LATIN AMERICA and THE CARIBBEAN

Growth in Latin America and the Caribbean is forecast to slow to a meager 1.3 percent in 2023 before recovering somewhat to 2.4 percent in 2024. Decelerating global demand will dampen the external drivers of near-term growth in the region, while domestic demand will be curbed by monetary policy tightening and persistent policy uncertainty in some countries. The main downside risks to the outlook are external: tightening global financial conditions could precipitate capital outflows and currency depreciations, and the global economy could slow more than predicted, leading to sharp falls in commodity export prices. These or other adverse shocks could reduce growth further, which could catalyze social unrest, given stagnating living standards. Climate-related disasters also remain an ever-present threat, especially for the region's small states.

Recent developments

Latin America and the Caribbean (LAC) is estimated to have grown 3.6 percent in 2022, 1.1 percentage point above last June's forecast. The upward revision was the result of robust expansion in the first half of the year, driven by buoyant consumer spending, which was supported by steady labor market recoveries and the lagged effects of sizeable fiscal transfers in many countries (figure 2.3.1.A; World Bank 2022i). However, activity weakened late in 2022 across most large LAC economies, as a global economic slowdown spilled into the region (figure 2.3.1.B). Subdued industrial production contributed to the economic deceleration, as rising domestic and global interest rates tightened financial conditions.

Terms-of-trade developments have varied across LAC. Energy exporters have continued to benefit from high fossil fuels prices, while slowing external growth, particularly in China, has weighed on metal prices and the export earnings of metal producers (Baumeister, Verduzco-Bustos, and Ohnsorge 2022). Agricultural commodity prices remain elevated compared to the pre-pandemic period. However, differing climatic conditions have seen some exporters benefit more than others. Conditions have been favorable for Brazil's soy harvest, but Argentine wheat production was curbed by extended drought.

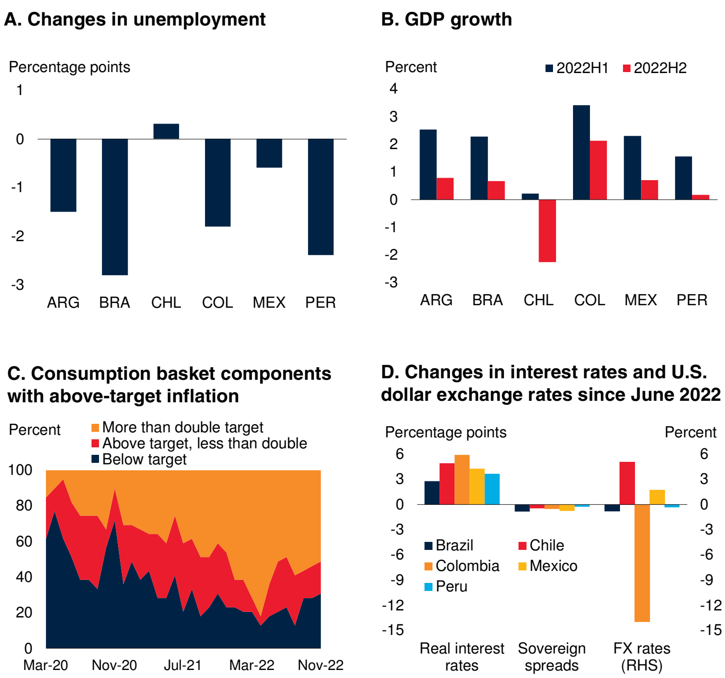
Consumer prices surged in 2022, with many countries experiencing inflation at multi-decade highs. In most of the region, inflation peaked far above central bank targets in Q2 or Q3, before starting to decline gradually. Food prices rose particularly rapidly, in part due to the Russian Federation's invasion of Ukraine, registering double digit annual increases in most countries. Yet price pressures also broadened over the year (figure 2.3.1.C). To combat persistently high and broad-based inflation, central banks continued to hike already elevated policy rates in the second half of 2022, leading to sizeable increases in real short-term interest rates (figure 2.3.1.D).

Regional financial conditions tightened materially over 2022, in line with global conditions and domestic monetary policies, though riskier assets showed some resilience. This likely reflected both commodity export-related tailwinds in South America, and favorable investor responses to early and rapid monetary tightening in many LAC economies, which established sizable interest rate differentials with advanced economies. Domestic bond yields followed U.S. yields higher, but equity markets across the region held up over the second half of the year. Sovereign borrowing spreads also

Note: This section was prepared by Phil Kenworthy.

FIGURE 2.3.1 LAC: Recent developments

Labor market recoveries helped to support buoyant consumption for most of 2022, but output growth decelerated late in the year as global weakness spilled into the region. Price pressures have broadened markedly in the last two years, driving inflation to multi-decade highs in many economies and prompting continued monetary tightening. Higher real interest rates have contributed to slowing investment growth, but also helped limit currency depreciation. Though financial conditions have tightened, sovereign spreads for most countries remain contained.



Sources: Consensus Economics; Haver Analytics; J.P. Morgan; World Bank.

Note: ARG = Argentina, BRA = Brazil, CHL = Chile, COL = Colombia, MEX = Mexico, PER = Peru; FX = foreign exchange.

A. Unemployment rates are seasonally adjusted. Change is between December 2021 (2021Q4 for Argentina) and October 2022 (2022Q2 for Argentina). A negative change indicates a fall (that is, an improvement) in the unemployment rate.

B. Annualized growth rates. 2022H1 is seasonally adjusted GDP growth in the first half of 2022 compared to the second half of 2021. 2022H2 is expected GDP growth in the second half of 2022 compared to seasonally adjusted growth in the first half of 2022.

C. Proportion of major component indices within consumer inflation baskets growing faster than the inflation target on a monthly basis. Data for Brazil, Chile, Colombia, and Mexico. Last observation is November 2022.

D. Real interest rate is the policy rate minus the one-year-ahead inflation expectation from Consensus Economics, transformed to a constant time horizon using a weighted average of expectations from 2022 and 2023. The change in real interest rates is the change compared to real interest rates reported in the June 2022 *Global Economic Prospects*. Changes in sovereign spread are J.P. Morgan's Emerging Market Bond Index Global spreads, and nominal exchange rate changes are versus the U.S. dollar. Both reflect changes since end-June 2022, with the last observation on December 16, 2022.

remained largely constant, suggesting limited sovereign stress risks. Currencies in LAC were mostly resilient to a generally strong U.S. dollar in the latter half of 2022 and appreciated in trade-weighted terms in several countries. Colombia was the only large inflation-targeting economy in LAC to see sharp currency depreciation.

Outlook

Growth in Latin America and the Caribbean is projected to slow from an estimated 3.6 percent in 2022 to 1.3 percent in 2023, before recovering somewhat to 2.4 percent in 2024 (figure 2.3.2.A). The forecast for 2023 has been downgraded since June by 0.6 percentage point. The sharp deceleration of growth this year reflects efforts by the region's monetary authorities to tame inflation, and spillovers from weakening global growth. Per capita GDP growth is expected to be just 0.6 percent in 2023.

A sluggish growth outlook in the United States and China will curtail export demand in 2023, while the increase in U.S. interest rates is likely to also keep global financial conditions restrictive. The boon for South American incomes from recently elevated commodity prices is expected to unwind over the next two years, except in a small number of fossil fuel exporters. Meanwhile, weakening global growth is expected to reduce export growth in LAC from 5.9 percent in 2022 to 3.6 percent in 2023.

Domestic sources of growth appear similarly lacking. Investment is the primary driver of forecast downgrades, with negative regionwide investment growth projected in 2023 in the context of softening business confidence and increased financing costs (chapter 3). Elevated levels of domestic policy uncertainty in most of the region's largest economies present a further headwind to investment, especially in key export industries such as mining. The recovery in services following the lifting of pandemic-related restrictions has also largely run its course. With prices rising faster than wages in much of the region, lower real incomes are expected to constrain consumption growth.

The cycle of policy rate increases is likely coming to an end across inflation targeting economies, with solidly positive interest rates in real terms (that is, adjusted for anticipated future inflation). Policy rates in the largest economies are expected to remain fairly stable this year, meaning inflation-adjusted policy rates will increase in some economies if inflation recedes as projected (figure

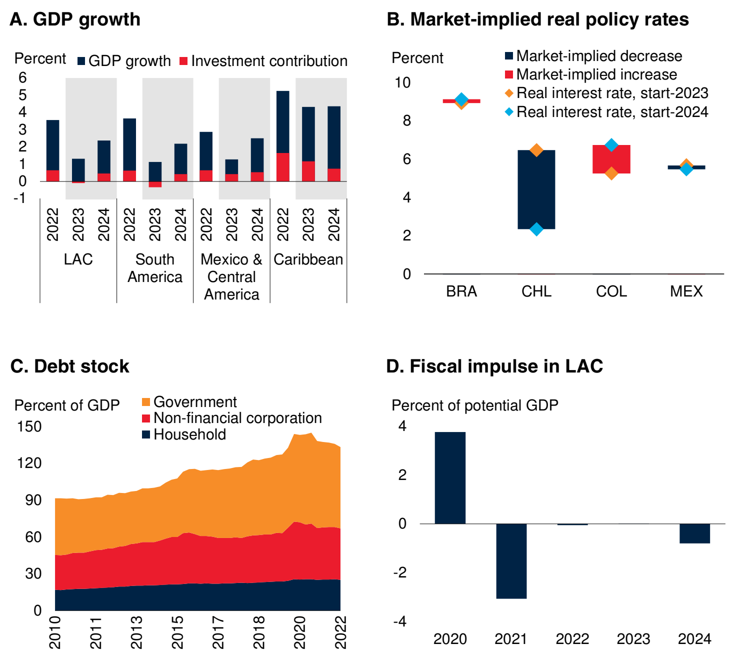
2.3.2.B). This should help central banks keep medium-term inflation expectations close to targets, but is likely to hold back activity in 2024. The costs of servicing elevated household and corporate debt, the legacy of years of weak growth, will also squeeze spending as borrowing costs rise (figure 2.3.2.C). Fiscal policy is expected to be neutral for regional growth in 2023 and mildly contractionary in 2024, reflecting continued fiscal consolidation in most of the region (figure 2.3.2.D).

In *Brazil*, a steep growth slowdown is underway. The economy is expected to expand by just 0.8 percent in 2023, unchanged from June's forecast, following growth of 3 percent in 2022. Investment is expected to contract sharply in 2023 following a nearly 12-percentage point increase in the central bank policy interest rate since early 2021. Uncertainty regarding the fiscal policy outlook poses a further headwind to business confidence and investment. Exports are likely to grow more slowly than in recent years because of slowing demand growth for non-energy commodities. Consumer spending in 2023 will be supported somewhat by increased fiscal transfers and tax cuts legislated last year to offset soaring food and fuel prices. Growth is expected to pick up to 2 percent in 2024. The decline in investment is expected to abate, while consumption accelerates somewhat, and improving global demand supports export growth.

Mexico's economy is projected to grow 0.9 percent in 2023—1 percentage point below the June forecast, following higher than forecast growth of 2.6 percent in 2022. The expansion is expected to firm again in 2024, with growth of 2.3 percent. Domestic demand for services should continue to gradually recover in 2023, but a sharply weaker U.S. outlook is likely to curtail growth of exports and inward remittances. In view of stubborn price pressures—core inflation is at its highest level in more than two decades—monetary policy is anticipated to remain tight, with the policy rate in double digits for some time. More restrictive monetary conditions are expected to weigh on cyclical components of growth, with investment stagnating below its 2019 level throughout the forecast period. Consumption and export growth

FIGURE 2.3.2 LAC: Outlook

Growth in LAC is forecast to slow sharply in 2023, with investment set to contract as financial conditions tighten and global growth falters. Though nominal tightening cycles in LAC's major inflation-targeting economies are concluding, short-term real interest rates are expected to further increase in some countries in 2023. Rising debt service costs on the region's large debt stock—a legacy of a decade of weak growth—will squeeze private sector spending. Fiscal policy is projected to be about neutral for regionwide growth in 2023 and 2024.



Sources: Bloomberg; Consensus Economics; Institute of International Finance; International Monetary Fund; World Bank.

Note: BRA = Brazil, CHL = Chile, COL = Colombia, MEX = Mexico.

A. Aggregate growth rates are calculated using GDP weights at average 2010-19 prices and market exchange rates. South America includes Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, and Uruguay. Mexico and Central America includes Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, and Panama. Caribbean includes The Bahamas, Belize, the Dominican Republic, and Jamaica (growth rates differ to those reported in table 2.3.1 due to the exclusion of Haiti and several Caribbean small states for which GDP expenditure components are not separately forecast).

B. Real interest rate is as described in 2.3.1.D (above). Market-implied change is the one-year-ahead policy rate implied by interest rate swap markets, minus the Bloomberg private forecasters median 2024 consumer price inflation forecast. Last observation is December 20, 2022.

C. GDP-weighted averages. Sample includes Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Grenada, Jamaica, Mexico, and Peru. Last observation is 2022Q2.

D. Figure shows the negative of the regionwide GDP-weighted change in the structural primary balance (calculated as the structural balance net of projected interest costs). A positive value therefore indicates a positive impulse to GDP growth.

are expected to pick up in 2024, as inflation subsides and external conditions improve.

Argentina's GDP is forecast to expand 2 percent in 2023 and 2024, following stronger than expected growth of 5.2 percent last year. The deceleration in growth reflects external headwinds, and constraints on domestic activity related to the high inflation environment. Weakening foreign demand is likely to weigh on export growth, while capital, import, and price controls continue to complicate the business environment. Planned investments to operationalize the domestic “Nestor Kirchner” gas pipeline should benefit fiscal and current accounts by lowering energy imports. Exposure to financial cross-border spillovers is limited by reliance on official external financing. The context is nonetheless highly challenging given the need to reduce inflation from recent rates of above 80 percent (year-on-year), while also allowing the peso to depreciate and reforming energy subsidies.

Growth in *Colombia* is projected to weaken markedly to 1.3 percent in 2023, from 8 percent in 2022, before recovering somewhat to 2.8 percent in 2024. The economy is expected to slow as the surge in activity that accompanied reopening from pandemic restrictions abates, and as monetary policy remains tight amid high inflation. Investment growth is also forecast to decelerate. More restrictive monetary and fiscal conditions should help to moderate import growth and narrow the current account deficit, which is estimated to have remained above 5 percent of GDP in 2022, despite favorable terms of trade.

In *Chile*, output is projected to contract by 0.9 percent in 2023, before rebounding by 2.3 percent in 2024. Reduced real incomes due to high inflation, twinned with a softening labor market, are expected to erode near-term consumption. Despite weak activity, monetary policy is likely to remain tight early in the year. This should help mitigate potential capital flow pressures associated with softer copper prices and a sizeable current account deficit. However, tighter financial conditions will also weigh on investment, which is expected to contract this year, and raise financing costs for a heavily indebted private sector. Considerable policy uncertainty remains, linked to the constitutional reform process and ongoing pension and tax reforms efforts.

In *Peru*, steady growth of 2.6 percent a year is expected in 2023 and 2024. Exports are forecast to remain a key driver of growth, reflecting expanding copper output, though terms of trade are expected to weaken as metal prices decline. Expanding consumption will be supported by mass early pension withdrawals and government stimulus measures intended to help maintain living standards despite high inflation. Political uncertainty and concerns about the consequences of social unrest (such as mine closures) are likely to weigh on investment.

In *Central America*, growth is projected to moderate, from 4.4 percent in 2022 to 3.2 percent in 2023 and 3.5 percent in 2024. Weaker near-term growth in the United States will weigh on remittances, exports, and foreign direct investment. Inflation reached record highs in the sub-region in 2022 but is expected to slow. This reflects commodity price developments, as well as monetary tightening (which in Panama and El Salvador is a consequence of full dollarization). A modest growth outlook implies slow progress on poverty reduction, especially in Honduras and Nicaragua, the sub-region’s poorest countries. At 4.5 percent a year in 2023 and 2024, Panama is expected to be the sub-region’s fastest growing economy, underpinned by mining and public investment.

Growth in the *Caribbean* is expected to slow to 5.6 percent in 2023 and 5.7 percent 2024, from 7.7 percent last year. Aside from Guyana, which remains in a natural resources-fueled growth boom, the sub-region faces renewed headwinds (chapter 4). Though 2022 saw resurgent tourism, a sharp downturn in advanced-economy growth is likely to slow the recovery. Tighter financing conditions will squeeze investment, and make it harder for many islands to roll over debt and finance large fiscal and current account deficits. Among the Caribbean’s larger economies, growth in the Dominican Republic is expected to average a solid 4.9 percent in 2023 and 2024. In contrast, Haiti’s economy is expected to contract for the fifth consecutive year in 2023. It remains beset by violence and instability, with nearly one-in-five children chronically malnourished (WFP 2022a).

Risks

The possibility of a sharper-than-projected global slowdown—or outright global recession—represents a significant downside risks for the region, particularly commodity exporters (figure

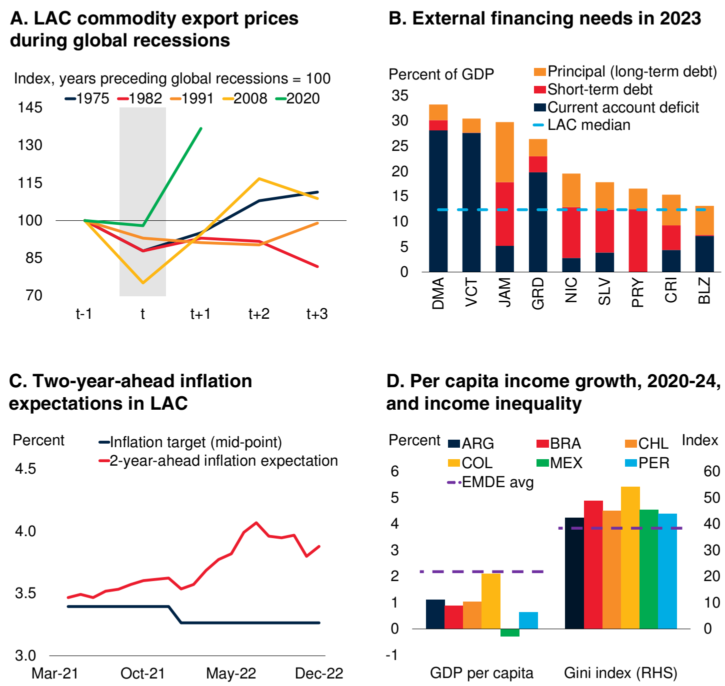
2.3.3.A). Slowing global growth and weak demand from China has already caused metal prices to fall substantially since mid-2022. Should growth decline more than expected in 2023, energy and agricultural commodity prices could also weaken more significantly, resulting in deteriorating terms of trade across much of South America. Terms of trade in LAC are closely correlated with investment growth, which could turn deeply negative due to reduced investment in commodity-production, and because lower export earnings would dampen domestic demand generally (de la Torre, Filippini, and Ize 2016). As in the mid-2010s, the result could be a drawn-out period of weak growth, potentially reinforced by a tendency toward fiscal pro-cyclicality in commodity exporters (Arroyo Marioli and Vegh, forthcoming).

There is also a serious risk that unexpectedly persistent inflation and additional interest rate increases in advanced economies result in a severe external financing shock. More monetary tightening than assumed in the United States, in particular, could precipitate a sudden acceleration of capital outflows. This could lead to widening borrowing spreads and depreciating currencies, or further depletion of reserves in countries intervening to stabilize exchange rates. Some large regional economies (Chile, Colombia) currently have outsized current account deficits, and could become vulnerable to shifts in market sentiment. Among smaller LAC economies, especially some in the Caribbean and Central America that are highly indebted, external financing needs appear large relative to GDP (figure 2.3.3.B). Further tightening of global financial conditions could result in balance of payments stresses in these economies, which could trigger financial crises (Claessens and Kose 2013).

Similar risks from tighter financial conditions could prevail if inflation in LAC does not fall as expected. Medium-term inflation expectations have risen materially, and several factors could cause further increases (figure 2.3.3.C). Recent price rises could become embedded through explicit or tacit wage indexation. Pass-through from currency depreciations to prices could cause inflation and inflation expectations to increase

FIGURE 2.3.3 LAC: Risks

Elevated commodity prices have supported growth in LAC, but they could decline rapidly in a sharper-than-expected global slowdown or recession, leading to deteriorating economic activity. High external financing needs could presage financial stress in some Caribbean and Central American countries, given rising advanced economy interest rates and diminished investor risk appetite. Rapid inflation in LAC may prove more stubborn than projected; rising inflation expectations could then necessitate further domestic monetary tightening. In the context of high inequality, a projected half-decade of feeble per capita income growth could increase the risk of episodes of disruptive social unrest.



Sources: Haver Analytics; International Monetary Fund; national sources; World Bank; WTO Stats (database).

Note: ARG = Argentina, BLZ = Belize, BRA = Brazil, CHL = Chile, COL = Colombia, CRI = Costa Rica, DMA = Dominica, GRD = Grenada, JAM = Jamaica, MEX = Mexico, NIC = Nicaragua; PER = Peru, PRY = Paraguay, SLV = El Salvador, VCT = St. Vincent and Grenadines; EMDE avg = emerging market and developing economy average.

A. Index is composed of nominal annual price changes for energy, agricultural commodities, and metals (excluding precious metals), weighted by nominal export values for the seven largest economies in LAC (Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, and Peru) by year. Global recessions as defined in Kose, Sugawara, and Terrones (2020). Year t is the year of the global recession indicated in the legend. For the 1975 global recession series, export weights for the 1982 series are used.

B. Figure shows the current account balance and debt obligations coming due in 2023. Debt obligations coming due are the sum of short-term and long-term debt principal payments and interest payments (the latter being within the current account). Short-term external debt in 2023 is estimated. GDP and current account balance in 2023 are projections. Blue dashed line denotes the regional median.

C. GDP-weighted average of median survey expectations for annual inflation in 24 months. Sample includes Brazil, Chile, Colombia, and Mexico. Last observation is December 2022. Inflation target declines in 2022 due to a reduction in Brazil's inflation target.

D. Left bars denote the annual average growth of GDP per capita from 2020 to 2024 (inclusive). Right bars refer to Gini index, with higher values indicating greater income inequality. Observations for Gini index are the most recent available for each country since 2015. Sample includes 96 EMDEs.

(IMF 2016). Memory of past hyper-inflations could influence the public to revise inflation expectations upwards more rapidly (Malmendier and Nagel 2016). Facing such challenges, the region's central banks could be forced into necessary but costly additional tightening to re-anchor expectations, resulting in a more severe and protracted slowdown than the baseline forecast. In countries with substantial stocks of interest rate-sensitive public debt (Brazil, Jamaica), this would cause debt interest burdens to increase quickly, potentially requiring governments to tighten fiscal policy to reinforce commitments to stability (Kehoe and Nicolini 2021).

LAC has long been afflicted by low productivity and per capita income growth, and higher income inequality than other EMDE regions (World Bank 2022e). These trends are set to persist, with elevated prices for essential goods endangering poverty reduction, and per capita GDP growth forecast to average just 0.6 percent per year over 2020-24 (figure 2.3.3.D). Regressive effects of high food prices may prove especially pronounced because poverty is concentrated in urban communities, where incomes do not rise with agricultural prices (World Bank 2022j). These factors, and the stagnating living standards they imply, may heighten the risk of episodes of disruptive social unrest. Work stoppages could curtail production, while protests or other disturbances could undermine consumer and business confidence. The perception of limited economic opportunity for many could also make it harder for some countries to combat elevated levels of violence and corruption, which create enduring headwinds to inclusive growth (de Paulo, de Andrade Lima, and Tigre 2022). Economic losses from climate-related disasters add to these challenges, especially in the region's small states, where progress toward advanced economy income levels has stalled for two decades (chapter 4).

TABLE 2.3.1 Latin America and the Caribbean forecast summary

(Real GDP growth at market prices in percent, unless indicated otherwise)

						Percentage point differences from June 2022 projections		
	2020	2021	2022e	2023f	2024f	2022e	2023f	2024f
EMDE LAC, GDP[1]	**-6.2**	**6.8**	**3.6**	**1.3**	**2.4**	**1.1**	**-0.6**	**0.0**
GDP per capita (U.S. dollars)	-7.0	6.0	2.9	0.6	1.7	1.1	-0.6	0.1
(Average including countries that report expenditure components in national accounts)[2]								
EMDE LAC, GDP[2]	-6.2	6.8	3.5	1.2	2.3	1.1	-0.6	-0.1
PPP GDP	-6.5	7.0	3.5	1.3	2.4	1.0	-0.6	0.0
Private consumption	-7.5	7.6	4.1	1.7	2.7	1.3	-0.4	0.3
Public consumption	-1.9	4.3	1.6	0.6	0.9	0.8	0.1	0.4
Fixed investment	-11.5	16.8	3.4	-0.5	2.4	1.2	-2.1	-1.1
Exports, GNFS[3]	-9.1	8.0	5.9	3.6	4.7	1.0	-1.1	0.5
Imports, GNFS[3]	-13.9	17.3	5.5	2.8	4.4	1.2	-1.5	0.2
Net exports, contribution to growth	1.2	-2.0	0.0	0.1	0.0	-0.1	0.1	0.0
Memo items: GDP								
South America[4]	-5.4	7.2	3.7	1.1	2.2	1.2	-0.5	-0.1
Central America[5]	-7.6	10.3	4.4	3.2	3.5	0.5	-0.3	-0.1
Caribbean[6]	-7.5	9.7	7.7	5.6	5.7	0.8	-0.9	1.7
Brazil	-3.3	5.0	3.0	0.8	2.0	1.5	0.0	0.0
Mexico	-8.0	4.7	2.6	0.9	2.3	0.9	-1.0	0.3
Argentina	-9.9	10.4	5.2	2.0	2.0	0.7	-0.5	-0.5

Source: World Bank.

Note: e = estimate; f = forecast; PPP = purchasing power parity; EMDE = emerging market and developing economy. World Bank forecasts are frequently updated based on new information and changing (global) circumstances. Consequently, projections presented here may differ from those contained in other Bank documents, even if basic assessments of countries' prospects do not differ at any given moment in time. The World Bank is currently not publishing economic output, income, or growth data for República Bolivariana de Venezuela owing to a lack of reliable data of adequate quality. República Bolivariana de Venezuela is excluded from cross-country macroeconomic aggregates.

1. GDP and expenditure components are measured in average 2010-19 prices and market exchange rates.
2. Aggregate includes all countries in notes 4, 5, and 6, plus Mexico, except Antigua and Barbuda, Barbados, Dominica, Grenada, Guyana, Haiti, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Suriname.
3. Exports and imports of goods and nonfactor services (GNFS).
4. Includes Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, and Uruguay.
5. Includes Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.
6. Includes Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, the Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Suriname.

TABLE 2.3.2 Latin America and the Caribbean country forecasts [1]

(Real GDP growth at market prices in percent, unless indicated otherwise)

						Percentage point differences from June 2022 projections		
	2020	2021	2022e	2023f	2024f	2022e	2023f	2024f
Argentina	-9.9	10.4	5.2	2.0	2.0	0.7	-0.5	-0.5
Bahamas, The	-23.8	13.7	8.0	4.1	3.0	2.0	0.0	0.0
Barbados	-13.7	0.7	10.0	4.8	3.9	-1.2	-0.1	0.9
Belize	-13.7	16.3	3.5	2.0	2.0	-2.2	-1.4	0.0
Bolivia	-8.7	6.1	3.3	3.1	2.7	-0.6	0.3	0.0
Brazil	-3.3	5.0	3.0	0.8	2.0	1.5	0.0	0.0
Chile	-6.0	11.7	2.1	-0.9	2.3	0.4	-1.7	0.3
Colombia	-7.0	10.7	8.0	1.3	2.8	2.6	-1.9	-0.5
Costa Rica	-4.1	7.8	4.1	2.9	3.1	0.7	-0.3	-0.1
Dominica	-16.6	6.5	5.8	4.6	4.6	-1.0	-0.4	0.0
Dominican Republic	-6.7	12.3	5.3	4.8	5.0	0.3	-0.2	0.0
Ecuador	-7.8	4.2	2.7	3.1	2.8	-1.0	0.0	-0.1
El Salvador	-8.1	10.2	2.4	2.0	2.0	-0.3	0.1	0.0
Grenada	-13.8	4.7	5.8	3.2	3.0	2.0	-0.2	-0.1
Guatemala	-1.8	8.0	3.4	3.1	3.5	0.0	-0.3	0.0
Guyana	43.5	20.0	57.8	25.2	21.2	9.9	-9.1	17.4
Haiti [2]	-3.3	-1.8	-1.5	-1.1	2.0	-1.1	-2.5	0.0
Honduras	-9.0	12.5	3.5	3.1	3.7	0.4	-0.5	0.0
Jamaica	-10.0	4.6	3.2	2.0	1.2	0.0	-0.3	0.0
Mexico	-8.0	4.7	2.6	0.9	2.3	0.9	-1.0	0.3
Nicaragua	-1.8	10.3	4.1	2.0	2.5	1.2	-0.3	0.0
Panama	-18.0	15.3	7.2	4.5	4.5	0.9	-0.5	-0.5
Paraguay	-0.8	4.1	-0.3	5.2	4.2	-1.0	0.5	0.4
Peru	-11.0	13.3	2.7	2.6	2.6	-0.4	-0.3	-0.4
St. Lucia	-24.4	11.9	8.9	4.4	3.2	2.5	-0.8	-0.1
St. Vincent and the Grenadines	-5.3	0.7	5.0	6.0	4.8	1.3	-0.4	1.6
Suriname	-16.0	-2.7	1.3	2.3	3.0	-0.5	0.2	0.3
Uruguay	-6.1	4.4	5.0	2.7	2.5	1.7	0.1	0.0

Source: World Bank.

Note: e = estimate; f = forecast. World Bank forecasts are frequently updated based on new information and changing (global) circumstances. Consequently, projections presented here may differ from those contained in other Bank documents, even if basic assessments of countries' prospects do not significantly differ at any given moment in time.

1. Data are based on GDP measured in average 2010-19 prices and market exchange rates.

2. GDP is based on fiscal year, which runs from October to September of next year.

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