

Latin America & Caribbean Economies: Global Forces Shaping 2025-2026 Growth

Regional Economy · Answer Key · 2 Questions

1. How do higher interest rates in the United States generally affect borrowing costs for countries in Latin America and the Caribbean?

- A) They decrease borrowing costs.
- B) They have no significant effect.
- C) They increase borrowing costs.**
- D) They lead to increased capital inflows.

2. Many Latin American economies are heavily reliant on the export of what type of goods, making them vulnerable to global market fluctuations?

- A) Manufactured electronics
- B) Agricultural and mineral commodities**
- C) High-tech services
- D) Luxury consumer goods