

Country Economic Forecast

Venezuela

Economist

Carlos de Sousa

Senior Economist

+44 (0)20 3910 8016

Maduro's first attempt to halt hyperinflation will likely fail due to lack of credibility but further attempts will follow

Falling oil production set to continue into 2019

- **Venezuela's path of catastrophic economic decline remains unaltered despite mounting international pressure and the government's efforts to halt the hyperinflationary dynamics. We continue to expect GDP to fall by 9.9% this year and another 6.6% in 2019 for a cumulative loss of almost 40% since 2013.**
- Following the 96% devaluation of the official exchange rate on 20 August, the central bank (BCV) published a new [exchange rate regulation](#) on 7 September. The government claims the new regulation re-establishes currency convertibility, but capital controls remain in place and transactions between private sector parties in the new system (SIMECA) remain subject to the BCV's approval through an auctions system that is almost identical to the previous system (DICOM).
- August's devaluation, which momentarily equalized the official and the black-market exchange rates, will temporarily boost fiscal revenues, as each Petrodollar now yields 24 times more bolivars, reducing the need for monetary financing. But the relief will be ephemeral in a hyperinflationary context as the new official rate remains almost fixed.
- [President Maduro visited China](#) this month, seeking financial aid. Finance minister Simon Zerpa said that China had agreed to lend another US\$5 billion to Venezuela but Chinese authorities have only confirmed financing for several small oil projects (US\$184 million). We think China is unlikely to extend significant additional credit.
- International pressure keeps on mounting. The US has imposed [individual sanctions](#) on Maduro's entourage, and both President Trump and OAS Secretary General Luis Almagro have [expressed their support](#) for a military coup toppling Maduro. Meanwhile, four out of 14 countries of the Lima Group refused to sign a [declaration ruling out military intervention](#). Although the likelihood of external intervention has increased it remains very low, a traditional domestic-led coup seems more plausible.

Forecast for Venezuela						
(Annual percentage changes unless specified)						
	2016	2017	2018	2019	2020	2021
Real GDP growth (% year)	-10.1	-9.2	-9.9	-6.6	4.6	6.0
CPI inflation (average, %)	362	1,277	1,476,672	646,551	11,907	489
Exports of goods (\$ bn)	26.9	31.6	29.9	20.7	21.7	25.7
Exports of services (\$ bn)	1.3	1.9	1.9	2.0	2.1	2.3
Imports of goods (\$ bn)	19.4	13.7	13.6	10.7	10.7	12.0
Imports of services (\$ bn)	9.5	8.2	8.1	8.6	9.2	9.8
Exports of goods (% year)	-28.3	17.4	-5.2	-30.9	4.9	18.4
Imports of goods (% year)	-47.6	-29.6	-0.8	-21.2	0.5	11.6
Current account (\$ bn)	-7.5	7.0	6.0	0.5	0.8	2.5
Current account balance (% of GDP)	-6.8	6.7	6.3	0.7	1.1	3.0
Official exchange rate per USD (year)	9.3	10.0	-	-	-	-
External debt total (\$bn)	127.3	147.1	147.1	144.9	143.4	143.3
Government balance (% of GDP)	-11.8	-11.5	-15.5	-12.5	-9.4	-7.8
Gross government debt (% of GDP)	62.8	128.4	145.3	188.7	200.3	182.2
Population (millions)	31.6	32.0	32.4	32.8	33.2	33.6
Nominal GDP (\$bn)	110.1	104.6	95.9	70.7	73.3	82.9
GDP per capita (\$ current prices)	3,488	3,271	2,963	2,158	2,211	2,472

Forecast overview

A fifth year of deep recession...then a sixth

Venezuela is stuck in a deep economic and political crisis. By the end of 2018 GDP will have shrunk by an estimated 33% since 2013, with a 47% contraction in domestic demand. Unless economic policies are drastically changed, GDP will remain below its 2013 peak for at least 20 years.

Oil production fell by 2.9% m/m in August to 1,235,000 b/d, for a 36% y/y contraction, according to secondary sources. Primary source data have become erratic this year. Chronic lack of investment and external financing, mismanagement, unpaid bills to oilfield service companies, and a shortage of skilled labour have led to oil output, which accounts for 92% of the country's exports, declining by 46% in the last three years. The number of active oil rigs (a leading indicator for oil output) fell from an average of 49 in 2017 to 37 in H1 2018 and just 27 in August, close to its historical low, suggesting that the collapse of oil output is far from over. We expect oil output to fall below 1 million b/d by end-2018.

Desperate efforts to shore up external balance

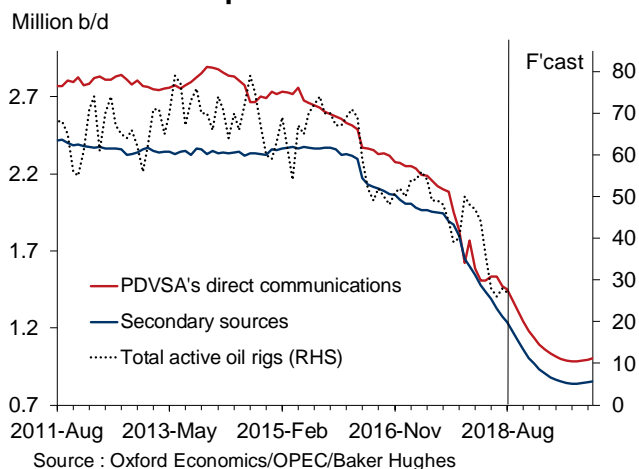
To remain current on its external debt obligations, the government managed to turn around 2015's large current account deficit (US\$18bn) into an estimated surplus of US\$7bn in 2017, as it cut imports by almost two-thirds in the last two years and by 80% since 2012. Yet, since [November 2017](#) both the sovereign and PDVSA are in selective default.

- **Imports to fall further:** we do not expect imports and consumption to start recovering until 2021. March's spike was partly due to higher oil imports and higher food imports related to the presidential campaign.
- **Current account surplus to vanish:** avoiding a current account deficit in 2019 will require an additional 20% contraction in imports as oil production collapses.

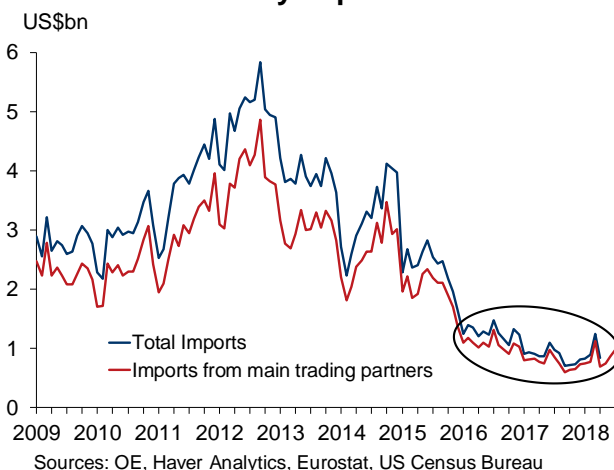
Hyperinflation continues to accelerate

There have been no official inflation figures since December 2015, when it was 180%. In November 2017 the country moved into hyperinflation (monthly price increases of more than 50%), and reached 200,005% y/y in August 2018, as measured by the National Assembly's new CPI. The rapid acceleration of inflation since H2 2017 has coincided with soaring monetary aggregates and a sharp depreciation of the bolivar on the black market. The currency was [redenominated](#) – eliminating five zeros – on August 20.

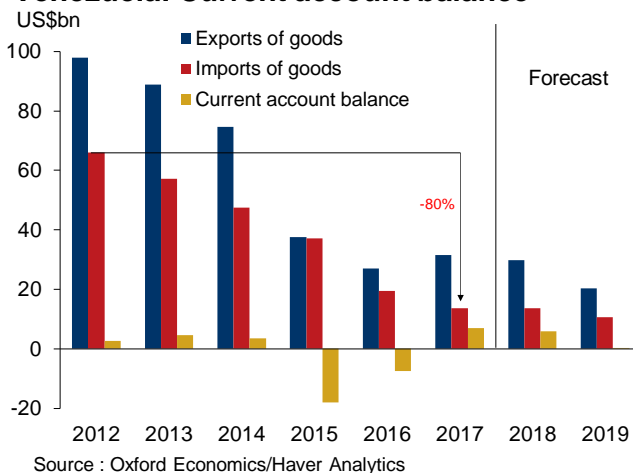
Venezuela: Oil production



Venezuela: monthly imports



Venezuela: Current account balance



Country Economic Forecast | Venezuela

President Maduro has promised to cut the budget deficit to zero and halt monetary financing – the ultimate source of inflation. But his plan can only be described as incoherent. A 4 ppt VAT hike (to 16%) will bring in additional revenues, but at the same time the government has temporarily exempted PDVSA from income tax, and the public wage bill will soar to pay for a 3,364% m/m the rise in the minimum wage. Without an orthodox reform plan, hyperinflation could reach 8 figures in 2019. [A study](#) estimates that the percentage of families living below the poverty line rose to 87% in 2017, while more than 4 million Venezuelans may have emigrated.

Outright dictatorship

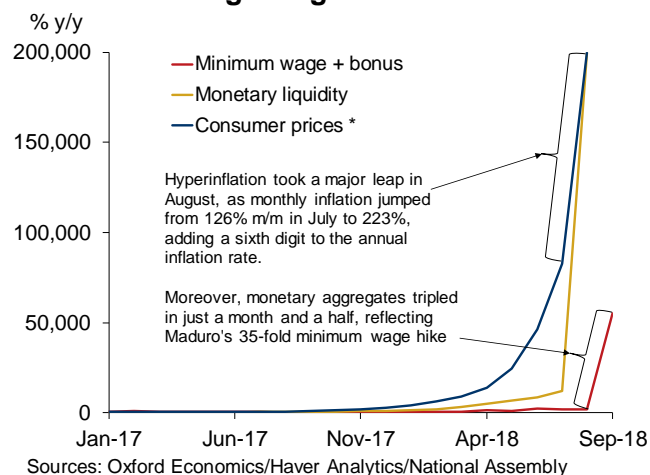
The regime decided to forgo its democratic facade in 2016 when it used the institutions it controls to block the recall referendum move against President Maduro and annulled all legislation passed by the opposition-controlled National Assembly. The regime's authoritarian character is no longer disguised after the establishment of the National Constituent Assembly, and political persecution has rapidly intensified.

- **Maduro won another 6-year term but may not finish it:** President Nicolas [Maduro won re-election on May 20](#) for a second presidential term (2019-2025) obtaining 68% of the vote, with a turnout of 46%, the lowest for any Venezuelan presidential election on record, indicating the public's deep mistrust of the electoral system. It is far from certain that Maduro will be able to cling to power until 2025 given the rapidly collapsing economy, as [the likelihood of a military coup](#) and even that of [external intervention](#) continues to rise.

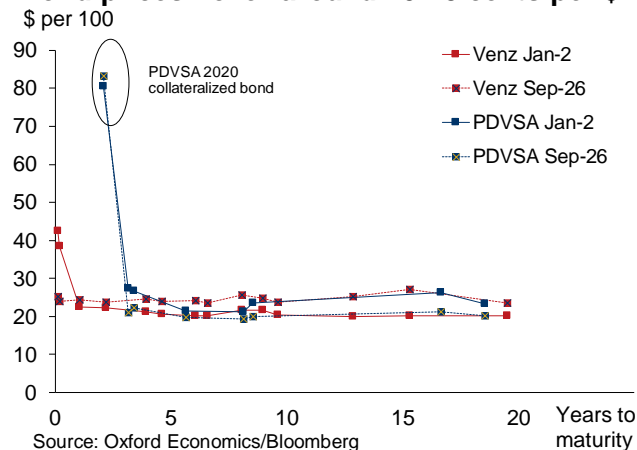
Dancing the default limbo tune

In November, Maduro announced he would pay the amortization of the PDVSA 2017 bond, as we had been expecting, but then stated his intention to [restructure all external debts](#). Yet, US sanctions make it illegal for US bondholders, who own two-thirds of Venezuela's bonds, to trade any new Venezuelan debt, impeding a bond exchange. The sovereign and PDVSA have fallen into technical default as coupon payments are delayed past grace periods. The collateralized PDVSA 2020 is the only bond whose [coupon has been paid](#) this year, reflecting the government's fear of losing Citgo (its US-based subsidiary). With depressed imports, higher oil prices compensating for the collapse in oil production, and other bonds remaining unpaid, PDVSA should be able to amortize the maturing tranche of the PDVSA 2020 bond (US\$985mn) in October.

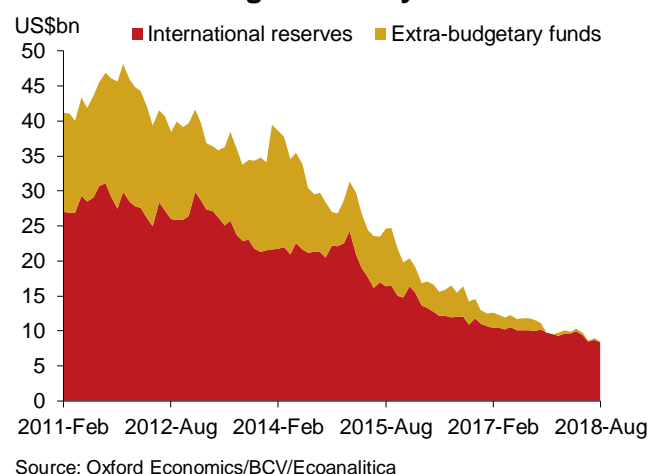
Venezuela: wages lag behind inflation



Bond prices hover around 20-25 cents per \$



Venezuela: foreign currency assets



Economic Risk Evaluation

Overall risk for Venezuela: 9.4/10*

The economy is stuck in a deep and prolonged recession brought about by reckless policies and low oil prices, resulting in a scarcity of dollars, curbs on imports and widespread shortages. Chronic shortages of goods and monetary financing have led to surging inflation, already above 200,000%. The current rebound in oil prices is insufficient to alleviate Venezuela's problems in the short term given the decline in oil output, and the government's ideological resistance to applying sensible economic policies suggests that the prospects are grim. Moreover, given the extent of the macro imbalances – hyperinflation, sizeable debt repayments, and a chaotic exchange rate regime – the recession will extend well into 2019 and GDP is unlikely to recover to its pre-recession level for 20 years or so.

Market demand: 10.0/10

Domestic demand will remain weak in the coming years as the authorities continue to restrict imports in an effort to keep the current account in surplus and provide some scope for the country to service its debts.

Real wages continue to deteriorate as inflation accelerates and nominal wages are not increased every month. As the recession continues, some middle- and upper-class families are now exhausting their hard currency savings and so are being hit harder than in the first few years of recession. Remittances are playing an important role supporting domestic demand for the first time in Venezuela's history, but the bulk of remittances does not help with external imbalances as they are mostly sent through the multiple black-market exchange rates.

Market cost: 9.0/10

The market cost risk score is the highest in the region as inflation continues to accelerate and the country is now officially in hyperinflation.

Price controls and economic policies that are hostile to the private sector also pose a high risk to operational costs.

However, labour costs remain extremely low in dollar terms given the lack of automatic wage indexation. Even after Maduro's scheduled 3,365% rise in the minimum wage in September, it will remain below 35 US dollars per month.

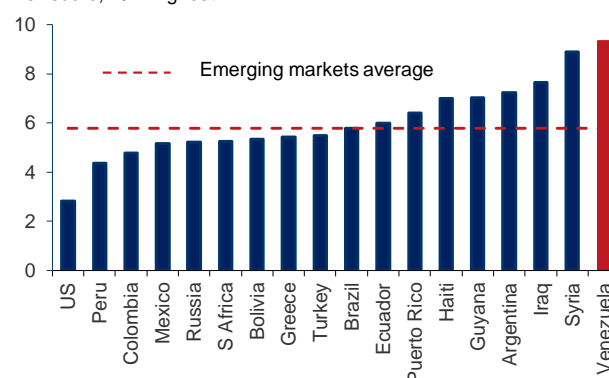
Venezuela: Economic risk index (Scores from 1 to 10 with 10 = highest risk)			
	Sep 2018	Rank out of 164†	Score change from March
Overall	9.4	163	0.0
Market demand	10.0	163	0.0
Market cost	9.0	157	0.0
Exchange rate	10.0	163	0.0
Sovereign credit*	7.7	158	0.0
Trade credit	10.0	147	0.0

† (1 indicates lowest risk ranking)

*As of November 2017, the sovereign credit risk score is based on our new data-driven methodology. The change from six months ago also refers to the respective score under the new methodology.

Economic risk: Venezuela vs Emerging markets average

Risk score, 10 = highest



Source : Oxford Economics

Country Economic Forecast | Venezuela

Exchange rate: 10.0/10

Stringent exchange rate and capital controls remain in place. The extremely overvalued DiPro rate of VEB10/US\$1 has been eliminated, and there is now only one official exchange rate called SIMECA, which replaces the DiCom rate. The new official rate is relatively flexible, but as with its late predecessor it does not keep pace with inflation, hence the real exchange rate will appreciate. Following the monetary reconversion and a 96% devaluation on 22 August, the SIMECA exchange rate was set at VES60/US\$1 or VEB6,000,000. This rate was likely undervalued last month but given hyperinflation it is likely to become overvalued once again in a matter of weeks. There are multiple black-market exchange rates (currently around VES115/US\$1).

Sovereign credit: 7.7/10

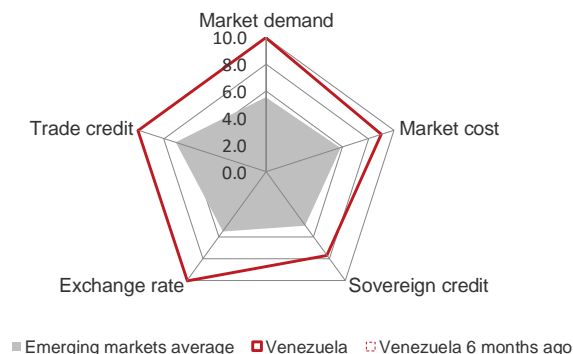
Venezuela remains a highly speculative, sub-investment grade credit. And the outlook remains negative with no respite in sight given the deepening macroeconomic and credit challenges, which include unaddressed macro-distortions, rising external liquidity risks, undisciplined policy, and underlying political risks.

The sovereign and PDVSA have been in selective default since November 2017 when President Maduro stated his intention of restructuring all external debt. So far this year, only the collateralized PDVSA 2020 bond has been paid. The principal of the Venez 13.625% maturing on 15 August was left unpaid as we had expected. The government will probably continue servicing the PDVSA 2020, for now, to avoid losing Citgo (its refining complex in the US pledged as collateral). Bondholders have not yet attempted to accelerate default across all outstanding bonds.

Trade credit: 10.0/10

Corporate credit risk will remain very high. When it comes to debt, the government prioritises bondholders but is not as creditor-friendly with national and international companies. Debts for unsettled imports, approved but unpaid dividends and debts with airlines jointly exceed US\$20bn. There are also severe payment delays with oilfield service companies in PDVSA's joint ventures, which are close to US\$5bn. Most suppliers require payment in advance and are not prepared to extend credit at all.

Economic risk: Venezuela vs Emerging markets average



Source : Oxford Economics

* Risk scores are from 1 to 10, with 10 representing the highest risk. For our full country risk service, see www.risk-evaluator.com. Sovereign credit risk comes from our sovereign risk tool. [Find out more.](#)

Long-term prospects

Potential depends on policy and oil investment

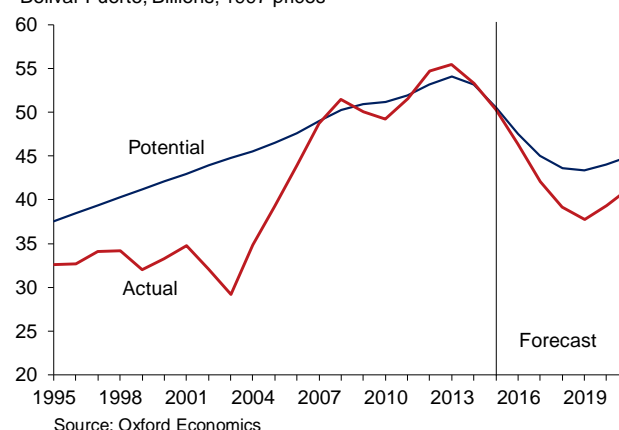
Venezuela's economy will continue to depend heavily on revenues generated by the largely state-run oil sector, but lack of investment limits its growth. Oil exports have been constrained by ageing oil wells, poor maintenance of oil infrastructure, insufficient investment (with investors deterred by both legal and political uncertainty and poor infrastructure) and electricity rationing.

Potential output is projected to rise only marginally over the next 10 years, a very sluggish performance after losing almost a third of its GDP. Countries usually grow at double-digit rates following an economic collapse, especially when it was not caused by war. Moreover, even this modest performance assumes that the government improves its economic management and is able to create better conditions for investment – particularly to attract oil multinationals and thereby ensure that oil output rises.

The inflationary situation is expected to remain desperate until oil production starts to pick up significantly (which would then provide sufficient revenues for the non-inflationary financing of government expenditure).

Venezuela: Actual & potential output

Bolivar Fuerte, Billions; 1997 prices



Potential GDP and Its Components Average Percentage Growth

	2007-2016	2017-2026
Potential GDP*	0.0	0.2
Employment at NAIRU	1.5	1.4
Capital Stock	4.8	-1.4
Total Factor Productivity	-2.7	-0.2

* $\ln(\text{Potential GDP}) = 0.65 \ln(\text{Employment at NAIRU}) + 0.35 \ln(\text{Capital Stock}) + \ln(\text{Total Factor Productivity})$

Long-Term Forecast for Venezuela

(Average annual percentage change unless otherwise stated)

	2007-2011	2012-2016	2017-2021	2022-2026
GDP	6.6	-2.7	-3.3	3.8
Consumption	10.5	-5.1	-3.3	4.1
Investment	15.6	-10.2	-2.4	8.1
Government Consumption	9.7	-0.4	-4.8	2.3
Exports of Goods and Services	-6.2	-2.4	-12.2	7.7
Imports of Goods and Services	17.2	-16.9	-11.6	11.2
Unemployment (%)	8.1	7.2	8.0	9.0
Consumer Prices	33.2	95.0	-	-
Current Balance (% of GDP)	4.8	-2.4	3.6	3.6
Exchange Rate (vs US\$)	3.0	6.4	-	-
General Government Balance (% of GDP)	-5.0	-13.4	-11.3	-5.0
Short-term Interest Rates (%)	14.3	14.7	15.0	15.0
Long-term Interest Rates (%)	13.5	15.5	14.4	14.5
Working Population	2.9	1.6	1.4	1.1
Labour Supply	2.0	1.2	1.5	1.4
Participation Ratio	69.8	69.5	68.3	69.3
Labour Productivity	2.9	-4.1	-4.4	2.6

Background

Economic development

Venezuela has been an oil economy since the 1930s and is likely to remain so in the coming decades. Once the richest nation in Latin America with GDP per capita at US\$12,468 (in constant 2010 dollars) in 1960, it is now more than 30% poorer in terms of income per head. The country is highly dependent on oil, as a source of fiscal revenues (about 30-40% of the total), foreign exchange earnings (about 95% of total exports) and the main attraction for foreign direct investment. The oil industry is responsible for more than 20% of GDP, though it employs only about 4% of the labour force – albeit the number of employees has risen significantly in recent years.

Structure of the economy

The paramount factor determining economic performance is the price of oil, and to a lesser extent, oil output, which has been on a secular downward trend since 1997 due to insufficient investment and mismanagement. Venezuela has the largest proven oil reserves in the world, estimated at 297bn barrels. Since 2003, the economy is subject to stringent capital and exchange controls that have resulted in a huge misallocation of resources, rampant corruption and ironically, increased capital flight. Most food staples, raw materials, and basic services are subject to price controls, which has resulted in the proliferation of a black market and severe scarcities since 2014 when the price of oil started to decline after almost four years above US\$100 per barrel.

Balance of payments and structure of trade

Historically, Venezuela has run structural trade and current account surpluses, but it has been prone to balance of payment crises due to severe real exchange appreciation during periods of booming oil prices, leading to periodic sharp devaluations and severe external adjustment. In 2015, the country had its largest current account deficit in history at US\$18bn, over 9% of GDP. This is being corrected by government-imposed restrictions that have seen imports fall to less than a quarter of their 2012 level.

Policy

Rather than an independent institution, the central bank is officially a financing agent of the government, which has unsurprisingly contributed to chronically high inflation. In the 1990s, inflation averaged 47% pa and in the first decade of the 21st century the average fell to a still-high 21% thanks to abundant oil revenues requiring lower monetary financing. But by 2015, inflation had reached 180%, the highest in the world, and it is now estimated at over 2,600% and still rising. Real public spending rose by about 20% per year between 2004 and 2008 as the government deployed numerous social programs and implemented increasing subsidies to services and fuels. The budget deficit has probably exceeded 10% of GDP since 2012.

Politics

Hugo Chávez erupted onto the country's political scene as the leader of a failed coup in 1992. After a short imprisonment, he was elected president in December 1998 with a promise to embark on radical institutional changes (the Bolivarian revolution), starting with a new constitution. Thanks to the upswing in oil prices that began in 2004 and allowed him to implement a wide array of populist policies tinted with radical-left rhetoric, Chavez managed to remain highly popular until passing away in 2013. His chosen successor, Nicolas Maduro, was narrowly elected president in April 2013 and faces many challenges, especially given the sharp fall in oil prices since 2014. In December 2015, the opposition won a super-majority in the National Assembly, but the government-controlled Supreme Court of Justice annulled all its rulings, impeding the opposition from exercising any political power, while the National Electoral Council has prevented a recall referendum against the president. Persecution of political opponents rapidly intensified in 2017, particularly after the establishment of a supra-constitutional National Constituent Assembly.

Long-Term Forecast for Venezuela

Annual percentage changes unless otherwise specified

	2007-2016	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2017-2026
GDP	1.9	1.3	-3.9	-5.7	-10.1	-9.2	-9.9	-6.6	4.6	6.0	5.2	4.5	3.8	3.0	2.5	0.2
Consumption	2.4	4.7	-3.4	-8.8	-21.9	-9.2	-7.3	-6.0	1.8	4.8	5.5	4.9	4.1	3.2	2.6	0.3
Investment	1.9	-9.0	-16.9	-17.6	-23.9	-17.4	-10.5	-3.0	9.6	12.7	11.9	10.0	7.5	6.2	5.0	2.7
Government Consumption	4.6	3.3	0.6	-2.2	-9.0	-9.3	-8.3	-7.3	-2.3	3.9	3.5	2.5	1.9	1.9	1.8	-1.3
Exports of Goods and Services	-4.3	-6.2	-4.7	0.0	-2.4	-12.1	-28.4	-27.3	0.6	13.1	10.3	8.3	7.7	6.7	5.6	-2.8
Imports of Goods and Services	-1.3	-9.7	-18.5	-18.7	-46.6	-30.5	-4.8	-22.5	-3.3	8.8	13.8	13.1	11.4	9.8	8.2	-0.8
Unemployment (%)	7.6	7.5	7.0	6.8	6.8	7.8	8.0	8.0	8.1	8.3	8.5	8.9	9.2	9.2	9.2	8.5
Consumer Prices	61.2	41	62	121	362	1277	-	-	-	-	-	-	-	-	-	-
Current Balance (% of GDP)	1.2	1.7	1.6	-9.5	-6.8	6.7	6.3	0.7	1.1	3.0	3.4	3.7	4.0	3.6	3.4	3.6
Official Exchange Rate (vs US\$)	4.72	6.1	6.3	6.3	9.3	10.0	-	-	-	-	-	-	-	-	-	-
General Government Balance (% of GDP)	-9.2	-12.0	-14.0	-17.3	-11.8	-11.5	-15.5	-12.5	-9.4	-7.8	-6.7	-5.7	-4.8	-4.1	-3.6	-8.2
Short-term Interest Rates (%)	14.5	14.5	14.6	14.8	14.8	14.8	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Long-term Interest Rates (%)	14.5	15.3	15.3	15.4	14.8	14.3	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5
Working Population	2.2	1.7	1.6	1.6	1.5	1.5	1.4	1.4	1.3	1.3	1.2	1.2	1.1	1.1	1.0	1.3
Labour Supply	1.6	2.6	2.5	0.0	-0.3	1.2	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.1	1.0	1.4
Participation Ratio (%)	69.6	69.9	70.5	69.4	68.2	68.0	68.2	68.3	68.4	68.6	68.9	69.1	69.5	69.5	69.5	68.8
Labour productivity	-0.7	-1.5	-6.8	-5.8	-9.8	-9.4	-11.2	-8.1	3.0	4.6	3.9	3.2	2.6	2.0	1.5	-1.0
Employment	2.5	2.9	3.1	0.1	-0.3	0.2	1.4	1.6	1.5	1.4	1.3	1.2	1.1	1.1	1.0	1.2
Output gap (% of potential GDP)	-0.4	2.3	0.0	-0.5	-2.5	-7.1	-10.9	-14.0	-11.7	-8.8	-6.4	-4.4	-2.8	-1.7	-1.0	-6.9

Country Economic Forecast | Venezuela

Politics

Head of state: President Nicolas MADURO

Head of government: President Nicolas MADURO

Political system: Authoritarian rule

Date of next presidential election: 2024

Date of next legislative election: 2020

Currency: bolivar fuerte (VEB); main rate adjustable peg to \$

Long-term economic & social development

	1980	1990	2000	2016*
GDP per capita (US\$)	4368	2368	4784	12237
Inflation (%)	21.5	40.7	16.3	331.9
Population (mn)	15.34	19.86	24.49	31.57
Urban population (% of total)	79.2	84.3	87.6	88.2
Life expectancy (years)	68.1	69.8	72.3	74.6

Source : Oxford Economics & World Bank

Structure of GDP by output

	2016
Agriculture	4.0%
Industry (incl. oil)	36.1%
Services	59.9%

Source : World Bank

* 2016 or latest available year

Long-term sovereign credit ratings & outlook

	Foreign currency	Local currency
Fitch	Restrictive default	CC
Moody's	C (Stable)	C (Stable)
S&P	Selective default	CCC- (Negative)

Structural economic indicators

	1990	1995	2000	2016*
Current account (US\$ billion)	8.3	2.0	11.9	-7.5
Trade balance (US\$ billion)	10.7	7.0	16.7	7.5
FDI (US\$ billion)	0.5	0.4	3.0	0.0
Debt service (US\$ billion)	5.0	5.2	6.4	17.4
Debt service (% of exports)	154.5	158.0	113.2	126.3
External debt (% of GDP)	70.5	47.7	36.5	130.3
Oil production (000 bpd)	2353	3028	3473	2239
Oil consumption (000 bpd)	395	449	565	676

Source : Oxford Economics / World Bank / EIA

Destination of goods' exports 2017

U.S.	33.7%
India	16.6%
P.R. China	15.4%
Singapore	6.1%
Other	28.2%

Source: IMF DOTS



Source: CIA Factbook

Location: Northern South America, bordering the Caribbean Sea and the North Atlantic Ocean, between Colombia and Guyana

Source: CIA Factbook

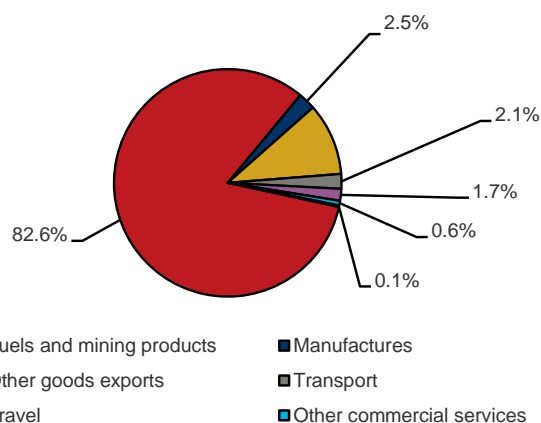
Corruption perceptions index 2017

	Score
Developed economies (average)	75.0
Emerging economies (average)	38.1
Venezuela	18.0
Western Hemisphere	40.2

Source: Transparency International

Scoring system 100 = highly clean, 0 = highly corrupt

Composition of goods & services exports 2016



Source : WTO

Overall risk for Venezuela: 9.4/10

Factors affecting risk scores: Venezuela

	2016	2017	2018	2019	2020	2021	2022
Market demand rating: 10.0/10							
Domestic demand, % y/y	-20.9	-12.7	-6.7	-6.8	3.9	5.8	5.8
Government balance, % of GDP	-11.8	-11.5	-15.5	-12.5	-9.4	-7.8	-6.7
Gross government debt, % of GDP	62.8	128.4	145.3	188.7	200.3	182.2	155.0
Policy interest rate, %	29.5	29.5	29.5	29.5	29.5	29.5	29.5
Domestic credit, % of GDP	60.0	50.0	52.0	53.0	54.0	55.0	56.0
Fixed investment, % of GDP	16.3	14.7	14.6	15.0	15.7	16.7	17.7
Output gap, % of GDP	-2.5	-7.1	-10.9	-14.0	-11.7	-8.8	-6.4
Real GDP per capita, 2010 US\$	8449	7574	6736	6211	6418	6726	6998
Market cost rating: 9.0/10							
Nominal unit wage costs, 2008=100	5503	41246	-	-	-	-	-
Real fuel imports % total imports	-	-	-	-	-	-	-
Energy use per unit of GDP	120.3	117.7	115.2	112.6	110.0	107.5	105.3
Exchange rate, average, LCU per US\$	201.5	2745.1	-	-	-	-	-
Output gap, % of GDP	-2.5	-7.1	-10.9	-14.0	-11.7	-8.8	-6.4
Unemployment rate, %	6.8	7.8	8.0	8.0	8.1	8.3	8.5
Real GDP per capita, 2010 US\$	8449	7574	6736	6211	6418	6726	6998
Exchange rate rating: 10.0/10							
Exchange rate, average, LCU per US\$	201.5	2745	-	-	-	-	-
Exchange rate, avg, PPP, LCU per US\$	-	-	-	-	-	-	-
Current account of BOP, % of GDP	-6.8	6.7	6.4	0.7	1.1	3.1	3.4
External debt, % of GDP	130.3	141.1	155.8	205.0	195.7	173.0	146.1
Policy interest rate, %	29.5	29.5	29.5	29.5	29.5	29.5	29.5
FX reserves, months of imports	1.3	1.7	2.0	2.3	2.8	3.3	3.9
Sovereign credit rating: 7.7/10							
GDP, real, % y/y	-10.1	-9.2	-9.9	-6.6	4.6	6.0	5.2
GDP per capita, PPP, US\$	13557	12154	10809	9967	10298	10792	11229
Government balance, % of GDP	-11.8	-11.5	-15.5	-12.5	-9.4	-7.8	-6.7
Gross government debt % of GDP	62.8	128.4	145.3	188.7	200.3	182.2	155.0
Trade credit rating: 10.0/10							
GDP, real, % y/y	-10.1	-9.2	-9.9	-6.6	4.6	6.0	5.2
External debt, % of GDP	130.3	141.1	155.8	205.0	195.7	173.0	146.1
GDP per capita, PPP, US\$	13557	12154	10809	9967	10298	10792	11229