



Latin America after the quarantines: What comes next?

AMI & leading economists

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Latin America after the quarantines

Introductions





AMi is the leading
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- Payments
- Consumer services
- Natural resources
- Industrial
- Healthcare



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2019-2023 LatAm E-commerce report

Forecast considering impact of COVID-19



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Today's Panelists

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Latin America after the quarantines

LatAm COVID-19 Pandemic Forecast



Poll Question #1

Which country will be the first to end the lockdown(s) in the leading city(ies) where COVID-19 is most active?

☐

Brazil

☐

Mexico

☐

Colombia

☐

Argentina

☐

Chile

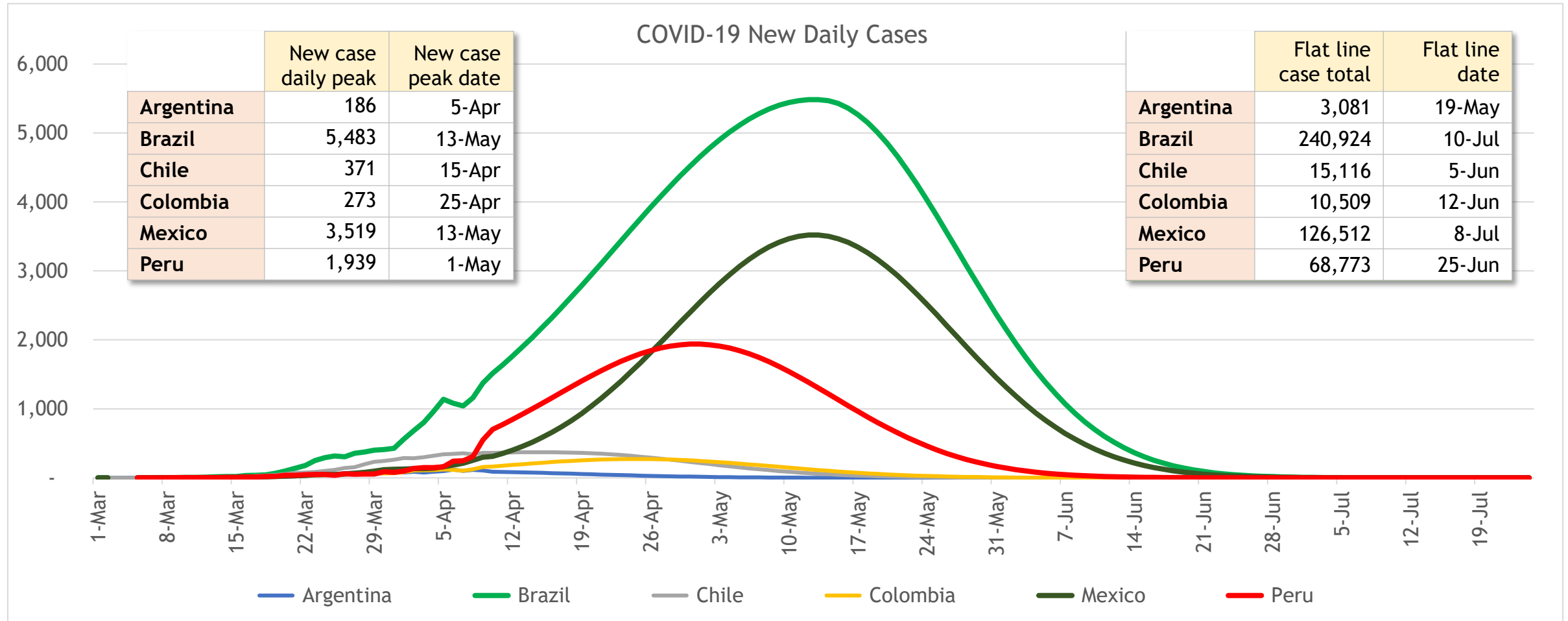
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Peru

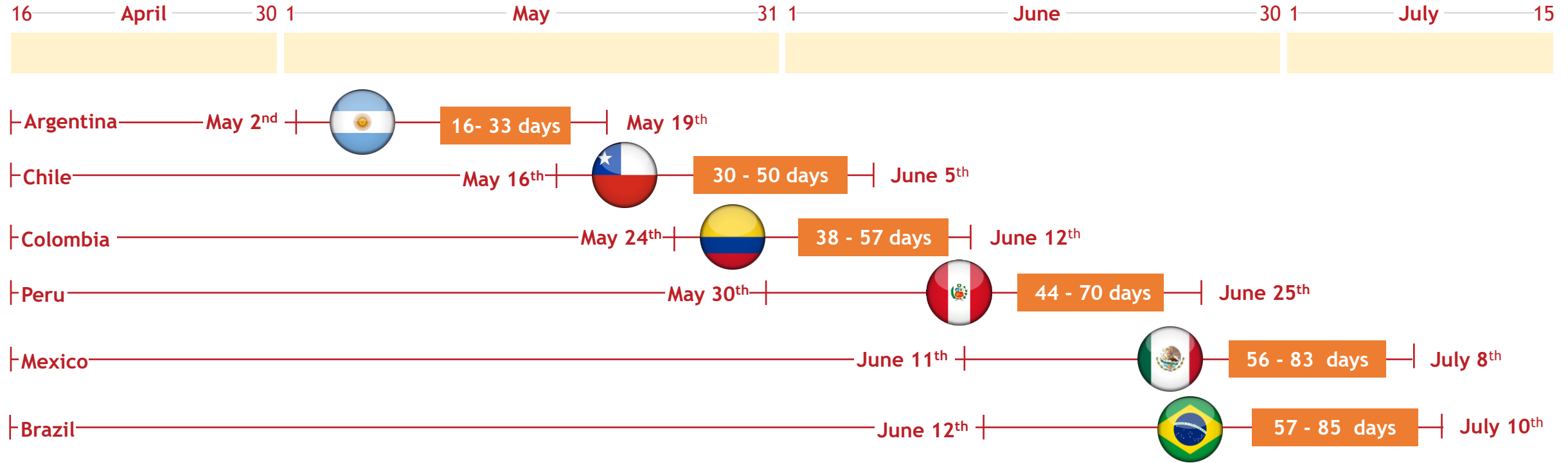
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Ecuador

Where the pandemic is headed in leading LatAm markets



How many more days must the quarantine last?

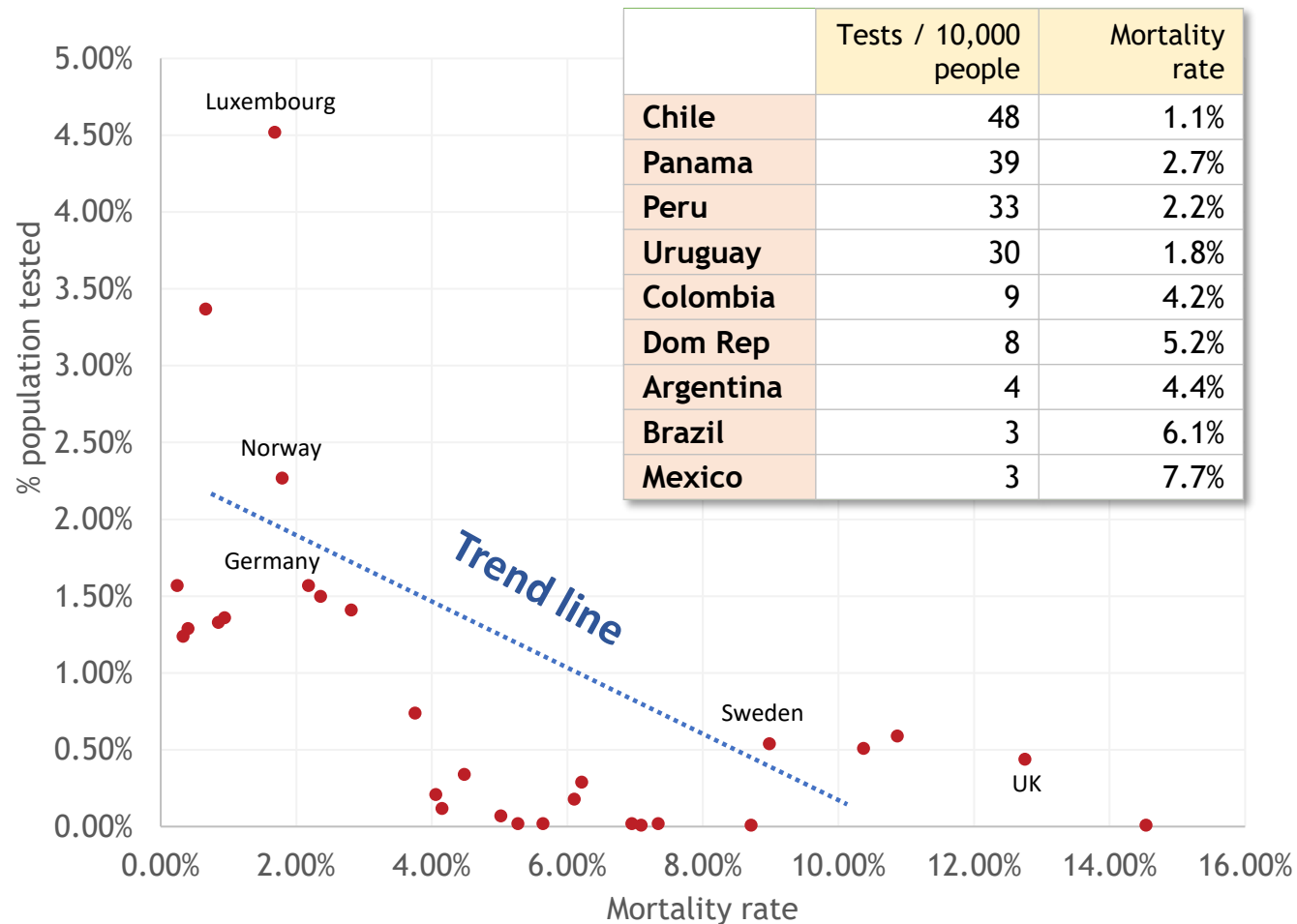


The (thus far) estimated cost of COVID policies (figures in USD billions)

	Argentina		Chile		Colombia		Peru		Mexico		Brazil	
2019 GDP	\$	351.0	\$	283.0	\$	318.0	\$	233.8	\$	1,251.0	\$	1,822.0
Productivity loss from quarantine	\$	18.1	\$	17.5	\$	22.1	\$	20.4	\$	107.2	\$	179.6
Fiscal stimulus bill	\$	11.1	\$	11.8	\$	9.8	\$	28.1	\$	*20.0	\$	121.0
Cost of Quarantine/GDP		8%		10%		10%		21%		10%		16%

* Estimate – Mexico has not announced their fiscal stimulus

More tests are needed to measure true morbidity & mortality



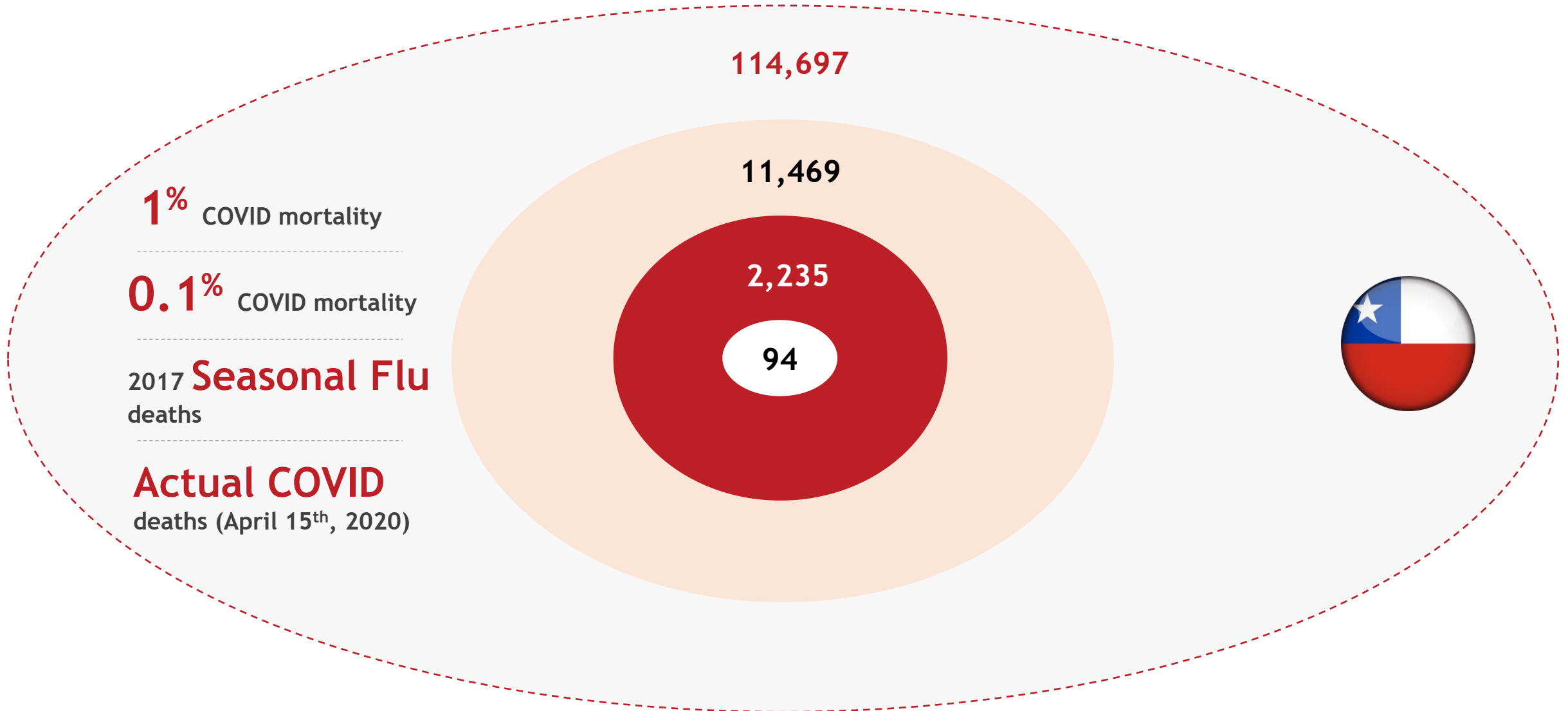
Sources: WHO, CDC, Johns Hopkins, *The Economist*

Statistical seeds of doubt

1. In most markets, testing is reserved to hospitalizations, which are 10% of cases. Real case count may be 10 x what's reported.
2. Tests produce 30% more false-positive than false-negatives
3. # of tests > # of people tested
4. Deaths outside of hospitals are not reported as caused by COVID
5. Testing is not used on the deceased in most places
6. Chinese-focused testing shows that 80% of COVID positives never show symptoms
7. Political pressures can lead to the manipulation of statistics

Conclusion: Actual number of cases may be 10 - 20 times the reported rate

The quarantines are working (Chile mortality scenarios)



Policymakers – between a rock and a hard place

The cost of quarantines

- Costs = 10-20% of GDP
- Unemployment of 15-30%
- Millions of SME bankruptcies
- Worsening income gap
- Spike in domestic violence
- Weakening democracies

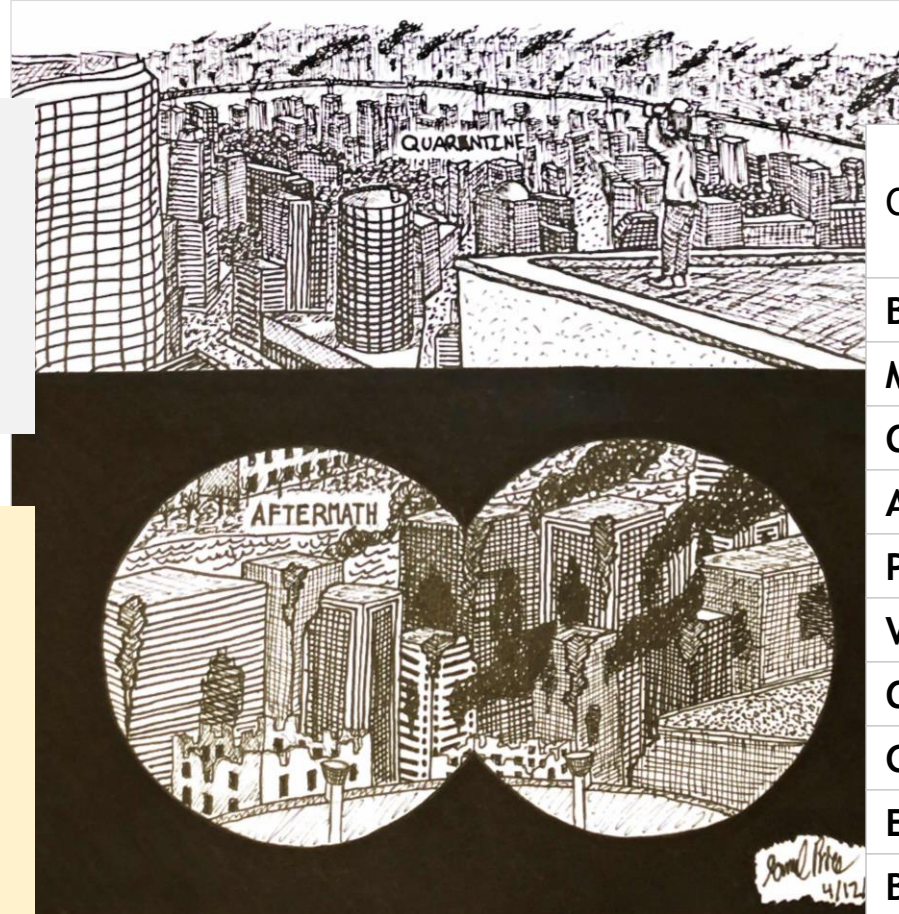
Est. cost of each life saved



Chile

\$258k → \$2.8M USD*

* Assumes that COVID death toll stops at 1,000 versus herd immunization



The tragedy of herd immunization

Projected thousands of deaths

Country	COVID-19 1% mortality	COVID-19 0.1% mortality	2017 Seasonal flu
Brazil	1,275	127.5	16.9
Mexico	773	77.3	6.1
Colombia	305	30.5	2.5
Argentina	271	27.1	7.1
Peru	198	19.8	9.2
Venezuela	171	17.1	1.7
Chile	115	11.5	2.2
Guatemala	107	10.7	1.9
Ecuador	106	10.6	1.4
Bolivia	68	6.8	3.2

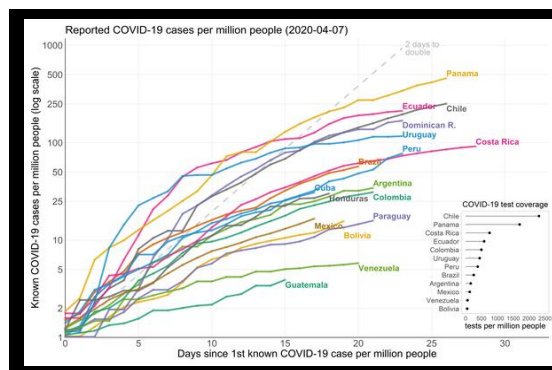
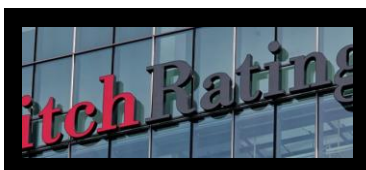
Sources: WHO, CDC, AMI analysis

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Panel Q&A

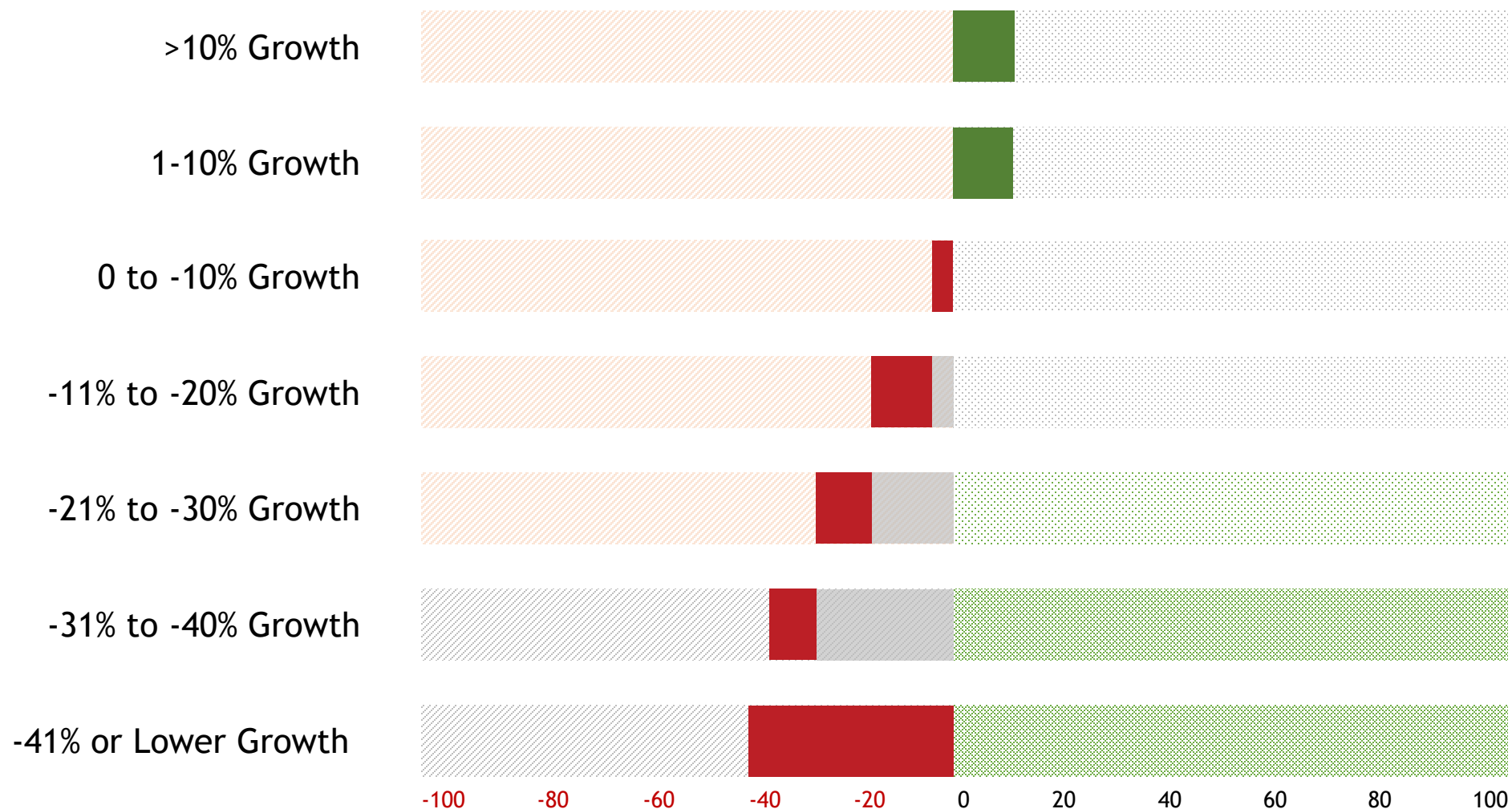


Panel Q&A: The economic response to the crisis



Poll Question #2

How is your organization's revenue forecast to change in 2020 (versus 2019)?



Panel Q&A: The post-quarantine business climate



Your follow-up questions are welcome

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