

CHINA & LATIN AMERICA CLEC 2013

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SEP 03 2013
MONTEVIDEO
URUGUAY

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CHINA

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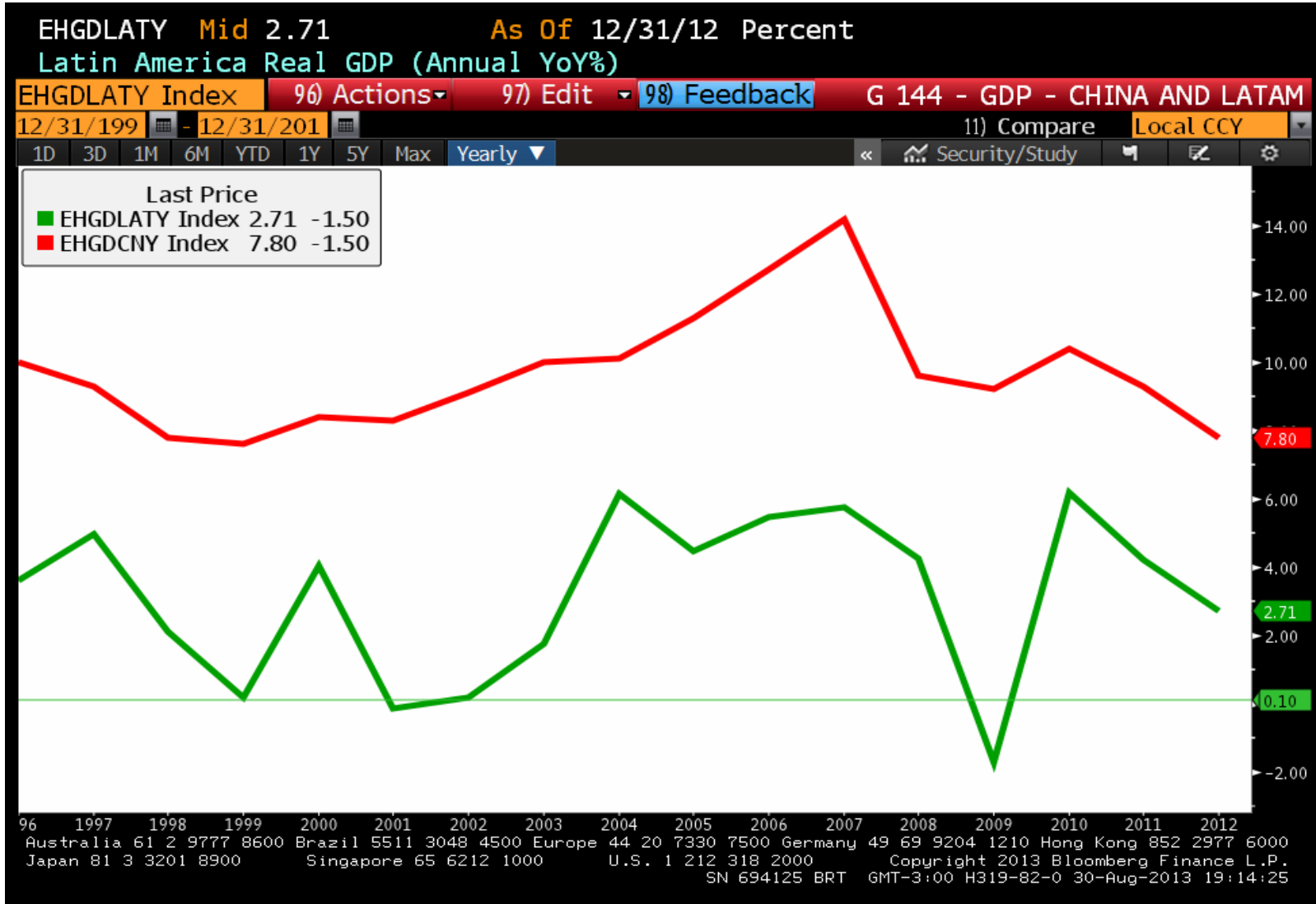
LATIN AMERICA



CHINA & LATIN AMERICA

	POPULATION MILLIONS	GDP/CAPITA PPP ADJUSTED USD	GDP USD TRILLIONS
CHINA	1,355	9,200	8.2
LATAM	510	12,300	5.4

GDP - CHINA AND LATIN AMERICA



CHINA – ECONOMY

<HELP> for explanation.

#<Go> for Details

96) Chart 97) Set as Default View Economic Forecasts

Country/Region/World ▾ Contributor Contributor Composite ▾ ● Yearly ● Quarterly

China ▾ ● Private ● Official

Actual / Forecasts

Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Economic Activity										
1) Real GDP (YoY%)	12.70	14.20	9.60	9.20	10.40	9.30	7.80	7.50	7.45	7.20
2) CPI (YoY%)	1.47	4.77	5.90	-0.68	3.33	5.42	2.65	2.60	3.10	3.00
3) Unemployment (%)	4.10	4.00	4.20	4.30	4.10	4.10	4.10	4.10	4.10	4.10
External Balance										
4) Curr. Acct. (% of GDP)	8.37	9.70	9.14	4.87	3.90	2.69	2.32	2.50	2.40	2.60
Fiscal Balance										
5) Budget (% of GDP)	-0.77	0.58	-0.40	-2.28	-1.69	-1.14	-	-2.00	-2.00	-2.00
Interest Rates										
6) Central Bank Rate (%)	6.12	7.47	5.31	5.31	5.81	6.56	6.00	6.00	6.00	-
7) 3-Month Rate (%)	1.93	3.30	1.10	1.00	1.40	2.53	2.72	-	-	-
8) 2-Year Note (%)	2.27	3.98	1.27	1.65	3.40	2.86	3.10	3.57	3.50	-
9) 10-Year Note (%)	3.06	4.46	2.76	3.64	3.91	3.44	3.59	3.77	3.69	-
Exchange Rates										
10) USDCNY	7.80	7.30	6.83	6.83	6.61	6.30	6.23	6.12	6.04	6.00

TRADE LATIN AMERICA - CHINA

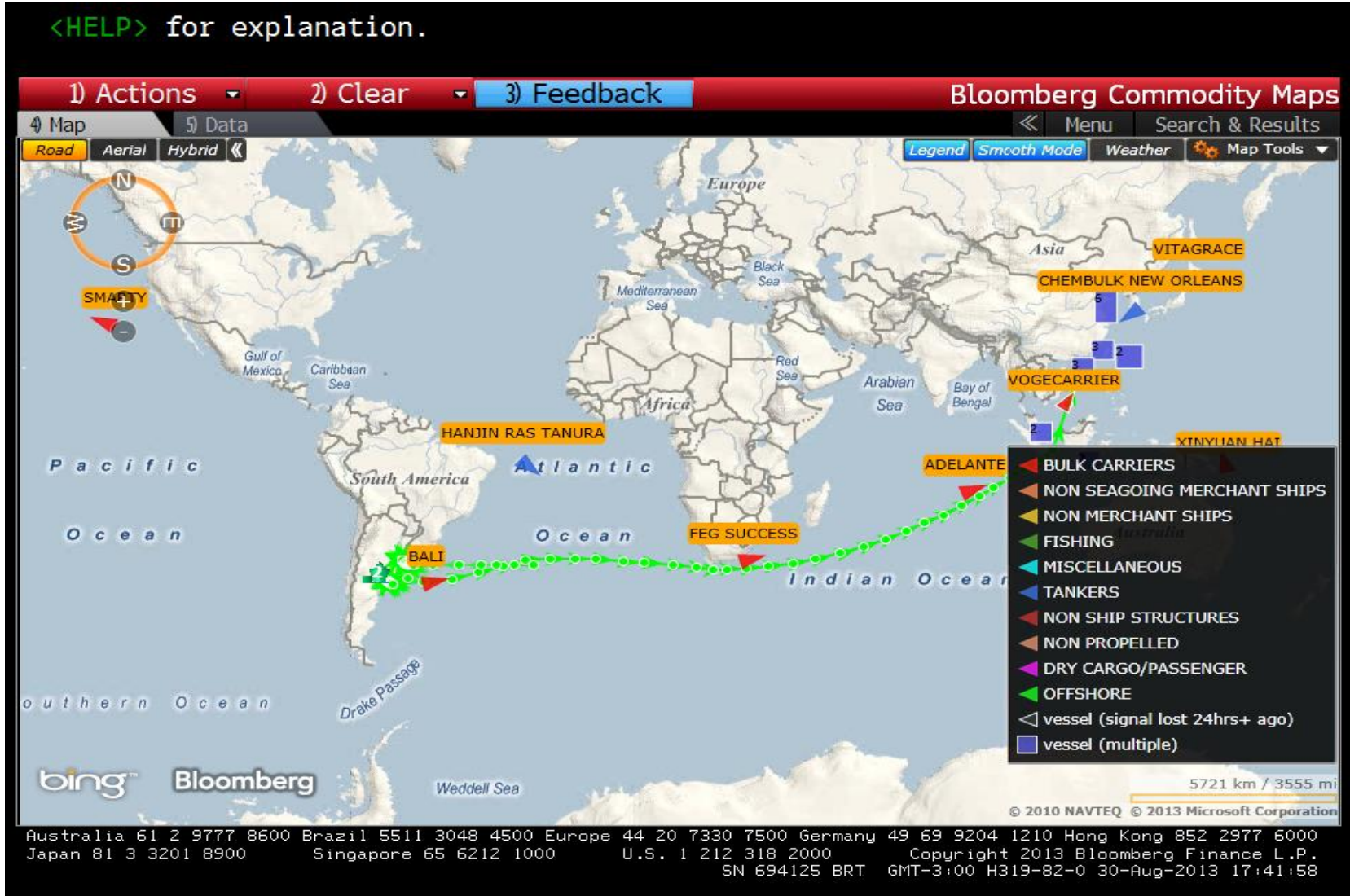
- » Grew from USD 12 Billion in 2000 to over USD 120 Billion
- » Exports to China
 - Soybeans, Oil, Iron ore, Copper
- » Imports from China
 - Manufactured goods, electronics, machinery, chemicals

VESSELS ARRIVING IN CHINA FROM LATIN AMERICA – AUG 30 2013

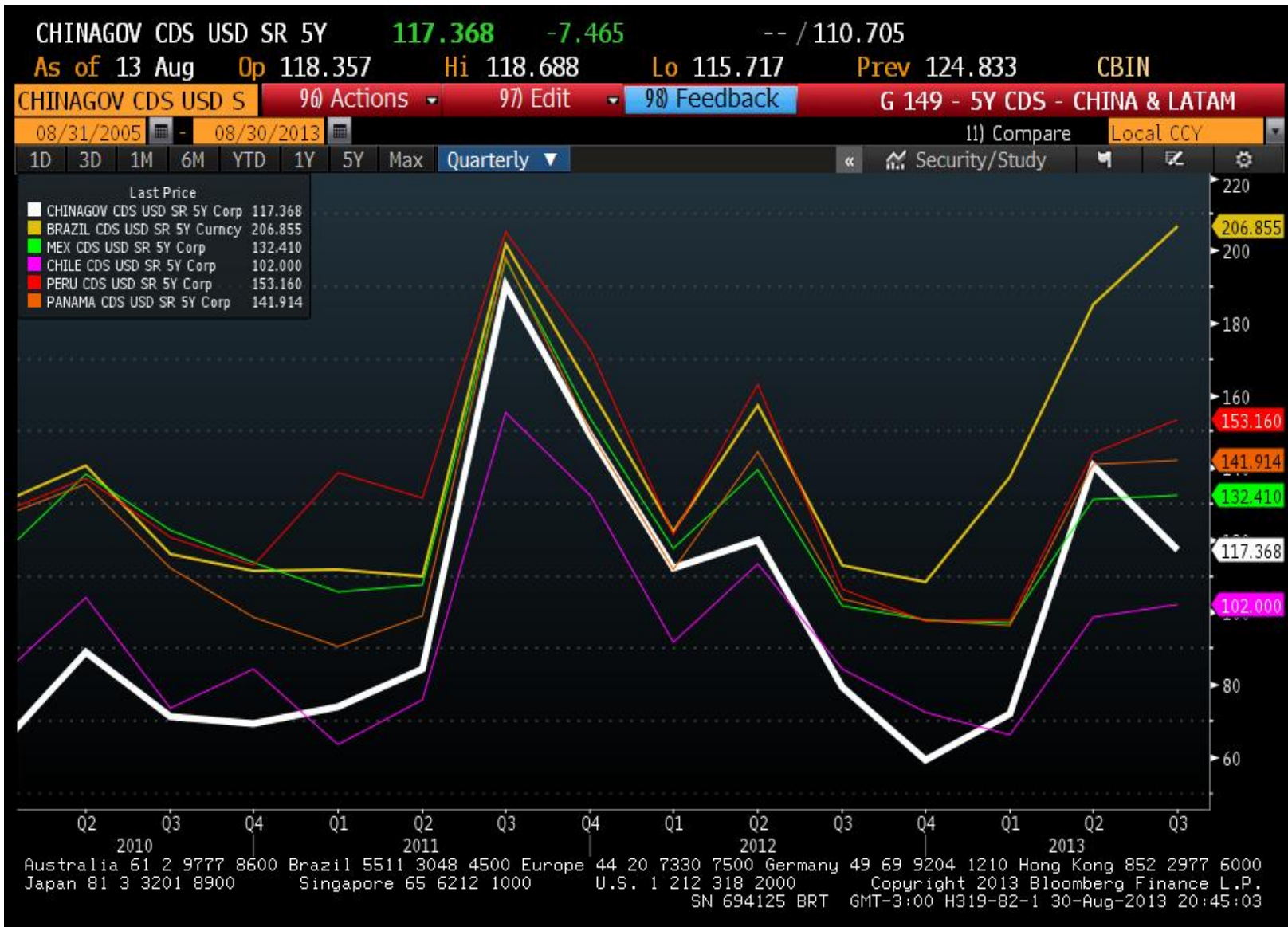
<HELP> for explanation.



RECENT TRIP – ARGENTINA TO CHINA M/V GALAPAGOS (BULK CARRIER)



5Y CDS – CHINA & LATAM COUNTRIES



CREDIT RATING - CHINA

<HELP> for explanation.
 <Menu> to Return, Enter #<Go> for Rating Profile

9) Company Tree Ratings

Page 1/2 Credit Profile

People's Republic of China

MOODY'S

1) Outlook	STABLE
2) CC LT Foreign Bank Depst	Aa3
3) CC LT Foreign Curr Debt	Aa3
4) CC ST Foreign Bank Depst	P-1
5) CC ST Foreign Curr Debt	P-1
6) Long Term Rating	Aa3
7) LC Curr Issuer Rating	Aa3
8) FC Curr Issuer Rating	Aa3
9) Foreign Currency LT Debt	Aa3
10) Local Currency LT Debt	Aa3

11) STANDARD & POOR'S

12) Outlook	STABLE
13) Foreign Currency LT Debt	AA-
14) Local Currency LT Debt	AA-
15) Foreign Currency ST Debt	A-1+
16) Local Currency ST Debt	A-1+

FITCH

17) LT Foreign Crncy Outlook	STABLE
18) LT Local Crncy Outlook	STABLE
19) LT FC Issuer Default	A+
20) LT LC Issuer Default	A+
21) Foreign Currency LT Debt	A+
22) Local Currency LT Debt	A+
23) Foreign Currency ST Debt	F1
24) ST FC Issuer Default	F1

RATING AND INVESTMENT

25) LT Foreign Crncy Outlook	STABLE
26) LT Domestic outlook	STABLE
27) Domestic Curr Issuer Rtg	AA-
28) Foreign Curr Issuer Rtg	A+
29) Foreign ST Credit Rtg	a-1

CREDIT RATING - LATAM

<HELP> for explanation.

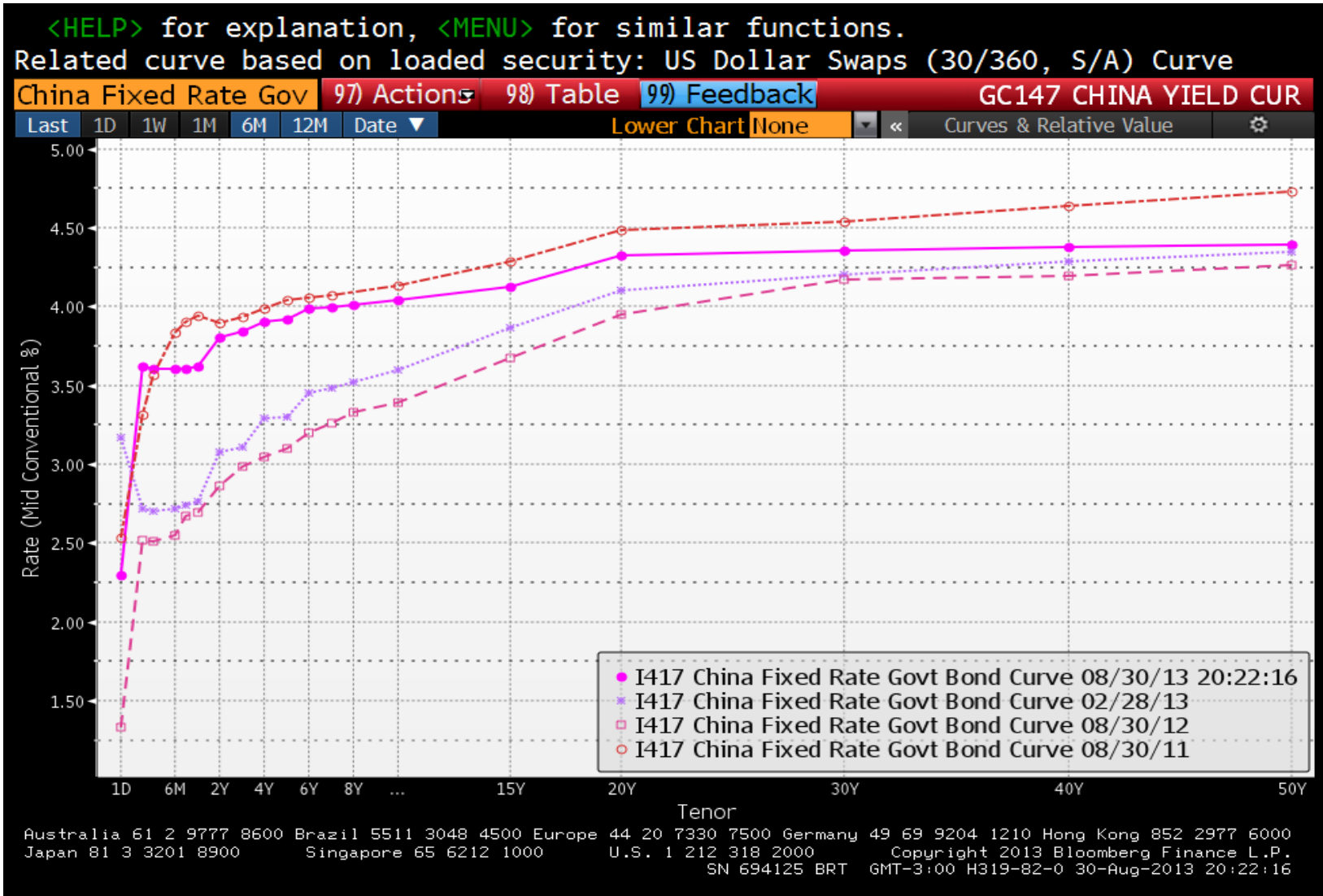
South & Central America		1) Settings				Sovereign Ratings			
<input checked="" type="radio"/> Foreign Currency <input type="radio"/> Local Currency <input type="checkbox"/> Ignore Watch		Highlight changes within last				20 Business days			
Country	Foreign Currency Long Term				Foreign Currency Short Term				Last Update mm/dd/yyyy
	Moody's	S&P	Fitch	R&I	Moody's	S&P	Fitch	R&I	
21) Chile	Aa3	AA-	A+	NR	NR	A-1+	F1	NR	12/26/2012
22) Peru	Baa2	BBB+	BBB	NR	NR	A-2	F2	NR	08/19/2013
23) Aruba	NR	BBB+	BBB	NR	NR	A-2	F3	NR	06/14/2013
24) Brazil	Baa2	BBB	BBB	BBB	NR	A-2	F2	NR	08/12/2013
25) Panama	Baa2	BBB	BBB	NR	NR	A-2	F3	NR	10/31/2012
26) Colombia	Baa3	BBB	BBB-	BBB-	NR	A-2	F3	NR	04/24/2013
27) Uruguay	Baa3	BBB-	BBB-	BB+	NR	A-3	F3	NR	08/09/2013
28) Montserrat	NR	BBB-	NR	NR	NR	A-3	NR	NR	10/11/2004
29) Costa Rica	Baa3	BB	BB+	NR	NR	B	B	NR	03/15/2013
30) Guatemala	Ba1	BB	BB+	NR	NR	B	B	NR	06/01/2010
31) Bolivia	Ba3	BB-	BB-	NR	NR	B	B	NR	10/02/2012
32) El Salvador	Ba3	BB-	BB-	NR	NR	B	B	NR	07/16/2013
33) Paraguay	Ba3	BB-	BB-	NR	NR	B	B	NR	01/10/2013
34) Suriname	Ba3	BB-	BB-	NR	NR	B	B	NR	08/14/2012

Legend Up / Down / No Change / Initial / Affirmation (R&I Only)

10) Rating News (N)

- 11) BFW 18:56 005380 KS,042... SOUTH KOREA DAYBOOK: S&P Seminar on Global, Local Economy
- 12) NS6 16:57 RBI IN Assam Sentinel: Rating: Transparency, Dimensions & Gaps
- 13) SPC 15:10 700 HK,ALV GR... Global Corporate/Sovereign Daily Rating Actions -- Pg. 13
- 14) B BN 14:06 PDVSA VC,PET... + Bonds for Toilet Paper Signal Venezuela Recovery: Andes Credit
- 15) FII 14:01 + Anadolubank A.S.










CNY – YIELD CURVE



CNY – SPREAD 10Y - 2Y GOV BONDS FELL TO 22BP FROM 208BP IN JUL/11



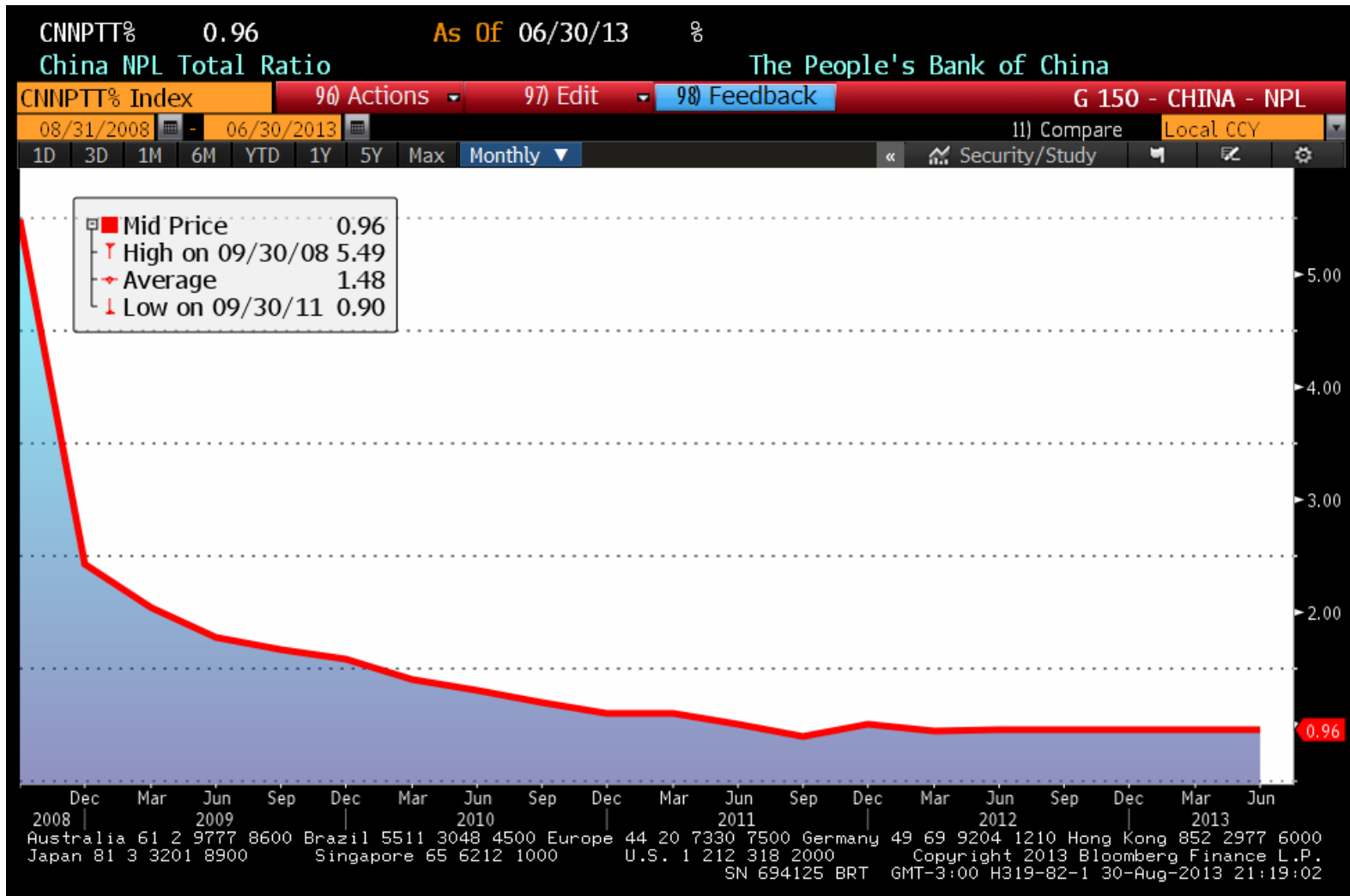
CHINA – KEY BANKING DATA

		2013	2012	2011	2010
BANKING SYSTEM DATA					
Source: China Banking Regu...					
The People's Bank of China					
KEY BANKING RATIOS					
Commercial Banks					
ROA (%)		1.4	1.3	1.3	1.1
ROE (%)		21.2	19.9	20.4	19.2
Net Interest Margin (%)		2.6	2.8	2.7	2.5
NPL ratio (%)		1.0	1.0	1.0	1.1
Coverage Ratio		292.5	295.5	278.1	217.7
Core Capital Ratio (%)			10.6	10.2	10.1
Capital Adequacy Ratio (%)			13.3	12.7	12.2
Loan/Deposits Ratio (%)		65.2	65.3	64.9	64.5

CHINA – CREDIT GROWTH DRIVERS

		2013 Q3	2013 Q2	2013 Q1	2012 Q4
REAL ESTATE					
Fixed Asset Inv. Construction C...		-3.8	-4.9	-23.9	24.6
Sale of Buildings YoY (%)		37.8	43.2	61.3	10.0
+ New Buildings Prices YoY % (tie...		15.4	14.2	8.8	1.2
INDUSTRY					
Fixed Asset Inv. in Manufacturi...		17.1	17.1	18.7	22.0
Leading Indicator		100.2	99.8	100.0	100.7
PMI		50.3	50.1	50.9	50.6
Business Climate index			120.6	125.6	124.4
Value added of Industry YoY		9.7	8.9	8.9	10.3
RETAIL					
Retail Sales Value YoY (%)		13.2	13.3	12.6	15.2
Consumer Confidence Index		97.2	97.0	102.6	103.7

CHINA – NPL HISTORICAL



CHINA

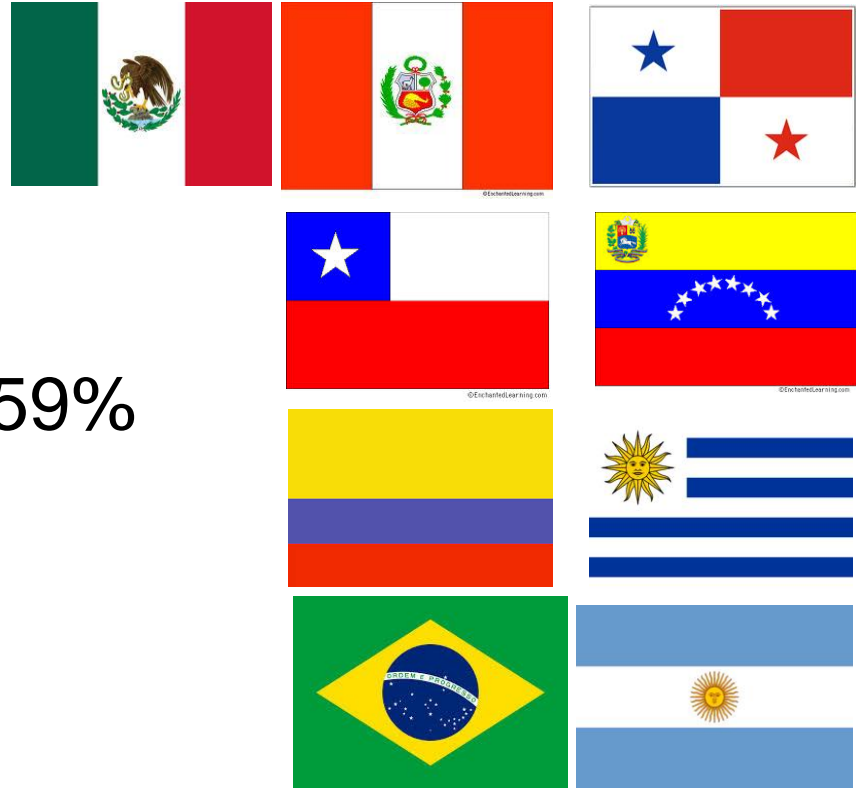
BANKS WITH OVER USD 50 MM IN ASSETS

- 18 BANKS
- LOANS: USD 7.0 TN
- NPL: 0.8%
- EFFICIENCY RATIO: 39%
- R.O.A. : 1.2%
- CAGR 2008 – 2012:
 - LOANS: + 22%
 - NET INCOME: +29%
 - TOTAL ASSETS: +24% (USD 14 TN)
 - EMPLOYEES: +17% (2,000,000)



LATAM BANKS WITH OVER USD 50 MM IN ASSETS

- 83 BANKS
- LOANS: USD 1.3 TN
- NPL: 2.3%
- EFFICIENCY RATIO: 59%
- R.O.A.: 1.7%
- CAGR 2008 – 2012:
 - LOANS: + 15%
 - NET INCOME: +13%
 - TOTAL ASSETS: +13% (USD 2.7 TN)
 - EMPLOYEES: +2% (301,000)



M&A – CHINA AND LATAM

JAN 08 – AUG 13

	CHINA	LATAM
Number of deals	15,815	5,803
Total amount	USD 1.1 Trillion	USD 896 BN
#1 advisor by number of deals	CITIC Securities	BTG Pactual
Average deal size	USD 91 MM	USD 271 MM
Most acquisitive company	Sequoia Capital 68 deals / USD 3.5 BN	Brasil Travel Turismo 53 deals / USD 356 MM

IPOS - CHINA AND LATAM

JAN 08 TO AUG 13

CHINA

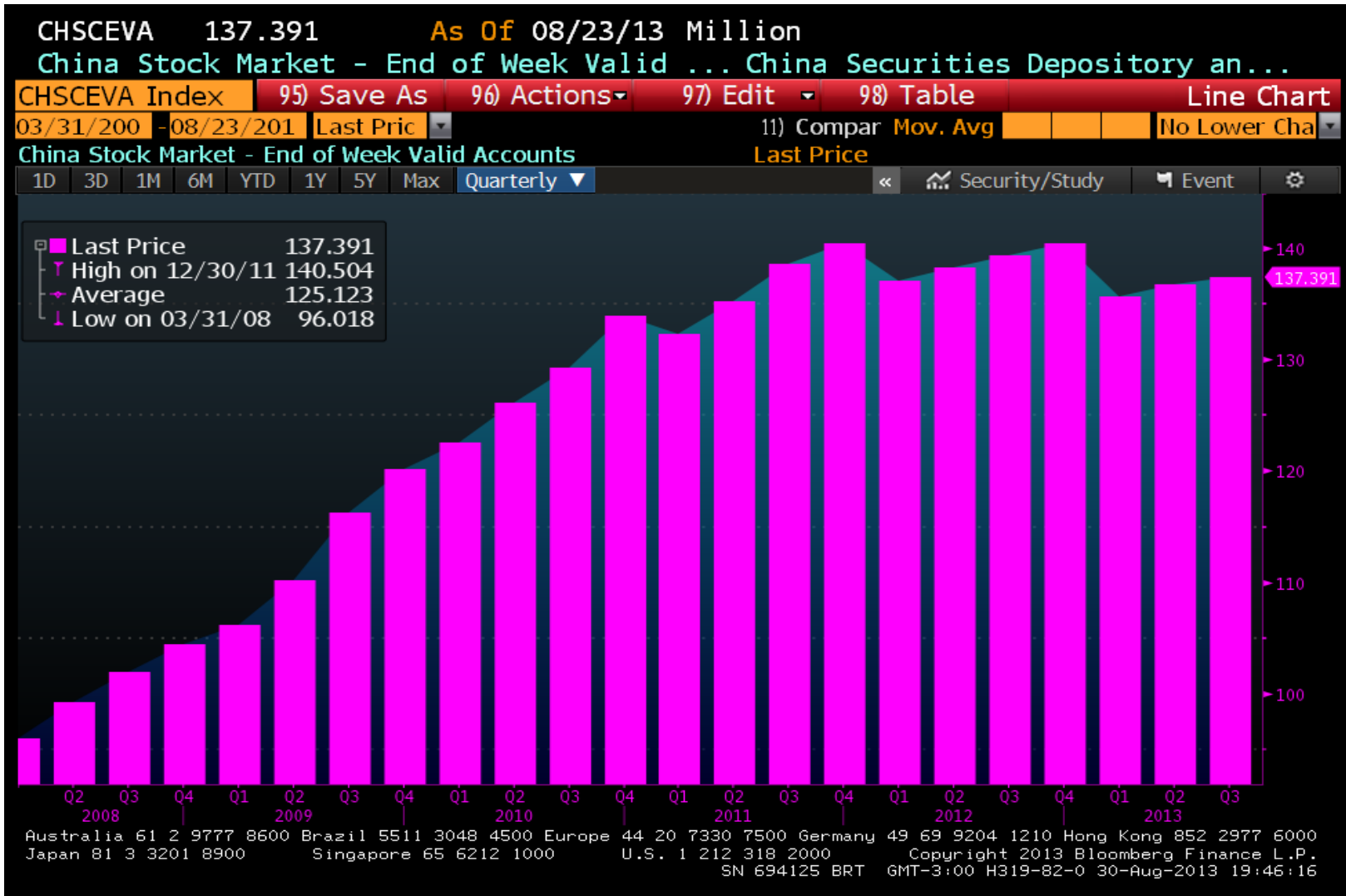
- 1,591 COMPANIES
- USD 253 BN RAISED
- #1 NUMBER OF ISSUES INDUSTRIAL – 565
- #1 FUNDS RAISED INDUSTRIAL - USD 86 BN
- #1 ADVISER BY # DEALS PING AN INSURANCE

LATAM

- 175 COMPANIES
- USD 68 BN RAISED
- #1 NUMBER OF ISSUES CONSUMER N-CYCL - 42
- #1 FUNDS RAISED FINANCIAL - USD 68 BN
- #1 ADVISER BY # DEAL S BTG PACTUAL

CHINA – VALID STOCK MARKET ACCOUNTS

137 MILLION AS OF AUG 23 2013



CHINA AND LATAM – STOCK MARKET & TRADED COMPANIES WITH MARKET CAP LARGER THAN USD 100 MILLION

CHINA TOTAL = USD 3.2 TN MARKET CAP

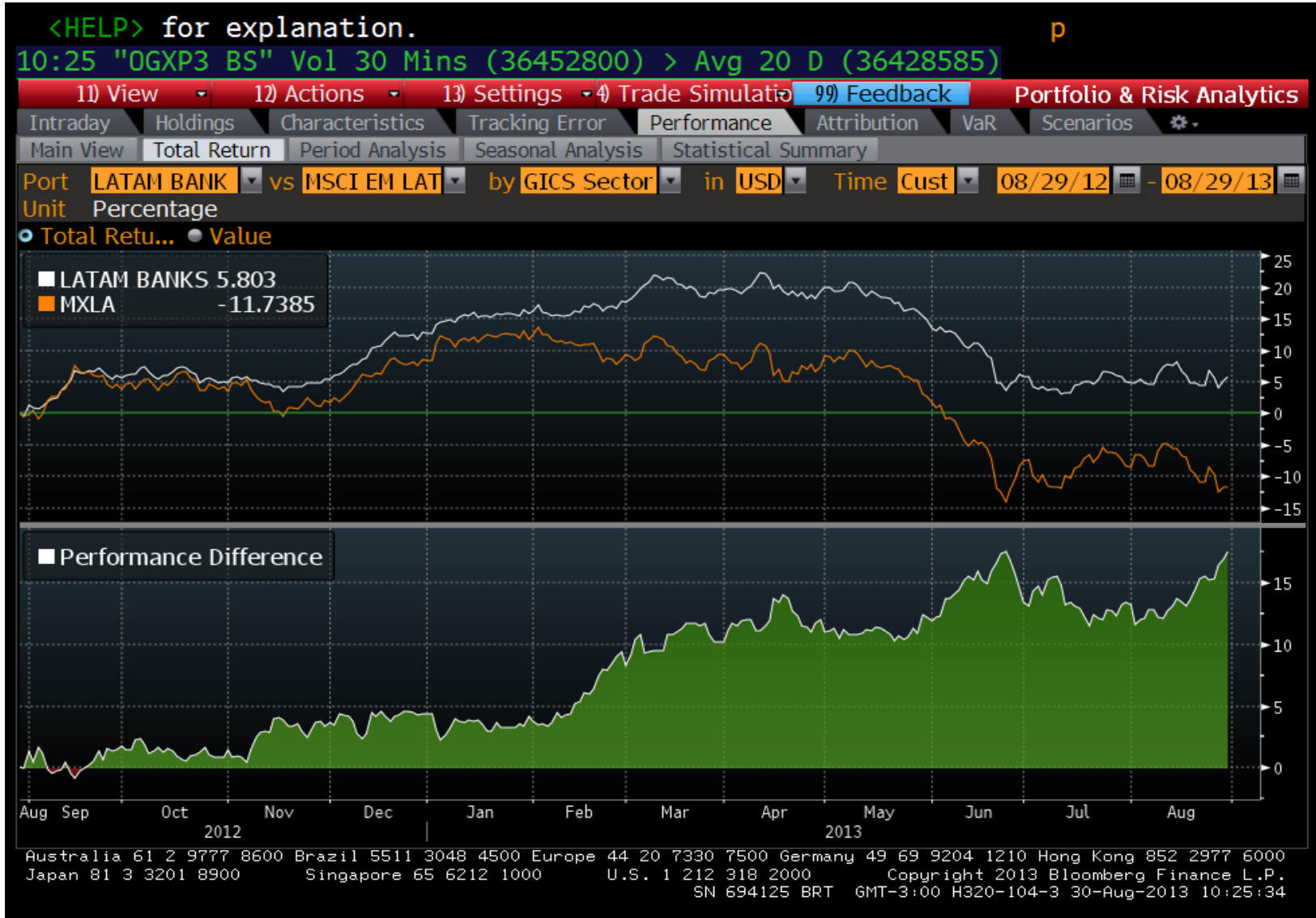
- 3,092 COMPANIES
- 414 ADRS
- 1Y RETURN: + 19%
- UPSIDE 12M: +19%
- ESTIMATED NEXT 3Y CAGR OF SALES: + 13%
- 1,280 COMPANIES COVERED BY OVER 3 ANALYSTS

LATAM TOTAL = USD 2.0 TN MARKET CAP

- 861 COMPANIES
- 172 ADRS
- 1Y RETURN: - 4%
- UPSIDE 12M: +22%
- ESTIMATED NEXT 3Y CAGR OF SALES: + 8%
- 415 COMPANIES COVERED BY OVER 3 ANALYSTS

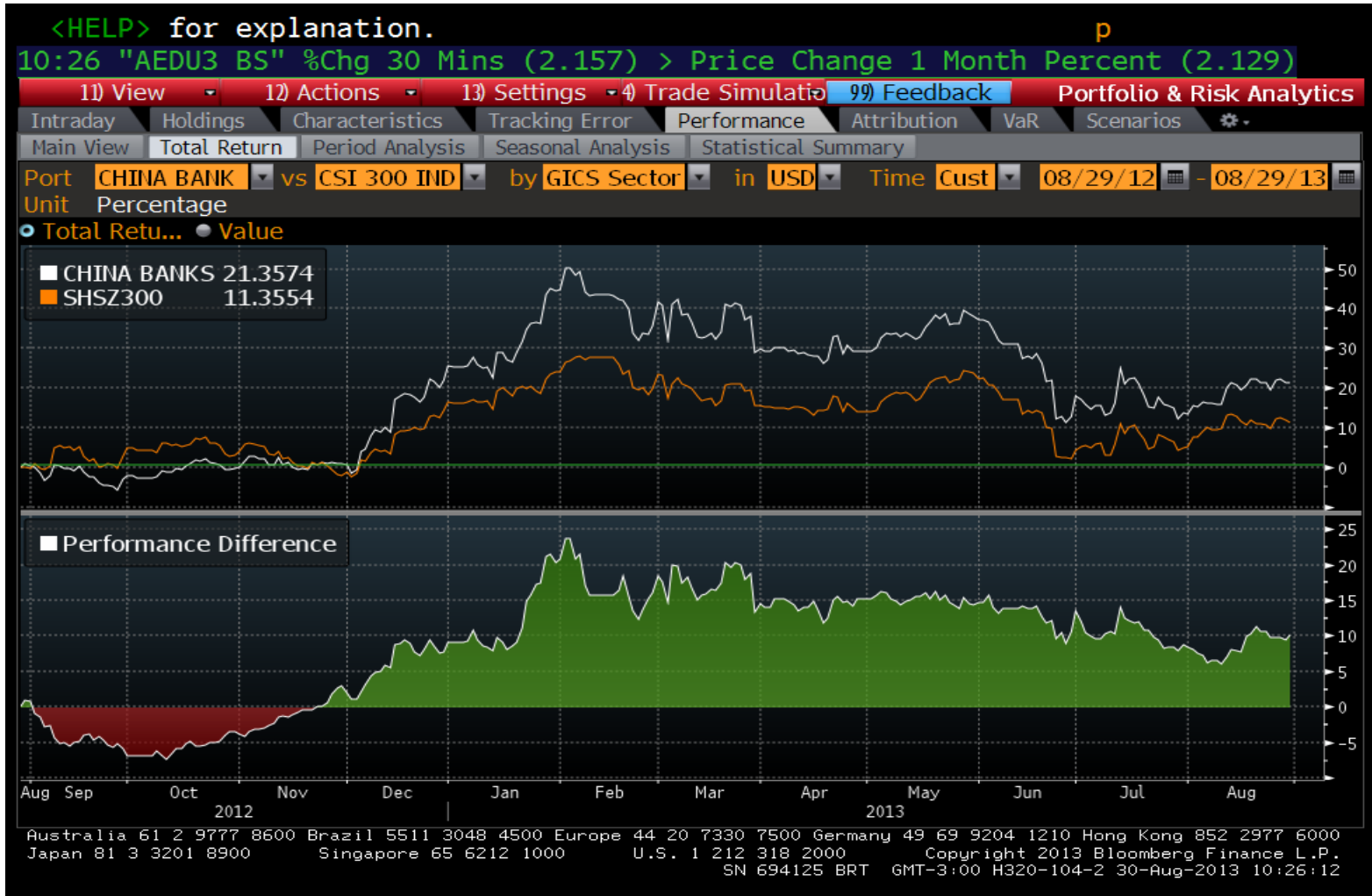
PORTFOLIO 01

LATAM BANK STOCKS X MSCI LATIN AMERICA



PORTFOLIO 02

CHINA BANK STOCKS X CHINA 300



MUTUAL FUNDS – CHINA AND LATAM

- **CHINA**
 - TOTAL: 1,385
 - CREATED AFTER JAN/08: 1,034 (75%)
 - EQUITY FOCUS: 699 (50%)
- **LATAM**
 - TOTAL: 14,439
 - CREATED AFTER JAN/08: 8,992 (62%)
 - EQUITY FOCUS: 1,487 (11%)

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