Prospective Report

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Venezuela between the "21st. Century Socialism" and the "Road to Progress"

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Content

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Introduction: Perspectives 2012-2016

In economic matters, this year doesn't pose many surprises. We are in an electoral campaign, although not a normal one, given the President's health, but nevertheless, a campaign; this is an element that conditions economic policies: lots of spending, an import boom, the inauguration of "works" everywhere, and promises about a better future; all this under the holy protection of oil prices, which continue high.

Problems? The usual: inflation and scarcity, the restrictions of the private sector to operate, the ghost of devaluation, the increase in public debt and the gradual deterioration of public finances. An issue to highlight in the economic outlook: the shift in oil activity since Pdvsa cannot afford having further production drops; however, the government needs its resources to win the elections. In the midst of this dilemma, the solution seems to be to give in, and allow oil multinationals to support production, although there is still a lot to be seen, and the best episodes are reserved for beyond 2012.

The political arena looks more interesting. As Felipe González, former president of the Spanish government, said recently in an event in Caracas, democracy is built upon "uncertainty", a fact that is exacerbated in today's Venezuela. It is difficult to see a clear electoral path in Venezuela. There is too much uncertainty, mainly on the government's side: the health of President Chávez and its impact on the presidential candidacy. However, the opposition is much more consolidated, articulated, and with clear possibilities to win with its new candidate Henrique Capriles; the mystery of Chávez's disease will make of this presidential campaign an uncommon one.

The private sector is in *"Wait and See"* mode, like the lyrics of the song, since there could be substantial changes in 2012. However, as we have said in prior reports, the next 3 years will be complex, and companies must be prepared to operate in a difficult and changing environment; A big challenge.

With this outlook, business makers in Venezuela have to take advantage of three key elements:

1. The economy and consumption will increase, and the spending engine is already on, although with a lower impulse. The opportunity will be in those sectors that are less regulated. Trade and financial activities will lead the growth. The next months will be good: don't miss the train.

2. Careful with inventories, particularly those sectors that are not subject to strong regulations, like food and medicine. In the midst of political uncertainty (the

president's illness and the possibility of a political change), and with our already characteristic economic volatility, provisions must be taken for the next12 months regarding inventories.

3. Coverage: A difficult subject today in Venezuela. With the prohibition of parallel market operations, the corporate segment is in a difficult situation. This market supplied currency to be able to withstand Cadivi's delays, and also provided exchange rate coverage, in a country with high inflation and a chronic trend to devaluate to correct fiscal imbalances. If we add to this the debt that Cadivi has with dividend payments, this creates an explosive blend. However, companies must take this element into account.

Beyond 2012? Although it may sound like a cliché, the country continues forward. In this ***Outlook Report*** we will discuss the elements to consider in the different key areas of economic activity. We are still at a crossroads, but we must add that with any scenario, the situation is complex and the country is still full of opportunities. Even if the present government is elected, ***Ecoanalítica*** is convinced that there must be changes in economic policy, since given the way the economy is performing, the present model is unviable. The more visible changes will be in the oil and exchange areas. In the first, as we said, the challenge is to increase production capacity, and in the second, an "escape mechanism" must be designed to reduce the pressure on the official market.

Several elements makes us optimistic about the future: first, Venezuela has a great potential for growth, there is idle capacity in the private sector, given the economic context of the last few years, where private investment has increased sufficiently. A change in the rules of the game could boost investment.

Second, Venezuela's oil potential and capacity to increase production in the short term. Here, the key point is also the legal and institutional framework, and the call for new investments, which we believe is feasible with the present Hydrocarbon law.

Finally, and not less important, the future perspective of oil prices, and the demographic bonus of Venezuela. Two key elements so that in the midst of the upcoming difficulties, Venezuela may make the necessary changes to return to the path of growth.

After 2008, despite being one of the economies of Latin America with the greatest income, due to the increases in oil prices since 2010, Venezuela had the most difficulties to recover from the crisis. It is obvious that high oil prices are no longer sufficient for the economy to return to its path of growth, and it is not a way for growth to be sustainable in time.

Proof of this is the present growth rates of Latin America and the Caribbean, compared to Venezuela. Our country was more affected by the 2008 International Financial Crisis, since we didn't induce improvements in our economic apparatus during high fiscal income times, like other countries did, and while the Latin American region is recovering at a rate of 6.2% in 2010, the Venezuelan economy fell back 1.5% during the same period. In 2011, while LAC grew 4.6%, Venezuela grew 4.2%.

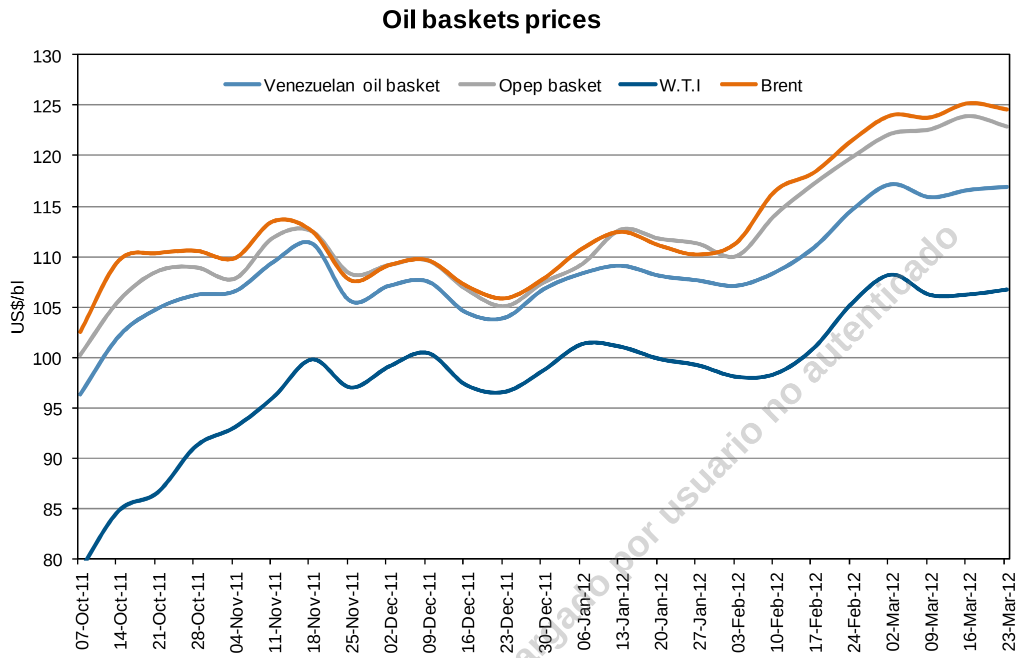
What must be overcome in the future? The fact that the growth of the Venezuelan economy is based on government spending has negative implications for the economy, since it makes it more susceptible to the availability of resources of a State, which in turn depends on exports and oil prices. Undoubtedly, this is a volatile and poor quality growth model.

Oil: Geopolitics continues playing a role…. Now is Iran the one moving the market

In the last quarter of 2011 (4Q11) international markers remained between US$105-US$105 per barrel. Analyzing the behavior of the baskets, we see that volatility was an important factor, once again due to the uncertainty that the sovereign debt crisis of some countries in the Euro Zone could become a recession for the block with its resulting spread to the world economy, and thus crude oil demands. Likewise, other important factors, like the slowdown in demand due to a warmer winter, and healthier economic indicators globally, maintained prices at that range.

Thus, during 4Q11 the Brent and Opec baskets fell 1.6% on average with respect to the previous quarter (t/t), going from an average price for both baskets of US$110.2/bl in 3Q11, to US$108.5/bl between October and December. But analyzing it with respect to 4Q10 when the average for these markers was US$85.4/bl, there is an interannual increase of 27% (a/a). On the other hand, the WTI index increased 4.1% t/t and 9.8% a/a to be at US$93.4/bl[1]. With these results, there is an annual average for 2011 of US$110.7/bl for Brent, US$107.1/bl for OPEC, and US$94.9/bl for WTI, which translates into a/a increases of 38%, 38.4% and 19.4% respectively.

[1] The that exists today between the prices of the first two markets and the last one lies in the fact that the latter (WTI) has become more a regional marker (North America) thanks to certain improvements in the distribution and storage of crude oil in the US and Canada, so it doesn't have a worldwide influence, compared to the Brent marker and the Opec basket.



Sources: Menpet and Ecoanalítica

As can be seen in the previous graph, during 2012 international baskets have had an upward trend. The marker with the largest increase is WTI (8.5%), followed by OPEC (6%) and Brent (5.6%), with values of US$101.3/bl, US$114.3/bl and US$115.2/bl, respectively. These results seem to indicate that prices could be leaving the US$105-US$115 range in the next few months, and the question is: could it be possible? Will oil prices continue to rise? We will see that next.

What do market foundations say?

As we said in the beginning, the growth in oil demand decreased considerably during 4Q11 and the beginning of 1Q12 thanks to a warmer winter, and to a lesser extent, the austerity measures in Europe, and its effect in the markets. Although US demand fell 0.36 mb/d in 2011, the demand of emerging markets continues to be strong; the last data from China (December) indicate that consumption is at record levels; in India, although it decreased with respect to November, the data was the highest recorded for December; demand in Saudi Arabia increased 0.47 mb/d in November, and Latin America and the block that groups the former Soviet Union (FSU) also showed strong increments in their latest figures.

Also, in Asia, not only China and India have had a good performance, Japan also showed a solid growth in December, with an increase in demand of 0.43 mb/d. Thus, it is obvious that the center of oil demand increases has not only moved from developed countries to emerging markets, but also from the United States (US) to Asia. On the other hand, concerns regarding European demand are not great: let us remember that Europe has had price and income rates that are so low with respect to crude oil, that they don't affect the balances.

For 2012, the consensus of energy agencies point towards an increase in oil demand of **1.02** mb/d, a slight improvement with respect to 2011. However, the possible dissemination of the crisis in Europe could be the main lag in this performance. On the other hand, with the US and Japan's economic data surprisingly in constant rise, the contribution of oil demand in the OECD should be greater this year than in 2011. Regarding emerging markets, structural factors should maintain demands, while the growth center will continue to be Asia (China and India), since these countries must replace inventories and reserves.

Regarding supplies for 2011, non-OPEC's contribution was almost 1 mb/d less than the forecasts of the International Energy Agency (IEA). This low performance of non-OPEC supplies wasn't limited to the production drops in the North Sea, there were also technical problems in Brazil and Azerbaijan, and worsening decline rates in China. There were also unforeseen events, like fires in Canada, strikes and shutdowns in Kazakhstan, added to the geopolitical issues in Yemen and Syria, which worsened the perspectives. For 2012, the consensus of energy agencies point towards a recovery of Non-Opec supplies of 0**.78** mb/d.

From the side of OPEC, few changes are expected for this year, despite the recovery of Libyan production. In the next few months, these volumes will replace the contributions made by Saudi Arabia last year, to compensate the balances. Thus, this year the production of the cartel could be between 30-31mb/d in 2012. The problem with OPEC (which concentrates the largest idle capacity of the market) and thus the market, is that geopolitics once again is interfering this year.

Global Supply and Demand (consensus)	2011	Annual change (mb/d)	2012-I	2012-II	2012-III	2012-IV	2012	Annual change (mb/d)
Demand	**88.28**	**0.78**	**88.53**	**88.23**	**90.00**	**90.43**	**89.30**	**1.02**
OECD Demand	45.69	(0.48)	45.77	44.43	45.67	45.93	45.45	(0.24)
Non-OECD Demand	42.59	1.26	42.77	43.80	44.33	44.50	43.85	1.26
Supply	**87.78**	**0.78**	**89.40**	**88.80**	**89.30**	**89.80**	**89.33**	**1.55**
Non-OPEC Supply	52.30	0.07	52.87	52.93	53.07	53.47	53.08	0.78
OPEC NGLs + CNC	5.63	0.39	6.03	6.07	6.23	6.23	6.14	0.52
OPEC crude	29.85	0.32	30.50	29.80	30.00	30.10	30.10	0.25

Sources: IEA, EIA, OPEC and Ecoanalítica

Now it's Iran that moves the market…

In mid-January, the United States (U.S.) imposed sanctions against the Islamic Republic of Iran, banning foreign financial institutions that negotiate with the Central Bank of Iran (CBI) from making transactions in that country, as well as the freezing of funds and assets that the CBI had in the USA, and the inability of having these resources available, possibly including the payment of Iranian exports.

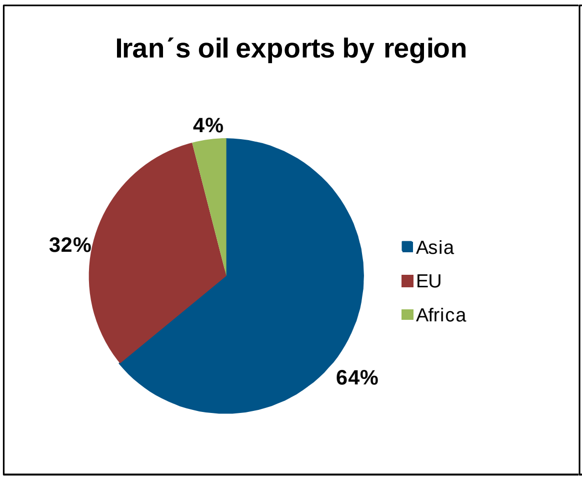
Also, last January 23rd, the member states of the European Union agreed to embargo the import of Iranian crude oil to the block's member states. However, the decision allows countries that depend on Iranian oil to build inventories and find alternative sources. Likewise, the EU's sanction includes measures against the CBI, banning the financing of oil related and insurance activities, although it considers exemption clauses in specific cases. Meanwhile, Japan made the commitment to take concrete actions to reduce their dependence on Iranian oil, although South Korea is looking for a temporal exemption from the U.S.'s sanctions.

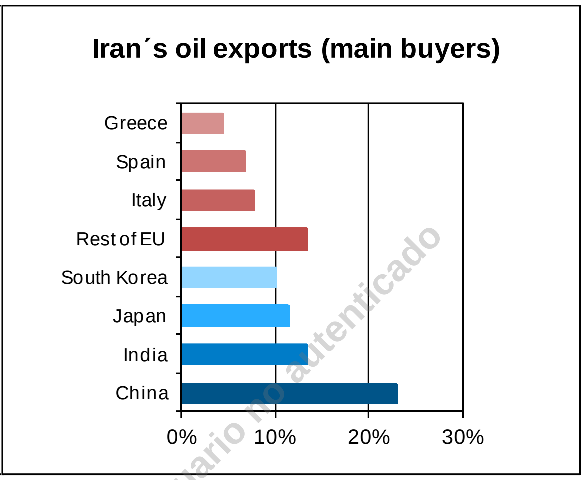
As access to Iranian crude oil becomes more complicated and costly, European countries and several Asian countries will face the need to find other suppliers. This situation may affect these and other countries to such an extent that the change in demand and the interruption of supplies may affect prices. This report analyzes whether the impact of these sanctions will affect the price of oil.

Who are those most affected?

It is obvious that the implementation of such measures may affect those countries that depend on Iranian oil significantly. The EU as a block is a large consumer of Iranian oil, a 32% share, while Asian clients represent around 64% of the total crude oil exports of the Islamic nation.

In the European block, Italy, Spain, and Greece are the main buyers, while in Asia, China, India, Japan, and South Korea are the main beneficiaries. Regarding Iran's largest buyers with long duration crude oil contracts, China is in first place, consuming around 0.55 mb/d, followed by India (0.32 mb/d), Japan (0.27 mb/d), and South Korea (0.24 mb/d). All these countries cover approximately one tenth of their oil imports through Iranian crude oil, while the rest depend largely on Saudi Arabia and other Gulf States (United Arab Emirates, Qatar, Kuwait, and Oman).





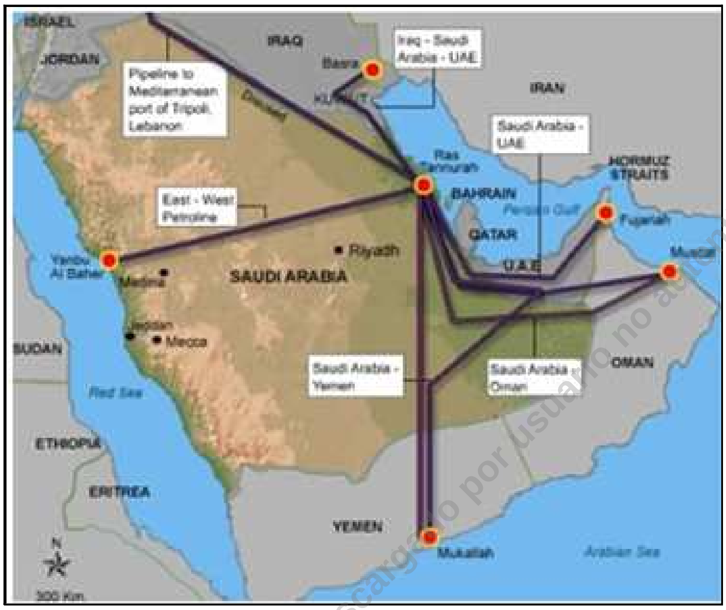
Sources: International Energy Agency and Ecoanalítica

Getting all huffy was not Iran's way out

As a reaction to the sanctions imposed by the west, Iran threatened to close the Strait of Hormuz if more sanctions were imposed against the country. Given this situation, the fifth US fleet said that they would not allow any transit interruption in the Strait.

The Strait of Hormuz is a water cannel separating Iran from Oman to the north and from the United Arab Emirates (UAE) to the south. Its narrowest point is 54 kilometers, quite narrow. All the countries with boundaries in the Persian Gulf, known for being rich in oil, use this water strait to transport their crude oil to the rest of the world: Iran, Iraq, Saudi Arabia, Qatar, UAE and Bahrain.

Strait of Hormuz



Sources: Voltairenet.org and Ecoanalítica

The Strait of Hormuz is presently considered the world's most important export route. According to the US Energy Information Administration (EIA), in 2011, the canal had a daily flow of approximately 17 million barrels of oil. The circulation through the Strait represented approximately 35% of the total oil that is traded through maritime ways, and 20% of the crude oil sold in the world. Most of the oil related shipments were destined mainly to Asia (Japan, China, and India), then the US and Western Europe. In other words, almost 75% of the oil that Japan imports, and 50% of the oil that China imports go through that valuable Strait.

But Hormuz is not the problem

At ***Ecoanalítica,*** we believe that blocking the Strait won't alter crude oil supplies, except for increasing travel time and accumulate a greater volume of oil in transit. There would not be a loss of supply, although prices would skyrocket (maybe reaching US$200/bl, according to several raw material analysts), because it would be perceived as a reprisal by Iran, a sign of direct confrontation and the failure of diplomacy. Even more so, several alternatives are available to move oil from the Persian Gulf without having to go through Hormuz, but they have limited capacity, and in many cases they are not presently operational, and if they are, it would cause higher transportation costs and logistical problems. However, it is obvious that given the presence of the U.S. fifth fleet in Bahrain's waters, the government of Iran would look for a diplomatic solution. In our opinion, the closing of the Hormuz Strait was a momentary concern, due to the impact that this situation could generate in international markets, however, beyond Hormuz, the sanctions are the ones that could alter the trade flows and hydrocarbon supplies. In this sense, as sanctions flourish, the question we must ask is how the sanctions will affect oil market balances, and thus oil prices.

What would be best for Iran?

A highly probable consequence of the EU's embargo would be to push Iranian oil more towards the east, which wouldn't thwart Iran's capacity to market the totality of its crude oil available for export. In other words, the concentration of Iran's buyers would increase (China, India), but the total volume is unlikely to be affected.

Both China and India have opposed the sanctions and have increased their purchases from Iran. In the case of China's Iranian crude oil imports, they increased 12% interannually (y/y) up to November, 2011. If Iran stops selling crude oil to the west, China and India would continue being its main markets, and would even get the advantage of some shipments affected by the embargo, to increase their inventories and strategic reserves.

The situation could become more difficult if Japan and South Korea follow the steps of the EU. However, China and India would still have the capacity to absorb almost all of the 2.3 mb/d that Iran exports, although this could harm some contracts these countries have with other producers in Africa and the Middle East (Saudi Arabia). In this case, the adjustment in these contracts would be absorbed by Europe, which receives approximately 0.8 mb/d of crude oil from Iran. In this case, the markets would remain nervous and trade flows would take some time to adapt, but in general, there wouldn't be any change in the supplies or in the balances. However, it is very unlikely that the measures imposed by the west won't have any effect on Iranian exports (income).

What's more probable?

It's more probable that Japan and South Korea follow the line of the EU in the application of sanctions, or at least restricting their imports, given the risk that is implied if their banks don't follow the sanctions and are unable to carry out business with the U.S. The last trips of Treasury Secretary Timothy Geitner have focused mainly in encouraging Asian countries to comply with the sanctions, particularly Japan, China, and South Korea.

Although as we said before, China and India could in theory increase their imports to fill the gap, we believe that it is unlikely that it will be at the expense of the reduction of volumes from countries like Saudi Arabia, the one with present and future idle capacity, and the most influential producer of the market.
If this happens, which is to say that China and India maintain their present volumes but not necessarily increase their consumption, Iran would lose a market worth almost 1.4 mb/d. This volume would have to be replaced by countries with idle capacity, to wit, Saudi Arabia, followed by the United Arab Emirates, Qatar, and Kuwait.

This implies that oil prices…

The issue is that at present, the oil market is operating with very low inventory tops (30 mb below the average of the last 5 years) and idle capacity (2.5-3.0 mb/d). If Saudi Arabia and other holders of additional production increase supplies to compensate the Iranian loss, the available capacity would drop around 1.5 mb/d, or 1.6% of world oil demand.

Therefore, the lack of buffers to absorb any other shock would drive prices upward, particularly considering that at present, the additional supplies coming from Nigeria and Iraq are risky. All of this provided that the growth of world oil demands for 2012 is around **1.02** md/d, and that macroeconomic data continues to perform better than expected, so that the global economy doesn't fall into another recession, sparking pessimism in financial markets, and easily causing oil price to jump by **28.6%,** and reach US$130/bl. in the next 12 months.

Beyond the sanctions…

Beyond short term effects, the ratchet of sanctions against Iran has serious implications for the oil sector. Iran already has had difficulties increasing its crude oil production given existing sanctions, and it is facing one of the highest declining oil production rates in the world.[22] What's even worse is that the Iranian government warned last year that Iran needs US$25.0 billion per year in investments to maintain its crude oil production levels, otherwise, production would quickly fall.

The future: market prices increasing…

Given the geopolitical environment that has been created and the sanctions imposed, it is likely that the situation of the Iranian oil industry will worsen, so the great challenge for a nation characterized by not recognizing the weaknesses caused by its radical

[2] Its fields have a natural annual reduction rate estimated at 10%, with recovery rates of 20-25% (at least 10% less than the world average). Thus, in 2011, Iran's oil production dropped by 85 kb/d with respect to 2010.

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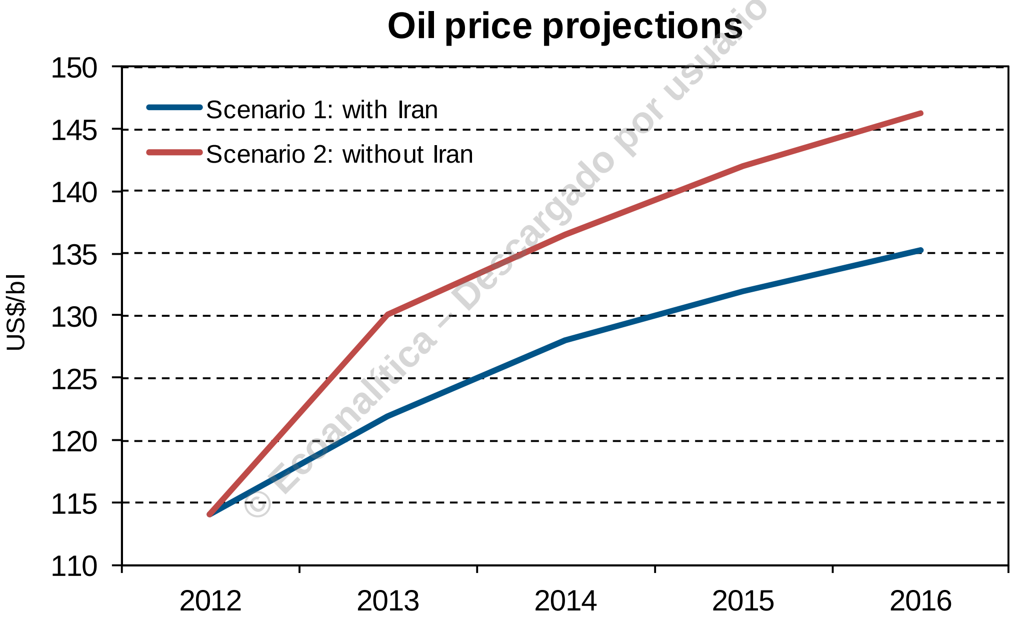
posture, will be to maintain its crude oil production, given the restricted access to capitals and technology, otherwise, the loss could be around 0.25-0.50 mb/d per year, with its respective implication in income.

With this situation in Iran, the problems mentioned with respect to Iraq and Nigeria, and an idle capacity controlled by Saudi Arabia, a country that requires that oil prices remain increasing higher in order to sustain its economy,[3] and an ever increasing demand, the medium term outlook for oil prices point towards Brent price of US$145/bl. Then again, let's not forget that in the crude oil market, anything can happen.



Sources: Bloomberg and Ecoanalítica

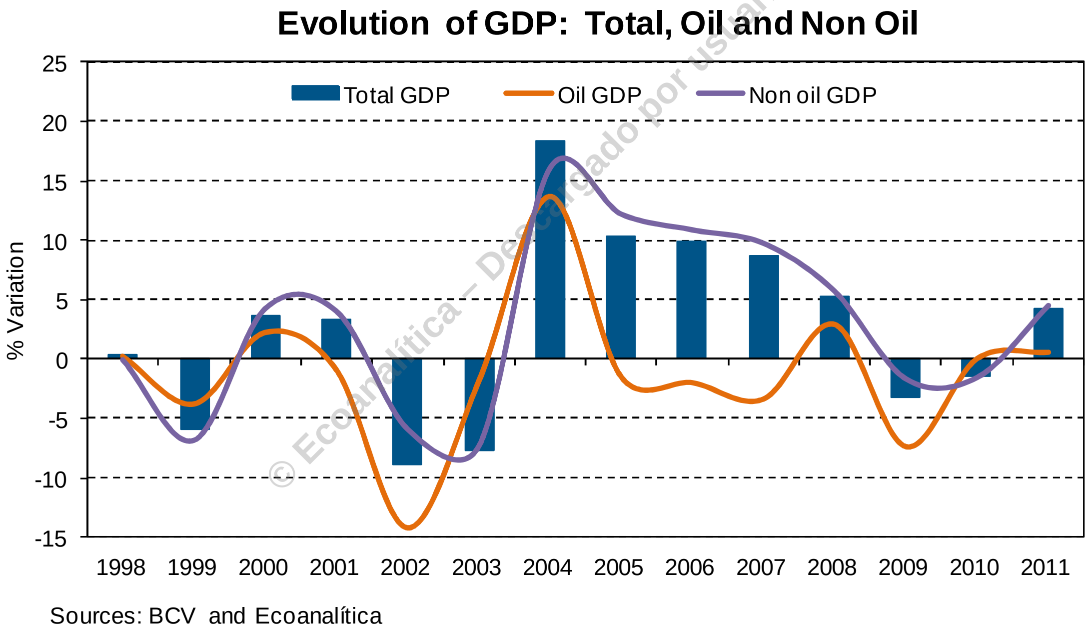
Gross Domestic Product: Spending is losing power

Real indicators of the Venezuelan economy showed positive variations during 2011. According to preliminary figures published by the Central Bank of Venezuela (BCV) Gross Domestic Product had an interannual increase of 4.9% during 4Q2011, which added to a growth of 3.9% during the first nine months of last year, led to a growth of 4.2% for all 2011. With this, Venezuela accumulates five consecutive quarters of

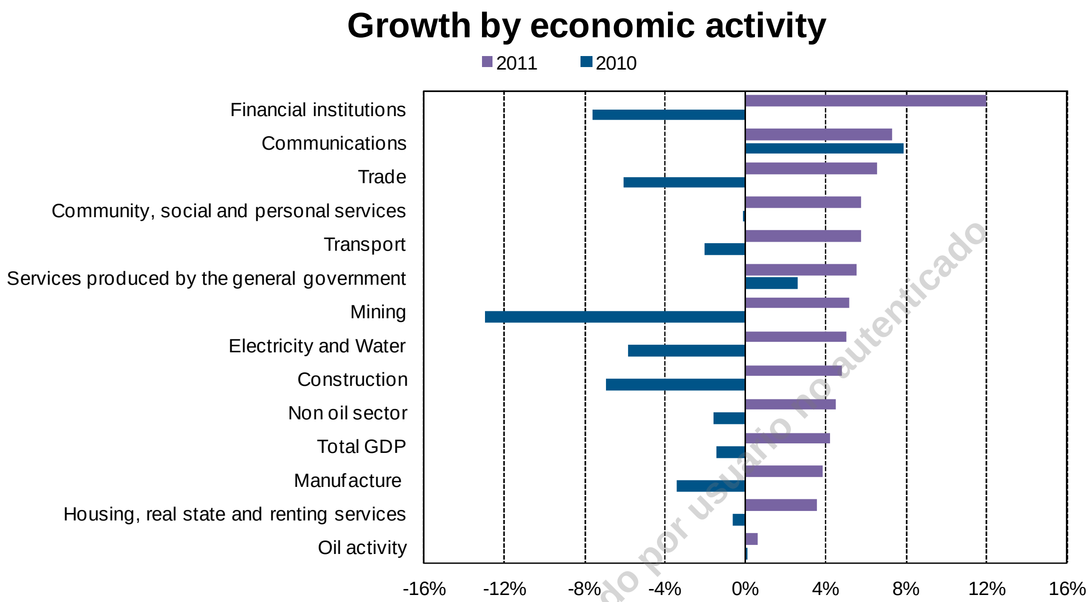
[3] From US$ 70/bl in 2008 to US$ 100/bl in 2011.

expansion, and reached the greatest growth of the last fourteen quarters. It thus leaves behind two years of drops in economic activities, and is finally in line with the growth profile of Latin American economies, after the crisis of 2008, which are estimated to have grown 4.4% in 2011.

This increase in the products was mainly due to the behavior of the non-oil sector, which represents 77.5% of global production, and increased 4.5%. On the other hand, oil GDP remained almost the same during 2011, growing only 0.6%, with respect to 2010, when it increased 0.1%. According to the BCV, the small but better performance of the oil sector was associated to the slight growth in the extraction of crude oil and natural gas (0.5%) together with the 1.3% increase in oil refining activities.



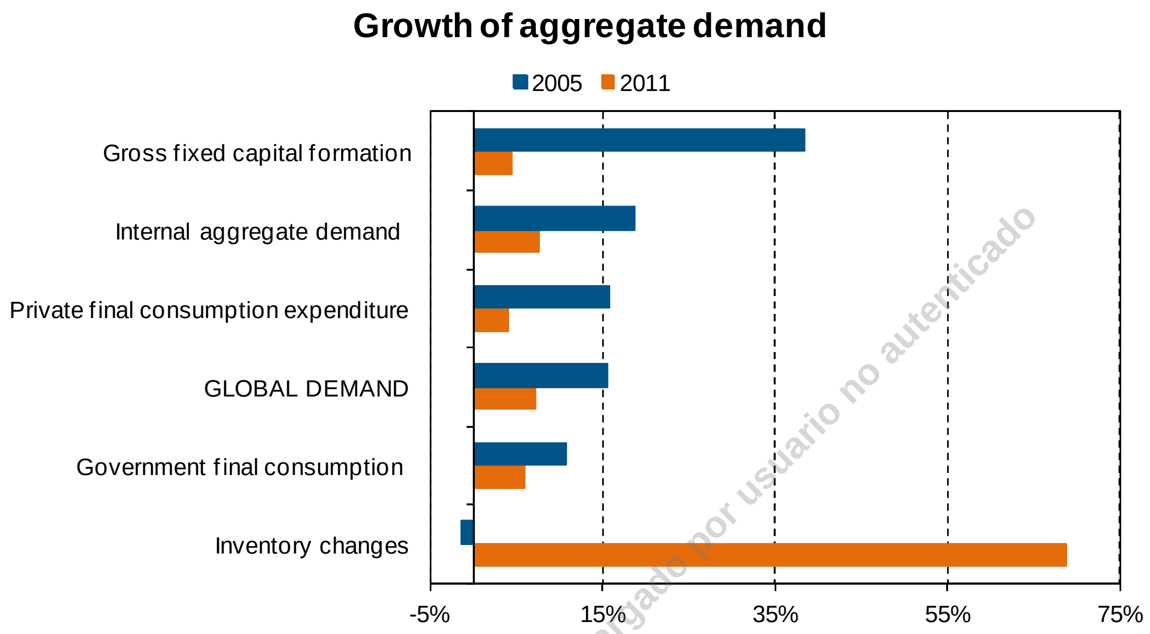
Now then, in the activities that form Global GDP, 63.5% of them had increases in 2011 above the national average, headed by Financial Institutions and Insurance (12.0%), Communications (7.3%), and Trade (6.5%) and only the item Others (associated mainly to agriculture) maintained the contraction that started in 2009, with a drop in production of 1.4%. However, a key sector like manufacturing, which represents 14.5% of global GDP, although it had a growth of 3.8% in 2011, last year it dropped to 2005 levels, since the production registered by the end of last year is lower by 7.3 percent points than six years ago. This, together with the negligible growth in investments generates doubts about the quality and sustainability of this growth.



Sources: BCV and Ecoanalítica

Last year, the favorable performance of economic activity was supported, on the side of demand, by the growth in domestic aggregate demand, which increased 7.6%, after accumulating in the last two years a drop of 8.1%. This growth in domestic aggregate demand was associated to increases in final consumption spending from the general government (5.9%), gross fixed investment (4.4%), and private final consumption spending (4.0%).

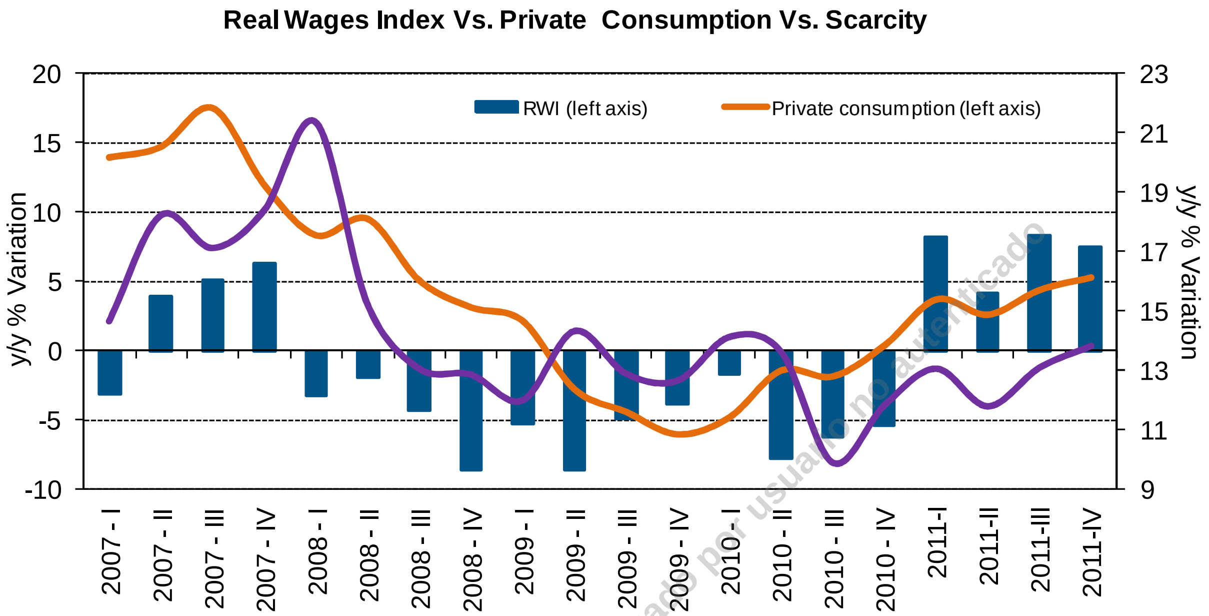
Here we must stop to highlight a unique change in the Venezuelan economic model. In 2005, the year before the last presidential elections, not only was there an increase in aggregate demand that was much higher than the one in 2011 (15.5%), but also, different from this year, the driving element in domestic aggregate demand was the significant increase in investments (38.4%), private consumption (15.7%), and finally government consumption (10.7%).



Sources: BCV and Ecoanalítica

What changed?

As we know, since the 2008 crisis, the Venezuelan government used the situation to make significant changes in its economic model, and speed up the establishment of the *21st Century Socialism*, through a policy of expropriations and the expansion of the public sector, among others. This adverse environment the private sector has faced since then is negatively affecting investment, which in a growing market, has caused problems in the supply of local goods and services, inflation (a reduction in purchasing power), and scarcity. On the other hand, to solve supply problems, the government, among other things, started to restrict the allotment of foreign currency to the private sector, and assume an increasingly important role in the import of goods; however, the former is much more efficient in this activity, and this also generated negative effects in the supply of goods and services, increasing inflation and causing scarcity, and thus, consumption problems. So, what was done to solve a problem, only made it worse. A vicious circle.



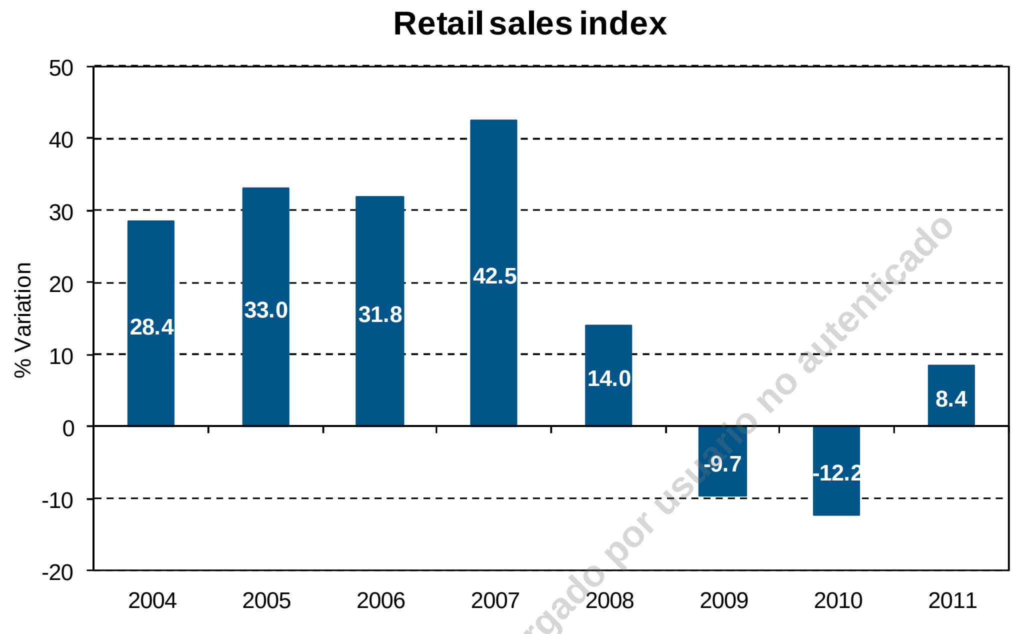
Sources: BCV and Ecoanalítica

This change in the economic structure is evidenced in the change of roles in domestic aggregate demand in 2011, where the government became the main factor, investment went to second place, and private consumption is in the rear.

What once was, will be no more

Ecoanalítica believes that these two elements: inflation and scarcity, will become the main barrier for the increase in private consumption, and for the growth of the product in 2012. The government's need to maintain an illusion of prosperity will translate into an increase in current public spending, however, given the above mentioned obstacles, spending won't have the same effects it did in prior electoral periods. The economic model is not the same as in 2006 and the response won't be the same, so we don't expect consumption in 2012 to reach the levels of prior electoral years.

As we have observed since the end of 2011 and the beginning of this year, some domestic demand indicators, like the BCV's sales index and vehicle sales, show that its growth is significantly lower than in 2005, when annual sales increased 29.4% while in 2011 they increased only 9.6%.



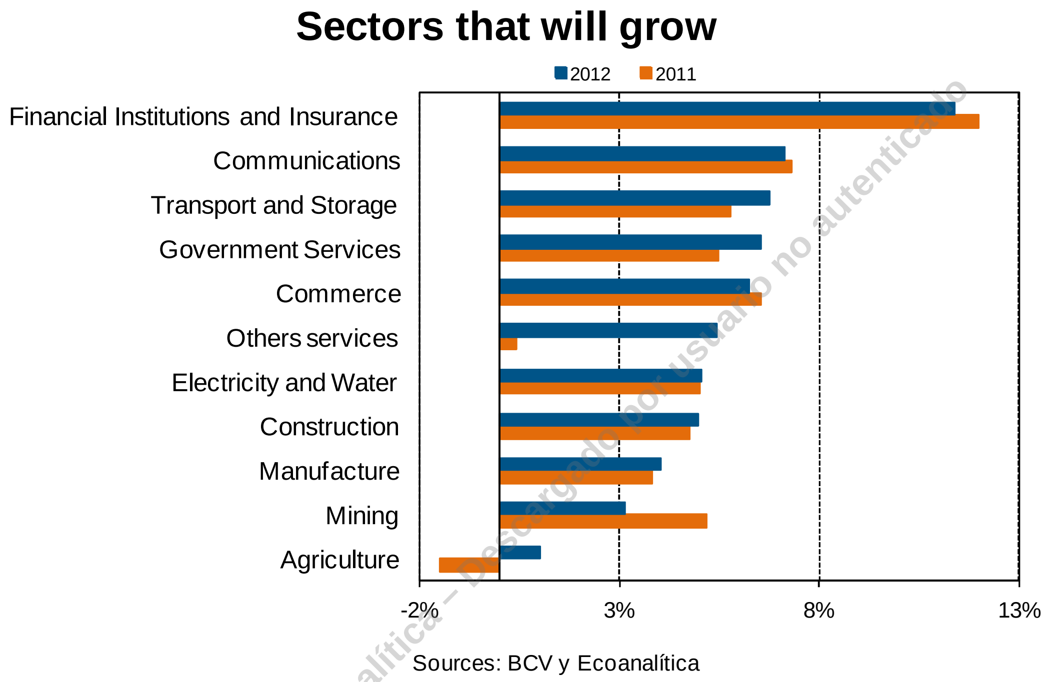
Trying to control the reduction in purchasing power since the end of 2011, the government has implemented more price controls that have increased scarcity (January recorded the highest scarcity level since 2008) and although public spending is actually increasing, the serious obstacles on the side of supply have made sales behave the opposite of what was expected and be out of sync with this increase in spending. Thus, ***Ecoanalítica*** believes that for 1Q2012 there will be a slowdown in consumption and in GDP. However, since this is an electoral year where pragmatism must prevail, we expect the government to loosen up restrictions starting 2Q2012.

Economic growth in the new model

In general, the projection of macroeconomic variables in Venezuela for 2012 is in a context of high oil prices and an expansive fiscal policy, where the main guideline of public policies will be a greater reactivation of internal supply and demand through a reduction of unemployment rates, and the control of domestic inflation.

Thus, ***Ecoanalítica*** changed its growth estimates for 2012, from 4.8% to 5.5%, the highest since 2008. According to the classification by sector, non-oil activities will increase 5.7%, while oil activity will only increase 2.4%.

According to the twelve activities are part of the non-oil GDP, 5 would have increases above the national average, and the greatest increases in domestic economic activity would continue in Financial Institutions and Comunications, with increases of 11.4% and 7.1%, the highest since 2007. This is followed by transport, Government services and Commerce, with increases of 6.8%, 6.5% and 6.3%, respectively.



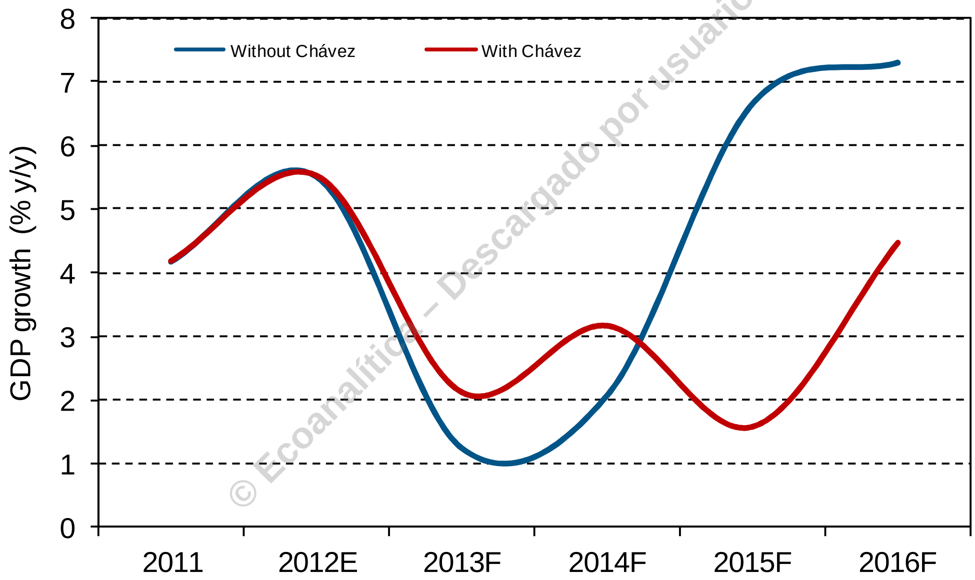
This performance in economic activity during 2012, is still due mainly to the reanimation, although less than expected, of the main component in domestic aggregate demand: private consumption, and an increase in the growth rate from 4.0% last year to 5.1% at the end of this year, the greatest increase in the last four years. Public consumption, on the other hand, will maintain the positive growth rate it has had since 2003, and will be 8.3% in 2012. Thus, together with the behavior expected in the variation of supplies, domestic aggregate demand will have an increase of 7.0%, maintaining the recovery that began in 2011 but lower than that recorded that year (7.6%).

The day after tomorrow

It is difficult to predict what will happen after this electoral year, however, ***Ecoanalítica*** believes there will be substantial changes after 2012 regardless of who wins the elections in October, since as we have already said, given the present performance of the economy, the present model is becoming unviable. In the real sector, the government will increase oil production. This better performance of the oil industry, as is natural in Venezuela, would spread to all the economy. Another factor to highlight is that we expect a readjustment in the currency market, to have an "*escape mechanism*" that reduces the pressure on the official market; this would translate into an increase in imports, another important component in aggregate demand. In general, if the present government remains in power, we expect a growth of 2.1% in GDP during 2013.

If there is a change of government in October, given all the changes that the new government will implement, and the political instability that is associated to any change in government, we not expect significant growth in 2013 (1.2%), however, in the middle term, the growth in this scenario would be higher.

GDP Projections (Scenarios)



Sources: BCV and Ecoanalítica

Employment and wages: Unemployment= No melodic correlation in the system

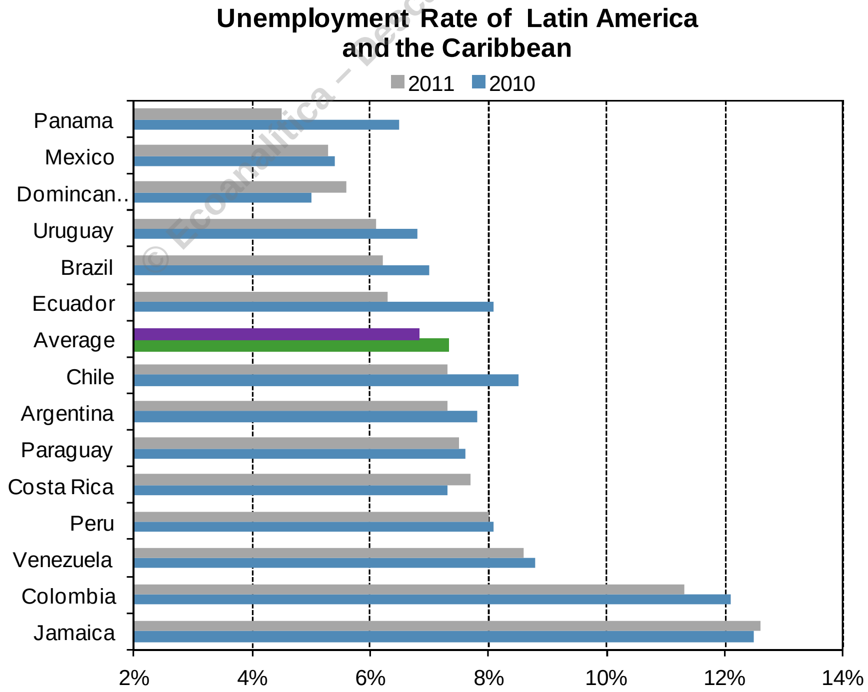
With respect to labor, the outlook doesn't change much from what we have seen the last four years. Even though average unemployment has remained stable during this period, at around 8%, Venezuela is still one of the countries with the highest average in the region. This is confirmed by figures published in the last report of the International Labor Organization *"Panorama Laboral 2011" (PL2011).*

And to be consistent, we are also in the back of the line with respect to unemployment.

According to figures from *PL2011*, the average rate of urban unemployment in Latin America and the Caribbean was 6.8%, which breaks the barrier of 7% that this indicator recently had, a rate that is the lowest since 1990. This would translate into a positive move, particularly considering that in the last eleven years, the region had average rates of over 10%, and even higher than 13%.

In this sense, the economies of Latin America and the Caribbean had an average economic growth of 4.5% during 2011, which in turn generated close to 5,700,000 jobs, while unemployment affected 15,400,000 people.

Among the countries with an unemployment rate lower than the region's average are: Panama (5.4%), the Dominican Republic (5.6%) and Brazil (6.2%). While among the countries with rates over the region's average are: Jamaica (12.6%), Colombia (11.8%), and Venezuela (8.6%). This is shown in the next graph, which contains the unemployment rates of fourteen countries.



Sources: OIT and Ecoanalítica

Note: Includes a representation of fourteen countries

This shows the difficulties our economy has had with respect to labor issues, by not being able to implement clear strategies that foster the necessary conditions that will lead to improvements in employment, which, as is to be expected, should be consistent with a sustainable economic growth.

Slowly but surely: the outlook for 2012

With respect to labor, we must consider an issue that has been delayed for several years, namely the reform of the Organic Labor Law (Ley Orgánica del Trabajo -LOT), but thanks to incentives from the workers themselves, the Administration assumed the task almost head on. The debate about changing the present LOT is a key moment for the advance of what the Administration considers *"the Bolivarian revolutionary process in the Socialist direction".*

Given this, the national government is taking leaps and bounds to honor at all costs, its commitment to have ready the new LOT for May 1st 2012, which has already been delayed for more than one decade. Given the urgency for the Administration, since a new electoral year was approaching, a high level presidential commission was appointed to participate in the debate and accelerate the creation of the long awaited legal text, thus dismissing the proposals that were made years ago, at the National Assembly.

Said commission has refused, so to speak, to release the contents of this new Organic Labor Law (LOT), however, they have revealed some general aspects, so between the lines, it is presumed that the draft is better defined.

Apparently, the new regulation will even have a new name…

Among the most noteworthy elements of this new legal instrument is the establishment of a series of foundations that contemplate, first, defining the legal instrument under a new name: *"Ley del Proceso Social de Trabajo de la República Bolivariana de Venezuela" (Labor Social Process Law of the Bolivarian Republic of Venezuela).* This new regulation considers that the foundation is a structural change in the philosophy of the current LOT.

The central axis of this new instrument is to consider labor as a social fact, and foster the creation of values that allow the individual to move forward jointly, and not individually.

Regarding the remuneration of workers, it stipulates an alleged equality of salary, thus guaranteeing an income scale that expresses social equality, with a view towards a fair distribution of wealth. Another relevant aspect has to do with social benefits; according to this legal instrument, the calculation of benefits shall be done according to what is established in the fourth transient provision of the Constitution, which acknowledges seniority in service, calculated as a proportion of years worked, with the last salary earned, so as to benefit the individual once the labor relation ends.

Likewise, we must mention among the most relevant aspects that have been revealed off the record, the modification of the work day, which presently is close to eight hours per day, or forty hours a week. This issue has been analyzed more rigorously than the other aspects included in the several articles of the new legal instrument, basically because it has to take into consideration the different work areas, the economic activity of each company, and the work schedule it requires, so the way it will be implemented and how, must be carefully defined.

This is compounded by the creation of a collective self-formation day, understood as a permanent dialog among the workers of the different companies about knowledge acquired in the social process of work, science, technique and technology applied in the productive process; this will be an inalienable right of workers, and will comprise two hours of the regular work day.

Strengthening the new vision of labor

It is evident that the creation and promulgation of the new LOT has awakened great expectations in large sectors of the Venezuelan society, and in this sense, it should become a law that will create new paradigms regarding social coverage, since it will have to integrate the wide spectrum of workers in the nation, including those that don't depend on a labor relation, those that don't receive a salary in cities and in the field, so called informal workers, who don't depend on a boss, but depend on their work to survive.

Among the goals is to reduce unemployment rates.

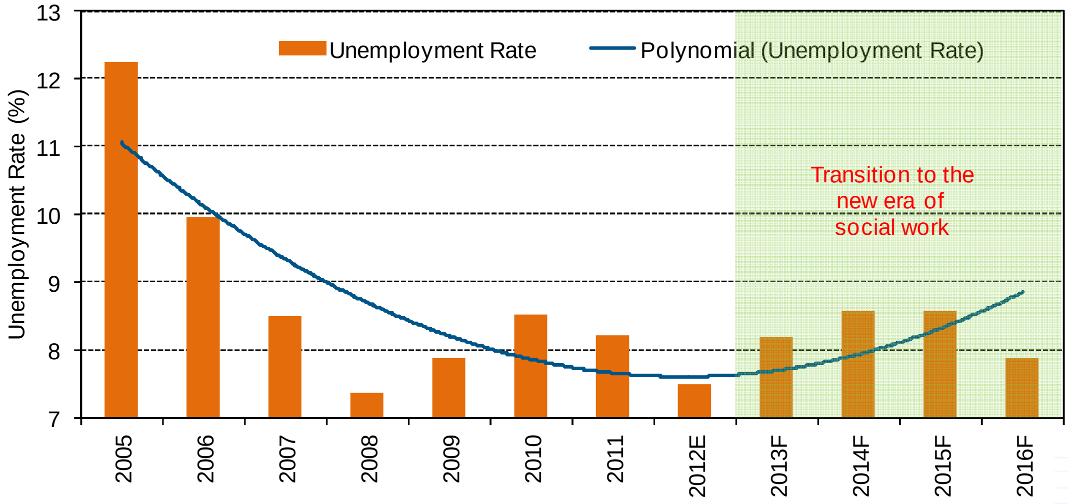
In 2012, the Administration started implementing labor policies, backed by a purely social dialog, as was to be expected, and with a view towards re-election. This would represent converting a bureaucratic job into a job that in their opinion, should be *"truly productive"* and at the *"service of national interests"*. Thus, the new social program *"Gran Misión Saber and Trabajo"* was created, in which people register to later receive professional training, and then employment options in sectors like: oil, construction, health, agriculture, education, among others. The purpose is to create around 3,000,000 jobs in the next six years.

Thus, the Administration's goal is to reduce the unemployment rate, which is presently 8.0%, to close to 6.2%. Now then, ***Ecoanalítica*** forecasts that in 2012 the unemployment rate could be around 7.5% considering that 2012 will be a good year for the Administration to generate the conditions to produce labor improvements at all costs, but fostering the participation of the working class in its political project. However, the level of economic growth projected for these two years doesn't correspond with a reduction in unemployment levels.

Scenarios (post-elections)

In a first scenario (if Chávez is reelected) for the 2013-2016 period, we consider that there will be a gradual or even more radical increase in the ideological and social policies, over the economic factor. The goal will continue to be the preponderance of the State, to the detriment of the private sector. This with a view to make the Socialist model more radical, so the Administration is planning to distribute employment in a "harmonious way" among the population to use, as they have said: "*the endless potential of the national territory to vindicate and dignify workers*" supported by the set of social programs, as well as by the new legal instrument that will be approved this May, to revert what in their opinion represents the Capitalist model. However, contrary to what official entities preach, it is a fact that private sector is the largest generator of quality jobs in the country and with a public policy against this sector, we do not expect that these strategies to revive employment in the country will be efficient in the medium term. We estimate that the average unemployment rate would be 8.3%.

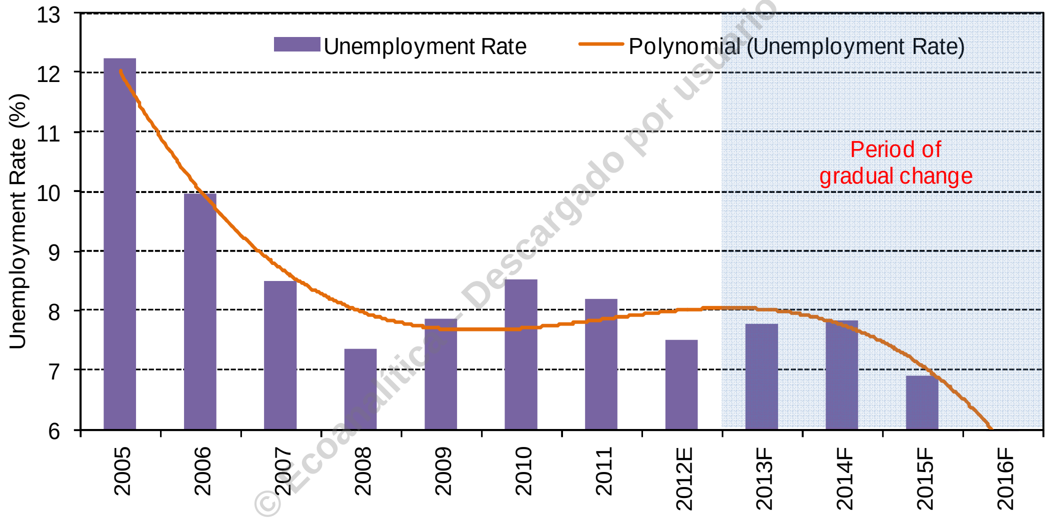
Unemployment Rate Scenario I (With Chávez)



Sources: INE and Ecoanalítica

In the second scenario (if the opposition is elected), we consider that the change of the present regime will occur with the implementation of economic policies to promote, in principle, the gradual increase of private investment, to improve the productive apparatus; it will issue programs to support the conditions of small, medium and large enterprises, spanning most sectors, with the resulting improvement in the Venezuelan labor market, to generate quality and well remunerated jobs that in turn stimulate worker productivity. In this sense, we expect unemployment rate to be around 7.1% between 2013-2016.

Unemployment Rate Scenario II (Without Chávez)

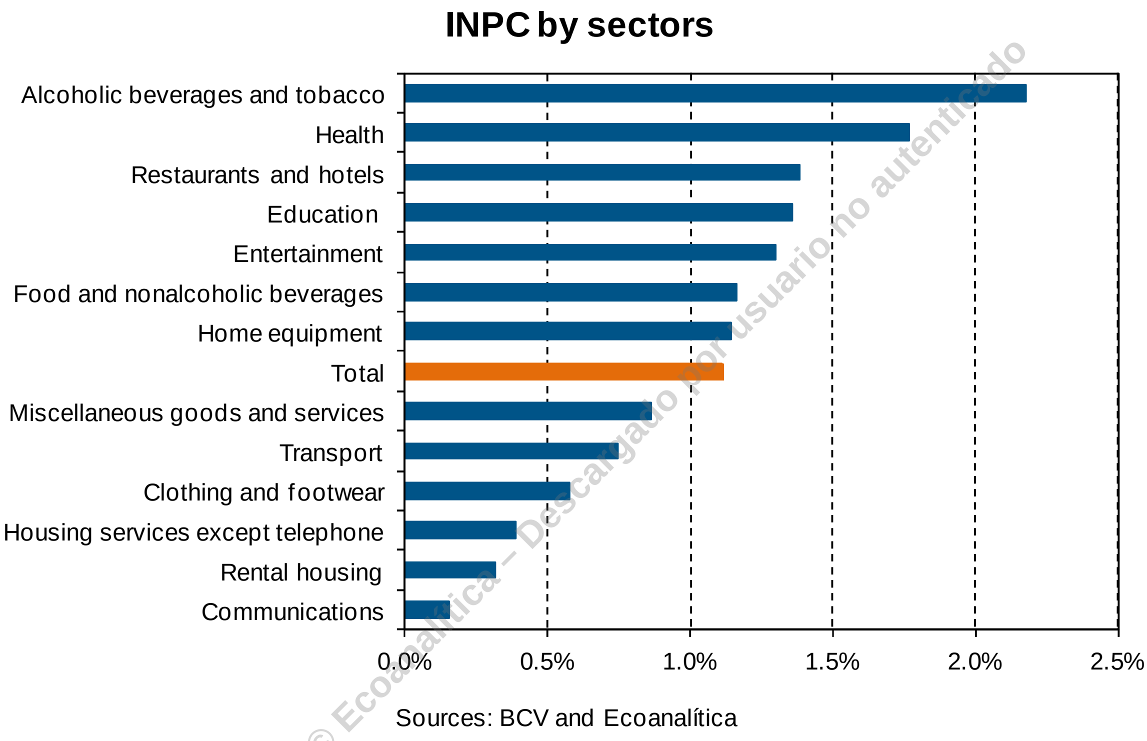


Sources: INE and Ecoanalítica

Inflation: Experts are repressing it, not reducing it

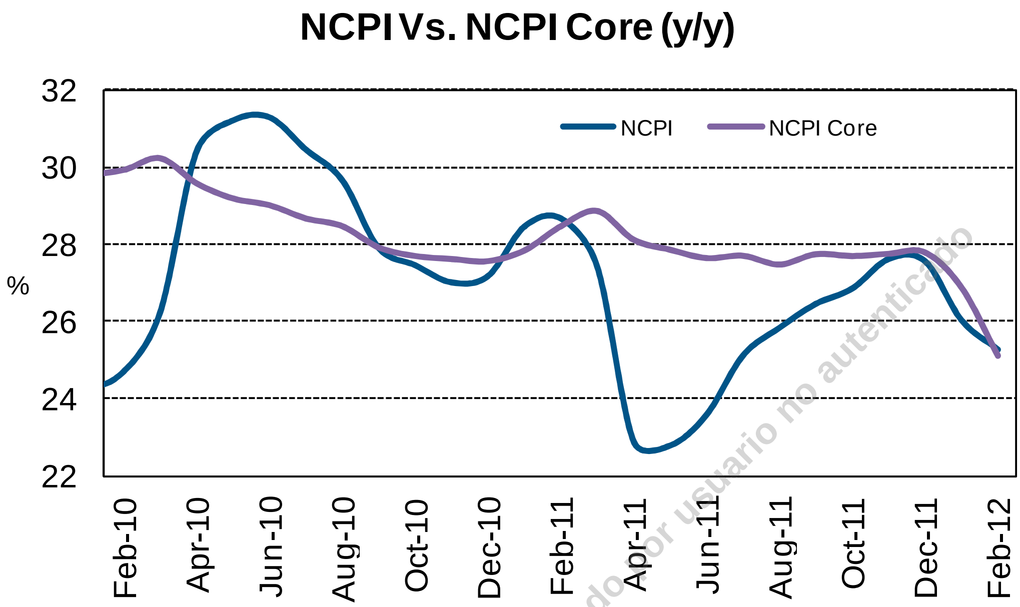
According to the last monthly bulletin issued by the Central Bank of Venezuela (BCV), the inter-monthly variation of the National Consumer Price Index (INPC) for February was 1.1% or a reduction of 0.4 percent points with respect to January (1.5%). It is worth noting that this result represents the minimum value since December 2007, when results started being calculated for the whole country. In the same sense, the accumulated variation for the first two months was 2.6% and the interannual variation was 25.3%; both decreased, compared to the variations recorded in February of last year, of 4.5% and 28.7% respectively.

According to figures published by the BCV, the price increases in February were due mainly to the following sectors: alcoholic beverages and tobacco (2.2%), health (1.8%), education (1.4%), restaurants and hotels (1.4%), entertainment (1.3%), food and non-alcoholic beverages (1.2%), and home equipment (1.1%).



The items that had price reductions compared to the same month the year before were: transportation (2.3%), other goods and services (1.9%), health/home equipment (1.4%), housing rentals (1.1%), clothing and shoes, restaurants and hotels (0.9%), entertainment and culture (0.8%), and home services (0.3%).

Regarding the inflationary core of the INPC, an indicator that corrects for the effects of price regulations on some goods and services, and for seasonal variations, there is a price increase of 1.3% in February. Finally, comparing it with the same month in 2010, the variation is 25.1%, also the lowest since 2008.



Sources: BCV and Ecoanalítica

Consumption doesn't increase…

It is important to note that the persistent rise of inflation is significantly affecting the purchasing power of Venezuelans, and thus, national consumption, which will generate a greater negative impact on the population's wellbeing. To have an idea, the average purchasing capacity of salaries at the end of 2011 was11 percent points less than the one in 2007.

In the figures recently published by the BCV regarding the total index of real salaries, we see that in 2011 it was 1,551.9, that is, an increase in real terms of only 3.0% with respect to 2010, which also has a direct influence on the population's purchasing power.

According to Datanálisis, despite the positive growth of liquidity and spending observed this year, "*companies are reporting sales below 2011 levels, and aren't even close to the recovery that should be perceived, due to government spending*". The present trend doesn't point towards a reduction in sales either, but rather stability with respect to last year. The fall has stopped, and where there have been improvements, the recovery isn't significant.

Ecoanalítica continues believing that slowly but surely, the increase in public spending and its unavoidable consequences on liquidity will be reflected in the next few months in the country, particularly in consumption standards. The government will make sure it generates a false feeling of economic prosperity in people, avoiding scarcity at all costs; and to achieve that, it will resort to the most comfortable and fast of all mechanisms: imports.

Inflation won't ease in 2012…

The present government is characterized by maintaining an excessive dependence on the oil rent, which although it is high, thanks to the global behavior of crude oil, it doesn't improve the economic flow in the nation. This, thanks to a structural problem caused by two different factors: the regulation of a preferential dollar, whose exchange rate is out of sync; the price control of mass consumption products, which in turn eliminates any type of competition in the national market; and the fencing off of the private sector, which prevents greater investments and growth in the country.

Exchange rate controls, the price regulation of some products, and a reduced private investment are the main factors that will maintain a sustained growth; to this we must add the constant and excessive fiscal spending, even more so in an electoral campaign, where the Administration will wager all the resources it has, to win the presidential elections.

Maybe during the first months there will be lower rates, but in May at the latest, with the corresponding annual salary increase, the INPC will start picking up its pace, as it did last year. It is clear that in 2012 inflation will be the same or increase, not decrease.

Scarcity in 2012

According to studies by private entities, scarcity decreased 0.7 percent points, closing the first week of March at 16.5%. In this same sense there have been improvements in the supply of products, since eight of them reported a drop in their scarcity index.

On the other hand, according to sources from the Central Bank of Venezuela scarcity index dropped from 16.2% in January to 14.4% in February 2012, with a diversity index of around 159.2, higher than the 154.3 in January. However, the scarcity level that the BCV itself considers acceptable for our economy is around 5%.

It is important to highlight the significant increase in the amount that Cadivi approved last January for food imports (US$600 million), 74.4% higher than the amount recorded during the same period in 2011, which helped reduce scarcity and inflation indices in February. Let us remember that the food and non-alcoholic beverage sector has a weight of 36.99% in this last indicator.

What effect will the measures taken by the Administration have?

Last February 27, the Venezuelan government publicly presented the order to reduce the price (up to 25%) of 19 basic products, mostly personal hygiene and cleaning products, in order to fight inflation immediately. This drop in prices is part of the Law of Fair Costs and Prices (LCPJ) approved by the President of the Republic, Hugo Chávez, to control part of the goods and services that are essential for the homes.

It is clear that this economic policy will affect the cost structure of companies that have the above mentioned articles, since they will have to adapt their processes to maintain their operations in time, even if the value of their products decrease. This will make them elaborate other products to cover the losses, and balance the results of the earning sheets.

According to William Contreras, Intendant of Costs and Prices, for the first quarter of 2012 it is expected that the National Superintendence of Costs and Prices (Superintendencia Nacional de Costos and Precios -Sundecop) will also regulate the price of medications, hospital services, and car parts. He said that he met with the Ministry of Health to establish priorities, and insisted, regarding car parts, that the best price must be established, particularly to benefit public transportation.

Ecoanalítica believes that these types of economic measures only increase the scarcity of products in the market, and doesn't reduce inflation, because they don't attack the true problem of the Venezuelan economy: the supply of goods in an environment of exchange, monetary, and above all, fiscal instability. Thus we consider that the economic model of the present government is mistaken, since laws like the LCPJ substantially deteriorate production in the nation, and create a great distortion in the market, as well as prevents progress since they encourage companies to produce goods with lower technological development.

It must be noted that after so many expropriations by the Administration, tax controls, and the unbelievable increase in imports of the last years, there is no evidence of substantial improvements regarding quality, variety, inflation or product scarcity. Therefore, a development model must be created that allows growth and at the same time leads to a reduction of inflation, generating a healthy macroeconomic context in the country, encouraging both production and investment, and companies are not harassed.

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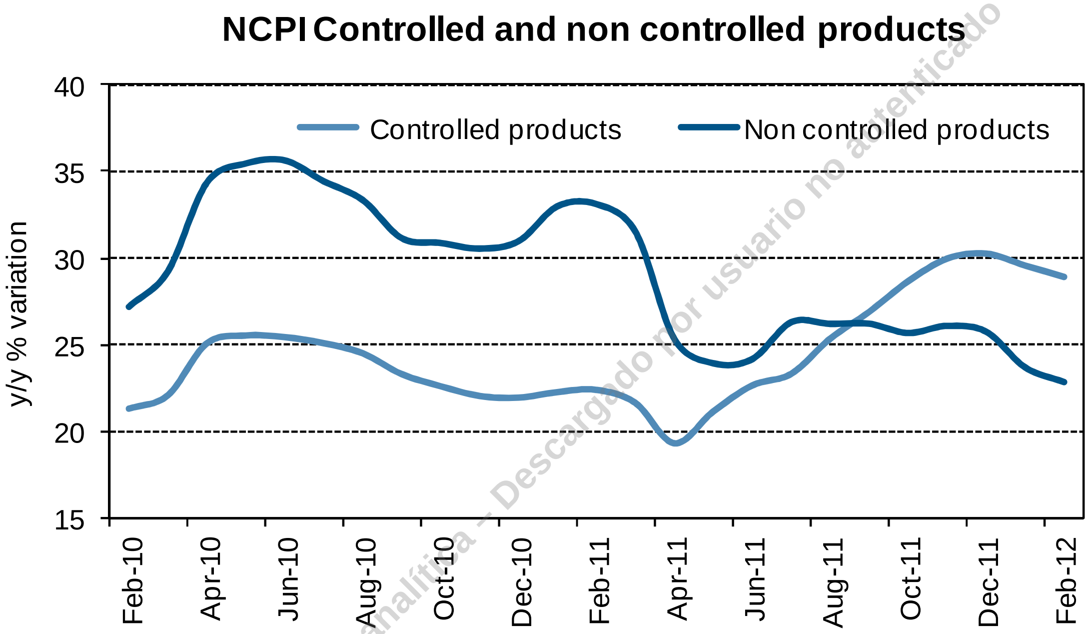
Mistakes continue to be repeated…

There is evidence that price controls cause deviations in economic activity, as has happened so far. Proof of this is the following graph that reveals the supremacy of price increases in controlled products, over non-controlled products.



Sources: BCV and Ecoanalítica

In February, controlled products had an inter-monthly variation of 1.0%; thus, controlled products had an accumulated variation during the first two months of the year of 2.3% and an interannual variation of 28.9%. On the other hand, non-controlled products had an inter-monthly variation of 1.1% in February, which although lower than the rate recorded during the month, the price shows an interannual variation of non-controlled goods of 22.9%, and the accumulated rate of the first two months of the year was 2.9%.

We want to remind our clients that the road ahead won't be easy this year, due to three factors that have a direct influence on companies: the increase of the tax unit to 90 bolivars, the possible increase of salaries, and the promulgation of a new Organic Labor Law (LOT) next May 1st.

Outlook 2012

Nelson Merentes, President of the BCV, said last Monday March 12 that *"our goal is to reach the inflation goal of 20% to 22% as established in the 2012 budget"*. Although it is true that there won't be devaluation in the economy this year, and this will make the rates of this period seem lower compared to those of 2011, when for obvious reasons, companies quickly adjusted their prices at the beginning of the year, ***Ecoanalítica*** doesn't believe that this goal will be met.

We estimate the interannual variation of prices to be at 28.1% in 2012, which isn't an achievement, because it is only a momentary containment, supported on the repression that the national government is exerting on national companies regarding price controls. At ***Ecoanalítica*** we want to emphasize that the Administration has been able to contain inflation, but not reduce it; a fundamental difference between the discourse and the results observed.

Therefore, this year the issues in supplies and stocks will remain latent in the stores, which in turn could lead to price increases. However, in an electoral environment, it is possible that the Administration will do everything possible to avoid scarcity, and this is why we expect a significant increase in imports during the next months, considering that the high prices of Venezuelan oil will allow an increase in foreign currency disbursements during 2012.

Beyond 2012…

Although the economic cabinet insists that working hard, and efficiently importing those goods that are not produced in the country, it is possible to attain a single digit inflation by 2014, we consider difficult for Venezuela to fulfill this objective in only two years, even more so, when the country has had two digits in this indicator for around 26 years.

Possible scenarios…

In the first scenario (If Chávez wins the elections) we estimate that the interannual variation of inflation will gradually decrease, given the actions implemented by the Administration regarding prices. To this end, the national government will continue increasing its participation in the import of priority goods and services, so there will be a reduction in national productivity, which will be reflected in a drop in quality and the absence of products. Therefore, ***Ecoanalítica*** forecasts an average price increase of 26.1% in this periode.

On the contrary, in the second scenario (if the opposition wins) at first glance things will be much more complex, but in the future, it will be more advantageous for the country, because it will imply a total change, though gradual of the set of measures that have been implemented regarding prices and exchange. In the same sense, ***Ecoanalítica*** estimates that for the years after 2012 there will be an average inflation rate of 21.1% between 2013-2015, the transition period, and already in 2016 it will start slowing down and be 17.9%.

Monetary market, interest rate, and financial system: it is always darker before dawn

We finish a year when, according to the Year-end message of the Directory of the Central Bank of Venezuela (BCV), the efforts made to strengthen both monetary and exchange policies, had the purpose of containing inflation, as well as generate savings with equity, while trying to encourage the creation of the necessary financing to help sustain the present economic recovery.

However, we must highlight that during 2011, monetary aggregates increased, driven mainly by the increase in public spending by the national government, not only to maintain its popularity in for the electoral year, but as a single driving element in the Venezuelan economy, which reading between the lines, and analyzing it in depth, seems to be a risky bet due to the side effects these measures have.

Liquidity: the sky is the limit…

Considering the performance of monetary liquidity (M2) during 2011, it increased 50.6% with respect to 2010. Comparing the increase of liquidity in 2010 with the prior period, it increased 19.1%, which shows that this monetary indicator has been increasing throughout the years at a very strong pace.

For the year, liquidity reached 48.3% between January and February, compared to the same period the year before. The great growth in this indicator is a big concern in the Venezuelan economy, where international reserves only back approximately one third of monetary liquidity.

A vicious circle…

We already saw that the amount of bolivars circulating in the economy increased 34.3% during 2011, while the reserves dropped 1.4%. The reserves balance of US$29.9 billion by December 30 is equal to, VEB 128.60 billion at the official exchange rate, while liquidity was VEB 446.90 billion, according to the BCV. Thus, we see that the amount of bolivars circulating in the economy is increasing, but the dollars that back them have the opposite trend, so we have a currency that is continuously depreciating, causing for example, that the reference exchange rate that results from dividing liquidity by the reserves, increased 54.0% last year, thus leading to more inflation.

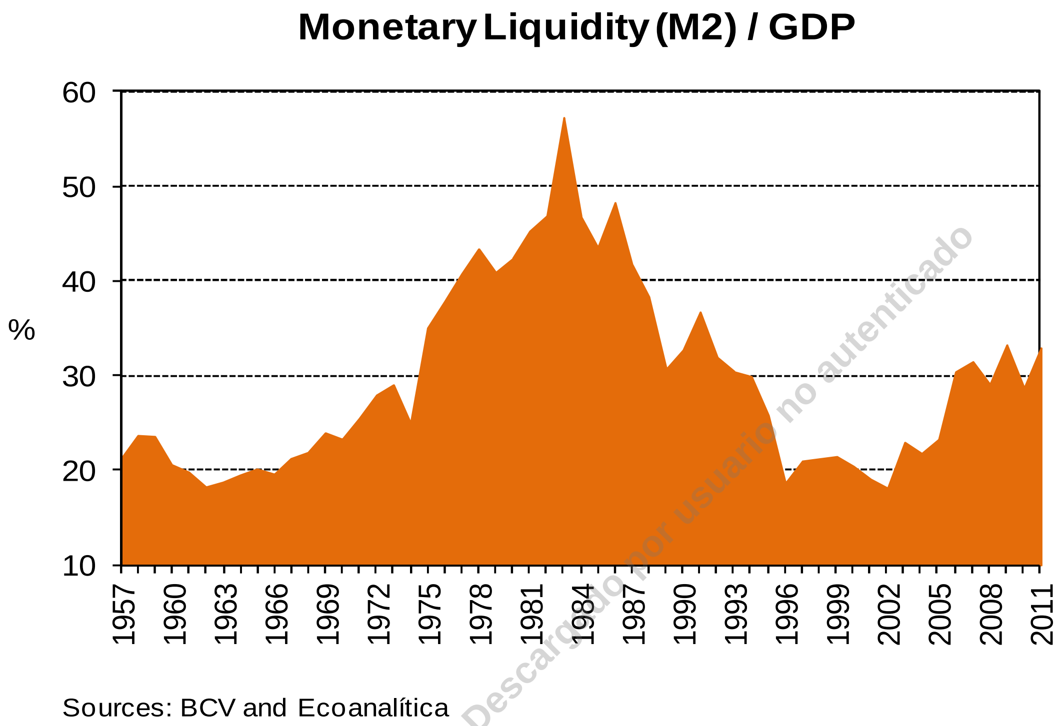
The growth of monetary liquidity and the stagnation of international reserves, reveals that the BCV is financing the fiscal deficit, since the new bolivars are not backed by the reserves, but on the contrary, by inorganic money. Economists state that the financing of the fiscal deficit results from the reforms made to the BCV Law between 2000 and 2011, which reduced its autonomy.

… and has caused serious side effects

Besides this, the present role of the BCV doesn't help control inflation, because the reforms of the laws have the goal to channel resources to assign credits. To increase the flow of money towards financing specific sectors, the BCV has carried out credit operations backed by public securities, as well as discount and re-discount operations, so that institutions may channel more funds to loans for the different priority sectors in the present economic model, like construction, agriculture, and manufacturing. This, in our opinion, weakens the role of the BCV in the control of inflation.

Finally, we want to underscore that reducing inflation in this monetary context is very difficult. The increase of liquidity of the last few years has caused a significant rise in the M2 over GDP indicator, known as money demand. This indicator reached high levels over 40.0%, at the end of the eighties, but with the economic crisis that started after the "black Friday", the demand of money started a downward trend that worsened with the financial crisis of 1994. In simple terms, the Venezuelan economy started a demonetization process, where Venezuelans and its residents kept a minimal proportion of their assets in the national currency.

In the last few years, exchange controls and the expansion of economic activity have made this index recover. Therefore, the increases in the monetization of our economy, given the fiscal expansion, exchange controls, and the transfer of international reserves, will continue affecting the inflation rate in the years to come.



Starting 2012 with an upward trend

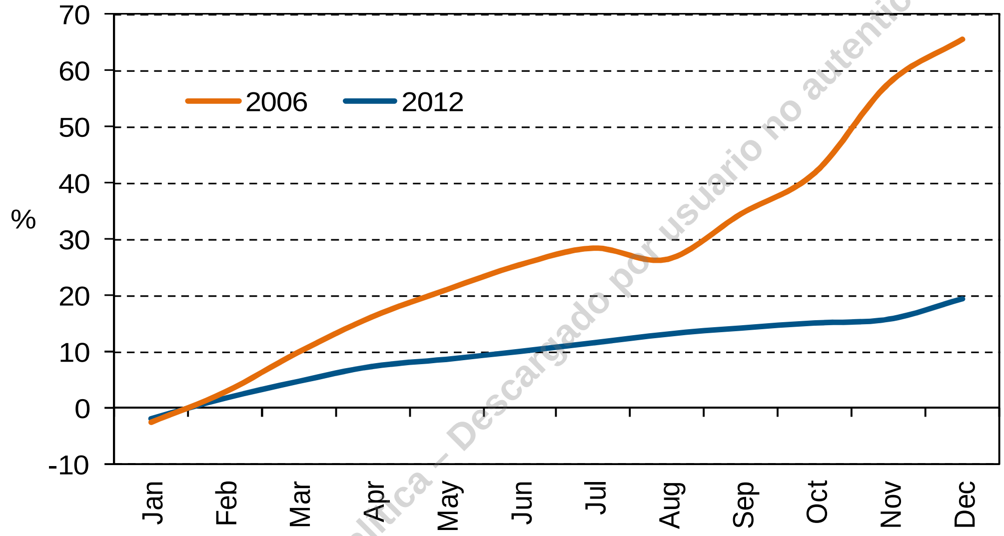
According to figures published by the BCV, monetary liquidity in February was VEB 446.45 billion, an increase of only 0.4% with respect to January, marking the upward trend that will occur during the rest of this year. With this result, the interannual variation of monetary liquidity reaches 48.1%, which translates into an increase of 17.5% in real terms.

Itemizing the components of monetary liquidity, we see that circulating money (formed by cash and sight deposits) had an inter-monthly variation increase in February of 1.1%; thus, the interannual variation rate increased 48.5%. On the other hand, quasimoney (formed by savings deposits and term deposits) ended February with an increase of 12.7% with respect to the prior month, so its interannual rate dropped -7.6%.

The performance of circulating money for the year is due to the increase in on sight deposits, the reduction in circulating coins and bills, and the decrease in transferable savings deposits; while the results of quasimoney for January are due to the significant increase in non-transferable savings deposits, the drop in share certificates, and the drop in term deposits.

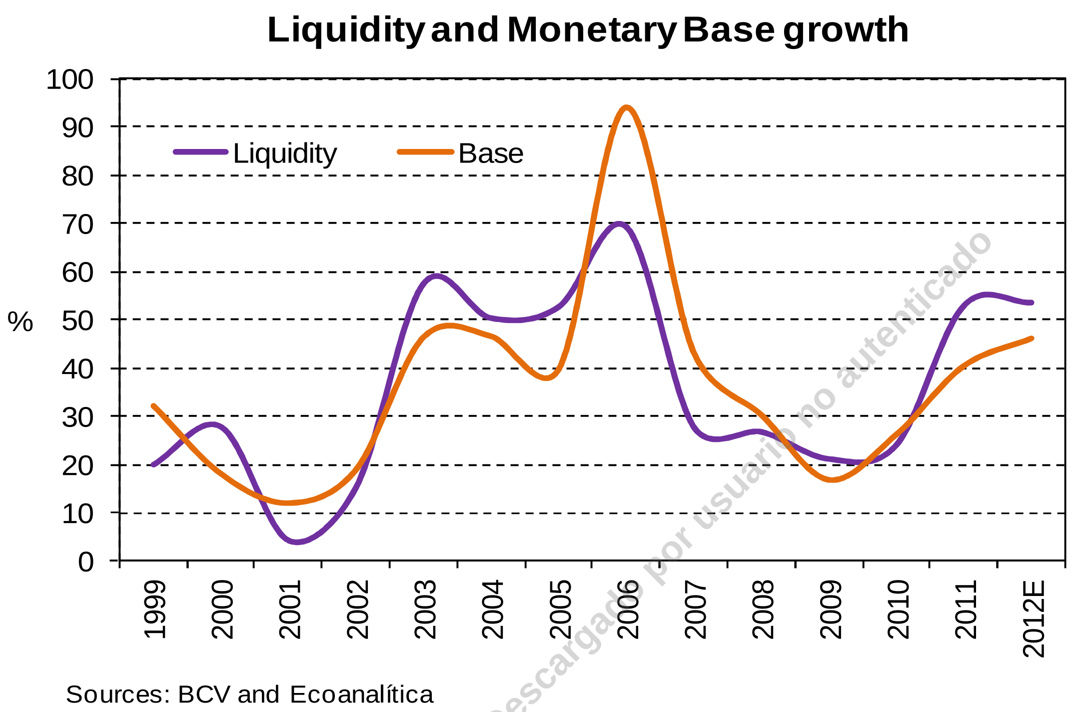
By the end of 2012, we forecast a nominal increase of liquidity of 53.5%, and of 19.3% in real terms, which compared to the year of the last presidential elections, 2006, represents a variation of 374.1%. Let us remember that in 2006, this indicator increased 70.1% in nominal terms, and 45.4% in real terms.

Monetary Liquidity (M2)
Real Variation



Sources: BCV and Ecoanalítica

We have seen that the increase in M2 has started to be over the evolution of the monetary base, since February of last year, and the gap reached 54.3 percent points during 2011; although since the end of October, the increase of liquidity started to be in line with that of the monetary base. However, the growth of M2 is still significantly higher, supported by the increase in public spending.



Reforms that represent obstacles in the system…

It is important to highlight that starting in June of last year, the BCV started implementing selective measures, and for example, increased the legal reserves of financial entities that didn't participate in the Gran Misión Vivienda Venezuela by six points.

Also ***Ecoanalítica*** must mention the possible implications of the present risks in the readjustment of the mortgage portfolio by the government, since around 80.0% of the credits will be assigned to families that don't earn more than four minimum wages, and only 20.0% to families with incomes higher than four minimum wages, making banks implement measures to avoid the risks of non-payment and efficiency problems.

Recently, the Administration set at VEB 39.20 billion the amount of the mandatory agriculture credit portfolio for fiscal year 2012, while stating that credits must be granted at a preferential interest rate of 14.0%. Here we must remember that the banks have become an important source of resources for the government in this electoral year.

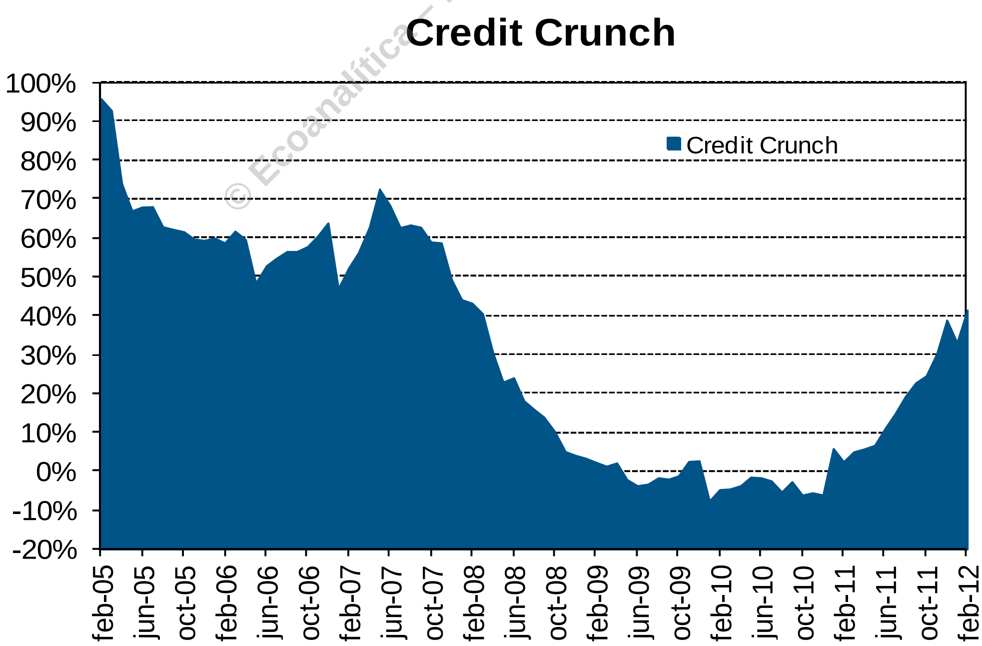
The financial system: from the ground to the sky…

In 2008, the national financial system was strongly affected not only by the global financial crisis, but also by the adverse conditions of our economy at that time. These conditions caused a considerable slowdown in credits, and an increase in bad loans. During that year, everything seemed to be going against the sector, with earnings in the financial system progressively falling, due to the regulations of the Administration.

However, the conditions have changed. After three years, the financial sector, one of the most vulnerable to confront any backlash, could recover from the strong fall of six consecutive quarters. At the end of 2011, BCV figures show a 12.0%, growth in financial institutions and insurance, a significant recovery after a drop of 7.6% in 2010.

Credit portfolio: the perspectives are clearer

The gross credit portfolio increased 49.1% interannually in nominal terms during February, which in real terms represents a growth of 19.4%, an indicator that isn't even close to the high levels achieved in previous years when the real monthly average rate was over 40%.



Sources: Sudeban and Ecoanalítica

Monetary policy, hand in hand with socialist goals

Last year, and according to Nelson Merentes, President of the BCV, the institution chose a monetary policy that maintained the necessary conditions to aid economic growth and employment, reducing inflationary pressures and guaranteeing the normal development of the national payment system.

However, we see how not all monetary strategies have generated positive responses. In agreement with those objectives, and based on the analysis of the evolution of macroeconomic indicators (oil, monetary, fiscal, exchange, prices, income, economic activity, and social) the BCV kept the financial conditions of its monetary policy instruments unaltered.

The monetary future…

Starting on October 7 of this year, when the presidential elections are over, we will know which political scenario will determine the Venezuelan economy: whether Chávez wins, and the socialism of the 21st century continues, or a new government takes power, with the victory of the opposition, where the projections are quite different, particularly for the middle and long term.

But, whoever wins, it is clear that…

The present exchange rate will have to be devaluated. If the winner is HCR, the scenario is a possible elimination of the exchange rate established by the government of Chávez since February 2003. It is important to mention that this elimination of the fixed exchange rate regime will be gradual.

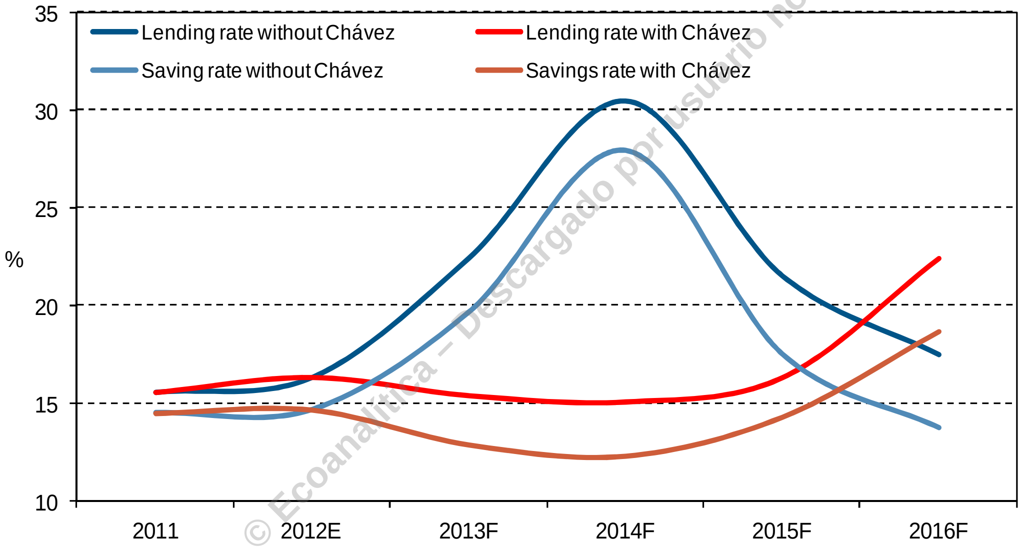
From the monetary point of view, it is important to mention that if this happens, the transition would imply also an adjustment in interest rates. ***Ecoanalítica*** must warn our clients that at first, this adjustment would make debts in bolivars more expensive for companies, so they could be harmed when going to banks to finance investment projects.

Ergo… The moment to acquire a debt is now!

Analyzing interest rates throughout 2011, the active rate dropped 0.5 percent points, for an average of 17.4%, compared to the average of 2010, when it was 17.9%. On the other hand, the term deposit rates dropped insignificantly, so we can say that it remained stable during the year, while the passive rate has remained unchanged since July 2010, with only minute variations in the last few months. By the end of 2012, we expect the average active rate remain unchanged at 17.4%. The rate will still be relative low during the year, so stimuli to become indebted in bolivars still continue.

On the other hand 90 day term deposits will stay similar to the level recorded last year. In general, the behavior of interest rates has made the relative rate margin slow-down considerably, going from 42.2% in 2010 to 7.6% in 2011. For 2012 we estimate a slithg recovery of this margin, reaching 10.9%.

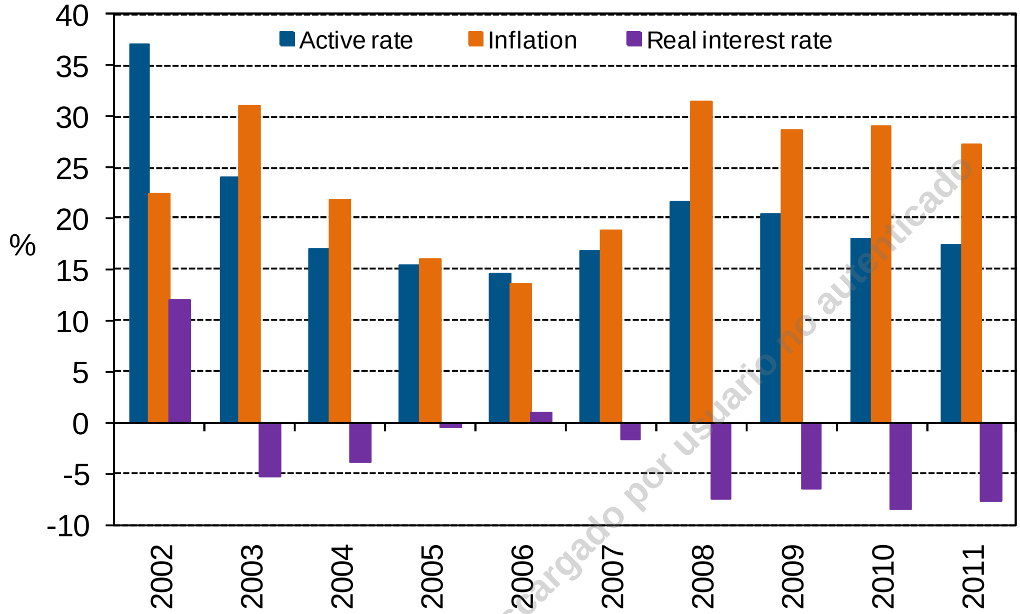
Projected interest rates (Scenarios with and without Chávez)



Sources: BCV and Ecoanalítica

Analyzing the rates in real terms, we can say that they will remain negative for the next years, a situation that has been occurring uninterruptedly in active rates since 2007 and in the passive rate since 2002.

Real interest rate



Sources: BCV and Ecoanalítica

A word to end with optimism…

Despite the uncertainties in the country and the risks in the sector, its growth perspectives are the best in the Venezuelan economy, since it is, and will continue being the most benefited one due to the strong expansion of public spending, so if you know how to capitalize the present expansion in liquidity, you will be able to move ahead with no problems.

Foreign Sector: More of the same, and less of what is needed

In 2011, the Balance of Payments (BP) had three consecutive years of deficit, despite the favorable performance of international oil prices, and that the economy didn't have negative results last year. According to our estimates, the outlook won't change in 2012; there will be growth in the economy, accompanied by a deficit in the BP or around US$1,707 million, 57.7% less than in 2011.

According to figures published by the BCV, in 2011 the current account had a surplus of US$27.20 billion, 125.4% higher than that recorded in 2010 (US$12.07 billion).

According to the BCV, this was due to the 41.4% increase in oil sales, which reached US$88.13 billion, boosted by the 40.4% increase in the average price of the Venezuelan oil basket (CPV), since the traded volumes didn't increase that much, only 2.2%.

BALANCE OF PAYMENTS (General Summary)	2010	2011	Var (%)
Current Account	12,071	27,205	125.4%
Goods	27,132	46,161	70.1%
Oil Exports	62,317	88,131	41.4%
Non-Oil Exports	3,428	4,471	30.4%
Import of goods f.o.b.	-38,613	-46,441	20.3%
Services	-9,191	-10,496	14.2%
Others	-5,870	-8,460	44.1%
Capital Account	-20,131	-31,237	55.2%
Public Sector	1,086	-17,583	-
Private Sector	-21,006	-13,654	-35.0%
Reserves Variation	-8,060	-4,032	-50.0%

Sources: BCV and Ecoanalitica

For 2012, the trend will be similar. ***Ecoanalítica*** estimates an increase of 13.5% in the current account surplus, so it could reach US$30.872 million at the end of the year. The increase of this surplus would be driven mainly by the 9.2% increase in oil exports, similar to the level of 2011, although this year, the increase in oil production will play a more important role.

Not only oil prices will drive exports

Ecoanalítica believes that 2012 will be a good year for the national oil industry. Because of some projects that are being accelerated at the Orinoco Oil Belt (FPO), we forecast for the end of the year an increase of 72 kb/d in national oil production, reaching 3.34 mb/d. We also estimate an increase of 4.3% in the average price of the CPV, reaching US$105.4/bl.

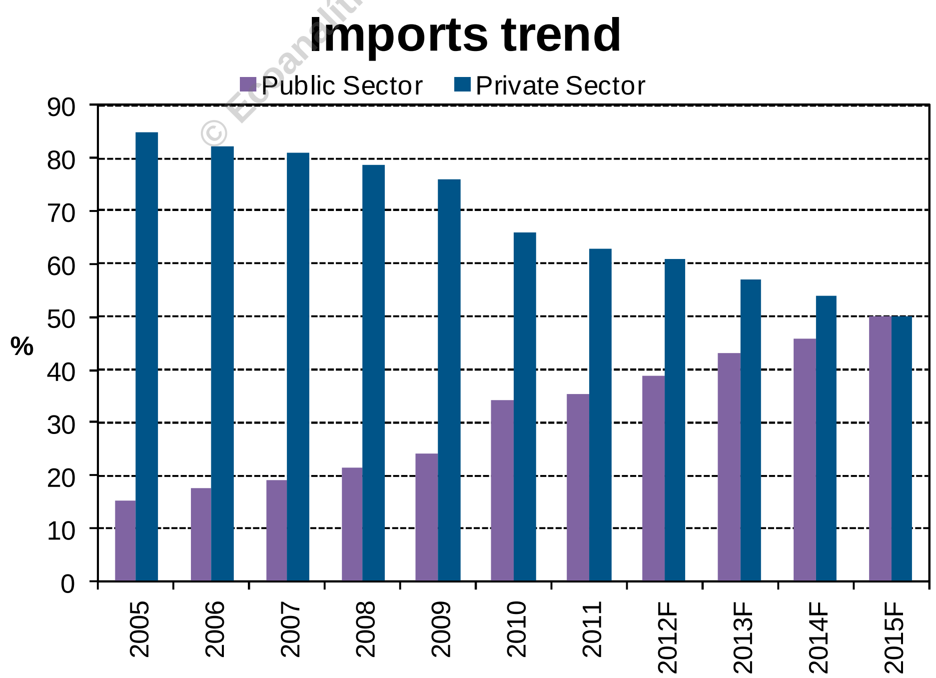
Regarding non-oil exports, in 2011 they increased 30.4% compared to 2010 reaching US$4.47 billion. Although these figures are very encouraging, their participation in total exports continues to drop since 2003 when they represented 19.1% of the total, and was 4.8% last year. This has already been mentioned in our reports, and reveals the lack of diversification of the Venezuelan economy, which is increasingly dependent on crude oil exports.

Considering that threats against the private sector are intensifying, there is an ultra-regulated exchange market, and a clear strategy of incentives for non-oil production has not been consolidated, ***Ecoanalítica*** forecasts that for 2012 the participation of non-oil exports in total exports will continue to fall to 4.8% this year, and Venezuela's competitiveness in items other than oil will continue at undesirable levels, at least until there is a change in the economic model that is being implemented.

To import more: fundamental in an electoral year

Last year, the import of goods increased 20.3% reaching US$46.44 billion. According to the BCV, this increase was associated to the greater energy in aggregate domestic demand, and the growth of the economic activity. 2012 won't be different, but we must add the electoral campaign to the equation, a determining factor for imports.

Public sector imports increased 25.0% in 2011 compared to the year before, reaching US$16.49 billion. Private imports also increased, but to a lesser extent (17.8%) reaching US$29.94 billion. This increases the upward trend of the participation of public imports in the last years, which last year reached 35.5%.



Sources: BCV and Ecoanalítica

Considering that 2012 is an "electoral "year" ***Ecoanalítica*** believes that this year the upward trend will continue and will increase as the State generates more control over the economy. We will see a boom in public imports, to support the campaign and give the population a feeling of stability and prosperity supported by oil prices.

Despite this import boom, the trade balance will continue positive, since the increase in oil exports will continue compensating the imports, so we estimate that the trade balance will be US$48,498 million for 2012, or an increase of 5.1% with respect to last year.

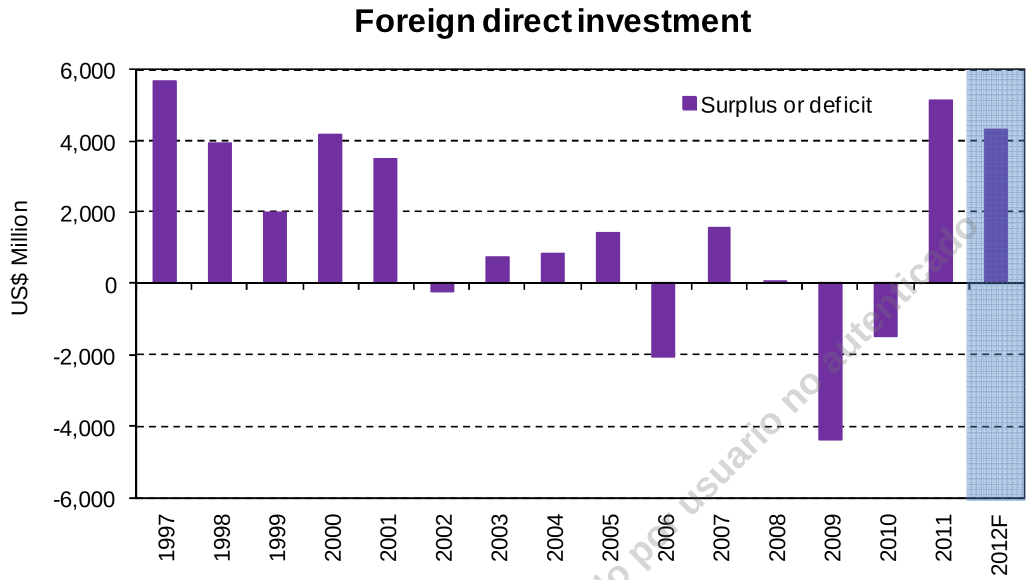
Other investments: the protagonist of capital accounts

Capital and financial accounts had a deficit in 2011 of US$27.61 billion, 5.0% higher than in 2010 (US$17.81 billion). This increase was driven by the 89.5% increase in the other investments account deficit, which reached net negative flows of US$35.21 billion thanks to the increase of both public and private assets abroad.

Ecoanalítica considers that for 2012, the deficit in other accounts will increase 1.4%, reaching US$35.72 billion. This will happen due to several factor, among the most important, that we forecast an increase in private sector assets, due to a greater supply of foreign currency for this sector; it will also be somewhat undermined by a reduction in public assets. Last year, the State accumulated assets abroad to pay for imports and public spending increases in 2012, which will be seen in the strong electoral campaign of the next few months. Also, we estimate a greater allocation of currency to the BCV by Pdvsa, thanks to the changes made to the Law of Special Contributions due to Extraordinary and Exorbitant Prices in the Hydrocarbon Market, which will limit the placement of that foreign currency abroad.

More investments, the majority immigrates

Regarding direct investments, in 2011 there was a significant improvement, with a surplus of US$5.12 billion, when in 2010 it had a negative balance of US$1.46 billion. For this year ***Ecoanalítica*** estimates that although the private sector will be expectant, and will decide to invest or not, after the political outlook becomes clearer, public sector investments will allow the surplus to remain in that account, and be US$4.34 billion.

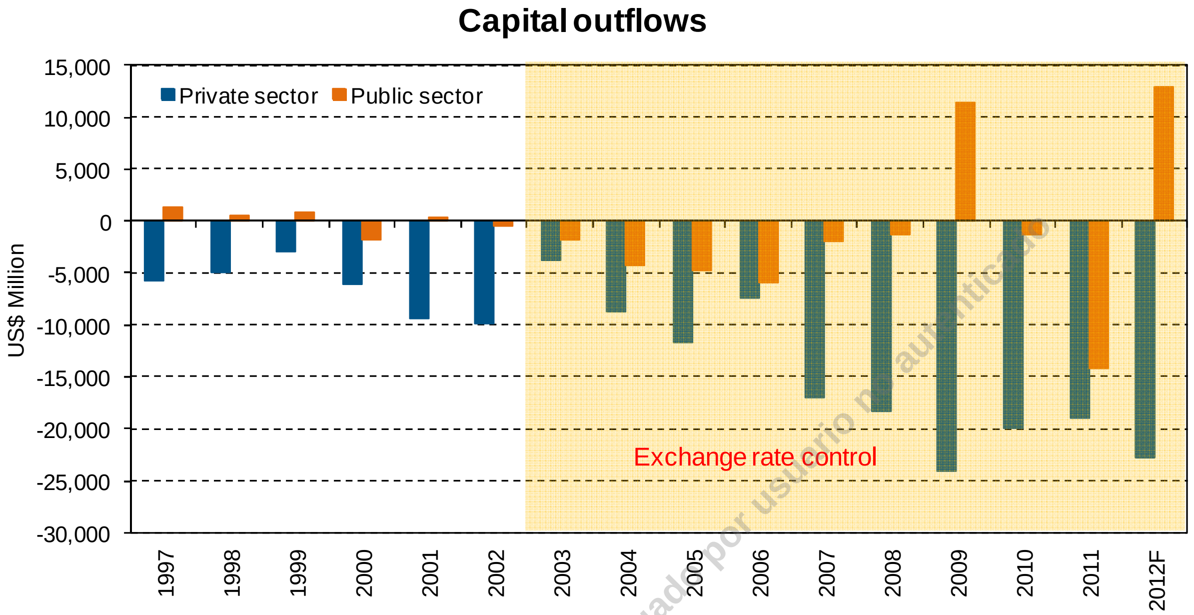


Sources: BCV and Ecoanalítica

Direct investment in the country, due to the contribution of international partners, led the growth: 338.5% in 2011 compared to 2010 and reaching US$5.30 billion. This year, direct investments in the country will remain high, mainly because of investments by international partners in the FPO and the intensification of agreements in key sectors for the government, from countries like China, which will compensate outlays from traditional multinational companies.

The public capitals that left last year, will return

As we have described in our reports, in 2011 capital outlays worsened and reached another record, at US$33.08 billion; this represents a 57.9% increase with respect to 2010 (US$20.95 billion). Although customarily the private sector takes out more capitals, and in fact did so in 2011, the protagonist last year was the public sector, increasing its capital outlays by 1,153.3% compared to 2010 going from US$1.22 billion to US$14.17 billion.



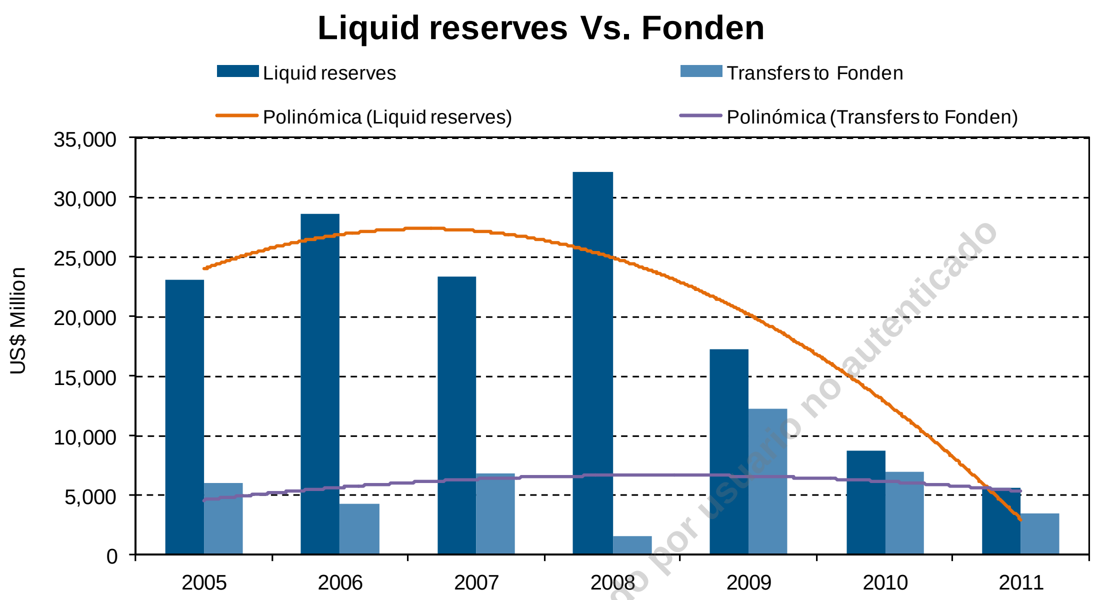
Sources: BCV and Ecoanalítica

Ecoanalítica forecasts that in 2012 this behavior in public capital outlays won't occur, and it will be at US$12.86 billion, a drop of 9.3%, since the State requires immediate availability of resources to pay for the electoral campaign. Also, part of the capital outlays in 2011 was to pay for imports, which will become evident this year for electoral purposes.

Regarding the outlay of private capitals, ***Ecoanalítica*** considers that the trend will remain high, increasing 20% with respect to 2011, reaching US$22.69 billion. If there is a change in the political environment, the flight of private capitals will drop significantly, and would be around US$17.66 billion in 2013.

What concerns us the most are our liquid reserves

Rearding the international reserves (RRII), there is great concern about their behavior. This is mainly reflected in liquid reserves, which dropped 36.4% last year, going from US$8.78 billion in 2010 to US$5.58 billion in 2011. It is really concerning that for the year US$2.0 billion have already been transferred to Fonden, a sign of how our RRII will behave during 2012.

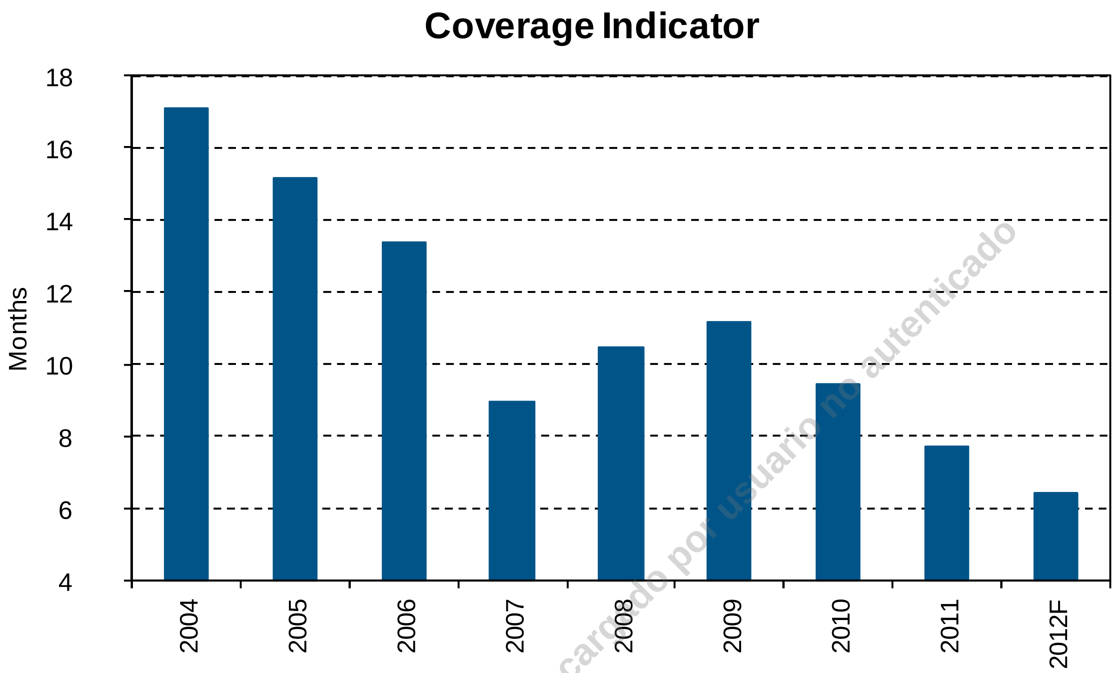


Sources: BCV and Ecoanalítica

Since in 2012 we expect a greater delivery of foreign currency from Pdvsa to the BCV, we forecast an increase in RRII, although they will continue to be conditioned by the *"optimum reserve level"* established by the Administration, and will continue financing Fonden projects. Also, high gold prices in the international market will inflate even more the value of reserves in monetary gold, at least until the upward trend in gold prices continues, and this year it will.

Is it really the optimum level?

Fixing an optimum level of international reserves, and the way the reserves are being managed in Venezuela nowadays, has led to a very risky and none to health situation. For a port economy like the Venezuelan, the coverage indicator (reserves/imports) is important. It has gone from 17 months of imports covered in 2004 to 8 months covered in 2011. As can be seen, the deterioration is obvious. Although there is no agreement in the literature or among economists regarding the optimum level of reserves or at what level the indicator should be, at ***Ecoanalítica,*** we believe reserves should be able to cover between 18 and 24 months of imports. Today, we are far from that. According to our estimates, for 2012, the indicator will be at 6 months.



Sources: BCV and Ecoanalítica

2012: more of the same

Considering what has already been described, we can conclude by saying that 2012 won't bring great changes for the foreign sector, except for the expected import boom, and the possible recovery of operational reserves, given the changes in the Law of Special Contributions due to Extraordinary and Exorbitant Prices in the Hydrocarbon Market, which will allow Pdvsa to provide more currency to the BCV.

The result will be growth with a BP deficit, for one more year. Oil, as the main ingredient, will continue feeding the worn out socialism of the 21st century, threatened to die in the next elections regardless of the electoral result.

Foreign exchange policy: 2012, quite dynamic in currency assignments?

2012 is the D day for President Chávez's country Project, thus, his Administration, particularly since the last quarter of last year, has tried to generate a feeling of wellbeing in the country, to try to mask the deteriorated image of his Government and win the presidential elections. Since mid-2011 ***Ecoanalítica*** highlighted that economically, the main mechanisms the Administration had to achieve this "illusion of harmony" were the usual ones: substantial increases in public spending, and a more currency assigned to the private sector.

Spending did increase…

However, by the end of 2011, only the first mechanism seems to have been successfully implemented. Analyzing the fiscal performance figures of the Central Government reported by BCV[4] we see that until November, the real increase in public spending was 25.3%, something that didn't occur since 2005 (the year before the last presidential elections) when the expansion was 23.1%. As we know, this increase had a positive impact in consumption by the homes, although lower than in 2005[5], which had a multiplying effect in the economy, which ended the year with a growth of 4.2%, according to preliminary figures by the BCV.

But supplies didn't go at the same pace…

The second mechanism, the improvement in the exchange market, didn't have the same results. Foreign currency assignments to the private sector (Cadivi, Sitme and debt issues) didn't increase enough, and in the case of debt issues, they rather decreased. Analyzing the currency approved by Cadivi for the import of goods (Imports + Aladi + Sucre) they reached US$25.35 billion at the end of 2011, an increase of only 4.5% with respect to 2010.

[4] It is worth remembering that the Fiscal Performance figures for the Restricted Public Sector (Central Government + Non-Financial Public Enterprises) aren't published by the Ministry of Planning and Finances since the third quarter of 2010, so the information reported by the BCV is just a partial measure of the magnitude of public spending, thus, the measurement of spending in the last two years is underestimated.
[5] In 2005 consumption increased 15.7% and the economy grew 10.3%; in 2011 consumption increased 4% and the economy 4.2%

Amount authorized (US$MM)				
Sector	**2010**	**2011**	**Var%**	**Market share 2011**
Food	4,120	6,306	53.0%	26.0%
Health	4,013	4,645	15.8%	19.2%
Automotive	2,387	3,138	31.5%	12.9%
Commerce	2,378	2,355	-1.0%	9.7%
Machinery and Equipment	1,160	1,262	8.8%	5.2%
Chemistry	1,171	1,968	68.1%	8.1%
Telecommunications	1,056	378	-64.2%	1.6%
Computer	531	284	-46.6%	1.2%
Metallurgist	277	291	5.1%	1.2%
Rubber and Plastic	436	416	-4.7%	1.7%
Electrical appliance	407	304	-25.4%	1.3%
Services	434	608	40.1%	2.5%
Electric	185	392	112.0%	1.6%
Electronic	148	170	15.1%	0.7%
Non Metallic Minerals	125	106	-15.6%	0.4%
Construction	253	129	-49.1%	0.5%
Textile	279	593	112.9%	2.4%
Paper - Cardboard - Wood	147	325	120.9%	1.3%
Grafic	212	259	22.3%	1.1%
Tobacco and Alcoholic Drinks	11	17	52.2%	0.1%
Books and School Supplies	86	101	16.8%	0.4%
Science and Tech	23	25	8.7%	0.1%
Comunications - Press	64	79	24.0%	0.3%
Vet	56	87	55.4%	0.4%
Total	**19,958**	**24,236**	**21.4%**	**100%**

Sources: Cadivi and Ecoanalítica

Cadivi continued biased towards priority and strategic sectors…

Analyzed by sector, we see that in the six more important ones (81.2% of the total), five had increases, led by chemicals with an increase of 68.1%; food, with 53.0%; automotive 31.5%; health 15.8%, and machinery and equipment 8.8%. Meanwhile, foreign currency for the trade sector decreased 1.0%. These results are encouraging compared to those of the first semester of 2011 where there were significant contractions in key sectors like health and automotive.

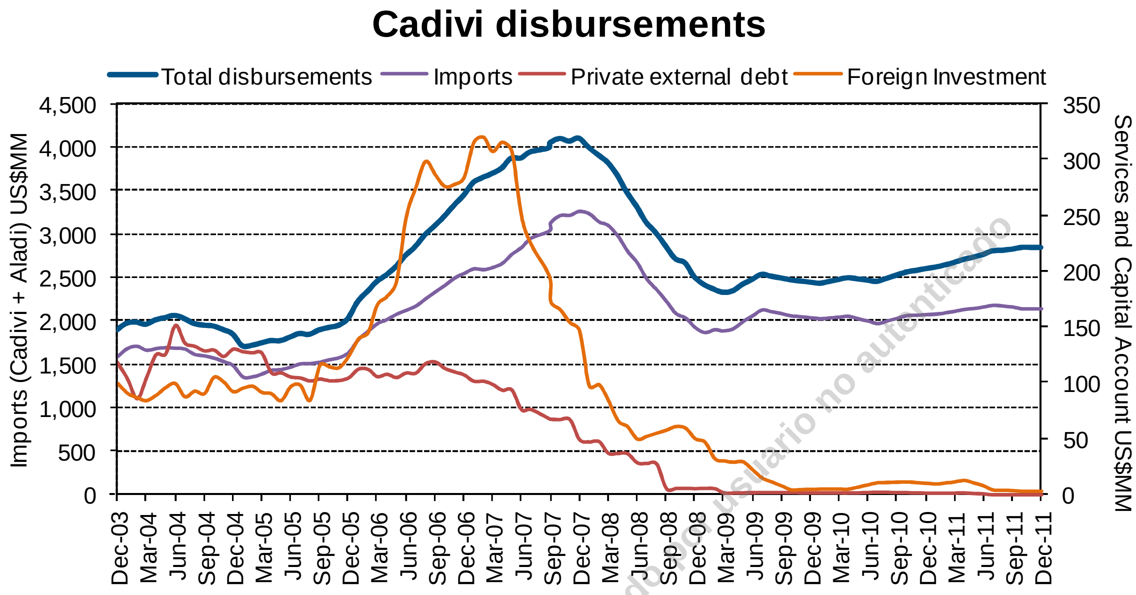
Likewise, other sectors had significant increases in 2011, among them paper-cardboard-wood, with an increase of 120.9%, textiles 112.9%, electricity 112%; and rubber and plastic 70.8%.

On the other hand, the drops in the following sectors: telecommunications (-64.2%), construction (-49.1%), computers (-46.6%) and home appliances (-25.4%) conform the new pattern of currency assignments (priority/strategic goods, and large enterprises) under this mechanisms, since these sectors will be a priority in Sitme (non-priority/strategic goods and SMEs).

Dividends, corporations and the black market: the cocktail for 2012

An important point this year has to do with foreign currency to pay for private foreign debt, and foreign investment (components related to the repatriation of dividends by multinational enterprises, and investments to expand the productive capacity of private enterprises)[6]; at the end of 2011 these represented 0.1% and 0.4% of the total liquidated last year, respectively. Although these items had increases of 8.9% in the first case, and 192% in the second, compared to what was liquidated during 2010, the amounts are insufficient (US$18 million for private foreign debt and US$113 million for direct foreign investment) compared to the US$1.27 billion and US$3.79 billion paid in 2007. It is clear that these items are no longer a priority for the Administration.

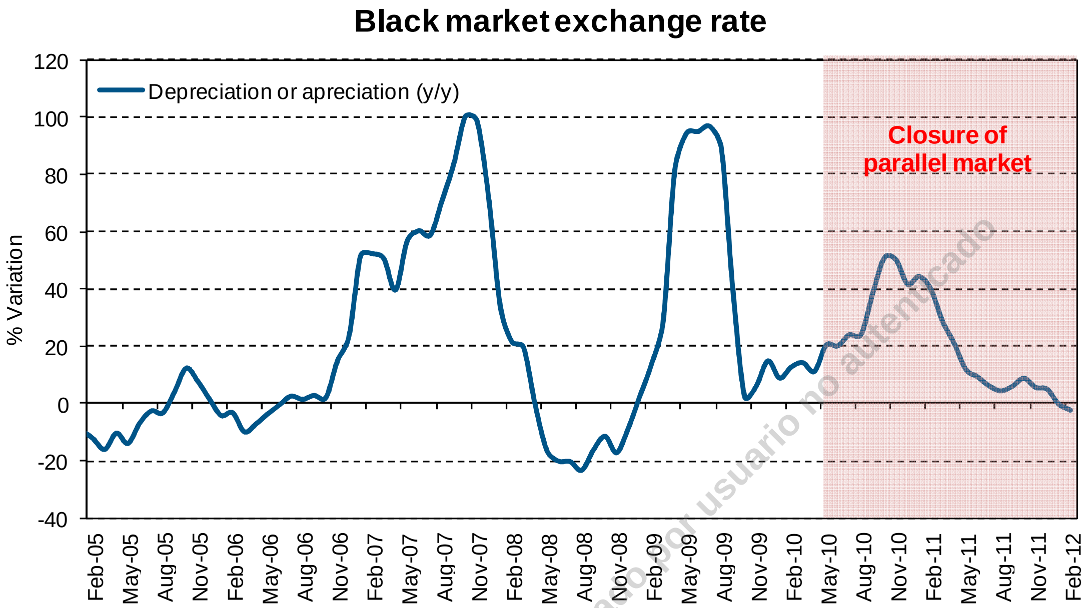
[6] Regarding dividends, there are two concepts: (i) dividends declared before Cadivi, which the latter records as debt, (ii) global dividends that include the amount not yet declared before Cadivi (because companies cannot introduce new amounts until those that are recorded are paid). With respect to the former, according to BCV, the amount is around US$2.87 billion (at the end of 2011). Including dividends not declared before Cadivi, the figure reachesUS$9.43 billion, an unofficial amount calculated by the BCV.



Ecoanalítica considers important to highlight to our clients that if this behavior continues in 2012, the corporate segment[7], that so far had been reluctant to participate in the unofficial market, may have to participate more actively in the next few months. This would put an end with the present stability of the reference rate of the unofficial foreign currency market, generating upward movements, since the uncertainty due to the October 7 elections is what will prevail when companies make their decisions, even more so when the alternatives to invest the liquidity generated in the last years are increasingly less.

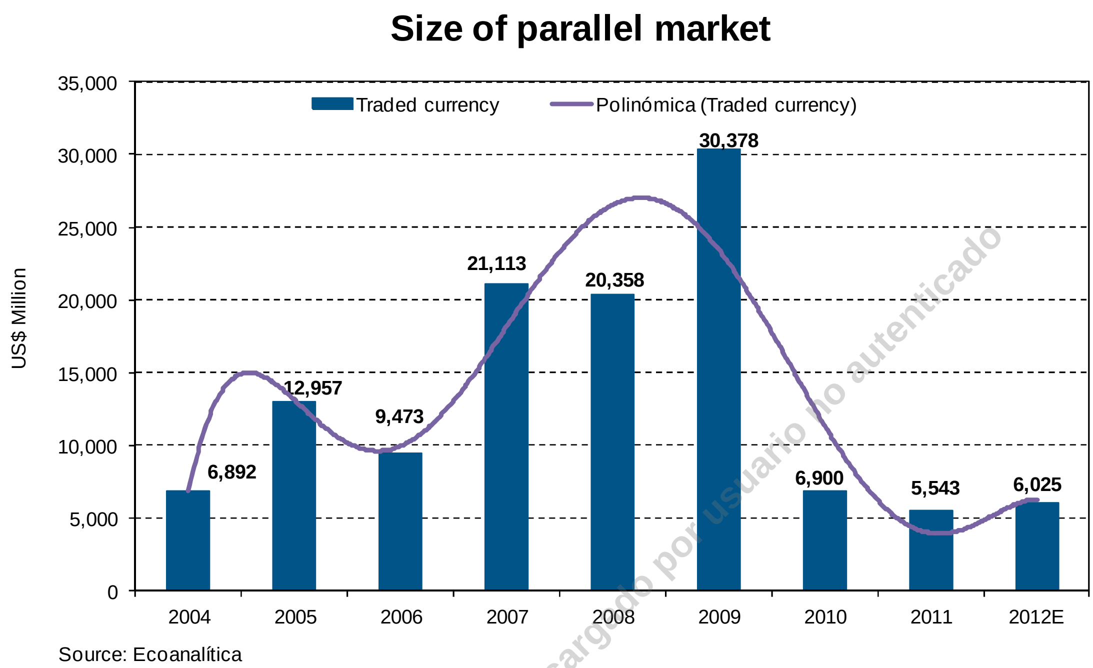
In our opinion, one of the factors that has helped the black market exchange rate not depreciate significantly these months is that the large company and corporate sector hasn't had an outstanding participation. According to our analysis, for the 2007 to 2009 period, 80% of the operations carried out in the parallel market could be cataloged as *"capital flight and coverage"*. It is clear that the parallel market wasn't and isn't a market for imports

[7] The corporate and large company segment has been the most affected by the elimination of the parallel market, which supplied currency while waiting for Cadivi's delays and also for exchange coverage, since we are in a country with high inflation and a chronic trend to devaluate to correct fiscal imbalances. If we add to this the debt Cadivi has due to dividends, this is an explosive blend.



Sources: BCV and Ecoanaítica

Also, 72% of the operations in the category "capital flight and coverage" were carried out by companies that could be cataloged as large and medium. Thus, the legal and reputation risk that these companies face has prevented them from actively participating in the new black market that has emerged. According to our estimates, this market may be moving between US$18 million and US$25 million per day. For 2009, the parallel market moved a daily average of US$123.9 million, a drop of 79.8%.

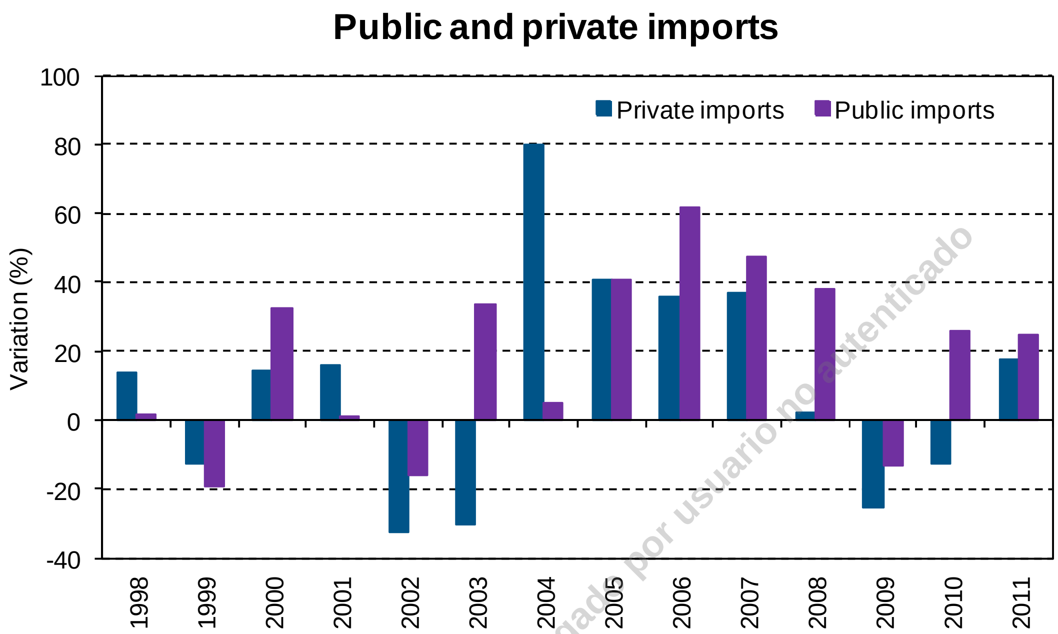


The plan didn't work….

Besides Cadivi, when we see the behavior of Sitme from the second semester of the year[8], we see that it increased 10.9% compared to the same period the year before. All this happened when the price of the Venezuelan oil and the income from oil exports increased 38.2% and 41.4% respectively, equivalent to around US$25.81 billion additional, according to the Balance of Payments (BP).

This performance of the exchange market has to do, as we have said many times at ***Ecoanalítica***, with the new economic model being implemented in the country, where in simple terms, the State must play a fundamental role, at the expense of a drop in growth and the submission of the private sector. Therefore, given this precarious increase in currency assignment for the private sector, the public sector is increasing constantly its imports. At the end of last year, public imports increased 24.9% reaching US$16.49 billion, an amount that increasingly occupies more space in the total import figures reported in our BP.

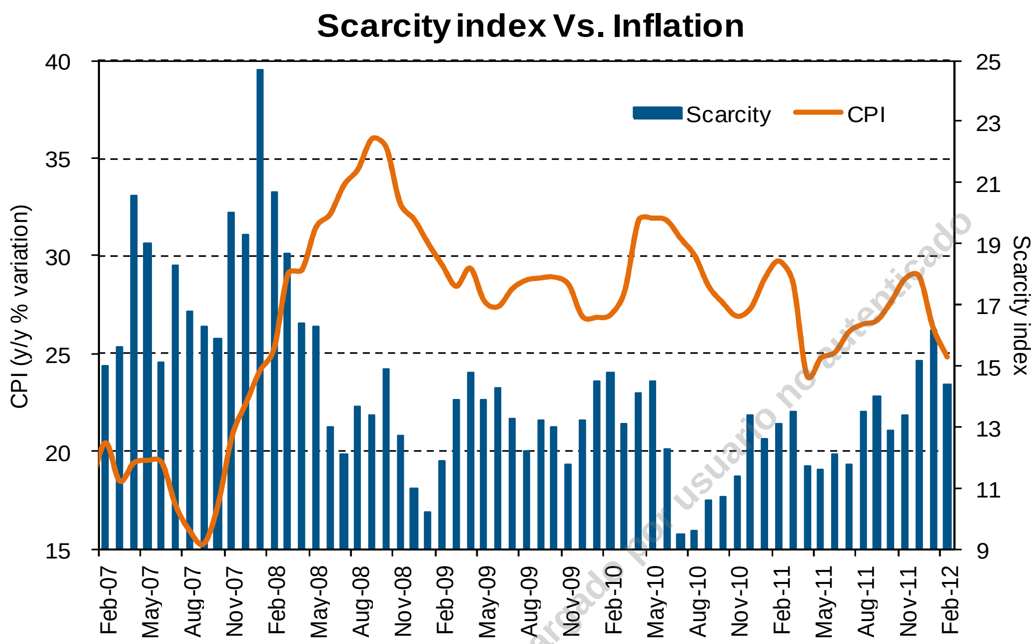
[8] Remember that Sitme started operating in the second semester of 2010 so the comparative analysis starts that period.



Sources: BCV and Ecoanalítica

Despite the good economic performance, the increase in spending was felt in the inflation, which closed last year at 27.6%, only a little higher than in 2010 (27.2%), mainly due to the effect of price controls on basic goods, and the sale of subsidized goods in public sector markets and supply centers. That is, despite the government's strategy, the purchasing power of Venezuelans continued to be affected. A simple example: although the Remuneration Index for Salary earners (IRE), reported by the BCV, had a nominal increase of 31.4% (39.7% public and 27.8% private), when discounting the effect of this high inflation, we see that the real increase in IRE was only 3% (9.5% public and 0.2% private).

Also, this small increase in currency assignments, together with delays in liquidations by the BCV to the private sector (which compared to the public, is more efficient in the production/import, distribution and sale of goods, and in service providing) has made the scarcity index measured by the BCV, reach levels that had not been seen, at least in the last four years.



Sources: BCV and Ecoanalítica

There's no way around it: 2012 pragmatic in the assignment of currency

Thus, it is obvious that the high inflation rates, and the scarcity at the end of 2011 are not linked to the feeling of wellbeing that wants to be generated in the population; in all surveys and focal group studies, it can be seen that among the population's greatest problems (after insecurity and housing) are the high cost of living and lack of supplies; in other words, the economic policy is wrong, ill conceived, or insufficient.

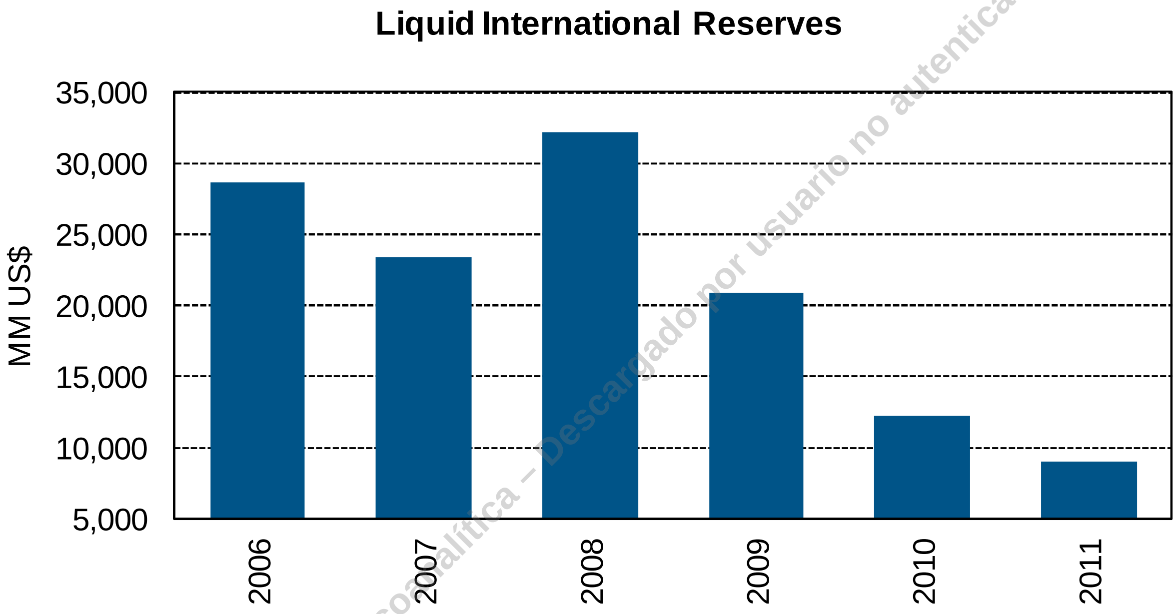
Thus, at ***Ecoanalítica*** we have realized that the government, in a race against time, has become aware of this situation, and since the beginning of 2012 has fueled public spending[9] but trying to contain the inflationary pressures it generated, by reducing the price of other goods (19 home cleaning and personal care articles) that are part of the basic basket of Venezuelans.

Likewise, the Administration, aware of the impact this could have in the production structures of private companies and the consequent results of shortages and lack of diversity, since the beginning of the year has sped up the assignment of foreign currency to this sector significantly. This considering that the public sector was not idle. That is, 2012 starts with pragmatism in foreign exchange matters.

A step backwards: BCV will receive more foreign currency from Pdvsa

[9] In the first two months of the year, public spending increased 28% interannually.

One of the most significant changes we see in the exchange market for 2012 is that given the loss of operational reserves by the BCV (reserves in foreign currency for imports and to pay its commitments with the foreign sector) during the last months, the Administration modified the Law of Special Contributions due to Extraordinary and Exorbitant Prices in the Hydrocarbon Market, so that the BCV would receive more foreign currency.



Sources: BCV and Ecoanalítica

Let us remember that with the reform of April 18, 2011 the payment of said contributions was done fully in foreign currency and went directly to FONDEN; now, with the modification of February 27, 2012, the text says that FONDEN, which now receives contributions both in foreign currency and bolivars, will sell to the BCV the currency at the exchange rate in force, and from that amount, the BCV may transfer to FONDEN 50% every time the sale is done, unless the level of liquid international reserves allows for a larger transfer.

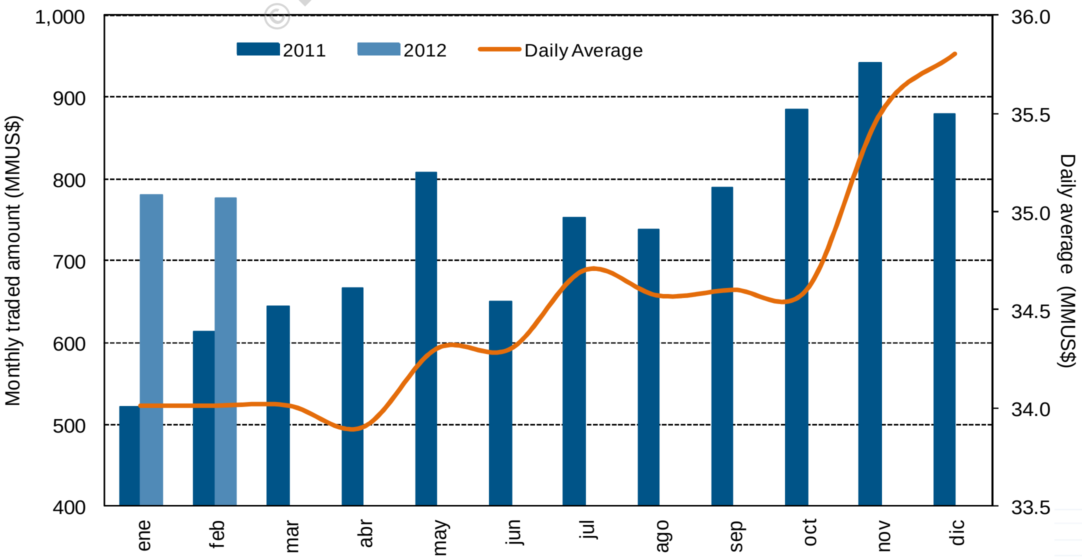
With this change, the BCV becomes a sort of filter between PDVSA and FONDEN, limiting the amount of currency that the latter receives (because now it will also receive bolivars) and opens the possibility for the operational reserves in the hands of the BCV to increase (since the BCV keeps 50% of the currency). Thus, and considering the estimated total amount to be paid this year by PDVSA for this item, at ***Ecoanalítica*** we estimate that the BCV will receive around US$6.78 billion. This amount will increase its liquid reserves, so that it can be allotted both to the public and private sectors, to make imports, and pay other commitments in foreign currency.

The change that stands out has to do with the Sitme. When we analyze how the mechanism has been operating this year we find that at the close of February, US$1.56 billion in foreign currency have been trade, up by 37.1%, which is equal to US$420 million more compared to the amount traded during the first two months in 2011 (US$1.14 billion). The amount traded during these two months is usually low due to demand so the mechanism usually adjusts accordingly lowering supply, which makes the increase stand out even more.

If we break down the figures month by months, we can see that in January, the amount of bonds traded by the mechanism reached US$781 million, up by 49.6% compared to the US$522 million traded in January 2011. In February, the amount traded reached US$776 million, up by 26.4% compared to the US$613 million traded in February 2011. In terms of daily averages, in January it was at US$37.2 million and in February US$40.8 compared to the daily averages last year during the same months which was at US$26.1 million and US$30.7 respectively.

In terms of a yearly average, so far this year the yearly average is at US$38.9 million compared to the yearly average last year at the same time of US$28.4 million. In other words, the mechanism is trading US$10 million more daily than it was trading in 2011.

Monthly traded amount and daily average of Sitme



Sources: BCV and Ecoanalítica

Cadivi seems to be following suit…

With respect to Cadivi, despite the fact that this entity releases its figures on a quarterly basis, recent press releases by Cadivi regarding the amount of foreign currency it is assigning to certain sectors, and recent interviews and statements made its authorities, and especially the president of the mechanism, Manuel Barroso, lead us to believe that when the figures do come out they will reflect a significant increase in foreign currency being assigned for the first two months of 2012 compared to the same period in 2011.

According to Cadivi, foreign currency assignation from the 1 to the 31 of January 2012 equal a total of US$2.24 billion, including imports, financial operations, credit cards, cash and other operations. If estimate the amount assigned by Cadivi in January 2011, the amount is US$2.35 billion, down by 4.9%. However, it is important to point out the significant amount approved by Cadivi just in the month of January the food sector, US$600 million. This is up by 74.4% compared to the figure registered during the same period last year (US$344 million).

The idea is to improve operations…let's hope it's not just talk

In the first week in March, aiming to simplify operations and improve the entities technological process, Cadivi decided to implement, as of Thursday, March 15, a new procedure for the renewal of the Foreign Currency Acquisition Authorization (AAD) and waivers for import request for the importation of goods. According to the press release, with this procedure the commission is *"looking to cut down on response times and streamline the process, in order to satisfy the demand of the Venezuelan people, through the maximum use of the government's electronic mechanisms, backed by the use and application of Information and Communication technology."*

The Seniat (tax entity) announced that it would unify criteria with the custom's agencies in Vargas state to initiate the transmission of data through the technological platform Sidunea World by this coming month of April. According to the chief of the Office for Innovation and Development of the National Custom's Office, Elizabeth Toro, the Custom's office beginning to be able to transmit through this technological platform "will allow us to streamline operations," as part of the modernization project for the country's Custom's agencies.

So then, dynamic?

These early indicators could suggest that, among other things, foreign currency performance and liquidation for imports, especially for the so-called priority/strategic sectors, could be improving. Other sectors, not classified as priority/strategic, should not expect things to change much with respect to Cadivi and continue look to the Sitme or the unofficial market and the issuance of bonds to satisfy their foreign currency needs. The issuance of bonds will be fundamental from now on in order to supply the Sitme, with priority/strategic sectors still receiving preferential treatment, but not for as much as in previous issuances.

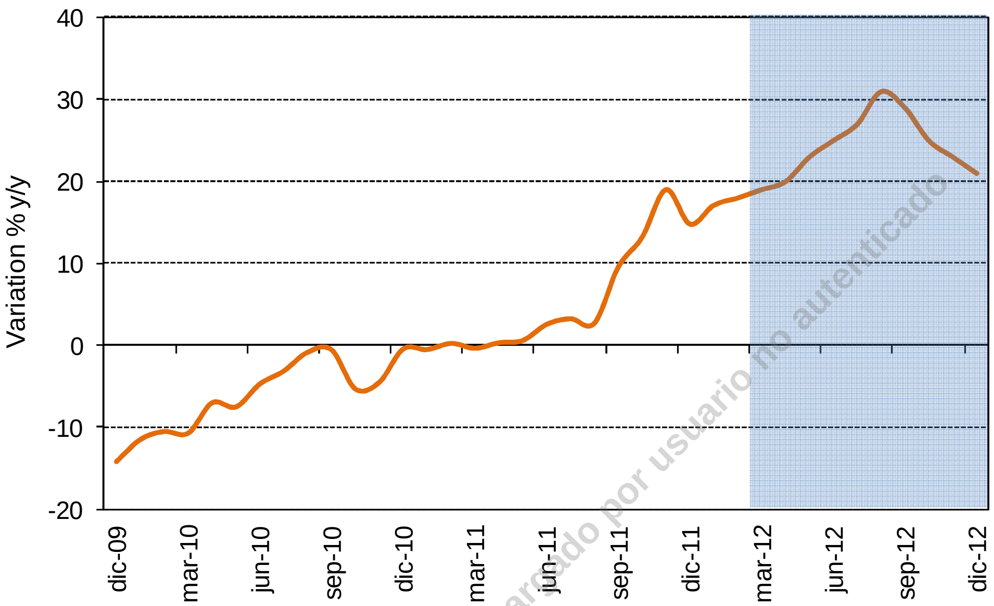
But there can be no doubt that all that has happened with regard to the foreign exchange issue and assignation and access to foreign currency so far this year supports the overall idea that we have been alluding to in this report: the Administration will improve the performance (quantitatively as well as qualitatively) of its mechanism to access foreign currency, especially Cadivi and Sitme, in order to avoid the adverse effects of issues such as inflation, shortages, and foreign currency trading in the unofficial market; all this in order to create a feeling of being in a bonanza and win the upcoming presidential election. Though there is still the issue and the negative impact of the recently implemented cost regulations on the productive chain of certain goods, increased foreign currency assignation through these mechanisms will go a long way to mitigate their adverse effect. So, as our overly quoted Liberator, Simón Bolívar, would say: He who hesitates is lost.

Fiscal Policy: Everything in order to win...

With respect to fiscal matters there are no surprises. Since the month of September last year, the Administration has significantly increased its fiscal spending. According to National Treasury (ONT) figures, during the fourth quarter 2011, Central Government public spending increased in real terms by 38.6% compared to the same period in 2010; clearly signaling that the presidential campaign had begun.

The ONT has already released its figures for the first two months of 2012, highlighting a real increase, on a y/y basis, of 28.6%. A very significant increase given that the first quarter in Venezuela is historically a period of very limited fiscal spending.

Real Growth of Public Spending



Fuentes: Oficina Nacional del Tesoro (MF), BCV y Ecoanalítica

Supplemental Appropriations: full steam ahead

Another example of increased public spending during the first months of the year is clearly reflected in the amount of supplemental appropriations authorized so far this year. So far in 2012, VEB 14.29 billion in supplemental appropriations have been authorized by the National Assembly (AN) thereby inflating the National Budget that was originally approved for VEB 297.80 billion to VEB 312.13 billion. In 2011, the Administration issued supplemental appropriations for VEB 168.16 billion and spending ended up closing out the year at over VEB 372.37 billion.

2012 won't be the exception, at ***Ecoanalítica,*** we expect Central Government public spending to close at VEB 456.67 billion, up by 43.0% in nominal terms compared to 2011 and up by 11.6% in real terms. The highest increase in public spending recorded since 2006, year of the last presidential election held in Venezuela.

Parallel funds

The increase in public spending is not only taking place by formal means via increases in the National Budget through supplemental appropriations, but also by spending from parallel funds controlled by the Administration, mainly Pdvsa and Fonden. At the close of February, out-of-budget funds totaled US$ 46.4 billion, representing the spending capacity available to the Administration, plus the current high level of oil prices will help cover the Administration's "spending party."

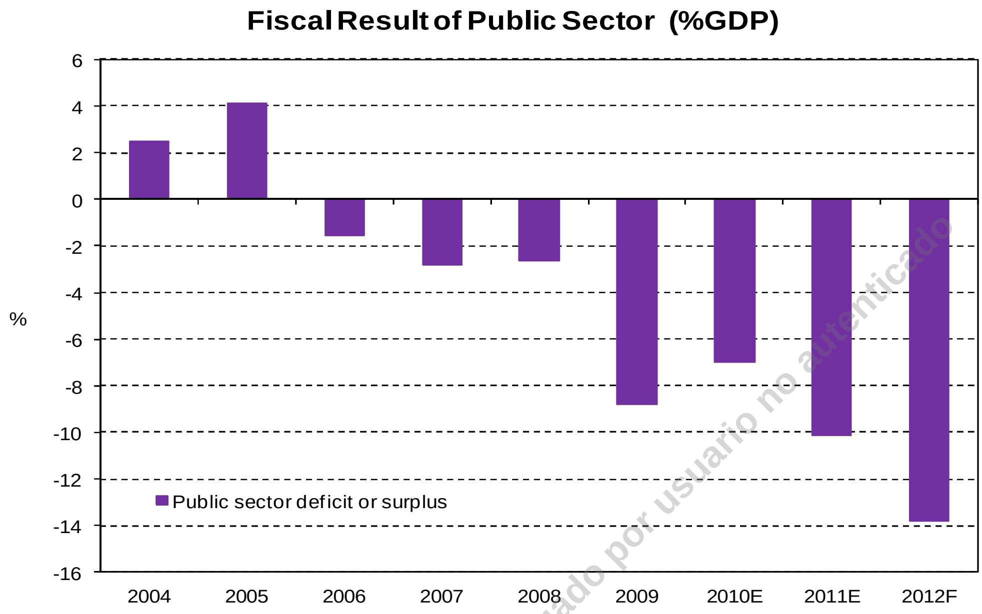
Government Resources	February - 2011 (US$ bn)	February - 2012 (US$ bn)	Variation (%)
In VEB	**24.5**	**29.3**	**19.6%**
BANDES	0.1	0.1	
BDT	0.1	0.1	
Deposits in the financial system	14.5	15.2	
Fondo Miranda	4.1	2.6	
National Treausury	4.0	9.8	
FONDEN	1.7	1.5	
In USD	**14.2**	**17.1**	**20.4%**
FONDEN and National Treasure	6.5	7.4	
Other Funds	7.1	8.1	
PDVSA	0.6	1.6	
Total	**38.7**	**46.4**	**19.9%**

Source: Ecoanalítica *All the figures are expressed in US dollars at the official exchange rate

With the upcoming presidential election being critical to the Administration's continuing in power, there is no doubt that fiscal spending will play a key piece of the President's strategy to stay in power. In our opinion, most of spending will be current account spending, specifically line items transfers, wages and salaries. The Administration will look to use this spending to prop-up the illusion of the country's being in the midst of a bonanza and create the "sensation of prosperity" required to bring home a solid victory.

A time bomb

Of course, this fiscal policy strategy will leave Venezuela as one of the most vulnerable countries in Latin America. At the close of 2012, ***Ecoanalítica*** estimates that the public sector deficit (not just Central Government) will be at 13.8 percentage points of GDP, financed mainly by debt. In 2006, this deficit was at 1.6% of GDP, with the price of oil being lower than it is at now: US$ 56.4 per barrel.



Sources: MPF and Ecoanalítica

This high deficit will mainly be covered with more borrowing, a recurring practice of the current Administration.

The underlying problem is that any drop in oil prices will generate serious distortions in how Venezuela is managing its fiscal policy, notwithstanding the fact that in the short term, the same fiscal policies are the engine spearheading Venezuela's economic growth. So much so that for 2012, it's this very same increase in public spending that is responsible for much of this year's projected economic growth rate.

The devaluation is coming

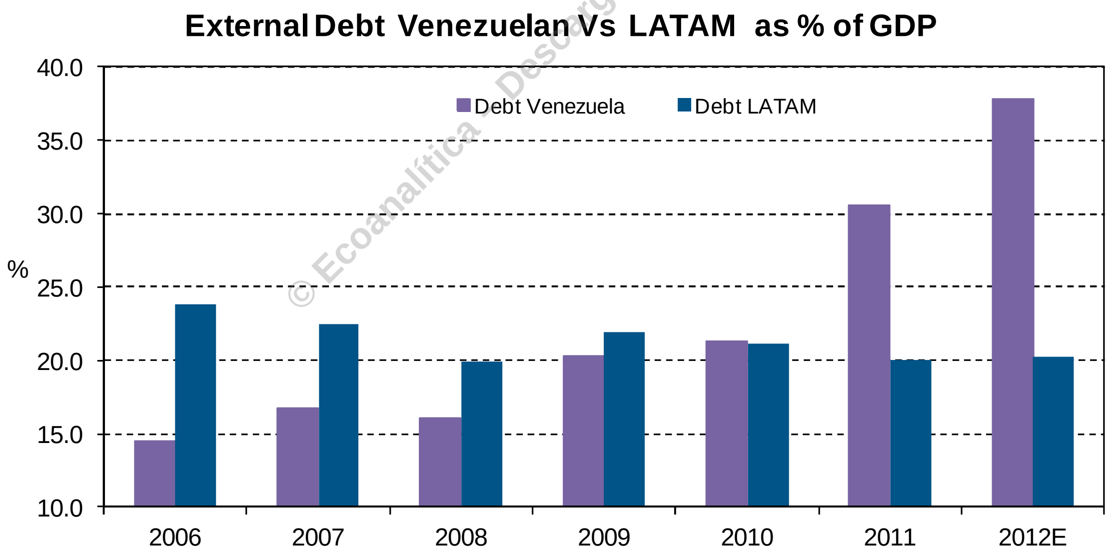
The high deficit that is being accumulated is the key element to understanding the adjustment the Administration will have to make in the midterm and why this will be dealt with by implementing another devaluation; it's only a matter of when. At Ecoanalítica, we continue to stand by what we have said all along, that no matter what happens with respect to economic issues, after the presidential election in October, an adjustment will be made to the official exchange rate.

Who will benefit?

With an increased injection of public spending hitting the streets, and especially current spending, those that will most benefit are the finance sector, commercial activity, and to a lesser degree construction and manufacturing. At ***Ecoanalítica,*** we also believe that public sector contractors, who have been complaining that their payments have been delayed, could see their situation improve, especially in the regions governed by members of the opposition, with public spending being distributed by entities attached to the central government and not by region administrations or local administrations directly.

Debt increases…

In terms of borrowing for 2012, we estimate that it will be around US$157.09 billion, equivalent to 47.7% of GDP. This estimate includes debt acquired by the Central Government, Pdvsa, and China fund, among others. If we compared this to 2011, total debt is up by 3.5%. With respect to the external debt of public sector, we estimate that this will stand at US$133.43 billion (37.8% of GDP). Far more dramatic is, if we compare it to 2006, when the total debt was at US$ 26.60 billion, or 14.5% of GDP, then the increase is much more serious.



Sources: International Monetary Fund, Ministry of Planning and Finance and Ecoanalítica

Preliminary figures of the Ministry of Planning and Finances indicate that the domestic public debt was US$34.69 billion in 2011, an increase of 65.2% with respect to 2010, when the debt was at US$26.83 billion. The foreign debt was US$39.90 billion last year, an increase of 7.8% with respect to 2010, when the foreign commitments of the Central Government were US$37.03 billion. It's important to point out that these figures only refer to the Central Government, and not other public entities such as PDVSA, for example.

Comparing this indebtedness with that of 2008, one of the high oil price periods, we see that the total debt increased 69.3%, since for that fiscal year the debt was for US$44.06 billion, while for 2011 it was US$74.59 billion. Thus, we can appreciate the high level of indebtedness during the present Administration.

Not sustainable

The Venezuelan government continues to implement borrowing policies that are focused on its short term needs, and continues to turn a blind eye on solving in the long term the problems that it is currently facing. In Venezuela, bond issuances have turned into an exchange policy mechanism. Consequently, the demand for US-dollars surpasses the supply, and therefore, this instrument has been used mostly to counteract fundamental exchange market pressures.

The Administration's current borrowing policy, within this dynamic, is not sustainable. Public borrowing policies will not be viable if adjustments aren't made to the country's economic policies and if the government doesn't control public spending and doesn't reconsider midterm and long term political objectives.

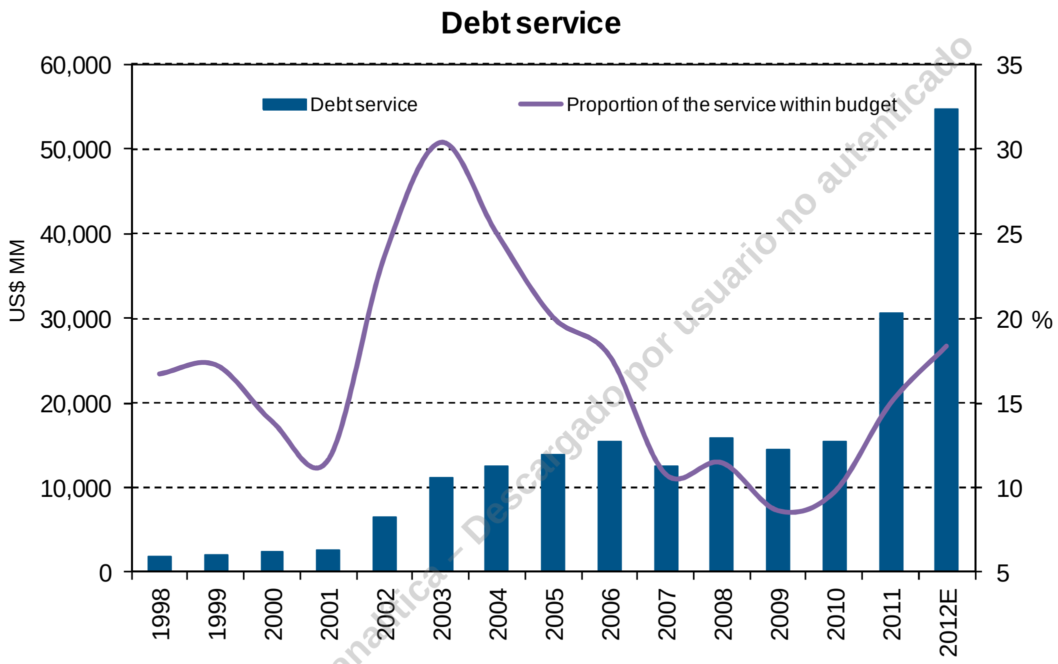
More ridged in the future

The rhythm at which borrowing has increased during the last four years is now beginning to have its effect on fiscal management. Up until 2010, Central Government debt service was relatively low in comparison to the size of the National Budget. The 2012 National Budget Law revealed that the Central Government, now has to earmark more resources from ordinary spending to debt service payments.

In Venezuela, the Budget Law, which contemplates the Central Government's income and expenses, reveals that in 2004 the debt service represented 25.6% of budgeted expenses. This was a historically high number, marked by the complexities of the country's political and economic environment at the time of designing the budget for that year (oil strike, drop in GDP and oil income).

However, the government's indebtedness policy during the oil boom (2004-2008) translated into a partial debt re-purchase, which caused a reduction as a percentage of GDP and contributed to lower the service and its proportion in the nation's budget, representing only 9.3% of the budgeted expenses in 2009.

However, although during 2010 and 2011 the income improved, indebtedness continued rising. This public debt increase led and will continue to lead to a greater debt service, and its weight can be perceived in the 2011 and 2012 budgets, when the service went from 12.2% to 18.4% respectively.



Sources: Budget Laws and Ecoanalítica

Domestic debt increasing

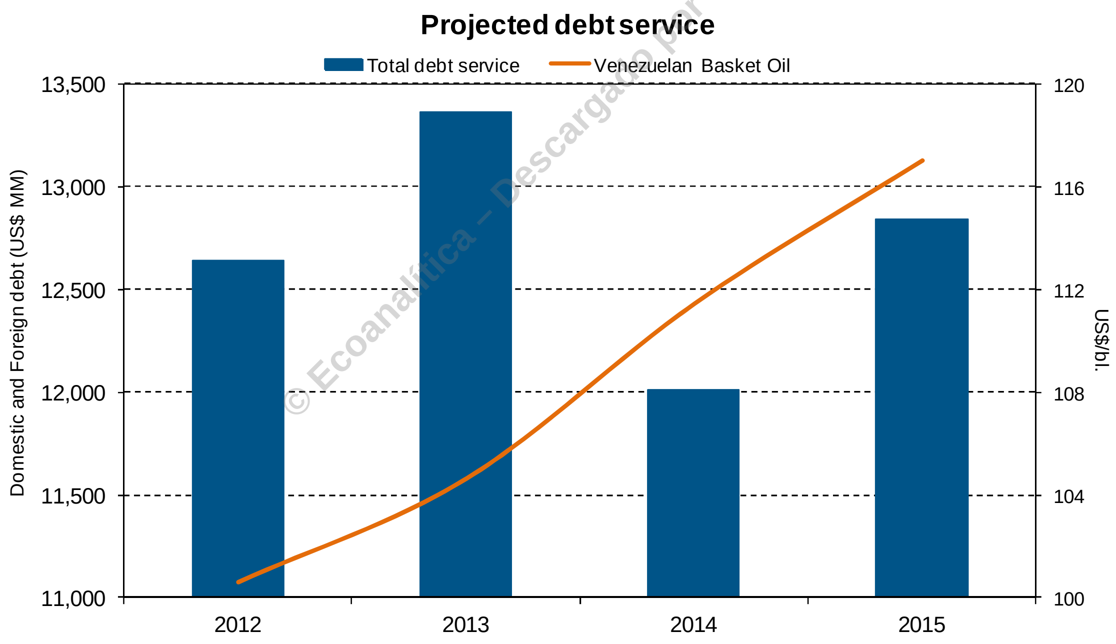
This higher debt service can also be seen in 2012, with increases of 109.5% and 116.1% in nominal terms, in amortization and interest payments respectively (66.2% and 71.5% in real terms) compared to last year's budget. Both items consume 3.5% and 14.9% respectively of this year's National Budget, partially influenced by the higher coupons with which the government issued its bonds in the last years, leading to higher interest having to be paid compared to 2004.

It is important to highlight the present weight of the domestic debt service. Spending to pay domestic debt interests was estimated at VEB 7.30 billion, five times higher than the amount estimated in the 2011 budget, when it was only VEB 1.47 billion.

This falls in step with the accelerated plan to place domestic debt bonds that the Administration has been carrying out to benefit from increased liquidity levels that the banking system has captured since the beginning of the economic recovery in the fourth quarter 2010.

International oil price outlooks minimize any risk of default

Figures from the Ministry of Finance show that between 2012 and 2013 the amount of domestic and foreign debt maturing will reach US$12.20 billion. Debt service payments for this year are projected at US$6.20 billion. Foreign debt service payments will be at US$686 million and domestic debt service payments at US$5.50 billion. This situation has come about due to the fact that most of the issuances were carried out in the period between 2009 and 2010 and mature in this fiscal cycle. One can see that the amount of foreign debt service is relatively low and manageable since the domestic debt is paid in local currency (bolivar).



Sources: Ministerio de Planificación y Finanzas and Ecoanalítica

Figures from the Ministry of Planning and Finance show that debt service payments owed in 2013 will be at around US$6.0 billion, with the bulk of this payment, as it was this year, being in domestic debt with service payments reaching US$ 3.80 billion.

Fiscal policies need to be redesigned

It's clear that inadequate fiscal management weakens the foundations of an economy; this is not something that only happens in Venezuela. The recent public debt crisis in the U.S., and in part in Europe, clearly illustrate the consequences of maintaining chronic and increasing fiscal deficits. The same can be said of hyperinflation such as what Europe suffered between both World Wars and Latin America suffered in the 70s and 80s.

It's important to keep in mind that in the framework of our Constitution, two key elements have been incorporated to prevent undisciplined fiscal management. One, was to establish a macroeconomic stabilization fund, the other was to give all the Public Powers and a number of State institutions, the authority to scrutinize all Executive Power initiatives, by making the autonomous.

Five elements must be reviewed as we prepare for the future:

1. The deactivation of the macroeconomic stabilization fund, deactivated in 2003, when the oil bonanza began.

2. The use of Pdvsa resources, since 2003, to finance a significant portion of social spending by order of the Executive Office, without requesting authorization of the National Assembly.

3. The transfer of significant amounts of international reserves, made each year by the Central Bank of Venezuela to Fonden since 2005, in order to cover Executive Office spending without authorization of the National Assembly or oversight of the Comptroller's Office.

4. The lack of official information regarding important points, such as the technical reasons used by the Central bank of Venezuela in order to determine the adequate level of international reserves la and how it decides to reallocate them, or the possible monetary financing of the debt Pdvsa acquired with other State entities.

5. The accelerated increase of the domestic and foreign debt, despite oil prices being at high levels.

The consequences of these actions lead to increased and more ridged spending, inflation, exchange instability, and fragile economic growth, and failure to reduce poverty. As was proven during the 2008 crisis, these can't cope with a drop in oil prices. A change in economic policies must recognize the importance of prudent fiscal management.

Conclusion: Two alternatives, one destiny.

Throughout this first Outlook Report of 2012 we have been analyzing the variables that will affect the performance Venezuelan economy in 2012 and the near future. To us, it's quite clear that in terms of the economy's performance, during the next six months it will be totally tied to the presidential election to be held in October. After the election, the Venezuelan economy may follow two quite different paths, depending on the outcome.

The first alternative, if the current Administration continues in power, will be more of the same that we have been living since 2007. The State taking over the economy more and more at the expense of the private sector, with policies carefully drafted by the Administration to help further implement its social and political model, which don't necessarily focus on enhancing the economic performance, and where all institutions fall in step to the Administration's will; something similar to the socialist model that was implemented by the former Soviet Union in the 20th Century, but adapted to the 21st Century.

For the survival of this type of system (which is in fact its ultimate purpose), in a world which is becoming more and more globalized as it is now, it is necessary to have a pragmatic vision of things. What do we mean by this?
Just as we mentioned in our previous Outlook Report, We Stumbled upon the future… 2012, the end of what? The Administration will never abandon the foundation and its efforts to implement its 21st Century Socialism in Venezuela. The concepts and the guidelines will have to transform over time, since 21st Century Socialism in being implemented on the move and in the moment.

So, as we've mentioned in the past, when it has to the Administration can be quite pragmatic, and we'll see the government be very pragmatic this year leading up to the election, focused on improving the image of a government that has been managing fiscal matters very inefficiently, and focused on generating a feeling of wellbeing and prosperity, as we have described in this issue.

Looking to the future, and keeping in mind that these systems create a paradox, since their goals by definition lead to their own failure, there is no way around making adjustments., and this is the first conclusion that we want to underline: with the end of this presidential term, and with the imbalances that exist in the Venezuelan economy, especially during this last presidential term, the next sitting President (no matter who wins), will be shackled by a period of adjustments (2013-2014), mainly of a macroeconomic nature. Now, the adjustments that are coming will be made with different nuances depending on who is sitting in the president's chair in Miraflores. The first option we have already explained, now let's explain the second one.

If the Opposition wins the election, their platform (camino del progreso Road to progress), states that they are willing to listen and include proposals from all sectors of society (public and private), create more social programs, and improve existing social programs. In the words of Opposition presidential candidate, Henrique Capriles Radonski (HCR), the State will be there to "intervene, promote, strengthen, but always making sure that a person is independent, through private efforts." The economic model defended by HCR has the private sector and the public sector working side by side, together.

However, due to the seriousness of the distortions created by the current economic model, HCR and his advisors have detected two areas where adjustments are critical, but the fact that they have to be made gradually, is even more critical. These are the adjustments required to price controls and the exchange control. So, for HCR and his team, it's very important that the change from one Administration to another be done with the least amount of trauma as possible. Therefore, new measures must be implemented gradually, so that the effect of the adjustments doesn't affect the more vulnerable sectors.

The great and powerful advantage that both candidates have is that the country in question is Venezuela. Venezuela has enormous potential for growth, with rich deposits in natural resources (oil and natural gas), tourism, and human capital. Taking this into consideration, and with international oil prices being favorable, our projections show that adjustments can be made without the population suffering significantly. But, as with any adjustments on the horizon, one must make provisions and be prepared.

So, even though the boom caused by the upcoming election will not be as great as the last one, it's an opportunity to focus on three things: do everything possible to increase sales. Keep an eye on inventory and manage it efficiently, be covered. We continue to believe that the next six months will be very good and allow companies to prepare for what's we see coming in the future.

Tables

Scenario: Choosing the Opposition

Table 1 BASIC INDICATORS	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
Venezuela Oil Activity (Th.B/d and USD/b)							
BASED ON PDVSA FIGURES							
Liquid Hydrocarbon and Refined Production	3,122	3,270	3,342	3,426	3,549	3,687	3,841
% Chg	-1.5%	4.7%	2.2%	2.5%	3.6%	3.9%	4.2%
Crude Oil Production (PDVSA Definition)	2,975	3,115	3,181	3,266	3,385	3,519	3,668
% Chg	-1.2%	4.7%	2.1%	2.6%	3.7%	4.0%	4.2%
Crude Oil Production (OPEC Definition)	2,879	2,997	3,062	3,147	3,267	3,396	3,538
% Chg	-1.0%	4.1%	2.2%	2.8%	3.8%	4.0%	4.2%
Exports of Crude Oil and Refined Products under PDVSA Definition	2,415	2,432	2,502	2,580	2,704	2,813	2,934
% Chg	-10.0%	0.7%	2.9%	3.1%	4.8%	4.0%	4.3%
BASED ON OPEC SECONDARY SOURCES							
Crude Oil Production (Secondary Sources of OPEC)	2,338	2,384	2,460	2,554	2,882	3,027	3,251
% Chg	6.1%	2.0%	3.2%	3.8%	12.9%	5.0%	7.4%
Exports of Crude Oil and Refined Products Estimates under Secondary Sources	1,784	1,741	1,834	1,934	2,278	2,388	2,575
% Chg	-5.4%	-2.4%	5.4%	5.4%	17.8%	4.8%	7.8%
Differences Among Official and Secondary Sources	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Crude Oil Production	541	613	602	593	385	370	288
Exports of Crude+Products	631	691	667	646	426	425	359
VENEZUELA OIL BASKET PRICE							
Venezuela Oil Basket Annual Average Price	72.69	101.06	105.36	110.62	116.71	121.38	127.44
% Chg	25.9%	39.0%	4.3%	5.0%	5.5%	4.0%	5.0%
Differences with Brent North Sea	7.55	10.30	9.81	12.60	12.07	11.90	9.83
Economic Activity (GDP) at Constant 1997 Prices (Rates of Variation %)							
Total	-1.5%	4.2%	5.5%	1.2%	2.1%	6.7%	7.3%
Oil	0.1%	0.6%	2.4%	2.3%	3.4%	3.1%	3.6%
Non-oil	-1.6%	4.5%	5.7%	1.0%	1.8%	7.6%	7.6%
Indirect Taxes	-2.3%	5.9%	7.5%	1.8%	2.5%	4.0%	9.1%
Socioeconomic Indicators (%)							
Unemployment Rate	8.5%	8.2%	7.5%	7.8%	7.8%	6.9%	6.0%
Informal Occupation Rate	43.9%	43.2%	42.5%	42.6%	42.5%	40.2%	37.8%
Poverty Figures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% people under poverty line	32.5%	33.2%	31.4%	34.7%	36.8%	34.7%	33.8%
% people under extreme poverty line	8.6%	9.1%	8.5%	10.6%	11.9%	11.2%	10.5%
Inflation (%) (1997=100)							
Wholesale Inflation Rate							
Annualized (Dec/Dec)	26.8%	20.7%	19.9%	31.4%	25.4%	30.4%	21.0%
Annual Average	27.1%	22.2%	21.0%	25.9%	28.0%	26.5%	24.3%
Consumer Inflation Rate (Metropolitan Area of Caracas)							
Annualized (Dec/Dec)	27.4%	29.0%	28.7%	32.9%	26.0%	22.4%	18.8%
Annual Average	29.1%	27.2%	26.7%	31.6%	28.2%	23.4%	21.4%
Consumer Inflation National Rate							
Annualized (Dec/Dec)	27.2%	27.6%	28.1%	31.6%	24.6%	21.1%	17.9%
Annual Average	28.2%	26.1%	26.4%	30.6%	27.3%	22.4%	20.4%
Tipo de Cambio e Indicadores Sobrevaluación (Bs.F/US$ y %)							
OFICIAL PETROLEUM EXCHANGE RATE							
Year-end	4.30	4.30	4.30	5.70	7.00	10.30	10.50
% Chg	100.0%	0.0%	0.0%	32.6%	22.8%	47.1%	1.9%
Average Year	4.30	4.30	4.30	5.70	7.00	9.92	10.45
% Chg	100.0%	0.0%	0.0%	32.6%	22.8%	41.7%	5.3%
SWAP/SITME EXCHANGE RATE							
Year-end	5.30	5.30	5.30	9.40	9.70	10.30	10.50
% Chg	-10.5%	0.0%	0.0%	77.4%	3.2%	6.2%	1.9%
Average Year	6.53	5.30	5.30	9.31	9.73	9.92	10.45
% Chg	6.7%	-18.8%	0.0%	75.6%	4.5%	1.9%	5.3%
WEIGHTED COST EFFECTIVE EXCHANGE RATE							
Year-end	3.39	4.57	4.54	6.63	7.27	10.30	10.50
% Chg	-5.4%	34.8%	-0.5%	45.8%	9.7%	41.7%	1.9%
Average Year	3.58	4.56	4.54	6.60	7.27	9.92	10.45
% Chg	19.9%	27.6%	-0.5%	45.4%	10.2%	36.4%	5.3%
EXCHANGE RATE DESVIATIONS							
Purchase Power Parity Exchange Rate	5.67	6.02	7.10	8.63	10.56	12.83	15.23
Overvaluation (+) Undervaluation (-)	118.0%	40.1%	65.0%	51.4%	50.9%	24.5%	45.1%
Liquidity Indicators and Interest Rates							
Lending Rates							
Year-end	17.9	15.6	16.3	22.4	30.5	21.5	17.5
Annual Average	17.9	17.4	17.4	21.2	27.7	24.0	20.2
Real Annual Average	-8.6	-7.6	-7.4	-7.9	-0.4	0.5	-0.9
Deposit Rates	0	0	0	0	0	0	0
Year-end	15.0	14.5	14.7	19.7	28.0	17.5	13.7
Annual Average	14.8	14.7	14.5	18.5	25.2	20.0	16.5
Real Annual Average	-11.1	-9.8	-9.6	-10.0	-2.4	-2.7	-4.0
Year-end Monetary Liquidity M2 (Millions of Bs.F)	296,595,794	446,616,842	685,602,300	835,664,882	1,034,953,771	1,520,240,224	2,107,935,912
% Chg (Dec/Dec)	19.1%	50.6%	53.5%	21.9%	23.8%	46.9%	38.7%
% Chg (Dec/Dec) at Constant 1997 Prices	-6.5%	16.7%	19.3%	-8.3%	-1.7%	20.0%	16.7%
External Sector Indicators (millions of US$)							
Exports	65,745	92,602	101,065	109,331	120,671	130,622	143,179
% Chg	14.1%	40.9%	9.1%	8.2%	10.4%	8.2%	9.6%
Imports	38,613	46,441	52,567	46,350	44,895	53,663	60,895
% Chg	-2.6%	20.3%	13.2%	-11.8%	-3.1%	19.5%	13.5%
Trade Balance	27,132	46,161	48,498	62,981	75,777	76,959	82,284
Current Account	12,071	27,205	30,872	45,246	56,796	55,953	59,541
Balance of Payments	(8,060)	(4,032)	(1,707)	11,057	13,234	5,935	9,821
Total International Reserves	30,332	29,892	28,109	39,106	52,291	58,188	67,978
Months of Imports + Debt Service	8.7	7.1	5.6	8.5	11.5	11.0	11.5
Central Government Public Finance Indicators as % of GDP							
Primary Surplus (+) / Deficit (-) as % of GDP	-1.9%	-1.2%	-2.8%	-2.3%	-3.2%	-2.3%	-2.2%
Financing Needs (-) as % of GDP	-6.3%	-4.6%	-6.8%	-5.6%	-6.4%	-5.2%	-4.7%

Table 2 Exchange Rate and Price Indicators	2010	2011	2012	2013	2014	2015	2016
	HISTORIC	ESTIMATED	FORECASTS				
Exchange Rates and Overvaluation Indicators							
Year End Exchange Rate							
Preferential Rate	2.60	4.30	4.30	5.70	7.00	10.30	10.50
Oil Rate	4.30	4.30	4.30	5.70	7.00	10.30	10.50
Weitghted Official Rate	3.62	4.30	4.30	5.70	7.00	10.30	10.50
Swap / Sitme Rate	5.30	5.30	5.30	9.40	9.70	10.30	10.50
Alternate	8.43	8.75	8.98	9.40	9.70	10.30	10.50
Effective Cost of Imports of Goods and Services	3.39	4.57	4.54	6.63	7.27	10.30	10.50
% of Change at Year End							
Preferential Rate	20.9%	65.4%	0.0%	32.6%	22.8%	47.1%	1.9%
Oil Rate	100.0%	0.0%	0.0%	32.6%	22.8%	47.1%	1.9%
Weitghted Official Rate	68.4%	18.8%	0.0%	32.6%	22.8%	47.1%	1.9%
Swap / Sitme Rate	-10.5%	0.0%	0.0%	77.4%	3.2%	6.2%	1.9%
Alternate	42.3%	3.9%	2.7%	4.6%	3.2%	6.2%	1.9%
Effective Cost of Imports of Goods and Services	-5.4%	34.8%	-0.5%	45.8%	9.7%	41.7%	1.9%
Average Year Exchange Rate							
Preferential Rate	2.60	4.30	4.30	5.70	7.00	9.92	10.45
Oil Rate	4.30	4.30	4.30	5.70	7.00	9.92	10.45
Weitghted Official Rate	3.37	4.30	4.30	5.70	7.00	9.92	10.45
Swap / Sitme Rate	6.53	5.30	5.30	9.31	9.73	9.92	10.45
Alternate	7.71	8.66	8.85	9.31	9.73	9.93	10.45
Effective Cost of Imports of Goods and Services	3.58	4.56	4.54	6.60	7.27	9.92	10.45
% of Chage of Average Exchange Rate							
Preferential Rate	20.9%	65.4%	0.0%	32.6%	22.8%	41.7%	5.3%
Oil Rate	100.0%	0.0%	0.0%	32.6%	22.8%	41.7%	5.3%
Weitghted Official Rate	68.4%	27.8%	0.0%	32.6%	22.8%	41.7%	5.3%
Swap / Sitme Rate	0.0%	-18.8%	0.0%	75.6%	4.5%	1.9%	5.3%
Alternate	26.0%	12.4%	2.2%	5.2%	4.5%	2.0%	5.2%
Effective Cost of Imports of Goods and Services	19.9%	27.6%	-0.5%	45.4%	10.2%	36.4%	5.3%
Real Exchance and Purchasing Power Parity Rates							
Purchasing Power Parity of Trade	5667.6	6022.2	7097.0	8630.4	10563.0	12826.7	15231.2
Effective Purchasing Power Parity Trade	5431.0	5630.9	6705.7	8111.7	9926.0	11889.4	14275.7
Short Term Exchange Rate	4877.7	5592.9	6407.3	7904.1	9284.9	10584.8	10789.9
Desviations (Overvaluation (+) / Undervaluation (-)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchasing Power Parity of Trade	118.0%	40.1%	65.0%	51.4%	50.9%	24.5%	45.1%
Effective Purchasing Power Parity Trade	108.9%	31.0%	55.9%	42.3%	41.8%	15.4%	36.0%
Short Term Exchange Rate	87.6%	30.1%	49.0%	38.7%	32.6%	2.8%	2.8%
Wholesale Prices Indexes							
Average Agricultural Price Index	1672.9	2044.5	2473.5	3115.0	3985.8	5042.5	6269.6
% Chg	27.1%	22.2%	21.0%	25.9%	28.0%	26.5%	24.3%
Average Price Index for Manufacturing Activity	1837.8	2219.1	2661.0	3497.3	4386.2	5718.1	6916.5
% Chg	26.8%	20.7%	19.9%	31.4%	25.4%	30.4%	21.0%
Wholesale Prices Indexes	1783.6	2203.2	2732.1	3319.9	4347.1	5375.1	6859.7
Annual Average Wholesale Price Index	27.5%	23.5%	24.0%	21.5%	30.9%	23.6%	27.6%
% Chg	1971.7	2406.6	2972.8	3788.8	4860.0	6185.2	7698.4
Year-end Wholesale Price Index	28.8%	22.1%	23.5%	27.4%	28.3%	27.3%	24.5%
% Chg	1345.6	1575.1	1708.6	2509.3	2917.1	4059.0	4524.4
Annual Average Wholesale Price Index for Domestic Goods	25.6%	17.1%	8.5%	46.9%	16.3%	39.1%	11.5%
% Chg	1441.6	1664.4	1739.0	2635.3	2985.1	4336.6	4604.3
Year-end Wholesale Price Index for Domestic Goods	19.3%	15.5%	4.5%	51.5%	13.3%	45.3%	6.2%
Consumer Prices Indexes (1997=100)							
Consumer Price Inflation Rate (Metropolitan Area of Caracas)							
Annual Average Index	1,463.3	1,860.5	2,357.9	3,103.0	3,979.3	4,908.7	5,958.2
% Chg	29.1%	27.2%	26.7%	31.6%	28.2%	23.4%	21.4%
December Index	1,605.4	2,070.8	2,664.8	3,542.0	4,461.3	5,461.5	6,488.6
% Chg	27.4%	29.0%	28.7%	32.9%	26.0%	22.4%	18.8%
Consumer Prices Indexes (Dic 2007=100)							
Consumer Price Inflation Rate National Level							
Annual Average Index	189.2	238.5	301.4	393.7	501.3	613.5	738.5
% Chg	28.2%	26.1%	26.4%	30.6%	27.3%	22.4%	20.4%
December Index	208.2	265.6	340.2	447.8	557.9	675.6	796.4
% Chg	27.2%	27.6%	28.1%	31.6%	24.6%	21.1%	17.9%
Consumer Price Inflation Rate (Metropolitan Area of Caracas Level)							
Annual Average Index	194.3	247.1	313.1	412.1	528.5	651.9	791.3
% Chg	29.1%	27.2%	26.7%	31.6%	28.2%	23.4%	21.4%
December Index	213.2	275.0	353.9	470.4	592.5	725.3	861.7
% Chg	27.4%	29.0%	28.7%	32.9%	26.0%	22.4%	18.8%
FOREIGN PRICES INDICATORS AND TERMS OF TRADE (1997=100)							
USA CONSUMER PRICES INDEX	135.86	140.15	142.95	146.24	149.75	152.45	155.19
USA CONSUMER INFLATION RATE	1.6%	3.2%	2.0%	2.3%	2.4%	1.8%	1.8%
EXTERNAL SECTOR TRADE PRICES IN DOLLARS							
Exports of Goods and Services	420.36	546.26	567.71	592.32	620.57	644.16	673.34
% Chg	30.0%	30.0%	3.9%	4.3%	4.8%	3.8%	4.5%
Exports of Goods	439.08	577.29	601.16	628.60	660.16	686.57	719.30
% Chg	21.0%	31.5%	4.1%	4.6%	5.0%	4.0%	4.8%
Exports of Oil Goods	485.41	674.86	703.54	738.72	779.35	810.52	851.05
% Chg	25.9%	39.0%	4.3%	5.0%	5.5%	4.0%	5.0%
Exports of Non Oil Goods	161.58	172.08	178.54	184.11	190.44	198.06	205.98
% Chg	5.0%	6.5%	3.8%	3.1%	3.4%	4.0%	4.0%
Exports of Services	160.12	171.33	178.61	185.08	192.37	201.03	210.07
% Chg	6.0%	7.0%	4.3%	3.6%	3.9%	4.5%	4.5%
Imports of Goods and Services	112.78	117.09	121.71	126.44	131.39	135.60	139.95
% Chg	4.1%	3.8%	3.9%	3.9%	3.9%	3.2%	3.2%
Imports of Goods	105.76	109.46	113.18	117.09	121.10	124.73	128.47
% Chg	3.3%	3.5%	3.4%	3.5%	3.4%	3.0%	3.0%
Imports of Services	169.39	177.93	188.64	199.07	210.57	218.99	227.75
% Chg	7.0%	5.0%	6.0%	5.5%	5.8%	4.0%	4.0%
TERMS OF TRADE INDEXES							
TRADE OF GOODS AND SERVICES	372.71	466.52	466.44	468.47	472.33	475.04	481.12
% Chg	23.3%	25.2%	0.0%	0.4%	0.8%	0.6%	1.3%
TRADE OF GOODS	415.17	527.40	531.15	536.87	545.16	550.45	559.90
% Chg	25.6%	27.0%	0.7%	1.1%	1.5%	1.0%	1.7%
TRADE OF SERVICES	458.98	616.54	621.61	630.92	643.58	649.83	662.45
% Chg	25.2%	34.3%	0.8%	1.5%	2.0%	1.0%	1.9%

Table 3	2010	2011	2012	2013	2014	2015	2016
Balance of Payments, Foreign Reserves, and Foreign Debt	HISTORIC	ESTIMATED	FORECASTS				
Balance of Payments (US$ Million)							
MERCHANDISE BALANCE (TRADE BALANCE)	27,132	46,161	48,498	62,981	75,777	76,959	82,284
Merchandise Exports	65,745	92,602	101,065	109,331	120,671	130,622	143,179
% Chg	14.1%	40.9%	9.1%	8.2%	10.4%	8.2%	9.6%
Oil	62,317	88,131	96,203	104,171	115,179	124,636	136,504
% Chg	15.0%	41.4%	9.2%	8.3%	10.6%	8.2%	9.5%
Non-oil	3,428	4,471	4,862	5,160	5,492	5,986	6,675
% Chg	0.8%	30.4%	8.8%	6.1%	6.4%	9.0%	11.5%
- Merchandise Imports	38,613	46,441	52,567	46,350	44,895	53,663	60,895
% Chg	-2.6%	20.3%	13.2%	-11.8%	-3.1%	19.5%	13.5%
SERVICES BALANCE	(9,191)	(10,496)	(11,868)	(11,428)	(11,781)	(13,116)	(14,093)
Service Exports	1,857	2,031	2,228	2,590	2,902	3,677	4,657
% Chg	-16.6%	9.4%	9.7%	16.3%	12.0%	26.7%	26.6%
Service Imports	11,048	12,527	14,096	14,018	14,683	16,793	18,749
% Chg	3.0%	13.4%	12.5%	-0.6%	4.7%	14.4%	11.7%
INCOME RENT BALANCE	(5,302)	(7,964)	(5,216)	(5,738)	(6,599)	(7,259)	(7,984)
Current Transfers	(568)	(496)	(541)	(570)	(600)	(632)	(666)
CURRENT ACCOUNT	12,071	27,205	30,872	45,246	56,796	55,953	59,541
CAPITAL AND FINANCIAL ACCOUNT	(17,818)	(27,619)	(29,130)	(30,566)	(39,868)	(45,953)	(45,859)
DIRECT INVESTMENT, NET	(211)	-	-	-	-	-	-
DIRECT INVESTMENT, NET	(1,462)	5,129	4,337	5,757	6,814	8,858	13,267
Inside Venezuela	1,209	5,302	4,507	5,859	6,738	8,759	13,138
Outside Venezuela	(2,671)	(173)	(170)	(102)	76	99	129
PORTFOLIO INVESTMENT	2,437	2,471	2,249	2,170	(825)	(1,309)	(2,042)
Public Sector	2,259	2,348	2,113	2,008	(1,004)	(1,506)	(2,258)
Private Sector	178	123	135	162	179	196	216
OTHER INVESTMENT	(18,582)	(35,219)	(35,715)	(38,493)	(45,856)	(53,502)	(57,084)
Public Sector	(1,018)	(19,931)	(18,899)	(20,836)	(25,515)	(30,618)	(27,556)
Private Sector	(17,564)	(15,288)	(16,817)	(17,658)	(20,342)	(22,884)	(29,528)
ERRORS AND OMISSIONS	(2,313)	(3,618)	(3,450)	(3,622)	(3,695)	(4,064)	(3,861)
BALANCE OF PAYMENTS	(8,060)	(4,032)	(1,707)	11,057	13,234	5,935	9,821
Posición de Reservas Internacionales (Millones de US$)							
TOTAL FOREIGN RESERVE ASSETS	30,332	29,892	28,109	39,106	52,291	58,188	67,978
- FIEM	832	3	3	3	3	3	3
Central Bank Gross Foreign Reserves	29,500	29,889	28,106	39,102	52,288	58,184	67,974
- Reserve Liabilities	361	381	305	244	195	156	125
Central Bank Net Foreign Reserves	29,139	29,508	27,801	38,859	52,093	58,028	67,849
- Monetary Gold	16,363	19,959	20,957	14,670	15,403	16,174	16,982
- FMI Position / SDRs	4,351	4,344	4,431	4,519	4,610	4,702	4,796
Central Bank Foreign Exchange Reserves	8,786	5,586	2,718	19,913	32,275	37,309	46,196
External Debt (US$ Million)							
Total External Debt by Type of Debtor	92,843	107,428	119,775	125,288	131,607	134,087	136,495
Public	83,240	96,420	108,186	113,438	119,191	121,305	123,347
Non-oil Public Debt	50,268	61,310	68,555	71,840	72,633	73,281	73,920
PDVSA	32,972	35,110	39,631	41,598	46,558	48,024	49,426
Private	9,603	11,008	11,589	11,850	12,416	12,782	13,148
Foreign Debt Service	-	-	-	-	-	-	-
Total Debt Service	9,373	14,777	10,673	14,668	17,355	17,578	17,490
Public	9,198	14,657	9,991	13,513	16,438	16,441	16,333
Private	175	120	683	1,155	917	1,137	1,157
Principal	6,092	10,599	3,394	5,714	7,911	7,959	7,701
Public	5,934	10,492	3,175	5,175	7,677	7,525	7,267
Private	158	107	219	539	234	434	434
Interest	3,281	4,178	7,279	8,954	9,443	9,619	9,789
Public	3,264	4,165	6,816	8,338	8,761	8,916	9,066
Private	17	13	464	616	683	703	723
Transfers Funds to FONDEN							
Total Transfers by Year	8,334	17,900	19,701	14,581	21,871	24,058	26,464
PDVSA TO FONDEN	1,334	14,400	16,201	14,581	21,871	24,058	26,464
CENTRAL BANK OF VENEZUELA TO FONDEN	7,000	3,500	3,500	-	-	-	-

Table 4 Indicators of Aggregate Demand	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
Aggregate Internal Demand at constant prices 1997							
Internal Aggregate Demand	69,332,713	74,585,035	79,830,471	76,441,679	75,952,845	83,080,441	89,952,158
Total Consumption of Goods and Services	48,984,574	51,145,481	54,094,285	56,055,701	57,751,166	60,645,852	64,332,002
Private Consumption of Goods and Services	38,974,040	40,542,302	42,609,363	44,047,093	45,164,456	47,595,870	50,857,091
Household Consumption of Goods and Services	38,372,729	39,765,225	41,801,203	43,222,770	44,348,376	46,771,629	50,008,123
Consumption by Non-residents, Net	601,311	777,077	808,160	824,323	816,080	824,241	848,968
Public Consumption of Goods and Services	10,010,534	10,603,179	11,484,922	12,008,608	12,586,710	13,049,982	13,474,911
Gross Fixed Capital Formation	16,925,929	17,665,497	18,229,912	19,072,380	20,172,075	21,843,470	23,264,251
Public	11,904,443	12,719,158	13,265,226	13,751,617	14,548,169	15,876,097	16,838,162
Private	5,021,486	4,946,339	4,964,685	5,320,763	5,623,907	5,967,373	6,426,090
Variation of Stocks and Net Acquisitions	3,422,210	5,774,057	7,506,274	1,313,598	(1,970,397)	591,119	2,355,905
Exports of Goods and Services	7,825,785	8,190,856	8,467,137	8,785,916	9,205,709	9,721,005	10,341,104
Merchandise Exports	7,299,621	7,635,216	7,881,243	8,126,008	8,492,356	8,849,196	9,276,235
Oil Exports	*6,252,293*	6,406,600	6,591,196	6,797,260	7,123,745	7,412,155	7,731,415
Non-oil Exports	1,047,328	1,228,616	1,290,047	1,328,748	1,368,611	1,437,041	1,544,819
Service Exports	526,164	555,640	585,894	659,908	713,353	871,809	1,064,869
Imports of Goods and Services	21,350,988	24,637,622	26,953,330	23,123,501	21,768,521	25,187,620	27,735,580
Merchandise Imports	19,078,508	21,695,322	23,819,580	20,180,474	18,855,749	21,972,889	24,274,886
Service Imports	2,272,480	2,942,300	3,133,749	2,943,027	2,912,772	3,214,731	3,460,694
Real GDP at Constant 1997 Prices	55,807,510	58,138,269	61,344,278	62,104,094	63,390,032	67,613,826	72,557,682
% of change at constant prices of 1997							
Internal Aggregate Demand	-0.5%	7.6%	7.0%	-4.2%	-0.6%	9.4%	8.3%
Total Consumption of Goods and Services	-1.1%	4.4%	5.8%	3.6%	3.0%	5.0%	6.1%
Private Consumption of Goods and Services	-1.9%	4.0%	5.1%	3.4%	2.5%	5.4%	6.9%
Household Consumption of Goods and Services	-1.9%	3.6%	5.1%	3.4%	2.6%	5.5%	6.9%
Consumption by Non-residents, Net	-2.4%	4.0%	4.0%	2.0%	-1.0%	1.0%	3.0%
Public Consumption of Goods and Services	2.1%	5.9%	8.3%	4.6%	4.8%	3.7%	3.3%
Gross Fixed Capital Formation	-6.3%	4.4%	3.2%	4.6%	5.8%	8.3%	6.5%
Public	5.7%	6.8%	4.3%	3.7%	5.8%	9.1%	6.1%
Private	-13.3%	-1.5%	0.4%	7.2%	5.7%	6.1%	7.7%
Exports of Goods and Services	-12.9%	4.7%	3.4%	3.8%	4.8%	5.6%	6.4%
Merchandise Exports	-12.9%	4.6%	3.2%	3.1%	4.5%	4.2%	4.8%
Oil Exports	-12.1%	2.5%	2.9%	3.1%	4.8%	4.0%	4.3%
Non-oil Exports	-17.6%	17.3%	5.0%	3.0%	3.0%	5.0%	7.5%
Service Exports	-12.7%	5.6%	5.4%	12.6%	8.1%	22.2%	22.1%
Imports of Goods and Services	-2.9%	15.4%	9.4%	-14.2%	-5.9%	15.7%	10.1%
Merchandise Imports	-3.8%	13.7%	9.8%	-15.3%	-6.6%	16.5%	10.5%
Service Imports	5.2%	29.5%	6.5%	-6.1%	-1.0%	10.4%	7.7%
Real GDP at Constant 1997 Prices	-1.5%	4.2%	5.5%	1.2%	2.1%	6.7%	7.3%
Price Deflators of Aggregate Demand Components							
Internal Aggregate Demand	1306.4	1615.2	2064.0	2696.4	3510.1	4324.5	5252.8
% chg	25.7%	23.6%	27.8%	30.6%	30.2%	23.2%	21.5%
Total Consumption of Goods and Services	1393.0	1754.1	2286.1	2952.7	3794.4	4725.4	5759.8
% chg	27.3%	25.9%	30.3%	29.2%	28.5%	24.5%	21.9%
Private Consumption of Goods and Services	1458.3	1,834.4	2,320.4	3,018.6	3,896.2	4,846.2	5,882.1
% chg	30.2%	25.8%	26.5%	30.1%	29.1%	24.4%	21.4%
Household Consumption of Goods and Services	1463.7	1,855.8	2,366.0	3,101.6	4,034.3	5,058.3	6,190.2
% chg	30.3%	26.8%	27.5%	31.1%	30.1%	25.4%	22.4%
Public Consumption of Goods and Services	1138.6	1,580.5	2,158.9	2,710.7	3,428.9	4,285.2	5,298.3
% chg	15.2%	38.8%	36.6%	25.6%	26.5%	25.0%	23.6%
Gross Fixed Capital Formation	1122.4	1346.3	1620.9	1990.6	2602.1	3244.4	4006.5
% chg	21.8%	19.9%	20.4%	22.8%	30.7%	24.7%	23.5%
Public	967.0	1,237.5	1,486.2	1,816.9	2,364.8	2,885.5	3,516.2
% chg	21.0%	28.0%	20.1%	22.3%	30.2%	22.0%	21.9%
Private	1490.9	1,642.4	1,980.8	2,439.6	3,216.0	4,199.2	5,291.3
% chg	34.4%	10.2%	20.6%	23.2%	31.8%	30.6%	26.0%
Variation of Stocks and Net Acquisitions	977.2	1,228.7	1,539.5	2,006.4	2,545.3	3,100.6	3,713.7
% chg	26.5%	25.7%	25.3%	30.3%	26.9%	21.8%	19.8%
Exports of Goods and Services	3709.3	4,962.5	5,204.2	7,173.4	9,114.9	13,103.2	14,251.5
% chg	160.7%	33.8%	4.9%	37.8%	27.1%	43.8%	8.8%
Exports of Goods	3872.4	5214.5	5475.4	7567.7	9658.4	14027.0	15417.8
% chg	162.7%	34.7%	5.0%	38.2%	27.6%	45.2%	9.9%
Oil Exports	4,285.9	5,915.2	6,166.6	8,482.7	10,883.9	15,854.2	17,492.9
% chg	162.2%	38.0%	4.3%	37.6%	28.3%	45.7%	10.3%
Non-oil Exports	1,403.9	1,882.9	1,943.8	2,886.9	3,279.5	4,602.7	5,032.4
% chg	144.5%	34.1%	3.2%	48.5%	13.6%	40.4%	9.3%
Exports of Services	1,413.6	1,499.7	1,555.7	2,318.3	2,645.1	3,725.7	4,092.2
% chg	97.7%	6.1%	3.7%	49.0%	14.1%	40.9%	9.8%
Imports of Goods and Services	824.1	1085.2	1072.5	1549.7	1695.7	2299.1	2408.9
% chg	26.4%	31.7%	-1.2%	44.5%	9.4%	35.6%	4.8%
Imports of Goods	821.5	1,073.2	1,067.7	1,552.4	1,710.1	2,331.7	2,456.1
% chg	23.8%	30.6%	-0.5%	45.4%	10.2%	36.4%	5.3%
Imports of Services	981.5	1,173.3	1,108.9	1,531.7	1,602.9	2,076.3	2,077.8
% chg	61.8%	19.5%	-5.5%	38.1%	4.7%	29.5%	0.1%
GDP Deflator	1822.0	2335.7	2933.1	3756.7	4947.1	6341.1	7622.4
% chg	45.9%	28.2%	25.6%	28.1%	31.7%	28.2%	20.2%
Aggregate Internal Demand at current prices 1997 **% change at current prices**							
Internal Aggregate Demand	25.1%	33.0%	36.8%	25.1%	29.3%	34.8%	31.5%
Total Consumption of Goods and Services	26.0%	31.5%	37.8%	33.8%	32.4%	30.8%	29.3%
Private Consumption of Goods and Services	27.8%	30.8%	33.0%	34.5%	32.3%	31.1%	29.7%
Household Consumption of Goods and Services	27.8%	30.8%	34.6%	35.5%	33.5%	32.2%	30.8%
Public Consumption of Goods and Services	17.6%	34.9%	61.3%	31.3%	32.6%	29.6%	27.7%
Gross Fixed Capital Formation	14.2%	25.2%	24.2%	28.5%	38.3%	35.0%	31.5%
Public	27.9%	25.2%	36.8%	26.7%	37.7%	33.2%	29.2%
Private	-2.0%	25.2%	4.9%	32.0%	39.3%	38.5%	35.7%
Exports of Goods and Services	127.0%	40.1%	8.4%	43.0%	33.1%	51.8%	15.7%
Merchandise Exports	128.9%	40.8%	8.4%	42.5%	33.4%	51.3%	15.2%
Oil Exports	130.6%	41.4%	7.3%	41.9%	34.5%	51.6%	15.1%
Non-oil Exports	101.5%	30.4%	30.8%	53.0%	17.0%	47.4%	17.5%
Service Exports	72.6%	12.0%	9.4%	67.8%	23.3%	72.1%	34.2%
Imports of Goods and Services	23.8%	49.3%	8.1%	24.0%	3.0%	56.9%	15.4%
Merchandise Imports	19.2%	48.6%	9.2%	23.2%	2.9%	58.9%	16.4%
Service Imports	70.1%	54.8%	0.7%	29.7%	3.6%	43.0%	7.7%
Real GDP at Constant 1997 Prices	43.8%	33.3%	32.8%	29.7%	34.4%	36.7%	29.0%

Table 5 Indicators of Economic Activity and GDP	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
Economic Activity at Bs.F Million of 1997							
Total GDP	**55,807,510**	**58,138,269**	**61,344,278**	**62,104,094**	**63,390,032**	**67,613,826**	**72,557,682**
Oil GDP	**6,554,311**	**6,593,126**	**6,750,857**	**6,908,798**	**7,146,233**	**7,370,356**	**7,636,116**
Non Oil GDP	**43,126,953**	**45,055,572**	**47,619,935**	**48,099,503**	**48,967,866**	**52,679,080**	**56,666,567**
Indirect Taxes	6,126,246	6,489,571	6,973,486	7,095,792	7,275,933	7,564,390	8,254,999
Public GDP	17,113,685	17,766,882	19,370,876	19,833,386	20,833,659	22,828,572	24,736,904
Private GDP	32,567,579	33,881,816	34,999,916	35,174,916	35,280,440	37,220,864	39,565,779
Per Capital GDP	**1,935,677**	**1,986,171**	**2,062,695**	**2,055,358**	**2,064,878**	**2,167,780**	**2,289,652**
% of Change of Economic Activities at constant prices of 1997							
Total GDP	**-1.5%**	**4.2%**	**5.5%**	**1.2%**	**2.1%**	**6.7%**	**7.3%**
Oil GDP	**0.1%**	**0.6%**	**2.4%**	**2.3%**	**3.4%**	**3.1%**	**3.6%**
Non Oil GDP	**-1.6%**	**4.5%**	**5.7%**	**1.0%**	**1.8%**	**7.6%**	**7.6%**
Indirect Taxes	**-2.3%**	**5.9%**	**7.5%**	**1.8%**	**2.5%**	**4.0%**	**9.1%**
Public GDP	0.0%	3.8%	9.0%	2.4%	5.0%	9.6%	8.4%
Private GDP	-2.1%	4.0%	3.3%	0.5%	0.3%	5.5%	6.3%
Per Capital GDP	**-3.0%**	**2.6%**	**3.9%**	**-0.4%**	**0.5%**	**5.0%**	**5.6%**
Non Oil Economic Activities **Variaciones %**							
Agriculture	-3.2%	-1.5%	1.0%	2.0%	-1.0%	2.0%	3.5%
Mining	-13.0%	5.2%	3.2%	2.4%	6.0%	6.6%	3.0%
Manufacturing	-3.4%	3.8%	4.0%	2.8%	2.6%	7.5%	8.5%
Construction	-7.0%	4.8%	5.0%	2.1%	2.9%	4.9%	8.7%
Electricity and Water Supply	-5.8%	5.0%	5.0%	4.2%	4.1%	4.8%	5.2%
Commerce and Repair Services	-6.1%	6.5%	6.3%	2.3%	6.6%	17.7%	13.8%
Transportation and Storage	-2.0%	5.8%	6.8%	-0.2%	1.8%	8.0%	7.3%
Communications	7.9%	7.3%	7.1%	4.4%	5.4%	4.8%	4.6%
Financial and Security Services	-7.6%	12.0%	11.4%	-7.9%	0.8%	18.1%	15.1%
Government Services	2.6%	5.5%	6.5%	2.1%	4.2%	8.2%	3.4%
Other Services	3.1%	0.4%	5.4%	-2.8%	-7.6%	-0.5%	4.8%
Non Oil Goods Production	**-4.7%**	**3.4%**	**3.9%**	**2.6%**	**2.4%**	**5.9%**	**7.5%**
Non Oil Services Production	**0.3%**	**5.1%**	**6.7%**	**0.1%**	**1.5%**	**8.6%**	**7.6%**
Tradables GDP	-2.3%	1.9%	3.0%	2.5%	2.5%	5.2%	6.0%
Non Oil Tradables GDP	-3.6%	2.7%	3.4%	2.6%	2.0%	6.4%	7.4%
Non Tradables GDP	-0.9%	5.1%	6.4%	0.5%	1.8%	8.0%	7.6%
ECONOMIC ACTIVITY AT CURRENT PRICES AND DEFLATORS **ECONOMIC ACTIVITY AT CURRENT PRICES (MILLION BSF)**							
Total GDP	**1,016,834,748**	**1,354,959,948**	**1,799,272,290**	**2,333,050,289**	**3,135,992,812**	**4,287,462,373**	**5,530,638,112**
Oil GDP	**121,230,721**	**249,279,355**	**266,090,838**	**374,593,132**	**497,147,053**	**746,889,544**	**853,803,966**
Non Oil GDP	**817,131,884**	**1,001,465,257**	**1,395,415,434**	**1,782,848,132**	**2,407,422,845**	**3,238,960,768**	**4,287,827,980**
Indirect Taxes	**78,472,143**	**104,215,337**	**137,766,018**	**175,609,025**	**231,422,914**	**301,612,060**	**389,006,166**
Public GDP	360,439,824	615,547,496	770,290,658	1,041,331,682	1,408,012,170	2,061,079,311	2,559,241,558
Private GDP	**577,922,780**	**635,197,116**	**891,215,614**	**1,116,109,582**	**1,496,557,728**	**1,924,771,002**	**2,582,390,389**
Per Capital GDP	**35,268,804**	**46,289,345**	**60,500,332**	**77,213,148**	**102,152,385**	**137,461,180**	**174,526,460**
% OF CHANGE AT CURRENT PRICES							
Total GDP	**43.8%**	**33.3%**	**32.8%**	**29.7%**	**34.4%**	**36.7%**	**29.0%**
Oil GDP	**46.9%**	**105.6%**	**6.7%**	**40.8%**	**32.7%**	**50.2%**	**14.3%**
Non Oil GDP	**43.9%**	**22.6%**	**39.3%**	**27.8%**	**35.0%**	**34.5%**	**32.4%**
Indirect Taxes	**38.1%**	**32.8%**	**32.2%**	**27.5%**	**31.8%**	**30.3%**	**29.0%**
Public GDP	**46.6%**	**70.8%**	**25.1%**	**35.2%**	**35.2%**	**46.4%**	**24.2%**
Private GDP	**42.8%**	**9.9%**	**40.3%**	**25.2%**	**34.1%**	**28.6%**	**34.2%**
Per Capital GDP	**41.5%**	**31.2%**	**30.7%**	**27.6%**	**32.3%**	**34.6%**	**27.0%**
ECONOMIC ACTIVITY DEFLATOR PRICES INDEXES (1997=100)							
Total GDP	**1,822.04**	**2,335.66**	**2,933.07**	**3,756.68**	**4,947.14**	**6,341.10**	**7,622.40**
Oil GDP	1849.63	3780.90	3941.59	5421.97	6956.77	10133.70	11181.13
Non Oil GDP	1894.71	2222.73	2930.32	3706.58	4916.33	6148.48	7566.77
Indirect Taxes	1280.92	1605.89	1975.57	2474.83	3180.66	3987.26	4712.37
Public GDP	2209.03	3688.20	4282.41	5687.01	7402.74	10127.45	11728.66
Private GDP	1774.53	1874.74	2546.34	3173.03	4241.89	5171.22	6526.83
% OF CHANGE OF DEFLATOR INDEXES							
Total GDP	**45.9%**	**28.2%**	**25.6%**	**28.1%**	**31.7%**	**28.2%**	**20.2%**
Oil GDP	46.8%	104.4%	4.3%	37.6%	28.3%	45.7%	10.3%
Non Oil GDP	46.2%	17.3%	31.8%	26.5%	32.6%	25.1%	23.1%
Indirect Taxes	41.3%	25.4%	23.0%	25.3%	28.5%	25.4%	18.2%
Public GDP	46.6%	67.0%	16.1%	32.8%	30.2%	36.8%	15.8%
Private GDP	45.9%	5.6%	35.8%	24.6%	33.7%	21.9%	26.2%

Table 6 National and Personal Disposable Income	2010	2011	2012	2013	2014	2015	2016
	HISTORIC	ESTIMATED	FORECASTS				
National Disposable Income at Current Prices							
GDP At Current Prices	**1,016,834,748**	**1,354,959,948**	**1,799,272,290**	**2,333,050,289**	**3,135,992,812**	**4,287,462,373**	**5,530,638,112**
% Chg	43.8%	33.3%	32.8%	29.7%	34.4%	36.7%	29.0%
Remunerations to Workers from Rest of the World	-22680	-94814	-50241	-55265	-63554	-69910	-76901
Property Income Rent from Rest of the World	(12,522,292)	(25,567,818)	(16,746,857)	(18,421,542)	(21,184,774)	(23,303,251)	(25,633,576)
National Gross GDP	**1,004,289,776**	**1,329,297,316**	**1,782,475,193**	**2,314,573,482**	**3,114,744,485**	**4,264,089,212**	**5,504,927,635**
% Chg	43.2%	32.4%	34.1%	29.9%	34.6%	36.9%	29.1%
Fixed Capital Consumption	**59,807,375**	**81,719,987**	**181,093,433**	**233,524,923**	**320,527,913**	**431,093,373**	**565,259,081**
% Chg	36.8%	36.6%	121.6%	29.0%	37.3%	34.5%	31.1%
National Income at Current Prices	**944,482,401**	**1,247,577,329**	**1,601,381,761**	**2,081,048,560**	**2,794,216,572**	**3,832,995,839**	**4,939,668,554**
% Chg	43.6%	32.1%	28.4%	30.0%	34.3%	37.2%	28.9%
Other Rest of the World Tranfers, net	(723,315)	(2,137,337)	(2,125,953)	(3,099,794)	(3,401,585)	(4,819,302)	(4,912,881)
% Chg	29.20%	34.82%	-0.53%	45.81%	9.74%	41.68%	1.94%
National Disposable Income at Market Prices	**943,759,086**	**1,245,439,992**	**1,601,381,761**	**2,081,048,560**	**2,794,216,572**	**3,832,995,839**	**4,939,668,555**
% Chg	43.6%	32.0%	28.6%	30.0%	34.3%	37.2%	28.9%
National Income to Labor Factor	300,584,449	396,830,450	561,001,573	709,009,812	899,480,123	1,158,586,662	1,276,180,259
% Chg	21.9%	32.0%	41.4%	26.4%	26.9%	28.8%	10.1%
Rest of the World Income to National Labor Factor	-22680	-94814	-50241	-55265	-63554	-69910	-76901
% Chg	16.5%	318.1%	-47.0%	10.0%	15.0%	10.0%	10.0%
Operating Surplus	**443,206,279**	**605,172,400**	**705,948,279**	**942,614,402**	**1,341,484,551**	**1,968,341,711**	**2,762,784,083**
% Chg	**71.4%**	**36.5%**	**16.7%**	**33.5%**	**42.3%**	**46.7%**	**40.4%**
Property Income Rent from Rest of the World	(12,522,292)	(25,567,818)	(16,746,857)	(18,421,542)	(21,184,774)	(23,303,251)	(25,633,576)
% Chg	119.9%	104.2%	-34.5%	10.0%	15.0%	10.0%	10.0%
Mixed Income Net	123,767,796	154,709,745	193,387,181	241,733,977	302,167,471	377,709,338	472,136,673
% Chg	32.5%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Indirect Taxes	95,920,905	132,378,511	174,995,936	223,065,645	293,962,691	383,119,767	494,131,274
% Chg	38.1%	32.8%	32.2%	27.5%	31.8%	30.3%	29.0%
minus: Subsidies	6,452,056	8,462,318	14,874,655	14,499,267	19,107,575	28,733,983	37,059,846
% Chg	21.9%	31.2%	75.8%	-2.5%	31.8%	50.4%	29.0%
Other Exterior Transfers Net	(723,315)	(2,137,337)	(2,329,697)	(2,454,465)	(2,585,916)	(2,724,406)	(2,870,312)
% Chg	29.20%	29.20%	29.20%	29.20%	29.20%	29.20%	29.20%
National Disposable Income at Current Prices	**943,759,086**	**1,245,439,992**	**1,601,331,520**	**2,080,993,295**	**2,794,153,018**	**3,832,925,930**	**4,939,591,654**
% Chg	43.6%	32.0%	28.6%	30.0%	34.3%	37.2%	28.9%
Total Consumption	**682,341,076**	**897,138,703**	**1,236,657,192**	**1,655,137,034**	**2,191,287,407**	**2,865,783,838**	**3,705,423,225**
% Chg	26.0%	31.5%	37.8%	33.8%	32.4%	30.8%	29.3%
Net Savings at current prices	**261,418,010**	**348,301,289**	**364,674,328**	**425,856,262**	**602,865,611**	**967,142,092**	**1,234,168,429**
% Chg	126.3%	33.2%	4.7%	16.8%	41.6%	60.4%	27.6%
Fixed Capital Formation	189,972,877	237,830,477	295,482,163	379,658,246	524,906,372	708,683,083	932,086,989
% Chg	14.2%	25.2%	24.2%	28.5%	38.3%	35.0%	31.5%
Fixed Capital Consumption	51,145,169	81,719,987	181,093,433	233,524,923	320,527,913	431,093,373	565,259,081
% Chg	43.9%	59.8%	121.6%	29.0%	37.3%	34.5%	31.1%
Net Fixed Capital Formation	172,270,284	156,110,490	114,388,730	146,133,324	204,378,459	277,589,710	366,827,908
% Chg	17.3%	-9.4%	-26.7%	27.8%	39.9%	35.8%	32.1%
Net Finance Savings	89,147,726	192,190,799	250,285,598	279,722,938	398,487,151	689,552,382	867,340,521
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Proximity to Personal Disposable Income							
At constant values of 1997							
Households / Personal Disposable Income	**39,929,999.0**	**40,952,857.9**	**42,567,416.2**	**44,104,867.4**	**45,719,975.4**	**48,468,009.7**	**52,640,129.4**
% Chg	**1.9%**	**2.6%**	**3.9%**	**3.6%**	**3.7%**	**6.0%**	**8.6%**
Households Comsumption	**38,372,729**	**39,765,225**	**41,801,203**	**43,222,770**	**44,348,376**	**46,771,629**	**50,008,123**
% Chg	**-5.7%**	**3.6%**	**5.1%**	**3.4%**	**2.6%**	**5.5%**	**6.9%**
Private Gross Savings	1,557,270.0	1,187,632.9	766,213.5	882,097.3	1,371,599.3	1,696,380.3	2,632,006.5
% Chg	-202.8%	-23.7%	-35.5%	15.1%	55.5%	23.7%	55.2%
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Ratio Consumption to Personal Income	0.961	0.971	0.982	0.980	0.970	0.965	0.950
at Current Values							
Households / Personal Disposable Income	584,437,648	756,520,181	1,007,148,339	1,367,957,633	1,844,495,759	2,451,650,137	3,258,518,748
% Chg	38.1%	29.4%	33.1%	35.8%	34.8%	32.9%	32.9%
Households Comsumption	561644580	734581096	989019669	1340598480	1789160887	2365842382	3095592811
% Chg	27.8%	30.8%	34.6%	35.5%	33.5%	32.2%	30.8%
Private Gross Savings	22,793,068	21,939,085	18,128,670	27,359,153	55,334,873	85,807,755	162,925,937
% Chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table 7 Labor Force Statistics	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
Population and Labor Situation by type of Economic Activity							
Population (Individuals) (at year-end)	**28,830,996**	**29,271,530**	**29,739,874**	**30,215,712**	**30,699,164**	**31,190,350**	**31,689,396**
% Chg	**1.6%**	**1.6%**	**1.6%**	**1.6%**	**1.6%**	**1.6%**	**1.6%**
Number of Households	**6,740,205**	**6,848,048**	**6,957,616**	**7,068,937**	**7,182,039**	**7,296,951**	**7,413,702**
% Chg	1.1%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Number of People for Household	4.28	4.27	4.27	4.27	4.27	4.27	4.27
% Chg	0.5%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
People over 15 years-old	**20,436,570**	**19,833,271**	**20,249,770**	**20,675,015**	**21,109,190**	**21,552,483**	**22,005,085**
% Chg	**2.5%**	**2.1%**	**2.1%**	**2.1%**	**2.1%**	**2.1%**	**2.1%**
Labor Force Indicators							
Labor Force (annual average figures)	**13,111,309**	**13,317,079**	**13,666,658**	**14,012,377**	**14,363,472**	**14,784,834**	**15,286,512**
% Chg	**2.1%**	**1.6%**	**2.6%**	**2.5%**	**2.5%**	**2.9%**	**3.4%**
Employed	11,995,835	12,224,562	12,642,392	12,924,443	13,236,656	13,764,021	14,371,051
% Chg	1.1%	1.9%	3.4%	2.2%	2.4%	4.0%	4.4%
Unemployed	1,115,474	1,092,517	1,024,266	1,087,934	1,126,816	1,020,813	915,462
% Chg	13.5%	-2.1%	-6.2%	6.2%	3.6%	-9.4%	-10.3%
Open Unemployment Rate	**8.5%**	**8.2%**	**7.5%**	**7.8%**	**7.8%**	**6.9%**	**6.0%**
Formal Employment	**6,729,663**	**6,943,251**	**7,272,715**	**7,421,124**	**7,610,818**	**8,232,908**	**8,932,404**
% Chg	**1.3%**	**3.2%**	**4.7%**	**2.0%**	**2.6%**	**8.2%**	**8.5%**
Informal Occupation	**5,266,172**	**5,281,091**	**5,369,677**	**5,503,319**	**5,625,838**	**5,531,113**	**5,438,646**
% Chg	**0.9%**	**0.3%**	**1.7%**	**2.5%**	**2.2%**	**-1.7%**	**-1.7%**
Formal Occupation Rate	**56.1%**	**56.8%**	**57.5%**	**57.4%**	**57.5%**	**59.8%**	**62.2%**
Informal Occupation Rate	**43.9%**	**43.2%**	**42.5%**	**42.6%**	**42.5%**	**40.2%**	**37.8%**
INDICATORS OF LABOR SALARIES							
Workers' Average Monthly Salary (Bs.F)	1,827,620	2,401,849	3,169,617	3,918,432	4,853,838	6,012,501	7,400,180
% Chg	22.2%	31.4%	32.0%	23.6%	23.9%	23.9%	23.1%
Workers' Urban Minimum Wage (Bs.F)	1,223,900	1,548,218	2,090,094	2,717,122	3,477,916	4,521,291	5,877,678
% Chg	27.6%	26.5%	35.0%	30.0%	28.0%	30.0%	30.0%
Workers' Average Monthly Salary (1997 Bs.F)	124,901	129,094	134,426	126,279	121,976	122,486	124,202
% Chg	-5.4%	3.4%	4.1%	-6.1%	-3.4%	0.4%	1.4%
Workers' Monthly Minimum Wage (1997 Bs.F)	83,642	83,213	88,643	87,564	87,400	92,107	98,649
% Chg	-1.1%	-0.5%	6.5%	-1.2%	-0.2%	5.4%	7.1%
Index of Labor Costs at Current Prices							
Workers' Annual Average	1,180.9	1,551.9	2,048.0	2,531.8	3,136.2	3,884.8	4,781.5
% Chg	22.2%	31.4%	32.0%	23.6%	23.9%	23.9%	23.1%
Urban Minimum Wage	2,318.6	2,933.0	3,959.6	5,147.5	6,588.8	8,565.4	11,135.0
% Chg	27.6%	26.5%	35.0%	30.0%	28.0%	30.0%	30.0%
Index of Labor Cost at Constant Prices of 1997	0	0	0	0	0	0	0
Workers' Annual Average	80.7	83.4	86.9	81.6	78.8	79.1	80.3
% Chg	-5.4%	3.4%	4.1%	-6.1%	-3.4%	0.4%	1.4%
Urban Minimum Wage	158.5	157.6	167.9	165.9	165.6	174.5	186.9
% Chg	-1.1%	-0.5%	6.5%	-1.2%	-0.2%	5.4%	7.1%
Indexes of GDP Per Capita, Labor Mean Productivity and Real Labor Costs							
Per Capita GDP	**105.1**	**107.9**	**112.0**	**111.6**	**112.2**	**117.8**	**124.4**
% Chg	**-3.0%**	**2.6%**	**3.9%**	**-0.4%**	**0.5%**	**5.0%**	**5.6%**
Mean Labor Productivity	**91.9**	**94.0**	**95.9**	**94.9**	**94.6**	**97.1**	**99.8**
% Chg	**-2.6%**	**2.2%**	**2.0%**	**-1.0%**	**-0.3%**	**2.6%**	**2.8%**
Real Labor Costs	**80.7**	**83.4**	**86.9**	**81.6**	**78.8**	**79.1**	**80.3**
% Chg	**-5.4%**	**3.4%**	**4.1%**	**-6.1%**	**-3.4%**	**0.4%**	**1.4%**
Population and Poverty Indicators							
Total Population (Individuals)	**28,830,996**	**29,271,530**	**29,739,874**	**30,215,712**	**30,699,164**	**31,190,350**	**31,689,396**
% chg.	1.6%	1.5%	1.6%	1.6%	1.6%	1.6%	1.6%
Total Households	**6,787,390**	**6,787,394**	**6,957,616**	**7,068,937**	**7,182,039**	**7,296,951**	**7,413,702**
% chg	1.8%	0.0%	2.5%	1.6%	1.6%	1.6%	1.6%
Declarates Population (Individuals)	**28,041,630**	**28,192,720**	**28,936,898**	**29,399,888**	**29,870,286**	**30,348,211**	**30,833,782**
% chg.	3.8%	0.5%	2.6%	1.6%	1.6%	1.6%	1.6%
Total Declarates Households	**6,787,390**	**6,787,394**	**6,874,273**	**6,962,263**	**7,051,380**	**7,141,638**	**7,233,051**
% chg	2.9%	0.0%	1.3%	1.3%	1.3%	1.3%	1.3%
Number of People by Household	4.25	4.31	4.27	4.27	4.27	4.27	4.27
Number of People by Declarate Household	4.13	4.15	4.21	4.22	4.24	4.25	4.26
Poverty Indicators Based on Ine (National Statistics Institute)							
At Individuals Level							
No Poverty (ABC)	67.5%	66.8%	68.6%	65.3%	63.2%	65.3%	66.2%
Poverty (D+E)	**32.5%**	**33.2%**	**31.4%**	**34.7%**	**36.8%**	**34.7%**	**33.8%**
Non Extreme Poverty (Class D)	23.9%	24.1%	22.9%	24.1%	25.0%	23.5%	23.3%
Extreme Poverty (Class E)	**8.6%**	**9.1%**	**8.5%**	**10.6%**	**11.9%**	**11.2%**	**10.5%**
At Households Level							
No Poverty (ABC)	73.1%	72.6%	63.6%	57.8%	56.7%	56.0%	55.3%
Poverty (D+E)	**26.9%**	**27.4%**	**26.4%**	**29.2%**	**31.1%**	**29.4%**	**28.7%**
Non Extreme Poverty (Class D)	20.0%	20.1%	19.2%	20.1%	20.9%	19.8%	19.7%
Extreme Poverty (Class E)	**6.9%**	**7.3%**	**7.2%**	**9.1%**	**10.2%**	**9.6%**	**9.0%**

Table 8 Monetary Aggregates, Interest Rates, and Financial Sector	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
Monetary Aggregates (Bs.F Million)							
MONETARY AGGREGATES at Year-end							
Monetary Base	**123,051,487**	**172,750,667**	**256,167,913**	**310,481,278**	**394,723,507**	**529,218,623**	**704,590,328**
% Chg	**26.1%**	**40.4%**	**48.3%**	**21.2%**	**27.1%**	**34.1%**	**33.1%**
Currency (M1)	**272,162,441**	**426,592,499**	**689,039,846**	**847,872,171**	**1,020,604,888**	**1,452,846,091**	**1,957,660,338**
% Chg	**34.5%**	**56.7%**	**61.5%**	**23.1%**	**20.4%**	**42.4%**	**34.7%**
Quasimoney	24,433,353	20,024,343	(3,437,545)	(12,207,289)	14,348,883	67,394,134	150,275,574
% Chg	-47.7%	-18.0%	-117.2%	255.1%	-217.5%	369.7%	123.0%
Monetary Liquidity (M2)	**296,595,794**	**446,616,842**	**685,602,300**	**835,664,882**	**1,034,953,771**	**1,520,240,224**	**2,107,935,912**
% Chg	**19.1%**	**50.6%**	**53.5%**	**21.9%**	**23.8%**	**46.9%**	**38.7%**
Monetary Aggregates (Bs.F Million at constant prices of 1997)							
Currency (M1)	16,952,979	20,600,869	25,857,319	23,937,825	22,876,840	26,601,415	30,170,718
% Chg	5.6%	21.5%	25.5%	-7.4%	-4.4%	16.3%	13.4%
Monetary Liquidity (M2)	18,474,930	21,567,878	25,728,319	23,593,179	23,198,470	27,835,392	32,486,708
% Chg	-6.5%	16.7%	19.3%	-8.3%	-1.7%	20.0%	16.7%
Monetary Multipliers	0	0	0	0	0	0	0
Currency Multiplier	2.21	2.47	2.69	2.73	2.59	2.75	2.78
Liquidity Multiplier	2.41	2.59	2.68	2.69	2.62	2.87	2.99
Velocity of Circulation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Velocity of Currency	3.74	3.18	2.61	2.75	3.07	2.95	2.83
Velocity of Liquidity	3.43	3.03	2.62	2.79	3.03	2.82	2.62
Monetary Exchange Rate							
M2 to Central Bank Reserves	10.05	14.94	24.39	21.37	19.79	26.13	31.01
M2 to Total Reserves	9.78	14.94	24.39	21.37	19.79	26.13	31.01
Interest Rates Indicators (%)							
Year-end Commercial and Universal Bank Lending Rate							
Nominal Year-end	**17.9**	**15.6**	**16.3**	**22.4**	**30.5**	**21.5**	**17.5**
Nominal Annual Average	**17.9**	**17.4**	**17.4**	**21.2**	**27.7**	**24.0**	**20.2**
Real Annual Average	-8.6	-7.6	-7.4	-7.9	-0.4	0.5	-0.9
Year-end Commercial and Universal Bank Deposit Rate							
Nominal Year-end	**15.0**	**14.5**	**14.7**	**19.7**	**28.0**	**17.5**	**13.7**
Nominal Annual Average	**14.8**	**14.7**	**14.5**	**18.5**	**25.2**	**20.0**	**16.5**
Real Annual Average	-11.1	-9.8	-9.6	-10.0	-2.4	-2.7	-4.0
Rate Spreads							
Absolute (spread)	3.1	2.7	2.8	2.8	2.5	4.0	3.8
Relative (quotient)	1.2	1.2	1.2	1.1	1.1	1.2	1.2
International and Arbitrage Interest Rates (%)							
International Interest Rates							
Libor	1.0	1.5	2.5	3.0	3.5	4.0	4.0
Euribor	0.8	1.3	2.1	2.6	3.0	3.4	3.4
USA 90-Day Certificates of Deposit	0.3	0.3	0.6	1.1	2.1	2.1	2.1
USA 180-Day Prime Rate	3.3	3.5	4.0	5.2	5.5	5.5	5.5
Country Risk Premium (Basis Points)	1037	1262	1067	1270	1272	741	662
VENEZUELAN ARBITRAGE RATES	0	0	0	0	0	0	0
Arbitrage Rates Without Country Risk Coverage	0	0	0	0	0	0	0
Lending	20.10	-20.87	13.92	-29.78	12.44	-23.15	12.80
Deposit	19.90	-20.42	14.49	-28.39	13.34	-23.75	12.45
Arbitrage Rates With Country Risk Coverage							
Lending	9.73	-33.49	3.24	-42.48	-0.28	-30.57	6.18
Deposit	9.53	-33.04	3.82	-41.09	0.62	-31.17	5.83

Table 9 Venezuela Oil Activity (Thousands of B/D and US$/Bl)	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
World Economic Growth %							
W0RLD GDP INDEX 1997=100 IMF	**155.1**	**161.0**	**163.9**	**167.4**	**171.0**	**173.6**	**176.2**
% chg	4.8%	1.5%	1.8%	2.1%	2.2%	1.5%	1.5%
WORLD AND VENEZUELA OIL PRICES							
WTI Price	79.52	94.92	110.10	123.31	128.25	134.02	138.04
% chg	24.4%	26.5%	16.0%	5.0%	5.5%	5.6%	5.6%
Venezuela Oil Basket Price	**72.69**	**101.06**	**105.36**	**110.62**	**116.71**	**121.38**	**127.44**
% chg	25.9%	38.0%	4.3%	4.0%	6.5%	5.0%	7.2%
Diference WTI-Venezuela Basket	6.83	- 5.52	4.75	12.69	11.54	12.64	10.59
VENEZUELA OIL PRODUCTION FIGURES (Th.B/d)							
Hydrocarboon Liquids Production	**3122**	**3269.5**	**3341.6**	**3426.2**	**3548.7**	**3686.7**	**3841.0**
% chg	-1.5%	4.7%	2.2%	2.5%	3.6%	3.9%	4.2%
NGLs Production	**147**	**154.2**	**160.3**	**160.6**	**163.9**	**167.5**	**173.1**
% chg	-7.0%	4.9%	4.0%	0.2%	2.0%	2.2%	3.3%
Crude Oil Production According PDVSA Concept	**2975**	**3115.3**	**3181.3**	**3265.6**	**3384.8**	**3519.2**	**3667.9**
% chg	-1.2%	4.7%	2.1%	2.6%	3.7%	4.0%	4.2%
Condensate	96.0	118.5	119.3	118.8	117.8	122.9	129.7
Orimulsion Crude	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Synthetic Oil Crude	**472.0**	**490.9**	**510.5**	**536.0**	**578.9**	**625.2**	**687.8**
% chg	19.8%	4.0%	4.0%	5.0%	8.0%	8.0%	10.0%
PDVSA and Mixed Firms	2503.0	2505.9	2551.5	2610.7	2688.1	2771.0	2850.4
% chg	-0.4%	0.1%	1.8%	2.3%	3.0%	3.1%	2.9%
Mixed Firms (Older Cooperatives Aggreements)	373	354.6	357.1	372.5	382.8	396.5	404.6
% chg	6.9%	-4.9%	0.7%	4.3%	2.8%	3.6%	2.1%
PDVSA Exclusive Production	2130.0	**2151.3**	**2194.3**	**2238.2**	**2305.4**	**2374.5**	**2445.8**
% chg	-1.6%	1.0%	2.0%	2.0%	3.0%	3.0%	3.0%
Crude Oil Production According OPEC Concept	**2879.0**	**2996.8**	**3062.0**	**3146.8**	**3267.1**	**3396.3**	**3538.2**
% chg	-1.0%	4.1%	2.2%	2.8%	3.8%	4.0%	4.2%
Supuestos de Variación de Producción de Asociaciones Mejorados FPO	19.8%	4.00%	4.00%	5.00%	8.00%	8.00%	10.00%
Supuestos de Variación de Producción de Petróleo Crudo	-1.6%	1.0%	2.0%	2.0%	3.0%	3.0%	3.0%
NATURAL GAS PRODUCTION							
Th.B/D							
Gross Natural Gas Production	**1200.0**	**1206.0**	**1219.3**	**1237.6**	**1259.8**	**1285.0**	**1310.7**
% chg	-0.4%	0.5%	1.1%	1.5%	1.8%	2.0%	2.0%
Reinjected Gas Natural	510.9	506.8	511.3	523.3	537.4	558.1	572.6
% chg	5.6%	-0.8%	0.9%	2.3%	2.7%	3.8%	2.6%
Net Natural Gas Production	691.5	699.2	707.9	714.3	722.4	727.0	738.2
% chg	-4.5%	1.1%	1.3%	0.9%	1.1%	0.6%	1.5%
REFINED PRODUCTION							
Oil Processed	**969.0**	**984.4**	**994.0**	**1011.3**	**1042.5**	**1077.7**	**1109.6**
% chg	0.8%	1.6%	1.0%	1.7%	3.1%	3.4%	3.0%
Refined Products	**1109.0**	**1077.9**	**1103.9**	**1127.5**	**1174.5**	**1205.2**	**1235.3**
% chg	-1.3%	-2.8%	2.4%	2.1%	4.2%	2.6%	2.5%
TOTAL OIL PRODUCTION							
Hydrocarboons Liquid Production and Refined Products	**3262.0**	**3363.1**	**3451.5**	**3542.5**	**3680.6**	**3814.2**	**3966.7**
% chg	**-2.1%**	**3.1%**	**2.6%**	**2.6%**	**3.9%**	**3.6%**	**4.0%**
Hydrocarboons Liquid Production, Refined Products and Natural Gas	**3953.5**	**4062.2**	**4159.4**	**4256.7**	**4403.0**	**4541.1**	**4704.9**
% chg	**-2.5%**	**2.8%**	**2.4%**	**2.3%**	**3.4%**	**3.1%**	**3.6%**
INTERNAL CONSUMPTION (Th.B/d)							
Refined Products Internal Consumption	**674.0**	**691.6**	**704.8**	**717.8**	**730.9**	**747.2**	**767.9**
% chg	**11.6%**	**2.6%**	**1.9%**	**1.9%**	**1.8%**	**2.2%**	**2.8%**
Delivery to Ships	**20.0**	**20.6**	**21.3**	**22.2**	**23.2**	**23.9**	**24.6**
% chg	**5.3%**	**3.0%**	**3.6%**	**4.2%**	**4.4%**	**3.0%**	**3.0%**
PDVSA propietary Consumption	**62.0**	**69.4**	**70.3**	**72.0**	**74.1**	**76.7**	**80.6**
% chg	**-17.9%**	**3.6%**	**3.0%**	**3.8%**	**2.6%**	**2.0%**	**2.0%**
Internal Market Sales	**592.0**	**601.5**	**613.2**	**623.6**	**633.6**	**646.6**	**662.6**
% chg	**14.3%**	**2%**	**2%**	**2%**	**2%**	**2%**	**2%**
Motor Gasoline	**315.0**	**325.1**	**337.7**	**349.2**	**360.4**	**375.2**	**393.8**
% chg	**8.6%**	**3.2%**	**3.9%**	**3.4%**	**3.2%**	**4.1%**	**5.0%**
Average Gasoline Prices Bs/L	**0.085**	**0.085**	**0.085**	**0.094**	**0.103**	**0.113**	**0.124**
% chg	**0.0%**	**0.0%**	**0.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**
Precio de Líquidos en el Mercado Interno USD/l	**7.00**	**7.21**	**7.43**	**7.65**	**7.88**	**8.11**	**8.36**
% chg	**-2.9%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Natural Gas Liquids Consumption	**116.2**	**121.3**	**125.7**	**125.9**	**128.2**	**130.7**	**134.6**
% chg	**2.0%**	**4.4%**	**3.6%**	**0.2%**	**1.8%**	**2.0%**	**3.0%**
Gas Internal Consumption	**501.7**	**507.0**	**513.0**	**517.4**	**523.0**	**526.1**	**533.8**
% chg	**1.1%**	**1.1%**	**1.2%**	**0.9%**	**1.1%**	**0.6%**	**1.5%**
EXPORTS OF CRUDE OIL + PRODUCTS							
Exports of Oil Crude + Refined Products	**2415.0**	**2431.7**	**2501.7**	**2579.9**	**2703.9**	**2813.3**	**2934.5**
% chg	-10.0%	0.7%	2.9%	3.1%	4.8%	4.0%	4.3%
Crude Oil	**1911.0**	**2012.4**	**2067.9**	**2135.5**	**2224.5**	**2318.6**	**2428.6**
% chg	-5.3%	5.3%	2.8%	3.3%	4.2%	4.2%	4.7%
Refined Products	**504.0**	**419.2**	**433.8**	**444.4**	**479.3**	**494.8**	**505.9**
% chg	-24.0%	-16.8%	3.5%	2.5%	7.9%	3.2%	2.2%
Venezuela Oil Basket Prices US$/B							
Venezuela Oil Average Basket Price	**72.7**	**101.1**	**105.4**	**110.6**	**116.7**	**121.4**	**127.4**
% chg	25.9%	39.0%	4.3%	5.0%	5.5%	4.0%	5.0%
Crude Prices	70.51	98.03	102.19	107.30	113.21	117.73	123.62
% chg	25.9%	39.0%	4.3%	5.0%	5.5%	4.0%	5.0%
Products Prices	80.96	115.61	120.42	126.57	132.96	138.44	145.80
% chg	28.5%	42.8%	4.2%	5.1%	5.0%	4.1%	5.3%
VENEZUELA OIL PRODUCTION SECONDARY SOURCES	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Crude Oil Production	2338	2384	2460	2554	2882	3027	3251
% chg	6.1%	2.0%	3.2%	3.8%	12.9%	5.0%	7.4%
Hydrocarboons Liquids Production	2581.0	2656.7	2740.1	2833.6	3164.0	3317.0	3553.4
% chg	5.9%	2.9%	3.1%	3.4%	11.7%	4.8%	7.1%
Final Sales of Liquids	682.1	679.5	679.0	677.0	674.4	702.3	734.4
% chg	12.0%	-0.4%	-0.1%	-0.3%	-0.4%	4.1%	4.6%
Apparently Exports Volume	1783.9	1740.9	1834.3	1933.8	2278.3	2388.0	2575.1
% chg	-5.4%	-2.4%	5.4%	5.4%	17.8%	4.8%	7.8%
DIFFERENCES BETWEEN OFICIAL AND SECONDARY SOURCES FIGURES							
Crude Oil Production	541.0	612.8	601.5	592.6	384.7	369.7	287.6
Internal Sales of Liquids	-90.1	-78.0	-65.9	-53.5	-40.8	-55.7	-71.8
Apparently Exports Volume	631.1	690.8	667.4	646.1	425.5	425.4	359.4

Table 10	2010	2011	2012	2013	2014	2015	2016
Oil National Industry Indicators (PDVSA Figures)	HISTORIC	ESTIMATED	FORECASTS				
C VARIABLES DE PRECIOS Y COSTOS US$/b							
Venezuela Oil Basket Price	**72.69**	**101.06**	**105.36**	**110.62**	**116.71**	**121.38**	**127.44**
% chg	**25.9%**	**39.0%**	**4.3%**	**5.0%**	**5.5%**	**4.0%**	**5.0%**
Fiscal Budget Oil Price	**37.00**	**40.00**	**50.00**	**40.00**	**40.00**	**40.00**	**40.00**
% chg	**5.1%**	**8.1%**	**25.0%**	**-20.0%**	**0.0%**	**0.0%**	**0.0%**
Internal Prices of Lyquids	**6.91**	**6.01**	**6.64**	**6.31**	**5.85**	**4.68**	**4.98**
% chg	5.0%	19.5%	2.1%	2.5%	2.8%	2.0%	2.5%
Internal Price of Lyquids Bs.F/Bl	**23.25**	**25.83**	**28.55**	**35.95**	**40.97**	**46.41**	**52.05**
% chg	50.0%	11.1%	10.5%	25.9%	14.0%	13.3%	12.2%
Average Gasoline Motor Price (Bs./l)	**85.0**	**85.0**	**85.0**	**127.5**	**165.8**	**198.9**	**238.7**
% chg	0.0%	0.0%	0.0%	50.0%	30.0%	20.0%	20.0%
Cubic Meter Gas Average Price	**111.8**	**118.0**	**124.2**	**140.3**	**150.1**	**160.1**	**169.8**
% chg	25.0%	5.6%	5.2%	13.0%	7.0%	6.6%	6.1%
Oil Royaltie Average Price US$/B	**12.321**	**13.320**	**16.650**	**13.320**	**13.320**	**13.320**	**13.320**
Effective Royaltie Rate	*0.333*	*0.333*	*0.333*	*0.333*	*0.333*	*0.333*	*0.333*
% Income Oil Tax	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Days of Year	365.00	365.00	365.00	365.00	365.00	365.00	365.00
Average Exchange Rate Bs./US$	3,365.00	4,300.00	4,300.00	5,700.00	7,000.00	9,916.67	10,445.83
Average Exchange Rate Bs.F/US$	3.37	4.30	4.30	5.70	7.00	9.92	10.45
Operative Cost of Oil Production Bs.F/B	**18,525.50**	**28,534.80**	**33,671.06**	**49,989.78**	**70,599.61**	**118,019.01**	**146,693.66**
Operative Cost of Oil Production US$/B	**5.53**	**6.64**	**7.83**	**8.77**	**10.09**	**11.90**	**14.04**
Implicit Cost of Production USD/B	**8.96**	**10.76**	**12.69**	**14.21**	**16.35**	**19.29**	**22.76**
Operative Cost of Refination USD/B	2.75	3.30	3.90	4.36	5.02	5.92	6.99
increase operative expenses in USD	18%	20%	18%	12%	15%	18%	18%
increase exploration expenses in USD	10%	-27%	7%	8%	16%	14%	15%
INTERNAL OIL INDUSTRY INCOME (INCLUDING OIL EXPORTS AND EXCLUDING PDVSA INTERNATIONAL OTHER ACTIVITIES) (Million USD)							
TOTAL INCOME	**67,257**	**92,114**	**98,880**	**106,658**	**117,478**	**126,472**	**138,474**
EXPORTS	65,721	89,696	96,203	104,171	115,179	124,636	136,504
INTERNAL SALES	1,400	2,418	2,677	2,487	2,299	1,836	1,969
Production and Refined Costs	13,340	11,187	13,485	15,494	18,479	22,637	27,787
Operatives Costs (including gross investments)	8,777	6,409	6,874	7,443	8,641	9,818	11,291
Depreciation and Amortization	5,520	5,878	6,259	6,664	7,096	7,556	8,046
Other expenses (other income)	12,009	14,411	11,529	17,293	19,022	20,924	23,017
General Expenses of Industry	**39,646**	**37,884**	**38,146**	**46,895**	**53,239**	**60,936**	**70,141**
Oil Royalties	**11,218**	**15,146**	**19,333**	**15,877**	**16,456**	**17,110**	**17,832**
Total Expenses Associated to Oil Industry	**50,864**	**53,031**	**57,479**	**62,771**	**69,695**	**78,045**	**87,973**
Social Programs Disbursements	**6,918**	**24,375**	**24,078**	**22,782**	**28,614**	**30,364**	**32,289**
Net profit before taxes	**9,475**	**14,709**	**17,322**	**21,105**	**19,168**	**18,062**	**18,212**
Caused Tax (Direct)	**4,738**	**7,355**	**8,661**	**10,552**	**9,584**	**9,031**	**9,106**
Cumulative Last Year	**(2,539)**	**(1,586)**	**1,154**	**1,963**	**(1,252)**	**833**	**986**
Collected Taxes (Central Government)	**3,785**	**4,614**	**7,852**	**13,767**	**7,499**	**8,878**	**9,083**
Deferred Taxes (to next year)	(1,586)	1,154	1,963	(1,252)	833	986	1,009
Net Profit after Taxes	*5,690.2*	*10,094.6*	*9,470.5*	*7,338.0*	*11,668.7*	*9,184.2*	*9,128.8*
Other resources disbursements for Social Programs	*3,984.0*	*4,780.8*	*2,390.4*	*2,151.4*	*2,581.6*	*2,839.8*	*3,123.8*
Dividends Payments to Share Holders	*1,000.0*	*1.0*	*1.0*	*1.1*	*0.9*	*0.7*	*0.6*
Final Net Profit for National Oil Industry	*(880.3)*	*6,466.4*	*9,042.0*	*3,934.0*	*9,919.4*	*7,330.2*	*7,013.6*
OIL SECTOR INVESTMENTS AND DEBT (Million USD)							
Oil Investments	10,691.00	15,119.00	16,215.70	17,558.79	20,385.01	23,161.66	26,635.62
Var%	(0.30)	7.0%	7.3%	8.3%	16.1%	13.6%	15.0%
Deuda del Sector Petrolero	32,972.00	35,110.00	39,631.01	41,598.00	46,557.72	48,023.76	49,426.48
Var%	*0.4*	6.5%	12.9%	5.0%	11.9%	3.1%	2.9%
PDVAS DISBURSEMENTS TO SOCIAL PROGRAMS							
TOTAL DISBURSEMENTS	**6,923**	**35,249**	**32,488**	**30,629**	**38,350**	**40,795**	**43,485**
	-	-	-	-	-	-	-
Social Programs	**1,605**	**15,740**	**13,897**	**13,897**	**13,897**	**13,897**	**13,897**
Social Trusts	**3,984**	**4,781**	**2,390**	**2,151**	**2,582**	**2,840**	**3,124**
Fonden	**1,334**	**14,728**	**16,201**	**14,581**	**21,871**	**24,058**	**26,464**

Table 11 Public Finance	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
Government Financial and Public Debt Performances Bs.F Million							
SUPUESTOS PARA VARIABLES FISCALES							
Total GDP at current prices	1,016,834,748	1,354,959,948	1,799,272,290	2,333,050,289	3,135,992,812	4,287,462,373	5,530,638,112
Non-oil GDP at Current Prices	817,131,884	1,001,465,257	1,395,415,434	1,782,848,132	2,407,422,845	3,238,960,768	4,287,827,980
Economic Growth Rate	-1.5%	4.2%	5.5%	1.2%	2.1%	6.7%	7.3%
Non-oil Economic Growth Rate	-1.6%	4.5%	5.7%	1.0%	1.8%	7.6%	7.6%
Average Official Exchange Rate Bs./USD	3,365.0	4,300.0	4,300.0	5,700.0	7,000.0	9,916.7	10,445.8
Average Official Exchange Rate Bs.F/USD	3.365	4.300	4.300	5.700	7.000	9.917	10.446
Average Consumer Inflation Rate	29.1%	27.2%	26.7%	31.6%	28.2%	23.4%	21.4%
Average Wholesale Inflation Rate	27.1%	22.2%	21.0%	25.9%	28.0%	26.5%	24.3%
Nominal VAT Rate	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Effective VAT Rate to Non-oil GDP Ratio	6.9%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Effective Income Tax Rate to Non-oil GDP Ratio	3.5%	3.5%	3.5%	3.2%	3.3%	3.5%	3.5%
Government Financial and Public Debt Performances Bs.F Million							
ORDINARY REVENUE							
Ordinary Oil Revenue	**56,527,641**	**88,735,444**	**125,494,583**	**183,634,408**	**200,483,147**	**249,547,078**	**310,464,884**
Income Tax (PDVSA and Associations)	8,705,068	19,842,073	33,762,730	78,471,847	52,494,232	88,038,885	94,881,047
Hydrocarbon Rent (Royalties) (PDVSA and Associations)	47,818,273	68,889,070	91,727,553	105,156,111	147,982,465	161,501,743	215,577,387
PDVSA Dividends	4,300	4,300	4,300	6,450	6,450	6,450	6,450
Ordinary Non-oil Revenue	**141,490,206**	**168,640,852**	**209,487,333**	**267,377,938**	**366,821,084**	**512,660,680**	**674,857,552**
Value Added Tax (VAT)	56,100,545	75,109,894	104,656,158	133,713,610	180,556,713	242,922,058	321,587,098
Income Tax on Internal Activities	28,136,707	35,051,284	48,839,540	57,051,140	79,444,954	113,363,627	150,073,979
Import Tax	10,935,559	16,974,186	19,213,304	22,456,402	26,712,256	45,233,547	54,068,469
Oil Consumption Tax	1,539,685	3,533,073	1,730,485	2,214,130	2,569,345	2,974,045	3,429,280
Alcohol Consumtion Tax	2,191,526	2,229,223	2,260,106	2,379,448	2,441,154	2,409,039	2,339,253
Tobacco Consumption Tax	5,400,864	6,600,575	7,293,069	8,238,873	9,390,335	10,635,212	11,929,156
Other Taxes	2,280,549	2,590,136	2,936,329	3,864,223	4,955,542	6,112,936	7,419,818
Other Income	34,904,771	26,552,481	34,518,225	51,777,338	77,666,007	108,732,409	146,788,753
Debit Bank*Financial Transaction Tax	-	-	-	-	-	-	-
BCV Exchange Rate Profits	-	-	-	-	-	-	-
Total Ordinary Income	**198,017,847**	**257,376,296**	**334,981,916**	**451,012,347**	**567,304,230**	**762,207,758**	**985,322,437**
% chg	**30.7%**	**30.0%**	**30.2%**	**34.6%**	**25.8%**	**34.4%**	**29.3%**
TOTAL SPENDING							
Current Spending	**186,976,736**	**240,640,084**	**348,701,242**	**453,736,199**	**595,787,608**	**766,505,301**	**972,695,308**
% chg	**30.1%**	**28.7%**	**44.9%**	**30.1%**	**31.3%**	**28.7%**	**26.9%**
Current Spending	58,101,071	82,919,090	118,783,774	155,235,142	201,759,636	261,376,082	332,123,342
Remuneration to White and Blue-Collar Employees	50,498,534	69,728,325	101,106,071	131,437,893	170,869,260	222,130,039	283,215,799
Purchases of Goods and Services, and Other Purchases	6,812,587	11,620,553	15,687,747	21,178,458	27,531,995	35,103,294	43,879,117
Other current expenses	789,950	1,570,212	1,989,956	2,618,792	3,358,381	4,142,749	5,028,426
Interest and Commissions on Public Debt	**15,019,257**	**27,519,821**	**47,427,486**	**52,071,931**	**61,171,664**	**72,192,873**	**77,397,567**
Internal	7,795,695	15,700,062	33,162,403	33,162,403	38,136,764	41,427,258	47,050,729
External	7,223,562	13,435,825	14,265,082	18,909,528	23,034,900	30,765,615	30,346,838
Subsidies and Transfers	**114,813,452**	**131,771,385**	**184,479,939**	**249,047,918**	**336,214,689**	**437,079,095**	**568,202,824**
Capital Spending	**42,996,370**	**60,710,269**	**78,636,607**	**98,295,759**	**122,869,698**	**153,587,123**	**195,823,582**
% chg	**12.6%**	**41.2%**	**29.5%**	**25.0%**	**25.0%**	**25.0%**	**27.5%**
Gross Capital Formation	806,692	2,867,428	3,440,914	4,301,142	5,376,428	6,720,534	8,568,681
Transfers of Capital	42,189,678	57,842,841	75,195,693	93,994,617	117,493,271	146,866,588	187,254,900
Off-budget Spending	**2,159,015**	**327,015**	**5,230,519**	**4,537,362**	**8,936,814**	**11,497,580**	**14,590,430**
Total Spending	**232,132,121**	**301,677,368**	**432,568,368**	**556,569,320**	**727,594,121**	**931,590,004**	**1,183,109,319**
% chg	**26.0%**	**30.0%**	**43.4%**	**28.7%**	**30.7%**	**28.0%**	**27.0%**
Public Debt Amortization Expenses	**30,390,697**	**17,775,864**	**24,103,409**	**25,048,161**	**39,624,175**	**54,326,573**	**59,552,214**
Internal	19,996,697	6,878,864	21,201,670	21,201,670	24,381,920	34,247,941	41,097,529
External	10,394,000	10,897,000	2,901,739	3,846,491	15,242,255	20,078,632	18,454,685
TOTAL EXPENSES AND DEBT AMORTIZATION OF CENTRAL GOVERNMENT (Executed)	**262,522,818**	**319,453,232**	**456,671,777**	**581,617,481**	**767,218,296**	**985,916,577**	**1,242,661,533**
Variación %	**37.5%**	**21.7%**	**43.0%**	**27.4%**	**31.9%**	**28.5%**	**26.0%**
Budget Expenses	-	-	-	-	-	-	-
Budget Agreement	-	-	-	-	-	-	-
Deficit Definitions							
Primary Surplus (+) / Deficit (-)	**(19,095,017)**	**(16,781,251)**	**(50,158,966)**	**(53,485,042)**	**(99,118,227)**	**(97,189,372)**	**(120,389,315)**
% of GDP	**-1.9%**	**-1.2%**	**-2.8%**	**-2.3%**	**-3.2%**	**-2.3%**	**-2.2%**
Gross Financing Needs	**(64,504,971)**	**(62,076,936)**	**(121,689,861)**	**(130,605,134)**	**(199,914,066)**	**(223,708,818)**	**(257,339,097)**
% of GDP	**-6.3%**	**-4.6%**	**-6.8%**	**-5.6%**	**-6.4%**	**-5.2%**	**-4.7%**
Financial Surplus (+) / Deficit (-)	**(29,546,015)**	**21,993,574**	**(23,901,250)**	**(76,166,828)**	**(163,190,913)**	**(189,234,992)**	**(228,226,267)**
% of GDP	**-2.9%**	**1.6%**	**-1.3%**	**-3.3%**	**-5.2%**	**-4.4%**	**-4.1%**
Sources of Financing	**34,958,956**	**84,070,509**	**97,788,611**	**54,438,306**	**36,723,153**	**34,473,826**	**29,112,829**
Internal Borrowing	20,427,119	53,110,509	63,732,611	31,866,306	15,933,153	7,966,576	3,983,288
External Borrowing	14,531,837	30,960,000	34,056,000	22,572,000	20,790,000	26,507,250	25,129,541
CENTRAL GOVERNMENT DEBT BALANCE							
BALANCE OF EXTERNAL DEBT							
In Millions of Bs.F	96,290,165	186,835,955	260,387,261	363,890,018	452,430,223	672,395,876	692,161,575
In Millions of US$	37,035	43,450	60,555	63,840	64,633	65,281	65,920
BALANCE OF INTERNAL DEBT							
In Millions of Bs.F	90,309,819	154,110,019	196,640,961	288,683,414	355,214,388	491,108,328	502,843,131
In Millions of US$	26,838	35,840	45,730	50,646	50,745	49,524	48,138
EXTERNAL DEBT SERVICE USD Million	**5,148**	**5,334**	**3,992**	**3,992**	**5,468**	**5,127**	**4,672**
Amortizations	3,998	2,534	675	675	2,177	2,025	1,767
Interest and Comissions	1,680	5,168	3,317	3,317	3,291	3,102	2,905
Effective Interest Rate	*4.5%*	*11.9%*	*5.5%*	*5.2%*	*5.1%*	*4.8%*	*4.4%*
EXTERNAL DEBT SERVICE Bs.F Million	**17,617,562**	**24,332,825**	**17,166,821**	**22,756,019**	**38,277,155**	**50,844,247**	**48,801,523**
Amortizations	10,394,000	10,897,000	2,901,739	3,846,491	15,242,255	20,078,632	18,454,685
Interest and Comissions	7,223,562	13,435,825	14,265,082	18,909,528	23,034,900	30,765,615	30,346,838
NUEVO ENDEUDAMIENTO EXTERNO Bs.F	14,531,837	30,960,000	34,056,000	22,572,000	20,790,000	26,507,250	25,129,541
New External Debt (Million USD)	4,319	7,200	7,920	3,960	2,970	2,673	2,406
Net External Debt (Million USD)	321	4,666	7,245	3,285	793	648	639
INTERNAL DEBT SERVICE IN MILLIONS OF Bs.F	**27,792,391**	**33,999,993**	**54,364,073**	**54,364,073**	**62,518,684**	**75,675,199**	**88,148,258**
Amortization	19,996,697	18,299,931	21,201,670	21,201,670	24,381,920	34,247,941	41,097,529
Interest	7,795,695	15,700,062	33,162,403	33,162,403	38,136,764	41,427,258	47,050,729
Effective Interest Rate	8.6%	10.2%	16.9%	11.5%	10.7%	8.4%	9.4%
TOTAL CENTRAL GOVERNMENT DEBT							
Million Bs.F	186,599,985	340,945,974	457,028,222	652,573,431	807,644,611	1,163,504,204	1,195,004,706
Millions USD	71,769	79,290	106,286	114,487	115,378	117,328	114,400
Direct Assumptions							
Tasa de Crecimiento del Gasto Fiscal							
Remuneraciones a Empleados y Obreros	20%	45.0%	45.0%	30.0%	30.0%	30.0%	27.5%
Compras de Bienes y Servicios y Otros	20%	35.0%	35.0%	35.0%	30.0%	27.5%	25.0%
Subsidios y Transferencias	30%	35.0%	40.0%	35.0%	35.0%	30.0%	30.0%
Formación Bruta de Capital	20%	20.0%	20.0%	25.0%	25.0%	25.0%	27.5%
Transferencias de Capital	20%	30.0%	30.0%	25.0%	25.0%	25.0%	27.5%
Porcentaje de Gastos Extrapresupuestarios Adicionales	1.2%	5.0%	1.5%	1.0%	1.5%	1.5%	1.5%
Total Expenses Expected Increase							
Current Expenses	30.1%	28.7%	44.9%	30.1%	31.3%	28.7%	26.9%
Total Expenses	37.5%	21.7%	43.0%	27.4%	31.9%	28.5%	26.0%

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Table 12 Real Structural Economic Ratios	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
Aggregate Demand to GDP							
Internal Aggregate Demand to GDP	124.2%	128.3%	130.1%	123.1%	119.8%	122.9%	124.0%
Consumption to GDP	87.8%	88.0%	88.2%	90.3%	91.1%	89.7%	88.7%
Private Consumption to GDP	69.8%	69.7%	69.5%	70.9%	71.2%	70.4%	70.1%
Public Consumption to GDP	17.9%	18.2%	18.7%	19.3%	19.9%	19.3%	18.6%
Investment to GDP	30.3%	30.4%	29.7%	30.7%	31.8%	32.3%	32.1%
Private Investment to GDP	9.0%	8.5%	8.1%	8.6%	8.9%	8.8%	8.9%
Public Investment to GDP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Exports of Goods and Services to GDP	**14.0%**	**14.1%**	**13.8%**	**14.1%**	**14.5%**	**14.4%**	**14.3%**
Merchandise Exports to GDP	13.1%	13.1%	12.8%	13.1%	13.4%	13.1%	12.8%
Exports of Oil Merchandise to GDP	11.2%	11.0%	10.7%	10.9%	11.2%	11.0%	10.7%
Exports of Non-oil Merchandise to GDP	1.9%	2.1%	2.1%	2.1%	2.2%	2.1%	2.1%
Service Exports to GDP	0.9%	1.0%	1.0%	1.1%	1.1%	1.3%	1.5%
Imports of Goods and Services to GDP	**38.3%**	**42.4%**	**43.9%**	**37.2%**	**34.3%**	**37.3%**	**38.2%**
Merchandise Imports to GDP	34.2%	37.3%	38.8%	32.5%	29.7%	32.5%	33.5%
Service Imports to GDP	4.1%	5.1%	5.1%	4.7%	4.6%	4.8%	4.8%
Real Volume of Trade to GDP	47.3%	50.4%	51.7%	45.6%	43.1%	45.6%	46.2%
Production Structure							
Oil GDP to Total GDP	**11.7%**	**11.3%**	**11.0%**	**11.1%**	**11.3%**	**10.9%**	**10.5%**
Non-oil GDP to Total GDP	**77.3%**	**77.5%**	**77.6%**	**77.4%**	**77.2%**	**77.9%**	**78.1%**
Non-oil Merchandise GDP to Total GDP	28.7%	28.5%	28.1%	28.5%	28.6%	28.3%	28.4%
Agricultural GDP to Total GDP	4.3%	4.1%	3.9%	3.9%	3.8%	3.6%	3.5%
Mining GDP to Total GDP	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Manufacturing GDP to Total GDP	14.5%	14.5%	14.3%	14.5%	14.6%	14.7%	14.8%
Construction GDP to Total GDP	7.2%	7.2%	7.2%	7.3%	7.3%	7.2%	7.3%
Electricity and Water Supply GDP to Total GDP	2.3%	2.3%	2.3%	2.3%	2.4%	2.3%	2.3%
Non-oil Services GDP to Total GDP	48.5%	49.0%	49.5%	49.0%	48.7%	49.6%	49.7%
Commercial GDP to Total GDP	9.4%	9.6%	9.7%	9.8%	10.2%	11.3%	11.9%
Transportation and Storage GDP to Total GDP	3.5%	3.5%	3.6%	3.5%	3.5%	3.6%	3.6%
Communication GDP to Total GDP	6.4%	6.6%	6.7%	6.9%	7.1%	7.0%	6.8%
Other Services GDP to Total GDP	29.3%	29.3%	29.6%	28.8%	27.9%	27.8%	27.4%
Net Indirect Taxes	**11.0%**	**11.2%**	**11.4%**	**11.4%**	**11.5%**	**11.2%**	**11.4%**
Institutional Structure of GDP							
Private GDP to Total GDP	65.6%	65.6%	64.4%	63.9%	62.9%	62.0%	61.5%
Public GDP to Total GDP	34.4%	34.4%	35.6%	36.1%	37.1%	38.0%	38.5%
Orientation of Production							
Tradable GDP to Total GDP	31.0%	30.3%	29.6%	30.0%	30.1%	29.7%	29.3%
Oil Tradable GDP to Total GDP	11.7%	11.3%	11.0%	11.1%	11.3%	10.9%	10.5%
Non-oil Tradable GDP to Total GDP	19.3%	19.0%	18.6%	18.9%	18.9%	18.8%	18.8%
Nontradable GDP to Total GDP	58.0%	58.5%	59.0%	58.6%	58.4%	59.1%	59.3%
Labour Structure							
Informal Occupation Rate	**43.9%**	**43.2%**	**42.5%**	**42.6%**	**42.5%**	**40.2%**	**37.8%**
Formal Occupation Rate	56.1%	56.8%	57.5%	57.4%	57.5%	59.8%	62.2%
Unemployment Rate	**8.5%**	**8.2%**	**7.5%**	**7.8%**	**7.8%**	**6.9%**	**6.0%**
Prices Relations							
WPI to CPI	1.143	1.099	1.049	1.004	1.002	1.027	1.052
National Disposable Income and its Distribution							
National Disposable Income to GDP	92.8%	91.9%	89.0%	89.2%	89.1%	89.4%	89.3%
Disposable Personal Income to Disposable National Income	61.9%	60.7%	62.9%	65.7%	66.0%	64.0%	66.0%
Disposable Persona Income to GDP	57.5%	55.8%	56.0%	58.6%	58.8%	57.2%	58.9%
Consumption to Disposable Personal Income	96.1%	97.1%	98.2%	98.0%	97.0%	96.5%	95.0%
Per Capita GDP, Labor Mean Productivity and Real Salaries Real Indexes (1997=100)							
Labor Mean Real Productivity Index	91.9	94.0	95.9	94.9	94.6	97.1	99.8
Var %	-2.6%	2.2%	2.0%	-1.0%	-0.3%	2.6%	2.8%
Real Average Salaries Index	80.7	83.4	86.9	81.6	78.8	79.1	80.3
Var %	-5.4%	3.4%	4.1%	-6.1%	-3.4%	0.4%	1.4%
Real GDP Per Capita Index	105.1	107.9	112.0	111.6	112.2	117.8	124.4
Var %	-3.0%	2.6%	3.9%	-0.4%	0.5%	5.0%	5.6%

Table 13	2010	2011	2012	2013	2014	2015	2016
Nominal Structural Economic Ratios	HISTORIC	ESTIMATED	FORECASTS				
Monetary Ratios							
Indicators of Monetization							
Monetary Liquidity M2 to GDP	0.292	0.330	0.381	0.358	0.330	0.355	0.381
Currency M1 to GDP	0.268	0.315	0.383	0.363	0.325	0.339	0.354
Multipliers of the Monetary Variables	-	-	-	-	-	-	-
Multiplier of Liquidity	2.41	2.59	2.68	2.69	2.62	2.87	2.99
Multiplier of Currency	2.21	2.47	2.69	2.73	2.59	2.75	2.78
Structure of Monetary Liquidity	-	-	-	-	-	-	-
M1/M2	0.918	0.955	1.005	1.015	0.986	0.956	0.929
Quasimony/M2	0.082	0.045	(0.005)	(0.015)	0.014	0.044	0.071
Velocity of Circulation	-	-	-	-	-	-	-
Velocity of Circulation of Monetary Liquidity	3.43	3.03	2.62	2.79	3.03	2.82	2.62
Velocity of Circulation of Currency	3.74	3.18	2.61	2.75	3.07	2.95	2.83
Monetary Exchange Rate	-	-	-	-	-	-	-
Monetary Liquidity to Central Bank Reserves	10,054.09	14,942.52	24,393.50	21,371.15	19,793.36	26,128.00	31,010.86
Monetary Liquidity to Total Reserve Assets	9,778.31	14,941.02	24,390.84	21,369.44	19,792.13	26,126.50	31,009.28
External Ratios							
Opening and Terms of Trade							
Terms of Trade	137.2	235.2	227.3	212.1	234.4	244.3	242.7
Commercial Undervaluation (-) / Overvaluation (+)	118.0%	40.1%	65.0%	51.4%	50.9%	24.5%	45.1%
Economic Importance of the Principal Trade Balance Variables							
Current Account to GDP	-	-	-	-	-	-	-
Coverage of Foreign Reserves							
Months of Imports to Foreign Reserves	9.43	7.72	6.42	10.12	13.98	13.01	13.40
Months of Imports + Interest on Foreign Debt to Foreign Reserves	8.69	7.09	5.64	8.49	11.55	11.03	11.54
Months of Imports + External Debt Service to Foreign Reserves	7.59	5.86	5.33	7.69	10.08	9.80	10.41
Central Goverment Performance as % of GDP							
ORDINARY REVENUE	**19.5%**	**19.0%**	**18.6%**	**19.3%**	**18.1%**	**17.8%**	**17.8%**
Ordinary Oil Revenue	5.6%	6.5%	7.0%	7.9%	6.4%	5.8%	5.6%
Income Tax (PDVSA and Associations)	0.9%	1.5%	1.9%	3.4%	1.7%	2.1%	1.7%
Hydrocarbon Rent (Royalties) (PDVSA and Associations)	4.7%	5.1%	5.1%	4.5%	4.7%	3.8%	3.9%
PDVSA Dividends	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Ordinary Non-oil Revenue	13.9%	12.4%	11.6%	11.5%	11.7%	12.0%	12.2%
Value Added Tax (VAT)	5.5%	5.5%	5.8%	5.7%	5.8%	5.7%	5.8%
Income Tax on Internal Activities	2.8%	2.6%	2.7%	2.4%	2.5%	2.6%	2.7%
Import Tax	1.1%	1.3%	1.1%	1.0%	0.9%	1.1%	1.0%
Cigarette and Liquor Tax	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.0%
Other Revenues	3.4%	2.0%	1.9%	2.2%	2.5%	2.5%	2.7%
Bank Debit Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FISCAL SPENDING AS % OF GDP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Spending - Interest	**16.9%**	**15.7%**	**16.7%**	**17.2%**	**17.0%**	**16.2%**	**16.2%**
Current Spending	**18.4%**	**17.8%**	**19.4%**	**19.4%**	**19.0%**	**17.9%**	**17.6%**
Capital Spending	4.2%	4.5%	4.4%	4.2%	3.9%	3.6%	3.5%
Public Debt Amortization Spending	3.0%	1.3%	1.3%	1.1%	1.3%	1.3%	1.1%
Spending - Amortizations	22.8%	22.3%	24.0%	23.9%	23.2%	21.7%	21.4%
Total Spending	**25.8%**	**23.6%**	**25.4%**	**24.9%**	**24.5%**	**23.0%**	**22.5%**
Deficit Variables							
Current Surplus (+) / Deficit (-)	**-1.9%**	**-1.2%**	**-2.8%**	**-2.3%**	**-3.2%**	**-2.3%**	**-2.2%**
Gross Financing Needs	**-6.3%**	**-4.6%**	**-6.8%**	**-5.6%**	**-6.4%**	**-5.2%**	**-4.7%**
BALANCE OF INTERNAL PUBLIC DEBT							
Balance as % of GDP	8.9%	11.4%	10.9%	12.4%	11.3%	11.5%	9.1%
Balance as % of Monetary Liquidity	30.4%	34.5%	28.7%	34.5%	34.3%	32.3%	23.9%
Service as % of GDP	2.7%	2.5%	3.0%	2.3%	2.0%	1.8%	1.6%
Service as % of Monetary Liquidity	9.4%	7.6%	7.9%	6.5%	6.0%	5.0%	4.2%
TOTAL PUBLIC DEBT							
Balance as % of GDP	18.4%	25.2%	25.4%	28.0%	25.8%	27.1%	21.6%
Service as % of GDP	4.5%	4.3%	4.0%	3.3%	3.2%	3.0%	2.5%

Table 14	2010	2011	2012	2013	2014	2015	2016
The Venezuelan Economy in the World	HISTORIC	ESTIMATED	FORECASTS				
World Economic Growth	**1.5%**	**1.8%**	**2.1%**	**2.2%**	**1.5%**	**1.5%**	**1.5%**
USA Consumer Inflation Rate	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Annual Average	1.6%	3.2%	2.0%	2.3%	2.4%	1.8%	1.8%
% chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Venezuela Caracas Consumer Inflation Rate	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Annual Average	29.1%	27.2%	26.7%	31.6%	28.2%	23.4%	21.4%
% chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Oil Exchange Rate	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Annual Average	3.620	4.300	4.300	5.700	7.000	9.917	10.446
% chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Comercial Parity Exchange Rate	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Annual Average	5.431	5.631	6.706	8.112	9.926	11.889	14.276
% chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Venezuela Population	**28,830,996**	**29,271,530**	**29,739,874**	**30,215,712**	**30,699,164**	**31,190,350**	**31,689,396**
Venezuela Households	**6,787,390**	**6,787,394**	**6,957,616**	**7,068,937**	**7,182,039**	**7,296,951**	**7,413,702**
Venezuela Economic Activity in USD							
Nominal GDP Bs	1,016,834,748	1,354,959,948	1,799,272,290	2,333,050,289	3,135,992,812	4,287,462,373	5,530,638,112
% chg	43.8%	33.3%	32.8%	29.7%	34.4%	36.7%	29.0%
Nominal GDP Million USD	**280,894**	**315,107**	**418,435**	**409,307**	**447,999**	**432,349**	**529,459**
% chg	**-14.6%**	**12.2%**	**32.8%**	**-2.2%**	**9.5%**	**-3.5%**	**22.5%**
Purchasing Power Parity GDP Million USD	**187,227**	**240,629**	**268,320**	**287,616**	**315,937**	**360,612**	**387,416**
% chg	**21.2%**	**28.5%**	**11.5%**	**7.2%**	**9.8%**	**14.1%**	**7.4%**
Real GDP Million USD at constant prices of 1997	**113,865**	**118,620**	**125,162**	**126,712**	**129,336**	**137,953**	**148,040**
% chg	**-1.5%**	**4.2%**	**5.5%**	**1.2%**	**2.1%**	**6.7%**	**7.3%**
Nominal Per Capita GDP USD	**9742.8**	**10765.0**	**14069.8**	**13546.2**	**14593.2**	**13861.6**	**16707.8**
% chg	**-15.9%**	**10.5%**	**30.7%**	**-3.7%**	**7.7%**	**-5.0%**	**20.5%**
Purchasing Power Parity Per Capital GDP USD	**6494.0**	**8220.6**	**9022.2**	**9518.8**	**10291.4**	**11561.7**	**12225.4**
% chg	**19.3%**	**26.6%**	**9.8%**	**5.5%**	**8.1%**	**12.3%**	**5.7%**
Real Per Capital GDP USD 1997=100	**3949.4**	**4052.4**	**4208.5**	**4193.6**	**4213.0**	**4423.0**	**4671.6**
% chg	**-3.0%**	**2.6%**	**3.9%**	**-0.4%**	**0.5%**	**5.0%**	**5.6%**
External Trade Indicators							
Index of Terms of Trade 1997=100	**415.17**	**527.40**	**531.15**	**536.87**	**545.16**	**550.45**	**559.90**
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Account as % of GDP	**4.3%**	**8.6%**	**7.4%**	**11.1%**	**12.7%**	**12.9%**	**11.2%**
	0.0%	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Trade Openess as % of GDP	**41.7%**	**48.7%**	**40.6%**	**42.1%**	**40.9%**	**47.4%**	**43.0%**
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Exports	65,745	92,602	101,065	109,331	120,671	130,622	143,179
Oil Exports	62,317	88,131	96,203	104,171	115,179	124,636	136,504
Imports of Goods	38,613	46,441	52,567	46,350	44,895	53,663	60,895
Debt Indicators							
External Debt	**92,843**	**107,428**	**119,775**	**125,288**	**131,607**	**134,087**	**136,495**
Public	83,240	96,420	108,186	113,438	119,191	121,305	123,347
Non Oil	50,268	61,310	68,555	71,840	72,633	73,281	73,920
Oil	32,972	35,110	39,631	41,598	46,558	48,024	49,426
Private	9,603	11,008	11,589	11,850	12,416	12,782	13,148
External Debt Balance as % of GDP	33.1%	34.1%	28.6%	30.6%	29.4%	31.0%	25.8%
Public External Debt as % of GDP	29.6%	30.6%	25.9%	27.7%	26.6%	28.1%	23.3%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
External Debt Balance as % of Exports	141.2%	116.0%	118.5%	114.6%	109.1%	102.7%	95.3%
External Debt Balance as % of Oil Exports	149.0%	121.9%	124.5%	120.3%	114.3%	107.6%	100.0%
Public External Debt Balance as % of Exports	126.6%	104.1%	107.0%	103.8%	98.8%	92.9%	86.1%
Public External Debt Balance as % of Oil Exports	52.9%	39.8%	41.2%	39.9%	40.4%	38.5%	36.2%
External Debt Service as % of GDP	3.3%	4.7%	2.6%	3.6%	3.9%	4.1%	3.3%
Public External Debt Service as % of GDP	3.3%	4.7%	2.4%	3.3%	3.7%	3.8%	3.1%
Public External Debt Service as % of Oil Exports	14.8%	16.6%	10.4%	13.0%	14.3%	13.2%	12.0%
PDVSA Oil Figures and Balance of Payments							
PDVSA Oficial Oil Production Figures							
Crude Oil Production	**2,879**	**2,997**	**3,062**	**3,147**	**3,267**	**3,396**	**3,538**
Petroleum and Refined Produts Exports	**2,415**	**2,432**	**2,502**	**2,580**	**2,704**	**2,813**	**2,934**
Average Year Oil Price	**72.7**	**101.1**	**105.4**	**110.6**	**116.7**	**121.4**	**127.4**
Oil Exports Income	**62,317**	**88,131**	**96,203**	**104,171**	**115,179**	**124,636**	**136,504**
Current Account	**12,071**	**27,205**	**30,872**	**45,246**	**56,796**	**55,953**	**59,541**
Capital Account	**(17,818)**	**(27,619)**	**(29,130)**	**(30,566)**	**(39,868)**	**(45,953)**	**(45,859)**
Errors and Omissions	**(2,313)**	**(3,618)**	**(3,450)**	**(3,622)**	**(3,695)**	**(4,064)**	**(3,861)**
Balance of Payments	**(8,060)**	**(4,032)**	**(1,707)**	**11,057**	**13,234**	**5,935**	**9,821**
OPEC Secondary Sources Venezuela Oil Figures and Balance of Payments Correction							
OPEC Secondary Sources Venezuela Oil Production Figures							
Crude Oil Production	**2,338**	**2,384**	**2,460**	**2,554**	**2,882**	**3,027**	**3,251**
Petroleum and Refined Produts Exports	**1,784**	**1,741**	**1,834**	**1,934**	**2,278**	**2,388**	**2,575**
Differences with PDVSA							
Oil Crude Production	**541**	**613**	**602**	**593**	**385**	**370**	**288**
Exports	**631**	**691**	**667**	**646**	**426**	**425**	**359**
Oil Exports Income	**47,330**	**64,216**	**70,538**	**78,083**	**97,052**	**105,791**	**119,788**
Difference with Oficial BCV/PDVSA Figure	**(14,987)**	**(23,915)**	**(25,665)**	**(26,088)**	**(18,127)**	**(18,845)**	**(16,716)**
Current Account	**(2,916)**	**3,290**	**5,208**	**19,158**	**38,669**	**37,108**	**42,825**
Capital Account	**(2,831)**	**(3,704)**	**(3,465)**	**(4,479)**	**(21,741)**	**(27,109)**	**(29,143)**
Errors and Omissions	**(2,313)**	**(3,618)**	**(3,450)**	**(3,622)**	**(3,695)**	**(4,064)**	**(3,861)**
Balance of Payments	**(8,060)**	**(4,032)**	**(1,707)**	**11,057**	**13,234**	**5,935**	**9,821**

Scenario: Re-election of Chávez

Table 1	2010	2011	2012	2013	2014	2015	2016
BASIC INDICATORS	HISTORIC	ESTIMATED			FORECASTS		
Venezuela Oil Activity (Th.B/d and USD/b)							
BASED ON PDVSA FIGURES							
Liquid Hydrocarbon and Refined Production	3,122	3,270	3,342	3,421	3,515	3,623	3,746
% Chg	-1.5%	4.7%	2.2%	2.4%	2.7%	3.1%	3.4%
Crude Oil Production (PDVSA Definition)	2,975	3,115	3,181	3,260	3,352	3,457	3,575
% Chg	-1.2%	4.7%	2.1%	2.5%	2.8%	3.1%	3.4%
Crude Oil Production (OPEC Definition)	2,879	2,997	3,062	3,142	3,235	3,337	3,449
% Chg	-1.0%	4.1%	2.2%	2.6%	3.0%	3.1%	3.4%
Exports of Crude Oil and Refined Products under PDVSA Definition	2,415	2,432	2,502	2,574	2,669	2,753	2,848
% Chg	-10.0%	0.7%	2.9%	2.9%	3.7%	3.1%	3.5%
BASED ON OPEC SECONDARY SOURCES							
Crude Oil Production (Secondary Sources of OPEC)	2,338	2,384	2,460	2,603	2,654	2,764	2,829
% Chg	6.1%	2.0%	3.2%	5.8%	2.0%	4.2%	2.4%
Exports of Crude Oil and Refined Products Estimates under Secondary Sources	1,784	1,741	1,834	1,982	2,047	2,152	2,213
% Chg	-5.4%	-2.4%	5.4%	8.0%	3.3%	5.2%	2.8%
Differences Among Official and Secondary Sources							
Crude Oil Production	541	613	602	539	582	572	620
Exports of Crude+Products	631	691	667	593	623	600	635
VENEZUELA OIL BASKET PRICE							
Venezuela Oil Basket Annual Average Price	72.69	101.06	105.36	110.62	116.71	121.38	127.44
% Chg	25.9%	39.0%	4.3%	5.0%	5.5%	4.0%	5.0%
Differences with Brent North Sea	7.55	10.30	9.81	12.60	12.07	11.90	9.83
Economic Activity (GDP) at Constant 1997 Prices (Rates of Variation %)							
Total	-1.5%	4.2%	5.5%	2.1%	3.2%	1.6%	4.5%
Oil	0.1%	0.6%	2.4%	2.2%	2.9%	2.6%	3.0%
Non-oil	-1.6%	4.5%	5.7%	2.3%	2.7%	1.6%	4.4%
Indirect Taxes	-2.3%	5.9%	7.5%	1.1%	6.6%	0.3%	5.9%
Socioeconomic Indicators (%)							
Unemployment Rate	8.5%	8.2%	7.5%	8.2%	8.6%	8.6%	7.9%
Informal Occupation Rate	43.9%	43.2%	42.5%	43.1%	43.4%	43.4%	42.5%
Poverty Figures							
% people under poverty line	32.5%	33.2%	31.4%	33.5%	34.2%	35.2%	34.7%
% people under extreme poverty line	8.6%	9.1%	8.5%	10.8%	11.4%	11.9%	11.8%
Inflation (%) (1997=100)							
Wholesale Inflation Rate							
Annualized (Dec/Dec)	26.8%	20.7%	19.9%	32.4%	19.0%	27.3%	17.9%
Annual Average	27.1%	22.2%	21.0%	30.8%	19.0%	25.2%	19.1%
Consumer Inflation Rate (Metropolitan Area of Caracas)							
Annualized (Dec/Dec)	27.4%	29.0%	28.7%	30.6%	27.3%	25.2%	26.2%
Annual Average	29.1%	27.2%	26.7%	30.8%	25.7%	26.3%	26.7%
Consumer Inflation National Rate							
Annualized (Dec/Dec)	27.2%	27.6%	28.1%	29.4%	26.1%	23.7%	25.1%
Annual Average	28.2%	26.1%	26.4%	29.9%	24.7%	25.4%	25.7%
Tipo de Cambio e Indicadores Sobrevaluación (Bs.F/US$ y %)							
OFICIAL PETROLEUM EXCHANGE RATE							
Year-end	4.30	4.30	4.30	6.30	6.30	7.90	8.25
% Chg	100.0%	0.0%	0.0%	46.5%	0.0%	25.4%	4.4%
Average Year	4.30	4.30	4.30	6.30	6.30	7.90	8.25
% Chg	100.0%	0.0%	0.0%	46.5%	0.0%	25.4%	4.4%
SWAP/SITME EXCHANGE RATE							
Year-end	5.30	5.30	5.30	7.50	7.50	9.75	10.75
% Chg	-10.5%	0.0%	0.0%	41.5%	0.0%	30.0%	10.3%
Average Year	6.53	5.30	5.30	7.50	7.54	9.48	10.28
% Chg	6.7%	-18.8%	0.0%	41.5%	0.6%	25.7%	8.5%
WEIGHTED COST EFFECTIVE EXCHANGE RATE							
Year-end	3.39	4.57	4.54	6.73	6.68	8.36	8.93
% Chg	-5.4%	34.8%	-0.5%	48.1%	-0.8%	25.2%	6.7%
Average Year	3.58	4.56	4.54	6.71	6.67	8.29	8.80
% Chg	19.9%	27.6%	-0.5%	47.8%	-0.6%	24.3%	6.1%
EXCHANGE RATE DESVIATIONS							
Purchase Power Parity Exchange Rate	5.67	6.02	7.10	8.69	10.18	12.33	14.04
Overvaluation (+) Undervaluation (-)	118.0%	40.1%	65.0%	37.9%	61.6%	56.0%	70.1%
Liquidity Indicators and Interest Rates							
Lending Rates							
Year-end	17.9	15.6	16.3	15.4	15.1	16.3	22.4
Annual Average	17.9	17.4	17.4	17.0	16.0	16.0	21.3
Real Annual Average	-8.6	-7.6	-7.4	-10.6	-7.7	-8.2	-4.3
Deposit Rates							
Year-end	15.0	14.5	14.7	12.9	12.3	14.3	18.7
Annual Average	14.8	14.7	14.5	14.5	13.3	14.0	17.6
Real Annual Average	-11.1	-9.8	-9.6	-12.5	-9.9	-9.7	-7.2
Year-end Monetary Liquidity M2 (Millions of Bs.F)	296,595,794	446,616,842	685,602,300	928,981,412	1,237,856,812	1,699,700,412	2,403,184,417
% Chg (Dec/Dec)	19.1%	50.6%	53.5%	35.5%	33.2%	37.3%	41.4%
% Chg (Dec/Dec) at Constant 1997 Prices	-6.5%	16.7%	19.3%	3.8%	4.7%	9.6%	12.1%
External Sector Indicators (millions of US$)							
Exports	65,745	92,602	101,065	108,909	118,950	127,502	138,421
% Chg	14.1%	40.9%	9.1%	7.8%	9.2%	7.2%	8.6%
Imports	38,613	46,441	52,567	45,714	47,703	49,104	50,352
% Chg	-2.6%	20.3%	13.2%	-13.0%	4.4%	2.9%	2.5%
Trade Balance	27,132	46,161	48,498	63,195	71,247	78,398	88,070
Current Account	12,071	27,205	30,872	45,758	52,894	59,510	67,879
Balance of Payments	(8,060)	(4,032)	(1,707)	7,866	(61)	5,274	(459)
Total International Reserves	30,332	29,892	28,109	35,914	35,805	41,040	40,551
Months of Imports + Debt Service	8.7	7.1	5.6	7.9	7.5	8.3	8.0
Central Government Public Finance Indicators as % of GDP							
Primary Surplus (+) / Deficit (-) as % of GDP	-1.9%	-1.2%	-2.8%	-1.3%	-2.2%	-1.3%	-1.5%
Financing Needs (-) as % of GDP	-6.3%	-4.6%	-6.8%	-6.3%	-5.7%	-4.8%	-4.5%

Table 2 Exchange Rate and Price Indicators	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
Exchange Rates and Overvaluation Indicators							
Year End Exchange Rate							
Preferential Rate	2.60	4.30	4.30	6.30	6.30	7.90	8.25
Oil Rate	4.30	4.30	4.30	6.30	6.30	7.90	8.25
Weitghted Official Rate	3.62	4.30	4.30	6.30	6.30	7.90	8.25
Swap / Sitme Rate	5.30	5.30	5.30	7.50	7.50	9.75	10.75
Alternate	8.43	8.75	8.98	10.50	12.00	9.75	10.75
Effective Cost of Imports of Goods and Services	3.39	4.57	4.54	6.73	6.68	8.36	8.93
% of Change at Year End							
Preferential Rate	20.9%	65.4%	0.0%	46.5%	0.0%	25.4%	4.4%
Oil Rate	100.0%	0.0%	0.0%	46.5%	0.0%	25.4%	4.4%
Weitghted Official Rate	68.4%	18.8%	0.0%	46.5%	0.0%	25.4%	4.4%
Swap / Sitme Rate	-10.5%	0.0%	0.0%	41.5%	0.0%	30.0%	10.3%
Alternate	42.3%	3.9%	2.7%	16.9%	14.3%	-18.8%	10.3%
Effective Cost of Imports of Goods and Services	-5.4%	34.8%	-0.5%	48.1%	-0.8%	25.2%	6.7%
Average Year Exchange Rate							
Preferential Rate	2.60	4.30	4.30	6.30	6.30	7.90	8.25
Oil Rate	4.30	4.30	4.30	6.30	6.30	7.90	8.25
Weitghted Official Rate	3.37	4.30	4.30	6.30	6.30	7.90	8.25
Swap / Sitme Rate	6.53	5.30	5.30	7.50	7.54	9.48	10.28
Alternate	7.71	8.66	8.85	10.12	11.38	9.48	10.28
Effective Cost of Imports of Goods and Services	3.58	4.56	4.54	6.71	6.67	8.29	8.80
% of Chage of Average Exchange Rate							
Preferential Rate	20.9%	65.4%	0.0%	46.5%	0.0%	25.4%	4.4%
Oil Rate	100.0%	0.0%	0.0%	46.5%	0.0%	25.4%	4.4%
Weitghted Official Rate	68.4%	27.8%	0.0%	46.5%	0.0%	25.4%	4.4%
Swap / Sitme Rate	0.0%	-18.8%	0.0%	41.5%	0.6%	25.7%	8.5%
Alternate	26.0%	12.4%	2.2%	14.5%	12.4%	-16.7%	8.5%
Effective Cost of Imports of Goods and Services	19.9%	27.6%	-0.5%	47.8%	-0.6%	24.3%	6.1%
Real Exchance and Purchasing Power Parity Rates							
Purchasing Power Parity of Trade	5667.6	6022.2	7097.0	8689.0	10183.5	12327.9	14036.3
Effective Purchasing Power Parity Trade	5431.0	5630.9	6705.7	8115.7	9610.2	11609.0	13285.5
Short Term Exchange Rate	4877.7	5592.9	6407.3	7742.9	8866.6	10396.3	11157.4
Desviations (Overvaluation (+) / Undervaluation (-)							
Purchasing Power Parity of Trade	118.0%	40.1%	65.0%	37.9%	61.6%	56.0%	70.1%
Effective Purchasing Power Parity Trade	108.9%	31.0%	55.9%	28.8%	52.5%	46.9%	61.0%
Short Term Exchange Rate	87.6%	30.1%	49.0%	22.9%	40.7%	31.6%	35.2%
Wholesale Prices Indexes							
Average Agricultural Price Index	1672.9	2044.5	2473.5	3234.5	3847.5	4818.5	5739.5
% Chg	27.1%	22.2%	21.0%	30.8%	19.0%	25.2%	19.1%
Average Price Index for Manufacturing Activity	1837.8	2219.1	2661.0	3524.4	4195.0	5342.1	6297.6
% Chg	26.8%	20.7%	19.9%	32.4%	19.0%	27.3%	17.9%
Wholesale Prices Indexes	1783.6	2203.2	2732.1	3466.6	4237.1	5292.7	6395.5
Annual Average Wholesale Price Index	27.5%	23.5%	24.0%	26.9%	22.2%	24.9%	20.8%
% Chg	1971.7	2406.6	2972.8	3814.4	4686.1	5945.6	7096.8
Year-end Wholesale Price Index	28.8%	22.1%	23.5%	28.3%	22.9%	26.9%	19.4%
% Chg	1345.6	1575.1	1708.6	2548.2	2695.4	3416.2	3799.6
Annual Average Wholesale Price Index for Domestic Goods	25.6%	17.1%	8.5%	49.1%	5.8%	26.7%	11.2%
% Chg	1441.6	1664.4	1739.0	2666.5	2742.7	3557.4	3934.2
Year-end Wholesale Price Index for Domestic Goods	19.3%	15.5%	4.5%	53.3%	2.9%	29.7%	10.6%
Consumer Prices Indexes (1997=100)							
Consumer Price Inflation Rate (Metropolitan Area of Caracas)							
Annual Average Index	1,463.3	1,860.5	2,357.9	3,085.0	3,878.5	4,900.4	6,209.8
% Chg	29.1%	27.2%	26.7%	30.8%	25.7%	26.3%	26.7%
December Index	1,605.4	2,070.8	2,664.8	3,479.8	4,429.8	5,547.3	6,998.9
% Chg	27.4%	29.0%	28.7%	30.6%	27.3%	25.2%	26.2%
Consumer Prices Indexes (Dic 2007=100)							
Consumer Price Inflation Rate National Level							
Annual Average Index	189.2	238.5	301.4	391.5	488.3	612.2	769.6
% Chg	28.2%	26.1%	26.4%	29.9%	24.7%	25.4%	25.7%
December Index	208.2	265.6	340.2	440.2	555.0	686.4	858.5
% Chg	27.2%	27.6%	28.1%	29.4%	26.1%	23.7%	25.1%
Consumer Price Inflation Rate (Metropolitan Area of Caracas Level)							
Annual Average Index	194.3	247.1	313.1	409.7	515.1	650.8	824.7
% Chg	29.1%	27.2%	26.7%	30.8%	25.7%	26.3%	26.7%
December Index	213.2	275.0	353.9	462.1	588.3	736.7	929.5
% Chg	27.4%	29.0%	28.7%	30.6%	27.3%	25.2%	26.2%
FOREIGN PRICES INDICATORS AND TERMS OF TRADE (1997=100)							
USA CONSUMER PRICES INDEX	*135.86*	*140.15*	*142.95*	*146.24*	*149.75*	*152.45*	*155.19*
USA CONSUMER INFLATION RATE	*1.6%*	*3.2%*	*2.0%*	*2.3%*	*2.4%*	*1.8%*	*1.8%*
EXTERNAL SECTOR TRADE PRICES IN DOLLARS							
Exports of Goods and Services	*420.36*	*546.26*	*567.71*	*592.32*	*620.57*	*644.16*	*673.34*
% Chg	*30.0%*	*30.0%*	*3.9%*	*4.3%*	*4.8%*	*3.8%*	*4.5%*
Exports of Goods	*439.08*	*577.29*	*601.16*	*628.60*	*660.16*	*686.57*	*719.30*
% Chg	*21.0%*	*31.5%*	*4.1%*	*4.6%*	*5.0%*	*4.0%*	*4.8%*
Exports of Oil Goods	*485.41*	*674.86*	*703.54*	*738.72*	*779.35*	*810.52*	*851.05*
% Chg	*25.9%*	*39.0%*	*4.3%*	*5.0%*	*5.5%*	*4.0%*	*5.0%*
Exports of Non Oil Goods	*161.58*	*172.08*	*178.54*	*184.11*	*190.44*	*198.06*	*205.98*
% Chg	*5.0%*	*6.5%*	*3.8%*	*3.1%*	*3.4%*	*4.0%*	*4.0%*
Exports of Services	*160.12*	*171.33*	*178.61*	*185.08*	*192.37*	*201.03*	*210.07*
% Chg	*6.0%*	*7.0%*	*4.3%*	*3.6%*	*3.9%*	*4.5%*	*4.5%*
Imports of Goods and Services	*112.78*	*117.09*	*121.71*	*126.44*	*131.39*	*135.60*	*139.95*
% Chg	*4.1%*	*3.8%*	*3.9%*	*3.9%*	*3.9%*	*3.2%*	*3.2%*
Imports of Goods	*105.76*	*109.46*	*113.18*	*117.09*	*121.10*	*124.73*	*128.47*
% Chg	*3.3%*	*3.5%*	*3.4%*	*3.5%*	*3.4%*	*3.0%*	*3.0%*
Imports of Services	*169.39*	*177.93*	*188.64*	*199.07*	*210.57*	*218.99*	*227.75*
% Chg	*7.0%*	*5.0%*	*6.0%*	*5.5%*	*5.8%*	*4.0%*	*4.0%*
TERMS OF TRADE INDEXES							
TRADE OF GOODS AND SERVICES	*372.71*	*466.52*	*466.44*	*468.47*	*472.33*	*475.04*	*481.12*
% Chg	*23.3%*	*25.2%*	*0.0%*	*0.4%*	*0.8%*	*0.6%*	*1.3%*
TRADE OF GOODS	*415.17*	*527.40*	*531.15*	*536.87*	*545.16*	*550.45*	*559.90*
% Chg	*25.6%*	*27.0%*	*0.7%*	*1.1%*	*1.5%*	*1.0%*	*1.7%*
TRADE OF SERVICES	*458.98*	*616.54*	*621.61*	*630.92*	*643.58*	*649.83*	*662.45*
% Chg	*25.2%*	*34.3%*	*0.8%*	*1.5%*	*2.0%*	*1.0%*	*1.9%*

Table 3	2010	2011	2012	2013	2014	2015	2016
Balance of Payments, Foreign Reserves, and Foreign Debt	HISTORIC	ESTIMATED	FORECASTS				
Balance of Payments (US$ Million)							
MERCHANDISE BALANCE (TRADE BALANCE)	27,132	46,161	48,498	63,195	71,247	78,398	88,070
Merchandise Exports	65,745	92,602	101,065	108,909	118,950	127,502	138,421
% Chg	14.1%	40.9%	9.1%	7.8%	9.2%	7.2%	8.6%
Oil	62,317	88,131	96,203	103,944	113,715	121,952	132,483
% Chg	15.0%	41.4%	9.2%	8.0%	9.4%	7.2%	8.6%
Non-oil	3,428	4,471	4,862	4,966	5,236	5,550	5,938
% Chg	0.8%	30.4%	8.8%	2.1%	5.4%	6.0%	7.0%
- Merchandise Imports	38,613	46,441	52,567	45,714	47,703	49,104	50,352
% Chg	-2.6%	20.3%	13.2%	-13.0%	4.4%	2.9%	2.5%
SERVICES BALANCE	(9,191)	(10,496)	(11,868)	(11,105)	(11,693)	(11,874)	(11,932)
Service Exports	1,857	2,031	2,228	2,768	3,284	3,917	4,722
% Chg	-16.6%	9.4%	9.7%	24.3%	18.6%	19.3%	20.6%
Service Imports	11,048	12,527	14,096	13,873	14,976	15,791	16,654
% Chg	3.0%	13.4%	12.5%	-1.6%	8.0%	5.4%	5.5%
INCOME RENT BALANCE	(5,302)	(7,964)	(5,216)	(5,738)	(6,025)	(6,326)	(7,535)
Current Transfers	(568)	(496)	(541)	(595)	(636)	(687)	(724)
CURRENT ACCOUNT	12,071	27,205	30,872	45,758	52,894	59,510	67,879
CAPITAL AND FINANCIAL ACCOUNT	(17,818)	(27,619)	(29,130)	(34,269)	(48,789)	(49,862)	(63,459)
DIRECT INVESTMENT, NET	(211)	-	-	-	-	-	-
DIRECT INVESTMENT, NET	(1,462)	5,129	4,337	3,244	(3,315)	(2,608)	(3,863)
Inside Venezuela	1,209	5,302	4,507	3,380	(3,152)	(2,364)	(3,546)
Outside Venezuela	(2,671)	(173)	(170)	(136)	(163)	(244)	(317)
PORTFOLIO INVESTMENT	2,437	2,471	2,249	2,473	3,069	3,522	4,041
Public Sector	2,259	2,348	2,113	2,325	2,906	3,341	3,843
Private Sector	178	123	135	149	164	180	198
OTHER INVESTMENT	(18,582)	(35,219)	(35,715)	(39,987)	(48,543)	(50,776)	(63,637)
Public Sector	(1,018)	(19,931)	(18,899)	(21,489)	(26,524)	(27,656)	(35,892)
Private Sector	(17,564)	(15,288)	(16,817)	(18,498)	(22,019)	(23,120)	(27,744)
ERRORS AND OMISSIONS	(2,313)	(3,618)	(3,450)	(3,622)	(4,165)	(4,374)	(4,878)
BALANCE OF PAYMENTS	(8,060)	(4,032)	(1,707)	7,866	(61)	5,274	(459)
Posición de Reservas Internacionales (Millones de US$)							
TOTAL FOREIGN RESERVE ASSETS	30,332	29,892	28,109	35,914	35,805	41,040	40,551
- FIEM	832	3	3	3	3	3	3
Central Bank Gross Foreign Reserves	29,500	29,889	28,106	35,911	35,802	41,037	40,547
- Reserve Liabilities	361	381	305	244	195	156	125
Central Bank Net Foreign Reserves	29,139	29,508	27,801	35,667	35,607	40,881	40,422
- Monetary Gold	16,363	19,959	20,957	21,167	22,225	23,336	24,503
- FMI Position / SDRs	4,351	4,344	4,431	4,519	4,610	4,702	4,796
Central Bank Foreign Exchange Reserves	8,786	5,586	2,718	10,225	8,967	12,999	11,248
External Debt (US$ Million)							
Total External Debt by Type of Debtor	92,843	107,428	119,775	122,582	131,060	138,173	145,227
Public	83,240	96,420	108,186	110,732	118,644	125,391	132,079
Non-oil Public Debt	50,268	61,310	68,555	70,338	74,253	79,911	86,122
PDVSA	32,972	35,110	39,631	40,394	44,391	45,480	45,957
Private	9,603	11,008	11,589	11,850	12,416	12,782	13,148
Foreign Debt Service	-	-	-	-	-	-	-
Total Debt Service	9,373	14,777	10,673	15,971	17,162	17,620	18,322
Public	9,198	14,657	9,991	14,816	16,245	16,483	17,165
Private	175	120	683	1,155	917	1,137	1,157
Principal	6,092	10,599	3,394	7,216	7,759	7,701	7,891
Public	5,934	10,492	3,175	6,677	7,525	7,267	7,457
Private	158	107	219	539	234	434	434
Interest	3,281	4,178	7,279	8,755	9,403	9,919	10,431
Public	3,264	4,165	6,816	8,139	8,720	9,216	9,708
Private	17	13	464	616	683	703	723
Transfers Funds to FONDEN							
Total Transfers by Year	8,334	17,900	19,701	14,687	24,679	26,247	33,326
PDVSA TO FONDEN	1,334	14,400	16,201	14,581	16,768	18,445	20,289
CENTRAL BANK OF VENEZUELA TO FONDEN	7,000	3,500	3,500	106	7,911	7,802	13,037

Table 4 Indicators of Aggregate Demand	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
Aggregate Internal Demand at constant prices 1997							
Internal Aggregate Demand	69,332,713	74,585,035	79,830,471	76,680,100	78,526,573	79,210,251	81,650,177
Total Consumption of Goods and Services	48,984,574	51,145,481	54,094,285	55,731,234	56,876,293	58,275,509	59,182,309
Private Consumption of Goods and Services	38,974,040	40,542,302	42,609,363	44,063,967	45,478,871	46,522,327	47,449,170
Household Consumption of Goods and Services	38,372,729	39,765,225	41,801,203	43,239,643	44,638,061	45,673,110	46,591,460
Consumption by Non-residents, Net	601,311	777,077	808,160	824,323	840,810	849,218	857,710
Public Consumption of Goods and Services	10,010,534	10,603,179	11,484,922	11,667,268	11,397,422	11,753,182	11,733,139
Gross Fixed Capital Formation	16,925,929	17,665,497	18,229,912	18,696,984	19,173,210	19,696,206	20,300,431
Public	11,904,443	12,719,158	13,265,226	13,965,759	14,374,938	14,775,014	15,235,058
Private	5,021,486	4,946,339	4,964,685	4,731,224	4,798,272	4,921,192	5,065,373
Variation of Stocks and Net Acquisitions	3,422,210	5,774,057	7,506,274	2,251,882	2,477,070	1,238,535	2,167,437
Exports of Goods and Services	7,825,785	8,190,856	8,467,137	8,766,363	9,146,428	9,511,700	9,952,044
Merchandise Exports	7,299,621	7,635,216	7,881,243	8,059,599	8,335,870	8,581,305	8,872,267
Oil Exports	*6,252,293*	6,406,600	6,591,196	6,782,452	7,033,180	7,252,562	7,503,662
Non-oil Exports	1,047,328	1,228,616	1,290,047	1,277,146	1,302,689	1,328,743	1,368,605
Service Exports	526,164	555,640	585,894	706,764	810,558	930,395	1,079,776
Imports of Goods and Services	21,350,988	24,637,622	26,953,330	22,803,332	23,050,819	23,081,230	23,033,200
Merchandise Imports	19,078,508	21,695,322	23,819,580	19,892,453	20,076,578	20,064,127	19,971,882
Service Imports	2,272,480	2,942,300	3,133,749	2,910,878	2,974,240	3,017,103	3,061,318
Real GDP at Constant 1997 Prices	55,807,510	58,138,269	61,344,278	62,643,131	64,622,182	65,640,721	68,569,021
% of change at constant prices of 1997							
Internal Aggregate Demand	-0.5%	7.6%	7.0%	-3.9%	2.4%	0.9%	3.1%
Total Consumption of Goods and Services	-1.1%	4.4%	5.8%	3.0%	2.1%	2.5%	1.6%
Private Consumption of Goods and Services	-1.9%	4.0%	5.1%	3.4%	3.2%	2.3%	2.0%
Household Consumption of Goods and Services	-1.9%	3.6%	5.1%	3.4%	3.2%	2.3%	2.0%
Consumption by Non-residents, Net	-2.4%	4.0%	4.0%	2.0%	2.0%	1.0%	1.0%
Public Consumption of Goods and Services	2.1%	5.9%	8.3%	1.6%	-2.3%	3.1%	-0.2%
Gross Fixed Capital Formation	-6.3%	4.4%	3.2%	2.6%	2.5%	2.7%	3.1%
Public	5.7%	6.8%	4.3%	5.3%	2.9%	2.8%	3.1%
Private	-13.3%	-1.5%	0.4%	-4.7%	1.4%	2.6%	2.9%
Exports of Goods and Services	-12.9%	4.7%	3.4%	3.5%	4.3%	4.0%	4.6%
Merchandise Exports	-12.9%	4.6%	3.2%	2.3%	3.4%	2.9%	3.4%
Oil Exports	-12.1%	2.5%	2.9%	2.9%	3.7%	3.1%	3.5%
Non-oil Exports	-17.6%	17.3%	5.0%	-1.0%	2.0%	2.0%	3.0%
Service Exports	-12.7%	5.6%	5.4%	20.6%	14.7%	14.8%	16.1%
Imports of Goods and Services	-2.9%	15.4%	9.4%	-15.4%	1.1%	0.1%	-0.2%
Merchandise Imports	-3.8%	13.7%	9.8%	-16.5%	0.9%	-0.1%	-0.5%
Service Imports	5.2%	29.5%	6.5%	-7.1%	2.2%	1.4%	1.5%
Real GDP at Constant 1997 Prices	-1.5%	4.2%	5.5%	2.1%	3.2%	1.6%	4.5%
Price Deflators of Aggregate Demand Components							
Internal Aggregate Demand	1306.4	1615.2	2064.0	2673.1	3376.8	4243.2	5321.5
% chg	25.7%	23.6%	27.8%	29.5%	26.3%	25.7%	25.4%
Total Consumption of Goods and Services	1393.0	1754.1	2286.1	2935.5	3690.1	4626.8	5841.7
% chg	27.3%	25.9%	30.3%	28.4%	25.7%	25.4%	26.3%
Private Consumption of Goods and Services	1458.3	1,834.4	2,320.4	3,004.6	3,811.6	4,806.6	6,079.9
% chg	30.2%	25.8%	26.5%	29.5%	26.9%	26.1%	26.5%
Household Consumption of Goods and Services	1463.7	1,855.8	2,366.0	3,087.3	3,947.3	5,017.3	6,396.6
% chg	30.3%	26.8%	27.5%	30.5%	27.9%	27.1%	27.5%
Public Consumption of Goods and Services	1138.6	1,580.5	2,158.9	2,674.5	3,205.5	3,915.0	4,878.4
% chg	15.2%	38.8%	36.6%	23.9%	19.9%	22.1%	24.6%
Gross Fixed Capital Formation	1122.4	1346.3	1620.9	1972.8	2563.5	3180.7	3959.1
% chg	21.8%	19.9%	20.4%	21.7%	29.9%	24.1%	24.5%
Public	967.0	1,237.5	1,486.2	1,814.7	2,350.6	2,870.7	3,532.3
% chg	21.0%	28.0%	20.1%	22.1%	29.5%	22.1%	23.0%
Private	1490.9	1,642.4	1,980.8	2,439.6	3,201.6	4,111.4	5,242.8
% chg	34.4%	10.2%	20.6%	23.2%	31.2%	28.4%	27.5%
Variation of Stocks and Net Acquisitions	977.2	1,228.7	1,539.5	1,994.3	2,478.1	3,095.2	3,877.9
% chg	26.5%	25.7%	25.3%	29.5%	24.3%	24.9%	25.3%
Exports of Goods and Services	3709.3	4,962.5	5,204.2	7,846.1	8,225.3	10,572.9	11,486.0
% chg	160.7%	33.8%	4.9%	50.8%	4.8%	28.5%	8.6%
Exports of Goods	3872.4	5214.5	5475.4	8327.5	8788.3	11379.2	12461.8
% chg	162.7%	34.7%	5.0%	52.1%	5.5%	29.5%	9.5%
Oil Exports	4,285.9	5,915.2	6,166.6	9,343.1	9,857.0	12,754.7	13,957.5
% chg	162.2%	38.0%	4.3%	51.5%	5.5%	29.4%	9.4%
Non-oil Exports	1,403.9	1,882.9	1,943.8	2,934.0	3,018.5	3,871.9	4,261.8
% chg	144.5%	34.1%	3.2%	50.9%	2.9%	28.3%	10.1%
Exports of Services	1,413.6	1,499.7	1,555.7	2,356.0	2,435.6	3,136.4	3,468.0
% chg	97.7%	6.1%	3.7%	51.4%	3.4%	28.8%	10.6%
Imports of Goods and Services	824.1	1085.2	1072.5	1575.5	1556.7	1922.4	2026.4
% chg	26.4%	31.7%	-1.2%	46.9%	-1.2%	23.5%	5.4%
Imports of Goods	821.5	1,073.2	1,067.7	1,578.2	1,569.4	1,950.4	2,068.8
% chg	23.8%	30.6%	-0.5%	47.8%	-0.6%	24.3%	6.1%
Imports of Services	981.5	1,173.3	1,108.9	1,557.2	1,471.1	1,736.7	1,750.1
% chg	61.8%	19.5%	-5.5%	40.4%	-5.5%	18.1%	0.8%
GDP Deflator	1822.0	2335.7	2933.1	3796.6	4712.3	5976.5	7323.1
% chg	45.9%	28.2%	25.6%	29.4%	24.1%	26.8%	22.5%
Aggregate Internal Demand at current prices 1997							
% change at current prices							
Internal Aggregate Demand	25.1%	33.0%	36.8%	24.4%	29.4%	26.8%	29.3%
Total Consumption of Goods and Services	26.0%	31.5%	37.8%	32.3%	28.3%	28.5%	28.2%
Private Consumption of Goods and Services	27.8%	30.8%	33.0%	33.9%	30.9%	29.0%	29.0%
Household Consumption of Goods and Services	27.8%	30.8%	34.6%	35.0%	32.0%	30.1%	30.1%
Public Consumption of Goods and Services	17.6%	34.9%	61.3%	25.9%	17.1%	25.9%	24.4%
Gross Fixed Capital Formation	14.2%	25.2%	24.2%	24.8%	33.3%	27.5%	28.3%
Public	27.9%	25.2%	36.8%	28.6%	33.3%	25.5%	26.9%
Private	-2.0%	25.2%	4.9%	17.4%	33.1%	31.7%	31.3%
Exports of Goods and Services	127.0%	40.1%	8.4%	56.1%	9.4%	33.7%	13.7%
Merchandise Exports	128.9%	40.8%	8.4%	55.5%	9.2%	33.3%	13.2%
Oil Exports	130.6%	41.4%	7.3%	55.9%	9.4%	33.4%	13.2%
Non-oil Exports	101.5%	30.4%	30.8%	49.4%	4.9%	30.8%	13.4%
Service Exports	72.6%	12.0%	9.4%	82.7%	18.6%	47.8%	28.3%
Imports of Goods and Services	23.8%	49.3%	8.1%	24.3%	-0.1%	23.7%	5.2%
Merchandise Imports	19.2%	48.6%	9.2%	23.4%	0.4%	24.2%	5.6%
Service Imports	70.1%	54.8%	0.7%	30.4%	-3.5%	19.8%	2.2%
Real GDP at Constant 1997 Prices	43.8%	33.3%	32.8%	32.2%	28.0%	28.8%	28.0%

Table 5 Indicators of Economic Activity and GDP	2010	2011	2012	2013	2014	2015	2016
	HISTORIC	ESTIMATED	FORECASTS				
Economic Activity at Bs.F Million of 1997							
Total GDP	**55,807,510**	**58,138,269**	**61,344,278**	**62,643,131**	**64,622,182**	**65,640,721**	**68,569,021**
Oil GDP	**6,554,311**	**6,593,126**	**6,750,857**	**6,900,513**	**7,097,952**	**7,280,328**	**7,502,054**
Non Oil GDP	**43,126,953**	**45,055,572**	**47,619,935**	**48,692,281**	**50,005,652**	**50,817,576**	**53,076,890**
Indirect Taxes	6,126,246	6,489,571	6,973,486	7,050,338	7,518,578	7,542,816	7,990,076
Public GDP	17,113,685	17,766,882	19,370,876	20,942,876	21,933,939	22,224,845	23,809,059
Private GDP	32,567,579	33,881,816	34,999,916	34,649,917	35,169,666	35,873,059	36,769,885
Per Capital GDP	**1,935,677**	**1,986,171**	**2,062,695**	**2,073,197**	**2,105,014**	**2,104,520**	**2,163,784**
% of Change of Economic Activities at constant prices of 1997							
Total GDP	**-1.5%**	**4.2%**	**5.5%**	**2.1%**	**3.2%**	**1.6%**	**4.5%**
Oil GDP	**0.1%**	**0.6%**	**2.4%**	**2.2%**	**2.9%**	**2.6%**	**3.0%**
Non Oil GDP	**-1.6%**	**4.5%**	**5.7%**	**2.3%**	**2.7%**	**1.6%**	**4.4%**
Indirect Taxes	**-2.3%**	**5.9%**	**7.5%**	**1.1%**	**6.6%**	**0.3%**	**5.9%**
Public GDP	0.0%	3.8%	9.0%	8.1%	4.7%	1.3%	7.1%
Private GDP	-2.1%	4.0%	3.3%	-1.0%	1.5%	2.0%	2.5%
Per Capital GDP	**-3.0%**	**2.6%**	**3.9%**	**0.5%**	**1.5%**	**0.0%**	**2.8%**
Non Oil Economic Activities Variaciones %							
Agriculture	-3.2%	-1.5%	1.0%	2.0%	1.8%	2.3%	-1.5%
Mining	-13.0%	5.2%	3.2%	3.2%	3.7%	1.5%	3.2%
Manufacturing	-3.4%	3.8%	4.0%	2.9%	1.8%	3.2%	4.7%
Construction	-7.0%	4.8%	5.0%	4.7%	2.4%	3.3%	5.3%
Electricity and Water Supply	-5.8%	5.0%	5.0%	4.1%	2.9%	5.3%	4.3%
Commerce and Repair Services	-6.1%	6.5%	6.3%	2.8%	1.9%	-2.0%	5.9%
Transportation and Storage	-2.0%	5.8%	6.8%	2.8%	3.7%	1.6%	4.2%
Communications	7.9%	7.3%	7.1%	7.2%	6.1%	4.4%	6.2%
Financial and Security Services	-7.6%	12.0%	11.4%	3.7%	-0.2%	0.7%	10.4%
Government Services	2.6%	5.5%	6.5%	3.2%	0.5%	3.5%	2.3%
Other Services	3.1%	0.4%	5.4%	-4.8%	6.0%	-2.4%	3.5%
Non Oil Goods Production	**-4.7%**	**3.4%**	**3.9%**	**3.3%**	**2.1%**	**3.2%**	**3.9%**
Non Oil Services Production	**0.3%**	**5.1%**	**6.7%**	**1.6%**	**3.0%**	**0.7%**	**4.7%**
Tradables GDP	-2.3%	1.9%	3.0%	2.5%	2.2%	2.8%	3.2%
Non Oil Tradables GDP	-3.6%	2.7%	3.4%	2.7%	1.9%	3.0%	3.4%
Non Tradables GDP	-0.9%	5.1%	6.4%	2.1%	3.0%	1.2%	4.8%
ECONOMIC ACTIVITY AT CURRENT PRICES AND DEFLATORS							
ECONOMIC ACTIVITY AT CURRENT PRICES (MILLION BSF)							
Total GDP	**1,016,834,748**	**1,354,959,948**	**1,799,272,290**	**2,378,302,002**	**3,045,180,641**	**3,923,016,080**	**5,021,353,064**
Oil GDP	**121,230,721**	**249,279,355**	**266,090,838**	**412,095,920**	**447,200,704**	**593,531,835**	**669,285,044**
Non Oil GDP	**817,131,884**	**1,001,465,257**	**1,395,415,434**	**1,790,016,194**	**2,369,303,031**	**3,044,677,533**	**3,989,195,960**
Indirect Taxes	**78,472,143**	**104,215,337**	**137,766,018**	**176,189,888**	**228,676,906**	**284,806,711**	**362,872,059**
Public GDP	360,439,824	615,547,496	770,290,658	1,143,279,465	1,375,228,681	1,780,327,786	2,197,720,020
Private GDP	**577,922,780**	**635,197,116**	**891,215,614**	**1,058,832,648**	**1,441,275,055**	**1,857,881,582**	**2,460,760,984**
Per Capital GDP	**35,268,804**	**46,289,345**	**60,500,332**	**78,710,770**	**99,194,253**	**125,776,595**	**158,455,309**
% OF CHANGE AT CURRENT PRICES							
Total GDP	**43.8%**	**33.3%**	**32.8%**	**32.2%**	**28.0%**	**28.8%**	**28.0%**
Oil GDP	**46.9%**	**105.6%**	**6.7%**	**54.9%**	**8.5%**	**32.7%**	**12.8%**
Non Oil GDP	**43.9%**	**22.6%**	**39.3%**	**28.3%**	**32.4%**	**28.5%**	**31.0%**
Indirect Taxes	**38.1%**	**32.8%**	**32.2%**	**27.9%**	**29.8%**	**24.5%**	**27.4%**
Public GDP	**46.6%**	**70.8%**	**25.1%**	**48.4%**	**20.3%**	**29.5%**	**23.4%**
Private GDP	**42.8%**	**9.9%**	**40.3%**	**18.8%**	**36.1%**	**28.9%**	**32.4%**
Per Capital GDP	**41.5%**	**31.2%**	**30.7%**	**30.1%**	**26.0%**	**26.8%**	**26.0%**
ECONOMIC ACTIVITY DEFLATOR PRICES INDEXES (1997=100)							
Total GDP	**1,822.04**	**2,335.66**	**2,933.07**	**3,796.59**	**4,712.28**	**5,976.50**	**7,323.06**
Oil GDP	1849.63	3780.90	3941.59	5971.96	6300.42	8152.54	8921.36
Non Oil GDP	1894.71	2222.73	2930.32	3676.18	4738.07	5991.39	7515.88
Indirect Taxes	1280.92	1605.89	1975.57	2499.03	3041.49	3775.87	4541.53
Public GDP	2209.03	3688.20	4282.41	6008.51	6943.18	8896.34	10347.91
Private GDP	1774.53	1874.74	2546.34	3055.80	4098.06	5179.04	6692.33
% OF CHANGE OF DEFLATOR INDEXES							
Total GDP	**45.9%**	**28.2%**	**25.6%**	**29.4%**	**24.1%**	**26.8%**	**22.5%**
Oil GDP	46.8%	104.4%	4.3%	51.5%	5.5%	29.4%	9.4%
Non Oil GDP	46.2%	17.3%	31.8%	25.5%	28.9%	26.5%	25.4%
Indirect Taxes	41.3%	25.4%	23.0%	26.5%	21.7%	24.1%	20.3%
Public GDP	46.6%	67.0%	16.1%	40.3%	15.6%	28.1%	16.3%
Private GDP	45.9%	5.6%	35.8%	20.0%	34.1%	26.4%	29.2%

Table 6 National and Personal Disposable Income	2010 HISTORIC	2011 ESTIMATED	2012 FORECASTS	2013	2014	2015	2016
National Disposable Income at Current Prices							
GDP At Current Prices	**1,016,834,748**	**1,354,959,948**	**1,799,272,290**	**2,378,302,002**	**3,045,180,641**	**3,923,016,080**	**5,021,353,064**
% Chg	43.8%	33.3%	32.8%	32.2%	28.0%	28.8%	28.0%
Remunerations to Workers from Rest of the World	-22680	-94814	-50241	-55265	-58028	-60929	-72572
Property Income Rent from Rest of the World	(12,522,292)	(25,567,818)	(16,746,857)	(18,421,542)	(19,342,619)	(20,309,750)	(24,190,546)
National Gross GDP	**1,004,289,776**	**1,329,297,316**	**1,782,475,193**	**2,359,825,195**	**3,025,779,994**	**3,902,645,400**	**4,997,089,946**
% Chg	43.2%	32.4%	34.1%	32.4%	28.2%	29.0%	28.0%
Fixed Capital Consumption	**59,807,375**	**81,719,987**	**181,093,433**	**231,440,364**	**308,012,694**	**392,064,763**	**502,238,539**
% Chg	36.8%	36.6%	121.6%	27.8%	33.1%	27.3%	28.1%
National Income at Current Prices	**944,482,401**	**1,247,577,329**	**1,601,381,761**	**2,128,384,831**	**2,717,767,300**	**3,510,580,637**	**4,494,851,407**
% Chg	43.6%	32.1%	28.4%	32.9%	27.7%	29.2%	28.0%
Other Rest of the World Tranfers, net	(723,315)	(2,137,337)	(2,125,953)	(3,148,455)	(3,124,592)	(3,912,758)	(4,175,948)
% Chg	29.20%	34.82%	-0.53%	48.10%	-0.76%	25.22%	6.73%
National Disposable Income at Market Prices	**943,759,086**	**1,245,439,992**	**1,601,381,761**	**2,128,384,831**	**2,717,767,300**	**3,510,580,638**	**4,494,851,407**
% Chg	43.6%	32.0%	28.6%	32.9%	27.7%	29.2%	28.0%
National Income to Labor Factor	300,584,449	396,830,450	561,001,573	689,854,804	851,568,818	1,062,152,867	1,218,818,110
% Chg	21.9%	32.0%	41.4%	23.0%	23.4%	24.7%	14.7%
Rest of the World Income to National Labor Factor	-22680	-94814	-50241	-55265	-58028	-60929	-72572
% Chg	16.5%	318.1%	-47.0%	10.0%	5.0%	5.0%	19.1%
Operating Surplus	**443,206,279**	**605,172,400**	**705,948,279**	**1,008,524,005**	**1,314,521,933**	**1,759,349,634**	**2,404,842,609**
% Chg	**71.4%**	**36.5%**	**16.7%**	**42.9%**	**30.3%**	**33.8%**	**36.7%**
Property Income Rent from Rest of the World	(12,522,292)	(25,567,818)	(16,746,857)	(18,421,542)	(19,342,619)	(20,309,750)	(24,190,546)
% Chg	119.9%	104.2%	-34.5%	10.0%	5.0%	5.0%	19.1%
Mixed Income Net	123,767,796	154,709,745	193,387,181	241,733,977	302,167,471	377,709,338	472,136,673
% Chg	32.5%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Indirect Taxes	95,920,905	132,378,511	174,995,936	223,803,481	290,474,601	361,772,937	460,934,681
% Chg	38.1%	32.8%	32.2%	27.9%	29.8%	24.5%	27.4%
minus: Subsidies	6,452,056	8,462,318	14,874,655	14,547,226	18,880,849	27,132,970	34,570,101
% Chg	21.9%	31.2%	75.8%	-2.2%	29.8%	43.7%	27.4%
Other Exterior Transfers Net	(723,315)	(2,137,337)	(2,329,697)	(2,562,667)	(2,742,054)	(2,961,418)	(3,120,018)
% Chg	29.20%	29.20%	29.20%	29.20%	29.20%	29.20%	29.20%
National Disposable Income at Current Prices	**943,759,086**	**1,245,439,992**	**1,601,331,520**	**2,128,329,567**	**2,717,709,272**	**3,510,519,708**	**4,494,778,836**
% Chg	43.6%	32.0%	28.6%	32.9%	27.7%	29.2%	28.0%
Total Consumption	**682,341,076**	**897,138,703**	**1,236,657,192**	**1,635,987,105**	**2,098,798,469**	**2,696,264,523**	**3,457,245,823**
% Chg	26.0%	31.5%	37.8%	32.3%	28.3%	28.5%	28.2%
Net Savings at current prices	**261,418,010**	**348,301,289**	**364,674,328**	**492,342,462**	**618,910,803**	**814,255,185**	**1,037,533,012**
% Chg	126.3%	33.2%	4.7%	35.0%	25.7%	31.6%	27.4%
Fixed Capital Formation	189,972,877	237,830,477	295,482,163	368,863,224	491,512,489	626,470,652	803,710,710
% Chg	14.2%	25.2%	24.2%	24.8%	33.3%	27.5%	28.3%
Fixed Capital Consumption	51,145,169	81,719,987	181,093,433	231,440,364	308,012,694	392,064,763	502,238,539
% Chg	43.9%	59.8%	121.6%	27.8%	33.1%	27.3%	28.1%
Net Fixed Capital Formation	172,270,284	156,110,490	114,388,730	137,422,860	183,499,795	234,405,890	301,472,171
% Chg	17.3%	-9.4%	-26.7%	20.1%	33.5%	27.7%	28.6%
Net Finance Savings	89,147,726	192,190,799	250,285,598	354,919,602	435,411,008	579,849,296	736,060,841
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Proximity to Personal Disposable Income							
At constant values of 1997							
Households / Personal Disposable Income	**39,929,999.0**	**40,952,857.9**	**42,567,416.2**	**44,122,084.9**	**46,018,620.0**	**47,329,647.2**	**48,281,305.7**
% Chg	**1.9%**	**2.6%**	**3.9%**	**3.7%**	**4.3%**	**2.8%**	**2.0%**
Households Comsumption	**38,372,729**	**39,765,225**	**41,801,203**	**43,239,643**	**44,638,061**	**45,673,110**	**46,591,460**
% Chg	**-5.7%**	**3.6%**	**5.1%**	**3.4%**	**3.2%**	**2.3%**	**2.0%**
Private Gross Savings	1,557,270.0	1,187,632.9	766,213.5	882,441.7	1,380,558.6	1,656,537.7	1,689,845.7
% Chg	-202.8%	-23.7%	-35.5%	15.2%	56.4%	20.0%	2.0%
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Ratio Consumption to Personal Income	0.961	0.971	0.982	0.980	0.970	0.965	0.965
at Current Values							
Households / Personal Disposable Income	584,437,648	756,520,181	1,007,148,339	1,362,178,992	1,816,509,632	2,374,657,165	3,088,350,468
% Chg	38.1%	29.4%	33.1%	35.3%	33.4%	30.7%	30.1%
Households Comsumption	561644580	734581096	989019669	1334935412	1762014343	2291544164	2980258202
% Chg	27.8%	30.8%	34.6%	35.0%	32.0%	30.1%	30.1%
Private Gross Savings	22,793,068	21,939,085	18,128,670	27,243,580	54,495,289	83,113,001	108,092,266
% Chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table 7 Labor Force Statistics	2010	2011	2012	2013	2014	2015	2016
	HISTORIC	ESTIMATED	FORECASTS				
Population and Labor Situation by type of Economic Activity							
Population (Individuals) (at year-end)	**28,830,996**	**29,271,530**	**29,739,874**	**30,215,712**	**30,699,164**	**31,190,350**	**31,689,396**
% Chg	**1.6%**	**1.6%**	**1.6%**	**1.6%**	**1.6%**	**1.6%**	**1.6%**
Number of Households	**6,740,205**	**6,848,048**	**6,957,616**	**7,068,937**	**7,182,039**	**7,296,951**	**7,413,702**
% Chg	1.1%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Number of People for Household	4.28	4.27	4.27	4.27	4.27	4.27	4.27
% Chg	0.5%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
People over 15 years-old	**20,436,570**	**19,833,271**	**20,249,770**	**20,675,015**	**21,109,190**	**21,552,483**	**22,005,085**
% Chg	**2.5%**	**2.1%**	**2.1%**	**2.1%**	**2.1%**	**2.1%**	**2.1%**
Labor Force Indicators							
Labor Force (annual average figures)	**13,111,309**	**13,317,079**	**13,666,658**	**14,027,323**	**14,409,209**	**14,787,246**	**15,200,818**
% Chg	**2.1%**	**1.6%**	**2.6%**	**2.6%**	**2.7%**	**2.6%**	**2.8%**
Employed	11,995,835	12,224,562	12,642,392	12,880,500	13,175,454	13,518,477	14,003,876
% Chg	1.1%	1.9%	3.4%	1.9%	2.3%	2.6%	3.6%
Unemployed	1,115,474	1,092,517	1,024,266	1,146,824	1,233,756	1,268,769	1,196,943
% Chg	13.5%	-2.1%	-6.2%	12.0%	7.6%	2.8%	-5.7%
Open Unemployment Rate	**8.5%**	**8.2%**	**7.5%**	**8.2%**	**8.6%**	**8.6%**	**7.9%**
Formal Employment	**6,729,663**	**6,943,251**	**7,272,715**	**7,329,570**	**7,461,420**	**7,653,654**	**8,054,555**
% Chg	**1.3%**	**3.2%**	**4.7%**	**0.8%**	**1.8%**	**2.6%**	**5.2%**
Informal Occupation	**5,266,172**	**5,281,091**	**5,369,677**	**5,550,929**	**5,714,034**	**5,864,822**	**5,949,321**
% Chg	**0.9%**	**0.3%**	**1.7%**	**3.4%**	**2.9%**	**2.6%**	**1.4%**
Formal Occupation Rate	**56.1%**	**56.8%**	**57.5%**	**56.9%**	**56.6%**	**56.6%**	**57.5%**
Informal Occupation Rate	**43.9%**	**43.2%**	**42.5%**	**43.1%**	**43.4%**	**43.4%**	**42.5%**
INDICATORS OF LABOR SALARIES							
Workers' Average Monthly Salary (Bs.F)	1,827,620	2,401,849	3,169,617	3,825,577	4,616,641	5,612,175	7,252,862
% Chg	22.2%	31.4%	32.0%	20.7%	20.7%	21.6%	29.2%
Workers' Urban Minimum Wage (Bs.F)	1,223,900	1,548,218	2,090,094	2,717,122	3,396,403	4,313,431	5,607,461
% Chg	27.6%	26.5%	35.0%	30.0%	25.0%	27.0%	30.0%
Workers' Average Monthly Salary (1997 Bs.F)	124,901	129,094	134,426	124,005	119,030	114,524	116,797
% Chg	-5.4%	3.4%	4.1%	-7.8%	-4.0%	-3.8%	2.0%
Workers' Monthly Minimum Wage (1997 Bs.F)	83,642	83,213	88,643	88,075	87,569	88,022	90,300
% Chg	-1.1%	-0.5%	6.5%	-0.6%	-0.6%	0.5%	2.6%
Index of Labor Costs at Current Prices							
Workers' Annual Average	1,180.9	1,551.9	2,048.0	2,471.8	2,982.9	3,626.2	4,686.3
% Chg	22.2%	31.4%	32.0%	20.7%	20.7%	21.6%	29.2%
Urban Minimum Wage	2,318.6	2,933.0	3,959.6	5,147.5	6,434.3	7,327.5	8,344.6
% Chg	27.6%	26.5%	35.0%	30.0%	25.0%	13.9%	13.9%
Index of Labor Cost at Constant Prices of 1997							
Workers' Annual Average	80.7	83.4	86.9	80.1	76.9	74.0	75.5
% Chg	-5.4%	3.4%	4.1%	-7.8%	-4.0%	-3.8%	2.0%
Urban Minimum Wage	158.5	157.6	167.9	166.9	165.9	166.8	171.1
% Chg	-1.1%	-0.5%	6.5%	-0.6%	-0.6%	0.5%	2.6%
Indexes of GDP Per Capita, Labor Mean Productivity and Real Labor Costs							
Per Capita GDP	**105.1**	**107.9**	**112.0**	**112.6**	**114.3**	**114.3**	**117.5**
% Chg	**-3.0%**	**2.6%**	**3.9%**	**0.5%**	**1.5%**	**0.0%**	**2.8%**
Mean Labor Productivity	**91.9**	**94.0**	**95.9**	**96.1**	**96.9**	**95.9**	**96.7**
% Chg	**-2.6%**	**2.2%**	**2.0%**	**0.2%**	**0.8%**	**-1.0%**	**0.8%**
Real Labor Costs	**80.7**	**83.4**	**86.9**	**80.1**	**76.9**	**74.0**	**75.5**
% Chg	**-5.4%**	**3.4%**	**4.1%**	**-7.8%**	**-4.0%**	**-3.8%**	**2.0%**
Population and Poverty Indicators							
Total Population (Individuals)	**28,830,996**	**29,271,530**	**29,739,874**	**30,215,712**	**30,699,164**	**31,190,350**	**31,689,396**
% chg.	1.6%	1.5%	1.6%	1.6%	1.6%	1.6%	1.6%
Total Households	**6,787,390**	**6,787,394**	**6,957,616**	**7,068,937**	**7,182,039**	**7,296,951**	**7,413,702**
% chg	1.8%	0.0%	2.5%	1.6%	1.6%	1.6%	1.6%
Declarates Population (Individuals)	**28,041,630**	**28,192,720**	**28,936,898**	**29,399,888**	**29,870,286**	**30,348,211**	**30,833,782**
% chg.	3.8%	0.5%	2.6%	1.6%	1.6%	1.6%	1.6%
Total Declarates Households	**6,787,390**	**6,787,394**	**6,874,273**	**6,962,263**	**7,051,380**	**7,141,638**	**7,233,051**
% chg	2.9%	0.0%	1.3%	1.3%	1.3%	1.3%	1.3%
Number of People by Household	4.25	4.31	4.27	4.27	4.27	4.27	4.27
Number of People by Declarate Household	4.13	4.15	4.21	4.22	4.24	4.25	4.26
Poverty Indicators Based on Ine (National Statistics Institute)							
At Individuals Level							
No Poverty (ABC)	67.5%	66.8%	68.6%	66.5%	65.8%	64.8%	65.3%
Poverty (D+E)	**32.5%**	**33.2%**	**31.4%**	**33.5%**	**34.2%**	**35.2%**	**34.7%**
Non Extreme Poverty (Class D)	23.9%	24.1%	22.9%	22.6%	22.8%	23.3%	22.8%
Extreme Poverty (Class E)	**8.6%**	**9.1%**	**8.5%**	**10.8%**	**11.4%**	**11.9%**	**11.8%**
At Households Level							
No Poverty (ABC)	73.1%	72.6%	63.6%	57.8%	56.7%	56.0%	55.3%
Poverty (D+E)	**26.9%**	**27.4%**	**26.4%**	**28.2%**	**28.9%**	**29.8%**	**29.5%**
Non Extreme Poverty (Class D)	20.0%	20.1%	19.2%	18.9%	19.2%	19.6%	19.3%
Extreme Poverty (Class E)	**6.9%**	**7.3%**	**7.2%**	**9.2%**	**9.7%**	**10.2%**	**10.2%**

Table 8	2010	2011	2012	2013	2014	2015	2016
Monetary Aggregates, Interest Rates, and Financial Sector	HISTORIC	ESTIMATED	FORECASTS				
Monetary Aggregates (Bs.F Million)							
MONETARY AGGREGATES at Year-end							
Monetary Base	**123,051,487**	**172,750,667**	**256,167,913**	**343,504,741**	**458,503,401**	**618,652,512**	**816,262,558**
% Chg	**26.1%**	**40.4%**	**48.3%**	**34.1%**	**33.5%**	**34.9%**	**31.9%**
Currency (M1)	**272,162,441**	**426,592,499**	**689,039,846**	**932,841,727**	**1,223,766,593**	**1,719,078,892**	**2,359,182,626**
% Chg	**34.5%**	**56.7%**	**61.5%**	**35.4%**	**31.2%**	**40.5%**	**37.2%**
Quasimoney	24,433,353	20,024,343	(3,437,545)	(3,860,316)	14,090,219	(19,378,480)	44,001,791
% Chg	-47.7%	-18.0%	-117.2%	12.3%	-465.0%	-237.5%	-327.1%
Monetary Liquidity (M2)	**296,595,794**	**446,616,842**	**685,602,300**	**928,981,412**	**1,237,856,812**	**1,699,700,412**	**2,403,184,417**
% Chg	**19.1%**	**50.6%**	**53.5%**	**35.5%**	**33.2%**	**37.3%**	**41.4%**
Monetary Aggregates (Bs.F Million at constant prices of 1997)							
Currency (M1)	16,952,979	20,600,869	25,857,319	26,807,170	27,625,829	30,989,535	33,707,759
% Chg	5.6%	21.5%	25.5%	3.7%	3.1%	12.2%	8.8%
Monetary Liquidity (M2)	18,474,930	21,567,878	25,728,319	26,696,236	27,943,908	30,640,202	34,336,453
% Chg	-6.5%	16.7%	19.3%	3.8%	4.7%	9.6%	12.1%
Monetary Multipliers							
Currency Multiplier	2.21	2.47	2.69	2.72	2.67	2.78	2.89
Liquidity Multiplier	2.41	2.59	2.68	2.70	2.70	2.75	2.94
Velocity of Circulation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Velocity of Currency	3.74	3.18	2.61	2.55	2.49	2.28	2.13
Velocity of Liquidity	3.43	3.03	2.62	2.56	2.46	2.31	2.09
Monetary Exchange Rate							
M2 to Central Bank Reserves	10.05	14.94	24.39	25.87	34.58	41.42	59.27
M2 to Total Reserves	9.78	14.94	24.39	25.87	34.57	41.42	59.26
Interest Rates Indicators (%)							
Year-end Commercial and Universal Bank Lending Rate							
Nominal Year-end	**17.9**	**15.6**	**16.3**	**15.4**	**15.1**	**16.3**	**22.4**
Nominal Annual Average	**17.9**	**17.4**	**17.4**	**17.0**	**16.0**	**16.0**	**21.3**
Real Annual Average	-8.6	-7.6	-7.4	-10.6	-7.7	-8.2	-4.3
Year-end Commercial and Universal Bank Deposit Rate							
Nominal Year-end	**15.0**	**14.5**	**14.7**	**12.9**	**12.3**	**14.3**	**18.7**
Nominal Annual Average	**14.8**	**14.7**	**14.5**	**14.5**	**13.3**	**14.0**	**17.6**
Real Annual Average	-11.1	-9.8	-9.6	-12.5	-9.9	-9.7	-7.2
Rate Spreads							
Absolute (spread)	3.1	2.7	2.8	2.5	2.8	2.0	3.8
Relative (quotient)	1.2	1.2	1.2	1.2	1.2	1.1	1.2
International and Arbitrage Interest Rates (%)							
International Interest Rates							
Libor	1.0	1.5	2.5	3.0	3.5	4.0	4.0
Euribor	0.8	1.3	2.1	2.6	3.0	3.4	3.4
USA 90-Day Certificates of Deposit	0.3	0.3	0.6	1.1	2.1	2.1	2.1
USA 180-Day Prime Rate	3.3	3.5	4.0	5.2	5.5	5.5	5.5
Country Risk Premium (Basis Points)	1037	1262	1067	1249	1135	571	582
VENEZUELAN ARBITRAGE RATES							
Arbitrage Rates Without Country Risk Coverage							
Lending	20.10	-20.87	13.92	-36.32	11.30	-14.69	9.09
Deposit	19.90	-20.42	14.49	-34.68	11.95	-13.29	8.74
Arbitrage Rates With Country Risk Coverage							
Lending	9.73	-33.49	3.24	-48.81	-0.05	-20.41	3.28
Deposit	9.53	-33.04	3.82	-47.16	0.60	-19.01	2.93

Table 9 Venezuela Oil Activity (Thousands of B/D and US$/B	2010	2011	2012	2013	2014	2015	2016
	HISTORIC	ESTIMATED	FORECASTS				
World Economic Growth %							
WORLD GDP INDEX 1997=100 IMF	**155.1**	**161.0**	**163.9**	**167.4**	**171.0**	**173.6**	**176.2**
% chg	4.8%	1.5%	1.8%	2.1%	2.2%	1.5%	1.5%
WORLD AND VENEZUELA OIL PRICES							
WTI Price	79.52	94.92	110.10	123.31	128.25	134.02	138.04
% chg	24.4%	26.5%	16.0%	12.0%	4.0%	4.5%	3.0%
Venezuela Oil Basket Price	**72.69**	**101.06**	**105.36**	**110.62**	**116.71**	**121.38**	**127.44**
% chg	25.9%	38.0%	4.3%	5.0%	5.5%	4.0%	5.0%
Diference WTI-Venezuela Basket	6.83	- 5.52	4.75	12.69	11.54	12.64	10.59
VENEZUELA OIL PRODUCTION FIGURES (Th.B/d)							
Hydrocarboon Liquids Production	**3122**	**3269.5**	**3341.6**	**3421.1**	**3515.0**	**3622.9**	**3745.5**
% chg	-1.5%	4.7%	2.2%	2.4%	2.7%	3.1%	3.4%
NGLs Production	**147**	**154.2**	**160.3**	**160.6**	**162.9**	**165.6**	**170.2**
% chg	-7.0%	4.9%	4.0%	0.2%	1.4%	1.6%	2.8%
Crude Oil Production According PDVSA Concept	**2975**	**3115.3**	**3181.3**	**3260.5**	**3352.0**	**3457.3**	**3575.4**
% chg	-1.2%	4.7%	2.1%	2.5%	2.8%	3.1%	3.4%
Condensate	96.0	118.5	119.3	118.8	116.6	120.5	126.0
Orimulsion Crude	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Synthetic Oil Crude	**472.0**	**490.9**	**510.5**	**530.9**	**573.4**	**619.3**	**681.2**
% chg	19.8%	4.0%	4.0%	4.0%	8.0%	8.0%	10.0%
PDVSA and Mixed Firms	2503.0	2505.9	2551.5	2610.7	2662.0	2717.5	2768.2
% chg	-0.4%	0.1%	1.8%	2.3%	2.0%	2.1%	1.9%
Mixed Firms (Older Cooperatives Aggreements)	373	354.6	357.1	372.5	379.1	388.9	393.0
% chg	6.9%	-4.9%	0.7%	4.3%	1.8%	2.6%	1.1%
PDVSA Exclusive Production	2130.0	**2151.3**	**2194.3**	**2238.2**	**2283.0**	**2328.6**	**2375.2**
% chg	-1.6%	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Crude Oil Production According OPEC Concept	**2879.0**	**2996.8**	**3062.0**	**3141.7**	**3235.4**	**3336.8**	**3449.4**
% chg	-1.0%	4.1%	2.2%	2.6%	3.0%	3.1%	3.4%
Supuestos de Variación de Producción de Asociaciones Mejorados FPO	19.8%	4.00%	4.00%	4.00%	8.00%	8.00%	10.00%
Supuestos de Variación de Producción de Petróleo Crudo	-1.6%	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%
NATURAL GAS PRODUCTION							
Th.B/D							
Gross Natural Gas Production	**1200.0**	**1206.0**	**1219.3**	**1237.6**	**1259.8**	**1285.0**	**1310.7**
% chg	-0.4%	0.5%	1.1%	1.5%	1.8%	2.0%	2.0%
Reinjected Gas Natural	510.9	506.8	511.3	523.3	532.2	547.3	556.1
% chg	5.6%	-0.8%	0.9%	2.3%	1.7%	2.8%	1.6%
Net Natural Gas Production	691.5	699.2	707.9	714.3	727.6	737.7	754.7
% chg	-4.5%	1.1%	1.3%	0.9%	1.9%	1.4%	2.3%
REFINED PRODUCTION							
Oil Processed	**969.0**	**984.4**	**994.0**	**1011.3**	**1032.4**	**1056.9**	**1077.6**
% chg	0.8%	1.6%	1.0%	1.7%	2.1%	2.4%	2.0%
Refined Products	**1109.0**	**1077.9**	**1103.9**	**1127.5**	**1163.1**	**1181.9**	**1199.6**
% chg	-1.3%	-2.8%	2.4%	2.1%	3.2%	1.6%	1.5%
TOTAL OIL PRODUCTION							
Hydrocarboons Liquid Production and Refined Products	**3262.0**	**3363.1**	**3451.5**	**3537.4**	**3645.7**	**3747.9**	**3867.6**
% chg	**-2.1%**	**3.1%**	**2.6%**	**2.5%**	**3.1%**	**2.8%**	**3.2%**
Hydrocarboons Liquid Production, Refined Products and Natural Gas	**3953.5**	**4062.2**	**4159.4**	**4251.6**	**4373.3**	**4485.7**	**4622.3**
% chg	**-2.5%**	**2.8%**	**2.4%**	**2.2%**	**2.9%**	**2.6%**	**3.0%**
INTERNAL CONSUMPTION (Th.B/d)							
Refined Products Internal Consumption	**674.0**	**691.6**	**704.8**	**718.4**	**732.1**	**745.3**	**761.0**
% chg	**11.6%**	**2.6%**	**1.9%**	**1.9%**	**1.9%**	**1.8%**	**2.1%**
Delivery to Ships	**20.0**	**20.6**	**21.3**	**22.2**	**23.2**	**23.9**	**24.6**
% chg	**5.3%**	**3.0%**	**3.6%**	**4.2%**	**4.4%**	**3.0%**	**3.0%**
PDVSA propietary Consumption	**62.0**	**69.4**	**70.3**	**71.9**	**73.4**	**75.4**	**78.6**
% chg	**-7.5%**	**3.6%**	**3.0%**	**3.8%**	**2.6%**	**2.0%**	**2.0%**
Internal Market Sales	**592.0**	**601.5**	**613.2**	**624.2**	**635.5**	**645.9**	**657.7**
% chg	**14.3%**	**2%**	**2%**	**2%**	**2%**	**2%**	**2%**
Motor Gasoline	**315.0**	**325.1**	**337.7**	**349.9**	**362.5**	**374.4**	**388.1**
% chg	**8.6%**	**3.2%**	**3.9%**	**3.6%**	**3.6%**	**3.3%**	**3.7%**
Average Gasoline Prices Bs/L	**0.085**	**0.085**	**0.085**	**0.094**	**0.103**	**0.113**	**0.124**
% chg	**0.0%**	**0.0%**	**0.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**
Precio de Líquidos en el Mercado Interno USD/l	**7.00**	**7.21**	**7.43**	**7.65**	**7.88**	**8.11**	**8.36**
% chg	**-2.9%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Natural Gas Liquids Consumption	**116.2**	**121.3**	**125.7**	**125.9**	**127.5**	**129.4**	**132.6**
% chg	**2.0%**	**4.4%**	**3.6%**	**0.2%**	**1.3%**	**1.5%**	**2.5%**
Gas Internal Consumption	**501.7**	**507.0**	**513.0**	**517.4**	**526.6**	**533.5**	**545.2**
% chg	**1.1%**	**1.1%**	**1.2%**	**0.9%**	**1.8%**	**1.3%**	**2.2%**
EXPORTS OF CRUDE OIL + PRODUCTS							
Exports of Oil Crude + Refined Products	**2415.0**	**2431.7**	**2501.7**	**2574.3**	**2669.5**	**2752.7**	**2848.1**
% chg	-10.0%	0.7%	2.9%	2.9%	3.7%	3.1%	3.5%
Crude Oil	**1911.0**	**2012.4**	**2067.9**	**2130.4**	**2203.0**	**2279.9**	**2371.8**
% chg	-5.3%	5.3%	2.8%	3.0%	3.4%	3.5%	4.0%
Refined Products	**504.0**	**419.2**	**433.8**	**443.9**	**466.5**	**472.9**	**476.2**
% chg	-24.0%	-16.8%	3.5%	2.3%	5.1%	1.4%	0.7%
Venezuela Oil Basket Prices US$/B							
Venezuela Oil Average Basket Price	**72.7**	**101.1**	**105.4**	**110.6**	**116.7**	**121.4**	**127.4**
% chg	25.9%	39.0%	4.3%	5.0%	5.5%	4.0%	5.0%
Crude Prices	70.51	98.03	102.19	107.30	113.21	117.73	123.62
% chg	25.9%	39.0%	4.3%	5.0%	5.5%	4.0%	5.0%
Products Prices	80.96	115.61	120.42	126.55	133.24	138.93	146.49
% chg	28.5%	42.8%	4.2%	5.1%	5.3%	4.3%	5.4%
VENEZUELA OIL PRODUCTION SECONDARY SOURCES	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Crude Oil Production	2338	2384	2460	2603	2654	2764	2829
% chg	6.1%	2.0%	3.2%	5.8%	2.0%	4.2%	2.4%
Hydrocarboons Liquids Production	2581.0	2656.7	2740.1	2882.0	2933.2	3050.6	3125.6
% chg	5.9%	2.9%	3.1%	5.2%	1.8%	4.0%	2.5%
Final Sales of Liquids	682.1	679.5	679.0	677.7	676.5	674.1	672.9
% chg	12.0%	-0.4%	-0.1%	-0.2%	-0.2%	-0.4%	-0.2%
Apparently Exports Volume	1783.9	1740.9	1834.3	1981.7	2046.8	2152.3	2212.9
% chg	-5.4%	-2.4%	5.4%	8.0%	3.3%	5.2%	2.8%
DIFFERENCES BETWEEN OFICIAL AND SECONDARY SOURCES FIGURES							
Crude Oil Production	541.0	612.8	601.5	539.1	581.7	572.3	619.9
Internal Sales of Liquids	-90.1	-78.0	-65.9	-53.5	-41.0	-28.1	-15.2
Apparently Exports Volume	631.1	690.8	667.4	592.6	622.7	600.4	635.1

Table 10	2010	2011	2012	2013	2014	2015	2016
Oil National Industry Indicators (PDVSA Figures)	HISTORIC	ESTIMATED	FORECASTS				
C VARIABLES DE PRECIOS Y COSTOS US$/b							
Venezuela Oil Basket Price	**72.69**	**101.06**	**105.36**	**110.62**	**116.71**	**121.38**	**127.44**
% chg	**25.9%**	**39.0%**	**4.3%**	**5.0%**	**5.5%**	**4.0%**	**5.0%**
Fiscal Budget Oil Price	**37.00**	**40.00**	**50.00**	**40.00**	**40.00**	**40.00**	**40.00**
% chg	**5.1%**	**8.1%**	**25.0%**	**-20.0%**	**0.0%**	**0.0%**	**0.0%**
Internal Prices of Lyquids	**6.91**	**6.01**	**6.64**	**5.93**	**6.49**	**5.83**	**6.11**
% chg	5.0%	19.5%	2.1%	2.5%	2.8%	2.0%	2.5%
Internal Price of Lyquids Bs.F/Bl	**23.25**	**25.83**	**28.55**	**37.33**	**40.86**	**46.02**	**50.42**
% chg	50.0%	11.1%	10.5%	30.8%	9.5%	12.6%	9.6%
Average Gasoline Motor Price (Bs./l)	**85.0**	**85.0**	**85.0**	**127.5**	**165.8**	**198.9**	**238.7**
% chg	0.0%	0.0%	0.0%	50.0%	30.0%	20.0%	20.0%
Cubic Meter Gas Average Price	**111.8**	**118.0**	**124.2**	**143.3**	**150.1**	**159.6**	**167.2**
% chg	25.0%	5.6%	5.2%	15.4%	4.7%	6.3%	4.8%
Oil Royaltie Average Price US$/B	**12.321**	**13.320**	**16.650**	**13.320**	**13.320**	**13.320**	**13.320**
Effective Royaltie Rate	*0.333*	*0.333*	*0.333*	*0.333*	*0.333*	*0.333*	*0.333*
% Income Oil Tax	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Days of Year	365.00	365.00	365.00	365.00	365.00	365.00	365.00
Average Exchange Rate Bs./US$	3,365.00	4,300.00	4,300.00	6,300.00	6,300.00	7,900.00	8,250.00
Average Exchange Rate Bs.F/US$	3.37	4.30	4.30	6.30	6.30	7.90	8.25
Operative Cost of Oil Production Bs.F/B	**18,525.50**	**28,534.80**	**33,671.06**	**55,251.87**	**63,539.65**	**94,018.51**	**115,856.98**
Operative Cost of Oil Production US$/B	**5.53**	**6.64**	**7.83**	**8.77**	**10.09**	**11.90**	**14.04**
Implicit Cost of Production USD/B	**8.96**	**10.76**	**12.69**	**14.21**	**16.35**	**19.29**	**22.76**
Operative Cost of Refination USD/B	2.75	3.30	3.90	4.36	5.02	5.92	6.99
increase operative expenses in USD	18%	20%	18%	12%	15%	18%	18%
increase exploration expenses in USD	10%	-27%	7%	8%	15%	13%	14%
INTERNAL OIL INDUSTRY INCOME (INCLUDING OIL EXPORTS AND EXCLUDING PDVSA INTERNATIONAL OTHER ACTIVITIES) (Million USD)							
TOTAL INCOME	**67,257**	**92,114**	**98,880**	**106,270**	**116,272**	**124,246**	**134,907**
EXPORTS	65,721	89,696	96,203	103,944	113,715	121,952	132,483
INTERNAL SALES	1,400	2,418	2,677	2,326	2,557	2,293	2,424
Production and Refined Costs	13,340	11,187	13,485	15,473	18,300	22,234	27,075
Operatives Costs (including gross investments)	8,777	6,409	6,874	7,427	8,531	9,607	10,958
Depreciation and Amortization	5,520	5,878	6,259	6,664	7,096	7,556	8,046
Other expenses (other income)	12,009	14,411	11,529	17,293	19,022	20,924	23,017
General Expenses of Industry	**39,646**	**37,884**	**38,146**	**46,857**	**52,950**	**60,322**	**69,096**
Oil Royalties	**11,218**	**15,146**	**19,333**	**15,852**	**16,297**	**16,809**	**17,383**
Total Expenses Associated to Oil Industry	**50,864**	**53,031**	**57,479**	**62,709**	**69,247**	**77,131**	**86,478**
Social Programs Disbursements	**6,918**	**24,375**	**24,078**	**28,478**	**30,665**	**32,342**	**34,186**
Net profit before taxes	**9,475**	**14,709**	**17,322**	**15,084**	**16,360**	**14,773**	**14,243**
Caused Tax (Direct)	**4,738**	**7,355**	**8,661**	**7,542**	**8,180**	**7,387**	**7,121**
Cumulative Last Year	**(2,539)**	**(1,586)**	**1,154**	**1,963**	**(950)**	**723**	**811**
Collected Taxes (Central Government)	**3,785**	**4,614**	**7,852**	**10,455**	**6,507**	**7,299**	**7,139**
Deferred Taxes (to next year)	(1,586)	1,154	1,963	(950)	723	811	793
Net Profit after Taxes	*5,690.2*	*10,094.6*	*9,470.5*	*4,628.6*	*9,853.4*	*7,474.7*	*7,103.7*
Other resuorces disbursements for Social Programs	*3,984.0*	*4,780.8*	*2,390.4*	*2,151.4*	*2,581.6*	*2,839.8*	*3,123.8*
Dividends Payments to Share Holders	*1,000.0*	*1.0*	*1.0*	*1.0*	*1.0*	*0.8*	*0.8*
Final Net Profit for National Oil Industry	*(880.3)*	*6,466.4*	*9,042.0*	*1,525.7*	*7,993.7*	*5,445.1*	*4,772.4*
OIL SECTOR INVESTMENTS AND DEBT (Million USD)							
Oil Investments	10,691.00	15,119.00	16,215.70	17,520.54	20,125.85	22,662.96	25,850.98
Var%	(0.30)	7.0%	7.3%	8.0%	14.9%	12.6%	14.1%
Deuda del Sector Petrolero	32,972.00	35,110.00	39,631.01	40,393.86	44,390.70	45,479.72	45,956.97
Var%	*0.4*	6.5%	12.9%	1.9%	9.9%	2.5%	1.0%
PDVAS DISBURSEMENTS TO SOCIAL PROGRAMS							
TOTAL DISBURSEMENTS	**6,923**	**35,249**	**32,488**	**30,629**	**33,246**	**35,181**	**37,310**
	-	-	-	-	-	-	-
Social Programs	**1,605**	**15,740**	**13,897**	**13,897**	**13,897**	**13,897**	**13,897**
Social Trusts	**3,984**	**4,781**	**2,390**	**2,151**	**2,582**	**2,840**	**3,124**
Fonden	**1,334**	**14,728**	**16,201**	**14,581**	**16,768**	**18,445**	**20,289**

Table 11	2010	2011	2012	2013	2014	2015	2016
Public Finance	HISTORIC	ESTIMATED	FORECASTS				
Government Financial and Public Debt Performances Bs.F Million							
SUPUESTOS PARA VARIABLES FISCALES							
Total GDP at current prices	1,016,834,748	1,354,959,948	1,799,272,290	2,378,302,002	3,045,180,641	3,923,016,080	5,021,353,064
Non-oil GDP at Current Prices	817,131,884	1,001,465,257	1,395,415,434	1,790,016,194	2,369,303,031	3,044,677,533	3,989,195,960
Economic Growth Rate	-1.5%	4.2%	5.5%	2.1%	3.2%	1.6%	4.5%
Non-oil Economic Growth Rate	-1.6%	4.5%	5.7%	2.3%	2.7%	1.6%	4.4%
Average Official Exchange Rate Bs./USD	3,365.0	4,300.0	4,300.0	6,300.0	6,300.0	7,900.0	8,250.0
Average Official Exchange Rate Bs.F/USD	3.365	4.300	4.300	6.300	6.300	7.900	8.250
Average Consumer Inflation Rate	29.1%	27.2%	26.7%	30.8%	25.7%	26.3%	26.7%
Average Wholesale Inflation Rate	27.1%	22.2%	21.0%	30.8%	19.0%	25.2%	19.1%
Nominal VAT Rate	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Effective VAT Rate to Non-oil GDP Ratio	6.9%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Effective Income Tax Rate to Non-oil GDP Ratio	3.5%	3.5%	3.5%	3.2%	3.3%	3.5%	3.5%
Government Financial and Public Debt Performances Bs.F Million							
ORDINARY REVENUE							
Ordinary Oil Revenue	**56,527,641**	**88,735,444**	**125,494,583**	**177,167,079**	**186,393,983**	**235,243,195**	**281,128,197**
Income Tax (PDVSA and Associations)	8,705,068	19,842,073	33,762,730	65,869,407	40,991,051	57,659,751	58,898,260
Hydrocarbon Rent (Royalties) (PDVSA and Associations)	47,818,273	68,889,070	91,727,553	111,291,221	145,396,482	177,576,994	222,223,487
PDVSA Dividends	4,300	4,300	4,300	6,450	6,450	6,450	6,450
Ordinary Non-oil Revenue	**141,490,206**	**168,640,852**	**209,487,333**	**270,154,591**	**338,175,135**	**451,842,373**	**578,495,390**
Value Added Tax (VAT)	56,100,545	75,109,894	104,656,158	134,251,215	177,697,727	228,350,815	299,189,697
Income Tax on Internal Activities	28,136,707	35,051,284	48,839,540	57,280,518	78,187,000	106,563,714	139,621,859
Import Tax	10,935,559	16,974,186	19,213,304	24,479,854	25,544,875	32,973,570	35,309,145
Oil Consumption Tax	1,539,685	3,533,073	1,730,485	2,300,460	2,564,201	2,938,391	3,288,853
Alcohol Consumtion Tax	2,191,526	2,229,223	2,260,106	2,365,666	2,379,328	2,404,967	2,438,055
Tobacco Consumption Tax	5,400,864	6,600,575	7,293,069	8,415,018	9,212,390	10,374,888	11,366,388
Other Taxes	2,280,549	2,590,136	2,936,329	3,841,840	4,830,035	6,102,604	7,733,205
Other Income	34,904,771	26,552,481	34,518,225	51,777,338	54,366,205	81,549,307	101,936,634
Debit Bank*Financial Transaction Tax	-	-	-	-	-	-	-
BCV Exchange Rate Profits	-	-	-	-	-	-	-
Total Ordinary Income	**198,017,847**	**257,376,296**	**334,981,916**	**447,321,669**	**524,569,119**	**687,085,568**	**859,623,587**
% chg	**30.7%**	**30.0%**	**30.2%**	**33.5%**	**17.3%**	**31.0%**	**25.1%**
TOTAL SPENDING							
Current Spending	**186,976,736**	**240,640,084**	**348,701,242**	**437,525,310**	**514,273,677**	**644,149,377**	**801,566,530**
% chg	**30.1%**	**28.7%**	**44.9%**	**25.5%**	**17.5%**	**25.3%**	**24.4%**
Current Spending	58,101,071	82,919,090	118,783,774	151,907,934	190,923,417	248,876,236	324,461,285
Remuneration to White and Blue-Collar Employees	50,498,534	69,728,325	101,106,071	128,910,241	161,137,801	209,479,141	272,322,884
Purchases of Goods and Services, and Other Purchases	6,812,587	11,620,553	15,687,747	20,394,071	26,512,292	35,261,348	46,897,593
Other current expenses	789,950	1,570,212	1,989,956	2,603,623	3,273,324	4,135,747	5,240,809
Interest and Commissions on Public Debt	**15,019,257**	**27,519,821**	**47,427,486**	**66,845,072**	**60,972,472**	**70,001,509**	**63,998,682**
Internal	7,795,695	15,700,062	33,162,403	46,113,662	41,427,258	47,050,729	40,946,631
External	7,223,562	13,435,825	14,265,082	20,731,410	19,545,215	22,950,780	23,052,051
Subsidies and Transfers	**114,813,452**	**131,771,385**	**184,479,939**	**221,375,927**	**265,651,112**	**329,407,379**	**418,347,371**
Capital Spending	**42,996,370**	**60,710,269**	**78,636,607**	**94,535,974**	**117,267,619**	**145,196,791**	**179,785,952**
% chg	**12.6%**	**41.2%**	**29.5%**	**20.2%**	**24.0%**	**23.8%**	**23.8%**
Gross Capital Formation	806,692	2,867,428	3,440,914	4,301,142	5,376,428	6,451,713	7,742,056
Transfers of Capital	42,189,678	57,842,841	75,195,693	90,234,832	111,891,192	138,745,078	172,043,896
Off-budget Spending	**2,159,015**	**327,015**	**5,230,519**	**13,125,759**	**20,570,947**	**19,324,481**	**16,031,331**
Total Spending	**232,132,121**	**301,677,368**	**432,568,368**	**545,187,043**	**652,112,244**	**808,670,649**	**997,383,812**
% chg	**26.0%**	**30.0%**	**43.4%**	**26.0%**	**19.6%**	**24.0%**	**23.3%**
Public Debt Amortization Expenses	**30,390,697**	**17,775,864**	**24,103,409**	**51,798,723**	**47,003,778**	**68,359,414**	**89,416,171**
Internal	19,996,697	6,878,864	21,201,670	38,080,694	34,247,941	54,402,461	73,273,322
External	10,394,000	10,897,000	2,901,739	13,718,030	12,755,837	13,956,954	16,142,849
TOTAL EXPENSES AND DEBT AMORTIZATION OF CENTRAL GOVERNMENT (Executed)	**262,522,818**	**319,453,232**	**456,671,777**	**596,985,766**	**699,116,021**	**877,030,064**	**1,086,799,984**
Variación %	**37.5%**	**21.7%**	**43.0%**	**30.7%**	**17.1%**	**25.4%**	**23.9%**
Budget Expenses	-	-	-	-	-	-	-
Budget Agreement	-	-	-	-	-	-	-
Deficit Definitions							
Primary Surplus (+) / Deficit (-)	**(19,095,017)**	**(16,781,251)**	**(50,158,966)**	**(31,020,302)**	**(66,570,652)**	**(51,583,573)**	**(73,761,543)**
% of GDP	**-1.9%**	**-1.2%**	**-2.8%**	**-1.3%**	**-2.2%**	**-1.3%**	**-1.5%**
Gross Financing Needs	**(64,504,971)**	**(62,076,936)**	**(121,689,861)**	**(149,664,097)**	**(174,546,903)**	**(189,944,496)**	**(227,176,397)**
% of GDP	**-6.3%**	**-4.6%**	**-6.8%**	**-6.3%**	**-5.7%**	**-4.8%**	**-4.5%**
Financial Surplus (+) / Deficit (-)	**(29,546,015)**	**21,993,574**	**(23,901,250)**	**(76,916,638)**	**(84,545,498)**	**(73,449,651)**	**(96,173,443)**
% of GDP	**-2.9%**	**1.6%**	**-1.3%**	**-3.2%**	**-2.8%**	**-1.9%**	**-1.9%**
Sources of Financing	**34,958,956**	**84,070,509**	**97,788,611**	**72,747,458**	**90,001,404**	**116,494,845**	**131,002,954**
Internal Borrowing	20,427,119	53,110,509	63,732,611	47,799,458	52,579,404	57,837,345	63,621,079
External Borrowing	14,531,837	30,960,000	34,056,000	24,948,000	37,422,000	58,657,500	67,381,875
CENTRAL GOVERNMENT DEBT BALANCE							
BALANCE OF EXTERNAL DEBT							
In Millions of Bs.F	96,290,165	186,835,955	260,387,261	392,727,586	417,393,749	568,099,057	644,507,028
In Millions of US$	37,035	43,450	60,555	62,338	66,253	71,911	78,122
BALANCE OF INTERNAL DEBT							
In Millions of Bs.F	90,309,819	154,110,019	196,640,961	206,359,726	224,691,189	228,126,073	218,473,830
In Millions of US$	26,838	35,840	45,730	32,756	35,665	28,877	26,482
EXTERNAL DEBT SERVICE USD Million	**5,148**	**5,334**	**3,992**	**5,468**	**5,127**	**4,672**	**4,751**
Amortizations	3,998	2,534	675	2,177	2,025	1,767	1,957
Interest and Comissions	1,680	5,168	3,317	3,291	3,102	2,905	2,794
Effective Interest Rate	*4.5%*	*11.9%*	*5.5%*	*5.3%*	*4.7%*	*4.0%*	*3.6%*
EXTERNAL DEBT SERVICE Bs.F Million	**17,617,562**	**24,332,825**	**17,166,821**	**34,449,440**	**32,301,051**	**36,907,734**	**39,194,900**
Amortizations	10,394,000	10,897,000	2,901,739	13,718,030	12,755,837	13,956,954	16,142,849
Interest and Comissions	7,223,562	13,435,825	14,265,082	20,731,410	19,545,215	22,950,780	23,052,051
NUEVO ENDEUDAMIENTO EXTERNO Bs.F	14,531,837	30,960,000	34,056,000	24,948,000	37,422,000	58,657,500	67,381,875
New External Debt (Million USD)	4,319	7,200	7,920	3,960	5,940	7,425	8,168
Net External Debt (Million USD)	321	4,666	7,245	1,783	3,915	5,658	6,211
INTERNAL DEBT SERVICE IN MILLIONS OF Bs.F	**27,792,391**	**33,999,993**	**54,364,073**	**84,194,355**	**75,675,199**	**101,453,190**	**114,219,953**
Amortization	19,996,697	18,299,931	21,201,670	38,080,694	34,247,941	54,402,461	73,273,322
Interest	7,795,695	15,700,062	33,162,403	46,113,662	41,427,258	47,050,729	40,946,631
Effective Interest Rate	8.6%	10.2%	16.9%	22.3%	18.4%	20.6%	18.7%
TOTAL CENTRAL GOVERNMENT DEBT							
Million Bs.F	186,599,985	340,945,974	457,028,222	599,087,311	642,084,938	796,225,130	862,980,858
Millions USD	71,769	79,290	106,286	95,093	101,918	100,788	104,604
Direct Assumptions							
Tasa de Crecimiento del Gasto Fiscal							
Remuneraciones a Empleados y Obreros	20%	45.0%	45.0%	27.5%	25.0%	30.0%	30.0%
Compras de Bienes y Servicios y Otros	20%	35.0%	35.0%	30.0%	30.0%	33.0%	33.0%
Subsidios y Transferencias	30%	35.0%	40.0%	20.0%	20.0%	24.0%	27.0%
Formación Bruta de Capital	20%	20.0%	20.0%	25.0%	25.0%	20.0%	20.0%
Transferencias de Capital	20%	30.0%	30.0%	20.0%	24.0%	24.0%	24.0%
Porcentaje de Gastos Extrapresupuestarios Adicionales	1.2%	5.0%	1.5%	3.0%	4.0%	3.0%	2.0%
Total Expenses Expected Increase							
Current Expenses	30.1%	28.7%	44.9%	25.5%	17.5%	25.3%	24.4%
Total Expenses	37.5%	21.7%	43.0%	30.7%	17.1%	25.4%	23.9%

Table 12	2010	2011	2012	2013	2014	2015	2016
Real Structural Economic Ratios	HISTORIC	ESTIMATED	FORECASTS				
Aggregate Demand to GDP							
Internal Aggregate Demand to GDP	124.2%	128.3%	130.1%	122.4%	121.5%	120.7%	119.1%
Consumption to GDP	87.8%	88.0%	88.2%	89.0%	88.0%	88.8%	86.3%
Private Consumption to GDP	69.8%	69.7%	69.5%	70.3%	70.4%	70.9%	69.2%
Public Consumption to GDP	17.9%	18.2%	18.7%	18.6%	17.6%	17.9%	17.1%
Investment to GDP	30.3%	30.4%	29.7%	29.8%	29.7%	30.0%	29.6%
Private Investment to GDP	9.0%	8.5%	8.1%	7.6%	7.4%	7.5%	7.4%
Public Investment to GDP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Exports of Goods and Services to GDP	**14.0%**	**14.1%**	**13.8%**	**14.0%**	**14.2%**	**14.5%**	**14.5%**
Merchandise Exports to GDP	13.1%	13.1%	12.8%	12.9%	12.9%	13.1%	12.9%
Exports of Oil Merchandise to GDP	11.2%	11.0%	10.7%	10.8%	10.9%	11.0%	10.9%
Exports of Non-oil Merchandise to GDP	1.9%	2.1%	2.1%	2.0%	2.0%	2.0%	2.0%
Service Exports to GDP	0.9%	1.0%	1.0%	1.1%	1.3%	1.4%	1.6%
Imports of Goods and Services to GDP	**38.3%**	**42.4%**	**43.9%**	**36.4%**	**35.7%**	**35.2%**	**33.6%**
Merchandise Imports to GDP	34.2%	37.3%	38.8%	31.8%	31.1%	30.6%	29.1%
Service Imports to GDP	4.1%	5.1%	5.1%	4.6%	4.6%	4.6%	4.5%
Real Volume of Trade to GDP	47.3%	50.4%	51.7%	44.6%	44.0%	43.6%	42.1%
Production Structure							
Oil GDP to Total GDP	**11.7%**	**11.3%**	**11.0%**	**11.0%**	**11.0%**	**11.1%**	**10.9%**
Non-oil GDP to Total GDP	**77.3%**	**77.5%**	**77.6%**	**77.7%**	**77.4%**	**77.4%**	**77.4%**
Non-oil Merchandise GDP to Total GDP	28.7%	28.5%	28.1%	28.4%	28.1%	28.6%	28.4%
Agricultural GDP to Total GDP	4.3%	4.1%	3.9%	3.9%	3.8%	3.9%	3.6%
Mining GDP to Total GDP	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Manufacturing GDP to Total GDP	14.5%	14.5%	14.3%	14.4%	14.2%	14.4%	14.4%
Construction GDP to Total GDP	7.2%	7.2%	7.2%	7.4%	7.3%	7.5%	7.5%
Electricity and Water Supply GDP to Total GDP	2.3%	2.3%	2.3%	2.3%	2.3%	2.4%	2.4%
Non-oil Services GDP to Total GDP	48.5%	49.0%	49.5%	49.3%	49.3%	48.8%	49.0%
Commercial GDP to Total GDP	9.4%	9.6%	9.7%	9.7%	9.6%	9.3%	9.4%
Transportation and Storage GDP to Total GDP	3.5%	3.5%	3.6%	3.6%	3.6%	3.6%	3.6%
Communication GDP to Total GDP	6.4%	6.6%	6.7%	7.0%	7.2%	7.4%	7.5%
Other Services GDP to Total GDP	29.3%	29.3%	29.6%	29.0%	28.8%	28.5%	28.4%
Net Indirect Taxes	**11.0%**	**11.2%**	**11.4%**	**11.3%**	**11.6%**	**11.5%**	**11.7%**
Institutional Structure of GDP							
Private GDP to Total GDP	65.6%	65.6%	64.4%	62.3%	61.6%	61.7%	60.7%
Public GDP to Total GDP	34.4%	34.4%	35.6%	37.7%	38.4%	38.3%	39.3%
Orientation of Production							
Tradable GDP to Total GDP	31.0%	30.3%	29.6%	29.7%	29.5%	29.8%	29.5%
Oil Tradable GDP to Total GDP	11.7%	11.3%	11.0%	11.0%	11.0%	11.1%	10.9%
Non-oil Tradable GDP to Total GDP	19.3%	19.0%	18.6%	18.7%	18.5%	18.7%	18.5%
Nontradable GDP to Total GDP	58.0%	58.5%	59.0%	59.0%	58.9%	58.7%	58.9%
Labour Structure							
Informal Occupation Rate	**43.9%**	**43.2%**	**42.5%**	**43.1%**	**43.4%**	**43.4%**	**42.5%**
Formal Occupation Rate	56.1%	56.8%	57.5%	56.9%	56.6%	56.6%	57.5%
Unemployment Rate	**8.5%**	**8.2%**	**7.5%**	**8.2%**	**8.6%**	**8.6%**	**7.9%**
Prices Relations							
WPI to CPI	1.143	1.099	1.049	1.048	0.992	0.983	0.924
National Disposable Income and its Distribution							
National Disposable Income to GDP	92.8%	91.9%	89.0%	89.5%	89.2%	89.5%	89.5%
Disposable Personal Income to Disposable National Income	61.9%	60.7%	62.9%	64.0%	66.8%	67.6%	68.7%
Disposable Persona Income to GDP	57.5%	55.8%	56.0%	57.3%	59.7%	60.5%	61.5%
Consumption to Disposable Personal Income	96.1%	97.1%	98.2%	98.0%	97.0%	96.5%	96.5%
Per Capita GDP, Labor Mean Productivity and Real Salaries Real Indexes (1997=100)							
Labor Mean Real Productivity Index	91.9	94.0	95.9	96.1	96.9	95.9	96.7
Var %	-2.6%	2.2%	2.0%	0.2%	0.8%	-1.0%	0.8%
Real Average Salaries Index	80.7	83.4	86.9	80.1	76.9	74.0	75.5
Var %	-5.4%	3.4%	4.1%	-7.8%	-4.0%	-3.8%	2.0%
Real GDP Per Capita Index	105.1	107.9	112.0	112.6	114.3	114.3	117.5
Var %	-3.0%	2.6%	3.9%	0.5%	1.5%	0.0%	2.8%

Table 13	2010	2011	2012	2013	2014	2015	2016
Nominal Structural Economic Ratios	HISTORIC	ESTIMATED	FORECASTS				
Monetary Ratios							
Indicators of Monetization							
Monetary Liquidity M2 to GDP	0.292	0.330	0.381	0.391	0.406	0.433	0.479
Currency M1 to GDP	0.268	0.315	0.383	0.392	0.402	0.438	0.470
Multipliers of the Monetary Variables	-	-	-	-	-	-	-
Multiplier of Liquidity	2.41	2.59	2.68	2.70	2.70	2.75	2.94
Multiplier of Currency	2.21	2.47	2.69	2.72	2.67	2.78	2.89
Structure of Monetary Liquidity	-	-	-	-	-	-	-
M1/M2	0.918	0.955	1.005	1.004	0.989	1.011	0.982
Quasimony/M2	0.082	0.045	(0.005)	(0.004)	0.011	(0.011)	0.018
Velocity of Circulation	-	-	-	-	-	-	-
Velocity of Circulation of Monetary Liquidity	3.43	3.03	2.62	2.56	2.46	2.31	2.09
Velocity of Circulation of Currency	3.74	3.18	2.61	2.55	2.49	2.28	2.13
Monetary Exchange Rate	-	-	-	-	-	-	-
Monetary Liquidity to Central Bank Reserves	10,054.09	14,942.52	24,393.50	25,868.82	34,575.11	41,418.80	59,269.03
Monetary Liquidity to Total Reserve Assets	9,778.31	14,941.02	24,390.84	25,866.55	34,571.99	41,415.43	59,263.97
External Ratios							
Opening and Terms of Trade							
Terms of Trade	137.2	235.2	227.3	229.9	230.4	235.0	231.9
Commercial Undervaluation (-) / Overvaluation (+)	118.0%	40.1%	65.0%	37.9%	61.6%	56.0%	70.1%
Economic Importance of the Principal Trade Balance Variables							
Current Account to GDP	-	-	-	-	-	-	-
Coverage of Foreign Reserves							
Months of Imports to Foreign Reserves	9.43	7.72	6.42	9.43	9.01	10.03	9.66
Months of Imports + Interest on Foreign Debt to Foreign Reserves	8.69	7.09	5.64	7.91	7.52	8.34	8.01
Months of Imports + External Debt Service to Foreign Reserves	7.59	5.86	5.33	6.99	6.62	7.38	7.09
Central Goverment Performance as % of GDP							
ORDINARY REVENUE	**19.5%**	**19.0%**	**18.6%**	**18.8%**	**17.2%**	**17.5%**	**17.1%**
Ordinary Oil Revenue	5.6%	6.5%	7.0%	7.4%	6.1%	6.0%	5.6%
Income Tax (PDVSA and Associations)	0.9%	1.5%	1.9%	2.8%	1.3%	1.5%	1.2%
Hydrocarbon Rent (Royalties) (PDVSA and Associations)	4.7%	5.1%	5.1%	4.7%	4.8%	4.5%	4.4%
PDVSA Dividends	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Ordinary Non-oil Revenue	13.9%	12.4%	11.6%	11.4%	11.1%	11.5%	11.5%
Value Added Tax (VAT)	5.5%	5.5%	5.8%	5.6%	5.8%	5.8%	6.0%
Income Tax on Internal Activities	2.8%	2.6%	2.7%	2.4%	2.6%	2.7%	2.8%
Import Tax	1.1%	1.3%	1.1%	1.0%	0.8%	0.8%	0.7%
Cigarette and Liquor Tax	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.0%
Other Revenues	3.4%	2.0%	1.9%	2.2%	1.8%	2.1%	2.0%
Bank Debit Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FISCAL SPENDING AS % OF GDP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Spending - Interest	**16.9%**	**15.7%**	**16.7%**	**15.6%**	**14.9%**	**14.6%**	**14.7%**
Current Spending	**18.4%**	**17.8%**	**19.4%**	**18.4%**	**16.9%**	**16.4%**	**16.0%**
Capital Spending	4.2%	4.5%	4.4%	4.0%	3.9%	3.7%	3.6%
Public Debt Amortization Spending	3.0%	1.3%	1.3%	2.2%	1.5%	1.7%	1.8%
Spending - Amortizations	22.8%	22.3%	24.0%	22.9%	21.4%	20.6%	19.9%
Total Spending	**25.8%**	**23.6%**	**25.4%**	**25.1%**	**23.0%**	**22.4%**	**21.6%**
Deficit Variables							
Current Surplus (+) / Deficit (-)	**-1.9%**	**-1.2%**	**-2.8%**	**-1.3%**	**-2.2%**	**-1.3%**	**-1.5%**
Gross Financing Needs	**-6.3%**	**-4.6%**	**-6.8%**	**-6.3%**	**-5.7%**	**-4.8%**	**-4.5%**
BALANCE OF INTERNAL PUBLIC DEBT							
Balance as % of GDP	8.9%	11.4%	10.9%	8.7%	7.4%	5.8%	4.4%
Balance as % of Monetary Liquidity	30.4%	34.5%	28.7%	22.2%	18.2%	13.4%	9.1%
Service as % of GDP	2.7%	2.5%	3.0%	3.5%	2.5%	2.6%	2.3%
Service as % of Monetary Liquidity	9.4%	7.6%	7.9%	9.1%	6.1%	6.0%	4.8%
TOTAL PUBLIC DEBT							
Balance as % of GDP	18.4%	25.2%	25.4%	25.2%	21.1%	20.3%	17.2%
Service as % of GDP	4.5%	4.3%	4.0%	5.0%	3.5%	3.5%	3.1%

Table 14	2010	2011	2012	2013	2014	2015	2016
The Venezuelan Economy in the World	HISTORIC	ESTIMATED	FORECASTS				
World Economic Growth	1.5%	1.8%	2.1%	2.2%	1.5%	1.5%	1.5%
USA Consumer Inflation Rate							
Annual Average	1.6%	3.2%	2.0%	2.3%	2.4%	1.8%	1.8%
% chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Venezuela Caracas Consumer Inflation Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Annual Average	29.1%	27.2%	26.7%	30.8%	25.7%	26.3%	26.7%
% chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Oil Exchange Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Annual Average	3.620	4.300	4.300	6.300	6.300	7.900	8.250
% chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Comercial Parity Exchange Rate							
Annual Average	5.431	5.631	6.706	8.116	9.610	11.609	13.286
% chg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Venezuela Population	28,830,996	29,271,530	29,739,874	30,215,712	30,699,164	31,190,350	31,689,396
Venezuela Households	6,787,390	6,787,394	6,957,616	7,068,937	7,182,039	7,296,951	7,413,702
Venezuela Economic Activity in USD							
Nominal GDP Bs	1,016,834,748	1,354,959,948	1,799,272,290	2,378,302,002	3,045,180,641	3,923,016,080	5,021,353,064
% chg	43.8%	33.3%	32.8%	32.2%	28.0%	28.8%	28.0%
Nominal GDP Million USD	280,894	315,107	418,435	377,508	483,362	496,584	608,649
% chg	-14.6%	12.2%	32.8%	-9.8%	28.0%	2.7%	22.6%
Purchasing Power Parity GDP Million USD	187,227	240,629	268,320	293,050	316,871	337,928	377,957
% chg	21.2%	28.5%	11.5%	9.2%	8.1%	6.6%	11.8%
Real GDP Million USD at constant prices of 1997	113,865	118,620	125,162	127,812	131,849	133,928	139,902
% chg	-1.5%	4.2%	5.5%	2.1%	3.2%	1.6%	4.5%
Nominal Per Capita GDP USD	9742.8	10765.0	14069.8	12493.8	15745.1	15921.1	19206.7
% chg	-15.9%	10.5%	30.7%	-11.2%	26.0%	1.1%	20.6%
Purchasing Power Parity Per Capital GDP USD	6494.0	8220.6	9022.2	9698.6	10321.8	10834.4	11926.9
% chg	19.3%	26.6%	9.8%	7.5%	6.4%	5.0%	10.1%
Real Per Capital GDP USD 1997=100	3949.4	4052.4	4208.5	4230.0	4294.9	4293.9	4414.8
% chg	-3.0%	2.6%	3.9%	0.5%	1.5%	0.0%	2.8%
External Trade Indicators							
Index of Terms of Trade 1997=100	415.17	527.40	531.15	536.87	545.16	550.45	559.90
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Account as % of GDP	4.3%	8.6%	7.4%	12.1%	10.9%	12.0%	11.2%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Trade Openess as % of GDP	41.7%	48.7%	40.6%	45.4%	38.3%	39.5%	34.5%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Exports	65,745	92,602	101,065	108,909	118,950	127,502	138,421
Oil Exports	62,317	88,131	96,203	103,944	113,715	121,952	132,483
Imports of Goods	38,613	46,441	52,567	45,714	47,703	49,104	50,352
Debt Indicators							
External Debt	92,843	107,428	119,775	122,582	131,060	138,173	145,227
Public	83,240	96,420	108,186	110,732	118,644	125,391	132,079
Non Oil	50,268	61,310	68,555	70,338	74,253	79,911	86,122
Oil	32,972	35,110	39,631	40,394	44,391	45,480	45,957
Private	9,603	11,008	11,589	11,850	12,416	12,782	13,148
External Debt Balance as % of GDP	33.1%	34.1%	28.6%	32.5%	27.1%	27.8%	23.9%
Public External Debt as % of GDP	29.6%	30.6%	25.9%	29.3%	24.5%	25.3%	21.7%
External Debt Balance as % of Exports	141.2%	116.0%	118.5%	112.6%	110.2%	108.4%	104.9%
External Debt Balance as % of Oil Exports	149.0%	121.9%	124.5%	117.9%	115.3%	113.3%	109.6%
Public External Debt Balance as % of Exports	126.6%	104.1%	107.0%	101.7%	99.7%	98.3%	95.4%
Public External Debt Balance as % of Oil Exports	52.9%	39.8%	41.2%	38.9%	39.0%	37.3%	34.7%
External Debt Service as % of GDP	3.3%	4.7%	2.6%	4.2%	3.6%	3.5%	3.0%
Public External Debt Service as % of GDP	3.3%	4.7%	2.4%	3.9%	3.4%	3.3%	2.8%
Public External Debt Service as % of Oil Exports	14.8%	16.6%	10.4%	14.3%	14.3%	13.5%	13.0%
PDVSA Oil Figures and Balance of Payments							
PDVSA Oficial Oil Production Figures							
Crude Oil Production	2,879	2,997	3,062	3,142	3,235	3,337	3,449
Petroleum and Refined Produts Exports	2,415	2,432	2,502	2,574	2,669	2,753	2,848
Average Year Oil Price	72.7	101.1	105.4	110.6	116.7	121.4	127.4
Oil Exports Income	62,317	88,131	96,203	103,944	113,715	121,952	132,483
Current Account	12,071	27,205	30,872	45,758	52,894	59,510	67,879
Capital Account	(17,818)	(27,619)	(29,130)	(34,269)	(48,789)	(49,862)	(63,459)
Errors and Omissions	(2,313)	(3,618)	(3,450)	(3,622)	(4,165)	(4,374)	(4,878)
Balance of Payments	(8,060)	(4,032)	(1,707)	7,866	(61)	5,274	(459)
OPEC Secondary Sources Venezuela Oil Figures and Balance of Payments Correction							
OPEC Secondary Sources Venezuela Oil Production Figures							
Crude Oil Production	2,338	2,384	2,460	2,603	2,654	2,764	2,829
Petroleum and Refined Produts Exports	1,784	1,741	1,834	1,982	2,047	2,152	2,213
Differences with PDVSA							
Oil Crude Production	541	613	602	539	582	572	620
Exports	631	691	667	593	623	600	635
Oil Exports Income	47,330	64,216	70,538	80,016	87,190	95,351	102,940
Difference with Oficial BCV/PDVSA Figure	(14,987)	(23,915)	(25,665)	(23,928)	(26,525)	(26,601)	(29,544)
Current Account	(2,916)	3,290	5,208	21,830	26,368	32,909	38,335
Capital Account	(2,831)	(3,704)	(3,465)	(10,341)	(22,264)	(23,261)	(33,916)
Errors and Omissions	(2,313)	(3,618)	(3,450)	(3,622)	(4,165)	(4,374)	(4,878)
Balance of Payments	(8,060)	(4,032)	(1,707)	7,866	(61)	5,274	(459)