

Cuestionando Consensos Y Aceptando Nuevas Realidades

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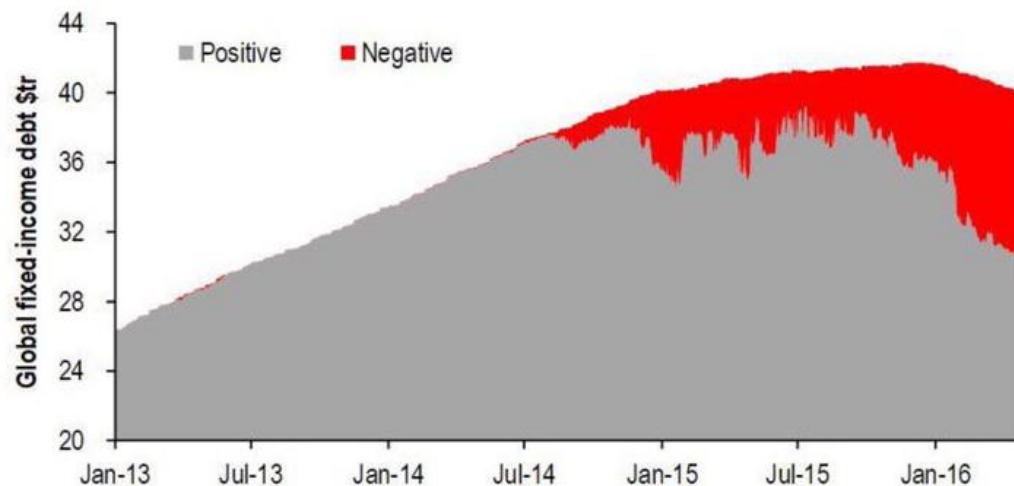


Aceptando Nuevas Realidades. O Al Menos Intentando....

The **time value of money** (TVM) is the idea that **money** available at the present **time** is worth more than the same amount in the future due to its potential earning capacity. This core principle of finance holds that, provided **money** can earn interest, any amount of **money** is worth more the sooner it is received.

Chart 1: The world is poorer...in yield terms

The proportion of negative yielding assets across the global fixed income market is increasing rapidly so far this year



Source: BofA Merrill Lynch Global Research; Using the BofA ML global fixed income index GFIM. . We also include bonds that mature in the following 12 months.

Entonces.....A Cuestionar Consensos...

Consensos dentro Del Mercado Internacional Entrando al 2016

- El petróleo seguirá cayendo porque la oferta seguirá sobrepasando a la demanda por muchos años más.
- La Reserva Federal subirá las tasas de interés por lo menos 4 veces durante el año, porque la economía de EEUU comenzará a generar suficiente inflación.
- El USD se continuará apreciando debido al mayor rendimiento de los bonos de EEUU y por el estímulo monetario adicional que se decretará en Japón y en Europa. Los mercados emergentes son la peor opción de inversión. La renta fija global es una pésima opción *(porque viene la normalización monetaria)*. El S&P 500 es la mejor opción de inversión.

Entonces.....A Cuestionar Consensos...

XP Securities Investment Monitor (2016)

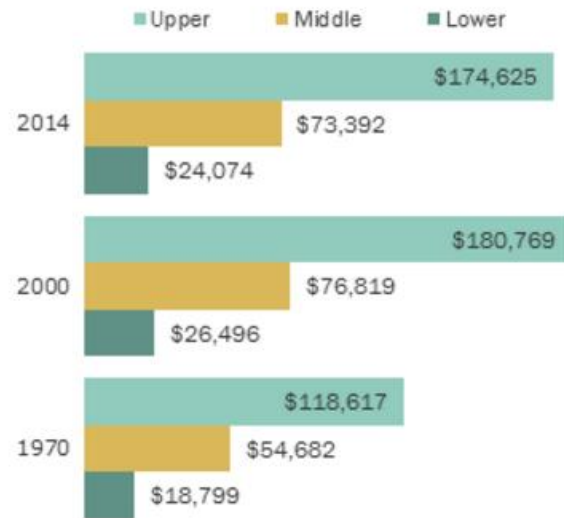
Numbers In Red, New Target

Equities	Current	Beginning 2016	YTD Return (In USD's)	YE (2016) Target	Expected Return (Full-Year) (In USD's)
Mexican Bolsa	46,743	42,977	-0.35%	48,500	11.30%
Brazilian Bovespa	57,064	43,349	59.33%	57,500	66.75%
Colombia COLCAP Index	1,307	1,153	16.49%	1,400	35.23%
S&P 500	2,170	2,050	5.87%	2,125	3.66%
MSCI Emerging Markets	873	794	9.99%	925	16.48%
Japan Topix	1,322	1,547	0.67%	1,500	11.30%
Shanghai Composite	2,953	3,539	-18.43%	3,250	-10.32%
German DAX	10,331	10,743	-1.08%	10,700	0.92%
Spain IBEX	8,513	9,544	-8.24%	9,000	-4.45%
Borsa Italiana (FTSE MIB)	16,555	21,418	-20.49%	18,000	-14.84%
EuroStoxx	2,967	3,267	-6.57%	3,100	-3.85%
Fixed Income					
US 10-Year	1.50%	2.27%	8.30%	1.00%	13.64%
US 30-Year	2.24%	3.01%	18.94%	1.75%	32.83%
Embi-Global Index	755	670	12.74%	800	19.40%
High-Yield Index	163	150	8.53%	172	14.79%
Bloomberg G. Developed Bond Index	119.62	106.59	12.22%	124.0	16.33%
Colombia USD 2026, 3.875%	2.52%	3.83%	12.92%	2.04%	18.77%
Brazil USD 2025, 4.25%	4.39%	7.14%	25.05%	3.79%	32.23%
Mexico USD 2026, 4.125%	3.05%	4.14%	10.94%	2.46%	17.73%
Peru USD 2027, 4.125%	2.93%	4.29%	11.16%	2.25%	18.80%
Argentina Bonar 2024	6.41%	7.79%	12.73%	5.50%	21.18%
Venezuela USD 2027, 9.25%	21.82%	26.12%	38.48%	21.22%	51.97%
Province of BA 2021, 11.75%	7.21%	9.47%	13.81%	6.25%	20.64%

Un Mundo Totalmente Diferente...El “Western World” Estancado, Asia Emergente, “Catching Up”...Fuente: Gapminder. Pew Research

Growth in income for middle-income households is less than the growth for upper-income households since 1970

Median income, in 2014 dollars and scaled to reflect a three-person household



Note: Households are assigned to income tiers based on their size-adjusted income in the calendar year prior to the survey year.

Source: Pew Research Center analysis of the Current Population Survey, Annual Social and Economic Supplements, 1971, 2001 and 2015

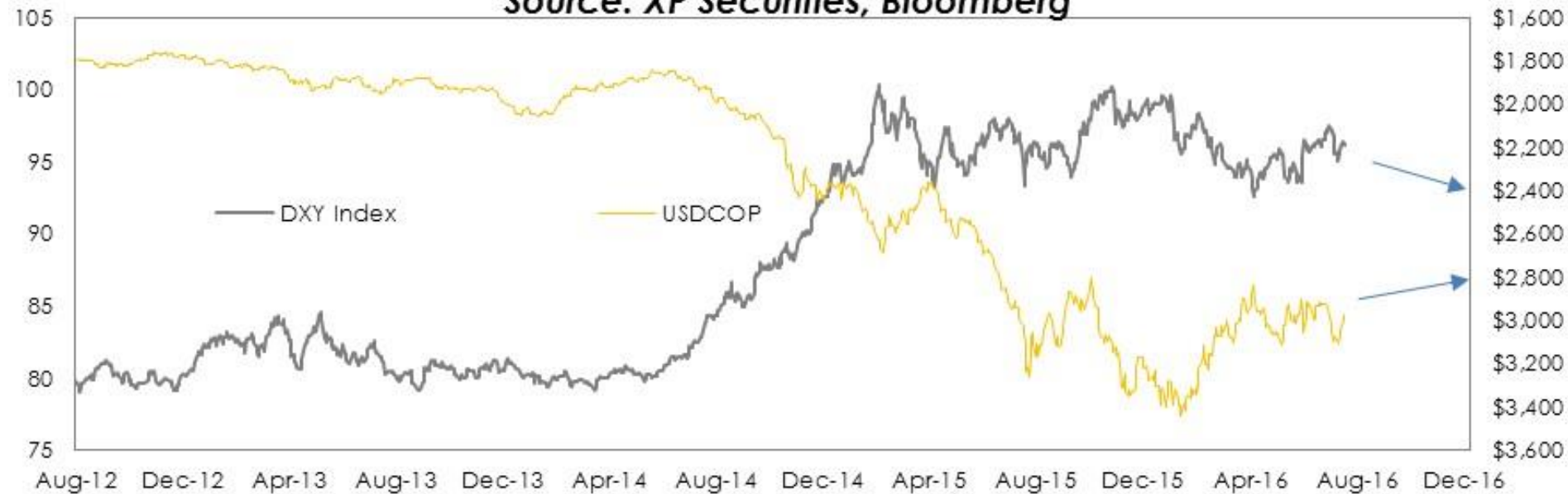
PEW RESEARCH CENTER



Mi Escenario Base: “Goldilocks” (*Ricitos de Oro: La Sopita, Ni Muy Caliente, Ni Muy Fría*)...

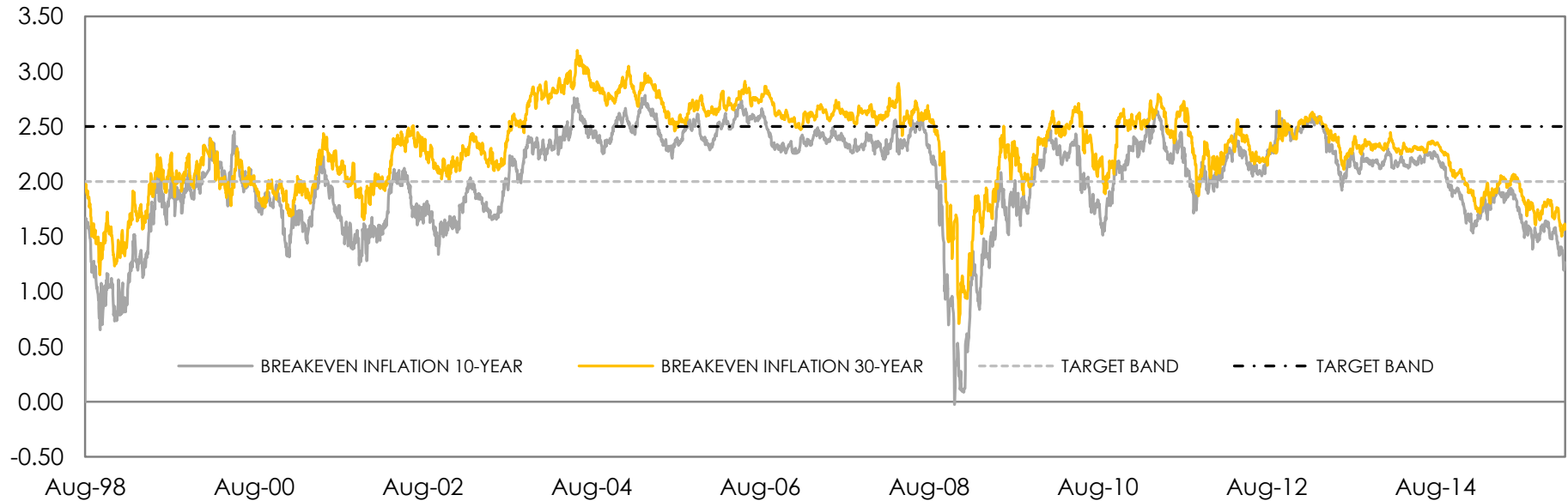
COLOMBIA--USDCOP (Right Axis, Inverted), DXY (USD Index, Left Axis).

Source: XP Securities, Bloomberg



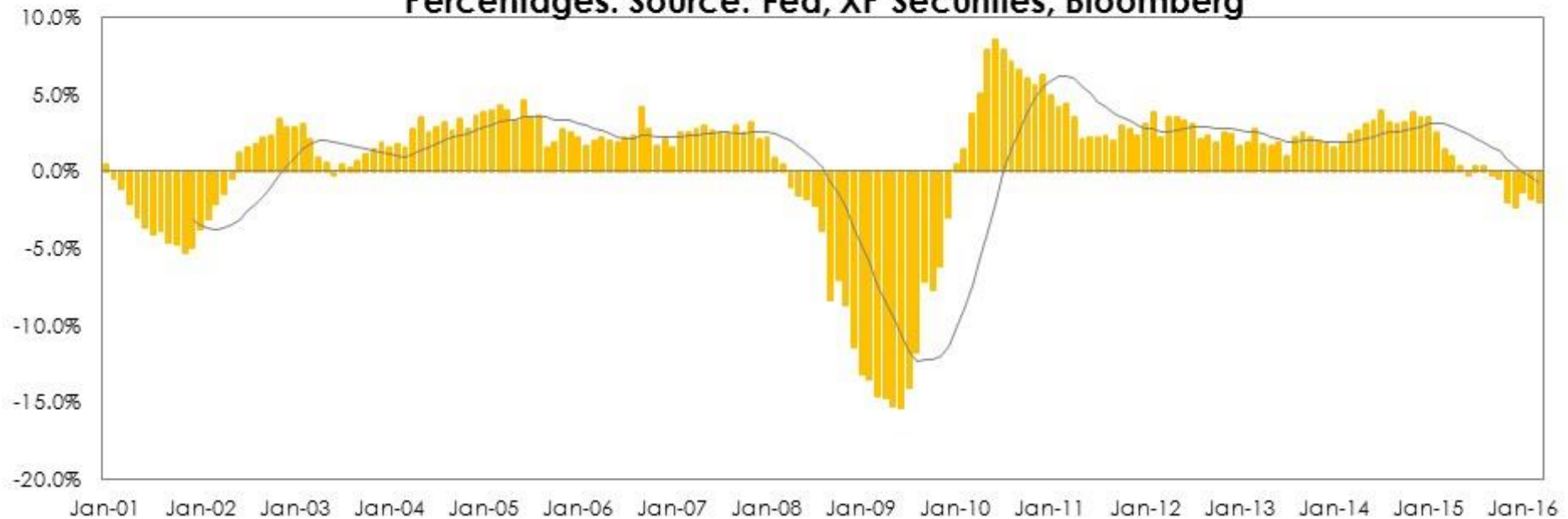
Escenario Base: “*Goldilocks*”. La Inflación Se Mantiene Extremadamente Controlada, Porque EEUU Solo “*No Puede*”.

US ECONOMY--10-Year And 30-Year Break-Even Inflation (In Percentages). Sources, Bloomberg, XP Securities



Escenario Base: “Goldilocks”. La Producción Industrial De EEUU Deja Mucho Que Desear

US ECONOMY-Industrial Production, Year-Over-Year, And 12-Month MA. In Percentages. Source: Fed, XP Securities, Bloomberg



Escenario Base: “Goldilocks”. Un USD Fuerte Es Una PESIMA Noticia Para El PIB De EEUU.

Miami tourism in 2015

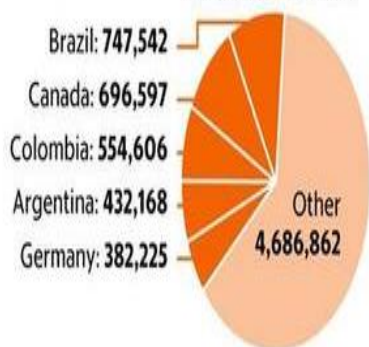
The Greater Miami Convention & Visitors Bureau 2015 statistics show another record year of growth for Miami's tourism industry.

Top domestic markets (in terms of visitors)



Total: 8 million

Top international markets (in terms of visitors)



Total: 7.5 million

15.5 million
Total overnight visitors

Total visitor spending: \$24.4 billion

Average hotel room rate: \$195.75

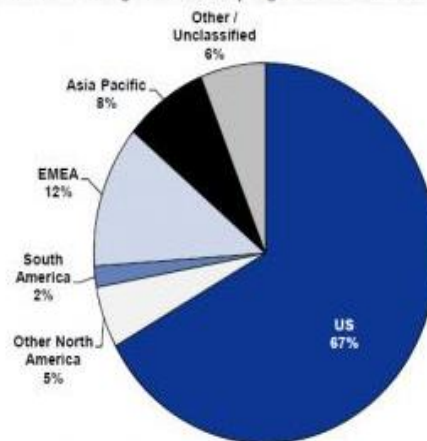
Hotel occupancy: 78.1 percent

Total tourism employment: 136,100

Source: Greater Miami Convention & Visitors Bureau

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Exhibit 2: Foreign revenues by region and sector for the S&P 500, 2013



Information Technology
Materials
Energy
Industrials
Consumer Staples
Consumer Discretionary
Financials
Health Care
Utilities
Telecom Services

S&P 500

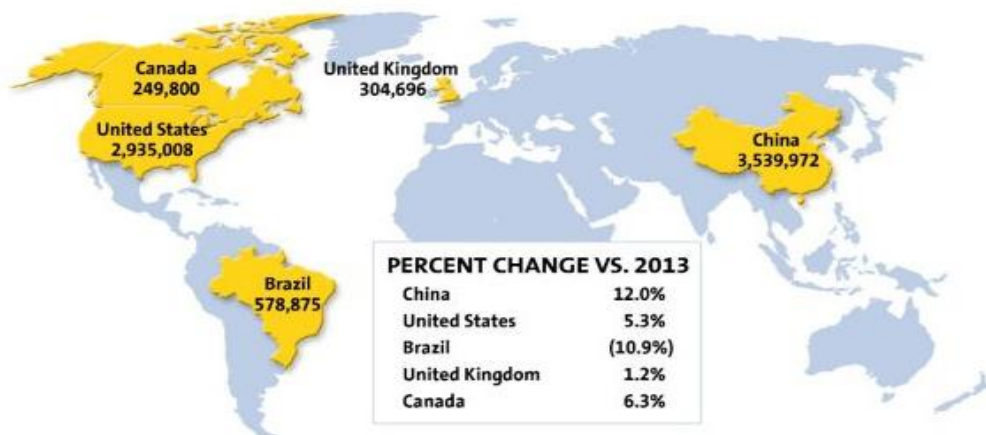
Revenues

	U.S.	Non-U.S.
Information Technology	40 %	60 %
Materials	51	49
Energy	56	44
Industrials	60	40
Consumer Staples	70	30
Consumer Discretionary	72	28
Financials	77	23
Health Care	80	20
Utilities	94	6
Telecom Services	100	0
S&P 500	67 %	33 %

Source: Company data, FactSet, Worldscope, Compustat, and Goldman Sachs Global Investment Research.

GM RECORD 9.9 MILLION GLOBAL SALES IN 2014

TOP 5 MARKETS

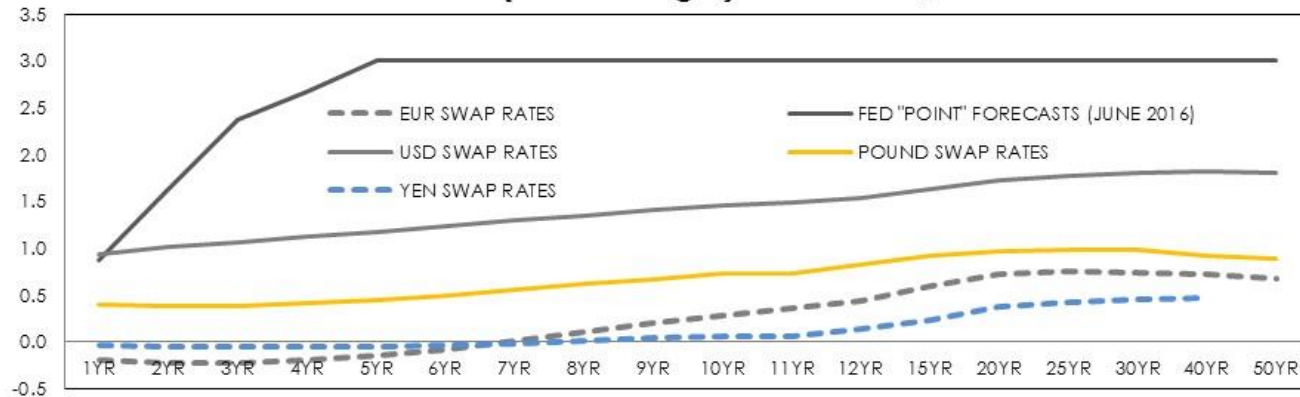


PERCENT CHANGE VS. 2013

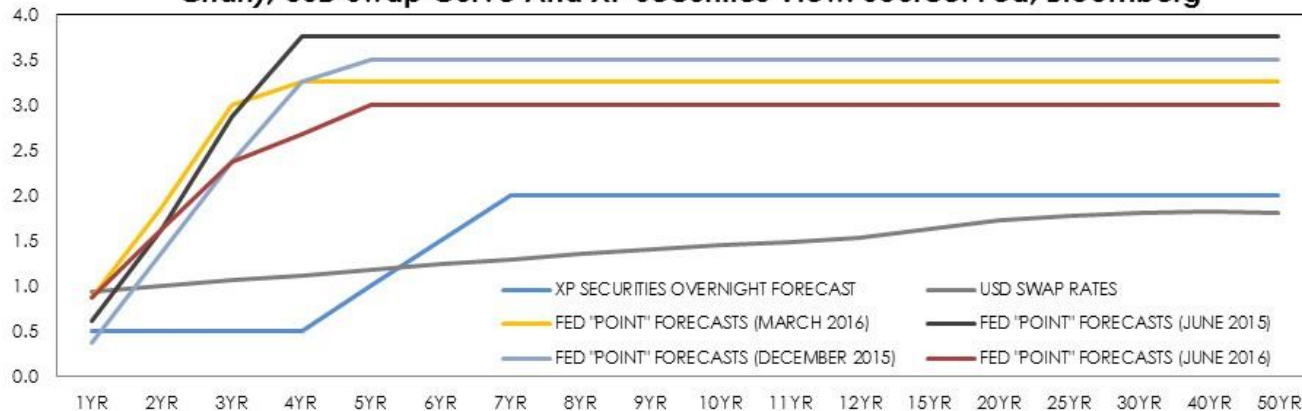
China	12.0%
United States	5.3%
Brazil	(10.9%)
United Kingdom	1.2%
Canada	6.3%

Escenario Base: “Goldilocks”. Por Más Que La Fed Lo Quiera Lograr, NO Va A Poder “Normalizar” La Política Monetaria.

WORLD RATES--Possible Future World CB Rates, FOMC Estimation And Swap Market Forecasts (In Percentages). Source: Fed, XP Securities



US ECONOMY--The Future Of US Intervention Rates (As Per The Fed's Dots Chart), USD Swap Curve And XP Securities View. Source: Fed, Bloomberg



Implicaciones



La Liquidez Mundial Seguirá Siendo Inmensa...

DJIA ▼ 17343.23 -1.05% S&P 500 ▼ 2027.37 -0.99% Nasdaq ▼ 4683.59 -1.17% U.S. 10 Yr ▲ 2/32 Yield 1.847% Crude Oil ▼ 47.04 -2.39% Euro ▼ 1.1208 -0.07%

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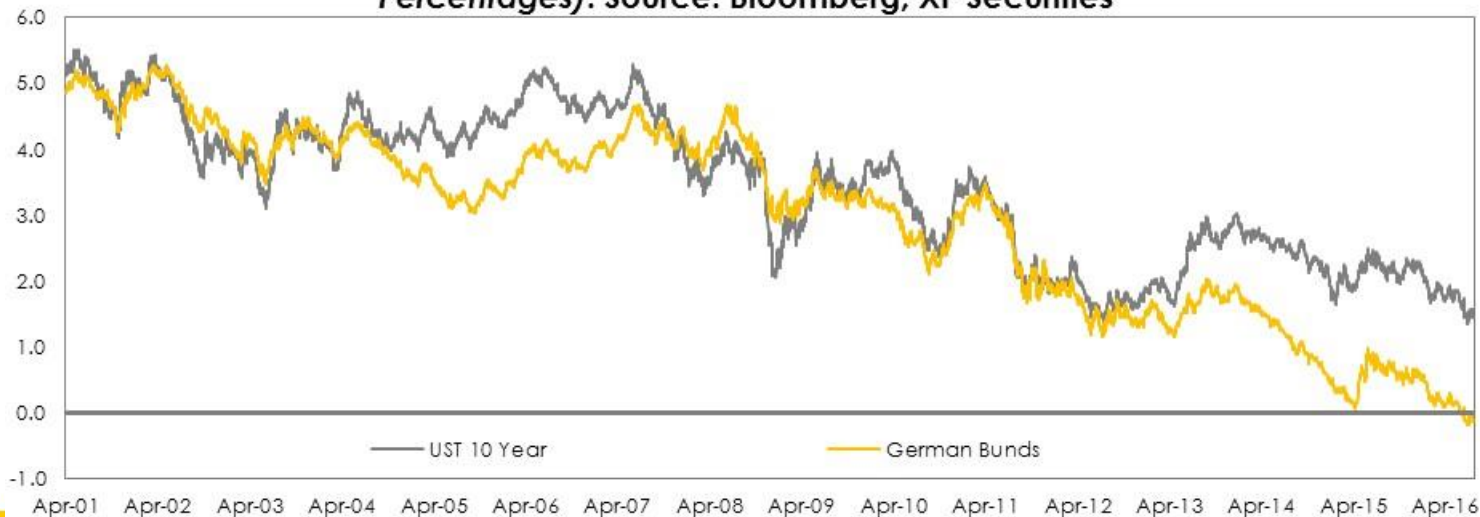
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MARKETS | CREDIT MARKETS

Argentina Returns to Global Debt Markets With \$16.5 Billion Bond Sale

Overwhelming investor demand fuels largest ever emerging market bond sale

WORLD FIXED INCOME--10-Year UST, 10-Year German Bunds, Yield (In Percentages). Source: Bloomberg, XP Securities



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AB InBev Raises \$46 Billion in Bond Market to Purchase SABMiller

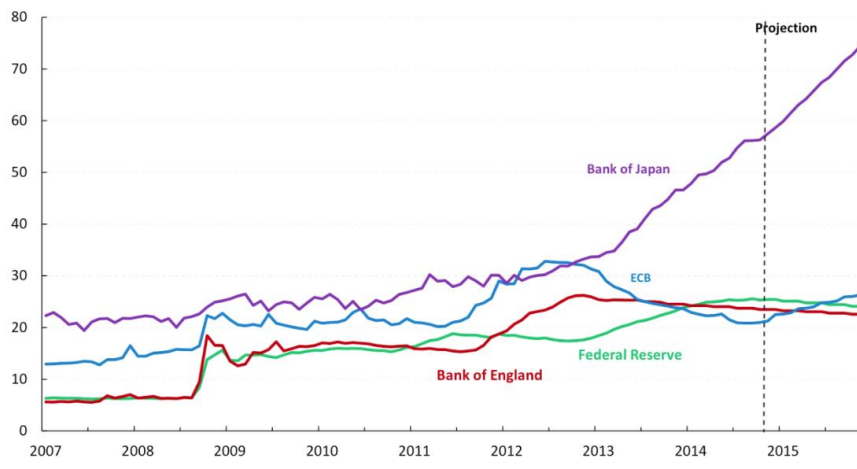
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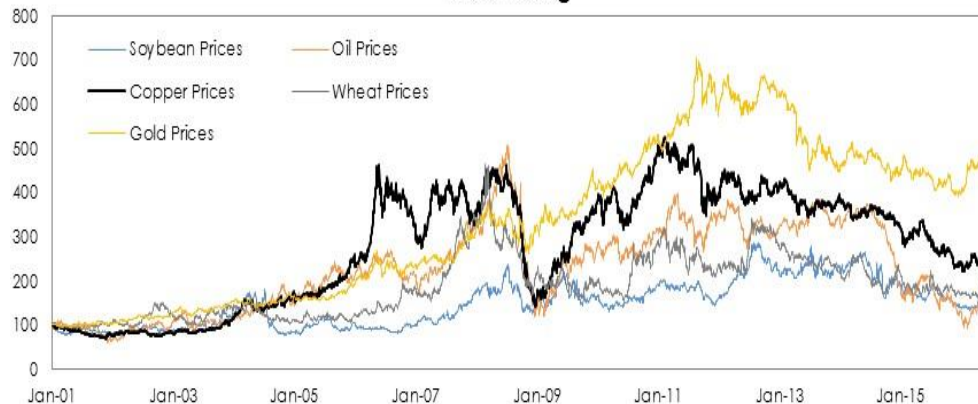
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La Liquidez Mundial Seguirá Siendo Inmensa...Y Eso Seguirá Teniendo Efectos En Los Precios De Los Commodities

Total Central Bank Assets (% of GDP)



Commodity Price Index (January 2001=100). Sources: XP Securities, Bloomberg



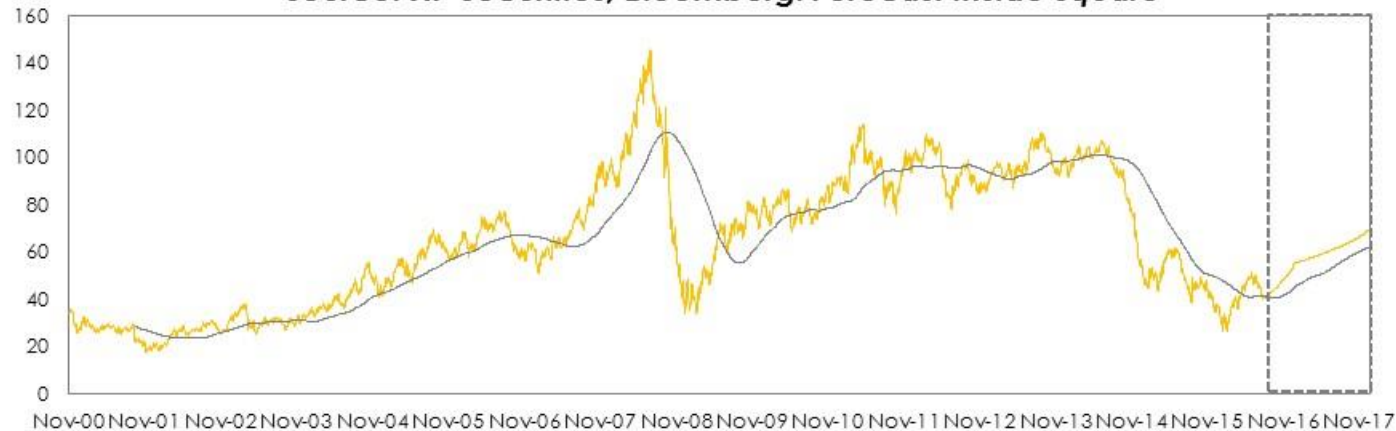
TOTAL LOCAL DEBT RETURN SIMULATION (ASSUMES 5-YEAR HOLD STRATEGY)

	INITIAL		VALUE OF INITIAL INVESTMENT		TOTAL RETURN	FUTURE FX RATE THAT EQUALIZES RETURN (USD VERSUS LOCAL)	BREAKEVEN FX DEPRECIATION VERSUS TIME T (TODAY)
	INVESTMENT	CURRENT YIELD	AT T+5 YEARS (COMPOUNDED)				
US 10-YEAR BOND	\$ 100.00	1.50%	\$ 107.71	7.71%		NA	NA
COLOMBIA 10-YEAR, COP-DENOMINATED	\$ 100.00	7.39%	\$ 142.85	42.85%	\$	4,173.11	35.14%
MEXICO 10-YEAR, MXN-DENOMINATED	\$ 100.00	5.87%	\$ 133.04	33.04%	\$	23.61	25.32%
BRAZIL 10-YEAR, BRL-DENOMINATED (NY-LAW)	\$ 100.00	10.16%	\$ 162.19	62.19%	\$	5.05	54.48%
BRAZIL NTN 2023, BRL-DENOMINATED	\$ 100.00	11.83%	\$ 174.94	74.94%	\$	5.59	67.23%

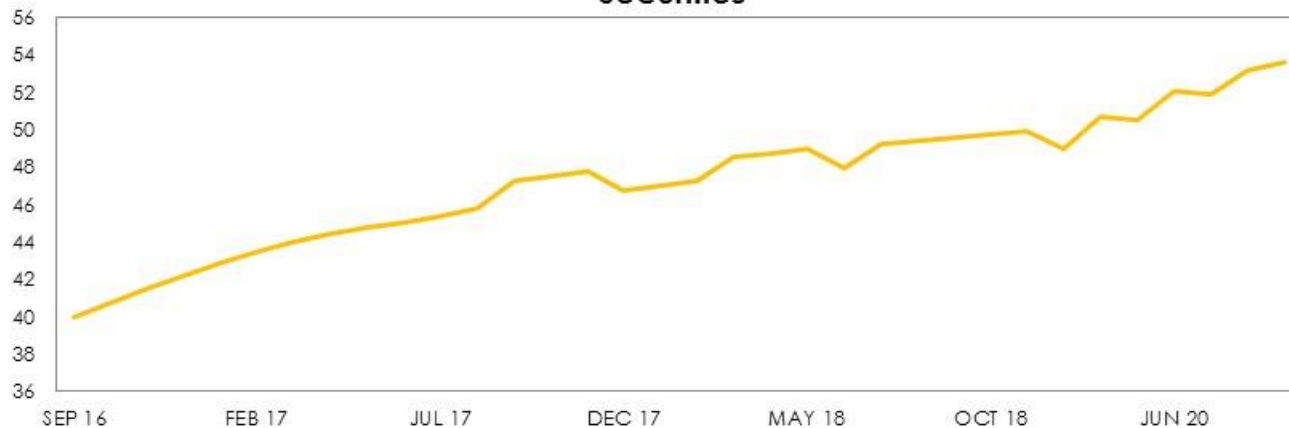
Apostándole Al Rebote Del Petróleo

CURRENT AND EXPECTED Oil Prices And 220-Day Moving Average.

Source: XP Securities, Bloomberg. Forecast Inside Square

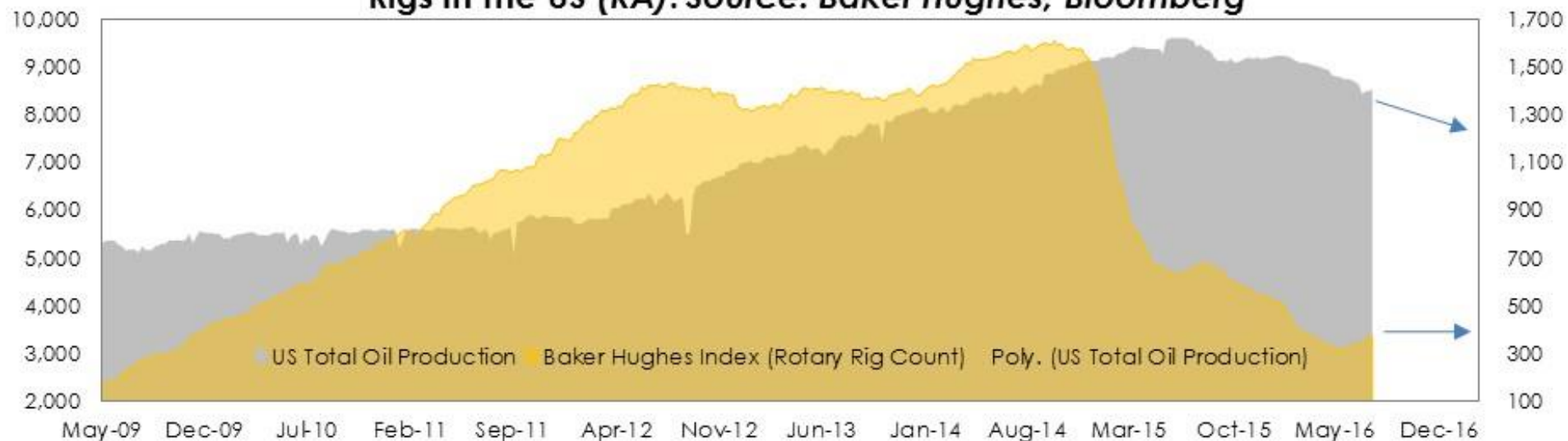


WTI Oil Price Futures (Per Barrel, In USDs). Source: Bloomberg, XP Securities



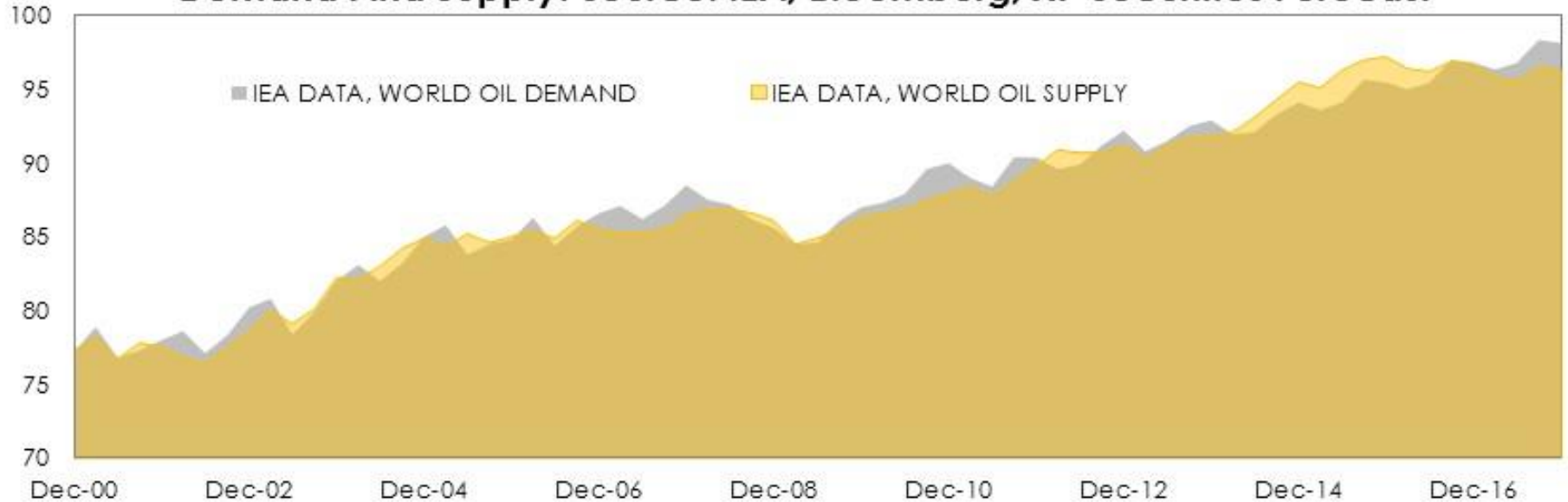
Apostándole Al Rebote Del Petróleo.

Weekly US Oil Production (Left Axis, In Thousands/BPD), Total Active Rotary Rigs In The US (RA). Source: Baker Hughes, Bloomberg



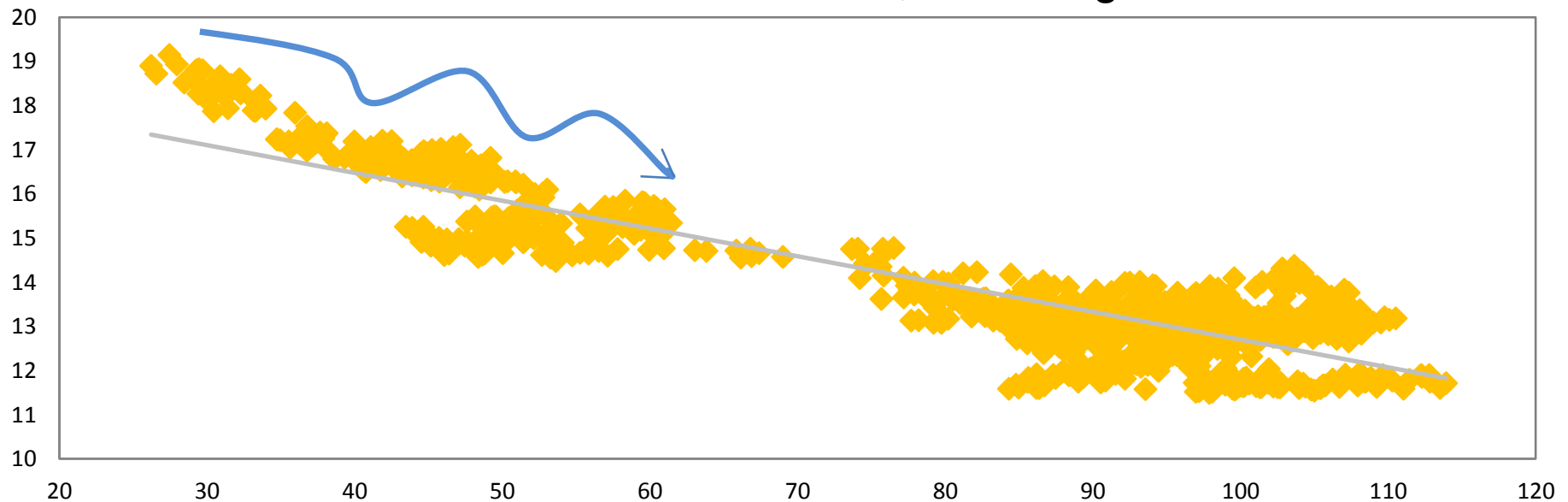
Apostándole Al Rebote Del Petróleo.

WORLD OIL FUNDAMENTALS--International Energy Agency Total Oil Demand And Supply. Source: IEA, Bloomberg, XP Securities Forecast



Por Lo Tanto, Viene Más Apreciación De Las Monedas De Latam, Por El Rebote Del Petróleo Y Por Una Fed Que “*Tirará la Toalla*”

MEXICO--USDMXN (Y-Axis, Dependent Variable), Oil Prices (X-Axis).
Source: XP Securities, Bloomberg



Por Lo Tanto, Viene Más Apreciación De Las Monedas De Latam, Por El Rebote Del Petróleo Y Por Una Fed Que “Tirará la Toalla”

XP Securities Investment Monitor (2016)

Numbers In Red, New Target

	Current	Beginning 2016	YTD Return (In USD's)	YE (2016) Target	Expected Return (Full-Year) (In USD's)
Currencies					
USDMXN	18.84	17.26	-8.39%	17.50	-1.39%
USDCOP	3,088.16	3,174.00	2.78%	2,850.00	10.21%
USDARS	14.93	12.93	-13.42%	14.50	-12.14%
USDCLP	657.86	708.00	7.62%	650.00	8.19%
USDBRL	3.27	3.96	21.14%	3.15	20.45%
USDPEN	3.35	3.41	1.93%	3.15	7.62%
EURUSD	1.12	1.09	2.77%	1.10	1.33%
USDYEN	102.35	120.55	17.78%	105.00	12.90%
USDCNY	6.64	6.49	-2.26%	6.65	-2.41%
Commodities					
Crude Oil (WTI)	40.03	39.98	0.13%	50.00	25.06%
Gold	1,351.70	1,061.00	27.40%	1,400.00	31.95%
Copper	219.75	213.00	3.17%	230.00	7.98%
CRB-Index	178.21	176.14	1.18%	200.00	13.55%

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