatil Mex</b>	213.6	244.1	210.9	234.3	2.7	9.8	-89.2	-88.7	14.5	12.8
<b>SILCON/C.R. Contador</b>	199.0	211.0	195.0	200.0	4.0	11.0	-80.0	-71.0	14.3	13.5
<b>JP Morgan</b>	207.8	224.2	200.2	198.8	7.6	25.4	-77.5	-55.7	na	na
<b>Datalynk</b>	205.0	215.0	200.0	208.0	5.0	7.0	-78.0	-80.0	14.3	12.5
<b>IHS Economics</b>	195.5	198.3	182.0	179.6	13.5	18.8	-76.1	-62.0	14.3	14.0
<b>Rosenberg Consultoria</b>	187.7	199.0	177.7	185.6	10.0	13.4	-80.0	-79.3	14.3	13.0
<b>ING</b>	198.5	210.6	189.1	192.9	9.4	17.7	-74.0	-66.3	14.3	14.3
<b>M B Associados</b>	203.8	214.0	197.1	207.0	6.7	7.0	-72.2	-67.2	14.3	11.8
<b>LCA Consultores</b>	185.0	192.9	177.0	174.6	7.9	18.3	-74.2	-68.8	14.3	13.0
<b>Eaton</b>	227.5	229.6	227.1	228.0	0.4	1.6	na	na	14.3	14.3
<b>BofA - Merrill Lynch</b>	207.0	222.9	200.2	207.7	6.8	15.2	-77.5	-65.3	14.3	11.5
<b>Itau BBA</b>	188.9	179.2	183.9	166.2	5.0	13.0	-75.6	-53.6	14.3	13.3
<b>Oxford Economics</b>	192.3	199.9	186.2	181.9	6.1	18.0	-76.4	-62.3	na	na
<b>MCM Consultores</b>	197.0	211.9	184.0	187.0	13.0	24.9	-65.7	-53.5	14.3	12.3
<b>Banco Bradesco</b>	194.4	205.4	183.5	188.6	10.9	16.8	-104.0	-66.3	14.3	12.8
<b>Banco Votorantim</b>	193.4	205.8	187.6	189.6	5.8	16.2	-80.5	-67.3	14.3	11.8
<b>Consensus (Mean)</b>	<b>202.2</b>	<b>212.4</b>	<b>195.3</b>	<b>198.4</b>	<b>6.9</b>	<b>14.0</b>	<b>-76.8</b>	<b>-66.7</b>	<b>14.3</b>	<b>12.7</b>
<b>Last Month's Mean</b>	205.5	217.6	200.1	205.8	5.3	11.8	-80.3	-71.9		
<b>3 Months Ago</b>	208.9	222.4	206.7	213.1	2.2	9.2	-82.9	-75.8		
<b>High</b>	227.7	244.1	227.1	234.3	13.5	25.4	-63.5	-53.5	14.5	14.3
<b>Low</b>	185.0	179.2	177.0	166.2	0.4	1.6	-104.0	-88.7	14.3	11.3
<b>Standard Deviation</b>	11.7	15.9	13.5	17.8	3.3	5.7	8.2	9.3	0.1	0.9
<b>Comparison Forecasts</b>										
<b>Corp Andina de Fomento (Aug. '15)</b>	212.6	224.4	211.5	197.1	1.1	27.3	-72.3	-44.6		
<b>IMF (Apr. '15)</b>							-69.7	-66.3		
<b>OECD (Jun. '15)</b>							-69.6	-63.4		
<b>ECLAC (Aug. '15)</b>										

### Trade Structure

#### Major Export Markets (% of Total)

	2014
China	18.0
USA	12.1
Argentina	6.3
Netherlands	5.8
Germany	2.9

#### Major Import Suppliers (% of Total)

	2014
China	16.3
USA	15.4
Argentina	6.2
Germany	6.0
Japan	2.6

#### Major Exports (% of Total)

	2014
Primary Products	48.7
Manufactured Products	38.4
Semimanufactured Prod.	12.9

#### Major Imports (% of Total)

	2014
Intermediate Products and Raw Materials	44.9
Capital Goods	20.8
Fuels and Lubricants	17.3
Consumer Goods	16.9

### Historical Trade Data (US\$ billion)

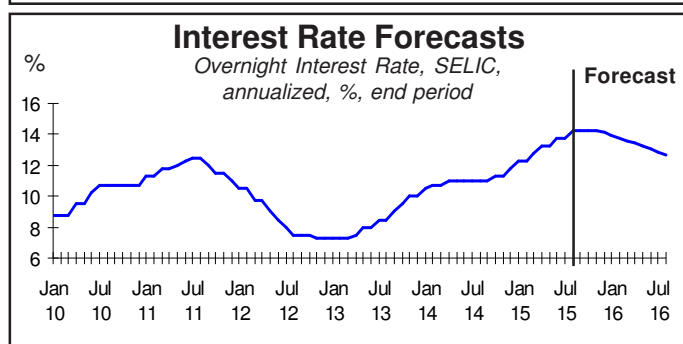
	2011	2012	2013	2014
<b>Merchandise Exports, fob</b>	256.0	242.6	242.0	224.6
<b>Merchandise Imports, fob (-)</b>	226.2	223.2	239.7	230.8
<b>Trade Balance, fob-fob</b>	29.8	19.4	2.3	-6.2
<i>Services Exports</i>	38.2	39.9	39.1	40.0
<i>Services Imports (-)</i>	76.1	80.9	86.2	88.4
<i>Interest, Profits and Dividends (net)</i>	-47.3	-35.4	-39.8	-52.2
<i>Transfers (net)</i>	3.0	2.8	3.4	1.9
<b>Current Account Balance</b>	-52.5	-54.2	-81.2	-104.7
<b>Overnight Interbank Interest Rate, SELIC (%), end year</b>	11.0	7.3	10.0	11.8
<b>Foreign Currency Reserves, excl. Gold &amp; SDRs, end year</b>	343.4	362.1	349.0	354.8

### Likelihood of an Interest Rate Change

The panel's estimated average probability of a change in **Banco Central do Brazil's SELIC Rate Target (currently 14.25%)** between the survey date and September 3, 2015 was:

	% probability of:
<b>INCREASE</b>	17.1
<b>NO CHANGE</b>	82.5
<b>DECREASE</b>	0.4
	<b>= 100%</b>

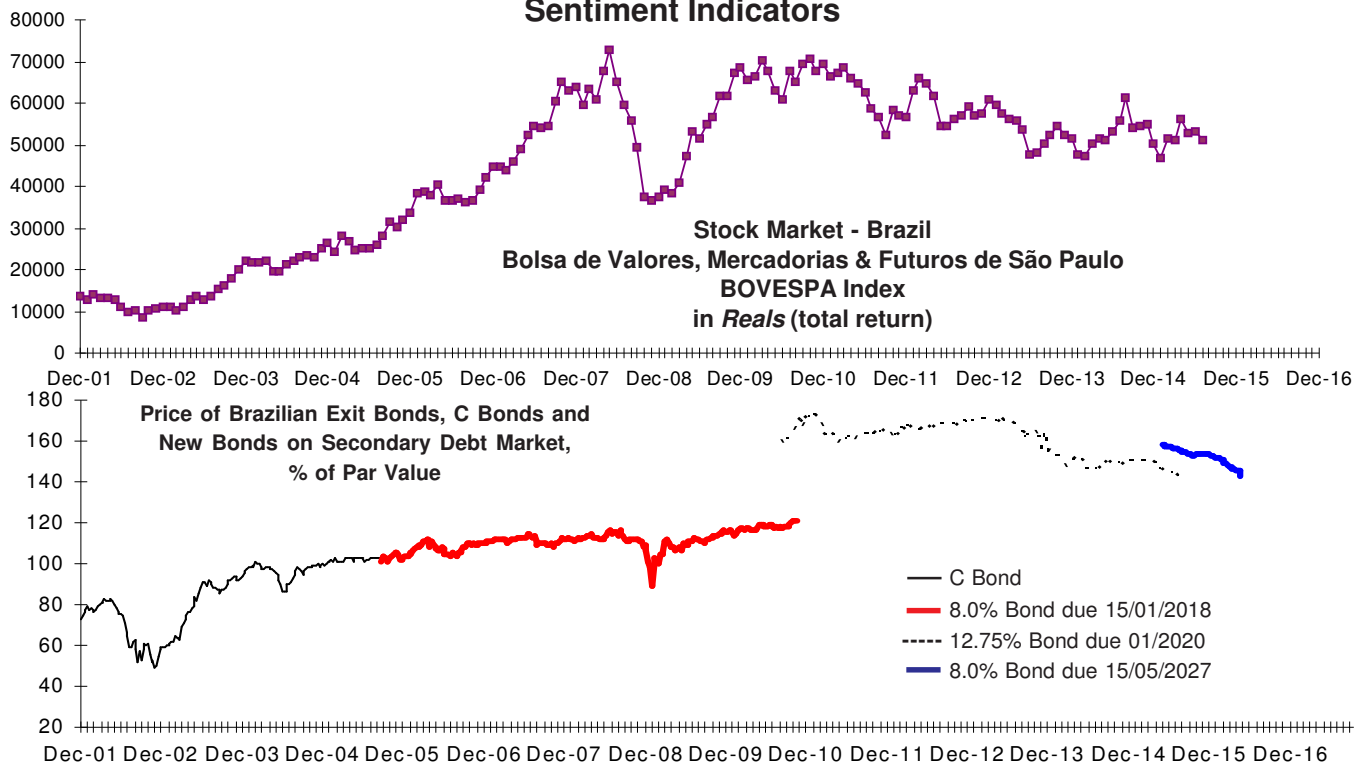
Most likely rate change mentioned was: **+0.25%**



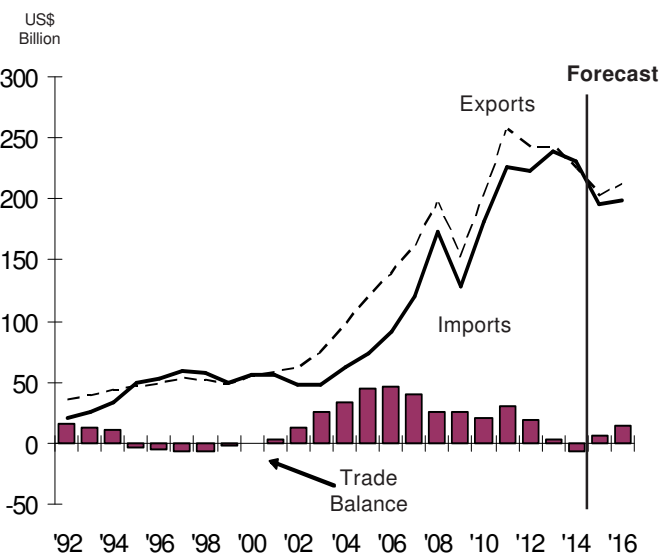
### Background Data

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Nominal GDP</b>												
<b>US\$bn</b>	558.9	669.6	892.1	1107.8	1395.9	1694.6	1664.6	2209.4	2615.2	2413.6	2393.1	2348.8
<b>Reals bn</b>	1720.1	1958.7	2171.7	2409.8	2718.0	3107.5	3328.2	3886.8	4374.8	4713.1	5157.6	5521.3
<b>Real - % Change</b>	15.0	13.9	10.9	11.0	12.8	14.3	7.1	16.8	12.6	7.7	9.4	7.1
<b>GDP per Head (US\$)</b>	3075	3639	4793	5888	7347	8837	8603	11318	13279	12150	11944	11626
<b>Population (millions)</b>	181.8	184.0	186.1	188.1	190.0	191.8	193.5	195.2	196.9	198.7	200.4	202.0
<b>Real per US\$</b>												
<b>End-year</b>	2.888	2.654	2.340	2.137	1.771	2.336	1.740	1.686	1.859	2.043	2.354	2.656
<b>Average</b>	3.078	2.925	2.434	2.175	1.947	1.834	1.999	1.759	1.673	1.953	2.155	2.351

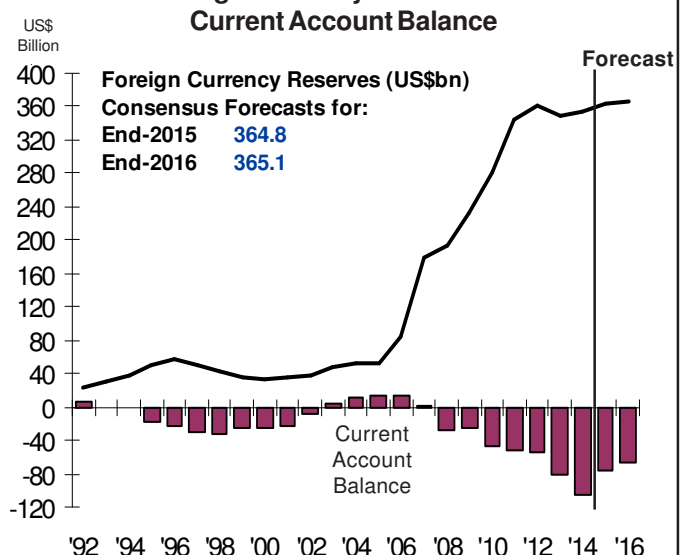
### Sentiment Indicators



### Merchandise Trade



### Foreign Currency Reserves and Current Account Balance



	Average % Change on Previous Calendar Year								% Change, Dec-on-Dec		Annual Average % change		Annual Total	
	Gross Domestic Product		Private Consumption		Gross Fixed Investment		Manufacturing Production (INE, General Index)		Consumer Prices (INE, General Index)		Nominal Hourly Wages (INE, General Index)		General Government Budget Balance, accrual basis (% of GDP)	
	Producto Geográfico Bruto		Consumo Privado		Formación Bruta de Capital Fijo		Producción Manufacturera (INE, Índice General)		Precios al Consumidor (INE, Índice General)		Remuneraciones Nominales por Hora (INE, Índice General)		Balance del Gobierno General (% de PGB)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Citigroup	2.5	3.5	2.3	3.7	na	na	na	na	3.8	3.0	5.0	4.5	-2.2	-1.9
Libertad y Desarrollo	2.4	3.0	2.5	3.0	1.0	3.0	1.0	1.0	3.9	3.0	5.0	4.0	-3.0	-2.5
Oxford Economics	2.4	3.3	2.4	3.6	0.5	1.8	2.0	5.0	na	na	6.1	5.1	-1.8	-1.3
JP Morgan Chase	2.3	3.1	2.6	2.9	0.4	1.5	0.6	2.7	4.1	3.7	na	na	-2.5	-1.9
BTG Pactual	2.3	2.5	2.0	2.3	0.8	2.6	na	na	4.5	3.5	6.0	5.8	-3.6	-3.4
Grupo Bursatil Mex	2.3	2.8	2.1	3.0	-2.4	0.6	0.2	0.8	4.0	3.2	na	na	-3.0	-1.5
Pontifica Univ Catolica	2.3	2.9	1.6	2.6	0.0	3.0	0.6	2.6	4.0	3.1	5.9	5.0	-2.9	-2.2
IHS Economics	2.2	2.3	2.1	2.0	0.9	0.9	0.6	1.6	3.9	2.8	na	na	na	na
BBVA	2.2	2.7	2.0	2.3	-2.7	1.5	-0.5	1.0	3.7	2.7	6.2	4.7	-2.8	-2.7
Capital Economics	2.2	3.0	2.0	3.0	0.0	2.0	1.0	2.0	3.8	3.2	na	na	-3.5	-3.0
Gemines	2.2	2.5	2.2	2.7	0.4	2.0	1.5	2.2	4.2	3.6	6.2	5.9	-2.9	-2.8
Larrain Vial	2.2	2.7	1.7	2.3	-0.6	2.7	1.0	2.2	3.8	2.7	6.2	5.4	-2.8	-3.2
Santander Chile	2.2	2.6	2.0	2.2	-1.6	1.3	-0.2	1.2	4.0	3.0	na	na	-2.7	-3.0
C. Comercio Santiago	2.1	3.3	2.1	2.3	-1.0	3.0	0.2	2.0	4.3	3.3	6.5	5.7	-2.9	-2.4
HSBC	2.1	2.8	1.3	1.4	-1.2	1.4	0.3	1.0	3.7	3.0	5.7	5.0	-2.9	-2.7
Banco Security	2.1	2.5	1.5	1.4	-2.4	-1.0	0.4	0.9	4.5	2.6	6.4	5.1	-3.0	-3.0
Corp Research	2.1	3.0	2.3	3.1	1.5	3.5	0.5	1.5	4.5	3.3	5.8	4.0	-3.0	-2.5
Banchile Inversiones	2.0	2.8	2.6	2.5	-0.5	2.7	na	na	4.0	3.4	6.3	5.5	-3.3	-2.5
BofA - Merrill Lynch	1.8	2.5	-0.2	0.6	0.0	4.0	na	na	3.8	3.4	6.6	5.0	-2.4	-2.1
<b>Consensus (Mean)</b>	<b>2.2</b>	<b>2.8</b>	<b>2.0</b>	<b>2.5</b>	<b>-0.4</b>	<b>2.0</b>	<b>0.6</b>	<b>1.9</b>	<b>4.0</b>	<b>3.1</b>	<b>6.0</b>	<b>5.1</b>	<b>-2.8</b>	<b>-2.5</b>
Last Month's Mean	2.4	3.0	2.1	2.7	-0.1	2.4	0.8	2.0	3.7	3.1	5.9	5.0	-2.8	-2.3
3 Months Ago	2.7	3.5	2.4	3.3	1.1	3.2	1.7	2.4	3.4	3.0	5.6	5.0	-2.4	-2.1
High	2.5	3.5	2.6	3.7	1.5	4.0	2.0	5.0	4.5	3.7	6.6	5.9	-1.8	-1.3
Low	1.8	2.3	-0.2	0.6	-2.7	-1.0	-0.5	0.8	3.7	2.6	5.0	4.0	-3.6	-3.4
Standard Deviation	0.2	0.3	0.6	0.8	1.3	1.2	0.6	1.1	0.3	0.3	0.5	0.6	0.4	0.6
<b>Comparison Forecasts</b>														
Banco Central de Chile (Jun. '15)	2.8				0.7				3.4	3.1				
IMF (Apr. '15)	2.7	3.3							2.9	3.0				
OECD (Jun. '15)	2.9	3.7	2.2	3.3	1.2	1.2								
ECLAC (Aug. '15)	2.5													

### Government

**President** - Ms. Michelle Bachelet (Socialist Party of Chile). The President was elected for a four-year term in December 2013.

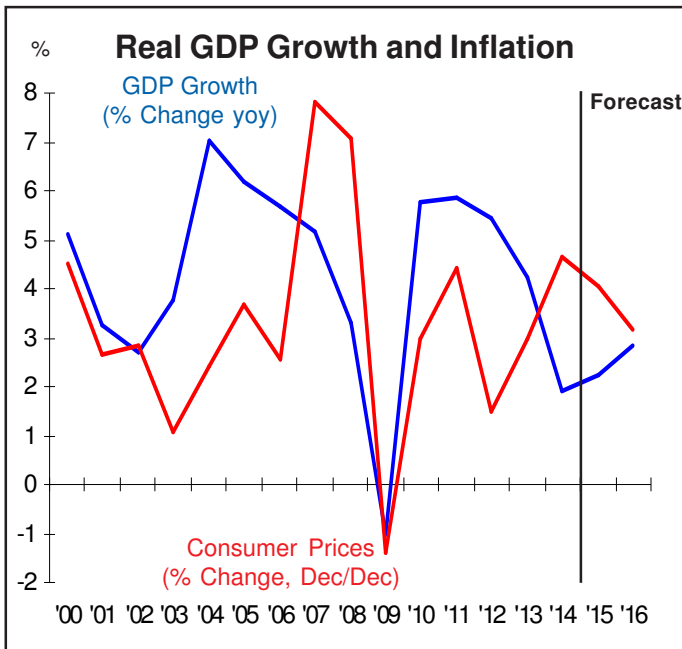
**Government** - Bachelet's *Nueva Mayoría* coalition won a majority in both chambers: 67 out of 120 seats in the Chamber of Deputies, and 21 out of 38 in the Senate. The Chamber of Deputies (lower house) is elected for four-year terms, members of the senate (upper house) serve eight-year terms. **Next Elections** - 2017 (Presidential, Senate and Chamber of Deputies).

### Background Data

(see page 15)

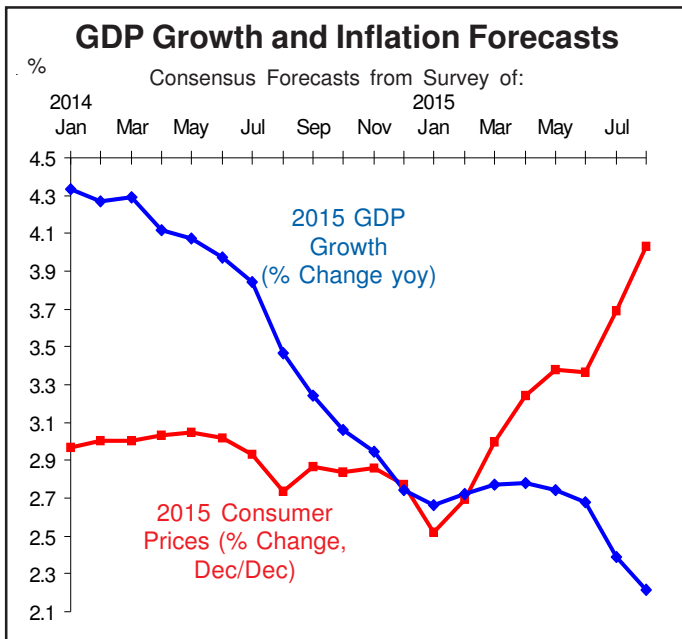
### Historical Data

	2011	2012	2013	2014
<b>Gross Domestic Product*</b>	5.8	5.5	4.2	1.9
<b>Private Consumption*</b>	8.9	6.1	5.9	2.2
<b>Gross Fixed Investment*</b>	15.0	11.6	2.1	-6.1
<b>Manufacturing Production, INE General Index*</b>	8.0	2.2	0.2	-0.9
<b>Consumer Prices, INE, General Index (Dec/Dec)</b>	4.4	1.5	3.0	4.6
<b>Nominal Hourly Wages, INE, General Index*</b>	5.9	6.4	5.7	6.6
* average % change on previous year				
<b>General Government Budget Balance, accrual basis (% of GDP)</b>	1.4	0.6	-0.7	-1.6



### Q2 GDP Beats Expectations But Growth Still Sluggish

The Chilean economy looks to have finished the second quarter on a strong footing following a batch of better-than-expected data releases for June. Most notable, Banco Central de Chile's IMACEC economic activity indicator, a proxy for real GDP growth, advanced by 2.6% from a year earlier and was up 0.8% compared to May. The improvement was driven by strong contributions from the manufacturing and mining sectors over this period. The former registered an increase in output of 1.7% (y-o-y), while high copper production helped to underpin growth in the latter. Adding to the catalogue of upbeat data releases, June retail sales beat market expectations to rise by 4.1% (y-o-y). In all, the data appear to suggest a revival in activity in June, easing earlier fears that the recovery witnessed at the start of the year had petered out at the beginning of Q2. While second quarter national accounts data (released just after our survey date) beat market expectations to show growth of 1.9% (y-o-y), nevertheless, it was much lower than the 2.5% reported in the prior quarter. In q-o-q terms, the economy reported zero growth in Q2. A breakdown of the GDP report showed that internal demand picked up by 2.0% (y-o-y). On the downside, the fall in gross fixed investment steepened following a contraction of -3.0% compared to -1.9% in the prior quarter.



Meanwhile, inflation accelerated in July after the CPI rose by 0.4% in the month, which took the annual figure up to 4.6%. In June y-o-y inflation came in at 4.4% and rose by 0.5% in m-o-m terms. Last month's annual reading was the highest so far this year and came on the back of a weak peso. The exchange rate has depreciated by around 12.0% so far this year and is currently hovering close to its lowest level in over a decade. Faced with downward pressure on the peso and faster inflation, the central bank has been reluctant to loosen monetary conditions further in spite of still-sluggish growth. Borrowing costs were kept at 3.0% for a tenth month in a row in August and the central bank maintained its neutral bias on the future direction of monetary policy. While a weak peso has helped to fan inflation, it has done little to boost exports, however. Exports fell by 17.3% (y-o-y) in July against a 12.1% slide in imports, resulting in the smallest trade surplus (US\$10.9mn) since January 2014.

### Monthly Inflation Forecasts

Consumer prices, INE, General Index, not seasonally adjusted

Consensus forecasts shown in bold italics	% change on previous month	% change on same month in previous year
<b>2015 Feb</b>	0.4	4.4
<b>Mar</b>	0.6	4.2
<b>Apr</b>	0.6	4.1
<b>May</b>	0.2	4.0
<b>June</b>	0.5	4.4
<b>July</b>	0.4	4.6
<b>Aug</b>	<b>0.3</b>	<b>4.6</b>
<b>Sep</b>	<b>0.5</b>	<b>4.3</b>
<b>Oct</b>	<b>0.3</b>	<b>3.4</b>
<b>Nov</b>	<b>0.1</b>	<b>3.5</b>
<b>Dec</b>	<b>0.1</b>	<b>4.0</b>
<b>2016 Jan</b>	<b>0.2</b>	<b>4.2</b>
<b>December 2015</b>		<b>4.0</b>
<b>December 2016</b>		<b>3.1</b>

Y-axis: %

X-axis: Jan 10 Jul 10 Jan 11 Jul 11 Jan 12 Jul 12 Jan 13 Jul 13 Jan 14 Jul 14 Jan 15 Jul 15 Jan 16

Legend: Actual and Consensus (Red line), Consensus plus 1 Standard Deviation (Dotted line), Consensus minus 1 Standard Deviation (Dotted line)

The December y-o-y figure for the current year may not equate to the Dec/Dec consensus forecast shown on the main table, since the number of survey respondents may be different, or because of rounding.

	Annual Total								Rate on Survey Date: 3.0%	
	Merchandise Exports (fob, US\$bn)		Merchandise Imports (fob, US\$bn)		Merchandise Trade Balance (fob-fob, US\$bn)		Current Account Balance (US\$bn)		Central Bank Monetary Policy Rate (%)	
	Exportaciones de Bienes (fab, US\$bn)		Importaciones de Bienes (fab, US\$bn)		Balanza Comercial (fab-fab, US\$bn)		Saldo en Cuenta Corriente (US\$bn)		Tasa de Interes de Politica Monetaria (%)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	End Nov '15	End Aug '16
<b>Citigroup</b>	72.8	76.6	62.8	69.1	10.0	7.6	-0.9	-5.4	na	na
<b>Libertad y Desarrollo</b>	72.0	77.0	63.0	68.0	9.0	9.0	-0.5	-3.0	na	3.5
<b>Oxford Economics</b>	68.9	71.3	57.7	59.8	11.2	11.5	3.9	4.1	3.2	3.7
<b>JP Morgan Chase</b>	77.4	81.3	67.8	71.4	9.6	9.9	-1.0	-2.6	na	na
<b>BTG Pactual</b>	70.5	74.0	62.9	65.9	7.6	8.1	-1.0	-0.2	3.0	3.0
<b>Grupo Bursatil Mex</b>	73.0	78.5	62.2	68.3	10.8	10.2	-1.1	-1.1	3.0	4.0
<b>Pontifica Univ Catolica</b>	72.5	74.5	62.0	65.2	10.5	9.3	-0.3	-1.5	3.0	3.3
<b>IHS Economics</b>	72.9	76.1	66.5	69.5	6.4	6.6	-1.7	0.7	3.0	3.3
<b>BBVA</b>	73.0	77.0	63.6	66.4	9.4	10.7	1.6	2.1	3.0	2.5
<b>Capital Economics</b>	na	na	na	na	na	na	-2.5	-2.6	3.0	3.3
<b>Gemines</b>	69.0	72.0	60.0	64.0	9.0	8.0	-1.3	-2.0	3.0	3.5
<b>Larrain Vial</b>	74.5	80.2	62.6	65.4	11.9	14.8	1.5	2.7	3.0	3.5
<b>Santander Chile</b>	76.6	78.6	67.7	68.4	8.9	10.2	0.4	-0.2	3.0	3.0
<b>C. Comercio Santiago</b>	68.4	72.5	62.5	68.8	5.9	3.8	-3.5	-6.6	3.0	3.5
<b>HSBC</b>	74.5	77.1	65.7	66.7	8.8	10.5	2.7	4.4	3.0	3.5
<b>Banco Security</b>	67.8	68.0	61.1	63.0	6.6	5.0	0.0	-1.5	3.0	3.0
<b>Corp Research</b>	72.0	73.0	71.0	71.0	1.0	2.0	-10.0	-8.0	3.0	3.0
<b>Banchile Inversiones</b>	76.4	77.1	68.2	69.2	8.2	8.0	-1.7	-2.8	3.0	3.3
<b>BofA - Merrill Lynch</b>	70.8	71.0	61.5	62.7	9.3	8.3	2.6	1.6	3.0	4.0
<b>Consensus (Mean)</b>	<b>72.4</b>	<b>75.3</b>	<b>63.8</b>	<b>66.8</b>	<b>8.6</b>	<b>8.5</b>	<b>-0.7</b>	<b>-1.1</b>	<b>3.0</b>	<b>3.3</b>
<b>Last Month's Mean</b>	73.4	76.8	64.8	68.1	8.6	8.7	-0.6	-0.9		
<b>3 Months Ago</b>	74.7	78.8	66.0	69.8	8.8	9.1	-1.7	-1.5		
<b>High</b>	77.4	81.3	71.0	71.4	11.9	14.8	3.9	4.4	3.2	4.0
<b>Low</b>	67.8	68.0	57.7	59.8	1.0	2.0	-10.0	-8.0	3.0	2.5
<b>Standard Deviation</b>	2.8	3.5	3.3	3.1	2.5	2.9	2.9	3.4	0.0	0.4
<b>Comparison Forecasts</b>										
<b>Banco Central de Chile (Jun. '15)</b>	70.6		62.9		7.7		-1.2			
<b>IMF (Apr. '15)</b>										
<b>OECD (Jun. '15)</b>							-2.1	-0.1		
<b>ECLAC (Aug. '15)</b>										

## Trade Structure

## Major Export Markets

(% of Total)

	2014
China	24.6
United States	12.2
Japan	10.0
South Korea	6.2
Brazil	5.4

## Major Import Suppliers

(% of Total)

	2014
China	20.9
United States	19.8
Brazil	7.8
Argentina	4.0
Japan	3.3

## Major Exports

(% of Total)

	2014
Copper	54.2
Industrial Products	38.2
Agricultural Products	7.6

## Major Imports

(% of Total)

	2014
Intermediate Goods	38.8
Consumer Goods	29.5
Fuels and Lubricants	20.0
Capital Goods	18.0

## Historical Trade Data

(US\$ billion)

	2011	2012	2013	2014
<b>Merchandise Exports, fob</b>	81.4	77.8	76.5	75.7
<b>Merchandise Imports, fob (-)</b>	70.4	75.5	74.7	67.9
<b>Trade Balance, fob-fob</b>	11.0	2.3	1.8	7.8
<i>Services Exports</i>	13.1	12.4	12.5	11.0
<i>Services Imports (-)</i>	16.2	15.1	15.9	14.7
<i>Interest, Profits and Dividends (net)</i>	-13.9	-11.3	-10.7	-8.9
<i>Transfers (net)</i>	2.9	2.1	2.2	1.9
<b>Current Account Balance</b>	-3.1	-9.6	-10.1	-3.0
<b>Real Central Bank 90-Day Bill Rate (%), end year</b>	5.3	5.0	4.5	3.0
<b>Foreign Currency Reserves, excl. Gold &amp; SDRs, end year</b>	40.1	39.7	39.3	38.9

## Likelihood of an Interest Rate Change

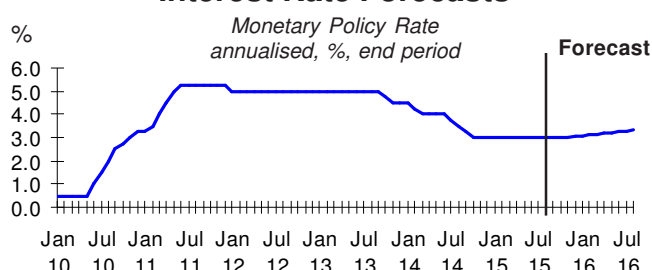
The panel's estimated average probability of a change in **Banco Central de Chile's Monetary Policy Rate (currently 3.0%)** between the survey date and September 16, 2015, was:

% probability of:

INCREASE	NOCHANGE	DECREASE	
2.5	+ 96.4	+ 1.2	= 100%

Most likely rate change mentioned was: **None**

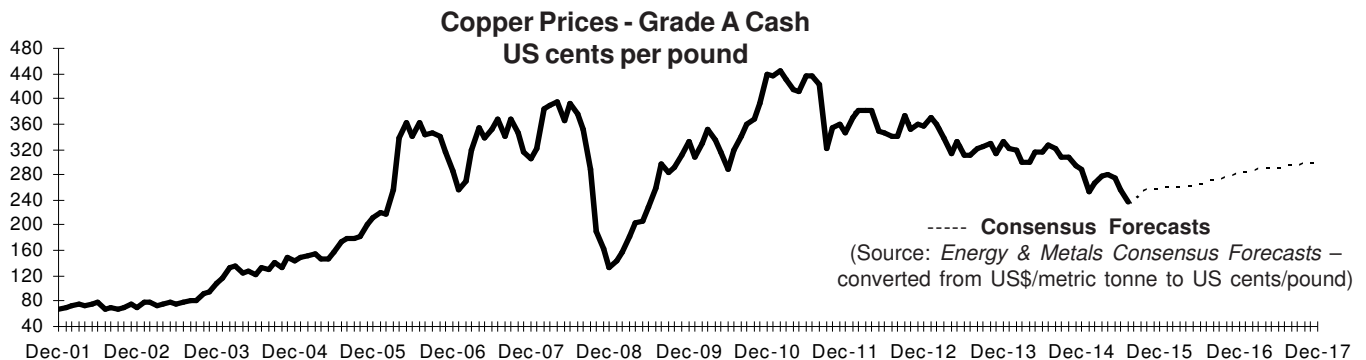
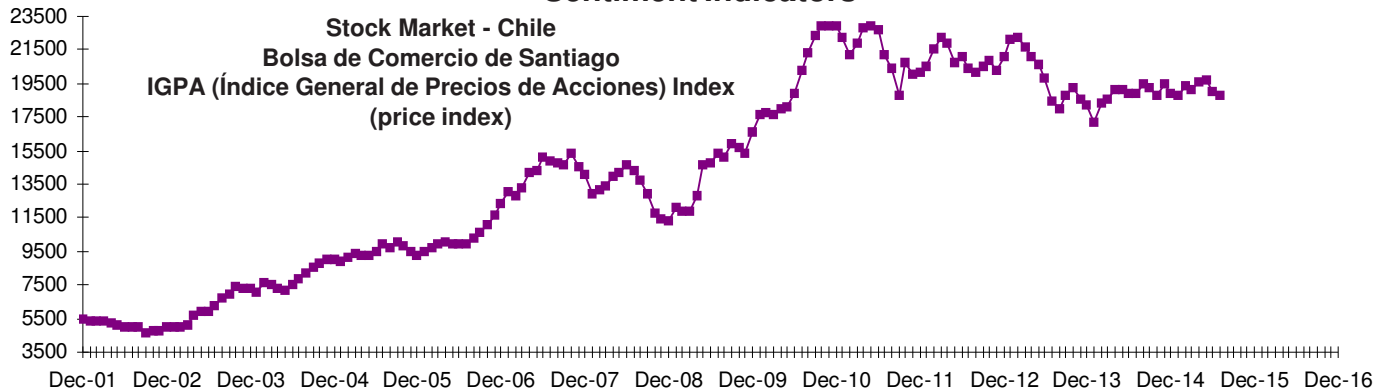
## Interest Rate Forecasts



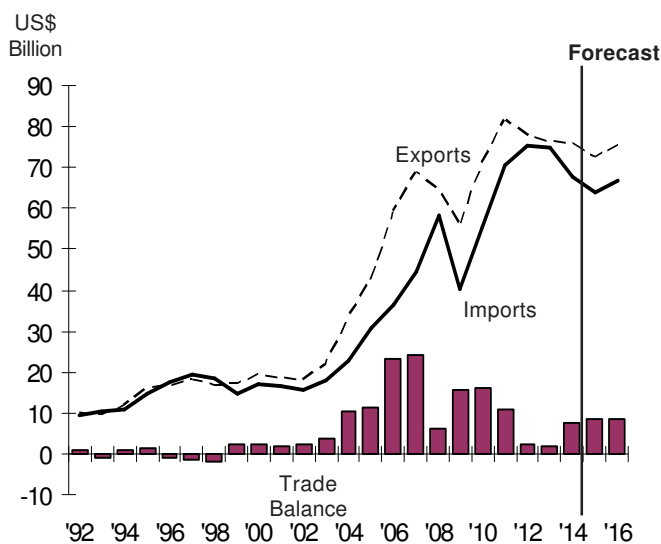
### Background Data

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Nominal GDP</b>												
<b>US\$bn</b>	76.14	99.33	123.06	154.67	173.08	179.63	171.96	217.54	250.83	265.23	276.93	258.18
<b>Pesos bn</b>	52643	60547	68883	82018	90429	93848	96444	110999	121319	129028	137029	147185
<b>Peso - % Change</b>	13.6	15.0	13.8	19.1	10.3	3.8	2.8	15.1	9.3	6.4	6.2	7.4
<b>GDP per Head (US\$)</b>	4759	6143	7531	9374	10383	10673	10121	12684	14491	15191	15717	14529
<b>Population (millions)</b>	16.0	16.2	16.3	16.5	16.7	16.8	17.0	17.2	17.3	17.5	17.6	17.8
<b>Peso per US\$</b>												
<b>End-year</b>	599.4	559.8	514.2	534.4	495.8	629.1	506.4	468.4	521.5	478.6	523.8	607.4
<b>Average</b>	691.4	609.5	559.8	530.3	522.5	522.5	560.9	510.2	483.7	486.5	494.8	570.1

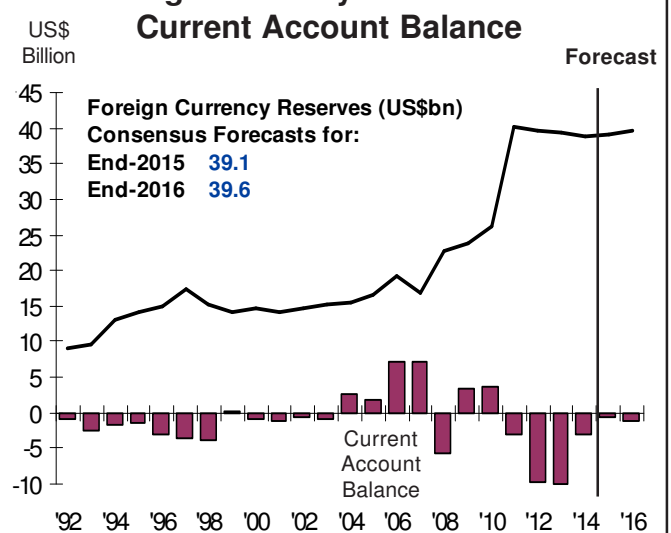
### Sentiment Indicators



### Merchandise Trade



### Foreign Currency Reserves and Current Account Balance



	Average % Change on Previous Calendar Year								% Change, Dec-on-Dec		Average Annual % change		Annual Total	
	Gross Domestic Product		Private Consumption		Gross Fixed Investment		Manufacturing Production (INEGI)		Consumer Prices (Banco de Mexico Index)		Average Industrial Wages (Banco de Mexico Index)		Public Sector Budget Balance, incl. privatization (% of GDP)	
	Producto Interno Bruto		Consumo Privado		Inversión Fija Bruta		Producción Manufacturera (INEGI)		Precios al Consumidor (Banco de México)		Salarios en la Industria Manufacturera (Banco de México)		Balance Económico del Sector Público, incl. Privatizaciones (% de PIB)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
CEESP	2.7	3.2	2.6	3.4	2.7	4.2	3.5	4.4	3.1	3.3	4.8	4.5	na	na
HSBC	2.7	2.8	3.1	3.1	5.0	5.7	3.7	3.8	2.9	3.1	4.0	4.0	-3.5	-3.0
Santander Mexico	2.7	3.5	3.3	3.3	2.0	3.2	3.6	4.5	3.0	3.4	4.4	4.5	-2.8	-2.6
Barclays	2.6	3.1	3.3	3.0	4.8	5.2	na	na	2.6	3.3	na	na	-3.5	-3.0
Morgan Stanley	2.6	2.4	3.2	2.5	4.2	2.9	na	na	2.9	3.4	na	na	-3.5	-3.5
Grupo Bursametrica	2.5	3.5	2.5	2.8	4.6	5.2	3.4	4.2	2.8	3.6	3.2	4.1	-3.4	-3.5
Banamex-Citi	2.5	3.5	3.0	3.6	5.1	6.4	na	na	2.9	3.6	na	na	-3.5	-3.0
BBVA	2.5	2.7	2.5	2.3	3.7	3.5	4.5	4.9	2.5	3.3	4.7	4.9	-3.5	-3.0
BofA - Merrill Lynch	2.5	3.0	2.3	2.8	1.7	1.1	na	na	2.9	3.4	4.5	4.5	-3.5	-3.0
Bulltick	2.5	3.5	2.8	4.0	3.5	7.0	2.0	4.0	2.7	3.2	3.8	3.9	-3.6	-3.3
Capital Economics	2.5	4.0	3.0	3.5	4.0	7.5	na	na	3.0	3.0	na	na	-4.0	-4.0
Grupo Bursatil Mexicano	2.5	3.0	3.0	3.3	5.0	4.2	2.9	2.9	2.9	3.1	4.0	4.0	-3.9	-3.8
Oxford Economics	2.5	3.1	2.8	2.8	4.3	3.8	1.6	3.4	3.0	3.5	4.2	4.0	-4.2	-3.8
ING	2.4	3.0	2.6	3.1	4.5	5.1	3.2	3.3	2.6	3.1	na	na	-3.5	-3.5
American Chamber Mex	2.4	2.8	2.8	3.3	3.1	6.2	3.0	3.5	2.7	3.4	4.4	3.5	-3.5	-3.2
CAIE-ITAM	2.3	2.9	2.8	2.7	4.6	3.5	3.0	3.4	2.7	3.1	na	na	-3.5	-3.0
Consultores Econ	2.3	3.1	2.6	3.0	2.0	3.5	3.3	3.7	2.9	3.8	4.3	4.2	-3.6	-3.5
IHS Economics	2.2	2.5	2.9	2.2	3.4	2.6	2.5	3.5	2.6	3.0	na	na	-3.0	-2.7
Jonathan Heath & Assoc	2.2	3.2	2.5	3.2	4.1	8.1	2.1	3.4	2.9	3.3	na	na	-3.5	-3.0
JP Morgan Chase Mex	2.2	3.1	2.7	3.0	2.6	3.4	3.4	3.4	2.9	3.8	na	na	-3.5	-3.0
Ve Por Mas	2.2	2.6	3.3	3.3	4.0	2.3	2.6	3.8	2.9	3.5	na	na	-3.5	-3.0
Vector Casa de Bolsa	1.9	1.8	2.0	1.8	3.0	3.3	3.2	3.4	3.3	3.6	4.5	4.5	-4.0	-4.9
<b>Consensus (Mean)</b>	<b>2.4</b>	<b>3.0</b>	<b>2.8</b>	<b>3.0</b>	<b>3.7</b>	<b>4.4</b>	<b>3.0</b>	<b>3.7</b>	<b>2.8</b>	<b>3.4</b>	<b>4.2</b>	<b>4.2</b>	<b>-3.5</b>	<b>-3.3</b>
<b>Last Month's Mean</b>	2.6	3.2	2.8	3.1	4.1	5.1	3.2	3.8	2.9	3.4	4.2	4.2	-3.6	-3.3
<b>3 Months Ago</b>	2.8	3.3	2.8	3.3	4.4	5.6	3.7	4.3	3.0	3.4	4.3	4.3	-3.6	-3.3
<b>High</b>	2.7	4.0	3.3	4.0	5.1	8.1	4.5	4.9	3.3	3.8	4.8	4.9	-2.8	-2.6
<b>Low</b>	1.9	1.8	2.0	1.8	1.7	1.1	1.6	2.9	2.5	3.0	3.2	3.5	-4.2	-4.9
<b>Standard Deviation</b>	0.2	0.5	0.3	0.5	1.0	1.8	0.7	0.5	0.2	0.2	0.4	0.4	0.3	0.5
<b>Comparison Forecasts</b>														
IMF (Apr. '15)	3.0	3.3							3.1	3.0				
OECD (Jun. '15)	2.9	3.5	2.7	3.1	4.9	5.1								
ECLAC (Aug. '15)	2.4													

### Government

**President-Elect** - Mr. Enrique Peña Nieto (PRI). The President was elected for a six-year term in July 2012.

**Government** - The Institutional Revolutionary Party (PRI) won 226 of the 500 seats in the Chamber of Deputies (lower house) in the July 2012 legislative elections, pushing the PAN (National Action Party) into third place with 122 seats and the PRD (Party of the Democratic Revolution) rose to second, with 141. The lower house is elected partly by proportional representation and partly "first past the post", with elections held every 3 years.

**Next Elections** - July 2015 (legislative); July 2018 (presidential and legislative).

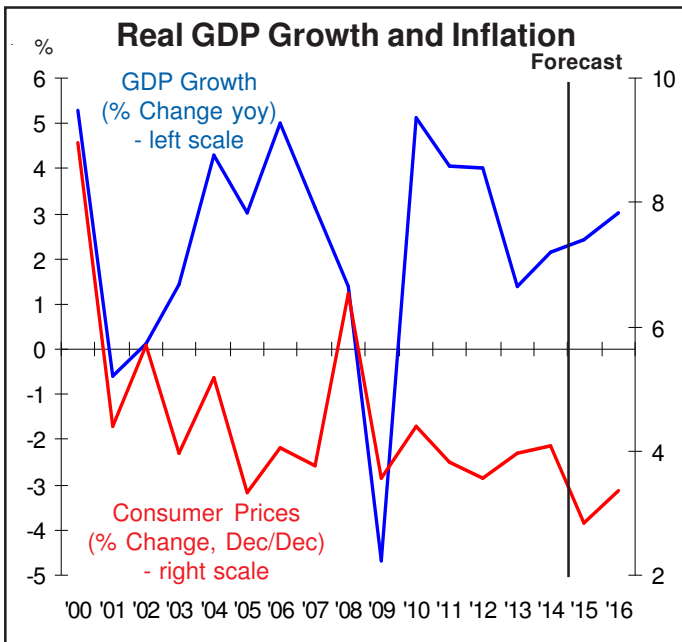
### Background Data

(see page 19)

### Historical Data

	2011	2012	2013	2014
<b>Gross Domestic Product*</b>	4.0	4.0	1.4	2.1
<b>Private Consumption*</b>	4.8	4.9	2.3	2.0
<b>Gross Fixed Investment*</b>	7.8	4.8	-1.6	2.3
<b>Manufacturing Production, INEGI*</b>	4.6	4.1	1.0	3.7
<b>Consumer Prices, Banco de Mexico (Dec/Dec)</b>	3.8	3.6	4.0	4.1
<b>Average Industrial Wages, Banco de Mexico*</b>	3.7	4.2	4.0	4.6
* average % change on previous year				
<b>Public Sector Budget Balance, including privatisation proceeds (% of GDP)</b>	-2.4	-2.6	-2.3	-3.2

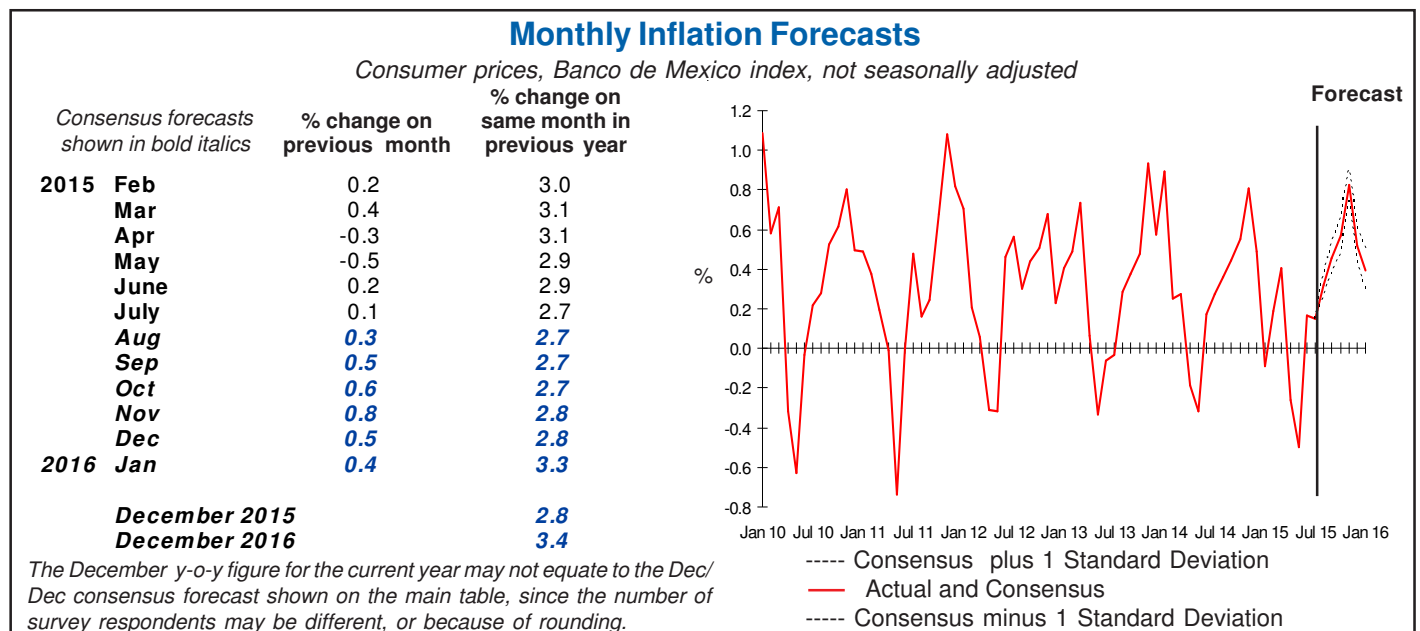
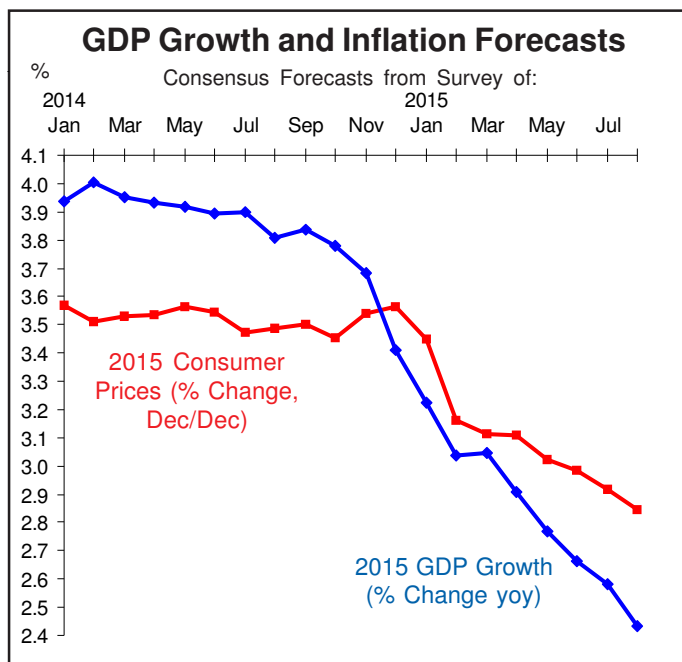




### Anaemic Growth Hits Support for Ruling Administration

Mexico, like much of Latin America, appears to be traversing an extended weak patch. Q2 GDP data was not released until after our survey deadline, but GDP growth advanced by 2.2% (y-o-y), down from 2.6% in Q1. These rates are not dynamic enough for an economy like Mexico trying to lift potential growth rates and standards of living. The government's reform push (aimed at increasing competitiveness) has faced some obstacles recently, not least the lukewarm response from major oil players to Pemex's oil fields auction. Opening up the nationalised oil sector to outside investment has been a linchpin of President Peña Nieto's reform agenda, but the current environment of exceptionally low oil prices has translated into a dearth of bids. Elsewhere, manufacturing production jumped by 4.2% (y-o-y) in June, bringing the Q2 rate to 3.0%, following a 3.2% pace in Q1. However, industry as a whole managed only a 0.6% (y-o-y) advance over Q1, pulled down by falling mining activities. Manufacturing has been helped by gradually recovering US industry, to which it is closely-linked, and indeed exports recorded a positive June showing of US\$33.8bn, up from US\$31.3bn in May, which also bodes well for manufacturing. Looking ahead, July's IMEF PMI for the sector eased from a level of 53.1 in June to 52.7. Our panel's 2015 forecasts for both production and merchandise exports have fallen back this month, as have GDP expectations which remain soft at 2.4%. On the domestic demand front, gross fixed investment eased from 5.3% (y-o-y) in April to 2.3% in May and, with growth tepid, consumption is relatively cautious.

Consumer price inflation moderated in July, from 0.2% (m-o-m) in June to 0.1%. The y-o-y rate, meanwhile, eased from 2.9% to 2.7%, giving Banxico some room for manoeuvre. Despite the balance of risks to growth shifting to the downside, the central bank is mindful of financial headwinds, especially in the run-up to the US Federal Reserve hiking interest rates for the first time since the 2008 financial crisis which took borrowing costs close to 0%. Banco de Mexico officials have stressed that they, too, would raise interest rates to support the peso if needed, although thus far Banxico is tolerant of a weaker currency, especially as it makes Mexican exports relatively more competitive.



	Annual Total								Rate on Survey Date: 3.0%	
	Merchandise Exports (fob, US\$bn)		Merchandise Imports (fob, US\$bn)		Merchandise Trade Balance (fob-fob, US\$bn)		Current Account Balance (US\$bn)		28-Day CETES Rate (%)	
	<i>Exportaciones de Mercancías (fab, US\$bn)</i>		<i>Importaciones de Mercancías (fab, US\$bn)</i>		<i>Balanza Comercial (fab-fab, US\$bn)</i>		<i>Saldo en Cuenta Corriente (US\$bn)</i>		<i>Tasa de Interés CETES a 28 días (%)</i>	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	End Nov '15	End Aug '16
CEESP	427.3	465.8	435.0	475.9	-7.7	-10.1	-28.1	-30.2	3.3	3.8
HSBC	402.7	414.5	405.8	419.5	-3.1	-5.0	-28.2	-29.5	3.0	3.9
Santander Mexico	402.5	433.2	408.0	440.2	-5.5	-7.0	-29.7	-31.9	3.3	4.0
Barclays	441.9	483.3	435.8	476.0	6.1	7.3	-19.4	-23.7	3.5	4.0
Morgan Stanley	389.2	411.4	400.0	420.0	-10.8	-8.6	-34.0	-32.0	3.2	4.0
Grupo Bursametrica	368.9	387.8	376.8	396.6	-7.9	-8.8	-25.3	-23.8	2.9	3.3
Banamex-Citi	395.1	431.2	407.1	444.1	-12.0	-12.9	-29.0	-29.1	na	na
BBVA	398.6	453.7	405.8	458.5	-7.2	-4.8	-24.7	-26.7	3.3	3.9
BofA - Merrill Lynch	404.2	441.2	411.8	448.0	-7.5	-6.8	-31.2	-31.4	na	na
Bulltick	403.0	430.0	413.0	435.0	-10.0	-5.0	-27.0	-24.0	3.0	4.0
Capital Economics	na	na	na	na	na	na	-37.0	-26.0	na	na
Grupo Bursatil Mexicano	396.8	408.3	400.5	412.4	-3.7	-4.0	-29.2	-28.4	3.5	3.7
Oxford Economics	371.8	401.5	396.6	421.2	-24.8	-19.7	-24.6	-15.9	3.2	4.2
ING	378.0	400.0	389.0	413.0	-11.0	-13.0	-30.0	-33.0	na	na
American Chamber Mex	390.5	416.9	398.4	424.6	-7.9	-7.7	-30.2	-31.7	3.2	3.9
CAIE-ITAM	388.3	410.9	397.7	416.7	-9.4	-5.8	-30.8	-30.0	3.4	4.0
Consultores Econ	405.9	438.6	412.0	447.3	-6.2	-8.7	-28.7	-32.6	3.4	4.3
IHS Economics	382.3	391.5	381.6	380.8	0.7	10.7	-22.3	-13.3	3.3	3.7
Jonathan Heath & Assoc	416.6	441.6	420.8	449.4	-4.2	-7.8	-32.2	-37.1	3.3	4.5
JP Morgan Chase Mex	406.7	431.7	414.8	440.2	-8.1	-8.6	-29.7	-34.9	3.3	3.8
Ve Por Mas	375.7	379.7	398.8	414.9	-23.1	-35.2	-46.7	-57.8	2.8	3.5
Vector Casa de Bolsa	405.0	425.0	414.0	436.0	-9.0	-11.0	-32.0	-39.0	3.3	3.8
<b>Consensus (Mean)</b>	<b>397.7</b>	<b>423.7</b>	<b>405.9</b>	<b>431.9</b>	<b>-8.2</b>	<b>-8.2</b>	<b>-29.5</b>	<b>-30.1</b>	<b>3.2</b>	<b>3.9</b>
Last Month's Mean	402.5	430.0	409.6	436.1	-7.0	-6.1	-29.1	-29.1		
3 Months Ago	410.1	438.7	416.8	445.8	-6.7	-7.1	-28.6	-30.9		
High	441.9	483.3	435.8	476.0	6.1	10.7	-19.4	-13.3	3.5	4.5
Low	368.9	379.7	376.8	380.8	-24.8	-35.2	-46.7	-57.8	2.8	3.3
Standard Deviation	17.8	25.8	14.6	23.8	6.7	8.9	5.4	8.7	0.2	0.3
Comparison Forecasts										
IMF (Apr. '15)							-26.6	-28.1		
OECD (Jun. '15)							-23.9	-26.9		
ECLAC (Aug. '15)										

### Trade Structure

#### Major Export Markets (% of Total)

	2014
United States	80.2
Canada	2.7
China	1.5
Spain	1.5
Colombia	1.2

#### Major Import Suppliers (% of Total)

	2014
United States	48.8
China	16.6
Japan	4.4
South Korea	3.4
Germany	3.4

#### Major Exports (% of Total)

	2014
Manufactures	84.9
Petroleum	10.7
Agriculture/Forestry/Fish	3.1
Mining	1.3

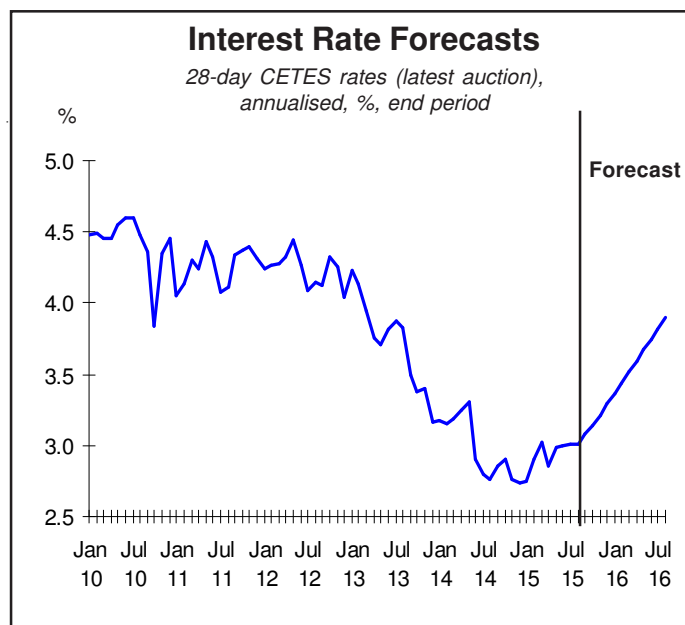
#### Major Imports (% of Total)

	2014
Intermediate Goods	75.5
Consumer Goods	14.6
Capital Goods	9.9

### Historical Trade Data (US\$ billion)

	2011	2012	2013	2014
Merchandise Exports, fob	349.4	370.8	380.0	397.1
Merchandise Imports, fob (-)	350.8	370.8	381.2	400.0
Trade Balance, fob-fob	-1.4	0.0	-1.2	-2.8
Services Exports	16.2	16.8	20.8	21.8
Services Imports (-)	30.3	30.8	32.3	35.0
Interest, Profits and Dividends (net)	-20.7	-24.4	-39.0	-33.2
Transfers (net)	23.0	22.6	21.2	22.9
Current Account Balance	-13.3	-15.9	-30.4	-26.5
28-Day CETES Rate (%), end yr	4.3	4.0	3.2	2.7
Foreign Currency Reserves, excl. Gold & SDRs, end year	137.5	153.5	168.6	185.2

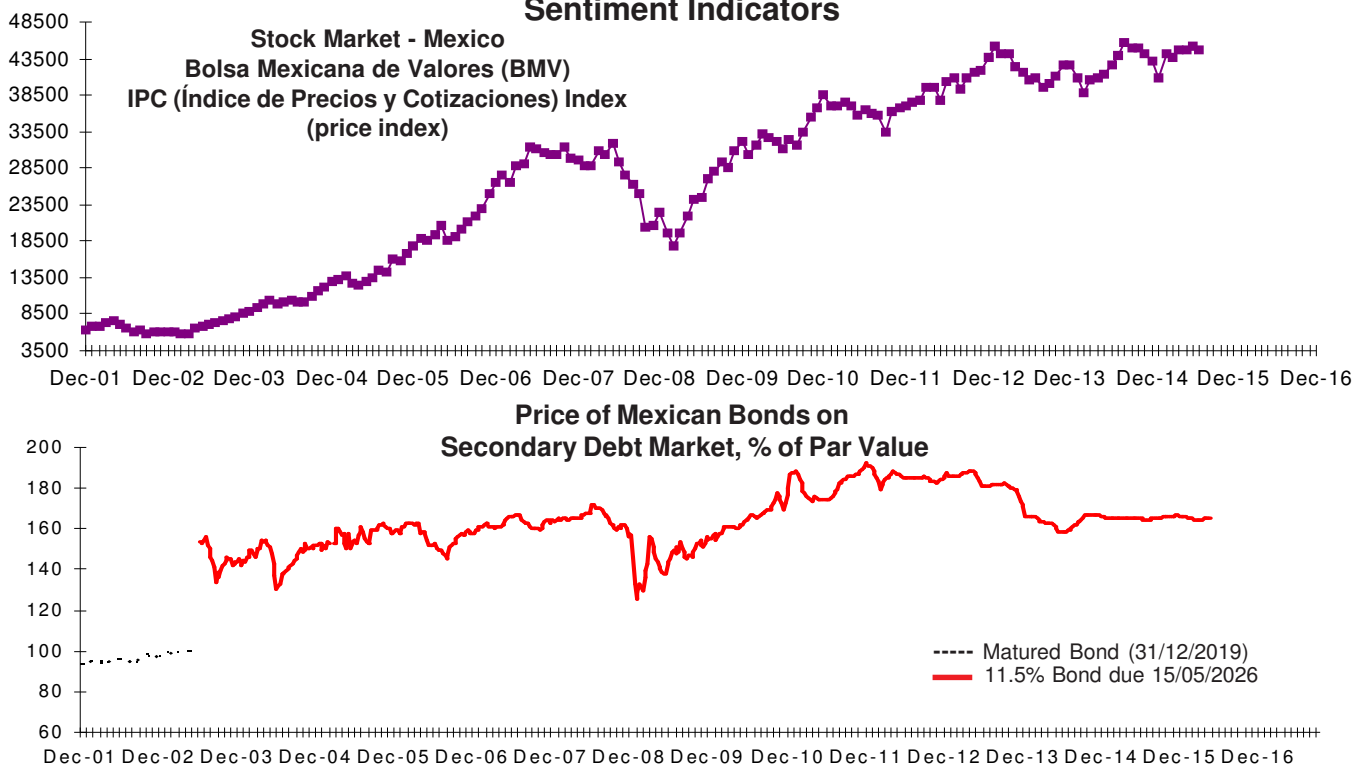
<sup>1</sup> includes Maquiladoras



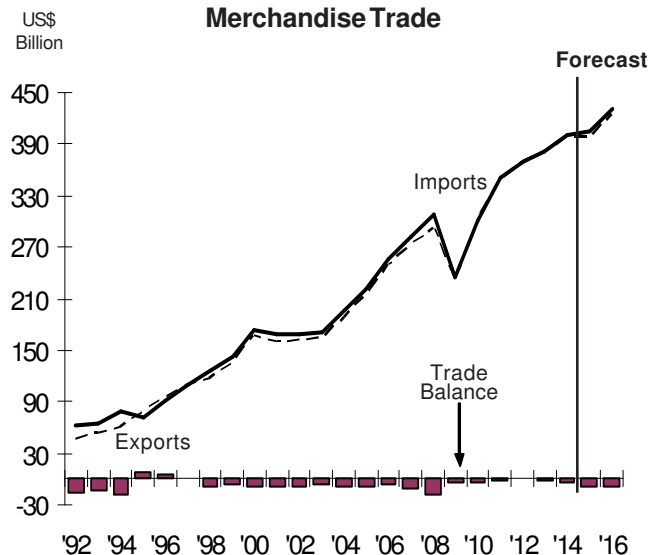
### Background Data

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Nominal GDP</b>												
<b>US\$bn</b>	713.3	770.3	866.3	966.9	1043.5	1101.3	894.9	1051.1	1171.2	1186.6	1262.5	1290.3
<b>Pesos bn</b>	7696	8693	9441	10538	11403	12257	12094	13282	14550	15627	16116	17161
<b>Peso - % Change</b>	7.5	13.0	8.6	11.6	8.2	7.5	-1.3	9.8	9.5	7.4	3.1	6.5
<b>GDP per Head (US\$)</b>	6601	7042	7824	8624	9191	9579	7687	8916	9812	9819	10320	10423
<b>Population (millions)</b>	108.1	109.4	110.7	112.1	113.5	115.0	116.4	117.9	119.4	120.9	122.3	123.8
<b>Peso per US\$</b>												
<b>End-year</b>	11.24	11.26	10.78	10.88	10.87	13.54	13.06	12.36	13.99	13.01	13.07	14.74
<b>Average</b>	10.79	11.29	10.90	10.90	10.93	11.13	13.51	12.64	12.42	13.17	12.77	13.30

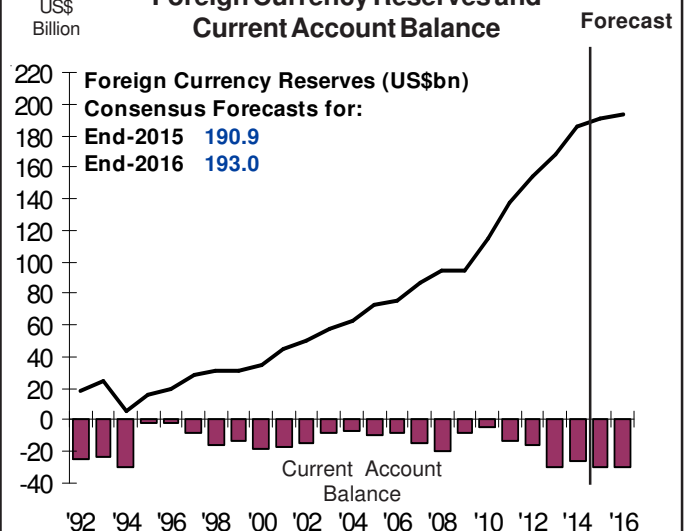
### Sentiment Indicators



### Merchandise Trade



### Foreign Currency Reserves and Current Account Balance



	Average % Change on Previous Calendar Year						% Change, Dec-on-Dec		Average Annual % change		Annual Total			
	Gross Domestic Product		Private Consumption		Gross Fixed Investment		Manufacturing Production		Consumer Prices (Caracas Metropolitan Area)		Nominal Wages (OCEI, all employees)		Central Government Budget Balance (% of GDP)	
	Producto Interno Bruto		Consumo Privado		Inversión Bruta Fija		Producción Manufacturera		Precios al Consumidor (Área Metropolitana de Caracas)		Salarios Nominales (OCEI, Sueldo)		Balance del Gobierno Central (% de PIB)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
BofA - Merrill Lynch	-4.0	3.9	-3.8	4.0	-15.0	5.6	na	na	202.5	80.7	125.0	140.0	-3.5	0.7
Capital Economics	-5.0	-2.5	-5.0	-0.5	-20.0	0.0	na	na	90.0	50.0	na	na	-25.0	-20.0
IHS Economics	-5.7	-3.8	-3.3	-3.5	-20.1	-6.3	-7.3	-4.9	113.3	98.5	na	na	na	na
Datanalisis	-6.0	-4.0	-6.0	-4.0	-17.0	-5.0	-10.0	-3.0	140.0	250.0	70.0	100.0	-12.0	-8.0
Oxford Economics	-6.0	-1.5	-4.8	0.8	2.3	4.8	-8.1	-2.1	105.2	86.7	80.6	99.6	-6.3	-3.4
Barclays	-6.2	-2.8	-4.2	-2.9	-17.2	-5.0	na	na	188.6	128.7	na	na	na	na
MPG Consultores	-6.2	na	-5.2	na	-10.9	na	-7.1	na	119.2	na	70.0	na	-9.8	na
Econ Intelligence Unit	-6.2	-5.5	-8.5	-6.0	-20.0	-20.0	-10.1	-8.0	112.7	57.8	na	na	na	na
VenEconomia	-6.7	-2.1	-7.0	-4.0	-12.0	-8.0	-8.1	-4.1	120.0	145.5	95.0	110.0	-19.0	-5.6
Coyuntura (Maxim Ross)	-7.4	-4.5	-6.6	-2.4	-27.9	-10.8	-11.5	-7.2	185.2	129.3	82.5	71.9	-5.8	-5.4
Citigroup	-7.5	-5.6	-7.7	-6.1	-13.7	-10.6	na	na	98.1	100.0	72.0	80.0	-14.0	-13.1
HSBC	-7.5	-2.8	-7.6	1.5	-24.7	3.5	-7.5	2.8	175.4	67.5	115.0	77.0	-20.0	-7.5
Banco Mercantil	-7.6	-1.5	-5.7	-2.4	-22.9	-7.7	-15.0	-2.9	112.1	89.2	41.7	41.8	-8.4	-7.8
JP Morgan Chase	-8.0	0.0	-10.0	0.0	-18.0	4.0	0.0	0.0	200.0	90.0	na	na	-9.0	-6.0
Ecoanalitica	-8.6	-6.2	-4.3	-4.1	-30.4	-19.6	-9.6	-1.6	204.2	293.0	98.0	153.0	-7.7	na
Azpurua Garcia Velazquez	-8.8	-1.2	na	na	na	na	na	na	162.1	109.0	na	na	-6.8	-2.8
<b>Consensus (Mean)</b>	<b>-6.7</b>	<b>-2.7</b>	<b>-6.0</b>	<b>-2.1</b>	<b>-17.8</b>	<b>-5.4</b>	<b>-8.6</b>	<b>-3.1</b>	<b>145.5</b>	<b>118.4</b>	<b>85.0</b>	<b>97.0</b>	<b>-11.3</b>	<b>-7.2</b>
<b>Last Month's Mean</b>	-6.4	-2.7	-5.9	-1.9	-16.9	-4.9	-8.2	-2.7	133.5	111.3	78.1	89.2	-10.6	-7.1
<b>3 Months Ago</b>	-6.0	-2.3	-5.9	-1.6	-15.7	-2.4	-7.4	-1.7	105.9	79.1	69.5	62.0	-9.4	-6.3
<b>High</b>	-4.0	3.9	-3.3	4.0	2.3	5.6	0.0	2.8	204.2	293.0	125.0	153.0	-3.5	0.7
<b>Low</b>	-8.8	-6.2	-10.0	-6.1	-30.4	-20.0	-15.0	-8.0	90.0	50.0	41.7	41.8	-25.0	-20.0
<b>Standard Deviation</b>	1.3	2.6	1.9	2.9	7.8	8.3	3.7	3.2	41.5	67.9	24.2	34.5	6.4	5.5
<b>Comparison Forecasts</b>														
Corp Andina de Fomento (Aug. '15)	-8.6	-3.3							230.3	200.9				
IMF (Apr. '15)	-7.0	-4.0							94.9	78.4				
ECLAC (Aug. '15)	-5.5													

**Government**

**President-Elect** - Mr. Nicolás Maduro (PSUV). The president won a narrow victory for a six-year term on April 14, 2013.

**Government** - Mr. Maduro's United Socialist Party of Venezuela (PSUV) holds 98 seats in the 165-seat single chamber National Assembly in the Congressional elections in September 26, 2010. This represented 48.9% of the vote compared with 47.9% for the opposition.

**Next Elections** - Legislative elections in December 2015. Presidential elections in October 2018.

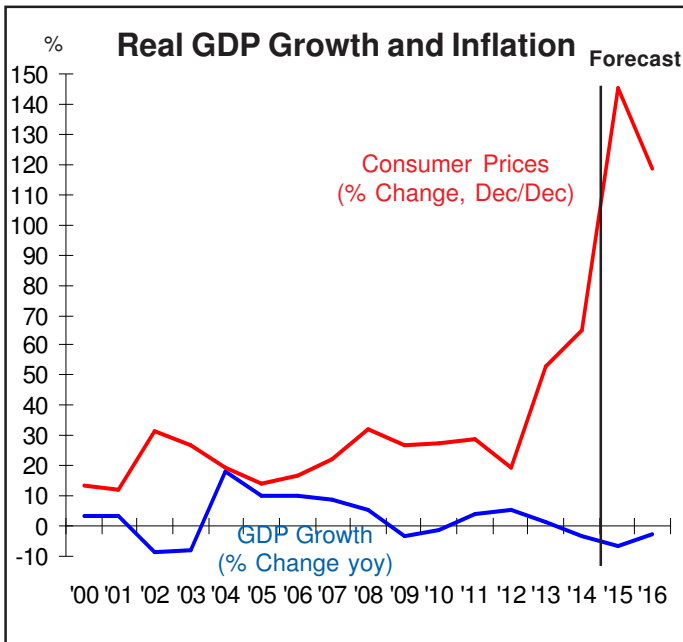
**Background Data**

(see page 23)

**Historical Data**

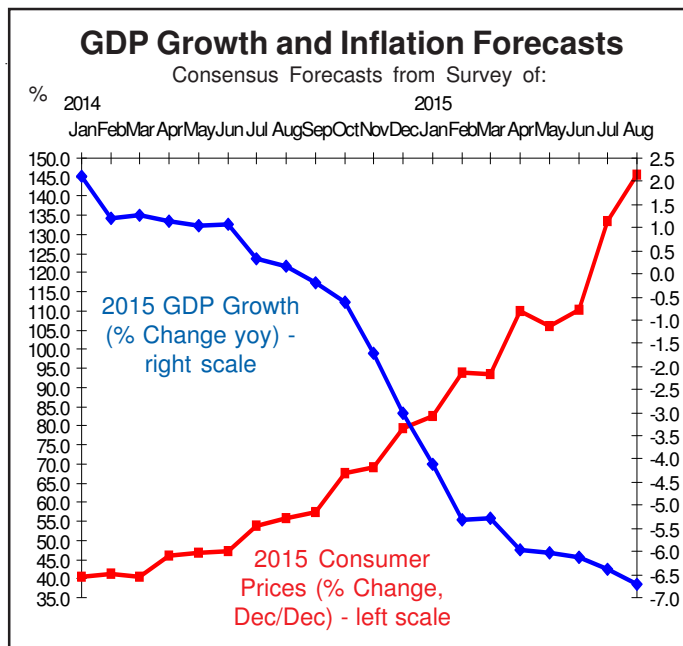
	2011	2012	2013	2014
<b>Gross Domestic Product*</b>	4.2	5.6	1.3	-3.0
<b>Private Consumption*</b>	4.0	7.0	4.7	-3.6 e
<b>Gross Fixed Investment*</b>	4.4	23.3	-9.0	-16.9 e
<b>Manufacturing Production*</b>	3.8	1.8	-0.3	-8.0 e
<b>Consumer Prices, Caracas Metropolitan Area (Dec/Dec)</b>	29.0	19.5	52.7	64.7
<b>Nominal Wages, all employees*</b>	31.4	28.0	32.5	50.9 e
<b>Central Government Budget Balance (% of GDP)</b>	-4.0	-4.8	-1.8e	-9.3 e

e = consensus estimate from latest survey

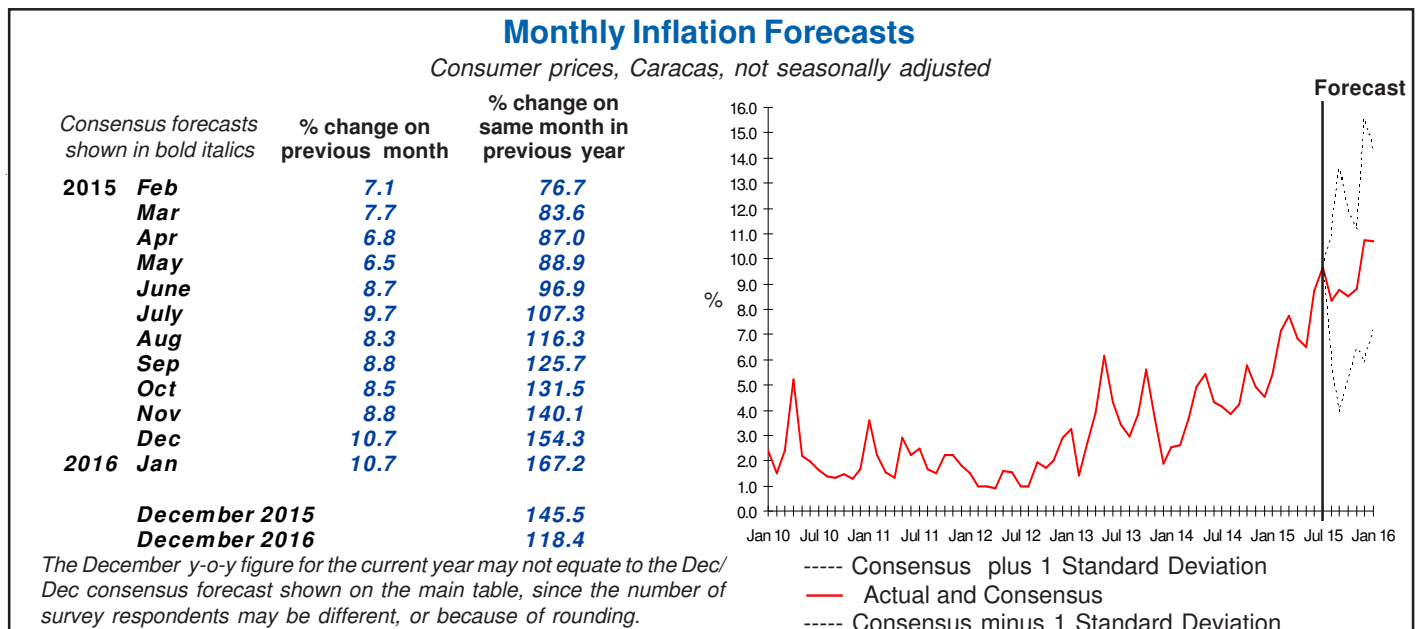


### GDP Forecasts Continue Falling

Our panel's GDP forecasts continue to drop steeply while end-year inflation expectations soar, despite no economic statistics released detailing the plight of the Venezuelan economy. With President Maduro's ruling PSUV party facing difficult congressional elections in December, the central bank has yet to report any inflation, national accounts and balance of payments data for this year. However, it is clear to the average Venezuelan on the street just how acute the economic crisis is. Currency and capital controls have long asphyxiated activity; these, coupled with mismanaged industries (most of which are nationalised) and a lack of investment in infrastructure, have resulted in eroded productive capacity and intensified the economy's overwhelming dependency on oil for revenue. The oil sector's funds have long been diverted towards other projects at the cost of infrastructure upgrades. Crude output is by some estimates at 2.8mn barrels a day, down from 3.3mn in 1998. In addition, the electricity grid also needs upgrading. Venezuela imports almost everything it needs, but with currency controls in place, foreign currency (particularly US dollars) is in very limited supply. Hence mass shortages, hours-long queues and enforced rationing. GDP is now expected to contract by -6.7% in 2015 with investment collapsing by -17.8%.



Currently, sovereign debt (including bonds issued by oil group PdVSA) totals US\$124bn, with roughly US\$6bn owed by the end of the year. The government has essentially stopped paying its domestic creditors and is running down its forex and gold reserves in order to pay foreign bondholders and avoid default. However, with oil prices dropping precipitously, hard cash has become even more difficult to come by. The lack of circulating US dollars, along with the government printing money and widespread shortages, has forced up the black market value of the bolivar to 676.49 on our survey date. It has also pushed inflation well above 100%, with our panel now predicting the headline CPI will end this year at 145.5%, upgraded from last month's 133.5% forecast. Anecdotal evidence by Caracas-based firm Cenda, which monitors the prices of 60 basic goods, suggests that prices soared 20% (m-o-m) between May and June, Venezuela's largest monthly increase in 20 years.



	Annual Total								Rate on Survey Date: 14.5%	
	Merchandise Exports (fob, US\$bn)		Merchandise Imports (fob, US\$bn)		Merch. Trade Balance (fob-fob, US\$bn)		Current Account Balance (US\$bn)		30-Day Deposit Rate (%)	
	Exportaciones de Mercancías (fab, US\$bn)		Importaciones de Mercancías (fab, US\$bn)		Balanza Comercial (fab-fab, US\$bn)		Saldo en Cuenta Corriente (US\$bn)		Tasa de Interés de Depósitos a 30 días (%)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	End Nov '15	End Aug '16
BofA - Merrill Lynch	45.9	49.0	33.8	35.6	12.1	13.4	-6.0	-4.3	na	na
Capital Economics	na	na	na	na	na	na	0.0	0.0	na	na
IHS Economics	39.6	38.6	39.3	33.2	0.3	5.4	-17.6	-8.1	na	na
Datanalisis	44.0	55.0	35.0	40.0	9.0	15.0	-6.0	-2.0	16.0	21.0
Oxford Economics	41.7	46.4	35.1	38.5	6.5	8.0	-6.0	-2.0	18.0	22.0
Barclays	48.4	57.0	33.2	33.3	15.2	23.7	-3.2	6.8	na	na
MFG Consultores	41.4	na	32.3	na	9.1	na	-6.1	na	16.0	na
Econ Intelligence Unit	51.0	53.0	33.6	34.3	17.4	18.7	-13.1	-10.5	na	na
VenEconomia	40.6	43.4	30.3	28.3	10.3	15.1	-11.0	-8.7	18.0	24.0
Coyuntura (Maxim Ross)	41.1	45.5	29.4	30.0	11.7	15.5	-8.0	-3.8	15.0	18.0
Citigroup	35.4	47.9	37.9	36.0	-2.5	11.8	-12.3	-0.5	na	na
HSBC	47.7	52.1	37.1	35.7	10.6	16.5	-7.0	1.3	na	na
Banco Mercantil	48.1	55.9	32.8	34.3	15.3	21.6	-3.7	1.0	14.6	14.6
JP Morgan Chase	41.2	44.8	33.6	34.8	7.6	10.0	-13.8	-12.0	na	na
Ecoanalitica	47.8	57.2	30.6	25.5	17.2	31.7	-1.1	10.4	15.2	24.3
Azpuru Garcia Velazquez	42.2	50.0	31.0	40.0	11.2	10.0	3.9	3.0	14.5	14.5
<b>Consensus (Mean)</b>	<b>43.7</b>	<b>49.7</b>	<b>33.7</b>	<b>34.2</b>	<b>10.1</b>	<b>15.5</b>	<b>-6.9</b>	<b>-2.0</b>	<b>15.9</b>	<b>19.8</b>
Last Month's Mean	44.0	51.6	33.5	34.3	10.4	17.3	-6.3	-0.9		
3 Months Ago	42.9	51.3	34.2	36.5	8.8	14.8	-6.9	-1.8		
High	51.0	57.2	39.3	40.0	17.4	31.7	3.9	10.4	18.0	24.3
Low	35.4	38.6	29.4	25.5	-2.5	5.4	-17.6	-12.0	14.5	14.5
Standard Deviation	4.2	5.6	2.9	4.1	5.6	6.9	5.6	6.2	1.4	4.1
Comparison Forecasts										
Corp Andina de Fomento (Aug. '15)	44.0	48.9	33.5	32.7	10.5	16.2	-9.0	-3.1		
IMF (Apr. '15)										
ECLAC (Aug. '15)										

Trade Structure

Major Export Markets

(% of Total)

	2014
United States	34.7
India	15.2
China	13.0
Cuba	5.5
Singapore	4.8

Major Import Suppliers

(% of Total)

	2014
United States	28.5
China	14.2
Brazil	11.7
Argentina	5.1
Colombia	5.0

Major Exports

(% of Total)

	2012
Petroleum, Gas & Derivatives	96.1
Others	3.9

Major Imports

(% of Total)

	2012
Raw & Intermediate Goods	56.7
Fixed Capital Goods	26.2
Final Consumption Goods	17.1

Historical Trade Data

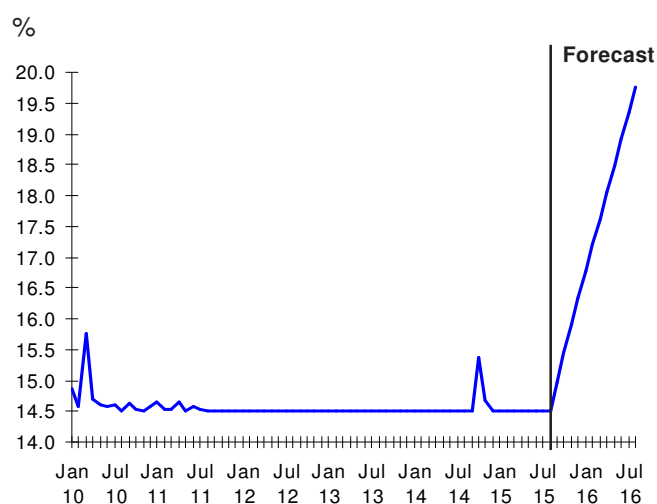
(US\$ billion)

	2011	2012	2013	2014
Merchandise Exports, fob	92.8	97.3	89.0	76.4 e
Merchandise Imports, fob (-)	46.8	59.3	53.0	43.7 e
Trade Balance, fob-fob	46.0	38.0	35.9	32.6 e
Services Balance (net)	-13.7	-16.0	-17.6	
Interest, Profits and Dividends (net)	-7.1	-10.0	-11.8	
Transfers (net)	-0.8	-1.0	-1.2	
Current Account Balance	24.4	11.0	5.3	7.4 e
30-Day Deposit Rate (%), end year	14.5	14.5	14.5	14.5
Foreign Currency Reserves, excl. Gold & SDRs, end year	6.0	6.0	2.1	4.0 e

e = consensus estimate from latest survey

Interest Rate Forecasts

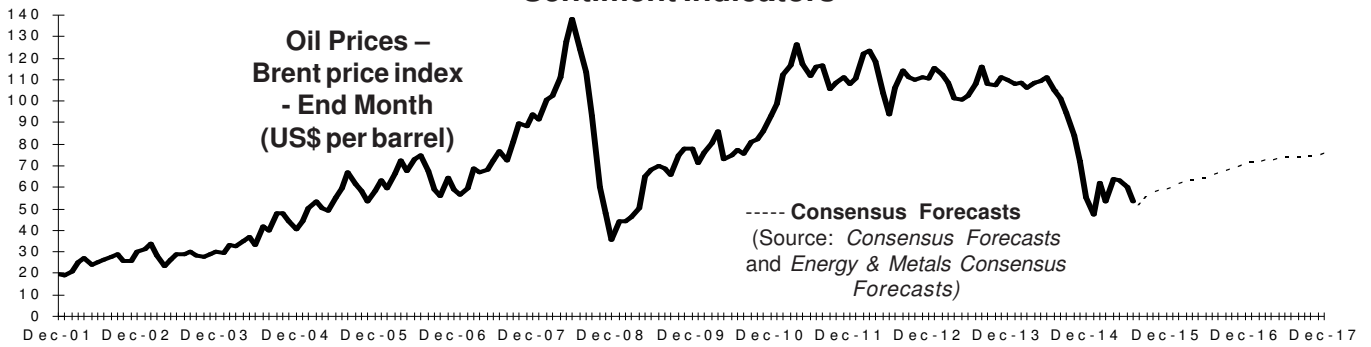
30-day Deposit Rate, annualised, %, end period



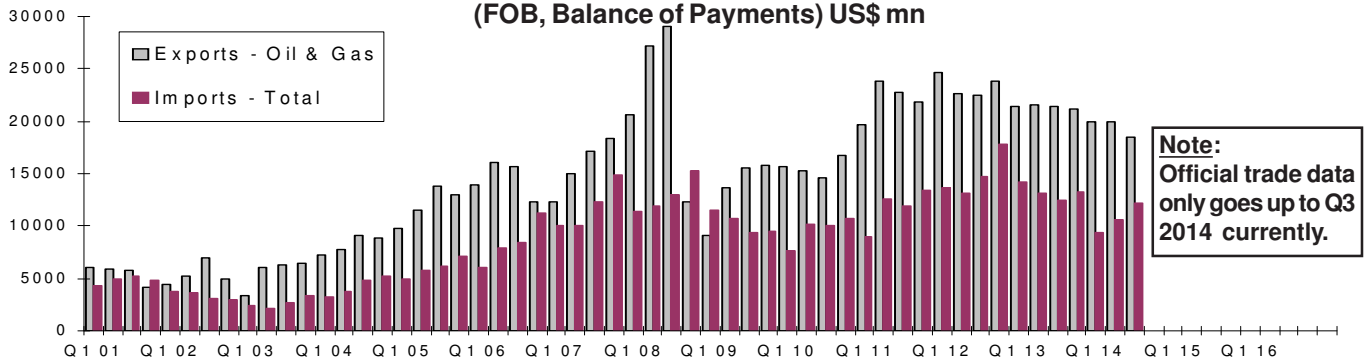
Background Data

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Nominal GDP</b>												
<b>US\$bn</b>	83.53	112.47	145.50	183.48	230.36	315.60	329.42	393.82	316.50	382.45	419.01 e	645.12 e
<b>Bolivars bn</b>	134228	212683	304087	393926	494592	677594	707263	1016835	1357487	1640333	2537799 e	4054045 e
<b>Bolivar - % Change</b>	24.5	58.4	43.0	29.5	25.6	37.0	4.4	43.8	33.5	20.8	54.7 e	59.7 e
<b>GDP per Head (US\$)</b>	3237	4283	5443	6748	8328	11223	11526	13561	10729	12770	13779 e	20911 e
<b>Population (millions)</b>	25.8	26.3	26.7	27.2	27.7	28.1	28.6	29.0	29.5	30.0	30.4	30.9
<b>Bolivar per US\$</b>												
<b>End-year</b>	1.598	1.918	2.147	2.147	2.147	2.147	2.147	2.593	4.289	4.289	6.284	6.284
<b>Average</b>	1.607	1.891	2.090	2.147	2.147	2.147	2.147	2.582	4.289	4.289	6.057	6.284

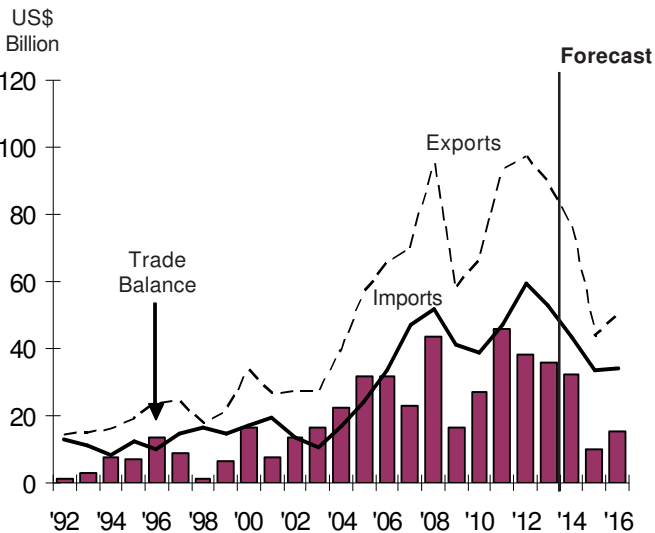
Sentiment Indicators



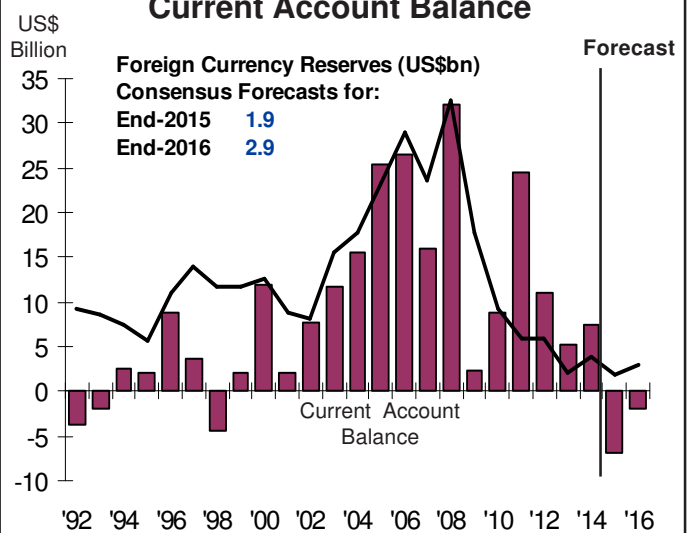
Venezuelan Exports and Imports of Goods - Oil & Gas Exports vs. Total Imports (FOB, Balance of Payments) US\$ mn



Merchandise Trade



Foreign Currency Reserves and Current Account Balance



	Average % Change on Previous Year				% Change, Dec-on-Dec		Annual Total						End Year								
	Gross Domestic Product		Final Consumption		Gross Fixed Investment		Manufacturing Production (ex. coffee)		Consumer Prices		Merchandise Exports (fob, US\$bn)		Merchandise Imports (fob, US\$bn)		Merchandise Trade Balance (US\$bn)		Current Account Balance (US\$bn)		Foreign Currency Reserves (IMF, US\$bn)		
	Producto Interno Bruto		Consumo Final		Inversión Bruta Fija		Producción Manufacturera		Precios al Consumidor		Exportaciones de Mercancías (fab, US\$bn)		Importaciones de Mercancías (fab, US\$bn)		Balanza Comercial (US\$bn)		Saldo en Cuenta Corriente (US\$bn)		Reservas de Divisas Extranjeras (FMI, US\$bn)		
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	
<b>CESLA (Klein-UAM)</b>	3.8	4.3	3.3	3.9	6.0	6.3	3.3	3.5	3.3	3.5	57.3	58.2	59.9	60.0	-2.6	-1.8	-12.9	-13.0	43.0	43.8	
<b>Citigroup</b>	3.2	3.0	4.0	3.2	na	na	na	na	3.8	3.4	42.9	45.4	53.8	54.7	-10.9	-9.3	-18.8	-18.2	47.9	47.9	
<b>BBVA</b>	3.1	3.1	2.9	3.4	4.8	4.8	2.5	7.3	4.1	3.2	43.7	52.7	55.6	62.4	-11.9	-9.8	-17.6	-16.1	44.4	44.0	
<b>Banco de Bogota</b>	3.0	3.2	3.2	3.8	4.3	0.8	0.9	3.0	4.3	3.0	40.4	na	52.0	na	-11.6	na	-17.7	na	46.3	45.3	
<b>Oxford Economics</b>	3.0	2.8	3.0	2.8	3.0	2.8	2.5	4.3	na	na	45.1	49.8	56.2	59.1	-11.2	-9.3	-19.9	-17.9	45.0	44.7	
<b>Bulltick</b>	3.0	3.2	3.5	3.5	4.5	4.5	0.0	3.0	4.1	3.2	48.0	55.2	60.0	63.0	-12.0	-7.8	-25.0	-20.0	44.0	46.0	
<b>Corficolombiana</b>	3.0	3.3	3.8	3.7	3.9	4.5	2.0	2.5	4.1	3.1	45.5	na	58.6	na	-13.1	na	-19.7	-16.3	44.9	44.9	
<b>Fedesarrollo</b>	3.0	3.0	2.5	2.5	1.3	2.6	0.0	4.0	4.0	3.3	41.2	41.8	53.1	52.6	-11.9	-10.8	-19.5	-17.2	na	na	
<b>JP Morgan Chase</b>	3.0	2.3	2.5	2.0	-1.5	1.5	3.0	3.5	4.7	3.2	42.0	49.2	51.1	53.7	-9.1	-4.5	-17.3	-14.0	46.0	44.5	
<b>Econ Intelligence Unit</b>	2.9	3.7	na	na	3.5	3.8	0.5	1.5	4.0	3.2	51.5	56.8	58.3	58.7	-6.8	-1.9	-21.8	-16.9	44.6	44.8	
<b>IHS Economics</b>	2.8	2.9	3.2	2.9	6.3	2.9	1.6	2.4	4.5	4.3	42.5	45.2	65.8	68.7	-23.3	-23.5	-23.8	-26.1	49.0	51.2	
<b>ANIF</b>	2.8	2.5	3.2	1.8	6.2	6.1	0.0	2.2	4.4	3.1	42.5	44.5	53.8	51.2	-11.3	-6.8	-20.2	-17.7	44.3	42.7	
<b>HSBC</b>	2.7	3.0	3.1	3.0	3.1	3.0	2.5	4.0	4.5	3.6	48.3	51.3	61.2	65.0	-12.9	-13.6	-18.7	-14.6	46.7	44.0	
<b>Capital Economics</b>	2.5	3.0	1.5	2.0	2.5	3.0	na	na	4.3	3.0	na	na	na	na	na	na	-21.5	-16.0	na	na	
<b>Larrain Vial</b>	2.5	3.0	3.5	3.0	-1.7	3.3	1.0	2.5	3.8	3.0	40.0	41.5	51.0	53.5	-11.0	-12.0	-18.9	-19.4	45.0	45.0	
<b>BofA - Merrill Lynch</b>	1.9	2.5	3.1	2.5	-2.2	1.0	na	na	4.3	3.3	43.6	46.5	53.8	55.2	-10.2	-8.7	-15.5	-13.5	na	na	
<b>Consensus (Mean)</b>	<b>2.9</b>	<b>3.0</b>	<b>3.1</b>	<b>2.9</b>	<b>2.9</b>	<b>3.4</b>	<b>1.5</b>	<b>3.4</b>	<b>4.1</b>	<b>3.3</b>	<b>45.0</b>	<b>49.1</b>	<b>56.3</b>	<b>58.3</b>	<b>-11.3</b>	<b>-9.2</b>	<b>-19.3</b>	<b>-17.1</b>	<b>45.5</b>	<b>45.3</b>	
<b>Last Month's Mean</b>	3.1	3.3	3.2	3.1	2.8	3.9	2.0	3.6	3.9	3.2	46.5	51.5	56.7	58.4	-10.2	-7.0	-19.2	-16.7	45.0	44.7	
<b>3 Months Ago</b>	3.3	3.5	3.3	3.4	2.9	4.6	2.3	3.4	3.8	3.1	47.6	52.1	58.5	60.6	-10.9	-8.5	-19.6	-17.2	44.8	45.3	
<b>High</b>	3.8	4.3	4.0	3.9	6.3	6.3	3.3	7.3	4.7	4.3	57.3	58.2	65.8	68.7	-2.6	-1.8	-12.9	-13.0	49.0	51.2	
<b>Low</b>	1.9	2.3	1.5	1.8	-2.2	0.8	0.0	1.5	3.3	3.0	40.0	41.5	51.0	51.2	-23.3	-23.5	-25.0	-26.1	43.0	42.7	
<b>Standard Deviation</b>	0.4	0.5	0.6	0.7	2.8	1.6	1.2	1.4	0.4	0.3	4.7	5.5	4.3	5.4	4.3	5.6	3.0	3.2	1.7	2.2	
<b>Comparison Forecasts</b>																					
<b>Corp Andina de Fomento (Aug. '15)</b>	3.3	3.5	3.2	3.6	4.1	2.0	3.1	5.0	4.3	3.7	39.2	46.6	53.4	57.2	-14.3	-10.6	-20.5	-16.5	46.6	46.6	
<b>IMF (Apr. '15)</b>	3.4	3.7							3.6	3.2							-16.2				
<b>OECD (Jun. '15)</b>	3.3	3.7			3.0	3.6											-20.0	-19.0			
<b>ECLAC (Aug. '15)</b>	3.4																				

◆ In line with the plunge in global oil prices since last summer, the Colombian peso has depreciated markedly, losing 18% of its value since the start of this year. Colombia's economy is heavily reliant on oil, with crude exports accounting for over half of overseas shipments, while around 20% of government revenues comes from oil. The fallout from the sharp drop in global crude prices has hit the economy hard as growth is expected to be substantially weaker this year and the current account gap remains high. Furthermore, a weak peso is stoking inflationary pressures.

◆ The consensus is now predicting real GDP growth of 2.9% for 2015, along with 4.1% end-year inflation and a current account shortfall of US\$-19.3bn.

Direction of Trade - 2014			
Major Export Markets (% of Total)		Major Import Suppliers (% of Total)	
United States	26.3	United States	28.5
China	10.5	China	18.4
Netherlands	3.9	Mexico	8.2
Venezuela	3.6	Germany	4.0

### Government and Background Data

**President** - Mr. Juan Manuel Santos. **Next Elections** - 2018 (legislative); 2018 (presidential). **Nominal GDP** - Ps756,152bn (2014). **Population** - 48.9 million (mid-year, 2014). **Peso/US\$ Exchange Rate** - Ps1998.16=US\$1 (average, 2014).

### Historical Data

	2011	2012	2013	2014
<b>Gross Domestic Product*</b>	6.6	4.0	4.9	4.6
<b>Final Consumption*</b>	5.5	4.8	5.0	4.7
<b>Gross Capital Formation*</b>	19.0	4.7	6.0	10.9
<b>Manuf. Production (excl. coffee)*</b>	4.7	0.1	0.6	0.2
<b>Consumer Prices, (Dec/Dec)</b>	3.7	2.4	1.9	3.7
<b>Merchandise Exports, fob<sup>1</sup></b>	58.3	61.6	60.3	57.0
<b>Merchandise Imports, fob<sup>1</sup> (-)</b>	52.1	56.6	57.1	61.6
<b>Trade Balance, fob-fob<sup>1</sup></b>	6.1	5.0	3.2	-4.6
<b>Current Account Balance<sup>1</sup></b>	-9.7	-11.3	-12.4	-19.5
<b>Foreign Currency Reserves, excl. Gold &amp; SDRs, end year<sup>1</sup></b>	29.9	34.9	41.2	44.9

\* average % change on previous year<sup>1</sup> in US\$, billions



	Average % Change on Previous Year								% Change, Dec-on-Dec		Annual Total								End Year	
	Gross Domestic Product		Private Consumption		Gross Fixed Investment		Manufacturing Production		Consumer Prices (INEI, Lima Metropolitan Area)		Merchandise Exports (fob, US\$bn)		Merchandise Imports (fob, US\$bn)		Merchandise Trade Balance (US\$bn)		Current Account Balance (US\$bn)		Foreign Currency Reserves (IMF, US\$bn)	
	Producto Interno Bruto		Consumo Privado		Inversión Bruta Fija		Producción Manufacturera		Precios al Consumidor (INEI, Area Metropolitana de Lima)		Exportaciones de Mercancías (fab, US\$bn)		Importaciones de Mercancías (fab, US\$bn)		Balanza Comercial (US\$bn)		Saldo en Cuenta Corriente (US\$bn)		Reservas de Divisas Extranjeras (FMI, US\$bn)	
Economic Forecasters	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
<b>CESLA (Klein-UAM)</b>	3.8	4.7	4.1	4.9	3.0	3.7	3.0	3.4	3.0	3.0	41.0	42.1	42.7	43.1	-1.7	-1.0	-8.4	-7.4	62.4	63.0
<b>Capital Economics</b>	3.5	4.0	3.0	3.0	2.5	3.0	-1.0	-1.0	3.7	3.2	na	na	na	na	na	na	-9.5	-9.0	na	na
<b>HSBC</b>	3.5	4.3	4.2	4.5	0.9	3.7	-0.5	4.1	3.3	2.4	37.0	39.6	41.3	44.5	-4.3	-4.9	-10.2	-11.1	59.7	58.9
<b>Econ Intelligence Unit</b>	3.1	4.5	3.6	4.1	1.1	4.5	na	na	3.7	3.2	39.2	42.7	41.6	43.9	-2.4	-1.3	-9.1	-8.3	60.2	59.3
<b>BTG Pactual</b>	3.0	4.5	3.5	3.9	-1.3	3.5	0.1	2.8	3.0	3.0	37.9	41.5	40.1	41.8	-2.1	-0.3	-8.7	-7.8	na	na
<b>Larrain Vial</b>	2.9	4.5	3.6	3.7	-3.0	3.2	0.7	3.5	3.4	2.5	38.6	42.6	38.9	39.9	-0.3	2.7	-6.8	-4.6	57.0	57.0
<b>Inteligo SAB</b>	2.8	4.2	3.8	4.5	-1.6	2.7	-0.1	2.1	3.3	2.8	39.9	41.9	40.6	41.5	-0.7	0.4	-7.2	-6.4	55.4	52.8
<b>Citigroup</b>	2.8	3.5	3.3	3.4	na	na	na	na	3.3	2.6	37.2	38.8	38.2	42.0	-1.1	-3.2	-8.1	-11.1	60.6	59.6
<b>JP Morgan Chase</b>	2.7	3.6	3.9	3.7	1.0	1.8	3.7	4.5	3.5	2.9	38.5	40.8	39.4	41.2	-0.9	-0.4	-7.7	-7.4	62.1	61.1
<b>IHS Economics</b>	2.6	2.9	2.7	3.3	0.3	4.5	-0.8	5.8	3.2	2.8	34.5	36.2	37.6	40.1	-3.1	-3.9	-11.5	-8.5	60.8	62.7
<b>BBVA</b>	2.5	3.8	3.5	3.7	-3.4	3.3	-1.7	-1.2	3.7	2.8	33.9	36.1	36.6	38.3	-2.7	-2.2	-8.2	-8.2	na	na
<b>Oxford Economics</b>	2.4	3.9	2.4	3.9	0.4	4.4	2.2	3.9	na	na	32.7	35.6	36.3	38.9	-3.6	-3.3	-9.8	-9.9	59.2	61.0
<b>BofA - Merrill Lynch</b>	2.1	3.0	2.1	2.5	-1.0	2.4	na	na	3.7	3.3	35.1	37.4	37.5	37.4	-2.4	0.0	-6.5	-3.4	na	na
<b>Consensus (Mean)</b>	2.9	4.0	3.4	3.8	-0.1	3.4	0.6	2.8	3.4	2.9	37.1	39.6	39.2	41.0	-2.1	-1.4	-8.6	-7.9	59.7	59.5
<b>Last Month's Mean</b>	3.1	4.2	3.5	3.9	0.5	3.5	1.0	3.4	3.3	2.8	37.7	40.3	39.6	41.4	-1.9	-1.1	-8.5	-7.8	59.7	59.5
<b>3 Months Ago</b>	3.4	4.5	3.7	4.2	1.2	3.8	2.2	3.7	2.9	2.7	38.6	41.1	40.5	42.5	-1.9	-1.4	-8.7	-8.5	60.5	60.5
<b>High</b>	3.8	4.7	4.2	4.9	3.0	4.5	3.7	5.8	3.7	3.3	41.0	42.7	42.7	44.5	-0.3	2.7	-6.5	-3.4	62.4	63.0
<b>Low</b>	2.1	2.9	2.1	2.5	-3.4	1.8	-1.7	-1.2	3.0	2.4	32.7	35.6	36.3	37.4	-4.3	-4.9	-11.5	-11.1	55.4	52.8
<b>Standard Deviation</b>	0.5	0.6	0.6	0.6	2.0	0.8	1.8	2.3	0.3	0.3	2.6	2.7	2.1	2.2	1.2	2.1	1.4	2.2	2.3	3.1
<b>Comparison Forecasts</b>																				
<b>Corp Andina de Fomento (Aug. '15)</b>	3.0	4.0	2.5	3.9	-1.2	6.8	0.0	2.2	3.5	3.0	39.2	41.5	38.0	39.1	1.2	2.4	-6.0	-4.4	59.0	59.0
<b>IMF (Apr. '15)</b>	3.8	5.0							2.2	2.0							-10.8			
<b>ECLAC (Aug. '15)</b>	3.6																			

◆ Real GDP registered growth of 3.87% (y-o-y) in June, beating May's figure of 1.2% and exceeding market expectations. The increase came on the back of robust growth in the mining sector, which expanded by 10.3% (y-o-y) during the period. A pick up in economic activity is expected in the latter half of 2015, which should lift real GDP growth to 2.9% for the full year.

◆ As expected, the central bank left rates on hold at 3.25% this month against a backdrop of rising inflation, below potential growth and a weak exchange rate. Borrowing costs have remained unchanged since January, although the authorities have regularly lowered banks' reserve requirement to inject liquidity into the banking system.

#### Direction of Trade - 2014

Major Export Markets (% of Total)		Major Import Suppliers (% of Total)	
China	18.3	China	21.0
United States	16.1	United States	21.0
Canada	6.6	Brazil	4.7
Japan	4.1	Ecuador	4.2

#### Government and Background Data

**President** - Mr. Ollanta Humala **Next Elections** - 2016 (presidential). **Nominal GDP** - S\$576.12bn (2014). **Population** - 30.77 million (mid-year, 2014). **Sol/US\$ Exchange Rate** - 2.8357=US\$1 (average, 2014).

#### Historical Data

	2011	2012	2013	2014
<b>Gross Domestic Product*</b>	6.5	6.0	5.8	2.4
<b>Private Consumption*</b>	6.0	6.1	5.3	4.1
<b>Gross Fixed Investment*</b>	6.0	16.2	7.6	-2.0
<b>Manufacturing Production*</b>	8.6	1.5	5.0	-3.3
<b>Consumer Prices, (Dec/Dec), INEI Lima</b>	4.7	2.6	2.9	3.2
<b>Merchandise Exports, fob<sup>1</sup></b>	46.4	47.4	42.9	39.5
<b>Merchandise Imports, fob<sup>1</sup> (-)</b>	37.2	41.1	42.2	40.8
<b>Trade Balance, fob-fob<sup>1</sup></b>	9.2	6.3	0.6	-1.3
<b>Current Account Balance<sup>1</sup></b>	-3.2	-5.2	-8.5	-8.0
<b>Foreign Currency Reserves, excl. Gold &amp; SDRs, end year<sup>1</sup></b>	46.1	61.2	63.2	60.1

\* average % change on previous year <sup>1</sup> in US\$, billions

Forecasts for a number of additional countries, shown below and opposite, were provided by the following leading economic forecasters:

*BBVA*  
*Copades/CEFSA*  
*IHS Economics*

*Capital Economics*  
*Economist Intelligence Unit*  
*JP Morgan*

*Citigroup*  
*HSBC*  
*Oxford Economics*

*e = consensus estimate from latest survey*

<b>BOLIVIA</b>	Population - 10.9mn (2014, mid-year)	<b>Historical Data</b>				<b>Consensus Forecasts</b>	
<b>Economy</b>	Nominal GDP - US\$30.6bn (2013)	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Gross Domestic Product (annual average % change)		5.2	5.1	6.8	5.5	4.3	4.4
Consumer Prices (December-on-December % change)		6.9	4.5	6.5	5.2	5.0	5.0
Current Account (US Dollars, bn)		0.3	2.3	1.0	0.6 <i>e</i>	-0.2	-0.3

<b>COSTA RICA</b>	Population - 4.9mn (2014, mid-year)	<b>Historical Data</b>				<b>Consensus Forecasts</b>	
<b>Economy</b>	Nominal GDP - US\$49.6bn (2014)	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Gross Domestic Product (annual average % change)		4.4	5.1	3.4	3.5	2.9	3.6
Consumer Prices (December-on-December % change)		4.7	4.6	3.7	5.1	2.6	4.6
Current Account (US Dollars, bn)		-2.2	-2.4	-2.5	-2.4	-2.0	-2.1

<b>DOMINICAN REP</b>	Popn - 10.5mn (2014, mid-year)	<b>Historical Data</b>				<b>Consensus Forecasts</b>	
<b>Economy</b>	Nominal GDP - US\$64.0bn (2014)	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Gross Domestic Product (annual average % change)		2.8	2.6	4.8	7.3	5.0	4.6
Consumer Prices (December-on-December % change)		7.8	3.9	3.9	1.6	2.3	3.2
Current Account (US Dollars, bn)		-4.4	-4.0	-2.5	-2.0	-1.3	-1.8

<b>ECUADOR</b>	Population - 16.0mn (2014, mid-year)	<b>Historical Data</b>				<b>Consensus Forecasts</b>	
<b>Economy</b>	Nominal GDP - US\$100.5bn (2014)	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Gross Domestic Product (annual average % change)		7.9	5.6	4.6	3.7	1.7	2.5
Consumer Prices (December-on-December % change)		5.4	4.2	2.7	3.7	4.2	3.7
Current Account (US Dollars, bn)		-0.4	-0.2	-1.0	-0.6	-3.2	-2.8

<b>EL SALVADOR</b>	Population - 6.4mn (2014, mid-year)	<b>Historical Data</b>				<b>Consensus Forecasts</b>	
<b>Economy</b>	Nominal GDP - US\$25.2bn (2014)	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Gross Domestic Product (annual average % change)		2.2	1.9	1.8	2.0	2.3	2.3
Consumer Prices (December-on-December % change)		5.1	0.8	0.8	0.5	1.3	2.0
Current Account (US Dollars, bn)		-1.1	-1.2	-1.6	-1.2	-1.0	-1.1

<b>GUATEMALA</b> Population - 15.9mn (2014, mid-year)	Historical Data				Consensus Forecasts	
<b>Economy</b> Nominal GDP - US\$58.7bn (2014)	2011	2012	2013	2014	2015	2016
Gross Domestic Product (annual average % change)	4.2	3.0	3.7	4.2	3.8	3.5
Consumer Prices (December-on-December % change)	6.2	3.4	4.4	2.9	3.1	3.8
Current Account (US Dollars, bn)	-1.6	-1.3	-1.4	-1.4	-0.9	-1.1

<b>HONDURAS</b> Population - 8.3mn (2014, mid-year)	Historical Data				Consensus Forecasts	
<b>Economy</b> Nominal GDP - US\$19.5bn (2014)	2011	2012	2013	2014	2015	2016
Gross Domestic Product (annual average % change)	3.8	4.1	2.8	3.1	3.4	3.5
Consumer Prices (December-on-December % change)	5.6	5.4	4.9	5.8	5.6	4.8
Current Account (US Dollars, bn)	-1.4	-1.6	-1.8	-1.4	-1.2	-1.2

<b>NICARAGUA</b> Population - 6.2mn (2014, mid-year)	Historical Data				Consensus Forecasts	
<b>Economy</b> Nominal GDP - US\$11.8bn (2014)	2011	2012	2013	2014	2015	2016
Gross Domestic Product (annual average % change)	6.2	5.1	4.5	4.7	4.5	4.7
Consumer Prices (December-on-December % change)	8.0	6.6	5.7	6.5	5.2	6.4
Current Account (US Dollars, bn)	-1.2	-1.1	-1.2	-0.8	-0.9	-1.1

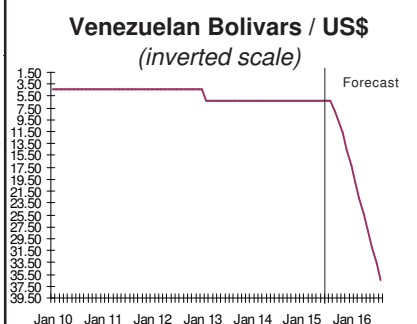
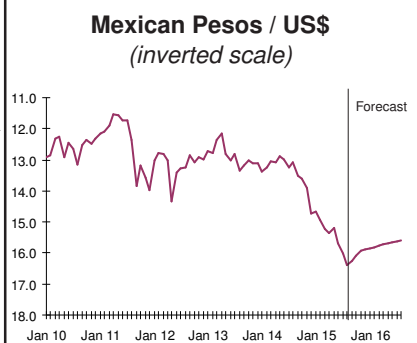
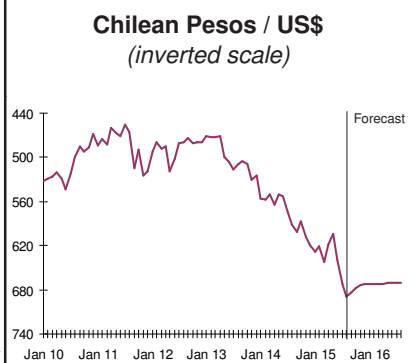
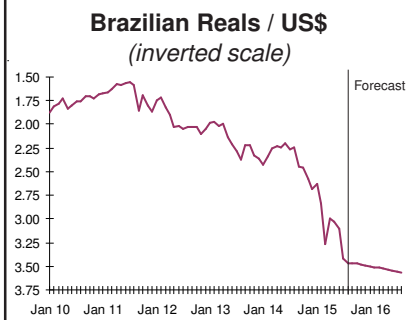
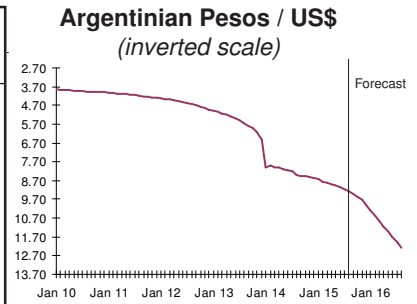
<b>PANAMA</b> Population - 3.9mn (2014, mid-year)	Historical Data				Consensus Forecasts	
<b>Economy</b> Nominal GDP - US\$40.6bn (2013)	2011	2012	2013	2014	2015	2016
Gross Domestic Product (annual average % change)	10.8	10.2	8.4	6.2	6.1	6.1
Consumer Prices (December-on-December % change)	6.3	4.6	3.7	2.6	2.2	2.7
Current Account (US Dollars, bn)	-5.1	-3.5	-4.9	-5.3	-4.7	-4.6

<b>PARAGUAY</b> Population - 6.9mn (2014, mid-year)	Historical Data				Consensus Forecasts	
<b>Economy</b> Nominal GDP - US\$31.0bn (2014)	2011	2012	2013	2014	2015	2016
Gross Domestic Product (annual average % change)	4.3	-1.2	14.2	4.4	4.0	3.9
Consumer Prices (December-on-December % change)	4.9	4.0	3.7	4.2	3.8	4.2
Current Account (US Dollars, bn)	0.1	-0.5	0.5	-0.1	0.1	0.0

<b>URUGUAY</b> Population - 3.4mn (2014, mid-year)	Historical Data				Consensus Forecasts	
<b>Economy</b> Nominal GDP - US\$57.5bn (2014)	2011	2012	2013	2014	2015	2016
Gross Domestic Product (annual average % change)	7.3	3.7	4.4	3.5	2.9	3.0
Consumer Prices (December-on-December % change)	8.6	7.5	8.5	8.3	7.9	7.4
Current Account (US Dollars, bn)	-1.3	-2.6	-2.8	-2.5	-2.4	-2.5

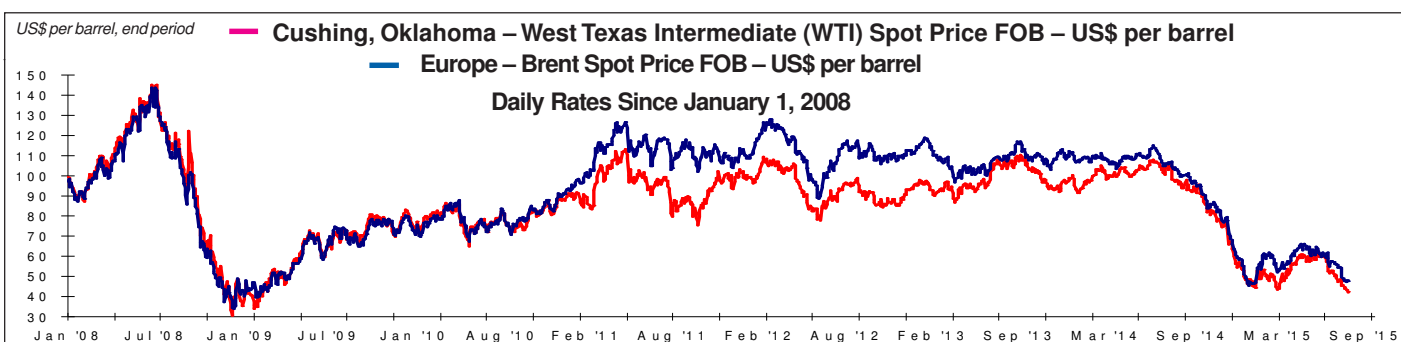
e = consensus estimate from latest survey

Currency	Policies
<b>Argentinian Peso</b>	A currency board operating between 1991-2001 (pegging the peso at parity to the US\$) was abandoned on January 5, 2002. A dual system was briefly adopted before the government went for a managed float. In November 2011, currency controls were introduced; the peso traded around 4.5/US\$. On January 23, 2014, the central bank let the peso devalue to around Ps8/US\$ and relaxed some of its strict controls.
<b>Bolivian Boliviano</b>	The exchange rate is set by the central bank at daily auctions under a crawling peg scheme. The central bank's monetary objective is to preserve the internal purchasing power of the boliviano.
<b>Brazilian Real</b>	The <i>real</i> was introduced on July 1, 1994 and traded in an adjustable band until January 1999, when it was allowed to float independently.
<b>Chilean Peso</b>	Observado rate. Links to a fixed basket of currencies were abandoned in September 1999 and replaced with a floating exchange rate. The objective of the central bank is to ensure currency and price stability.
<b>Colombian Peso</b>	Prior to September 25, 1999, the peso traded within a crawling band system. It has since been allowed to float.
<b>Costa Rican Colon</b>	A crawling peg system. On October 16, 2006, the crawling peg was modified and the colon was allowed to float within a currency band with upper and lower limits.
<b>Dominican Rep Peso</b>	Managed float with a dual exchange rate until August 2004 (although in July 1998, exchange controls were relaxed to allow the official exchange rate - set by the central bank - to trade closer to the free market rate). Since August 2004, the peso is allowed to float freely.
<b>Ecuadorian Sucre</b>	The sucre was floated in February 1999. On January 9, 2000, the central bank announced plans to dollarize the economy, and the US\$ replaced the sucre at the rate of Es25,000 = US\$1 in March 2000.
<b>El Salvadorian Colón</b>	A monetary integration plan beginning January 1, 2001 introduced the US dollar as legal tender alongside the Salvadoran colón at the pegged rate of colóns 8.75=US\$1. Both the US\$ and the colón are legal tender.
<b>Guatemalan Quetzal</b>	Managed float. The rate is determined by transactions in the interbank market.
<b>Honduran Lempira</b>	The exchange rate is determined in the foreign exchange auctions and the authorities ensure that all bids fall within a +/-7.0% band around the base price.
<b>Mexican Peso</b>	Managed float since the December 1994 devaluation; has now been converted into an independent float since July 2, 2001. The central bank aims for price stability via an annual inflation target of 3%, to be permanently maintained around a range of variation of +/-1%.
<b>Nicaraguan Córdoba</b>	Crawling peg. 5.0% annual depreciation against the US\$. There are no significant exchange or capital controls.
<b>Panamanian Balboa</b>	The balboa has been pegged to the US\$ at parity since 1904.
<b>Paraguayan Guarani</b>	Managed float in place since early 1998, with the central bank intervening to smooth out fluctuations.
<b>Peruvian Sol</b>	The Peruvian new sol (re-denominated in July 1991) is allowed to float independently. The objective of the central bank is to preserve stability.
<b>Uruguayan Peso</b>	Independent float after crawling peg abandoned in June 2002.
<b>Venezuelan Bolívar</b>	Currency controls were imposed on January 22, 2003. On January 1, 2008, three zeros were taken off the currency to create the "bolivar fuerte," fixed at 2.1473/US\$. On December 31, 2010, this was devalued to Bs4.2947/US\$. On February 13, 2013, it was again devalued, to Bs6.2921/US\$. This remains in place for necessary goods and the public sector, but the Sicad 2 rate (introduced March 24, 2014) was replaced by the Simadi (or Foreign Exchange Marginal System) rate on February 12, 2015, which a free-floating rate.



The following foreign exchange forecasts represent the consensus (mean) estimates of those forecasters polled in our current survey. All rates are expressed as the amount of the respective currency per US dollar.

Foreign Exchange Rates against the US Dollar											
All rates are amount of national currency per US dollar	Historical Data					Latest Spot Rate (Aug. 17)	Consensus Forecasts				
	Rates at the end of:				Forecast End Nov. 2015		Percent Change	Forecast End Aug. 2016	Percent change	Forecast End Aug. 2017	Percent change
	2011	2012	2013	2014							
<b>Argentinian Peso</b>	4.284	4.898	6.518	8.465	9.248	<b>9.734</b>	<b>-5.0</b>	<b>12.25</b>	<b>-24.5</b>	<b>14.30</b>	<b>-35.3</b>
<b>Bolivian Boliviano</b>	6.910	6.910	6.910	6.910	6.890	<b>6.910</b>	<b>-0.3</b>	<b>6.932</b>	<b>-0.6</b>	<b>6.964</b>	<b>-1.1</b>
<b>Brazilian Real</b>	1.859	2.043	2.359	2.658	3.466	<b>3.479</b>	<b>-0.4</b>	<b>3.566</b>	<b>-2.8</b>	<b>3.594</b>	<b>-3.6</b>
<b>Chilean Peso</b>	521.5	478.6	525.8	606.9	689.2	<b>673.0</b>	<b>+2.4</b>	<b>670.4</b>	<b>+2.8</b>	<b>658.5</b>	<b>+4.7</b>
<b>Colombian Peso</b>	1943	1772	1930	237.7	2992	<b>2750</b>	<b>+8.8</b>	<b>2684</b>	<b>+11.5</b>	<b>2559</b>	<b>+16.9</b>
<b>Costa Rican Colon</b>	511.8	508.2	501.4	539.1	532.25	<b>541.2</b>	<b>-1.6</b>	<b>551.6</b>	<b>-3.5</b>	<b>561.2</b>	<b>-5.2</b>
<b>Dominican Rep Peso</b>	38.79	40.36	42.79	44.27	44.86	<b>44.97</b>	<b>-0.2</b>	<b>44.83</b>	<b>+0.1</b>	<b>45.02</b>	<b>-0.3</b>
<b>Ecuadorian Sucre</b>	1.000	1.000	1.000	1.000	1.000	<b>1.000</b>	<b>0.0</b>	<b>1.000</b>	<b>0.0</b>	<b>1.000</b>	<b>0.0</b>
<b>El Salvadorian Colon</b>	8.750	8.748	8.750	8.746	8.820	<b>8.750</b>	<b>+0.8</b>	<b>8.750</b>	<b>+0.8</b>	<b>8.750</b>	<b>+0.8</b>
<b>Guatemalan Quetzal</b>	7.807	7.895	7.852	7.602	7.645	<b>7.785</b>	<b>-1.8</b>	<b>7.907</b>	<b>-3.3</b>	<b>8.057</b>	<b>-5.1</b>
<b>Honduran Lempira</b>	19.05	19.96	20.60	21.02	21.98	<b>22.33</b>	<b>-1.6</b>	<b>22.85</b>	<b>-3.8</b>	<b>23.63</b>	<b>-7.0</b>
<b>Mexican Peso</b>	13.99	13.01	13.10	14.74	16.39	<b>15.92</b>	<b>+3.0</b>	<b>15.58</b>	<b>+5.2</b>	<b>15.28</b>	<b>+7.3</b>
<b>Nicaraguan Cordoba</b>	22.98	24.12	25.32	26.59	27.43	<b>27.61</b>	<b>-0.7</b>	<b>28.48</b>	<b>-3.7</b>	<b>29.65</b>	<b>-7.5</b>
<b>Panamanian Balboa</b>	1.000	1.000	1.000	1.000	1.000	<b>1.000</b>	<b>0.0</b>	<b>1.000</b>	<b>0.0</b>	<b>1.000</b>	<b>0.0</b>
<b>Paraguayan Guarani</b>	4440	4289	4595	4626	5239	<b>5228</b>	<b>+0.2</b>	<b>5295</b>	<b>-1.1</b>	<b>5460</b>	<b>-4.0</b>
<b>Peruvian Sol</b>	2.696	2.550	2.796	2.977	3.245	<b>3.253</b>	<b>-0.2</b>	<b>3.303</b>	<b>-1.8</b>	<b>3.280</b>	<b>-1.1</b>
<b>Uruguayan Peso</b>	19.90	19.40	21.39	24.05	28.48	<b>28.23</b>	<b>+0.9</b>	<b>29.57</b>	<b>-3.7</b>	<b>30.67</b>	<b>-7.2</b>
<b>Ven. Bolivar - Essential gds - Simadi</b>	4.289	4.289	6.290	6.290	6.305	<b>11.74</b>	<b>-46.3</b>	<b>36.43</b>	<b>-82.7</b>	<b>50.62</b>	<b>-87.5</b>
					199.96	<b>240.1</b>	<b>-16.7</b>	<b>325.8</b>	<b>-38.6</b>	<b>473.6</b>	<b>-57.8</b>



Brent, US\$ per barrel		
Range 1990-2015 Spot Rate (Aug. 10)	9.10 - 143.95 48.30	
Brent August Survey	Forecast for End Nov. 2015	End Aug. 2016
Mean Forecast	56.9	63.8
High	72.5	85.0
Low	46.0	45.9
Standard Deviation	6.1	7.9
No. of Forecasts	53	51

**Oil Prices Fall Below US\$50 Level**

Oil prices have continued to tumble with Brent falling below the US\$50-mark in recent days. WTI dropped even further, to below US\$45. This comes amid a strong US dollar and concerns that the global supply glut will worsen once the US summer-driving season comes to an end. Since June, crude has faced renewed downward pressure on the back of still-high levels of production in the US (the result of the shale boom), despite many petroleum companies scaling back on investment. Meanwhile, Saudi Arabia has opened its pumps in a bid to expand market share and flood the market, even at the expense of budgetary solvency. With Chinese activity floundering and the renminbi having been markedly devalued since August 11, our respondents continue pricing oil futures on the downside.

Continued from page 3

Mexico						
% change on previous year	Historical Data				Consensus Forecasts	
	2011	2012	2013	2014	2015	2016
<b>Agriculture, Forestry, Fishing</b>	-2.3	7.4	0.9	3.2	4.2	3.5
<b>Mining</b>	-0.4	0.9	-0.1	-2.3	-4.6	-0.9
<b>Electricity, Gas, Water</b>	6.9	2.1	0.5	1.8	2.6	2.7
<b>Construction</b>	4.1	2.5	-4.8	1.9	3.0	3.1
<b>Manufacturing</b>	4.6	4.1	1.0	3.7	3.0	3.7
<b>Services</b>	4.7	4.5	2.5	2.2	2.8	3.1
<b>Total GDP</b>	<b>4.0</b>	<b>4.0</b>	<b>1.4</b>	<b>2.1</b>	<b>2.4</b>	<b>3.0</b>

Last year's sluggish performance saw growth of just 1.9% in **Chile**, and this was reflected in lacklustre activity across the board, according to supply-side indicators. The slump in mining investment, along with weaker copper prices, saw output in the mining sector slump to just 1.3% last year, while the manufacturing and construction sectors also did not fare too well. With interest rates at record lows, policymakers are hoping that it will help foster a recovery this year. However, Q2 national accounts data suggest that the recovery remains sluggish at best, and full-year growth forecasts for 2015 have now been trimmed to 2.2% as a result. Most sectors of the economy are expected to remain subdued this year.

**Mexican** activity got off to a slow start as a weak Q1 in the US hit growth prospects. With commodity prices on an extended downward trajectory since the latter part of 2014, the mining

sector was hard hit (falling by 2.3%) and is expected to contract by 4.6% this year. Concern over Chinese demand for mined commodities has driven output expectations lower, and oil prices have also tumbled accordingly. Given Pemex's recent auctions opening up oil fields to outside investment, the timing could not have been worse. Manufacturing should benefit from the rebound in US fundamentals, and construction from a pick-up in private consumption. The hope is that the government's reform push will lift productivity and output (while driving down costs) in the long-run.

**Venezuela** is dependent on oil for badly-needed revenue and foreign currency, but the collapse in oil prices has intensified the crisis. Mismanagement and a lack of infrastructure investment have harmed output in other sectors. Forecasts across the board are depressed.

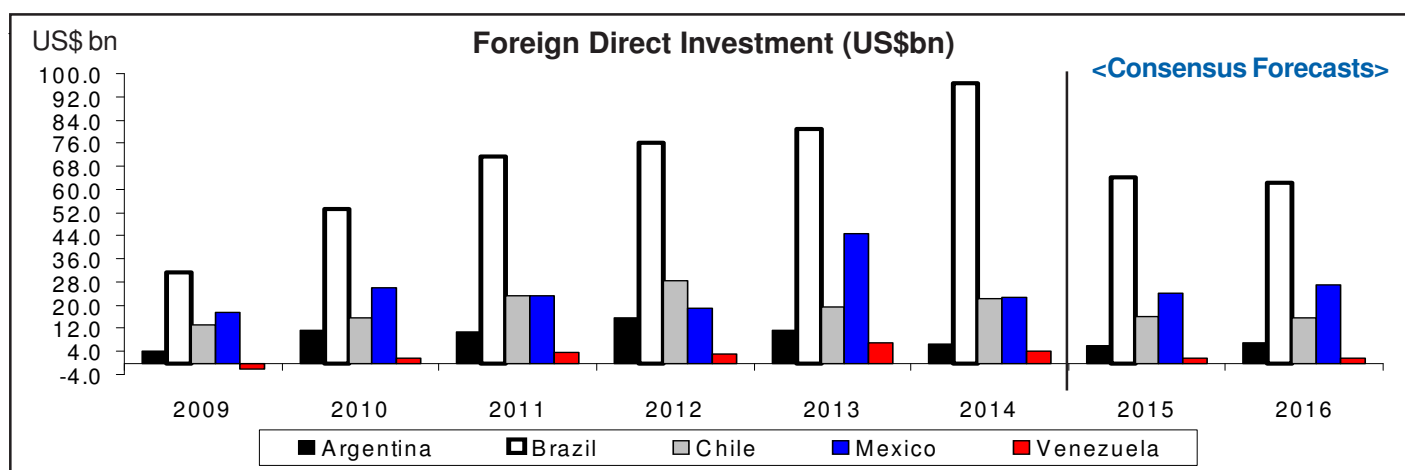
Venezuela						
% change on previous year	Historical Data				Consensus Forecasts	
	2011	2012	2013	2014	2015	2016
<b>Petroleum (incl. oil, gas &amp; ref.)</b>	0.6	1.4	0.9	-2.1	-0.7	-0.2
<b>Mining</b>	5.2	-6.2	-21.1	-11.1	-12.0	-7.8
<b>Manufacturing</b>	3.8	1.8	-0.3	-8.0	-8.6	-3.1
<b>Electricity, Water</b>	5.0	3.8	3.3	-3.7	-5.4	-2.1
<b>Construction</b>	4.8	16.6	-2.3	-10.3	-19.9	-3.4
<b>Services</b>	4.6	5.5	3.1	-0.7	-1.9	-0.6
<b>Total GDP</b>	<b>4.2</b>	<b>5.6</b>	<b>1.3</b>	<b>-3.0</b>	<b>-6.7</b>	<b>-2.7</b>

Colombia						
% change on previous year	Historical Data				Consensus Forecasts	
	2011	2012	2013	2014	2015	2016
<b>Agriculture, Forestry, Fishing</b>	2.1	2.5	6.7	2.3	3.0	3.1
<b>Mining</b>	14.5	5.3	5.5	-0.2	1.2	-2.1
<b>Manufacturing</b>	4.7	0.1	0.6	0.2	1.5	3.4
<b>Electricity, Gas, Water</b>	3.0	2.3	3.2	3.8	2.9	3.0
<b>Construction</b>	8.2	5.9	11.6	9.9	5.2	6.0
<b>Services</b>	5.7	4.5	4.8	4.9	3.5	3.6
<b>Total GDP</b>	<b>6.6</b>	<b>4.0</b>	<b>4.9</b>	<b>4.6</b>	<b>2.9</b>	<b>3.0</b>

Peru						
% change on previous year	Historical Data				Consensus Forecasts	
	2011	2012	2013	2014	2015	2016
<b>Agriculture and Forestry</b>	4.1	5.9	1.6	1.4	2.2	2.1
<b>Fishing</b>	52.9	-32.2	24.1	-27.9	18.1	8.4
<b>Mining</b>	0.6	2.8	4.9	-0.8	3.3	7.1
<b>Manufacturing</b>	8.6	1.5	5.0	-3.3	0.6	2.8
<b>Construction</b>	3.6	15.8	8.9	1.7	-2.5	4.1
<b>Commerce</b>	8.9	7.2	5.9	4.4	3.6	4.0
<b>Other Services</b>	7.0	7.3	6.1	4.9	4.7	4.7
<b>Total GDP</b>	<b>6.5</b>	<b>6.0</b>	<b>5.8</b>	<b>2.4</b>	<b>2.9</b>	<b>4.0</b>

In addition to their regular forecasts, our country panellists were asked to provide projections for foreign direct investment (FDI) inflows in billions of US dollars for 2015 and 2016. The consensus forecasts, representing arithmetic mean averages of our individual country panellists' projections, were used to calculate estimates of FDI in relation to the size of the economy i.e. as a percentage of nominal GDP and in per capita terms.

Foreign Direct Investment, US\$bn	Historical Data						Consensus Forecasts	
	2009	2010	2011	2012	2013	2014	2015	2016
<b>Argentina</b>	<b>4.0</b>	<b>11.3</b>	<b>10.8</b>	<b>15.3</b>	<b>11.3</b>	<b>6.6</b>	<b>6.2</b>	<b>7.1</b>
% of GDP	1.1	2.4	1.9	2.5	1.8	1.2	1.1	1.3
US\$ per capita	100.4	280.7	266.1	372.9	272.6	158.2	147.7	170.7
<b>Brazil</b>	<b>31.5</b>	<b>53.3</b>	<b>71.5</b>	<b>76.1</b>	<b>80.8</b>	<b>96.9</b>	<b>64.2</b>	<b>62.2</b>
% of GDP	1.9	2.4	2.7	3.2	3.4	4.1	3.4	3.5
US\$ per capita	162.7	273.3	363.3	383.1	403.5	479.4	317.6	308.0
<b>Chile</b>	<b>13.4</b>	<b>15.5</b>	<b>23.3</b>	<b>28.5</b>	<b>19.3</b>	<b>22.0</b>	<b>17.5</b>	<b>17.5</b>
% of GDP	7.8	7.1	9.3	10.7	7.0	8.5	7.2	6.9
US\$ per capita	788.2	904.3	1346.6	1629.8	1093.3	1238.1	987.6	984.3
<b>Mexico</b>	<b>17.7</b>	<b>26.1</b>	<b>23.4</b>	<b>19.0</b>	<b>44.6</b>	<b>22.8</b>	<b>24.3</b>	<b>27.1</b>
% of GDP	2.0	2.5	2.0	1.6	3.5	1.8	2.1	2.2
US\$ per capita	151.9	221.2	195.8	156.8	364.8	184.1	196.4	218.7
<b>Venezuela</b>	<b>-2.2</b>	<b>1.8</b>	<b>3.8</b>	<b>3.2</b>	<b>7.0</b>	<b>4.0</b>	<b>1.7</b>	<b>2.0</b>
% of GDP	-0.7	0.5	1.2	0.8	1.7	0.6	0.1	0.3
US\$ per capita	-75.9	63.7	128.1	107.4	231.5	128.0	53.5	63.2
<b>Colombia</b>	<b>8.0</b>	<b>6.4</b>	<b>14.6</b>	<b>15.0</b>	<b>16.2</b>	<b>16.3</b>	<b>11.6</b>	<b>12.7</b>
% of GDP	3.4	2.2	4.4	4.1	4.3	4.3	3.8	4.1
US\$ per capita	175.4	138.5	311.1	315.3	335.4	332.2	237.3	259.0
<b>Peru</b>	<b>6.0</b>	<b>8.4</b>	<b>7.7</b>	<b>11.9</b>	<b>9.3</b>	<b>7.9</b>	<b>8.1</b>	<b>8.3</b>
% of GDP	4.9	5.7	4.5	6.2	4.6	3.9	4.1	4.5
US\$ per capita	207.4	288.6	258.9	397.4	306.1	256.7	261.7	270.0



**Foreign Direct Investment (FDI)** – i.e. investment in one country by the residents of another – includes substantial equity transactions, reinvested company earnings and various inter-company capital transactions. FDI, often made by multinational companies, is generally considered to be motivated by longer-term considerations than portfolio investment by asset managers or bank deposits. The data is recorded in the financial account of the balance of payments, and swings in FDI flows can have a significant impact on growth and exchange rates. The figures in the table above cover only FDI inflows and take no account of offsetting outflows of direct investment into other countries. **Brazil** continues to attract the bulk of FDI, but weaker growth in Latin America has weighed on flows coming into the region. Although domestic factors played a part in dragging down growth, the region's

commodity-reliant economies were hit by falls in global commodity prices and a slowdown in key trading partners like China. Currency and capital controls likely proved to be a major deterrent, too, with FDI inflows decelerating to just US\$6.6bn in **Argentina**. Official balance of payments data is not available for **Venezuela**, but our panellists reckon that its dysfunctional economy saw flows of just US\$4.0bn in 2014. This looks set to decelerate further. Given the worsening outlook faced by most of the region's major economies this year, corporate investors will probably look elsewhere in search of growth opportunities. However, one country which might fare better than most is **Mexico**, thanks to its appeal as a manufacturing hub for US companies. The consensus predicts that FDI will rise to US\$24.3bn for this year and US\$27.1bn for next.

# LATIN AMERICAN CONSENSUS FORECASTS: WORLD ECONOMIC ACTIVITY

August Survey	Real GDP % increase			Consumer Prices % increase (Dec/Dec)			Current Account Balance, US\$bn		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
Argentina	0.5	0.6	1.0	24.0	17.0	25.9	-5.6	-10.1	-10.2
Bolivia	5.5	4.3	4.4	5.2	5.0	5.0	0.6	-0.2	-0.3
Brazil	0.1	-1.9	0.0	6.4	9.2	5.5	-104.7	-76.8	-66.7
Chile	1.9	2.2	2.8	4.6	4.0	3.1	-3.0	-0.7	-1.1
Colombia	4.6	2.9	3.0	3.7	4.1	3.3	-19.5	-19.3	-17.1
Costa Rica	3.5	2.9	3.6	5.1	2.6	4.6	-2.4	-2.0	-2.1
Dominican Republic	7.3	5.0	4.6	1.6	2.3	3.2	-2.0	-1.3	-1.8
Ecuador	3.7	1.7	2.5	3.7	4.2	3.7	-0.6	-3.2	-2.8
El Salvador	2.0	2.3	2.3	0.5	1.3	2.0	-1.2	-1.0	-1.1
Guatemala	4.2	3.8	3.5	2.9	3.1	3.8	-1.4	-0.9	-1.1
Honduras	3.1	3.4	3.5	5.8	5.6	4.8	-1.4	-1.2	-1.2
Mexico	2.1	2.4	3.0	4.1	2.8	3.4	-26.5	-29.5	-30.1
Nicaragua	4.7	4.5	4.7	6.5	5.2	6.4	-0.8	-0.9	-1.1
Panama	6.2	6.1	6.1	2.6	2.2	2.7	-5.3	-4.7	-4.6
Paraguay	4.4	4.0	3.9	4.2	3.8	4.2	-0.1	0.1	0.0
Peru	2.4	2.9	4.0	3.2	3.4	2.9	-8.0	-8.6	-7.9
Uruguay	3.5	2.9	3.0	8.3	7.9	7.4	-2.5	-2.4	-2.5
Venezuela	-3.0	-6.7	-2.7	64.7	145.5	118.4	7.4	-6.9	-2.0
Latin America <sup>1</sup>	1.0	-0.2	1.2	13.0	21.7	18.2	-177.2	-169.6	-153.8
LatAm ex. Venezuela	1.5	0.5	1.6	7.0	7.2	6.5	-184.6	-162.7	-151.9
North America <sup>2</sup>	2.4	2.2	2.7	1.6	0.4	2.0	-428	-494	-510
Western Europe <sup>3</sup>	1.3	1.7	1.9	0.7	0.3	1.3	422	394	388
Asia/Pacific <sup>4</sup>	4.8	4.7	4.9	2.7	1.7	2.2	404	649	615
Eastern Europe <sup>5</sup>	1.8	0.0	2.0	7.0	8.1	5.7	9.3	14.9	12.9

<sup>1</sup>Includes countries listed above. <sup>2</sup>USA and Canada. <sup>3</sup>Germany, France, the United Kingdom, Italy, Austria, Belgium, Denmark, Finland, Greece, Ireland, the Netherlands, Norway, Portugal, Spain, Sweden and Switzerland. <sup>4</sup>Fifteen countries taken from the latest issue of **Asia Pacific Consensus Forecasts**. <sup>5</sup>Nineteen countries, including the Czech Republic, Hungary, Poland, Russia and Turkey, taken from the latest issue of **Eastern Europe Consensus Forecasts**. Regional totals, as well as the grand total, for GDP and inflation are weighted averages calculated using 2014 GDP weights, converted at average 2014 exchange rates. Forecasts for North America and Western Europe are taken from the latest monthly issue of **Consensus Forecasts**. Inflation figures for non-Latin American regions shown above are annual average % changes except Russia.

© Copyright Consensus Economics Inc. 2015

## SUBSCRIPTION FORM

Please enter my subscription to **Latin American Consensus Forecasts**. My cheque for payment (US\$593 or £353 or Euro 513 for twelve monthly issues, payable to Consensus Economics Inc.) is attached. My address is as shown below:

NAME \_\_\_\_\_

COMPANY \_\_\_\_\_

ADDRESS \_\_\_\_\_

COUNTRY \_\_\_\_\_ POST/ZIP CODE \_\_\_\_\_

TELEPHONE \_\_\_\_\_ FAX \_\_\_\_\_

SIGNATURE \_\_\_\_\_

Return this form to:

Consensus Economics Inc.,  
53 Upper Brook St,  
London W1K 2LT, United Kingdom  
Tel: (44 20) 7491 3211  
Fax: (44 20) 7409 2331

See [www.consensuseconomics.com](http://www.consensuseconomics.com) for a description of our other products and services.

08/15 LACF