TRADE TRENDS ESTIMATES
LATIN AMERICA AND THE CARIBBEAN

2022 EDITION

Coordinated by
Paolo Giordano
This report provides estimates of Latin America and the Caribbean’s international trade flows for 2021. It was prepared by the Integration and Trade Sector (INT) at the Inter-American Development Bank (IDB), in partnership with its Institute for the Integration of Latin America and the Caribbean (INTAL), under the overall supervision of Fabrizio Opertti, Sector Manager, Pablo García, Regional Integration Unit Chief, and Ana Basco, Director of INTAL. Technical supervision was provided by Mauricio Mesquita Moreira, INT Principal Economic Advisor.

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The estimates in this report are based on the quarterly and monthly data available for 23 Latin American and Caribbean countries for 2021 from official national and international sources. The information included in the report is current as of December 3, 2021.

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Against a backdrop of widespread growth, export values in almost every economy in Latin America and the Caribbean climbed back above pre-Covid levels. The export recovery was largely explained by the improvements to the prices of the region’s main export commodities. The trade recovery is slowing, although exports are expected to continue growing in the next few months.

**PRICE INCREASES**

The export recovery was largely explained by the improvements to the prices of the region’s main export commodities.

**CHANGES IN DEMAND**

The recovery in demand was driven by all of LAC’s main trading partners.

**PERFORMANCE BY COUNTRY**

Against a backdrop of widespread growth, export values in almost every economy in Latin America and the Caribbean climbed back above pre-Covid levels.

**RECOVERY FROM THE TRADE IMPACT OF THE PANDEMIC**

The value of goods exports from Latin America and the Caribbean grew by between 24.8% and 27.8% compared to 2020.

**TRADE TRENDS ESTIMATES**

The trade recovery is slowing, although exports are expected to continue growing in the next few months.
In 2021, the value of exports from Latin America and the Caribbean grew by an estimated 24.8% to 27.8% after falling by 9.1% in 2020. The main driving force behind the recovery was prices, while volumes grew more slowly. Export values rallied throughout the region. This uptrend is expected to continue in the coming months, although there are signs of a rapid slowdown amid growing risks to the robustness of external demand.

Exports from Latin America and the Caribbean have recovered from the initial shock of the Covid-19 pandemic. Export values are already back above prepandemic levels in most countries in the region. This recovery owed mainly to improved prices for some of the region’s main export commodities, while volumes recovered more slowly.

The evolution of exported values was volatile throughout 2021. In the first quarter of the year, exports grew at a similar rate to that recorded in the months leading up to the pandemic before soaring to exceptionally high levels in the second quarter—close to 50% year-on-year. However, from July onward, the trend began to slow and continued to do so toward the end of the year. The rebound that was observed was largely due to the low year-on-year baseline for comparison, as the region’s trade was hit hardest by the pandemic between April and June 2020. All the same, export values in 2021 outstripped those of 2019 by between 13% and 16%.

Once exports move beyond the recovery phase, the trend is likely to be affected by a balance of risks that is increasingly tilted to the downside. On the one hand, the factors driving prices began to change direction, a process that accelerated toward the end of the year. On the other hand, the growing waves of infection that followed the identification of the new Omicron coronavirus strain have triggered new containment measures. Likewise, the shift toward more restrictive monetary policies to counter inflation at a time of crisis in the global logistics system could have a negative impact on the evolution of real trade flows.
General Outlook

The value of goods exports from Latin America and the Caribbean (LAC) grew by between 24.8% and 27.8% in 2021 (Figure 1). This recovery owes largely to improvements in export prices, as although volumes rallied, they contributed less to the overall performance. The drop in external sales in 2020 was 9.1%, mainly as a result of falling export volumes.

Exports recovered in every subregion of LAC. The recovery was strongest in South America and the Caribbean, driven mainly by improvements in commodity prices. In contrast, sales rallied significantly in Mexico and Central America in the first half of the year as a result of larger volumes being shipped but slowed markedly from July onward.

1 This estimate draws on data from 18 countries in Latin America and 5 in the Caribbean. Although a range is estimated, the values reported in the rest of this publication are based on the optimistic scenario. See the Methodological Note for additional information on the procedures, time periods, and sources for the data used in the estimates.
Total imports from LAC grew by 37.8% in 2021, after having shrunk by 15.4% in 2020. Imports also outperformed prepandemic levels, despite the slow, uneven recovery of the region’s economies.

**Prices**

Higher commodity prices were the main factor behind the rebound in the region’s exports in 2021. The economic recovery, driven in part by fiscal and monetary stimuli in advanced economies, and the depreciation of the US dollar have played a key role in the evolution of prices. However, these factors are set to reverse, and in some cases prices have already returned to a downward trend. Nevertheless, prices are still at record high levels.

**FIGURE 2 • PRICES OF THE MAIN EXPORT PRODUCTS OF LATIN AMERICA AND THE CARIBBEAN**

(Index, 2010=100, 2019–2021)

The price of soybeans was barely affected by the Covid-19 crisis in the first half of 2020. Prices climbed steadily from August 2020 onward, and the average level for January–November 2021 was 48.3% higher than the same period the previous year. In June, the trend began to change due to improved expectations around crops in the United States. Although soybean prices outperformed historical highs, the levels reached at the end of 2021 were similar to those of a year earlier.

Coffee prices only joined the uptrend in the second quarter of 2021. At the beginning of the pandemic, prices remained largely stable: constraints on supply caused by logistical chain disruptions pushed prices up but were offset by lower demand due to lockdown measures, which led to reduced consumption. However, from the second quarter of 2021, the price of coffee moved onto a sharp growth path, accumulating an increase of 39.3% year-on-year between January and November, surpassing historical highs by the end of the year. Weather conditions in Brazil, the
world’s leading producer, and Covid-related trade disruptions in Asia accounted for much of the recent price surge.

**Sugar** prices, which plummeted early in the pandemic, recovered slowly but steadily. Between January and November 2021, the year-on-year growth rate was 39.4%, which brought the price close to all-time highs. The price recovery is due, first, to the increase in ethanol prices, which prompted increased use of sugar cane for production in Brazil, the main global exporter, and second, to the increase in global demand. However, prices tended to stabilize in the last few months of the year due to the prospect of increased supply from India and Thailand.

**Oil** was the commodity that was hit hardest by the pandemic but it has recovered steadily, returning to pre-Covid levels by early 2021. The price of crude oil accumulated an year-on-year increase of 67.9% between January and November 2021. However, this trend reversed in mid-November due to the emergence of the new Omicron strain, which has limited prospects for the expansion of global demand, and the increase in US supply as part of an attempt to curb rising inflation in the country, which was then compounded by the Organization of Petroleum Exporting Countries (OPEC) and its partners deciding to increase production levels from 2022 on.

The price of **copper** fell relatively less during the health crisis because the contraction in demand went hand-in-hand with constraints on supply. Prices reach all-time highs while world trade was in the recovery phase, outstripping even the peaks of the beginning of the 2010s. Between January and November 2021, the average price was 54.8% higher than in the same period in 2020. However, some of the factors that drove this increase began to fade from the middle of the year: demand from China, the main global buyer—which had been driven largely by fiscal stimuli—began to stabilize; lockdown-related disruptions to production began to ease; and demand for goods, including those that use copper as a raw material, slowed.

**Iron ore** prices were not affected negatively at the height of the pandemic, but rallied subsequently nonetheless, along with other prices. Between January and November 2021, prices increased 59.4% year-on-year. However, from August onward, they shifted onto a downward path that brought them back to where they had been in early 2020. This change in the trend was largely explained by the drop in Chinese demand, which was influenced by policies to control the steel industry’s energy consumption in a context of supply problems and efforts to reduce pollution levels before the upcoming Winter Olympics.

**Volumes**

In 2021, the volume of exports from LAC increased by an estimated 10.9% after declining by 6.1% in 2020 (Figure 3), taking them to levels above those recorded before the pandemic. While the momentum was strongest during the second quarter, export quantities continued to expand in the second half of the year, albeit at a slower pace.

All economies for which real export data were available showed notable recoveries in export quantities in 2021, with the exception of Chile, Colombia, and Paraguay. However, the rebound in Peru and Venezuela was not enough to return them to prepandemic levels.

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2 Estimates of the volumes exported by Latin America are based on official data for Argentina, Brazil, Chile, Colombia, Peru, and Uruguay. In-house estimates were made for Paraguay, El Salvador, Mexico, and Venezuela, as detailed in the Methodological Note.
Markets

Demand for LAC exports recovered in all the region’s main trading partners (Figure 4), such that in almost every case it was able to recover the market shares it had lost at the height of the pandemic.

**US** imports from LAC were the hardest hit by the pandemic, contracting by almost twice as much as the country’s total imports in 2020. Although they subsequently rallied considerably—especially during the second quarter of 2021, when year-on-year growth rates averaged close to 75%—they then slowed rapidly. US imports from the region thus increased by 21.5% in 2021, in line with the country’s total purchases (22.9%). As a result, LAC has yet to recover the loss of almost 1 percentage point (p.p.) of US market share that it experienced in 2020, when it dropped from 18.5% to 17.6%.

**China’s** demand for imports from LAC remained relatively stable in 2020 and even increased slightly in the annual average. In 2021, imports from LAC grew at the same rate as China’s total imports (35.5% and 32.2%, respectively), such that LAC countries continued to gain market share there, going from 7.9% in 2019 to 8.3% in 2021.

In the **European Union**, purchases from LAC fell more than total purchases in 2020, while the recovery in 2021 was more marked. Imports from the region grew 29.6%, while total imports expanded 26.7%. As a result, LAC was able to maintain its prepandemic European market share of around 1.8%.

**Latin America’s** intraregional imports showed extraordinary dynamism in 2021, expanding by 40.1%, above the rate of total imports (37.8%). This remarkable performance allowed the region to regain the internal market share it had before the health crisis began (13.9%).
Prospects

The predictive capacity of analytical tools is severely limited by the current uncertainty, determined as it is by an unprecedented exogenous shock. Even so, the results of two different models provide information that may help to gauge how LA’s exports will perform in the coming months.

The objective of the Latin American Trade Leading Index (LATLI) is to forecast an eventual turning point in the trend and signal the likelihood of a reversal in the rate of change in the value of LA exports (Figure 5).\(^3\) According to the LATLI, no change is expected in the trend for the value of exports. The model indicates that the uptrend may continue until March 2022 and that the year-on-year growth rate for goods exports may remain positive. It does not foresee a breakpoint in the four months after the last observation of official data in November 2021.

The nowcasting model used to estimate the scale of the year-on-year variation in LA exports for the months for which official export data was not available at the time of print yields the Latin American Trade Nowcasting Index (LATNI). The LATNI confirms that the growth in LA exports is slowing. The preliminary subindicators used to estimate the index—such as commodity prices, vehicle production and exports from Brazil and Mexico, purchasing managers’ indices, and some metrics for expectations—showed signs of decline during the last quarter of the year.

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\(^3\) For a detailed description of the indicator, the data used, and the estimation methodology, see Giordano et al. (2021), “Metodología de las estimaciones de las tendencias comerciales de América Latina”, Technical Note IDB-TN-02223, Inter-American Development Bank.
FIGURE 5 • CHANGES IN THE TREND IN THE VALUE OF GOODS EXPORTS FROM LATIN AMERICA
(Year-on-year growth rate and LATLI index, January 2018=100, 2008–2021)

Source: IDB Integration and Trade Sector and own estimations.
Note: The leading index series shows the trend after the Hodrick-Prescott filter was applied. The circles indicate the turning points in the trend for the index series and the observed value of LA exports.

Performance by Subregion

Following the impact of the health crisis on LAC’s external sector, exports in every country in the region recovered in 2021 (Table 1). The United States was the main driver for recovery, especially for Mesoamerica, while China was the driving force behind South America’s external sales. In both subregions, intraregional exports were particularly bullish, growing at higher rates than those to their main trading partners. Export values in nearly every economy in the region outperformed pre-Covid levels, with the exception of Barbados, Belize, Colombia, Jamaica, and Venezuela.

The following section analyzes the main factors and destination markets that explained how external sales evolved in the different countries and subregions of LAC in 2021 (Figure 6). The annex contains detailed data on each country and major export products.

In South America, exports are estimated to have grown by 34.8% in 2021 after having fallen by 9.4% in 2020. This recovery was observed in every South American economy. Those that rallied most were Venezuela (78.3%), Bolivia (66.7%), and Peru (42.0%). The subregion’s performance is largely explained by the upturn in commodity prices, as export volumes grew only marginally (3.6%). Although all the subregion’s main trading partners drove export growth, China accounted for most of the expansion, followed by South America itself, the most dynamic destination.

Exports from Mesoamerica increased an estimated 20.7% in 2021 after falling 8.9% in 2020. The United States accounted for three-quarters of the total increase in the subregion’s exports.

External sales of Mexico increased 19.4% on average in 2021, but the pattern was extremely volatile. Exports began to grow again in late 2020 but fell back into the negative in early 2021 before reaching
### TABLE 1 • VARIATION IN THE VALUE OF LATIN AMERICAN AND CARIBBEAN GOODS EXPORTS BY SELECTED DESTINATIONS
(Year-on-year growth rate, percentage, 2020 and 2021)

<table>
<thead>
<tr>
<th>Exporting Group/member</th>
<th>Subregion</th>
<th>Latin America and the Caribbean</th>
<th>United States</th>
<th>Asia (excl. China)</th>
<th>China</th>
<th>European Union</th>
<th>World 2020 vs 2019</th>
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Source: IDB Integration and Trade Sector, estimations based on official sources, except Venezuela, which is based on estimates using data from OPEC and the IMF.

Notes: The table does not include the growth rates or absolute changes for nonselected destinations. As a result, the sum of the absolute changes for the selected destinations does not match the total. The data for Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua include exports under special trade regimes (STRs). For individual Central American countries, the subregional growth rates are for Mesoamerica, but Mexico is excluded from the aggregate for Central America, thus the subregional total only represents trade within Central America. See the Methodological Note for additional information on the procedures, time periods, and data sources used in the estimates. The abbreviation “n.a.” indicates that no data was available. Data for the Caribbean is not reported by destination because the available sample is not large enough to allow this. The arrows show the change in trend in comparison with the previous year.
exceptionally high rates (over 100%) in the second quarter. However, they have slowed markedly since July.

Exports from Central America grew by an average of 30.7% in 2021. The largest increases were seen in Panama, Honduras, and El Salvador (98.4%, 46.8%, and 34.0%, respectively), and in all countries, export values far outstripped those that preceded the impact of the health emergency. The subregion itself was the most dynamic destination and contributed significantly to the increase in Central American exports.
Conclusions

Goods exports from LAC recovered rapidly from the initial shock of the Covid-19 pandemic. The increase in export values in 2021 is estimated at between 24.8% and 27.8%, which is consistent not only with a rapid rebound in the wake of the pandemic but also with net growth in external sales. Export values are thus 13% to 16% above 2019 levels. However, the upturn was concentrated in the second quarter of 2021 due in part to the low baseline for comparison, and there has been a persistent trend toward deceleration since July.

Exports from South America and the Caribbean were mainly held up by commodity prices amid a context of weak growth in volumes. In contrast, the recovery in export values in Mexico was driven by increases in volumes, although it displayed extreme volatility. Exports from Central America, which were not hit so hard at the start of the pandemic, increased at relatively high rates.

Looking to the future, the balance of risks to LAC trade appears to be increasingly tilted to the downside. The trade prospects depend mainly on the new factors of uncertainty that are shaking up markets, the path that the global economy follows out of the Covid crisis, and how short-term and structural factors affect the real and nominal determinants of the region’s trade flows.

The prices of several commodities surpassed all-time highs before experiencing a marked correction at the end of 2021. This trend intensified in the last few weeks of the year, particularly in the oil, copper, and iron ore markets. Global expectations around demand are cooling as different extractive projects reach maturity, increasing supply, which could put further pressure on commodity prices and deepen this trend.

The impact of the price channel will also depend on the US dollar exchange rate. While the signals about the tightening of monetary policy in the United States are likely already priced in commodity markets, there remains considerable margin for uncertainty. Further tightening as a result of inflation accelerating could put upward pressure on the dollar and downward pressure on commodity prices, which could in turn have a significant negative impact on the region’s export values.

It is thus worth focusing on the evolution of real flows. Indeed, the slowdown in the region’s trade recovery rests not only on the short-lived dynamism of the price channel but also on the weakness and volatility of the growth in volumes. The recovery in the region’s export volumes is among the slowest in the world, some LAC economies have not yet returned to prepandemic levels, and the high-frequency data shows signs of contraction in some sectors that are key for the region’s exports.

Moreover, LAC’s main trading partners are facing new risks, and there are weak points in the region’s own international integration pattern that will become increasingly significant.

Among advanced economies, developments in the United States will significantly affect the region’s trade outlook. The above-mentioned impact that the direction of monetary policy will have on commodity prices is compounded by uncertainty around how robust economic growth is and the
impact that the Omicron strain of the coronavirus will have, given that the country’s Covid-19 vaccine campaign has plateaued. Moreover, the region has not fully recaptured its share of the US market to date. Indeed, after a brief recovery phase, it is losing ground again, which may imply that the trade channel is losing traction.

The prospects for growth in the European Union are slightly more moderate. New lockdown and containment measures are spreading fast and vaccination programs are lagging in several countries. Although LAC has maintained its market share, Europe’s propensity to import from the region was already on a downward trend before the pandemic hit, and EU imports from the region were one of the least dynamic of the region’s trade partners in the last year.

Turning to the emerging economies, demand from China—whose growth has given the region’s exports a significant boost during the recovery phase—is cooling unexpectedly quickly, as a result of zero-tolerance measures to combat Covid-19, the impact of new environmental policies on energy supply, and new prudential regulations in the real estate sector, which brings attendant risks to financial stability. Furthermore, given the prominence of commodities in the export basket to China, this trade relationship is more vulnerable than any other should prices contract.

Meanwhile, after rallying significantly, intraregional trade may now be jeopardized by new risks that are beginning to emerge within the region itself. On the macroeconomic front, the source of the greatest uncertainty is the potential impact of tighter international financial conditions on LAC’s growth. These economic risks come on top of growing perceptions of political risk among international investors on the eve of a three-year election supercycle.

In short, LAC was quick to recover from the recessionary trade impact of the Covid-19 pandemic. However, the evolution of trade is proving fragile in response to trends in export prices and a balance of risks in the real determinants of trade that is increasingly tilted to the downside. Although the leading indicator for the region’s exports still does not point to a trend reversal toward contraction in the coming months, the high-frequency indicators point to a rapid slowdown in growth.

Sustaining the external sector will be key to shoring up the economic growth that has only just begun in the region. At a time when the effects of the pandemic continue to weigh on domestic markets and the margin for countercyclical economic policies is likely to shrink, importing growth from the rest of the world through international trade continues to be crucial to overcoming the worst economic crisis of the last century.
Annex: Export Performance by Country

This annex analyzes the growth of export values for each country in LAC for which data is available (Table 1) and assesses how trading partners contributed to this performance (Figure 6), describing the main sectoral determinants of trade performance.

**South America**

Exports from **Venezuela**’s are estimated to have grown by 78.3% in 2021, after falling 70.2% in 2020. However, this exceptional recovery was not enough to return the country to prepandemic levels. The estimated export value for 2021 is about 50% lower than for 2019. Moreover, the rebound was driven almost entirely by improvements to oil prices, since export volumes grew by just 2.2% and did not return to pre-Covid levels, when they had already been contracting continuously for years.

Exports from **Bolivia** grew by 66.7% in the first quarter of 2021, reversing its negative performance in 2020 (–21.5%). Exports to Asia (excluding China) (142.5%) increased significantly, especially those to Japan (78.6%), as did sales to Colombia (109.1%) and the European Union (95.4%). The increase in gold exports accounted for almost a third of the total growth and was furthered by strong expansion in shipments of zinc ore, soybeans and their derivatives, and silver ore.

After contracting by 10.3% in 2020, exports from **Peru** increased by 42.0% in 2021. Approximately half of the total growth (20.8 p.p.) was explained by the increase in sales to China (71.4%). Exports also increased to the rest of Asia (44.9%), the European Union (28.8%), the United States (12.1%), and Chile (53.0%). The products that contributed most to the total increase were copper (48.4%), iron ore (158.5%), and gold (24.4%), mainly driven by prices. Export volumes expanded by 8.8% but have not yet recovered prepandemic levels.

After falling by 15.7% in 2020, exports from **Argentina** grew at an estimated rate of 39.1% in 2021. This performance was driven by a sharp upturn in exports to all its main destinations, most notably the European Union (67.0%), Asia (excl. China) (45.6%), and Brazil (43.3%). A substantial proportion of the increase in exports is explained by soybean meal, pellets and oil, corn, and vehicles for the transportation of goods. Although most of this growth was explained by improvements in prices, export volumes increased by a remarkable 10.1% and have already climbed above pre-Covid levels.

After falling 5.4% in 2020, exports from **Brazil** increased by 34.3% in 2021. Almost a third of the variation in the country’s total exported value was explained by the growth in shipments to China, which increased by 31.0%. Another factor that consolidated the uptrend was the increase in sales to the rest of Asia (41.6%), the United States (47.0%), and the European Union (31.9%). The products that contributed most to Brazil’s export growth were iron ore and concentrates (96.8%), which accounted for 11.3 p.p. of the total. Other contributing factors included exports of crude oil (53.0%) and soybeans (28.7%). The increase owes almost entirely to the rise in prices, as shipped volumes grew by just 4.1%.
After dropping by 10.8% in 2020, exports from Uruguay increased by 30.9% in 2021, strongly driven by the increase in shipments to China (91.3%) and Brazil (91.0%). The products that stand out the most are live animals and animal products—especially meat and edible offal—and mineral products, which together accounted for three-quarters of the total increase. Unlike the rest of the countries in South America, Uruguay’s exports grew mainly in real terms (26.1%).

Exports from Ecuador grew by 30.0% in 2021 after falling at a rate of 9.4% in 2020. The most significant increases were recorded in shipments to Panama (86.7%) and the United States (25.9%). Growth in export values was largely connected to the dynamism of sales of petroleum oils and shrimp, which together accounted for almost half of the total increase.

After growing by 6.9% in 2020, exports from Chile increased even more in 2021, reaching 29.9%. Some 12.3 p.p. of the total increase owed to the growth in exports to China (32.5%). The rest is explained by sales to the United States (50.2%), the rest of Asia (23.4%), Brazil (53.7%), and the European Union (18.6%). Copper exports grew 45.4% year-on-year and explained much of the performance, accounting for 22.9 p.p. of the total increase. Prices played a crucial role in Chile’s performance, given that export volumes stagnated.

After increasing 6.9% in 2020, exports from Paraguay grew by 26.6% in 2021, driven entirely by rising prices, as export quantities contracted by 2.6%. More than half of the total increase was explained by shipments to Brazil and Argentina, which grew by 23.8% and 26.4%, respectively. Increases in exports to Chile (39.5%), Uruguay (136.8%), and Peru (89.3%) also contributed to this positive performance, albeit to a lesser extent. The most noteworthy increases were in exports of soybeans, beef, and corn.

External sales of Colombia increased by 24.8% in 2021, reversing the trend of the previous year (–21.4%) as a result of improved prices in a context of continued contraction in export volumes (–7.4%). The main increases were to destinations outside the region, such as China (56.7%), the rest of Asia (55.2%), and the United States (19.5%). Oil exports increased by 39.4% in account for almost half of the total increase.

**Mesoamerica**

After falling by 9.5% in 2020, exports from Mexico increased by 19.4% in 2021, explained largely by quantities shipped (17.3%). Around three-quarters of this increase was due to the growth in shipments to the United States (18.4%) and was further shored up by increases to most of the country’s other main export destinations. This result is largely due to increased exports of land vehicles and parts thereof and electrical machinery and equipment, which were particularly high in the first half of the year. However, automotive sector exports moved onto negative ground in the second half of the year due to the shortage of chips, pushing the annual average down significantly.

Exports from Panama increased by 98.4% in 2021, building on the exceptional increase of 14.7% in 2020. This growth was almost entirely explained by copper ore shipments to China and the rest of Asia.

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4 Ecuador saw an exceptional increase in exports to Panama, which predictably functioned as an intermediate destination for shipments that were then re-exported.

5 STR exports are not included as most of these are re-exports.
After contracting by 12.6% in 2020, exports from Honduras increased by 46.8% in 2021. The destinations that contributed most to the increase in exports were the United States, El Salvador, and the European Union. The best export performance was observed in those under special trade regimes (STR), which grew 88.3%, driven mainly by shipments of clothing (90.6%), while sales from the national customs territory (NCT) grew 20.3%—the trend was largely shaped by the increase in coffee exports (35.9%).

Exports from El Salvador increased 34.0% in 2021 after falling 14.6% in 2020. Slightly less than half of the overall result (15.3 p.p.) was explained by the increase in exports to the United States, which grew by 39.3%. Other destinations that consolidated this uptrend were Honduras (42.3%), Guatemala (36.4%), and Nicaragua (34.0%). Sales from the NCT increased by 30.1%, driven by rising exports of knitted garments and clothing accessories (55.1%) and plastics and their manufactures (31.3%). Meanwhile, sales from the STRs increased 53.1% as a result of shipments of knitted garments and clothing accessories (55.2%) and electrical machinery (59.9%).

After increasing 1.7% in 2020, exports from Costa Rica grew 26.0% in 2021. The main destinations behind this export growth were the United States (26.4%), LAC (30.5%), the European Union (22.0%), and Asia excluding China (25.7%). Exports under STRs increased 32.4%, while sales from the NCT grew by 18.0%. Auto parts and components were the products that contributed most to the increase in exports, increasing by 38.8% year-on-year.

After falling by 2.3% in 2020, exports from the Dominican Republic increased by 20.8% in 2021. The United States was the destination that most shaped this positive trend: the 25.0% increase in exports there accounted for 13.5 p.p. of the total. Shipments to Asia (excluding China) also played a part in the overall performance, increasing by 144.2%, as did sales to Haiti (28.2%) and the European Union (25.0%), albeit to a lesser extent. Exports under STRs increased 18.2%, while sales from the NCT grew by 22.4%. The products that contributed most to export growth were sales of fine pearls, precious stones, and metals (which increased by 21.6%) and tobacco and its processed substitutes (41.9%).

Exports from Guatemala grew by 22.4% in 2021 after falling by 0.6% in 2020. The main increases came in shipments to Honduras (37.5%), El Salvador (31.6%), and the United States (20.8%). Exports from the NCT increased by 18.1% due to higher sales of coffee and other nontraditional products, while sales under STRs grew 33.9%, driven by clothing items and edible fats and oils.

After contracting by 3.5% in 2020, exports from Nicaragua grew by 27.8% in 2021. The overall result was largely due to the increase in shipments to the United States (20.9%) and Mexico (137.3%). Exports under STRs increased 20.7%, while sales from the NCT grew at an even greater 37.6%. The products that contributed most to the overall result were clothing and clothing accessories and automotive harnesses, which increased by 33.8% and 74.7%, respectively.

**Caribbean**

Exports from Barbados fell by 3.1% in 2021, intensifying the 12.1% contraction of 2020. Although there were increases in shipments to the United States (11.0%), these fell short of offsetting the drop in sales to Saint Vincent and the Grenadines (~34.1%) and Jamaica (~19.7%). The export contraction was mainly explained by the drop in sales of chemicals and machinery. This was countered by increases in the export values of food and beverages.
After contracting by 11.3% in 2020, exports from **Belize** increased by 11.8% in 2021. This outcome is largely explained by the increase in exports to the European Union (66.0%) and LAC (30.5%), the most noteworthy destinations in which are Trinidad and Tobago (13.1%), Jamaica (12.2%), and Mexico (78.9%). Another contributing factor was sales to the United States, which increased 5.5%. Sugar exports increased 19.8%, explaining almost half (6.5 p.p.) of the overall result.

Exports from **Guyana** grew by 44.9% in 2021, building on the positive performance of 2020, when they increased by 89.9%. This performance was explained by a significant increase in sales to the United States (300.5%), the country’s main destination market, which offset the downturn in sales to China (−95.4%), Jamaica (−90.3%), and Canada (−47.2%). The main product that shaped this growth was oil.

No disaggregated data are available at either the destination or sector level for the other Caribbean countries analyzed.
Methodological Note

The estimates of Latin American and Caribbean exports for 2021 were calculated using data available through December 3, 2021.

The data used was for the following periods: January–November for Brazil; January–October for Argentina, Chile, Costa Rica, the Dominican Republic, El Salvador, Mexico, and Paraguay; January–September for Barbados, Belize, Bolivia, Colombia, Ecuador, Guatemala, Honduras, Nicaragua, Panama, Peru, and Uruguay; January–July for Jamaica; January–June for Guyana and Trinidad and Tobago. The figures for Costa Rica, the Dominican Republic, El Salvador, Honduras, Guatemala, and Nicaragua include STR exports. Exports from Venezuela were estimated by combining price data from the Merey-type oil price series and import data from the country’s main trading partners.

The aggregate volume index for Latin America comprises ten countries: Argentina, Brazil, Chile, Colombia, El Salvador, Mexico, Paraguay, Peru, Uruguay, and Venezuela. The export volume indices were calculated using data from official sources for Argentina (National Institute of Statistics and Censuses), Brazil (Ministry of the Economy), Chile (Central Bank of Chile), Colombia (Bank of the Republic), Peru (Central Reserve Bank), and Uruguay (Central Bank). The series for Paraguay was calculated using data on export volumes for the country’s main products as reported by the Central Bank and aggregated according to the export structure of 2015. For Mexico and El Salvador, the series of exports in US dollars were deflated using the import price index published by the US Bureau of Labor Statistics (BLS). Export volumes of Venezuela were calculated using OPEC information on production. The national series were aggregated based on countries’ shares in total exports in 2015, valued in US dollars.

The following official data sources were used. Argentina: National Institute of Statistics and Censuses; Barbados: Barbados Statistical Service; Belize: Statistical Institute of Belize; Bolivia: National Institute of Statistics; Brazil: Ministry of the Economy; Chile: Central Bank of Chile; China: China Customs Statistics; Colombia: National Administrative Department of Statistics; Costa Rica: Promotora de Comercio Exterior (PROCOMER); Dominican Republic: Customs Authority; Ecuador: Central Bank of Ecuador; El Salvador: Central Reserve Bank of El Salvador; European Union (27 countries, excl. United Kingdom): Eurostat; Guatemala: Bank of Guatemala; Guyana: Bureau of Statistics; Honduras: Central Bank of Honduras; Jamaica: Statistical Institute of Jamaica; Mexico: Bank of Mexico; Nicaragua: Central Bank of Nicaragua; Panama: National Institute of Statistics and Censuses; Paraguay: Central Bank of Paraguay; Peru: Commission for the Promotion of Peru for Exports and Tourism (PROMPERÚ); Trinidad and Tobago: Central Bank of Trinidad and Tobago; United States: US International Trade Commission; Uruguay: Central Bank of Uruguay; Venezuela: OPEC and IMF.

The estimated range is based on two alternative scenarios. First, a pessimistic scenario, in which it is assumed that the seasonally adjusted values of exports in the last month for which data was available will be maintained for the rest of the year. Second, an optimistic scenario, in which it is
assumed that the year-on-year rates of change accumulated up to the month for which data is available will be maintained for the rest of the year.

The following abbreviations are used in this document: BLS—US Bureau of Labor Statistics; CPB—Netherlands Bureau for Economic Policy Analysis; EU—European Union; IMF—International Monetary Fund; LA—Latin America; LAC—Latin America and the Caribbean; NCT—national customs territory; OPEC—Organization of the Petroleum Exporting Countries; STRs—special trade regimes; USITC—US International Trade Commission.