

Latin America & Caribbean Economic Shifts: Market Trends, Investment & Trade

Economics · Answer Key · 16 Questions

1. According to projections for 2026, what is the anticipated GDP growth rate for Latin America and the Caribbean?

- A) Approximately 1.9%-2.1%**
- B) Approximately 3.5%-4.0%
- C) Approximately 2.2%-2.3%
- D) Approximately 4.0%-4.5%

2. Which of the following countries are highlighted as key hubs for renewable energy investment in Latin America for 2026?

- A) Brazil, Chile, and Argentina**
- B) Mexico, Colombia, and Peru
- C) Venezuela, Bolivia, and Ecuador
- D) Cuba, Dominican Republic, and Haiti

3. What is the projected total tourism receipt for the Caribbean in 2026, according to the CTO's forecast?

- A) Approaching USD 48 billion**
- B) Approaching USD 30 billion
- C) Approaching USD 60 billion
- D) Approaching USD 40 billion

4. The EU-Mercosur Association Agreement, which aims to create one of the world's largest free-trade areas, began provisional application in 2026. Which of the following countries are the core members of Mercosur involved in this agreement?

- A) Argentina, Brazil, Paraguay, and Uruguay**
- B) Chile, Colombia, Peru, and Ecuador
- C) Mexico, Venezuela, Bolivia, and Cuba
- D) Jamaica, Barbados, Trinidad and Tobago, and Haiti

5. In 2026, Latin America's enterprise IT market is projected to reach approximately how much in regional spending?

- A) Nearly \$118 billion**
- B) Nearly \$90 billion
- C) Nearly \$150 billion
- D) Nearly \$75 billion

6. Which sector is identified as a primary engine for the significant infrastructure race and digital transformation in Latin America by 2026?

A) Artificial Intelligence (AI)

- B) Biotechnology
- C) Renewable Energy
- D) Advanced Robotics

7. Latin America and the Caribbean's clean energy investment in 2025 reached approximately how much, representing a small portion of global transition capital?

A) Around \$70 billion

- B) Around \$10 billion
- C) Around \$30 billion
- D) Around \$50 billion

8. Foreign direct investment (FDI) inflows into Latin America and the Caribbean rose by what percentage in 2025, making it the best performing developing region?

A) 13.9%

- B) 5.2%
- C) 8.5%
- D) 17.1%

9. As of early 2026, the EU-Mercosur trade agreement has become the legal framework for what is projected to be the world's largest free trade area, covering approximately how many people?

A) Over 700 million people

- B) Over 500 million people
- C) Over 900 million people
- D) Over 1 billion people

10. Which countries in Latin America are expected to lead in Foreign Direct Investment (FDI) inflows in 2026, with Brazil consistently leading the region?

A) Brazil, Mexico, and Colombia

- B) Argentina, Chile, and Peru
- C) Venezuela, Ecuador, and Bolivia
- D) Uruguay, Paraguay, and Costa Rica

11. In the Caribbean, which market segment is outperforming the broader tourism market in terms of average daily rate (ADR) and occupancy?

A) Premium and luxury segments

- B) Budget and economy segments
- C) All-inclusive resorts
- D) Eco-tourism and adventure travel

12. According to GSMA Intelligence, by the end of 2027, what percentage of mobile connections in Latin America is 5G expected to account for?

A) About one quarter

B) About one-third

C) About 10%

D) About 50%

13. Which of the following countries in the Caribbean Sea are projected to have among the world's lowest inflation rates in 2026, averaging in the low one-percent range?

A) Aruba, Belize, Grenada, Panama, Saint Vincent and the Grenadines, and the Bahamas

B) Venezuela, Cuba, Dominican Republic, and Haiti

C) Jamaica, Barbados, Trinidad and Tobago, and St. Lucia

D) Antigua and Barbuda, Dominica, and St. Kitts and Nevis

14. In terms of renewable energy generation, what percentage of electricity did Latin America and the Caribbean generate from clean sources in 2024, significantly above the global average?

A) 65%

B) 41%

C) 50%

D) 80%

15. For Latin America and the Caribbean, what is the binding constraint that remains subdued and is waiting for clearer signals on the external environment and domestic policy frameworks?

A) Investment

B) Private Consumption

C) Export Volumes

D) Government Spending

16. Which of the following countries are projected to experience a decline in tourist arrivals in the first five months of 2026, signaling a slowdown in Caribbean tourism?

A) Cancún, Puerto Rico, Jamaica, and Cuba

B) Barbados, St. Lucia, and Grenada

C) Dominican Republic, Bahamas, and Turks and Caicos

D) Aruba, Curacao, and Bonaire