

The risk of shortage

Venezuelans have managed, within their means, to face the new dystopian reality we are living. In spite of the confinement measures applied, for many the fear of contagion becomes secondary to the fear of not being able to survive because they do not earn the necessary money to buy food and cover other needs in their homes.

There is a growing concern about having enough basic cleaning supplies and, above all, food. With several sectors paralyzed and cutbacks in production and distribution chains of goods and services, many have wondered how long they will be able to continue to make a living. Not only individual actors, but some countries have already taken action in this regard. Given the present conditions, it is not surprising that a shortage would occur.

Shortages and food insecurity

Shortage is the state in which the quantity of goods demanded is greater than the quantity of goods offered, which may be due to three main causes: an increase in demand, a reduction in supply, or direct government intervention, usually seen in the application of price controls or the rationing of the sale of certain goods.

The Food and Agriculture Organization of the United Nations (FAO) states that, at present, shortages can bring about a problem that is just as urgent and capable of greatly diminishing people's well-being: food insecurity. This is defined as the lack of access, availability and use of food by people. Generally, in times of crisis, food insecurity occurs because industries that depend on imports and exports are affected and it is difficult to obtain certain foods. With the advent of COVID-19, many fear that this is what will happen.

Interruption on the road

The nature of the virus makes its consequences look like a supply-side shock (in addition to demand) on a global scale. This shock can occur in both the production and supply chain. Abdolreza Abbassian, an economist at the FAO, considered that he does not foresee a shock in food production, but rather at the logistical level, since goods cannot

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be moved from point A to point B; therefore,¹food can continue to be produced, but cannot necessarily be transported to where it needs to go. Groups of farmers and tractor manufacturers in Brazil, the United States, and France have already reported complications and disruptions that have arisen during the confinement and have pointed to the possibility of significant labor reduction.

As a result, governments have decided to supply themselves by applying protectionist measures, stopping trade in certain *commodities* or food of which they are major producers. This is the case of Kazakhstan, which stopped the export of wheat flour, carrots, sugar and potatoes. Vietnam and China have stopped their rice exports, Serbia has stopped its sunflower oil exports, and Russia has increased its control over some ships². Uncertain as to how long the pandemic will last, they prefer to have sufficient stocks for their population.

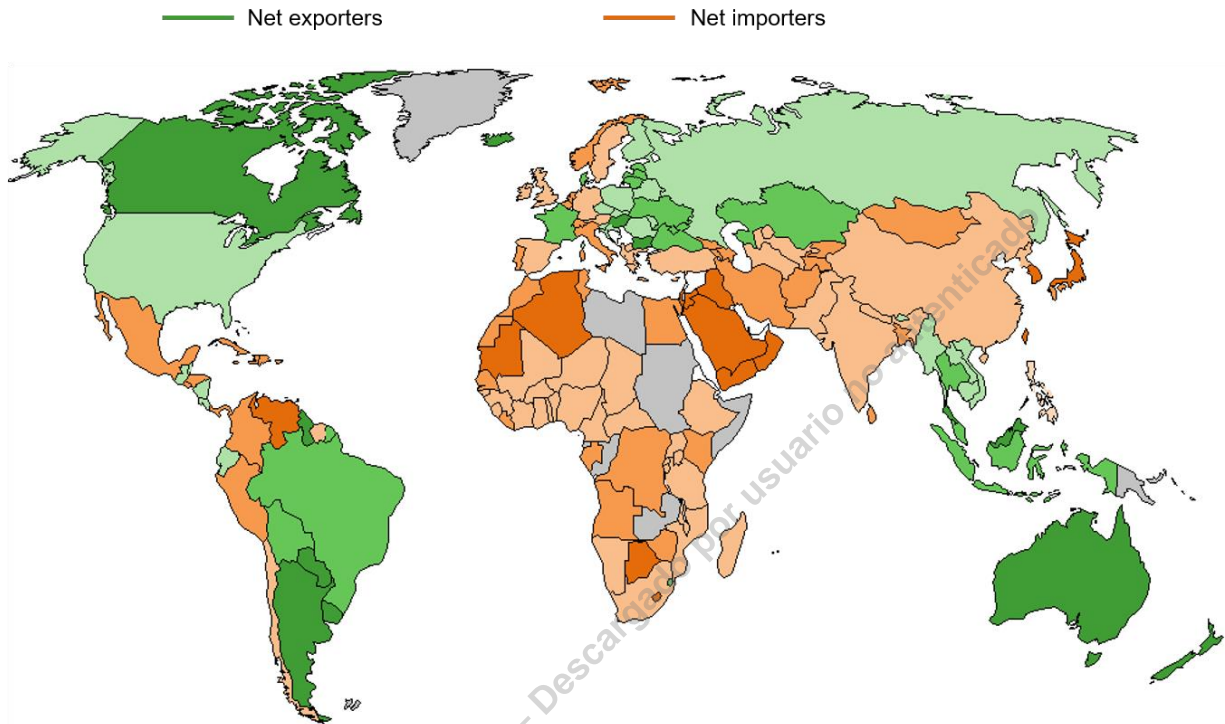
However, not all countries are mass producers of certain foods; therefore, an effective supply plan is not focused on their exports, but on their imports. Nations that depend on the latter for food are even more affected. For example, North Africa is the largest buyer of Russian wheat and the Philippines is the largest importer of Vietnamese rice. Venezuela is not far behind.

¹ Munshi, M. & Almeida, I. (March 19, 2020). *There's Plenty of Food in the World, Just Not Where It's Needed*. [Bloomberg](#).

² Almedia, I. & De Sousa, A. (March 24, 2020) *Counties Starting to Hoard Food, Threatening Global Trade*. [Bloomberg](#).

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Countries with highest risk of food dependency



Sources: FAO, Bloomberg and Ecoanalítica.

As the map shows, countries in orange, such as Venezuela, are net importers, making them more vulnerable to the sudden drop in trade. On the other hand, those in green are net exporters, some of which have taken the measures by ceasing to export. All this leads to higher prices for those goods that are more difficult to obtain. As inventories are depleted and the restrictions on the pandemic remain in place, there will be fewer and fewer goods to distribute.

Of course, as social distancing becomes more flexible, the exchange of goods and services will be reactivated, but the speed and extent of such reactivation will depend on how the control of the disease evolves in each country. Until there is a definitive cure, there will continue to be, for example, the possibility that workers in priority sectors will have to be confined again because they have become ill, or have had contact with someone who was ill. Also, with the closure of schools, some parents will have to stay at home to take care of them. Problems of this kind can arise and complicate the arrival of goods to the final consumer.

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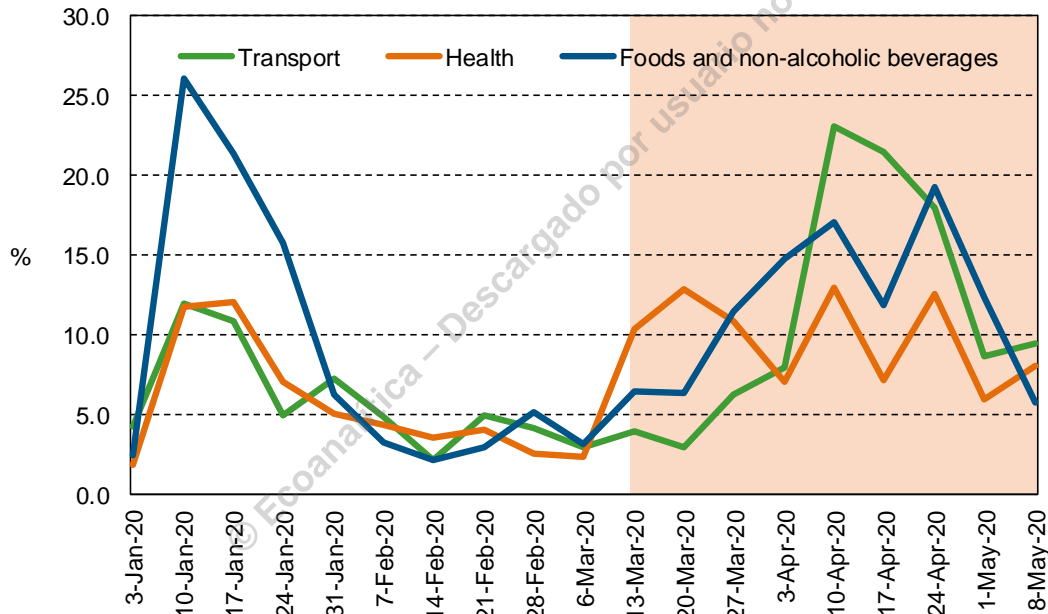
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One thing leads to another...

As has been explained in other **Ecoanalítica**³reports, it is to be expected that the prices of certain goods will increase, something that is already happening in Venezuela. The "Food and non-alcoholic beverages" category has presented an accumulated variation in prices of 152.5% since the beginning of the quarantine in Venezuela (from March 13 to May 8). Other items that have had a similar behavior have been "Transportation" and "Health", with 148.0% and 109.3%, respectively. With the arrival of shortages, prices are expected to rise even more. With less goods available to be consumed, there will be people willing to pay more for them -so, the price of these products will tend to rise.

Weekly inflation of the 3 highest items



Source: Ecoanalítica.

Since the start of the lockdown, price growth has been faster than previously seen. Therefore, the Executive decided to implement again, as a "solution", a price control on April⁴24th. As stated in Weekly Report No. 15: *The Perfect Storm: Price Controls in Quarantine*, there is specialized literature that explains why this kind of measure usually only creates unfavorable situations such as scarcity, an experience that Venezuelans

³ Weekly Report No. 17, 2020: *The Strange World of Official Inflation Figures*, Weekly Report No. 15, 2020: *The Perfect Storm: Price Controls in Quarantine*, Weekly Report No. 13, 2020: *Price Mechanism in Times of Emergency*.

⁴ D Elm, G. (April 25, 2020). *Coronavirus in Venezuela: government announces controls on food sales to "contain speculation*. [BBC](#).

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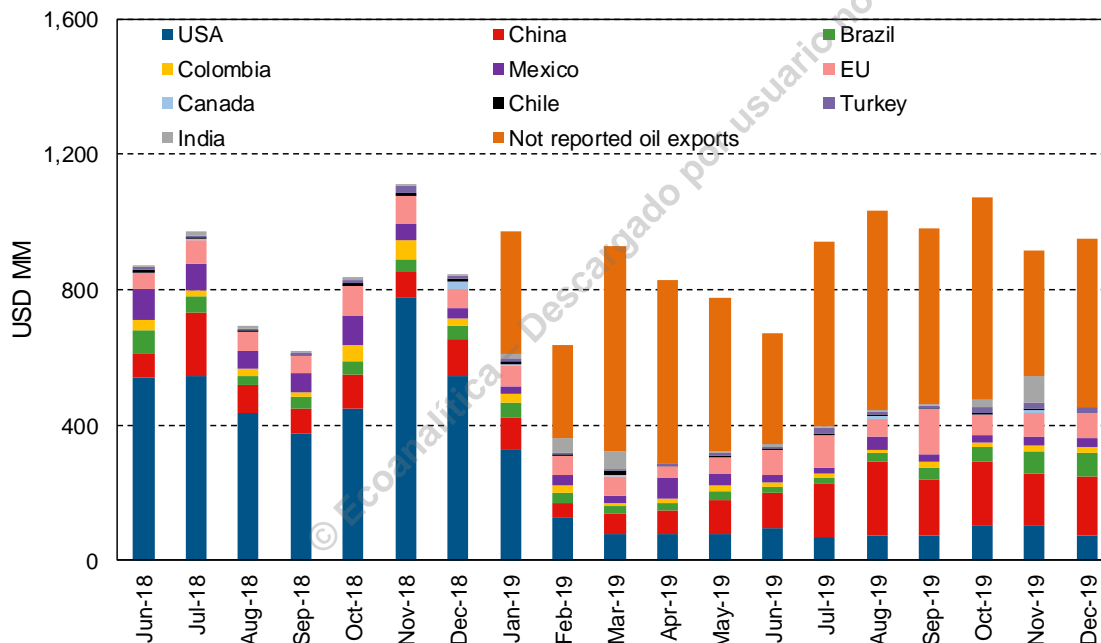
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have already had, and the increase in the price of the most sought-after goods. There will always be a group of people willing to pay an increasingly high price to obtain the desired good.

Venezuela, then, has all the conditions to go again through the path of shortage: (1) it is a country dependent on imports, which have slowed down worldwide due to the interruptions in trade caused by the pandemic and (2) the main food producing companies were subject to price controls applied by the Government and have been working for years with only a part of their installed capacity.

Imports by origin (Top 10 countries)



Sources: Official data reported by each country and Ecoanalítica.

During the last quarter of 2019, imports from Venezuela decreased 47.2% ⁵ compared to the same period of 2018, a trend that has been observed for months. If we add this to the difficulties at the transport level, due to the lack of fuel, in addition to considering the already precarious situation in terms of the population's nutritional levels, the outlook is not encouraging.

⁵ The import figures for the first quarter of 2020 are incomplete because official sources from China, Brazil, the European Union, Turkey, India and Russia have not updated their trade accounts, whose exports represent more than half of Venezuela's imports.

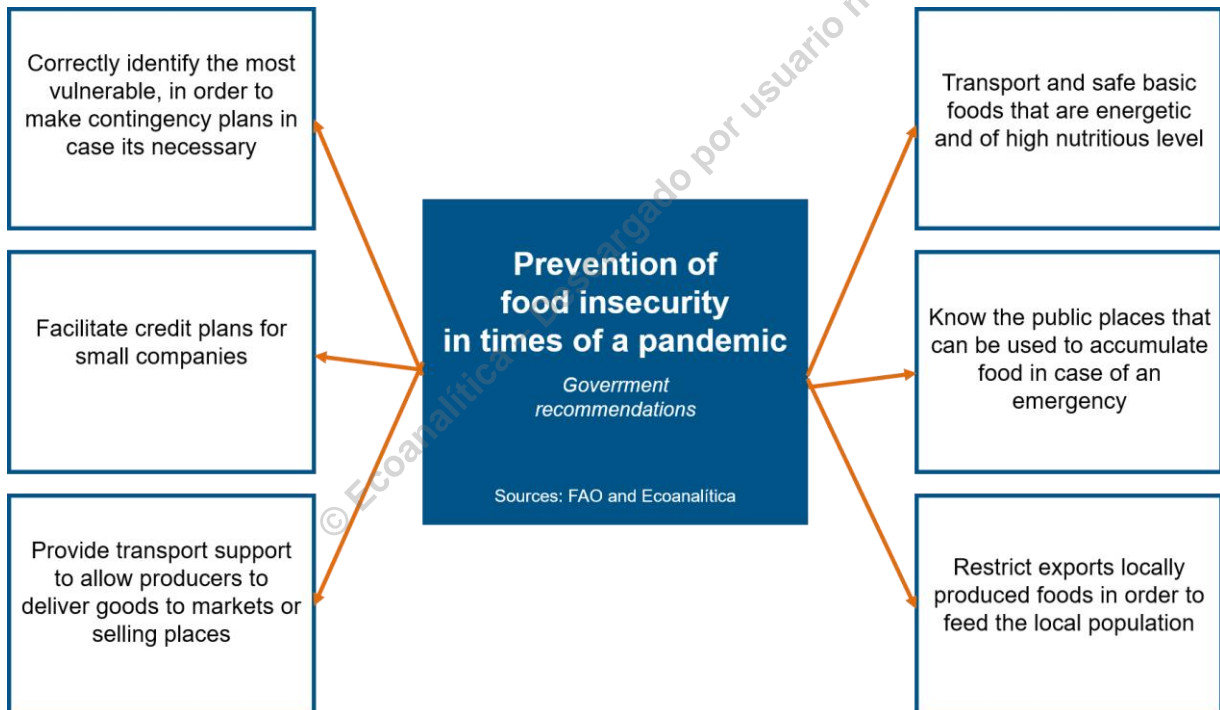
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With uncertainty as the horizon

As expressed in Weekly Report No. 14: *Riding the Tsunami: Business Strategies for the COVID-19 Pandemic*, it is now critical for businesses to maintain communication, define channels (production, distribution and online) and have contingency plans for unforeseen situations. In this sense, it is relevant to establish indicators and monitor them constantly to detect critical resource situations. Likewise, it is important to maintain communication with suppliers and customers, in order to reduce risks of shortages in the short term.

At the government level, FAO sets out a number of recommendations that can mitigate (even prevent if implemented in time) the effects of a food shortage.



With no guarantee that these suggestions made by the FAO will be observed by the Venezuelan Government, and with a narrow field of maneuver, our option is to take the best preventive measures to prepare ourselves for a situation that is not at all far-fetched.

Corina Fung

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WEEKLY INDICATORS

Weekly Economic Indicators			
	3rd Week May	Weekly chg. (%)	Depre/Apre (pp) ¹
FX Boards (VES/USD)²	183,337.60	2.4	2.3
	1st Week April	Weekly chg. (pp)	Annual chg. (pp)
Lending Interest Rate (%)	39.7	23.0	6.1
	2nd Week May	Weekly chg. (pp)	Annual chg. (pp)
Overnight Interest Rate (%)	70.1	-28.6	-2.4
	2nd Week May	Weekly chg. (%)	Annual chg. (%)
International Reserves (USD Bn)	6.5	0.1	-19.2
	5th Week April	Weekly chg. (%)	Annual chg. (%)
Monetary Liquidity (MM VES)	89,515,638	5.0	1,564.7
Price of International Oil Baskets (USD/bl)			
	1st Week May	Weekly chg. (%)	Annual chg. (%)
WTI	22.5	47.8	-63.7
Brent	28.8	31.1	-59.2
Price of the Venezuelan oil basket (USD/bl)			
	1st Week May	Weekly chg. (%)	Annual chg. (%)
Weekly Average	13.4	39.1	-79.0
Annual Average	33.9	-3.2	-43.3

Sources: BCV, MENPET, ONT and Ecoanalítica

* Annual variation of accumulated expenditure.

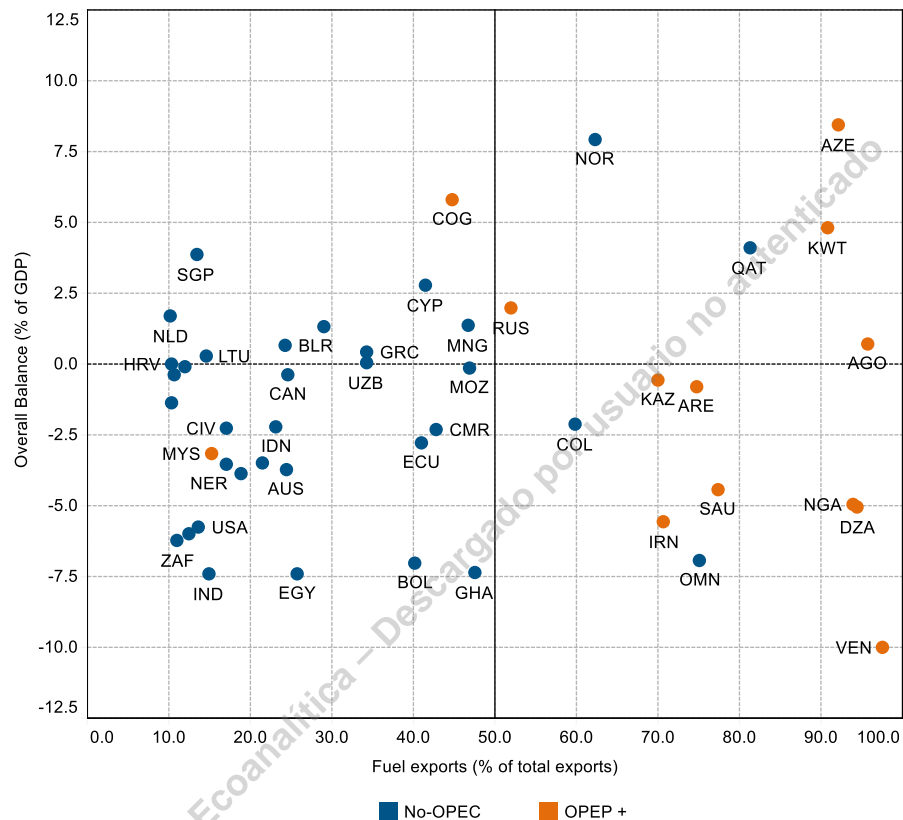
¹ Depreciation (+)/Appreciation (-)

² FX Borads' average exchange rate

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CHART OF THE WEEK: "FISCAL PLAN BETWEEN ESCILA AND CARIBDIS"

Fiscal Balance vs. Fuel Exports



Sources: International Monetary Fund (IMF), World Bank (WB) and Ecoanalítica.

The disruption to global trade caused by the COVID-19 pandemic has significant repercussions on the external sector of most countries, especially those where the export of fuel (crude oil and derivatives) represents a substantial portion of their total exports, since their revenues are particularly vulnerable to the contraction of demand from social distancing and containment measures on a global scale.

In this situation, the range of maneuver that countries have to mitigate the impact on their economy depends on the fiscal space they have. To do so, the countries must have the capacity to take advantage of savings (previous fiscal surpluses, stabilization funds) or sustain deficits (access to external financing). From this perspective, the countries with the largest deficits will have the most demanding financing needs in relation to the size of their economies.

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The following graph portrays both sides of the vulnerability to COVID-19 shocks in countries with a significant fuel export sector. On the vertical axis is the overall fiscal balance as a share of gross domestic product (GDP) by 2019, which could approach the initial conditions in which countries face the pandemic, while on the horizontal axis are fuel exports as a share of total exports.

In the first quadrant (top-left) are countries such as Singapore (GSP) and the Netherlands (NLD), with fiscal surpluses on which they can rely and an external sector sufficiently diversified to ensure that fuel is not in the majority. In the second quadrant (top-right) are oil countries such as Norway (NOR), Qatar (QAT) and Kuwait (KWT) that have considerable fiscal reinforcements despite their exposure to the hydrocarbon market. In the third quadrant (bottom-left) are countries such as Peru (PER), Indonesia (IDN), Ecuador (ECU), Egypt (EGY), with fiscal deficits at the time of the start of the pandemic. Some countries in this group, such as the United States (USA) and Australia (AUS), have facilities to cover their deficits with debt issuance, while Bolivia (BOL) and Ghana (GHA) have fewer opportunities to access loans.

In the last quadrant (bottom-right) are oil countries, several members of the OPEC+ group, which are more vulnerable fiscally and externally in the short term. Saudi Arabia (SAU) and the United Arab Emirates (ARE) have easier access to external financing, but countries such as Iran (IRN) and Venezuela (VEN) combine their high deficits and exposure to the oil market with exclusion from international financial markets due to the presence of sanctions.

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ECONOMIC TIPS

Without income they do not survive (I). According to a survey released by the Health Experts Commission of Juan Guaidó's interim government, 89.0% of Venezuelans do not have savings that would allow them to cover expenses in the next month if they do not receive income in the quarantine.

Without income they do not survive (II). In addition, 9.0% stated that they have savings to cover the expenses of the week or the next month and that only 2.0% of Venezuelans could stay more than a month without income.

A break. Tareck El Aissami announced that a moratorium on credit and interest payments to non-essential sectors will be allowed. In addition, he reported that they have exempted certain companies in non-essential sectors from tariffs and have placed products from these companies in certain production chains to alleviate the burden of non-prioritized sectors.

A previously denied request (I). The Central Bank of Venezuela introduced a legal request to the Bank of England to subtract EUR 930 million in gold and use it to finance its contingency plans for the pandemic.

A previously denied request (II). The document indicates that the funds will be allocated to the United Nations Development Programme and will be used to purchase health equipment, medicines and food to address the humanitarian crisis.

Exporting in uncertainty. Ramon Goyo, president of the Venezuelan Association of Exporters (Avex), reported that export sector sales could fall between 15.0% and 20.0% by the end of the year due to confinement and lack of gasoline. He also explained that due to the breakdown of national production chains, there have been some changes in the supply of products offered by the country and, by the global dynamics, in demand as well.

Regulatory indiscipline (I). According to figures from Congressman Angel Alvarado, the Petare Basket that gathers the price of eight basic foods, was located at VES 4.02 million (it varied 5.79% in relation to last month) or USD 21.87 (it varied 2.87% in relation to the previous month). This increase is due to the 20.0% monthly increase in coffee.

Regulatory indiscipline (II). In addition, several items present prices above or below the prices set by the Ministry of Commerce. Pre-cooked corn flour is sold at VES 180,000, while the regulated price is VES 173,648.68, or the egg carton is at VES 550,000 although its regulated price is VES 500,000.

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Liquidity without bills. According to the monthly liquidity report of the Central Bank of Venezuela, the amount of VES 100, VES 200 and VES 500 banknotes represents only 4.95% of the national monetary liquidity. It also indicates that no more banknotes have been printed in the first four months of the year.

In comparison. When cash shortages hit in 2018 and 2019, the proportion of banknotes in monetary liquidity averaged 7.5%.

Work tables. President Nicolás Maduro reported the creation of working tables to coordinate operations of economic and social support to small, medium and large enterprises in this new stage of the confinement.

Money tables. As of May 12, the average exchange rate for money tables was VES 183,533.8/USD. This represents a 2.5% depreciation from last week.

OIL TIPS

One setback... The U.S. Supreme Court rejected Venezuela's appeal of a lower court ruling allowing the seizure of USD 1.4 billion in CITGO shares for Crystallex, a Canadian mining company due to unpaid expropriations in 2009.

...Unexpected. This event represents a setback for the plan of the president in charge, Juan Guaidó, who had the support of the United States to safeguard PDVSA's assets abroad and defend it from companies seeking participation in the Venezuelan subsidiary such as ConocoPhillips Co. and the owners of the PDVSA 2020 Bond, which has as collateral 50.0% of the conglomerate's shares.

Excuse me... The Office of Foreign Assets Control (OFAC) issued a new license that allows Rosneft "*activities necessary for the settlement of transactions*" in Venezuela until May 20.

...I'm leaving. Rosneft President Igor Sechin reported that the Russian oil company "*has terminated all of its activities in Venezuela*" and has sold its shares in various extraction and service companies in the country to Roszarubezhneft, the new company owned by the Russian Federation Government.

Putting it all together. Through a press release, the Swedish refinery Nynas announced that Petróleos de Venezuela (PDVSA), former owner of 50.0% of the shares in this refinery, now only owns 15.0% of the company, as it transferred the remaining 35.0% to the Swedish foundation Nyna Sstiftelsen, which, according to the press

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release, has no influence from PDVSA. The other 50.0% of the shares continue to belong to the Swedish refinery Neste.

Free of penalties. With this the Nynas refinery is no longer subject to OFAC sanctions and can continue operations on a regular basis. The total amount of the transaction is not known.

Not so fast. For his part, Deputy Luis Stefanelli, a member of the National Assembly's Energy and Petroleum Committee, announced that Parliament will present an agreement to declare the transaction null and void. Stefanelli argued that, according to Article 150 of the Constitution of the Bolivarian Republic of Venezuela, this process must be approved by the National Assembly.

New shipment. Five new ships are crossing the Mediterranean from Iran to bring gasoline and catalysts from that country and Chinese parts to Venezuela. It is estimated that the ship "Fortune" will arrive at the Port of José, in the state of Anzoátegui, next May 22nd.

New shipment (I). The purpose of this shipment is to supply gasoline to the national distribution networks and continue the repairs of the Paraguaná Refinery Complex, capable of refining 940,000 bd.

New shipment (II). The vessel Fortune, however, is sanctioned by OFAC. In this regard, the head of the United States Southern Command, Admiral Craig Faller, stated that *"although it would still be too early to comment on what Iran's reaction would be in the event that the United States interfered, we will leave all options open."*

New beginnings. In a decree issued by Nicolás Maduro, PDV Puertos was granted administrative and operational control of various ports in the country. Among them are the ports of Cardón and Amuay, El Palito, Bajo Grande, among others.

Looking forward to it. Initially created to deal with gasoline traffic problems, PDV Ports is gaining more and more power and is suspected to be replacing PDV Marina. The announcement came after the departure from Iran of the five ships loaded with gasoline, spare parts and catalysts was known.

Under investigation. The Federal Bureau of Investigation (FBI) announced that it is investigating the Mexican oil companies Libre Abordo, Schlager Business Group, and Grupo Jomadi Logistics & Cargo (which have no history of marketing oil or Venezuelan oil derivatives) and the European companies Elemento Ltd and Swissoil Trading SA. (which have a history of marketing Venezuelan gasoline).

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Gathering the evidence. The investigation aims to find out if the sanctions imposed by the United States government on the commercialization of Venezuelan oil have been violated, announced the United States Secretary of State, Mike Pompeo.

More expensive than ever. Congressman Simón Calzadilla assured that the government of Nicolás Maduro is evaluating to fix the price of the liter of gasoline at 0.50 cents of a dollar or in bolivars according to the official exchange rate of the Central Bank of Venezuela. In addition, he added that the privatization of the oil industry for the sale and distribution of gasoline in the country is being studied.

Epecially without fuel. According to a survey released by the Commission of Health Experts of the Juan Guaidó Interim Government, it was detailed that 86.0% of citizens have failed to purchase gasoline in the last month and only 1.3% announced having a steady supply of gasoline.

BUSINESS SECTOR TIPS

Lost harvest months. According to a study conducted by the Venezuelan Society of Agricultural Engineers (SVIA), the production of vegetables, legumes, roots and tubers during the north-summer cycle in Venezuela, which ended in April, continued its downward trend, as a result of the lack of inputs for planting.

Satellite studies. SVIA President Saul Lopez explained that with the use of satellite monitoring tools, thanks to the support of the United States Department of Agriculture, it was possible to determine a considerable decrease in the production of some crops.

Vegetables, the hardest hit. López said the vegetable sector was the most affected, with 44,000 hectares planted compared to 65,000 hectares planted in 2019.

Without gasoline the consequences will be worse. The President of the organization added that the shortage of fuel will considerably affect leaf crops, such as chives and lettuce, whose sowing cycle is less than two months.

The future, only a fraction of what was grown before. As for cereals, Lopez indicated that such crops are from the rainy cycle that starts in May. The projections are that, due to the same drawbacks that currently exist with inputs, there will be a marked reduction. It is possible that 50% of the rice grown in 2019 will be sown this year, while the maize crop will fall by 30% compared to last year

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Solution: support the private sector. To conclude, Saúl López reiterated the call for the Government to prioritize the primary sector and allow access to fuel, stop the persecution of private property and allow the agricultural business. Only in this way can an increase in food availability be guaranteed.

To the progressive return. The first vice-president of the National Council of Trade and Services (Consecomercio), Tiziana Polese, again asked the Government to allow the progressive reopening of productive activities.

Not everyone is the same. Polese explained that the return will vary in each of the sectors, due to differences in the type of business, its size and the type of product it sells. To establish the best possible gradual process, the Vice President proposes a permanent dialogue between the Executive and the various sectors.

More in favor of a progressive return! The Venezuelan Association of the Plastics Industry (Avipla) joined the request of the private sector to progressively restart economic activities under health safety conditions, in order to prevent a further contraction of the economy and the closure of companies.

Four recommendations (I). In the communiqué, Avipla presented four recommendations that the institution considers indispensable to overcome the economic crisis: First, to reconstitute the institutionality on the basis of a national emergency government. Second, foster an environment that generates confidence to promote the arrival of foreign capital.

Four recommendations (II). Thirdly, to offer work opportunities that allow a dignified and quality life. Finally, the union of all the actors to reach answers adjusted to the current situation, that define short and medium-term plans and allow to overcome the serious crisis we are going through.

All in favor of a progressive return? Mauricio Brin, president of the Venezuelan Chamber of Construction, warned that 300,000 employees in the construction sector are in danger of losing their jobs. Brin requested, as did representatives of other sectors, a gradual reopening strengthened by a dialogue with the authorities.

"Solving" the water problems for the hundredth time. According to Evelyn Vásquez, Minister for Water Services, several works are being done at the Taguacita pumping station to recover the operation of the water service in the Capital District, a region that has had serious service failures during the quarantine.

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INTERNATIONAL TIPS

COVID-19 in the world. According to figures published by the World Health Organization (WHO), the number of positive cases of coronavirus reached 4,789,205 on May 20, recording 318,789 deaths for the same date.

Paying for the broken plates? China's President Xi Jinping has pledged USD 2 billion over the next two years to the WHO to help the agency deal with the COVID-19, especially in developing countries.

"Whoever leaves the village loses his chair." The figure offered by the President of China is almost equivalent to the full annual budget of the WHO programme for last year and compensates the US payment freeze.

Will it be too little, too late? Donald Trump announced that his administration was considering numerous funding proposals for the WHO, including one in which the United States would pay about 10.0% of its previous level, matching current payments made by the Chinese Government.

Prepare for the second wave. According to sources consulted by *Reuters*, China's Ministry of Commerce has asked trading companies and food processors to increase grain and oilseed stocks because of concerns about a possible shutdown of global supply lines in the event of a second wave of COVID-19 infection.

Figures never seen before. According to the UK Office of National Statistics, the number of unemployment claims increased by 856,500, the largest monthly jump in UK history, to a total of 2,097,000 registered unemployed.

The two powers take the reins (I). France and Germany proposed a EUR 500 billion (USD 543 billion) Recovery Fund to support the regions and sectors of the European Union most affected by the coronavirus crisis.

The two powers take the reins (II). The proposal of the two countries is that the European Commission should borrow EUR 500 billion on behalf of the group and spend it as an additional charge to the EU budget for 2021-2027.

Europeans on the ropes... Eurostat, the European Union's statistics office, published -in a provisional calculation- that the GDP in the first quarter of the year of the 19 countries of the Union contracted by 3.8% quarter-on-quarter and 3.2% year-on-year.

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...including its largest economy. Germany's Federal Statistical Office said the German economy shrank by 2.2% of GDP comparing to the previous quarter. This contraction represents the steepest drop since the end of the financial crisis a decade ago and the second largest since the German reunification in 1990.

The world's third largest economy falls into recession. Japan's GDP contracted by 3.4% year-on-year for the first quarter of the year. This fall follows the contraction seen in the last quarter of 2019, so Japan officially meets the technical definition of a recession.

Wait till June, Capisci? The Italian government has approved a decree that will allow travel to and from abroad from June 3rd, an important step towards relaxing one of the most rigid confinements in the world.

Opening key sectors. The Government of Mexico published a series of health safety protocols to reopen the automotive, construction and mining sectors.

Only a three-day process. Companies in these three sectors will be able to send a health manual to the Mexican Social Security Institute starting Monday, which will have 72 hours to authorize them to reopen after the emergency decreed at the end of March.

The known measurements. The health rules, which will apply to all companies that subsequently reopen according to a traffic light system, must include measures such as hand washing, healthy distance, use of mask and mouthpiece, sanitary filters and staggered schedules.

POLITICAL TIPS

They're failing. The Academy of Physical, Mathematical and Natural Sciences released a report stating that the official figures of 440 cases and 10 deaths from COVID-19 as of May 15 seem inconsistent with global trends, adding that Venezuela could register 4,000 cases per day by June.

The worst is yet to come. He added two conclusions: evidence should be increased and a peak in infections is expected in the coming months, as the case curve is unlikely to be flattened.

Urgent meeting. France summoned the Venezuelan ambassador to its nation for an urgent meeting after the French ambassador and diplomats in Venezuela suffered interruptions in electricity and water services since the beginning of May. French Deputy

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Av. Blandín, C.C. Mata de Coco, piso 5, oficina 5-E, La Castellana, Caracas, 1060, Venezuela.
(+58 212) 266 9080 / Fax (+58 212) 266 5119 / RIF J-31130403-7

Year 16. Number 18. Week III
May 2020

Foreign Minister Olivar Gauvin said the measures taken in recent days contravene the Vienna Convention on Diplomatic Relations.

Strengthening ties. Venezuela's interim president, Juan Guaidó, spoke with his Guatemalan counterpart, Alejandro Giammattei. In the conversation, the Guatemalan president expressed his support for the formation of a National Emergency Government. It should be recalled that the Guatemalan president broke diplomatic relations with the government of Nicolás Maduro on January 16 and had ordered the immediate expulsion of his diplomatic corps from the Central American country.

Urgent rejection. Gustavo Marcano, Minister Counselor of the Venezuelan Embassy to the United States designated by Juan Guaidó, declared that the entry of Iranian vessels into Venezuelan territory is not authorized. He added that this move is part of the "narco-terrorist" operations by Nicolás Maduro's administration and that the region must act to prevent these vessels from reaching the country.

They confirmed their support. At the plenary session of the National Assembly held on Tuesday, May 19, opposition deputies reaffirmed their support for the president in charge, Juan Guaidó, and rejected the so-called "Operation Gideon".

They ratified their support (I). They also stressed that an internal review of the opposition coalition should be carried out and that pressure should continue for the creation of a National Emergency Government to help the most vulnerable in the crisis.

Prisoners for ideals. In its weekly balance sheet, the Venezuelan Penal Forum counted a total of 402 political prisoners in the country, of which 275 are military and 127 are civilians. Recently, the government of Nicolás Maduro released five political prisoners.

Underrated cases. Deputy José Manuel Olivares reported that there have been four deaths from COVID-19 that have not been accounted for by the Government. These four cases received positive results from rapid *post-mortem* tests, two in Merida, one in Barinas and one in Apure.

Underestimated cases (II). In addition, he denounced the dizzying increase in mortality due to the pandemic in the country and assured that Venezuela is the least efficient country in detecting cases in all of Latin America.

Hard evidence. The ambassador of the Interim Government in Bolivia, Winston Flores, stated that there is clear evidence of support for narcoterrorism and corruption on the part of the diplomatic corps of the Nicolás Maduro government. He explained that several firearms were handed over to coca growers in the Chapare, Bolivia, with the aim of destabilising the mandate of President Jeanine Áñez.

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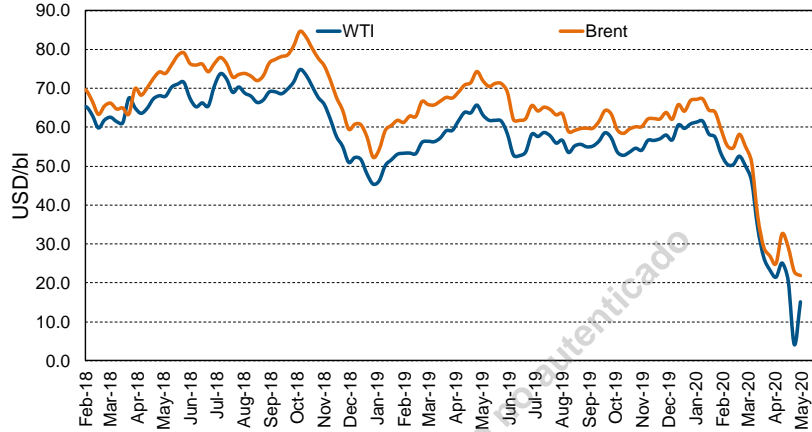
Complaints by the complainant. José Ignacio Hernández, special prosecutor appointed by the government of Juan Guaidó, held the government of Nicolás Maduro responsible for the destruction of PDVSA. He added that "*the distribution of gasoline is affected by informal and illegal organizations. This is common in failed or fragile states*".

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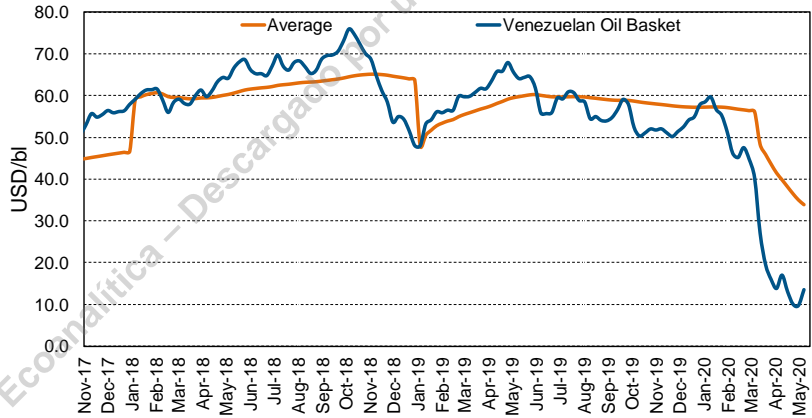
ECONOMIC DATA

**Oil Prices
(WTI and Brent)**



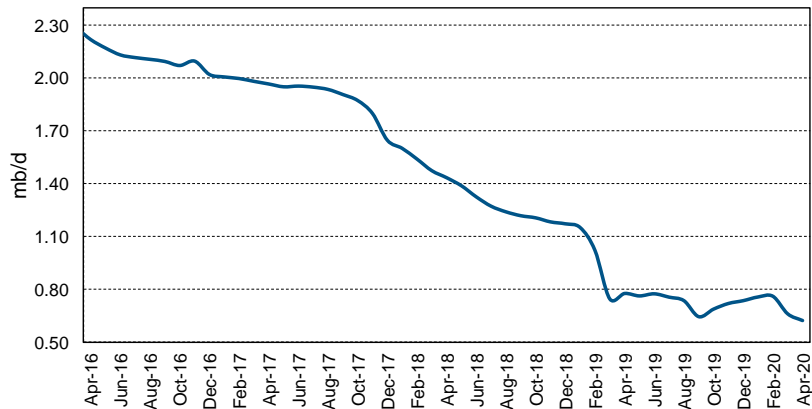
Sources: Menpet and Ecoanalítica

**Oil Price
(Venezuelan Basket)**



Sources: Menpet and Ecoanalítica

**Oil Production
(Secondary sources)**



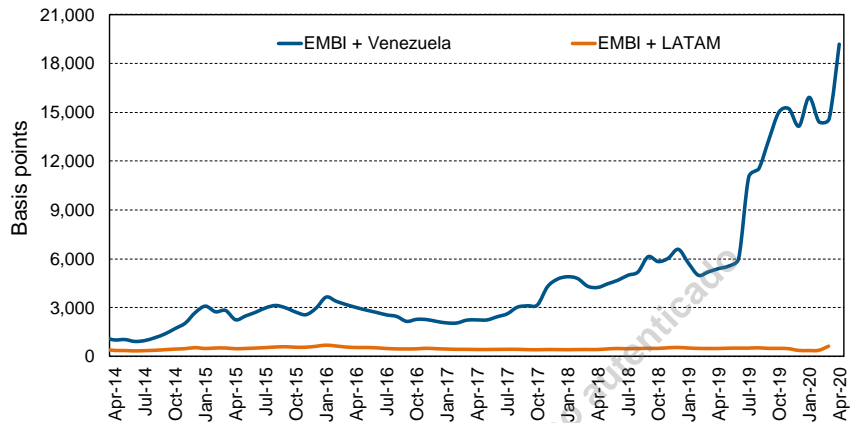
Sources: OPEC and Ecoanalítica

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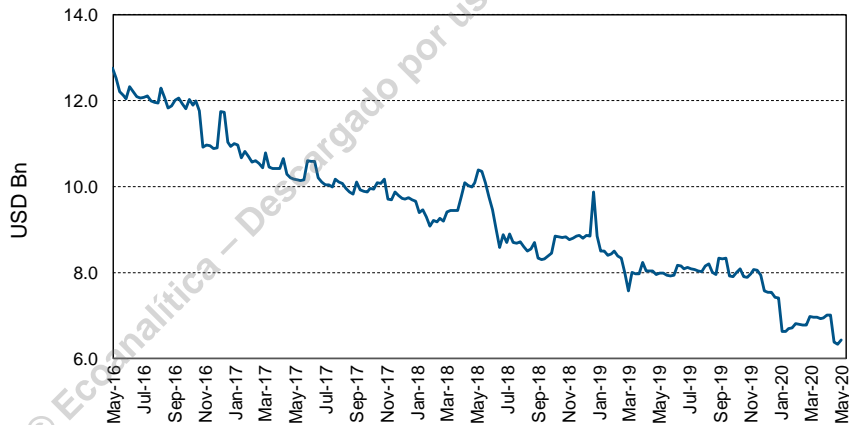
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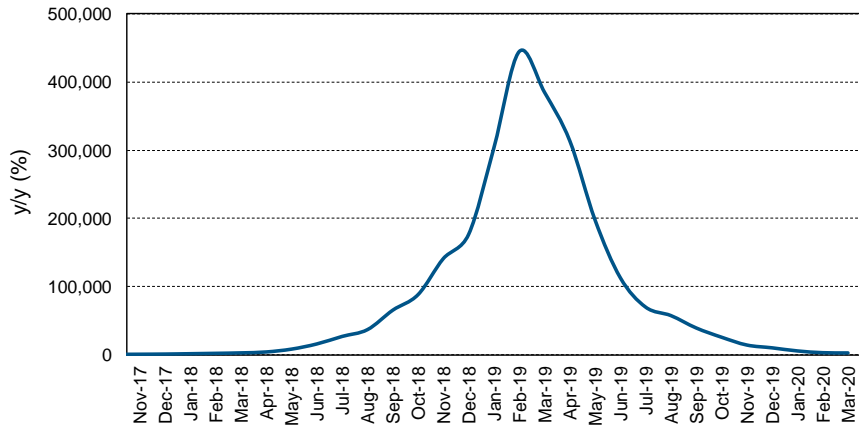
Sources: BCRP and Ecoanalítica

FX Reserves (BCV)



Sources: BCV and Ecoanalítica

Inflation (BCV)



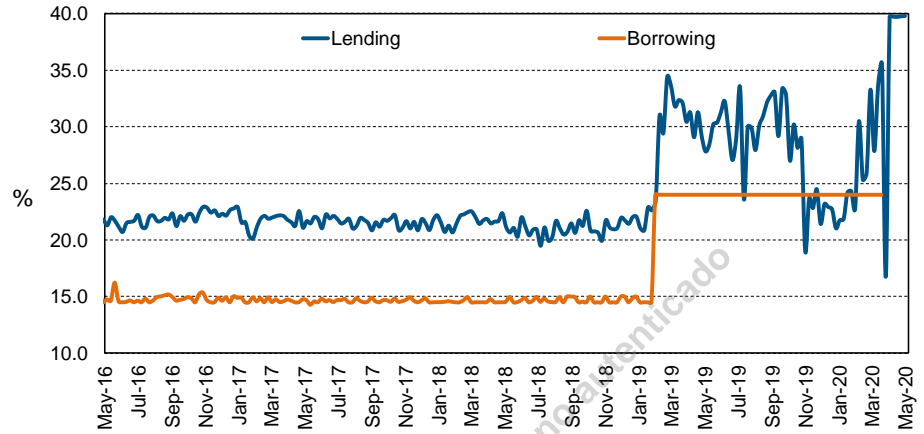
Sources: BCV and Ecoanalítica

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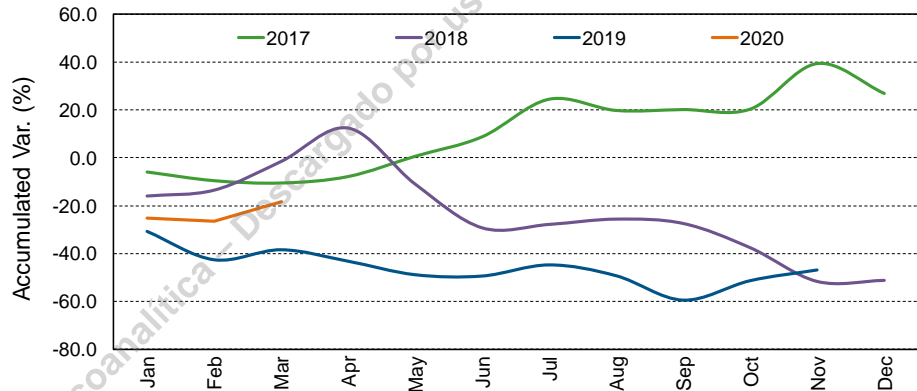
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**Interest Rate
(Six major banks)**



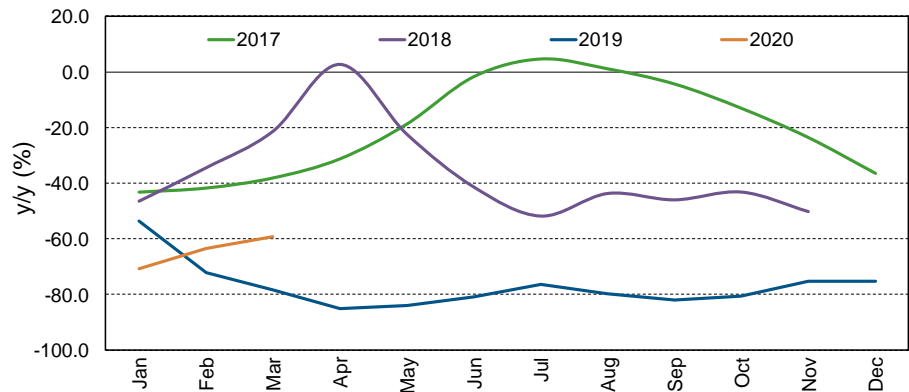
Sources: BCV and Ecoanalítica

**M2 Expansion
(Real)**



Sources: BCV and Ecoanalítica

**Loan Portfolio
(Real)**



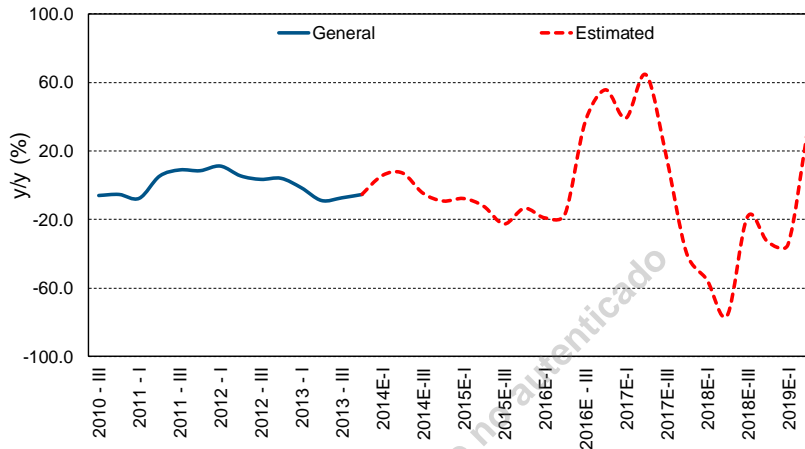
Sources: SUDEBAN and Ecoanalítica

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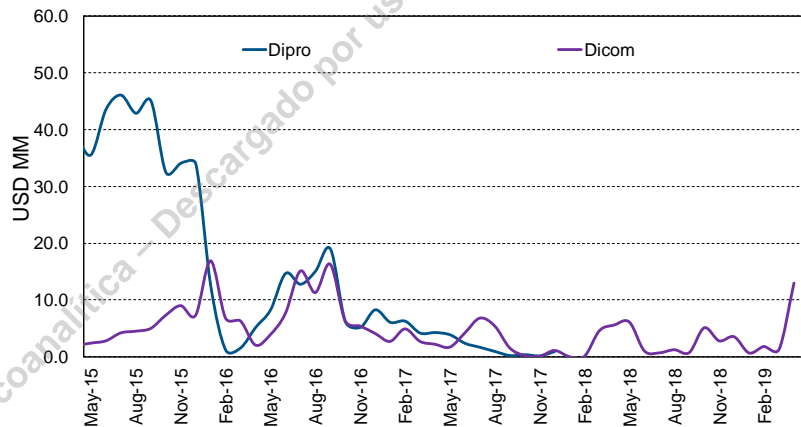
ECONOMIC DATA

Real Wage Index



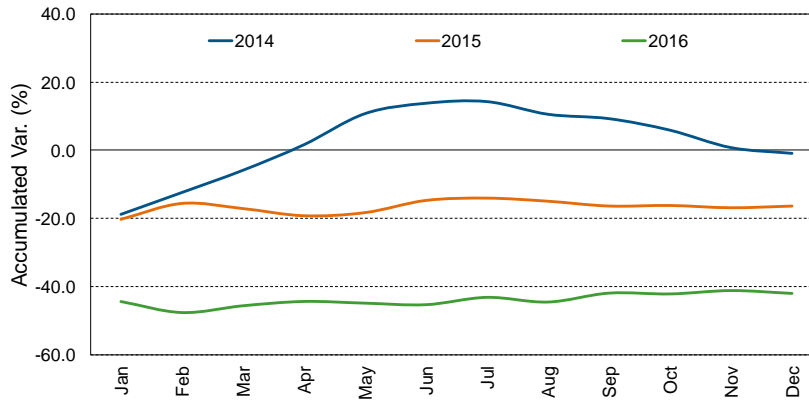
Sources: BCV and Ecoanalítica

Disbursements to the Private Sector (Daily Average)



Source: Ecoanalítica

Primary Spending NTO (Real - Central Government)



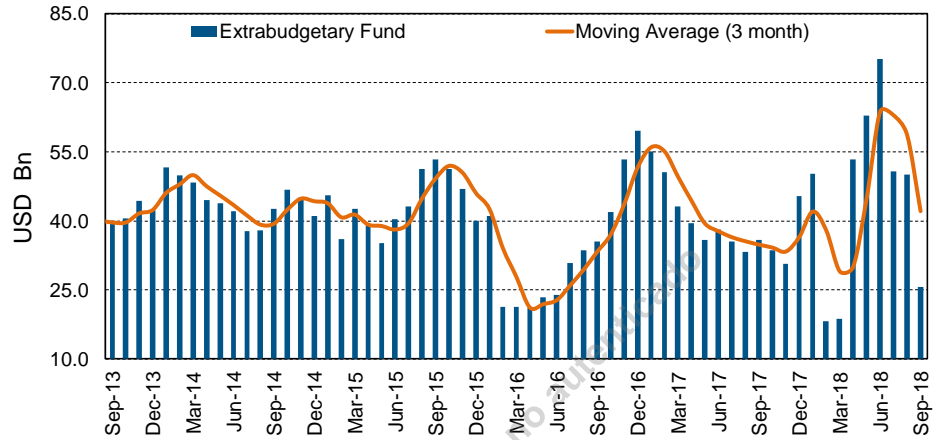
Sources: ONT and Ecoanalítica

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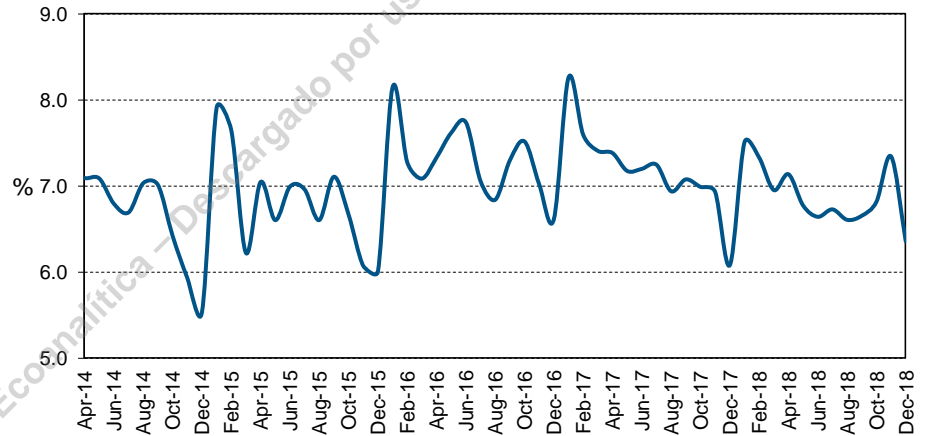
ECONOMIC DATA

State Extrabudgetary Resources



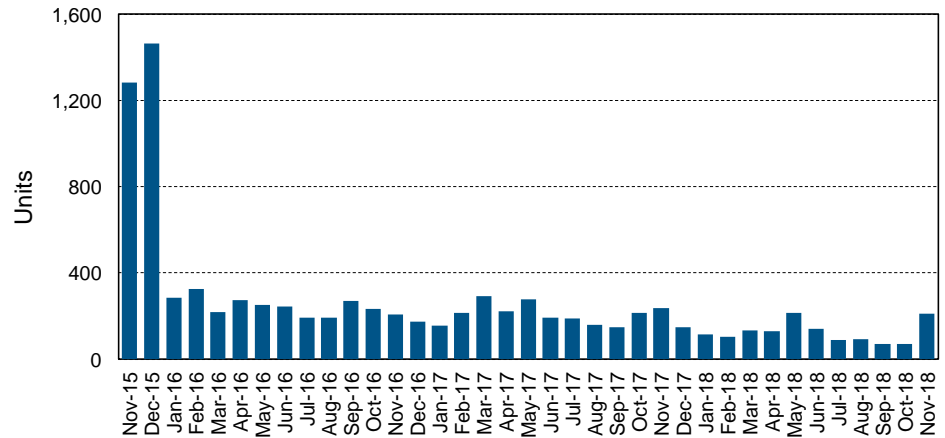
Source: Ecoanalítica

Unemployment Rate



Sources: INE and Ecoanalítica

Vehicle Sales



Sources: CAVENEZ and Ecoanalítica

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(+58 212) 266 9080 / Fax (+58 212) 266 5119 / RIF J-31130403-7

ECOANALÍTICA TEAM:

Asdrúbal Oliveros / Director

asdrubalo@ecoanalitica.net / @aroliveros

Pedro Palma / Director

pedrop@ecoanalitica.net / @palmapedroa

Cristina Rodríguez / Director

crisinar@ecoanalitica.net

Luis Arturo Bárcenas / Senior Economist

luisb@ecoanalitica.net / @barcenaluis

Guillermo Arcay Finlay / Economist

guillermo@ecoanalitica.net /

@guillermoarcayf

Giorgio Cunto Morales / Economist

giorgioc@ecoanalitica.net / @giorgiocunto

Corina Fung / Economist

corinaf@ecoanalitica.net / @corinafung7

Jhoan F. Castellano / Economist

jhoanc@ecoanalitica.net / @castellanojhoan

RESEARCH ASSISTANT:

Diego Santana

Diego Almau

EDITION: Argelia Guédez and Zoraida Verkaik

CONTACT US

Venezuela: (+58-212) 266 9080/ Fax: (+58-212) 266 5119

America: (+1 212)-994 1850

ventas@ecoanalitica.net

www.ecoanalitica.com

@ecoanalytical