Americas Market Intelligence | 33 YEARS

Demystifying Latin America since 1993

The Latin America Opportunity Outlook

An executive briefing on the factors reshaping business opportunities

More than a generation helping our clients grow, measure & protect their business interests in Latin America

Beginning
AMI was born as InfoMex, founded in Mexico City

HQ opened in Miami

Key members of the former InfoAmericas team create AMI

2026
5,000th engagement in LatAm

1993	1995	2000	2007	2011	2022	2026

First studies conducted in South America, name changed to InfoAmericas

InfoAmericas is sold to Kroll, forming Kroll's first market intelligence division

We launched PCMI, an affiliate focused on global payments advisory services

PCMI Payments & Commerce Market Intelligence

2000
750th engagement in LatAm

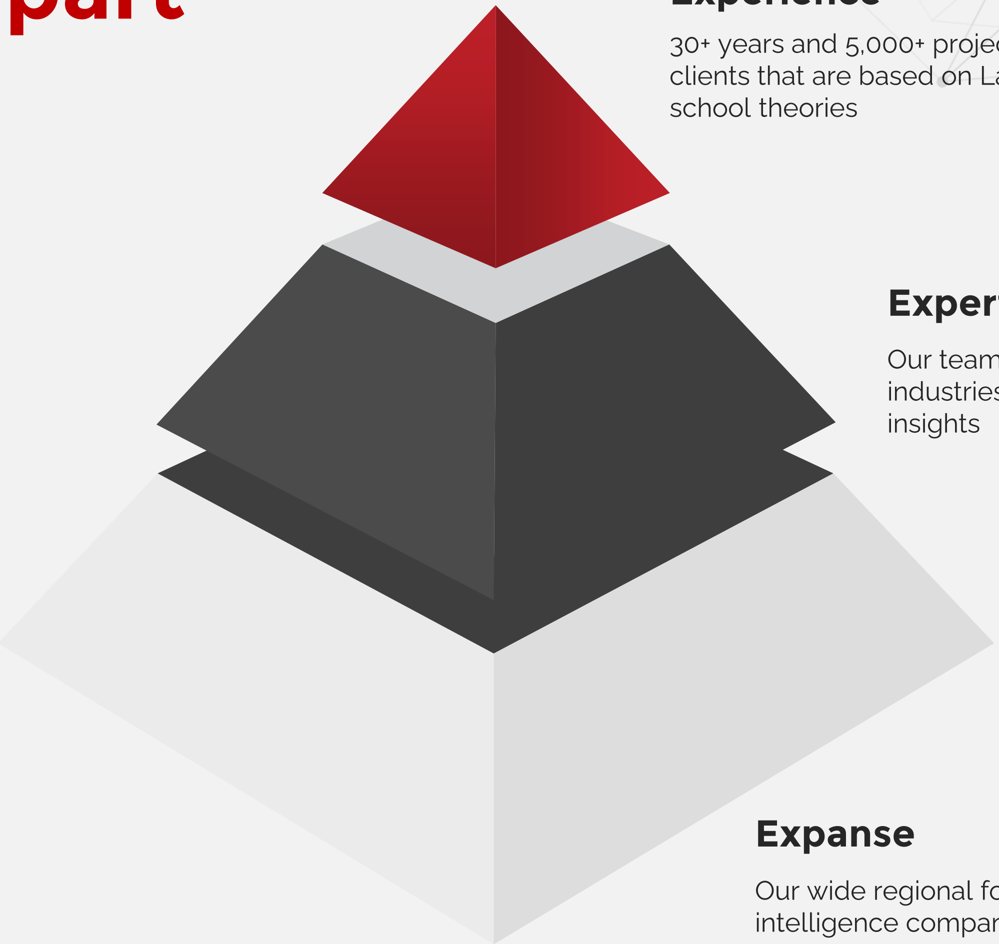
2012
2000th engagement in LatAm

What sets AMI apart

Dialed-In Direction

Global consulting firms aren't often attuned to Latin America's business environment and its nuances.

AMI's 30+ years of specializing in Latin America means that we offer 3 value drivers for guiding successful business decisions in the region:



Experience

30+ years and 5,000+ projects allow us to craft strategies for clients that are based on LatAm market realities, NOT business school theories

Expertise

Our team's deep understanding of specific industries turns granular intelligence into actionable insights

Expanse

Our wide regional footprint allows us to gather the granular intelligence companies need — this is crucial in a region with scant available market data

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LAC 2026-2027:

Finding Growth Despite The Noise

Despite the noise, our region will average 9% growth in USD for 2026-2027

Lots to worry about in the world:

- Korean Peninsula tensions
- US/Israel-Iran conflict
- Russia-Ukraine war
- European domestic politics
- Sudan's civil war
- Climate summit diplomacy
- South China Sea & Taiwan

BUT…

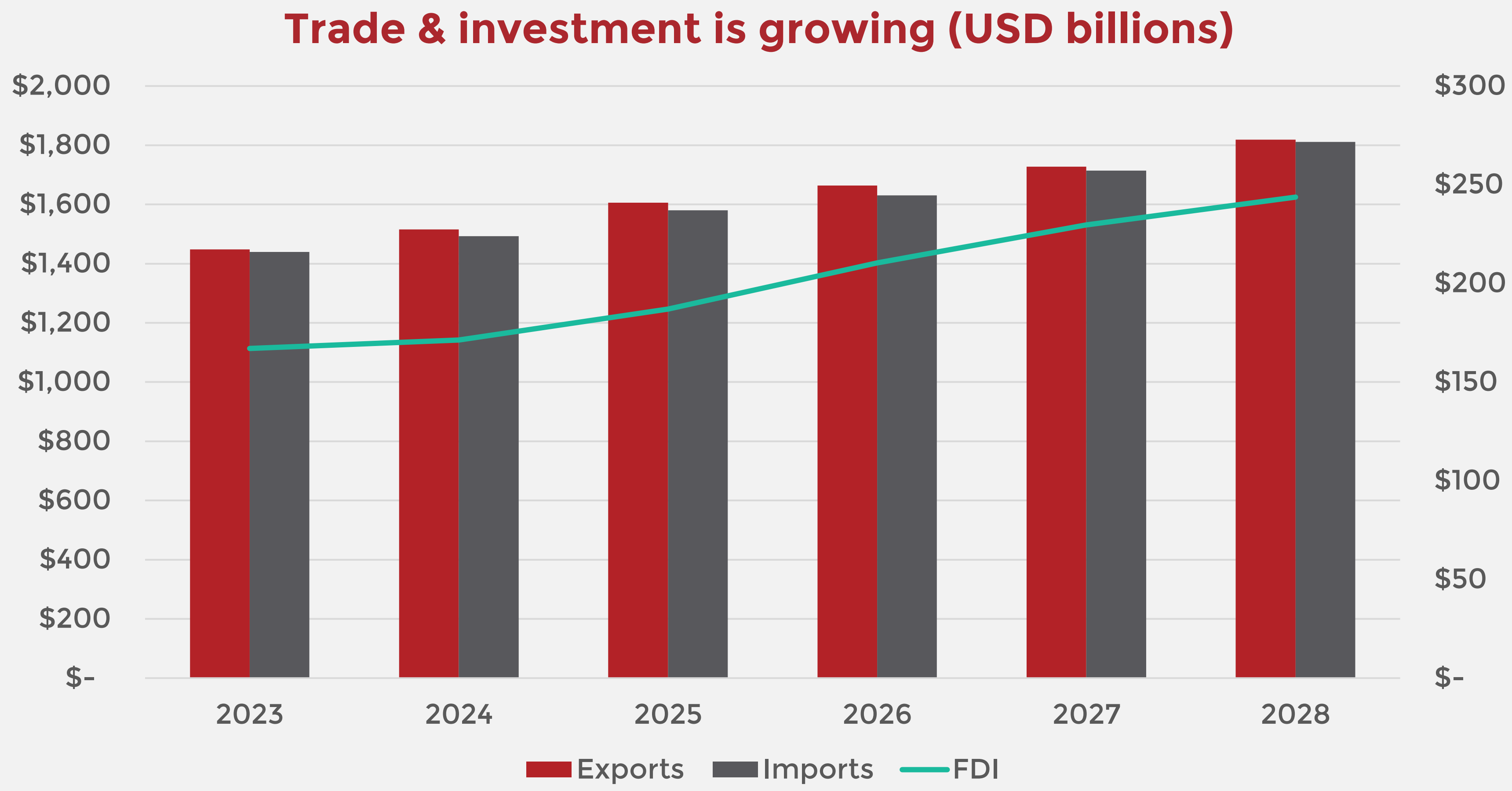
That's not stopping LatAm's growth.

Avg annual GDP growth in USD ('26/'27)
>30%
15-20%
10-14%
5-9%
1-4%
-5 – 0%
<15%

The geopolitical issues that do matter to our region:

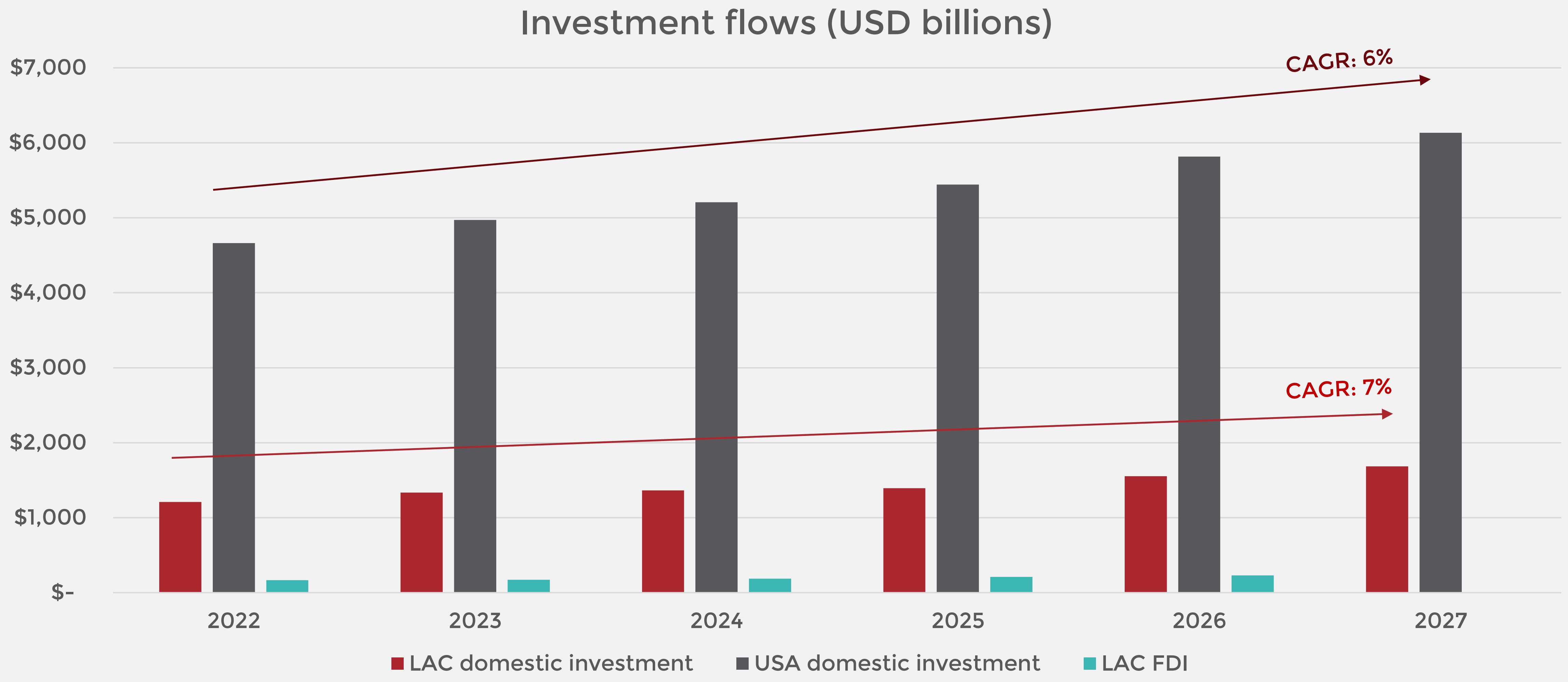
Negatively impacted	Geopolitical issue	Positively impacted
Caribbean, Central America, Chile, Uruguay	**US/Israel-Iran conflict**	Guy, Bra, Sur, Arg, Col, Ven, Ecu, Pan
	US-China trade tensions	Bra, Arg, Uru, Chi, Per, Pan, Mex
Mexico	**USMCA renewal uncertainty**	
	US-China battle over Panama assets	Peru
	Critical minerals race	Arg, Chi, Bra, Bol, Per
	US decapitation of Ven leadership	Col, Guy
	Chinese investment surge in LAC	Bra, Per, Chi, Col, Arg, Uru
Manufacturing exporters	**Dovish US Fed policy**	Commodity exporters, LAC consumption & imports

Latin America's growth prospects are impressive

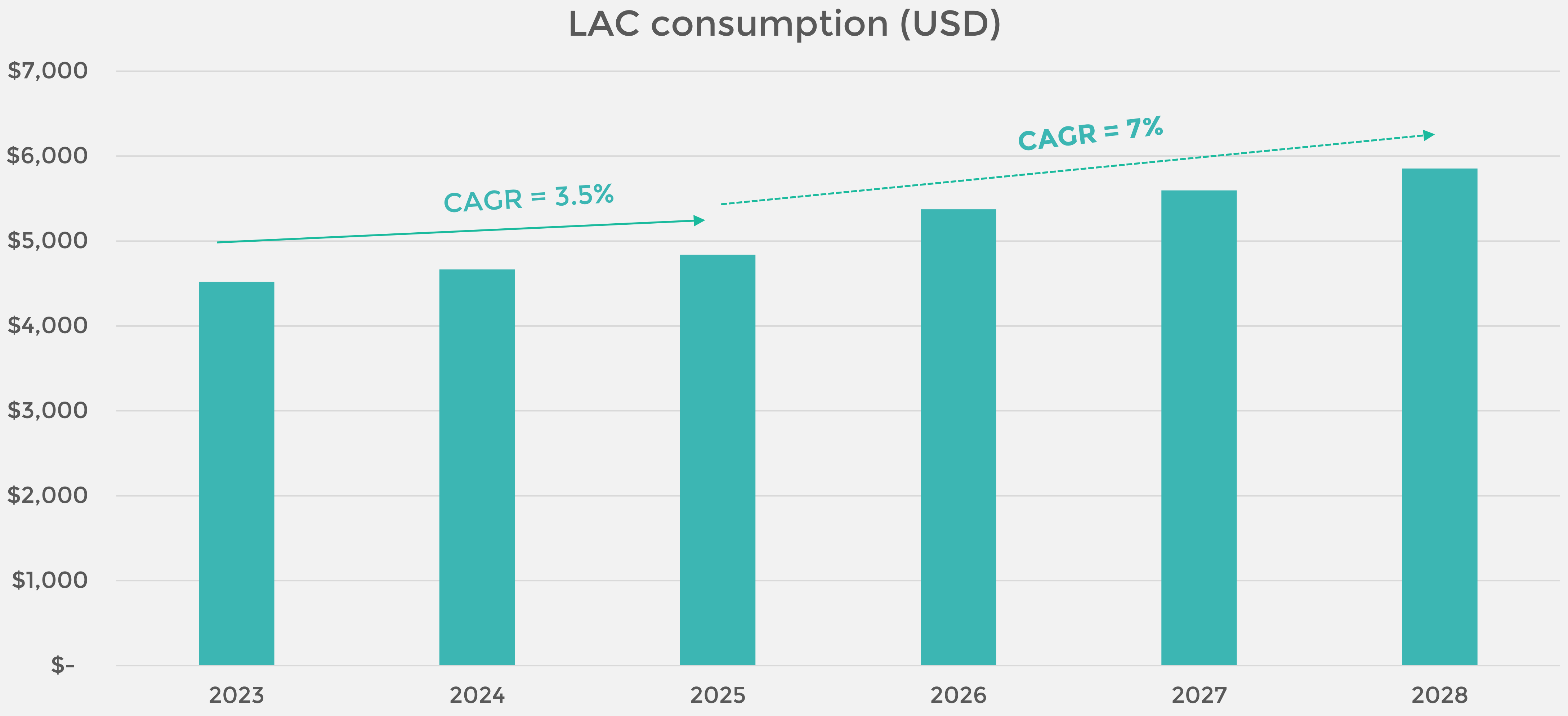


CAGR ('25 – '28)	
LAC exports	4.7%
LAC imports	5.0%
In-bound FDI	9.2%

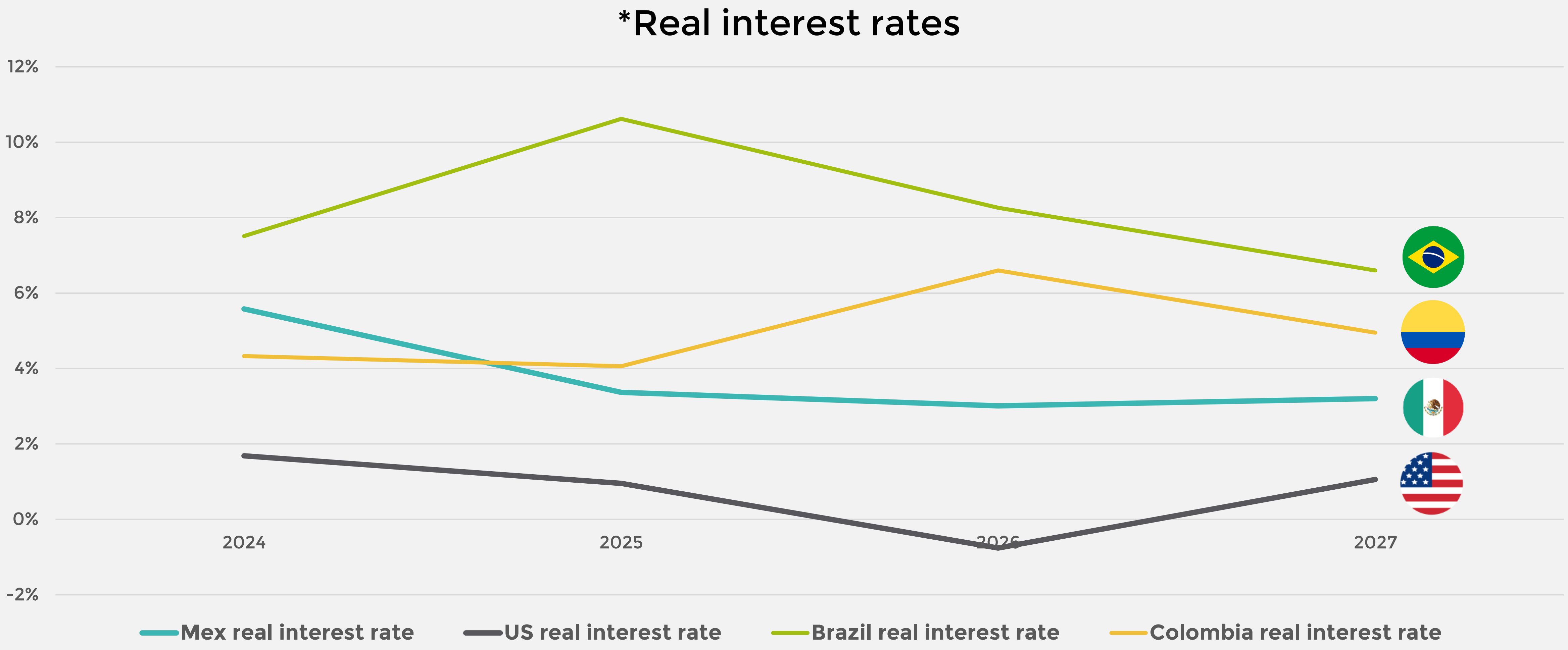
LatAm domestic investment flows = 7.5x FDI flows and outpace those of the US



LAC consumption growth is set to double recent pace

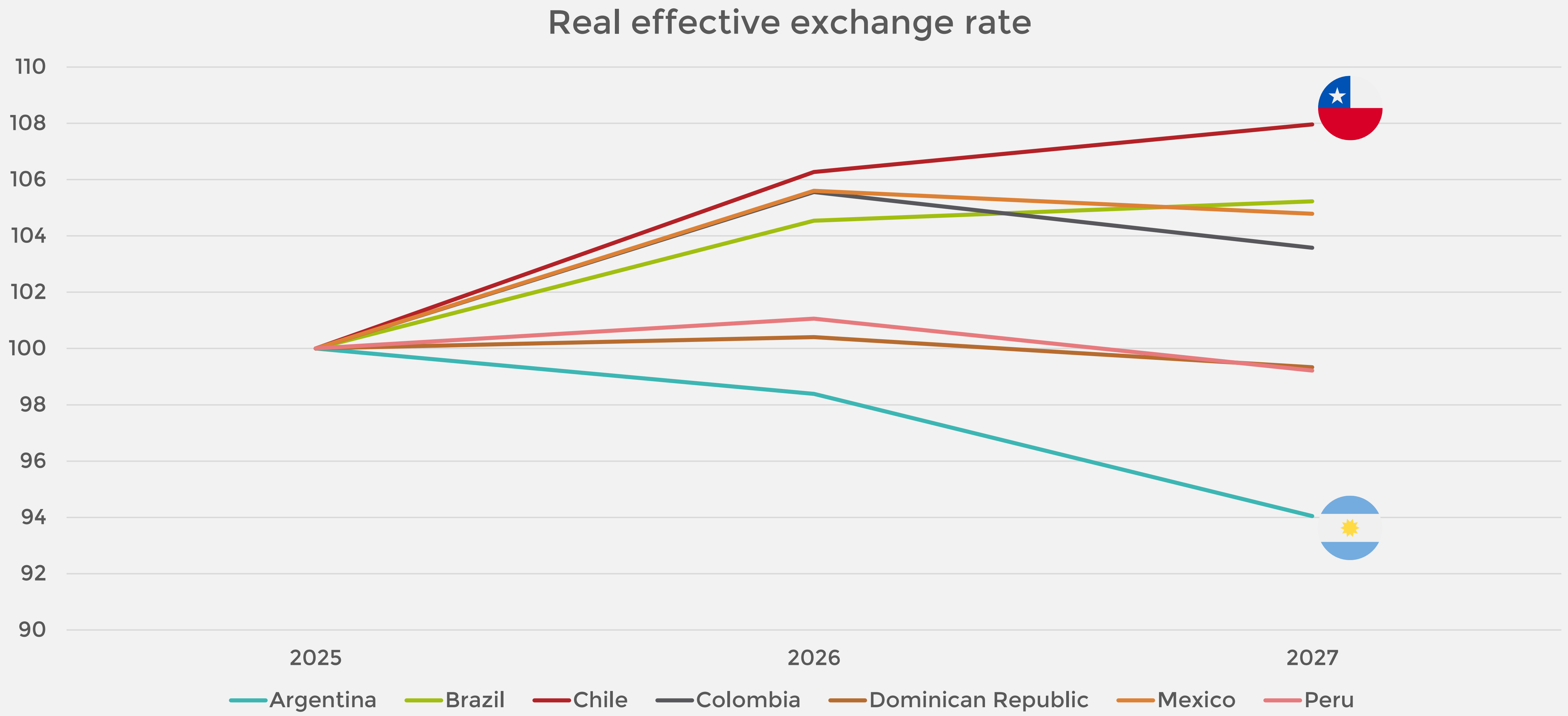


Hawkish central bank policies buoy leading currencies



*Real interest rates = central bank policy rates minus inflation

Most leading LAC currencies continue to appreciate



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What Is Fueling Investor Optimism in LAC?

1. Politics Matters, Is Local, and It Is Pointing Rightward

MEXICO
Sheinbaum promised to keep moving Mexico to the left, in homage to AMLO. Trump's policies and private sector pressure have changed her agenda to something more pragmatic, yet disruptive. Party unity and governability is at risk.

COLOMBIA
Petro's policies frightened investors but congress and the court reigned him in. Highly contested 2026 elections brought Abelardo de la Espriella to the presidency. Despite his populist campaign, his cabinet is expected to be centrist and technocratic.

ECUADOR
Investors like Noboa's economic policies but worry about the disruptive power of organized crime and macro-economic fragility. US support for fighting cartels is welcomed but will keep some investors away.

PERU
Keiko Fujimori is the president-elect and may be the first executive leader in a decade to last a full term. Long-overdue alignment with congress could lead to legislative progress and public infrastructure spending.

CHILE
Recently elected José Antonio Kast is an establishment right-wing candidate who will focus on deregulation to reactivate investment growth. He is likely to position Chile closer to the USA but will not risk alienating other foreign partners.

HONDURAS
The protracted election of Nasry (Tito) Asfura helped break the leftist hold on Honduras and will provide a tectonic shift to Central American political balance.

DOMINICAN REPUBLIC
Abinader has delivered pro-business policy and far less egregious corruption than in the past.

VENEZUELA
The extraction of disgraced President Maduro promises to be followed up by a much closer partnership to Washington and higher economic growth. Less clear is the path to democracy.

BRAZIL
Again, its Lula vs. Bolsonaro, a divisive presidential battle. Recent polls point to a dead-tie but the Bolsonaro family remains controversial and divided. Meanwhile, Lula can stoke the economy and dominate the airwaves ahead of October.

ARGENTINA
Milei has radically pivoted Argentine politics to the right, igniting a regional curiosity in libertarianism. Mid-term election success will help Milei legislate his reform agenda and lengthen the impact of his policies.

COVID & Extended Quarantines Inspired Political Populism

	2020/21 annual COVID deaths per 100,000	2020 GDP nominal growth in USD	% of population that fell into extreme poverty	% of pop whose USD incomes remained below 2019 levels at end of 2022
Latin America	164	-18%	3.3%	50%
USA	142	-3.4%	2.4%	20%
Greater Europe	189	-6.3%	1.6%	15%
Asia	106	-2%	1.1%	25%
Africa	80	-4.5%	0.7%	20%

Populist Presidents vs. Institutional Checks & Balances

Latin America's flirtation with populism could have been a lot worse

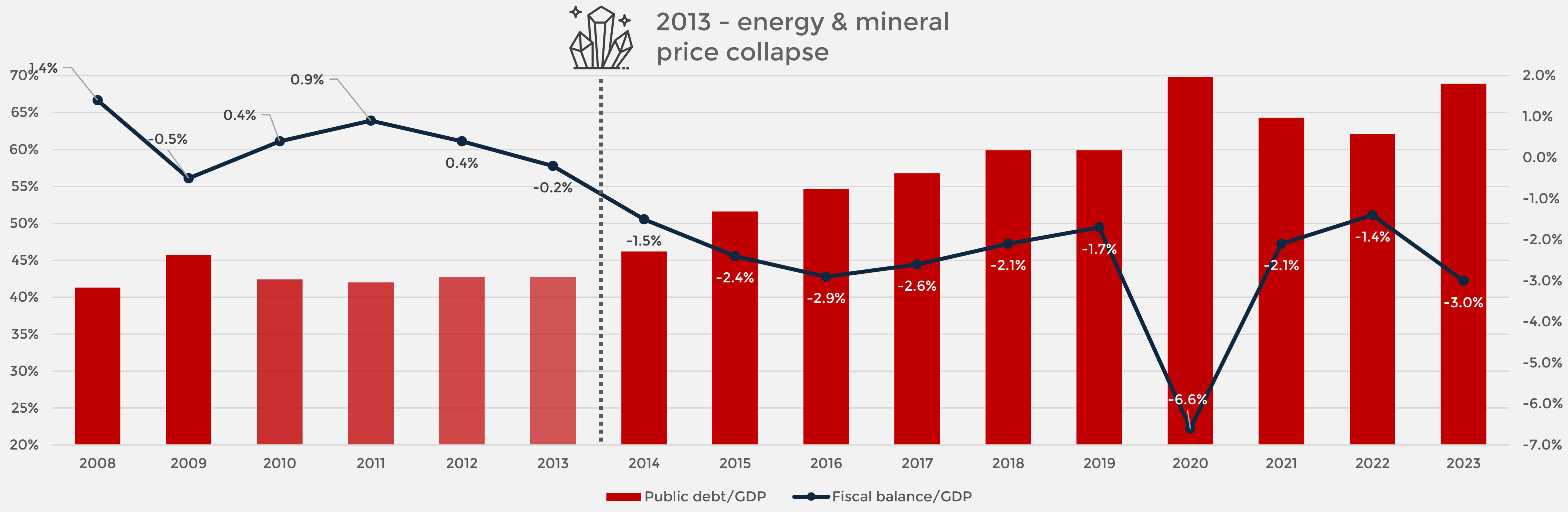
Institutional barriers to populism

Lula	Petro->Abelardo	AMLO & Sheinbaum	Boric -> Kast	Castillo->Keiko	Peronists -> Milei
	Int'l accords				
	Army		Int'l accords		
Judiciary	Judiciary		Constitutional reform	Judiciary	Judiciary
Congressional opposition	Congress	Int'l accords	Judiciary	Int'l accords	Congress
Fiscal debt	Fiscal debt	Judiciary	Congress	Congress	Int'l creditors
Central Bank	Central Bank	Central Bank	Fiscal deficit	Fiscal deficit	Electorate

20 Years of Low US Interest Rates and High Commodity Prices (up to 2013) Facilitated Public Debt & Deficits

Today, creditors pressure LAC governments to cut costs

Latin America & Caribbean Public Finances (weighted average)



The 2026 Election Map

Costa Rica →
General election (Feb. 2026, Laura Fernández wins the elections in first round)
Directional tilt: *Continuity of Rodrigo Chaves pro-business and center-right government.*

Peru →
General election (April 2026; possible runoff June 2026)
Directional tilt: *Keiko Fujimori elected to office, consolidating a tectonic shift to the right and a push to deregulate.*

Colombia →
Legislative (March 2026) + Presidential (June 2026)
Directional tilt: *Right-wing shift through the election of de la Espriella.* Congress remains somewhat fragmented, ensuring gradualist legislative changes ahead.

Brazil →
General election (Oct. 2026; possible runoff late Oct. 2026)
Directional tilt: True toss-up (continuity vs right/center-right return depends on coalition math and inflation/jobs mood). More importantly, congress and senate continues to shift rightward.

Haiti →
Elections planned for Aug. 2026; possible runoff Dec. 2026 (timing highly contingent on security and transition governance)
Directional tilt: *Not reliably classifiable left/right; feasibility and security dominate the outcome.*

The Bahamas →
General election due by 2026 (timing may be called within constitutional window)
Directional tilt: *Typically governance/performance more than ideology; "centrist alternation" pattern.*

Politically meaningful (subnational)

Bolivia →
Subnational elections March (2026)
Directional tilt: *election results clearly revealed a post-Morales post-binary choice with very fragmented results where personality trumped party in local elections.*

Paraguay →
Paraguay – Municipal elections Oct. 2026
Directional tilt: *Mostly local machines; useful as a "signal" for the next national cycle rather than an ideological pivot.*

2. North American Integration Will Continue

USMCA: A Milestone, Not a Rupture Point

The 2026 review will be closely watched – but the underlying strategic logic of North American integration remains compelling.

Deep Manufacturing Links

Decades of integrated production networks across the continent

Powerful Trade Flows

Trillions in annual commerce binding the three economies together

Shared Infrastructure

Energy grids, logistics corridors, and digital networks built for integration

Commercial Interdependence

Economic ties too valuable to unravel – even under political pressure

USMCA Scenarios 2026–27

Three Possible Paths – All Manageable for Prepared Firms

Constructive Extension

Agreement renewed with limited disruption. The strongest outcome for confidence and investment across the hemisphere.

Extension Through Negotiation

Political pressure rises, but the agreement is ultimately reaffirmed – and still a strongly supportive one for business. Possibly becomes two bi-lateral agreements.

Extended Debate, Continued Framework

Not dealt with in 2026. Annual reviews create noise but the agreement remains intact. Companies adapt through scenario planning and operational flexibility.

Most likely outcome: Lack of political support in Washington leads to a missed renewal deadline, obliging an annual review of the USMCA.

3. Geopolitical Context

U.S.–China Competition Is Raising Latin America's Strategic Value

Strategic competition between the U.S. and China is increasing attention on Latin America as a critical partner in supply chains, infrastructure, energy, and technology. Countries aligned with **transparent, secure, and high-standard investment models** stand to benefit most.

Key sectors attracting strategic attention and greater FDI:

- Critical minerals and resource extraction
- Logistics networks and port infrastructure
- Energy systems and clean transition
- Telecom and digital infrastructure

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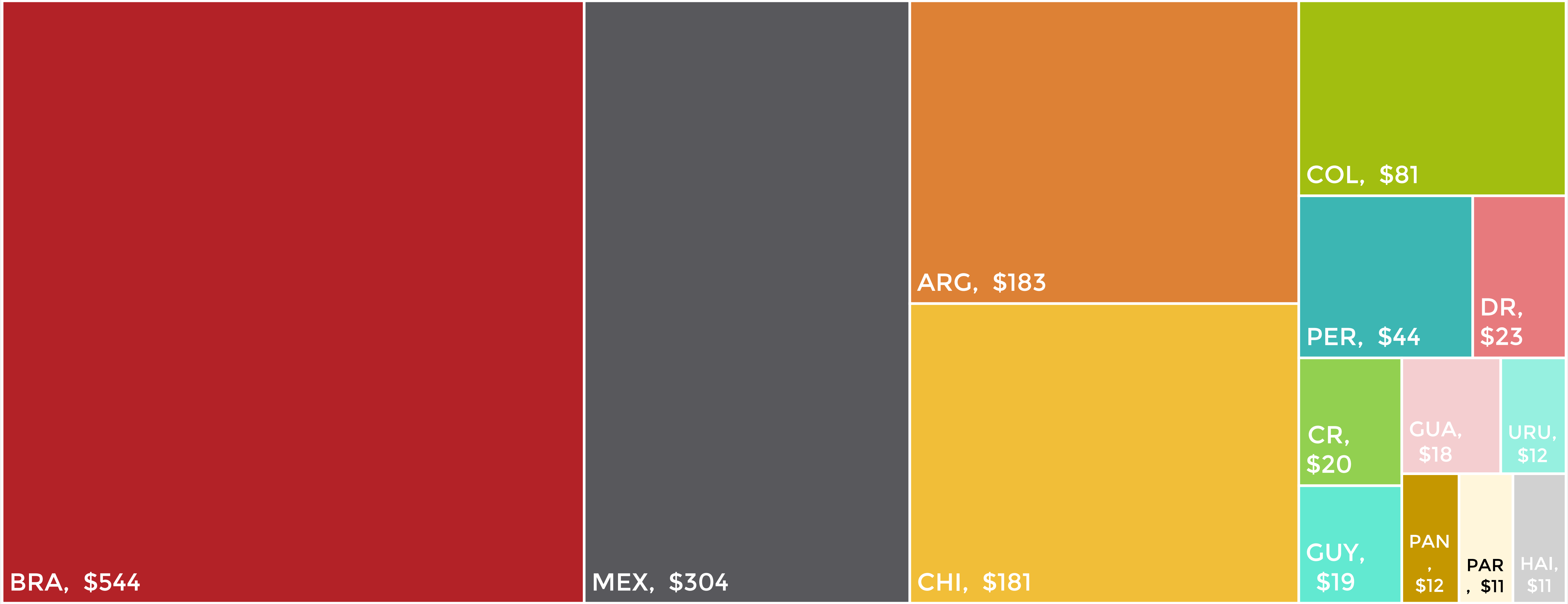
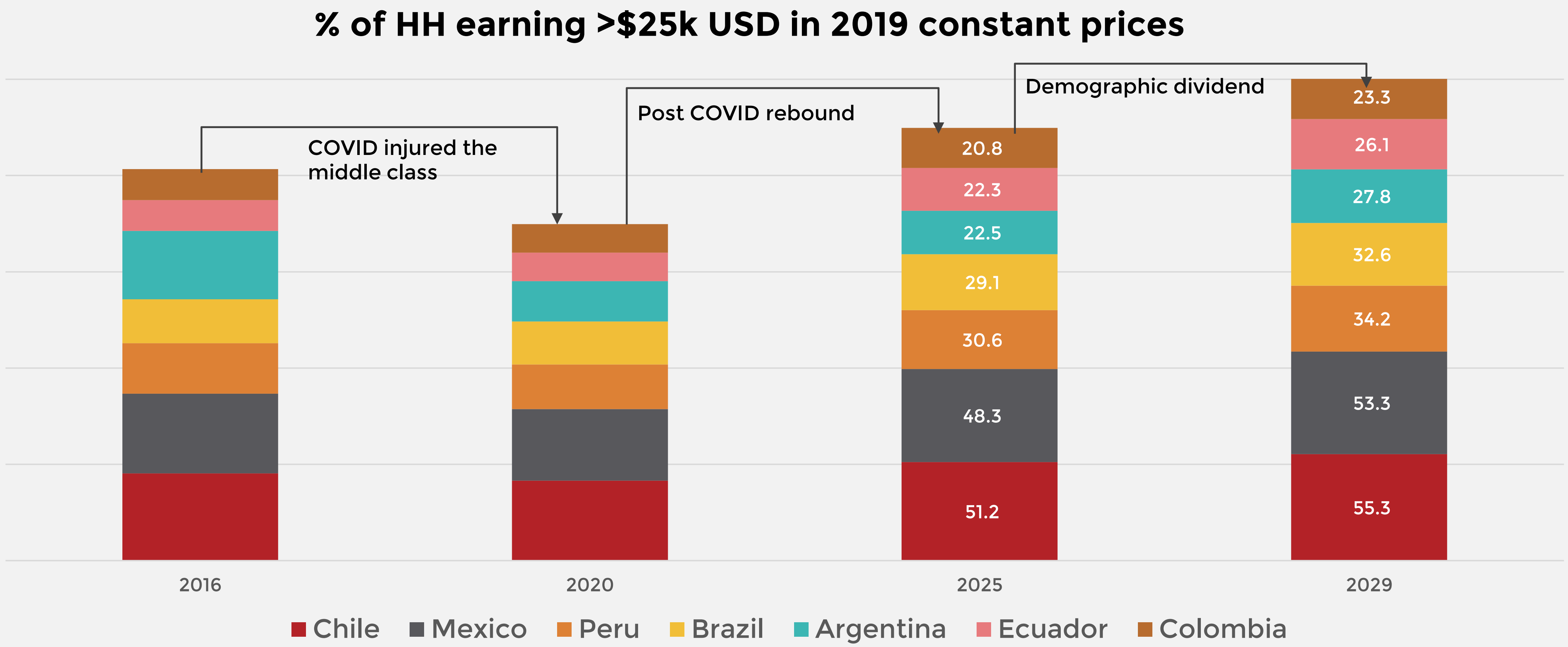
Pinpointing Growth Opportunities

The Big Picture: GDP expansion in 2026-2027 for Select Markets

2-year delta increase in USD measured GDP

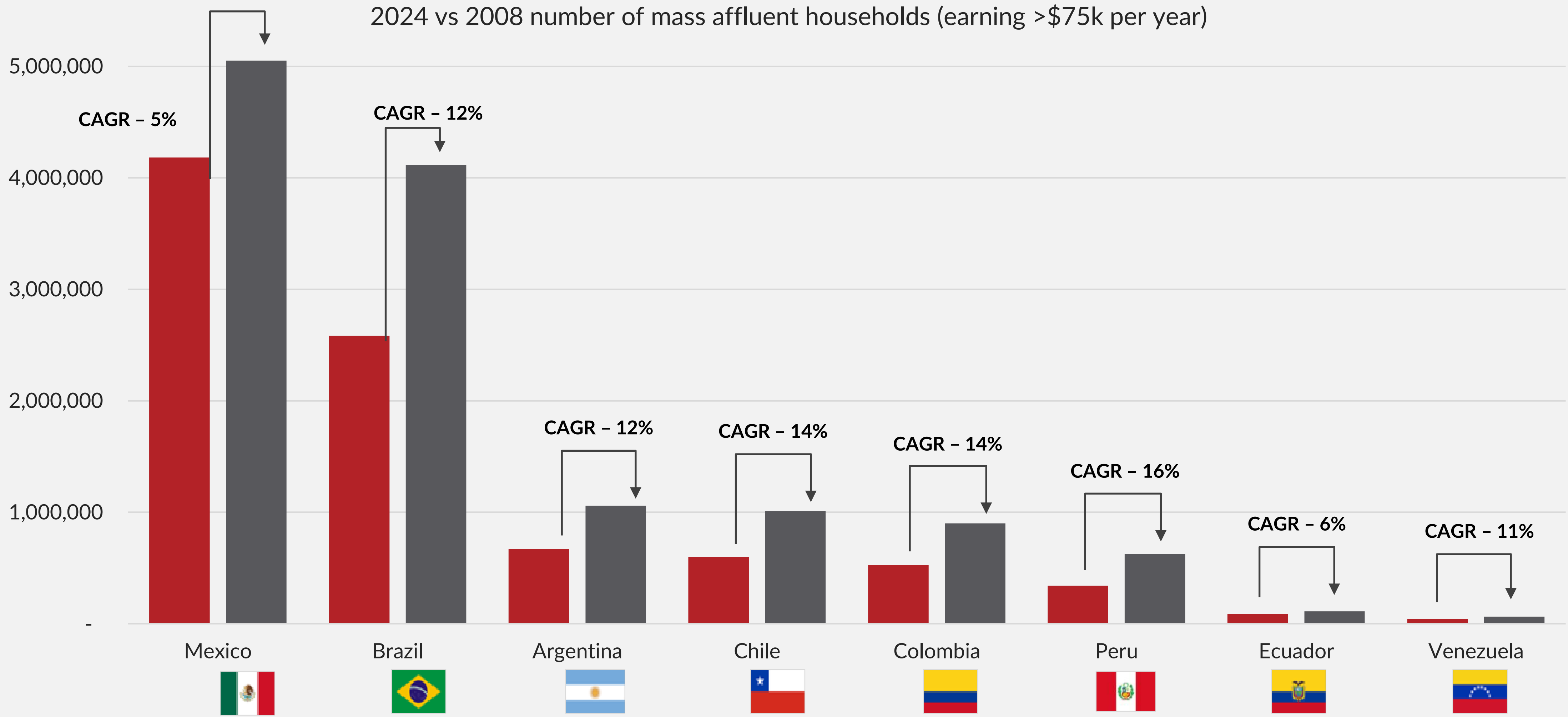


LatAm's Middle Class Is Growing Again after COVID Setbacks



Source: EIU

Despite Economic Challenges, Mass Affluent Keep Growing



Source: EIU

11 High-Growth Industries in Latin America

Estimated annual revenue/investment CAGR, 2026–2028: The sectors growing at **3× to 10× regional GDP**

REGIONAL GDP BASELINE: ~2.1%–2.3%
(WORLD BANK / ECLAC)

The Top 5 Highest-Conviction Sectors

These five combine strong structural demand, visible capital deployment, and multi-country scalability.

Data Centers, Cloud & AI

15%–22%

Hyperscale rollouts, AI workloads, sovereign cloud, new subsea cables

E-Commerce & Marketplaces

14%–21%

Mobile payments, Mercado Libre, Amazon, cross-border shopping

EVs & Charging Infrastructure

15%–28%

Chinese OEM entry, urban pollution rules, fleet electrification

Agritech & Farm Automation

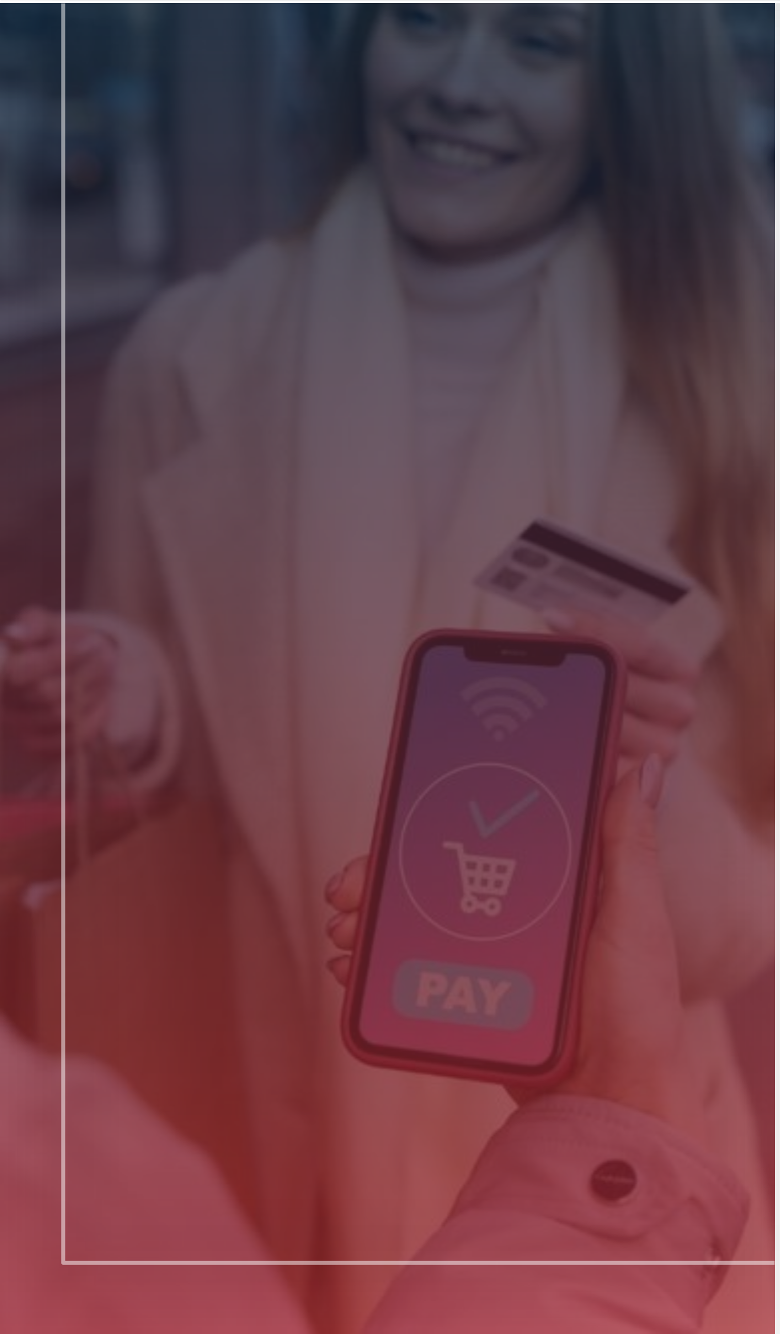
14%–17%

Yield pressure, climate volatility, satellite/IoT monitoring

Renewables & BESS

10%–25%+

Corporate PPAs, cheaper solar, grid modernization, battery storage



Digital Economy: Fintech, Cybersecurity & Enterprise Software

Fintech, Digital Payments & Embedded Credit

8%–15%

Instant payments, open finance, SME credit gaps, neobanks, underbanked consumers

Cybersecurity & Managed Security

10%–13%

Cloud migration, ransomware, AI-enabled attacks, nearshoring exposure, stricter data rules

Digital Transformation, AI & IT Outsourcing

12%–18%

ERP modernization, AI adoption, nearshore delivery centers, demand from banks and governments

Physical Economy: Minerals, Logistics & HealthTech

Critical Minerals

8%–14%

Copper, lithium, nickel; EV/grid demand; Argentina's RIGI incentives

Logistics, Cold Chain & 3PL/4PL

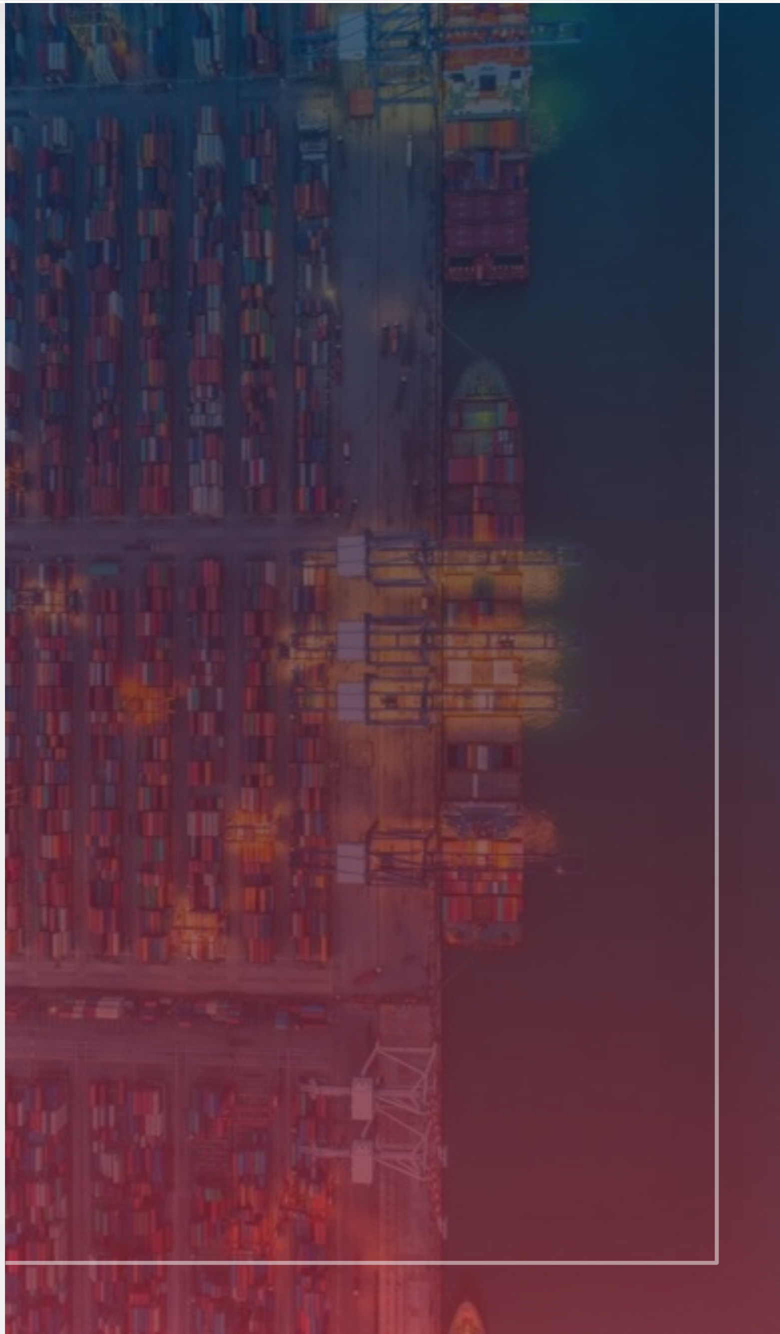
6%–9%

E-commerce fulfillment, nearshoring, food/pharma cold chain, port modernization

Healthcare, diagnostics & Medtech

6%–10%

Aging populations, diabetes/cancer burden, remote monitoring, CGM devices



Five Cross-Cutting Demand Themes

Every high-growth sector maps to at least one of these structural forces compounding across Latin America.

Digitization of Consumption & Money

E-commerce, payments, cybersecurity, cloud and AI

Electrification & Energy Transition

Renewables, BESS, EVs, copper, lithium and grid investment

Nearshoring & Supply-Chain Redesign

Logistics, industrial services, cybersecurity and data centers

Productivity Pressure

Agritech, enterprise software, automation and managed services

Demographic & Health Burden

Diagnostics, devices, chronic-care tech and private healthcare

Let's Continue the Conversation

John Price
Managing Director
jprice@americasmi.com
+1 (305) 773-1141

AMI helps organizations grow, measure, and protect their business in Latin America through data-driven market intelligence and strategic insight.

americasmi.com

+1 (305) 441-9300
info@americasmi.com

95 Merrick Way, Third Floor
Coral Gables, FL 33134
+1 (305) 441-9300

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