

Capital flows to Latin America and the Caribbean

2021 year-in-review and
first four months of 2022



UNITED NATIONS

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This document was prepared by Helvia Velloso, Economic Affairs Officer, under the supervision of Raquel Artecona, Officer in Charge of the office of the Economic Commission for Latin America and the Caribbean (ECLAC) in Washington, D.C. Daniel Perrotti, Research Assistant in the same office, contributed to this report.

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Highlights

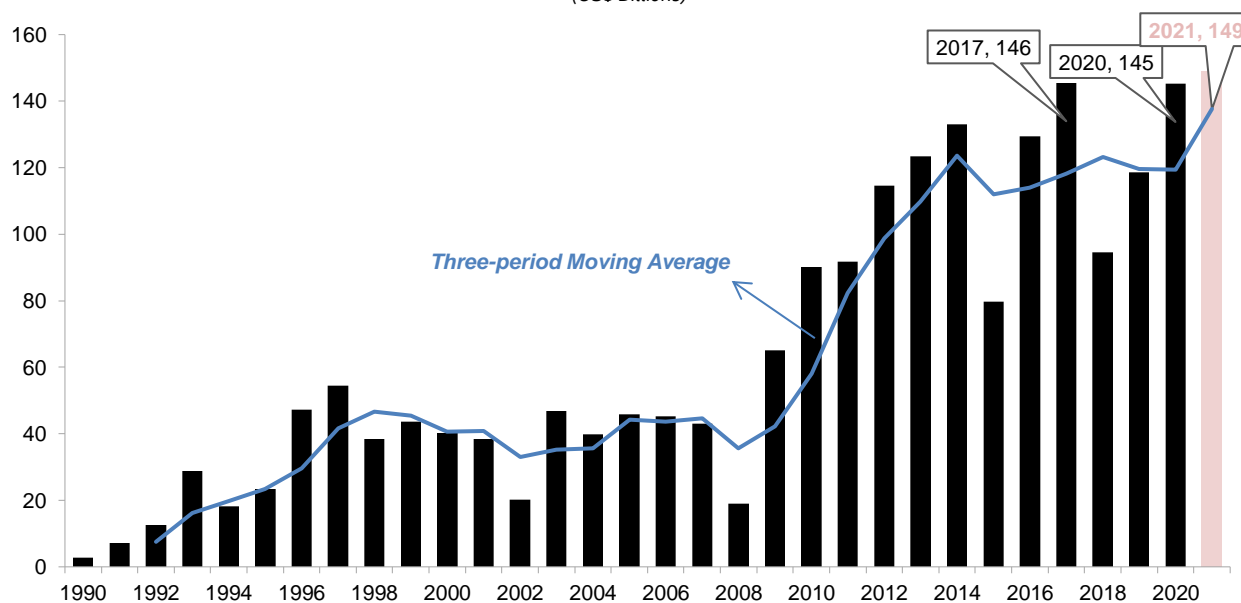
- Total Latin American and Caribbean (LAC) bond issuance in international markets reached US\$ 149 billion in 2021, breaking a historical record. It was up 3% from 2020 and 2% from the previous annual record reached in 2017. In anticipation of tighter external borrowing conditions in 2022, many issuers came to international bond markets to lock-in low global interest rates amid strong demand from investors.
- In the first four months of 2022, LAC international bond issuance slowed relative to the pace of the previous year. At US\$ 38 billion, it was down 42% from the same period in 2021, as the United States Federal Reserve's tightening monetary policy stance and the war in Ukraine contributed to push funding costs higher.
- The top three issuers in 2021 and in the first four months of 2022, corporate and sovereign combined, were Mexico, Chile, and Brazil, in that order, which together accounted for 63.8% of the total regional issuance in 2021, and 66.0% in the first four months of 2022.
- Green, Social, Sustainability and Sustainability-linked bond issuance (GSSS) reached US\$ 46.2 billion in 2021, a 31.0% share of the total annual amount issued. This share was more than three times the 2020 share of 9.3%, and almost eight times the 4.2% average of the 2015-2020 period. In the first four months of 2022, this share increased further to 35.4%.
- Sustainability-Linked Bonds (SLB) – a forward-looking performance-based instrument – were the most used Environmental, Social and Governance (ESG) debt instruments by LAC issuers in 2021. They accounted for 37% of the region's total GSSS issuance, followed by social (34%), sustainability (15%) and green (14%) bonds. The Government of Chile accounted for 88% of the region's share of social bonds issued during the year.
- In the first four months of 2022, sustainability bonds became the most used ESG debt instruments in the LAC region. They accounted for 56% of the region's total GSSS issuance in the period, with the Government of Chile issuing more than half of the total, leading to a bump in this category. SLBs were the second most used ESG debt instrument, as SLB issuance fell modestly, to a 36% of the total. In March, the Government of Chile issued the first sovereign SLB in the world, becoming the first country to use sovereign debt to fund its long-term climate initiatives and accelerate its energy transition.

- LAC spreads widened 13 basis points in 2021. They tightened 6 basis points in the first half of the year but widened 19 basis points in the second, as risk-off sentiment increased. While spreads tightened in the first quarter of 2022 (-2 basis points), they widened 41 basis points in April, amid rising financing costs and weaker risk sentiment. For the first four months of 2022, LAC spreads widened 39 basis points.
- Latin American equity prices lost ground in 2021. According to the MSCI Latin American Index, Latin American stock prices were down 13% in 2021. However, the MSCI Latin American Index gained 26% in the first quarter of 2022, outperforming the MSCI emerging markets and G7 indices, thanks to a combination of cheap valuations and rising commodity prices. The gains were aided by rising Latin American currencies.
- Credit quality deteriorated in 2021, although at a slower pace than in 2020. There were fourteen more negative credit rating actions than positive in the region in 2021, including fifteen downgrades and one upgrade. Credit quality has shown signs of improvement in 2022, however. As of 4 May 2022, there were two more positive credit rating actions than negative since the beginning of the year.

Overview

Against the backdrop of low global interest rates and borrowing costs, Latin American and Caribbean (LAC) issuers placed US\$ 149 billion worth of bonds in international bond markets in 2021, reaching a new annual peak. 2021 issuance was up 3% from 2020 and 2% from the previous annual record reached in 2017 (chart 1).

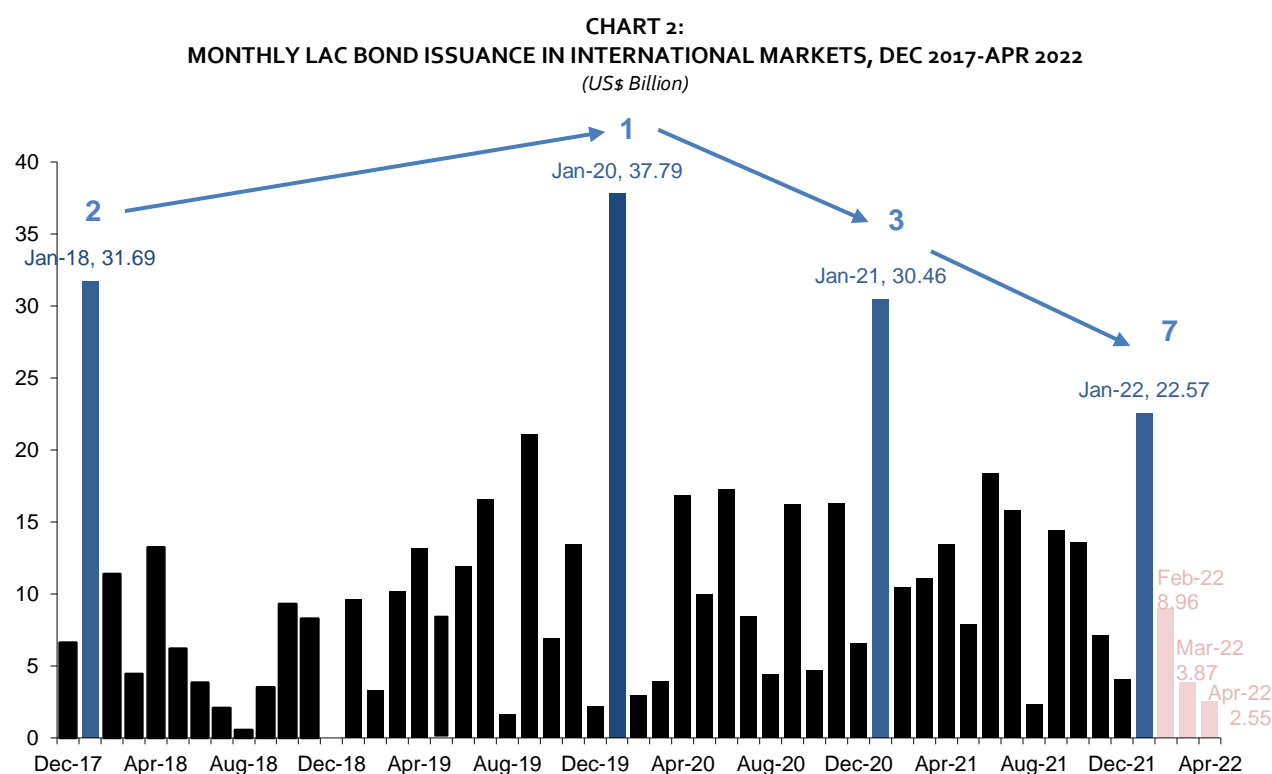
CHART 1:
ANNUAL LAC BOND ISSUANCE IN INTERNATIONAL MARKETS, 1990-2021
(US\$ Billions)



Source: ECLAC Washington Office, based on data from Dealogic, LatinFinance and Bloomberg.

Many of the region's issuers, sovereign and corporate alike, came to the international bond market in 2021 to lock in low global interest rates, in anticipation to potentially tighter borrowing conditions in 2022. Uncertainty about the strength of the global economic recovery and the pandemic itself was another factor driving the region's issuers to take advantage of this window to access cross-border financing.

However, there has been a slowdown in the region's international debt issuance this year so far. From January to April 2022, LAC issuers placed US\$ 37.9 billion in international bond markets, down 42% from the same period in 2021 (chart 2), as the United States Federal Reserve's tightening monetary policy stance and the war in Ukraine contribute to push funding costs higher. On 4 May 2022, the Federal Reserve approved a half-point interest rate increase – the largest since 2000 – and a plan to shrink its US\$ 9 trillion asset portfolio to combat inflation. Moreover, the yield on the U.S. 10-year Treasury note reached 3% for the first time in more than three years in the beginning of May, feeding into higher borrowing costs for emerging market sovereign and corporate debt issuers.



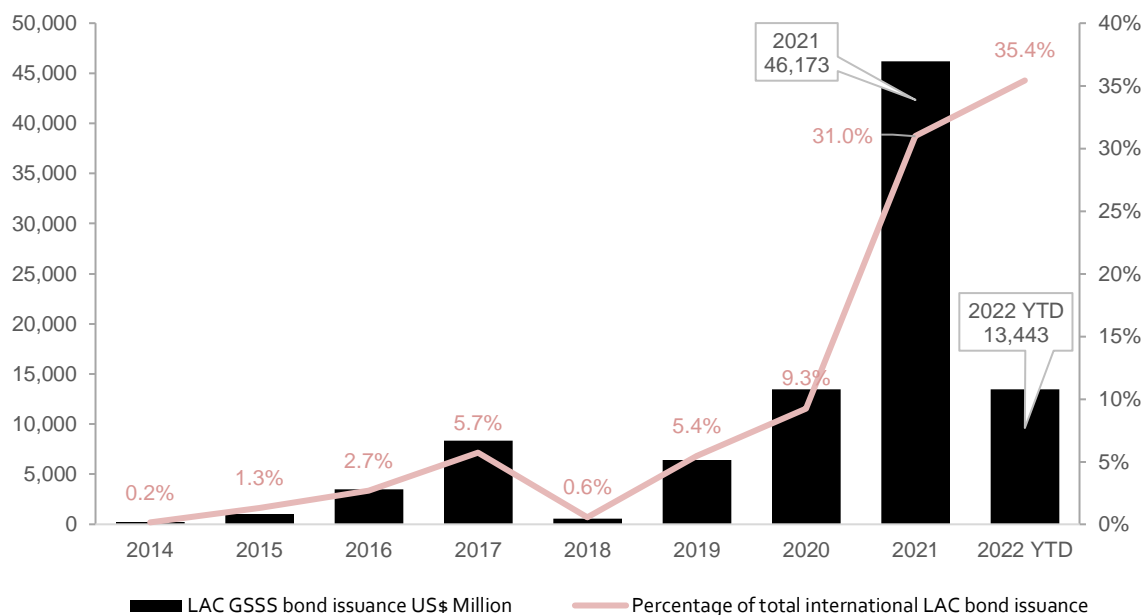
Source: ECLAC Washington Office, based on data from Dealogic, LatinFinance and Bloomberg. Note: 1-3 denote the region's top three monthly issuances on record. The top five monthly issuances in the region since 2000 took place in January. January 2022 was the region's seventh highest monthly issuance.

Latin American companies that were first-time issuers in the international bond market (debut issuances) accounted for 6.1 % of the region's total international bond issuance in 2021. About 78% of total debut issuances came from non-investment grade (high-yield) companies, 40% of which had the purpose of financing environmental, social and governance (ESG) projects and strategies. From January to April 2022, the share of first-time issuers in the total came down to 5.4%, with only 27% of the debut issuances in the period coming from the high-yield sector.

LAC issuance of ESG bonds in international markets, including green, social, sustainability and sustainability-linked (GSSS) bonds, reached a new record high of US\$ 46.2 billion in 2021 and a 31.0% share of the region's total issuance. This share was more than three times the 2020 share of 9.3% and

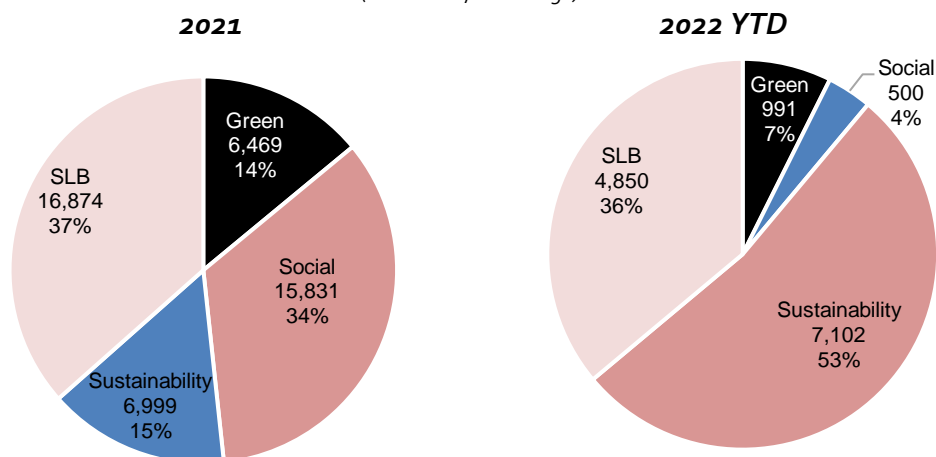
almost eight times the 4.2% average of the 2015-2020 period. In the first four months of 2022, this share increased further to 35.4%, with GSSS issuances totalling US\$ 13.4 billion (chart 3).¹

CHART 3:
LAC GSSS BOND ISSUANCE IN INTERNATIONAL MARKETS, 2014- 2022 YTD
(Left axis, US\$ Million; Right axis, percentage)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

CHART 4:
LAC GSSS BOND ISSUANCE IN INTERNATIONAL MARKETS, 2021 AND 2022 YTD
TYPES OF INSTRUMENTS
(US\$ million, Percentage)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance. SLB: sustainability-linked bonds.

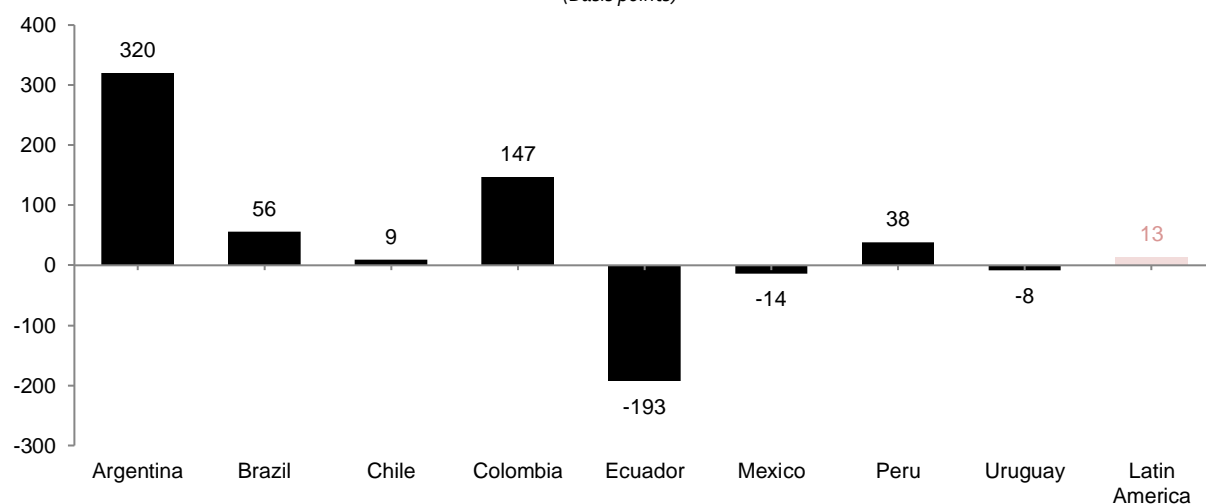
¹ Green, social, sustainability and sustainability-linked (GSSS) bonds represent a new asset class that has gained traction in recent years to address environmental, social and governance (ESG) concerns. In developing countries, they could be a way to fill the 'SDG Financing Gap' (Organisation for Economic Co-operation and Development, "Scaling up Green, Social, Sustainability and Sustainability-linked Bond Issuances in Developing Countries", DCD(2021)20, 18 October 2021, Forward, P.3). Guidelines for classifying GSSS bonds are provided by The International Capital Market Association to provide consistency and transparency in the market.

Sustainability-linked bonds (SLB), which are forward-looking performance-based instruments, accounted for 37% of the total GSSS issuance in 2021, becoming the region's most frequently used ESG debt instrument. This share fell modestly to 36% in the first four months of 2022, however, and lost the top position (chart 4). In March 2022, Chile issued the world's first sovereign SLB, becoming the first country to use sovereign debt to fund its long-term climate initiatives and accelerate its energy transition.

Sustainability bonds have been the most used ESG debt instrument this year so far, accounting for 56% of the region's total GSSS issuance in the first four months of the year. The Government of Chile issued more than half of the sustainability bonds' total, leading to a bump in this category. It is Chile's intention to invest an amount equal to the proceeds from the sale of these notes, net of the underwriting discount and certain expenses, into projects that may qualify as "eligible green expenditures" and "eligible social expenditures" under the Sustainable Bond Framework.²

Borrowing costs for LAC issuers increased by 13 basis points in 2021. After tightening in the first half of the year, they widened in the second half, as risk-off sentiment increased with a rise in 10-year U.S. Treasury yields and weakness in equity prices. Uncertainty caused by Evergrande, a highly-leveraged Chinese property developer, also impacted global markets and sentiment towards the region in the second half of the year. Spreads widened for most countries in our sample in 2021, except for Ecuador and Uruguay (chart 5).

CHART 5:
EMBIG SPREAD DIFFERENTIALS: 2021
(Basis points)



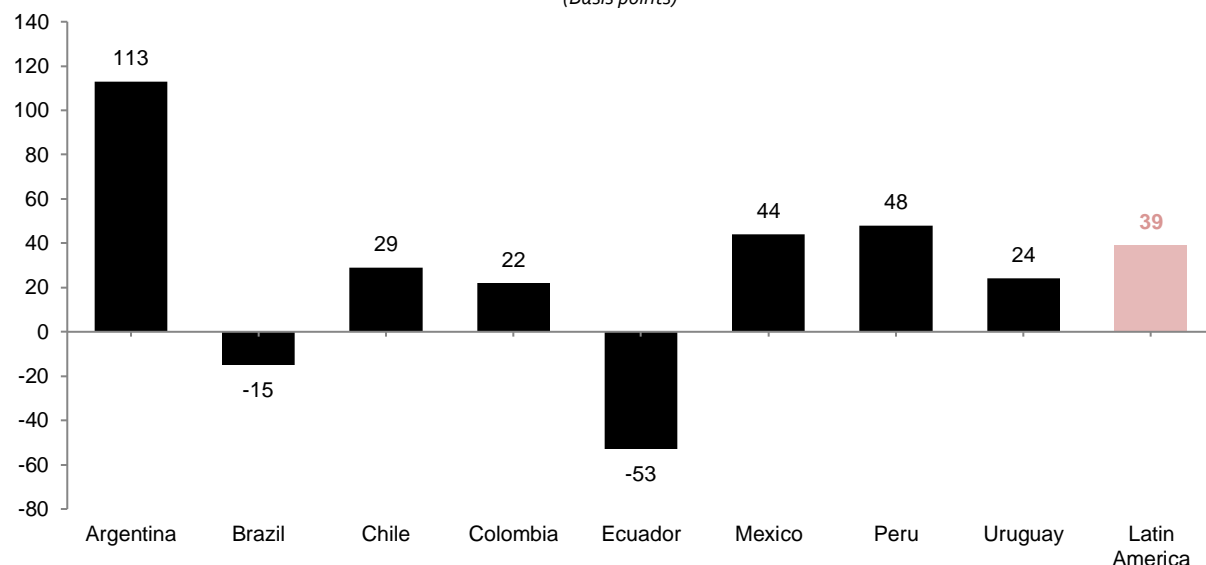
Source: ECLAC Washington Office, based on data from JPMorgan.

Spreads tightened 2 basis points in the first quarter of 2022, but widened by 41 basis points in April, amid rising financing costs and weaker risk sentiment. 2022 has been a volatile year for the region's debt spreads, which widened in January and February but tightened 41 basis points in March, only to widen again in April by the same amount. Spreads widened for most countries in our sample in 2022 year-to-date, except for Venezuela³, Ecuador, and Brazil (chart 6).

² Green, social and sustainability bonds are 'use of proceeds' bonds, associated to a specific project and specific eligible expenditures. The SLBs are more closely aligned to the issuer's overall sustainability strategy. If the issuer commits to achieving certain sustainable targets, the money from the sale of SLBs may be used for general corporate purposes instead of specific eligible expenditures. SLBs embed an ESG-related key performance indicator (KPI) that issuers commit to achieve, accruing additional payments to bondholders should they fall short, thus if the targets are not met, the bond's interest rate will go up by a pre-defined amount.

³ Venezuelan spreads, not included in charts 5 and 6, widened 31,211 basis points in 2021, and tightened 22,619 basis points in Jan-Apr 2022.

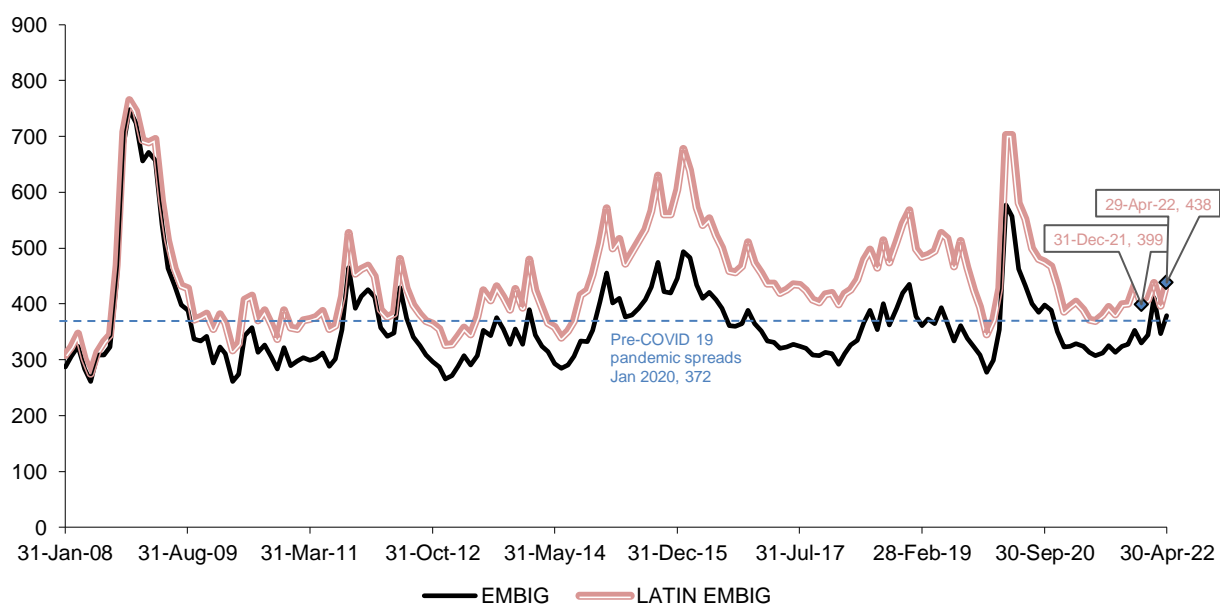
CHART 6:
EMBIG SPREAD DIFFERENTIALS: JAN-APR 2022
(Basis points)



Source: ECLAC Washington Office, based on data from JPMorgan.

At 438 basis points, LAC bond spreads at the end of April 2022, as measured by the JPMorgan Emerging Market Bond Index Global (EMBIG) Latin component, were 66 basis points higher than pre-pandemic levels (372 basis points at the end of January 2020) (chart 7).

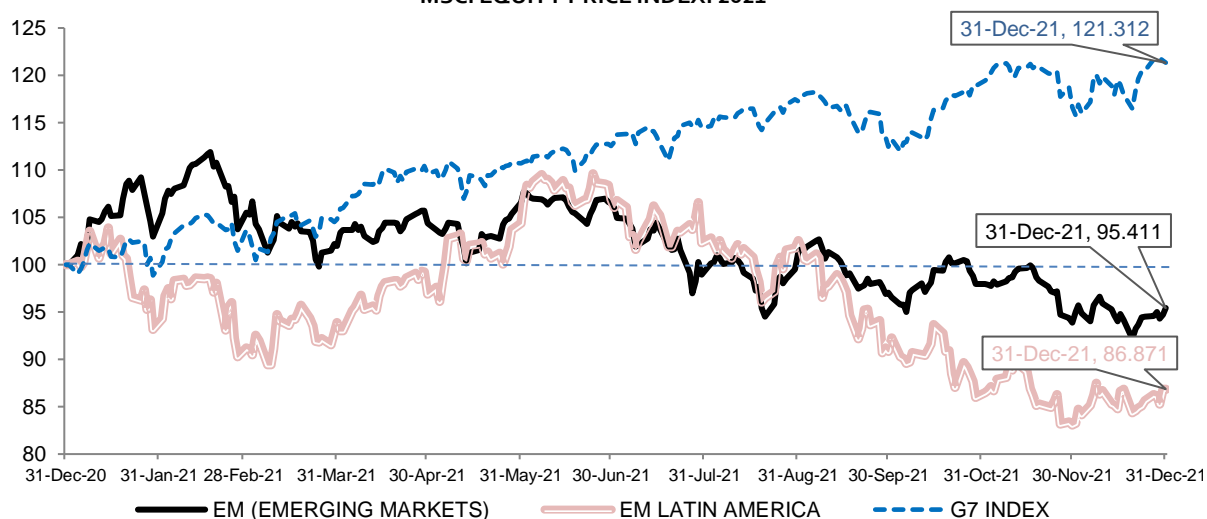
CHART 7:
EMBIG AND LATIN AMERICAN DAILY SPREADS, JAN 2008-APR 2022
(Basis points)



Source: ECLAC Washington Office, based on data from JPMorgan, "Emerging Markets Bond Index Monitor".

Latin American equities lost ground in 2021 (chart 8). The MSCI Latin American index was down 13% by the end of December – and about 27% below pre-pandemic levels – as the region continued to deal with the pandemic and its consequences, such as limited fiscal space, supply chain shortages, and broad-based price pressures, including food, energy, and vehicle prices. The emerging market index was down by 5%, while the G7 index was up 21%.

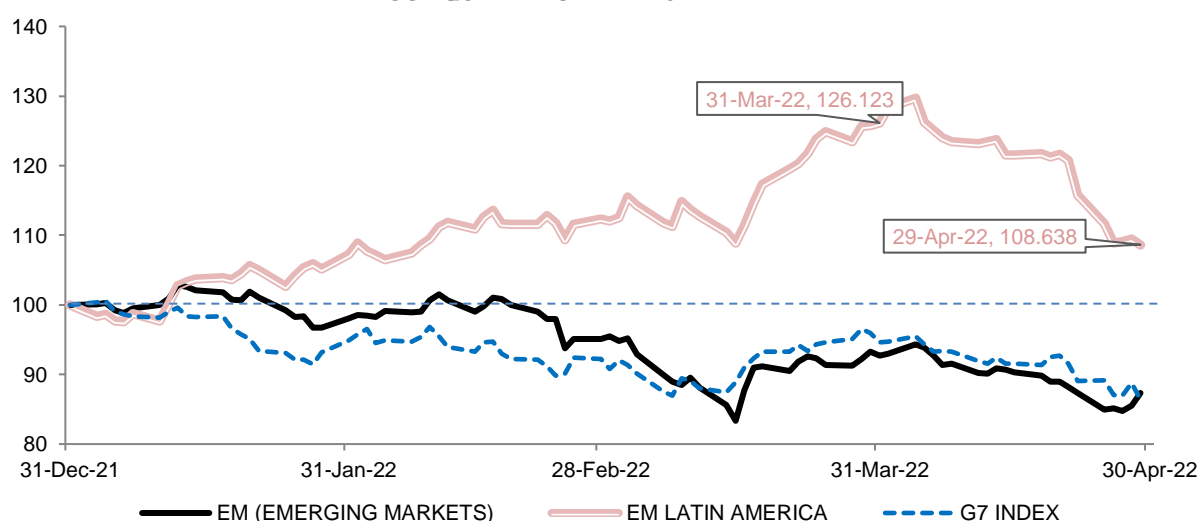
CHART 8:
MSCI EQUITY PRICE INDEX: 2021



Source: ECLAC Washington Office based on MSCI Equity Indices, <http://www.msci.com/products/indexes/performance.html>, prices at the end of the month.

Latin American markets started 2022 on a strong footing, however, thanks to a combination of cheap valuations, a relatively calm political environment and rising commodity prices. The MSCI Latin American index gained 26% in the first quarter of 2022, while the emerging market index and the G7 index were down by 7% and 5%, respectively. Latin American equities lost some ground in April, but still gained 9% in the first four months of the year, while the emerging market index and the G7 index were down by 13% and 14%, respectively (chart 9).

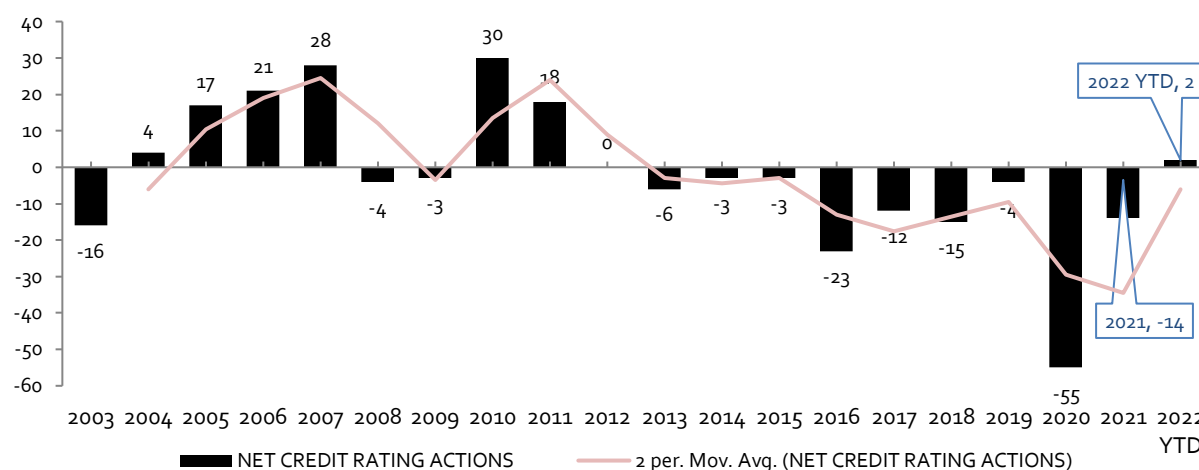
CHART 9:
MSCI EQUITY PRICE INDEX: JAN-APR 2022



Source: ECLAC Washington Office based on MSCI Equity Indices, <http://www.msci.com/products/indexes/performance.html>, prices at the end of the month.

Credit quality in the region continued to deteriorate in 2021, although at a slower pace than in 2020. There were fourteen more negative credit rating actions than positive in 2021, including fifteen downgrades and one upgrade. Negative credit rating actions have outnumbered positive actions in the region for nine years in a row (chart 10). Credit quality has shown signs of improvement in 2022, however. As of 4 May 2022, there were two more positive credit rating actions than negative overall since the beginning of the year (appendix A, box 1).

CHART 10:
NET CREDIT RATING ACTIONS IN LAC: 2003-2022 YTD
(Number of Actions)

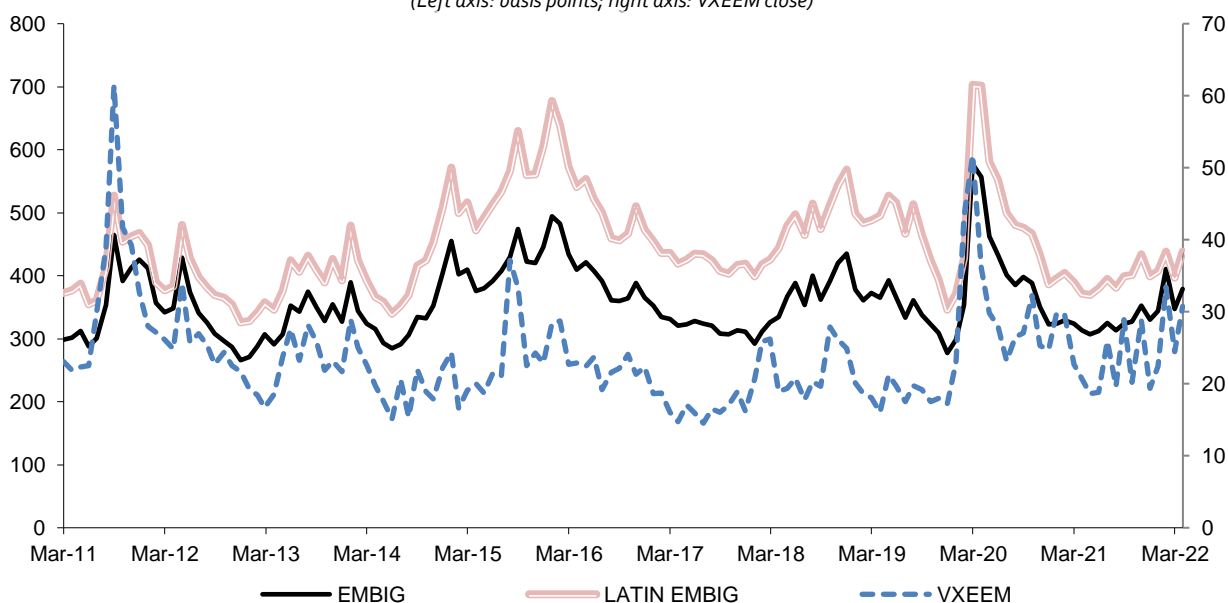


Source: ECLAC Washington Office, based on data from Moody's, Standard & Poor's, and Fitch. Credit rating actions include upgrade/downgrades and upward/downward outlook revisions.

I. Bond markets and debt management

Bond spreads as measured by the JPMorgan Emerging Market Bond Index Global (EMBIG) widened 7 basis point in 2021, while its Latin American component widened 13 basis points. Uncertainty about the strength of the global economic recovery and the pandemic itself contributed to more volatility going into the end of the year. In the first four months of 2022, the EMBIG and its Latin American component widened 49 and 39 basis points, respectively, closely following trends in asset volatility (chart 11).

CHART 11:
CBOE VOLATILITY INDEX AND EMBIG, MAR 2011-APR 2022
(Left axis: basis points; right axis: VXEEM close)



Source: ECLAC Washington Office, based on data from JPMorgan and Chicago Board Options Exchange. VXEEM on secondary axis.

Note: The VXEEM is the CBOE volatility index for emerging markets (conveyed by MSCI Emerging Markets Index fund option prices).

Credit quality deteriorated in 2021, although at a much slower pace than in 2020. There were 23 negative actions, 15 of them downgrades, and 9 positive actions, one of them an upgrade (table 1). Ten countries were downgraded: the Bahamas, Belize, Chile, Colombia, Cuba, Panama, Peru, El Salvador, Suriname and Trinidad and Tobago, with agencies citing weakening fiscal positions and deterioration of public finances, and one (Belize) was upgraded after it completed a debt exchange.

TABLE 1: SOVEREIGN CREDIT RATING ACTIONS IN LATIN AMERICA AND THE CARIBBEAN, 2021

Date	Country	Action	
2021	9 positive and 23 negative actions		
Q1 2021	1 positive and 6 negative actions		
3-Feb-21	Panama	Fitch downgrades Panama's rating to BBB- from BBB with a negative outlook	Negative
5-Feb-21	El Salvador	Moody's revises the outlook on El Salvador's B3 rating to negative	Negative
25-Feb-21	Belize	S&P downgrades Belize to CC from CCC+ with a negative outlook	Negative
26-Feb-21	Ecuador	Moody's changes the outlook on Ecuador's Caa3 rating to stable from negative	Positive
17-Mar-21	Panama	Moody's downgrades Panama's ratings to Baa2 from Baa1 with a stable outlook	Negative
23-Mar-21	Bolivia	S&P revises the outlook on Bolivia's B+ rating to negative from stable	Negative
24-Mar-21	Chile	S&P downgrades Chile's rating to A from A+ with a stable outlook	Negative
Q2 2021	1 positive and 4 negative actions		
1-Apr-21	Suriname	Fitch downgrades Suriname's rating to RD from C	Negative
19-May-21	Colombia	S&P downgrades Colombia's sovereign rating to BB+ from BBB with a stable outlook	Negative
21-May-21	Peru	Moody's revises the outlook on Peru's A3 rating to negative from stable	Negative
24-May-21	Belize	S&P downgrades Belize's rating to SD from CC	Negative
11-Jun-21	Nicaragua	Fitch revises the outlook on Nicaragua's B- rating to stable from negative	Positive
Q3 2021	0 positive and 7 negative actions		
1-Jul-21	Colombia	Fitch downgrades Colombia's rating to BB+ from BBB- with a stable outlook	Negative
27-Jul-21	Trinidad and Tobago	S&P revises the outlook on T&T's BBB- rating to negative from stable	Negative
30-Jul-21	El Salvador	Moody's downgrades El Salvador's rating to Caa1 from B3 with a negative outlook	Negative
4-Aug-21	Panama	S&P revises the outlook on Panama's BBB rating to negative from stable	Negative
1-Sep-21	Peru	Moody's downgrades Peru's rating to Baa1 from A3 with a stable outlook	Negative
17-Sep-21	Bahamas	Moody's downgrades the Bahamas' rating to Ba3 from Ba2 with a negative outlook	Negative
30-Sep-21	Bolivia	Moody's revises the outlook on Bolivia's B2 rating to negative from stable	Negative
Q4 2021	7 positive and 6 negative actions		
4-Oct-21	Jamaica	S&P revises outlook on Jamaica's B+ rating to stable from negative	Positive
6-Oct-21	Colombia	Moody's revises outlook on Colombia's Baa2 rating to stable from negative	Positive
14-Oct-21	Peru	S&P revises the outlook on Peru's BBB+ rating to negative from stable	Negative
15-Oct-21	Peru	Fitch downgrades Peru's rating to BBB from BBB+ with a stable outlook	Negative
21-Oct-21	El Salvador	S&P revises the outlook on El Salvador's B- rating to negative from stable	Negative
9-Nov-21	Belize	S&P upgrades Belize to B- from SD with a stable outlook	Positive
12-Nov-21	Bahamas	S&P downgrades the Bahamas' rating to B+ from BB- with a stable outlook	Negative
18-Nov-21	Cuba	Moody's downgrades Cuba's rating to Ca from Caa2 with a stable outlook	Negative
19-Nov-21	Trinidad and Tobago	Moody's downgrades Trinidad and Tobago's rating to Ba2 from Ba1 with a stable outlook	Negative
2-Dec-21	Dominican Republic	S&P revises the outlook on Dominican Republic's BB- rating to stable from negative	Positive
8-Dec-21	Costa Rica	Moody's revises the outlook on Costa Rica's B2 rating to stable from negative	Positive
8-Dec-21	Dominican Republic	Fitch revises the outlook on Dominican Republic's BB- rating to stable from negative	Positive
15-Dec-21	Uruguay	Fitch revises the outlook on Uruguay's BBB- rating to stable from negative	Positive

Source: ECLAC Washington Office based on data from Moody's, Standard & Poor's, and Fitch.

In the fourth quarter of 2021, there were four downgrades in the region (Peru, Bahamas, Cuba and Trinidad and Tobago) and one upgrade (Belize).

Fitch downgraded Peru's rating to BBB from BBB+ with a stable outlook on 15 October, citing the erosion of Peru's sovereign balance sheet and other key rating metrics, as a result of a series of shocks.

S&P downgraded the Bahamas' rating to B+ from BB- with a stable outlook on 12 November, citing continued deficits and high debt. Moody's downgraded Cuba's rating to Ca from Caa2 with a stable outlook on 18 November, citing reduced hard-currency inflows and limited external debt-service capacity. And Moody's downgraded Trinidad and Tobago's rating to Ba2 from Ba1 with a stable outlook on 19 November, citing diminished shock-absorption capacity in the aftermath of the pandemic. The only upgrade took place on 9 November: S&P upgraded Belize to B- from SD with a stable outlook on the completed debt exchange.

So far, there have been five positive and three negative credit rating actions in the LAC region in 2022 (as of 4 May 2022). The five positive actions were outlook upward revisions and the three negative actions were downgrades (table 2).

TABLE 2:
SOVEREIGN CREDIT RATING ACTIONS IN LATIN AMERICA AND THE CARIBBEAN, 2022 YTD (as of 4 May 2022)

Date	Country	Action	
2022 YTD	5 positive and 3 negative actions		
Q1 2022	3 positive and 2 negative actions		
28-Jan-22	Panama	Fitch revises the outlook on Panama's BBB- rating to stable from negative	<i>Positive</i>
9-Feb-22	El Salvador	Fitch downgrades El Salvador's sovereign rating to CCC from B- with a negative outlook	<i>Negative</i>
11-Mar-22	Costa Rica	Fitch revises the outlook on Costa Rica's B rating to stable from negative	<i>Positive</i>
17-Mar-22	Costa Rica	S&P revises the outlook on Costa Rica's B rating to stable from negative	<i>Positive</i>
18-Mar-21	Peru	S&P downgrades Peru's ratings to BBB from BBB+ with a stable outlook	<i>Negative</i>
Q2 2022	2 positive and 1 negative action		
19-Apr-22	Guatemala	S&P's revises the outlook on Guatemala's BB- rating to positive from stable	<i>Positive</i>
26-Apr-22	Guatemala	Fitch revises the outlook on Guatemala's BB- rating to positive from stable	<i>Positive</i>
4-May-22	El Salvador	Moody's downgrades El Salvador's rating to Caa3 from Caa1 with a negative outlook	<i>Negative</i>

Source: ECLAC Washington Office based on data from Moody's, Standard & Poor's, and Fitch.

On 28 January, Fitch revised the outlook on Panama's BBB- rating to stable from negative, citing the ongoing improvement in the fiscal position and a better-than-expected economic recovery following the initial pandemic shock. In March, the outlook on Costa Rica's B rating was revised to stable from negative by Fitch (11 March) and S&P (17 March) on better-than-expected improvements in the fiscal position and economic activity following the 2020 pandemic-related shock, with S&P citing the staff-level agreement reached with the IMF as a positive. In April, the outlook on Guatemala's BB- rating was revised to positive from stable by S&P (19 April) and Fitch (26 April) on better-than-expected fiscal performance, driven by strong economic recovery and structural improvements in tax collection.

The countries downgraded were El Salvador and Peru. Fitch downgraded El Salvador's sovereign rating to CCC from B- with a negative outlook on 9 February citing heightened financing risks, including an US\$ 800 million Eurobond repayment due in January 2023, a still-high fiscal deficit, and uncertain access to additional multilateral funding and external market financing. On 4 May, Moody's also downgraded El Salvador's sovereign rating to Caa3 from Caa1 and maintained a negative outlook, citing an increased probability of a credit event, as the sovereign faces a challenging debt amortization schedule. Peru was downgraded by S&P on 18 March to BBB from BBB+ with a stable outlook, with the agency saying persistent political deadlock is undermining investor confidence and constraining growth prospects.

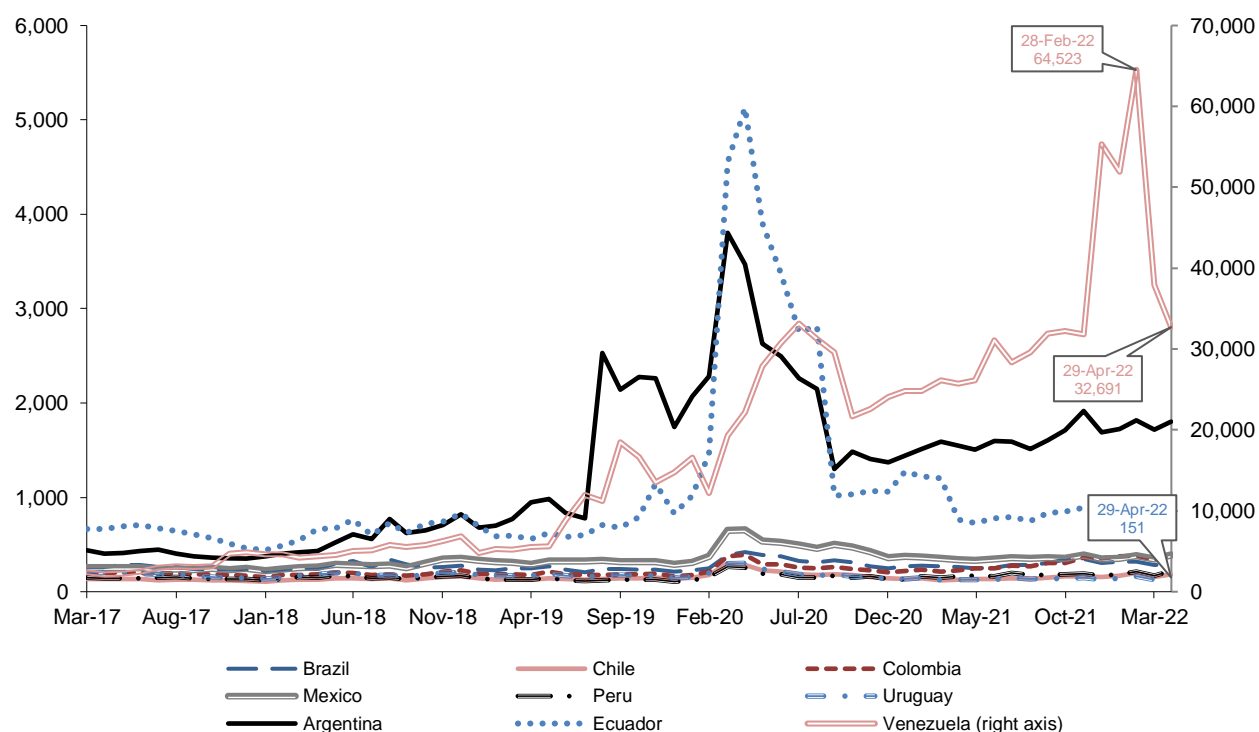
As of 4 May 2022, ten sovereigns were on negative outlook by one or more agencies (Bahamas, Bolivia, Brazil, Chile, El Salvador, Guatemala (with a negative outlook from Moody's), Mexico, Panama, Suriname, and Trinidad and Tobago). Only Guatemala had positive outlooks (from S&P and Fitch). The balance of risks continues to be tilted to the downside (appendix A, table 1).

A. Sovereign Spreads

The EMBIG widened 7 basis point in 2021 – from 323 basis points at the end of December 2020 to 330 at the end of December 2021 – while its Latin American component widened 13 basis points, from 386 to 399 basis points. For the first four months of 2022, the EMBIG widened 49 basis points from 330 basis points at the end of December 2021 to 379 basis points at the end of April 2022, while its Latin American component widened 39 basis points, from 399 to 438 basis points. Venezuela had the highest spreads at the end of April 2022, while Uruguay had the lowest (chart 12).

At 32,691 basis points at the end of April, Venezuela has the highest debt spreads of any country in the EMBIG. Spreads for Argentina, Ecuador, Mexico, Colombia, Brazil, Peru, Chile, and Uruguay were at 1,801, 816, 391, 375, 291, 218, 182 and 151 basis points, respectively, at the end of April.

CHART 12:
LATIN AMERICAN EMBIG: SPREADS BY COUNTRY, MAR 2017-APR 2022
(Basis points)

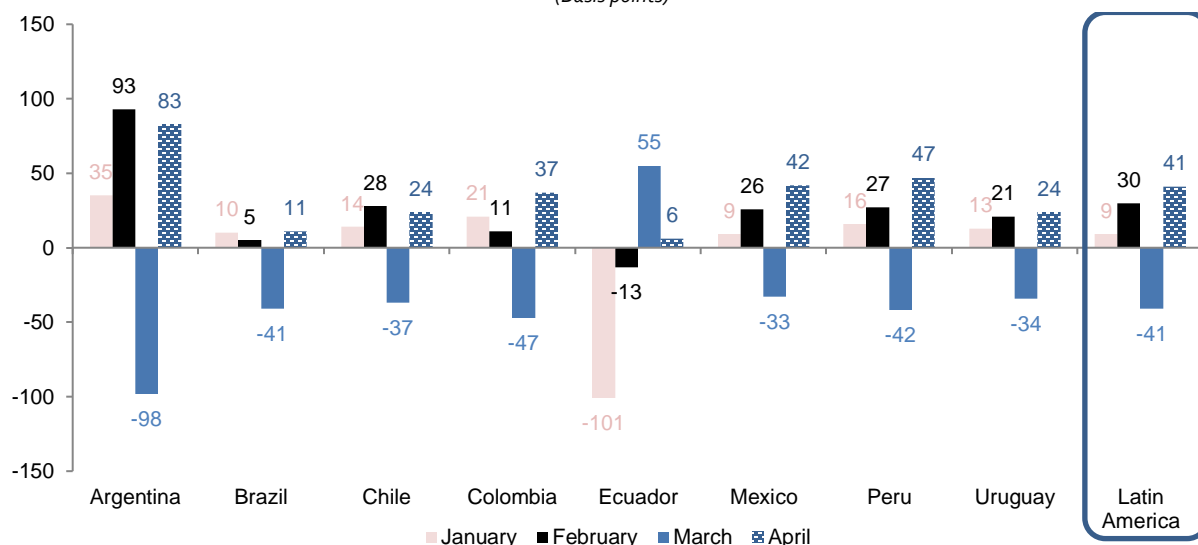


Source: ECLAC Washington Office, based on data from JPMorgan. Note: due to the difference in magnitude, the series with Venezuelan spreads is shown on the secondary axis.

LAC debt spreads started to widen again in April, in what has been a volatile year. Spreads declined considerably in March following the initial sell-off caused by the invasion of Ukraine, which prompted significant volatility in the spreads of most emerging market dollar bonds, but they have started to move higher again, with the EMBIG Latin component widening 41 basis points in April (chart 13). LAC spreads are still slightly above their pre-pandemic level (chart 7, p.11) but relatively low by historic standards. However, if a slowdown in global growth causes commodity prices to recede, and monetary policy tightening in advanced economies gain steam, the region's debt spreads could continue to drift higher.

CHART 13:
LATIN AMERICAN EMBIG BY COUNTRY: MONTHLY DIFFERENTIAL, JAN-APR 2022

(Basis points)

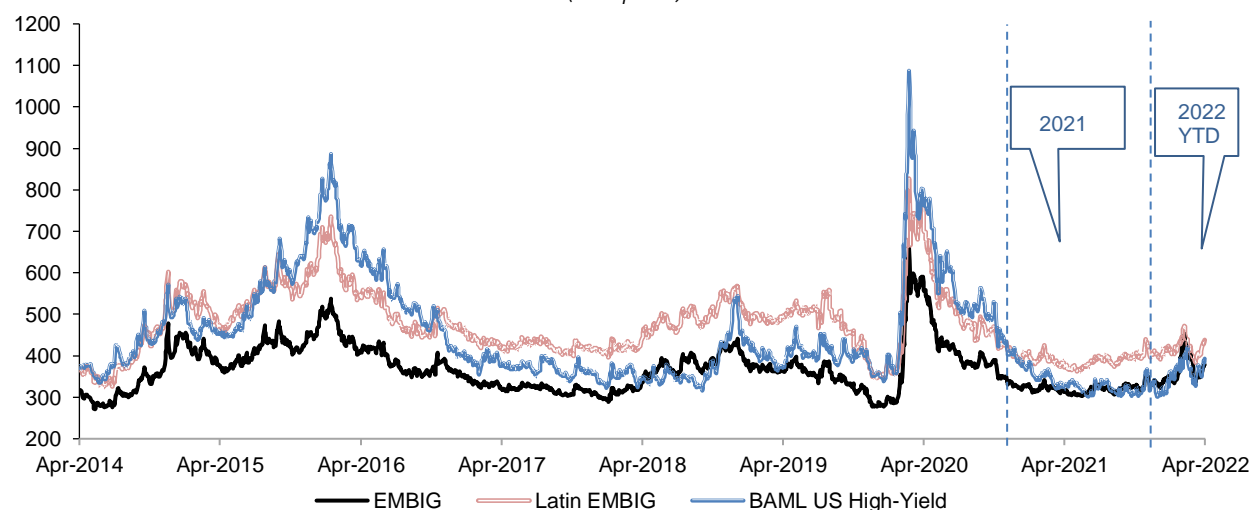


Source: ECLAC Washington Office, based on data from JPMorgan.

Historically, LAC sovereign and corporate credit spreads have tracked U.S. high-yield corporate credit spreads for the most part, but LAC sovereign spreads decoupled negatively from 2017 to 2019, when the region underperformed economic growth in other parts of the world. In 2020, the U.S. corporate credit spreads, as measured by the Bank of America/Merrill Lynch (BAML) U.S. High Yield index, increased more than LAC spreads, as the United States high-yield corporate sector was sharply affected by the pandemic. In 2021, however, LAC sovereign spreads once again decoupled negatively, as prospects for the U.S. economy improved with vaccinations and strong fiscal support, while the LAC region faced limited vaccine supplies and constrained fiscal space for most of the year. Spread volatility has been high in 2022 so far. LAC spreads remain higher than BAML U.S. High-Yield Index, but in April they were moving in tandem (chart 14).

CHART 14:
EMBIG AND EMBIG LATIN VS U.S. HIGH-YIELD SPREADS: APR 2014-APR 2022

(Basis points)

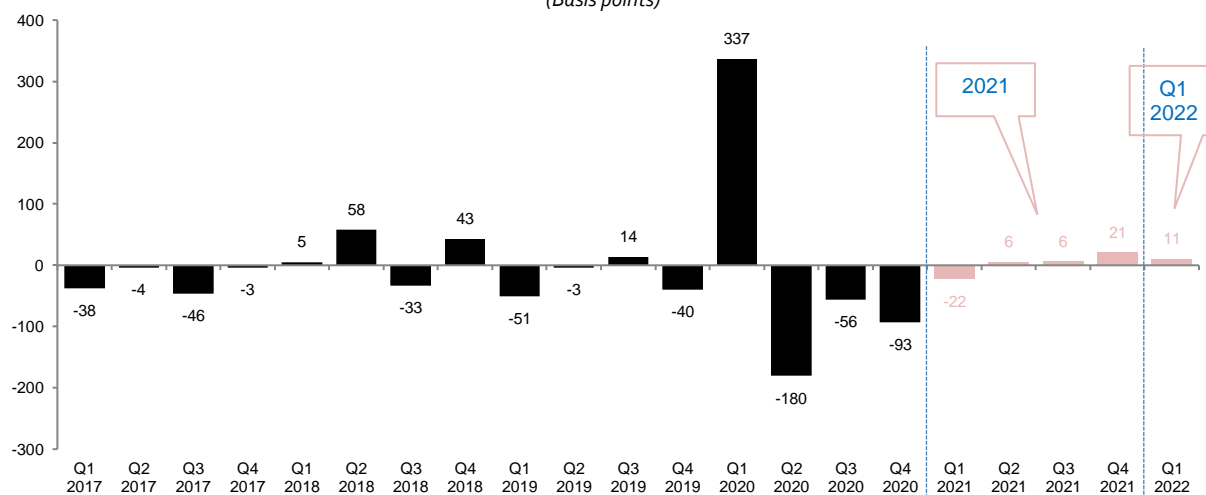


Source: ECLAC Washington Office, based on data from JPMorgan and from the Federal Reserve Bank of St. Louis (ICE BofAML US High Yield Master II Option-Adjusted Spread, Percent, daily. Not Seasonally Adjusted).

B. Corporate Spreads

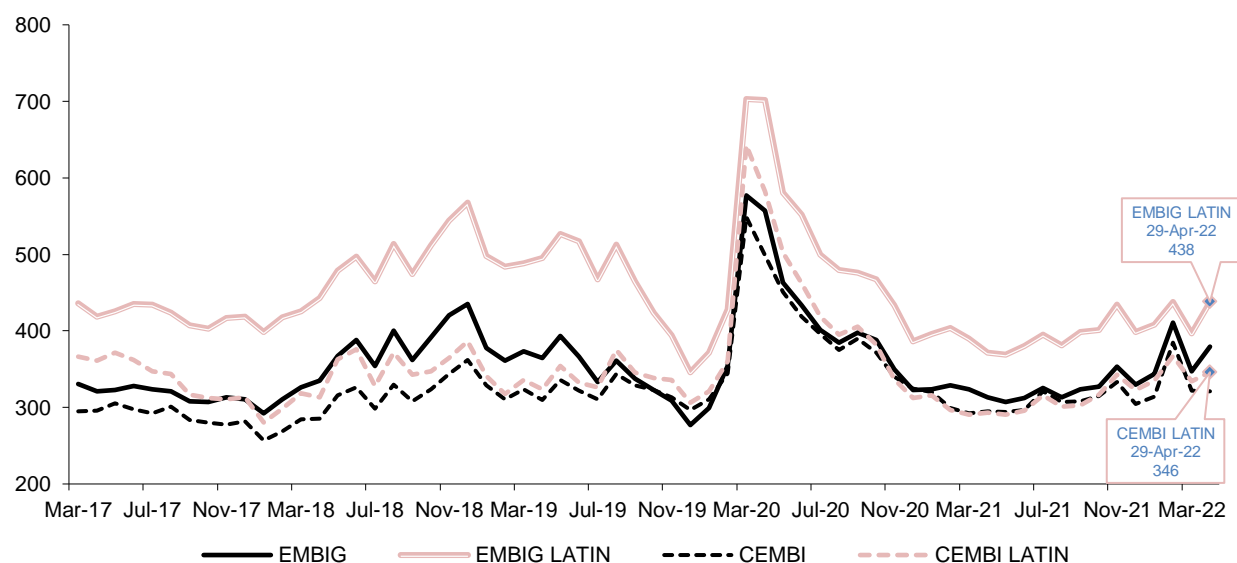
LAC corporate bond spreads widened 10 basis points in 2021 according to the JPMorgan Latin American CEMBI (Corporate Emerging Markets Bond Index). After tightening for four successive quarters, LAC corporate bond spreads widened 6 basis points in both the second and third quarters of 2021, and 21 basis points in the fourth quarter, while in the first quarter of 2022 LAC corporate bond spreads widened 11 basis points (chart 15). Following a similar trend to its sovereign counterpart, the CEMBI Latin American component widened 23 basis points in the first four months of the year, as spreads widened in April. At the end of April 2022, the Latin CEMBI was 92 basis points lower than its sovereign counterpart, the Latin EMBIG (chart 16).

CHART 15:
CORPORATE EMBI SPREADS: LATIN AMERICAN COMPONENT, Q1 2017-Q1 2022
(Basis points)



Source: ECLAC Washington Office, based on data from JPMorgan.

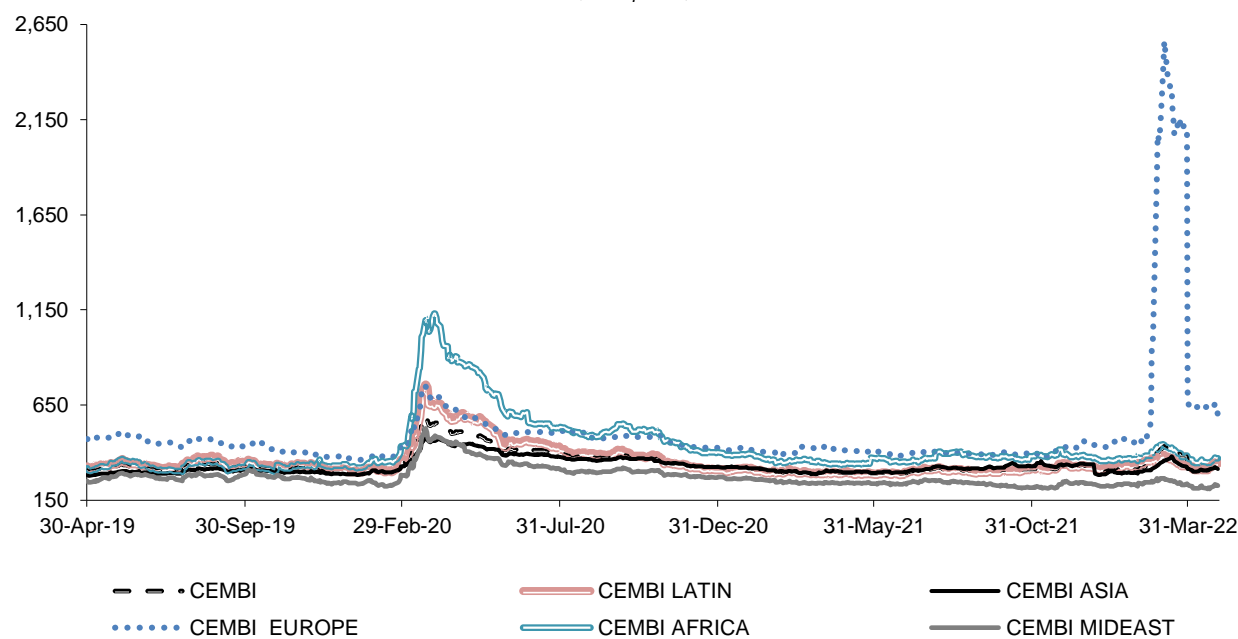
CHART 16:
JPMORGAN EMBIG SPREADS, CORPORATE AND SOVEREIGN: MAR 2017-APR 2022
(Basis points)



Source: ECLAC Washington Office, based on data from JPMorgan.

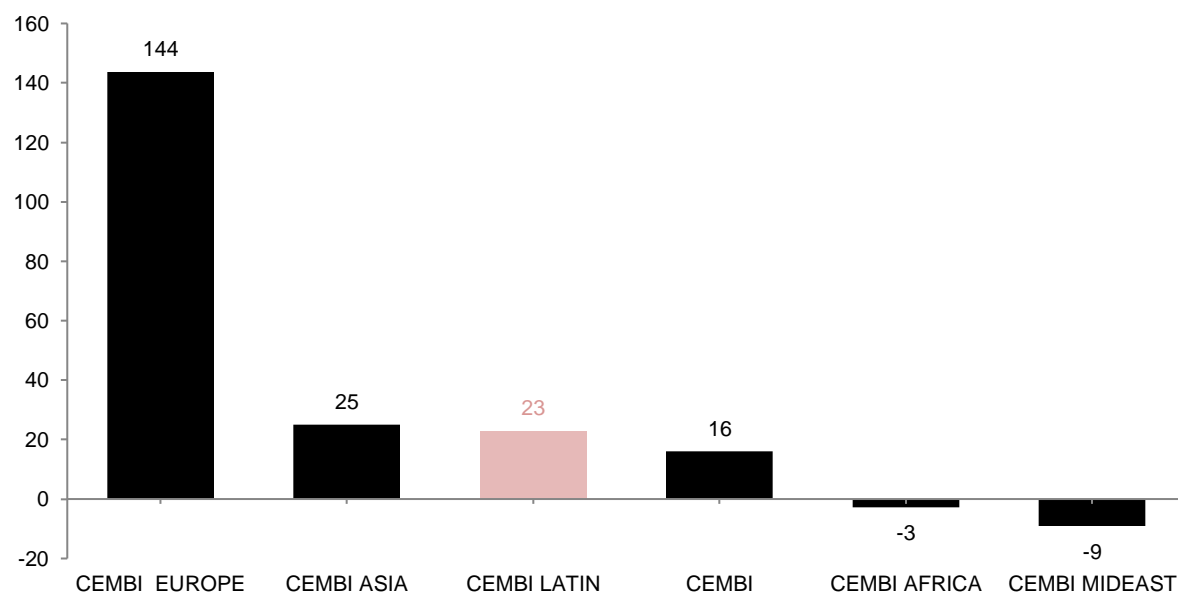
At 346 basis points at the end of April 2022, LAC corporate bond spreads ranked in the middle of the pack when compared with other emerging market regions (chart 17). Emerging Europe had the highest spreads, which widened 144 basis points in the first four months of 2022 (chart 18).

CHART 17:
CEMBI SPREADS BY REGION: APR 2019-APR 2022
(Basis points)



Source: ECLAC Washington Office, based on data from JPMorgan CEMBI.

CHART 18:
CEMBI SPREAD DIFFERENTIALS BY REGION: JAN-APR 2022
(Basis points)

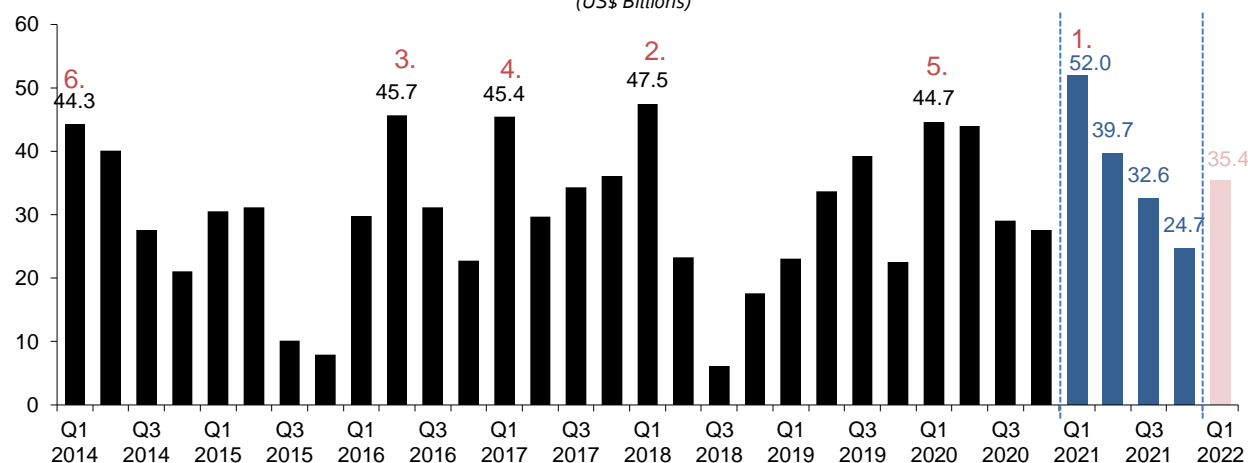


Source: ECLAC Washington Office, based on data from JPMorgan CEMBI.

C. New Debt Issuance

Total LAC bond issuance in international markets reached US\$ 149 billion in 2021. The amount issued in the fourth quarter, US\$ 24.7 billion, was the lowest quarterly amount of the year. In the first quarter of 2022 LAC international bond issuance totalled US\$ 35.4 billion, 43% higher than issuance in the previous quarter, but 32% lower than issuance in the first quarter a year ago (chart 19). From January to April 2022, LAC international debt issuance totalled US\$ 37.9 billion.

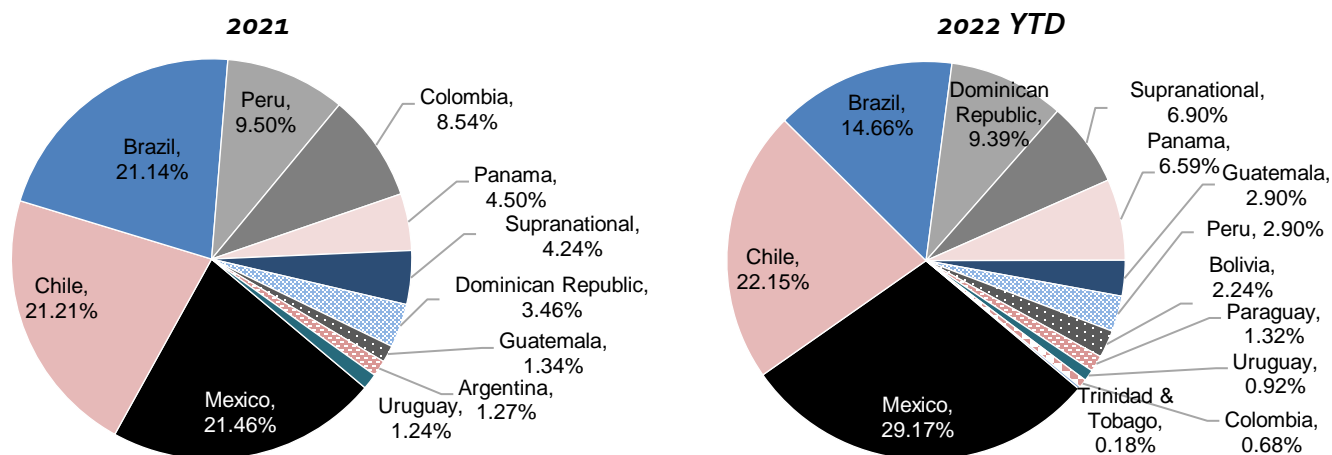
CHART 19:
QUARTERLY LAC BOND ISSUANCE IN INTERNATIONAL MARKETS: Q1 2014-Q1 2022
(US\$ Billions)



Source: ECLAC Washington Office, based on data from Dealogic, LatinFinance and Bloomberg. Note: 1-6: top 6 quarterly issuances.

Mexico had the largest share of bond issuances – sovereign and corporate combined – in 2021 and in the first four months of 2022, followed by Chile and Brazil. In 2021, they issued (sovereign and corporate combined) US\$ 32.0 billion, US\$ 31.6 billion, and US\$ 31.5 billion, respectively. Issuances from the three countries accounted for 63.8% of the total LAC issuance in 2021. In the first four months of 2022 they issued US\$ 11.1 billion, US\$ 8.4 billion, and US\$ 5.6 billion, respectively. Issuances from the three countries accounted for 66.0% of the total LAC issuance in the period (chart 20).

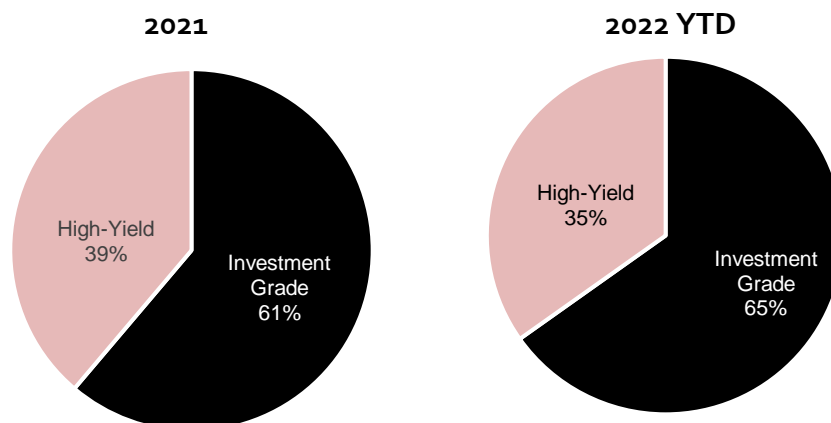
CHART 20:
LAC INTERNATIONAL SOVEREIGN AND CORPORATE BOND ISSUANCE, 2021 AND 2022 YTD: COUNTRY BREAKDOWN
(Country shares in percentage)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

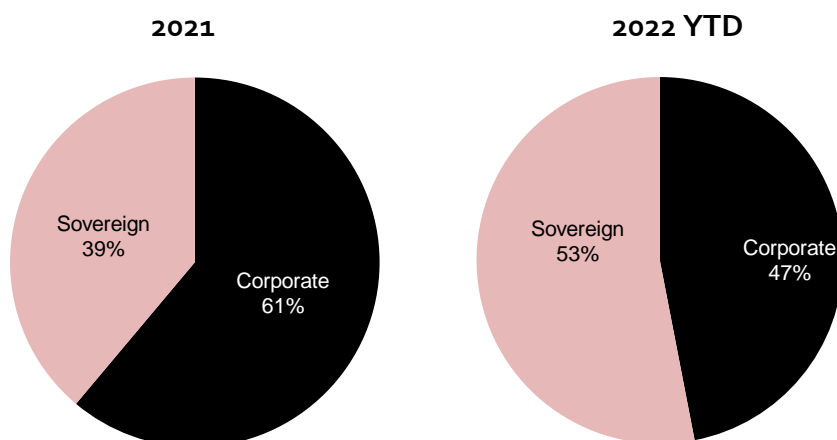
Investment-grade issuers – sovereign and corporate combined – dominated with 61% and 65% shares in 2021 and in the first four months of 2022, respectively, while 39% and 35% of the total was issued by high-yield issuers in each period, respectively (chart 21). Issuance in 2021 was driven by the corporate sector (including corporations, banks, quasi-sovereign and supranational issuers), which accounted for 61% of the total, but in the first four months of 2022 it was driven by the sovereign sector, which accounted for 53% of the total (chart 22).

CHART 21:
LAC INTERNATIONAL SOVEREIGN AND CORPORATE BOND ISSUANCE BY RATING, 2021 AND JAN-APR 2022
(Percentage)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

CHART 22:
LAC INTERNATIONAL CORPORATE AND SOVEREIGN BOND ISSUANCE, 2021 AND JAN-APR 2022
(Percentage)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

1. Sovereign Issuance

Ten sovereigns – Brazil, Chile, Colombia, Dominican Republic, Guatemala, Mexico, Panama, Paraguay, Peru, and Uruguay – tapped international debt markets in 2021. The top three sovereign issuers were Chile, Peru, and Mexico. Together they represented 62% of the total annual sovereign issuance, and adding Colombia, the fourth largest sovereign issuer, they represented 74% (table 3).

TABLE 3:
LAC INTERNATIONAL SOVEREIGN BOND ISSUANCE, 2021

Sovereign Issuer	Total Issuance (US\$ Millions)	% of the total sovereign issuance	Number of Deals
Chile	16,894	29.1%	15
Peru	10,154	17.5%	8
Mexico	9,160	15.8%	5
Colombia	6,840	11.8%	5
Dominican Republic	4,553	7.9%	4
Panama	4,450	7.7%	4
Brazil	2,250	3.9%	2
Uruguay	1,842	3.2%	7
Guatemala	1,000	1.7%	2
Paraguay	826	1.4%	2
Total	57,968	100.00%	54

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Chile had the highest amount (US\$ 16.9 billion, 29% of the total sovereign debt issued in 2021) and the highest number of deals (15), which, except for one, were all issuances of green, social and sustainability bonds. Ten of Chile's sovereign deals were to place social bonds. In the final quarter of 2021 Chile issued another social bond, a peso-denominated global note to fund social programs within its Social Bond Framework.

Peru had the second top sovereign issuance in the region in 2021, US\$ 10.1 billion (17.5% of the total sovereign debt issued) and the second highest number of deals (8). Half of these deals took place in the final quarter of the year, and they included one 50-year sustainability bond in October to fund green projects and social programs, including renewable energy, healthcare, and education, and one 15-year social bond in November, to finance "eligible social expenditures" under the Sustainable Framework adopted in July.

Mexico had the third top sovereign issuance in the region in 2021, US\$ 9.2 billion (15.8% of the total sovereign debt issued), and five deals. There were no Mexican sovereign issuances in the final quarter of the year. In July, Mexico came to the international market once, to place a EUR 1.25 billion 2.250% 2036 Sustainable Development Goals (SDG)-compliant bond, the second under its Sustainable Bond Framework.

Uruguay had the third highest number of deals (7). Five of these deals took place in December 2021. They were Samurai bonds. According to the finance ministry, Uruguay priced JPY50 billion (US\$ 442 million) worth of Samurai bonds with an average coupon of 0.71% in a five-part deal, paying the lowest rates since it started issuing debt in Japanese yen in 1994. Uruguay did not rely on a guarantee from Japan Bank for International Cooperation (JBIC), becoming just the second Latin American country after Mexico in the past 20 years to sell bonds in Japan without support from local state agencies, Finance Minister Azucena Arbeleche said in a press release.

Aside from these four sovereigns, six other sovereigns from the region – Brazil, Colombia, Dominican Republic, Guatemala, Panama, and Paraguay – tapped the international bond market in 2021 (appendix C, tables 3 to 6).

From January to April 2022, six sovereigns – Bolivia, Chile, Dominican Republic, Mexico, Panama, and Paraguay – tapped the international bond market (appendix C, tables 7 and 8). The top three sovereign issuers so far are Mexico, Chile, and the Dominican Republic (table 4).

TABLE 4:
LAC INTERNATIONAL SOVEREIGN BOND ISSUANCE, JAN-APR 2022

Sovereign Issuer	Total Issuance (US\$ Millions)	% of the total sovereign issuance	Number of Deals
Mexico	6,714	33.4%	3
Chile	6,000	29.8%	4
Dominican Republic	3,564	17.7%	2
Panama	2,500	12.4%	2
Bolivia	850	4.2%	1
Paraguay	501	2.5%	1
Total	20,129	100.00%	13

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

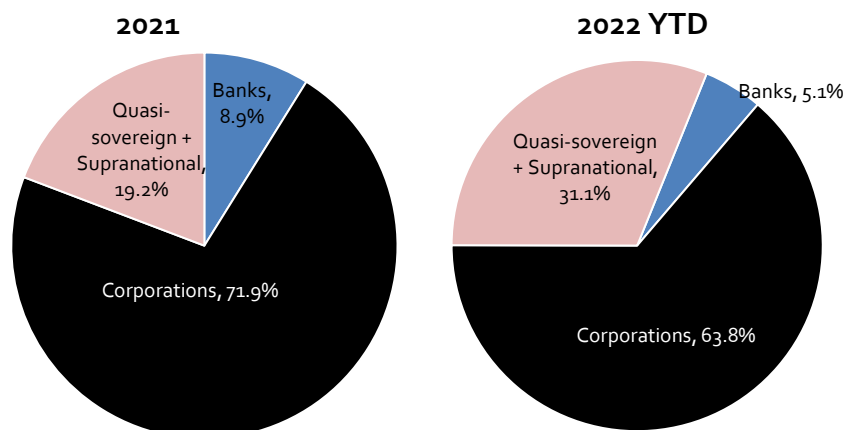
Mexico's three deals had the purpose to finance buyback operations. Three of Chile's sovereign issuances were sustainability bonds. The fourth deal was the world's first sovereign sustainability-linked bond. With the SLB Chile completed external funding plans for the year, the finance ministry said in the press release. Dominican Republic's two deals had the purpose to finance buyback and liability management operations to lower financing costs and reduce the average maturity of its dollar-denominated bonds.

2. Corporate Issuance

One hundred and twenty-five corporate issuers (including private banks and companies, as well as quasi-sovereign and supranational issuers) from the region sold US\$ 91 billion of cross-border bonds in 2021. Quasi-sovereign and supranational issuers accounted for 19% of total LAC international corporate issuance (charts 23), a decline from the 38% share in 2020.

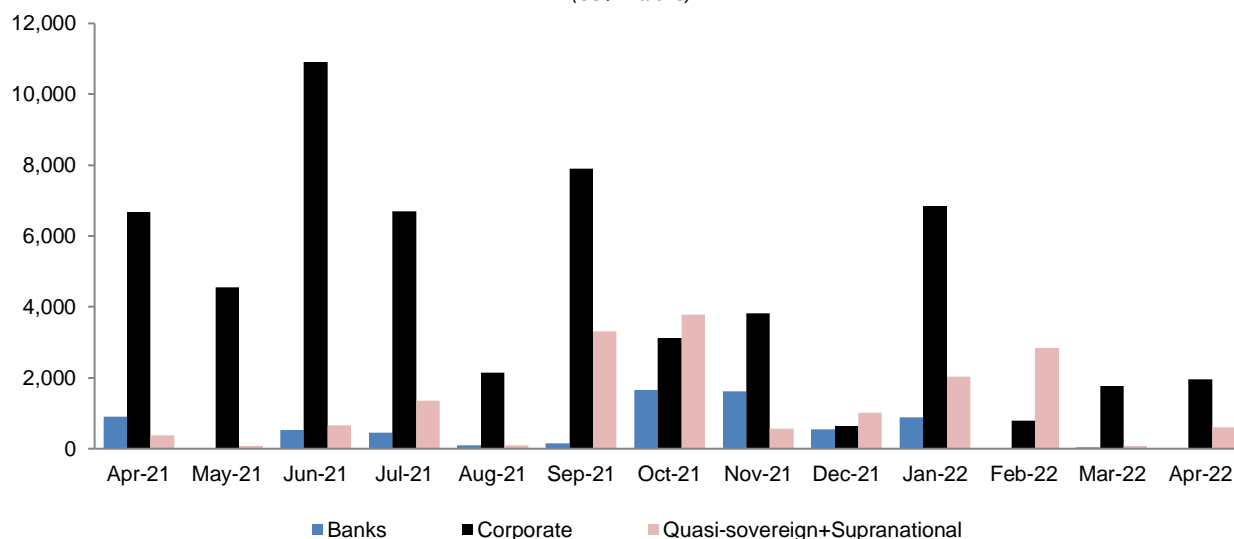
In the first four months of 2022, twenty-nine corporate issuers from the region sold US\$ 17.8 billion of cross-border bonds. Quasi-sovereign and supranational issuers accounted for 31% of total LAC international corporate issuance (charts 23 and 24), an increase from 2021, but still below the 38% share in 2020.

CHART 23:
LAC INTERNATIONAL CORPORATE BOND ISSUANCE BY TYPE, 2021 AND JAN-APR 2022
(Percentage)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

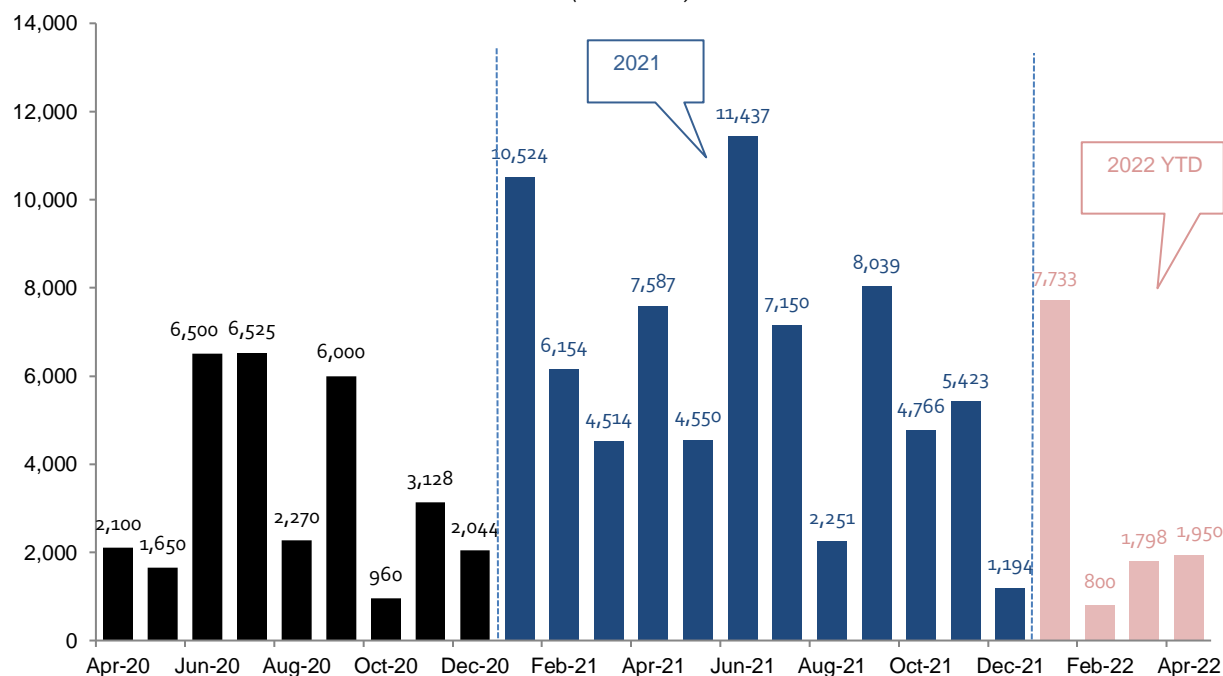
CHART 24:
LAC INTERNATIONAL CORPORATE BOND ISSUANCE BY TYPE, APR 2021-APR 2022
(US\$ Millions)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Issuances from the private corporate sector not including quasi-sovereign and supranational issuers, reached US\$ 73.6 billion in 2021 and US\$ 12.3 in the first four months of 2022 (chart 25).

CHART 25:
LAC MONTHLY PRIVATE CORPORATE SECTOR BOND ISSUANCE IN INTERNATIONAL MARKETS, APR 2020-APR 2022
(US\$ Millions)



Source: ECLAC Washington Office based on data from Dealogic and LatinFinance. Note: issuance from the private corporate sector only (including companies and banks); quasi-sovereign and supranational issuances are not included in the chart.

Debut issuances represented 10% of the total corporate international issuance and 6% of the total (sovereign and corporate combined) LAC international issuance in 2021. There were eighteen debut issuances totalling US\$ 9.1 billion (table 5), an increase of 106% from 2020. In the first four months of 2022 there were five debut issuances totalling US\$ 2.0 billion (table 6), a 43% decline from the same period in 2021. They represented an 11% share of the corporate total and 1% of the total.

TABLE 5:
LAC CORPORATE CROSSBORDER DEBUT ISSUANCES, 2021

Country	Issuer	Amount (million)	Amount US\$ (mm)	Coupon (%)	Maturity	Issue Date
Argentina	Mercado Libre Inc	USD 400	400	2.375%	2026 (sust)	7-Jan-21
Argentina	Mercado Libre Inc	USD 700	700	3.125%	2031	7-Jan-21
Brazil	FS Bioenergia	USD 50	50	10.000%	2025 (r)(g)	11-Jan-21
Mexico	Nueva Elektra del Milenio (NEM) ⁴	USD 500	500	4.875%	2028	12-Jan-21
Brazil	Movida Participações SA	USD 500	500	5.250%	2031 (sust)	28-Jan-21
Guatemala	CMI Energía - Investment Energy Resources Ltd	USD 700	700	6.250%	2029 (g)	15-Apr-21
Supranational	ATP (Andean Telecom Partners) Tower	USD 375	375	4.050%	2026	19-Apr-21
Brazil	lochpe-Maxion	USD 400	400	5.000%	2020 (sust)	27-Apr-21
Mexico	Corporación Inmobiliaria Vesta SAB De CV	USD 350	350	3.625%	2031	6-May-21
Mexico	Grupo AXO SAPI de CV	USD 325	325	5.750%	2026 (NC2)	1-Jun-21
Brazil	PetroRio	USD 600	600	6.125%	2026 NC3	2-Jun-21
Brazil	Stone Pagamentos SA	USD 500	500	3.950%	2028	11-Jun-21
Colombia	SierraCol Energy	USD 600	600	6.000%	2028	15-Jun-21
Brazil	XP Inc	USD 750	750	3.250%	2026	24-Jun-21
Mexico	Fideicomiso CIB/3332 - Fibra Soma	USD 600	600	4.375%	2031	15-Jul-21
Chile	ISA Interchile SA	USD 1200	1,200	4.500%	2056 (g)	19-Jul-21
Brazil	FS Bioenergia	USD 80	80	10.000%	2025 (r)(g)	28-Aug-21
Mexico	Alsea SAB de CV	USD 500	500	7.750%	2026	6-Dec-21
Total			9,130			18

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance. Note: (sust) sustainability, (r) retap, (g) green.

TABLE 6:
LAC CORPORATE CROSSBORDER DEBUT ISSUANCES, JAN-APR 2022

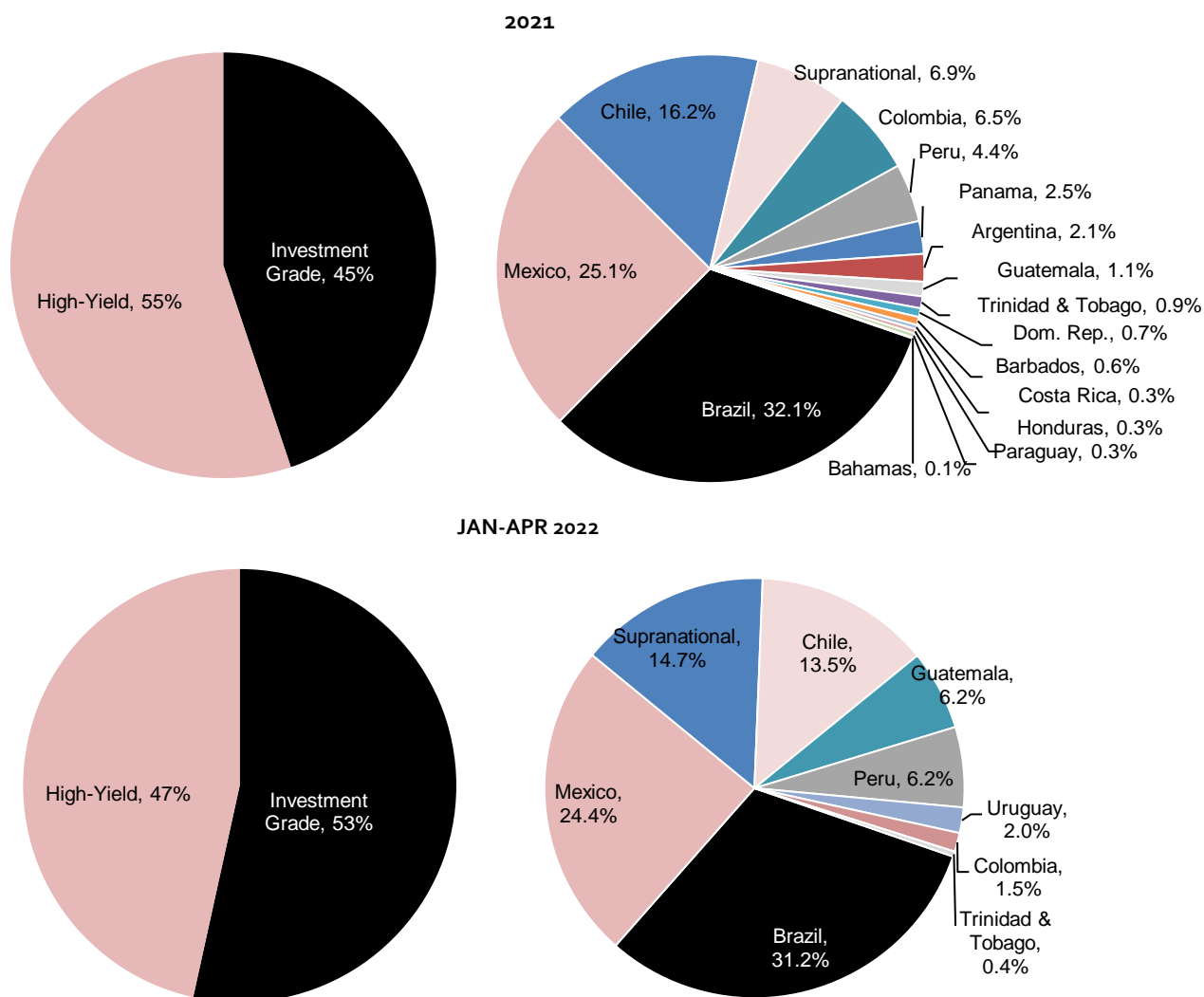
Country	Issuer	Amount (million)	Amount US\$ (mm)	Coupon (%)	Maturity	Issue Date
Chile	Agrosuper SA	USD 500	500	4.600%	2032	12-Jan-22
Chile	Compañía Cervecerías Unidas SA - CCU	USD 600	600	3.350%	2032	13-Jan-22
Chile	Sociedad de Transmisión Austral (STA)	USD 390	390	4.000%	2032 (g)	21-Jan-22
Colombia	Patrimonio Autónomo Unión Del Sur	COP 1027500	259	6.660%	2041	26-Jan-22
Brazil	Usina Coruripe Açúcar e Álcool	USD 300	300	10.000%	2027	7-Feb-22
Total			2,049			5

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance. Note: (g) green.

Investment grade companies had a 45% share of total LAC international corporate bond issuance in 2021, and in the first four months of 2022 this share increased to 53%. Brazilian companies accounted for 32% of total corporate issuance in 2021 and 31% in January-April 2022. Together with Mexican and Chilean companies, they accounted for 73% of all international corporate issuances in the region in 2021 and 69% in the first four months of 2022 (chart 26).

⁴ Mexico Remittances Funding Fiduciary Real Estate Management SARL.

CHART 26:
BREAKDOWN OF LAC INTERNATIONAL CORPORATE BOND ISSUANCE BY RATING AND COUNTRY,
2021 AND JAN-APR 2022
(Percentage of total)



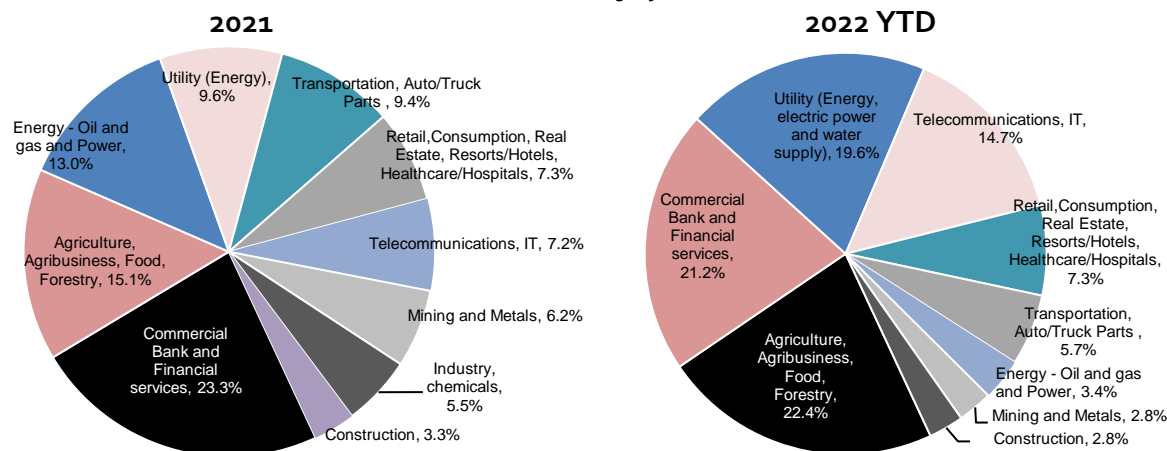
Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Note: corporate issuance includes corporations, banks, quasi-sovereign and supranational entities.

From a sectoral perspective, the top three sectors in terms of corporate debt issuance (including private corporations, banks, quasi-sovereign and supranational issuers) in international debt markets in 2021 were: 1. the financial sector, which includes commercial banks as well as financial services companies and finance development banks/multilateral agencies (23.3%), 2. the agricultural sector, including agribusiness, food and beverages, and forestry (15.1%), and 3. the energy sector, including oil and gas, and power (13.0%). However, together, the energy sector and energy utilities accounted for the second largest share, 22.7%.

Those were the same top three sectors in January-April 2022, although in a different order: the agricultural sector had the largest share (22.4%), followed by the financial sector (21.2%) and energy utilities (19.6%). Together, energy utilities and the energy sector accounted for the largest share, 23.0% (chart 27).

CHART 27:
LAC INTERNATIONAL CORPORATE BOND ISSUANCE BY SECTORS, 2021 AND JAN-APR 2022
(Percentage of total)

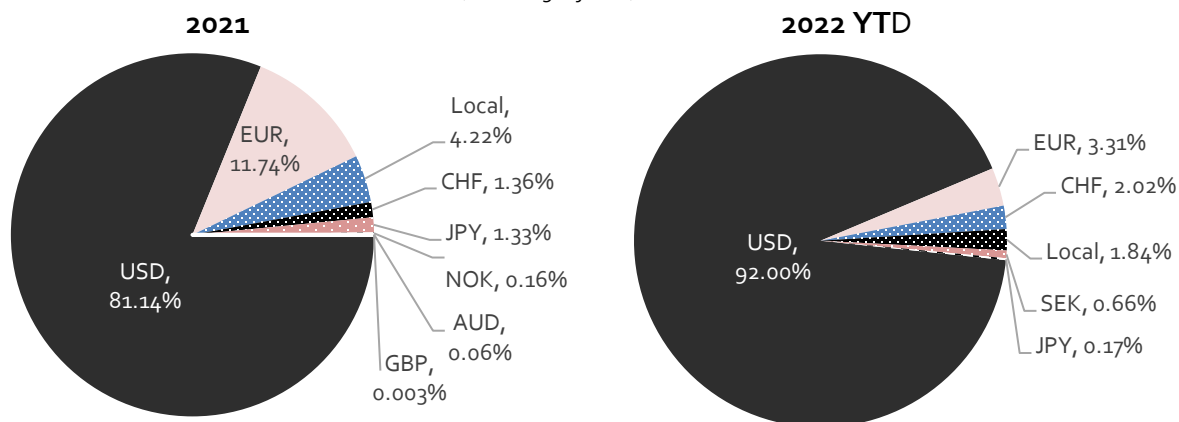


Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.
 Note: corporate issuance includes corporations, banks, quasi-sovereign and supranational entities.

3. Currency Composition

Most of the international debt issuance in the region in 2021 and in the first four months of 2022 was denominated in U.S. dollars. The U.S. dollar has always been the predominant currency in the region's issuance in international debt markets, accounting for over 80% of the total. The U.S. dollar shares were 81.1% in 2021 and 92.0% in January-April 2022, respectively (chart 28).

CHART 28:
CURRENCY BREAKDOWN OF LAC INTERNATIONAL BOND ISSUANCES, 2021 AND JAN-APR 2022
(Percentage of total)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

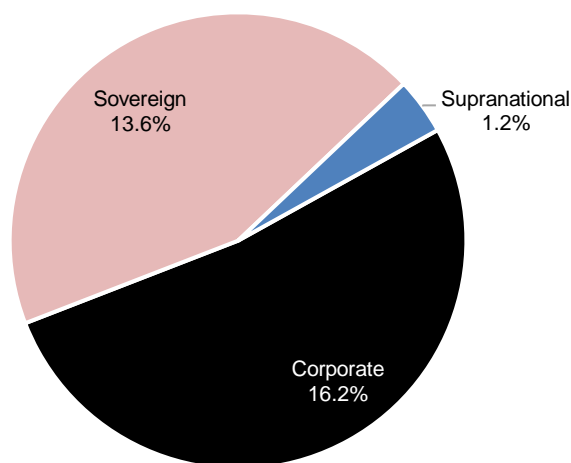
In 2021, there were also issuances in euros (11.74%), local currencies (4.22%), which included Mexican, Uruguayan, Colombian and Dominican Republican pesos and Brazilian reais, Swiss francs (1.36%), Japanese yen (1.33%), Norwegian kroner (0.16%), Australian dollar (0.06%) and British pounds (0.003%).

In the first four months of 2022 there were issuances in euros (3.31%), Swiss francs (2.02%), local currencies (1.84%), which included Colombian and Mexican pesos and Trinidad and Tobago dollars, Swedish krona (0.66%) and Japanese yen (0.2%).

4. ESG Bond Issuance

Green, social, sustainability and sustainability-linked bond issuances (GSSS) from the region in international markets reached a record high in 2021. GSSS bonds are issued with the purpose of financing environmental, social and governance (ESG) projects and strategies. There were seventy-two international GSSS bond issuances in 2021, totalling US\$ 46.2 billion and representing 31.0% of the total LAC annual international bond issuance (table 7). This is the region's highest annual share of GSSS issuance on record (chart 3, p.9). Corporate issuers led the GSSS bond volumes in the period with a share of 52% of the total GSSS LAC issuance. Sovereign and supranational issuers represented 44% and 2% of the total GSSS bond issuance, respectively. As a share of the total LAC issuance in 2021, corporate GSSS bond issuances accounted for 16.2%, sovereign for 13.6%, and supranational for 1.2% (chart 29).

CHART 29:
LAC ESG INTERNATIONAL BOND ISSUANCE BY TYPE OF ISSUER: 2021
(Share of the total bond issuance: 31%)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

The region's GSSS bond issuances in the last quarter of 2021 included: three green bonds (US\$ 881 million), two sovereign social bonds (US\$ 2.4 billion) from Chile (a peso-denominated global note to fund social programs amounting to US\$ 1.25 billion) and Peru (a 15-year EUR 1 billion bond, US\$ 1.2 billion equivalent); two sustainability bonds (US\$ 1.2 billion), one sovereign (from Peru, a US\$ 1 billion 50-year sustainability bond whose proceeds will be used to fund green projects and social programs, including renewable energy, healthcare and education) and one corporate (US\$ 166 million from Rio Smart Lighting, to finance part of a 20-year street lighting public-private partnership (PPP) in the city of Rio de Janeiro)⁵; and three sustainability-linked bonds (SLBs) from the corporate sector (US\$ 2.5 billion), which included reducing greenhouse gas emissions and increasing renewable electricity generation as sustainable performance targets.

⁵ Rio Smart also counts on an 11-year investment guaranty for US\$ 267 million from the United States International Development Finance Corporation (DFC) for the US\$310 million project.

TABLE 7: LAC ESG BOND ISSUANCE IN INTERNATIONAL MARKETS, 2021

Country	Issuer	Amount (million)	Amount in US\$ (million)	Coupon (%)	Maturity	Issue Date
Brazil	Banco BTG Pactual SA	USD 500	500	2.750%	2026 (g)	6-Jan-21
Brazil	Klabn Austria GmbH	USD 500	500	3.200%	2031 (SLB)	6-Jan-21
Argentina	Mercado Libre Inc	USD 400	400	2.375%	2026 (sust)	7-Jan-21
Argentina	Mercado Libre Inc	USD 700	700	3.125%	2031 (sust)	7-Jan-21
Brazil	FS Bioenerqia	USD 50	50	10.000%	2025 (r)(g)	11-Jan-21
Brazil	Itaú Unibanco Holding SA	USD 500	500	3.875%	2031 (sust)	12-Jan-21
Brazil	Simpar SA (parent company of logistics firm JSL)	USD 625	625	5.300%	2031 (SLB)	14-Jan-21
Chile	Republic of Chile	USD 750	750	2.550%	2032 (r)(g)	19-Jan-21
Chile	Republic of Chile	USD 1500	1,500	3.100%	2061 (soc)	19-Jan-21
Chile	Republic of Chile	EUR 400	485	0.830%	2031 (r)(g)	20-Jan-21
Chile	Republic of Chile	EUR 1250	1,514	1.250%	2051 (soc)	20-Jan-21
Brazil	Amaggi Luxembourg International	USD 750	750	5.250%	2028 (sust)	21-Jan-21
Brazil	Movida Participações SA	USD 500	500	5.250%	2031 (sust)	28-Jan-21
Supranational	Central American Bank for Economic Integration (CABEI)	USD 500	500	1.140%	2026 (soc)	3-Feb-21
Brazil	Simpar SA (parent company of logistics firm JSL)	BRL 450	84	10.750%	2028 (SLB)	9-Feb-21
Chile	Banco de Crédito e Inversiones - BCI	USD 54	54	2.365%	2029 (g)	10-Mar-21
Brazil	Pilgrim's Pride Corp	USD 1000	1,000	4.250%	2031 (SLB)	25-Mar-21
Chile	Empresas CMPC SA	USD 500	500	3.000%	2031 (SLB)	31-Mar-21
Chile	Republic of Chile	USD 1500	1,500	3.500%	2053 (sust)	31-Mar-21
Guatemala	CMI Energía - Investment Energy Resources Ltd	USD 700	700	6.250%	2029 (g)	15-Apr-21
Mexico	FEMSA	EUR 700	842	0.500%	2028 (SLB)	22-Apr-21
Mexico	FEMSA	EUR 500	601	1.000%	2033 (SLB)	22-Apr-21
Mexico	Metalsa SA de CV	USD 300	300	3.750%	2031 (SLB)	22-Apr-21
Brazil	Natura Cosmeticos SA	USD 1000	1,000	4.125%	2028 (SLB)	26-Apr-21
Brazil	loche-Maxion	USD 400	400	5.000%	2020 (SLB)	27-Apr-21
Mexico	FIBRA Prologis	USD 100	100	3.190%	2029 (g)	29-Apr-21
Mexico	FIBRA Prologis	USD 80	80	3.490%	2031 (g)	29-Apr-21
Mexico	FIBRA Prologis	USD 80	80	3.640%	2033 (g)	29-Apr-21
Mexico	FIBRA Prologis	USD 25	25	3.790%	2036 (g)	29-Apr-21
Mexico	FIBRA Prologis	USD 15	15	4.000%	2039 (g)	29-Apr-21
Chile	Republic of Chile	USD 1700	1,700	3.100%	2041 (soc)	4-May-21
Mexico	Corporación Inmobiliaria Vesta SAB De CV	USD 350	350	3.625%	2031 (SLB)	6-May-21
Mexico	Orbia Advance Corp SAB de CV	USD 500	500	2.875%	2031 (SLB)	6-May-21
Mexico	Orbia Advance Corp SAB de CV	USD 600	600	1.875%	2026 (SLB)	6-May-21
Brazil	JBS Finance Luxembourg	USD 1000	1,000	3.625%	2032 (SLB)	8-Jun-21
Chile	Inversiones Latin America Power Ltda	USD 404	404	5.125%	2033 (g)	9-Jun-21
Mexico	Nemak SAB de CV	USD 500	500	3.625%	2031 (SLB)	23-Jun-21
Brazil	Suzano Austria GmbH	USD 1000	1,000	3.125%	2032 (SLB)	28-Jun-21
Mexico	United Mexican States	EUR 1250	1,483	2.250%	2036 (sust)	6-Jul-21
Mexico	Nemak SAB de CV	EUR 500	592	2.250%	2028 (SLB)	7-Jul-21
Chile	ISA Interchile SA	USD 1200	1,200	4.500%	2056 (g)	19-Jul-21
Chile	Republic of Chile	EUR 1000	1,178	0.100%	2027 (soc)	22-Jul-21
Chile	Republic of Chile	EUR 750	884	1.300%	2036 (soc)	22-Jul-21
Chile	Republic of Chile	USD 2250	2,250	2.550%	2033 (soc)	22-Jul-21
Chile	Republic of Chile	USD 1000	1,000	3.100%	2041 (soc)	22-Jul-21
Chile	Republic of Chile	USD 500	500	3.100%	2061 (soc)	22-Jul-21
Peru	San Miguel Industrias Pet SA	USD 380	380	3.500%	2028 NC3 (SLB)	26-Jul-21
Mexico	Banco Nacional de Comercio Exterior SNC - Bancomext	USD 500	500	2.720%	2031 (sust)	29-Jul-21
Brazil	FS Bioenergia (FS Agrisolutions Industria de Biocombustiveis)	USD 80	80	10.000%	2025 (r)(g)	28-Aug-21
Supranational	CAF Development Bank of Latin America	AUD 65	47	2.160%	2031 (soc)	31-Aug-21
Supranational	CAF Development Bank of Latin America	USD 50	50	1.920%	2031 (soc)	31-Aug-21
Argentina	Genneia S.A.	USD 366	366	8.750%	2027 (g)	2-Sep-21
Brazil	Movida Participações SA	USD 300	300	5.250%	2031 (r)(SLB)	8-Sep-21
Brazil	Suzano Austria GmbH	USD 500	500	2.500%	2028 (SLB)	8-Sep-21
Chile	Empresa Nacional de Telecomunicaciones (ENTEL)	USD 800	800	3.050%	2032 (SLB)	9-Sep-21
Chile	Sociedad Química y Minera de Chile SA - SQM	USD 700	700	3.500%	2051 (g)	13-Sep-21
Chile	Republic of Chile	EUR 918	1,083	0.555%	2029 (soc)	14-Sep-21
Chile	Republic of Chile	USD 1000	1,000	3.250%	2071 (soc)	14-Sep-21
Brazil	B3 (Operator of São Paulo Stock Exchange)	USD 700	700	4.125%	2031 (SLB)	15-Sep-21
Supranational	Central American Bank for Economic Integration (CABEI)	CHF 200	217	0.170%	2031 (soc)	15-Sep-21
Brazil	Rumo	USD 500	500	4.200%	2031 (SLB)	15-Sep-21
Brazil	FS Bioenergia (FS Agrisolutions Industria de Biocombustiveis)	USD 80	80	10.000%	2025 (r)(g)	28-Sep-21
Costa Rica	Instituto Costarricense de Electricidad (ICE)	USD 300	300	6.750%	2031 (SLB)	30-Sep-21
Mexico	Braskem Idesa	USD 1200	1200	6.990%	2032 (SLB)	14-Oct-21
Chile	Colbun SA	USD 600	600	3.150%	2032 (g)	14-Oct-21
Brazil	Rio Smart Lighting	BRL 925	166	12.250%	2032 (sust)	22-Oct-21
Peru	Republic of Peru	USD 1000	1000	3.600%	2072 (sust)	28-Oct-21
Dom.Republic	EGE Haina (Empresa Generadora de Electricidad Haina)	USD 300	300	5.625%	2028 (SLB)	2-Nov-21
Peru	Republic of Peru	EUR 1000	1,157	1.950%	2036 (soc)	9-Nov-21
Brazil	JBS USA Lux SA	USD 1000	1,000	3.000%	2032 (SLB)	16-Nov-21
Supranational	Central American Bank for Economic Integration (CABEI)	CHF 220	237	0.110%	2028 (g)	22-Nov-21
Chile	Republic of Chile	CLP 1060000	1,250	5.800%	2024 (soc)	9-Dec-21
Chile	Banco de Crédito e Inversiones - BCI	JPY 5000	44	0.500%	2027 (g)	15-Dec-21
TOTAL			46,173			72 Deals

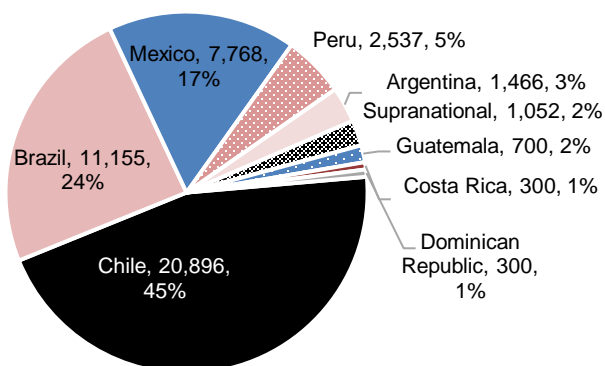
Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Note: (r) retap; (g) green bond; (soc) social bond; (sust) sustainability bond; (SLB) sustainability-linked bond.

GSSS issuances in 2021 came from eight countries and two supranational entities (chart 30). Chile had the highest share of ESG bond issuance in 2021, with most of it (79%) coming from the sovereign sector. Brazil and Mexico had the second and third largest shares in 2021. All Brazil ESG bond issuances originated from the corporate sector, 82% of which consisted of SLBs. There was one sovereign ESG issuance from Mexico, a Sustainable Development Goals (SDG)-compliant bond issued in July,⁶ while 81% of Mexico's total ESG issuance was originated in the corporate sector. 87% of Mexico's corporate ESG issuances in 2021 consisted of SLBs.

CHART 30:
LAC ESG INTERNATIONAL BOND ISSUANCE BY COUNTRY: 2021

(US\$ Million, Percentage)

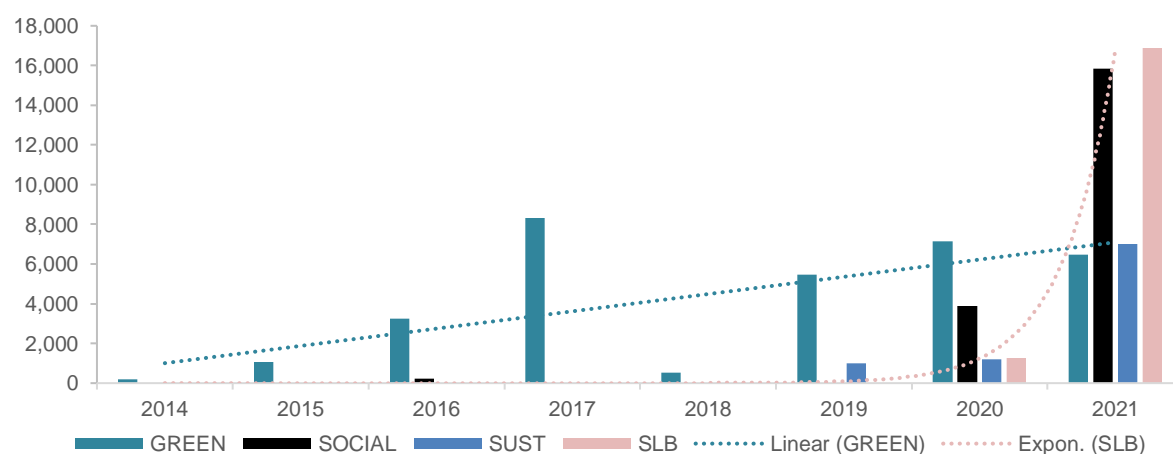


Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

The SLB issuances from the region in 2021 were all from the corporate sector. The use of SLBs by LAC corporate issuers grew exponentially after ICMA released its Sustainability-Linked Bond Principles (SLBP) in June 2020⁷ and became the region's most frequently used ESG instrument in 2021 (chart 31).

CHART 31:
LAC GSSS BOND ISSUANCE IN INTERNATIONAL MARKETS BY TYPES OF INSTRUMENTS: 2014-2021

(US\$ Million)



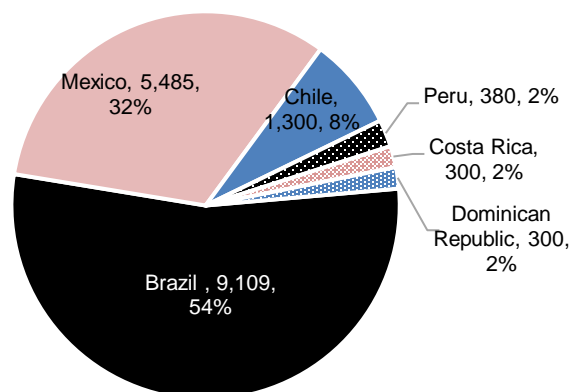
Source: G. Núñez, H. Velloso and F. Da Silva, "Corporate governance in Latin America and the Caribbean: using ESG debt instruments to finance sustainable investment projects", Project Documents (LC/TS.2022/23), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2022, P.25.

⁶ For more details see Economic Commission for Latin America and the Caribbean (ECLAC), [Capital flows to Latin America and the Caribbean: first nine months of 2021](#) (LC/WAS/TS.2021/9), p. 20, Santiago, 2021.

⁷ The region's first SLB was issued by Suzano, a Brazilian company in the forestry and paper sector, in September 2020.

The most common ESG objective or target of the region's SLB issuances in 2021 was reducing greenhouse gas (GHG) emissions. Although not as prevalent, there were other ESG objectives as well, such as water management (water consumption target), waste reduction, biodiversity protection and increasing the number of women in leadership positions. The region's SLB issuances in 2021 came from six countries, with Brazilian companies accounting for more than half of the total, followed by Mexican companies with a 32% share (chart 32). About 60% of the region's SLB issuances in 2021 were from high-yield issuers, opening doors for companies that do not have an investment grade

CHART 32:
LAC SLB INTERNATIONAL ISSUANCE BY COUNTRY: 2021
(US\$ Million, Percentage)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

In the first four months of 2022, there were eighteen international GSSS bond issuances, totalling US\$ 13.4 billion and representing 35.4% of the total LAC annual international bond issuance (table 8), a higher share than in 2021. This amount is 19% lower than in the same period in 2021, but the share is considerably higher than the January-April 2021 share of 25.3%.

TABLE 8:
LAC ESG BOND ISSUANCE IN INTERNATIONAL MARKETS, JAN-APR 2022

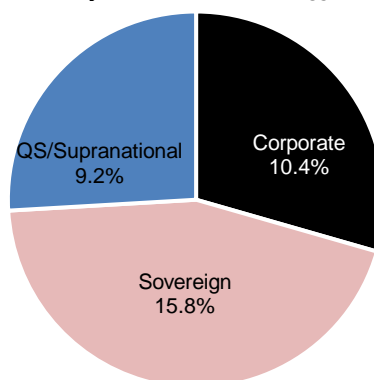
Country	Issuer	Amount (million)	Amount in US\$ (million)	Coupon (%)	Maturity	Issue Date
Chile	Banco de Crédito e Inversiones - BCI	CHF 200	218	0.599%	2027 (g)	5-Jan-22
Brazil	Globo Comunicações e Participações SA - GLOBOPAR	USD 400	400	5.500%	2032 (SLB)	6-Jan-22
Brazil	Banco do Brasil SA	USD 500	500	4.875%	2029 (soc)	6-Jan-22
Mexico	GCC Cemento SA de CV	USD 500	500	3.614%	2032 (SLB)	10-Jan-22
Brazil	Banco Bradesco SA	USD 500	500	4.375%	2027 (sust)	10-Jan-22
Supranational	Millicom International Cellular SA	SEK 2250	252	3m Stibor+300bps	2027 (sust)	13-Jan-22
Supranational	CAF Development Bank of Latin America	CHF 350	383	0.450%	2027 (g)	18-Jan-22
Guatemala	Central America Bottling Corp	USD 1100	1,100	5.250%	2029 (SLB)	20-Jan-22
Chile	Sociedad de Transmisión Austral (STA)	USD 390	390	4.000%	2032 (g)	21-Jan-22
Chile	Republic of Chile	USD 1500	1,500	2.750%	2027 (sust)	27-Jan-22
Chile	Republic of Chile	USD 1500	1,500	3.500%	2034 (sust)	27-Jan-22
Chile	Republic of Chile	USD 1000	1,000	4.000%	2052 (sust)	27-Jan-22
Mexico	Comisión Federal de Electricidad - CFE	USD 1250	1,250	4.688%	2029 (sust)	8-Feb-22
Mexico	Comisión Federal de Electricidad - CFE	USD 500	500	6.264%	2052 (sust)	8-Feb-22
Chile	Republic of Chile	USD 2000	2,000	4.340%	2042 (SLB)	2-Mar-22
Peru	Fondo MIVIVIENDA SA	USD 600	600	4.625%	2027 (sust)	7-Apr-22
Uruguay	Arcos Dorados BV	USD 350	350	6.125%	2029 (SLB)	21-Apr-22
Brazil	Aegea Saneamento e Participações	USD 500	500	6.750%	2029 (SLB)	27-Apr-22
TOTAL			13,443			18 Deals

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Note: (r) retap; (g) green bond; (soc) social bond; (sust) sustainability bond; (SLB) sustainability-linked bond.

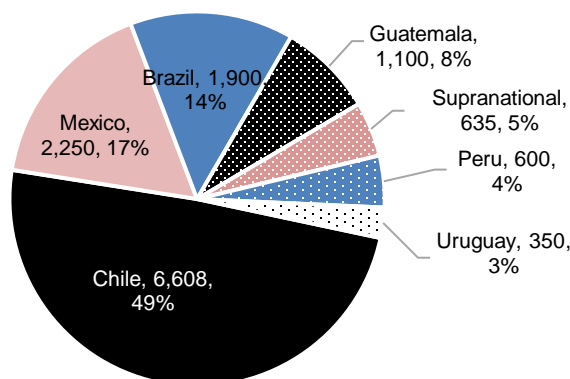
Sovereign issuers led the GSSS bond volumes in January-April 2022 with a share of 45% of the total GSSS LAC issuance. Corporate, and quasi-sovereign and supranational issuers represented 29% and 26% of the total GSSS bond issuance, respectively. As a share of the total LAC issuance in 2021, sovereign GSSS bond issuances accounted for 15.8%, corporate for 10.4%, and quasi-sovereign and supranational entities for 9.2% (chart 33). Issuances in January-April 2022 came from six countries and two supranational entities (chart 34).

CHART 33:
LAC ESG INTERNATIONAL BOND ISSUANCE BY TYPE OF ISSUER AND BY COUNTRY: JAN-APR 2022
(Share of the total bond issuance: 35.4%)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

CHART 34:
LAC ESG INTERNATIONAL BOND ISSUANCE BY COUNTRY: JAN-APR 2022
(US\$ Million, Percentage)



Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Chile has the highest share of ESG bond issuance in the first four months of 2022 (49%), with most of it (91%) coming from the sovereign sector. ESG issuances from Chile in the period included three sovereign sustainability bonds and one sovereign SLB, and two corporate green bonds. Mexico has the second highest share (17%) with three deals including two sustainability bond issuances by the state-owned Comisión Federal de Electricidad (CFE) and one corporate SLB. Brazil has the third largest share (14%), with all its ESG bond issuances originating from the corporate sector, 47% of which consisting of SLBs. Banco do Brasil became the first Latin American bank to issue seven-year social bonds in the international bond market in January.

The share of SLBs in the ESG total bond issuance fell modestly to 36% (chart 4, p.9). Sustainability bonds took the first place, as Chile issued US\$ 4 billion worth of sovereign sustainability bonds (2/3 of its total sovereign ESG bond issuance). Chile also issued the first SLB in the world, a US\$ 2 billion 20-year bond. The coupon of Chile's sovereign SLB steps up by 12.5 or 25 basis points from 07 Mar 2034 (Interest Rate Step-Up Date) if Chile doesn't satisfy its Sustainability Performance Targets (SPT) by at least 30 days prior to the Interest Rate Step-Up Date. The targets are as follows: SPT Event 1a: achieving annual absolute GHG emissions of 95 MtCO₂e by 31 December 2030; SPT Event 1b: achieving a maximum absolute GHG emissions budget of 1,100 MtCO₂e between 1 Jan 2020 and 31 December 2030; SPT Event 2: generating 60% of the total electricity generated in Chile by 31 December 2032 from non-conventional renewable sources.

The most common ESG objective or target of the region's SLB issuances in January-April 2022 continued to be reducing GHG emissions, although it also included generating energy from renewable resources and reducing energy consumption. The objectives included the reduction of Scope 1 and Scope 2 emissions, and the SLB issued by Guatemala's Central America Bottling Corporation had the objective of reducing Scope 3 emissions.

Within the spectrum of ESG bonds, bonds with a gender focus have also been issued in the region. In 2016, Banco del Estado de Chile (BancoEstado) issued the region's first-ever social bond in the international bond market with a women entrepreneur focus, with proceeds directed to BancoEstado's *Crece Mujer Emprendedora* program. In 2020, CAF Development bank of Latin America issued three social bonds in the international market. The target populations for the eligible expenditures included women among other underserved populations affected by COVID-19. In September 2021, B3, operator of the stock exchange of São Paulo, Brazil, issued a ten-year US\$ 700 million SLB tied to efforts to hire more women. B3 could increase the coupon by up to 0.25% per year if it does not meet the agreed targets, according to its securities filing (table 9).

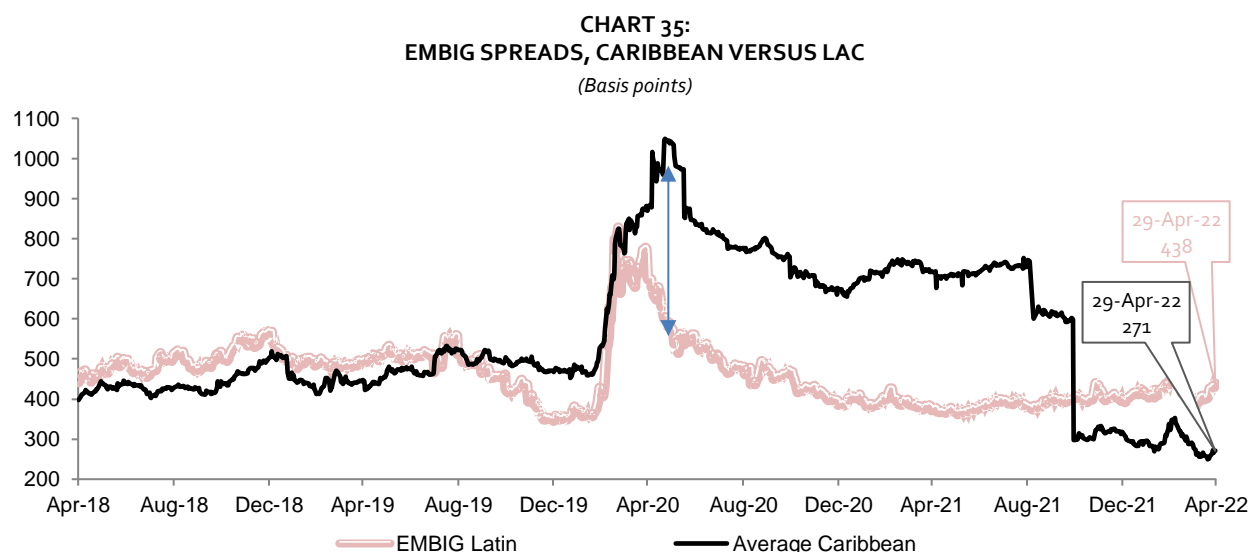
TABLE 9:
LAC ESG BOND ISSUANCE IN INTERNATIONAL MARKETS: GENDER FOCUS

Country	Issuer	Amount (million)	Amount in US\$ (million)	Coupon (%)	Maturity	Issue Date
Chile	Banco del Estado de Chile (BancoEstado)	JPY 10000	94	0.480%	2026 (soc)	10-Jun-16
Chile	Banco del Estado de Chile (BancoEstado)	JPY 15000	147	0.480%	2026 (r)(soc)	10-Aug-16
Chile	Banco del Estado de Chile (BancoEstado)	AUD 110	81	4.180%	2027 (soc)	9-May-17
Supranational	CAF Development Bank of Latin America	JPY 3000	28	1.025%	2040 (soc)	19-May-20
Supranational	CAF Development Bank of Latin America	JPY 3200	30	0.700%	2023 (soc)	4-Jun-20
Supranational	CAF Development Bank of Latin America	JPY 20000	188	0.727%	2025 (soc)	19-Aug-20
Brazil	B3 (Operator of São Paulo Stock Exchange)	USD 700	700	4.125%	2031 (SLB)	15-Sep-21
TOTAL			1,268			

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance. Notes: (soc)=social bond; (SLB)=sustainability-linked bond.

II. Bond markets and credit management in the Caribbean⁸

The Caribbean region was hit hard by the COVID-19 pandemic. At the end of September 2021, Caribbean spreads were 212 basis points higher than the EMBIG Latin component, although the gap had fallen from a peak of 465 basis points on 1 June 2020. Belize exited the EMBI indices on 29 October 2021, as its step-up sovereign bond due 2034 fell below the US\$ 500 million notional requirement following its restructuring⁹. Since then, the gap has reversed. At the end of April 2022, Caribbean spreads were 167 basis points lower than the EMBIG Latin component (chart 35).



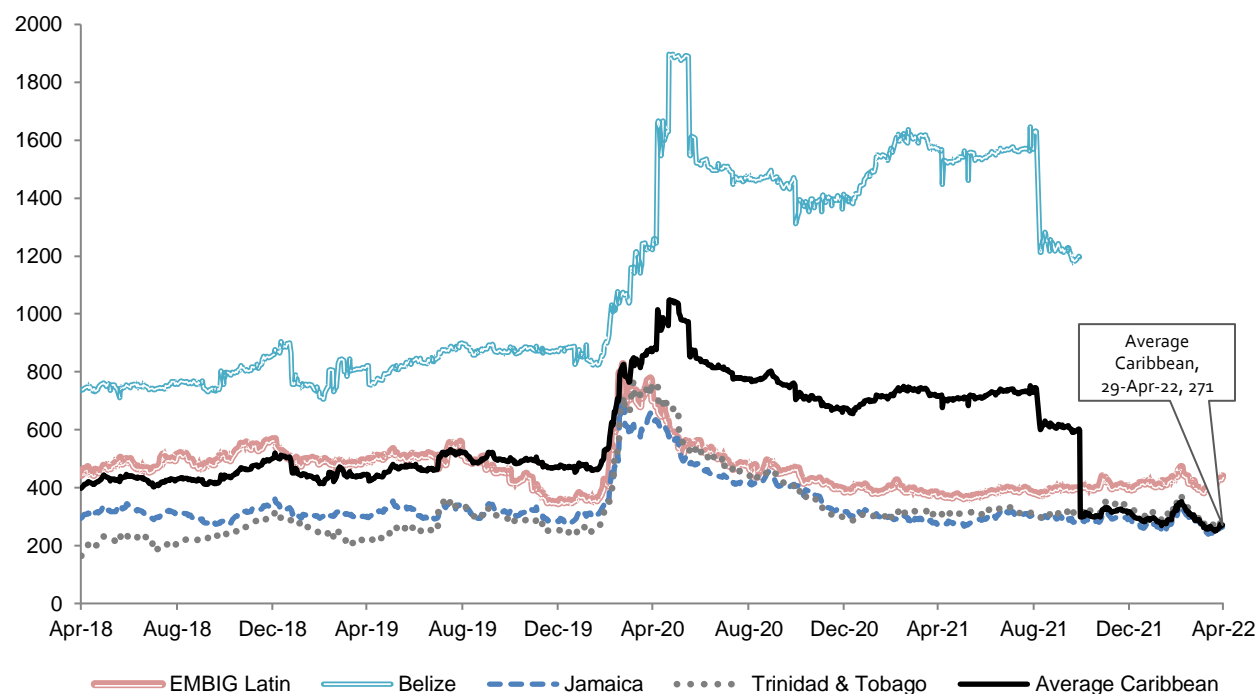
Source: ECLAC Washington Office, based on data from JPMorgan. The Caribbean average includes Belize, Jamaica, and Trinidad and Tobago.

⁸ Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, and Trinidad and Tobago. Of these 13 countries, only a few have tapped international capital markets.

⁹ On 5 November 2021, the Government of Belize announced the settlement of the offer to purchase its U.S. dollar bond due 2034, redeeming all notes that had not yet been tendered. This operation was financed with funding provided by a subsidiary of The Nature Conservancy (TNC) as part of TNC's Blue Bonds for Ocean Conservation program, which uses private capital to refinance public debt of participating countries in order to support durable marine conservation efforts and sustainable marine-based economic activity. For a more detailed discussion see Economic Commission for Latin America and the Caribbean (ECLAC), [Capital flows to Latin America and the Caribbean: first nine months of 2021](#) (LC/WAS/TS.2021/9), p. 30-31, Santiago, 2021.

Caribbean average spreads tightened 357 basis points in 2021 and 47 basis points in the first four months of 2022, to 271 basis points at the end of April 2022 (chart 36).¹⁰ Most of the tightening was due to a decrease in Belize's spreads in September 2021 and its subsequent exit from the EMBIG index in October. Trinidad and Tobago's spreads widened 39 basis points in 2021 and tightened 61 basis points from January to April 2022 to 278 basis points at the end of April. Jamaica's spreads tightened 22 basis points in 2021 and widened 2 basis points in the first four months of 2022 to 263 basis points at the end of April 2022.

CHART 36:
CARIBBEAN COUNTRIES: EMBIG SPREADS, APR 2018-APR 2022
(Basis points)



Source: ECLAC Washington Office, based on data from JPMorgan.

Suriname's spreads, which are not included in the average Caribbean index, tightened 165 basis points in 2021 and 200 basis points in the first four months of 2022. On 1 April 2021, Fitch downgraded Suriname's rating to RD (restricted default) from C, saying the downgrade reflected the non-payment of rescheduled external debt service (US\$ 49.8 million) on Suriname's 2023 and 2026 notes due 31 March, which marked an event of default under Fitch's criteria. However, on 22 April 2021, a staff-level agreement was reached with the International Monetary Fund on a three-year program requested by the Government of Suriname under the Extended Fund Facility, what contribute to the tightening in spreads in 2021. The program was approved by the IMF Executive Board on 22 December 2021, in an amount equivalent to SDR 472.8 million (about US\$ 688 million or 366.8% of quota), hence the tightening seen in the first four months of 2022. Despite the tightening in 2021 and January-April 2022, Suriname's spreads remained high at the end of April 2022 (at 1,495 basis points).

¹⁰ The Caribbean average was based on daily data available for Belize, Jamaica and Trinidad and Tobago until October 2021. Now it is based only on daily data available for Jamaica and Trinidad and Tobago. No daily data is available for Suriname, which was added to the EMBIG index following its cross-border debut in October 2016 with the issuance of a US\$ 550 million 2026 sovereign bond with a 6.25% coupon.

Credit Rating Actions

There were two positive actions in the Caribbean in 2021, including one upgrade, and seven negative actions, including six downgrades (table 10), while in the first four months of 2022 no credit rating actions were taken.

TABLE 10:
SOVEREIGN CREDIT RATING ACTIONS IN THE CARIBBEAN, 2021

Date	Country	Action	Type of action
2021	2 positive and 7 negative actions		
Q1 2021	0 positive and 1 negative action		
25-Feb-21	Belize	S&P downgrades Belize to CC from CCC+ with a negative outlook	<i>Negative/Downgrade</i>
Q2 2021	0 positive and 2 negative actions		
1-Apr-21	Suriname	Fitch downgrades Suriname's rating to RD from C	<i>Negative/Downgrade</i>
24-May-21	Belize	S&P downgrades Belize's rating to SD from CC	<i>Negative/Downgrade</i>
Q3 2021	0 positive and 2 negative actions		
27-Jul-21	T&T	S&P revises the outlook on T&T's BBB- rating to negative from stable	<i>Negative</i>
17-Sep-21	Bahamas	Moody's downgrades the Bahamas to Ba ₃ from Ba ₂ with a negative outlook	<i>Negative/Downgrade</i>
Q4 2021	2 positive and 2 negative actions		
4-Oct-21	Jamaica	S&P revises outlook on Jamaica's B+ rating to stable from negative	<i>Positive</i>
9-Nov-21	Belize	S&P upgrades Belize to B- from SD with a stable outlook	<i>Positive/Upgrade</i>
12-Nov-21	Bahamas	S&P downgrades the Bahamas' rating to B+ from BB- with a stable outlook	<i>Negative/Downgrade</i>
19-Nov-21	T&T	Moody's downgrades T&T's rating to Ba ₂ from Ba ₁ with a stable outlook	<i>Negative/Downgrade</i>

Source: ECLAC Washington Office based on data from Moody's, Standard & Poor's, and Fitch.

The two positive actions took place in the fourth quarter. In October, S&P revised the outlook on Jamaica's B+ rating to stable from negative citing commitment to fiscal consolidation and receding risks to its economy and government finances. In November, S&P upgraded Belize to B- from SD with a stable outlook on the completed debt exchange.

The two negative actions in the fourth quarter of 2021 took place in November. S&P downgraded the Bahamas' rating to B+ from BB- with a stable outlook citing continued deficits and high debt, and Moody's downgraded Trinidad and Tobago's rating to Ba₂ from Ba₁ with a stable outlook, citing diminished shock-absorption capacity in the aftermath of the pandemic.

Debt issuance

In 2021, issuances from the Caribbean in international bond markets amounted to US\$ 1.4 billion, a 0.95% share of the total LAC bond issuance in international markets. In May 2021, Barbados' Sagicor Financial issued US\$ 400 million in 2028 bonds with a 5.300% coupon to repurchase the US\$ 318 million outstanding of the 8.875% 2022 bonds that it issued in August 2015. In September, Trinidad and Tobago's Consolidated Energy Finance issued US\$ 816 million in two 2028 bonds, one in euros (EUR 250 million) and another in U.S. dollars (US\$ 525 million), with 5.000% and 5.635% coupons, respectively. In November, the Bahamas' Nassau Cruise Port issued a 2029 7.500% US\$ 55 million bond in a private placement. In December, Barbados' Sagicor Financial reopened its 2028 5.300% bonds to add US\$ 150 million (appendix C, tables 4 to 6).

In 2022 so far there has been only one issuance from the Caribbean region. Government owned Telecommunications Services of Trinidad and Tobago (TSTT) reopened its 8.300% 2029 local-currency bond originally issued in October 2019 to add TTD 476 million (US\$ 70.1 million) to cover severance pay for 573 employees as part of its downsizing plans, according to a securities filing.

III. Portfolio equity flows

According to the MSCI Latin American Index, Latin American stocks lost 13% in 2021, while the broader emerging market index was down 5% in dollar terms in the same period. The MSCI G7 index gained 21% (table 10 below and chart 8 on p.11). Latin American equities underperformed as the region dealt with the pandemic and its consequences, such as supply chain shortages and broad-based price pressures, including food, energy, and vehicle prices. In addition, the region's limited fiscal space constrained measures taken to stimulate the economy.

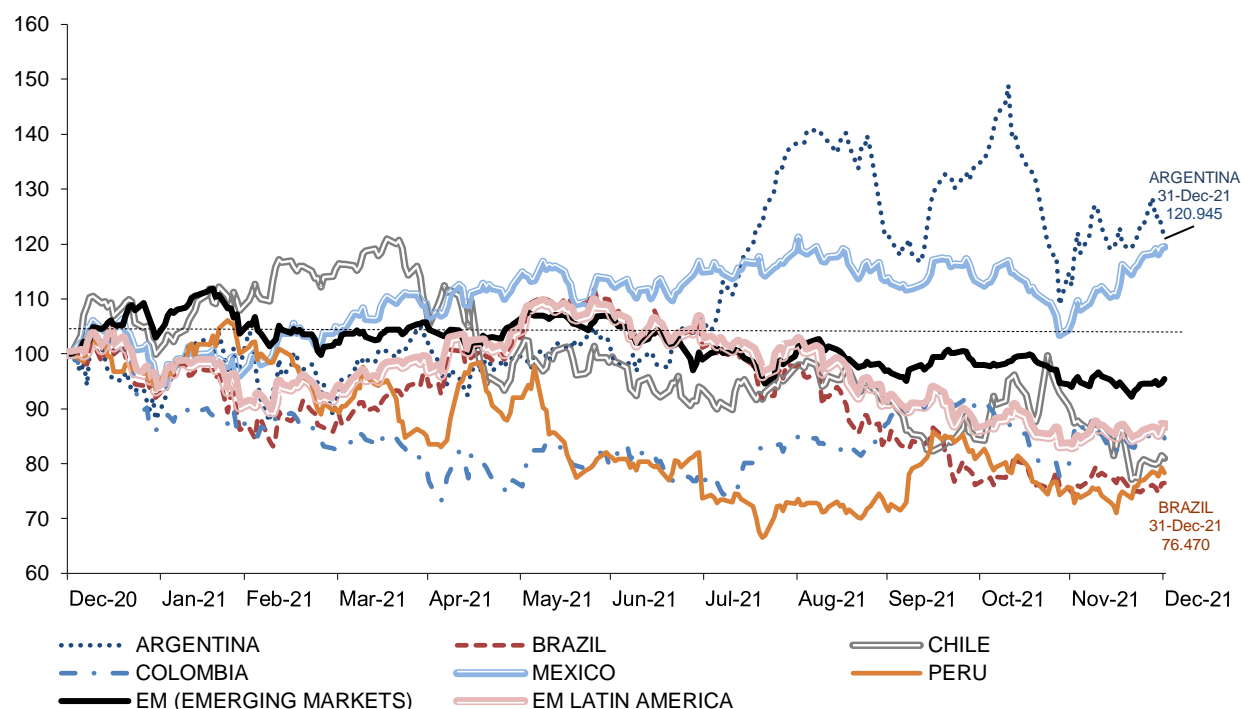
The 2021 fall in equity prices was driven by a steep drop in Brazilian equities (-23.5%) and the U.S. dollar strengthening against local currencies. Growing concerns about fiscal risks and interest rate hikes in Brazil led local residents to sell equities. Peru had the second largest loss in 2021 (-21.7%), followed by Chile (-19.0%) and Colombia (-15.4%). Argentinian stocks had the region's best performance (gaining 21%), followed by Mexico (19.5%) (table 11, chart 37).

TABLE 11:
MSCI EQUITY INDICES, 2021

	Price Index in USD					Variation				
	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 21	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021
Emerging markets	1,291.26	1,316.43	1,374.64	1,253.10	1,232.01	1.95%	4.42%	-8.84%	-1.68%	-4.59%
Latin America	2,451.76	2,302.17	2,620.49	2,228.33	2,129.86	-6.10%	13.83%	-14.96%	-4.42%	-13.13%
Argentina	1,784.94	1,678.50	1,775.67	2,168.16	2,158.81	-5.96%	5.79%	22.10%	-0.43%	20.95%
Brazil	1,876.38	1,668.82	2,025.43	1,570.84	1,434.87	-11.06%	21.37%	-22.44%	-8.66%	-23.53%
Chile	1,192.32	1,388.67	1,185.54	1,088.30	965.589	16.47%	-14.63%	-8.20%	-11.28%	-19.02%
Colombia	533.254	441.03	426.57	466.88	451.253	-17.30%	-3.28%	9.45%	-3.35%	-15.38%
Mexico	4,569.98	4,754.11	5,150.25	5,195.97	5,461.79	4.03%	8.33%	0.89%	5.12%	19.51%
Peru	1,520.01	1,355.29	1,232.30	1,084.24	1,190.59	-10.84%	-9.08%	-12.01%	9.81%	-21.67%

Source: ECLAC Washington Office, based on data from MSCI Equity Indices, <http://www.msci.com/equity/index2.html>

CHART 37:
MSCI EQUITY PRICE INDEX, 2021



Source: ECLAC Washington Office, based on data from MSCI Equity Indices, <http://www.msci.com/equity/index2.html>. Prices at the end of the month.

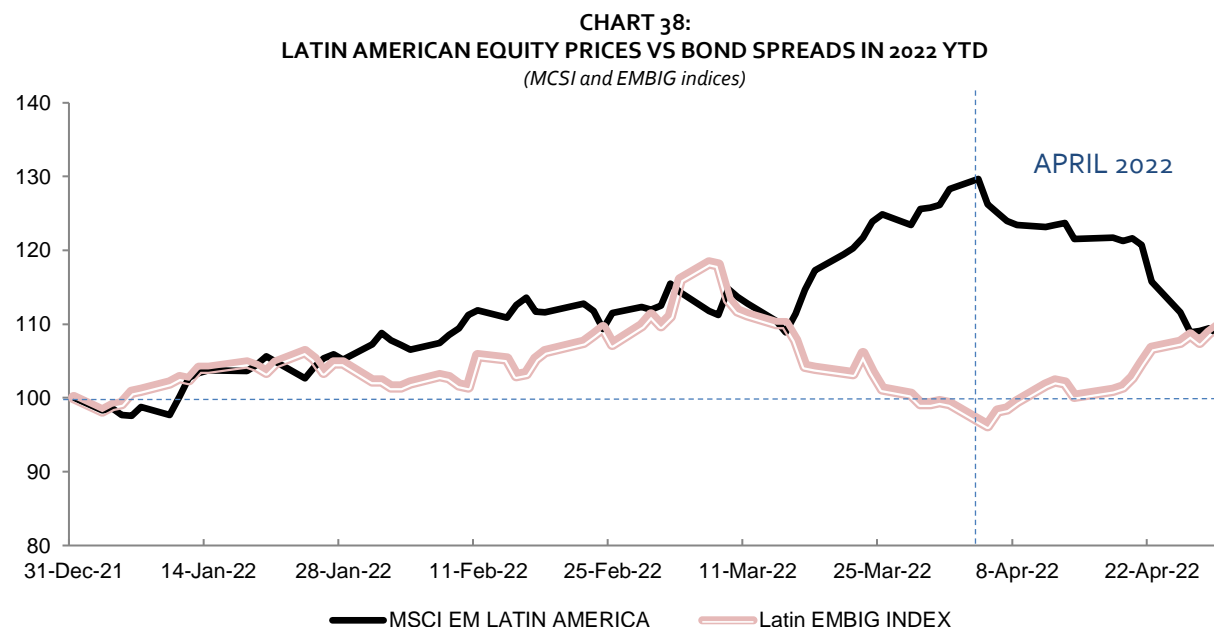
In the first quarter of 2022, the MSCI Latin American Index gained 26% and outperformed the emerging markets and the G7 indices (table 12 below and chart 9 on p.12). The positive momentum began well ahead of the Russia-Ukraine conflict, which accelerated an already strong commodity market. According to investment strategists, the outperformance was catalyzed by rising commodity prices and the combination of cheap valuations relative to fundamentals and a very light portfolio positioning going into year-end 2021. Latin America is a net exporter of commodities and that was reflected in the performance. The gain in equity prices in the first quarter was driven by a sharp increase in Brazilian and Peruvian equities (34.3%), closely followed by Colombia (32.7%).

TABLE 12:
MSCI EQUITY INDICES, 2022 YTD

	Price Index in USD			Variation		
	31-Dec-22	31-Mar-22	Apr 29, 2022	Q1 2021	Apr-22	2021 JAN-APR
<i>Emerging markets</i>	1,232.01	1,141.79	1,076.19	-7.32%	-5.75%	-12.65%
<i>Latin America</i>	2,129.86	2,686.24	2,313.83	26.12%	-13.86%	8.64%
<i>Argentina</i>	2,158.81	2,564.03	2,224.99	18.77%	-13.22%	3.07%
<i>Brazil</i>	1,434.87	1,926.88	1,639.13	34.29%	-14.93%	14.24%
<i>Chile</i>	965.589	1,243.50	1,085.53	28.78%	-12.70%	12.42%
<i>Colombia</i>	451.253	598.628	524.401	32.66%	-12.40%	16.21%
<i>Mexico</i>	5,461.79	5,915.67	5,255.56	8.31%	-11.16%	-3.78%
<i>Peru</i>	1,190.59	1,598.51	1,320.23	34.26%	-17.41%	10.89%

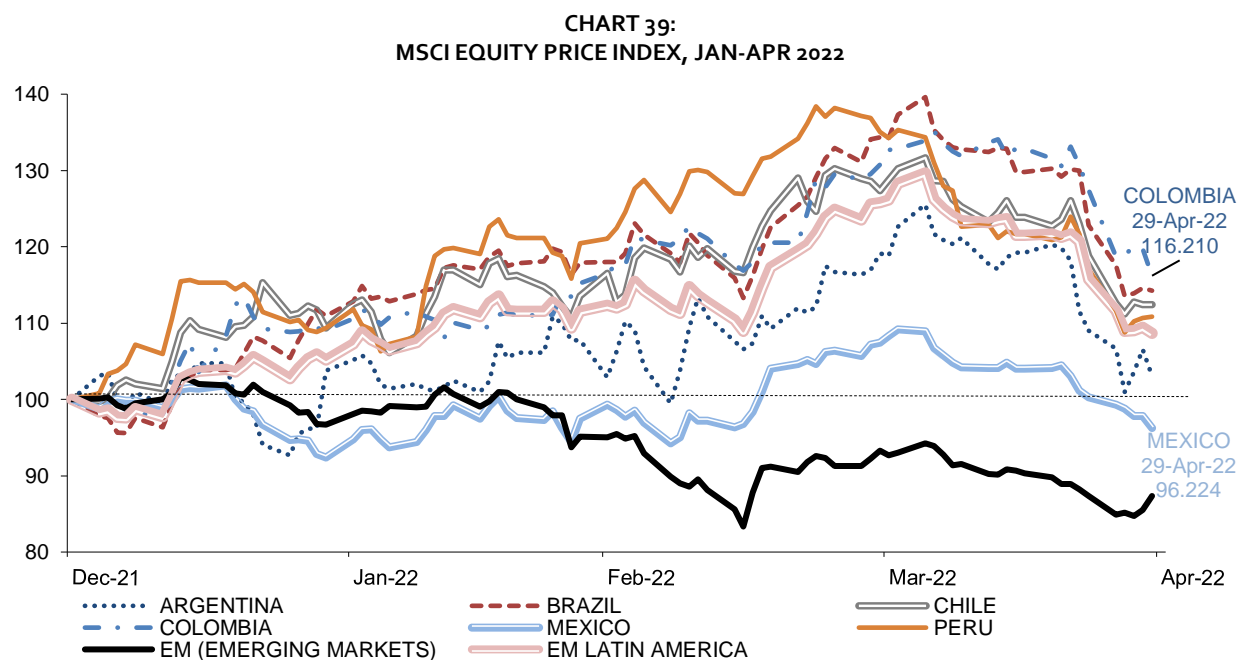
Source: ECLAC Washington Office, based on data from MSCI Equity Indices, <http://www.msci.com/equity/index2.html>

The gains did not endure and in April the region recorded losses. Amid rising financing costs and weaker risk sentiment, the region's equity prices follow a similar pattern to bond spreads, which tightened in the first quarter of 2022 (-2 basis points), only to widen 41 basis points in April. While LAC bond spreads widened, Latin American equity prices declined (chart 38).



Source: ECLAC Washington Office, based on data from MSCI Equity Indices and JPMorgan.

Peruvian equities recorded the steepest loss (17.4%) in April. For the January to April 2022, the MSCI Latin American Index gained only 8.64%. Mexico had the highest cumulative losses (-3.8%) in the period, and Colombia the largest cumulative gains (16.2%) (table 12, chart 39).



Source: ECLAC Washington Office, based on data from MSCI Equity Indices, <http://www.msci.com/equity/index2.html>. Prices at the end of the month.

IV. Prospects

Latin American and Caribbean (LAC) access to international bond markets remained strong in 2021, with regional international bond issuance breaking an all-time annual record. This record-breaking pace has slowed significantly in 2022 so far, with issuance in the first four months of 2022 about 40% lower than in the same period in the previous two years.

Sharp rises in bond yields in developed markets this year – amid shifts by the Federal Reserve and other central banks towards a tightening stance – have put emerging market assets under pressure. Previous Fed tightening cycles have been important triggers for many emerging markets financial crises, including in the region in the 1980s and in Asia in the late 1990s, although fiscal and current account positions are stronger in most major emerging market economies this time around, and short-term debt stocks are low relative to stocks of foreign exchange reserves in most countries.

Over-tightening by the Fed, and the United States and China entering a recession this year, would heighten external funding challenges for LAC sovereign and corporate debt issuers. The war in Ukraine is compounding external risks. If the military conflict were to spread beyond Russia and Ukraine, it is likely that global financial conditions would tighten sharply. In this scenario, the sovereigns that would be most affected would be those rated below Ba/BB by credit rating agencies and that lack developed domestic credit markets. This includes most Central American and Caribbean sovereigns.

On the domestic side, the strong momentum in inflation, and a lack of clarity of when and where inflation will peak in the region, is hindering investment. Rising food prices increase the risks that inflation rates will spiral further, causing potential social instability, while political uncertainty is set to rise with upcoming presidential elections in Colombia and Brazil, risks that are also in investors' minds. Political and social dynamics will be key domestic drivers.

Higher inflation may temper consumption and monetary policy tightening may adversely affect short-term investment dynamics, at a moment when the region already faces many challenges because of the impact of the pandemic. The COVID-19 pandemic has battered LAC economies and worsened the region's long-standing structural problems such as poverty and inequality, low investment and productivity, labour informality and unemployment. Governments have issued more debt under

emergency circumstances. The current debt level and lack of fiscal space, if unaddressed, may pose challenges to the future development of the region.

Green, social, sustainability and sustainability-linked bonds may present a unique opportunity to help Latin America and the Caribbean in this more adverse scenario, contributing to foster a sustainable recovery. Despite a slowdown in LAC external debt issuance this year so far, the share of ESG international bond issuance in the region's total issuance in international markets has increased from 31.0% in 2021 to 35.4% in the first four months of 2022. ESG debt instruments can contribute to further develop the key role that debt markets can play in funding sustainable investment in the region.

Appendix

A. Credit Rating

TABLE 1:
CREDIT RATINGS IN LATIN AMERICA AND THE CARIBBEAN, 2022 YTD (as of 4 May 2022)

	Moody's		S&P		Fitch		Recent Moody's Action		Recent S&P Action		Recent Fitch Action	
	Rating	View	Rating	View	Rating	View	Action	Date	Action	Date	Action	Date
Argentina	Ca		CCC+		CCC		O/L changed to stable from (-)	28-Sep-20	Upgrade, O/L stable	7-Sep-20	Affirmed	12-Apr-22
Bahamas	Ba3	(-)	B+				Downgrade, O/L (-)	17-Sep-21	Downgrade, O/L stable	12-Nov-21		
Barbados	Caa1		B-		NR		Upgrade, O/L stable	2-Jul-19	Upgrade, O/L stable	11-Dec-19		
Belize	Caa3		B-		NR		Downgrade, O/L stable	24-Nov-20	Upgrade, O/L stable	9-Nov-21		
Bolivia	B2	(-)	B+	(-)	B		O/L changed to (-) from stable	30-Sep-21	Affirmed, O/L (-)	15-Feb-22	Downgrade, O/L stable	30-Sep-20
Brazil	Ba2		BB-		BB-	(-)	Affirmed, O/L stable	12-Apr-22	O/L changed to stable from (+)	6-Apr-20	O/L changed to (-)	5-May-20
Chile	A1	(-)	A		A-		O/L changed to (-) from stable	25-Aug-20	Downgrade, O/L stable	24-Mar-21	Affirmed, O/L stable	24-Mar-21
Colombia	Baa2		BB+		BB+		O/L changed to stable from (-)	6-Oct-21	Affirmed, O/L stable	5-May-22	Downgrade, O/L stable	1-Jul-21
Costa Rica	B2		B		B		O/L changed to stable from (-)	8-Dec-21	O/L changed to stable from (-)	17-Mar-22	O/L changed to stable from (-)	11-Mar-22
Cuba	Ca		NR		NR		Downgrade, O/L stable	18-Nov-21				
Dom. Republic	Ba3		BB-		BB-		Affirmed, O/L stable	26-Mar-21	O/L changed to stable from (-)	2-Dec-21	O/L changed to stable from (-)	8-Dec-21
Ecuador	NR		B-		B-		Rating withdrawn	12-Jul-21	Upgrade, O/L stable	1-Sep-20	Upgrade	3-Sep-20
El Salvador	Caa3	(-)	B-	(-)	CCC	(-)	Downgrade, O/L (-)	4-May-22	O/L changed to (-) from stable	21-Oct-21	Downgrade, O/L (-)	9-Feb-22
Guatemala	Ba1	(-)	BB-	(+)	BB-	(+)	O/L changed to (-) from stable	10-Nov-20	O/L changed to (+) from stable	19-Apr-22	O/L changed to (+) from stable	4/126/2022
Honduras	B1		BB-		NR		Affirmed, O/L stable	12-Jun-19	Affirmed, O/L stable	25-Jul-19		
Jamaica	B2		B+		B+		Upgrade, O/L stable	11-Dec-19	O/L changed to stable from (-)	4-Oct-21	Affirmed, O/L stable	9-Mar-22
Mexico	Baa1	(-)	BBB	(-)	BBB-		Affirmed, O/L (-)	29-Apr-21	Downgrade, O/L (-)	26-Mar-20	Downgrade, O/L stable	15-Apr-20
Nicaragua	B3		B-		B-		Affirmed, O/L stable	30-Mar-22	O/L changed to stable from (-)	8-Nov-19	O/L changed to stable from (-)	11-Jun-21
Panama	Baa2		BBB	(-)	BBB-		Downgrade, O/L stable	17-Mar-21	O/L changed to (-)	4-Aug-21	O/L changed to stable from (-)	28-Jan-22
Paraguay	Ba1		BB		BB+		Affirmed, O/L stable	21-Jun-18	Affirmed, O/L stable	12-Jun-19	Affirmed, O/L stable	2-Dec-20
Peru	Baa1		BBB		BBB		Downgrade, O/L stable	1-Sep-21	Downgrade, O/L stable	18-Mar-22	Affirmed, O/L stable	29-Apr-22
St Vincent	B3						Affirmed, O/L stable	1-Mar-22				
Suriname	Caa3	(-)	CCC		RD		Downgrade, O/L (-)	7-Jul-20	Upgrade, O/L stable	16-Sep-20	Affirmed, rate withdrawn	15-Jan-22
T&T	Ba2		BBB-	(-)	NR		Downgrade, O/L stable	19-Nov-21	O/L changed to (-)	27-Jul-21		
Uruguay	Baa2		BBB		BBB-		Affirmed, O/L stable	6-Aug-19	Affirmed, O/L stable	21-Apr-22	O/L changed to stable from (-)	15-Dec-21
Venezuela	C		NR		RD		Downgrade, O/L stable	9-Mar-18	Rating withdrawn	20-Sep-21	Affirmed and withdrawn	27-Jun-19

Source: ECLAC Washington Office based on data from Moody's, Standard & Poor's, and Fitch. Changes for 2022 YTD are in pink.

Note: Moody's ratings are qualified by outlooks and reviews while S&P and Fitch ratings are qualified by outlooks and watches. A review/watch [+ or -] is indicative of a likely short-term development. An outlook [(+) or (-)] suggests that a review/watch or long/intermediate-term movement is likely.

BOX 1: CREDIT RATING ACTIONS IN LATIN AMERICA AND THE CARIBBEAN – 2022 YTD

There have been 5 positive and 3 negative actions in Latin America and the Caribbean from January to 4 May 2022.

Positive Actions: 5 (Bold)*January*

- **Panama (28 January): Fitch revises the outlook on Panama's BBB- rating to stable from negative**, citing the ongoing improvement in the fiscal position and a better-than-expected economic recovery following the initial pandemic shock.

March

- St. Vincent and the Grenadines (1 March): Moody's affirms St. Vincent and the Grenadines' B₃ rating with a stable outlook (*no change*).
- Jamaica (9 March): Fitch affirms Jamaica's B+ rating with a stable outlook (*no change*).
- **Costa Rica (11 March): Fitch revises the outlook on Costa Rica's B rating to stable from negative**, citing the significantly better-than-expected improvements in the fiscal position and economic activity following the 2020 pandemic-related shock.
- **Costa Rica (17 March): S&P revises the outlook on Costa Rica's B rating to stable from negative**, citing the public employment bill passed by the Legislative Assembly and the staff-level agreement with the IMF on both the first and second reviews of its Extended Fund Facility, which should unlock official budgetary financing.
- Nicaragua (30 March): Moody's affirms Nicaragua's B₃ rating with a stable outlook (*no change*).

April

- Argentina (12 April): Fitch affirms Argentina's CCC rating (*no change*).
- Brazil (12 April): Moody's affirms Brazil's Ba₂ rating with a stable outlook (*no change*).
- **Guatemala (19 April): S&P's revises the outlook on Guatemala's BB- rating to positive from stable**, citing macroeconomic stability and good economic prospects.
- Uruguay (21 April): S&P affirms Uruguay's rating at BBB with a stable outlook (*no change*).
- **Guatemala (26 April): Fitch revises the outlook on Guatemala's BB- rating to positive from stable**, citing better than expected fiscal performance, driven by strong economic recovery and structural improvements in tax collection.
- Peru (29 April): Fitch affirms Peru's BBB rating with a stable outlook (*no change*).

May

- Colombia (5 May): S&P affirms Colombia's rating at BB+ with a stable outlook (*no change*).

Negative Actions: 3 (Bold)*January*

- Suriname (15 January): Fitch affirms Suriname's rating at RD (*no change*) and withdraws rating. Fitch is withdrawing Suriname's ratings as the issuer has chosen to stop participating in the rating process.

February

- **El Salvador (9 February): Fitch downgrades El Salvador's sovereign rating to CCC from B- with a negative outlook**, citing heightened financing risks stemming from increased reliance on short-term debt, an US\$ 800 million Eurobond repayment due in January 2023, a still-high fiscal deficit, limited scope for additional local market financing, uncertain access to additional multilateral funding and external market financing given high borrowing costs.
- Bolivia (15 February): S&P affirms Bolivia's B+ ratings; outlook remains negative (*no change*).

March

- **Peru (18 March): S&P downgrades Peru's ratings to BBB from BBB+ with a stable outlook**, saying persistent political deadlock in Peru is undermining efforts to maintain robust investor confidence and constraining growth prospects.

May

- **El Salvador (4 May): Moody's downgrades El Salvador's sovereign rating to Caa₃ from Caa₁ and maintains a negative outlook**, reflecting an increased probability of a credit event – restructuring, distressed exchange, or default – with relatively high severity, as the sovereign faces a challenging debt amortization schedule with bond maturities in 2023 and 2025 in a context of continued funding stress and persistently high financing needs.

Source: ECLAC Washington Office based on information from credit rating agencies and other market sources.

BOX 2: CREDIT RATING ACTIONS IN LATIN AMERICA AND THE CARIBBEAN – 2021

There were 9 positive and 23 negative actions in Latin America and the Caribbean in 2021.

Positive Actions: 9 (Bold)*February*

- **Ecuador (February 26): Moody's revises the outlook on Ecuador's Caa3 rating to stable from negative**, citing the country's restructured external market debt position and its latest financing agreement with the International Monetary Fund (IMF).

March

- Argentina (March 09): Fitch affirms Argentina's rating at CCC (*no change*).
- Jamaica (March 18): Fitch affirms Jamaica's rating at B+ with a stable outlook (*no change*).
- Chile (March 24): Fitch affirms Chile's rating at A- with a stable outlook (*no change*).
- Dominican Republic (March 26): Moody's affirms the Dominican Republic's Ba3 rating with a stable outlook (*no change*).

April

- Uruguay (April 20): S&P affirms Uruguay's BBB rating with a stable outlook (*no change*).

May

- Mexico (May 17): Fitch affirms Mexico's rating at BBB- with a stable outlook (*no change*).
- Paraguay (May 19): S&P affirms Panama's rating at BB with a stable outlook (*no change*).

June

- Brazil (June 2): S&P affirms Brazil's BB- rating amid gradual fiscal consolidation with a stable outlook (*no change*).
- **Nicaragua (June 11): Fitch revises the outlook on Nicaragua's B- rating to stable from negative**, citing greater than expected fiscal resilience, early signs of economic recovery from a lengthy period of economic contraction, and pandemic-related multilateral disbursements that have eased near-term financing constraints.

July

- Ecuador (July 12): Moody's withdraws Ecuador's Caa3 rating for business reasons.
- Barbados (July 14): Moody's affirms Barbados' Caa1 rating with a stable outlook (*no change*).
- Honduras (July 21): Moody's affirms Honduras' B1 rating with a stable outlook (*no change*).

August

- Uruguay (August 10): Moody's affirms Uruguay's Baa2 rating with a stable outlook (*no change*).
- Ecuador (August 26): S&P affirms Ecuador's B- rating with a stable outlook (*no change*).
- Ecuador (August 31): Fitch affirms Ecuador's B- rating with a stable outlook (*no change*).

September

- Bolivia (September 24): Fitch affirms Bolivia's B rating with a stable outlook (*no change*).

October

- **Jamaica (October 4): S&P revises outlook on Jamaica's B+ rating to stable from negative** citing commitment to fiscal consolidation and receding risks to its economy and government finances.
- **Colombia (October 6): Moody's revises outlook on Colombia's Baa2 rating to stable from negative**, reflecting expectation that the fiscal measures approved by the government and the post-pandemic economic recovery will support debt stabilization.
- Argentina (October 14): Fitch affirms Argentina's CCC rating (*no change*).
- Chile (October 21): Fitch affirms Chile's A- rating with a stable outlook (*no change*).

November

- **Belize (November 9): S&P upgrades Belize to B- from SD with a stable outlook** on completed debt exchange.
- Mexico (November 17): Moody's affirms Mexico's BBB- rating with a stable outlook (*no change*).
- Jamaica (November 23): Moody's affirms Jamaica's B2 rating with a stable outlook (*no change*).
- Brazil (November 30): S&P affirms Brazil's BB- rating on moderate growth prospects with a stable outlook (*no change*).
- Paraguay (November 30): Fitch affirms Paraguay's BB+ rating with a stable outlook (*no change*).

Box 2– (cont.)*December*

- **Dominican Republic (December 2): S&P revises the outlook on Dominican Republic's BB- rating to stable from negative**, citing an impressive economic recovery and strengthened external buffers.
- **Costa Rica (December 8): Moody's revises the outlook on Costa Rica's B2 rating to stable from negative**, citing gradual deficit reduction and lower funding needs resulting from a recovering economy and expectations that the current International Monetary Fund (IMF) program will support structural policy changes by the next administration.
- **Dominica Republic (December 8): Fitch revises the outlook on Dominican Republic's BB- rating to stable from negative**, citing the narrowing of Dominican Republic's government deficit and financing needs since our last review resulting in the stabilization of the government debt/GDP ratio.
- Colombia (December 9): Fitch affirms Colombia's BB+ rating with a stable outlook (*no change*).
- **Uruguay (December 15): Fitch revises the outlook on Uruguay's BBB- rating to stable from negative**, citing fiscal resilience through the pandemic and ongoing improvement in the structural fiscal position.

Negative Actions: 23 (Bold)*February*

- **Panama (February 3): Fitch downgrades Panama's rating to BBB- from BBB with a negative outlook**, citing severe weakening of public finances due to the economic disruption caused by the coronavirus pandemic, which has exacerbated underlying weakening fiscal trends predating 2020.
- **El Salvador (February 5): Moody's revises the outlook on El Salvador's B3 rating to negative**, concluding the review for downgrade. The negative outlook captures the credit risks associated with implementation risks of the authorities' fiscal adjustment efforts.
- **Belize (February 25): S&P downgrades Belize to CC from CCC+ with a negative outlook**, on expected debt restructuring or missed coupon payment, saying it is increasingly unlikely that Belize will make the payment on its 2034 bonds on May 20.

March

- Dominican Republic (March 5): Fitch affirms Dominican Republic's BB- rating and maintains a negative outlook (*no change*).
- Costa Rica (March 16): Fitch Ratings affirms Costa Rica's rating at B with a negative outlook (*no change*).
- **Panama (March 17): Moody's downgrades Panama's ratings to Baa2 from Baa1 with a stable outlook**, citing the economic impact of the coronavirus pandemic, reflected on the deterioration of Panama's fiscal strength.
- **Bolivia (March 22): S&P revises the outlook on Bolivia's B+ rating to negative from stable**, on increasing debt and external vulnerabilities.
- **Chile (March 24): S&P downgrades Chile's rating to A from A+ with a stable outlook**, citing weaker fiscal flexibility.
- Costa Rica (March 25): S&P affirms Costa Rica's rating at B with a negative outlook (*no change*).

April

- **Suriname (April 01): Fitch downgrades Suriname's rating to RD from C**, saying the downgrade reflects the non-payment (of US\$ 49.8 million) of rescheduled external debt service on Suriname's 2023 and 2026 notes due March 31. This marks an event of default under Fitch's criteria.
- El Salvador (April 27): Fitch affirms El Salvador's rating at B- with a negative outlook (*no change*).
- Mexico (April 29): Moody's affirms Mexico's Baa1 rating with a negative outlook (*no change*).

May

- **Colombia (May 19): S&P downgrades Colombia's sovereign rating to BB+ from BBB with a stable outlook**, citing the withdrawal of a fiscal reform following political opposition and protests, which has resulted "in a significantly lower likelihood of Colombia improving its fiscal position."
- **Peru (May 21): Moody's revises the outlook on Peru's A3 rating to negative from stable**, saying that "an increasingly polarized and fractured political environment has been undermining the effectiveness of the country's policymaking."
- **Belize (May 24): S&P downgrades Belize's rating to SD from CC**, as the country is on course to its second default in less than a year after failing to make a US\$ 6.5 million interest payment on its US\$ 527 million bond due in 2034, marking Belize's fifth restructuring or default event in the past 14 years.

Box 2– (conclusion)

June

- Suriname (June 3): S&P affirms Suriname's SD rating (*no change*).
- Mexico (June 15): S&P affirms Mexico's long-term foreign-currency rating at BBB with a negative outlook (*no change*).

July

- **Colombia (July 1): Fitch downgrades Colombia's rating to BB+ from BBB- with a stable outlook**, citing the deterioration of the public finances with large fiscal deficits in 2020-2022, a rising government debt level, and reduced confidence around the capacity of the government to credibly place debt on a downward path in the coming years
- **Trinidad and Tobago (July 27): S&P revises the outlook on T&T's BBB- rating to negative from stable**, citing risk that poor economic performance and only modest GDP growth prospects will prevent Trinidad and Tobago from recovering the economic resilience lost in recent years, as measured by GDP per capita.
- **El Salvador (July 30): Moody's downgrades El Salvador's rating to Caa1 from B3 with a negative outlook**, citing constrained market access, deteriorating policymaking and vulnerable fiscal position.

August

- **Panama (August 4): S&P revises the outlook on Panama's BBB rating to negative from stable**, citing risk of weaker fiscal and economic performance.

September

- **Peru (September 1): Moody's downgrades Peru's rating to Baa1 from A3 with a stable outlook**, citing higher political risk due to a polarized and fractured political environment.
- **Bahamas (September 17): Moody's downgrades the Bahamas' rating to Ba3 from Ba2 with a negative outlook**, citing significant erosion of economic and fiscal strength brought on by the coronavirus pandemic. Moody's expects the gradual recovery in tourism to leave a long-lasting impact on the country's credit profile through materially higher debt and interest burdens, which will significantly exceed those of Ba3-rated peers.
- Venezuela (September 20): S&P announces it withdrew its SD/D foreign currency sovereign credit ratings on Venezuela due to lack of sufficient information.
- **Bolivia (September 30): Moody's revises the outlook on Bolivia's B2 rating to negative from stable**, citing the risks to the sovereign's credit profile posed by large, recurring fiscal deficits, a declining foreign exchange reserve buffer and large government financing needs over the next two years.

October

- **Peru (October 14): S&P revises the outlook on Peru's BBB+ rating to negative from stable** on increasing risks to debt dynamics.
- **Peru (October 15): Fitch downgrades Peru's rating to BBB from BBB+ with a stable outlook**, citing the steady erosion over time of Peru's sovereign balance sheet and other key rating metrics, as a result of a series of shocks.
- **El Salvador (October 21): S&P revises the outlook on El Salvador's B- rating to negative from stable** on increasing financing needs.

November

- **Bahamas (November 12): S&P downgrades the Bahamas' rating to B+ from BB- with a stable outlook**, citing continued deficits and high debt.
- **Cuba (November 18): Moody's downgrades Cuba's rating to Ca from Caa2 with a stable outlook**, citing (i) reduced hard-currency inflows because of the pandemic and economic sanctions that further limit the government's external debt-service capacity; and (ii) the currency unification process that will remove a key distortion in the economy, but points to a weaker assessment of Cuba's overall credit profile.
- **Trinidad and Tobago (November 19): Moody's downgrades Trinidad and Tobago's rating to Ba2 from Ba1 with a stable outlook**, citing the sovereign's diminished shock-absorption capacity in the aftermath of the pandemic.

December

- Mexico (December 7): S&P affirms Mexico's BBB rating with a negative outlook.
- Brazil (December 14): Fitch affirms Brazil's BB- rating with a negative outlook (*no change*)

Source: ECLAC Washington Office based on information from credit rating agencies and other market sources.

B. Latin American Spreads

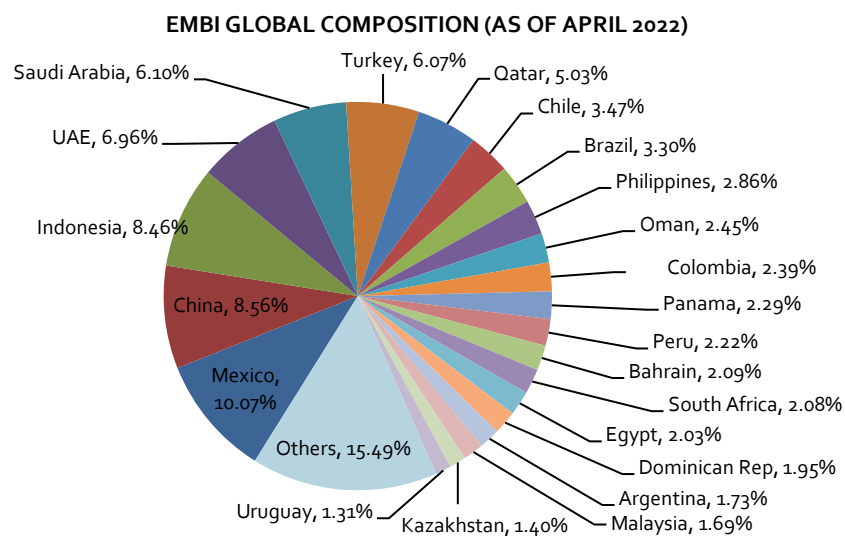
TABLE 2:
SOVEREIGN SPREADS ON JPMORGAN EMBI GLOBAL AND LATIN AMERICAN COMPOSITES, APR 2018-APR 2022
(Basis Points)

	EMBI Global	Argentina	Brazil	Chile	Colombia	Ecuador	Mexico	Peru	Uruguay	Venezuela	Latin America	Bolivia	Paraguay
30-Apr-18	335	431	242	130	182	667	263	152	185	4344	443	208	225
31-May-18	367	521	299	145	205	671	288	168	197	4565	479	250	241
29-Jun-18	388	608	326	144	197	761	281	166	200	5011	497	295	245
31-Jul-18	354	556	263	133	177	603	274	143	169	5086	465	244	198
31-Aug-18	400	771	337	141	184	725	282	147	174	5807	514	248	209
28-Sep-18	362	623	289	124	168	622	256	133	156	5499	474	202	214
31-Oct-18	392	652	256	140	186	722	307	152	185	5803	512	275	231
30-Nov-18	420	706	265	157	210	740	347	162	202	6255	544	342	254
31-Dec-18	435	817	273	166	228	826	357	168	207	6845	568	378	260
31-Jan-19	378	676	235	145	191	690	330	145	179	4770	498	309	225
28-Feb-19	361	697	230	129	186	589	316	131	167	5303	484	277	213
29-Mar-19	373	774	248	133	184	592	308	130	170	5224	488	280	222
30-Apr-19	365	950	245	127	176	560	292	126	171	5546	495	268	211
31-May-19	393	985	267	145	212	619	329	148	194	5578	527	282	245
28-Jun-19	366	835	232	135	181	580	329	124	172	8867	517	253	212
31-Jul-19	333	781	206	125	175	603	323	117	159	11945	467	232	202
30-Aug-19	361	2532	241	133	179	705	334	122	169	11179	513	291	233
30-Sep-19	338	2143	239	139	183	677	317	131	177	18473	465	291	237
31-Oct-19	323	2278	233	141	182	789	320	131	173	16671	424	321	229
29-Nov-19	309	2262	236	149	188	1146	320	126	169	13554	394	312	233
31-Dec-19	277	1744	212	135	161	826	292	107	148	14740	346	218	203
31-Jan-20	299	2068	224	149	176	1018	308	122	159	16553	372	296	231
28-Feb-20	354	2283	251	180	212	1466	372	156	196	12246	428	341	253
31-Mar-20	577	3803	389	301	376	4553	653	265	298	19270	703	645	429
30-Apr-20	557	3472	420	284	392	5129	656	257	301	22140	702	698	401
29-May-20	463	2627	388	226	288	3907	536	191	243	27907	581	614	339
30-Jun-20	433	2495	373	211	293	3373	526	182	215	30757	552	630	312
31-Jul-20	401	2263	328	185	253	2755	493	150	183	33118	500	575	275
31-Aug-20	385	2147	314	175	250	2813	459	151	170	31216	480	577	246
30-Sep-20	398	1300	334	183	262	1015	501	170	186	29608	476	622	267
30-Oct-20	388	1482	309	174	244	1029	477	149	165	21698	467	601	247
30-Nov-20	350	1410	268	157	228	1065	426	161	157	22610	433	523	233
31-Dec-20	323	1368	250	144	206	1062	361	132	135	24099	386	461	213
29-Jan-21	324	1445	270	138	219	1273	378	128	135	24830	396	481	205
26-Feb-21	329	1511	275	142	232	1226	368	164	150	24846	404	479	226
31-Mar-21	324	1589	272	122	216	1201	351	152	125	26168	390	501	212
30-Apr-21	313	1551	260	126	226	764	342	165	130	25722	372	454	224
28-May-21	307	1508	245	135	248	730	335	169	127	26138	369	463	218
30-Jun-21	312	1596	256	135	247	776	348	163	129	31091	380	481	216
30-Jul-21	325	1591	280	145	276	790	362	197	148	28364	395	498	236
31-Aug-21	313	1513	282	136	272	751	352	175	132	29568	381	471	223
30-Sep-21	324	1607	304	150	301	835	360	180	140	31941	399	472	230
29-Oct-21	327	1712	338	161	302	847	353	181	138	32198	401	472	245
30-Nov-21	353	1914	344	166	359	891	389	194	150	31857	434	487	267
31-Dec-21	330	1688	306	153	353	869	347	170	127	55310	399	412	229
31-Jan-22	344	1723	316	167	374	768	356	186	140	51959	408	474	242
28-Feb-22	411	1816	321	195	385	755	382	213	161	64523	438	466	300
31-Mar-22	347	1718	280	158	338	810	349	171	127	37945	397	509	239
29-Apr-22	379	1801	291	182	375	816	391	218	151	32691	438	487	278

Source: ECLAC, Washington Office, based on data from JPMorgan.

EMBI Global composition by country (end-April 2022): Mexico, Brazil and Chile account for 16.84% of the total weighting.

EMBI Global composition by region: Latin: 32.39%; Non-Latin: 67.61%.



Others	%
Nigeria	1.15%
Ecuador	0.92%
Hungary	0.89%
Romania	0.79%
Angola	0.76%
Ghana	0.75%
Pakistan	0.65%
Ukraine	0.55%
Kenya	0.54%
Azerbaijan	0.53%
Costa Rica	0.50%
Poland	0.49%
Paraguay	0.47%
Jamaica	0.46%
Guatemala	0.44%
Sri Lanka	0.42%
India	0.42%
Kuwait	0.39%
Morocco	0.39%
Jordan	0.38%
Croatia	0.29%
El Salvador	0.29%
Trinidad & Tobago	0.28%
Mongolia	0.26%
Iraq	0.26%
Uzbekistan	0.22%
Ivory Coast	0.21%
Gabon	0.20%
Zambia	0.19%
Senegal	0.16%
Lebanon	0.15%
Bolivia	0.15%
Armenia	0.13%
Honduras	0.09%
Vietnam	0.09%
Serbia	0.08%
Georgia	0.07%
Mozambique	0.07%
Namibia	0.06%
Ethiopia	0.06%
Tunisia	0.06%
Rwanda	0.05%
Barbados	0.04%
Maldives	0.04%
Papua New Guinea	0.04%
Suriname	0.03%
Tajikistan	0.03%
Total	15.49%

C. New LAC Debt Issuance

TABLE 3:
LATIN AMERICAN AND CARIBBEAN INTERNATIONAL BOND ISSUANCES
FIRST QUARTER OF 2021

Country	Issuer	Amount (million)	Amount US\$ (mm)	Coupon (%)	Maturity
Jan-21					
Mexico	United Mexican States	USD 3000	3,000	3.750%	2071
Brazil	Banco BTG Pactual SA	USD 500	500	2.750%	2026 (g)
Brazil	Klabn Austria GmbH	USD 500	500	3.200%	2031 (SLB)
Argentina	Mercado Libre Inc	USD 400	400	2.375%	2026 (sust)
Argentina	Mercado Libre Inc	USD 700	700	3.125%	2031 (sust)
Mexico	Cemex SAB	USD 1750	1,750	3.875%	2031
Brazil	FS Bioenergia	USD 50	50	10.000%	2025 (r)(g)
Mexico	Crédito Real SAB de CV	USD 500	500	8.000%	2028 NC4
Brazil	Itaú Unibanco Holding SA	USD 500	500	3.875%	2031 (sust)
Mexico	Nueva Elektra del Milenio (NEM) – Mexico Remittances Funding Fiduciary Real Estate Management SARL	USD 500	500	4.875%	2028
Colombia	Republic of Colombia	USD 1300	1,300	3.875%	2061
Colombia	Republic of Colombia	USD 1540	1,540	3.125%	2031 (r)
Supranational	Bladex - Banco Latinoamericano de Comercio Exterior	GBP 3700	5	1.500%	2027
Supranational	Bladex - Banco Latinoamericano de Comercio Exterior	JPY 1020000	19	0.950%	2026
Dominican Republic	Dominican Republic	USD 1000	1,000	4.500%	2030 (r)
Dominican Republic	Dominican Republic	USD 1500	1,500	5.300%	2041
Chile	Kenbourne Invest SA	USD 450	450	4.700%	2028
Mexico	United Mexican States	EUR 1000	1,209	1.450%	2033
Mexico	United Mexican States	EUR 800	968	2.125%	2051
Brazil	MARB BondCo PLC (Parent company: Marfrig Global Food)	USD 1500	1,500	3.950%	2031
Brazil	Simpar SA (parent company of Brazilian logistics firm JSL)	USD 625	625	5.300%	2031 NC5 (SLB)
Brazil	Unigel Participações	USD 110	110	8.750%	2026 (r)
Chile	Republic of Chile	USD 750	750	2.550%	2032 (r)(g)
Chile	Republic of Chile	USD 1500	1,500	3.100%	2061 (soc)
Supranational	Bladex - Banco Latinoamericano de Comercio Exterior	EUR 25	30	0.230%	2023
Chile	Republic of Chile	EUR 400	485	0.830%	2031 (r)(g)
Chile	Republic of Chile	EUR 1250	1,514	1.250%	2051 (soc)
Panama	Republic of Panama	USD 1250	1,250	2.252%	2032 (r)
Panama	Republic of Panama	USD 1200	1,200	3.870%	2060 (r)
Paraguay	Republic of Paraguay	USD 600	600	2.739%	2033
Paraguay	Republic of Paraguay	USD 226	226	5.400%	2050 (r)
Brazil	Amaggi Luxembourg International Sarl (Amaggi Exportação e Importação)	USD 750	750	5.250%	2028 (sust)
Brazil	Banrisul - Banco do Estado do Rio Grande do Sul SA	USD 300	300	5.375%	2031 NC5
Guatemala	Banco Industrial SA	USD 300	300	4.875%	2031
Supranational	CAF Development Bank of Latin America	USD 30	30	0.800%	2024
Mexico	Unifin Financiera SAB de CV SOFOM ENR	USD 400	400	9.875%	2029 NC4
Brazil	Movida Participações SA	USD 500	500	5.250%	2031 (sust)
Chile	Chile Electricity PEC SpA	USD 489	489	0.000%	2028
Supranational	CAF Development Bank of Latin America	EUR 1250	1,514	0.250%	2026
			30,464		
Feb-21					
Mexico	Comisión Federal de Electricidad - CFE	USD 1200	1,200	3.348%	2031
Mexico	Comisión Federal de Electricidad - CFE	USD 800	800	4.677%	2051
Supranational	CAF Development Bank of Latin America	USD 100	100	0.850%	2024
Brazil	Atento Luxco 1 SA	USD 500	500	8.000%	2026 NC3
Brazil	Hidroviás do Brasil SA	USD 500	500	4.950%	2031 NC5
Supranational	Fondo Financiero para el Desarrollo de la Cuenca del Plata - FONPLATA	CHF 200	223	0.556%	2026
Supranational	Central American Bank for Economic Integration (CABEI)	USD 500	500	1.140%	2026 (soc)

Brazil	Tupy Overseas SA	USD 375	375	4.500%	2031 NC5
Peru	Petróleos del Perú - Petroperu SA	USD 1000	1,000	5.625%	2047 (r)
Peru	Volcan Compañía Minera	USD 475	475	4.375%	2026 NC2
Brazil	Guara Norte SARL	USD 850	850	5.198%	2034
Brazil	Simpar SA (parent company of Brazilian logistics firm JSL)	BRL 450	84	10.750%	2028 (SLB)
Supranational	CAF Development Bank of Latin America	JPY 13300	127	0.350%	2026
Supranational	CAF Development Bank of Latin America	JPY 1400	13	0.450%	2028
Supranational	CAF Development Bank of Latin America	JPY 16600	158	0.350%	2026
Supranational	CAF Development Bank of Latin America	MXP 3535	177	6.820%	2031
Mexico	Alpek SAB de CV	USD 600	600	3.250%	2031
Chile	Banco Santander Chile	USD 100	100	0.715%	2024
Mexico	América Móvil	EUR 2200	2,670	0.000%	2024
			10,452		
Mar-21					
Brazil	Minerva Luxembourg SA	USD 1000	1,000	4.375%	2031 NC5
Peru	Republic of Peru	USD 1750	1,750	2.783%	2031 (r)
Peru	Republic of Peru	USD 1250	1,250	3.300%	2041
Peru	Republic of Peru	USD 1000	1,000	3.550%	2051
Peru	Republic of Peru	EUR 825	996	1.250%	2033
Supranational	CAF Development Bank of Latin America	USD 50	50	1.580%	2026
Supranational	Bladex - Banco Latinoamericano de Comercio Exterior	MXP 105	5	6.500%	2026
Chile	VTR Comunicaciones SpA - Liberty Latin America	USD 410	410	4.375%	2029 NC3
Chile	Banco de Crédito e Inversiones - BCI	USD 54	54	2.365%	2029 (g)
Peru	InRetail Consumer	USD 600	600	3.250%	2028
Supranational	CAF Development Bank of Latin America	JPY 5000	46	0.250%	2024
Peru	Banco de Crédito del Perú	USD 500	500	3.250%	2031 NC5.5
Brazil	Pilgrim's Pride Corp	USD 1000	1,000	4.250%	2031 (SLB)
Mexico	Operadora de Servicios Mega SA de CV SOFOM ER	USD 150	150	8.250%	2025 (r)
Mexico	Fibra Uno	USD 300	300	5.250%	2026 (r)
Chile	Empresas CMPC SA	USD 500	500	3.000%	2031 (SLB)
Chile	Republic of Chile	USD 1500	1,500	3.500%	2053 (sust)
			11,111		

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Notes:

(r): retap

(g): green

(soc): social

(sust): sustainability

(SLB): sustainability-linked

NC2: only callable after 2 years

NC3: only callable after 3 years

NC4: only callable after 4 years

NC5: only callable after 5 years

Q1 2021 Total 52,027

TABLE 4:
LATIN AMERICAN AND CARIBBEAN INTERNATIONAL BOND ISSUANCES
SECOND QUARTER OF 2021

Country	Issuer	Amount (million)	Amount US\$ (mm)	Coupon (%)	Maturity
Apr-21					
Mexico	United Mexican States	USD 2500	2,500	4.280%	2041
Brazil	Vale SA	BRL 8490	1,494	3-mth Other flat	Perp
Colombia	Banco GNB Sudameris	USD 400	400	7.500%	2031 NC5
Guatemala	CMI Energía - Investment Energy Resources Ltd	USD 700	700	6.250%	2029 NC4 (g)
Colombia	Banco Davivienda SA	USD 500	500	6.650%	Perp
Colombia	Republic of Colombia	USD 2000	2,000	3.250%	2032
Colombia	Republic of Colombia	USD 1000	1,000	4.125%	2042
Supranational	ATP (Andean Telecom Partners) Tower	USD 375	375	4.050%	2026 NC2
Chile	GeoPark	USD 150	150	5.500%	2027 (r)
Mexico	FEMSA	EUR 700	842	0.500%	2028 (SLB)
Mexico	FEMSA	EUR 500	601	1.000%	2033 (SLB)
Mexico	Metalsa SA de CV	USD 300	300	3.750%	2031 (SLB)
Chile	CAP Acero	USD 300	300	3.900%	2031
Brazil	Natura Cosméticos SA	USD 1000	1,000	4.125%	2028 (SLB)
Brazil	lochpe-Maxion	USD 400	400	5.000%	2028 NC3 (SLB)
Argentina	Pan American Energy (PAE)	USD 300	300	9.125%	2027
Dom. Republic	AES Dominicana	USD 300	300	5.700%	2028
Mexico	FIBRA Prologis	USD 100	100	3.190%	2029 (g)
Mexico	FIBRA Prologis	USD 80	80	3.490%	2031 (g)
Mexico	FIBRA Prologis	USD 80	80	3.640%	2033 (g)
Mexico	FIBRA Prologis	USD 25	25	3.790%	2036 (g)
Mexico	FIBRA Prologis	USD 15	15	4.000%	2039 (g)
			13,462		
May-21					
Panama	Banco General SA	USD 400	400	5.250%	Perp
Chile	Republic of Chile	USD 300	300	2.450%	2031 (r)
Chile	Republic of Chile	USD 1700	1,700	3.100%	2041 (soc)
Brazil	GOL Linhas Aéreas Inteligentes SA (GOL Finance)	USD 300	300	8.000%	2026 (r)
Barbados	Sagicor Financial Co Ltd	USD 400	400	5.300%	2028 NC3
Mexico	Orbia Advance Corp SAB de CV	USD 600	600	1.875%	2026 (SLB)
Mexico	Orbia Advance Corp SAB de CV	USD 500	500	2.875%	2031 (SLB)
Mexico	Corporación Inmobiliaria Vesta SAB De CV	USD 350	350	3.625%	2031 (SLB)
Supranational	CAF Development Bank of Latin America	NOK 600	72	2.504%	2031
Colombia	Al Candelaria	USD 600	600	5.750%	2033
Mexico	Grupo Bimbo (Bimbo Bakeries USA Inc)	USD 600	600	4.000%	2051
Uruguay	Oriental Republic of Uruguay	UYU 33020	750	8.250%	2031
Uruguay	Oriental Republic of Uruguay	USD 500	500	4.375%	2031 (r)
Brazil	JBS USA Lux SA	USD 500	500	3.750%	2031
Honduras	Inversiones Atlántida (Invatlan) - Grupo Financiero Atlántida	USD 300	300	7.500%	2026
			7,872		
Jun-21					
Mexico	Grupo Axo SAPI de CV	USD 325	325	5.750%	2026 (NC2)
Chile	Banco Santander Chile	USD 27	27	2.050%	2028
Brazil	PetroRio	USD 600	600	6.125%	2026 NC3
Brazil	Petrobras Global Finance BV	USD 1500	1,500	5.500%	2051
Brazil	CSN Resources SA	USD 850	850	4.625%	2031 NC5
Mexico	Cemex	USD 1000	1,000	5.125%	Perp NC5.25
Dom. Republic	Dominican Republic	DOP 81442	1,432	8.625%	2031
Dom. Republic	Dominican Republic	DOP 35315	621	8.000%	2028
Brazil	JBS Finance Luxembourg Sarl	USD 1000	1,000	3.625%	2032 (SLB)

Chile	Banco Santander Chile	CHF 150	167	0.330%	2027
Chile	Inversiones Latin America Power Ltda	USD 404	404	5.125%	2033 (g)
Supranational	CAF Development Bank of Latin America	USD 400	400	0.630%	2024
Brazil	Azul Investments LLP	USD 600	600	7.250%	2026 NC3
Colombia	Frontera Energy Corp	USD 400	400	7.875%	2028 NC3
Colombia	P.A. Autopista Rio Magdalena SAS	COP 915500	255	6.050%	2036
Brazil	Itaú Unibanco Holding SA	MXP 1000	51	6.606%	2024
Brazil	Stone Pagamentos SA	USD 500	500	3.950%	2028
Colombia	SierraCol Energy	USD 600	600	6.000%	2028
Brazil	Light Energia SA	USD 600	600	4.375%	2026
Chile	Banco de Crédito e Inversiones - BCI	USD 10	10	2.600%	2031
Supranational	CAF Development Bank of Latin America	JPY 5500	50	0.315%	2027
Supranational	CAF Development Bank of Latin America	JPY 20000	182	0.445%	2028
Supranational	Bladex - Banco Latinoamericano de Comercio Exterior	JPY 3000	27	0.400%	2024
Mexico	Nemak SAB de CV	USD 500	500	3.625%	2031 (SLB)
Panama	Republic of Panama	USD 750	750	4.500%	2050 (r)
Panama	Republic of Panama	USD 1250	1,250	3.362%	2031
Brazil	XP Inc	USD 750	750	3.250%	2026
Chile	Banco de Crédito e Inversiones - BCI	CHF 100	109	0.385%	2026
Brazil	Suzano Austria GmbH	USD 1000	1,000	3.125%	2032 (SLB)
Brazil	República Federativa do Brasil	USD 750	750	4.750%	2050 (r)
Brazil	República Federativa do Brasil	USD 1500	1,500	3.750%	2031
Chile	Scotiabank Chile	CHF 175	190	0.385%	2026
			18,399		

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Notes:

(r): retap.

(g): green.

(soc): social.

(sust): sustainability

(SLB): sustainability-linked

NC2: only callable after 2 years

NC3: only callable after 3 years

NC4: only callable after 4 years

NC5: only callable after 5 years

Q2 2021

39,733

H1 2021

91,761

TABLE 5:
LATIN AMERICAN AND CARIBBEAN INTERNATIONAL BOND ISSUANCES
THIRD QUARTER OF 2021

Country	Issuer	Amount (million)	Amount US\$ (mm)	Coupon (%)	Maturity
Jul-21					
Brazil	Banco BTG Pactual SA	USD 250	250	4.500%	2025 (r)
Mexico	United Mexican States	EUR 1250	1,483	2.250%	2036 (sust)
Brazil	Minerva Luxembourg SA	USD 400	400	4.375%	2031 NC5 (r)
Paraguay	Frigorifico Concepcion SA	USD 300	300	7.700%	2028
Mexico	Nemak SAB de CV	EUR 500	592	2.250%	2028 (SLB)
Chile	Banco Santander Chile	USD 16	16	1.640%	2026
Brazil	MC Brazil Downstream Trading SARL	USD 1800	1,800	7.250%	2031
Chile	Banco Santander Chile	JPY 10000	91	0.420%	2025
Mexico	Fideicomiso CIB/3332 - Fibra Soma	USD 600	600	4.375%	2031
Chile	ISA Interchile SA	USD 1200	1,200	4.500%	2056 (g)
Mexico	Comisión Federal de Electricidad - CFE	USD 850	850	3.875%	2033
Peru	Compañía de Minas Buenaventura SAA	USD 550	550	5.500%	2026
Chile	Republic of Chile	EUR 1000	1,178	0.100%	2027 (soc)
Chile	Republic of Chile	EUR 750	884	1.300%	2036 (soc)
Chile	Republic of Chile	USD 2250	2,250	2.550%	2033 (soc)
Chile	Republic of Chile	USD 1000	1,000	3.100%	2041 (soc)
Chile	Republic of Chile	USD 500	500	3.100%	2061 (soc)
Peru	San Miguel Industrias Pet SA	USD 380	380	3.500%	2028 NC3 (SLB)
Brazil	Oi Move! SA	USD 880	880	8.750%	2026
Mexico	Banco Nacional de Comercio Exterior SNC - Bancomext	USD 500	500	2.720%	2031 (sust)
Chile	Banco del Estado de Chile	JPY 10000	91	0.500%	2031
			15,795		
Aug-21					
Panama	Aeropuerto Internacional de Tocumen SA	USD 555	555	4.000%	2041
Panama	Aeropuerto Internacional de Tocumen SA	USD 1300	1300	5.125%	2061
Colombia	Gran Colombia Gold SA	USD 300	300	6.875%	2026
Chile	Banco de Crédito e Inversiones - BCI	USD 10	10	2.525%	2031
Chile	Banco de Chile	AUD 55	40	3-mth BBSW +138	2031
Chile	Banco de Chile	JPY 5000	46	0.700%	2031
Supranational	CAF Development Bank of Latin America	AUD 65	47	2.160%	2031 (soc)
Supranational	CAF Development Bank of Latin America	USD 50	50	1.920%	2031 (soc)
			2,349		
Sep-21					
Chile	Banco de Crédito e Inversiones - BCI	USD 133	133	1.850%	2026
Argentina	Genneia S.A.	USD 366	366	8.750%	2027 (g)
Chile	Empresa de los Ferrocarriles del Estado - EFE	USD 500	500	3.830%	2061
Brazil	Suzano Austria GmbH	USD 500	500	2.500%	2028 (SLB)
Chile	Empresa de Transporte de Pasajeros Metro SA	USD 650	650	3.693%	2061
Brazil	Movida Participações SA	USD 300	300	5.250%	2031 (r)(SLB)
Chile	Empresa Nacional del Petróleo (ENAP)	USD 560	560	3.450%	2031
Chile	Empresa Nacional de Telecomunicaciones (ENTEL)	USD 800	800	3.050%	2032 (SLB)
Chile	Alfa Desarrollo SpA	USD 1099	1,099	4.550%	2051
Mexico	Electricidad Firme de México (EFM)	USD 350	350	4.900%	2026
Brazil	Banco do Brasil SA	USD 750	750	3.250%	2026
Chile	Sociedad Química y Minera de Chile SA - SQM	USD 700	700	3.500%	2051 (g)
Mexico	Totalplay Telecomunicaciones SA de CV	USD 600	600	6.375%	2028
Chile	Republic of Chile	EUR 918	1,083	0.555%	2029 (soc)
Chile	Republic of Chile	USD 1000	1,000	3.250%	2071 (soc)
Supranational	Central American Bank for Economic Integration (CABEI)	CHF 200	217	0.170%	2031 (soc)
Chile	Banco de Crédito e Inversiones - BCI	USD 10	10	2.420%	2031

Brazil	B3 (Operator of São Paulo Stock Exchange)	USD 700	700	4.125%	2031 (SLB)
Brazil	Rumo Luxembourg SARL	USD 500	500	4.200%	2031 (SLB)
Brazil	GOL Linhas Aéreas Inteligentes SA (GOL Finance)	USD 1500	150	8.000%	2026 (r)
Supranational	Millicom International Cellular SA	USD 336	336	4.500%	2031 (r)
Chile	Tanner Servicios Financieros SA	CHF125	135	1.150%	2024
Brazil	FS Bioenergia (FS Agrisolutions Industria de Biocombustiveis)	USD 80	80	10.000%	2025 (r)(g)
T & T	Consolidated Energy Finance SA	EUR 250	291	5.000%	2028
T & T	Consolidated Energy Finance SA	USD 525	525	5.635%	2028
Mexico	Becle SA de CV - Jose Cuervo	USD 800	800	2.500%	2031
Guatemala	Republic of Guatemala	USD 500	500	3.700%	2033
Guatemala	Republic of Guatemala	USD 500	500	4.650%	2041
Costa Rica	Instituto Costarricense de Electricidad (ICE)	USD 300	300	6.750%	2031 (SLB)
		14,435			

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Notes:

(r): retap.

(g): green.

(soc): social.

(sust): sustainability

(SLB): sustainability-linked

NC2: only callable after 2 years

NC3: only callable after 3 years

NC4: only callable after 4 years

NC5: only callable after 5 years

Q3 2021

32,578

2021 YTD

124,339

TABLE 6:
LATIN AMERICAN AND CARIBBEAN INTERNATIONAL BOND ISSUANCES
FOURTH QUARTER OF 2021

Country	Issuer	Amount (million)	Amount US\$ (mm)	Coupon (%)	Maturity
Oct-21					
Chile	Banco de Crédito e Inversiones - BCI	USD 500	500	2.875%	2031
Chile	Banco de Crédito e Inversiones - BCI	USD 17	17	3-mth Libor +82	2026
Chile	Banco Santander Chile	CHF 190	205	0.297%	2026
Chile	Falabella SA	USD 650	650	3.375%	2032
Colombia	Republic of Colombia	USD 1000	1000	5.200%	2049 (r)
Mexico	Braskem Idesa	USD 1200	1200	6.990%	2032 (SLB)
Chile	Banco de Chile	CHF 130	140	0.315%	2027
Chile	Banco BICE	CHF 110	119	0.750%	2026
Chile	Colbun SA	USD 600	600	3.150%	2032 (g)
Supranational	CAF Development Bank of Latin America	USD 1000	1000	1.250%	2024
Chile	Corporación Nacional del Cobre de Chile SA - CODELCO	USD 780	780	3.700%	2050 (r)
Chile	Scotiabank Chile SA	USD 125	125	2.160%	2026
Chile	Banco Santander Chile	USD 500	500	3.177%	2031
Brazil	Rio Smart Lighting	BRL 925	166	12.250%	2032 (sust)
Peru	Minsur SA	USD 500	500	4.500%	2031
Chile	Scotiabank Chile SA	JPY 5000	44	0.500%	2026
Colombia	Ecopetrol SA	USD 1250	1250	4.625%	2031
Colombia	Ecopetrol SA	USD 750	750	5.875%	2051
Peru	Republic of Peru	USD 2250	2250	3.000%	2034
Peru	Republic of Peru	USD 750	750	3.550%	2051 (r)
			13,546		
Nov-21					
Supranational	Fondo Financiero para el Desarrollo de la Cuenca del Plata - FONPLATA	CHF 150	164	0.795%	2028
Argentina	Aeropuertos Argentina 2000 SA	USD 62	62	9.500%	2028
Argentina	Aeropuertos Argentina 2000 SA	USD 64	64	8.500%	2031 (r)
Dom. Republic	EGE Haina (Empresa Generadora de Electricidad Haina)	USD 300	300	5.625%	2028 (SLB)
Chile	Scotiabank Chile SA	CHF 110	121	0.418%	2027
Peru	Republic of Peru	EUR 1000	1,157	1.950%	2036 (soc)
Chile	Telefónica Móviles de Chile SA - Movistar Chile	USD 500	500	3.537%	2031
Colombia	Canacol Energy Ltd	USD 500	500	5.750%	2028
Brazil	JBS Finance Luxembourg Sarl	USD 1000	1,000	2.500%	2027
Brazil	JBS USA Lux SA	USD 1000	1,000	3.000%	2032 (SLB)
Mexico	Banco Mercantil del Norte - BANORTE	USD 500	500	5.875%	Perp NC5
Mexico	Banco Mercantil del Norte - BANORTE	USD 550	550	6.625%	Per NC10
Colombia	Interconexión Eléctrica SA ESP - ISA	USD 330	330	3.825%	2033
Supranational	Central American Bank for Economic Integration (CABEI)	NOK 1400	160	2.400%	2031
Chile	Scotiabank Chile SA	JPY 50600	442	3.350%	2031
Supranational	Central American Bank for Economic Integration (CABEI)	CHF 220	237	0.110%	2028 (g)
Bahamas	Nassau Cruise Port Ltd	USD 55	55	7.500%	2029
			7,141		
Dec-21					
Uruguay	Oriental Republic of Uruguay	JPY 37200	479	0.520%	2024
Uruguay	Oriental Republic of Uruguay	JPY 400	4	0.670%	2026
Uruguay	Oriental Republic of Uruguay	JPY 600	5	0.840%	2028
Uruguay	Oriental Republic of Uruguay	JPY 400	4	1.000%	2031
Uruguay	Oriental Republic of Uruguay	JPY 11400	101	1.320%	2036
Chile	Banco de Chile	USD 500	500	2.990%	2031
Mexico	Alsea SAB de CV	USD 500	500	7.750%	2026
Mexico	Petroleos Mexicanos - PEMEX	USD 1000	1,000	6.700%	2032
Barbados	Sagicor Financial Co Ltd	USD 150	150	5.300%	2028 NC3 (r)
Chile	Republic of Chile	CLP 1060000	1,250	5.800%	2024 (soc)
Chile	Banco de Crédito e Inversiones - BCI	JPY 5000	44	0.500%	2027 (g)
			4,045		

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Notes:

(r): retap, (g) green, (soc) social, (sust) sustainability,

(SLB): sustainability-linked.

NC2, NC3, NC4, NC5: only callable after 2, 3, 4, and 5 years

Q4 2021 **24,732**

H2 2022 **57,310**

2021 **149,071**

TABLE 7:
LATIN AMERICAN AND CARIBBEAN INTERNATIONAL BOND ISSUANCES
FIRST QUARTER OF 2022

Country	Issuer	Amount (million)	Amount US\$ (mm)	Coupon (%)	Maturity
Jan-22					
Mexico	United Mexican States	USD 2868	2,868	3.500%	2034
Mexico	United Mexican States	USD 2931	2,931	4.400%	2052
Chile	Banco de Crédito e Inversiones - BCI	CHF 200	219	0.599%	2027 (g)
Brazil	Globo Comunicacoes e Participacoes SA - GLOBOPAR	USD 400	400	5.500%	2032 (SLB)
Brazil	Banco do Brasil SA	USD 500	500	4.875%	2029 (soc)
Mexico	GCC Cemento SA de CV	USD 500	500	3.614%	2032 (SLB)
Brazil	Açu Petroleo	USD 600	600	7.500%	2032
Brazil	Banco Bradesco SA	USD 500	500	4.375%	2027 (sust)
Chile	Mercury Chile HoldCo LLC	USD 360	360	6.500%	2027
Panama	Republic of Panama	USD 1000	1,000	3.298%	2033
Panama	Republic of Panama	USD 1500	1,500	4.500%	2063
Chile	Agrosuper SA	USD 500	500	4.600%	2032
Supranational	Millicom International Cellular SA	SEK2250	252	3m	2027 (sust)
				Stibor+300bps	
Mexico	Alsea SAB de CV/Food Service Project SA	EUR 300	342	5.500%	2027
Chile	Compañía Cervecerías Unidas SA - CCU	USD 600	600	3.350%	2032
Supranational	CAF Development Bank of Latin America	CHF 350	383	0.450%	2027 (g)
Brazil	JBS USA Lux SA	USD 600	600	3.000%	2029
Brazil	JBS USA Lux SA	USD 900	900	4.375%	2052
Guatemala	Central America Bottling Corp	USD 1100	1,100	5.250%	2029 (SLB)
Paraguay	Republic of Paraguay	USD 501	501	3.849%	2033
Chile	Sociedad de Transmisión Austral (STA)	USD 390	390	4.000%	2032 (g)
Brazil	Itaú BBA International plc	CHF 150	163	0.560%	2025
Colombia	Patrimonio Autónomo Unión Del Sur	COP 1027500	259	6.660%	2041
Chile	Republic of Chile	USD 1500	1,500	2.750%	2027 (sust)
Chile	Republic of Chile	USD 1500	1,500	3.500%	2034 (sust)
Chile	Republic of Chile	USD 1000	1,000	4.000%	2052 (sust)
Supranational	Millicom Int'l Cellular SA / Comunicaciones Celulares SA - COMCEL	USD 900	900	5.125%	2032
Chile	Inversiones La Construccion SA	USD 300	300	4.750%	2032
			22,568		
Feb-22					
Supranational	CAF Development Bank of Latin America	USD 650	650	2.250%	2027
Supranational	CAF Development Bank of Latin America	JPY 7200	63	0.600%	2032
Brazil	CSN Resources SA	USD 500	500	5.875%	2032
Brazil	Usina Coruripe Açúcar e Álcool	USD 300	300	10.000%	2027
Mexico	United Mexican States	EUR 800	915	2.375%	2030
Mexico	Comisión Federal de Electricidad - CFE	USD 1250	1,250	4.688%	2029 (sust)
Mexico	Comisión Federal de Electricidad - CFE	USD 500	500	6.264%	2052 (sust)
Dom. Republic	Dominican Republic	USD 1782	1,782	5.500%	2029
Dom. Republic	Dominican Republic	USD 1782	1,782	6.000%	2033
Supranational	CAF Development Bank of Latin America	MXP 7500	370	6.820%	2031 (r)
Bolivia	Republic of Bolivia	USD 850	850	7.500%	2030
			8,962		
Mar-22					
Chile	Banco de Crédito e Inversiones - BCI	USD 10	10	Sofr +125	2029
Chile	Republic of Chile	USD 2000	2,000	4.340%	2042 (SLB)
Chile	Banco de Crédito e Inversiones - BCI	USD 25	25		2027
Trinidad and Tobago	Telecommunications Services of Trinidad and Tobago (TSTT)	TTD 476	70	8.300%	2029 (r)
Mexico	Grupo Aeroméxico S.A.B. de C.V.	USD 763	763	8.500%	2027
Mexico	America Móvil SAB de CV	USD 1000	1,000	5.375%	2032
			3,868		

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Notes:

(r): retap, (g) green, (soc) social, (sust) sustainability, (SLB) sustainability-linked.

Q1 2022

35,397

TABLE 8:
LATIN AMERICAN AND CARIBBEAN INTERNATIONAL BOND ISSUANCES
SECOND QUARTER OF 2022

Country	Issuer	Amount (million)	Amount US\$ (mm)	Coupon (%)	Maturity
Apr-22					
Peru	Consortio Transmantaro SA	USD 500	500	5.200%	2038
Peru	Fondo MIVIVIENDA SA	USD 600	600	4.625%	2027 (sust)
Brazil	Natura &Co Luxembourg Holdings Sarl	USD 600	600	6.000%	2029
Uruguay	Arcos Dorados BV	USD 350	350	6.125%	2029 (SLB)
Brazil	Aegea Saneamento e Participações	USD 500	500	6.750%	2029 (SLB)
			2,550		

Source: ECLAC Washington Office, based on data from Dealogic and LatinFinance.

Notes:

(r): retap.

(g): green.

(soc): social.

(sust): sustainability

(SLB): sustainability-linked

2022 YTD

37,947

Latin American and Caribbean bond issuance in international markets totalled a record US\$ 149 billion in 2021. In the first four months of 2022, international bond issuance from the region slowed relative to the pace of the previous year: at US\$ 38 billion, it was down 42% from the year-earlier period. Green, social, sustainability and sustainability-linked bonds issued by the region in international markets represented 31.0% of its total issuance in 2021, more than three times the share of 9.3% in 2020 and almost eight times the 4.2% average for the 2015–2020 period. In the first four months of 2022, these bonds accounted for 35.4% of issuances.

Capital Flows to Latin America and the Caribbean: 2021 in review and the first four months of 2022 presents and analyses the developments concerning capital flows to Latin America and the Caribbean in 2021 and from January to April 2022. This report is published three times a year and provides an overview of new international bonds from Latin American and Caribbean issuers, including green, social, sustainability and sustainability-linked bonds, as well as of bond spreads and credit ratings.