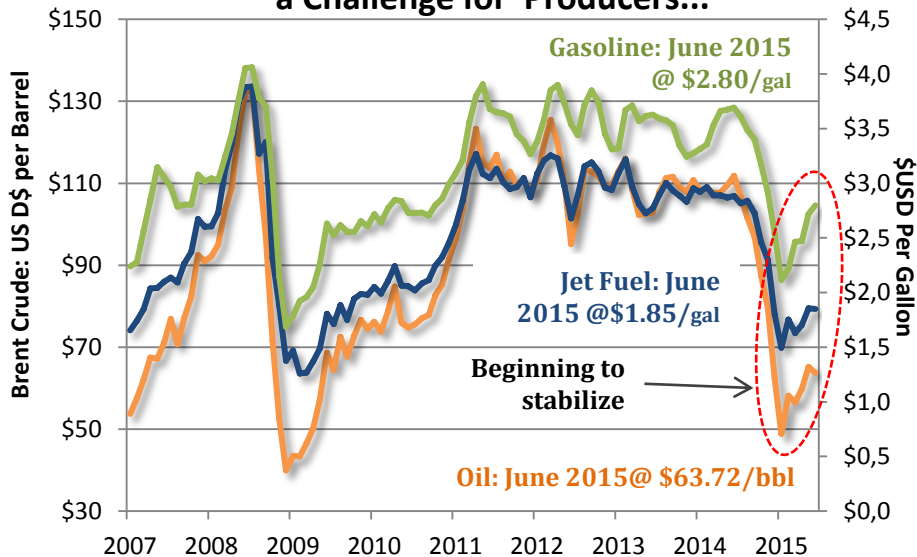




What's Behind Diverging Performance?

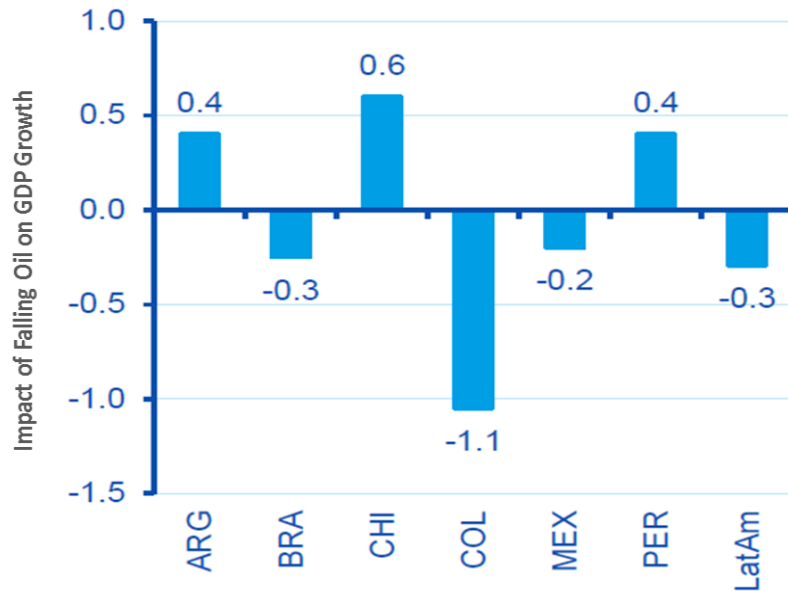
Lower Energy Prices have created haves/have nots. Energy consumers see greater income and lower business costs. Producers see falling profits, delayed investment and devastated government revenues

Falling Energy Prices: Great for Consumers, a Challenge for Producers...



Source: EIA

Impact of Lower Oil is Mixed in LatAm

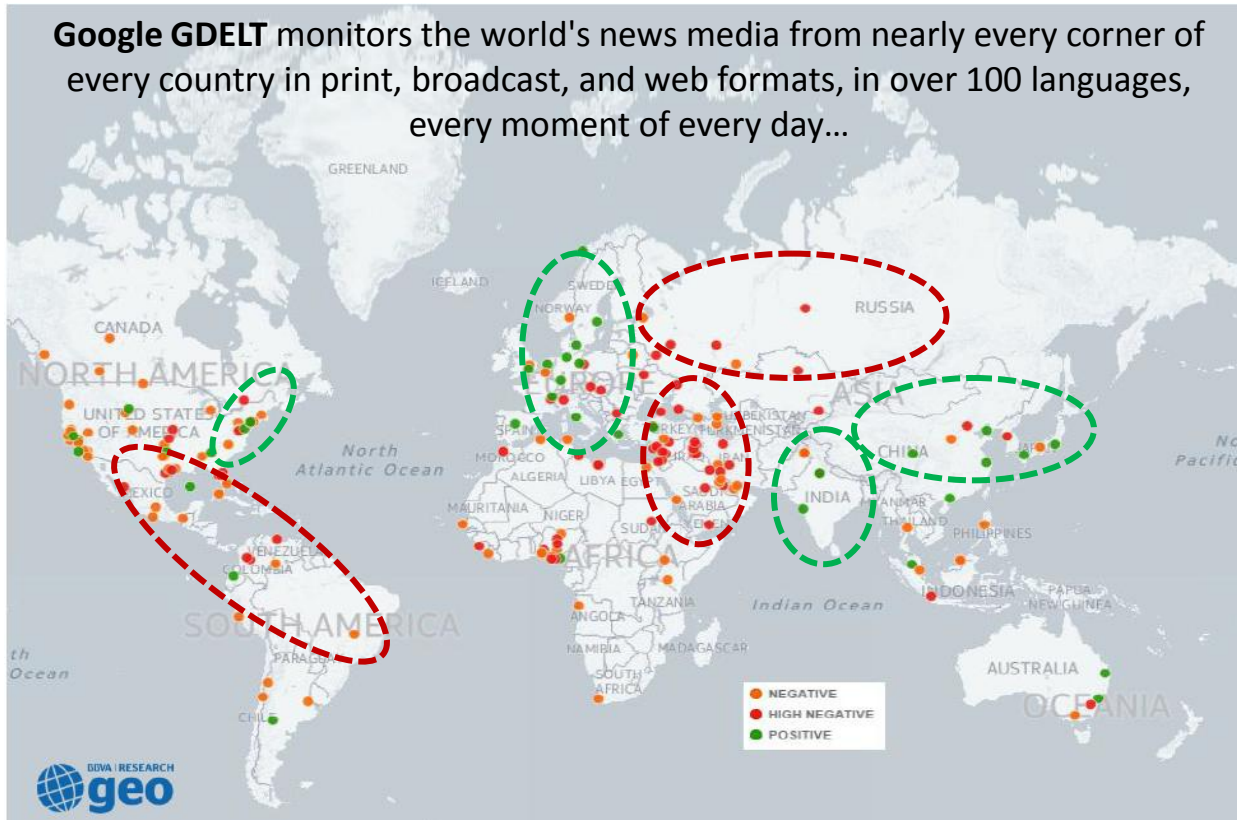


Source: BBVA Research



Falling Oil Prices Have Created Winners & Losers Around the Globe

Google GDELT monitors the world's news media from nearly every corner of every country in print, broadcast, and web formats, in over 100 languages, every moment of every day...



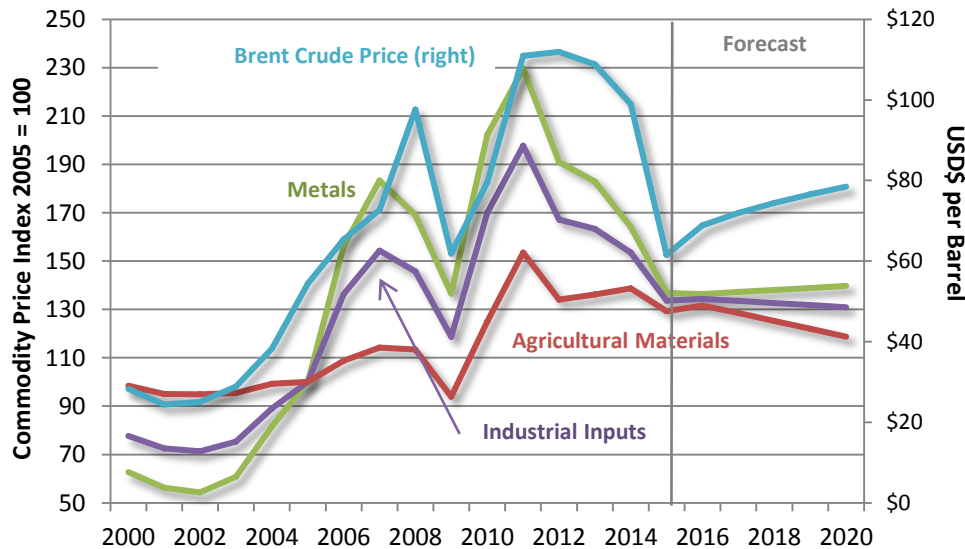
Winners	Losers
China	Russia
United States	Brazil
India	OPEC
Europe	Venezuela
Chile	Mexico
Peru	Nigeria
Argentina	Colombia



What's Behind Diverging Performance?

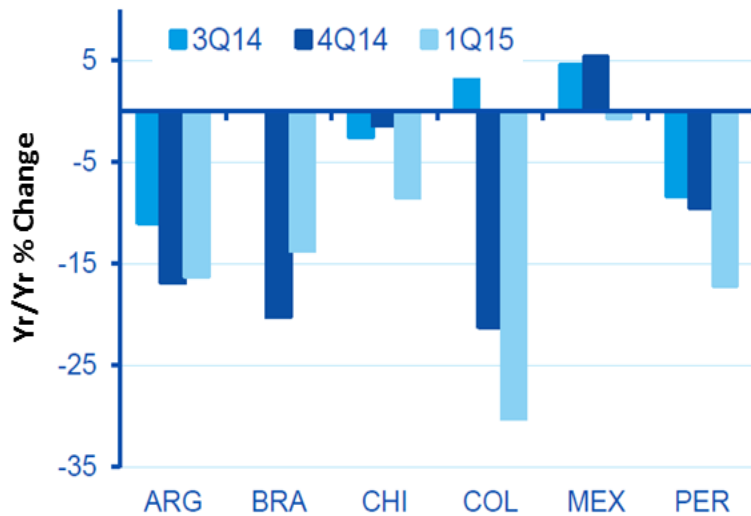
Falling Commodity Prices and Weak Trade have hammered those emerging markets most dependent on commodity exports. Unfortunately, there appears to be a downward secular trend in global trade.

Falling Commodity Prices Have Really Hurt LatAm Economies...



Source: International Monetary Fund, Rockport Analytics

Exports* Struggling Across LatAm Mexico is the exception given strong U.S. ties



* Goods & services in \$USD

Source: National statistics and BBVA Research

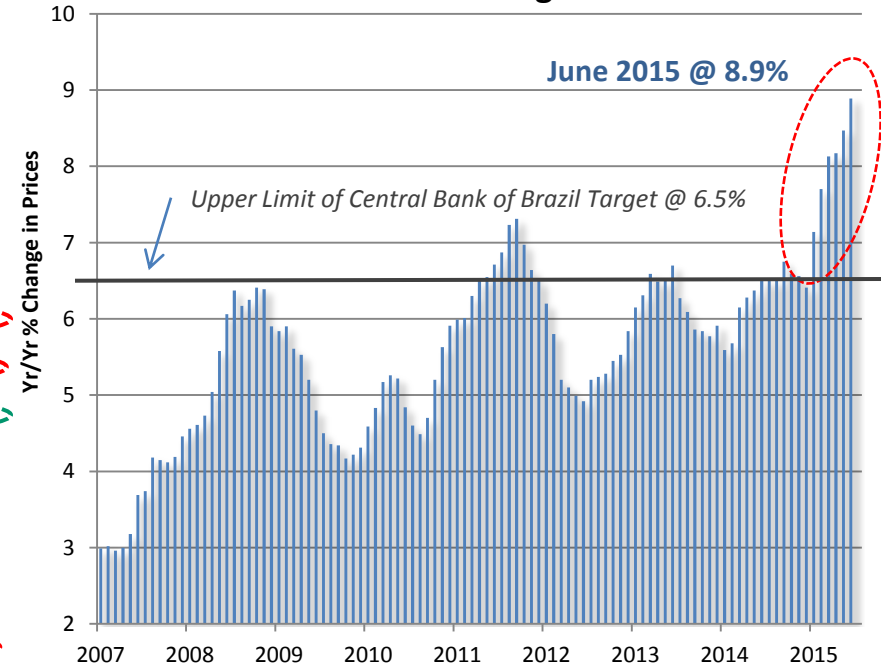
Producing Sharp Differences in Inflation

Inflation Differentials are Striking

<i>% change in Consumer Prices</i>	2013	2014	2015	2016	2017-19
Advanced Economies	1.4	1.4	0.4	1.4	2.0
Euro Area	1.3	0.4	0.1	1.0	1.4
United States	1.5	1.6	0.1	1.5	2.4
Emerging Markets	5.9	5.1	5.4	4.8	4.5
Latin America:					
Argentina	10.6	14.6	18.6	23.2	21.8
Brazil	6.2	6.3	7.8	5.9	4.7
Chile	1.9	4.4	3.0	3.0	3.0
Colombia	2.0	2.9	3.4	3.0	3.3
Mexico	3.8	4.0	3.2	3.0	3.0
Paraguay	2.7	5.0	3.6	4.5	4.5
Peru	2.8	3.2	2.5	2.0	2.0
Venezuela	40.6	62.2	96.8	83.7	76.0

Source: IMF

Brazil's Inflation Well Above BCB Target ...and Rising

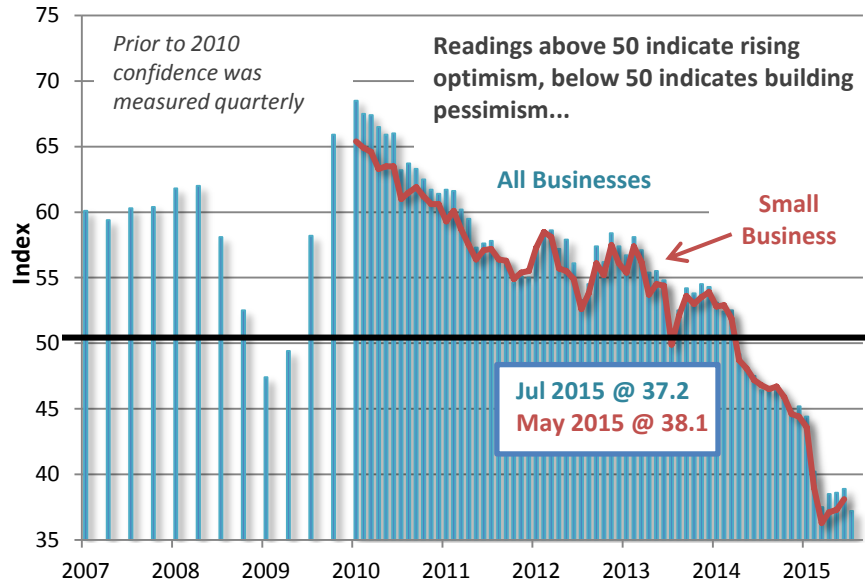


Source: IBGE, Rockport Analytics



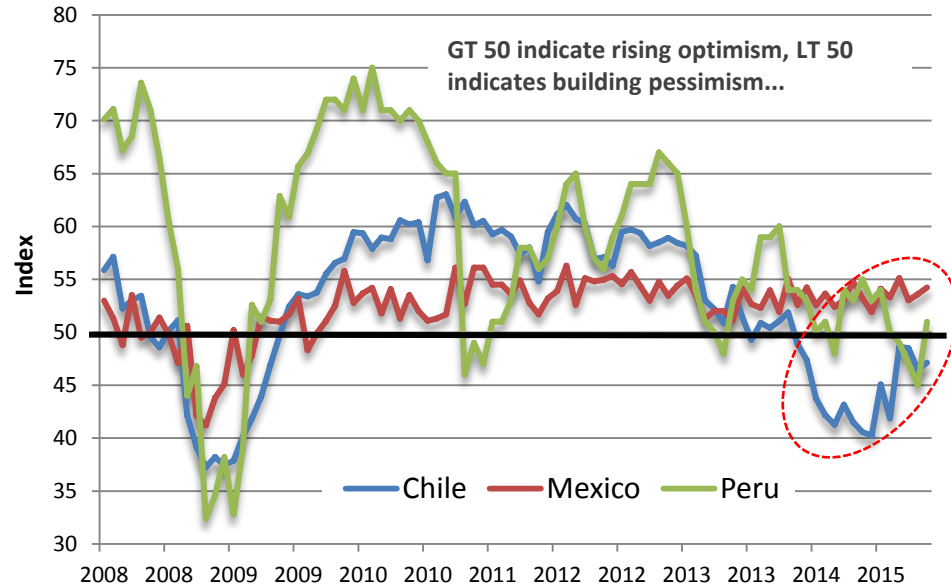
Differing Business Confidence Suggests Bifurcation in Business Travel As Well

Brazilian Business Confidence Plummets...



Source: CONFEDERACAO NACIONAL DA INDUSTRIA (CNI)

While Some LatAm Countries Improving



Source: Instituto Chileno de Administración Racional de Empresas, Central Reserve Bank of Peru, INEGI